Governance.

Townsville Hospital and Health Board

The Townsville Hospital and Health Board is comprised of a Chair and members appointed by the Governor of Queensland, acting by, and with the advice of the Executive Council and under the provisions of the Hospital and Health Boards Act 2011 (the Act). The Board, through the Chair, reports to the Minister for Health and Minister for Ambulance Services.

The Board sets the strategic direction for the hospital and health service delivering on key priorities for our communities.

The Board held 11 ordinary meetings and one additional meeting during the year. The term of office of Board member Dr Kevin Arlett, after service from 2012, expired during the reporting period on 17 May 2017. Professor Ajay Rane commenced on the Board from 18 May 2017.
About our Board Members

TONY MOONEY AM
Chair

Tony Mooney was a Councillor and Deputy Mayor of the Townsville City Council and was elected Mayor in 1989. He held the position of Mayor of Townsville until 2008. In 2008, Tony was made a Fellow of the Australian Institute of Company Directors. In 2011, Tony was awarded an Order of Australia (AM) for services to local government and the community. Tony served on the boards of numerous government and community entities, including Ergon Energy, LG Super, Townsville Entertainment Centre Board of Management (Chair) until 2008, and as the inaugural Chair of the Willows Stadium Joint Board (currently 1300 Smiles Stadium). In 2011, Tony was appointed by the Federal Government to the Board of the Great Barrier Reef Marine Park Authority where he served until 2016. Tony is also a director of the Northern Queensland Primary Health Network Limited.

MICHELLE MORTON
Deputy Chair

Michelle Morton is a Solicitor of the Supreme Court of Queensland, Managing Partner and Litigation/Workplace Relations Workgroup Partner at wilson/ryan/grose Lawyers. Michelle is currently the Chair of the Townsville Fire Limited and a member of the Advisory Board for the Salvation Army, Queensland Law Society, North Queensland Law Association and Townsville Solicitors Association. In 2003, Michelle was awarded the Queensland Regional Women’s Lawyer Award. In 2015, Michelle was awarded the Agnes McWhinney Award by the Queensland Law Society.

DR KEVIN ARLETT
(Until 17 May 2017)

Dr Kevin Arlett is a general practice partner in the Townsville and Suburban Medical Practice and the team physician for the Townsville Fire basketball team where he practises and hones his special interest and expertise in sports medicine. Kevin is a Fellow of the Australian Institute of Company Directors, current Chair of Northern Australia Primary Health Ltd, Chair of Smart Arm Pty Ltd and a Director of Health Leaders Australia. Kevin is a Fellow of the Royal Australian College of General Practitioners and is heavily involved in medical education speaking at conferences and events, especially around his experience as a high-level sports doctor.
DEBRA BURDEN
Debra Burden, a degree-qualified accountant, is the Chief Executive Officer of NDIS provider Select Ability (formerly known as SOLAS and MIF-NQ). Debra has previously held CEO and executive management positions with Canegrowers Burdekin, Queensland Country Credit Union and Health Fund and ASX listed dental services company 1300SMILES. Debra’s business management expertise has been recognised with her being awarded the QLD Business Review Women in Business Award Winner (Business and Professional Services) and the Queensland Telstra Business Women’s Award Winner (Corporate Sector). Debra, a Fellow of both the Australian Institute of Company Directors (AICD) and the Australian Institute of Management, has extensive board level experience having successfully completed the AICD course twice and held Board positions in numerous companies as Chair, Deputy Chair, Treasurer, Chair of Audit and Risk Committee and Company Secretary, including currently holding the position of Deputy Chair of North and West Remote Health.

CHRISTOPHER CASTLES
Chris Castles is a principal of the Ingham-based accounting firm Coscer Accountants, as well as Zest Financial Solutions which has offices in Ingham, Townsville and Brisbane. Chris is a Certified Practising Accountant, Certified Financial Planner and Fellow of the Australian Institute of Company Directors. Following his service in the Royal Australian Air Force, Chris has served as director and committee member for both listed and unlisted public companies involving international and domestic operations and spanning financial services, funds management, health and agribusiness. He is currently a director of Northern Australia Primary Health Ltd and a member of the Finance, Audit and Risk Committee.

DR ERIC GUAZZO OAM
Dr Eric Guazzo has been in combined public/private neurosurgery practice based in Townsville since 1994 and is the Director of Neurosurgery for the North Queensland region. Eric is a member and past president of the Neurosurgical Society of Australasia, Associate Professor at the James Cook University Medical School, deputy senior examiner in neurosurgery for the Royal Australasian College of Surgeons (RACS), member of the Academy of Surgical Educators of the RACS and Deputy Chair of the Neurology/Neurosurgery Medical Assessment Tribunal for the Queensland Compensation Regulatory Authority. He has served on many hospital and health committees and related boards. He is a Graduate of the Australian Institute of Company Directors and has a university qualification in Business Management. He completed his medical doctorate at the University of Cambridge. Eric was awarded the Order of Australia (OAM) in 2013 for his services to neurosurgery.

SARAH KENDALL
Sarah Kendall has extensive experience at a senior level in both the private and public sectors, specialising in social policy and education. A communications expert, Sarah is currently an Executive Officer for the Townsville City Council. Having lived and worked in a number of rural and disadvantaged communities, Sarah is a strong advocate for social justice and as a former President and Board member of Mindcare Queensland, she is particularly committed to raising awareness of mental health issues.

PROFESSOR AJAY RANE OAM (FROM 18 MAY 2017)
Professor Ajay Rane is the Director of Urogynaecology at The Townsville Hospital, Director of Mater Pelvic Health and Research, and Head of Obstetrics and Gynaecology at James Cook University. Born in England, Professor Rane completed his Bachelor of Medicine and Bachelor of Surgery at India’s University of Poona before returning to England to undertake sub-speciality training in urogynaecology. Professor Rane moved to Townsville as a consultant obstetrician and gynaecologist in 2000 joining the medical faculty at JCU where he also completed his PhD. Professor Rane was a finalist Australian of the Year in 2012 and awarded the Order of Australia (OAM) in 2013. Professor Rane has spent almost two decades treating and operating on women with catastrophic childbirth injuries in some of the world’s poorest countries and in 2016 received the Mahatma Gandhi Pravasi Award for Humanitarian Work in Women’s Health. Professor Rane is the current Chair of the Fistula Committee for the International Federation of Obstetricians and Gynaecologists and is leading the charge for fistula education and prevention in the developing world.

PROFESSOR GRACELYN SMALLWOOD AO
Professor Smallwood is a registered nurse, a registered midwife, and has also completed a Diploma in Indigenous Mental Health and was the first Indigenous Australian to receive a Masters of Science in Public Health (James Cook University). In 2011, Professor Smallwood completed a PhD Thesis Human Rights and First Australians Well-being. In 2014, Professor Smallwood became a member of the Queensland Mental Health and Drug Advisory Council. In 2015, Professor Smallwood was appointed as Member of the Harvard FXB Health and Human Rights Consortium, a Member of the Northern Queensland Primary Healthcare Network Clinical Council for the Townsville-Mackay region, and a Member of the Federal Ministerial Advisory Committee on Blood-Borne Viruses and Sexually Transmissible Infections. Professor Smallwood is a Professor of Nursing and Midwifery at Central Queensland University.

ROBERT ‘DONALD’ WHALEBOAT
Donald Whaleboat is a senior lecturer at the College of Medicine and Dentistry and Associate Dean Indigenous Health, Division of Tropical Health and Medicine James Cook University. Donald has more than 20 years combined experience in primary healthcare, health promotion and workforce development, with particular focus on Aboriginal and Torres Strait Islander peoples. Donald has
served as member of the Townsville Hospital and Health Board since 2012 and member of the Board’s Safety and Quality Committee. He was former Chairperson of the Townsville Aboriginal and Torres Strait Islander Corporation for Health Services for five years and championed good corporate governance for the organisation. He is a Graduate of Australian Institute of Company Directors and holds a Masters of Public Health.

**PROFESSOR IAN WRONSKI AO**

Professor Ian Wronski AO is Deputy Vice Chancellor of the Division of Tropical Health and Medicine at James Cook University. Professor Wronski is currently Chair of the Australian Council of Pro Vice Chancellors and Deans of Health Sciences, and a Board Member of the Asia-Pacific Economic Cooperation - Life Sciences Innovation Forum, and was previously President of the Australian College of Rural and Remote Medicine 2000-2003. Professor Wronski was awarded an Order of Australia (AO) in 2014 for his distinguished service to higher education, particularly in the areas of tropical and rural health and the health of Indigenous Australians.

**BOARD COMMITTEES**

**EXECUTIVE COMMITTEE**

The Executive Committee is established under section 32A of the *Hospital and Health Boards Act* (the Act). In accordance with section 32B of the Act, the committee works with the Health Service Chief Executive to progress strategic issues, including those identified by the Board, and to strengthen the Board’s relationship with the HSCE to ensure accountability in the delivery of services by the Townsville HHS.

*The key achievements of the committee 2016-2017 were:*

- Guiding the development of high-level strategic planning for the Townsville HHS, including the 2014-2018 Strategic Plan (2017 Update), which sets out the Values, Purpose and Vision of the service
- The establishment of a dedicated car-parking steering group to advise and make recommendations to the Board in relation to staff and patient/visitor car parking within the Townsville HHS
- Providing oversight of robust and transparent governance arrangements for the development of a primary care centre on Palm Island, via a project control group consisting of representatives of Townsville HHS, Palm Island Aboriginal Shire Council, and the Department of Health.

**SAFETY AND QUALITY COMMITTEE**

The Safety and Quality Committee is established under section 31(1)(a) of the Hospital and Health Boards Regulation 2012 (the Regulation). In accordance with section 32 of the Regulation, the committee advises the Board on matters relating to, and promotes improvements in, the safety and
quality of health services, by monitoring the Townsville HHS's governance arrangements relating to the safety and quality of health services, monitoring the safety and quality of health services provided by Townsville HHS, and collaborating with other safety and quality committees.

The key achievements of the committee in 2016-2017 were:

- Successfully guiding ongoing accreditation activities, resulting in all recommendations being closed and no new recommendations made from the ACHS Periodic Review
- Overseeing almost more than $660,000 funding for local investigator-initiated research studies, as committed by the Board, from the Townsville HHS.

**FINANCE COMMITTEE**

The Finance Committee is established under section 31(1)(b) of the Regulation. In accordance with section 33 of the Regulation, the committee advises the Board on matters relating to overseeing financial performance and monitoring financial systems, financial strategy and policies, capital expenditure, cash flow, revenue and budgeting to ensure alignment with key strategic priorities and performance objectives.

The key achievements of the committee in 2016-2017 were:

- Continued refinement of reporting to facilitate strategic decision making
- Continued monitoring of revenue and expenditure against operational requirements including reporting and other obligations under the Financial Accountability Act 2009
- Continued focus on strategic financial issues, objectives, cash flow, financial performance and monitoring of financial risks that may impact financial performance
- Overseeing delivery of a surplus operation result while achieving activity targets pursuant to the service agreement.

**AUDIT AND RISK COMMITTEE**

The Audit and Risk Committee is established under section 31(1)(c) of the Regulation to provide independent assurance and assistance to the Board on:

- Risk, control and compliance frameworks; and

The Committee meets bi-monthly or as required by the Chair.


The Committee operates under a charter and has due regard to the Queensland Treasury’s Audit Committee guidelines: Improving Accountability and Performance published in June 2012. The Chair of the Committee, Dr Eric Guazzo, provides a report to the Board about the issues and outcomes of each meeting.

**Risk Management**

The Townsville HHS recognises that risk management is a key factor to informed decision making and is committed to proactively identifying and managing risks to support the achievement of objectives.

The HHS Risk Management Framework complies with the Financial and Performance Management Standard 2009, and is aligned with the principles of AS/NZS ISO 31000:2009. It is designed to proactively identify, assess, monitor and report strategic and operational risks. Risks are continuously reviewed and updated by the risk owner, with monitoring of risks achieved through regular reporting to the Executive Compliance and Risk Committee. Oversight of risks and the performance of the Risk Management Framework are provided by the Board Audit and Risk Committee.

Areas of significant risk are identified as part of structured planning processes, or by committees or individuals in the course of performing their duties. Each risk is assigned a risk owner and managed in accordance with the Risk Management Framework.

**Internal audit**

To ensure the effective, efficient and economic operation of the internal audit function, the Townsville HHS internal audit operates under its own charter and reports directly to the Board Audit and Risk Committee. The charter aligns with the International Standards for Professional Practice of Internal Auditing developed by the Institute of Internal Auditors.

The primary role of internal audit is to conduct independent, objective and risk-based assurance activities.

The scope of the work is set out in the approved Internal Audit Management Plan 2012-2017 and detailed in the Operational Internal Audit Plan 2016-17.

The program was delivered through an outsourced contractual arrangement with PwC. In line with its Terms of Reference and having due regard to Queensland Treasury’s Audit Committee Guidelines, the Board Audit and Risk Committee oversaw delivery of the internal audit program including the review of report findings and management responses.

**External scrutiny**

Parliamentary reports tabled by the Auditor-General which considered the performance of the health services more broadly included:

- Efficient and effective use of high-value medical equipment (Report 10: 2016-17)
The Townsville HHS considered the findings and recommendations contained in these reports and, where appropriate, has taken action to implement recommendations or address issues raised.

**STAKEHOLDER ENGAGEMENT COMMITTEE**

The Stakeholder Engagement Committee was established to oversee the development and publishing of the following strategies required pursuant to section 40(1) of the *Hospital and Health Boards Act 2011*:

- Clinician Engagement Strategy to promote consultation with health professionals working in the service
- Consumer and Community Engagement Strategy to promote consultation with health consumers and members of the community about the provision of health services by the service.

The committee meets to monitor and promote the Townsville HHS’s reputation by ensuring there is clear communication with the community including with respect to the promotion of activities and achievements of the Townsville HHS, and fostering existing and cultivating new relationships with internal and external stakeholders including consumers and the community.

The committee oversaw the preparation of the first phase of a new stakeholder engagement plan to guide and improve engagement with stakeholders.

**NON-BOARD MEMBERS OF COMMITTEES**

The Board was expertly assisted by non-Board members Bill Buckby and John Zabala (Audit and Risk), Dr Michael Corkeron, Ian Ferguson, Helen Towler and Ted Winterbottom (Safety and Quality), and Tricia Brand (Finance).

**INFORMATION SYSTEMS AND RECORD KEEPING**

Management of patient records is the responsibility of Clinical Information Services. Patient records are subject to strict privacy and confidentiality provisions and management. The Townsville Hospital has transitioned from paper-based medical records to a digital medical records system, iEMR. Administrative records are managed within RecFind, an electronic document record management system.

All employees are made aware of their obligations and responsibility regarding security and confidentiality and to ensuring that all document management is carried out in line with these provisions.

In accordance with section 160 of the *Hospital and Health Boards Act 2011*, the Townsville HHS is required to include a statement in its annual report detailing the disclosure of confidential information in the public interest. There were no disclosures under this provision during 2016-2017.