

Terms of Reference

Executive Risk Committee (ERC)



1. TITLE

Northern Sydney Local Health District Executive Risk Committee (ERC).

2. OBJECTIVE

The Committee is the peak management-level body regarding Enterprise Risk Management (ERM) and will advise the Chief Executive on the ERM program, management of NSLHD's Strategic Risk Register, and Operational Risk Registers by Facility/Service/Directorate.

3. RESPONSIBILITIES

3.1. The Committee will review:

- 3.1.1. The NSLHD risk appetite/tolerance prior to the Chief Executive presenting it to the Board and Board Audit & Risk Committee.
- 3.1.2. Risks associated with preparedness for accreditation.
- 3.1.3. Risks to be reported to the Ministry of Health; the District draft response to the six-monthly NSW Health Organisations-wide risk statements, potential system-wide risk notifications, and escalation of organisation-level risks outside risk tolerance.
- 3.1.4. On a quarterly basis; the NSLHD Strategic Risk Register, key operational risks of Facilities/Services focusing primarily on clinical areas, and extreme/high 'current' risks.
- 3.1.5. New and emerging risks, closed risks, and risks where the risk ratings have changed since the previous meeting.
- 3.1.6. Risks overdue for review.

3.2. The Committee will review registers for relevance and currency of risk information, paying particular attention to ensuring:

- 3.2.1. Risk statements are clear and concise.
- 3.2.2. Risk ratings are consistently applied from a whole-of-District perspective and Current Risk Ratings take into consideration the mitigating controls in place.
- 3.2.3. Risk treatment actions are identified where necessary and monitor progress on those actions within timeframes.
- 3.2.4. Evaluation of 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).

3.3. The Committee will also periodically review and direct the continuous improvement and integration of the ERM framework including:

- 3.3.1. Provide the NSLHD Board and Board Audit & Risk Committee (BARC) with assurance that processes are in place to proactively identify and manage risks to levels within agreed tolerances.

3.3.2. Annual review of District Enterprise Risk Management (ERM) framework for alignment with NSW Health Policy, effectiveness and continuous improvement.

3.3.3. Review of any recommendations for improvements made by the BARC or internal or external audit reviews.

3.3.4. Annual review of the progress against the NSLHD Risk Strategy and Plan.

3.3.5. Annual Risk Trend Statistics and Analysis review (reported to BARC).

3.4. The Committee will have the authority to:

3.4.1. Request revision or clarification of the risk information from relevant Directors/ General Managers.

3.4.2. Make recommendations to the Chief Executive regarding risks reported to the NSW Ministry of Health.

4. MEMBERSHIP

- Chief Executive NSLHD
- Chief Risk Officer NSLHD (Chairperson)
- Executive Director Operations NSLHD
- Medical Executive Director NSLHD
- Director Finance and Corporate Services NSLHD
- Director Clinical Governance and Patient Experience NSLHD
- Director Nursing & Midwifery NSLHD
- Director Office of the Chief Executive NSLHD
- Director People & Culture NSLHD
- Chief Digital Health Officer NSLHD & CCLHD
- General Manager, Northern Beaches Health Services
- Director Internal Audit NSLHD
- General Manager Royal North Shore Hospital
- General Manager Ryde Hospital
- General Manager Hornsby Ku-ring-gai Hospital
- General Manager Virtual Hospital
- Director Mental Health Drug and Alcohol
- Director Primary and Community Health

5. QUORUM

Quorum required is 50% of members plus one (i.e. 10 of 18), which is to include at least four (4) Tier 2 members. If the Chief Executive is not in attendance, the Chief Executive will be briefed out-of-session. Any approvals and/or recommendations arising from the meeting will be documented in the Minutes.

6. MEETING FREQUENCY

Six meetings per annum (noting additional meetings may be scheduled if required).

7. MEETING PAPERS

The agenda, draft minutes of the previous meeting, action list, and briefing papers should be distributed five days prior to the meeting.

8. STANDING REPORTS

In accordance with the Meeting Content Schedule for the relevant calendar year.

9. REPORTING UPWARD TO BOARD COMMITTEES

Minutes of the ERC meetings will be provided to the quarterly BARC.