



NSLHD Corporate Governance Framework 2023



Northern Sydney
Local Health District

Acknowledgement of Country

Northern Sydney Local Health District acknowledges the traditional custodians of the lands on which our health services are located, the Guringai and Dharug peoples, and we honour and pay our respects to their ancestors.

We acknowledge and pay our respects to all Aboriginal and Torres Strait Islander peoples and to Elders past and present.

We acknowledge that past, current and future Aboriginal and Torres Strait Islander peoples are the continuing custodians of this country upon which we live, work and meet and that it is from their blood, courage, pride and dignity that we are able to continue to live, work and meet on this ancient and sacred country.

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Corporate Governance

The Northern Sydney Local Health District (NSLHD) Corporate Governance Framework 2023 outlines the key frameworks and activities in place to ensure the appropriate governance, accountability and risk management in all NSLHD operations.

The Board considers that NSLHD's corporate governance practices provide the organisation with the appropriate mechanisms to ensure effective decision making, in line with NSLHD's Strategic Plan and overall vision. The principal features of the Corporate Governance Framework have been developed in line with the following key governance documents:

- NSW Health Corporate Governance and Accountability Compendium
- NSW Health Future Health Strategy 2022-2032
- NSLHD Corporate Governance Attestation Statement 2021-2022
- NSLHD Strategic Plan 2022-2027
- NSLHD Safety and Quality Account 2021-2022
- Health Services Act 1997 No 154
- NSLHD By-Laws
- NSW Health Code of Conduct
- Service Agreement between the Secretary, NSW Health and NSLHD 2022-2023
- National Safety and Quality Health Service (NSQHS) Standards; and
- NSLHD Clinical Quality Improvement Framework 2022-2025.

Under the Health Services Act 1997, NSLHD has been constituted as a local health district (public health organisation) for the purposes of facilitating the conduct of public hospitals and health institutions in the provision of health services for New South Wales residents residing in the Northern Sydney community. NSLHD also provides a number of specialist, supra-LHD services to residents residing outside of the Northern Sydney community.

NSLHD's vision, *Exceptional Care, Leaders in Research, Partners in Wellbeing* as outlined in the NSLHD Strategic Plan 2022-2027, shapes NSLHD's commitment to providing high quality care for our patients, consumers, carers and broader community.

The Board is satisfied that NSLHD complies with the corporate governance requirements set out in the Service Agreement between the Secretary, NSW Health and NSLHD. All organisational reports requested by the NSW Ministry of Health are provided within the allocated timeframes. The NSLHD Delegations Manual is reviewed and updated regularly to ensure currency in line with the NSW Health Delegations of Authority – Local Health Districts and Specialty Networks Policy Directive. NSLHD ensures that recommendations, where accepted by NSW Health, of the NSW Auditor General, the Public Accounts Committee and the NSW Ombudsman are actioned in a timely and effective manner and NSLHD puts in place suitable processes and guidelines to avoid repeat issues.

The NSW Health Performance Framework details the performance expected of local health districts to achieve the required levels of health improvement, service delivery and financial performance. The Performance Framework sets out the performance improvement approaches, responses to performance concerns and management processes that support the achievement of these outcomes in accordance with government policy. The Board is required to ensure effective clinical and corporate governance frameworks are established for the health service, and to provide strategic oversight of and monitor the health service's quality, financial and operational performance in accordance with the Performance Framework. Local health districts are assessed against the Performance Framework by the Ministry of Health on a regular basis. Throughout 2022, NSLHD achieved Performance Level 0 – 'no performance issues' which is the highest performance level attainable under the Framework. Service Agreements are a central component of the Performance Framework and set out the service and performance expectations and funding, supporting the devolution of decision making, responsibility and accountability for safe, high quality, patient centred care to local health districts, other health services and support organisations.

A Service Agreement between the Secretary, NSW Health and NSLHD has been signed and is in place for 2022-23. The Service Agreement, identifying the annual operating targets and funding allocations for NSLHD are publicly available on the NSLHD website.

The Board endorses annually by resolution, the NSLHD Corporate Governance Attestation Statement (the Statement) on the basis that the Chief Executive conducted all necessary enquiries and is not aware of any reason or matter for the Board not to give the required attestation. The Statement sets out the main corporate governance frameworks and practices in operation within NSLHD, in line with the seven NSW Health Corporate Governance Standards. The Statement is reviewed and approved by the NSLHD Internal Audit unit to ensure that NSLHD implements and meets all of the necessary requirements. A signed copy of the Statement is submitted to the NSW Ministry of Health and is publicly available on the NSLHD website.

Figure 1 below describes the delineation between the roles of the NSW Government, NSW Ministry of Health, NSLHD Board and NSLHD Senior Executive Team. The NSW Ministry of Health holds the role of ‘system manager’ and oversees the operation of the NSW public health system. The NSW Ministry of Health delegates responsibility to a network of local health districts and speciality networks (via an annual Service Agreement) and Non-Government Organisations (NGOs). Each local health district has a Board responsible for ensuring that effective clinical and corporate governance frameworks are established to support the maintenance and improvement of standards of patient care and services by the local health district.

The NSLHD Board is responsible for NSLHD’s governance, operational efficiency and overarching strategy. A Chief Executive is appointed for each local health district by the local health district board with the concurrence of the Health Secretary.

The Chief Executive is responsible for managing and controlling the affairs of the local health district and is accountable to the local health district board. In accordance with the Health Services Act 1997 By-laws, local health district Boards are to establish the following Committees as a minimum, which all exist in NSLHD:

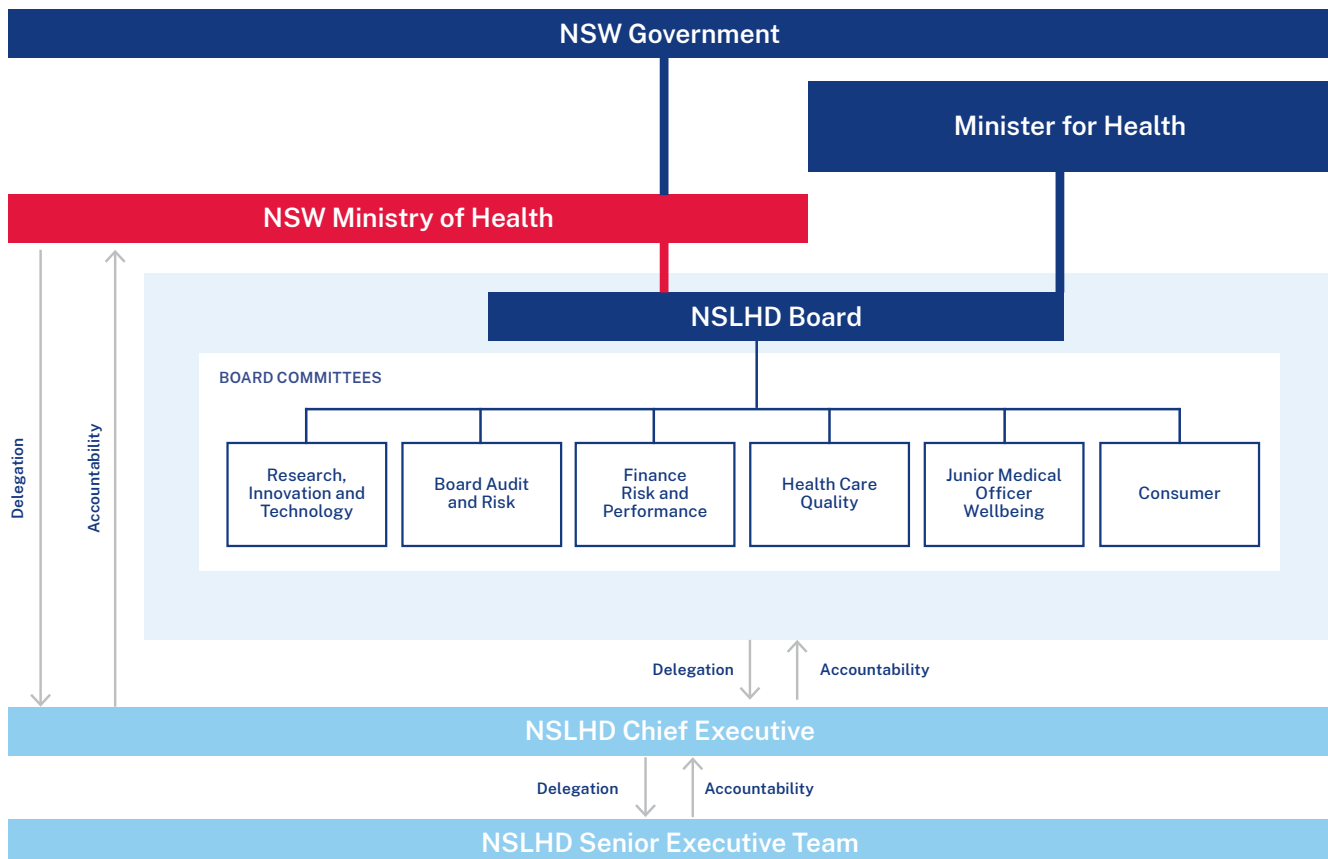
- Audit and Risk
- Finance and Performance
- Quality and Safety.

A local health district may also establish other Board committees as it determines appropriate to provide advice or other assistance to enable it to perform its functions under the Health Services Act 1997. NSLHD has additionally established:

- Consumer Committee
- Junior Medical Officer (JMO) Wellbeing Committee

In 2023, the NSLHD Board also established the Research, Innovation and Technology Board Committee. The NSLHD Board committee structure is detailed in Figure 1. Each NSLHD Board committee regularly reports to the Board on relevant matters.

Figure 1 NSLHD Corporate Governance structure



Northern Sydney Local Health District Board



Trevor Danos
AM FTSE
Board Chair



**Professor Emerita
Mary Chiarella AM**
Board Deputy Chair



Karen Filocamo
Board Member



**The Hon. Patricia
Forsythe AM**
Board Member



Andrew Goodsall
Board Member



Brad Goodwin
Board Member



Nadia Levin
Board Member



Dr Donna Lynch
Board Member



Dr Michelle Mulligan
OAM
Board Member



Kimberley Reynolds
Board Member



Chris Greatrex
Board Member



Adam Johnston
Board Member



Dr Stephanie Teoh
Board Member

NSLHD ensures that all services are delivered in a manner consistent with corporate governance standards outlined in the NSW Health Corporate Governance and Accountability Compendium:

Standard 1

Establish robust governance and oversight frameworks

Standard 2

Ensure clinical responsibilities are clearly allocated and understood

Standard 3

Set the strategic direction of the organisation and its services

Standard 4

Monitor financial and service delivery performance

Standard 5

Maintain high standards of professional and ethical conduct

Standard 6

Involve stakeholders in decisions that affect them

Standard 7

Establish sound audit and risk management practices

**Northern
Sydney
Local Health
District Board
Biographies
(As at
1 April 2023)**



**Trevor Danos
AM FTSE**
Board Chair

Trevor is Chair of Northern Sydney Local Health District Board and sits on the boards of Endeavour Energy, and the privatised NSW Land Registry Office. Trevor is Chair of the NSW Treasury Social Investment Expert Advisory Group and is a member of the Australia SKA Coordination Committee for the Square Kilometre Array telescope.

Trevor is an Adjunct Professor at the University of New South Wales and the immediate past chair of the Dean of Science's Advisory Council. Trevor was previously a Director of the Civil Aviation Safety Authority, Summer Housing, NSW Circular and TransGrid and a member of the Cooperative Research Centres Committee. Trevor is the author of the book *The Pursuit of Excellence: A History of the Professor Harry Messel International Science School*.

Trevor was made a Member of the Order of Australia on Australia Day 2014.



**Professor Emerita
Mary Chiarella AM**
Board Deputy Chair

Mary is a Professor Emerita of Nursing at the Susan Wakil School of Nursing and Midwifery, Faculty of Medicine and Health, University of Sydney. Mary is an internationally renowned nurse leader with a distinguished career in nursing services, with qualifications in nursing, midwifery and law. Mary conducts research covering three broad themes including: safety and quality; law, ethics and regulatory issues; and improvements in nursing practices/models of care.

Mary's career spanning over 40 years began as a clinical nurse in the United Kingdom. Mary was invited to the World Health Organisation Nursing and Midwifery Directorate, Geneva, to develop a compendium of nurse-led Primary Health Care models including a review of global models of care from 38 countries.

Mary joined the NSLHD Board in 2017 and is Chair of the District Health Care Quality Committee and is a member of the District Board Consumer Committee.



Karen Filocamo
Board Member

Karen brings with her a wealth of experience in both the NSW health service and the non-government sector having held senior management roles in consumer engagement, health promotion and disability and chronic disease management. Karen has a Master of Health Services Administration and is the former Chief Executive of Arthritis and Osteoporosis NSW.

Karen joined the Northern Sydney Local Health District Board in 2019, and is Chair of the District Board Consumer Committee and is a member of the District Health Care Quality Committee.



The Hon. Patricia Forsythe AM
Board Member

The Honourable Patricia Forsythe AM most recently served as Australian High Commissioner to New Zealand. Patricia is a former member of the NSW Legislative Council and former Executive Director of the Sydney Business Chamber.

Patricia is currently a member of the Water NSW Board and is Chair of the NSW Government's International Education Advisory Committee.

Patricia has served as a board member of NSW Port Authority, Destination NSW, Hunter Development Corporation, Hunter Medical Research Institute, Sydney Children's Hospital Network Board, Macquarie University Council and Cricket NSW.

Patricia is a Fellow of the Australian Institute of Company Directors and was made a Member of the Order of Australia in 2019.

Patricia joined the Northern Sydney Local Health District Board in 2023.



Andrew Goodsall
Board Member

Andrew is the senior healthcare analyst with MST Marquee Australia. Andrew has specialised in equity research since 1999, and is rated as the number one sector analyst in each of the major surveys since 2004. Prior to joining MST Marquee in 2017, he was with UBS and Citi. Andrew has extensive health policy background culminating in his roles as a senior adviser/chief of staff to a former Victorian Minister for Health.

Andrew joined the Northern Sydney Local Health District Board in 2013 and is Chair of the District Finance, Risk and Performance Committee.



Brad Goodwin
Board Member

Brad has over two decades of front line experience as a paramedic, with 12 years as an intensive paramedic specialist and is currently the Director of Safety and Recovery at NSW Ambulance. As a senior Aboriginal manager with NSW Ambulance, Brad has influenced decisions that have led to better employment and health outcomes for both Aboriginal and Torres Strait Islander employees and the patients. This has been by encouraging executive level managers to increase the skills of Indigenous paramedics through recruitment campaigns for Aboriginal paramedic specialists. Brad has an Advanced Diploma in Management, an Advanced Diploma Paramedical Science and qualifications in Corporate Governance.

Brad joined the Northern Sydney Local Health District Board in 2017 and is a member of the District Board Consumer Committee and the District JMO Wellbeing Committee

Northern Sydney Local Health District Board Biographies (As at 1 April 2023)



Chris Greatrex
Board Member

Chris is a technology executive who has worked across many industry sectors including; Health, Defence and Finance. A former Naval Officer in the Australian Defence Force for 13 years, Chris has worked in the US and Australia leading and growing businesses in the technology sector with a focus on delivering solutions to streamline operations and/ or improve capabilities.

Chris has a Bachelor of Arts (Economics), and an MBA in International Business. He is an alumni of the elevate61 Rapid Growth Entrepreneur Program, has developed commercial vineyards, property developments, and served on the Boards of The American Club, Artis Group and currently Dynamic Aspect.

Active in the Northern Sydney community, Chris is also Honorary Secretary of the North Sydney RSL Sub Branch promoting Veteran's Health initiatives.

Chris joined the Northern Sydney Local Health District Board in 2022 and is a member of the District Finance Risk and Performance Committee.



Adam Johnston
Board Member

Adam is a solicitor, holding a Master of Laws from the University of New England, Armidale, and a Graduate Diploma from the Australian Institute of Company Directors. He is a former long-term Member of the Government Solicitors Committee of the Law Society of NSW, was a founding member of the Consumer Advisory Council of the Sydney North Primary Health Network and has worked in various complaint handling roles for the NSW Ombudsman and the Energy and Water Ombudsman NSW (EWON).

He has a wealth of experience as consumer representative for a number of health agencies including Health Consumers NSW, Clinical Excellence Commission and Northern Sydney Local Health District's Mental Health Drug and Alcohol service.

Adam joined the Northern Sydney Local Health District Board in 2023 and is a member of the District Research Innovation and Technology Committee.



Nadia Levin
Board Member

Nadia is CEO of Research Australia and leads national advocacy for health and medical research innovation. Nadia has successfully driven recognition and a change in strategies to support the translation of research discovery and innovation into collective opportunity.

Part of her focus is showcasing digital evolution in healthcare and bio sciences progress in Australia. She was part of a national effort aimed at changing the way we fund research. She is Co-Chair of the Frontiers Health and Medical Research Initiative.

Nadia is currently Managing Director of Research Australia, and a non-executive Director on the boards of the New Zealanders for Health Research. She previously served on the board of the Australian Synchrotron. Nadia is a state and federal advisor for working groups and committees across the sector and is a mentor on the Industry Mentoring Network for STEM (IMNIS) network for early career researchers.

Nadia joined the NSLHD Board in 2022 and is Chair of the District Research Innovation and Technology Committee.



Dr Donna Lynch
Board Member

Donna is trained in anatomical pathology and has spent time as a general practitioner. Following several years working in the United Kingdom Donna returned to Australia and managed a specialist surgical practice. During this time she studied Practice Management and Accounting. Donna spent 10 years at DHM pathology where she trained registrars and scientific officers and took an active part in the expansion and development of the laboratory.

Donna joined the Northern Sydney Local Health District Board in 2018 and is a member of the District Board Consumer Committee and the District JMO Wellbeing Committee.



Dr Michelle Mulligan
OAM
Board Member

Michelle is a Specialist Anaesthetist (FANZCA) at Royal North Shore Hospital and in the private sector. Michelle is a board member for Northern Sydney Local Health District and the Clinical Excellence Commission. She is a member of the Agency for Clinical Innovation Clinical Executive Advisory Group as well as number of committees of NSLHD including Women in Medical Leadership Group, Leadership Advisory Committee, and Digital Health Steering Committee.

Michelle's qualifications include a Master of Business Administration, Fellowship of the Australian Institute of Company Directors (FAICD) and Associate Fellowship of the Royal Australasian College of Medical Administrators (AFRACMA). Michelle has also served on a number of boards including the Council, Australian and New Zealand College of Anaesthetists. She received a prestigious Order of Australia medal (OAM) in 2022 for her service to medicine, particularly to Anaesthesia.

Michelle joined the District Board in 2017 and is a member of the District Finance, Risk and Performance Committee.



Kimberley Reynolds
Board Member

Kimberley is a Chartered Accountant with over 30 years of experience as a consultant working across large private and public sector organisations. Kimberley has experience with PWC, Unilever, Transport for NSW, Sydney Metro, Service NSW and Business Australia. Kimberley's background is in leading transformation, innovation and improvement programs across customer experience, audit and risk, data and analytics, and digital and organisational performance. She has a strength in driving growth, strategy and capability development, realignment of organisations and developing the customer experience. Kimberley is a strong advocate for improving patient experience and the care journey. Kimberley holds a Bachelor of Commerce and Masters of Business Administration.

Kimberley joined the District Board in 2020 and is a member of the District Health Care Quality Committee and District Research, Innovation and Technology Committee.



Dr Stephanie Teoh
Board Member

Stephanie is a general practitioner with over 20 years' experience in both rural and urban practices throughout Australia. From 2008 to 2015, Stephanie worked in Beijing, China for International SOS. She returned to Australia in 2015 as Medical Director for Qualitas Healthcare Australia, a primary healthcare group, focussing on clinical governance, risk management and primary care models. In 2018 Stephanie joined Osana as a Clinical Director to develop innovation in primary care to improve community health outcomes, chronic disease prevention and health network integration.

Stephanie is a Fellow of the Royal Australian College of General Practitioners (FRACGP), Diplomate of the Royal Australian & New Zealand College of Obstetrics and Gynaecology (DRANZCOG) and holds a Diploma of Paediatrics (Dip. Paeds).

Stephanie joined the Northern Sydney Local Health District Board in 2020 and is a member of the District Research Innovation and Technology Committee.

The Board

As at April 2023, the Board comprises 13 members, all of whom are appointed by the NSW Minister for Health (the Minister). The Board is subject to the control and direction of the Minister, except in relation to the content of a recommendation or report to the Minister. This function is delegated to the Secretary, NSW Health.

A member is appointed to the Board for up to five years and may hold office for such a period as specified in the member's instrument of appointment. When a member's term of office expires, the member is eligible (if otherwise qualified) for re-appointment, but may not be appointed so as to hold office for more than 10 years in total.

The Minister selects the membership of every local health district board to ensure the board has an appropriate mix of skills and expertise required to oversee and provide guidance to the district. Each local health district board is required to have at least one member who has expertise, knowledge or experience in relation to Aboriginal health. Table 2 details the length of tenure as at 1 April 2023 of each serving Board member.

Board Evaluation

The Board considers the ongoing development and improvement of its performance as critical to effective governance. The Board undertakes an annual review of the Board and its performance.

An evaluation of the Board's performance was last undertaken in November 2022. The Board performance evaluation consists of Board members identifying improvement opportunities, providing feedback on their attributes, competence, effectiveness and performance, and determining opportunities for improvement. The Board Chair meets individually with each Board member to discuss their performance and the overall performance of the Board. All Board members are also provided with an opportunity to discuss performance issues with the Deputy Board Chair. During performance reviews, Board members are offered tailored training opportunities.

Table 2 Board member tenure

Board Member	Appointed to the Board	Length of tenure
Andrew Goodsall	2013	9 years
Trevor Danos, AM FTSE (Chair)	2016	6 years
Professor Emerita Mary Chiarella AM (Deputy Board Chair)	2017	5 years
Brad Goodwin	2017	5 years
Dr Michelle Mulligan OAM	2017	5 years
Dr Donna Lynch	2018	4 years
Karen Filocamo	2019	3 years
Kimberley Reynolds	2020	2 years
Dr Stephanie Teoh	2020	2 years
Chris Greatrex	2022	1 year
Nadia Levin	2022	1 year
Adam Johnston	2023	< 1 year
The Hon. Patricia Forsythe AM	2023	< 1 year

Board Roles and Responsibilities

Trevor Danos AM FTSE joined the NSLHD Board in 2016 and was appointed Chair of the Board in 2017. The Board Chair is the official representative and spokesperson for the Board and the principal link between the Board and the Chief Executive. Professor Emerita Mary Chiarella became Deputy Board Chair in July 2021. When the Board Chair is absent, the Deputy Board Chair takes the responsibilities of the Chair on a temporary basis.

During 2022, the Board held 11 scheduled meetings. All Board members prepare comprehensively for each Board meeting and together are equipped to consider all aspects of any issue that impacts the strategic direction of NSLHD. Each Board member carries out their responsibilities independently and in the interests of NSLHD and the Northern Sydney community as a whole.

The Board recognises and values the importance of meeting with key stakeholders and employees, and has a comprehensive internal engagement calendar. Board 'breakfasts' are held monthly with clinical and non-clinical groups for the purposes of enhancing the Board's understanding of the opportunities and challenges faced by NSLHD employees. The Board also conducts regular tours of NSLHD Hospitals and Services. Engagement opportunities that were cancelled due to the COVID-19 pandemic will be rescheduled.

Accountability

The Board is ultimately responsible for overseeing and establishing an effective governance and risk management framework for NSLHD, endorsing the strategic direction, ensuring high standards of professional and ethical conduct, monitoring service delivery and financial performance and holding the Chief Executive accountable. The functions of the NSLHD Board as defined in the *Health Services Act 1997* and in the NSW Health Corporate Governance and Accountability Compendium are as follows:

- ensure effective clinical and corporate governance frameworks are established to support the maintenance and improvement of standards of patient care and services by NSLHD and approve those frameworks;
- approval of systems to
 - » support the efficient, effective and economic operation of NSLHD
 - » ensure NSLHD manages its budget to ensure performance targets are met
 - » ensure that resources are applied equitably to meet the needs of the community served by NSLHD;
 - » ensure strategic plans to guide the delivery of services are developed and approve those plans;
- provide strategic oversight of and monitor NSLHD's financial and operational performance in accordance with the State-wide performance framework against the performance measures in the service agreement for NSLHD;
- appoint, and exercise employer functions in relation to the Chief Executive of NSLHD;
- ensure that the number of NSW Health service senior executives employed to enable NSLHD to exercise its functions, and the remuneration paid to those executives, is consistent with any direction by the Health Secretary or any condition imposed by the Health Secretary;
- confer with the Chief Executive in connection with the operational performance targets and performance measures to be negotiated in the service agreement for NSLHD under the National Health Reform Agreement (NHRA);
- approve the service agreement for NSLHD under the NHRA;
- seek the views of providers and consumers of health services and of other members of the community served by NSLHD, as to NSLHD's policies, plans and initiatives for the provision of health services, and to confer with the Chief Executive on how to support, encourage and facilitate community and clinician involvement in the planning of district services;
- advise providers and consumers of health services and other members of the community served by NSLHD, as to NSLHD's policies, plans and initiatives for the provision of health services;
- endorse the NSLHD Annual Report;
- liaise with the boards of other local health districts and specialty network governed health corporations in relation to both local and State-wide initiatives for the provision of health services; and
- such other functions as are conferred or imposed on it by the regulations.

Board Expertise

The Board believes the current mix of skills, knowledge, attributes and expertise is sufficient to ensure balanced views and perspectives to oversee and provide suitable guidance to NSLHD.

To be considered for a position on a NSW Health local health district Board, members are required to nominate an area of expertise which the applicant considers would be the area of most significant contribution. These areas of expertise are listed below.

Table 3 Board expertise

Skill	Explanation
Corporate governance and risk	Experience in legal, compliance, strategic planning, audit, risk management, organisational culture and ethics.
Health management or health administration	Experience in leadership, senior public sector management or administration of a large and complex public health system, health care system, hospitals or hospital networks.
Financial management	Strong understanding of financial statements, accounting and financial management of a large organisation.
Business management or public administration	Experience in asset management, information technology, human resource, marketing and senior public sector management.
Clinical practice or provision of health services to patients	Experience in provision of health services to patients with backgrounds in medical, nursing, allied health and other health professional and paraprofessionals.
Aboriginal Health	Expertise, knowledge or experience in relation to Aboriginal Health and matters related to the social and emotional wellbeing of the Aboriginal and Torres Strait Islander community.
Understanding of local community issues	Experience in managing matters related to health care issues that impact the local community issues and understanding of the community served by NSLHD.
Primary health care experience	Experience in the management and/or provision of essential healthcare accessible to individuals and families in the community, including health promotion and prevention and treatment of acute and chronic conditions.

Board Committees

Under the NSLHD By-Laws, the Board is required to establish a Audit and Risk Committee, a Finance and Performance Committee and a Quality and Safety Committee to provide advice or assistance to enable NSLHD perform its functions under the *Health Services Act 1997*. The Board has determined that in order to effectively discharge its duties, two additional Board sub-committees are required being the Consumer Committee and Junior Medical Officer (JMO) Wellbeing Committee. The Research, Innovation and Technology Committee was established as a third additional Board sub-committee in March 2023.

Each Committee has Terms of Reference that are publicly available and published on the NSLHD Internet. The Terms of Reference outline the governance, purpose, objective and responsibilities pertaining to each Committee and are reviewed annually. All Board Committees are required to undergo annual self-evaluations.

A brief description of the role and function of each Board Committee is described below and Board membership on the Committees is summarised in Table 4.

Board Audit and Risk Committee (BARC)

The BARC meets four times per year with additional meetings held to review annual financial statements.

The BARC provides independent assistance to the Board and the Chief Executive by monitoring, reviewing and giving advice related to NSLHD governance processes, risk management and control frameworks, and its external accountability obligations. The BARC has no executive powers and is directly responsible and accountable to the Board and the Chief Executive for the exercise of its responsibilities.

BARC members collectively develop, possess and maintain a broad range of skills and experience relevant to the operations, governance and financial management of the NSLHD, the environment in which the organisation operates and the contribution that the Committee makes to NSLHD. At least one Committee member has accounting or related financial management experience with an understanding of accounting and auditing standards in a public sector environment.

The BARC consists of three to five members appointed by the Board. The majority of the members must be independent, including the Chair. The Board appoints the Chair and members of the Committee.

Research Innovation and Technology (RIT) Committee

The RIT Committee was established in 2023 and will meet quarterly.

The NSLHD Board is committed to ensuring the delivery of clinical care is informed and supported by world leading research, innovation and technology that benefits our patients, their families and carers and our community. The RIT Committee oversees the governance of research, innovation and technology and ensures that it complements clinical care. The RIT Committee will engage and coordinate with the NSLHD Chair of Research and with NSLHD's university and other research partners to drive the delivery of the NSLHD Research Strategy.

Finance Risk and Performance (FRAP) Committee

The FRAP Committee meets 11 times per year.

The FRAP Committee provides governance oversight, advice and recommendations to the Board and the Chief Executive on the sustainable financial performance of the operations of NSLHD.

The FRAP Committee is informed of any exposure to financial risks and the extent to which they are being effectively managed. The Committee monitors and advises on financial performance, asset management, major contracts, risk, procurement and other relevant matters.

The FRAP Committee consists of one to three members of the NSLHD Board, the Chief Executive, the Director of Finance and Corporate Services, the Executive Director Operations and the Director of Performance and Analytics. The Board appoints the Chair of the Committee.

Health Care Quality Committee (HCQC)

The HCQC meets six times per year.

The HCQC identifies opportunities to continually improve the quality of services and all aspects of care. This is achieved through defining, overseeing, measuring, monitoring, improving and reporting on structure, processes and assurance for effective, consistent and best practice patient safety and clinical quality and, where relevant, having regard to National Safety and Quality Healthcare Services Standards.

The HCQC is made up of the Chief Executive, one to three Board members, NSLHD Executives and representatives from all Hospitals and Services. The HCQC has cross membership with the Consumer Committee.

Consumer Committee

The Consumer Committee meets a minimum of five times per year.

The Consumer Committee is responsible for overseeing the consumer engagement and consumer experience strategy and agenda. The Consumer Committee's primary functions include, but are not limited to, providing strategic advice to the NSLHD Board in relation to; the consumer experience of health care and, consumer needs, including ensuring effective two way communication, research and, engagement strategies are in place to promote the needs of consumers.

The Consumer Committee consists of the Chief Executive, the Director Clinical Governance and Patient Experience, a minimum of two NSLHD Board members, representatives from the consumer participation committees of the NSLHD Hospitals and Services, a senior representative from one of the major non-government organisations providing services to NSLHD, Aboriginal and Torres Strait Islander Health Service representative, a representative from the Sydney North Health Network, the NSLHD Consumer and Patient Experience Manager and, representatives from the NSLHD Youth Health Promotion, the Culturally and Linguistically Diverse Community and Carers of the Northern Sydney Community.

The Consumer Committee has cross membership with the HCQC.

Junior Medical Officer (JMO) Wellbeing Committee

The JMO Wellbeing Committee structure was reviewed in 2022. From 2023, the Committee will meet four times per year.

The JMO Wellbeing Committee identifies, prioritises and promotes the implementation of initiatives designed to enhance the working environment of JMOs in NSLHD. The Committee also monitors issues regarding JMO wellbeing including results of relevant JMO surveys and develops responses to address issues identified. The Committee provides feedback and support, to Hospitals and Services, relating to initiatives for JMO wellbeing in NSLHD.

Table 4 Board Committee Membership

● Chair ● Member

	Audit and Risk (Observers)	Finance Risk and Performance	Health Care Quality	Consumer	Junior Medical Officer Wellbeing	Research Innovation Technology
Trevor Danos, AM FTSE ¹						
Professor Emerita Mary Chiarella AM ²			●	●		
Karen Filocamo ³			●	●		
The Hon. Patricia Forsythe AM						
Andrew Goodsall	●	●				
Brad Goodwin ⁴	●			●	●	
Chris Greatrex		●				●
Adam Johnston						●
Nadia Levin						●
Dr Donna Lynch ⁵				●	●	●
Dr Michelle Mulligan OAM ⁶		●				
Kimberley Reynolds			●			●
Dr Stephanie Teoh						●

¹ Trevor Danos AM FTSE, in his capacity as Board Chair, is an ex officio member of all Board Committees

² Professor Emerita Mary Chiarella AM is also a member of the NSLHD Planetary Health Committee convened by the Chief Executive

³ Karen Filocamo is also a member of the NSLHD Research Advisory Committee convened by the Chief Executive

⁴ Brad Goodwin is also a member of the NSLHD Aboriginal and Torres Strait Islander Health Advisory Committee

⁵ Dr Donna Lynch is also a member of the NSLHD Planetary Health Committee convened by the Chief Executive

⁶ Dr Michelle Mulligan OAM is also a member of the NSLHD Digital Health Steering Committee and the NSLHD Leadership Advisory Board convened by the Chief Executive

General Governance and Senior Executive Structure

NSLHD has the appropriate structures in place to ensure provisions applied to Health Service Senior Executives align to the *Health Services Act 1997, Government Sector Employment Legislation Amendment Act 2016*, statutory settings and requirements set by the Secretary, and NSW Health policies.

Lee Gregory was appointed Acting NSLHD Chief Executive in September 2022. The NSLHD Board appoint the Chief Executive with the concurrence of the Secretary, under the *Health Services Act 1997*. The affairs of NSLHD are managed and controlled by the Chief Executive. The Chief Executive is accountable to the Board for the overall operations and performance of NSLHD.

The Board is responsible for ensuring that the number of Senior Executives employed by NSLHD enables the organisation to effectively exercise its functions consistent with any Secretary or NSW Health policy or procedure. The Chief Executive is required to seek approval from the Secretary on the number of Senior Executives employed by NSLHD, and the band in which they are employed.

The appropriate band for each Senior Executive role in NSLHD is determined by the NSW Public Service Commission Work Level Standards.

There are three bands in which the role of a Senior Executive is established:

- **Band 3** – System linkers with high level cross-agency, cross-sector, national and international experience.
- **Band 2** – Senior Executives focused on strategic activities that align to future requirements of NSLHD and broader government objectives.
- **Band 1** – Senior Executives responsible for a subset of NSLHD's core functions.

All Senior Executives are employed under a written contract of employment signed by the Chief Executive on behalf of the NSW Government. Each Senior Executive has a role description that incorporates the relevant capability levels from the NSW Public Sector Capability Framework. Each Senior Executive has an annual performance agreement in place with the Chief Executive.

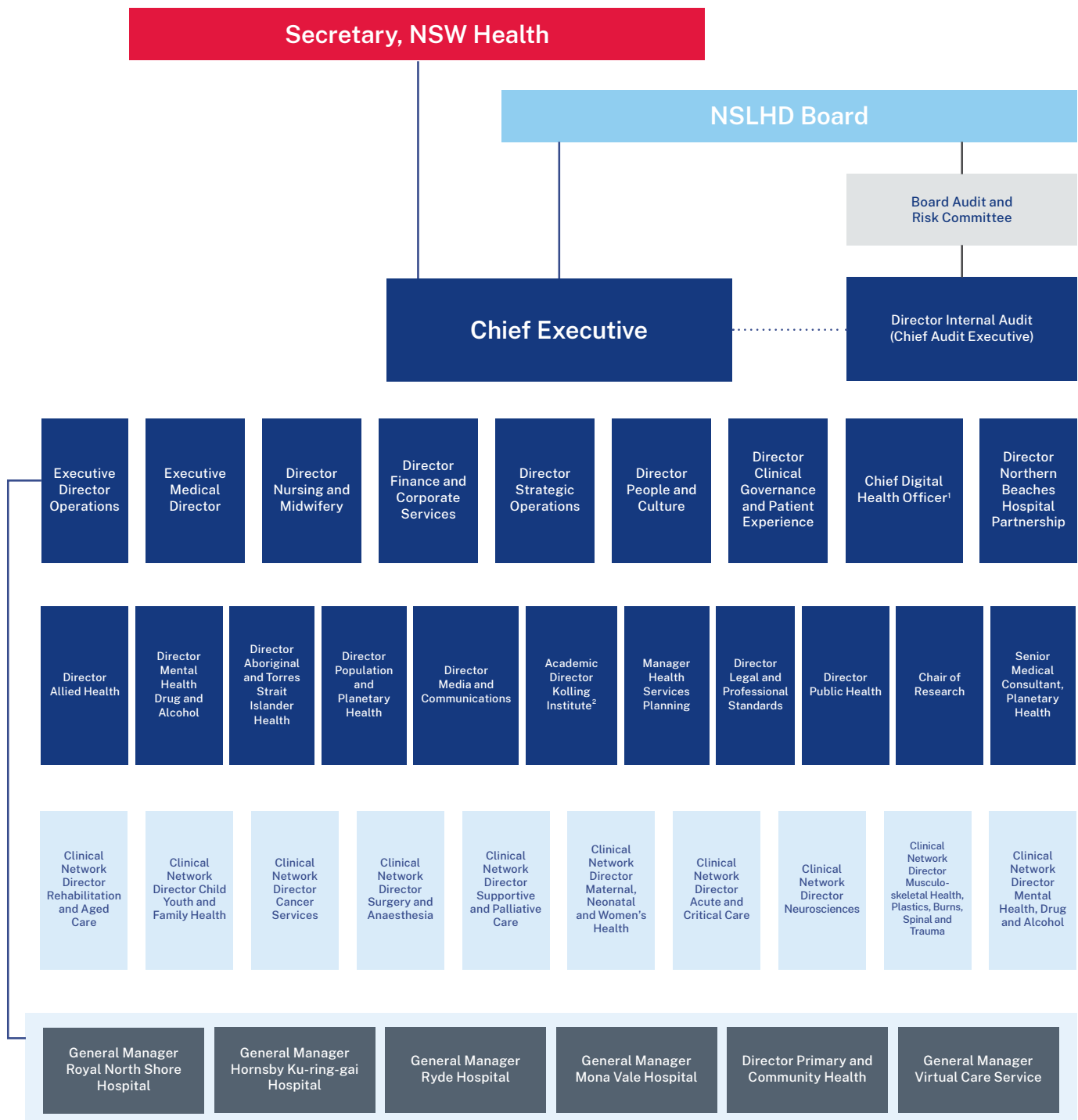
Remuneration

The remuneration range for each Senior Executive is determined using a job evaluation score and the NSW Public Service Commission Senior Executive Remuneration Framework. The Framework provides a fair and transparent approach to determining Senior Executive remuneration, in line with the *Government Sector Employment Act 2013*. Remuneration ranges for each Senior Executive band are determined annually by the Statutory and Other Offices Remuneration Tribunal (SOORT). All Senior Executives are reviewed annually against a Performance Assessment Scale where they are assessed from Performance Level 'Outstanding' to 'Unsatisfactory.'

Clinical Engagement in Organisational Structure

NSLHD and its associated hospitals and health services are governed by a network-led operating model. Clinical engagement in the Senior Executive structure is critical to empowering clinicians to work with the Chief Executive, divisional structures, Senior Executives, Hospital General Managers and Service Directors. The Clinical Network Directors, reporting directly to the Chief Executive, play an important role in establishing and overseeing standards of care, providing leadership in relation to education and research, and providing advice in relation to service development, resource allocation and workforce requirements. This operating model ensures executive teams across NSLHD are adequately supported to deliver outcomes and to drive change that benefits patients, consumers and carers by delivering the right care, in the right place, at the right time.

Figure 2 NSLHD Organisation Chart (As at April 2023)



1 Jointly appointed across Northern Sydney Local Health District and Central Coast Local Health District

2 Jointly appointed between the University of Sydney and Northern Sydney Local Health District

Clinical Governance

NSLHD has in place frameworks and systems for measuring and routinely reporting on the safety and quality of care provided.

Clinical governance is acknowledged as an integrated component of corporate governance. The Board recognises that the successful implementation of Clinical Governance requires identification of clear lines of responsibility and accountability for clinical care and development of strong and effective partnerships between clinicians and managers.



The Board is satisfied that NSLHD provides the leadership required to develop a culture of safety and quality improvement, and has satisfied itself that such a culture exists within NSLHD.

The Board has endorsed the *NSLHD Clinical Quality Improvement Framework 2022-2025* and has ensured that roles and responsibilities for safety and quality in health care provided for and on behalf of NSLHD, or within its hospitals and services, are clearly defined for the Board and workforce, including management and clinicians. Committees of the Board have monitored the action taken as a result of analyses of clinical incidents and have routinely and regularly reviewed reports relating to these, and monitored NSLHD's progress on safety and quality performance in health care.

The Board closely monitors NSLHD compliance and preparedness against each of the ACSQHC National Safety and Quality Health Service (NSQHS) Standards. NSLHD has fully complied with, and acquitted, any actions in the NSQHS Standards relating to the responsibilities of governing bodies generally for Governance, Leadership and Culture. The Standards address the following patient focused areas:

- Clinical Governance
- Partnering with Consumers
- Preventing and Controlling Infections
- Medication Safety
- Comprehensive Care
- Blood Management
- Communicating for Safety
- Recognising and Responding to Acute Deterioration.

In line with the ACSQHC National Model Clinical Governance Framework, the Board ensures compliance with the following responsibilities of governing bodies for corporate governance:

- Establishment of a strategic and policy framework
- Delegates responsibility for operating the organisation to the Chief Executive
- Supervises the performance of the Chief Executive
- Monitors the performance of NSLHD and ensures that there is a focus on continuous quality improvement.

The Clinical and Quality Council provides the Board and the Chief Executive with advice on clinical matters affecting NSLHD, including on:

- Improving quality and safety in the hospitals within NSLHD
- Planning for the most efficient allocation of clinical services within NSLHD
- Focusing on the clinical safety and quality of the health system for Aboriginal people
- Translating national best practice into local delivery of services
- Working with representatives from local communities to develop innovative solutions that address local community needs.

All hospitals and our Mental Health Drug and Alcohol service have established multidisciplinary Clinical Councils that promote engagement with clinicians and enhance local management decision making. The objectives of the Clinical Councils include:

- Providing a local structure for consultation with, and involvement of, clinical staff in management decisions impacting public hospitals and related community services
- Acting as a key leadership group for the hospital
- Working with hospital executive structures to ensure that the hospital delivers high quality health and related services for patients
- Facilitating effective patient care and service delivery through a cooperative approach to the efficient management and operation of public hospitals with involvement from medical practitioners, nurses, midwives and allied health practitioners and clinical support staff
- Being a forum for information sharing and providing feedback to staff (through council members) on relevant issues.

The Medical and Dental Appointments Advisory Committee reviews 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 scope of practice and clinical privileges of visiting practitioners or staff specialists.

Aboriginal and Torres Strait Islander Health

The Board has ensured that NSLHD's safety and quality priorities address the specific health needs of Aboriginal and Torres Strait Islander people. The Aboriginal and Torres Strait Islander Health Advisory Committee ensures positive and equitable health care outcomes for Aboriginal and Torres Strait Islander people across NSLHD. The Committee plans, monitors and evaluates the provision of Aboriginal and Torres Strait Islander Health Services in line with the strategic direction of NSLHD.

A Local Partnership Agreement is in place between the Aboriginal Medical Service Co-operative Limited and NSLHD, South Eastern Sydney Local Health District, Sydney Local Health District, St Vincent's Hospital Network and Sydney Children's Hospital Network. In addition, the Board is satisfied that NSLHD complies with the requirements set out in the Aboriginal Health Impact Statement and Guidelines. The Impact Statement ensures that the needs and interests of Aboriginal people are embedded into the development, implementation and evaluation of all NSW Health initiatives.

Partnering with Stakeholders

The Board prioritises and seeks the views of local stakeholders in the decisions that affect them. To align with the NSW Health Corporate Governance and Accountability Compendium, Standard 6: Involve Stakeholders In Decisions That Affect Them and the National Safety and Quality Health Service Partnering with Consumers Standard, NSLHD has committed to enhancing existing systems to partner with consumers in the design, delivery, measurement and evaluation of their care. Consumers are involved in governance processes through their membership and involvement on District Committees. There are established Consumer Participation Committees, Consumer Advisory Councils and Peer Workforce Committees at all of our hospitals and services. The NSLHD Consumer Committee provides overarching assurance and strategic advice in relation to the consumer and carer experience of health care and to develop effective communication and engagement strategies for the NSLHD community.

The Board is also committed to improving the health, wellbeing and health literacy of the community through the availability and access to information and resources about our services and health-related topics tailored to the specific needs of our consumers.

In addition, NSLHD has a Patient Service Charter to identify NSLHD's commitment to protecting the rights of patients in the public health system. NSLHD protects the rights of patients in the health system by following policy and guidelines including:

- NSW Health My Health Record Security and Access Policy Directive
- NSW Health Your Health Risks and Responsibilities Policy Directive
- Australian Charter of Health and Health Care Rights Policy Directive.

Audit

Internal Audit

The Internal Audit Unit (IAU) provides objective and independent advice and assurance to the Board, Board Audit and Risk Committee and Chief Executive on the controls and risk management frameworks in place to assist NSLHD in achieving its goals and objectives.

The IAU is an objective and independent assurance and consulting function designed to add value and improve NSLHD's hospital and service operations. The IAU evaluates and contributes to NSLHD's governance, risk management, and control processes using a systematic and disciplined approach. The IAU, through its activities, plays an integral part in maintaining a culture of accountability and integrity and promoting a culture of cost-consciousness, self-assessment and adherence to high ethical standards. In addition, the IAU is responsible for facilitating the integration of risk management into day-to-day activities and processes.

The Internal Audit Charter is reviewed annually in consultation with the Chief Executive and is endorsed by the Board Audit and Risk Committee.

Audit activities and advisory activities align to NSW Health Internal Audit Policy Directive and Procedures, and with relevant professional standards including International Standards for the Professional Practice of Internal Auditing. This is in addition to NSLHD policies, procedures and guidelines and cover the following:

Risk Management (Audit Activity)

- evaluate the effectiveness, and contribute to the improvement, of risk management processes
- provide assurance that risk exposures relating to NSLHD's governance, operations, and information systems are correctly evaluated, including:
 - » reliability and integrity of financial and operational information
 - » effectiveness, efficiency and economy of operations
 - » safeguarding of assets
 - » evaluate the design, implementation, and effectiveness of NSLHD's ethics-related objectives, programs, and activities
 - » assess whether the information technology governance of NSLHD sustains and supports the organisation's strategies and objectives.

Compliance (Audit Activity)

- compliance with applicable laws, regulations and Government policies and directions

Performance Improvement (Audit Activity)

- the efficiency, effectiveness, and economy of NSLHD's business systems and processes

New programs, systems and processes (Advisory Service)

- providing advice on the development of new programs and processes and/or significant changes to existing programs and processes including the design of appropriate controls

Risk management (Advisory Service)

- assisting management to identify risks and develop risk mitigation and monitoring strategies as part of the risk management framework

Fraud control (Advisory Service)

- evaluate the potential for the occurrence of fraud and how NSLHD manages fraud risk
- assisting management to investigate fraud, identify the risks of fraud and develop fraud prevention and monitoring strategies.

The IAU prepare a risk-based annual IAU work plan that is endorsed by the Board Audit and Risk Committee. The Chief Audit Executive presents reports at each Board Audit and Risk Committee meeting that cover audits completed, progress against the IAU work plan and implementation status of agreed internal and external audit recommendations. In addition, a report on the overall state of internal controls in NSLHD and any systemic issues requiring attention is presented to the Board Audit and Risk Committee annually.

External Audit

The Audit Office of NSW has been delegated by the NSW Ministry of Health to undertake the external audit function for NSLHD. The Audit Office of NSW is the independent auditor for the NSW public sector and report directly to the NSW Parliament. The Audit Office of NSW sends relevant reports to the Board Audit and Risk Committee.

All external audit activities conducted are coordinated to ensure adequacy of overall audit coverage. External audit have full access to all NSLHD internal audit plans, working papers and reports.

Fraud and Corruption Prevention Program

Our Fraud and Corruption Control Policy reflects NSLHD's commitment to managing the risks of fraud and corruption in compliance with the NSW Health Corrupt Conduct – Reporting to the Independent Commission against Corruption (ICAC) Policy, NSW Audit Office guidelines, and Fraud and Corruption Control Australian Standards.

Work Health and Safety

NSLHD is committed to ensuring a proactive and positive approach towards the risk management of work, health and safety (WHS) for all NSLHD employees, patients and visitors.

All employees are encouraged to be engaged and empowered to positively contribute to achieving a person-centred safety culture and safe workplace. This commitment to proactive WHS management extends to other Persons Conducting Business or Undertakings (PCBU) and their workers where applicable.

The Board was compliant with their Due Diligence obligations as Officers under the NSW WHS Act 2011, and NSW Health Work Health and Safety Audits Policy Directive (PD2016_017) during 2022. The Board and Chief Executive are collectively responsible for ensuring the health and safety systems implemented across NSLHD eliminate and minimise workplace injuries.

The Board is satisfied that NSLHD has achieved a WHS focused, person centred safety culture where people are physically and psychologically safe and are supported to maximise their health and wellbeing. NSLHD is committed to managing risks by resourcing, supporting and empowering its employees and managers to proactively participate in the risk reporting, risk escalation and risk treatment processes implemented and by selecting control measures that are effective, and based on evidence. These include eliminating risks where practicable in order to comply with the NSW WHS Act 2011 and WHS Regulation 2017. NSLHD commits to the implementation and continuous improvement of health and safety by establishing measurable objectives and targets. As an affirmation of NSLHD's WHS commitment, Policy statements signed by the Chief Executive and General Manager and Service Directors are displayed in all NSLHD hospitals and services.



Risk Management

NSLHD is committed to building and maintaining an effective risk management culture that ensures adequate management, mitigation and monitoring of clinical and non-clinical risks across all hospitals, services, and corporate functions.

NSLHD's approach to risk management aligns to the following mandatory requirements outlined in the NSW Health Enterprise-Wide Risk Management Policy and Framework:

- Risk management is embedded into corporate governance, planning, financial, insurable, clinical, workforce management structures, operational service delivery, project management and support functions
- Risk management is included as a part of the strategic, operational and annual business planning activities
- An up-to-date Risk Register is in place
- Risk Management Plan in place that outlines the approach to further enhance risk management across NSLHD in accordance with the requirements of the relevant NSW Health Policy Directive
- Enterprise Risk Management Procedure that identifies how NSLHD will manage, record, monitor and address risk, and includes processes to escalate and report on risk to the Chief Executive and Executive Risk Committee, Board Audit and Risk Committee, and Board
- Processes in place to monitor and review the risk governance system
- Chief Risk Officer appointed and responsible for designing NSLHD's risk management framework and coordinating, maintaining and embedding the framework into NSLHD.

Risk management principles and practices reflected within NSLHD's governance systems, are applied in the development of strategic and operational planning and performance, and are integrated into all functions and activities including clinical care, research, education, support services and management.

Key risk management stakeholder responsibility

In line with the NSW Health Enterprise-Wide Risk Management Policy and Framework, and subsequent changes announced by NSW Health from 1 January 2021, Key Risk Management oversight and Stakeholder Responsibilities at all levels are outlined in Table 5.

Table 5

Risk Management Stakeholder	Stakeholder Key Responsibilities
NSW Ministry of Health	<ul style="list-style-type: none"> • Champions a culture of risk awareness and monitors systemic risk across NSW Health (including NSLHD) • Updates and monitors compliance with the NSW Health Enterprise-Wide Risk Management Policy and Framework • Identifies systemic risk issues in consultation with health organisations (including NSLHD), central agencies and accountability bodies • Requests twice-yearly responses from Health Organisations (including NSLHD) on Risk Statements to assist Ministry to develop a state-wide report to Health Organisations on the specified area of risk • Reviews quarterly risk register reports received from health organisations (including NSLHD) and provides regular feedback on system-wide trends • Provides feedback to health organisations (including NSLHD), based on quarterly reports received • Monitors compliance with NSW Health annual Audit and Risk Attestation Statements • Maintains the NSW Ministry of Health Risk Register and formal reporting requirements.
Board, in conjunction with Finance, Risk and Performance Committee and Health Care and Quality Committee	<ul style="list-style-type: none"> • Ensures an effective risk management framework (including risk appetite and risk tolerance) is established and embedded into NSLHD clinical and corporate governance processes • Provides strategic oversight and monitoring of NSLHD's risk management activities and performance • Seeks information from the Chief Executive as necessary to satisfy the Board that risks are being identified and mitigation strategies are in place and effective • Receives quarterly written reports and presentations from the Chief Risk Officer.
Board Audit and Risk Committee	<ul style="list-style-type: none"> • Operates in accordance with the Board Audit and Risk Committee Charter as approved under the NSW Health Internal Audit Policy Directive • Monitors and reviews risk management attestation compliance and reports to the NSW Ministry of Health on risk management and control frameworks within NSLHD • Ensures audit plans for NSLHD include appropriate consideration of risk.
Chief Executive	<ul style="list-style-type: none"> • Champions a risk management culture that includes a focus on continuous improvement and identifying opportunities as well as risks • Ensures the Risk Management Plan is implemented and the Risk Register is current • Ensures appropriate resources are allocated to managing and monitoring risk and to implementing risk mitigation strategies identified through risk planning activities • Allocates accountability for managing individual risks at an appropriately senior level to ensure risk mitigation strategies are implemented • Communicates risk management requirements to management and staff • Takes appropriate action on risks reported or escalated • Provides the Board Audit and Risk Committee and Board with regular reports on risks and management actions being taken to mitigate these risks • Determines the level of management that will be delegated authority to accept risks • Provides quarterly reports to the Ministry of Health on NSLHD's top 10 risks inclusive of all extreme risks • Approves the annual NSLHD Audit and Risk Management Attestation Statement.

Risk Management Stakeholder	Stakeholder Key Responsibilities
Senior Managers/ Executives	<ul style="list-style-type: none"> Promotes risk management within their areas of responsibility, including communication of requirements to relevant staff Are accountable for risks and mitigating controls within their area of responsibility and take appropriate action on risks reported or escalated Reports on changes and updates to the Risk Register, including updates on risk management strategies, current risk ratings and emerging risks.
Risk owners	<ul style="list-style-type: none"> Manage the risk, including designing, implementing and monitoring actions to address (or “risk treatments”) for a particular risk Assess the effectiveness of existing controls and design improvements as required Escalate the risk for effective management as appropriate to the level of the risk.

The Executive Risk Committee is NSLHD’s peak management committee with respect to Enterprise Risk Management (ERM). The ERC:

- Advises the Chief Executive on NSLHD’s Enterprise Risk Management program
- Reviews registers for relevance and currency of risk information
- Reviews NSLHD’s strategic risks, key operational risks, new and emerging risk, risks where there has been material change to the risk rating, risk trends and closed risks
- Ensures risk ratings are consistently applied from a whole-of-NSLHD perspective and current risk ratings take into consideration the mitigating controls in place
- Ensures risk treatment actions are identified where necessary and monitor progress on those actions within timeframes
- Evaluates the level of risk assessed to determine whether to accept the current risk (within appetite/ attitude and tolerances); or if the risk requires further treatment action to mitigate the risk (control likelihood and/or consequence, share with or transfer to another party)
- Reviews the continuous improvement and integration of NSLHD’s ERM Framework
- Provides the Board and Board Audit and Risk Committee with assurance that processes are in place to proactively identify and manage risks to levels within agreed tolerances
- Conducts an annual review of NSLHD’s ERM framework for alignment with NSW Health Policy, effectiveness and continuous improvement
- Reviews any recommendations for improvements made by the Board Audit and Risk Committee, the Finance Risk and Performance Committee, Health Care and Quality Committee, or internal or external Audit reviews.

Financial Reporting



NSLHD has the systems in place to support the efficient, effective and economic operation of all our hospitals and services, and to oversight financial and operational performance. All financial and administrative authorities have been appropriately delegated by the Chief Executive with approval of the Board and are formally documented within the NSLHD Delegations Manual.

NSLHD is responsible for ensuring compliance with the NSW Health Accounts and Audit Determination and with 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, Risk and Performance Committee and the Ministry of Health, and ensuring the operational results are in accordance with the relevant accounting standards
- Ensuring the relevant internal controls for NSLHD are in place to recognise, understand and manage its exposure to financial risk
- Ensuring overall financial performance is monitored and reported to the Finance, Risk and Performance Committee
- Ensuing monthly information reported to the Ministry of Health reconciles to and is consistent with reports to the Finance, Risk and Performance Committee
- Write-offs of debtors have been approved by duly authorised delegated officers.

NSLHD and NSW Health Service Agreement

A written Service Agreement between NSLHD and the Ministry of Health was in place during the financial year between the Board and the Secretary, and performance agreements between the Board and the Chief Executive. The Board has the mechanisms in place to monitor the progress of all matters contained within the Service Agreement, including those related to the financial performance of NSLHD.

Finance, Risk and Performance Committee

The Finance, Risk and Performance Committee ensures that the operating funds, capital works funds, resource utilisation and service outputs required of NSLHD are being managed in an appropriate and efficient manner. The Finance, Risk and Performance Committee receives the following monthly reports:

- Financial performance of each hospital and service
- Subsidy availability
- Position of Restricted Financial Asset and Trust Funds
- Activity performance against indicators and targets in the performance agreement for NSLHD
- Advice on the achievement of strategic priorities identified in the performance agreement for NSLHD
- Year to date and end of year projections on capital works and private sector initiatives.

NSW Health Corporate Governance Standards and NSLHD Assurance Mechanisms



Standard 1

Establish Robust Governance and Oversight Frameworks

Ensuring that the authority, roles and responsibilities of our governance, management and operating structures are clearly defined, documented and understood.

Requirements

(NSW Health Corporate Governance & Accountability Compendium)

- The authority, roles and responsibilities of our governing, management and operating structures, including reporting relationships of the Board, Chief Executive and senior management, are documented clearly and understood.
- NSLHD's legal and policy obligations are identified and understood; and responsibilities for compliance are allocated.
- Financial and administrative authorities are approved by the Chief Executive and/or Board and are published in a delegations manual for the organisation which is readily accessible.
- A system is in place to ensure that the policies and procedures of the organisation are documented, endorsed by the Board and/or Chief Executive and are readily accessible to staff.
- Aboriginal leadership in health decisions is embedded at a local level to ensure programs, policies and service delivery are appropriate and meaningful, and focused on Aboriginal community priorities.

NSLHD Assurance Mechanisms

- ✓ All Board members undertake annual evaluations of their performance.
- ✓ All Board members undertake necessary education/training.
- ✓ The Terms of Reference for all Board Committees are reviewed annually.
- ✓ All Board Committees complete annual Committee evaluations.
- ✓ All Board declarations of conflicts of interest are undertaken at every Board meeting and reviewed on an annual basis.
- ✓ An up-to-date NSLHD Delegations Manual is maintained whereby all financial and administrative authorities have been delegated by formal resolution of the Board.
- ✓ The leadership and accountability responsibilities for Aboriginal and Torres Strait Islander health are built into the roles of executives and managers at all levels of the organisation.
- ✓ The NSW Health and NSLHD Annual Service Agreement is available to the public.
- ✓ The Board ensures completion of the Chief Executive's annual performance agreement and review against identified objectives and indicators of success.
- ✓ The Chief Executive ensures that an up-to-date organisational chart is publicly available on the NSLHD Website, demonstrating the structure, roles and reporting relationships of the Board, Chief Executive, senior executive management and Clinical Network Directors.
- ✓ The Chief Executive shares the NSLHD Corporate Governance Plan internally with stakeholders, including consumer representatives where relevant, and ensure they understand and contribute to its implementation.
- ✓ The Board holds at least 11 scheduled meetings in the preceding 12-month period with a meeting planner and schedule ensuring the primary responsibilities of the Board are met pursuant to the *Health Services Act 1997*.

NSLHD Assurance Mechanisms
(continued)

- ✓ Each Board sub-committee has Terms of Reference that are publicly available and published on the NSLHD Internet. The Terms of Reference outline the governance, purpose, objective and responsibilities pertaining to each Committee and are reviewed annually.
- ✓ The Chief Executive ensures an annual *Corporate Governance Attestation Statement* is developed by 31 August the Statement sets out the main corporate governance frameworks and practices in operation within NSLHD, in line with the seven Corporate Governance Standards.
- ✓ The Chief Executive and Board receive periodic briefings on how NSLHD meets its obligations under the *NSW Aboriginal Health Plan 2013-2023*.
- ✓ The Board Chair ensures that at least one member who has expertise, knowledge or experience in relation to Aboriginal health.

Owners

- Board
- Chief Executive

Standard 2

Ensure Clinical Responsibilities are Clearly Allocated and Understood

Ensure that clinical management and consultative structures within the organisation are appropriate to the needs of NSLHD. Ensure that the role and authority of Clinical Directors and General Managers should be clearly defined, documented and understood.

Requirements

(NSW Health Corporate Governance & Accountability Compendium)

- Clear lines of accountability for clinical care are established and are communicated to clinical staff; and staff who provide direct support to them.
- The authority of Hospital and Service General Managers and Service Directors are clearly understood.
- A Medical and Dental Appointments Advisory Committee (MADAAC) is established to review and make recommendations about the appointment of medical staff and visiting practitioners.
- A Credentials Subcommittee is established to make recommendations to the MADAAC on all matters concerning the scope of practice and clinical privileges of visiting practitioners or staff specialists; and to advise on changes to a practitioner's scope of practice.
- An Aboriginal Health Advisory Committee is established with representation from Aboriginal Community Controlled Organisations (ACCHSs) and/or other Aboriginal community organisations, and with clear lines of accountability for clinical services delivered to Aboriginal people.
- A systematic process for the identification, and management of clinical incidents and minimisation of risks to the organisation is established.
- An effective complaint management system for the organisation is developed and in place.
- Effective forums are in place to facilitate the involvement of clinicians and other health staff in decision making at all levels of the organisation.
- Appropriate accreditation of healthcare facilities and their services is achieved.
- Licensing and registration requirements are checked and maintained.
- The Decision Making Framework for Aboriginal Health Workers to Undertake Clinical Activities is adopted to ensure that Aboriginal Health Workers are trained, competent, ready and supported to undertake clinical activities.

NSLHD Assurance Mechanisms

- ✓ An attestation statement is submitted annually to the Board to confirm compliance with the National Safety and Quality Health Service (NSQHS) Standards under the Australian Health Service Safety and Quality Accreditation Scheme.
- ✓ Effective forums and other opportunities are in place to enhance engagement with clinicians.
- ✓ Licence and registration compliance requirements are comprehensively checked in line with NSLHD and NSW Health policies and procedures.

NSLHD Assurance Mechanisms (continued)

- ✓ The Board reviews each Committees Terms of Reference annually, and receives and notes the minutes of the:
 - » Health Care Quality Committee (HCQC);
 - » Medical Staff Executive Council (MSEC), Mental Health Medical Staff Council, and Medical Staff Executive Councils (MSEC);
 - » Clinical and Quality Council;
 - » Hospital Clinical Councils;
 - » Medical and Dental Appointments Advisory Committee (MADAAC); and
 - » Credentials (Clinical Privileges) Subcommittee.
- ✓ The Board is provided with briefings that outline training, education and communication provided to staff on activities that support a positive incident management and reporting culture.
- ✓ The Board is provided with briefings that outline training, education and communication provided to staff and consumer representatives around management of complaints and compliments (positive culture surrounding complaints).
- ✓ The Board receives periodic briefings and notes minutes from the Aboriginal Health Advisory Committee (AHAC) detailing the clinical services delivered to Aboriginal people within the organisation.
- ✓ The Chief Executive and the Board receive briefings on progress against the NSQHS Standards.
- ✓ The Chief Executive receives briefings and reports from the Clinical Governance and Patient Experience Unit about systems of care, risk management, patient safety and clinical quality, incident management, partnering with consumers and investigation systems.

Owners

- Board
- Chief Executive
- Chair/s HCQC, MSC, Clinical and Quality Council, Hospital Clinical Councils, MADAAC and Credentials Subcommittee
- Director Aboriginal and Torres Strait Islander Health
- Director Clinical Governance and Patient Experience

Standard 3

Set the Strategic Direction for the Organisation and its Services

Ensure clear, articulated and relevant plans are in place to ensure that NSLHD is able to meet its statutory objectives. Ensure that Strategic Plans provide a mechanism for the progressive achievement of the long-term vision of NSLHD and act as mechanisms to link the aspiration of the future with the reality of the present.

<p>Requirements (NSW Health Corporate Governance & Accountability Compendium)</p>	<ul style="list-style-type: none"> • The strategic goals of the organisation are documented within a Strategic Plan approved by the Chief Executive and where appropriate by the Board with a 3-5 year horizon. • Detailed plans for asset management, information management and technology, research and teaching and workforce management are linked to the Strategic Plan. • A Local Healthcare Services Plan and appropriate supporting plans including operations/business plans at all management levels. <ul style="list-style-type: none"> » A Corporate Governance Plan. » An Annual Asset Strategic Plan. » An Aboriginal Health Action Plan is developed that aligns with the NSW Aboriginal Health Plan 2013-2023. The action plan must help: <ul style="list-style-type: none"> – Ensure that all relevant NSW Health policies, programs and services consider Aboriginal people as a priority population and reflect the needs of Aboriginal communities. – Recognise and strengthen the ongoing role NSW Health has in contributing to the social determinants of health for Aboriginal people through activities such as employment, resource distribution, and education/training. – Strengthen Aboriginal health governance, and build and maintain partnerships that facilitate community consultation and self-determination.
<p>NSLHD Assurance Mechanisms</p>	<ul style="list-style-type: none"> ✓ The necessary governing documents linked to the Strategic Plan are in place and easily accessible by NSLHD employees, and where applicable, publicly available. ✓ The Board receives six monthly reports on progress against the strategic deliverables outlined in the Board-endorsed NSLHD Strategic Plan 2022-2027. ✓ The Board reviews and endorses the annual Asset Management Plan (AMP) and Strategic Asset Management Plan (SAMP). ✓ The NSLHD Clinical Services Plan is current and provides the service direction and detail of priorities for NSLHD over a five-to-ten-year horizon, with specific focus on issues which affect the health of the catchment population and the delivery of services. ✓ Each hospital and service has in place an Operational Plan to guide their strategic direction. ✓ The Board receives regular briefings on actions in place to implement the NSW Health Aboriginal Health Action Plan (AHAP) including progress and gaps, training, education and communication provided to staff on the AHAP, and Aboriginal and Torres Strait Islander consultation in the development of policies, programs and services.
<p>Owners</p>	<ul style="list-style-type: none"> • Board • Chief Executive • Director Aboriginal and Torres Strait Islander Health • Director Clinical Governance and Patient Experience • Director Finance and Corporate Services • Manager Health Services Planning

Standard 4

Monitor Financial and Service Delivery Performance

Ensure that the appropriate arrangements are in place to secure the efficiency and effectiveness of resource utilisation by their organisation; and for regularly reviewing the financial and service delivery of the organisation.

<p>Requirements (NSW Health Corporate Governance & Accountability Compendium)</p>	<ul style="list-style-type: none"> • A committee is established for the organisation and that finance matters and performance and its meeting frequency complements the board meeting cycle. • The organisation complies with critical government policy directives and policies, including the Accounts and Audit Determination for Public Health Organisations, annual budget allocation advice, the Fees Procedure Manual, Goods and Services Procurement Policy, and the Accounting Manual. • Local Health District and Network Service Agreements with the Secretary, NSW Health are signed and in place. • Performance agreements are in place with the chief executive and health executive service staff and performance is assessed on an annual basis. • Budgets and associated activity/performance targets are issued to relevant managers no later than four weeks after the delivery of the NSW State budget. • Systems are in place for liquidity management and to monitor the financial and activity/performance of the organisation as a whole, and its facilities. • Financial reports submitted to the Ministry of Health and the Finance and Performance Committee represent a true and fair view, in all material aspects, of the financial condition and the operational results for the organisation. • Specific grants or allocation of monies for specific purposes are spent in accordance with the allocation or terms of the grant. • Aboriginal health performance, service access, service utilisation and quality measures are included in all relevant service agreements
<p>NSLHD Assurance Mechanisms</p>	<ul style="list-style-type: none"> ✓ NSLHD complies with the NSW Health Accounts and Audit Determination. ✓ NSLHD complies with the annual Ministry of health budget allocation advice. ✓ The Finance Risk and Performance Committee receives all required and relevant reports. ✓ The Board reviews the Terms of Reference and membership of the Finance, Risk and Performance Committee and ensures compliance with the NSW Ministry of Health Accounts and Audit Determination. ✓ The Board and Chief Executive an annual briefing on the systems and processes in place to review legislation and ensure policies are periodically updated. ✓ The Board and Chief Executive receives confirmation that NSLHD has the adequate policies, systems and processes in place to ensure: <ul style="list-style-type: none"> » budgets are managed in accordance with the Ministry’s endorsed Budget Reporting systems and State-wide Budgeting Tool; ✓ The Board and Chief Executive receive periodic briefings about: <ul style="list-style-type: none"> » the procurement systems and processes in place in NSLHD; » the training, education and communication provided to staff about procurement processes in NSLHD; » procurement reports and written or verbal briefings where necessary; » confirmation that the procurement register is maintained up to date. ✓ The Chief Executive monitors progress against KPIs outlined in the Service Agreement between the Secretary NSW Health and NSLHD.
<p>Owners</p>	<ul style="list-style-type: none"> • Board • Chief Executive

Standard 5

Maintain High Standards of Professional and Ethical Conduct

Ensure that systems and processes are in place to ensure that staff and contractors are aware of and abide by the NSW Health Code of Conduct and relevant professional registration and licensing requirements. Ensure that policies, procedures and systems are in place to ensure that any alleged breaches of recognised standards of conduct or alleged breaches of legislation are managed efficiently and appropriately.

Requirements

(NSW Health Corporate Governance & Accountability Compendium)

- The Board and the Chief Executive lead by example in order to ensure an ethical and professional culture is embedded within NSLHD, which reflects the CORE values of the NSW Health system.
- Staff and contractors are aware of their responsibilities under the NSW Health Code of Conduct and that obligations are periodically reinforced.
- All disciplinary action is managed in accordance with relevant NSW Health policies, industrial instruments, legislative, contractual and common law requirements.
- Suspected corrupt conduct, indecent acts, sexual or physical violence or the threat of sexual or physical violence by a staff member against another person (adult or child) is reported to the appropriate agency; and is assessed and managed by an appropriate senior officer within NSLHD.
- There are systems and processes in place and staff are aware of their obligations to protect vulnerable patients and clients.
- Suspected professional misconduct or unsatisfactory professional conduct by staff and visiting practitioners is reported to the relevant healthcare professional council and any other relevant agencies, with appropriate action to be taken NSLHD to protect staff, patients and visitors.
- NSLHD is responsive to external oversight and review agencies such as the Health Care Complaints Commission, NSW Coroner, NSW Ombudsman, the Commission for Children and Young People, NSW Privacy, Independent Commission Against Corruption (ICAC) and the Audit Office of NSW.
- Cultural competence is embedded as a core feature of recruitment, induction, professional development and other education and training strategies.
- Models of good practice are implemented that provide culturally safe work environments and health services through a continuous quality improvement model.

NSLHD Assurance Mechanisms

- ✓ There are the policies and procedures in place to facilitate the reporting and management of public interest disclosures within NSLHD.
- ✓ The Board and Chief Executive monitor workplace culture through methods including review of the annual People Matter Survey results and exit survey results.
- ✓ The Board and Chief Executive monitor engagement with the Respecting the Difference Aboriginal cultural learning programs in accordance with policy.
- ✓ The Board and Chief Executive receive periodic briefings on systems for managing disciplinary action within NSLHD as well as the support framework available for managers navigating disciplinary action.

NSLHD Assurance Mechanisms (continued)

- ✓ The Board receives periodic briefings on NSLHDs:
 - » potential for the occurrence of fraud and how the organisation manages fraud risk;
 - » fraud control plan and satisfies itself that the agency has appropriate processes and systems in place to capture and effectively investigate fraud related information;
 - » framework for detecting and reporting corrupt conduct to the Independent Commission Against Corruption (ICAC), including Public Interest Disclosures, and aggregated data on notifications to the ICAC.
- ✓ The Board and Chief Executive receive periodic briefings on NSLHD's policies, systems and processes for:
 - » implementing individual management and clinical supervision plans for each practitioner with conditions and/or undertakings on their registration;
 - » maintaining a central register of practitioners with conditions and undertakings;
 - » reporting a breach of any condition and/or undertaking to the relevant Health Professional Council;
 - » completing a risk assessment, IIMS +, Corporate Reportable Incident Brief (RIB) and taking appropriate actions to address the risks;
 - » Reviewing changes in the Australian Health Practitioner Regulation Agency (AHPRA) registration status of clinical staff who have had their registration affected by report of racism, based on AHPRA's Shared Code of Conduct.

Owners

- Board
- Chief Executive

Standard 6

Involve Stakeholders in Decisions that Affect Them

Ensure the rights and interests of key stakeholders are incorporated into the plans of the organisation and that they are provided access to balanced and understandable information about the organisation and its proposals.

<p>Requirements (NSW Health Corporate Governance & Accountability Compendium)</p>	<ul style="list-style-type: none"> • Appropriate consultative and communication strategies are in place to facilitate the input of consumers of health services, and other members of the community, into the key policies, plans and initiatives of the organisation. • Appropriate consultative strategies are in place to involve staff in decisions that affect them and to communicate the strategies, values and priorities of the organisation to staff. • A Local Partnership Agreement is in place with Aboriginal Community Controlled Health Services and Aboriginal community services within their boundaries, which enables Aboriginal communities to lead decisions regarding the design, delivery, and evaluation of services provided to local Aboriginal communities. • Appropriate information on key policies, plans and initiatives of the organisation is made available to the public. • Policies, plans and initiatives of the organisation are updated regularly and readily accessible to the staff. • The performance of NSLHD in delivering key plans, targets and initiatives is reported to the public at least annually. • There are accountability processes in place to ensure partnerships between ACCHSs and Aboriginal community services are established, meaningful, and appropriately facilitate Aboriginal self-determination.
<p>NSLHD Assurance Mechanisms</p>	<ul style="list-style-type: none"> ✓ Information and advice is provided to the community and local providers about District policies and initiatives. ✓ The Consumer Committee continues to provide Board assurance and strategic advice in relation to the consumer and carer experience of health care. ✓ A stakeholder map has been developed and is used to inform decision making at all levels of the organisation. ✓ Consumers are involved in the governance, design, measurement and evaluation of health. ✓ The Board ensures that the endorsed annual Corporate Governance Attestation Statement is publicly available on the NSLHD website.
<p>Owners</p>	<ul style="list-style-type: none"> • Board • Chief Executive

Standard 7

Establish Sound Audit and Risk Management Practices

Establish and maintain an effective internal audit function that is responsible for overseeing the adequacy and effectiveness of NSLHD's internal control, risk management and governance.

<p>Requirements (NSW Health Corporate Governance & Accountability Compendium)</p>	<ul style="list-style-type: none"> • An Audit and Risk Management committee for NSLHD is established. • An internal audit function for the organisation is established. • Risk management is embedded in the culture of the organisation. The risk management framework (enterprise wide) should encompass the identification, elimination, minimisation and management of both clinical and non-clinical risks.
<p>NSLHD Assurance Mechanisms</p>	<ul style="list-style-type: none"> • The NSLHD Risk Management Plan identifies how risks are managed, recorded, monitored and assessed. • The Board Audit and Risk Committee continues to operate with the following core responsibilities: <ul style="list-style-type: none"> » Assess and enhance NSLHD's corporate governance, including systems of internal control, ethical conduct and probity, risk management, management information and internal audit. » Ensure that appropriate procedures and controls are in place to provide reliability in NSLHD's financial reporting, safeguarding of assets, and compliance with NSLHD's responsibilities, regulatory requirements, policies and procedures. » Oversee and enhance the quality and effectiveness of NSLHD's internal audit function, providing a structured reporting line for the Internal Auditor and facilitating the maintenance of their independence. » Assist the Board, through Internal Audit, to efficiently, effectively and economically deliver NSLHD's outputs. » Maintain a strong and candid relationship with external auditors, facilitating to the extent practicable, an integrated internal/external audit process that optimises benefits to NSLHD
<p>Owners</p>	<ul style="list-style-type: none"> • Board • Chief Executive • Chief Risk Officer

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RoyalNorthShore
MonaValeHospitalNSW
HornsbyHospital
RydeHospital
NSLHD.MHDA

 Northern Sydney
Local Health District

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Northern Sydney
Local Health District