

ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors



BOOKLET 1

2-way governance, representation and leadership

Acknowledgement of country

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We pay our respect to elders past and present and celebrate and respect their stories, traditions and culture throughout the NT and Australia.

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We must also align our business and governance structures with the Closing the Gap (CtG) priority reform areas, to enable our peak and community-controlled organisations to participate in decision making processes effectively and genuinely and have capacity to deliver our purpose and vision for Aboriginal and Torres Strait Islander people in the NT”.

John Paterson CEO, AMSANT

Cover Artwork: Moogie Down Productions for Aboriginal Governance and Management Program.

Thank you to our partners:



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VERSION JUNE 2024

About this booklet

This booklet is one of 8 booklets and is for Aboriginal directors and CEOs at Aboriginal community-controlled health services in the Northern Territory. It contains some of the basic knowledge directors need. This information can help directors build up their knowledge and skills needed for good governance practices and help to keep their health services strong.

The Aboriginal Governance Management Program (AGMP) and the Aboriginal Medical Services Alliance Northern Territory (AMSANT) wrote this booklet by listening to the ideas and experiences of directors and CEOs of AMSANT member organisations in the Northern Territory.

This booklet provides information to help you understand one of the 8 different parts of two-way governance and directors' business.

The 8 governance booklets cover and are titled:

1. 2-way governance representation and leadership
2. Important documents and staying compliant.
3. Roles and responsibilities
4. Guiding the CEO
5. Meetings and making decisions.
6. Strategic planning and stakeholders
7. Understanding the money story
8. Managing risk

There is also a larger book which combines the content of all 8 booklets. We call this the manual. These are all available as PDF files on the AMSANT members website.

How to use this booklet

- Use it to introduce new directors in their roles and responsibilities.
- Help directors and CEO's to think about areas of governance going well and not going well.
- Talk with other directors about the questions in each booklet.
- Check the meaning of important governance words.
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Booklet 1

2-way governance, representation and leadership

In this booklet we will learn about governance – what it is, different types, and how to do it well.



What are the different types of governance - cultural, corporate and clinical?



How do directors keep governance strong in two ways?



How do Aboriginal health services and directors represent community?



How do health services support and grow young and emerging leaders?

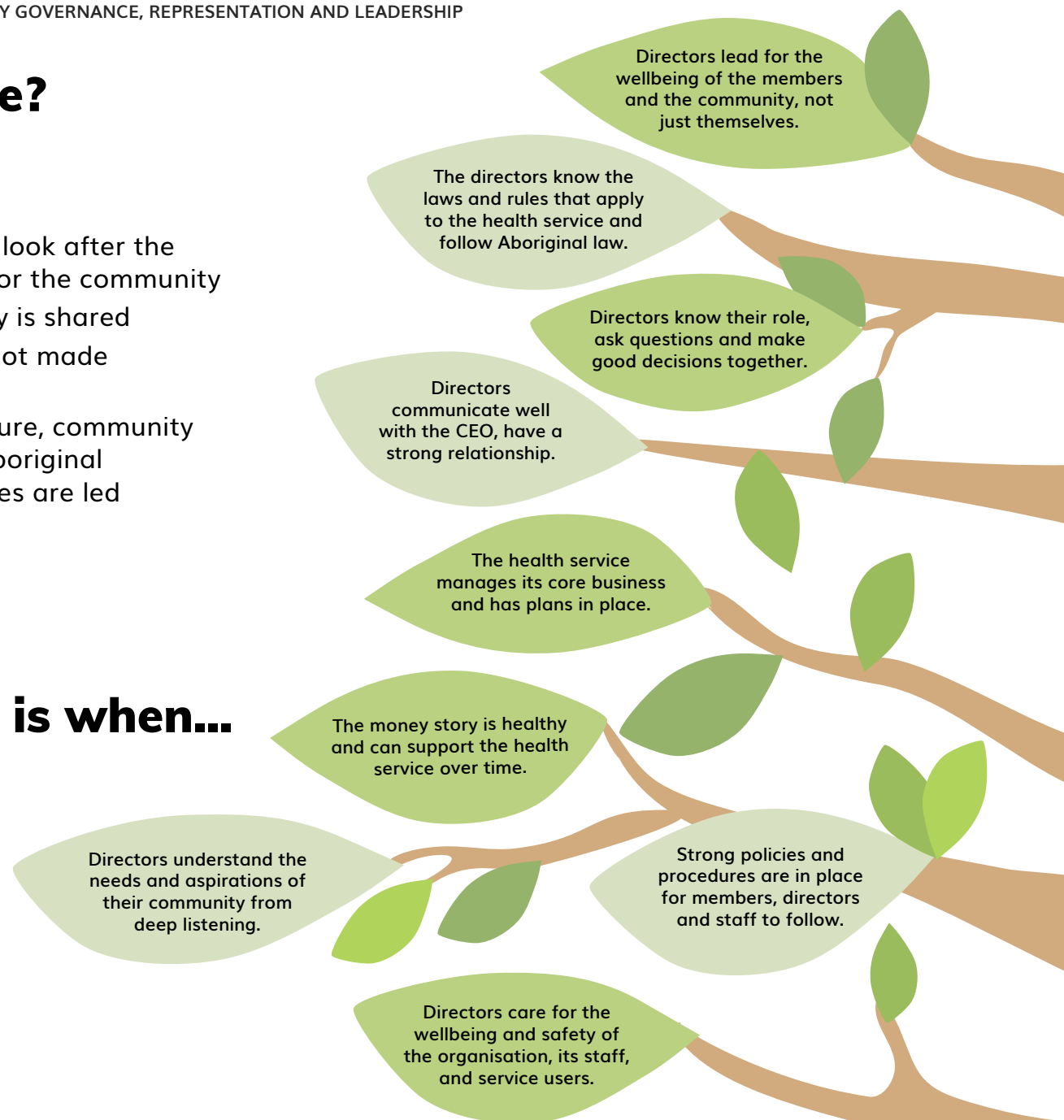
What is governance?

Governance is

- how things are organised to look after the needs of the health service for the community
- how power and responsibility is shared
- how decisions are made or not made

Governance is also about local culture, community needs and goals. This is because Aboriginal community controlled health services are led by community.

Strong governance is when...





Weak governance is when...

2-way governance



Aboriginal directors walk in two worlds. We must work with and follow corporate rules and our traditional laws and systems. We call this two way governance.

Aboriginal governance

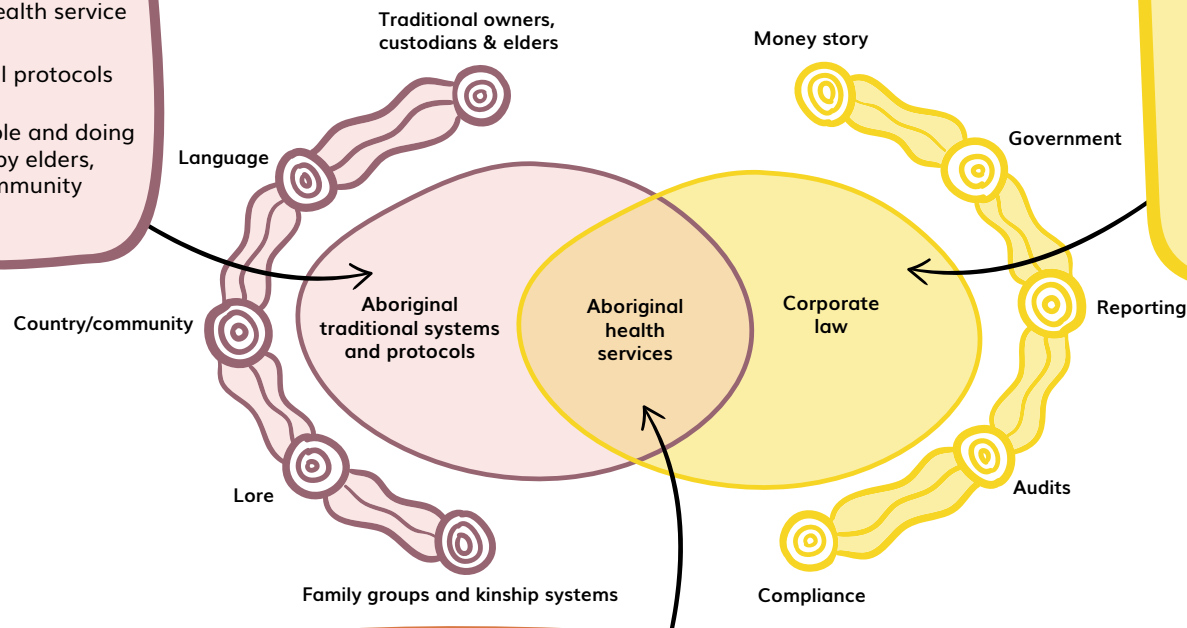
Aboriginal governance is looking after our health service in a cultural way:

- honoring cultural protocols and systems
- being accountable and doing the right things by elders, country, and community

Corporate governance

Corporate governance is looking after our health service using laws and rules from the government and western systems.

- be responsible to do the right thing according to government corporate laws
- manage the money and assets correctly
- report to funding organisations
- have strong policies and systems in place



2-way governance means working in Aboriginal and corporate systems.

Directors need to think about their responsibilities both ways. Keep in mind culture and community, government and funding agreements.

It is important to make both sides strong and find ways that these two worlds can come together for the benefit of the health service.

Getting the balance right



Directors want to do the right thing for their community and talk to all the right people. They have

- good cultural inductions for non-local staff
- good local staff employment
- good ways of checking in and reporting back to community.
- programs and services developed from community ideas and input.

BUT
Directors have not checked the money story or reported to funding organisations.

Health Service could lose funding. The health service might have to close.

Directors are very compliant with government and funding needs. They

- check the money story regularly and have good audits
- report well to funding organisations.
- have good policies and procedures
- have an up to date risk register
- have regular CEO performance reviews

BUT
Directors do not think about what the Aboriginal community wants and needs for its health.

The health service could lose community support. The community members won't feel comfortable and safe to be there.

When health services do 2-way governance the proper way



- Directors and staff work in ways that respect culture.
- Directors decide the health service goals and make sure the health service is working strong.
- The goals and health service activities are good for culture and community health.

- The health service is trusted and has strong relationships with community.
- The health service has regular funding and a trusted relationship with government and funding organisations.

As a director, I think about what is right for my community and, what is right by Australian laws.

Our health service has a rule book, but we have always had our own cultural ways of doing things, that we pass on to our young ones. Elders keep this knowledge.

As a director I also keep knowledge for the health service.



The health service and community are strong

Questions to ask

- Do we use local culture and language in our important papers and systems? If not, why not?
- Do we make decisions according to our cultural protocols and systems?
- Do we have a good balance of Aboriginal and corporate governance?

Clinical governance

Clinical governance involves making decisions about delivering good health care for patients at the health service. Clinical governance is what makes being on a board of an Aboriginal health service different from being on the board of other Aboriginal organisations.

It is helpful for directors to be able to get advice from someone with a good understanding of health and health care. All Aboriginal health services must ensure that they have good processes in place to enable directors to make informed decisions when clinical governance issues arise.

Boards should think about which people might be best to provide them with clinical governance advice. Consider a doctor (or another medical professional) who is known and trusted. They might be someone who:

- previously worked for the health service
- works in another Aboriginal health service
- is currently employed by the health service and has been working long enough there to be known and trusted.

Examples of clinical governance decisions



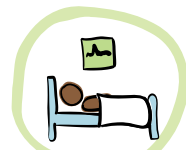
Health research

Researchers want to conduct a research project in the health service's community or region. The board might seek advice before deciding or they might have a policy that covers research already.



Purchase of expensive clinic equipment

A nurse employed by the health service asks the CEO to buy an expensive piece of medical equipment. The board needs advice on whether the equipment is really needed.



Community health issues

There is concern in the community about a particular health problem. The board want some information on programs that have been developed in other places to deal with this problem.



New disease plans

A new and dangerous infectious disease has started to appear in other parts of Australia. The board wants advice on how they should be making preparations in case the disease occurs in their community.



New complex health program

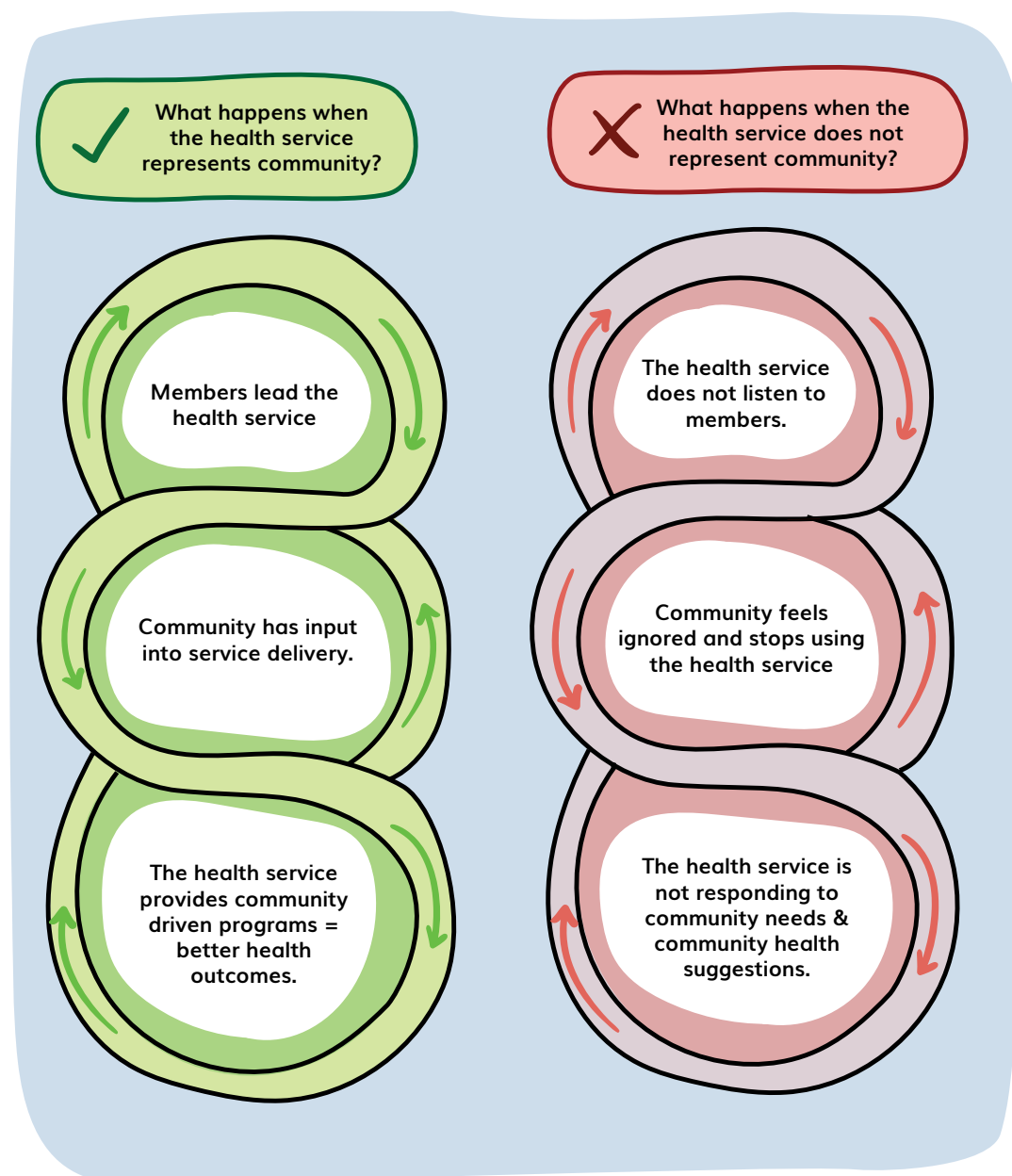
The board is thinking about whether a kidney dialysis chair could be operated in their main clinic. They need advice on the medical and public health issues related to this idea.

Representation at a community health service

Aboriginal health services need to represent community. Talking and listening between members, directors, CEO and staff is very important.

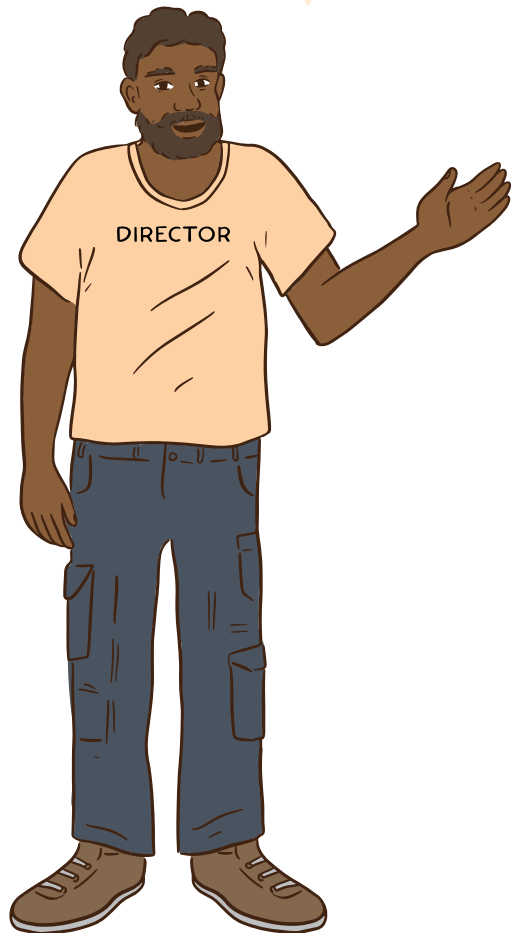
This means they need to:

- talk to all parts of the community and listen to peoples ideas and worries
- design and deliver programs that are what people want and need for good health
- involve community in planning and decision making to improve services
- involve community in delivering the work of the health service
- have a wide membership base
- have the right people on the board to be effective and carry out good governance
- give people the chance to speak up, share their ideas and say what they think the health service should be doing
- share information with members and community about what doctors and nurses say will bring good health
- share what the health service is doing and how it is responding to ideas and requests



We need to meet the community's needs. So, we have to talk with them about what they need from our health service.

I sit down and yarn with the members, traditional owners, families, elders and others in my community. Then, I tell the other directors and the CEO about their ideas.

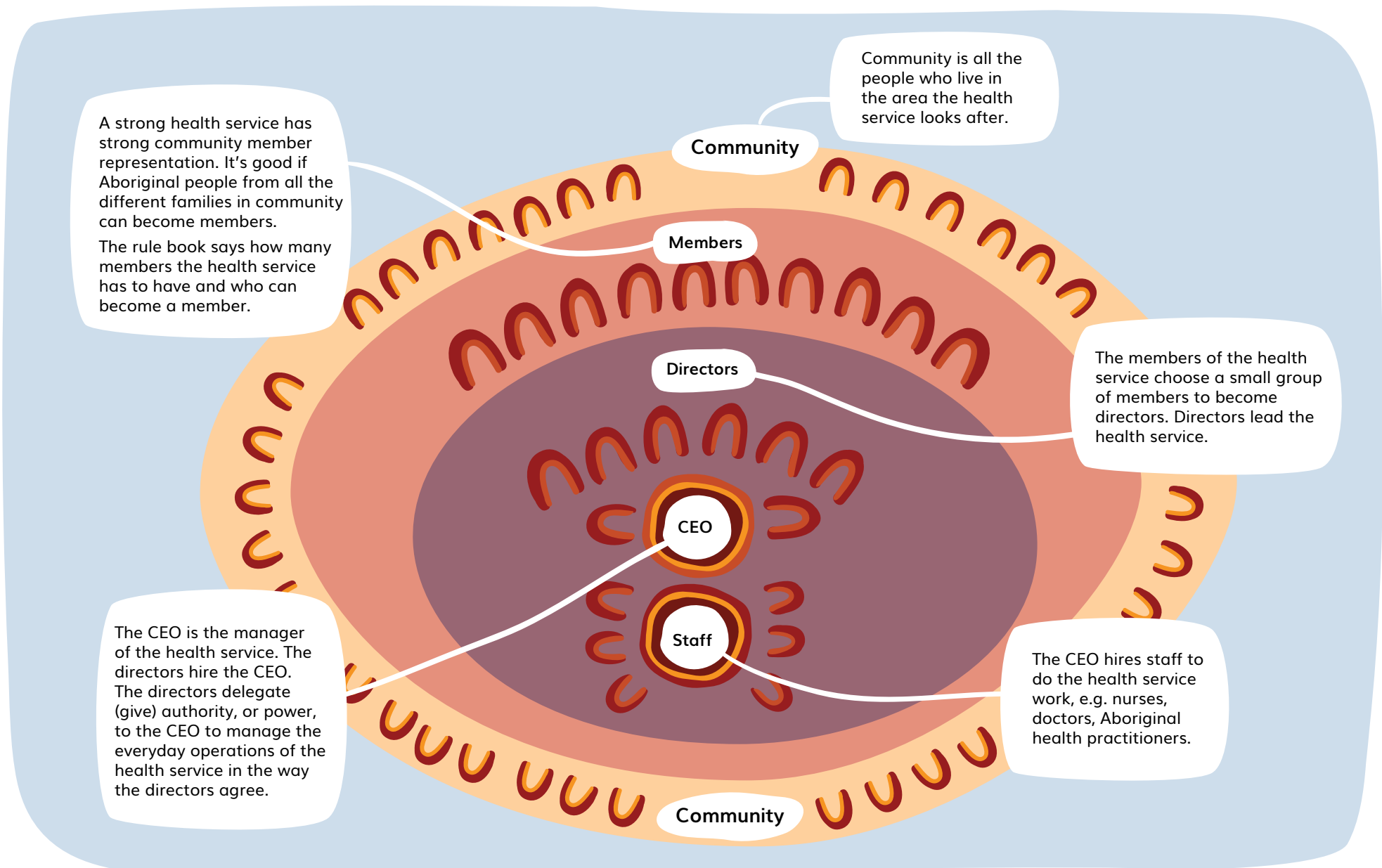


Our health service board has a good mix of families and language groups from our region. This means we have strong representation in the health service leadership.

We often hold community meetings. This gives people the chance to tell us what they think about the health service. We also tell community about what we are doing, and what the doctors and nurses says is good for health. Sometimes, the elders tell us how they want us to run our programs too.



Representation at a community controlled health service



Aboriginal leadership

An Aboriginal health service needs many types of leaders on the board of directors. The board of directors need to have a good mix of:

- elders, emerging leaders and young people
- women and men
- members from different family and language groups
- representatives from different land areas
- different skills, experience and knowledge

This helps the directors and CEO to hear from all different groups of people in the community. It helps them make good decisions for the whole community. It makes sure the health service can help everyone, including voices that are not always heard.

As chair, I know that there are lots of different leadership styles in our health board. At meetings, I always allow time for the quieter voices to speak up. I check in with each director that we are all in favour of big decisions. I also like to meet with directors and yarn outside of meetings so I can understand what's important for them and the families, groups, and community they represent.



Questions to ask

- Does our rule book say who can be a member?
- Are there rules for local family groups, communities and regions?
- Does our board have a good mix of women, men, elders, emerging leaders, young people, family groups and language groups?
- Do the directors have a mix of knowledge, skills and experience?
- How do we get community to tell us what they want and need?
- How do we tell community about what we are doing?

What makes a good Aboriginal director?




Is fair, kind and thoughtful. Keeps the organisation safe and follows the rules two ways.




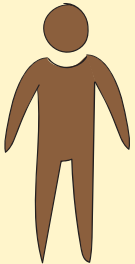
Listens to people in the community and thinks about how to put those ideas into action in the organisation.




Has local cultural knowledge and experience that can help others. Respects themselves, their community, traditions and values.



Shares skills and knowledge. Supports and encourages others by role modelling ways of being.



Is willing and able to ask questions of the CEO and say when something is not right.




Knows what they are good at and not so good at. Learns from mistakes. Willing to have a go and try and learn new things (two ways).



Models good values, good governance and takes responsibility for decisions.



Goes to all the meetings. Always does the right thing. Gets things done.



Has goals and ideas for the future. Has good ideas and different strategies.

Case study – Representation

Robbie has always been fit and healthy and hasn't needed to use his local health service much. But lately, Robbie has been getting some pain in his right leg and his nieces and nephews told him he should go in to the clinic and have it checked by the doctor.

Even though the pain has been getting worse, Robbie doesn't feel comfortable going into the health service. He explains to his family this is because the health service is only for families from East and West camps. He can see the directors on the board only come from East and West camps.

Eventually, Robbie's niece, Thelma, goes into the clinic for her uncle. Thelma asks for the clinic manager. She tells the manager that Robbie is very sick and can't walk well. She also explains that Robbie won't come in because he says the clinic is not for people from North Camp like them.

The manager offers to send an outreach team to Robbie's house to treat his leg. Thelma is grateful, but she is still worried about what will happen in the future. So she decides to talk to some other North Camp community members and together they approach the health service chair and CEO to tell them that no one from their camp is using the service or is represented on the board.

The chair and CEO say they had noticed less patients from the North camp and this might explain why. They tell Thelma and the group that they will come out to North Camp and talk to people. They will provide morning tea and bring membership forms so more North Camp residents can sign up as members. They will also look at changing the rule book at the AGM so all North Camp residents might be able to vote in a director of their own onto the board.

Thelma and the other residents are really happy about this change, and they go back and tell their families.

Questions to ask

- How can we make sure our board stays strong when we leave?
- Should we help people become members and young directors?
- Do we have a training or mentoring program for young people and emerging leaders who want to be members and directors?
- Do we have a succession plan to bring young people onto the board?

Young and emerging leaders

How can we help younger people become strong leaders?

Helping and training future leaders is a very important part of good governance. Having strategies, or plans, to make this happen is called succession planning.

| 1: Encourage more young members | 2: Help young members become directors |
|--|--|
| <ul style="list-style-type: none"> • Talk to young people and emerging leaders about the health service and becoming a member. • Find ways for young people and emerging leaders to show leadership, like involving them in designing health service programs. • Have meetings and events so they can talk about their ideas. • Encourage them and allow space for them to speak up in meetings. • Make sure they know about meetings and events coming up and provide transport if needed. | <ul style="list-style-type: none"> • Choose a young person or emerging leader to be your alternate director. An alternate director can attend the meeting and vote for you when you cannot go. Check the rule book to find out if you can have alternate directors. • Have positions on the board for young people, emerging leaders and elders. • Start a mentor program for young people and make a training program for emerging leaders. Experienced directors, elders, or staff can show them what to do and teach them about the role. • Make a youth advisory sub committee for the younger ones. This is a group that talks to directors about what young people need and want. |



DIRECTOR

Some directors have been on the board for many years. They have a lot of experience and knowledge. But some are getting old. Younger directors can bring new ideas. But they do not have much experience. We need young people and emerging leaders to work with older, more experienced directors so that they can learn and be ready to step up in the future.



CHAIRPERSON

If we don't do succession planning the health service risks losing its next generation of leaders because it hasn't involved them as representatives whose voices matter. It also means young people and young leaders may stop coming to the health service so their health needs won't be met.

Importance governance words and their meanings

| | |
|----------------------------------|--|
| Aboriginal health service | Aboriginal community controlled health organisation. The members of the organisation are Aboriginal people from the community or region where the health service is. |
| action list | This is a list of things to do after the meeting ends. |
| agenda | <p>List of things that people can talk about at a meeting.</p> <p>A good agenda for our health service has a list of what the health service needs to talk about for compliance and other things that are important for the health service:</p> <ul style="list-style-type: none"> • attendance, this means who is at the meeting • apologies, this means who did not come to the meeting and sent an apology • the minutes from the last meeting and any actions that should have been done • update the members' list • CEO's report • programs/service updates • financial, or money reports • things that need to be decided • when the next meeting will be. |
| alternate director | A person who a director chooses to go to a directors' meeting in their place. Your rule book says if members can have alternate directors and if they can vote. |
| apology apologies | When someone can't come to a meeting |
| ASIC | Australian Securities and Investments Commission. It is the job of ASIC to make sure corporations (Aboriginal or non-Aboriginal) follow the Corporations Act. ASIC is the regulator for some health services. |
| audit | A special accountant from outside the health service checks that the money story is straight and true. They are called an auditor. The members vote for the auditor. |

| | |
|--|---|
| board | The whole group of directors who govern the health service. |
| CATSI Act | The Corporations (Aboriginal and Torres Strait Islander) Act is the law about how to set up and manage Aboriginal corporations. |
| chief executive officer (CEO) | The manager of the health service. The CEO looks after the health service's everyday operations. The CEO is the boss for the staff of the health service. The directors are the boss for the CEO. |
| compliance compliant comply | This means following all the laws and rules so that the health service does not get into trouble. |
| constitution | The health service's rule book. |
| Corporations Act | The Corporations Act is the law about how to set up and manage corporations. |
| directors | The people who are chosen (elected) by members to govern and make decisions for the health service. Members of the board |
| duty of care | Making sure people and assets are kept safe and looked after. This is a legal responsibility. |
| election elect | Members choose (elect) a director or group of directors by voting. Then, someone counts all the votes. The ones with the highest number of votes become the directors. |
| financial year | This is normally from 1 July to 30 June. Everyone has to report on their money story for those 12 months. |
| funding agreement | Sometimes the government or another organisation fund, or give money, to the health service. They decide on some rules about how the health service can spend the money. They write those rules in a funding agreement. This is sometimes called a grant agreement or a contract. |
| governance | How the health service is ruled, who has the authority to make decisions, and how decisions will be made. The systems, structures and processes you use to govern. These should reflect your culture, priorities and ways of working. |

| | |
|---------------------|---|
| government | <p>The word government in this book is about all the different types of government in Australia.</p> <ul style="list-style-type: none"> • local government, local council, regional council or shire • Northern Territory Government • Australian Government. |
| lodge | <p>When directors send reports to the regulator, government or other funding organisations it is called lodging reports. This is a requirement of being compliant.</p> |
| members list | <p>A public record of all the current members of the health service. Also called the “register of members”.</p> |
| minutes | <p>The written record of the meeting.</p> <p>The minutes have:</p> <ul style="list-style-type: none"> • when and what time the meeting happened • attendees, this means who was at the meeting • apologies, this means who did not come to the meeting and sent an apology • absentees, this means who did not come to the meeting and did not send an apology • updates, this means information given about programs and services • resolutions, this means what was agreed at the meeting • actions, this means the things to do after the meeting • other important things people talked about • when the next meeting will be. <p>At the start of every meeting, people need to read the minutes from the last meeting. People who attended the last meeting all have to agree that those minutes are straight and true. This is called “approving the minutes”.</p> |
| mission | <p>The health service’s purpose.</p> |
| motion | <p>A proposal for directors or members to decide in a meeting.</p> |
| ORIC | <p>Office of the Registrar of Indigenous Corporations. It is ORIC’s job to make sure Aboriginal corporations follow the CATSI Act. ORIC is the regulator for most Aboriginal health services.</p> |

| | |
|----------------------------|--|
| proxy | A proxy is another member of the health service who a member chooses to go to a general meeting in their place. Your rule book says if members can have a proxy and if they can vote. |
| quorum | The smallest number of people who need to be at the meeting to make decisions. This is different for different meetings. In general meetings, the quorum is about the number of members. In a directors' meeting, the quorum is about the number of directors. |
| regulator | It is the job of the regulator to make sure all the laws and rules are followed. ASIC and ORIC are important regulators. |
| resolution | A decision that is made by directors or members in a meeting. A motion that is agreed is written as a resolution in the minutes. |
| self-determination | The ability and authority of clans, nations and communities to govern: to decide what they want for their future, to implement their own initiatives and take responsibility for their decisions and actions. |
| signatory | Who can sign and approve spending money. |
| strategic plan | A document that outlines the health service's goals and actions needed to achieve them. |
| succession planning | The work of making things ready for the next person in the job. This includes planning for the next CEO or helping young people who want to become members and directors. |
| values | Principles for how the health service will do its business. |
| vision | What the health service wants the future to look like. |
| voting vote | People can make decisions by voting. A vote is the choice each person makes to agree or not agree. People can vote "for" or "against" a proposed decision. |

Thanks and acknowledgements

This booklet is the product of a strong partnership between AMSANT and AGMP. It is the work of many people. We would like to thank the:

- AMSANT board for its support to help the project get funding
- AMSANT members, including 20 AMSANT health services and over 60 individuals, who shared case studies and advice on how governance works in their health services
- sector experts and friends who reviewed the content.

Together, this shared knowledge has created this booklet.

This booklet has been years in the making. In 2021/22 a working group of leaders from AMSANT and AGMP met regularly to talk about how to strengthen governance for all NT Aboriginal Community Controlled Health Services under the national Closing the Gap Priority Reform 2: Building the Community Controlled Sector. AMSANT members were also part of a survey of their governance needs and priorities.

In 2022/23, we gathered deeper ideas from AMSANT members through yarns, interviews, member meetings, board meetings, and focus groups to make a first draft of this booklet.

In 2023/24, we tested the draft booklet with Aboriginal directors and management. Discussions with every AMSANT member service that was able to be involved helped us publish the best version possible.

We wish to specially thank the following health services for testing the draft booklet:

- Amoonguna Aboriginal Health Service
- Central Australian Aboriginal Congress remote health boards
- Foundation of Rehabilitation with Aboriginal Alcohol Related Difficulties (FORWAARD)
- Purple House
- Red Lily Health Board
- Sunrise Health Service.

We acknowledge the Closing the Gap grants from the NT Government Office of Aboriginal Affairs in 2022/23 and 2023/24 that made this booklet possible.

We acknowledge the extraordinary and complex work of NT Aboriginal community controlled health services, from governance through to face-to-face patient care and community wellbeing. Let's keep working together to strengthen the sector.

Any additional feedback can be sent to reception@amsant.org.au and info@agmp.org.au

Your feedback can contribute to an improved version of the booklet in the future.



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BOOKLET 2

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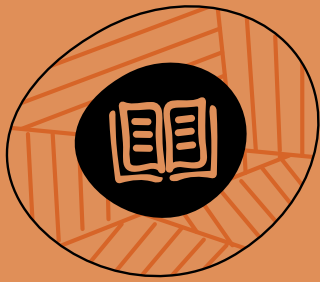
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Booklet 2

Important documents and staying compliant

In this booklet we will learn what compliance work directors have to do.



What is the CATSI Act?



How do directors understand and follow what's in the rule book?



How do directors review and update the rule book to reflect the region, culture and community?



What are the records and reports boards need to keep to be compliant?



How do directors check that the health service is doing the right thing by its funding agreements?

Important documents and staying compliant

Compliance means following all the laws and rules so that the health service does not get into trouble.

This booklet covers rule books, record keeping, reporting and funding agreements. These important documents are all part of compliance at the health service.

Here are some of the sources of authority that the health service needs to comply with, what laws or documents are involved, and how compliance is done. The CEO and their staff usually help directors to comply but directors need to know that the work is done and who had done it.

| Who | What | How |
|-----------------------|--|--|
| Government | Health Services Act (NT) Work Health and Safety Act(NT) Privacy Act (Commonwealth) | Comply with NT Service Delivery Agreement WH & S policies and practices Privacy policies and practices Confidential filing system |
| Regulators | ORIC: Corporations Aboriginal and Torres Strait Islander Act (CATSI Act) The law about how Aboriginal corporations have to work. ASIC: Corporations Act The laws for all other corporations that are not registered as Aboriginal corporations. | Corporation Rule book Annual reports General report Directors' report Audited financial report Register of members Director IDs |
| Funders | Federal Department of Health, NT Health Other potential grant funders: NACCHO, AMSANT, NDIA, NIAA, NT PHN, NTAIC | Funding agreement Funding report Audited financial statements |
| Organisational | ACGP accreditation Quality Management System Standard ISO9001 Annual reports Staff employment contracts & awards Policies and procedures | Good clinical practices - regular assessment Good management practices Good record keeping to prepare reports Good payroll and staff complaints policy Regularly reviewing policies and procedures |

There are other laws that the health service needs to follow. There are laws about money story, discrimination and being fair to people, how to look after employees, or people who work in the health service.

The rule book

Every health service has a rule book that tell the directors and the CEO how to **govern**. The CATSI Act and Corporations Act say that every Aboriginal corporation has to have a rule book. It can sometimes be called a constitution.

The rule book tells members, directors and the CEO how to govern the health service and what the role and responsibilities of everyone is.

It is important for members, directors and staff to understand and follow the rule book. The health service should have a copy available for everyone to read.

These are some of the things in the rule book.

Name

What is the full name of the health service?

Objectives

Why did community start the corporation?
What are the goals of the health service?

Membership

Who can be a member?
How long can they be a member?
How do they stop being a member?

Directors

Who can be a director?
What do directors have to do?
Do directors get paid?

Meetings

How does the health service tell people about meetings?
How many people have to be at a meeting?
How do we make decisions at a meeting?

Disputes

What to do when there is a problem and people cannot agree?

Making the rule book right for each corporation

It is good to review the rule book regularly. It is also possible to change some rules if the health service grows and changes over time. Some rules have to stay the same for all Aboriginal corporations because they are in the CATSI Act. But there are some rules that can be replaced or changed. Corporations can also add their own new rules to make sure they have strong local Aboriginal governance. For example, it might be good to have rules about local culture and language.

Other rules are set by law for all organisations and cannot be changed. Look at the ORIC website for rules that cannot be changed. They cover matters that are important for good governance, such as holding an annual general meeting each year.

Example

The rule book says how to fix an argument. The health service can change these rules. Then people can carefully manage arguments in a cultural way.

Questions to ask

- Do directors know their rule book?
- When was the last time directors read and thought about the rule book?
- Does the rulebook for your organisation reflect the goals, membership and ways of doing things today?
- Have directors thought about updating the rule book?

Record keeping and reporting

The health service needs to keep good records and reports to stay compliant.

Records and reports contain important information about the health service. They show if the directors are doing good basic governance and delivering services. They can be written documents, like reports, lists or meeting minutes, or sound or video recordings. Good records can prove that the health service follows the laws and rules and is doing the right thing with its funding.

- Some records and reports are for the Government and regulators – like the Office of the Registrar of Indigenous Corporations (ORIC). ORIC is the government office that make sure Aboriginal corporations are following the rules in the CATSI Act.
- Some records and reports are for the organisations that give funding to the health service. These reports tell the funding organisations what is happening with the programs and money.
- Some records and reports are for members and community to share information about what is happening.

Reports are due at the same time every year. If organisations do not submit reports, the health service is considered not complaint. Then it is at risk of losing money from funders, being fined, or even de-registered by the government regulators.

The health service can apply for an extension if more time is needed to get them done but they are compulsory. They must be completed to stay compliant.

ORIC says we have to keep a record of all our members so that they can check it at any time. I think it's important for us all to be able to see who is on the register of members and who is allowed to vote at the AGM.



CEO

Meeting minutes help remind everyone what happened at the last meeting and keep the record straight about what we agreed to. We don't want people to make things up!



DIRECTOR

| | | |
|--|---|---|
| Record and reports for regulators (like ORIC) | register of members (also called the members list) | A list of all the current members of the health service. When a membership ends, the person's details are transferred to the register of former members. |
| | general report | Compulsory for all organisations, every year. This report must contain the register of members, the names of the directors, some money story information and number of staff. |
| | financial report | A report that tells the money story for the last financial year. It should also be audited and an audit report obtained. Read more about understanding the money story in Booklet 7. |
| | directors' report | This report is only required by large organisations. The directors must prepare a report that says what the health service was doing in the last financial year and the reasons why it was strong, or weak. |
| Record and reports for funding organisations | performance reports | These reports describe what the health service has been doing with the funding received. It says what the health service did and what money it spent since the last report. |
| | financial records | Money story documents, like financial reports and statements, receipts, purchase orders and budgets. These are looked at closely by auditors to make their report. |
| Record and reports for members and other people | annual report | A written report for the members, community and anyone else that wants to know what the health service has been doing in the last financial year. |
| | annual general meeting | At least once a year directors must meet with the members to report what the health service has been doing in the last financial year. Minutes of that meeting must be made. |

How do we keep records?

Different laws say what records the health service has to keep. The CATSI Act says that an Aboriginal corporation has to keep records



Organisations can keep records on paper or on a computer.



The records have to be in a locked, safe place. Only the right people can see the records.



The health service has to keep records in a proper place so that they can be found when needed.



Organisations can use guides and templates to help make good records.



The health service has to give records to other organisations sometimes. For example, they send the general report and financial report to ORIC every year.



A reporting calendar can be helpful. It tells us when the health service needs to send each report. If a report is overdue, it means it was not ready in time. If this happens, the health service might not be compliant. Then, it could lose money or get a fine.



The health service has to keep many private records for patients. These are usually on a computer database, like Communicare. Directors do not see patient records because they contain private information. We only need to know the general information, like how many patients we had last year.

We need to know that there are good systems like this in place to keep records across the health service safe and confidential.

Funding agreements

Funding agreements are sometimes called grant agreements or contracts. They are for when people, government or organisations give funding, or money, to the health service. The funding agreement is the document that describes what activities the health service agrees to do with the money.

Before signing a funding agreement, directors need to know what's in it to decide if the money will help to achieve the goals they have set for the health service.

The CEO should summarise the funding agreement so directors can consider if they want to accept it. The CEO can also give updates about whether reports have been submitted.

When the health service says "yes" to the money, it agrees to comply with all the rules in the agreement. The health service sends reports to the funding organisation about what it is doing. If the health service does not do the things it agreed to do, the funding organisation can take all the money back.

Directors should get updates from the CEO at directors' meetings about all the important funding agreements. This is how directors check that the health service is complying with the agreement.

Questions to ask

- Does the organisation comply in all the ways it needs to as a health service?
- Does the organisation send its reports to ORIC every year?
- Does the organisation give progress reports to the funding organisations? Are they put in on time?
- Does the organisation follow all the rules in the funding agreements?



If the health service does not follow its rule book and does not keep proper records inside the organisation, it is not complaint. If it does not do its reporting to government and does not follow its funding agreements with partners, it is also not complaint.

Importance governance words and their meanings

| | |
|----------------------------------|--|
| Aboriginal health service | Aboriginal community controlled health organisation. The members of the organisation are Aboriginal people from the community or region where the health service is. |
| action list | This is a list of things to do after the meeting ends. |
| agenda | <p>List of things that people can talk about at a meeting.</p> <p>A good agenda for our health service has a list of what the health service needs to talk about for compliance and other things that are important for the health service:</p> <ul style="list-style-type: none"> • attendance, this means who is at the meeting • apologies, this means who did not come to the meeting and sent an apology • the minutes from the last meeting and any actions that should have been done • update the members' list • CEO's report • programs/service updates • financial, or money reports • things that need to be decided • when the next meeting will be. |
| alternate director | A person who a director chooses to go to a directors' meeting in their place. Your rule book says if members can have alternate directors and if they can vote. |
| apology apologies | When someone can't come to a meeting |
| ASIC | Australian Securities and Investments Commission. It is the job of ASIC to make sure corporations (Aboriginal or non-Aboriginal) follow the Corporations Act. ASIC is the regulator for some health services. |
| audit | A special accountant from outside the health service checks that the money story is straight and true. They are called an auditor. The members vote for the auditor. |

| | |
|--|---|
| board | The whole group of directors who govern the health service. |
| CATSI Act | The Corporations (Aboriginal and Torres Strait Islander) Act is the law about how to set up and manage Aboriginal corporations. |
| chief executive officer (CEO) | The manager of the health service. The CEO looks after the health service's everyday operations. The CEO is the boss for the staff of the health service. The directors are the boss for the CEO. |
| compliance compliant comply | This means following all the laws and rules so that the health service does not get into trouble. |
| constitution | The health service's rule book. |
| Corporations Act | The Corporations Act is the law about how to set up and manage corporations. |
| directors | The people who are chosen (elected) by members to govern and make decisions for the health service. Members of the board |
| duty of care | Making sure people and assets are kept safe and looked after. This is a legal responsibility. |
| election elect | Members choose (elect) a director or group of directors by voting. Then, someone counts all the votes. The ones with the highest number of votes become the directors. |
| financial year | This is normally from 1 July to 30 June. Everyone has to report on their money story for those 12 months. |
| funding agreement | Sometimes the government or another organisation fund, or give money, to the health service. They decide on some rules about how the health service can spend the money. They write those rules in a funding agreement. This is sometimes called a grant agreement or a contract. |
| governance | How the health service is ruled, who has the authority to make decisions, and how decisions will be made. The systems, structures and processes you use to govern. These should reflect your culture, priorities and ways of working. |

| | |
|---------------------|---|
| government | <p>The word government in this book is about all the different types of government in Australia.</p> <ul style="list-style-type: none"> • local government, local council, regional council or shire • Northern Territory Government • Australian Government. |
| lodge | <p>When directors send reports to the regulator, government or other funding organisations it is called lodging reports. This is a requirement of being compliant.</p> |
| members list | <p>A public record of all the current members of the health service. Also called the “register of members”.</p> |
| minutes | <p>The written record of the meeting.</p> <p>The minutes have:</p> <ul style="list-style-type: none"> • when and what time the meeting happened • attendees, this means who was at the meeting • apologies, this means who did not come to the meeting and sent an apology • absentees, this means who did not come to the meeting and did not send an apology • updates, this means information given about programs and services • resolutions, this means what was agreed at the meeting • actions, this means the things to do after the meeting • other important things people talked about • when the next meeting will be. <p>At the start of every meeting, people need to read the minutes from the last meeting. People who attended the last meeting all have to agree that those minutes are straight and true. This is called “approving the minutes”.</p> |
| mission | <p>The health service’s purpose.</p> |
| motion | <p>A proposal for directors or members to decide in a meeting.</p> |
| ORIC | <p>Office of the Registrar of Indigenous Corporations. It is ORIC’s job to make sure Aboriginal corporations follow the CATSI Act. ORIC is the regulator for most Aboriginal health services.</p> |

| | |
|----------------------------|--|
| proxy | A proxy is another member of the health service who a member chooses to go to a general meeting in their place. Your rule book says if members can have a proxy and if they can vote. |
| quorum | The smallest number of people who need to be at the meeting to make decisions. This is different for different meetings. In general meetings, the quorum is about the number of members. In a directors' meeting, the quorum is about the number of directors. |
| regulator | It is the job of the regulator to make sure all the laws and rules are followed. ASIC and ORIC are important regulators. |
| resolution | A decision that is made by directors or members in a meeting. A motion that is agreed is written as a resolution in the minutes. |
| self-determination | The ability and authority of clans, nations and communities to govern: to decide what they want for their future, to implement their own initiatives and take responsibility for their decisions and actions. |
| signatory | Who can sign and approve spending money. |
| strategic plan | A document that outlines the health service's goals and actions needed to achieve them. |
| succession planning | The work of making things ready for the next person in the job. This includes planning for the next CEO or helping young people who want to become members and directors. |
| values | Principles for how the health service will do its business. |
| vision | What the health service wants the future to look like. |
| voting vote | People can make decisions by voting. A vote is the choice each person makes to agree or not agree. People can vote "for" or "against" a proposed decision. |

Thanks and acknowledgements

This booklet is the product of a strong partnership between AMSANT and AGMP. It is the work of many people. We would like to thank the:

- AMSANT board for its support to help the project get funding
- AMSANT members, including 20 AMSANT health services and over 60 individuals, who shared case studies and advice on how governance works in their health services
- sector experts and friends who reviewed the content.

Together, this shared knowledge has created this booklet.

This booklet has been years in the making. In 2021/22 a working group of leaders from AMSANT and AGMP met regularly to talk about how to strengthen governance for all NT Aboriginal Community Controlled Health Services under the national Closing the Gap Priority Reform 2: Building the Community Controlled Sector. AMSANT members were also part of a survey of their governance needs and priorities.

In 2022/23, we gathered deeper ideas from AMSANT members through yarns, interviews, member meetings, board meetings, and focus groups to make a first draft of this booklet.

In 2023/24, we tested the draft booklet with Aboriginal directors and management. Discussions with every AMSANT member service that was able to be involved helped us publish the best version possible.

We wish to specially thank the following health services for testing the draft booklet:

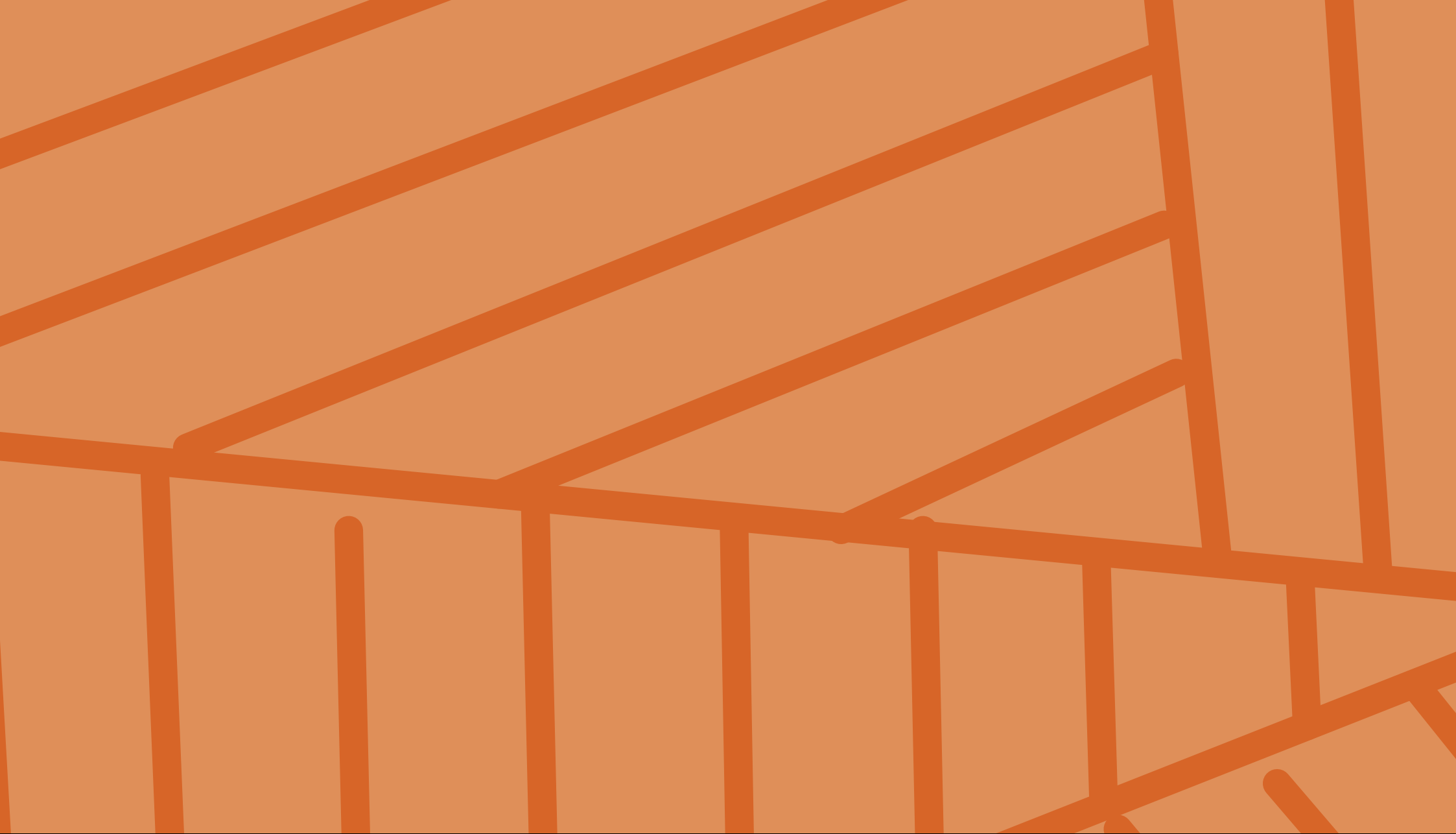
- Amoonguna Aboriginal Health Service
- Central Australian Aboriginal Congress remote health boards
- Foundation of Rehabilitation with Aboriginal Alcohol Related Difficulties (FORWAARD)
- Purple House
- Red Lily Health Board
- Sunrise Health Service.

We acknowledge the Closing the Gap grants from the NT Government Office of Aboriginal Affairs in 2022/23 and 2023/24 that made this booklet possible.

We acknowledge the extraordinary and complex work of NT Aboriginal community controlled health services, from governance through to face-to-face patient care and community wellbeing. Let's keep working together to strengthen the sector.

Any additional feedback can be sent to reception@amsant.org.au and info@agmp.org.au

Your feedback can contribute to an improved version of the booklet in the future.



VERSION JUNE 2024

Contact: reception@amsant.org.au

ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors



BOOKLET 3

Roles and responsibilities

Acknowledgement of country

We acknowledge Aboriginal people as the first peoples, traditional owners and custodians of the lands of the Northern Territory and Australia. We pay respect to their continuing connection to land, water, culture and communities. We recognise that their cultures and languages are amongst the oldest living cultures in the world.

We pay our respect to elders past and present and celebrate and respect their stories, traditions and culture throughout the NT and Australia.

“The Aboriginal community-controlled health sector must continually review the way we do business, by way of a continuous quality improvement (CQI) process. This includes reviewing our governance and administrative structures, systems and processes.

We must also align our business and governance structures with the Closing the Gap (CtG) priority reform areas, to enable our peak and community-controlled organisations to participate in decision making processes effectively and genuinely and have capacity to deliver our purpose and vision for Aboriginal and Torres Strait Islander people in the NT”.

John Paterson CEO, AMSANT

Cover Artwork: Moogie Down Productions for Aboriginal Governance and Management Program.

Thank you to our partners:



ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors

BOOKLET 3

Roles and responsibilities

About this booklet

This booklet is one of 8 booklets and is for Aboriginal directors and CEOs at Aboriginal community-controlled health services in the Northern Territory. It contains some of the basic knowledge directors need. This information can help directors build up their knowledge and skills needed for good governance practices and help to keep their health services strong.

The Aboriginal Governance Management Program (AGMP) and the Aboriginal Medical Services Alliance Northern Territory (AMSANT) wrote this booklet by listening to the ideas and experiences of directors and CEOs of AMSANT member organisations in the Northern Territory.

This booklet provides information to help you understand one of the 8 different parts of two-way governance and directors' business.

The 8 governance booklets cover and are titled:

1. 2-way governance representation and leadership
2. Important documents and staying compliant.
3. Roles and responsibilities
4. Guiding the CEO
5. Meetings and making decisions.
6. Strategic planning and stakeholders
7. Understanding the money story
8. Managing risk

There is also a larger book which combines the content of all 8 booklets. We call this the manual. These are all available as PDF files on the AMSANT members website.

How to use this booklet

- Use it to introduce new directors in their roles and responsibilities.
- Help directors and CEO's to think about areas of governance going well and not going well.
- Talk with other directors about the questions in each booklet.
- Check the meaning of important governance words.
- Find places to get more information and get help about governance in the health sector.

The information in this book is general. You can always get detailed advice from AGMP, AMSANT or other experts to strengthen governance in your health service. To contact AGMP email: info@agmp.org.au
To contact AMSANT email reception@amsant.org.au





Booklet 3

Roles and responsibilities

In this booklet we will learn about governance roles and responsibilities.



What is the job of the members, directors, chair and CEO?



What is the code of conduct and how do directors make sure they follow it?



What is the separation of power?



How do directors recognise and manage conflicts of interest?

The job of a member

Every member plays a role and has a responsibility to act straight and fair. Members should help make the health service run the proper way.

Members have to:

- follow the rules of the health service
- let the health service know when they change address
- comply with the code of conduct
- treat other members with respect
- attend, or go to, annual general meetings and general meetings
- give an apology if they cannot attend a meeting – this means telling the directors that they will not be at the meeting
- vote for, or choose, the directors
- vote about resolutions, or decisions, at general meetings.

Members can also choose to:

- ask directors to have a general meeting when there is something important to talk about
- put up their hand to become a director
- read and understand documents about the health service, like the rule book, agreements, reports and policies
- share ideas to improve the health service and its goals and priorities
- speak up about disputes and community issues and ask directors to resolve or fix them.

The job of a director

Directors lead the health service and are legally responsible for it. This means directors have to make sure the health service follows all the relevant laws and rules. If directors do not follow the rules it could put the health service into administration. ORIC can stop them being directors.

Directors have to show good leadership skills and be able to speak up for members and community. The group of directors for a health service is called the board of directors, or “the board”.

Lead the health service



- Help make the big decisions.
- Set the goals for the health service and help develop the strategic plan.
- Make sure the health service is what people need and want.

Keep things working



- Make sure the health service follows the rule book and complies with the law.
- Go to directors' meetings.
- Decide on, and follow, policies and procedures.
- Approve new or changed policies and procedures.

Guide the CEO



- Hire the CEO.
- Tell the CEO what their job is, what work they should do and help them improve.
- Check the CEO is doing a good job through regular performance reviews.
- Plan for the next CEO. This is called succession planning.

Check the money story and compliance



- Know and understand the important documents, like the budget, financial reports and funding agreements.
- Know and understand the health service's money story.
- Check that the health service keeps good records.

Listen and speak up



- Listen to, and talk with, the members and community about their priorities and needs.
- Speak up about important issues in and out of meetings.
- Show respect for community, the members, other directors and the CEO and health service staff.
- Show respect for cultural values and responsibilities.
- Make and keep strong relationships with stakeholders.

5 legal duties of directors

Legal duties are the things that all corporation directors have to do. These are the 5 legal duties in the CATSI Act.

1

Be careful, be involved, and think about decisions.
This is the legal duty of care and diligence.

Directors have to:

- follow the rule book
- come to directors' meetings
- read meeting papers before the meeting
- understand the money story
- ask a lot of questions
- make informed decisions.

2

Do the job in a fair and honest way.
This is the legal duty of good faith.

Directors have to:

- be honest
- make decisions that are fair
- make decisions that are good for the health service and the members.

3

Tell the directors when your personal business is too close to health service business.
This is the duty to disclose material personal interests.

Directors have to speak up in the meeting when their personal business overlaps with health service business so that all the directors can make decisions that are best for the health service. This is called declaring a conflict of interest.

4

Keep directors' business private.
This is the duty to not improperly use information.

Directors get lots of information that they have to keep confidential, or private. Directors have to only use this information for health service business.

5

Make sure there is money to pay the bills.
The duty not to trade while insolvent.

Directors have to check the money story to make sure that there is always enough to pay the bills. If the health service cannot pay the bills, the directors have to call a directors' meeting. They might have to stop the health service operating until the situation is fixed.

If you do not do your legal duties, you might be disqualified from being a director. This means you are not allowed to be a director for any organisation. If you intentionally choose to do the wrong thing, you might have to pay a fine or go to prison.

Independent directors

Some Aboriginal health services choose to have “independent directors” on their board.

Independent directors are people who have special knowledge, skills and experience that can help the board. They might be business people, lawyers, accountants, doctors, Aboriginal leaders and so on. They do not have to be members of the health service and they are usually from outside the health service’s community or region.

Directors can choose (appoint) independent directors to help bring specialist knowledge into the board, solve problems or give different ideas. Independent directors are not members of the health service, so they do not have to be Aboriginal. They are not elected by the members.

Independent directors can be voting or non-voting. Non-voting independent directors can be part of board discussions and give advice but leave it to the community-elected board to vote on decisions.

The rule book tells if the corporation is allowed to have independent directors, how many, and the rules they have to follow.



Some people think a board should consist only of people from community elected by the members. Other people think that having trusted independent directors on the board make the board stronger and more confident about making decisions.

Good clinical governance

The board can ask a trusted doctor or other medical professional to join the board as an independent director. This allows them to attend meetings to provide advice when needed. See booklet 1 for more.

The job of the chair

All the directors choose one director to be the chair. A chair can also be called a chairperson, chairman or chairwoman. The chair leads the board in meetings and all other board work. Sometimes the chair has to speak up for the directors and the health service in public.

A good chair is a strong leader who is good at managing a meeting and giving all directors an equal say. They have experience and skills that will lead the directors and guide the health service towards its goals.



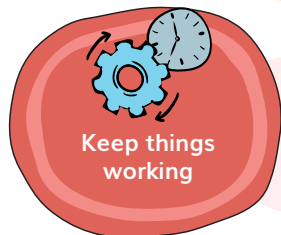
Lead the health service

- Get the directors and the CEO to work together as a team.
- Be a role model – make sure everyone is following the rules.
- Talk and listen to members and other directors before making decisions.
- Talk about any arguments the directors might have. Help fix these by being fair and not taking sides.
- Make sure the health service listens and responds to worries that members have talked about.



Guide the board and CEO

- Work with the CEO to set the agenda for meetings.
- Follow the plan and run the meeting proper way.
- Make sure everyone is talking about the right things at the right time.
- Make sure all voices and ideas are being heard.
- Make sure there is enough time for everyone to talk.
- Make sure everyone has all the information they need to make good decisions.
- Check in with directors if there is agreement before decisions are made (ask, “all in favour?”).



Keep things working

- Build a good relationship with the CEO and other directors.
- Check the CEO is acting on the things the directors have decided.
- Know the policies and procedures of the health service.
- Check that the CEO follows the policies and procedures.



Represent the health service

- Go to meetings or events with community, government, funding organisations or other organisations that work with the health service.
- Talk up for the health service, sometimes in public.

The CEO

The CEO is the manager of the health service. The CEO is the only staff member who the directors hire and manage. The directors delegate, or give power to, the CEO to do all the things the directors decide for the health service. This means they delegate authority, or power, to the CEO to manage the everyday operations of the health service. The CEO looks after the money, staff, program delivery and reporting. The CEO is the manager, but the directors are the bosses.

The directors are my boss. The directors hired me to manage the health service and the staff. I report to directors at every directors' meeting and other times too.

The directors



The directors make sure that the health service does the things the members say they need. We do this by planning. We make big decisions about what programs to run and what money to ask for. We do not run programs or find the money to do these things. That is the job of the CEO.

See booklet 4 for more information on Guiding the CEO.



Separation of power

What is separation of power?



Separation of power is how the role of directors is different and separate from the role of the CEO.

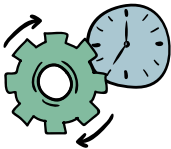


The directors look after the big picture and governance work for the health service. Directors set the direction for the service – including the values and goals for the future.

The CEO looks after the everyday or operational work of the health service. This CEO manages the money, staff, records, reporting and making sure programs are delivered that are achieving the goals set by the directors.

The directors hire the CEO, the CEO hires all other staff.

Separating these roles, or jobs, is important because it means the director's responsibilities and the CEO's responsibilities are clear and different. A CEO's job is impossible to do if the directors are doing it too! That is a sure path to confusion and conflict.

| | Directors | CEO |
|---|---|--|
| | Directors lead the strategic work. This means planning the big picture goals and work of governing or steering the health service. | The CEO manages the operational work. This means all the things the health service does to make the goals happen. |
| Lead the health service  | <ul style="list-style-type: none"> • Help make the big decisions that guide and steer the health service. • Help to develop the strategic plan and set the goals for the health service. • Make sure the health service is what people need and want. | <ul style="list-style-type: none"> • Make decisions about things that happen every day. • Prepare and do all the things in the strategic plan, business plan and risk management plan. • Make sure the health service is what people need and want. |
| Guide staff  | <ul style="list-style-type: none"> • Hire the CEO. • Tell the CEO what their job is, what work they should do and help them improve. • Check the CEO is doing a good job through regular performance reviews. • Plan for the next CEO. This is called succession planning | <ul style="list-style-type: none"> • Hire health service staff and make sure they have the right accreditation, licences and certificates to do their jobs. • Tell staff what their job is, what work they should do and help them improve. • Check staff are doing a good job through regular performance reviews. • Plan for future staff. This is called succession planning. • Manage staff complaints or issues. |

| Directors | | CEO |
|--|---|--|
| <p>Keep things working</p>  | <ul style="list-style-type: none"> • Go to directors' meetings. • Set the agenda for meetings and make informed decisions. • Decide on, and follow, policies and procedures. • Approve new or changed policies and procedures. | <ul style="list-style-type: none"> • Write the organisational structure. This document shows how everyone in the health service is connected. • Make sure directors have all the information they need for directors' meetings. • Tell the directors about any changes, problems or risks and do something about them. • Make policies and procedures and make sure they stay up to date and that all staff follow them. • Decide how staff act and behave at work. |
| <p>Check the money story and compliance</p>  | <ul style="list-style-type: none"> • Make sure the health service follows the rule book and complies with the law. • Know and understand the important documents, like the budget, financial reports and funding agreements. • Check that the health service keeps good records. | <ul style="list-style-type: none"> • Make and check the documents about the money story. • Look after the money story. Follow the budget and make sure there is always enough money to pay the bills. • Help the directors understand the money story. • Look after compliance, make sure the health service follows the rule book, laws and funding agreements. Make sure the health service's accreditations are up to date. • Tell the directors if something is wrong with the money story or compliance. |
| <p>Listen and speak up</p>  | <ul style="list-style-type: none"> • Listen to, and talk with, the other directors, members and community a lot. • Speak up about important issues in and out of meetings. • Show respect for community, the members, other directors and the CEO and health service staff. • Show respect for cultural values and responsibilities. • Make and keep strong relationships with stakeholders. | <ul style="list-style-type: none"> • Listen to, and talk with, the directors, members and community a lot. • Speak up about important issues in and out of meetings. • Show respect for community, the members, directors and health service staff. • Show respect for cultural values and responsibilities. • Make and keep strong relationships with stakeholders. |



Directors are responsible for the long term direction. We make sure the health service is going on the right track. The CEO looks after the daily bumps in the road and keeps the engine running.



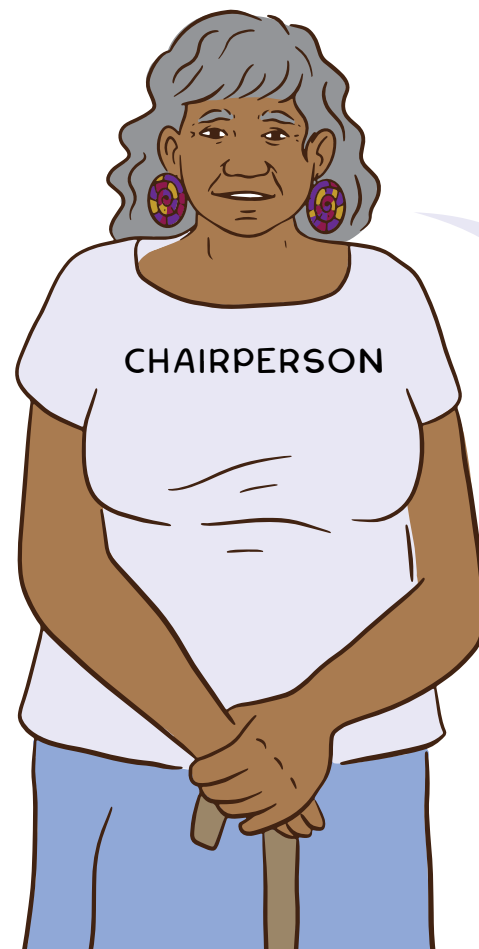
Directors hire me, and I hire all other staff. This way we have a separation of power.

Conflict of interest

A conflict of interest is when a decision the board is considering will make a particular difference for a director, or their close family/friends, or their other work/business. They might stand to gain personally or lose out.

It is a legal duty of directors to speak up about a conflict of interest. In small communities, conflicts of interest can be common. If directors think there is a conflict of interest they must declare it to the board so it can be managed properly. There is no problem if the conflict of interest is declared and discussed, but there can be a problem if it is not.

When a director declares a conflict of interest, the board as a group decides how to manage the situation. If there is a conflict of interest between what is good for the health service and what is good for the director, the director cannot vote on this decision.



Directors make a lot of decisions. Sometimes a decision the health service board is talking about directly impacts me or my family – either for good or bad. This means I have a conflict of interest. It is OK to have conflict of interest, but I have to tell the directors about it.

Examples of conflicts of interest as a health service director

Personal interests

The decision will make a difference to me, my family or my country.

- 1) Someone in my family has applied for the CEO job at the health service.
- 2) A new health service project will build houses on my family's outstation.

Business interests

The decision will make a difference to my paid job.

- 1) I am the local council roadworks manager. The health service wants council to build new roads for the ambulance to get around community. My council team has different plans for the roads.
- 2) I run a small arts business. The health service wants to partner, or work with me, to do a wellbeing project.

Other interests

I cannot make a fair decision because of my other work.

- 1) I am a director at the health service and the school council. Both have applied for the same grant funding for a health education program.
- 2) I am a director at the health service and the NACCHO board. I cannot be part of decisions if I know confidential information because of my other role.

Perceived conflict of interest

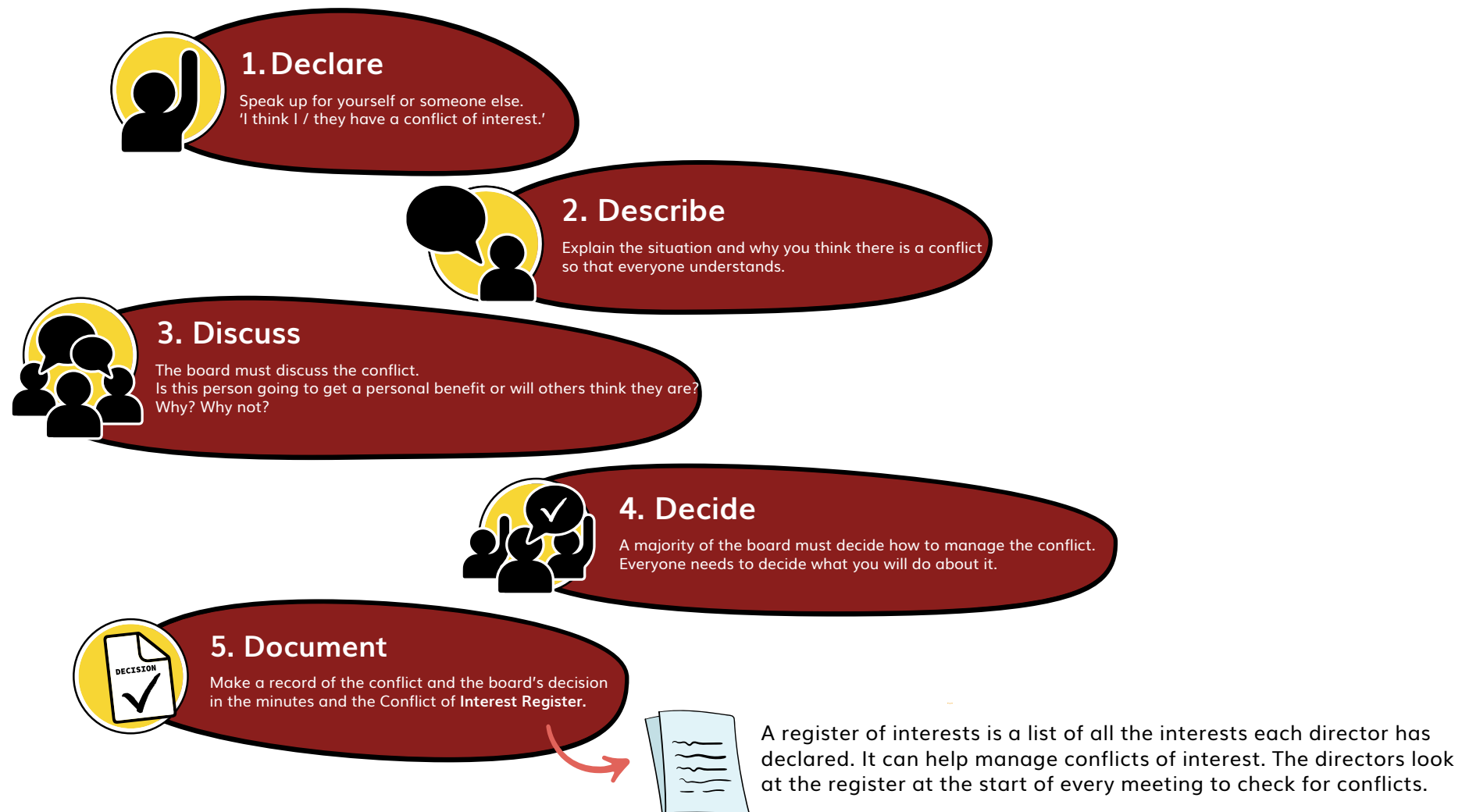
Even if there isn't really a conflict of interest, it can sometimes look strongly to many others like there is. This is called "perceived conflict of interest". It is best to avoid this too.

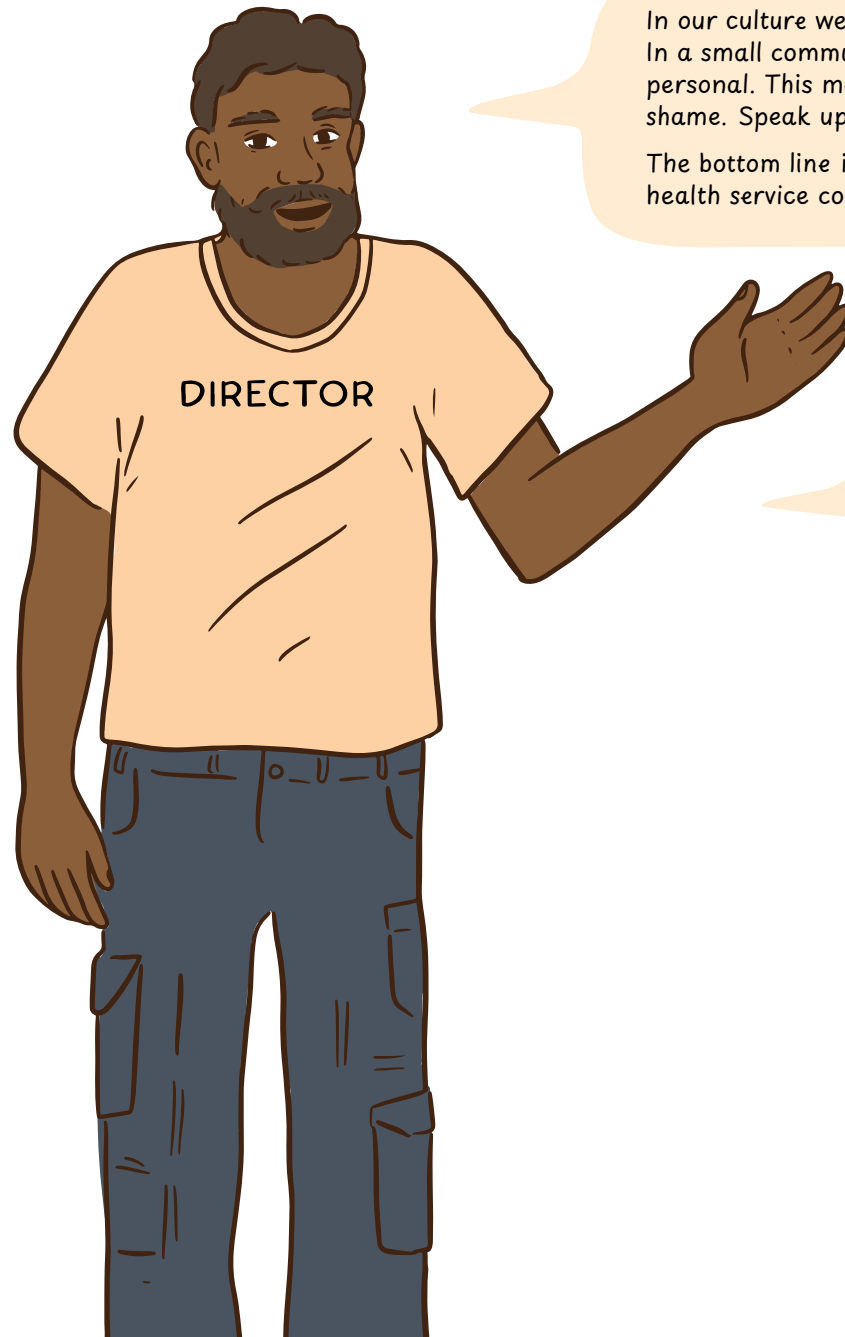
Conflict of interest in a 2-way governance environment at an Aboriginal health service can be really tricky. When family and community are essential to the work of the health service, it can be hard to separate this from personal benefits. Talk with the other directors about any possible conflicts of interest before making decisions.

How to manage conflicts of interest

The 5 Ds

A good way to manage conflicts of interest is to use the 5 Ds. This can help the directors talk about conflicts of interest.





In our culture we might have to say “yes” to many things for other people. In a small community, sometimes everyone is family, and everything is personal. This makes conflict of interest very hard to get right. Don’t be shame. Speak up and talk about it.

The bottom line is, if we are on the board for the health service, the health service comes first.

If I am the person with a conflict of interest, I always ask the other directors to make the decision and do a vote without me. That way the rest of the board can make the right decision for the health service and community.

Importance governance words and their meanings

| | |
|----------------------------------|--|
| Aboriginal health service | Aboriginal community controlled health organisation. The members of the organisation are Aboriginal people from the community or region where the health service is. |
| action list | This is a list of things to do after the meeting ends. |
| agenda | <p>List of things that people can talk about at a meeting.</p> <p>A good agenda for our health service has a list of what the health service needs to talk about for compliance and other things that are important for the health service:</p> <ul style="list-style-type: none"> • attendance, this means who is at the meeting • apologies, this means who did not come to the meeting and sent an apology • the minutes from the last meeting and any actions that should have been done • update the members' list • CEO's report • programs/service updates • financial, or money reports • things that need to be decided • when the next meeting will be. |
| alternate director | A person who a director chooses to go to a directors' meeting in their place. Your rule book says if members can have alternate directors and if they can vote. |
| apology apologies | When someone can't come to a meeting |
| ASIC | Australian Securities and Investments Commission. It is the job of ASIC to make sure corporations (Aboriginal or non-Aboriginal) follow the Corporations Act. ASIC is the regulator for some health services. |
| audit | A special accountant from outside the health service checks that the money story is straight and true. They are called an auditor. The members vote for the auditor. |

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| governance | How the health service is ruled, who has the authority to make decisions, and how decisions will be made. The systems, structures and processes you use to govern. These should reflect your culture, priorities and ways of working. |

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| government | <p>The word government in this book is about all the different types of government in Australia.</p> <ul style="list-style-type: none"> • local government, local council, regional council or shire • Northern Territory Government • Australian Government. |
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| signatory | Who can sign and approve spending money. |
| strategic plan | A document that outlines the health service's goals and actions needed to achieve them. |
| succession planning | The work of making things ready for the next person in the job. This includes planning for the next CEO or helping young people who want to become members and directors. |
| values | Principles for how the health service will do its business. |
| vision | What the health service wants the future to look like. |
| voting vote | People can make decisions by voting. A vote is the choice each person makes to agree or not agree. People can vote "for" or "against" a proposed decision. |

Thanks and acknowledgements

This booklet is the product of a strong partnership between AMSANT and AGMP. It is the work of many people. We would like to thank the:

- AMSANT board for its support to help the project get funding
- AMSANT members, including 20 AMSANT health services and over 60 individuals, who shared case studies and advice on how governance works in their health services
- sector experts and friends who reviewed the content.

Together, this shared knowledge has created this booklet.

This booklet has been years in the making. In 2021/22 a working group of leaders from AMSANT and AGMP met regularly to talk about how to strengthen governance for all NT Aboriginal Community Controlled Health Services under the national Closing the Gap Priority Reform 2: Building the Community Controlled Sector. AMSANT members were also part of a survey of their governance needs and priorities.

In 2022/23, we gathered deeper ideas from AMSANT members through yarns, interviews, member meetings, board meetings, and focus groups to make a first draft of this booklet.

In 2023/24, we tested the draft booklet with Aboriginal directors and management. Discussions with every AMSANT member service that was able to be involved helped us publish the best version possible.

We wish to specially thank the following health services for testing the draft booklet:

- Amoonguna Aboriginal Health Service
- Central Australian Aboriginal Congress remote health boards
- Foundation of Rehabilitation with Aboriginal Alcohol Related Difficulties (FORWAARD)
- Purple House
- Red Lily Health Board
- Sunrise Health Service.

We acknowledge the Closing the Gap grants from the NT Government Office of Aboriginal Affairs in 2022/23 and 2023/24 that made this booklet possible.

We acknowledge the extraordinary and complex work of NT Aboriginal community controlled health services, from governance through to face-to-face patient care and community wellbeing. Let's keep working together to strengthen the sector.

Any additional feedback can be sent to reception@amsant.org.au and info@agmp.org.au

Your feedback can contribute to an improved version of the booklet in the future.



VERSION JUNE 2024

Contact: reception@amsant.org.au

ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors



BOOKLET 4

Guiding the CEO

Acknowledgement of country

We acknowledge Aboriginal people as the first peoples, traditional owners and custodians of the lands of the Northern Territory and Australia. We pay respect to their continuing connection to land, water, culture and communities. We recognise that their cultures and languages are amongst the oldest living cultures in the world.

We pay our respect to elders past and present and celebrate and respect their stories, traditions and culture throughout the NT and Australia.

“The Aboriginal community-controlled health sector must continually review the way we do business, by way of a continuous quality improvement (CQI) process. This includes reviewing our governance and administrative structures, systems and processes.

We must also align our business and governance structures with the Closing the Gap (CtG) priority reform areas, to enable our peak and community-controlled organisations to participate in decision making processes effectively and genuinely and have capacity to deliver our purpose and vision for Aboriginal and Torres Strait Islander people in the NT”.

John Paterson CEO, AMSANT

Cover Artwork: Moogie Down Productions for Aboriginal Governance and Management Program.

Thank you to our partners:



ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors

BOOKLET 4

Guiding the CEO

About this booklet

This booklet is one of 8 booklets and is for Aboriginal directors and CEOs at Aboriginal community-controlled health services in the Northern Territory. It contains some of the basic knowledge directors need. This information can help directors build up their knowledge and skills needed for good governance practices and help to keep their health services strong.

The Aboriginal Governance Management Program (AGMP) and the Aboriginal Medical Services Alliance Northern Territory (AMSANT) wrote this booklet by listening to the ideas and experiences of directors and CEOs of AMSANT member organisations in the Northern Territory.

This booklet provides information to help you understand one of the 8 different parts of two-way governance and directors' business.

The 8 governance booklets cover and are titled:

1. 2-way governance representation and leadership
2. Important documents and staying compliant.
3. Roles and responsibilities
4. Guiding the CEO
5. Meetings and making decisions.
6. Strategic planning and stakeholders
7. Understanding the money story
8. Managing risk

There is also a larger book which combines the content of all 8 booklets. We call this the manual. These are all available as PDF files on the AMSANT members website.

How to use this booklet

- Use it to introduce new directors in their roles and responsibilities.
- Help directors and CEO's to think about areas of governance going well and not going well.
- Talk with other directors about the questions in each booklet.
- Check the meaning of important governance words.
- Find places to get more information and get help about governance in the health sector.

The information in this book is general. You can always get detailed advice from AGMP, AMSANT or other experts to strengthen governance in your health service. To contact AGMP email: info@agmp.org.au
To contact AMSANT email reception@amsant.org.au





Booklet 4

Guiding the CEO

In this booklet we will learn how directors guide the CEO.



What is the job of the CEO?



What is the relationship between the board and the CEO and how do directors guide the CEO on their journey?



How do directors start out well with a new CEO?



How do directors do CEO performance reviews and keep the CEO on track?

The Chief Executive Officer, or CEO, is the manager of the health service. The CEO is the only person the directors hire. The board of directors is the boss. The directors delegate power to the CEO. This means the CEO can do all the things the directors decide.

The CEO manages all the operations of the health service. Managing the operations is about managing the money, staff, reporting and making sure the programs are happening. It is a big job.

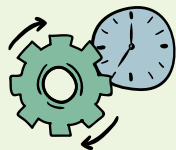


I need the directors to direct me, ask good questions and share knowledge.



I need the CEO to know everything about the operations of the health service. The CEO has to give us good information at the right time so we can make good decisions.

3 things a CEO needs to do a good job



Experience



Qualifications



Good attitude and respect for directors, members and community

3 things a CEO needs from directors to do a good job



Job description that explains the CEO's job



Training and help to learn about the health service, its members and the community



Performance review and feedback from the directors about the CEO's work

When directors help the CEO, this helps the health service work better.

The job of a CEO

We need to understand the job of the CEO so that we can choose the right person and check that they are doing their job proper way.



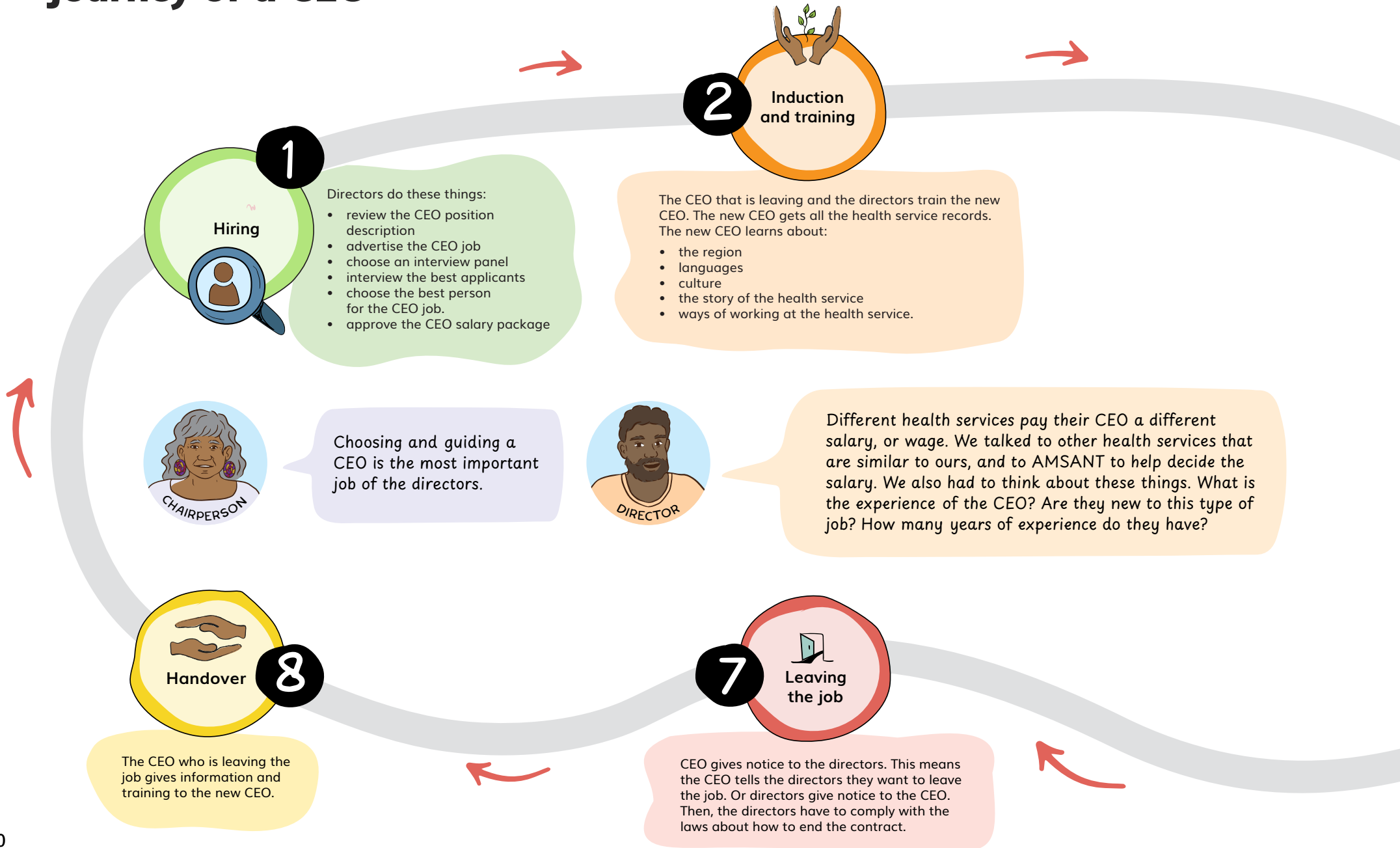
My job is to work with the directors and community to help achieve the health service goals.

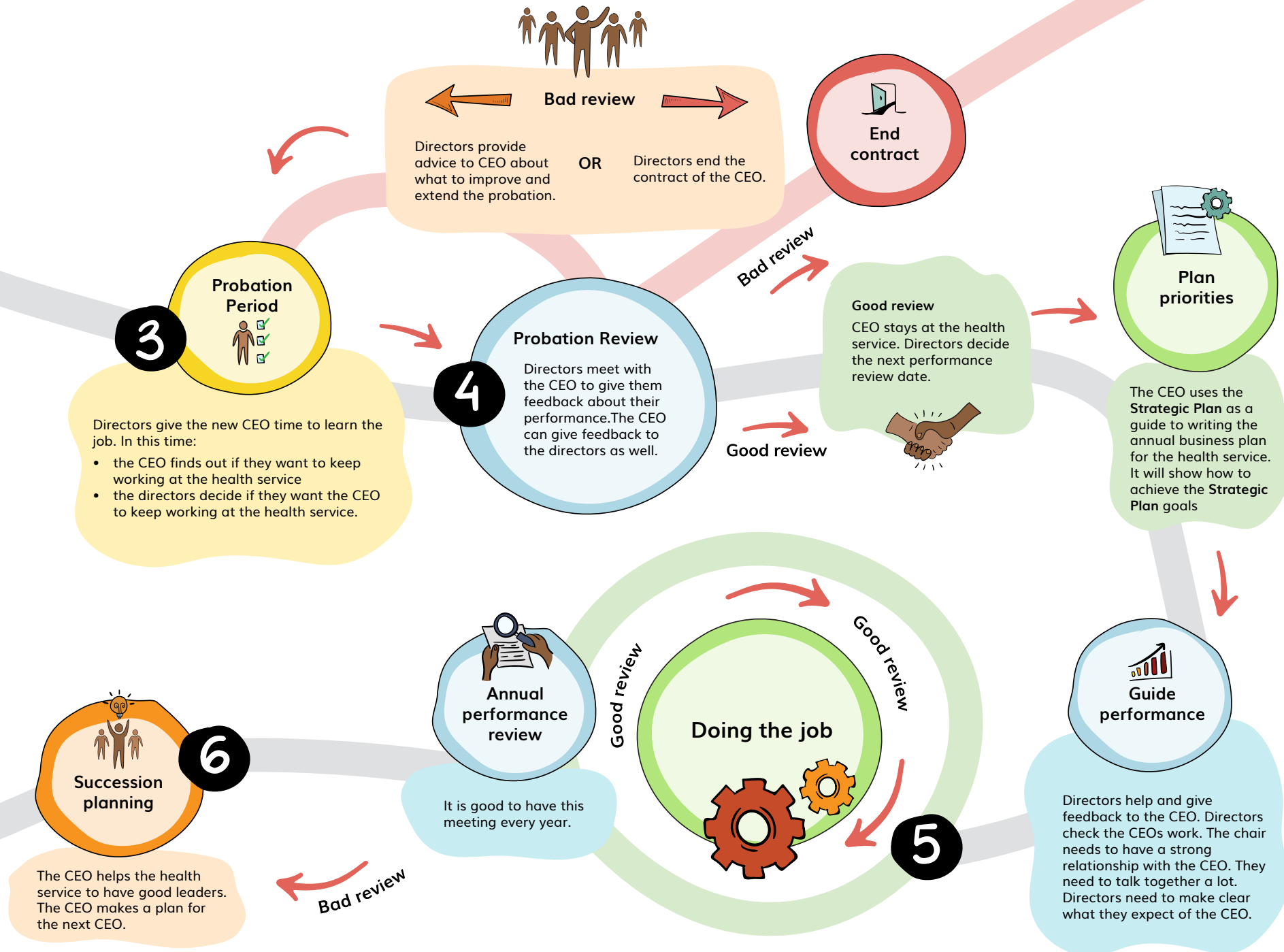
A CEO has to:

| | |
|---|---|
| Lead the health service | <ul style="list-style-type: none"> • Make decisions about things that happen every day. • Prepare and do all the things in the strategic plan, business plan, risk management plan and funding agreements. • Make sure the health service is what people need and want. |
| Guide staff | <ul style="list-style-type: none"> • Hire health service staff and make sure they have the right accreditation, licences and certificates to do their jobs. • Tell staff what their job is, what work they should do and help them improve, e.g. through training. • Check staff are doing a good job through regular performance reviews. • Plan for future staff. This is called succession planning. • Manage staff complaints or issues. |
| Keep things working | <ul style="list-style-type: none"> • Write the organisational structure. This document shows how everyone in the health service is connected. • Make sure directors have all the information they need for directors' meetings. • Tell the directors about any changes, problems or risks and do something about them. • Make policies and procedures, keep them up to date and make sure that all staff follow them. • Decide how staff act and behave at work. |
| Check the money story and compliance | <ul style="list-style-type: none"> • Make and check the documents about the money story. • Look after the money story. Follow the budget and make sure there is always enough money to pay the bills. • Help the directors understand the money story. • Look after compliance, make sure the health service follows the rule book, laws and funding agreements. • Make sure the health service's accreditations are up to date. • Tell the directors if something is wrong with the money story or compliance. |
| Listen and speak up | <ul style="list-style-type: none"> • Listen to, and talk with, the directors, members and community a lot. • Speak up about important issues in and out of meetings. • Show respect for community, the members, other directors and the CEO and health service staff. • Show respect for cultural values and responsibilities. • Make and keep strong relationships with stakeholders. |



Journey of a CEO





Starting out with a new CEO

It is the role of directors to hire the new CEO. When the new CEO starts out, directors need to welcome them to the role and provide them with the job description and agree on salary. This is all written into the CEO's employment contract.

Probation

The process of supporting and training the CEO when they first start is called probation. The contract says how long the probation is. Most of the time, it is for 6 months. In this time:

- the CEO can learn the job and get a lot of help
- the CEO decides if they want to keep working at the health service
- the directors decide if they want the CEO to keep working at the health service.

What is a probation review?

At the end of the probation, the directors and CEO meet to talk about the CEO's work performance. This meeting is called a probation review.

The directors decide if the CEO is doing a good job. They can tell the CEO what they did well and what to do better. The directors and the CEO can decide if the CEO will continue or leave the health service.

After the probation review, it is harder to end the CEO's contract.

If the CEO is doing a good job

- The probation ends.
- The full contract begins.
- The directors decide on a date for the next performance review.



If the CEO is not doing a good job

- The directors need to give the CEO advice on how to improve and extend their probation period.
- Or the directors can give the CEO notice. This means the directors give the CEO a letter to tell them they are ending the CEO's contract.



The probation review is a really important time to speak up about any problems with the CEO. If the directors are not happy with the CEO, this is the easiest time to end the contract. If the new CEO passes the probation review and goes into a full job contract, it is much harder to change CEOs if things are not working out.

Annual performance reviews

After the probation review, it is good to do a CEO performance review 1 time every year. At the performance review, the directors check in with how the CEO is going and they give the CEO feedback. They talk about what has been going well and any worries about the health service. This is a very important activity for the directors to provide direction to the CEO.

How to do a performance review

1

First decide what are the things you want to assess the CEO on. Its helpful to develop a checklist or template of things to review

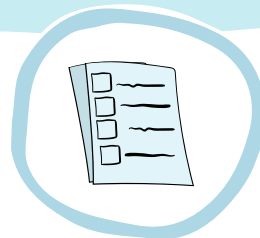
- Check the job description and contract to see if everything is being done, and if they need updating.
- Check the strategic and business plans to see if the CEO is achieving the goals set out in them.
- Anything else? Consider how they are going with community and cultural matters as well as operations and compliance.



2

Then, share the checklist with the CEO and the directors. You can meet separately, or together to talk and measure and discuss how the CEO is going.

- Don't forget to look at any past reviews and the recommendations made last time.
- Discuss the CEO's achievements and strengths, as well as areas for improvement.



3

Write down the results of the review in a report - signed by both the CEO and directors.

- Note the recommendations from the directors from the review.
- If there are to be any changes to the CEO duties or salary, these need to be written down.
- Don't forget to set a date for the next review – next year, or sooner if needed.



Sometimes it can be helpful to get a person from outside the health service to help with the performance review process. This can be especially useful if the directors are not confident to speak up honestly in a CEO performance review.



It is the directors' job to guide me. It is important to do an annual performance review. It can feel like a hard yarn, but I need feedback and advice from the directors to do my job.



We can get help from ORIC, AMSANT or a recruitment agency to hire CEOs and end their contract.



If the CEO is doing a bad job, we give them advice to help them improve. If this doesn't work, sometimes, we need to end their contract. But changing CEOs too many times is also bad for the health service. It costs a lot of money. It can cause problems with our funding organisations. We might lose the support of our community.

One of the big reasons that a health service can have too many CEOs is if there are problems between the directors and the CEO.

Succession planning

Aboriginal and Torres Strait Islander peoples have always had ways of teaching the next generation of leaders. Having a clear plan for bringing up and helping the next generation of leaders to learn is what is called succession planning. It is a strategy that directors can think about. They can expect to see a plan developed by their CEO and advisors or can do it themselves.

Directors can think about leadership positions on the staff as well as on the board. Planning carefully for and bringing in a new CEO is an important area to work on together. This takes time.

Directors and CEO can also work out how young local people can be able to lead inside the health service. Who are they? What do they need to know? How can they get that knowledge and skills? How long will it take? What supports are there for them in the organisation? Who will support them?

Case study

Ada has been a health service director for 10 years. She has been the chair for 6 years. In this time there has been a lot of change, with 3 different CEOs.

Ada wants the health service to have strong leadership. This time, when her board of directors hired the new CEO, Ada helped find the right person for the job. She was on the interview panel with 2 other directors and 1 independent director. They asked a lot of questions about why the applicants wanted to work in an Aboriginal community controlled health service.

After they hired the new CEO, Ada welcomed them, and they had a yarn. Ada explained the history of the health service and the community. Then, she took the CEO out on her country and showed them bush medicines and how her family does traditional healing.

Now, the CEO has been at the health service for more than 6 months. They passed their probation period. Every 2 weeks, Ada and the CEO have yarns to share information. The other directors also come to the CEO's office to find out what has been happening or talk about ideas or worries they have.

The CEO goes to the store and the school and likes to talk and listen to the community. Ada is happy to see these good relationships growing. The staff are happy too and no staff have left the health service for some time.

In 6 months, the directors will do another performance review. Ada sometimes writes notes when the CEO does something well or could do something better. She shares what she is thinking with the CEO. This might be next time they yarn together, or at the performance review.

Questions to ask

- How do we hire a new CEO?
- How do we guide the CEO?
- How do we review the CEO's performance?
- How do we make sure that the CEO knows about our culture so they can work 2 ways?
- How do we check that the CEO does their work and reports on time?
- How does the CEO share information with us?
- How do we share information with the CEO?
- How do we give the CEO feedback about what they are doing well and what they need to do better?
- Is our CEO doing succession planning?

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| vision | What the health service wants the future to look like. |
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VERSION JUNE 2024

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ABORIGINAL HEALTH SERVICES IN THE NORTHERN TERRITORY

2-way governance for directors



BOOKLET 5

Meetings and making decisions

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Booklet 5

Meetings and making decisions

In this booklet we will learn how to hold good meetings and make good decisions.



What are the types of meetings?



How do directors run good meetings and elections that are compliant?



What happens before, during and after the meeting?



How do directors make strong and informed decisions?



What is the role of subcommittees in governance and decision making?

Meetings are important

Meetings are an essential part of ensuring good governance. Our board needs to have at least one meeting with the members and regular directors' meetings every year. This is set in the rule book. Meetings are how we come together, speak up, listen to each other and make decisions.



Sometimes we ask other people to talk at our meetings. They are called presenters. The CEO or I have to approve who presents.



Sometimes we use technology to have our meetings. We can have a teleconference, this means meeting by phone, or video conference on a computer.



The rule book also tells me how we should notify members about meetings.

Types of meetings

Community Meeting

A community meeting is informal, which means anyone can organise it.

It can be called without notice. (Notice means telling people the meeting is going to happen.)

A community meeting happens when people want to talk about a problem.

Aboriginal health services are very important, so people want to know about the health service.

It is a good way to share news, ask people for ideas and talk about problems.

Annual General Meeting (AGM)

The AGM is a formal meeting for all the members of the health service.

Annual means it happens 1 time every year.

Members can hear about what the health service did during the last year and ask questions.

The members vote for directors and choose an auditor.

The members provide feedback and make important decisions for the health service.

General Meeting (GM)

A GM is a formal meeting and directors must call the meeting and tell every member about it.

The health service has a GM for all the members when they have to decide things that cannot wait until the next AGM.

Members can also ask directors to call a GM following the guidelines in the rule book.

Directors' Meeting

A directors' meeting is also called a board meeting. It is a formal meeting for all the directors of the health service and the CEO.

Most of the time, the directors of health services meet 4 times, or more, every year. This is set in your rule book.

A directors' meeting is when the directors make decisions.

What makes a good meeting?

- Being prepared – reading the papers before the meeting.
- Being on time.
- A good chair to guide discussion.
- Getting a quorum (enough people present to legally make decisions).
- Having a good agenda that has input from the board and topics that are relevant to the health service's activities and goals.
- Sticking to the agenda and making sure there is enough time to discuss everything.
- Sticking to time.
- Everyone having the chance to speak and be heard – good discussions and lots of questions.
- Having the right information to make informed decisions.
- Everyone following the meeting rules (respectful behaviour, phones off).
- Food, drinks and a sense of humour.

Good clinical governance

Sometimes, an issue might need clinical or public health advice. The board could invite a trusted medical professional to present at a directors' meeting to provide this advice. This could be in person, by video, teleconference, or in writing.

AGMs and elections

The annual general meeting (AGM) is the main meeting for members. Health services generally hold their AGM around November every year because it must happen within five months of the end of the financial year (30 June).

Meeting notice

The CATSI Act says that the health service has to send out the AGM meeting notice 21 days before a meeting. This gives members enough time to plan to go the meeting.

The AGM meeting notice has to say:

- the date and the time of the meeting
- where the AGM will be
- phone number or video link for meetings by phone or video
- the agenda
- any special resolutions to be put to the meeting
- information about proxies if they are allowed in the rule book.

What do members have to do at the AGM?

1. Ensure there is a quorum.
2. Agree that the minutes of the last AGM are straight and true.
3. Agree that the minutes of GMs that happened in the year are straight and true.
4. Check the register of members to make sure it is straight and true. Let the directors know the names of people who have died or have stopped being members for some other reason in the rule book. Directors can then cancel their membership.
5. Listen to the CEO and the directors about what happened in the year.
6. Ask questions to the CEO, the directors and the accountant.
7. Agree to the audited financial report.
8. Decide on an auditor for the next year.
9. Elect directors; this means choosing new directors or the same ones if the rules say they can stay on the board.

Elections

Members elect directors for a set time. This time is called a term. A term of a director might be 1 or 2 years. At the end of the term, the director has to stand down. This means to stop being a director. If the rule book says it is OK, the members can re-elect a director again straight away.

Sometimes members vote anonymously. This means in secret. Other times, members vote for directors by putting their hands up.

At our health service, we have 'staggered' elections. The directors stay on the board for 2 years. At the AGM, the members elect half of the directors. They elect the other half at the next AGM. This way there are always some experienced directors and some new ones. The experienced ones can pass on the knowledge to the new ones.



Our health service covers 3 big regions. We have places on the board for 2 representatives from each region.

Our election rules mean I vote for the people from my region because I know who is best to speak up for us.



Case study – Holding good meetings

In the community where Luna lives, the AGM is a big event for the health service. Every year the health service makes colourful posters to go with the meeting notice. They put up the posters and notices all over community to get people to come to the meeting.

On the day of the meeting, there are cars that drive people to the meeting. There is also a troopy that brings young people, who want to become members, to the meeting.

Luna became a member at the last AGM. The directors asked her to talk to other young people about the meeting and why it's important for them to come. On the day, there is a special area at the meeting for young people to sit together. There is also an item on the agenda where they have time to ask any questions or talk about what health services they need.

A lot of the new young members want to be directors someday. At the meetings they sometimes ask their family members how they can learn more. Luna and two other young people will go to the AMSANT meeting later in the year. There, they will meet members from health services all over the Northern Territory.

Meeting flow

Before the meeting

- ✓ Directors choose a date, time and place.
- ✓ Directors tell CEO what they want to talk about.
- ✓ Chair and CEO plan the agenda.
- ✓ CEO sends the meeting notice.
- ✓ Meeting papers are prepared.

It is important to help people get to the meeting. We have troopies and a bus so that we can get a big mob to our meetings.



If there is something for decision at the meeting that needs checking with traditional owners, I need time to sit and talk with them about it so I can bring their ideas to the meeting.



It is important to be ready for the meeting. We have to read the meeting papers and talk to other directors.



During the meeting

- ✓ CEO says who the chair is.
- ✓ CEO shares the agenda.
- ✓ Chair checks attendance, proxies, and quorum.
- ✓ Chair opens, or starts the meeting.
- ✓ Directors declare and check conflicts of interest.
- ✓ Directors approve minutes from the last meeting.
- ✓ Directors update the register of members.
- ✓ CEO gives a report.
- ✓ Directors check the financial report.
- ✓ Directors talk about the strategic plan.
- ✓ Directors agree on the next meeting date.
- ✓ Chair closes, or ends the meeting.

I make sure everyone follows the agenda. I try to get everyone to speak up. I make sure that the meeting runs well. I call for a tea break if there is a disagreement. If people leave the meeting, I check that we still have a quorum before we make a resolution.



Did you know that all directors can add things to the agenda?
If you, or members, or community have ideas or issues to raise speak up before the meeting and let the chair or CEO know what you want to talk about.
Directors can also raise issues during the meeting even if that issue is not on the agenda. This is usually done during the agenda item, 'any other business'.



At the meeting, ask lots of questions. If we do not know the answer, we will find out after the meeting.

After the meeting

- ✓ CEO writes the minutes.
- ✓ People work on actions list.
- ✓ CEO and directors give information to members and community and report back later.

I sign the minutes of the last meeting after the directors approve them.



I send the minutes to the people who were at the meeting as soon as possible. This way, they still remember what happened at the meeting.



Questions to ask about GMs and AGMs

- Do the right people know about the meeting?
- Do we help people get to our meetings?
- Are our meetings compliant? Do we have:
 - a meeting notice?
 - an agenda?
 - a quorum?
 - minutes?
- Do members and community have enough chances to speak up?
- Are meeting papers and presentations easy to understand?
- Do people have enough time to consult with community on relevant items for decision before the meeting?
- Do the chair and CEO work together to develop the meeting agenda?
- Is there room for 2-way discussion in meetings, i.e. information from the health service CEO and staff to directors, members and community and back the other way?

Making decisions

The way we make decisions is important for good governance. Directors make most of the big decisions for the health service. "Informed decision making" means making decisions with all the right information and input from the right people. This will help get the best outcome for community. Decisions that align with the health service's strategic plan help make the health service's goals happen. Find out more in Booklet 6.

To make good decisions, we should:

- talk to others with respect
- listen to all the different ideas
- think about culture
- think about the money story
- have all the information we need and make sure we understand it
- think about how the decision will change the way the health service works.

A good decision making process

It is a legal duty of directors to ensure that they are making well informed decisions for the health service. In order to make good decisions, directors must first ask the right questions. This makes sure that the board has a good, informed decision making process.

What to ask when making decisions

We like to talk about the big decisions as a group. We put the big decisions at the start of the agenda. We do not wait until the end of the meeting when we are tired.



How do directors make decisions?

The rule book says how the directors should make decisions at the health service. There are different ways to decide things.

Voting by majority: The chair asks the other directors if they are “all in favour”. This means asking if everyone agrees. The directors can vote “yes” or “no”. Most of the time, every director has 1 vote. Sometimes, a director cannot vote on the decision because of a conflict of interest or another reason.

Consensus: All directors agree. If there are directors who do not agree, then the directors might have to talk about the decision more.

Deferring the decision: If the directors think that they are not ready to make a decision because they need more time to think and talk about it, they can put off making the decision to the next meeting (this is called ‘deferring’ the decision). Sometimes the directors might like to get an independent opinion before making a decision (e.g. if it is legal problem, they might want to get a trusted lawyer to give their opinion. If it is a medical issue, directors might want to ask a trusted doctor). The directors can ask the CEO to get the opinion in writing

No decision: Sometimes directors might decide not to make a decision after thinking about all the issues.

Cultural way: Directors have to talk to elders, family groups, traditional owners and other community members before making a decision. For some decisions, only those with the cultural authority get to decide (i.e. they can speak for country).

Once a decision is made it is recorded in the minutes as a resolution. Everyone has to respect it and follow it through.

At our health service, new directors have to spend 3 months on the board before they are allowed to vote. This means they learn about the health service and how to be a strong director before they make decisions.



Sometimes we like to discuss an issue for decision among ourselves without the CEO or others present. This is called meeting “in camera”. As the chair, I can ask the CEO and other non-directors to leave the room so we can talk.



Making decisions cultural way is important. Sometimes, directors need the elders to make the decisions first.



Subcommittees

Sometimes directors need to make decisions that are difficult or complex. This means more work and time is needed to think through the options. Sometimes people with specialist skills and knowledge are needed. The directors can make a subcommittee to help.

A subcommittee is a smaller group of people that meet separately to think more about an idea, specific project, or subject. It is made up of people with specialist skills or interest in that area, and representatives from the board. The subcommittee cannot make the decision. They bring their ideas back to the directors. The directors then make the decision.

Common subcommittees

| Subcommittee | Reason for the subcommittee |
|-------------------------|---|
| Finance, audit and risk | To look at the money story and risks. |
| Clinical governance | To look more at special health service issues. These might be about patient care, medical resourcing, clinical systems, or about the people who work at the health service. |
| Research and ethics | To do Aboriginal controlled research to help fix health problems. |
| Culture and language | To make sure the health service does Aboriginal governance the proper way. To make sure the health service works in ways that are good for culture and language. |
| Youth | To think of ways to get more young members. To think of ways to do more with young people in community. |



It's helpful to have an independent expert on the subcommittee. This does not have to be an independent director from the board, it can be someone else who knows a lot about the topic.

Questions to ask

- Do we make sure we talk to all the right people?
- Do we ask the right questions before we make a big decision?
- Do we have a good process for informed decision making?
- Do we get the right kind of advice to help inform our decisions?
- Do we need to use subcommittees to help inform our decisions?
- Do we accept the decisions we make as a board?

Good clinical governance

The board could start a clinical governance subcommittee. Members would be directors, other people from the community (including Aboriginal health practitioners) and a trusted medical professional. See 'clinical governance' in booklet 1.

Case study – Making good decisions

Stanley likes making decisions as a director of the health service. He is not shy about asking questions to the CEO and management staff when more information is needed.

Stanley thinks of ways to do things differently. He wants to make sure the health service is a safe place for community to come for check-ups. Cultural safety at the service is 1 of the 3 big goals in the strategic plan.

The health service region covers 4 language groups. Sometimes, directors do not agree about how to follow cultural way. When this happens, Stanley helps the directors to work together. The directors decided that each clinic is to have different procedures so that it works for each group.

Stanley is also in the culture and language subcommittee. This subcommittee is for the elders from each language group and a clinical expert. This means Stanley and the other directors in the subcommittee can give cultural knowledge while the independent expert helps make sure that the ideas also meet clinical standards.

Importance governance words and their meanings

| | |
|----------------------------------|--|
| Aboriginal health service | Aboriginal community controlled health organisation. The members of the organisation are Aboriginal people from the community or region where the health service is. |
| action list | This is a list of things to do after the meeting ends. |
| agenda | <p>List of things that people can talk about at a meeting.</p> <p>A good agenda for our health service has a list of what the health service needs to talk about for compliance and other things that are important for the health service:</p> <ul style="list-style-type: none"> • attendance, this means who is at the meeting • apologies, this means who did not come to the meeting and sent an apology • the minutes from the last meeting and any actions that should have been done • update the members' list • CEO's report • programs/service updates • financial, or money reports • things that need to be decided • when the next meeting will be. |
| alternate director | A person who a director chooses to go to a directors' meeting in their place. Your rule book says if members can have alternate directors and if they can vote. |
| apology apologies | When someone can't come to a meeting |
| ASIC | Australian Securities and Investments Commission. It is the job of ASIC to make sure corporations (Aboriginal or non-Aboriginal) follow the Corporations Act. ASIC is the regulator for some health services. |
| audit | A special accountant from outside the health service checks that the money story is straight and true. They are called an auditor. The members vote for the auditor. |

| | |
|--|---|
| board | The whole group of directors who govern the health service. |
| CATSI Act | The Corporations (Aboriginal and Torres Strait Islander) Act is the law about how to set up and manage Aboriginal corporations. |
| chief executive officer (CEO) | The manager of the health service. The CEO looks after the health service's everyday operations. The CEO is the boss for the staff of the health service. The directors are the boss for the CEO. |
| compliance compliant comply | This means following all the laws and rules so that the health service does not get into trouble. |
| constitution | The health service's rule book. |
| Corporations Act | The Corporations Act is the law about how to set up and manage corporations. |
| directors | The people who are chosen (elected) by members to govern and make decisions for the health service. Members of the board |
| duty of care | Making sure people and assets are kept safe and looked after. This is a legal responsibility. |
| election elect | Members choose (elect) a director or group of directors by voting. Then, someone counts all the votes. The ones with the highest number of votes become the directors. |
| financial year | This is normally from 1 July to 30 June. Everyone has to report on their money story for those 12 months. |
| funding agreement | Sometimes the government or another organisation fund, or give money, to the health service. They decide on some rules about how the health service can spend the money. They write those rules in a funding agreement. This is sometimes called a grant agreement or a contract. |
| governance | How the health service is ruled, who has the authority to make decisions, and how decisions will be made. The systems, structures and processes you use to govern. These should reflect your culture, priorities and ways of working. |

| | |
|---------------------|---|
| government | <p>The word government in this book is about all the different types of government in Australia.</p> <ul style="list-style-type: none"> • local government, local council, regional council or shire • Northern Territory Government • Australian Government. |
| lodge | <p>When directors send reports to the regulator, government or other funding organisations it is called lodging reports. This is a requirement of being compliant.</p> |
| members list | <p>A public record of all the current members of the health service. Also called the “register of members”.</p> |
| minutes | <p>The written record of the meeting.</p> <p>The minutes have:</p> <ul style="list-style-type: none"> • when and what time the meeting happened • attendees, this means who was at the meeting • apologies, this means who did not come to the meeting and sent an apology • absentees, this means who did not come to the meeting and did not send an apology • updates, this means information given about programs and services • resolutions, this means what was agreed at the meeting • actions, this means the things to do after the meeting • other important things people talked about • when the next meeting will be. <p>At the start of every meeting, people need to read the minutes from the last meeting. People who attended the last meeting all have to agree that those minutes are straight and true. This is called “approving the minutes”.</p> |
| mission | <p>The health service’s purpose.</p> |
| motion | <p>A proposal for directors or members to decide in a meeting.</p> |
| ORIC | <p>Office of the Registrar of Indigenous Corporations. It is ORIC’s job to make sure Aboriginal corporations follow the CATSI Act. ORIC is the regulator for most Aboriginal health services.</p> |

| | |
|----------------------------|--|
| proxy | A proxy is another member of the health service who a member chooses to go to a general meeting in their place. Your rule book says if members can have a proxy and if they can vote. |
| quorum | The smallest number of people who need to be at the meeting to make decisions. This is different for different meetings. In general meetings, the quorum is about the number of members. In a directors' meeting, the quorum is about the number of directors. |
| regulator | It is the job of the regulator to make sure all the laws and rules are followed. ASIC and ORIC are important regulators. |
| resolution | A decision that is made by directors or members in a meeting. A motion that is agreed is written as a resolution in the minutes. |
| self-determination | The ability and authority of clans, nations and communities to govern: to decide what they want for their future, to implement their own initiatives and take responsibility for their decisions and actions. |
| signatory | Who can sign and approve spending money. |
| strategic plan | A document that outlines the health service's goals and actions needed to achieve them. |
| succession planning | The work of making things ready for the next person in the job. This includes planning for the next CEO or helping young people who want to become members and directors. |
| values | Principles for how the health service will do its business. |
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VERSION JUNE 2024

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2-way governance for directors



BOOKLET 6

Strategic planning and stakeholders

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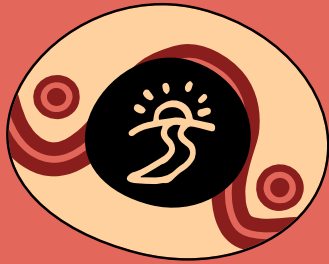
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Booklet 6

Strategic planning and stakeholders

In this booklet we will learn about the strategic plan and stakeholders.



What is strategic planning and how do directors do it?



How do directors set measurable goals and track progress?



What are stakeholders and why are they important to help directors achieve their goals?



How the strategic plan guides the CEO?

What is strategic planning?

All strong health services need to have a strategic plan. The strategic plan is the document that describes the **goals** of the health service and **how to achieve them**. It describes the **vision** of the members and all that they want the health service to achieve. It is like a road map for directors and CEO in making decisions for the health service to guide them on the journey. It keeps everyone on the right track to achieving the health service's goals. A good strategic plan helps keep the health service strong and helps it to grow.

The strategic plan also shows the community and the funders what the health service is trying to achieve. Most of the time, health services set their strategic plan for 3 to 5 years.

I like to think about the strategic plan like I am a bird, up in the sky and looking down at the ground. I can see the journey we are going on and what stops we will make along the way..



The directors and I use the strategic plan as a guide to make decisions about how to run the service. It helps us decide what programs to run and the most important things to do first. These are called priorities. I can report to the directors on these goals.



Having a good strategic plan stops us from thinking about the wrong kinds of projects or ideas that don't fit with our main goals.



How we do strategic planning

Strategic planning is a lot like planning to go on a long journey. We get ready to go? We plan stops along the way? We ask questions along the way. Where are we now? Where do we want to be? How do we get there? and, Are we there yet?

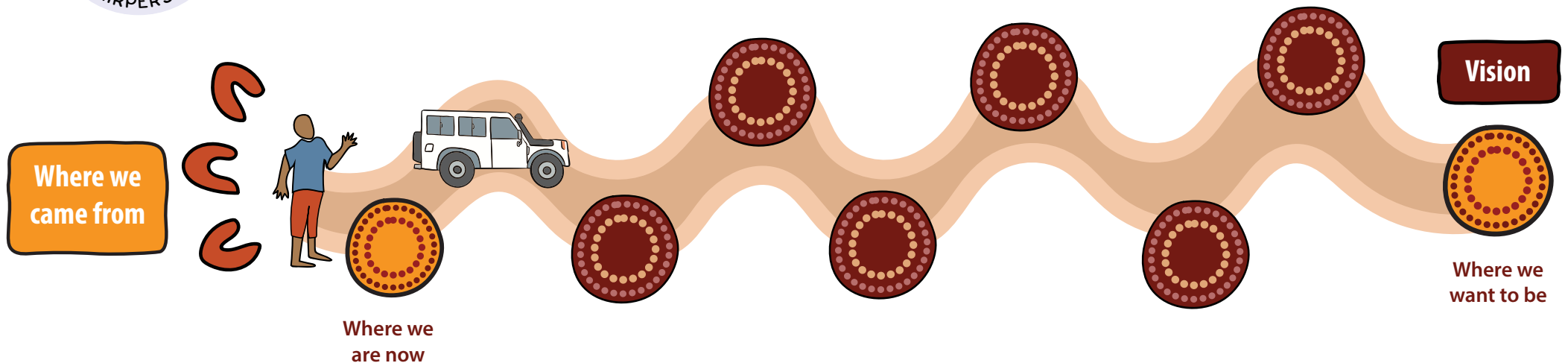
The strategic plan is our map to show us the way and stop us getting lost. Sometimes things change along the way. We might take a different road. We might stop at a roadhouse. But we are still travelling to the same place.

Even though there may be changes along the journey, the strategic plan reminds us of our vision and values that we have set for ourselves.



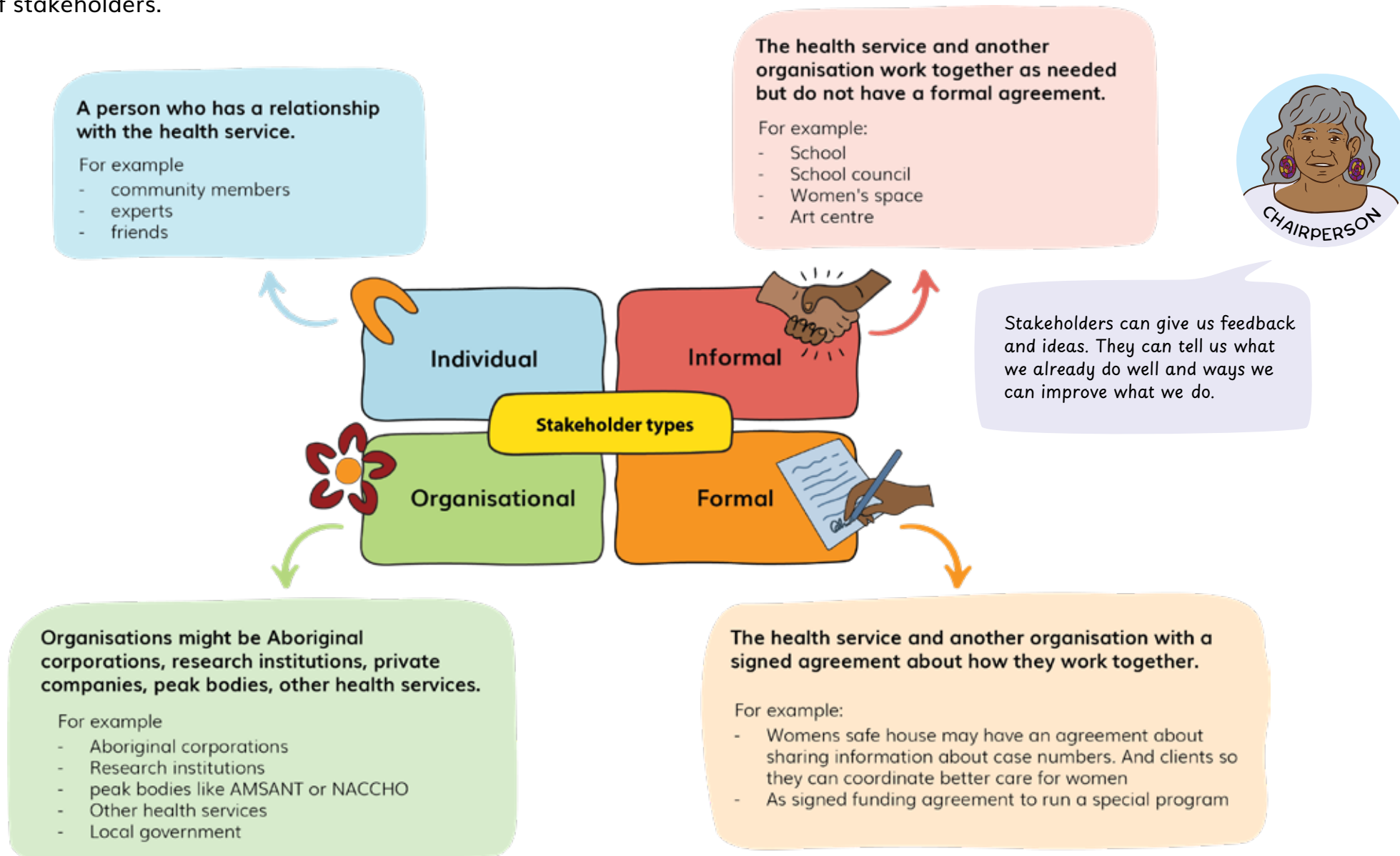
To start our strategic planning process, we talk to the members and people in community, like elders and different family groups, to find out what they want and need. This is consultation. After the consultation, we can decide on the things in the strategic plan. Consultation is what makes community control in our health service strong.

We can also consult with the other people and organisations we work with in community.



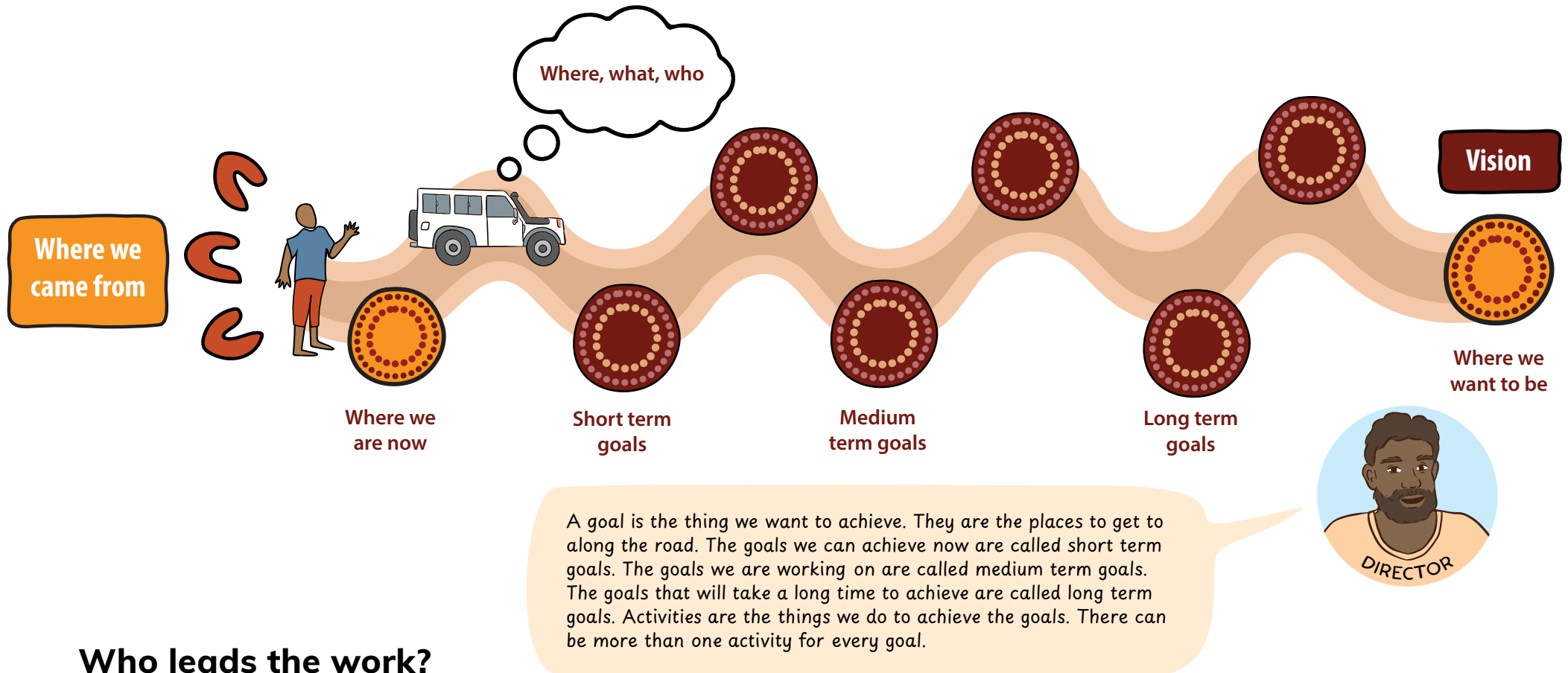
Stakeholders

A stakeholder is a person or organisation that the health service works with to achieve it's goals. There are different kinds of stakeholders.



A strategic plan is like a road map

To plan, there needs to be clear end goals. Then there may be short term goals as steps toward reaching the end goal. These will be our short and medium term goals.



Who leads the work?

Members and community provide input and ideas on what they want to see happen.

Directors lead the decision making about the vision, values and goals.

The CEO leads the health service staff to develop the activities and allocates the resources needed.

Questions to guide strategic planning

When doing strategic planning, think about these questions:

- What is our vision. What is the place we are travelling to - our destination?
- What are the values that we take with us along the way?
- Who do we take with us or who helps us along the way?



We can workshop these questions with our leaders every 3-5 years.

Vision
Where we want to go.
Our destination.

Values
The attitudes and behaviours,
or ways of working, that we
have on the journey.

Stakeholders
Who has an interest in what we do?
Who is affected by what we do?
Who helps us to do what we do?

| Where have we come from? | Where are we now? | Where do we want to be? | How do we get there? |
|--|--|---|---|
| <ul style="list-style-type: none"> • Who started the health service? • What was their vision? • What were their values? • What has worked? • What has not worked? • What did we learn? | <ul style="list-style-type: none"> • What do we do? • What resources do we have? • What are we good at? • What are we not good at? • What is happening in the region? • What is happening in the Northern Territory? • What is happening across Australia? • What does our rule book say about our organisation's objectives? (goals)? | <ul style="list-style-type: none"> • What are our goals? • What do we want for the health and wellbeing of our people? • What changes do we want to see in our community in 3 years, in 5 years and in 10 years? • Are there new laws, ideas or funding to think about? • What is important for our members and community? | <ul style="list-style-type: none"> • What activities will help us achieve the goals? • What resources do we need? • How long will it take? • How will we know if we are on track? |

Measuring if we're on track

Once we've developed our strategic plan, it's very important to regularly check back against it to measure how we are going and if we are on track. Regularly checking our progress helps us to make adjustments and changes to make sure we can still stay on track to achieving our goals.

It is the responsibility of the CEO to report to directors at meetings about progress on the strategic plan. The CEO must keep directors up to date on whether the health service is achieving the goals set in the plan, if there are hold ups, and why.

It is the responsibility of directors to keep checking in with the CEO to see if things are on track.

To help make this easier, make sure your plans contain **SMART goals**.

Specific: The goal is clear, with lots of detail that describes exactly what it is about.

Measurable: The goal is easy to measure, with a set number, amount or size that you can count as a measure of success.

Achievable: The goal is realistic, and possible with the resources and time available.

Relevant: The goal is important to the health service and the vision and values of the health service.

Timed: The goal has a timeframe, or a time limit, for how long it should take to achieve.

Some health services use a traffic light system to check how well they are doing in achieving the goals set in their strategic plan. They show:



Goals that have a problem or have not been achieved in red.

Goals that are on hold or making slow progress in orange.

Goals that are on track or that have been achieved in green.

We check that the health service is getting closer to its goals. To do this, we have to ask a lot of questions:

- Will these activities get us to our goal?
- Are our activities making the changes we want to see? Why? Why not?
- Do we report activities to funding bodies?
- Do we report to the community about how the activities are helping to achieve our goals?



An example of a long term goal, activities (medium and short term goals needed) and resources?



We asked ourselves the question, “What is the change we want to see in our community?” We agreed that we want healthier young people. This became one of our goals. Then, we had to think about how to achieve it. We agreed we want to see more young people coming in for health checks every year and having health education classes at the school. These became our activities. We also thought about all the things we need to do the activities, like more Aboriginal health workers and more education resources, like books and videos. These things are the resources.

| Goal | Healthier young people | Directors, members and community |
|--|---|----------------------------------|
| Activities to help get there (short and medium term goals) | <ul style="list-style-type: none"> • Run special youth clinic once per week • Deliver health education classes at school • Encourage older patients to bring younger family members to appointments. | Staff - deliver activities |
| Resources Needed | <ul style="list-style-type: none"> • Money for a health worker with good youth skills and experience • Educational books, posters and videos • Games and activities for health education • Money for catering for youth activities | CEO – money story plan |
| How will we know we are there? (SMART signs) | <ul style="list-style-type: none"> • There are funds for health activities for young people • There is a special health worker for young people’s work • Young people getting more health checks • Young women are having healthy babies • Health activities are taking place • Less young people with chronic diseases | CEO, directors and staff |

See Booklet 7 for more information about the budget.

Relationships with stakeholders

Strong relationships with stakeholders helps the health service to:

- share resources, knowledge, experience and ideas
- speak up to government together to have a stronger voice
- promote, or tell other people and organisations about, the good things our health service does
- find help to fix worries.



To make strong, and new relationships we do networking activities. We do things like talking to stakeholders, sharing ideas and experiences, having community meetings, BBQs and other events.

Sometimes having a stakeholder is like having a friend. Sometimes, we make an agreement. The agreement says what we agree to do and the rules about how to do this.



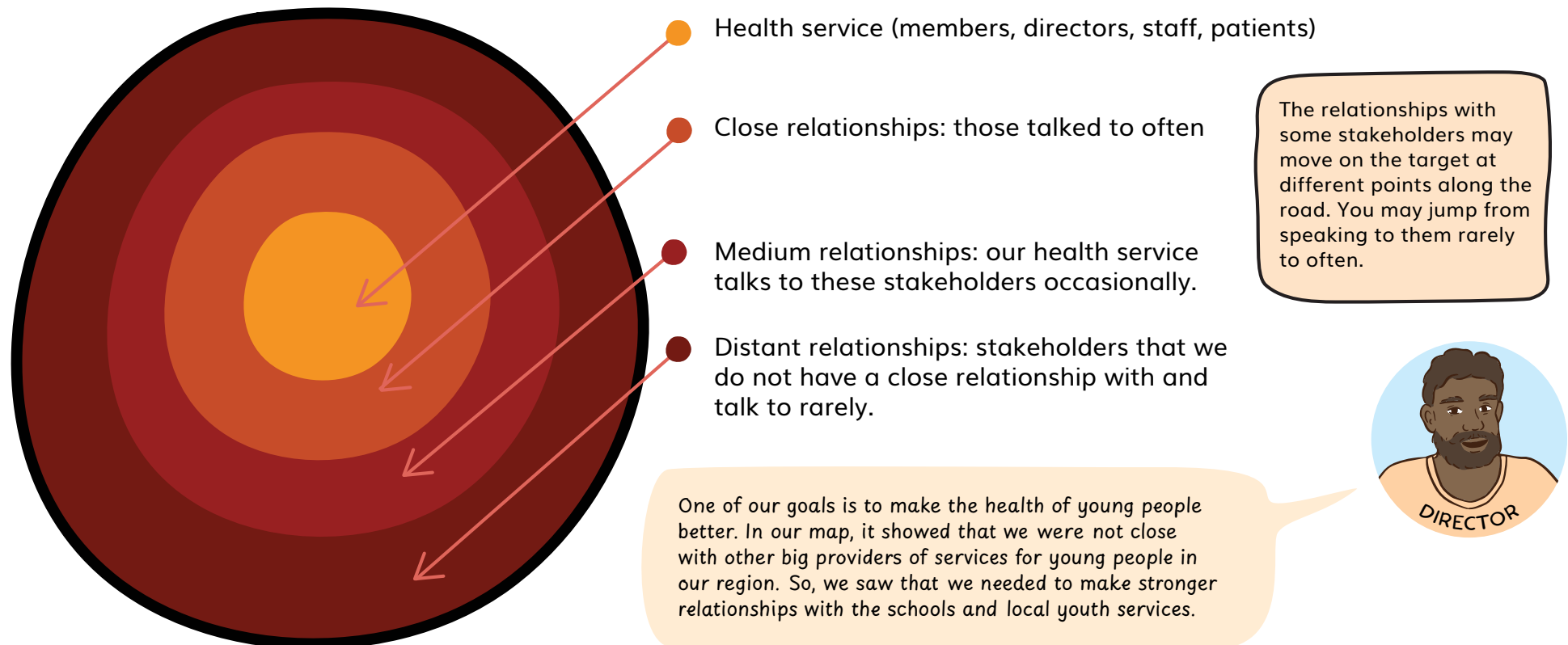
Stakeholders can be consulted before the planning. They can tell what is going well. They can also tell ideas to help improve health and services. You can learn if they want to be involved in helping the health service achieve good outcomes for the community.

Mapping our stakeholders

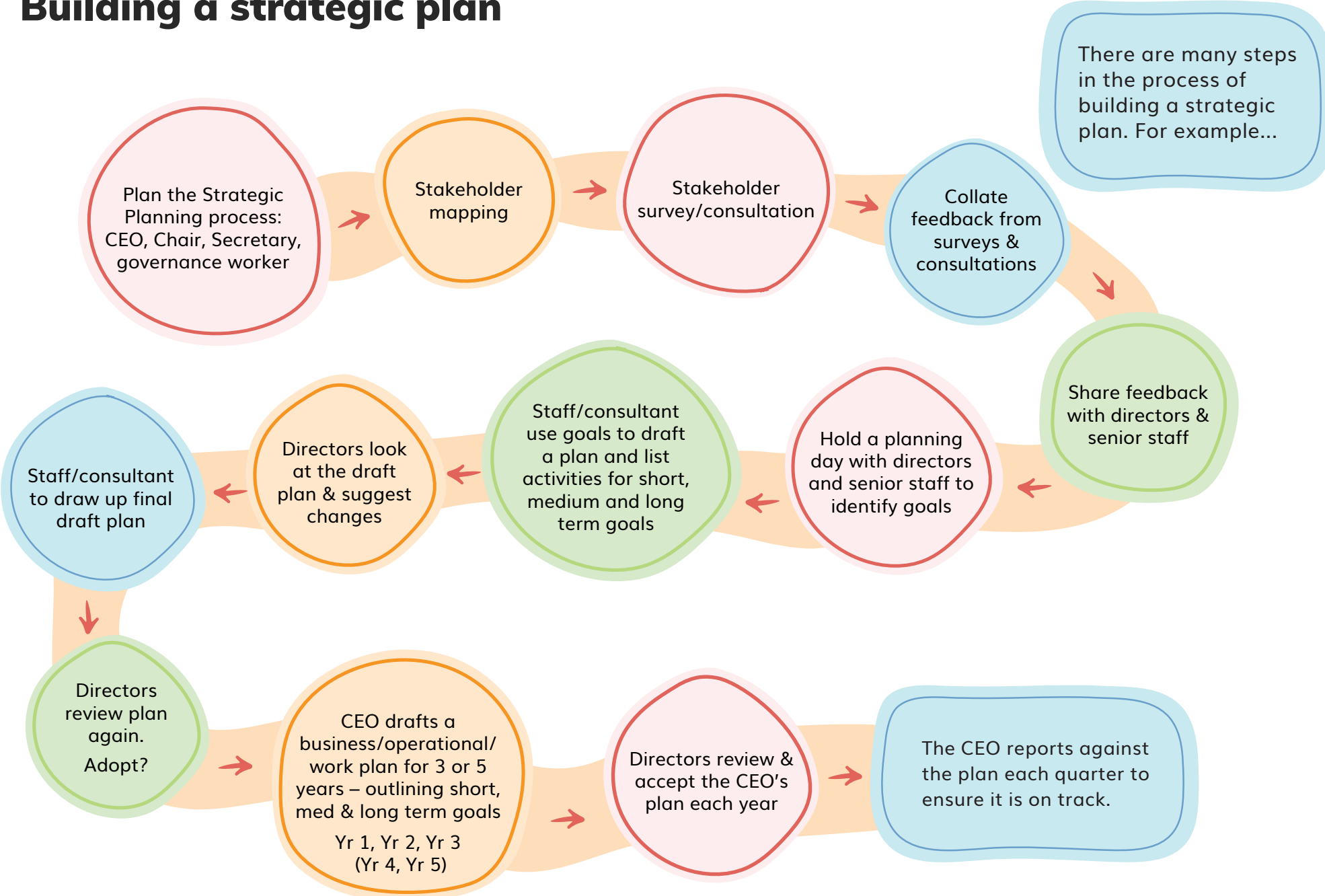
Knowing which stakeholders are most important to achieving the health service's goals helps with strategic planning and making decisions.

Think about all the people and organisations the health service works with now, or would like to work with to help achieve our goals in the future.

Decide how close the relationship is now, then place it on the map. In our map, the health service is in the middle. Our closest stakeholders are in the next ring, and so on. Making a map of our stakeholders can help directors see all the relationships of the health service. It helps us plan which stakeholders are most important to maintain relationships with. It also tells us where we need to put our efforts in to building new relationships with strategic stakeholders that can help us achieve our goals in the future



Building a strategic plan



Questions to ask about plans

- What are we working towards? What are our goals?
- Do we have a strategic plan?
- Do we check the strategic plan in meetings and when making decisions?
- How do we track how well the health service is doing?
- Do we have the right resources to help us achieve the strategic plan?

Questions to ask about stakeholders

- Do we have good relationships with:
 - o people and organisations in our region?
 - o our peak bodies, like AMSANT?
 - o funding organisations?
- Do we have stakeholders who are helping us achieve our goals?
- How do we tell our stakeholders what we are doing?

Importance governance words and their meanings

| | |
|----------------------------------|--|
| Aboriginal health service | Aboriginal community controlled health organisation. The members of the organisation are Aboriginal people from the community or region where the health service is. |
| action list | This is a list of things to do after the meeting ends. |
| agenda | <p>List of things that people can talk about at a meeting.</p> <p>A good agenda for our health service has a list of what the health service needs to talk about for compliance and other things that are important for the health service:</p> <ul style="list-style-type: none"> • attendance, this means who is at the meeting • apologies, this means who did not come to the meeting and sent an apology • the minutes from the last meeting and any actions that should have been done • update the members' list • CEO's report • programs/service updates • financial, or money reports • things that need to be decided • when the next meeting will be. |
| alternate director | A person who a director chooses to go to a directors' meeting in their place. Your rule book says if members can have alternate directors and if they can vote. |
| apology apologies | When someone can't come to a meeting |
| ASIC | Australian Securities and Investments Commission. It is the job of ASIC to make sure corporations (Aboriginal or non-Aboriginal) follow the Corporations Act. ASIC is the regulator for some health services. |
| audit | A special accountant from outside the health service checks that the money story is straight and true. They are called an auditor. The members vote for the auditor. |

| | |
|--|---|
| board | The whole group of directors who govern the health service. |
| CATSI Act | The Corporations (Aboriginal and Torres Strait Islander) Act is the law about how to set up and manage Aboriginal corporations. |
| chief executive officer (CEO) | The manager of the health service. The CEO looks after the health service's everyday operations. The CEO is the boss for the staff of the health service. The directors are the boss for the CEO. |
| compliance compliant comply | This means following all the laws and rules so that the health service does not get into trouble. |
| constitution | The health service's rule book. |
| Corporations Act | The Corporations Act is the law about how to set up and manage corporations. |
| directors | The people who are chosen (elected) by members to govern and make decisions for the health service. Members of the board |
| duty of care | Making sure people and assets are kept safe and looked after. This is a legal responsibility. |
| election elect | Members choose (elect) a director or group of directors by voting. Then, someone counts all the votes. The ones with the highest number of votes become the directors. |
| financial year | This is normally from 1 July to 30 June. Everyone has to report on their money story for those 12 months. |
| funding agreement | Sometimes the government or another organisation fund, or give money, to the health service. They decide on some rules about how the health service can spend the money. They write those rules in a funding agreement. This is sometimes called a grant agreement or a contract. |
| governance | How the health service is ruled, who has the authority to make decisions, and how decisions will be made. The systems, structures and processes you use to govern. These should reflect your culture, priorities and ways of working. |

| | |
|---------------------|---|
| government | <p>The word government in this book is about all the different types of government in Australia.</p> <ul style="list-style-type: none"> • local government, local council, regional council or shire • Northern Territory Government • Australian Government. |
| lodge | <p>When directors send reports to the regulator, government or other funding organisations it is called lodging reports. This is a requirement of being compliant.</p> |
| members list | <p>A public record of all the current members of the health service. Also called the “register of members”.</p> |
| minutes | <p>The written record of the meeting.</p> <p>The minutes have:</p> <ul style="list-style-type: none"> • when and what time the meeting happened • attendees, this means who was at the meeting • apologies, this means who did not come to the meeting and sent an apology • absentees, this means who did not come to the meeting and did not send an apology • updates, this means information given about programs and services • resolutions, this means what was agreed at the meeting • actions, this means the things to do after the meeting • other important things people talked about • when the next meeting will be. <p>At the start of every meeting, people need to read the minutes from the last meeting. People who attended the last meeting all have to agree that those minutes are straight and true. This is called “approving the minutes”.</p> |
| mission | <p>The health service’s purpose.</p> |
| motion | <p>A proposal for directors or members to decide in a meeting.</p> |
| ORIC | <p>Office of the Registrar of Indigenous Corporations. It is ORIC’s job to make sure Aboriginal corporations follow the CATSI Act. ORIC is the regulator for most Aboriginal health services.</p> |

| | |
|----------------------------|--|
| proxy | A proxy is another member of the health service who a member chooses to go to a general meeting in their place. Your rule book says if members can have a proxy and if they can vote. |
| quorum | The smallest number of people who need to be at the meeting to make decisions. This is different for different meetings. In general meetings, the quorum is about the number of members. In a directors' meeting, the quorum is about the number of directors. |
| regulator | It is the job of the regulator to make sure all the laws and rules are followed. ASIC and ORIC are important regulators. |
| resolution | A decision that is made by directors or members in a meeting. A motion that is agreed is written as a resolution in the minutes. |
| self-determination | The ability and authority of clans, nations and communities to govern: to decide what they want for their future, to implement their own initiatives and take responsibility for their decisions and actions. |
| signatory | Who can sign and approve spending money. |
| strategic plan | A document that outlines the health service's goals and actions needed to achieve them. |
| succession planning | The work of making things ready for the next person in the job. This includes planning for the next CEO or helping young people who want to become members and directors. |
| values | Principles for how the health service will do its business. |
| vision | What the health service wants the future to look like. |
| voting vote | People can make decisions by voting. A vote is the choice each person makes to agree or not agree. People can vote "for" or "against" a proposed decision. |

Thanks and acknowledgements

This booklet is the product of a strong partnership between AMSANT and AGMP. It is the work of many people. We would like to thank the:

- AMSANT board for its support to help the project get funding
- AMSANT members, including 20 AMSANT health services and over 60 individuals, who shared case studies and advice on how governance works in their health services
- sector experts and friends who reviewed the content.

Together, this shared knowledge has created this booklet.

This booklet has been years in the making. In 2021/22 a working group of leaders from AMSANT and AGMP met regularly to talk about how to strengthen governance for all NT Aboriginal Community Controlled Health Services under the national Closing the Gap Priority Reform 2: Building the Community Controlled Sector. AMSANT members were also part of a survey of their governance needs and priorities.

In 2022/23, we gathered deeper ideas from AMSANT members through yarns, interviews, member meetings, board meetings, and focus groups to make a first draft of this booklet.

In 2023/24, we tested the draft booklet with Aboriginal directors and management. Discussions with every AMSANT member service that was able to be involved helped us publish the best version possible.

We wish to specially thank the following health services for testing the draft booklet:

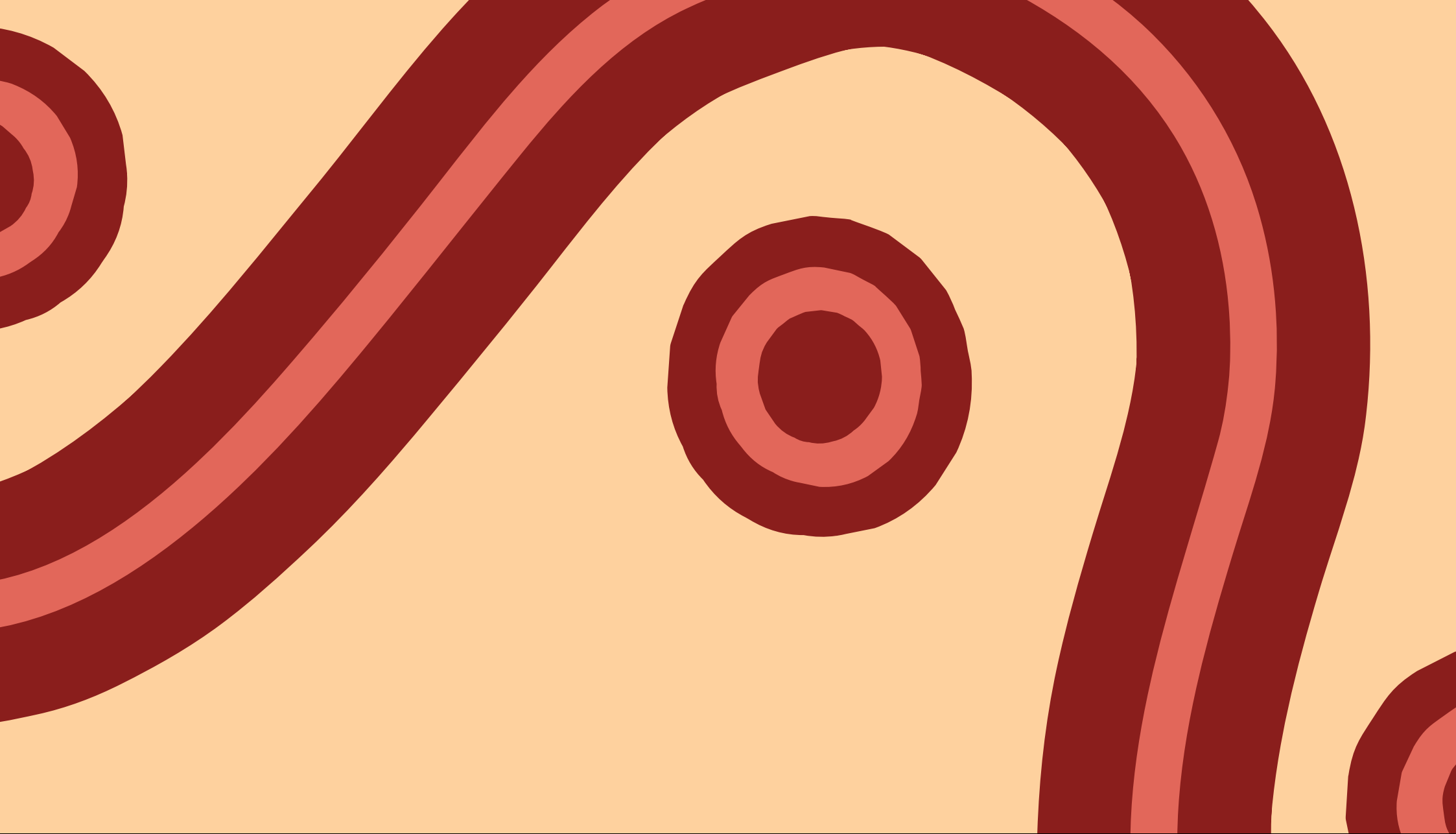
- Amoonguna Aboriginal Health Service
- Central Australian Aboriginal Congress remote health boards
- Foundation of Rehabilitation with Aboriginal Alcohol Related Difficulties (FORWAARD)
- Purple House
- Red Lily Health Board
- Sunrise Health Service.

We acknowledge the Closing the Gap grants from the NT Government Office of Aboriginal Affairs in 2022/23 and 2023/24 that made this booklet possible.

We acknowledge the extraordinary and complex work of NT Aboriginal community controlled health services, from governance through to face-to-face patient care and community wellbeing. Let's keep working together to strengthen the sector.

Any additional feedback can be sent to reception@amsant.org.au and info@agmp.org.au

Your feedback can contribute to an improved version of the booklet in the future.



VERSION JUNE 2024

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