

Model Corporate Governance Attestation Statement

LOCAL HEALTH DISTRICTS AND SPECIALTY HEALTH NETWORKS

INSTRUCTIONS

Background

Public Health Organisations are required to complete an Annual Corporate Governance Attestation Statements as part of good corporate governance practice as referred by Central Agencies and External agencies like the Audit Office of NSW and as referred in the NSW Health Corporate Governance and Accountability Compendium.

Preparing your Organisation's Attestation Statement

Local Health Districts (LHDs) and Specialty Health Networks (SNs) are to use the text provided in the 'Model Corporate Governance Attestation Statement for LHDs and SNs' (attached) as the basis for their Corporate Governance Attestation Statement. Corporate Governance Attestation Statements report retrospectively by financial year.

The Corporate Governance Attestation Statement (including qualifications and any explanatory notes) should be:

- Prepared by the Chief Executive and tabled at the Audit and Risk Management Committee of the LHD/SN;
- endorsed by the Board and signed by the Board Chairperson;
- published in full on the LHD/SN Internet site, with a copy provided to the Corporate Governance and Risk Management Unit, Ministry of Health by 31 August 2020.

The Model Statement is designed to address requirements outlined within the NSW Health Corporate Governance and Accountability Compendium. Organisations must include within their Statement all information contained in the Model Statement as a minimum. Organisations may add information to the Statement as relevant to local needs in order to promote their governance activities to any stakeholders that may be interested in the content of the statement. Text requiring insertion or editing is identified as **blue** within the Model Statement.

Where an organisation has not implemented or met the requirements identified in the Model Statement, the supplied text may be edited to reflect the implementation status within the Organisation, and either explain within the Statement actions to be taken or, provide information to the Ministry of Health explaining the reasons why the requirement has not been met or implemented and actions proposed to rectify non-compliance.

Where information is not relevant to the business of the Organisation it may be removed. **DO NOT include the 'Instructions' section in your final version.** Appropriate working papers and records should be maintained to support the content included within the Statement, and for audit purposes.

The Statement may be 'desktop published' or otherwise redesigned to reflect the Organisation's preferred publication format. The Statement may also be redesigned in order to be published in full on the Internet, as long as the content of the Statement is not compromised.

For further information about the content of the Statement and its completion and submission, please contact the Director, Corporate Governance and Risk Management, Legal and Regulatory Services Branch, in the Ministry on (02) 9391 9654 or at MOH-CGRM@health.nsw.gov.au.

Model Corporate Governance Attestation Statement
LOCAL HEALTH DISTRICTS AND SPECIALTY HEALTH NETWORKS



This page is intentionally blank.

CORPORATE GOVERNANCE ATTESTATION STATEMENT
[INSERT ORGANISATION NAME]

The following corporate governance attestation statement was endorsed by a resolution of the South Eastern Sydney Local Health District Board at its meeting on 29 July 2020.

The Board is responsible for the corporate governance practices of the South Eastern Sydney Local Health District. This statement sets out the main corporate governance practices in operation within the South Eastern Sydney Local Health District for the 2019-20 financial year.

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

Signed:



Michael Still
Chair

29 / 07 / 2020
Date



Tobi Wilson
Chief Executive

6.8.20
Date

STANDARD 1: ESTABLISH ROBUST GOVERNANCE AND OVERSIGHT FRAMEWORKS

Role and function of the Board and Chief Executive

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

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

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

Board Meetings

For the 2019-20 financial year the Board consisted of a Chair (Michael Still) and 12 members appointed by the Minister for Health. The Board met 10 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 SESLHD.

The roles and responsibilities of the Chief Executive and other senior management within the SESLHD 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 SESLHD, including statutory reporting requirements.

The Board also has a mechanism in place to gain reasonable assurance that the SESLHD 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 SESLHD 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 SESLHD 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 SESLHD.
- A systematic process for the identification and management of clinical incidents and minimisation of risks to the SESLHD.
- An effective complaint management system for the SESLHD.
- A Medical and Dental Appointments Advisory Committee to review the appointment or proposed appointment of all visiting practitioners and specialists. The Credentials Subcommittee provides advice to the Medical and Dental Appointment Advisory Committee on all matters concerning the clinical privileges of visiting practitioners or staff specialists.
- An Aboriginal Health Advisory Committee with clear lines of accountability for clinical services delivered to Aboriginal people.
- Adopted the NSW Health *Decision Making Framework for Aboriginal Health Workers to Undertake Clinical Activities* to ensure that Aboriginal Health Workers are trained, competent, ready and supported to undertake clinical activities.
- Achieved appropriate accreditation of healthcare facilities and their services.

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

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

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

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

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

STANDARD 4: MONITORING FINANCIAL AND SERVICE DELIVERY PERFORMANCE

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

The SESLHD 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 SESLHD 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 SESLHD, 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 SESLHD'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 SESLHD.
- 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 SESLHD.

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 SESLHD 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 Special Purpose and Trust Funds
- Activity performance against indicators and targets in the performance agreement for the SESLHD

- Advice on the achievement of strategic priorities identified in the performance agreement for the SESLHD
- 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 2019-20 financial year, the Finance and Performance Committee was chaired by Jonathan Doy, SESLHD Board Member and comprised of:

- Michael Still, Board Chair
- Elli Baker, Board Member
- Neville Mitchell, Board Member

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

STANDARD 5: MAINTAINING HIGH STANDARDS OF PROFESSIONAL AND ETHICAL CONDUCT

The SESLHD 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 SESLHD's learning and development strategy.

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

During the 2019-20 financial year, the Chief Executive reported 2 cases to the Independent Commission Against Corruption.

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

During the 2019-20 financial year, the SESLHD reported 2 public interest disclosures.

STANDARD 6: INVOLVING STAKEHOLDERS IN DECISIONS THAT AFFECT THEM

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

SESLHD has a Community Partnerships portfolio which is responsible for providing leadership and coordinated support for giving our consumers, carers, volunteers and community members a stronger voice across SESLHD so we meet the needs now and into the future.

SESLHD is keen for community members to have more control over the decisions being made concerning their health and wellbeing and to be involved in other activities to ensure accountability across the system.

A range of community participation and engagement approaches are used to maximize the opportunities for genuine engagement and consultation with our diverse community. For example, we have formed a District Community Partnership Committee, which reports to the Board. The purpose of this Committee is to ensure SESLHD has a coordinated and comprehensive approach to partnering and engaging with individuals, local communities and with external agencies.

Our hospitals and community health services also have local Community Advisory Committees.

These Committees include:

- Prince of Wales and Sydney/Sydney Eye Hospitals and Health Services
- Royal Hospital for Women
- St George Hospital and Health Services
- Sutherland Hospital and Health Services

A range of other community/stakeholder advisory committees are in place across SESLHD to provide local communities with a voice. These include, but are not limited to, people living with mental illness, hepatitis C and HIV, the Sydney Metropolitan Local Aboriginal Health Partnership and the Multicultural Health Stakeholder Advisory Committee.

In addition, SESLHD has established a District Community and Consumer Council (CCC) to provide advice to SESLHD's peak committees on strategies and approaches to enhance and promote consumer, carer and community participation.

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

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 SESLHD 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 SESLHD, and through the Audit and Risk Management Committee ensures that audit recommendations and recommendations from related external review bodies are implemented.

The SESLHD 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 Committee

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

- to assess and enhance the SESLHD'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 SESLHD's financial reporting, safeguarding of assets, and compliance with the SESLHD's responsibilities, regulatory requirements, policies and procedures
- to oversee and enhance the quality and effectiveness of the SESLHD'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 SESLHD'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 SESLHD

The SESLHD completed and submitted an Internal Audit and Risk Management Attestation Statement for the 12-month period ending 30 June 2020 to the Ministry without exception.

The Audit and Risk Management Committee comprises 4 members, all appointed from the NSW Government's Prequalification Scheme for Audit and Risk Committee Independent Chairs and Members.

QUALIFICATIONS TO THE GOVERNANCE ATTESTATION STATEMENT

Item:

Qualification

Nil