

Governance Framework



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About this Framework

This document sets out Forensicare’s governance Framework and describes the systems in place to ensure our Board, Executive and all staff of the organisation are accountable for the clinical, corporate, financial and operations of our organisation.

Governance defines relationships between the Board and senior management, the Minister, stakeholders (including consumers), and others interested in the affairs of the public entity, including regulators and auditors.

Governance encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation.

Victorian Public Sector Commissioner

Forensicare Overview

The Victorian Institute of Forensic Mental Health (Forensicare) is an incorporated public statutory authority established under Part 14 of the *Mental Health Act 2014*. Forensicare is governed by an independent Board, reporting to the Minister for Mental Health.

The governance of Forensicare operates within a broader public sector accountability framework. In this framework, the Minister for Mental Health is accountable to Parliament and the community for the performance of Forensicare and the Board is accountable to the Minister. The Secretary of the Department of Health and Human Services provides the Minister with advice and assists the Minister in accounting to Parliament.

Forensicare is the state wide provider of forensic mental health services in Victoria. Forensicare provides an integrated range of clinical services for people with a serious mental illness in the criminal justice and general mental health systems. Forensicare services include the operation of Thomas Embling Hospital, Prison Mental Health Service and the Community Forensic Mental Health Service. While the primary focus is the provision of clinical services, which includes effective assessment, treatment and management of forensic patients and clients, a comprehensive research program operates and specialist training and professional education is provided for Forensicare staff and the broader mental health and criminal justice fields.

Forensicare is committed to providing services within a recovery framework¹ and consistently with the mental health principles.² Forensicare collaborates with consumers and carers through the Clinical Governance Framework and through the participation of consumers and carers on Forensicare governance and management committees. Forensicare recognises that our patients and clients have rights under the *Mental Health Act 2014*, the *Victorian Charter of Human Rights and Responsibilities Act*, and the [Australian charter of healthcare rights in Victoria](#).

Forensicare Vision

Clinical excellence and translational research enable our consumers to lead fulfilling and meaningful lives in a safer community.

Forensicare Mission

We will provide high quality, specialist clinical services that focus on the recovery of our consumers, support our workforce, build our translational research capacity and work collaboratively with our stakeholders to achieve better and safer outcomes for our consumers and the community.

Forensicare Values

Responsiveness

- providing frank, impartial and timely advice to the Government
- providing high quality services to the Victorian community
- identifying and promoting best practice

Integrity

- being honest, open and transparent in their dealings

¹ A Recovery Orientated Forensicare.

² Section 11, *Mental Health Act 2014*.

- using powers responsibly
- reporting improper conduct
- avoiding any real or apparent conflicts of interest
- striving to earn and sustain public trust of a high level

Impartiality

- making decisions and providing advice on merit and without bias, caprice, favouritism or self-interest
- acting fairly by objectively considering all relevant facts and fair criteria
- implementing Government policies and programs equitably

Accountability

- working to clear objectives in a transparent manner
- accepting responsibility for their decisions and actions
- seeking to achieve best use of resources
- submitting themselves to appropriate scrutiny

Respect

- treating others fairly and objectively
- ensuring freedom from discrimination, harassment and bullying
- using their views to improve outcomes on an ongoing basis

Leadership

- actively implementing, promoting and supporting these values

Human rights

- making decisions and providing advice consistent with the human rights set out in the *Charter of Human Rights and Responsibilities Act 2006*
- actively implementing, promoting and supporting human rights.

Forensicare Functions

Forensicare has the following statutory functions under the *Mental Health Act*³:

- (a) to provide, promote and assist in the provision of forensic mental health and related services in Victoria;
- (b) to provide clinical assessment services to courts, the Adult Parole Board and other relevant government agencies;
- (c) to provide inpatient and community forensic mental health services and specialist assessment and treatment services;
- (d) to provide community education in relation to the services provided by Forensicare and forensic mental health generally;
- (e) to provide, promote and assist in undergraduate and postgraduate education and training of professionals in the field of forensic mental health;
- (f) to provide, promote and assist in the teaching of, and training in, clinical forensic mental health within medical, legal, general health and other education programs;

³ Section 330, *Mental Health Act 2014*.

- (g) to conduct research in the fields of forensic mental health, forensic health, forensic behavioural science and associated fields;
- (h) to promote continuous improvements and innovations in the provision of forensic mental health and related services in Victoria;
- (i) to perform any other functions conferred on Forensicare under the *Mental Health Act* or any other Act.

Forensicare Powers

Under the *Mental Health Act 2014* Forensicare has power to do all things that are necessary or convenient to be done for, or in connection with, or as incidental to, the performance of its functions.

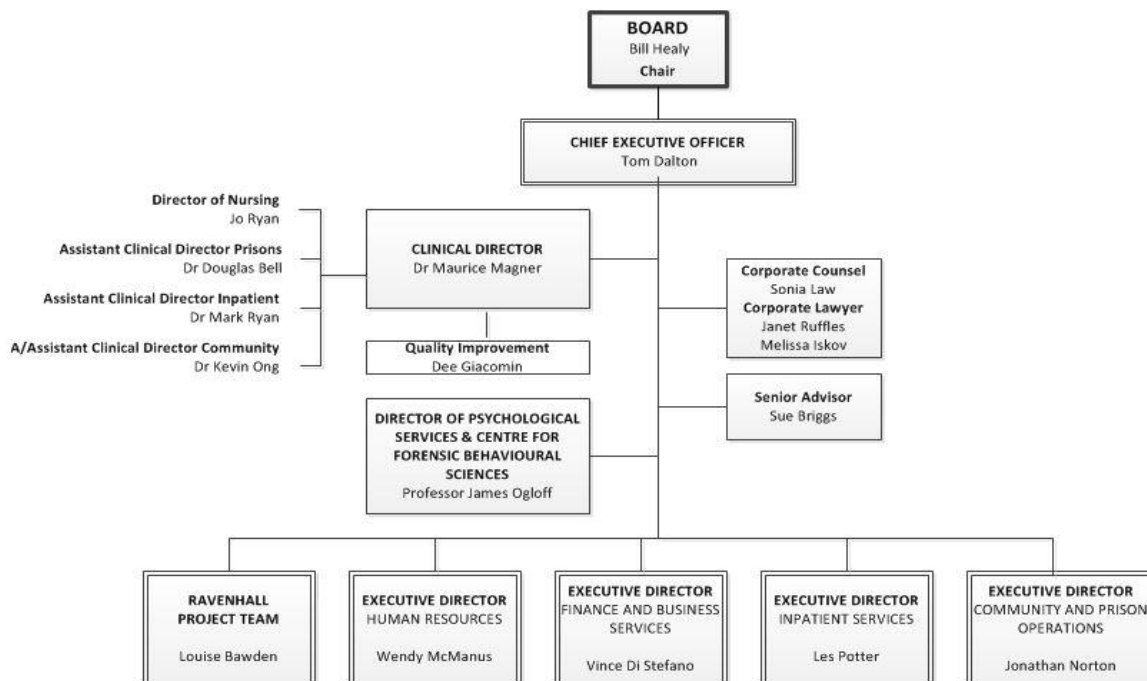
Without limiting the above statement, Forensicare may:

- (a) enter into arrangements for services provided by Forensicare; and
- (b) impose fees and charges for the provision of services; and
- (c) seek and accept funds from any person for the purposes of performing its functions.

In performing its functions and exercising its powers, Forensicare must have regard to:

- (a) the needs and views of:
 - (i) persons receiving mental health services and related services provided by Forensicare; and
 - (ii) the communities served by Forensicare; and
 - (iii) providers of mental health services and related services; and
 - (iv) other relevant parties; and
- (b) the need to ensure that Forensicare uses its resources in an effective and efficient manner.

Organisational Chart



Forensicare Board

The role and duties of the Forensicare Board include: strategy, governance and risk management.

The Forensicare Board sets the strategic direction of Forensicare and monitors that Forensicare is meeting its objectives and performance targets outlined in our Strategic Plan and Statement of Priorities.

The Forensicare Board has established this governance framework and monitors compliance with the framework. This framework covers the clinical work of the organisation, as well as the corporate and financial aspects of our operation.

The Board also ensures that risk management is integrated into Forensicare's systems and reviews the effectiveness of operational risk management, compliance and reporting systems.

Board Membership

The membership of the Board is set out in the *Mental Health Act*. The Board contains a nominee of the Attorney-General, a nominee of the Minister administering the *Corrections Act 1986*, and four to seven other members, including at least one member able to reflect the perspective of persons receiving mental health services and at least one with knowledge of or experience in accountancy or financial management.

For further information regarding the appointment and selection of Directors' to the Forensicare Board, see the information under the Forensicare Board Membership heading of this Framework.

Board Procedures and Policies

The *Mental Health Act* provides that the procedure of the Board is at the discretion of the Board. The procedures of the Board are contained in the Board Charter.

The Board has developed policies to ensure compliance with Director's Ethical and Legal Obligations.

Board Committees

The Board delegates some aspects of its work to its committees. The committees are able to carry out a more detailed analysis of certain issues and make recommendations for the Board to consider. The Board remains accountable for all decisions.

Forensicare's Board committees are each established with:

- A specific charter, with clear terms of reference
- Procedures for agendas, minutes and reporting to the Board
- Delegations that do not undermine the Board's delegations to the CEO
- Appropriate membership
- A clear expectation that the decision-making responsibilities of the full Board are not compromised by the activities of the committee and that significant issues will be reported to the Board for discussion and decision-making.

Forensicare has established the following six committees:

- Audit, Security and Risk Management Committee⁴

⁴ An audit committee is a requirement under the Standing directions of the FMA.

- Clinical Governance and Quality Committee
- Executive Performance and Remuneration Committee
- Finance Committee
- Research Committee
- Strategic Planning and Oversight Committee

Audit, Security and Risk Management Committee

The primary role of the Audit, Security and Risk Management Committee is to assist the Board to fulfil its corporate governance and oversight responsibilities in relation to Forensicare’s financial reporting, internal control structure, legal and regulatory compliance, risk management systems, security and the internal and external audit functions.

The Committee is chaired by Ms Farrow and the Committee members are Ms Noblett, Mr Buckle, Ms Mileshkin and an independent member. The Committee meets quarterly.

Clinical Governance and Quality Committee

The primary role of the Clinical Governance and Quality Committee is to ensure effective clinical governance by providing leadership and advice to the Board in the assessment and evaluation of the safety and quality of clinical services provided by Forensicare, by monitoring and oversight of the Clinical Governance Framework, Quality Improvement, Accreditation, Clinical Risk Management and Consumer Participation and Satisfaction.

The Committee is chaired by Ms Farrow and the Committee members are Ms Mileshkin, Ms Anderson, A/Prof Vine and Forensicare’s Clinical Director. The Committee meets quarterly.

Executive Performance and Remuneration Committee

The role of the Executive Performance and Remuneration Committee is to determine Forensicare’s policy and practice for executive remuneration, review the performance and remuneration of the Chief Executive Officer and his or her direct reports and ensure that Forensicare complies with the [government’s executive remuneration policy](#).

The Committee is chaired by Mr Healy and the Committee members are Ms Farrow and Mr Pullen.

Finance Committee

The primary role of the Finance Committee is to assist the Board to fulfil its financial governance responsibilities, including budgeting, financial management and performance, capital expenditure, investment management and finance policies and procedures.

The Committee is chaired by Mr Pullen and the Committee members are Mr Healy, Ms Farrow and Mr Rimmer. The Committee meets monthly.

Research Committee

The primary role of the Research Committee is to assist the Board in ensuring effective and accountable systems are in place for research governance and that high quality research is undertaken to inform clinical practice.

The Committee is chaired by Professor Iverson and the Committee members are Mr Healy, Ms Mileskin, Ms Anderson and A/Prof Vine, Forensicare’s Clinical Director and Director of Psychological Services. The Committee meets bi-annually.

Strategic Planning and Oversight Committee

The primary role of the Strategic Planning and Oversight Committee is to review and propose matters of strategic challenge and risk for Forensicare and develop recommendations for the Board on strategic plans and the governance framework.

The Committee is chaired by Mr Healy and the Committee members are Ms Farrow, Mr Buckle, Mr Rimmer, Forensicare’s CEO, Clinical Director and Director of Psychological Services. The Committee meets quarterly.

Board effectiveness and evaluation

The Board evaluates its own performance annually in order to identify areas of improvement and to provide development for the Directors’ and the Board.

The Board Committees review their performance annually and provide recommendations to the Board of any actions that should be taken to improve the Committee’s performance.⁵

Relationship with the Minister for Mental Health

The Board is accountable to the Minister for Mental Health for the performance of Forensicare and must comply with any direction issued by the Minister under the *Mental Health Act*.⁶ In practice the relationship is fostered between meetings with the Minister and Board Chair.

The Board submits a Strategic Plan⁷ and an annual Statement of Priorities⁸ to the Minister and Secretary. The Board notifies the Minister and the Secretary about any issues of public concern or risk that may affect Forensicare.⁹

Relationships with other Ministers and Government Departments

Due to Forensicare’s role in both the mental health and criminal justice systems, we work with both the Department of Health and Human Services and the Department of Justice and Regulation to ensure that we operate in a manner consistent with Government policy. Forensicare has contractual obligations to the Department of Justice and Regulation. In recognition of these obligations and Forensicare’s role in the criminal justice system, we consult closely with the Department of Justice and Regulation in setting our strategic directions and Statement of Priorities and report to the Minister for Corrections on our performance.

Delegations to the Forensicare Executive

The Board has delegated powers to the CEO and Executive. The delegation manual provides a list of functions that have been delegated by the Board. The delegation manual includes a description of the delegated power and any conditions limiting the exercise of these powers (including financial limits).

⁵ Committee Charters.

⁶ Section 342, *Mental Health Act 2014*.

⁷ Section 343, *Mental Health Act 2014*.

⁸ Section 344, *Mental Health Act 2014*.

⁹ Section 345, *Mental Health Act 2014*.

Forensicare Strategic Direction

Strategic Plan

The Board must prepare a Strategic Plan for the operation of Forensicare under the *Mental Health Act*¹⁰, at a frequency determined by the Minister and in accordance with guidelines determined by the Minister.

The Board is required to advise the Minister if it intends to exercise its functions in a manner that is inconsistent with the Strategic Plan.¹¹

Forensicare's Strategic Plan is aligned to government policy directions and priorities within both the criminal justice and general mental health systems.

Statement of Priorities

The Board must prepare a Statement of Priorities, in consultation with the Secretary to the Department of Health and Human Services, each financial year.¹² The Statement of Priorities sets out:

- the services to be provided by Forensicare
- the funding provided by the Department of Health and Human Services
- the objectives, priorities and key performance outcomes to be met; and
- the performance measures against which we are assessed and monitored.

The government's requirements about Statements of Priorities are set out in the annual Guidelines for Preparing Statements of Priorities. In recognition of Forensicare's role in both the criminal justice and general mental health systems, we prepare our Statement of Priorities in consultation with the Department of Justice and Regulation as well as the DHHS. While the Statement of Priorities is agreed with the Minister for Mental Health, we report to both the Minister for Mental Health and the Minister for Corrections on our performance on a quarterly basis.

The Statement of Priorities may be varied at any time if the Board and Minister for Mental Health agree.¹³

Forensicare Clinical Governance

Clinical Governance is a systematic and integrated approach to assurance and review of clinical responsibility and accountability that improves quality and safety and patient outcomes. Clinical Governance is linked to corporate governance, strategic risk and service planning, informatics, performance and business management. The Forensicare Clinical Governance Framework is the system by which the Board, Executive, clinicians and staff share responsibility and accountability for the safety and quality of care. Clinicians and clinical teams are responsible and accountable for the quality of care provided. The Board and Executive are responsible and accountable for ensuring the

¹⁰ Section 343, *Mental Health Act 2014*.

¹¹ Section 343(4), *Mental Health Act 2014*.

¹² Section 344, *Mental Health Act 2014*.

¹³ Section 344(6), *Mental Health Act 2014*.

systems, structures and processes are in place to support clinicians in providing safe, high quality care and for clinician engagement in improvement and risk management activities.

Forensicare's clinical governance policies and frameworks comply with the [Victorian clinical governance policy framework: enhancing clinical care \(2008\)](#). Compliance of clinical governance is measured through accreditation mechanisms and through the Clinical Governance & Quality Committee which provides leadership and advice to the Board through the continuous assessment and evaluation of the safety and quality of clinical services provided by Forensicare

Corporate and Financial Governance

The *Financial Management Act* 1994 applies to Forensicare, and therefore the Board meets a range of requirements under this Act, including keeping proper financial accounts, risk management, audit arrangements, financial reporting, annual reporting to Parliament and responding to Ministerial requests for information.

The Board has a financial code of practice relating to the probity of financial management and implement the requirements set out in the [Standing Directions of the Minister for Finance \(the Standing Directions\)](#). The public sector [Financial management compliance framework](#) is used to assist in the compliance with the Standing Directions.

To comply with the obligations in the *Financial Management Act* and the *Standing Directions*, the Board has systems to ensure that:

- The CEO has designated an employee as the CFAO
- The CEO and CFAO have systems in place to keep proper accounts and financial records generally, a system for promptly preparing and auditing the annual financial statements, an assets register, and a system for the timely preparation of our annual report
- The CEO and CFAO have effective systems in place to receive, record, implement and monitor directions issued by the Minister for Finance
- Annual assurances are provided by the CEO and CFAO that the mandatory requirements in the Standing Directions are being observed and a report detailing how this is being achieved
- A financial code of practice relating to the probity of financial management is implemented and maintained
- An audit committee is in place and that meets the requirements of the Standing Directions
- The audit committee has approved an internal audit charter
- The risk management program includes a financial risk management program that satisfies the Standing Directions
- A finance delegations meet the requirements of the Standing Directions
- The CEO and CFAO have systems in place to receive and respond promptly to requests for financial and other information from the portfolio Minister or the Minister for Finance
- It considers whether Forensicare needs to make submissions to the Minister for Finance to seek indemnities for the public entity or the members and, if so, arrange for the necessary submissions to be prepared and despatched.

Risk Management and Compliance

Forensicare has developed and implemented a risk management framework, including associated policy and procedures, that is compliant with the [Victorian Government risk management framework](#).

The Board is required to notify the Minister and the Secretary about any issues of public concern or risk that may affect Forensicare.¹⁴

Other Legal Obligations

The Board ensures that Forensicare complies with all relevant legislation. In addition to the requirements in Part 14 of the *Mental Health Act*, Forensicare's other legislative obligations include:

- Legislation relating to financial management and reporting obligations such as the *Financial Management Act 1994* and the *Audit Act 1994*;
- Legislation relating to the administration of employee and consumer information, such as the *Health Records Act 2001*, *Privacy and Data Protection Act 2014* and the *Public Records Act 1973*;
- Legislation relating to accountability and transparency requirements, such as the *Freedom of Information Act 1982*, the *Protected Disclosures Act 2012* and the *Ombudsman Act 1973*;
- Legislation relating to the safety and rights of mental health consumers, such as the complaints and other provisions under the *Mental Health Act 2014*; and
- Legislation to improve the safety and protect the rights of employees, such as the *Occupational Health and Safety Act 2004* and the *Equal Opportunity Act 2010*.

The Board receives reporting on legislative compliance on an annual basis via the Audit, Security and Risk Management Committee.

¹⁴ Section 345, *Mental Health Act*

Forensicare's Executive

Forensicare's Executive is responsible for the day to day running of Forensicare, in accordance with the law, the decisions of the Board and government policies. The Executive are responsible for formulating policy and procedure that is consistent with Forensicare's obligations and promotes the recovery framework and mental health principles.

Chief Executive Officer

The Board appoints the Chief Executive Officer (CEO) of Forensicare and determines, subject to the Secretary's approval, the CEO's remuneration and the terms and conditions of his or her appointment.¹⁵

The CEO is subject to the direction of the Board in controlling and managing Forensicare.¹⁶

The functions of the CEO are:

- (a) to prepare material for consideration by the Board, including the Strategic Plan and Statement of Priorities;
- (b) to ensure that Forensicare uses its resources effectively and efficiently;
- (c) to implement service development and planning; and
- (d) any other functions as specified by the Board.¹⁷

The role of the CEO is to:

- manage the effective and efficient operations of Forensicare in accordance with the strategy, business plans and policies of the Board
- implement Board decisions
- ensure Forensicare's organisational functions are effective, including financial management, human resource management, asset management and reporting
- maintain effective communication and co-operation with stakeholders in collaboration with the Chair of the Board
- oversee the employment and management of staff
- provide advice and information to the Board on any material issues concerning strategy, finance, reporting obligations and significant events¹⁸ that require the Board to notify the Minister and Secretary to the Department of Health and Human Services
- prepare Forensicare's Annual Report
- liaise with the Department of Health and Human Services and the Department of Justice and Regulation
- represent Forensicare to external parties as an official spokesperson for Forensicare, in consultation with the Chair of the Board

The CEO is the accountable officer for Forensicare under section 42 of the *Financial Management Act*. As the accountable officer, the CEO must:

¹⁵ Section 340(1)

¹⁶ Section 340(2)

¹⁷ Section 340(3)

¹⁸ Section 345

- designate an employee as the CFAO, and designate other staff who receive money and make payments
- ensure that proper accounts and records are kept
- provide the Minister for Mental Health or the Minister for Finance any financial information they request
- prepare financial statements and report of operations
- complete the annual [Financial Management Compliance Framework](#) as soon as possible after the end of each financial year
- write off debts, losses or deficiency in Forensicare accounts in accordance with the regulations
- organise investigations into the loss, deficiency or destruction of public money or property that may have been caused by a serving or former officer of Forensicare and decides whether to try to recover funds from that officer.

Chief Financial and Accounting Officer (CFAO)

The CFAO is responsible for Forensicare's financial accounting and financial reporting, the effectiveness of Forensicare's audit arrangements and the efficient and effective use of resources. The CFAO is responsible to the CEO for ensuring that proper accounting records and systems and other records are maintained in accordance with the relevant regulations and [standing directions](#).

The CFAO may provide the Board with advice on:

- the financial statements
- compliance with legislation, including GST
- the internal control systems to avoid fraud and misappropriation
- liaison with external auditors
- the audit process
- action taken on audit reports
- managing financial risk

External Regulatory and Monitoring Framework

Forensicare is subject to regulation and oversight from a number of external bodies.

Accreditation

Accreditation is part of the regulatory framework that informs government and the community that systems are present in health services to protect the public from harm and improve the quality of health service provision.

Forensicare maintains accreditation through the [Australian Commission on Safety and Quality in Health Care](#). The accreditation process is a formal process of external review based on a series of standards of care and processes. Health services are all required to be accredited by certain specified bodies. Forensicare maintains its accreditation through the [Australian Council on Healthcare Standards](#). The EQUIP National accreditation framework is based on 10 national safety and quality health service standards (NSQHS) and the 5 EQUIP standards. The 10 standards focus on areas that are essential to improving the safety and quality of care for consumers. The 5 EQUIP standards cover the performance of service delivery processes, provision of care and non-clinical systems.

Forensicare is also accredited and monitored against the [National standards for mental health services 2010](#).

Mental Health Complaints Commissioner

The [Mental Health Complaints Commissioner](#) an independent specialist statutory body established under the *Mental Health Act 2014* to deal with complaints about Victorian public mental health services.

Chief Psychiatrist

The [Chief Psychiatrist](#) is a statutory officer whose role is to provide clinical leadership and promote continuous improvement in the quality and safety of mental health services. This includes promoting the rights of people receiving mental health treatment in public mental health services.

Health Services Commissioner

The [Health Services Commissioner](#) (HSC) is an independent statutory authority established to receive and resolve complaints about health services. The HSC also handles complaints about disclosure of health information and access to health information.

Victorian Ombudsman

The [Victorian Ombudsman](#) is an independent officer of the Victorian Parliament who investigates complaints about state government departments, most statutory authorities and local government. The Ombudsman investigates complaints about administrative actions and decisions taken by government authorities and about the conduct or behaviour of their staff.

Victorian Auditor-General

The [Victorian Auditor-General](#) is an independent officer providing auditing services to the Victorian Parliament and Victorian public sector agencies and authorities. The role of the Victorian Auditor-General is to examine and report to Parliament and the community on the efficient and effective management of public sector resources, and provide assurance on the financial integrity of Victoria's system of government.

Coroners Court of Victoria

The [Coroners Court of Victoria](#) is a specialist court established to investigate certain types of deaths and fires. The purpose of these investigations is to consider ways that similar deaths may be prevented in the future. The Coroner can comment or make recommendations about public health or safety aimed at helping prevent similar deaths from occurring.

Victorian WorkCover Authority

The [Victorian WorkCover Authority](#) enforces Victoria's Occupational Health and Safety laws and promotes the avoidance of workplace injuries.

Commissioner for Privacy and Data Protection

The [Commissioner for Privacy and Data Protection](#) oversees the practices of organisations, including Forensicare, with respect to personal information.

Department of Health and Human Services

The Department of Health and Human Services' [Victorian health policy and funding guidelines](#) set out the performance and financial framework within which funded agencies operate.

Department of Justice and Regulation

Justice Health's Quality Framework sets out the principles of care for the delivery of mental health services in correctional facilities.

External Reporting

Annual Report

Forensicare provides an annual report to Parliament each year that complies with the requirements of the *Financial Management Act 1994*, the [Standing Directions of the Minister for Finance](#) under the *Financial Management Act 1994* and the [Financial reporting directions](#). The annual report includes a report on the operations of Forensicare, as well as the financial reporting obligations.

Clinical Mental Health Performance Reporting

Forensicare reports on clinical events to the Department of Health and Human Services as determined by the Government.

Quarterly Reporting

Forensicare report quarterly to both the Minister for Mental Health and the Minister for Corrections on the performance measures outlined in the Statement of Priorities.

Forensicare Board Membership

Forensicare has a Board of directors¹⁹. Reflecting our close links with the criminal justice sector, the Board must contain a nominee of the Attorney-General, a nominee of the Minister administering the *Corrections Act 1986*. The Board also consists of four to seven other members, including at least one member able to reflect the perspective of persons receiving mental health services and at least one with knowledge of or experience in accountancy or financial management.

Board Chair

The *Mental Health Act* provides power for the Governor in Council, on the recommendation of the Minister for Mental Health, to appoint one of the directors to be the chairperson of the Board.

The position of Board chair is important because she or he leads the Board and develops its members as an effective team. The chair has a particular role to play in relation to effective Board operation. This includes effective, efficient and constructive chairing of meetings and managing the evaluation of the CEO and Board.²⁰ The Board chair is responsible for ensuring Board evaluation occurs regularly, ideally as an annual process.

Appointment to the Board

Forensicare Board members are appointed by the Governor in Council on the recommendation of the Minister for Mental Health. The [Victorian Government Board Appointment and Remuneration Guidelines](#) outline the principles and procedures for the recruitment, selection, appointment and remuneration of Forensicare directors.

Selection

Board composition is important for board effectiveness. Appointments to the Board are usually made in consultation with the Board Chair.²¹ To maximise the Board's capacity for effective governance the right mix of skills, expertise and personal attributes are required. It is also important to achieve a balance between new members and ideas and corporate memory. The Board Chair and Directors, through the Board self-evaluation process, determine a view on the most effective composition for the Board, including skills mix and gaps, and provide advice on this to the Minister if required.

Resignation and Removal

A director of the Board may resign in writing, signed by that person, and delivered to the Governor in Council.

The Governor in Council, on the recommendation of the Minister for Mental Health, may remove a director from office.²² The Minister for Mental Health must recommend the removal of a person from the office of director if the Minister is satisfied that the person:

- (a) is unable to fulfil the role of director; or

¹⁹ Section 332(1), *Mental Health Act*

²⁰ For further information, see Public Entity Roles and Other Stakeholders, [Good governance guide](#).

²¹ [The Victorian health services governance handbook](#), Department of Health, page 34.

²² Section 336(2), *Mental Health Act 2014*.

(b) has been convicted of an offence, the commission of which, in the opinion of the Minister, makes the person unsuitable to be a director; or

(c) has been absent, without leave of the Board of directors, from all meetings of the Board of directors held during a period of 6 months; or

(d) is an insolvent under administration.

Reappointment

A director is eligible for reappointment to the Board, but must not serve on the Board for more than three terms.²³

Board Deputy Chair

The Board may nominate a director to be the Deputy Chairperson. The Deputy Chairperson is to preside at meetings of the Board in the absence of the Chairperson.

Director's Ethical and Legal Obligations

Code of Conduct

The Forensicare directors' are subject to the [Directors' Code of Conduct](#) set out in the *Public Administration Act 2004*.²⁴ The code of conduct expresses the public sector values in terms that are most relevant to the special role and duties of Directors. The Directors' code of conduct is based on the same set of values (the public sector values) that apply to all public officials, including employees.

A Forensicare director must:

- Act with **honesty and integrity**. Be open and transparent in their dealings; use power responsibly; not place oneself in a position of conflict of interest; strive to earn and sustain public trust of a high level.
- Act in **good faith in the best interests of Forensicare**. Demonstrate accountability for their actions; accept responsibility for their decisions; not engage in activities that may bring themselves or Forensicare into disrepute.
- Act **fairly and impartially**. Avoid bias, discrimination, caprice or self-interest; demonstrate respect for others by acting in a professional and courteous manner.
- **Use information appropriately**. Ensure information gained as a director is only applied to proper purposes and is kept confidential.
- **Use their position appropriately**. Not use their position as a director to seek an undue advantage for oneself, family members or associates, or to cause detriment to Forensicare; decline gifts or favors that may cast doubt on their ability to apply independent judgment as a Forensicare Board member.

²³ Section 335(2), *Mental Health Act 2014*.

²⁴ Section 79.

- Act in a **financially responsible** manner. Understand financial reports, audit reports and other financial material that comes before the Forensicare Board; actively inquire into this material.
- Exercise **due care, diligence and skill**. Ascertain all relevant information; make reasonable enquiries; understand the financial, strategic and other implications of decisions.
- **Comply with the establishing legislation** for Forensicare. Act within the powers and for the functions set out in the *Mental Health Act 2014*.
- Demonstrate **leadership and stewardship**. Promote and support the application of the Victorian public sector values; act in accordance with the Directors' Code.

Conflicts of Interest

The Directors' Code of Conduct requires Directors to act with honesty and integrity and to act in the best interests of Forensicare. This means avoiding placing themselves in a position of conflict of interest. Obligations in relation to conflicts of interests are further articulated in [government policy](#) and Forensicare's Conflict of Interest Policies.

Duties of Directors

Forensicare Directors must act honestly, in good faith in the best interests of Forensicare, with integrity, in a financially responsible manner, with a reasonable degree of care, diligence and skill, and in compliance with the *Mental Health Act*.

Forensicare Directors must not give to any other person, directly or indirectly, any information acquired through being a director (apart from when carrying out functions authorised, permitted or required under an Act).

Forensicare Directors must not improperly use his or her position, or any information acquired through that position, to gain a personal advantage, or for the advantage of another person, or to cause detriment to Forensicare.

Declaration of Private Interests

A Declaration of Private Interests must be completed by all short-listed candidates prior to their appointment to the Forensicare Board. The Department of Health and Human Services provides a declaration of interest form to Directors for this purpose. This provides the opportunity to disclose pecuniary interests or other private interests that could conflict with the proper performance of a director of the Forensicare Board. Pecuniary or other private interests covered in the declaration are: shareholdings and other business interests; trusts; real estate; contracts, agreements or understandings entered into by the person or a family member; and other significant financial or other interests held or accruing to a family member.

The appointment of individuals to the Forensicare Board, including the re-appointment of any current member, is subject to the satisfactory completion of the Declaration of Private Interests.

Forensicare Directors' are required to complete an updated Declaration of Private Interests on an annual basis, to be submitted before 30 September each year. Any perceived or actual conflict of interest which is declared by a director is to be managed in accordance with the Board's Conflict of Interest Policy.

Indemnity

Under section 337 of the *Mental Health Act 2014*, directors of the Forensicare Board are not personally liable for anything done or omitted to be done in good faith when carrying out their duties. Any such liability attaches to Forensicare rather than to the director personally.

Insurance through VMIA covers Forensicare's corporate liability arising from claims of negligent treatment, as well as the individual liability of those for whom Forensicare is vicariously liable as employees. The precise nature and extent of an indemnity in any particular case will depend on the circumstances.