

DT23/60979

**CORPORATE GOVERNANCE ATTESTATION STATEMENT**  
**ILLAWARRA SHOALHAVEN LOCAL HEALTH DISTRICT**

The following corporate governance attestation statement was endorsed by a resolution of the Illawarra Shoalhaven Local Health District Board at its meeting on 28 August 2023.

The Board is responsible for the corporate governance practices of the Illawarra Shoalhaven Local Health District. This statement sets out the main corporate governance practices in operation within the District for the 2022-23 financial year.

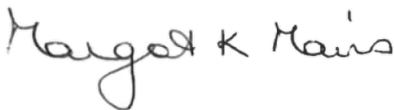
A signed copy of this statement is provided to the Ministry of Health by 31 August 2023.

Signed:



Chris Bertinshaw  
Chair

Date: 28 August 2023



Margot Mains  
Chief Executive

Date: 28 August 2023

---

## **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 2022-23 financial year (July 22 to Dec 22) the Board consisted of a Chair and 10 members appointed by the Minister for Health.

For the 2022-23 financial year (Jan 23 to June 23) the Board consisted of a Chair and 11 members appointed by the Minister for Health.

The Board met 6 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.
- Medical Staff Executive Council at Wollongong and Shoalhaven hospitals, and a Mental Health Service Medical Staff Council.
- A Hospital Clinical Council for each public hospital in the entity. As staff work across multiple sites there are combined Clinical Councils that invite all to attend. These Clinical Councils target current issues and aim to engage clinicians across all hospitals. They are also attended by Hospital and District Executive.
- A Local Health District Clinical Governance 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 2022/23 financial year to their accrediting agency by 30 September 2023. The District submitted an attestation statement to the accrediting agency for the 2021/22 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 2022/23 NSW Health Strategic Priorities.

District planning processes and documentation are also in place which have been cascaded through the organisation in a structured approach such as:

- Health Care Services Plan
- Strategic Delivery Plan for Illawarra Shoalhaven Local Health District
- District Annual Plan
- Clinical Governance Framework
- Aboriginal Health Strategy
- eHealth / ICT Strategic Plan
- Partnering with Consumers Framework
- Workforce Planning Framework
- Asset Management Strategic Plan
- Finance Directorate Business Plan (Including Corporate Governance and Risk Management)
- Financial Sustainability Program
- Medical and Health Research Strategy and Implementation 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 Workforce 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 & Workforce 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 Workforce 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 Workforce 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 Workforce 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.

## Corporate Governance Attestation Statement

### ILLAWARRA SHOALHAVEN LOCAL HEALTH DISTRICT

1 July 2022 to 30 June 2023

---



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 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 Workforce Performance Committee.

During the 2022-23 financial year, the Finance and Workforce Performance Committee was chaired by Janine Cullen, Board Member and comprised of:

- Janine Cullen, Board Member (Chair)
- Alan Hudson, Board Member
- David Campbell, Board Member
- Nick Mitrevski, Board Member

The Finance and Workforce Performance Committee has an agreed annual schedule of meetings and work program. This schedule is part of the governance calendar for the full Board, with regular reporting going from the Committee to the Board. The Chief Executive attends all meetings of the Finance and Workforce Performance Committee. The Director of Internal Audit is also an attendee.

---

## **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. ISLHD has implemented a range of initiatives to ensure culturally safe work environments, these include the:

- CORE Living Initiative - Committed to the CORE values and outlines how staff can live the values every day.
- Speak Up Program - Encourages staff to speak up about unacceptable workplace behaviours and provides a framework and process to assess and manage these concerns as well as provide support to staff and ensure they feel safe in raising issues.
- Wellbeing Monthly Topics - Each month a new health and/or safety area is explored for all managers and staff.
- People at Work Survey is currently being implemented to assess psychosocial risk factors at a local level and further strengthen the districts strategy for safety and culture improvement.

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 2022-23 financial year, the Chief Executive reported 7 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 District in accordance with state policy and legislation, including establishing reporting channels and evaluating the management of disclosures.

During the 2022-23 financial year, the District reported 3 public interest disclosures.

The Board attests that the District has a fraud and corruption prevention program in place. The Fraud and Corruption Prevention Framework ensures fraud risk assessments are conducted, and a Strategy and Action Plan is 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 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 District 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.

The District's Partnering with Consumers Framework provides the structure in place to facilitate the input of consumers into policies, plans and initiatives of the organisation. Extensive community consultation from business and local communities occurred in the development of the current ISLHD Health Care Services Plan as well as having community representatives as members of the District Clinical Governance Council and National Standards Committees. The District's Patient Information Portal process provides extensive involvement of community on an ongoing basis.

Examples of the District engaging consumers and service providers in strategic initiatives include the Way-Finding Program (providing consumer feedback enabling practical ways on how we can improve our signage and navigation throughout our sites and services), My Care Boards (supporting communication and shared decision-making between staff, patients, their families and carers) and in Policy Document Development (where selected clinical policy documents are evaluated by a minimum of 2 consumers prior to endorsement).

All mental health consumers are invited to participate in the multidisciplinary team clinical review and discharge any planning meetings. Relevant family members or nominated carers are also invited to participate in these reviews. Mental health consumers also have an individualised care and risk management plan, developed with input provided by the consumer themselves or relevant family members.

The Partnering with Consumers internet site contains resources and information on how the public can participate in the development of key policies, plans and initiatives of the district.  
<https://www.islhd.health.nsw.gov.au/get-involved/partnering-consumers>.

The District has a Communications Plan for the Health Care Services Plan to keep the community informed about the future direction of health care services.

Information on the key policies, plans and initiatives of the District and information on how to participate in their development are available to staff and to the public on the ISLHD internet site: <https://www.health.nsw.gov.au>. Processes are underway to ensure all new and revised clinical policies are written in plain English to assist the wider community's understanding of such policies.

The District's key policies are also available to staff on the ISLHD intranet site: <http://islhdweb.islhd.health.nsw.gov.au>. There are well established processes in place for staff to be involved in the development of policies and initiatives of the organisation.



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 Committee**

The Board has established an Audit and Risk 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 2023 to the Ministry without exception.

## Corporate Governance Attestation Statement

ILLAWARRA SHOALHAVEN LOCAL HEALTH DISTRICT

1 July 2022 to 30 June 2023

---



In the first half of the 2022/23 financial year the ISLHD ARC consisted of four members all appointed from the prequalification scheme. Since December 2022, the ISLHD Audit and Risk Management Committee has comprised of five 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**

**Progress**

**Remedial Action**

---

Signed:

Margot Mains  
Chief Executive

Date

Gordana Trajcevski  
Chief Audit Executive

Date