



COLIN STREET DAY SURGERY GOVERNING BODY CHARTER

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1.0 INTRODUCTION

Corporate governance is the system by which companies direct their management. It is how the objectives of Colin Street Day Surgery Pty Ltd are instituted, risk is monitored, assessed and performance is optimised.

A high standard of corporate governance facilitates the Colin Street Day Surgery to create value, provide accountability and control systems commensurate with the risks involved in conducting the business of the day surgery.

2.0 BOARDS ROLE

The role of the Board of Directors of Colin Street Day Surgery is to exercise a high standard of corporate and clinical governance over the management team that ensures a safe and high - quality day surgery.

3.0 RESPONSIBILITIES OF THE BOARD & MANAGEMENT

3.1 The Board is responsible for:

- Oversight of the company
- Decision making about quality and safety of the health service organisation
- Strategic and operational development
- Monitor and review implementation of strategy, ensuring appropriate resources are available
- Review and ratify risk management, internal compliance and control and codes of conduct
- Approval, analysing and monitoring financial & operational reports
- Approval and monitoring of capital purchases, capital management and building development
- Attendance at AGM and adhoc meetings
- Canvas views of shareholders and report operations to shareholders
- Recommendations for appointment and removal of Directors including the business secretary to the AGM (refer to Board composition and structure)
- Review, analyse and ratify regular reports;
 - Chairman's Report
 - CEO/DON Report
 - Budgets current and future
 - Quality Assurance and KPI's
 - Infection Control
 - WH&S / Risk Management
 - Legislative Compliance
 - Credentialing
 - Medical Advisory Report

Board members must operate by the constitution of the privately incorporated company Colin Street Day Surgery Pty Ltd

4.0 BOARD COMPOSITION AND STRUCTURE

4.1 Composition

- The Board comprises of a minimum of the following:
 - Chairman

- 2 Directors one of whom acts as patient /community advocate
 - Company Secretary/ Accountant
 - CEO/DON.
- The Board comprises of Directors with a broad range of expertise, including financial management and broad representation of the surgical specialties working at the day surgery.
 - This number may be increased when it is felt that a greater breadth of expertise is required.
 - Refer to Committee flow chart attached

4.2 Role of Community /Patient Advocate

The Community Advocate represents our consumers by looking out for their best interests.

- Provides the Board with feedback on matters that may affect our consumer
- Advises the Board and Executive Management on how the organisation is presented to the community and how the community may think of the organisation
- Assists the Board and Executive Management in improving care delivery and quality outcomes.

Directors are elected by the shareholders. The Board reviews its mix of Directors to ensure that it has the appropriate breadth and depth of expertise and experience. When a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from additional input, candidates with the appropriate expertise and experience will be considered and nominated.

The nominated candidate must stand for election at the next AGM of shareholders. The Board aims to have a representative of the surgical specialties working at Colin Street Day Surgery. In the election of Directors, consideration is also given to a mix of age on the board to ensure maintenance of corporate knowledge.

4.3 Evaluation of Effectiveness

The Board as a whole, reviews the performance of all Directors each year. Directors whose performance is unsatisfactory are counselled and encouraged to improve their performance. If the Board believes their performance has not adequately improved, the Director is asked to resign.

Term of office is 7 years with resignation required if the Director sells all share holdings or does not show due diligence as a functioning member of the board.

5.0 EXECUTIVE MANAGEMENT COMMITTEE

The role of Executive Management of Colin Street Day Surgery is to manage the day to day running of the business and to guide and support the Board in Clinical and Corporate Governance and in all matters related to quality and safety.

The CEO/DON reports to the Chairman of the Board on a daily and or weekly basis. The CEO/DON reports formally to the Board at its regular meetings.

The day to day operation of the day surgery is supervised by the CEO/DON and Executive Committee.

5.1 Executive Committee Composition

- CEO/DON
- Theatre Manager
- Clinical Nurse (2IC)
- Infection Control Nurse/Consultant
- Accounts Manager

5.2 Responsibility of Executive Management

- The day to day management and running of the business
- Recommendations for strategic / operational development
- Utilisation of appropriate resources to achieve corporate and clinical strategy
- Identification and recommendation of appropriate risk management procedures for the business
- Safety and quality in the work place
- Development and recommendation of policies and procedures to ensure compliance with statutory, clinical and moral responsibilities of the company
- Provide twice yearly reports and on adhoc basis on the following:
 - CEO/DON's Report
 - Quality Management
 - Infection Control
 - WH&S / Risk
 - Legislative Compliance
 - Human Resources

6.0 BOARD & MANAGEMENT PERFORMANCE

6.1 Directors performance

The Board as a whole, reviews the performance of all Directors each year. Directors whose performance is unsatisfactory are counselled and encouraged to improve their performance. If the Board believes their performance has not adequately improved, the Director is asked to resign.

The Board performance as a whole is measured by the confidence of shareholders in the performance of its duties.

6.2 Executive Management performance

The Executive Committee is responsible to the Board. The primary role of the committee is to uphold the values, policies and procedures of the hospital. To ensure Staff and consumer compliance of with delivery of safe quality care within the hospitals governing frame work.

The Committee is there to support the Board in clinical and corporate governance with input from the Staff. Makes key leadership decisions related to Clinical policies, procedures, and rules, with an emphasis on quality control and quality improvement initiatives.

Committee members whose performance is unsatisfactory are counselled and encouraged to improve their performance. If the CEO/DON in consultation with the Board believes their performance has not adequately improved, the member is asked to resign from their position.

7.0 EMPLOYEE'S PERFORMANCE AND RESPONSIBILITIES

All employees must complete relevant competencies associated with their core duties. Competencies are reviewed annually or every 2 years to look at progress and achievements. In addition to completing their competencies, job performance is measured against the following;

- Work ethic
- Loyalty
- Skill level (practical assessments)
- Integrity
- Meeting their roles and responsibilities

All new employees undergo a probationary period for 6 months. A review of performance, achievements and goals is then conducted within 6 weeks to 6 months and then annually to determine if skills and performance meet the requirements of the position. Permanent Employees will be performance managed annually or a needs basis if required.

7.1 Independent Professional Advice

Each employee has the right to seek independent professional advice at the company's expense. Colin Street Day Surgery provides an Employee Assistance Program with nominated service provider OSA. Prior approval by the CEO/DON or Chairman is required, which is not unreasonably withheld.

7.2 Continuing Professional Development

Colin Street Day Surgery Board and Management actively encourages all employees to further develop their training and professional skills. Financial assistance is provided annually.

8.0 CODE OF CONDUCT

The Board subscribes to **Colin Street Day Surgery's Code of Conduct**. This Code of Conduct has been communicated to all staff.

All employees (including Directors) are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the facility.

8.1 Code of Conduct

- All employees must act honestly, in good faith and in the best interests of the business as a whole.
- All employees have a duty to use due care and diligence in fulfilling the functions of their job descriptions and exercising associated powers within their role.
- All employees must use their power within the best interests of the business as a whole.

All employees must not make improper use of information acquired as an employee. Confidential information received by employees in the course of their duties remains the property of Colin Street Day Surgery's and its patients. It is improper to use it or allow it to be

disclosed, unless disclosure has been authorised by the Board or the person from whom the information is provided or is required by law Refer to National Privacy Principles. <http://www.privacy.gov.au/act/> privacy act.

- All employees should not engage in conduct likely to bring discredit upon the business
- All employees have an obligation at all times to comply with the principles of this code and the laws that govern the business. Non-compliance with this Code of Conduct will be seen as a breach and will be managed accordingly
- All employees are encouraged to report instances of unlawful or unethical behaviour by others

9.0 RISK MANAGEMENT

The Board examines and considers areas of significant business & clinical risk and with the support of the Executive Management team, monitors key performance indicators, implements policies and procedures to minimise exposure to these risks.

The Board reviews and evaluates the following annually and implements change management, goals and desired outcomes as required;

- Strategic Plan
- Human Resource needs
- WH&S / Risk
- Legislation Requirements
- Infection Control
- Quality Assurance / Objectives
- Clinical Indicators and Key Performance indicators, results of which are benchmarked nationally every quarter and or annually

9.1 Areas of risk which are considered at Board Meetings include:

- Clinical
- Asset protection / development
- Human Resources
- Business – performance of activities
- Financial
- Environmental
- Legislative Compliance
- Credentialing of VMO's and prospective employees

A twice-yearly Financial Report is presented to the Board by the company secretary (in accordance with relevant accounting standards) as a true and fair indication of the company's financial conditions and operational results.

Executive Management, on an ongoing basis, reviews significant corporate and clinical business risks and makes recommendations to the Board on policies and procedures to be implemented and or changes to be made to the facilities operations and or building works.

10.0 CSDS SHAREHOLDERS

Colin Street Day Surgery Pty Ltd primary objectives are to ensure quality patient outcomes and growth of business. The satisfaction of these objectives will lead to regular growth in shareholder dividends.

An AGM of shareholders is conducted annually which is chaired by the Chairman of the Board. At this meeting the annual accounts and financial position of the company is presented, board directors are elected and any other relevant business from shareholders is considered.

CSDS will achieve this by:

- Increased surgeons case load
- Expansion of key specialty services
- The maintenance of sound clinical and corporate governance

Colin Street Day Surgery Pty Ltd is committed to conducting all activities in a manner which:

- Protects the health and safety of its clients and all its employees, service contractors, VMO's
- Recognises the value and rewards the contribution of each employee
- Achieves a balance between economic development and maintenance of social responsibilities in a clinical health care setting
- Maintains good relationships with its suppliers, peers and local community
- Is honest, lawful and moral

Colin Street Day Surgery employees (including Directors) are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the company.

The company welcomes and encourages the involvement of all employees in the achievement of these objectives and expects them to uphold company values.

Related documents:

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| ➤ CSDS Medical By-laws | Governance Folder Common-share |
| ➤ Delegation of Authority | Governance Folder Common-share |
| ➤ Organisational Flow Chart | Governance Folder Common-share |
| ➤ Strategic Plan | Governance Folder Common-share |
| ➤ Terms of Reference | Governance Folder Common-share |
| ➤ Quality Statement | Policy and Procedures – Quality Folder |