

Terms of Reference

Board Finance and Performance Committee *as at March 2019*

1.0 Purpose

The purpose of the Children's Health Queensland (CHQ) Board Finance and Performance Committee (the Committee) is to support the Board with its governance responsibilities and make recommendations to the Board. This is achieved by overseeing the financial position, performance and resource planning strategies of the Hospital and Health Service in accordance with the *Financial Accountability Act 2009*. In fulfilling its responsibilities, the Committee will observe and promote the core organisational values of respect, care, integrity and imagination.

2.0 Authority

The Committee is a prescribed committee under Part 7 of the *Hospital and Health Boards Regulation 2012* and reports to the Children's Health Queensland Hospital and Health Board. The terms of reference are approved by the Children's Health Queensland Hospital and Health Board. The Board has authorised the Committee, within the scope of its responsibilities to:

- examine any matter in relation to its purpose and function as it sees fit or as requested by the Board;
- engage external resources if necessary to obtain independent advice in relation to Committee matters with the approval of the Board; and
- have access to all levels of management via the Health Service Chief Executive in order to seek information from any employee to assist in carrying out the Committee responsibilities.

The Committee has no executive powers and is an advisory committee of the Board.

3.0 Functions

The Committee has the following functions:

- (a) Advising the board about the matters stated in paragraphs (b) to (g);
- (b) Assessing the CHQ 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 CHQ cash flow, having regard to the revenue and expenditure of the Service;
- (d) Monitoring the financial and operating performance of CHQ;
- (e) Monitoring the adequacy of CHQ financial systems, having regard to its operational requirements and obligations under the *Financial Accountability Act 2009*;
- (f) Assessing financial risks or concerns that impact delivery of services, and how the CHQ is managing the risks or concerns;
- (g) Assessing complex or unusual financial transactions or proposed transactions related to CHQ;
- (h) Any other function given to the Committee by the Board, if the function is not inconsistent with a function mentioned in paragraphs (a) to (g).
- (i) Advise the Board and Health Service Chief Executive on the above mentioned matters.

4.0 Risk Management

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

- Identify risks and mitigating strategies associated with all decisions, to ensure the ongoing financial viability of the organisation;
- Implement processes to enable the Committee to identify, monitor and manage critical risks as they relate to the accountabilities of the Committee;
- Inform 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.

5.0 Reporting

The Committee will prepare prompt and timely reports to the Board outlining relevant matters that have been considered by it, as well as the Committee's opinions and recommendations thereon. The minutes of Committee meetings will be provided to the next meeting of the Board. The Chair will report to the Board on a regular basis. The Committee will provide the following to the Board:

- Annual meeting schedule
- Confirmed meeting minutes

The Committee will receive the following reports as standing items:

- Finance Report
- Operations Report

6.0 Membership

Membership is determined by the Board. Members, including the Chair, will include at least three members of the Board. The term of the appointment is for one year and can be extended for a further term subject to an assessment of individual member performance and the composition and skill requirements of the Committee. The appointment of the Committee Chair and Board members on the Committee will be minuted at the appropriate Board meeting.

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

- a commitment to the continual improvement in the financial performance of the HHS;
- a high level understanding of sound financial practice;
- a high level understanding of best practice in financial management;
- a high level of understanding of risk assessment and management;
- a sound knowledge of financial information systems; and
- a high level of competency in financial matters and the ability to analyse financial and management reports.

Chair:

If the Chair is absent from a meeting or vacates the Chair at a meeting, the Chair must appoint another member to act as the Chair on a temporary basis.

Standing invites:

The following positions will be invited to attend each meeting:

- Health Service Chief Executive
- Chief Finance Officer
- Executive Director Clinical Services (QCH)
- Executive Director Clinical Services

Proxies:

Proxies are only permitted if approved by the Chair.

7.0 Other Participants

The Chair may request Health Service Executive management team members, employees or external parties to attend a meeting of the Committee. Persons officially acting in a standing invitees' position may attend and participate in committee deliberations / contribute to committee recommendations provided they are suitably briefed prior to the meeting.

8.0 Quorum

A quorum will comprise half of the voting members, including the Chair, plus one.

9.0 Out of Session Papers

Urgent matters can be progressed out-of-session with the agreement of the Chair.

10.0 Performance

The Committee will undertake an annual self-assessment of its performance to ensure that the Committee remains fit for purpose and to identify and action any areas in which the effectiveness of the Committee could be improved. The Committee will provide a report on the annual review of outcomes to the Board.

10.0 Confidentiality and Access

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. This responsibility includes, but is not limited to, the obligations on Board Members outlined in the *Hospital and Health Boards Act 2011* in Part 7 Confidentiality.

The Committee has full, free and unrestricted access to all records, documentation and physical property and personnel as may be required to fulfil its responsibilities. CHQ employees and management are expected to make themselves available to the Committee and frank, truthful and meaningful answers be given to questions asked of Committee members.

11.0 Secretariat

Secretariat support will be provided by Board Secretary or another officer. The secretariat will be responsible for the preparation and circulation of the meeting agenda and accurately minuting all decisions of the Committee, in consultation with the Chair. The secretariat will also be responsible for the timely tabling of all correspondence, reports and other information relevant to the Committee's activities.

12.0 Meeting Schedule

Meetings will be held at least four times a year and a schedule of meetings will be agreed in advance. In addition, the Chair may call additional meetings as necessary to address any matters referred to the Committee or in respect of matters the Committee wishes to pursue within its Terms of Reference.

13.0 Business Rules

As per the Board Business Rules which provides the corporate governance framework for Board and Committee meetings.

14.0 Terms of Reference Review

The Terms of Reference will be reviewed annually by the Committee to ensure it remains consistent with the Committee's authority, purpose function and responsibilities.