

1 About NSW Health

1.1 Governance and Management of the NSW Public Health System

1.1.1 Key Health Legislation

1.1.1.1 *The Health Services Act 1997* is the principal Act regulating the governance and management of the public health system in NSW. The Act establishes the NSW public health system as comprising:

- local health districts;
- statutory health corporations, including board, chief executive and network governed statutory health corporations;
- affiliated health organisations (with respect to their recognised services); and
- the Secretary, NSW Health with respect to ambulance services and other services to support the public health system.

The terms 'NSW public health system' and 'NSW Health' are used interchangeably throughout this compendium to refer to the NSW public health system as a whole.

Local health districts, statutory health corporations, and affiliated health organisations (with respect to their recognised services) are referred to collectively under the *Health Services Act 1997* as **public health organisations**.

1.1.1.2 *The Health Administration Act 1982* sets out the broad roles of the Minister and Secretary, NSW Health in relation to the health portfolio generally.

1.1.2 Role of the Minister for Health and Minister for Regional Health

The Minister for Health is the Health Cluster Minister (the Health Minister) and has power and functions relating to the public health system under a number of Health acts, including the *Health Administration Act 1982*, *Health Services Act 1997* and the *Public Health Act 1991*.

The Minister for Regional Health has joint administration for all Acts listed for the Minister for Health.

Under the *Health Services Act 1997*, the Health Minister's role includes:

- appointing the chairs and members of local health district, specialty network and statutory health corporation boards;
- determining the amounts of monies to be paid from consolidated funds to public health organisations;
- fixing scales of fees for hospital services and other health services that are received from public health organisations; and
- determining additional functions for statutory health corporations.

The Minister for Health powers and functions arise under several health laws including the *Health Administration Act 1982*

The Health Minister also has powers and functions under the *Health Administration Act 1982*.

These include:

- formulating general policies for the purpose of promoting, protecting, developing, maintaining and improving the health and well-being of the people of New South Wales;
- providing, operating and maintaining health services, as well as, where necessary, improving and extending services; and
- arranging for the construction of any buildings or works necessary for, or in connection with, health services.

1.1.3 Role of the Minister for Mental Health

The Minister for Mental Health has functions relating to the public health system and responsibilities relating to the NSW Mental Health Commission, the Mental Health Review Tribunal and the Mental Health Official Visitors Program, as well as the statewide policy agenda for the mental health portfolio. The Minister for Mental Health has joint administration for all Acts listed for the Minister for Health.

The Mental Health Reform aims to shift the focus of mental health care from hospitals to the community. The Minister is committed to delivering person centred care and support for people in NSW living with mental health issues, their families and their carers.

1.1.4 Role of the Minister for Medical Research

The Minister for Medical Research has responsibilities for medical research and innovation in NSW.

The Minister is supported by the Clinical Innovation and Research Division within the Ministry of Health which provides a central point for co-ordination and strategy setting, to drive a statewide focus on research and innovation priorities. The Division has brought together the Agency for Clinical Innovation and the Office for Health and Medical Research.

1.1.5 Role of the Secretary, NSW Health

The Secretary, NSW Health has a range of powers and functions under the *Health Administration Act 1982*, the *Health Services Act 1997* and other legislation such as the *Public Health Act 1991* and the *Government Sector Employment Act 2013*.

Under the *Health Administration Act 1982*, the Secretary, NSW Health powers and functions include:

- to initiate, promote, commission and undertake surveys and investigations into the health needs of the people of New South Wales, the resources of the State available to meet those needs, and
- the methods by which those needs should be met,
- to inquire into the nature, extent and standards of the health services, facilities and personnel required to meet the health needs of the people of New South Wales and to determine the cost of meeting those needs,
- to plan the provision of comprehensive, balanced and co-ordinated health services throughout New South Wales,
- to formulate the programs and methods by which the health needs of the people of New South Wales may be met,
- to undertake, promote and encourage research in relation to any health service,
- to promote and facilitate the provision of the professional, technical or other education or training of any persons employed or to be employed in the provision of any health service.

The Health Administration Act 1982 and the Health Services Act 1997 sets out the powers and functions of the Secretary of the Ministry of Health

Under the *Health Services Act 1997* the Secretary, NSW Health functions and powers include:

- facilitating the achievement and maintenance of adequate standards of care;
- facilitating the efficient and economic operation of the public health system;
- providing governance, oversight and control of the public health system;
- making recommendations to the Minister as to monies to be paid to public health organisations out of consolidated funds;
- entering into performance agreements with public health organisations and setting performance targets and reporting requirements;
- inquiring into the administration, management and services of public health organisations;
- providing services to support the public health system and enable co-ordinated provision of health services across the State;
- giving directions to local health districts and statutory health corporations to ensure that they meet their statutory and financial obligations; and
- being the employer of staff in the NSW Health Service and Health Executive Service.

1.1.5.1 The Ministry of Health

The NSW Ministry of Health supports the executive and statutory roles of the Health Cluster and Portfolio Ministers. It undertakes regulatory functions, public health functions (disease surveillance, control and prevention) and public health system manager functions in statewide planning, purchasing and performance monitoring and support of health services.

The Ministry of Health also has the role of ‘system manager’ in relation to the NSW public health system, which operates more than 220 public hospitals, as well as providing community health and other public health services, for the NSW community through a network of local health districts, specialty networks and non-government affiliated health organisations, known collectively as NSW Health.

The Ministry consists of eight divisions:

- Population and Public Health
- Financial Services and Asset Management
- People, Culture and Governance
- Health System Strategy and Patient Experience
- System Sustainability and Performance
- Regional Health
- Clinical Innovation and Research
- State Health Services

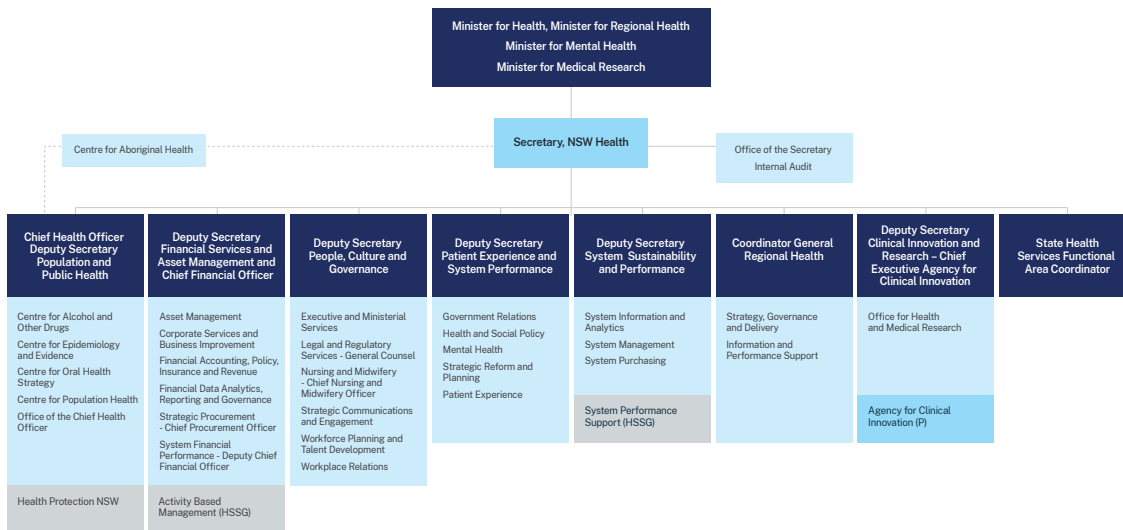
1.1.5.2 Services provided by the Health Administration Corporation

Under the *Health Administration Act 1982*, the Secretary is given corporate status as the Health Administration Corporation for the purpose of exercising certain statutory functions. The Health Administration Corporation is used as the statutory vehicle to provide ambulance services and support services to the public health system, public health organisations and the public hospitals they control. A number of entities have been established under the Health Administration Corporation to provide these functions including:

- **Ambulance Service of NSW** is responsible for the delivery of front line out-of-hospital care, medical retrieval and health related transport to people in NSW as set out in Chapter 5A of the *Health Services Act 1997*.
Website: <http://www.ambulance.nsw.gov.au/>

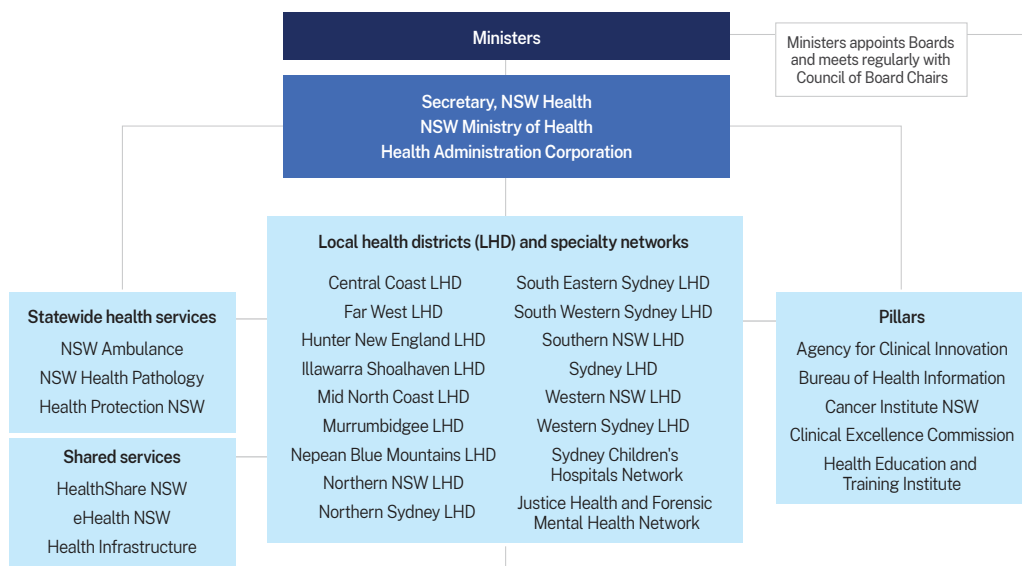
- **HealthShare NSW** delivers efficient support services for NSW Health through the provision of food and linen services and the supply of disability services and equipment. Website: <http://www.healthshare.nsw.gov.au>
- **eHealth NSW** provides statewide leadership on the shape, delivery and management of ICT-led healthcare introducing new ways of managing health information and the delivery of healthcare online, making it more accessible. Website: <http://www.ehealth.nsw.gov.au/>
- **Health Infrastructure** manages and coordinates approved major Health capital works projects, and provides capital project delivery support services to public health organisations. Website: <http://www.hinfra.health.nsw.gov.au/>
- **NSW Health Pathology** is a clinically integrated statewide service that provides specialist diagnostic and disease monitoring pathology services, and forensic and analytical science services to the NSW health and justice systems. Website: <http://www.pathology.health.nsw.gov.au/>

Please refer to the organisational diagram for the NSW Ministry of Health



Source: <http://www.health.nsw.gov.au/about/ministry/pages/chart.aspx>

Organisations in the NSW Public Health System



Source: <http://www.health.nsw.gov.au/about/nswhealth/pages/chart.aspx>

1.2 Local Health Districts

1.2.1 Local Health Districts

Fifteen Local Health Districts are established as individual statutory corporations under section 17 of the *Health Services Act 1997*.

Local Health Districts are responsible for managing public hospitals and health institutions and for providing health services to defined geographical areas of the State and their primary purposes under section 9 of the *Health Services Act 1997*, are to:

- provide relief to sick and injured people through the provision of care and treatment; and
- promote, protect and maintain the health of the community.

1.2.2 Key Functions

The key functions of local health districts under the *Health Services Act 1997* reflect these responsibilities and primary purposes. They include:

- **to promote, protect and maintain** the health of residents of its area
- **to conduct and manage public hospitals**, health institutions, health services and health support services under its control
- **to achieve and maintain adequate standards** of patient care and services
- **to ensure the efficient and economic operation** of its health services and health support services and use of its resources
- **to cooperate** with other local health districts and the Secretary, NSW Health in relation to the provision of services
- **to make available to the public information** and advice concerning public health and health services available within its area

**Key functions
of local health
districts under
the Health
Services Act 1997**

1.2.3 Management and accountabilities

Under section 122 of the *Health Services Act*, the District is subject to the governance, oversight and control of the Secretary, NSW Health.

The Secretary, NSW Health may also determine the role, functions and activities of hospitals and services controlled by a local health district and, for that purpose, give any necessary directions to the local health district.

The Minister may direct a local health district to establish or close a hospital or other health service, or give directions as to the range of services to be provided.

The fifteen local health districts are:

- Central Coast
- Far West
- Hunter New England
- Illawarra Shoalhaven
- Mid North Coast
- Murrumbidgee
- Nepean Blue Mountains
- Northern NSW
- Northern Sydney
- South Eastern Sydney
- South Western Sydney
- Southern NSW
- Sydney
- Western NSW
- Western Sydney

1.2.4 Chief Executives

Each local health district has a chief executive employed by the NSW Government, being appointed by the local health district board in concurrence with the Secretary, NSW Health under section 23 of the *Health Services Act*.

The chief executive manages and controls the District in accordance with the relevant legislation, policies and procedures and with the district service performance agreement. The chief executive is accountable to the local health district board for the operations and performance of the local health district.

1.2.5 Further Governance Information

Section 3 of this Compendium sets out the governance relationships applying to local health districts in more detail.

A map of the Local Health Districts is available at:

<https://www.health.nsw.gov.au/lhd/Pages/lhd-maps.aspx>

1.3 Statutory Health Corporations

Statutory health corporations (SHC) provide services across the whole State. These services are not limited to defined geographic areas, but are functionally defined through the services they provide. HETI is an accredited Higher Education Provider.

In 2017, the New South Wales Institute of Psychiatry (NSWIOP) became the newly established mental health portfolio of the Health Education and Training Institute (HETI). As a major provider of mental health education, NSWIOP has had a significant impact in shaping and equipping the mental health sector.

In relation to board-governed corporations, the Minister may determine the role, functions and activities of hospitals and services controlled by a statutory health corporation. The Secretary, NSW Health has been delegated this function, as well as having a similar function for chief executive governed corporations.

Under the section 41 of the *Health Services Act 1997*, statutory health corporations may be chief executive governed, board governed or specialty network governed.

- **Specialty Network governed statutory health corporations** have the same governance arrangements as Local Health Districts including a chief executive who manages and controls the corporation and is accountable to a board in carrying out these functions.
 - The Sydney Children's Hospitals Network and the Justice Health and Forensic Mental Health Network are specialty network governed statutory health corporations.
- **Board governed statutory health corporations** have a chief executive who manages the affairs of the corporation, subject to the direction and control of the board. The board is subject to the control and direction of the Minister, except in relation to the content of a recommendation or report to the Minister. This function has been delegated to the Secretary, NSW Health.
- **Chief executive governed statutory health corporations** are managed and controlled by a chief executive. The chief executive is subject to the control and direction of the Secretary, NSW Health.
 - The Agency for Clinical Innovation and the Health Education and Training Institute (HETI) are chief executive governed statutory health corporation.

Statutory Health Corporations may be network governed statutory health corporations, or Board governed, or managed and controlled with a chief executive who manages the affairs of the corporation.

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The following Statutory Health Corporations have been established:

Agency for Clinical Innovation

The Agency for Clinical Innovation (ACI) is a chief executive governed health corporation and works with clinicians, consumers and managers to design and promote better healthcare for NSW.

Clinical Excellence Commission

The Clinical Excellence Commission (CEC) is a board governed statutory health corporation and was established to promote and support improved clinical care, safety and quality across the NSW health system.

Bureau of Health Information

The Bureau of Health Information (BHI) is a board governed statutory health corporation and was established in 2010, to support transparency in health data and allow for greater local control of information analysis.

Health Education and Training Institute

The Health Education and Training Institute (HETI) is a Chief Executive-governed statutory health corporation which coordinates education and training for NSW Health staff. The Institute works closely with local health districts, specialty health networks, other public health organisations and health education and training providers to ensure that world-class education and training resources are available to support the full range of roles across the public health system including patient care, administration and support services. HETI is an accredited Higher Education Provider.

In 2017, the New South Wales Institute of Psychiatry (NSWIOP) became the newly established mental health portfolio of the Health Education and Training Institute (HETI). As a major provider of mental health education, NSWIOP has had a significant impact in shaping and equipping the mental health sector.

Cancer Institute NSW

Established under the *Cancer Institute (NSW) Act 2003* to lessen the impact of cancer across the State, the Cancer Institute NSW is Australia's first statewide government cancer agency. Its statutory objectives are to reduce the incidence of cancer in the community; increase survival from cancer; improve the quality of life for people with cancer and their carers; and provide a source of expertise on cancer control for the government, health service providers, medical researchers and the general community.

The Cancer Institute NSW leads the development and delivery of the statewide NSW Cancer Plan, which sets out a coordinated and collaborative approach to cancer control, involving people affected by cancer, government and non-government organisations, health professionals and researchers.

The Cancer Institute drives initiatives to reduce unwarranted variations in outcomes across diverse cultural and geographic communities; report on the performance of cancer services; and enhance cancer research capabilities across NSW.

1.4 Affiliated Health Organisations

Affiliated health organisations are not-for-profit religious, charitable or other non-government organisations which provide health services and are recognised as part of the public health system under the *Health Services Act 1997*.

Under section 65 of the *Health Services Act*, the Minister may determine the role, functions and activities of the recognised establishments and services of affiliated health organisations following consultation with the relevant organisation. This has been delegated to the Secretary, NSW Health.

Not all facilities or services provided by an affiliated health organisation are recognised as part of the public health system. For example, the NSW Benevolent Society conducts some recognised services but also conducts a range of other activities unrelated to the public health system which are not regulated by the *Health Services Act 1997*.

Where an affiliated health organisation has more than one recognised establishment or service, or provides statewide or significant services, the Minister may declare them to be treated as a network for the purposes of receiving funding under the now National Health Reform Agreement (NHRA), with the consent of the organisation concerned.

The St Vincent's Health Network, comprising St Vincent's Hospital and Sacred Heart Health Service in Darlinghurst and St Joseph's Hospital at Auburn is the first affiliated health organisation that is recognised as a network under these provisions.

Table of Affiliated Health Organisations

Affiliated Health Organisation	Recognised service
Benevolent Society of New South Wales	Central Sydney Scarba Services, Early Intervention Program, Eastern Sydney Scarba Services and South West Sydney Scarba Services
Calvary Health Care (Newcastle) Limited	Calvary Mater Newcastle
Calvary Health Care Sydney Limited	Calvary Health Care Sydney
Hammondcare Health and Hospitals Limited	Braeside Hospital, Prairiewood; Greenwich Hospital, Greenwich; Neringah Hospital, Wahroonga; and Northern Beaches Palliative Care Service
Karitane	Child and Family health services at Carramar, Fairfield, Liverpool and Randwick
Mercy Hospitals NSW Ltd	Mercy Care Centre: Young, excluding Mount St Joseph's Nursing Home. Mercy Health Service: Albury
NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors (STARTTS)	NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors (STARTTS)
Royal Rehab	General rehabilitation services, Brain injury rehabilitation services, spinal injury rehabilitation services, extended care services.
Royal Society for the Welfare of Mothers and Babies	Tresillian Family Care Centres at Belmore, Broken Hill, Coffs Harbour, Dubbo, Lismore, Penrith, Queanbeyan, Taree, Willoughby and Wollstonecraft
St Vincent's Hospital Sydney Ltd	Sacred Heart Health Service, St Joseph's Hospital (Auburn), St Vincent's Hospital Darlinghurst
Stewart House	Child health screening services at Stewart House Preventorium, Curl Curl
The College of Nursing	Nursing Education Programs conducted under agreement with the NSW Ministry of Health
Uniting Church in Australia	War Memorial Hospital (Waverley)

Affiliated health organisations are recognised under the Health Services Act 1997

1.5 Summary of Organisations in the NSW Public Health System

The table below provides a summary and lists examples of the organisations within the NSW public health system: local health districts; statutory health corporations (chief executive, board, or specialty network governed) and affiliated health organisations.

The NSW Public Health System

Local Health Districts

- Central Coast
- Far West
- Hunter New England
- Illawarra Shoalhaven
- Mid North Coast
- Murrumbidgee
- Nepean Blue Mountains
- Northern NSW
- Northern Sydney
- South Eastern Sydney
- South Western Sydney
- Southern NSW
- Sydney
- Western NSW
- Western Sydney

Statutory health corporations – network governed (Specialty Health Networks)

- Sydney Children’s Hospitals Network
- Justice Health and Forensic Mental Health Network

Statutory health corporations – chief executive governed

- Agency for Clinical Innovation
- Health Education and Training Institute

Statutory health corporations – board governed

- Bureau of Health Information
- Clinical Excellence Commission
- Cancer Institute NSW

Affiliated health organisations

Secretary, NSW Health

- Ambulance Service of NSW
- NSW Health Pathology
- Health Protection NSW
- HealthShare NSW
- Health Infrastructure
- eHealth NSW

1.6 Other NSW Government Entities in the Health Portfolio

1.6.1 Health Care Complaints Commission

The NSW Health Care Complaints Commission (HCCC) is established under the *Health Care Complaints Act 1993*. The HCCC is an independent statutory body headed by a Commissioner that:

- receives and deals with complaints concerning the care and treatment provided by health practitioners and health services;
- investigates complaints and takes appropriate action including making recommendations to NSW Health;
- prosecutes cases before disciplinary bodies;
- advises the Minister for Health and others on trends in complaints;
- resolves complaints with parties and provides opportunities and support for people to resolve their complaints and concerns locally; and
- consults with consumers and other key stakeholders.

The Health Care Complaints Commission is subject to the control and direction of the Minister, except in respect of the assessment, investigation and prosecution of a complaint or the terms of any recommendation or report of the Commission including the annual report.

Website: www.hccc.nsw.gov.au

Government entities that oversight public health system under legislative powers
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1.6.2 Mental Health Review Tribunal

The Mental Health Review Tribunal is a specialist quasi-judicial body established under the *Mental Health Act 2007*. It has a wide range of powers that enable it to make and review orders and to hear some appeals, about the treatment and care of people with a mental illness.

Website: www.mhrt.nsw.gov.au

1.6.3 Health Professional Councils

Since 1 July 2010, health professional registration and accreditation has been undertaken at a national level under the National Registration and Accreditation Scheme, through national health professional boards under the *Health Practitioner Regulation National Law*.

New South Wales applies the National Law differently from other states as complaints, performance and disciplinary processes continue to be managed at the State level. This means the existing “co-regulatory model”, where complaints are dealt with through a health professional body and an independent complaints body (the HCCC), is retained.

Co-regulatory model for complaints
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As a result, complaints about health professionals who reside in NSW, or have their primary place of practice in NSW, must be referred to the relevant NSW professional council and the HCCC, rather than the national boards. The NSW law establishes the following NSW Health Professional Councils to administer NSW specific complaints and make determinations on performance for the respective professions:

- Aboriginal and Torres Strait Islander Health Practice Council of New South Wales
- Chinese Medicine Council of New South Wales
- Chiropractic Council of New South Wales
- Dental Council of New South Wales
- Medical Council of New South Wales
- Medical Radiation Practice Council of New South Wales
- Nursing and Midwifery Council of New South Wales (two separate professions)
- Occupational Therapy Council of New South Wales
- Optometry Council of New South Wales
- Osteopathy Council of New South Wales
- Paramedicine Council of New South Wales
- Pharmacy Council of New South Wales
- Physiotherapy Council of New South Wales
- Podiatry Council of New South Wales
- Psychology Council of New South Wales

These Councils are supported to perform their regulatory and legislative functions under the National Registration and Accreditation Scheme by the Health Professional Councils Authority, an administrative unit of the Health Administration Corporation. Website: www.hpca.nsw.gov.au

1.6.4 NSW Mental Health Commission

The NSW Mental Health Commission was established in July 2012 under the *Mental Health Commission Act 2012*. The Commission is charged with preparing a draft strategic plan for the mental health system in New South Wales for submission to the Minister for approval. The Commission will also monitor and report on the implementation of the strategic plan and also has a broader role in promoting and facilitating the sharing of knowledge and ideas about mental health issues, undertaking research and advocating for and promoting the prevention of mental illness and early intervention strategies for mental health.

The Mental Health Commission is headed by a Commissioner who is appointed by the Governor. The Commission is subject to the control and direction of the Ministers responsible for the Act, being the Minister for Health, Minister for Regional Health and the Minister for Mental Health. The Act also makes provision for the appointment of Deputy Commissioners, one of whom must be a person who has or has had a mental illness.

Staff of the Commission are employed under the *Government Sector Employment Act 2013* in the Mental Health Commission Division of the Government Service. The Secretary, NSW Health is the Division Head for the Mental Health Division and exercises on behalf of the Government of NSW the employer functions in relation to the members of the staff of the Commission. The terms and conditions of the Mental Health Commission Division are similar to those of the NSW Public Service. Website: nswmentalhealthcommission.com.au

About NSW Health – Resources & References

NSW Health

Ministry of Health website:
<http://www.health.nsw.gov.au/>

Information about the Ministry of Health, including its structure and roles of each Division:

<http://www.health.nsw.gov.au/about/ministry/Pages/Structure.aspx>

Ministerial and Ministry of Health media releases:
<http://www.health.nsw.gov.au/news/pages/default.aspx>

Directory of NSW Health services and links to health organisation websites:
<http://www.health.nsw.gov.au/hospitals/pages/default.aspx>

Commonwealth/State Agreements

2020-25 National Health Reform Agreement (NHRA)

<https://www.health.gov.au/our-work/2020-25-national-health-reform-agreement-nhra>

Intergovernmental Agreement on Federal Financial Relations

<https://federalfinancialrelations.gov.au/intergovernmental-agreement-federal-financial-relations>

NSW Government

Department of Premier and Cabinet

Department of Premier and Cabinet NSW Government Boards and Committees Guidelines:

<http://www.dpc.nsw.gov.au/programs-and-services/boards-and-committees/>

Public Service Commission

<http://www.psc.nsw.gov.au>