

allcare BOARD

All Care Health Services Group Pty Ltd
ACN 620 350 334



Corporate Governance Statement

Board of Directors

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1. Introduction

All Care Health Services Group Pty Ltd (allcare) is committed to delivering high quality consumer care services. The allcare Board recognises the importance of good governance in achieving this objective and understands that to discharge its responsibilities to all stakeholders the Board must adopt and enforce best-in-class governance standards.

As a company limited by guarantee, employing over seventy people and caring for hundreds of clients, allcare recognises that we have an enormous responsibility to ensure we are maintaining the highest standards of quality, safety, and sustainability.

The allcare Mission: “To facilitate quality, affordable, innovative, efficient and personalised in-home care services”: is the foundation of how we operate. Our people are central to this effort, and it is vital that allcare’s values guide the decisions we make, through the services we deliver and through our interactions with all our stakeholders.

This Statement outlines the Company’s governance framework, policies and procedures as at 30 June 2020 (unless otherwise stated). The Board continually reviews the Company’s governance policies and practices to ensure that they remain appropriate considering changes in corporate governance expectations and developments.

2. The Role of the Board

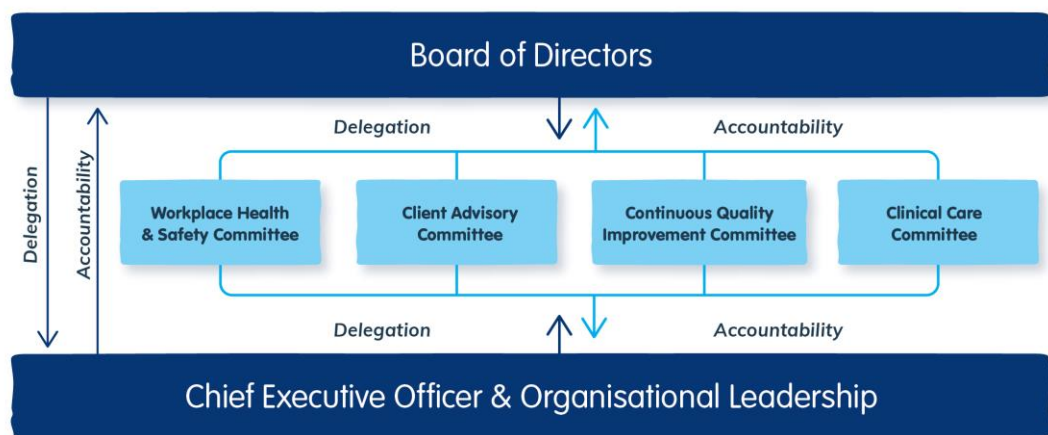
The Board is committed to representing and promoting the Company effectively, thereby adding long-term value to all stakeholders. The Board is accountable to shareholders for the oversight of the Company’s business and affairs and, as such, is responsible for the overall strategy, governance, and performance of the Company.

To clarify the roles and responsibilities of directors and management, and to assist the Board in discharging its responsibilities, the Company has established a governance framework which sets out the functions reserved to the Board and provides for the delegation of functions to Board Committees and to senior management as considered appropriate.

Clarification of roles and responsibilities are set out in the Board Charter, which was last reviewed and updated in FY2020. The Board Charter has been made available on the governance section of the Company website.

3. Governance Framework: The Board and its Standing Committees

The governance framework is designed to promote and foster accountability, between both Board and senior executives, to the Company and its shareholders. The diagram below summarises the Company's governance framework. The Board Terms of Reference, which is a companion document to the Corporate Governance Statement table on page X of this document outlines the functions reserved for the Board as well as those carried out by the four standing Board Committees: the Workplace Health and Safety Committee, the Client Advisory Committee, the Continuous Quality Improvement Committee and the Clinical Care Committee.



The four standing Board Committees assist the Board in the execution of its responsibilities. Each Committee operates under a specific charter, which enumerates the membership of the committee, the roles and responsibilities of committee members and administrative matters relevant to the committee affairs. The charters of each of the four Board Committees were updated in FY2020, and reaffirmed on 30 June 2020.

The table below provides a summary of the Board Committee's, their purpose, composition and meeting frequencies.

Board Committee	Committee Purpose	Committee Composition	Committee Meeting Frequency
Workplace Health and Safety Committee	The Work, Health & Safety Committee is comprised of current allcare clients, staff, and Management Team members. The Work, Health & Safety Committee is responsible for providing recommendations and suggestions to the Board on how allcare can exceed statutory workplace health and safety requirements. The activities of the Work, Health & Safety Committee are governed by the Work, Health & Safety Committee Terms of Reference.	Non-executive Directors, management, Chief Executive Officer	Quarterly
Client Advisory Committee	The Client Advisory Committee is comprised of current allcare clients, who are invited to provide feedback on allcare's service delivery. The Client Advisory Committee provides feedback based on their own lived experience, as well as representing the experience of peers. The Client Advisory Committee also contains a number of allcare staff members who act as the conduit of the information shared by the entire Client Advisory Committee. The activities of the Client Advisory Committee are governed by the Client Advisory Committee Terms of Reference.	Non-executive Directors, management, Chief Executive Officer	Twice yearly
Continuous Quality Improvement Committee	The Quality Improvement Committee is comprised of current allcare clients, staff and members of the Management Team and is responsible for reviewing allcare's policies and procedures. The Quality Improvement Committee makes recommendations to the Board on how allcare's policies and procedures can be improved. The activities of the Quality Improvement Committee are governed by the Quality Improvement Committee Terms of Reference	Non-executive Directors, management, Chief Executive Officer	Quarterly
Clinical Care Committee	The Clinical Care Committee is a standing committee of the allcare Board of Directors. It is comprised of members of the Board of Directors, management, the Quality of Service team, staff, clients and carers of clients. The activities of the Clinical Care Committee are governed by the Clinical Care Committee Board Terms of Reference.	Non-executive Directors, management, Chief Executive Officer	Quarterly

4. Board Composition

The Board of the Company has adopted a Board Charter, which outlines the way its constitutional powers and responsibilities will be exercised and discharged across the Company and any of its subsidiaries (together, the Group). In determining the composition of the Board, the Board must have regard to the principles of good corporate governance and applicable laws.

The Company aims to maintain a Board that comprises directors who can effectively understand and manage the issues arising in the Company's business, review and challenge the performance of management and optimise the Company's performance.

5. Skills and Experience of Directors

During FY2021, the Board critically reviewed the skills and capabilities of the Board and designed a board skills matrix. This matrix documented the skill and experience categories that the Board deemed relevant to safeguard the ongoing success of the Board and the Company as a whole.

The following table sets out the various skills/experience that the Board deemed relevant:

Board Skills Matrix	
Sectoral Expertise	
Health Care	Competency in the healthcare industry, with particular emphasis on growing health care organisations.
Aged Care	Competency in the aged care industry, with particular emphasis on growing aged care organisations.
Specific Skills and Experience	
Strategy	Ability to identify and critically assess strategic opportunities and threats and to develop and implement successful strategies.
Public Policy and Regulatory Affairs	Ability to influence public policy development and manage the implications of public and regulatory policy.
Capital Management and Finance	Ability to assess financial performance, analyse financial statements and implement effective internal financial and risk controls.
Technology and Disruption	Ability to leverage technological developments to support growth and drive competitive advantage, including responding to digital disruption.
People and Culture	Ability to set & communicate corporate culture, motivate key capital talent, oversee management and evaluate the suitability of CEOs and other key executives.
Workplace Health and Safety	Ability to oversee the proactive management of workplace health and safety practices
Consumer Focus	Ability to oversee a strong consumer-focused culture committed to achieving consumer outcomes
Operational Experience	Ability to manage and oversee business operations and deliver sustained business success.
Governance, legal and regulatory	Ability to assess the effectiveness of policies and procedures, and to manage legal, compliance and reputational risks
Risk Management	Ability to identify and manage key risks to an organisation.
Mergers and Acquisitions (M&A)	Ability to assess strategic M&A opportunities and oversee execution/completion

In considering future Board appointments to fill any casual vacancies that might arise, the Board will use the above matrix to assist in the identification of the Board's strengths and where its existing skills and experience may best be enhanced or supplemented.

As part of its annual review of corporate governance, which was undertaken during FY2020 the Board undertook to expand the Board to five members with a majority of independent Non-executive Directors.

6. Appointment, Induction and Training

An offer of a Board appointment must be made by the Chairman only after having consulted with all Directors and with the approval of the Board as a whole. In accordance with the Company's Constitution and the Board Charter, a Director appointed by the Board holds office until the conclusion of the next Annual General Meeting (AGM), at which he or she will be eligible for election.

Prior to appointment, new Directors receive a letter of appointment which sets out the terms of their appointment. Directors are also encouraged to sign a deed of indemnity, access and insurance.

The Board Secretary is also responsible for implementing an effective induction process for new Directors and regularly reviewing its effectiveness. New Directors are required to attend and complete a structured Director Induction Programme, which includes site visits to clients homes', such that the Director can gain an in-depth understanding of the services the Company provides and the clientele that it provides services to, In addition, Directors are provided with ongoing professional development and training to enable them to develop and maintain their skills and knowledge.

7. Director Independence

The Board considers that it is able to exercise its judgement in an independent and unfettered manner, provide independent and effective oversight of management and is highly effective in promoting the interests of shareholders as a whole.

All members of the Board, whether independent Directors or not, exercise independent judgement in making decisions in the best interests of the Company.

When considering matters at Board meetings, questioning and debate amongst the Directors is encouraged and no individual Director (or small group of Directors) is permitted to dominate the Board's discussions or decision making.

The Board determines the independence status of each Director on an annual basis. The Board may determine that a Director is independent notwithstanding the existence of an interest, position, association or relationship. The Company assesses independence on a case-by-case basis, having regard to the extent to which any relevant interest, position, association or relationship may materially interfere with the Director's ability to exercise unfettered and independent judgement in the discharge of their responsibilities and duties

8. Chairperson

The Board will appoint its chair (the “Chair”) from among its members. The Chair should generally be an independent director. If the Chair is also a member of management of the Company, the Board will also elect a “lead director” from among the independent directors to chair the Board at all meetings where management members are absent. The Chair’s roles and responsibilities are clearly outlined in a position statement, which is required to be approved by the Board.

9. Lead Independent Director

To enhance the independent functioning of the Board, in FY2020 the Board resolved to appoint a Lead Independent Director. This role is contemplated in both the Company Constitution and the Board Charter. Appointment of this role will be undertaken by the end of the FY2021.

The key functions of the Lead Independent Director are to:

- a. ensure that any conflicts of interest (or potential conflicts of interest) between the Company’s major shareholder and the Company are identified and appropriately managed;
- b. promote awareness of the importance of independent judgements in the Board’s decision-making;
- c. provide leadership to the other independent Non-Executive Directors and support them in presenting diverse perspectives on issues being considered by the Board; and
- d. promote constructive interaction between the independent Non-Executive Directors and all other Directors.

10. Access to Independent Advice

Directors are entitled to seek independent professional advice at the expense of the Company as required in the furtherance of their duties and in relation to their functions (including their Board Committee functions), subject to prior consultation with, and approval of, the Chairman or Deputy Chairman. Directors have consistently indicated in their evaluations that they consider they have adequate opportunity to access such advice.

11. Evaluation Board, Committee and Director Performance

During FY2020, the Board undertook a self-assessment of the performance of the Board, the Directors and the Board Committees. The results of the review were discussed by the whole Board, and initiatives to improve or enhance Board performance and effectiveness were considered and recommended.

In accordance with good governance practices, the Board will engage an external consultant to undertake independent evaluations of the Board, the Directors and the Board Committees on a regular basis.

An independent third-party evaluation of the Board, the Directors and the Board Committees will be undertaken no later than FY2022.

12. Company Secretary

The role of Company Secretary is by Board appointment and is directly accountable to the Board, through the Chair, in relation to all matters relating to the proper functioning of the Board.

All Directors have direct access to the Company Secretary.

The role of Company Secretary is set out in more detail in the Company's Board Charter.

13. Senior Executives

The Board delegates the responsibility for the day-to-day management of the Company to the Chief Executive Officer, who is assisted by the senior executives who report to him or her.

The Chief Executive Officer must consult with the Chairman, and the Board, on any matters which the Chief Executive Officer considers are of such a sensitive, extraordinary or strategic nature as to warrant the attention of the Board, regardless of value.

14. Performance of Senior Executives

The Chief Executive Officer's performance is formally assessed on an annual basis. The Chief Executive Officer's KPIs are reviewed and set annually by the Board. The Board is responsible for carefully evaluating the Chief Executive Officer's performance against those KPIs.

An annual assessment of the performance of all other senior executives is undertaken by the allcare Head of People and Culture, based on recommendations by the Chief Executive Officer.

15. Ethical and Responsible Behaviour

The Company places the highest value on ethical and responsible behaviour and has established a Code of Conduct for all Directors, officers, and employees as to:

- a. the practices necessary to maintain confidence in the Company's integrity.
- b. their legal obligations from time to time and the reasonable expectations of the shareholders.
- c. the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Code of Conduct, which is available via Employment Hero and the governance intranet landing page, is the subject of periodic review to ensure that it covers all relevant issues and sets standards consistent with the Company's commitment to ethical and responsible behaviours.

Employees are encouraged to report any concerns regarding serious misbehaviour including theft, fraud, bribery, breach of policies, dishonesty, harassment, bullying, unlawful discrimination, unethical or negligent behaviour, workplace safety hazards and medical negligence. The process for reporting such behaviour is detailed within the following policies: Workplace Services 7.3 - Whistleblower Protections, Client Services 4 - Client Feedback, Client Services 15 - Critical Incident Response.

16. Risk Management

The Company has developed a governance structure for oversight of risk whereby material business risks can be identified at an operational level and managed and reported, ultimately to Board level. The structure also allows for top-down management of risks identified at Board or Board Committee level. Risk management is viewed as a shared responsibility and is managed via both the allcare Comprehensive Risk Plan and the Clinical Governance Framework.

The Company's system of reporting encompasses both formal and informal channels. The Board has ultimate responsibility for reviewing the Company's risk management framework at least annually and satisfying itself that the risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

16.1 The Company's risk management framework

As stated, the Company has in place a Comprehensive Risk Plan which is consistent with the definition of an 'appropriate framework' in Standard AS/NZS ISO 31000:2009 Principles and Guidelines for Risk Management. The Company also has a Clinical Governance Framework, which has been endorsed by the Board and is necessary to demonstrate compliance with Aged Care Standard 8 requirement 3(e).

16.2 The Comprehensive Risk Plan

This document, which has been endorsed by the Board:

- a. provides a Group-wide approach which outlines the structure and policies applicable to the proactive identification, assessment, management, reporting and oversight of risks, particularly material business risks;
- b. encompasses all areas of risk with the capacity to adversely affect the business of the Group, such as strategic, financial, patient safety, workplace health and safety, the operating environment and legal risks;
- c. emphasises a collaborative approach by all stakeholders to the identification of risks, the importance of clear communication of initiatives and strategies to manage identified risk and reinforcement of compliance with such initiatives as an integral part of corporate culture; and
- d. provides guidance on risk treatment and prioritisation

16.3 The Clinical Governance Framework

As stated, the Company also has in place a Clinical Governance Framework, which is also consistent with the definition of an 'appropriate framework' in Standard AS/NZS ISO 31000:2009 Principles and Guidelines for Risk Management.

The Clinical Governance Framework provides guidance to all levels of the organisation to deliver services aligned to standards for quality care in Australia. High quality and safe service delivery are described through the following goals:

- a. That people receive care without experiencing preventable harm.
- b. That people receive appropriate, evidence-based care.
- c. That there are effective partnerships between consumers and providers and organisations at all levels of care planning, provision and evaluation.

The Clinical Governance Framework provides direction that supports consistency in:

- a. Delivery of safe, high quality and effective care.
- b. Delivery of culturally safe and accessible services that promote health literacy and consumer empowerment.
- c. Systems that proactively identify and prevent circumstances that put individuals at risk of harm.
- d. Planning, measuring and reporting of quality and safety measures. Understanding of statutory, regulatory and ethical responsibilities

Implementation of the Clinical Governance Framework, which is ultimately the responsibility of the Board and the Clinical Care Committee provides us with:

- a. Shared understanding of the core components of clinical and care governance; and
- b. Practical guidance to assist services to operationalise these core components.

Both the Comprehensive Risk Plan and the Clinical Governance Framework are supported by a range of robust policies and procedures, as well as a suite of conformance measures to ensure Company wide compliance.

17. Communications

The Company has two principal policies that pertain to internal and external communications related issues. Workplace Services policy statement 7.5 provides guidance on how all Company directors, stakeholders and employees should conduct themselves when using social media. Further, Workplace Services policy statement 7.8 provides guidance on how all Company directors, stakeholders and employees should conduct themselves when engaging with the media. This policy provides that the Chief Executive Officer is to act as the principal spokesperson for the Company, unless otherwise delegated.



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