
Appendix 5 – About the audit

Audit objective

This audit assessed the effectiveness and efficiency of the Northern Beaches Hospital public-private partnership in delivering public hospital services.

Audit criteria

1. Do NSW Health agencies ensure the effective and efficient delivery of public funded hospital services from the Northern Beaches Hospital?
 - a) Do NSW Health agencies effectively identify and monitor risks to the success of the Northern Beaches Hospital?
 - b) Do NSW Health agencies collect the information required to ensure effective delivery of public hospital services at the Northern Beaches Hospital?
 - c) Do NSW Health agencies effectively manage the Northern Beaches Hospital contract to ensure effective delivery of public hospital services at the Northern Beaches Hospital?
 - d) Is the Northern Sydney Local Health District using the Northern Beaches Hospital public-private partnership to achieve efficient service delivery?
2. Is the operator of the Northern Beaches Hospital effectively delivering public hospital services in the emergency department and general surgery?
 - a) Does the Northern Beaches Hospital meet contract requirements for performance, planning and reporting?
 - b) Does the Northern Beaches Hospital provide quality care consistent with equivalent public health facilities in NSW?

This audit focused on period from July 2022 to June 2024.

Audit exclusions

The audit did not:

- examine the decision to deliver the Northern Beaches Hospital via a public-private partnership
- examine the build phase of the Northern Beaches Hospital
- examine quality as it relates to an assessment of the specific effectiveness of clinical activities or scopes of practice; however, the audit did consider whether the agencies have themselves adequately considered and assessed clinical evidence as part of performance monitoring and oversight of clinical services.
- question the merits of government policy objectives.

Audit approach

Our procedures included the following.

1. Interviewing
 - key personnel from the Ministry of Health and Northern Sydney Local Health District involved in managing the Northern Beaches Hospital public-private partnership
 - clinical staff from the Northern Sydney Local Health District who interact with the Northern Beaches Hospital
 - key Healthscope personnel involved in operating the Northern Beaches Hospital and selected clinical staff providing health care
 - stakeholders including unions and accreditation bodies
2. Examining
 - documentation relating to the management and operation of the Northern Beaches Hospital from Healthscope and NSW Health agencies
3. Analysing
 - data relating to key performance indicators for the Northern Beaches Hospital and peer hospitals

The audit approach was complemented by quality assurance processes within the Audit Office to ensure compliance with professional standards.

Audit methodology

Our performance audit methodology is designed to satisfy Australian Auditing Standard ASAE 3500 Performance Engagements and other professional standards. The standards require the audit team to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective. Our processes have also been designed to comply with requirements specified in the *Government Sector Audit Act 1983* and the *Local Government Act 1993*.

Acknowledgements

We gratefully acknowledge the cooperation and assistance provided by Healthscope and NSW Health. We would particularly like to thank our liaison officers and the staff who participated in interviews and provided evidence to the audit.

We would also like to thank the people who wrote to us about their experiences with the Northern Beaches Hospital.

Audit cost

The estimated cost of the audit is approximately \$515,000.