

# Governance & Accountability Statement

## Role of the Board

The Board's governance responsibilities include:

- ▲ Communicating with the Minister and other stakeholders to ensure their views are reflected in the DHB's planning
- ▲ Delegating responsibility for achievement of specific objectives to the chief executive
- ▲ Monitoring organisational performance towards achieving objectives
- ▲ Reporting to stakeholders on plans and progress against them
- ▲ Maintaining effective systems of internal control.

## Structure of the DHB

### DHB operations

The Board appointed the Chief Executive (Geraint Martin), to manage all DHB operations. All other employees of the DHB have been appointed by the Chief Executive either directly or via the Chief Executive's delegated authority. The Board directs the Chief Executive by delegating responsibility and authority for the achievement of objectives through setting policy.

### Quality Assurance

Counties Manukau DHB has numerous processes to ensure the quality of the governance, funder and provider outputs.

### Subsidiaries and Associates

Details of subsidiary and associate companies are shown in Note 12 to the attached financial statements.

## Governance Philosophy

### Board membership

The elected and appointed Board members have diverse skills and experience in order to bring a wide range of thought to bear on policy issues. All members are required to act in the best interests of the DHB. Members are encouraged to contribute to Board decisionmaking processes, acknowledging that the Board must stand unified behind its decisions once made; individual members have no separate governing role outside the boardroom.

The Board acknowledges its responsibility to maintain communication with stakeholders and in particular remain cognisant of the Minister's expectations.

### Division of responsibility between the Board and management

Key to the efficient running of the DHB is that there is a clear division between the roles of the Board and management. The Board concentrates on setting policy, approving strategy and monitoring progress toward meeting objectives. Management is concerned with implementing policy and strategy. The Board has clearly distinguished these roles by ensuring that the delegation of responsibility and authority to the chief executive is concise and complete.

### Accountability

The Board holds monthly meetings to monitor progress

toward its strategic objectives and to ensure that the affairs of the DHB and its subsidiaries are being conducted in accordance with the DHB's policies.

### Disclosure of interest

The Board maintains an interests' register. Board members are aware of their obligations to declare any potential conflicts of interests to ensure transparency in the decision making process.

### Internal audit

While many of the Board's functions have been delegated, the overall responsibility for maintaining effective systems of internal control ultimately rests with the Board.

The DHB uses external resources to maintain an internal audit function which is responsible for monitoring its systems of internal control and the quality and reliability of financial and non financial information reported to the Board. Internal Audit reports its findings directly to the Chief Executive. Internal Audit liaises closely with the external auditors, who review the systems of internal control to the extent necessary to support their audit opinion.

### Risk management

The Board acknowledges that it is ultimately responsible for the management of risks to the DHB. The Board has charged the Chief Executive through its risk management policy with establishing and operating a risk management programme in accordance with the Joint Australian/New Zealand Standard guideline (including 'AS/NZS 4360:2004' and 'HB 228:2001') requirements on risk management.

### Legislative compliance

The Board acknowledges its responsibility to ensure the organisation complies with all relevant legislation.

### Ethics

The Board has adopted a code of conduct and regularly monitors whether staff maintain high standards of ethical behaviour and practice the principles of "good corporate citizenship".

- ▲ Commit to provide a safe and healthy working environment, which is considerate also of philosophies of fairness and equality
- ▲ To select, educate and counsel our managers, clinical directors, clinical heads and service centre co-ordinators according to these principles in order that employees grasp the opportunities offered to them
- ▲ To encourage our Managers, Clinical Directors, Clinical Heads and Service Centre Co-ordinators to involve employees in the development of Counties Manukau DHB, to take into account employee suggestions for policy changes which will benefit the organisation and to foster creativity and ideas for improvement
- ▲ In return, Counties Manukau DHB looks for a commitment from its staff by way of integrity, good conduct and concern for colleagues, patients and clients.