Corporate Governance Attestation Statement

CENTRAL COAST LOCAL HEALTH DISTRICT

1 July 2021 to 30 June 2022

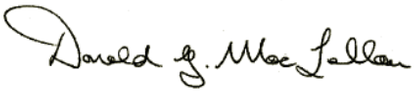
CORPORATE GOVERNANCE ATTESTATION STATEMENT
CENTRAL COAST LOCAL HEALTH DISTRICT

The following corporate governance attestation statement was endorsed by a resolution of the Central Coast Local Health District Board at its meeting on 3 August 2022.

The Board is responsible for the corporate governance practices of the Central Coast Local Health District. This statement sets out the main corporate governance practices in operation within the District for the 2021-22 financial year.

A signed copy of this statement is provided to the Ministry of Health by 31 August 2022.

Signed:



Professor Donald MacLellan

Chair Date 03/08/2022

Mr Scott McLachlan

Chief Executive Date 20/07/2022

Corporate Governance Attestation Statement

CENTRAL COAST LOCAL HEALTH DISTRICT

1 July 2021 to 30 June 2022

STANDARD 1: ESTABLISH ROBUST GOVERNANCE AND OVERSIGHT FRAMEWORKS

Role and function of the Board and Chief Executive

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

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

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

Board Meetings

For the period 1 July to 31 December 2021 there were 8 Board Members including the Board Chair and for the period 1 January 2022 to 30 June 2022 there were 10 Board Members including the Board Chair. The Board met eleven times during this period.

Authority and role of senior management

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

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

Regulatory responsibilities and compliance

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

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

STANDARD 2: ENSURING CLINICAL RESPONSIBILITIES ARE CLEARLY ALLOCATED AND UNDERSTOOD

The Board has in place frameworks and systems for measuring and routinely reporting on Clinical Governance and the safety and quality of care provided to the communities the District serves. These systems and activities reflect the principles, performance and reporting guidelines as detailed in NSW Health Policy Directive '*Patient Safety and Clinical Quality Program'* (PD2005_608).

The District has:

- Clear lines of accountability for clinical care which are regularly communicated to clinical staff and to staff who provide direct support to them. The authority of facility/network general managers is also clearly understood.
- Effective forums in place to facilitate the involvement of clinicians and other health staff in decision making at all levels of the District.
- A systematic process for the identification and management of clinical incidents and minimisation of risks to the District.
- An effective complaint management system for the District and complaint information is used to improve patient care.
- A Medical and Dental Appointments Advisory Committee to review the appointment or proposed appointment of all visiting practitioners and specialists. The Credentials Subcommittee provides advice to the Medical and Dental Appointment Advisory Committee on all matters concerning the clinical privileges of visiting practitioners or staff specialists.
- An Aboriginal Health Advisory Committee with clear lines of accountability for clinical and other health services delivered to Aboriginal people.
- Adopted the *Decision Making Framework for NSW Health Aboriginal Health Practitioners Undertaking Clinical Activities* to ensure that Aboriginal Health Practitioners are trained, competent, ready and supported to undertake clinical activities.
- Achieved appropriate accreditation of healthcare facilities and their services.
- Licensing and registration requirements which are checked and maintained.
- A Medical Staff Executive Council, at least two Medical Staff Councils and a Mental Health Medical Staff Council (or an alternative mechanism established in accordance with the Model By-Laws)
- A Hospital Clinical Council for each public hospital in the entity (where appropriate that Council may be a Joint Hospital Clinical Council covering more than one hospital).
- A Local Health District Clinical Council

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

Health services are required to be accredited to the National Safety and Quality Health Service (NSQHS) Standards under the Australian Health Service Safety and Quality Accreditation Scheme (the AHSSQA Scheme).

The District intends to submit an attestation statement confirming compliance with the NSQHS Standards for the 2021/22 financial year to their accrediting agency by 30 September 2022. The District submitted an attestation statement to the accrediting agency for the 2020/21 financial year.

STANDARD 3: SETTING THE STRATEGIC DIRECTION FOR THE ENTITY AND ITS SERVICES

The Board has in place strategic plans for the effective planning and delivery of its services to the communities and individuals served by the District. This process includes setting a strategic direction in a 3- to 5-year strategic plan for both the District and the services it provides within the overarching goals of the 2021/22 NSW Health Strategic Priorities.

District-wide planning processes and documentation is also in place, covering:

- Detailed plans linked to the Strategic Plan for the following:
  - Asset management
    - Asset management plan (AMP)
    - Strategic asset management plan (SAMP)
  - Information management and technology
  - Research and teaching
  - Workforce management
- Local Health Care Services Plan
- Corporate Governance Plan
- Aboriginal Health Action Plan

STANDARD 4: MONITORING FINANCIAL AND SERVICE DELIVERY PERFORMANCE

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

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

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

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

To this end, Board and Chief Executive certify that:

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

Service and Performance

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

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

The Finance and Performance Committee

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

The Finance and Performance Committee receives monthly reports that include:

- Financial performance of each major cost centre
- Subsidy availability
- The position of Restricted Financial Asset and Trust Funds
- Activity performance against indicators and targets in the performance agreement for the District

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

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

During the 2021-22 financial year, the Finance and Performance Committee was chaired by Mr Greg Healy – Board Deputy Chair and comprised of:

- Professor Donald MacLellan – Board Chair
- Mr Greg Flint – Board Member
- Mr Timothy Ebbeck – Board Member (from 01 January 2022)
- Mr Brad Astill – Acting Chief Executive (until 31 October 2021)
- Mr Steven Carr - Acting Chief Executive (between 01 November 2022 to 21 November 2022)
- Mr Scott McLachlan – Chief Executive Officer (from 22 November 2021)
- Mr Steven Carr – District Director, Asset Management, Finance and Procurement
- Ms Bronwyn Rumbel – Acting District Director, Asset Management, Finance and Procurement (between 01 November 2021 and 21 November 2021)
- Ms Kate Lyons – Executive Director – Operations (until 20 May 2022)
- Professor Steevie Chan – Acting Executive Director Operations (between 21 May 2022 and 14 June 2022)
- Ms Jenny Martin – Acting District Director, Community Wellbeing and Allied Health (from 14 June 2022)
- Mr Ron Pearson – Acting Executive Director, Acute Care Services (from 15 June 2022)
- Ms Fiona Wilkinson- District Director, Quality Strategy and Improvement

The Chief Executive and Director of Finance attended all meetings of the Finance and Performance Committee except where on approved leave.

STANDARD 5: MAINTAINING HIGH STANDARDS OF PROFESSIONAL AND ETHICAL CONDUCT

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

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

The District has implemented models of good practice that provide culturally safe work environments and health services through a continuous quality improvement model.

There are systems and processes in place and staff are aware of their obligations to protect vulnerable patients and clients – for example, children and those with a mental illness.

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

During the 2021-22 financial year, the Chief Executive reported one case to the Independent Commission Against Corruption.

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

During the 2021-22 financial year, the District reported four public interest disclosures.

The Board attests that the District has a fraud and corruption prevention program in place.

STANDARD 6: INVOLVING STAKEHOLDERS IN DECISIONS THAT AFFECT THEM

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

During the development of its policies, programs and strategies, the Entity considered the potential impacts on the health of Aboriginal people and, where appropriate, engaged with Aboriginal stakeholders to identify both positive and negative impacts and to address or mitigate any negative impacts for Aboriginal people.

Information on the key policies, plans and initiatives of the District and information on how to participate in their development are available to staff on the Intranet((http://intranet.cclhd.health.nsw.gov.au/Pages/default.aspx) and to the public at the District's internet page (https://www.cclhd.health.nsw.gov.au/) in the Patients & Visitors and Our Services pages.

The District has the following in place:

- A consumer and community engagement plan to facilitate broad input into the strategic policies and plans.
- A patient service charter established to identify the commitment to protecting the rights of patients in the health system.
- A Local Partnership Agreement with Aboriginal Community Controlled Health Services.
- Mechanisms to ensure privacy of personal and health information.
- An effective complaint management system.

STANDARD 7: ESTABLISHING SOUND AUDIT AND RISK MANAGEMENT PRACTICES

Role of the Board in relation to audit and risk management

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

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

The Plan covers all known risk areas including:

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

Audit and Risk Management Committee

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

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

The District completed and submitted an Internal Audit and Risk Management Attestation Statement for the 12-month period ending 30 June 2022 to the Ministry without exception.

The Audit and Risk Management Committee comprises three members of which three are independent and appointed from the NSW Government's Prequalification Scheme for Audit and Risk Committee Independent Chairs and Members.

QUALIFICATIONS TO THE GOVERNANCE ATTESTATION STATEMENT

Qualification 1

Standard 6 – The District has the following in place - A Local Partnership Agreement with Aboriginal Community Controlled Health Services and Aboriginal community services.

Qualification

The previous Collaborative Partnership Agreement between the District, Yerin Aboriginal Health Service and Hunter New England and Central Coast Primary Health Network for the period 2017-2020 expired in Oct 2020.

A new agreement is still being negotiated. This issue was qualified in the 2020/21 Corporate Governance Attestation.

Progress

A new Collaborative Partnership Agreement is yet to be finalised and signed by the parties. This has impacted the finalisation and issuing of a new Collaborative Aboriginal Health Plan 2021-2024 and new Diabetes Care on the Central Coast Plan.

Remedial Action

Central Coast Manager of Aboriginal Health and the Manager Organisational Programs has undertaken to progress the finalisation of the Partnership Agreement.

Qualification 2

Standard 3 - District -wide planning processes and documentation is also in place, covering – Aboriginal Health Action Plan.

Qualification

A final draft of the Collaborative Aboriginal Health Plan 2021-2024 has been developed and is currently on hold pending completion and negotiation of a new Partnership Agreement between the District, Yerin Aboriginal Health Service and Hunter New England and Central Coast Primary Health Network. The last Collaborative Aboriginal Health Plan and Partnership Agreement ended in 2020.

Progress

An updated Aboriginal Health Action Plan is being developed for approval and endorsement by the Partnership Agreement parties.

Remedial Action

Central Coast Manager of Aboriginal Health and the Manager Organisational Programs has undertaken to implement processes to maintain records of the number and quality of the AHIS completed.

Qualification 3

Standard 3 - The Board has in place strategic plans for the effective planning and delivery of its services to the communities and individuals served by the District. This process includes setting a strategic direction in a 3- to 5-year strategic plan for both the District and the services it provides within the overarching goals of the 2021/22 NSW Health Strategic Priorities.

Qualification

The Diabetes Care on the Central Coast 2017-2021 has expired. This is a plan focused on aboriginal health issued jointly between the District, Yerin Aboriginal Health Service and Hunter New England and Central Coast Primary Health Network. This plan is linked to the Partnership Agreement between the parties that is yet to be finalised.

Progress

An updated Diabetes Care on the Central Coast is being developed for approval and endorsement by the Partnership Agreement parties.

Remedial Action

Central Coast Manager of Aboriginal Health and the Manager Organisational Programs has undertaken to progress the development of the Diabetes Care on the Central Coast.

Qualification 4

Standard 6 - During the development of its policies, programs and strategies, the Entity considered the potential impacts on the health of Aboriginal people and, where appropriate, engaged with Aboriginal stakeholders to identify both positive and negative impacts and to address or mitigate any negative impacts for Aboriginal people.

Qualification

The Aboriginal Health Impact Statements Policy (PD2017_034) requires that the District is responsible for maintaining its own records in relation to the number and quality of Aboriginal Health Impact Statements (AHIS) completed.

The District does not maintain complete records regarding the number and quality of AHIS completed as required by the Policy. The Impact Statements are being completed and submitted to the Centre for Aboriginal Health during 2021/22.

Progress

New processes for the District management of AHIS are being developed.

Remedial Action

Central Coast Manager of Aboriginal Health and the Manager Organisational Programs has undertaken to implement processes to maintain records of the number and quality of the AHIS completed.

Qualification 5

Standard 2 - Adopted the Decision Making Framework for NSW Health Aboriginal Health Practitioners Undertaking Clinical Activities to ensure that Aboriginal Health Practitioners are trained, competent, ready and supported to undertake clinical activities.

Qualification

The role of the Aboriginal Health Practitioner in the LHD settings was covered in the Aboriginal Workforce Program 2017-2020 Plan which has expired.

Progress

A new Aboriginal Workforce Plan is in development and expected to be completed in September 2022.

Remedial Action

District Director, Workforce and Culture has undertaken to progress the finalisation of the Aboriginal Workforce Plan.

Signed:

Mr Scott McLachlan
Chief Executive Date 20/07/2022

Ms Karen Berry
Chief Audit Executive Date 11/07/2022