

Below is a **deeper, issues-focused analysis** that (1) pinpoints **material misalignments** between the HPCA draft PCP and the NSW Health Flexible Work Policy, (2) explains the **employee-relations and equity risks**, and (3) **builds a clear evidence-based case for delegating greater decision-making authority to HPCA managers**, rather than concentrating discretion at Director level.

---

## 1. Where the misalignment is most acute (and why it matters)

### 1.1 Shift from principles-based policy to rules-based control

#### **NSW Health policy intent**

PD2025\_005 is deliberately **principles-based**. It encourages managers and employees to co-design arrangements that work for the individual, the team and service delivery, using judgment informed by local circumstances. Manager discretion is central, supported by senior escalation only where disputes arise or arrangements are unsuitable. <sup>1</sup>

#### **HPCA draft PCP position**

The HPCA procedure converts this into a **highly prescriptive compliance framework**, with:

- narrow approval thresholds;
- fixed limits on ad-hoc adjustments;
- escalation of anything non-standard to Directors; and
- explicit policing of “patterns” of behaviour. <sup>2</sup>

**Why this is misalignment** While technically compliant, the HPCA approach **dilutes the intent** of PD2025\_005 by prioritising enforcement over collaboration and problem-solving.

---

<sup>1</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

<sup>2</sup><https://nswhealth.sharepoint.com/sites/Home-HPCA/Shared%20Documents/General/Human%20Resources/Drafts/DRAFT%20-%20HPCA%20Policy%20Compliance%20Procedure%20Flexible%20Work%20-%20Staff%20Consultation.pdf>

**Risk** Employees experience HPCA flexibility as *permission-based rather than trust-based*, which undermines the very cultural outcomes PD2025\_005 is designed to achieve (engagement, inclusion, retention). <sup>3</sup>

---

## 1.2 Director-level gatekeeping for remotely non-standard arrangements

**NSW Health policy** Managers are explicitly empowered to assess and approve flexible work arrangements case-by-case, considering service needs, equity, WHS and awards. Director involvement is framed mainly around disputed outcomes or significant exceptions (e.g. interstate/overseas work). <sup>4</sup>

### HPCA draft PCP

- Managers can approve only “principally office-based” FWAs.
- Any request that meaningfully departs from that default must go to a Director, regardless of risk or duration. <sup>5</sup>

**Why this is misalignment** This **re-centralises authority** in a way not required by the Health policy and removes discretion from the people who best understand:

- day-to-day workload,
- individual capability,
- team dynamics.

### Risk

- Slower decisions.
  - Inconsistent outcomes depending on Director risk appetite.
  - Staff perception that flexibility is “harder at HPCA than elsewhere in NSW Health”.
- 

---

<sup>3</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

<sup>4</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

<sup>5</sup><https://nswhealth.sharepoint.com/sites/Home-HPCA/Shared%20Documents/General/Human%20Resources/Drafts/DRAFT%20-%20HPCA%20Policy%20Compliance%20Procedure%20Flexible%20Work%20-%20Staff%20Consultation.pdf>

### 1.3 Over-regulation of ad-hoc flexibility

**NSW Health policy** Recognises that ad-hoc flexibility is a normal feature of modern work and encourages reasonable give-and-take, with managers exercising judgment. <sup>6</sup>

#### **HPCA draft PCP**

- Limits ad-hoc changes to two weeks.
- Monitors frequency (e.g. more than twice in a month).
- Triggers mandatory re-formalisation and HR involvement based on patterns. <sup>7</sup>

**Why this is misalignment** This substitutes **mechanical thresholds** for managerial judgement.

**Risk** Employees with complex but legitimate needs (e.g. caring transitions, episodic health issues) are disproportionately affected, even where work outcomes are strong.

---

### 1.4 Equity risk between HPCA staff and other NSW Health employees

**NSW Health principle** Equity does *not* mean identical arrangements, but it does require **comparable access to discretion and fairness across agencies**, particularly when employees share awards, systems and employment conditions. <sup>8</sup>

**HPCA reality** HPCA employees—though NSW Health employees—would:

- face higher approval thresholds,
- experience less manager discretion, and
- be subject to closer scrutiny of flexibility use.

#### **Risk**

- Perception of **structural inequity**.

---

<sup>6</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

<sup>7</sup><https://nswhealth.sharepoint.com/sites/Home-HPCA/Shared%20Documents/General/Human%20Resources/Drafts/DRAFT%20-%20HPCA%20Policy%20Compliance%20Procedure%20Flexible%20Work%20-%20Staff%20Consultation.pdf>

<sup>8</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

- Increased employee relations issues (“Why is this allowed in Ministry/LHDs but not at HPCA?”).
  - Greater likelihood of grievances framed around unfair treatment rather than policy non-compliance.
- 

## 2. Employee-relations and cultural risks

### 2.1 Erosion of trust and psychological safety

When flexibility decisions are escalated upwards by default, employees infer a **lack of trust** in both them and their direct manager. Research and NSW Health practice both show that trust is foundational to productive hybrid work. <sup>9</sup>

### 2.2 Manager disempowerment

HPCA managers are held accountable for performance but stripped of decision-making authority over one of the most powerful levers available to manage workload, wellbeing and engagement.

This mismatch:

- weakens managerial credibility;
- encourages defensive decision-making; and
- increases HR and Director workload on low-risk operational matters.

### 2.3 Chilling effect on flexibility requests

Highly procedural systems reduce the likelihood that employees will:

- disclose genuine needs early;
- seek informal solutions; or
- engage in open conversations.

Instead, issues surface later as disengagement, absenteeism or formal grievances.

---

## 3. The case for granting greater discretion to HPCA managers

### 3.1 Managers are best positioned to assess risk

HPCA managers have direct visibility of:

- performance outcomes,
-

- stakeholder dependencies,
- confidentiality risks, and
- team coverage.

PD2025\_005 explicitly relies on this proximity when placing managers at the centre of decision-making. <sup>10</sup>

---

### 3.2 Alignment with NSW Health governance norms

Across NSW Health:

- managers approve FWAs;
- Directors provide *oversight*, not routine approval; and
- escalation occurs when arrangements are exceptional, disputed or high-risk.

Empowering HPCA managers would **restore parity** with sector norms and reduce equity concerns.

---

### 3.3 Better outcomes with fewer controls (not more)

Evidence from flexible work implementation consistently shows:

- outcomes-based management and trust outperform rigid compliance frameworks;
  - over-centralisation increases delay without reducing risk; and
  - clear principles plus manager capability produce more consistent outcomes than blanket escalation rules. <sup>11</sup>
- 

### 3.4 Directors should focus on consistency, not micro-approval

A stronger model would position Directors to:

- set expectations and guardrails;
- review themes and trends;
- intervene where principles are misapplied; and

---

<sup>10</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

<sup>11</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

- ensure equity across teams.

This aligns with PD2025\_005's leadership role expectations. <sup>12</sup>

---

#### 4. A balanced alternative model (for consultation)

To address HPCA's legitimate regulatory concerns **without undermining equity and trust**, consider:

- **Manager-led approval as default**, including for non-standard hybrid arrangements.
  - **Director escalation only where:**
    - arrangements exceed defined risk thresholds,
    - there are WHS, security or performance concerns, or
    - an application is disputed or refused.
  - **Clear principles and examples**, not numeric caps, for ad-hoc flexibility.
  - **Assurance via monitoring and review**, rather than prior control.
- 

#### Bottom line

The draft HPCA PCP is compliant, but its **degree of control materially exceeds** what PD2025\_005 requires and risks:

- damaging employee trust,
- creating equity concerns for HPCA staff as NSW Health employees, and
- weakening managerial capability.

Re-centring manager discretion—supported by clear principles and Director oversight—would deliver **better equity, stronger relationships, and equal or lower risk**.

If you want, I can:

- rewrite a **consultation feedback section** articulating these risks plainly, or
- draft **alternative wording** that preserves assurance while restoring discretion.

#### Consultation feedback (plain-language submission text)

Thank you for the opportunity to provide feedback on the draft HPCA Policy Compliance Procedure (Flexible Work). Overall, the document appears technically consistent with NSW

---

<sup>12</sup>[https://nswhealth-my.sharepoint.com/personal/jill\\_omeara\\_health\\_nsw\\_gov\\_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf](https://nswhealth-my.sharepoint.com/personal/jill_omeara_health_nsw_gov_au/Documents/Microsoft%20Co-pilot%20Chat%20Files/Health%20Flexible%20Work%20Policy.pdf)

Health requirements; however, as drafted it introduces additional layers of control that are likely to create avoidable employee-relations, equity and operational risks.

**Key concerns** (impact as drafted):

- **Over-centralised approvals:** Escalating non-standard arrangements to Director level as the default is likely to slow decisions, reduce responsiveness to operational needs, and create inconsistent outcomes depending on individual risk appetite.
- **Reduced manager discretion:** The procedure positions flexibility as permission-based rather than principles-based. This can undermine trust and psychological safety, and makes it harder for managers to proactively manage workload, wellbeing and engagement.
- **Equity concerns:** HPCA staff are NSW Health employees. Where the procedure applies tighter thresholds and closer monitoring than is typical elsewhere in NSW Health, employees may reasonably perceive unfair treatment, increasing the likelihood of grievances framed around inequity rather than non-compliance.
- **Rigid thresholds for ad-hoc flexibility:** Numeric caps and “pattern” triggers risk capturing legitimate circumstances (e.g. caring transitions, episodic health needs) even where performance and service outcomes are strong. This may discourage early disclosure and shift issues into formal disputes later.
- **Unintended cultural impacts:** A highly procedural approach may reduce uptake of flexible work, increase presenteeism, and make HPCA appear less aligned with contemporary NSW Health practice—potentially affecting attraction and retention.

**Suggested amendments** (to reduce risk while maintaining assurance):

- **Make manager approval the default** for flexible work arrangements (including non-standard hybrid arrangements), with Directors providing oversight rather than routine approval.
- **Define clear escalation criteria** (e.g. WHS/security concerns, performance concerns, arrangements outside NSW/Australia, significant operational risk, or where a request is refused/disputed), rather than escalating based on format alone.
- **Replace numeric caps on ad-hoc flexibility** with principles, examples and documentation expectations, allowing managers to exercise judgment while still tracking recurring arrangements.
- **Strengthen consistency mechanisms** through periodic review of decisions (themes/trends), manager guidance, and templated decision records—rather than concentrating all discretion at senior levels.
- **Reframe monitoring language** to focus on supporting appropriate arrangements and compliance (privacy-aware), rather than “policing” usage patterns.

These changes would keep the procedure aligned with the intent of the NSW Health Flexible Work Policy, improve equity and timeliness, and provide assurance through clear principles, documentation and oversight.

## Draft alternative wording (for inclusion in the HPCA PCP)

### **Purpose and approach**

This procedure supports flexible work arrangements in a way that maintains service delivery, safety, privacy and integrity requirements. Decisions will be made on a case-by-case basis using a principles-based approach, with an outcomes focus and appropriate documentation.

### **Decision-making authority**

HPCA line managers are authorised to assess and approve flexible work arrangements (including hybrid arrangements) in accordance with the NSW Health Flexible Work Policy and this procedure. Directors provide oversight and support to ensure consistency and appropriate risk management and will be the decision-maker only where escalation criteria are met.

### **Escalation criteria (Director review/approval)**

A manager must escalate a request for Director review/approval where one or more of the following apply:

- the arrangement involves working outside NSW (including interstate) or outside Australia;
- there are identified WHS, security, privacy, or confidentiality risks that cannot be reasonably controlled at the team level;
- there are current performance, conduct or capability concerns that make the arrangement unsuitable;
- the arrangement would significantly impact service delivery or team coverage and cannot be mitigated;
- a request is proposed to be refused, or the employee disputes the proposed outcome.

### **Ad-hoc flexibility**

Reasonable ad-hoc flexibility is a normal feature of work. Managers may approve short-term variations (e.g. start/finish times, location on a given day) to support operational needs and employee circumstances. Where ad-hoc variations become regular or are expected to continue, the manager should discuss and (where appropriate) document a more formal arrangement with the employee.

### **Assurance and consistency**

To support consistency and compliance, managers will record the rationale for approvals/refusals and any agreed review dates. Directors and HR may periodically review de-identified themes and trends (e.g. approval rates, common constraints, identified risks) to support guidance, capability uplift and equitable access to flexible work, without creating unnecessary approval bottlenecks.