

HEALTH CONSUMERS' COUNCIL

GOVERNANCE STATEMENT

1. Background

The Health Consumers' Council (WA) Inc is an independent community based organisation representing the consumers' "voice" in health policy, planning, research and service delivery. The Council is an incorporated association under the *Associations Incorporation Act 1987* (WA), and is not for profit, receiving a significant part of its income from state and federal government funding.

The Council has members who are either individuals or organisations that embrace the Council's mission. The Council also has associate members.

The Council and its members are governed under a Constitution, which sets out the Council's mission, values, aim and objectives, and provides an overall governance framework for the Council, in addition to the provisions of the *Associations Incorporation Act 1987* (WA).

Under the Council's Constitution, the management of the Council is vested in the Board.

2. The Role of the Board

The Board exercises the powers vested in it by the Council's Constitution and under the *Associations Incorporation Act 1987* (WA).

The principal functions of the Board are:

- to review and approve the Council's strategic objectives and business plan;
- consulting with the Members of the Council;
- determining the Council's policies, in conjunction with the Members of the Council;
- recruiting and selecting the Executive Director;
- supporting the Executive Director and assessing his/her performance and determining his/her remuneration;
- to review and approve the annual budget;
- to ensure that systems are in place to monitor and control:
 - adequacy of resources and risk;
 - accountability to funding bodies and members; and
 - compliance with the law and ethical standards,
- structuring the Board so that it has an effective composition, size and commitment to adequately discharge its responsibilities and duties; and
- enhancing the Council's public standing.

The Board recognises that the Council's main responsibility is to consumers of health services, but the Council has responsibility to other stakeholders, in particular:

- state and federal government funding bodies;
- the Members of the Council;
- other members of Member organisations of the Council; and
- employees of the Council.

Board Members must act in the best interests of the Council, and must avoid conflicts of interest. The Board will govern in accordance with the highest ethical standards, as set out the Council's Code of Conduct.

An annual review is conducted of the Board's performance in meeting its responsibilities. The purpose of the review is to assess the Board's performance and identify areas for improvement. This process is designed to ensure that the Board meets the highest standards of governance and that the Board and each Board Member can make an appropriate contribution to the Council's objectives.

3. Board Structure

The Board consists of a Chairperson, a Deputy Chair, a Secretary, a Treasurer, and a maximum of five other Members. All Board Members are independent of management and free of any interest that could materially influence the exercise of their independent judgment. The Executive Director of the Council is also a Member of the Board but has no vote at Board meetings.

Board Members are elected for a three year term at the Annual General Meeting, and the Board may appoint a person to fill a casual vacancy whose tenure will cease at the Annual General Meeting following their appointment.

A casual vacancy occurs if a Board Member:

- dies;
- resigns by notice in writing to the Chairperson;
- is convicted of an offence under the *Associations Incorporation Act 1987* (WA) or any criminal offence;
- is permanently incapacitated by mental or physical ill health;
- ceases to be a Member;
- becomes a bankrupt; or
- is absent from three consecutive meetings without formal grant of leave.

Chairperson

The Chairperson's responsibilities include:

- Presiding at all meetings of the Council;

- Being an ex-officio member of all committees;
- Representing the Council;
- Making urgent decisions on behalf of the Council, in conjunction with the Executive Director;
- Co-ordinating the Executive Director's annual performance evaluation;
- Assisting the Executive Director in conducting orientation of new Board Members;
- Contributing to agenda of monthly Board Meetings;
- Enhancing the Health Consumers' Council public standing;
- Acting with Executive Director as Health Consumers' Council media spokesperson.

Deputy Chairperson

- Carry out special assignments as requested by the Chair;
- The Deputy Chairperson will deputise for the Chairperson as required.

Secretary

The Secretary's responsibilities include:

- Maintaining the Common Seal Register;
- Maintaining the Register of Members;
- Acting as the Council's Public Officer;
- Ensuring the Council complies with all statutory requirements;
- Deputising for the Chairperson in the absence of the Deputy Chairperson.

Treasurer

The Treasurer's responsibilities include:

- Presenting to Board Meetings written Income/Expenditure Statements;
- Assisting the Executive Director to draft the Council's budget;
- Monitoring the Council's performance against the budget;
- Presenting to the Annual General Meeting the Council's Financial Statements and the Auditor's Report;
- Overseeing, with the Executive Director, the Council's financial records;
- Advising the Board on financial matters.

Role of Individual Board Members

- Preparation and participation in Board Meetings

- Participating in other Health Consumers' Council committees, working groups as required
- Attending Health Consumers' Council functions where possible
- Undertaking Health Consumers' Council work on behalf of and at the request of the Board
- Board members must not use their positions to obtain employment for themselves, partners, family members, or close associates. Should a Board member other than the Chairperson desire employment with the Health Consumers' Council, the Chairperson must be informed and will decide if it is appropriate for the Board member either to take leave of absence or resign from the Board. Should the Chairperson desire employment with the Health Consumers' Council he or she must first resign from the Board.
- Board members will respect the confidentiality appropriate to issues of a sensitive nature.

4. Executive Director

The Board delegates responsibility for the day-to-day management of the Council's activities to the Executive Director. The Executive Director is appointed by the Board and has the following key responsibilities:

- Service delivery of Health Consumers' Council:
 - Advocacy Programme
 - Consumer Representative Programme
 - Policy initiation and review
- Staff relationships and industrial relations;
- Organizational profile and business development;
- Accountability and professional development;
- Enhancing the public standing of Health Consumers' Council.

The Executive Director is also responsible for communicating Board decisions to employees. Employees are encouraged to communicate their views on matters before the Board to the Executive Director.

The Board will formally appraise the performance of the Executive Director at least annually.

5. Committees

The Board has established under its Constitution the Health Issues Group: a Standing Committee where participants raise health issues they believe are of importance to the Western Australian community. The Board also establishes ad hoc committees to assist in the development of Board policies and the

execution of the Board's responsibilities. Examples of such committees include:

- Medicines and Consumers' Working Group;
- Consumer Representative Review Working Group.

6. Operational Guidelines

The Board is responsible for the adoption and review of policies relating to the organisational management of the Council. These policies do not abrogate any Board Member from their responsibilities, but are established to improve the organisational effectiveness of the Council.

The Board has established the following principal policies which are subject to regular review:

- Advocacy Policy;
- Consumer Representatives Policy;
- Policy Development Guidelines;
- Consultation Policy;
- Financial Management Policy;
- Risk Management Policy;
- Media Policy.

7. Communication and Reporting

The Board of the Council understands the importance of communicating with its stakeholders, and with the broader health community. In addition to the Advocacy, Consumer Representatives and Consultation policies, various systems of communication have been established such as the Health Information and Referral Service, the Council's newsletter "Health Matters", Consumer Representative training and support and a website. In addition, the Council provides reports to the funding bodies at six (6) monthly intervals; an Annual Report is published each year; and the Health Consumers' Council holds regular public forums and education sessions. These systems are reviewed regularly to ensure they are current and relevant.

As part of its funding obligations and in addition to its obligations under the *Associations Incorporation Act 1987* (WA), the Council is required to provide annual reports on its outputs. The Board has put in place mechanisms for the review and authorisation of these reports to ensure a truthful and factual representation of the Council's outputs and financial position.

9. Common Seal

Health Consumers' Council has a common seal which is affixed to documents and contracts with Government and other bodies. The seal can only be affixed with the express permission of the Board of the Council via resolution which is then recorded in the Minutes. This process will usually take place at Board Meetings. However, occasionally this permission will need to be given in the

period between Board Meetings via email. The common seal can only be affixed whilst being witnessed by any two of the Chairperson, the Deputy Chair, the Secretary, or the Treasurer.

The Council maintains a register of the use of the Common Seal.