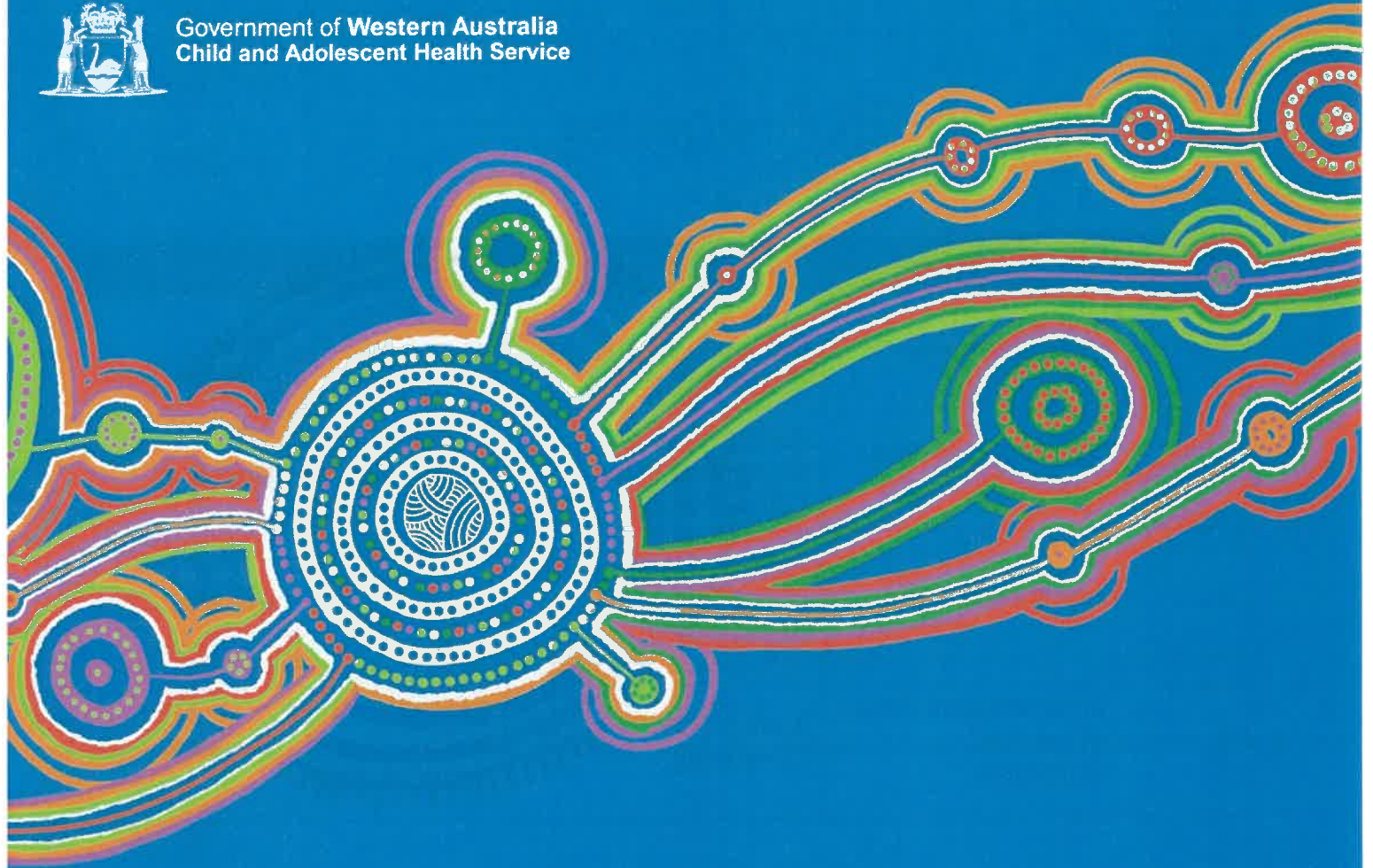




Government of Western Australia
Child and Adolescent Health Service



CAHS Board
Audit and Risk Committee
Terms of Reference

August 2023

Compassion

Excellence

Collaboration

Accountability

Equity

Respect

Change control register

Version	Author	Reviewed by	Approved by	Changes
1	Julia Lawrinson	Audit & Risk Committee of the CAHS Board	2016	Initial Document
2	Ian Giles and Julia Lawrinson	Audit & Risk Committee of the CAHS Board	CASH Board at a meeting of 6 August 2020	Updated
3	Kathleen Bozniac	Audit and Risk Committee of the CAHS Board	CAHS Board at a meeting of 3 December 2020	Updated
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Contents

1. CAHS Vision, Values and Objectives	5
2. Establishment	6
2. Purpose	9
3. Responsibilities of the Audit and Risk Committee	10
3.1 Internal audit compliance with internal control.....	10
3.2 Risk Management	11
3.3 External audit.....	12
3.4 Corporate Governance	12
4. Powers of the Committee.....	13
5. Delegation of authority to a sub-committee.....	15
6. Structure and composition	15
6.1 Membership and appointment.....	15
6.2 Committee Chair	15
6.3 Standing invitees.....	16
6.4 Other participants	17
6.5 Secretariat.....	17
7. Meetings	17
7.1 Meeting schedule	17
7.2 Quorum	18
7.3 Voting	18
7.4 Agenda, Papers, Minutes, Actions and Summary	18
7.5 Out-of-session matters	18
7.6 Virtual Attendance	19
8. Formal mechanisms for reporting key decisions	19
8.1 Making recommendations	19
8.2 Reporting key decisions	19
9. Ethical Practices	20

10. Confidentiality	22
11. Code of Ethics and Code of Conduct	22
12. Evaluation	22
13. Review Date	23
Endorsement	23

1. CAHS Vision, Values and Objectives

Why We exist

We serve all children and young people across WA so they can achieve their best health and wellbeing, now and into the future.

Where we want to be

A safe health service: We will provide care to children and young people that is culturally, psychologically and physically safe.

A trusted health service: We will be transparent with our consumers, our people, our partners, and the community, and build trust by being upfront and honest.

A professional health service: We will hold ourselves to the highest possible standards and work towards continuously improving how we work.

A leader in child and adolescent health and wellbeing: We will be a health service that is seen as a national and international leader in all aspects of child and adolescent health and wellbeing.

A health service that truly partners with children and young people: We will empower children, young people, and their families to shape the care they receive from us by creating an environment where they can feel comfortable and safe to share their feelings, thoughts and needs.

Living our values

Compassion: We treat others with empathy and kindness.

Excellence: We take pride in what we do, strive to learn, and ensure exceptional service every time.

Collaboration: We work together with others to learn and continuously improve our service.

Accountability: We take responsibility for our actions and do what we say we will.

Equity: We are inclusive, respect diversity, and aim to overcome disadvantage.

Respect: We value others and treat others as we wish to be treated.

2. Establishment

- 1.1 Pursuant to clause 12 of the *Health Services (Health Service Providers) Order 2016*, the Child and Adolescent Health Service (“**CAHS**”) was established as a health service provider in accordance with section 32 of the *Health Services Act 2016* (WA) (“**Health Services Act**”).
- 1.2 Section 92 of the *Health Services Act* authorises the CAHS Board (“**Board**”) to appoint committees to assist it to perform its functions and the Board may delegate any of its functions or powers to a committee. Delegation of powers to a committee must be in accordance with section 40 of the *Health Services Act* and the written instrument of delegation must be executed by common seal. If a delegation is made to a committee, then the committee will act with the statutory power given to them by the Board and will be responsible and accountable for decisions made whilst exercising the function delegated.
- 1.3 Section 27 of the *Health Services Act* provides that a policy framework issued by the Department CEO is binding upon CAHS. The Department CEO has issued the Statutory Board Operations Policy Framework. In accordance with the [Statutory Board Operations Policy Framework](#), CAHS is required to comply with the Health Service Provider Board Governance Policy and the [Health Service Provider Boards – Governance Guide](#)
- 1.4 The Board has power to appoint Committees to assist it to perform its functions and may discharge or alter any committee it has appointed, pursuant to section 92 of the *Health Services Act*. Section 3.4 of the Health Service Provider Boards – Governance Guide provides that the establishment of all board committees is subject to the approval of the Minister and of Cabinet.1.5 Accordingly, the Board resolved to appoint the Audit and Risk Committee by a resolution dated 13 October 2016.
- 1.6 The Audit and Risk Committee will be responsible for assisting the Board to perform its functions as set out in these Terms of Reference. The Board is charged with ensuring the Committee has such powers and authority delegated to it, and is properly equipped and set up, to perform the Committee’s functions. Notwithstanding any delegation by the Board, the Board retains the ultimate responsibility and accountability for the performance of all powers, authority and functions, including any particular powers, authority and functions which may have been delegated.
- 1.7 The Board must make any delegation of powers, authority and functions by a resolution of the Board and the Board Chair must then sign an instrument of delegation on behalf of the Board in accordance with that resolution.
- 1.8 These Terms of Reference set out the specific responsibilities of the Committee and describe the manner in which it will operate.
- 1.9 In these Terms of Reference the following expressions have the meanings shown:
 - (a) “**Board**” means the Board of CAHS;
 - (b) “**Board Chair**” means the Chair of the Board as designated pursuant to section 72 of the *Health Services Act* from time to time;

- (c) **“Board Committee”** means all or any of the Committee and any Other Board Committees (as the context permits);
- (d) **“Board Member”** means a member of the Board appointed pursuant to section 71 of the *Health Services Act* from time to time or any alternate members appointed pursuant to section 74 of the *Health Services Act* from time to time;
- (e) **“CAHS”** means the health service provider and statutory body corporate known as Child and Adolescent Health Service established as a board governed provider pursuant to section 32 of the *Health Services Act*;
- (f) **“CAHS Executive”** means the members of the CAHS Health Service Executive Committee and those persons appointed to an office of health executive in CAHS pursuant to section 121 of the *Health Services Act*.
- (g) **“CAHS Personnel”** means all or any of:
 - (i) CAHS Executive;
 - (ii) A staff member (as defined in section 6 of the *Health Services Act*) of CAHS; and
 - (iii) Personnel acting as an agent of, or contracted to, CAHS
- (h) **“Chief Audit Executive”** *refers to the head of the Internal Audit function within CAHS. The position is responsible for effectively managing the internal audit activity in accordance with the CAHS Internal Audit Charter and the mandatory elements of the International Professional Practices Framework. The Chief Audit Executive is required to hold appropriate professional certifications and qualifications*
- (i) **“Chief Executive”** means the Chief Executive of CAHS as appointed pursuant to sections 106 and 108 of the *Health Services Act*;
- (j) **“Committee”** means the Audit and Risk Committee of the Board as appointed pursuant to section 92(1) of the *Health Services Act*;
- (k) **“Committee Chair”** means the Chair of the Committee as appointed by the Board from time to time;
- (l) **“Committee Member”** means those people appointed as members of the Committee by the Board from time to time;
- (m) **“Enterprise Risk Management”** *refers to the framework for the identification, analysis and treatment of risks and the seizure of opportunities related to the achievement of CAHS objectives.*
- (n) **“Health Services Act”** means the *Health Services Act 2016 (WA)*;

- (o) “**Internal Audit**” means the activities and functions of internal audit performed with respect to CAHS including those functions as set out in the [Internal Audit Policy \(MP 0008/16\)](#) as incorporated into the Risk, Compliance and Audit Policy Framework as a mandatory requirement;
- (p) “**Internal Auditor**” means the Chief Audit Executive (as defined in the Internal Audit Policy (MP 0008/16)), CAHS Personnel or any other person or entity responsible for discharging a function of Internal Audit;
- (q) “**Other Board Committees**” means any (as the context permits) of the other Board Committees that have been appointed by the Board, namely:
 - (i) the Safety and Quality Committee;
 - (ii) the Finance Committee; and
 - (iii) the People, Capability and Culture Committee.
- (r) “**Policy Framework**” means a policy framework issued by the Department CEO pursuant to section 27 of the *Health Services Act*;
- (s) “**System Manager**” means the Department CEO undertaking the role as provided for in Part 3 of the *Health Services Act*.

1.10 In these Terms of Reference any term not specifically defined shall have the same meaning as in the *Health Services Act* unless the context otherwise requires.

1.11 In these Terms of Reference any reference to:

- (a) a Policy Framework, Department CEO Direction, laws and instruments binding upon CAHS includes any amendments thereto or replacements thereof;
- (b) a document, instrument, or agreement other than an item within clause 1.11(a) above does not include any amendments or replacements where they materially affect the operation and discharge by the Committee of its functions and responsibilities under these Terms of Reference until such time as the Board has approved the consequential changes to these Terms of Reference necessary to address any such amendments or replacements.

1.12 These Terms of Reference are effective on and supersede all prior Terms of Reference applicable to the Committee from August 3, 2023 in accordance with a resolution of the Board made on August 3, 2023.

2. Purpose

- 2.1 The Committee is non-executive and its role is to provide support, assistance, advice and make recommendations to the Board in connection with:
- (a) The adherence to the Risk, Compliance and Audit Policy Framework¹ together with the audit, risk, compliance and governance aspects of other Policy Frameworks;
 - (b) Monitoring the effectiveness and efficiency of the risk, compliance, and internal audit functions as well as the outcome of external audits;
 - (c) Overseeing CAHS Executive's monitoring of the development and implementation of appropriate systems of risk management, governance and compliance controls and oversight;
 - (d) Recommending risk-based audit plans (annual and strategic) to the Board and monitoring the progress of supported audit findings rated high and extreme; and
 - (e) Monitoring and oversight of emergency management plans/controls, and business continuity plans and controls for CAHS.

The Committee is to work with the Board and other Board Committees to:

- (a) Review the operation, delegation and allocation of the Board's risk-related functions and responsibilities to each Board Committee, including so that the allocation and/or division of those functions and responsibilities and the interaction between the Board and each Board Committee on any areas of risk-related overlap are delineated as clearly as possible; and
 - (b) Monitor CAHS Executive's processes for identification, monitoring and mitigation of risks.
- 2.2 The Committee is directly responsible and accountable to the Board for the exercise of its functions and responsibilities.
- 2.3 The Committee will work closely and effectively with the Audit, Risk and Compliance Executive Committee.
- 2.4 The Committee must at all times recognise that day to day responsibility for the management of CAHS rests with the Chief Executive.

¹ Including those sub-components arising from the Risk, Compliance and Audit Policy Framework as identified by the Board from time to time.

3. Responsibilities of the Audit and Risk Committee

3.1 Internal audit compliance with internal control

The Internal Audit and related internal control functions of the Committee are to undertake the following, save and except those functions that are expressly included within the functions of Other Board Committees pursuant to the terms of reference of that Other Board Committee:

- (a) Make recommendations to the Board on the engagement of Chief Audit Executive;
- (b) Maintain a direct reporting line with the Internal Auditor and ensure that the Internal Auditor has direct access to the Board Chair, the Committee Chair, the Committee and the Chief Executive including meeting with the Chief Audit Executive without management if required;
- (c) Make recommendations to the Board on the approval of the CAHS annual risk-based audit plan, the scope of each audit, and any subsequent amendment requirements that may arise together with resource requirements;
- (d) Review quarterly and make recommendations to the Board on the Internal Auditor's report on all open Internal Audit items where the level of risk (or risk rating) is assessed as being high or extreme or the item is within a class or type of risk otherwise considered to be material by the Committee together with CAHS Executive's plans for and progress against such open items;
- (e) Review and make recommendations to the Board on the approval of an item being closed or removed from the CAHS log or register for Internal Audit where the risk rating is assessed as being high or extreme or the item is within a class or type of risk otherwise considered to be material by the Committee;
- (f) Review at least annually and make recommendations to the Board on the operations, quality, effectiveness, delivery and independence of Internal Audit for the previous year;
- (g) Review at least annually, through the functions of Internal Audit and make recommendations to the Board on the adequacy of the internal control structure and systems including relations with the Department of Health and Health Support Services; and
- (h) Review and make recommendations to the Board on:
 - (i) CAHS Executive's arrangements by which CAHS Personnel may, in confidence and without fear, raise concerns about possible improprieties in matters of financial reporting or any other requirements as provided by the *Public Interest Disclosure Act 2003 (WA)*;
 - (ii) CAHS Executive's arrangements for the proportionate and independent investigation of such matters and for appropriate follow-up action; and
 - (iii) reports from CAHS Executive on the outcome, findings or recommendations of such independent investigations and implementation of follow-up action.

3.2 Risk Management

The risk management functions of the Committee are to undertake the following, save and except those functions that are expressly included within the functions of another Board Committee pursuant to that Board Committee's terms of reference:

- (a) Review and make recommendations to the Board on strategic risks arising from within the Health System;
- (b) Review annually and make recommendations to the Board on the approval of or amendments to the CAHS:
 - (i) risk management framework, including the risk management plan;
 - (ii) risk appetite;
 - (iii) risk criteria (or classification matrix);
 - (iv) risk assessment process, including risk identification, risk analysis, risk evaluation and risk treatment; and
 - (v) risk policies and practices with respect to reporting of risks as prepared by CAHS Executive;
- (c) Liaise with CAHS Executive to ensure there is a common understanding of the key risks to CAHS and the risk profile of CAHS as approved by the Board, together with a clearly documented risk register and system with built in mechanisms for regular review and monitoring of risk by CAHS Executive;
- (d) Review and make recommendations to the Board quarterly on CAHS Executive's report as to:
 - (i) all risks where the level of risk (or risk rating) is assessed as being high or extreme, including the appropriateness of the risk treatment, control or risk management plan (or mitigation);
 - (ii) all risks where the residual risk is assessed as being high or extreme, including the appropriateness of the risk treatment, control or risk management plan (or mitigation);
 - (iii) all risks where the level of risk (or risk rating) is assessed to have increased so as to become high or extreme or decreased so as to no longer be high or extreme;
 - (iv) all risks where CAHS Executive considers the risk treatment, control or risk management plan (or mitigation) is assessed as not being adequate or excellent for the corresponding risk;
 - (v) all risks proposed to be removed from the risk register where the level of risk (or risk rating) was assessed as being high or extreme; and
 - (vi) the application of the risk management framework, risk management plan, risk management process and risk mitigation with respect to each risk referred in section 3.2 (d) from (i) to (v);
- (e) Review at least annually and make recommendations to the Board on CAHS Executive's plan for the management of ICT risks;

- (f) Review at least annually and make recommendations to the Board on CAHS business continuity policy, planning and testing;
- (g) Review at least annually and make recommendations to the Board on CAHS Executive's arrangements for insurance and their appropriateness for CAHS risk management framework; and
- (h) Every six months provide the Board with a summary of current and pending high-risk legal claims relating to medical liability, workers compensation, public liability, service delivery, staffing as well as service and procurement contracts.

3.3 External audit²

The functions of the Committee are to undertake the following, save and except those functions that are expressly included within the functions of another Board Committee pursuant to that Board Committee's terms of reference e.g. the audit of the Annual Financial Statements:

- (a) Advise the Board of and make recommendations regarding:
 - (i) audits³ that are planned to be performed on CAHS by an external auditor; and
 - (ii) any conflicts of interest or issues of independence with respect to external auditors⁴.
- (b) Meet with the external auditor (including, if deemed necessary, without the presence of any member of CAHS Executive) and report to the Board on any feedback from the external auditor and provide feedback to the external auditor;
- (c) Review and make recommendations to the Board on CAHS Executive's plans for, progress on and actions taken in implementation of external audit outcomes, findings and recommendations (including satisfactory progress to mitigate risks associated with any findings); and
- (d) Review and make recommendations to the Board on the outcome of any external agency⁵ interactions, enquiries, investigations, findings, reports and recommendations together with CAHS Executive's plans for, progress on and actions taken in implementation of or answer to such matters.

3.4 Corporate Governance

The corporate governance functions of the Committee are to undertake the following, save and except those functions that are expressly included within the functions of another Board Committee pursuant to that Board Committee's terms of reference:

² The provisions of the *Financial Management Act 2006* and the *Auditor General Act 2006* regulating the financial administration, audit and reporting of statutory authorities apply to and in respect of Child and Adolescent Health Service's and their operations

³ Includes the details of the relevant audit plan e.g. objectives, scope, methodology, timeframes etc.

⁴ Includes, but is not limited to, any other services the external auditor may be currently or previously provided to CAHS as well as any relationship between CAHS or CAHS Executives with the external auditor

⁵ Such as the Auditor General, Crime and Corruption Commission, Public Sector Commissioner, the Coroner, Department of Child Protection, and any court or tribunal.

- (a) Review at least annually and make recommendations to the Board on CAHS and CAHS Executive's arrangements for monitoring compliance with relevant:
 - (i) Laws, regulations and statutory orders;
 - (ii) Government policies;
 - (iii) Codes of conduct and codes of ethics; and
 - (iv) CAHS policies and procedures.
- (b) Review annually and make recommendations to the Board on CAHS Executive's arrangements for recording, monitoring and addressing:
 - (i) Gifts to CAHS Executive and CAHS staff;
 - (ii) Material personal interests of CAHS Executive and CAHS staff;
 - (iii) Actual, potential or perceived conflicts of interest or duty of CAHS Executive and CAHS staff.

4. Powers of the Committee

- 4.1 The Committee will hold the powers delegated to it by the Board. The Committee will conform to any directions and financial limits within which it is required to operate as imposed on it by the Board.
- 4.2 In discharging its responsibilities, the Committee has the authority to:
 - (a) Require reviews be conducted by CAHS Executive into matters within the scope of the Committee's functions and responsibilities as set out in these Terms of Reference;
 - (b) Require the provision of reports by CAHS Executive on matters within the scope of the Committee's functions and responsibilities as set out in these Terms of Reference;
 - (c) Recommend to the Board that reviews or further reviews be conducted into matters within or related to CAHS, whether those investigations be by the Board, CAHS Executive, the Committee, Internal Audit, or any other person or entity (inside or outside of CAHS);
 - (d) Access information, records, CAHS personnel and other parties in connection with matters within the scope of the Committee's functions and responsibilities as set out in these Terms of Reference;
 - (e) Request attendance of any CAHS Personnel and other parties at Committee meetings;
 - (f) Conduct meetings with internal and external auditors as necessary (without the presence of Executive, if required);
 - (g) Seek advice from external parties (including the System Manager) as necessary;
 - (h) Engage external expertise, if necessary, to obtain independent advice in relation to Committee matters with the approval of the Board;
 - (i) Access all levels of Executive via the CAHS CE in order to seek information from any employee of the CAHS in order to carry out the Committee's responsibilities;
 - (j) With the approval of the Board:
 - (i) Obtain legal advice in accordance with the Legal Policy Framework; and

- (ii) Obtain independent professional advice of any person or entity outside of CAHS with relevant experience and expertise
if considered necessary by the Committee;
- (k) Conduct meetings jointly with any one or more other Board Committees where the respective Chairs of each such Board Committee agree that it is appropriate; and
- (l) Undertake such other tasks as the Board authorises or delegates to the Committee.

4.3 The Committee Chair, with the approval of the Board has the authority to request and obtain information or records of any person or entity outside of CAHS, where otherwise permitted by law, where such information or records may relate to any matter within the scope of the Committee's functions and responsibilities as set out in these Terms of Reference,

4.4 The Committee Chair has the authority to meet formally and informally with:

- (a) the Chief Executive of CAHS and/or any other member of the CAHS Executive;
- (b) the Chairs of Other Board Committees;
- (c) the Chairs of equivalent committees of other health services providers, with the approval of the Board Chairs of those health service providers (including jointly with or in the presence of the Chairs of Other Board Committees and/or the Chairs of any other committees of other health service providers); and
- (d) such other persons or entities as the Board may approve from time to time.

4.5 The Committee does not have the authority to enter into contracts or agreements independently of the Board.

5. Delegation of authority to a sub-committee

The Committee does not have the authority to create sub-committees. Neither the Committee nor the Committee Chair has authority to delegate any powers, functions or responsibilities contained in these Terms of Reference or as delegated by the Board from time to time.

6. Structure and composition

6.1 Membership and appointment

- (a) Membership of the Committee is to be determined by the Board from time to time.
- (b) The Committee must have at least four members. The Committee may include persons who are not members of the CAHS Board but must include at least two members of the Board. At least one member of the Committee must be a clinician. Any Committee member who ceases to be a member of the Board shall at the same time cease to be a member of the Committee.
- (c) A person who is a staff member of the CAHS is not eligible to be a member of the Audit and Risk Committee.
- (d) The Committee and its combined membership must possess knowledge and experience in the following areas:
 - Risk Management;
 - Compliance processes;
 - Internal Audit processes;
 - External Audit processes;
 - Legal issues and legal compliance; and
 - Corporate governance.

6.2 Committee Chair

- (a) The Committee Chair shall be a member of the Board as nominated by the Board from time to time.
- (b) The Board Chair cannot act in the capacity as Committee Chair.
- (c) If the Committee Chair is absent from a meeting or vacates the Chair at a meeting, the Committee Chair must appoint another member to act as the Committee Chair on a temporary basis. When the Committee Chair is unavailable to or does not otherwise appoint another member to act on a temporary basis as the Chair then the Committee shall elect a temporary Chair from those members of the Committee present at any such meeting.
- (d) Before appointing a member to the position of Chair the Board must be satisfied that the person is suitably qualified for the position as prescribed by Part XII of the Treasurer's Instructions, namely:

- (i) has current membership of CPA Australia as a CPA; or
- (ii) has current membership of Chartered Accountants Australia and New Zealand as a Chartered Accountant; or
- (iii) has current membership of the Institute of Public Accountants as a Member of the Institute of Public Accountants; or
- (iv) has current membership of the Institute of Internal Auditors as a Professional Member; or
- (v) has appropriate membership of an overseas accounting body that is approved in writing by any two of the aforementioned bodies as having requirements for membership equivalent to those of the approving body; or
- (vi) possesses relevant experience, skills and knowledge as determined by the Board appropriate for the size and complexity of CAHS.

6.3 Standing invitees

(a) Only Committee Members:

- (i) may vote on Committee decisions; and
- (ii) are included in determining a quorum for a meeting of the Committee

Non-members may be invited to attend from time to time meetings of the Committee by the Committee Chair.

(b) Holders of the following positions shall be standing invitees to and shall be given notice of all meetings of the Committee (although any such member of the Board not expressly appointed to the Committee shall not become a member of the Committee by virtue of such attendance, may not vote on Committee decisions and are not included in determining a quorum for a meeting of the Committee):

- (i) The Chief Audit Officer;
- (ii) The Board Chair;
- (iii) Director, Financial Audit, OAG
- (iv) The Chairs of Other Board Committees.

(c) The Committee may from time to time resolve that the holders of certain positions (or equivalent positions) at CAHS and/or the Board shall be standing invitees to all meetings of the Committee (although such persons shall not be members of the Committee, may not vote on Committee decisions and are not included in determining a quorum for a meeting of the Committee).

(d) Any Board Member may attend Committee meetings (although any such Board Member not expressly appointed to the Committee shall not become a member of the Committee by virtue of such attendance, may not vote on Committee decisions and are not included in determining a quorum for a meeting of the Committee).

6.4 Other participants

The Committee Chair may request members of the CAHS Executive, CAHS Personnel or external parties to attend a meeting of the Committee. However, such persons do not assume membership of the Committee or participate in any decision-making processes of the Committee and are not included in determining a quorum for a meeting of the Committee.

6.5 Secretariat

- (a) Secretariat support will be provided to the Committee by the CAHS Board Secretariat.
- (b) All records, including the agenda, minutes and any reports or recommendations will be prepared and kept by CAHS in accordance with the *State Records Act 2000* and in the same manner as the requirements of the Statutory Board Governance Policy – Health Service Provider Boards.
- (c) Individuals who are not members of the Board shall only have access to the minutes, reports, recommendations or documents of the Committee with the prior approval of the Committee Chair, or the Board Chair where the Committee Chair considers it appropriate to refer the matter to the Board Chair for approval. Any person permitted to access such materials will observe the confidentiality obligations as imposed upon a Board Member and such obligations shall apply *mutatis mutandis* to all such persons.

7. Meetings

7.1 Meeting schedule

- (a) The Committee will meet at least four times per year. Meetings should be programmed to coincide with key dates in the reporting cycle with consideration given to the Board meeting cycle.
- (b) The Committee will determine its own meeting schedule and work plan from time to time as considered necessary or appropriate to perform its functions under these Terms of Reference and may organise its meeting schedule and work plan such that in each financial year one meeting of the Committee shall have as its primary focus the consideration of matters within the scope of the Committees functions relating to:
 - (i) internal Audit;
 - (ii) external audit;
 - (iii) risk management;
 - (iv) corporate governance and legal issues.
- (c) The Committee Chair will convene the meetings of the Committee whether pursuant to any schedule or timetable or from time to time.
- (d) The Committee Chair will call a meeting of the Committee if so requested by any member of the Committee or the Board Chair within a reasonable period of any such request.

- (e) Notwithstanding any existing meeting date, schedule or timetable having been set the Committee Chair may call additional meetings of the Committee to consider any items that are:
 - (i) unable to be accommodated within any existing meeting schedule or timetable;
or
 - (ii) of such urgency that it requires consideration prior to the next scheduled meeting.

7.2 Quorum

A quorum for a meeting of the Committee is at least half the number of members of the Committee and must include not less than two Board Members.

7.3 Voting

- (a) The majority of affirmative votes of a quorum at a meeting of the Committee are sufficient to pass a resolution.
- (b) Each Committee member's vote has equal weight. In the case of an equal number of votes, the Chair shall have a casting vote in addition to their deliberative (i.e. normal) vote as a member.

7.4 Agenda, Papers, Minutes, Actions and Summary

- (a) The Committee meetings will abide by normal meeting procedure and will be minuted. An agenda and supporting papers will be distributed not less than 5 working days prior to the meeting. Draft minutes will be circulated not more than 7 days after each meeting.
- (b) The Committee will adhere to the requirements of the State Records Act 2000.
- (c) The Committee will receive the following reports (in the form and style as requested by the Committee from time to time) from CAHS Executive as standing items on the status of matters relating to:
 - (i) Internal Audit;
 - (ii) External audit;
 - (iii) Risk Management;
 - (iv) Corporate governance and legal issues.
- (d) The Committee will also receive those further reports (whether as standing items, on a periodic or ad hoc basis) as specified by the Committee Chair or the Board from time to time, or as recorded in the Reports by Month list.

7.5 Out-of-session matters

- (a) Urgent matters can be progressed out-of-session with the agreement of the Committee Chair.
- (b) Matters progressed out-of-session and out-of-session votes may occur in the same manner as an out-of-session matter or vote with respect to the Board. A reasonable time

must be given to vote. A quorum of Committee Members must vote for a resolution or decision to stand.

- (c) Confirmation of those matters progressed out-of-session and the outcome of any out-of-session vote shall be included in the meeting agenda for the next Committee meeting and confirmation of the outcome of any out-of-session vote recorded in the minutes of the next meeting of the Committee.

7.6 Virtual Attendance

Members may attend meetings by video or teleconference at the discretion of the Board Chair, and as permitted by the *Health Services Act* under section 89. The preferred method of virtual attendance for the WA Health Service is Microsoft Teams.

8. Formal mechanisms for reporting key decisions

8.1 Making recommendations

- (a) The Committee may make recommendations to the Board on items within its Terms of Reference.
- (b) Recommendations of the Committee will be regarded as its collective decision or advice unless there is material dissension. When there exists a material dissension both the majority and minority view will be recorded in the minutes of the meeting.
- (c) If consensus cannot be reached, the Committee Chair reserves the right to escalate the matter to the Board. Both the majority and minority view will be recorded in the minutes of the meeting and placed before the Board.
- (d) Where a matter for consideration is not solely within the scope of the Committee and falls within the scope of another Board Committee, the matter shall also be referred to that other Board Committee for consideration.
- (e) Where a matter for consideration is beyond the scope of the Committee it shall be recorded in the minutes of the Committee and the matter shall be referred to:
 - (i) another Board Committee if considered to fall within the scope of another Board Committee; and
 - (ii) If not within the scope of another Board Committee, or when relevant then in addition to, the Board.

8.2 Reporting key decisions

- (a) The Committee will develop two-way communications through formal and ad hoc reporting to both the Board and the Board Chair.
- (b) The Committee reports directly to the Board.

- (c) The minutes of meetings of the Committee (whether then in draft or approved) shall be included in the papers for the next Board meeting.
- (d) Once finalised and approved the minutes of each Committee meeting shall be made available to all Board Members whether through a central data repository or other medium accessible by all Board Members.

9. Ethical Practices

- 9.1 Committee Members must at all times comply with the relevant WA health system Policy Framework mandatory requirements.
- 9.2 In accordance with section 79(1)(2) of the *Health Services Act* all Committee Members must act impartially and in the public interest in the exercise of the member's functions. Accordingly, a Committee Member must put the public interest before the interest of CAHS, the personal interests of the Committee Member or any Board Member.
- 9.3 Committee Members will at all times in the discharge of their duties and responsibilities, exercise honesty, objectivity, independence and not engage knowingly in acts or activities that have the potential to discredit CAHS, the Board, the Committee and/or individual Board Members or Committee Members.
- 9.4 Committee Members will refrain from entering into any activity that may prejudice their ability to carry out their duties and responsibilities objectively and will, at all times, act in a proper and prudent manner in the use of information acquired in the course of their duties.
- 9.5 Committee Members will not use CAHS's information for personal gain or in any manner that would be contrary to law, or detrimental to the welfare and goodwill of another person, the Committee, the Board, CAHS or the WA health system.
- 9.6 Committee Members must not publicly comment on matters related to activities of the Committee, the Board and/or CAHS other than as authorised by the Board.
- 9.7 The Board Secretariat will maintain the following registers in accordance with the *Health Service Provider Board Governance Policy*:
 - (a) A register of personal interests of all Committee Members and any standing invitees to the Committee meetings, together with any management plan regarding such personal interest;
 - (b) A register of all declarations of personal interest and/or actual, potential or perceived conflict of interest declared by members of the Committee or any attendees at a meeting of the Committee, together with any management plan regarding such conflict of interest;⁶ and
 - (c) A register of gifts where from time to time gifts will be offered to the Board and Committee Members during the course of or incidental to their appointment. The Committee must ensure Members declare to the Committee the offer that was made and this must be recorded in the gifts register. The Committee must determine if the gift should be accepted or declined. The Committee should not

⁶ See section 22 of the Statutory Board Governance Policy – Health Service Provider Boards.

allow Members to accept unauthorised gifts. In all offers of gifts the Committee must assess the possibility for an actual, perceived or potential conflict of interest before the gift can be accepted.

- 9.8 Committee Members must declare all material personal interests, and any actual, potential or perceived conflicts of interest or duty. Actual, potential or perceived, conflicts of interest should be managed pursuant to the *Health Service Provider Board Governance Policy*.
- 9.9 A Committee Member who has a material personal interest or in respect of whom there exists an actual, potential or perceived conflict of interest in a matter being considered or about to be considered by the Committee must, as soon as possible after the relevant facts have come to the Committee Member's knowledge, disclose the nature of such personal interest or any actual, potential or perceived conflict of interest first to the Committee Chair and then at the Committee meeting.
- 9.10 Subject to clause 9.11, Committee Members and any other person otherwise in attendance at a Committee Meeting must not be present while a matter is being considered, participate in discussions and must not vote on any issues in respect of which there is a material personal interest or where there exists an actual, potential or perceived conflict of interest.
- 9.11 A Committee Member may be present while a matter is being considered, participate in discussions and/or vote on the matter where the Committee has passed a resolution that specifies the Committee Member has a material personal interest or actual, potential or perceived conflict of interest but the Committee considers the interest or conflict:
 - (a) As so trivial or insignificant as to be unlikely to influence the disclosing Committee Member's conduct; and
 - (b) They should not be disqualified from considering or voting on the matter in question (section 82 of the *Health Services Act*).

10. Confidentiality

- (a) Committee Members may from time-to-time be in receipt of information that is regarded as confidential. Committee Members acknowledge their responsibility to maintain confidentiality of all information that is not in the public domain.
- (b) Committee Members and any other invitee to or attendee at a Committee meeting in receipt of Committee papers will maintain the Committee papers in a confidential manner separate from any other business or responsibilities of the Committee Member other than the business or responsibilities of the Committee Member as a Board Member.
- (c) Committee Members and any other invitee to or attendee at a Committee meeting in receipt of Committee papers or otherwise privy to information will observe the confidentiality obligations as imposed upon a Board Member and such obligations shall apply *mutatis mutandis* to all such persons.

11. Code of Ethics and Code of Conduct

Committee Members and any other invitee to or attendee at a Committee meeting will observe the obligations with respect to the code of ethics and code of conduct as imposed upon a Board Member and such obligations shall apply *mutatis mutandis* to all such persons.

The CAHS Board Living Our Values: Code of Conduct holds the CAHS values of compassion, collaboration, accountability, respect, equity and excellence as fundamental and the code describes how these values translate into action. The Code applies to all Board members, with the Chair and Deputy Chair having special responsibility to support all Board members to achieve these standards. The Board Chair also has a duty to investigate where allegations of breaches of the Code of Conduct are raised.

The WA Public Sector Code of Ethics specifies the minimum standard of conduct and integrity required of all public sector bodies and employees. Under section 9 of the *Public Sector Management Act*, all public sector bodies and employees must comply with the Code of Ethics standards of personal integrity; relationships with others; and accountability.

The Committee should refer any breaches of Code of Ethics or Code of Conduct to the Board Chair in the first instance.

12. Evaluation

- (a) 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.
- (b) The Committee will provide a report on the annual review of performance and achievements to the Board.

- (c) The Committee's annual self-assessment must be aligned with the Board's evaluation framework and be provided to the Board in advance of the Board's annual self-assessment.

13. Review Date

This document will be reviewed on an annual basis, no later than one year from the date of the last approval.

14. Endorsement

Audit and Risk
Committee Chair



Signature

7/8/23

Child and Adolescent Health Service
Board Chair



Signature

7/09/2023

