

Terms of Reference

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Finance Committee Mackay Hospital and Health Board

1. Purpose

The purpose of the Finance Committee is to advise the Mackay Hospital and Health Board (Mackay HHB) on matters relating to the financial and operational performance of the Mackay Hospital and Health Service (Mackay HHS).

2. Authority

The Finance Committee is a prescribed committee under section 46 of the *Hospital and Health Boards Regulation 2023* (Qld) (HHBR).

3. Membership

The Mackay HHB shall appoint the members of the Finance Committee and review the composition of the Finance Committee from time to time. The Finance Committee will consist of at least three (3) Board Members.

The Mackay HHB shall appoint one of the Board Members as the chair of the Finance Committee. In the temporary absence of the Committee Chair, the Committee Members shall appoint the chair of that Finance Committee meeting. In the permanent absence of the Committee Chair, the Mackay HHB must nominate a new Committee Chair.

The Finance Committee Members are:

- Mr William Cooper – Committee Chair
- Dr Peter O'Mara – Committee Member
- Ms Monica McKendry – Committee Member

The Board Chair is an ex officio member of the Finance Committee (if not already appointed as a Committee Member by the Mackay HHB).

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

The following positions will be invited to attend each meeting:

- Chief Executive
- Executive Director Corporate Services – Executive Sponsor
- Executive Director Operations Mackay
- Executive Director Public Health and Rural Services
- Director Strategic Finance

The Executive Sponsor, with the approval of the Committee Chair, may invite additional Mackay HHS staff to attend meetings.

4. Duties and Responsibilities

The duties and responsibilities of the Finance Committee shall be as follows:

- a) Advising the Mackay HHB about the matters stated in paragraphs (b) to (g).
- b) Assessing Mackay HHS budgets and ensuring the budgets are consistent with the organisational objectives of the Mackay HHS and appropriate having regard to the Mackay HHS' funding.
- c) Monitoring the Mackay HHS' cash flow, having regard to the revenue and expenditure of the Mackay HHS.
- d) Monitoring the financial and operating performance of the Mackay HHS.
- e) Monitoring the adequacy of the Mackay HHS' financial systems, having regard to its operational requirements and its 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 Mackay HHS, and how the Mackay HHS is managing the risks or concerns.
- g) Assessing the Mackay HHS' complex or unusual financial transactions.
- h) Any other function given to the Finance Committee by the Mackay HHB, if the function is not consistent with a function mentioned in paragraphs (a) to (g).

5. Reporting Relationships

The Finance Committee reports directly to the Mackay HHB.

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

The Finance Committee can only endorse matters to the Mackay HHB for approval.

The Finance Committee is advisory in nature, and does not hold financial, procurement or any other form of delegation to approve matters on behalf of the Mackay HHB.

6. Meetings

The Finance Committee will meet six times per financial year (July, October, January, April, May and June). The Finance Committee Chair shall decide if any additional meetings are required to fulfil the Finance Committee's duties and responsibilities.

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

7. Quorum

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

8. Agenda

The agenda assists in focusing discussion. It helps to ensure that the Finance Committee's discussion progresses through the full list of items to be addressed and that time spent during meetings reflects the Finance Committee's priorities.

The Secretariat, in conjunction with the Committee Chair and the Executive Sponsor, is responsible for preparing the agenda for each Finance Committee meeting.

The Committee Chair is responsible for ensuring that items included on the agenda reflect matters that, according to this Terms of Reference, sit within the Finance Committee's duties and responsibilities.

Committee Members and Executive Leadership Team members may contribute to the agenda by submitting items for the Committee Chair's consideration, either directly to the Committee Chair or via the Secretariat. Any such request should be made at least 10 business days prior to the Finance Committee meeting.

9. Meeting Briefs

The Secretariat is responsible for the collation and distribution of meeting briefs.

All meeting briefs must be approved by the relevant Executive Leadership Team member prior to submitting to the Secretariat for finalising. The finalised meeting briefs will be submitted to the Chief Executive for sign-off and, once given, distributed to Committee Members.

The Secretariat retains electronic copies of all meeting briefs including copies of all briefs and documents tabled during the relevant meeting.

The treatment of any additional copies of meeting briefs distributed to individual Committee Members and their respective annotations and notes is the responsibility of each individual Committee Member taking into account (inter alia) their confidentiality obligations as well as the law with regards to the destruction of documents that may become relevant in present or potential or anticipated litigation or formal inquiries or investigations.

10. Minutes

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

The Secretariat is responsible for taking the minutes. The minutes should be prepared by the Secretariat within five business days of the meeting and submitted to the Committee Chair for review and acceptance within three business days of receipt.

The minutes will be tabled at the subsequent Mackay HHB meeting for noting, and the next Finance Committee meeting for approval. Committee Members are responsible for ensuring minutes are accurate and reflect a true and correct record of the procedures and decisions of meetings.

11. Written Resolutions

The following procedure applies to a notice of a written resolution, pursuant to the requirements under *Hospital and Health Board Act 2011* (Qld) (**HHBA**), Schedule 1, section 6(6):

- a) The notice must be proposed in writing (e.g. by email).
- b) The full wording of the proposed resolution and the reasons for the proposal must be attached to the notice.
- c) The notice can be given by any Committee Member or the Secretariat on behalf of a Committee Member.
- d) The proposed written resolution is passed once the Secretariat has received the necessary quorum of votes from eligible Committee Members.

12. Work Plans

The Secretariat, in consultation with the Committee Chair and the Executive Sponsor, shall maintain an annual work plan for the Finance Committee (see **Appendix 1**). The annual work plan shall identify the key matters for consideration and actions required by the Finance Committee during the year and allocate those matters and actions to relevant meeting(s). The annual work plan enables the Finance Committee, and Executive Leadership Team to be aware of and plan for the year.

13. Disclosure of interests

Committee Members must act ethically and observe the highest standards of behaviour and accountability to support the continuation of public trust in the government.

Welcome Aboard: A guide for members of Queensland Government Boards, committees and statutory authorities outlines the obligations of members of government boards and those involved in the good corporate governance of government boards (<https://www.premiers.qld.gov.au/publications/categories/policies-and-codes/handbooks/welcome-aboard.aspx>). It states that:

'Members of Government Boards should avoid actual or potential conflicts between their duties to the Government Board and their personal interests or their duties to others. Members of Government Boards should also be aware of possible perceived conflicts of interest.'

Schedule 1, section 9 of the HHBA outlines the way in which the Finance Committee is to deal with disclosures of interests at meetings, in particular:

- A Committee Member must disclose if they have a direct or indirect interest in an issue being considered, or about to be considered, by the Finance Committee; and the interest could conflict with the proper performance of the Committee Member's duties about the consideration of the issue.
- This disclosure must be made as soon as practicable by the Committee Member.
- The Finance Committee will decide if the Committee Member must not be present when the Finance Committee considers the issue, or take part in a decision of the Finance Committee about the issue.
- A disclosure of interest must be recorded in the meeting minutes.

A Committee Member must not have access to information of the Finance Committee in relation to a matter in which they have a conflict of interest, unless otherwise authorised by the Committee Chair (or Board Chair in circumstances where it is the Committee Chair that has the conflict of interest).

From time to time a Committee Member may also be an employee or other service provider of Mackay HHS ("Employee Member"). This may give rise to potential conflicts of interest which need to be managed carefully. If, prior to a meeting, information is to be provided to Committee Members that may have a direct impact on the status or obligations of an Employee Member, the Chief Executive must discuss with the Committee Chair (or Board Chair in circumstances where it is the Committee Chair that is an Employee Member) what information is to be withheld from the Employee Member until the Committee Chair/Board Chair expressly decides that the information is to be provided to the Employee Member. If, during a meeting, a potential conflict of interest of the Employee Member is raised, the Finance Committee will proceed in accordance with HHBA, Schedule 1, section 9.

14. Confidentiality

Committee Members must keep all Finance Committee discussions and deliberations confidential. Similarly, all confidential information received by a Committee Member because they are or have been a Committee Member must be kept confidential and the Committee Member must not improperly use that information to gain an advantage for themselves or someone else or to cause detriment to Mackay HHS.

15. Secretariat

Secretariat support will be provided by the Board Secretary or another delegate.

The Secretariat will be responsible for the preparation and circulation of the meeting agenda as well as recording the minutes and passing resolutions at all Finance Committee meetings, in consultation with the Finance Committee Chair. The Secretariat must record any votes against a passing resolution in the minutes of the meeting.

The Secretariat will also be responsible for the timely tabling of all correspondence, reports and other information relevant to the Finance Committee's activities.

16. Inconsistencies

In the event that this Terms of Reference is inconsistent with the Mackay Hospital and Health Board Charter, the Mackay Hospital and Health Board Charter will prevail.

In the event that this Terms of Reference is inconsistent with the HHBA and/or the HHBR, the HHBA and/or the HHBR prevail.

17. Publication

A copy of this Terms of Reference will be made available at <http://www.mackay.health.qld.gov.au/about-us/leadership/committees/>.

18. Review

The Finance Committee will review this Terms of Reference by no later than June of each year or as required.

19. Acceptance of Terms of Reference

This Terms of Reference was approved by the Mackay Hospital and Health Board on 9 May 2024. This version of the Terms of Reference comes into effect on 1 July 2024.

Mr William Cooper
Finance Committee Chair
Mackay Hospital and Health Service
 09/05/2024

Ms Helen Darch OAM
Board Chair
Mackay Hospital and Health Service
 09/05/2024

The signed version is held and retained by the Board Secretary

20. Revision History

	Date	Amendment	Authorised by
1	28/05/15	Amended as part of Committee Structure review	Board Chair
2	25/08/16	Amended to insert new provisions	Board Chair
3	06/07/17	Amendments made to sections – Meetings; Review; and Acceptance of Terms of Reference	Board Chair
4	07/06/18	Significant changes to align with Mackay Hospital and Health Board Charter	Board Chair
5	04/07/19	Amendments made to sections – Membership, Meeting Briefs, Acceptance of Terms of Reference	Board Chair
6	04/11/19	Amendments made to sections – Meetings, Acceptance of Terms of Reference	Board Chair
7	04/06/20	Amendments made to sections – Membership, Acceptance of Terms of Reference	Board Chair
8	01/10/20	Amendments made to sections - Membership, Acceptance of Terms of Reference	A/Board Chair
9	08/07/21	Amendments made to sections - Membership, Acceptance of Terms of Reference	Board Chair
10	07/09/23	Amendments made to sections - Membership, Acceptance of Terms of Reference; Inclusion of <i>Appendix 1 – Annual Work Plan</i>	Board Chair
11	09/04/24	Amendments made to sections - Membership, Acceptance of Terms of Reference	Board Chair

Appendix 1: Annual Work Plan

Deliverable	Owner	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Governance													
1. Terms of Reference	Chair					X							
2. Annual Work Plan	Chair					X							
Financial Performance													
3. Finance Committee Report	EDCS	X	X	X	X	X	X	X	X	X	X	X	X
4. FY24 Sustainability Plan	EDCS	X	X	X	X	X	X	X	X	X	X	X	X
5. Deep Dive Presentation	Assigned ED ¹	X			X			X			X		
6. Financial Delegation Framework	EDCS				X								
7. Fringe Benefits Tax Risk Assessment Report	EDCS										X		
Budget Management													
8. Service Level Agreement Negotiation	EDCS					X	X						
9. Service Agreement Windows (Amendment Window 1 – Annual Budget Build)	EDCS				X								
10. Service Agreement Windows (Amendment Window 2 – In-Year Variance)	EDCS										X		
11. Reforecast Mackay HHS Budget	EDCS	X											
12. Budget Building Guidelines	EDCS	X											
13. Mackay HHS Budget	EDCS						X	X					
14. Review of Retained Earnings (<i>if required</i>)	EDCS												
Infrastructure													
15. Capital Projects Status Report	EDCS	X			X			X			X		
16. Strategic Asset Management Plan	EDCS										X		
17. Asset Maintenance and Management Plan	EDCS										X		
18. Mackay HHS Master Planning	EDCS							X					
19. Capital Project Business Case (<i>when required</i>)	EDCS												

¹ Assigned Executive Director to be selected by Finance Committee for forward meeting.