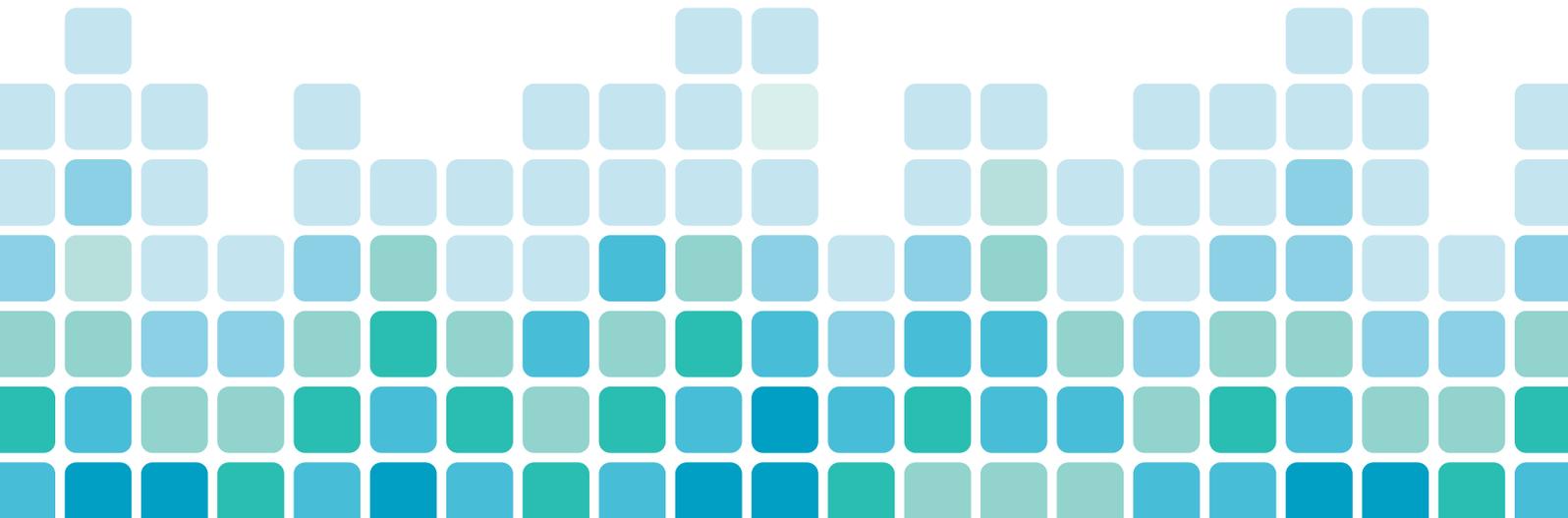


Corporate Governance Attestation Statement

Financial Year
2011–12



Corporate Governance Attestation Statement Financial Year 2011–12

The following corporate governance attestation statement was endorsed by a resolution of the Bureau of Health Information Board at its meeting on 20 August 2012.

The Board is responsible for the corporate governance practices of the Bureau of Health Information. This statement sets out the main corporate governance practices in operation within the Bureau for the 2011–12 financial year.

A signed copy of this statement was provided to the Ministry of Health prior to 31 August 2012.



Professor Bruce Armstrong AM

Chairperson

20 August 2012



Kim Browne

A/Chief Executive

20 August 2012

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Establish robust governance and oversight frameworks

Role and function of the Board

The Board of the Bureau of Health Information (the Board) carries out its functions, responsibilities and obligations in accordance with the *Health Services Act 1997* and the determination of function for the Bureau as approved by the Minister for Health.

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

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

Board meetings

For the 2011–12 financial year, the Board consisted of a Chair and five members appointed by the Minister for Health, and the Chief Executive Officer as an ex-officio member. The Board met eight times during this period. The term of appointment for Mr Andrew Goodsall and Professor Mohamed Khadra commenced on 6 February 2012.

Authority and role of senior management

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

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

The Board also has a mechanism in place to gain reasonable assurance that the Bureau 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.

1. Ensuring clinical and corporate governance responsibilities are clearly allocated and understood

This is not applicable to the Bureau as the organisation does not deliver health services, nor employs any registered health professional and as such does not report on any healthcare services or instances of healthcare professional misconduct.

2. Setting the strategic direction for the Bureau 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 Bureau. This process includes setting a strategic direction for both the Bureau and the services it provides.

Organisation-wide planning processes and documentation is also in place, with a 3 to 5 year horizon, covering:

- Asset management
- Information management and technology
- Research and teaching
- Workforce development.

3. Monitoring financial and service delivery performance

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

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

The Board is also responsible for ensuring that the financial and performance reports it receives and those submitted to its Finance and Performance Committee and the Ministry of Health are accurate and that relevant internal controls for the Bureau are in place. To this end, the Board certifies that:

- The financial reports submitted to the Finance and Performance Committee and the Ministry of Health represent a true and fair view, in all material respects, of the Bureau'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 organisation units and cost centres.
- Overall financial performance is monitored and reported to the Finance and Performance Committee of the Bureau.
- 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.
- Creditor levels comply with Ministry of Health requirements.
- Write-offs of debtors have been approved by duly authorised delegated officers.
- The Public Health Organisation General Fund has not exceeded the Ministry of Health approved net cost of services allocation.
- The Bureau did not incur any unfunded liabilities during the financial year.
- The Manager, Corporate Services and Chief Finance Officer have reviewed the internal liquidity management controls and practices and they comply with Ministry of Health requirements.

The Internal Auditor has reviewed the above during the financial year.

Service and performance agreements

A written service agreement was in place during the financial year between the Board and the Director-General, 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 Bureau.

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 ensure that the operating funds, capital works funds and service outputs required of the Bureau are being managed in an appropriate and efficient manner.

The Finance and Performance Committee is chaired by Professor Bruce Armstrong AM, Chairperson of the Board and comprises all members of the Board. The Chief Executive attends all meetings of the Finance and Performance Committee unless on approved leave.

The Finance and Performance Committee receives bi-monthly reports that include:

- Financial performance of each major cost centre
- Liquidity performance
- Activity performance against indicators and targets in the performance agreement for the Bureau
- Advice on the achievement of strategic priorities identified in the performance agreement for the Bureau.

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.

4. Maintaining high standards of professional and ethical conduct

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

The Code of Conduct is distributed to 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 Bureau's learning and development strategy.

The Chief Executive, as the principal officer for the Bureau, will report all known cases of corrupt conduct, where there is a reasonable belief that corrupt conduct has occurred, to the Independent Commission Against Corruption, and will provide a copy of those reports to the Ministry of Health.

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

5. Involving stakeholders in decisions that affect them

The Board is responsible for ensuring that the rights and interests of its key stakeholders are considered when formulating the plans of the Bureau and that they are given access to balanced and understandable information about the Bureau and its proposals. We work to ensure that key stakeholders are represented on our advisory committees or in peer review processes.

During 2011–12, the Chief Executive formed advisory committees and/or engaged in peer review that included representatives of stakeholders. These advisory committees were:

- Annual Performance Report peer reviewers – to advise the Bureau on the content of products, in particular *Healthcare in Focus 2011*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Emergency Care Advisory Committee and peer reviewers – to advise the Bureau on the creation and content of public reports and products, in particular *Hospital Quarterly*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Elective Surgery peer reviewers – to advise the Bureau on the content of public reports and products, in particular *Hospital Quarterly*, that are informative to the community, optimally address needs for information among health care professionals, and offer a fair representation of health system performance.
- The Chronic Disease Care Advisory Committee and peer reviewers – to advise both the Bureau and Agency for Clinical Innovation on the creation and content of the second report in the series, *Chronic Disease Care: Another piece of the picture*, showing recurrent admissions, readmissions and high-frequency users of hospital services among patients with chronic obstructive pulmonary disease (COPD) and congestive heart failure (CHF).
- Ad hoc committees and peer reviewers for healthcare performance data – to provide advice to the Bureau on the contents of its reports.

Prior to the release of each report, the Bureau informs key stakeholders about the findings and estimated dates of release of the reports.

The community, including stakeholders, can readily access public information relating to the Bureau's performance reports and activities including research on its website www.bhi.nsw.gov.au

During 2011–12, the Board conducted a survey of external and internal stakeholders to assess the performance of the Bureau as a whole after two years in existence. Overall, the findings were very positive for the Bureau. These findings were used to inform future planning for the Bureau.

6. 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 Bureau and its facilities and units, including the Bureau's system of internal control. The Board receives and considers all reports of the External and Internal Auditors for the Bureau, and through the Audit and Risk Management Committee ensures that audit recommendations and recommendations from related external review bodies are implemented.

The Bureau has a current Risk Management Plan. The plan covers all known risk areas including:

- Leadership and management
- Finance (including fraud prevention)
- Information management
- Workforce
- Security and safety
- Facilities and asset management
- Emergency and disaster planning
- 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 Bureau'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 Bureau's financial reporting, safeguarding of assets, and compliance with the Bureau's responsibilities, regulatory requirements, policies and procedures.
- To oversee and enhance the quality and effectiveness of the Bureau'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 Bureau'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 Bureau.

The Audit and Risk Management Committee comprises three members, including two persons who are not employees of, or contracted to, provide services to the Bureau.

The Chairperson of the Audit and Risk Management Committee is Mr Allan Cook who is one of the independent members of the committee. The other members of the committee are Ms Gerry Brus (independent member), Mrs Liz Rummery AM (Board member) and the Bureau's Chief Executive Officer. The Audit and Risk Management Committee met on seven occasions during the financial year.

The Chairperson of the committee has right of access to the Director-General of the NSW Ministry of Health.