

Clinical Governance in NSW

Summary This Policy Directive outlines NSW Health Service key requirements for effective clinical governance to ensure the best clinical outcomes possible. Health Services are to implement systems and processes that support implementation of clinical governance programs.

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Clinical Governance in NSW

POLICY STATEMENT

NSW Health is committed to the delivery of safe high-quality care through the implementation of robust clinical governance processes to create an environment that is transparent and accountable for patient safety and quality of care outcomes.

Clinical governance is a set of relationships and responsibilities established by a Health Service between the NSW Ministry of Health, Clinical Excellence Commission, Governing Board, executives, clinicians, health care workers, patients, health consumers, and other stakeholders to ensure good clinical outcomes.

SUMMARY OF POLICY REQUIREMENTS

Health Services are to have processes in place that support effective clinical governance and patient safety. The key components of clinical governance and patient safety include an incident management system, the systematic management of incidents, Clinical Governance Units, compliance with the Australian Health Service Safety and Quality Accreditation Scheme and the functioning of the Clinical Excellence Commission.

NSW Health Services are to implement:

- clinical governance strategically with defined governance structures including Health Care Quality Committee reporting to the Governing Board
- a Director of Clinical Governance position reporting to the Chief Executive and a Clinical Governance Unit to facilitate the implementation of a clinical governance program
- the requirements of the NSW Health Safety System Model
- processes to ensure all staff are informed and aware of their responsibilities in safety and quality
- safety and quality intelligence with documented requirements for safety and quality data surveillance strategy
- safety and improvement capability building, to ensure staff are skilled in safety assessment and improvement methodologies
- legislative and regulatory requirements in relation to safety and quality.

REVISION HISTORY

Version	Approved By	Amendment Notes
PD2024_010 March 2024	Deputy Secretary, System Sustainability and Performance	This policy has been rewritten. It is underpinned by the NSW Health Safety System Model which outlines elements and requirements of implementing and maintaining a safety system.
PD2005_608 March-2005	Director General	New policy directive

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1. BACKGROUND

The NSW Health Patient Safety and Clinical Quality Program, published in 2005, provided the foundational framework for clinical governance in the NSW public health system. Since its release, there have been significant national and state developments in safety and quality. These include:

The release of the Australian Commission on Safety and Quality in Healthcare (ACSQHC) national accreditation scheme for healthcare services, including the National Safety and Quality Health Service (NSQHS) Standards in 2011. NSW Health adopted the NSQHS Standards to provide a quality assurance mechanism that assesses whether appropriate systems are in place to ensure that expected standards of safety and quality are met.

The release of the ACSQHC clinical care standards. Clinical care standards are quality statements that describe the care patients are to be offered for a specific clinical condition. Clinical care standards play an important role in delivering appropriate care and reducing unwarranted clinical variation.

The release of other National Accreditation Standards including the Aged Care Quality Standards and National Disability Insurance Scheme Practice Standards.

The release of the [National Model Clinical Governance Framework](#) in 2017, based on the NSQHS Standards, to assist Health Services to implement clinical governance processes. The framework supports a shared understanding of clinical governance among everyone working in Health Service organisations. The framework aims to ensure that clinical governance systems are implemented effectively and support safer and better care for patients and consumers.

The publication of Policy Directives, Guidelines and Information Bulletins related to Clinical Governance on the [Policy Distribution System](#) for NSW Health.

The [World Health Organisation](#) defines quality of care as ‘*the extent to which health care services provided to individuals and patient populations improve desired health outcomes*’. The [6 dimensions of healthcare quality](#) are recognised as the foundation of a high reliability healthcare system: safety; timeliness and accessibility; effectiveness and appropriateness; patient-centred care; efficiency; and equity.

The NSW Health Safety System Model was developed by the Clinical Excellence Commission to respond to the need for a contemporary, resilient, and mature patient safety system within a clinical governance program. The Safety System Model was developed and is endorsed by the Clinical Excellence Commission. It has six key elements: Embedding safety strategically; Accountable leadership and culture; Safety governance; Safety intelligence; Safety and improvement capability; and Safety improvement. The Safety System Model is aligned with the National Model Clinical Governance Framework and underpins this Policy Directive.

Resources to support implementation of this Policy Directive are available on the [Clinical Excellence Commission website](#).

Resources for the NSQHS Standards are available on the [ACSQHC website](#).

1.1. About this document

This Policy Directive outlines NSW Health Service key requirements for effective clinical governance to ensure the best clinical outcomes possible. Health Services are to implement systems and processes that support implementation of clinical governance programs.

1.2. Key definitions

Board	Refers to Local Health District and Specialty Health Network Boards .
Clinical governance	<p>In the context of NSW Health, clinical governance is the set of relationships and responsibilities established by a health service between Ministry of Health, Clinical Excellence Commission, Governing Board, executive, clinicians, health care workers, patients, health consumers, and other stakeholders to ensure good clinical outcomes.</p> <p>Implementation of a sound clinical governance system involves contributions by individuals and teams at all levels of the organisation.</p>
Clinical Governance Units	<p>Clinical Governance Units are established teams that are critical in the functioning of clinical governance and patient safety systems. Clinical Governance Units promote, support, and implement patient safety and clinical quality policies, procedures and processes.</p> <p>Clinical Governance teams are led by Directors of Clinical Governance.</p>
Health Service	<p>A Local Health District or a statutory health corporation, NSW Ambulance and affiliated health organisations that provide clinical services.</p> <p>NSW Health support organisations that provide clinical services including Cancer Institute NSW.</p>
Human experience	Outcome of the organisational alignment of people, processes and place towards a common goal of providing exceptional experiences for all patients, families, carers and caregivers (Human Experience).
Patient safety	Aims to prevent and reduce risks, errors and harm and improve human experience during provision of health care.
Safety culture	A resilient and reliable healthcare safety culture is one where safety is everyone's responsibility and compassionate behaviours are evident at all levels of the system.

Safety system	A safety system exists where the whole health care system (that is, its clinical and non-clinical services and teams) is strategically integrated and enabled through its governance approach, partnerships, safety culture, safety resources, safety roles and responsibilities for staff and leaders, and capability and capacity building embedded within service delivery.
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1.3. Guiding Principles

The following guiding principles underpin clinical governance.

Guiding principles

Principle	Description
Just culture	We treat individuals fairly. Individuals are not blamed for failures of the system.
Openness	We report and acknowledge errors without fear of inappropriate blame. Patients and their families and carers are offered an apology and are told what went wrong and why.
Emphasis on learning	We are open when things go wrong and when things go right. We use what we learn to make changes to improve and scale and spread learnings.
Obligation to act	We accept the obligation to act to remedy problems. The allocation of this responsibility is unambiguous and explicit.
Appropriate prioritisation of action	We act to address identified problems and prioritise action according to the available resources, potential risk, and opportunity for improvement
Teamwork	We encourage and foster teamwork within a culture of trust and mutual respect.
Accountability	We identify the limits of individual accountability. Individuals understand when they may be held accountable for their actions.

1.4. Relevant, policies, frameworks, and standards

This Policy Directive is to be read in conjunction with all related policy documents on the [Policy Distribution System](#) website.

Related Publications

Author	Title
ACSQHC	National Safety and Quality Health Service (NSQHS) Standards
ACSQHC	NSQHS Standards User guide for governing bodies
ACSQHC	National Model Clinical Governance Framework
Clinical Excellence Commission	Directions Statement

NSW Health	Aboriginal Cultural Engagement Self-Assessment Tool
NSW Health	Corporate Governance and Accountability Compendium
NSW Health	Elevating the Human Experience: Our guide to action for patient, family, carer, and caregiver experiences
NSW Health	Future Health: Guiding the next decade of care in NSW 2022-2032
NSW Health	Integrated Trauma-Informed Care Framework: My story, my health, my future

2. KEY COMPONENTS

Clinical governance in NSW Health has five key components:

1. The operation of Clinical Governance Units in each Health Service.
2. The need for all NSW public health services to comply with the requirements of the Australian Health Service Safety and Quality Accreditation Scheme.
3. Use of an incident management system to facilitate:
 - the timely notification of incidents, and ability to track the review and analysis of health care incidents
 - the reporting of incidents, particularly the provision of trended information by incident type, and to understand the lessons learned from reviews
 - manage feedback including complaints, compliments, and suggestions for improvement.
4. The systematic management of incidents and risks both locally and state-wide to identify remedial action and systemic reforms.
5. The functioning of the Clinical Excellence Commission as the lead agency supporting patient safety and improvement in the NSW Health system. The Clinical Excellence Commission has an important role in assisting NSW public health organisations to achieve and maintain adequate standards of patient care through system analysis and improvement.

3. KEY ACCOUNTABILITIES

3.1. Ministry of Health

The NSW Ministry of Health is the health system manager. The Ministry of Health guides the development of services in the NSW public health system and oversees the performance of health services to achieve safety and quality outcomes. The Ministry of Health Patient Safety First Unit oversees and monitors emerging patient safety risks and clinical quality issues.

3.2. Clinical Excellence Commission

The role of the Clinical Excellence Commission, detailed in the Ministerial Determination of Functions pursuant to Section 53 of the [Health Services Act 1997](#), is to lead, support and promote improved safety and quality in clinical care across the NSW Health system through consultation and collaboration with clinicians, health consumers, other pillars, and the NSW Ministry of Health.

The Clinical Excellence Commission is the author of several key NSW Health statewide policies and programs, and is the data sponsor for several data systems that help support Health Services to monitor incidents and reduce unwarranted clinical variation and rates of hospital-acquired complications.

3.3. Local Health District and Specialty Health Network Governed Boards

Local Health Districts and Specialty Health Network governed health corporation boards have specific governance oversight functions defined in the Health Services Act 1997. This includes ensuring effective clinical governance frameworks are established to support the maintenance and improvement of standards of patient care and services by the local health district.

3.3.1 Local Health Districts and Specialty Health Networks

As described in *Australian Health Service Safety and Quality Accreditation Scheme in NSW Health facilities* Policy Directive ([PD2023_011](#)), Local Health Districts and Specialty Health Networks are responsible and accountable for ensuring that accreditation for their health facilities is undertaken through an approved accrediting agency, in accordance with the Australian Health Service Safety and Quality Accreditation Scheme.

3.4. Health Services providing clinical services

NSW Health services that provide clinical services to patients are required to have a documented approach including a Health Service Clinical Governance Framework for the implementation of this Policy and a Clinical Governance Executive lead to oversee implementation.

3.5. Chief Executive

The Chief Executive is responsible for ensuring the Health Service has an effective clinical governance system, including the components of the National Model Clinical Governance Framework. This is achieved through appropriate frameworks, safety culture, and committees and a reporting structure that ensures Chief Executive and Governing Board oversight.

The Chief Executive is responsible for ensuring the necessary governance structures are in place that support accountable leadership and a learning, just culture.

3.6. Director of Clinical Governance

The Director of Clinical Governance is responsible for directing and managing the clinical governance functions within the Health Service, to promote and support patient safety, and reduce unwarranted clinical variation across the Health Service. This includes having a documented approach for the implementation of this Policy Directive by incorporating key requirements in the Health Service Clinical Governance Framework.

The Clinical Governance Unit is responsible for facilitating the implementation of the clinical governance functions of the Health Service in collaboration with managers and NSW Health staff.

3.7. Managers

Managers (including clinical managers) are responsible for ensuring the operation of the systems that support the delivery of this Policy. This includes actively promoting staff wellbeing, a safety and learning culture, improving patient safety, human experience, and clinical governance practices.

3.8. All NSW Health Staff

All NSW Health staff are responsible for the safety and quality of their own professional practice and contributing to a safety culture, improving patient safety, human experience and participating in clinical governance practices.

4. NSW HEALTH SAFETY SYSTEM MODEL

The [NSW Health Safety System Model](#) outlines the essential elements needed to implement and maintain a safety system for all Health Services. The model assists Health Service leaders to have confidence that their Service is creating the ideal conditions for safe outcomes for patients, families, carers, and staff.

Minimum clinical governance requirements for each element are articulated below.

4.1. Element 1: Embedding safety strategically

A Safety System is determined by the Health Services maturity and capacity to be reliable and resilient when working under typical conditions, as well as when confronted with unanticipated events. When Health Services ensure that features of safety resilience are present and effective in services, an environment that manages unpredictability while maintaining reliability is created.

Health Services are committed by the Board Chair and Chief Executive to an annual Attestation Statement as required by NSW Health and Government.

Clinical governance must be included as a standing item at Governing Board meetings, including clinical governance strategy, safety culture and patient safety and human experience metrics.

Health Services are to have a Health Care Quality Committee that ensures the Health Service provides high quality patient care and delivers patient safety strategies. The Health

Care Quality Committee provides oversight, monitors, and assesses key Health Service processes, outcomes and internal and external reports and makes recommendations to the Governing Board. The functions of the Health Care Quality Committee include:

- Provision of advice to the Local Health District or Specialty Health Network Governing Board on matters relating to safety and quality.
- Monitoring and assessing governance arrangements relating to patient safety and unwarranted clinical variation.
- Promoting improvements in the safety and quality of Health Services.
- Monitoring and assessing the safety and quality of Health Services.

Health Services are to have a Clinical Governance Unit responsible for clinical governance and patient safety functions, that has a documented approach such as a Clinical Governance Framework and provides secretariat support for the Health Care Quality Committee.

4.2. Element 2: Accountable leadership and culture

In a mature Safety System, accountability is taken and held by all individuals. It is a culture where safety is everyone's responsibility, and everyone understands how they can support safe, high-quality care and positive human experience in their role. Accountable leadership and a strong safety culture are crucial for improving the safety and quality of health care. Accountable leaders show commitment to patient safety improvement by supporting a safety culture that encourages and facilitates incident reporting and consumer feedback for learning.

Health Services are to have processes in place that ensure all staff are informed and aware of the importance of patient safety, quality improvement and human experience, and their individual roles and responsibilities in achieving improvements in clinical outcomes and care.

Health Services are to have processes in place that support the workforce to perform their roles and responsibilities for safety and quality. The Clinical Excellence Commission Healthcare Safety and Quality Capabilities describe the capabilities and associated behaviours that are expected of all NSW Health employees, leaders and Board members to engage in safety management and quality improvement to deliver safe, reliable care.

4.3. Element 3: Safety governance

A key element of effective safety governance is the capacity of the health service to provide integrated care. Effective incident and risk management is dependent on the capacity of the Health Service to identify and analyse contributory, human or system factors, and any root causes.

In effective safety governance, oversight and shared learning must span the entire care continuum to ensure collaborative risk mitigation strategies can be explored for matters that affect multiple aspects of the system.

The NSW Health *Corporate Governance Accountability Compendium* ([the Compendium](#)) sets out the key elements of a robust governance structure for organisations within the Health portfolio. Section 5 – Clinical Governance, of the Compendium sets out the roles and responsibilities of clinical governance entities and the Health District / Service Clinical Management and Advisory Structures.

Health Services are to have:

- A clinical governance framework that clearly articulates commitment to patient safety, quality improvement and human experience.
- A committee structure that:
 - oversees patient safety, quality improvement and human experience
 - articulates roles and responsibilities, escalation pathways and relationships to other committees.
- Governance structures have a clearly defined and documented structure that:
 - demonstrates centralised and coordinated responsibilities and oversight of patient safety
 - has clearly defined communication pathways from the executive level through to the frontline clinicians and vice versa
 - includes linkages to the Health Care Quality Committee
 - includes linkages to the Governing Board and other Board Committees
 - demonstrates engagement with health consumers in governance
 - includes linkages to Ministry of Health and relevant Pillar organisations that support patient safety, quality improvement and human experience.

4.4. Element 4: Safety intelligence

Safety intelligence is the use of data, connected technology and insights to enable a predictive and proactive approach to patient safety. It focuses on data and information, allowing Health Services to monitor incident trends and clinical outcomes over time. These trends are utilised to inform safety and quality decisions. The use of near real time, meaningful and triangulated data (multiple datasets, methods, and investigations) is vital for system wide learning and improvement.

Health Services are to have a documented safety and quality data surveillance strategy that includes:

- reviewing relevant data from clinical incidents and reports of complaints and other incidents
- the organisations clinical audit program
- monitoring clinical variation and at a minimum implementation of the ACSQHC clinical care standards
- patient experience and outcome measures.

4.5. Element 5: Safety and improvement capability

To become a safety system, capability and capacity building is to be embedded within the duties of all staff and leaders.

Health Services are required to provide all staff access to ongoing pathways of safety and quality capability development, and ensure all staff complete relevant safety and quality training in line with their role and in accordance with accreditation to NSQHS Standards.

4.6. Element 6: Safety improvement

Patient safety and quality improvement is a continuous process of monitoring and improving the safety and quality of care. Health Services are required to review and identify their key safety priorities on a regular basis, based on safety intelligence establish improvement programs that align frontline staff to the resources, tools, and expertise they require to manage these safety priorities.

Quality improvement toolkits are also available on the [Clinical Excellence Commission website](#).