

Terms of Reference

Finance and Performance Committee *(February 2023)*

The *Hospital and Health Boards Act 2011* (the HHBA) requires the Children's Health Queensland Hospital and Health Board (the Board) to establish committees prescribed under the *Hospital and Health Boards Regulation 2012* (the Regulation). The Regulation prescribes the establishment of a finance committee and 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).

In reviewing and applying the Committee's terms of reference consideration must be given to the Board Charter.

1. Terms of Reference Purpose

The purpose of the terms of reference is to clearly outline the respective roles and responsibilities of the Committee, its members, the Committee Chair, the Board Secretary and the Health Service Chief Executive with respect to the Committee. It also sets out the key functions of the Committee and the processes used by the Committee to fulfil its role, responsibilities and functions. In the event that the Committee terms of reference are inconsistent with the HHBA (including schedules to the HHBA or the Regulation), the HHBA and/or the Regulation prevails.

In fulfilling its responsibilities, Committee members strive to personally demonstrate the Children's Health Queensland Hospital and Health Service (Children's Health Queensland) values of:

- Respect: We listen to others
- Integrity: We do the right thing
- Care: We look after each other
- Imagination: We dream big

2. Role of 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 has the following functions:

- (a) Advising the Board about the matters stated in paragraphs (b) to (h);
- (b) Assessing Children's Health Queensland's budgets and ensuring the budgets are:
 - (i) consistent with the organisational objectives of Children's Health Queensland; and
 - (ii) appropriate having regard to Children's Health Queensland's funding;
- (c) Monitoring Children's Health Queensland's cash flow, having regard to the revenue and expenditure of the Children's Health Queensland;
- (d) Monitoring the financial and operating performance of Children's Health Queensland, including operational effectiveness, efficiency and sustainability;
- (e) Monitoring the adequacy of Children's Health Queensland's financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2019*;
- (f) Assessing financial risks or concerns that impact, or may impact, on the financial performance and reporting obligations of Children's Health Queensland and how Children's Health Queensland manages these risks or concerns;
- (g) Assessing financial risks, issues, and mitigating actions relating to Children's Health Queensland strategic ICT and capital infrastructure projects in accordance with project milestones and budgets;



- (h) Assessing complex or unusual financial transactions or proposed transactions related to Children's Health Queensland;
- (i) Taking a proactive approach to risk management by:
 - (i) Identifying risks and mitigating strategies associated with all decisions, to ensure the ongoing financial viability of the organisation;
 - (ii) Implementing processes to enable the Committee to identify, monitor and manage critical risks as they relate to the accountabilities of the Committee;
 - (iii) Informing the Board Audit and Risk Committee (via the Board) of top line financial risks, mitigations and changes to the likelihood or consequences of those risks.
- (j) Any other function given to the Committee by the Board, if the function is not inconsistent with a function mentioned in paragraphs (a) to (h).

The Committee will actively support and facilitate effective communication and engagement with the Children's Health Queensland Board and other established Board sub-committees in order to support effective integrated governance.

Standing Agenda Items

The Committee will receive the following reports as standing items:

- Operations and Finance Report (including a Sustainability Program update)
- Strategic ICT Project Report and Project Dashboard
- Strategic Capital Infrastructure Project Report and Project Dashboard

Reporting to the Board

The Committee, via the Committee Chair, will provide prompt and constructive written and oral reports on its findings directly to the Board highlighting issues it considers warrant Board discussion, approval or noting.

The minutes of each Committee meeting will be provided to the subsequent Board meeting or, if the subsequent Board meeting occurs within one week of the Committee meeting, the minutes will be provided to the following Board meeting.

3. Committee composition

The Committee membership is determined by the Board and consists of at least three Board members, one of which is appointed as the Committee Chair.

4. Role of the Committee Chair

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

5. Role of the Committee Members

The duties and obligations of Board members set out in the Board Charter apply to Committee members. These duties and obligations include:

- Meeting attendance and preparation
- Disclosure of interests
- Gifts and benefits disclosures



- Confidentiality
- Board (Committee) solidarity
- Code of Conduct
- Storage of information
- Media and protocols

Committee members will actively support and facilitate effective communication and engagement with the Children's Health Queensland Board and other established Board sub-committees in order to support effective integrated governance.

6. Role of the Board Secretariat

The Committee is supported by the Board Secretariat which is responsible for ensuring that Committee business is conducted in a manner consistent with good governance practice.

The Board Secretariat is accountable 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
- Advising the Committee on good governance practices and adherence to applicable laws and Board and Committee terms of reference and procedures.

All members have direct access to the Board Secretary and to the Health Service Chief Executive. The Chair has direct access to the Executive Leadership Team if the matter is procedural in nature; matters of a substantive nature are to proceed to the Executive Leadership Team member via the Health Service Chief Executive.

7. Authority

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.

8. Committee Meetings

Time and Place of Meetings

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

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

Quorum

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

Attendees

Attendees at Committee meetings comprise all members plus:

- Health Service Chief Executive
- Executive Director Corporate Services - Chief Finance Officer
- Executive Director Clinical Services
- Senior Director Financial Performance and Sustainability



— Board Secretary

In addition, the Committee Chair or a majority of members 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.

Written Resolutions

In extraordinary circumstances, a valid resolution may be made outside of a Committee meeting via the Board portal as outlined within the Board Charter

9. Committee Papers

Responsibilities as set out in the Board Charter apply to Committee meetings.

10. Committee Evaluation

The Committee will undertake an annual self-assessment of the Committee's performance, including its performance against the Board Charter to ensure that the Committee remains fit for purpose and identify any areas in which the effectiveness of the Committee could be improved.

11. Review

The Committee will review the terms of reference as the need arises, but at least once every two years. Any amendments must be approved by the Board.

12. Publication

A copy of the terms of reference will be made available at www.childrens.health.qld.gov.au.

