

---

**CORPORATE GOVERNANCE ATTESTATION STATEMENT**  
**NORTHERN SYDNEY LOCAL HEALTH DISTRICT**

The following corporate governance attestation statement was endorsed by a resolution of the Northern Sydney Local Health District Board upon recommendation of the Chief Executive at its meeting on 18 August 2020.

The Board is responsible for the corporate governance practices of the Northern Sydney Local Health District. This statement sets out the main corporate governance practices in operation within the District for the 2019-20 financial year. The Chief Executive confirmed that the necessary systems and processes are in place in order for the Chair to sign on behalf of the Board.

A signed copy of this statement is provided to the Ministry of Health by 31 August 2020.

Signed:



*Mr. Trevor Danos AM*

Chairperson

Date 18/08/20



*Ms. Deborah Willcox*

Chief Executive

Date 20/08/20

---

## **STANDARD 1: ESTABLISH ROBUST GOVERNANCE AND OVERSIGHT FRAMEWORKS**

### **Role and function of the Board and Chief Executive**

The Board and Chief Executive carry out their functions, responsibilities and obligations in accordance with the *Health Services Act 1997* and the *Government Sector Employment Act 2013*.

The Board has approved systems and frameworks that ensure the primary responsibilities of the Board are fulfilled in relation to:

- Ensuring clinical governance responsibilities are clearly allocated and understood
- Setting the strategic direction for the organisation and its services
- Monitoring financial and service delivery performance
- Maintaining high standards of professional and ethical conduct
- Involving stakeholders in decisions that affect them
- Establishing sound audit and risk management practices.

### **Board Meetings**

For the 2019-20 financial year the Board consisted of a Chair and 12 members appointed by the Minister for Health. The Board met 11 times during this period.

### **Authority and role of senior management**

All financial and administrative authorities that have been delegated by a formal resolution of the Board and are formally documented within a Delegations Manual for the District.

The roles and responsibilities of the Chief Executive and other senior management within the District are also documented in written position descriptions.

### **Regulatory responsibilities and compliance**

The Board is responsible for and has mechanisms in place to ensure that relevant legislation and regulations are adhered to within all facilities and units of the District, including statutory reporting requirements.

The Board also has a mechanism in place to gain reasonable assurance that the District complies with the requirements of all relevant government policies and NSW Health policy directives and policy and procedure manuals as issued by the Ministry of Health.

---

## **STANDARD 2: ENSURING CLINICAL RESPONSIBILITIES ARE CLEARLY ALLOCATED AND UNDERSTOOD**

The Board has in place frameworks and systems for measuring and routinely reporting on Clinical Governance and the safety and quality of care provided to the communities the District serves. These systems and activities reflect the principles, performance and reporting guidelines as detailed in NSW Health Policy Directive '*Patient Safety and Clinical Quality Program*' (PD2005\_608).

The District has:

- Clear lines of accountability for clinical care which are regularly communicated to clinical staff and to staff who provide direct support to them. The authority of facility/network general managers is also clearly understood.
- Effective forums in place to facilitate the involvement of clinicians and other health staff in decision making at all levels of the District.
- A systematic process for the identification and management of clinical incidents and minimisation of risks to the District.
- An effective complaint management system for the District.
- A Medical and Dental Appointments Advisory Committee to review the appointment or proposed appointment of all visiting practitioners and specialists. The Credentials Subcommittee provides advice to the Medical and Dental Appointment Advisory Committee on all matters concerning the clinical privileges of visiting practitioners or staff specialists.
- An Aboriginal Health Advisory Committee with clear lines of accountability for clinical services delivered to Aboriginal people.
- Adopted the NSW Health *Decision Making Framework for Aboriginal Health Workers to Undertake Clinical Activities* to ensure that Aboriginal Health Workers are trained, competent, ready and supported to undertake clinical activities.
- Achieved appropriate accreditation of healthcare facilities and their services.

The Chief Executive has mechanisms in place to ensure that the relevant registration authority is informed where there are reasonable grounds to suspect professional misconduct or unsatisfactory professional conduct by any registered health professional employed or contracted by the District.

---

### **STANDARD 3: SETTING THE STRATEGIC DIRECTION FOR THE ORGANISATION AND ITS SERVICES**

The Board has in place strategic plans for the effective planning and delivery of its services to the communities and individuals served by the District. This process includes setting a strategic direction for both the District and the services it provides within the overarching goals and priorities of the NSW State Health Plan.

District-wide planning processes and documentation is also in place, with a 3 to 5 year horizon, covering:

- Asset management – Designing and building future-focussed infrastructure
- Information management and technology – Enabling eHealth
- Research and teaching – Supporting and harnessing research and innovation
- Workforce development – Supporting and developing our workforce
- Aboriginal Health Action Plan – Ensuring health needs are met competently

The requirements for Asset Management and Workforce Development plans covering a 3 -5 year horizon were not met.

---

## **STANDARD 4: MONITORING FINANCIAL AND SERVICE DELIVERY PERFORMANCE**

### **Role of the Board in relation to financial management and service delivery**

The District is responsible for ensuring compliance with the NSW Health Accounts and Audit Determination and the annual Ministry of Health budget allocation advice.

The Chief Executive is responsible for confirming the accuracy of the information in the financial and performance reports provided to the Board and those submitted to the Finance and Performance Committee and the Ministry of Health and that relevant internal controls for the District are in place to recognise, understand and manage its exposure to financial risk.

The Board has confirmed that there are systems in place to support the efficient, effective and economic operation of the District, to oversight financial and operational performance and assure itself financial and performance reports provided to it are accurate.

To this end, Board and Chief Executive certify that:

- The financial reports submitted to the Finance & Performance Committee and the Ministry of Health represent a true and fair view, in all material respects, of the District's financial condition and the operational results are in accordance with the relevant accounting standards
- The recurrent budget allocations in the Ministry of Health's financial year advice reconcile to those allocations distributed to units and cost centres.
- Overall financial performance is monitored and reported to the Finance and Performance Committee of the District.
- Information reported in the Ministry of Health monthly reports reconciles to and is consistent with reports to the Finance and Performance Committee.
- All relevant financial controls are in place.
- Write-offs of debtors have been approved by duly authorised delegated officers.

### **Service and Performance**

A written Service Agreement was in place during the financial year between the Board and the Secretary, NSW Health, and performance agreements between the Board and the Chief Executive, and the Chief Executive and all Health Executive Service Members employed within the District.

The Board has mechanisms in place to monitor the progress of matters contained within the Service Agreement and to regularly review performance against agreements between the Board and the Chief Executive.

### **The Finance, Risk and Performance Committee**

The Board has established a Finance, Risk and Performance Committee to assist the Board and the Chief Executive to ensure that the operating funds, capital works funds, resource utilisation and service outputs required of the District are being managed in an appropriate and efficient manner.

The Finance, Risk and Performance Committee receives monthly reports that include:

- Financial performance of each facility / service
- Subsidy availability
- The position of Special Purpose and Trust Funds
- Activity performance against indicators and targets in the performance agreement for the District

- Advice on the achievement of strategic priorities identified in the performance agreement for the District
- Year to date and end of year projections on capital works and private sector initiatives.

Letters to management from the Auditor-General, Minister for Health, and the NSW Ministry of Health relating to significant financial and performance matters, are also tabled at the Finance, Risk and Performance Committee.

During the 2019-20 financial year, the Finance, Risk and Performance Committee was chaired by Adjunct Professor Annette Schmiede - Chair and Board Member NSLHD and comprised of:

- Mr Don Marples - Board Member, NSLHD
- Dr Michelle Mulligan - Board Member, NSLHD
- Mr Keith Skinner - Board Member NSLHD
- Ms Deborah Willcox - Chief Executive
- Ms Jacqueline Ferguson - Director Finance and Corporate Services
- Ms Elizabeth Wood - Executive Director Operations
- Ms Kylie McKiernan - Chief Risk Officer

The Director Performance & Analytics, Director Internal Audit & Risk and the Deputy Director Finance are invited attendees.

The Chief Executive attends all meetings of the Finance, Risk and Performance Committee unless on approved leave.

---

**STANDARD 5: MAINTAINING HIGH STANDARDS OF PROFESSIONAL AND ETHICAL CONDUCT**

The District has adopted the NSW Health Code of Conduct to guide all staff and contractors in professional conduct and ethical behaviour.

The Code of Conduct is distributed to, and signed by, all new staff and is included on the agenda of all staff induction programs. The Board has systems and processes in place to ensure the Code is periodically reinforced for all existing staff. Ethics education is also part of the District's learning and development strategy.

The Chief Executive, as the Principal Officer, has reported all instances of corruption to the Independent Commission Against Corruption where there was a reasonable suspicion that corrupt conduct had, or may have, occurred, and provided a copy of those reports to the Ministry of Health.

During the 2019-20 financial year, the Chief Executive reported eleven cases to the Independent Commission Against Corruption.

Policies and procedures are in place to facilitate the reporting and management of public interest disclosures within the District in accordance with state policy and legislation, including establishing reporting channels and evaluating the management of disclosures.

During the 2019-20 financial year, the District reported no public interest disclosures. There has only been one PID complaint lodged but the complaint did not meet the PID principles for management under the PID policy.



## **STANDARD 6: INVOLVING STAKEHOLDERS IN DECISIONS THAT AFFECT THEM**

The Board seeks the views of local providers and the local community on the District's plans and initiatives for providing health services, and also provides advice to the community and local providers with information about the District's plans, policies and initiatives.

Information on the key policies, plans and initiatives of the District and information on how to participate in their development are available to staff and to the public at <http://www.nslhd.health.nsw.gov.au/AboutUs>

1. The Executive, with Board involvement, provides information and advice to the community and local providers about the local health district policies and initiatives and seeks their views on Northern Sydney Local Health District (NSLHD) plans for providing health services. Information dissemination and community voice is achieved through general community based Forums and special interest groups forums such as Carers, Youth, Disabled and Mental Health Consumer forums.
2. Supported by the Board, NSLHD is committed to enabling and enhancing opportunities for input and feedback. The District also strives to improve the health, well-being and the health literacy of our community through the availability and access to information and resources about our services and health-related topics tailored to the needs of consumers. An example of exemplary practice in health literacy is the District's purchase of the EIDO Patient Information Brochure Library, a suite of plain English and pictorial brochures for the intellectually challenged that simply explain clinical procedures, their risks, benefits and alternatives, for the purpose of achieving truly informed consent. In addition, Consumers co-design information for patients and the community in electronic and hard copy form. The Consumer Tick application on these resources ensures consultation from a minimum of 5 consumers. The Multicultural Access Committee also includes a consumer representative.
3. The NSLHD Consumer Committee is a Board Sub-Committee established to provide Board assurance and strategic advice in relation to the consumer and carer experience of health care and to develop effective communication and engagement strategies for our NSLHD community. The NSLHD Consumer Committee is chaired by a Board Member and membership includes seven consumer advisors, a representative from the Aboriginal Health Service and a minimum of two NSLHD Board members, one of whom is a member of the Health Care Quality Committee (HCQC).
4. Consumers are involved in governance processes through their membership and involvement on Committees in the facilities and services throughout the LHD. Currently Royal North Shore Hospital, Ryde Hospital, Mona Vale Hospital, Hornsby Hospital and Primary and Community Health have Consumer Participation Committees (CPC) or Consumer Advisory Councils (CACs) which meet regularly to discuss consumer engagement and the patient experience in these facilities and services. Consumers are also involved in many other aspects of service evaluation and development including involvement as team members on service co-design and quality improvement initiatives. Currently NSLHD has more than 50 consumer advisors providing input in this capacity, with an ever increasing demand for their involvement.
5. Mental Health Drug and Alcohol (MHDA) has a Peer Workforce Committee (previously Consumer Participation Committee) and a Carer Network. Members from these committees also sit on the MHDA Clinical Council. Consumers and carers are members of a number of key committees, at both MHDA and sector/service level, and also participate in operational



planning, service evaluation, education, quality improvement and research. MHDA employs consumer and carer peer workers to liaise with and represent consumers in key decision making, including in the development of resources, procedures, committees and working groups.

6. The NSLHD Carer Support Service has launched the NSLHD Carer Strategy 2018-2023. The Carer Strategy identifies a number of strategic goals that will support the implementation of the NSW Health Recognition and Support for Carers Key Directions 2018-2020.
7. Sources of consumer feedback include complaints captured via the NSLHD Incident Management System. Complaints are investigated and managed at the facility/service level with the support of local patient representatives. Reporting to the HCQC including reporting against target key performance indicators for acknowledgement and resolution of complaints. All Key Performance Indicators for complaint management are regularly achieved, i.e. 5 day complaint receipt response, 100% and 35 day complaint closure >80%.
8. The NSW Bureau of Health Information Patient Survey Program provides consumer feedback data to NSLHD regarding the patient's experience of their care at a facility level. The results of the Patient Survey Program are reviewed by a number of governing committees across NSLHD including the NSLHD Consumer Committee and at each of the local CPC/CAC meetings. Within MHDA consumer feedback is obtained using national Your Experience of Services (YES) and Carer Experience of Services (CES) surveys. Results are reviewed by sector/services and by the MHDA Service Experience Working Group and action and change processes are implemented to respond to the feedback.
9. A Local Partnership Agreement is in place between the Aboriginal Medical Service Co-operative Limited and the Northern Sydney LHD, South Eastern Sydney LHD, Sydney LHD, St Vincent's health Network and Sydney Children's Hospitals Network.
10. Information on plans and initiatives of the Organisation and information on how to participate in their development are available to the public and staff at the internet site [www.nslhd.health.nsw.gov.au](http://www.nslhd.health.nsw.gov.au). The Board rotates its meeting sites so as to visit each hospital facility at least once per year.
11. The LHD's intranet site <http://intranet.nslhd.health.nsw.gov.au/Pages/default.aspx> can be accessed by all staff.

---

## **STANDARD 7: ESTABLISHING SOUND AUDIT AND RISK MANAGEMENT PRACTICES**

### **Role of the Board in relation to audit and risk management**

The Board is responsible for supervising and monitoring risk management by the District and its facilities and units, including the system of internal control. The Board receives and considers all reports of the External and Internal Auditors for the District, and through the Board Audit and Risk Committee ensures that audit recommendations and recommendations from related external review bodies are implemented.

The District has a current Risk Management Plan that identifies how risks are managed, recorded, monitored and addressed. It includes processes to escalate and report on risk to the Chief Executive, Board Audit and Risk Committee and the Board.

The Plan covers all known risk areas including:

- Leadership and management
- Clinical care and patient safety
- Health of population
- Finance (including fraud prevention)
- Communication and information
- Workforce
- Legal
- Work health and safety
- Environmental
- Security
- Facilities and assets
- Emergency management
- Community expectations

### **Audit and Risk Management Committee**

The Board has established an Audit and Risk Management Committee, with the following core responsibilities:

- to assess and enhance the District's corporate governance, including its systems of internal control, ethical conduct and probity, risk management, management information and internal audit
- to ensure that appropriate procedures and controls are in place to provide reliability in the District's financial reporting, safeguarding of assets, and compliance with the District's responsibilities, regulatory requirements, policies and procedures
- to oversee and enhance the quality and effectiveness of the District's internal audit function, providing a structured reporting line for the Internal Auditor and facilitating the maintenance of their independence
- through the internal audit function, to assist the Board to deliver the District's outputs efficiently, effectively and economically, so as to obtain best value for money and to optimise organisational performance in terms of quality, quantity and timeliness; and
- to maintain a strong and candid relationship with external auditors, facilitating to the extent practicable, an integrated internal/external audit process that optimises benefits to the District.

The District completed and submitted an Internal Audit and Risk Management Attestation Statement for the 12-month period ending 30 June 2020 to the Ministry. The Internal Audit and Risk Management Attestation Statement for 30 June 2020 was issued with exception.

The Board Audit and Risk Committee comprises 5 members including 3 independent members, all appointed from the NSW Government's Prequalification Scheme for Audit and Risk Committee Independent Chairs and Members and 2 non independent Board members.

---

## **QUALIFICATIONS TO THE GOVERNANCE ATTESTATION STATEMENT**

### **Item: Asset Strategic and Workforce Development Plans**

#### **Qualification**

1. The Asset Strategic Plan (ASP) has not been updated since 2018. The MoH did not require the submission of an Asset Strategic Plan Section B in 2019, in part a consequence of the Infrastructure NSW's Asset Management Policy that was being finalised.
2. The last Workforce Plan available was for the period 2013-2018. NSLHD have a Strategic Plan (2017-2022) for the District, and various Operational plans for services including Clinical Services, ICT etc. Both the Strategic Plan and Operational Plans incorporate workforce objectives.

#### **Remedial Action**

1. In recognition of the impact of COVID-19, the MoH advised that the 2020 Asset Strategic Plan was no longer required to be submitted.
2. The need for an additional stand-alone Workforce Plan remains under review.

### **Item: Internal Audit and Risk Management Attestation Statement**

#### **Qualification**

3. The status of one of the members changed due to the member commencing employment within a NSW Government agency, effectively making them ineligible under the Pre-Qualification Scheme. Once the conflict was identified the member resigned and the District commenced action to replace the member.

#### **Remedial Action**

3. The District is undertaking to source a new independent member from the Pre-Qualification Scheme.

**Corporate Governance Attestation Statement**  
**NORTHERN SYDNEY LOCAL HEALTH DISTRICT**  
**1 July 2019 to 30 June 2020**



Signed:

A handwritten signature in black ink, appearing to read "D Willcox".

Ms. Deborah Willcox

Chief Executive

Date 20/08/20

A handwritten signature in black ink, appearing to read "L Derley".

Ms. Louise Derley

Chief Audit Executive

Date 21/08/20