

Corporate Governance Attestation Statement for

**Health Infrastructure ABN 89 600 377 397
(an administrative unit of the
Health Administration Corporation)**

For the year ended 30 June 2021

Corporate Governance Attestation Statement

HEALTH INFRASTRUCTURE

1 July 2020 to 30 June 2021



**CORPORATE GOVERNANCE ATTESTATION STATEMENT
HEALTH INFRASTRUCTURE**

The following corporate governance attestation statement was endorsed by the Chief Executive of Health Infrastructure on 31 August 2021.

The Chief Executive is responsible for the corporate governance practices of Health Infrastructure. This statement sets out the main corporate governance practices in operation within the organisation for the 2020-21 financial year.

A signed copy of this statement is provided to the Ministry of Health by 31 August 2021.

Signed:

A handwritten signature in blue ink, appearing to read "RWark".

Rebecca Wark

Chief Executive

Date: 31 August 2021

STANDARD 1: ESTABLISH ROBUST GOVERNANCE AND OVERSIGHT FRAMEWORKS

Role and function of the Chief Executive

The Chief Executive carries out the Office's functions, responsibilities and obligations in accordance with the *Health Services Act 1997*, *Government Sector Employment Act 2013* and the determination of function for the organisation as approved by the Minister for Health.

The Chief Executive has in place practices that ensure that the primary governing responsibilities are fulfilled in relation to:

- Ensuring corporate governance responsibilities are clearly allocated and understood
- Setting the strategic direction for the organisation 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.

Authority and role of senior management

All financial and administrative authorities that have been appropriately delegated by the Chief Executive are formally documented within a Delegations Manual for the Organisation.

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

Regulatory responsibilities and compliance

The Chief Executive 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 Organisation, including statutory reporting requirements.

The Chief Executive also has a mechanism in place to gain reasonable assurance that the Organisation 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

Health Infrastructure does not provide clinical services.

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

The Chief Executive has in place strategic plans for the effective planning and delivery of its services to the communities and individuals served by the Organisation.

This process includes setting a strategic direction in a 4-year Corporate Strategy for both the Organisation and the services it provides within the overarching goals of the NSW Health Strategic Priorities.

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

- Asset management (planning future-focussed infrastructure)

- Information management and technology (enabling business efficiencies and supporting NSW Health's digital health strategies in infrastructure planning)
- Research and teaching (supporting and harnessing research and innovation)
- Workforce management (supporting an developing our workforce.

STANDARD 4: MONITORING FINANCIAL AND SERVICE DELIVERY PERFORMANCE

Role of the Chief Executive in relation to financial management and service delivery

The Chief Executive 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 also responsible for ensuring that the financial and performance reports it receives and those submitted to its Finance and Performance Committee (the Project Review Committee) and the Ministry of Health are accurate and that relevant internal controls for the organisation are in place.

To this end, the Chief Executive certifies that:

- The financial reports submitted to the Project Review Committee and the Ministry of Health represent a true and fair view, in all material respects, of the Organisation'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 Project Review Committee of the organisation.
- Information reported in the Ministry of Health monthly reports reconciles to and is consistent with reports to the Project Review 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 Statement of Service was in place during the financial year between the Organisation and the Secretary, NSW Health, and performance agreements between the Secretary and the Chief Executive, and the Chief Executive and all Health Executive Service Members employed within the organisation.

The Chief Executive has mechanisms in place to monitor the progress of matters contained within the Statement of Service.

Project Review Committee

The Chief Executive has established a Project Review Committee to assist the Chief Executive in ensuring that the capital program funds, resource utilisation and service outputs required of the organisation are being managed in an appropriate and efficient manner.

The Project Review Committee receives regular reports that include:

- Financial performance of each capital project including subsidy available.
- Procurement and tender reporting.

- Activity performance against indicators and targets set by the Executive Steering Committee of each capital project, including program and cost reporting against budgets.
- Year to date and end of year projections on capital works and private sector initiatives (if private sector initiatives are relevant).
- Assurance and compliance reviews including Infrastructure NSW Gateway Reviews.
- Advice on the achievement of relevant strategic priorities identified in the performance agreement for the organisation.

During the 2020-21 financial year, the Project Review Committee was chaired by Mr John Barraclough (Health Infrastructure Board member) to February 2021 (date of John Barraclough retirement) and Mr John Roach (Health Infrastructure Board member) from March 2021 to June 2021 and comprised of:

- Chief Executive
- Executive Directors
- Director of Finance
- Other Directors by invitation.

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

STANDARD 5: MAINTAINING HIGH STANDARDS OF PROFESSIONAL AND ETHICAL CONDUCT

The Chief Executive 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 Chief Executive has systems and processes in place to ensure the Code is periodically reinforced for all existing staff. Ethics education is also part of the organisation's learning and development strategy.

The Chief Executive 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 2020-21 financial year, the Chief Executive reported zero 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 organisation in accordance with state policy and legislation, including establishing reporting channels and evaluating the management of disclosures.

During the 2020-21 financial year, the Organisation reported zero public interest disclosures.

The Chief Executive attests that the Organisation has a fraud and corruption prevention program in place.

STANDARD 6: INVOLVING STAKEHOLDERS IN DECISIONS THAT AFFECT THEM

The Chief Executive is responsible for ensuring that the rights and interests of the Organisation's key stakeholders are incorporated into the plans of the organisation and that they are provided access to balanced and understandable information about the organisation and its proposals.

Health Infrastructure has a standard Project Governance Structure that is applied to all projects across the capital program. This includes project committees comprising executives of key stakeholder organisations, as well as clinicians, staff, patients, carers and members of the community. This governance provides a collaborative platform for key stakeholders to be informed of project progress and provide key inputs to inform the direction of project planning, design and delivery.

Information on the key policies, plans and initiatives of the Organisation and information on how to participate in their development are available to staff and to the public at www.hinfra.health.nsw.gov.au.

STANDARD 7: ESTABLISHING SOUND AUDIT AND RISK MANAGEMENT PRACTICES

Role of the Chief Executive in relation to audit and risk management

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

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

The Plan covers all known risk areas including:

- Leadership and management
- Reputational risks
- Finance (including fraud prevention)
- Communication and information
- Workforce
- Legal
- Work health and safety
- Environmental
- Emergency management
- Community expectations

Audit and Risk Management Committee

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

- to assess and enhance the organisation'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 Organisation's financial reporting, safeguarding of assets, and compliance with the Organisation's responsibilities, regulatory requirements, policies and procedures

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- to oversee and enhance the quality and effectiveness of the Organisation'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 Chief Executive to deliver the Organisation'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 organisation.

The Organisation completed and submitted an Internal Audit and Risk Management Attestation Statement for the 12-month period ended 30 June 2021 to the Ministry with one exception. This exception outlined the requirement for an external review of the internal audit function, which was carried out during August 2021 to resolve this exception.

The Audit and Risk Management Committee comprises four members of which three are independent and appointed from the NSW Government's Prequalification Scheme for Audit and Risk Committee Independent Chairs and Members. The fourth is a member of the Health Infrastructure Board.

QUALIFICATIONS TO THE GOVERNANCE ATTESTATION STATEMENT

As identified in its Internal Audit and Risk Attestation Statement, Health Infrastructure did not perform an internal quality assurance review of internal audit function within the previous 12 months or perform an external quality assessment within the previous 5 years. Both an internal quality assurance review and external quality assessment of the internal audit function were undertaken during August 2021 to resolve this exemption. Reports from both internal and external quality assessments will be included in the papers for the Audit and Risk Committee meeting of 8 September 2021.

Signed:

A handwritten signature in blue ink, appearing to read "RWark".

Rebecca Wark
Chief Executive

Date 31 August 2021

A handwritten signature in blue ink, appearing to read "David Ryan".

David Ryan
Chief Audit Executive

Date 31 August 2021