

**PAC Inquiry – The safety and quality of health services provided by Northern Beaches Hospital
17 October 2025**

Question:

New South Wales has the contractual rights to require an audit of the data used for performance management and reporting from Northern Beaches Hospital. To your knowledge, has that audit been requested? There has been no audit of that data undertaken by Northern Beaches Hospital? Or had it not been requested?

Response:

As required under the Project Deed between the NSW Government and Northern Beaches Hospital, Healthscope must engage an independent and reputable auditor to audit the Monthly Performance Reports and the Monthly Activity Reports for each financial year.

The Auditor-General's Report to Parliament 'Northern Beaches Hospital', tabled 17 April 2025, describes the key performance indicator audits on pages 21-22:

'The scope of key performance indicator audits is agreed via correspondence between the Northern Sydney Local Health District (NSLHD) and Healthscope.

'The scope of the Key Performance Indicator audits is:

- a re-calculation of the performance measures set out in Schedule 18 to the deed, using a raw extract of data
- analysis of current period results with prior periods to identify variances.

'The key performance indicator audit reports do not include an assessment of the distribution of results and therefore do not consider unusual groupings of results that might indicate errors. Given that there are significant financial penalties for not achieving certain key performance indicators, this absence is noteworthy.'

The scope of the audit performed is what is described as limited assurance, not reasonable assurance which would have required testing the completeness and accuracy of the underlying data.