

1. ROLE AND PURPOSE

The role of the NSW Health Capital Strategy Group (CSG) is to provide oversight on the strategic direction, delivery, evaluation, policy, and governance for the NSW Health capital program, as well as the implementation of the 20-Year Health Infrastructure Strategy (HIS), in line with the NSW Health Future Health.

The CSG is also responsible for developing protocols for the allocation and management of capital project contingencies.

2. BACKGROUND

The CSG (formerly the Capital Steering Committee) was established by the NSW Ministry of Health in late 2013 in response to the Strategic Gateway Review of the 2013-14 Asset Strategy. One of the recommendations from the review was the need for an overarching governance structure for implementing and evolving the Asset Strategy to ensure that a comprehensive review process is undertaken.

Since then, NSW Health's capital program has grown significantly and the CSG's role has been expanded to include broader oversight, planning and management of the Health capital program. This has included the involvement of eHealth and the CSG's oversight of ICT in enabling the delivery of health services that align with the directions in the 20-Year HIS and the Future Health Strategy.

The CSG's role in relation to project contingencies aligns with [Infrastructure NSW's Cost Control Framework \(April 2022\)](#), which recommends that Government Clusters establish provisions to oversee capital project contingency, ensure visibility of risk management at the senior executive level, and redeploy contingency across the portfolio as required.

3. FUNCTIONS AND REMIT

The CSG is responsible for considering and making determinations on matters including, but not limited to:

Contingency funds

- Approval of policy direction and protocols for the allocation and management of capital project contingencies.
- Release of Executive Contingency funds for a project, where formally requested.
- Release of Centralised Contingency funds that have been returned to the NSW Health capital program, where formally requested.
- Utilisation and expenditure of ICT project contingency funds by eHealth NSW.

Asset sales

- Achievement of NSW Health's Asset Sales Target.
- Release of asset sale proceeds (cash at bank /contra account), where formally requested.
- Retention of asset sales proceeds by a NSW Health entity to be used towards a capital project, where formally requested.

Capital build delivery

- Approval of scope variations for major capital projects from the approved Final Business Case, where formally requested.
- Approval of strategies to future proof for unaffordable project scope, including shell space, where formally requested.
- Participation and/or membership of external stakeholders in Executive Steering Committees.
- Integration with Health Infrastructure for the project planning, approval, and funding process.
- Issues impacting the delivery of the NSW Health capital program more broadly, including recurrent cost impacts.

Policy

- Policies and procedures guiding the Capital Investment Planning process.
- Implementation of the 20-Year HIS, in alignment with the NSW Health Future Health.
- Implementation of recommendations from audits and reviews of the NSW Health capital program, including but not limited to those published by the NSW Audit Office and Infrastructure NSW.

Evaluation

- Strategic direction and governance to support evaluation of the capital program.
- Alignment of the NSW Health capital program with the requirements in the NSW Evaluation Policy and Guidelines.

Sustainability

- Strategic direction and governance to support the environmental sustainability of the health system.
- Strategic direction and governance to support the broader sustainability of the health system.

4. VOTING MEMBERSHIP

The voting membership of the CSG comprises of:

Organisation	Member	Role in CSG
Ministry of Health	Deputy Secretary Health System Strategy and Patient Experience	Chair and Voting Member
	Deputy Secretary and Chief Financial Officer Finance and Asset Management	Voting Member
	Deputy Secretary System Sustainability and Performance	Voting Member
	Executive Director Strategic Reform and Planning Branch	Voting Member
Health Infrastructure	Chief Executive	Voting Member
eHealth	Chief Executive and Chief Information Officer	Voting Member

Proxies

- Proxies can include persons officially acting in a Voting Member's position or persons requested to attend the CSG on behalf of a Voting Member.
- Proxies are expected to participate, contribute and vote on behalf of the Voting Member they are representing, and should report back to that Voting Member following the meeting.

5. VOTING AND DECISION-MAKING AUTHORITY

Four (4) Voting Members are required for a quorum. Proxies are included in the determination of a quorum. In the absence of a quorum, the meeting may continue at the Chair's discretion. However, any formal decisions (relating to the expenditure of contingency or other requests requiring approval) will need to be deferred.

Decisions regarding the release of contingency require at least four (4) Voting Members to support the request.

Decisions made by the CSG regarding the release of contingency will guide the Executive Director, Strategic Reform and Planning Branch, who will formally approve and communicate the decisions made.

As per section 2.6 of the Combined Delegations Manual, the Executive Director, Strategic Reform and Planning Branch has delegated authority to issue allocation for capital works, provided there is no variance to the total project budget and it is within approved capital authorisation limits.

6. ATTENDEES AND GUESTS

The following table of attendees are welcome to attend the CSG, where items are relevant to them.

Attendees may be asked to limit their attendance to the discussion of items on which they are providing expert advice and support.

To ensure an appropriate balance of representation, the Chair may ask organisations to limit the number of attendees where there is already sufficient advice and support being provided.

Organisation	Attendee	Role in CSG
Ministry of Health - Finance and Asset Management	Executive Director, Financial Data Analytics, Reporting, and Governance	Advisory: Treasury/Budget
	Director, Treasury and Capital Reporting	Advisory: budget / centralised contingency
	Principal Financial Analyst, Treasury and Capital Reporting	Observer
	Director, Asset Management	Advisory: asset sales / asset management
Ministry of Health – Health System Strategy and Patient Experience	Director, Service and Capital Planning Unit	Advisory: budget / capital planning
	Principal Planning and Policy Officers, SCPU (as required)	Observer Advisory: contingency requests
	Senior Planning and Policy Officer, SCPU Principal Planning and Policy Officer, SCPU	Secretariat
Health Infrastructure	Chief Operating Officer	Advisory: governance/AusHFG
	Executive Directors (as required)	Advisory: contingency requests
	Director, Finance	Advisory: contingency declarations
	Executive Advisor	Observer
eHealth	Executive Director, Investment Strategy & Architecture	Advisory: ICT capital program
	Director, ICT Investment Management	Advisory: ICT strategy

The Chair may from time to time invite other individuals or groups to present to, or observe, meetings.

Where agreed by the Chair, members may invite guests to attend meetings to provide expert advice and support to a specific topic raised. A guest's attendance may be limited to the duration of discussion on that specific topic.

7. REPORTING AND COMMUNICATION

Meeting minutes

Draft meeting minutes will be circulated within ten (10) working days of the CSG meeting and will be endorsed at the next meeting.

Communication of decisions to Health Infrastructure

A memo must be prepared to the Chief Executive, Health Infrastructure after each CSG meeting to formally communicate the outcome of any requests made by Health Infrastructure (including, but not limited to, requests for the release of contingency funds).

This correspondence must be issued within ten (10) working days of the CSG meeting and include:

- the outcome of the CSG's decision, and
- a brief rationale for the decision.

The Executive Director, Strategic Reform and Planning Branch (as delegated decision-maker for the approval) must sign off on this correspondence.

Additional communication of decisions to Chief Executive/(s)

Where a request has not been approved, formal correspondence must be prepared for the relevant Chief Executive/(s) to:

- advise of the CSG's decision,
- outline the basis of the decision, and
- provide feedback, where relevant.

8. STANDING AGENDA ITEMS

- Welcome and Introductions
- Minutes and Actions
 - Endorsement of Minutes from previous meeting
 - Progress against Action Items
- Centralised Contingency Update
- Health Infrastructure
 - Update
 - Proposals seeking release of contingency
- eHealth
 - Contingency Update
- Asset Management
 - Update
 - Asset Sales Update
 - Projects seeking asset sales proceeds
- Health Capital Budget Update
- NSW Health 20-Year Health Infrastructure Strategy Update
- Project Documentation Update
- Other Business

9. SECRETARIAT

Secretariat support for the CSG will be provided by the Service and Capital Planning Unit, Strategic Reform and Planning Branch, NSW Ministry of Health.

Responsibilities of the Secretariat include:

- Preparing agenda and coordinating papers in consultation with the Chair,
- Preparing the meeting schedule, and
- Recording and maintaining meeting records (minutes), including decisions and actions.

The Secretariat may be contacted at MoH-SCPU@health.nsw.gov.au

10. MEETING PAPERS

Proposals seeking release of contingency and other agenda papers requiring CSG consideration must be forwarded to the Secretariat ten (10) working days prior to the meeting.

The agenda and meeting papers will be emailed to Members with all relevant attachments at least one (1) week prior to the CSG meeting.

11. MEETING FREQUENCY

Meetings will be held on a bi-monthly basis.

12. OUT-OF-SESSION ITEMS

Urgent matters and other items raised during periods of peak activity in the capital planning cycle will be managed out-of-session via email correspondence.

The usual requirements apply to approval decisions that are made out-of-session, including:

- Voting requirements, with support required from at least three (3) voting members,
- Reporting and communication of decisions to Health Infrastructure and relevant Chief Executives/(s), as outlined above.

Any out-of-session decisions will be recorded in the papers and minutes for the following CSG meeting after the out-of-session decision was considered.

13. CONFIDENTIALITY

Members and attendees may receive information that is regarded as confidential. Members and attendees acknowledge their responsibility to maintain confidentiality and adhere to established practices and confidentiality provisions.