

B.01 Board and Governance Policy

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1.0 INTRODUCTION/BACKGROUND

Mercy Services was initially established as Mercy Community Care Service (MCCS) in 1976 by the Sisters of Mercy Singleton in response to changing attitudes in health and community care which recognised the value of providing nursing and care services in the home. In 2000, the McAuley (Drug and Alcohol) Programme was amalgamated with MCCS to form a new company called Mercy Services. In serving the community, Mercy Services always seeks to promote the dignity of each person and value the quality of human life.

Mercy Aged Care Services (Singleton) had its origins in 1969 as Mercy Nursing Home, initially a rest home for elderly Sisters. In 1984, a new purpose built 37 bed Nursing Home was opened in Singleton. The, then, new building incorporated the Sisters' rest home. In 1999 seven hostel beds were added to the facility with four Independent Living Units resulting from a refurbishment of the former Novitiate area in 2001. In June 2005 the aged care facility became a new company called Mercy Aged Care Services (Singleton). The facility offers care and accommodation for men and women, religious and lay persons, irrespective of religious affiliation or nationality. In offering nursing home, hostel and independent living care, Mercy Aged Care Services (Singleton) also seeks to promote the dignity of each person and value the quality of human life.

Within all aspects of our services, the Board, staff and volunteers remain committed to the core values of the Mercy tradition, namely justice, respect, service, care and unity and endeavour to translate these in service delivery and daily behaviour.

With the formation of Mercy Community Services on 8th December 2000 a two tiered governance structure was adopted by the congregational leadership of the Sisters of Mercy Singleton ('the Congregation'):

1. The Trustees of the Congregation as guardians and interpreters of the Mission of Mercy ('the Mission') and the owners of the services; and
2. The Board of Directors was appointed and authorised as stewards of the Mission by the Trustees and appointed to oversee the management and operation of Mercy Services.

In 2005 the Trustees of the Congregation determined that the Board of Directors would be responsible, not only as stewards of the Mission and for overseeing the management and operation of Mercy Community Services, but also as the Board for Mercy Aged Care Services Singleton (MACSS).

On 17th September 2012, Mercy Community Services formally changed its name to Mercy Services. This was in preparation for the merger with Mercy Aged Care Services Singleton. This merger formally took place on 30th September 2013 retaining the name Mercy Services for the entire company with MACSS now referred to as Mercy Services Singleton.

In December 2011, 15 of the 18 Congregations of the Sisters of Mercy in Australia and PNG (including Singleton) agreed to merge becoming the Institute of Sisters of Mercy of Australia and Papua New Guinea (ISMAPNG). An Institute Leadership Team comprising five Sisters was elected for a five year term.

The Mission of Mercy Services:

Our Mission is to provide holistic, proactive and inclusive service, in the spirit of our foundress, Catherine McAuley, to all those we support and work with both in the community and in a residential setting. In all our work we strive to provide compassionate, respectful, high quality and environmentally sustainable practices.

A Mission Values and Culture Committee has been formed in order to support Mercy Services in attaining its vision through the establishment and promotion of a values based culture by continually embedding Mercy Services mission, values and the Mercy tradition throughout the organisation. The committee comprises staff members from all sites meeting on a regular basis.

2.0 SCOPE

This policy and its procedures are meant to guide the Board of Governance of Mercy Services in carrying out the Mission of Mercy as espoused by ISMAPNG. They are also meant to influence the policy direction of the services in dealing with staff, clients, volunteers and the community.

3.0 POLICY STATEMENT

The Board is responsible for the following:

1. Board's Mission

The Board's collective and individual mission is to:

- Ensure that the Mission of Mercy is implemented and safeguarded in an integrated way through the governance and management structures of all services;
- Recognise and respond to emerging needs in the community and in so doing incorporate the same selfless spirit which has permeated the Sisters of Mercy apostolates throughout their history; and
- Confirm and implement in performing all duties the values of **respect, service, justice, care and unity.**

2. Governance

The primary governance roles of the Board are to:

- monitor the financial performance of Mercy Services and approve annual operational budgets and capital expenditure;
- monitor and approve the operation of Mercy Services and in relation thereto ensure the quality of service provision and that appropriate risk management plans are developed and implemented;
- recommend to the Institute Leadership Team (ILT) of ISMAPNG the appointment and duration of appointment of the key executives of Mercy Services and ensure their

accountability by proper oversight by the Board and also by setting key performance indicators and periodically evaluating performance on this basis ;

- ensure that the Board is functioning well by annually reviewing the performance of the Board and individual members and by planning for the succession, orientation and education of Board members;
- ensure that there is compliance by Mercy Services with all legal, regulatory and reporting requirements;
- form sub-committees with specified responsibilities approved by the Board and with explicit terms of reference provided by the Board; and
- ensure that there are adequate funds and resources for both organisations by encouraging appropriate grant applications, applications for recurrent funding and by developing effectively coordinated and targeted fund raising activities.

3. **Strategy**

In determining the direction of the Organisations the Board shall:

- Regularly participate in ongoing planning activities to determine and set the strategic direction and performance indicators of Mercy Services;
- Monitor all performance indicators set and ensure achievement of strategic goals and targets within established timeframes;
- Advance the integration of resources of the various services conducted under the auspices of ISMAPNG; and
- Develop, maintain and enhance Mercy Services and relations with Government and participate in negotiations with Government bodies to promote, among other things, awareness of these services and growth opportunities.

4. **Communication**

Communication between the ILT of ISMAPNG and the Board will occur through the provision of minutes of the meetings of the Board to the Executive Officer of the ILT.

Periodically the Board Chair will meet with the Institute Leader or delegate to:

- discuss any matter the Chair wishes to raise pertaining to the Board's governance, policy or mandate;
- raise issues of importance concerning the operation of Mercy Services or their provision of services;
- discuss the performance of key staff members of Mercy Services;
- discuss the performance of the Board or members; and
- discuss the performance of subcommittees of the Board.

Communication between the Board and the Chief Executive Officer (CEO) of Mercy Services will normally occur at meetings

of the Board. Unless a member is authorised by the Board, all communication with the C on behalf of the Board between meetings will be through the Board chair.

4.0 PROCEDURES

1. **Quality Management**

Mercy Services are committed to continuous improvement in service provision.

To this end the Board will:

- review the outcomes of quality audits both internal and external;
- consult with staff on service delivery on an annual basis as part of its strategic planning process; and
- ensure that the strategic plan reflects, among other things, the principles of continuous improvement in quality service provision.

2. **Risk Management**

Mercy Services are committed to protecting its human, financial and goodwill assets and resources through the practice of effective risk management.

The Board of Mercy Services along with their management are committed to safeguarding the safety and dignity of its paid and volunteer staff, its clients and anyone who has contact with the organisations.

To this end, the Board will:

- ensure that the organisation has a risk management plan which is reviewed and updated on an annual basis;
- ensure that any risk management plans are monitored by the Board annually and incorporate policies and procedures covering the following areas:
 - (i) Employee hiring and screening;
 - (ii) Safety and incident and accident-reporting;
 - (iii) Insurances, including, need for and types of insurances coverage, expiry dates, and premium amounts;
 - (iv) Investments, and that any investments made are consistent with the values and ethos of the organisations and ISMAPNG; and
 - (v) Assets register and that the CEO or the relevant executive officer properly keeps the assets register and in the annual stocktake any significant discrepancies are noted and reported to the Board.

3. **Financial Resources**

The Board will ensure that the CEO of Mercy Services and the Director of Care of Mercy Residential Aged Care Services,

Singleton (Director of Care), in the operation and service provision ensure that any property or assets owned or utilised by these organisations are used for the proper functioning of these organisations and for the promotion of the organisations' objectives.

The Board will:

- ensure Budgets for the following financial year are submitted to the Board in May for approval by the Members;
- ensure that annual operational and capital expenditure budgets are prepared by the CEO of Mercy Services and the Director of Care in consultation with the relevant staff members;
- ensure that the following matters and expenditures are be submitted to the board for approval:
 - (i) Purchase of items where the purchase involves additional staff or the expenditure of more than \$50,000;
 - (ii) Purchase of additional (other than replacement) motor vehicles;
 - (iii) Conference/course expenses involving expenditure of more than \$15,000 other than approved Award entitlements;
 - (iv) Dismissal of senior management staff;
 - (v) Committee expenditure from all funds as required for the needs of the Services;
 - (vi) Approval of Tenders greater than \$50,000;
 - (vii) Establishment and closure of all special purpose, trust and investment funds as recommended by the CEO;
 - (viii) Approval of signatories to bank accounts;
 - (ix) Major capital expenditure up to \$50,000;
 - (x) Signing of funding agreements;
 - ensure that the CEO in consultation with Finance Manager and the Finance and Audit Committee of the Board, implements appropriate financial frameworks across the organisations and all services;
 - ensure that the CEO, the Finance Manager and the Senior Managers regularly gather and analyse all the financial data pertinent to Mercy Services' ongoing viability and that the CEO and the Finance Manager regularly report to the Board matters of financial risk and financial management;
 - ensure at each meeting of the Board that the CEO and the Finance Manager submit Financial Reports for consideration by the Board ;
 - ensure that the CEO and the Finance Manager submit the annual audited financial reports to the Board in a timely fashion to enable proper review and approval by the Board and the Finance and Audit Committee in compliance with due process and legal requirements;

- ensure that the CEO and the Finance Manager have appropriate procedures for reconciliation of monthly subsidies and grants with the entitlements and amounts claimed;
- ensure that the CEO and the Finance Manager comply with all legal and regulatory requirements in relation to the custody and control of all financial records and other data relating to Mercy Services and that there are proper procedures for the back up of computer data including where back up data is located; and
- Monitor and ensure that all cheques, drafts, bills of exchange, promissory notes and other negotiable instruments are signed by two people from among those authorised to do so by the Board.

The Board will not effect sale, lease or encumber assets, cause mergers or dissolutions, incur major capital expenditure in excess of \$250,000, effect structural changes to buildings or grounds or appoint or dismiss the CEO without the prior formal approval of the ILT of ISMAPNG.

4. Human Resources

All Board members, employees and volunteers are to be treated justly and equitably.

The Board will ensure that the CEO continually monitors and assesses organisational and human resource policies and procedures so that they are in accordance with accepted industrial relations practices and comply with Equal Opportunity and Affirmative Action legislation and Child Protection legislation and with all other legal and regulatory requirements.

The Board is responsible for the recommendation to the ILT of the appointee selected by them for the positions of CEO of Mercy Service. The ILT has the authority to appoint the person selected by the Board.

The Board is responsible for conducting the annual performance appraisal of the CEO of Mercy Services.

The Board must ensure:

- all staff appointments are based on merit;
- there is a job description for all staff which outlines their duties and lines of accountability;
- Remuneration of staff and conditions of employment shall generally reflect the labour market or the appropriate awards and conditions as determined by legislation and Government regulation;
- All staff have regular performance appraisals;
- The CEO arranges the appropriate staff appraisals; and

- The CEO, Senior Managers and the Director of Care arrange the appropriate professional development of staff members and that this is a priority and closely monitored by them.

5. **Volunteers**

The Board supports the use of volunteers on projects and within services to benefit clients and enhance the relationship between Mercy Services and the community.

The Board acknowledges and will ensure that:

- Volunteers are not employees of Mercy Services and are not subject to award conditions;
- Volunteers may be invited to undertake activities, including those supporting fundraising and community orientated projects;
- Volunteers are not be used to offset the need to employ staff;
- Volunteers are formally recruited, trained, and supervised and there are performance appraisal systems established for volunteers;
- Volunteers are given a list of their Rights and Responsibilities in relation to their work with Mercy Services;
- Volunteers are covered by Mercy Services Public Liability Policy for damage they may accidentally do to other people or property in the course of their volunteering work and that the volunteers are made aware of exceptions to the cover and where any personal liability may arise; and
- Volunteers are made aware that they are not employees and are therefore not covered by Workers Compensation Insurance, though they are covered by appropriate Volunteer Accident Insurance. They are also to be advised of the need for appropriate Personal and Accident Insurance before commencing volunteer work.

6. **Anti-Discrimination**

Neither the Board nor the organisation, Mercy Services, shall discriminate because of race, colour, age, sex, marital status, sexual preference, disability, national origin or ancestry, religion, economic status, union membership or political affiliation in any areas of employment, recruitment, advertising, hiring, promotion, demotion, rates of pay or other compensation, training or other benefits.

7. **Harassment and Bullying**

The Board is committed to ensuring through the management of Mercy Services that all staff, volunteers and clients are able to participate in the Services in an environment free from all forms of harassment and bullying.

The Board acknowledges and affirms:

- the meaning of “Harassment” and that it refers to any unwanted, unacceptable or offensive behaviour by an individual or group towards another individual or group within Mercy Services and that the behaviour may be verbal, physical or take the form of written material including that produced by electronic means; the meaning of the term “Bullying” to refer to; and
- Under the NSW Anti-Discrimination Act 1977, the Commonwealth Racial Discrimination Act 1975, Sex and Discrimination Act 1984, the Disability Discrimination Act 1992, harassment is unlawful. Harassment or bullying will not be condoned by the Board or the management of Mercy Services under any circumstances.

8. Grievance

The Board will ensure that:

- Grievance policy and complaints mechanisms are in place and are known by all employees, volunteers and clients of Mercy Services;
- The policy and complaints mechanisms address any concern that arises in the application of personnel breaches or in violation of personnel practices, either between employees and their co-workers, paid and volunteer; between employer and employee or volunteer, and between clients and employee or volunteer; and
- The CEO reports any significant grievance or complaints made by staff, volunteers, clients, funding bodies or any member of the public which may have implications for the organisations, the services or the Board.

9. Work, Health and Safety

The Board will ensure that policies and procedures in respect of Work Health and Safety will be consistent with current legislation and that they are monitored at least annually by the Board.

10. Indemnification

Each Board member appointed according to the Constitution, and each officer of Mercy Services, (‘the organisation) and other employees as determined by the Board to be so entitled, shall be entitled as of right to indemnification by Mercy Services to the maximum extent permitted by law, out of the property of these organisations, against all and any liabilities for costs and expenses incurred by that person as detailed in each Constitution of each organisation.

11. Compensation

Board members shall serve Mercy Services without compensation for their services as Board members. Any compensation remuneration or benefit with a value in excess of one hundred dollars (\$100.00) given to individual Board members must be disclosed to and approved by the Board. If

determined by the Board, members may be allowed reasonable reimbursement of expenses incurred in the performance of their duties.

12. Code of Conduct

All Board members shall be given, prior to any formal appointment or commissioning, the Code of Conduct developed and prepared by the ILT of ISMAPNG and shall commit to the behaviour endorsed in Code of Conduct. Adherence to this Code of Conduct is mandatory for all Board members. Any failure to comply with the approved Code of Conduct will result in action which may include removal from the Board and, where appropriate, pursuit of legal remedies.

13 Conflict of Interest

No Board member shall use his or her position, or the knowledge gained as a member of the Board in such a manner that a conflict arises between the interests of ISMAPNG, Mercy Services and the Board member's personal interests.

The conduct of personal business between any Board member and Mercy Services is prohibited.

If a Board member has an interest in a proposed transaction between Mercy Services, and any organisation in which the Board member has a financial interest, fiduciary or any other interest **the Board member must:**

- make full disclosure of such interest before there is any discussion or negotiation of such transaction by the Board;
- remove themselves from the Board meeting and not participate in any discussion or determination or vote of the Board in relation to the matter disclosed; and/or
- also fully disclose any potential conflict of interest with respect to any matter coming before the Board and shall not be present for any discussion determination or vote in connection with the matter.

14 Confidentiality

Board members, may not disclose, divulge, or make accessible at any time whatsoever confidential information belonging to or obtained through their Board membership or affiliation with Mercy Services to any person whatsoever. This includes relatives, friends, business and professional associates. Only persons who have legitimate need to know such information and to whom disclosure has been authorised are entitled to such information. The Board will also ensure that all employees and volunteers are aware of and comply with this policy.

Board members shall access and utilise confidential information solely for the purpose of performing services as a Board

member. The Board will also ensure that all employees and volunteers are aware of and comply with this policy.

This confidentiality policy and obligation continues to bind each Board member after s/he cease to act as a Board Member. It is not intended to prevent any disclosure required by law.

15 Privacy

The Board is committed to ensuring that all Privacy Legislation requirements are included in all relevant organisation policies and procedures.

16. Media

The Board will ensure that:

- all media contacts are handled by the CEO of Mercy Services, regardless of who the media representative is or whom he or she represents or how innocuous the request. In the prolonged absence of the CEO media contacts will be handled by the Board chair or a staff member designated by the CEO or the Board;
- All press releases and other promotional materials are to be approved by the CEO or staff member designated prior to dissemination; and
- Staff members and volunteers are aware of this media policy and that any failure to comply with this media policy shall be grounds for disciplinary action.

5.0 REFERENCES

1. Australian Standards	a) AS/NZS 4360: Risk Management
2. Legislation	a) Anti-Discrimination Act 1977 (NSW) b) Corporations Act 2001 (Cth) c) Disability Discrimination Act 1992 (Cth) d) Fair Work Act, 2009 (Cth) e) Health Records and Information Privacy Act, 2002 (NSW) f) Privacy Act, 1988 (Cth) g) Racial Discrimination Act 1975 (Cth) h) Sex and Discrimination Act 1984 (Cth) i) Work Health Safety Act, 2011 (NSW)
3. Professional guidelines	a) nil
4. Codes of Practice	a) nil
5. Codes of Ethics	a) Australian Association of Social Workers Code of Ethics http://www.aasw.asn.au/document/item/1201 b) Australian Psychological Association Code of Ethics http://www.psychology.org.au/Assets/Files/Code_Ethics_2007.pdf c) The Nursing and Midwifery Board of Australia. Registration Requirements http://www.nursingmidwiferyboard.gov.au/Registration-Standards.aspx

	<p>d) Code of Ethical Standards for Catholic Health and Aged Care Services in Australia (2001) http://www.cha.org.au/images/resources/Code%20of%20ethics-full%20copy.pdf</p> <p>e) Integrity in the Service of the Church https://www.catholic.org.au/media-centre/media-releases/cat_view/10-organisations/38-national-committee-for-professional-standards</p> <p>f) Mercy Services Code of Conduct</p>
6. Evidence	a) nil
7. Mercy Services Values	a) Justice, Respect, Care, Unity, Service

6.0 OTHER RELATED POLICIES and DOCUMENT

- Constitution of Mercy Services
- A.02 Code of Conduct - Board
- Other Values Policies
- Board Policies
- Organisation Management
- Financial Management / Administration Policies
- Service Delivery
- Staff / Volunteers Policies
- Work Health & Safety Policies

7.0 RELATIONSHIP WITH STANDARDS

<i>Aged Care Accreditation Standards</i>	<i>Home Care Standards</i>	<i>Disability Standards</i>	<i>EQiP Standards</i>
1.1, 1.2, 1.3, 1.5, 1.6, 1.8, 2.1, 2.2, 2.3, 3.1, 3.2, 3.3, 4.1, 4.2, 4.3, 4.5	1.1, 1.2, 1.3, 1.5, 1.6, 1.7, 1.8, 2.2, 2.3, 2.4, 2.5, 3.3	2.5, 6.1, 6.2, 6.3	1.4.1, 2.2.2, 3.1.1, 3.1.2, 3.1.5

8.0 DOCUMENT CHANGES RECORD

<i>Date of change</i>	<i>Section altered</i>	<i>Natures of changes made</i>
July 2001	First record of document	
July 2004	Whole document	Revised
06/07/2009	Whole document	Revised
14/11/2012	Whole document	Organisation name updated
13/05/2016	<p>a) Whole document</p> <p>b) 2.0 Scope</p> <p>c) 5.0 References, 6.0 Other related policies and 7.0 Relationship to Standards</p>	<p>a) Reformatted with correction of minor typo's, revised and name changes updated</p> <p>b) New heading using minor rewording of previous text</p> <p>c) New sections</p>
Review due 13/05/2019		