Statement of Service 2023-24

An agreement between the

Secretary, NSW Health and

HealthShare NSW

for the period 1 July 2023 - 30 June 2024

NSW GOVERNMENT | **Health**

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NSW Health Statement of Service – 2023-24

Principal purpose

The principal purpose of the Statement of Service is to set out the service and performance expectations for funding and other support provided to HealthShare NSW (the Organisation), to ensure the provision of equitable, safe, high quality and human-centred healthcare services.

The agreement articulates direction, responsibility and accountability across the NSW Health system for the delivery of NSW Government and NSW Health priorities. Additionally, it specifies the service delivery and performance requirements expected of the Organisation that will be monitored in line with the *NSW Health Performance Framework*.

Through execution of the statement, the Secretary agrees to provide the funding and other support to the Organisation as outlined in this Statement of Service.

Parties to the agreement

The Organisation

Mr John Roach PSM
Chair
On behalf of the
HealthShare NSW Board

Date   8 February 2024   Signed ....

Ms Carmen Rechbauer
Chief Executive
HealthShare NSW

Date   8 February 2024   Signed ....

NSW Health

Ms Susan Pearce AM
Secretary
NSW Health

Date   9/2/24   Signed ....

Contents

1. Legislation, governance and performance framework

1.1 Legislation

The *Health Services Act 1997* (the Act) provides a legislative framework for the public health system, including the provision of health support services (s.126B).

The Statement of Service recognises the Delegation of Functions to the HealthShare NSW Board signed on 29 November 2012 by the then Director-General of NSW Health in her capacity as the Health Administration Corporation.

1.2 Delegation of Functions

A copy of the Delegation of Functions is appended to this Statement of Service in Section 5.

1.3 Variation of the agreement

The Statement may be amended at any time by agreement in writing between the Organisation and the NSW Ministry of Health.

The Statement may also be varied by the Secretary or the Minister in the exercise of their general powers under the Act, including determination of the role, functions and activities of support organisations.

Any updates to finance or activity information further to the original contents of the Statement will be provided through separate documents that may be issued by the Ministry of Health in the course of the year.

1.4 Conditions of Subsidy

The Organisation is required to comply with the various Conditions of Subsidy set out in *Financial Requirements and Conditions of Subsidy (Government Grants)*.

1.5 Governance

The Organisation must ensure that all applicable duties, obligations and accountabilities are understood and complied with, and that services are provided in a manner consistent with all NSW Health policies, procedures, plans, circulars, inter-agency agreements, Ministerial directives and other instruments and statutory obligations.

1.5.1 Clinical governance

NSW public health services are accredited against the *National Safety and Quality Health Service Standards.*

The *Australian Safety and Quality Framework for Health Care* provides a set of guiding principles that can assist health services with their clinical governance obligations.

The NSW Health *Patient Safety and Clinical Quality Program* (PD2005_608) provides an important framework for improvements to clinical quality.

1.5.2 Corporate governance

The Organisation must ensure services are delivered in a manner consistent with the _NSW Health Corporate Governance and Accountability Compendium_.

1.5.3 Procurement governance

The Organisation must ensure procurement of goods and services complies with _NSW Health Procurement_ policy (PD2022_02_)._

1.5.4 Aboriginal Procurement Policy

The NSW Government supports employment opportunities for Aboriginal people, and the sustainable growth of Aboriginal businesses by driving demand via government procurement of goods, services and construction. NSW Government agencies must apply the _Aboriginal Procurement Policy_ to all relevant procurement activities.

1.5.5 Public health emergency preparedness and response

The Organisation must comply with standards set out in _Public Health Emergency Response Preparedness Minimum Standards_ (PD2019_007) and adhere to the roles and responsibilities set out in _Early Response to High Consequence Infectious Disease_ (PD2023_008)

1.5.6 Performance Framework

Statements of Service are a central component of the NSW Health Performance Framework which documents how the Ministry of Health monitors and assesses the performance of public sector health services to achieve expected service levels, financial performance, governance and other requirements.

2. Strategic priorities

The delivery of NSW Health strategies and priorities is the responsibility of the Ministry of Health, health services and support organisations. These are to be reflected in the strategic, operational and business plans of these entities.

2.1 Future Health: Strategic Framework

The *Future Health Strategic Framework* is the roadmap for the health system to achieve NSW Health's vision.

Strategic outcomes	Key objectives
Patients and carers have positive experiences and outcomes that matter: People have more control over their own health, enabling them to make decisions about their care that will achieve the outcomes that matter most to them.	1.1 Partner with patients and communities to make decisions about their own care 1.2 Bring kindness and compassion into the delivery of personalised and culturally safe care 1.3 Drive greater health literacy and access to information 1.4 Partner with consumers in co-design and implementation of models of care
Safe care is delivered across all settings: Safe, high quality reliable care is delivered by us and our partners in a sustainable and personalised way, within our hospitals, in communities, at home and virtually.	2.1 Deliver safe, high quality reliable care for patients in hospital and other settings 2.2 Deliver more services in the home, community and virtual settings 2.3 Connect with partners to deliver integrated care services 2.4 Strengthen equitable outcomes and access for rural, regional and priority populations 2.5 Align infrastructure and service planning around the future care needs
People are healthy and well: Investment is made in keeping people healthy to prevent ill health and tackle health inequality in our communities.	3.1 Prevent, prepare for, respond to and recover from pandemic and other threats to population health 3.2 Get the best start in life from conception through to age five 3.3 Make progress towards zero suicides recognising the devastating impact on society 3.4 Support healthy ageing ensuring people can live more years in full health and independently at home 3.5 Close the gap by prioritising care and programs for Aboriginal people 3.6 Support mental health and wellbeing for our whole community 3.7 Partner to address the social determinants of ill health in our communities 3.8 Invest in wellness, prevention and early detection
Our staff are engaged and well supported: Staff are supported to deliver safe, reliable person-centred care driving the best outcomes and experiences.	4.1 Build positive work environments that bring out the best in everyone 4.2 Strengthen diversity in our workforce and decision-making 4.3 Empower staff to work to their full potential around the future care needs 4.4 Equip our people with the skills and capabilities to be an agile, responsive workforce 4.5 Attract and retain skilled people who put patients first 4.6 Unlock the ingenuity of our staff to build work practices for the future
Research and innovation, and digital advances inform service delivery: Clinical service delivery continues to transform through health and medical research, digital technologies, and data analytics.	5.1 Advance and translate research and innovation with institutions, industry partners and patients 5.2 Ensure health data and information is high quality, integrated, accessible and utilised 5.3 Enable targeted evidence-based healthcare through precision medicine 5.4 Accelerate digital investments in systems, infrastructure, security and intelligence
The health system is managed sustainably: The health system is managed with an outcomes-focused lens to deliver a financially and environmentally sustainable future.	6.1 Drive value based healthcare that prioritises outcomes and collaboration 6.2 Commit to an environmentally sustainable footprint for future healthcare 6.3 Adapt performance measurement and funding models to targeted outcomes 6.4 Align our governance and leaders to support the system and deliver the outcomes of Future Health

The framework is a reflection of the aspirations of the community, our patients, workforce and partners in care for how they envisage our future health system. The Strategic Framework and delivery plans will guide the next decade of care in NSW from 2022-32, while adapting to and addressing the demands and challenges facing our system. There will be specific activities for the Ministry of Health, health services and

support organisations to deliver as we implement the Future Health strategy, and services should align their strategic, operational and business plans with these Future Health directions.

2.2 Regional Health Strategic Plan 2022-32

The Regional Health Strategic Plan (the Plan) outlines NSW Health's strategies to ensure people living in regional, rural and remote NSW can access high quality, timely healthcare with excellent patient experiences and optimal health outcomes. The Plan aims to improve health outcomes for regional, rural and remote NSW residents over the next decade of, from 2022 to 2032.

Regional NSW encompasses all regional, rural and remote areas of NSW. There are nine regional local health districts in NSW: Central Coast, Far West, Hunter New England, Illawarra Shoalhaven, Mid North Coast, Murrumbidgee, Northern NSW, Southern NSW and Western NSW. Some areas of other local health districts may also be considered regional for the purpose of the Plan such as South Western Sydney and Nepean Blue Mountains. The Regional Health Strategic Plan is also supported by the metropolitan local health districts and by the Specialty Health Networks which have patients in many regional locations.

The Regional Health Plan Priority Framework outlines a suite of targets for each Strategic Priority, to be achieved in the first time horizon of the Plan (years 1-3).

PRIORITIES		KEY OBJECTIVES
	1. Strengthen the regional health workforce: Build our regional workforce; provide career pathways for people to train and stay in the regions; attract and retain healthcare staff; address culture and psychological safety, physical safety and racism in the workplace.	1.1 **Invest in and promote rural generalism** for allied health professionals, nurses and doctors 1.2 **Prioritise the attraction and retention** of healthcare professionals and non-clinical staff in regional NSW 1.3 **Tailor and support career pathways for Aboriginal health staff** with a focus on recruitment and retention 1.4 **Expand training and upskilling opportunities, including across borders** to build a pipeline of regionally based workers 1.5 **Accelerate changes to scope of practice whilst maintaining quality and safety**, encouraging innovative workforce models and recognition of staff experience and skills 1.6 **Nurture culture, psychological and physical safety** in all NSW Health workplaces and build positive work environments that allow staff to thrive
	2. Enable better access to safe, high quality and timely health services: Improve transport and assistance schemes; deliver appropriate services in the community; continue to embed virtual care as an option to complement face-to-face care and to provide multidisciplinary support to clinicians in regional settings.	2.1 **Improve local transport solutions and travel assistance schemes**, and address their affordability, to strengthen equitable access to care 2.2 **Deliver appropriate services in the community** that provide more sustainable solutions for access to healthcare closer to home 2.3 **Leverage virtual care** to improve access, whilst ensuring cultural and digital barriers are addressed 2.4 **Enable seamless cross-border care and streamline pathways to specialist care** ensuring access to the best patient care regardless of postcode 2.5 **Drive and support improved clinical care, safety and quality outcomes** for patients in hospitals and other settings 2.6 **Align infrastructure and sustainable service planning** around the needs of staff and communities and to enable virtual care
	3. Keep people healthy and well through prevention, early intervention and education: Prevent some of the most significant causes of poor health by working across government, community, and other organisations to tackle the social determinants of health; prepare and respond to threats to population health.	3.1 **Address the social determinants of health** in our communities by partnering across government, business and community 3.2 **Invest in mental health and make progress towards zero suicides** 3.3 **Invest in maternity care and early childhood** intervention and healthcare to give children the best start in life 3.4 **Invest in wellness, prevention and early detection** 3.5 **Prevent, prepare for, respond to, and recover from pandemics** and other threats to population health
	4. Keep communities informed, build engagement, seek feedback: Provide more information to communities about what health services are available and how to access them; empower the community to be involved in how health services are planned and delivered; increase responsiveness to patient experiences.	4.1 **Encourage choice and control over health outcomes** by investing in health literacy, awareness of services and access to information 4.2 **Engage communities through genuine consultation and shared decision-making** in design of services and sustainable local health service development 4.3 **Support culturally appropriate care and cultural safety** for zero tolerance for racism and discrimination in health settings 4.4 **Capture patient experience and feedback** and use these insights to improve access, safety and quality of care 4.5 **Improve transparency of NSW Health decision-making** and how it is perceived and understood by patients and the community

PRIORITIES		KEY OBJECTIVES
	5. Expand integration of primary, community and hospital care: Roll out effective, sustainable integrated models of care through collaboration between Commonwealth and NSW Government and non-Government organisations to drive improved access, outcomes and experiences.	5.1 **Develop detailed designs for expanded primary care models** and trial their implementation in regional NSW through working with the Commonwealth and National Cabinet, Primary Health Networks, Aboriginal Community Controlled Health Organisations, NGOs and other partners 5.2 **Address the employer model** to support trainees and staff to work seamlessly across primary care, public, private settings and Aboriginal Community Controlled Health Organisations to deliver care to regional communities 5.3 **Improve access and equity of services for Aboriginal people and communities** to support decision making at each stage of their health journey 5.4 **Develop 'place-based' health needs assessments and plans** by working closely with Primary Health Networks, Aboriginal Community Controlled Health Organisations and other local organisations including youth organisations and use these to resource services to address priority needs
	6. Harness and evaluate innovation to support a sustainable health system: Continue to transform health services through aligned funding and resourcing models, digital and health technologies, research and environmental solutions.	6.1 **Align NSW and Commonwealth funding and resourcing models** to provide the financial resources to deliver optimal regional health services and health outcomes 6.2 **Fund and implement digital health investments and increase capability of workforce** to deliver connected patient records, enable virtual care, provide insightful health data and streamline processes 6.3 **Undertake research and evaluation** with institutions, industry partners, NGOs, consumers and carers 6.4 **Commit to environmental sustainability footprint** for future regional healthcare

2.3 NSW Government Priorities

There are several government priorities that NSW Health is responsible for delivering. These government priorities are usually reported to the Premier's Department or The Cabinet Office through NSW Health Executive. Progress on government priorities allocated to Health is monitored by the Ministry of Health including:

- Election Commitments
- Charter Letter commitments
- Inquiry recommendations

2.4 NSW Health Outcome and Business Plan

The NSW Health Outcome and Business Plan is an agreement between the Minister for Health, the Secretary, NSW Health and the NSW Government setting out the outcomes and objectives that will be the focus for the current period. In 2022 NSW Health's Outcome Structure was realigned to the Future Health strategic framework. The revised state outcomes are:

- People are healthy and well
- Safe care is delivered within our community
- Safe emergency care is delivered
- Safe care is delivered within our hospitals
- Our staff are engaged and well supported
- Research and innovation and digital advances inform service delivery
- To achieve these outcomes, NSW Health has set a series of ambitious targets and has a comprehensive program of change initiatives in place. These targets have been built into key performance indicators in the Statement of Service, the NSW Health Performance Framework, the NSW Health Purchasing Framework and the funding model.

3. Budget

3.1 Budget Schedule: Part 1

HealthShare NSW		2023-2024 Initial Budget ($'000)
A	**Expenditure Budget by Account Group (General Fund)**	
	Employee Related	$571,872
	Goods & Services	$623,954
	Repairs, Maintenance & Renewals	$6,763
	Grants & Subsidies	$70
	Finance Costs	$58
	Depreciation and Amortisation	$29,441
	Sub-total	**$1,232,157**
B	**Other items not included above**	
	Additional Escalation to be allocated	$43,338
	Better salary packaging for healthcare workers	$2,594
	Allocated Savings Programs	-$12,135
	TMF Adjustment - Workers Compensation	$1,228
	TMF Adjustment - Property	$7
	TMF Adjustment - Motor Vehicle	$75
	IntraHealth - Pathology 23/24 Adjustment	$11
	IntraHealth - eHealth 23/24 Adjustment	$1,203
	Funding for HealthShare 23/24 IntraHealth Adjustments	$7,413
	Sub-total	**$43,735**
C	**RFA Expenses**	**$**
D	**Total Expenses (D=A+B+C)**	**$1,275,892**
E	**Other - Gain/Loss on disposal of assets etc**	**$273**
F	**Revenue**	**-$1,269,033**
G	**Net Result (G=D+E+F)**	**$7,131**

3.2 Budget Schedule: Part 2

HealthShare NSW			2023-2024 Initial Budget ($'000)
Government Grants			
A	Recurrent Subsidy		-$53,179
B	Capital Subsidy		
C	Crown Acceptance (Super, LSL)		-$13,762
D		**Total Government Contribution (D=A+B+C)**	**-$66,940**
Own Source revenue			
E	GF Revenue		-$1,202,093
F	Restricted Financial Asset Revenue		
G		**Total Own Source Revenue (G=E+F)**	**-$1,202,093**
H		**Total Revenue (H=D+G)**	**-$1,269,033**
Expenses			
I	Total Expense Budget - General Funds		$1,275,892
J	Restricted Financial Asset Expense Budget		
K	Other Expense Budget		$273
L		**Total Expense Budget as per Schedule A Part 1 (L=I+J+K)**	**$1,276,165**
M		**Net Result (M=H+L)**	**$7,131**
Net Result Represented by:			
N	Asset Movements		-$6,600
O	Liability Movements		-$531
P	Entity Transfers		
Q		**Total (Q=N+O+P)**	**-$7,131**

Note:

The Ministry will closely monitor cash at bank balances to ensure funds for payments are available as required for central payment of payroll and creditors in alignment with NSW Treasury requirements.

3.3   Budget Schedule: Capital program

Project Description	Project Code	Reporting Silo	Estimated Total Cost ($'000)	Estimated Expenditure to 30 June 2023 ($'000)	Budget Allocation 2023-24 ($'000)	Balance to Complete ('000)
Projects managed by Health Entity						
Works in Progress						
FHS Capital including Fleet	P56820	LFI	12,707	6,212	**2,870**	3,625
Linen Stock	P56821	LFI	50,280	17,834	**11,044**	21,403
Linen Fleet	P56822	LFI	18,479	532	**7,269**	10,678
Enable Capital Equipment	P56823	LFI	2,584	935	**649**	1,000
PTS Fleet	P56824	LFI	22,569	5,055	**10,424**	7,090
Linen Equipment	P57128	LFI	22,154	238	**7,936**	13,981
Total Works in Progress			**128,773**	**30,806**	**40,191**	**57,777**
Total Capital Program managed by health entity			**128,773**	**30,806**	**40,191**	**57,777**
Projects managed by Health Infrastructure						
2023-24 Major New Works						
NSW Health Linen Services - Metropolitan Facility	P56712	HI Silo	150,000	-	**150**	149,850
Total Major New Works			**150,000**	**-**	**150**	**149,850**
Total Capital Expenditure Authorisation Limit managed by Health Infrastructure			**150,000**	**-**	**150**	**149,850**

Notes:

Expenditure should not exceed to the approved limit without prior authorisation by Ministry of Health.

4.   Performance against strategies and objectives

4.1   Key performance indicators

The performance of the Organisation is assessed in terms of whether it is meeting key performance indicator targets for NSW Health strategic priorities.

Detailed specifications for the generic key performance indicators are provided in the Service Agreement Data Supplement. See:

http://internal4.health.nsw.gov.au/hird/view_data_resource_description.cfm?ItemID=48373

1 Patients and carers have positive experiences and outcomes that matter

Measure	Target	Performance Thresholds		
		Not Performing ✗	Under Performing ↘	Performing ✓
Food Services: % of respondents reporting that food served in hospital to be good and very good (% variation from prior quarter)	68%	No change or decrease	>0 and <2 increase	≥2 increase
Cleaning: % of respondents reporting the areas of hospital they use during their stay to be very clean (% variation from prior quarter)	70%	No change or decrease	>0 and <2 increase	≥2 increase
Patient Transport Services: Patient Experience score (average score out of 10)	8.5	≤7.5	>7.5and <8.5	≥8.5
EnableNSW: Patient satisfaction with customer service (average % of responses)	85%	≤75%	>75 and <85%	≥85%

4 Our staff are engaged and well supported

Measure	Target	Performance Thresholds		
		Not Performing ✗	Under Performing ↘	Performing ✓
Workplace Culture - People Matter Survey Culture Index- Variation from previous survey (%)	≥-1	≤-5	>-5 and <-1	≥-1
Take action - People Matter Survey take action as a result of the survey- Variation from previous survey (%)	≥-1	≤-5	>-5 and <-1	≥-1
Staff Engagement - People Matter Survey Engagement Index - Variation from previous survey (%)	≥-1	≤-5	>-5 and <-1	≥-1
Staff Engagement and Experience – People Matter Survey - Racism experienced by staff Variation from previous survey (%)	≥5 % points decrease on previous survey	No change or increase from previous survey.	>0 and <5 % points decrease on previous survey	≥5 % points decrease on previous survey

4 Our staff are engaged and well supported

Measure	Target	Performance Thresholds		
		Not Performing ✘	Under Performing ↘	Performing ✔
Staff Performance Reviews - Within the last 12 months (%)	100	<85	≥85 and <90	≥90
Recruitment: Average time taken from request to recruit to decision to approve/decline/defer recruitment (business days)	≤10	>10	No change from previous year and >10	≤10
Aboriginal Workforce Participation - Aboriginal Workforce as a proportion of total workforce at all salary levels (bands) and occupations (%)	3.43	<2.0	≥2.0 and <3.43	≥3.43
Compensable Workplace Injury Claims (% of change over rolling 12-month period)	0	Increase	≥0 and <5% decrease	≥5% decrease or maintain at 0

6 The health system is managed sustainably

Measure	Target	Performance Thresholds		
		Not Performing ✘	Under Performing ↘	Performing ✔
FINANCIAL KPI				
Expenditure Matched to Budget - General Fund - Variance (%)	On budget or favourable	>0.5% unfavourable	>0 and ≤0.5% unfavourable	On budget or favourable
Own Sourced Revenue Matched to Budget - General Fund - Variance (%)				
Net Cost of Service (NCOS) Matched to Budget - General Fund - Variance (%)				
Asset maintenance Expenditure as a proportion of asset replacement value (%)	2.15	<1.5	≥1.5 and <2.15	≥2.15
Capital renewal as a proportion of asset replacement value (%)	1.4	<0.8	≥0.8 and <1.4	≥1.4
ENVIRONMENTAL SUSTAINABILITY KPI				
Measure total portable water consumption and set targets to reduce water use aligned with existing service levels[1], and in line with the intent of GREP	1.5%	<1%	≥1% and < 1.5%	≥1.5%
Energy Use Avoided Through Energy Efficiency and Renewable Energy Project Implementation (%)	1.5	<1	≥1 and <1.5	≥1.5

[1] In facilities that are separately metered for HSNSW functions

Performance against strategies and objectives

6 The health system is managed sustainably

Measure	Target	Performance Thresholds		
		Not Performing ✖	Under Performing ↘	Performing ✔
CUSTOMER KPI				
Customer Satisfaction (Strategic Level – Customer Reported)	Baseline following survey in June 2023	<5% decrease	≥5% decrease and<0% decrease	Achieving or exceeding baseline
Senior Executive engagement meetings conducted with each Health Entity	2 per entity / year	0	1	≥2
PROCUREMENT AND SUPPLY CHAIN KPI				
Annual Procurement Savings Target Achieved – (% of target achieved)	Individual – See Data Supplement	<90% of target	≥90% and <95% of target	≥95% of target
Reducing free text orders catalogue compliance (%)	25	>60	≤60 and >25	≤25
Reducing off-contract spend (%)	25	>60	≤60 and >25	≤25
Use of Whole of Health contracts (%)	75	<40	≥40 and <75	≥75
Percentage pick accuracy for orders	99.7%	<99%	≥99% and <99.7	≥99.7%
Percentage of inventory write-offs due to expired or damaged stock	0.25%	>1%	<1% and >0.25%	≤0.25%
Labour cost per purchase order (PO) raised (% variation from target)	$7.14	>5% increase	>3% and ≤5% increase	≤3% increase
Cost per PO raised (% variation from target)	$5.80	>5% increase	>3% and ≤5% increase	≤3% increase
Labour cost per PO raised per FTE (% variation from target)	$94,594	>5% increase	>3% and ≤5% increase	≤3% increase
EMPLOYEE AND FINANCIAL SHARED SERVICES KPI				
Percentage of payroll processed accurately against number of requests submitted	99.5%	≤98%	>98% and <99.5%	≥99.5%
Percentage of payroll requests processed within agreed timeframes documented within service level guidelines	95%	≤90%	>90% and <95%	≥95%
Percentage Urgent Requisitions created to Purchase Orders within 4 business hours	95%	≤90%	>90% and <95%	≥95%
Invoices processed; average labour cost per invoice processed (% variation from target)	$1.28	>5% increase	>3% and ≤5% increase	≤3% increase
Invoices processed; average cost per invoice processed (% variation from target)	$1.38	>5% increase	>3% and ≤5% increase	≤3% increase

6 The health system is managed sustainably

Measure	Target	Performance Thresholds		
		Not Performing ✘	Under Performing ↘	Performing ✔
Invoices processed; average cost per FTE (% variation from target)	$85,262	>5% increase	>3% and ≤5% increase	≤3% increase
Invoices raised; average labour cost per invoice raised (% variation from target)	$13.33	>5% increase	>3% and ≤5% increase	≤3% increase
Invoices raised; average cost per invoice raised (% variation from target)	$15.07	>5% increase	>3% and ≤5% increase	≤3% increase
Invoices raised; average cost per FTE (% variation from target)	$85,794	>5% increase	>3% and ≤5% increase	≤3% increase
Pays processed; average labour cost per pay (% variation from target)	$5.89	>5% increase	>3% and ≤5% increase	≤3% increase
Pays processed; average cost per pay (% variation from target)	$6.28	>5% increase	>3% and ≤5% increase	≤3% increase
Pays processed; average cost per FTE (% variation from target)	$94,196	>5% increase	>3% and ≤5% increase	≤3% increase
Transactions reconciled; average labour cost per reconciled row (% variation from target)	$0.04	>5% increase	>3% and ≤5% increase	≤3% increase
Transactions reconciled; average cost per reconciled row (% variation from target)	$0.05	>5% increase	>3% and ≤5% increase	≤3% increase
Transactions reconciled; average cost per FTE (% variation from target)	$126,160	>5% increase	>3% and ≤5% increase	≤3% increase
HealthShare NSW Percentage of correctly presented small business invoices processed within 7 days (5 bus days) of receipt	80%	≤50%	>50% and <80%	≥80%
HealthShare NSW Percentage of outstanding customer debtor accounts under 75 days overdue	90%	≤70%	>70% and <90%	≥90%
PATIENT SERVICES AND PLANNING KPI				
Food Services: Percentage of Food Service Sites with access to electronic ordering (compared to prior year)	39%	No change or a decrease	>0 and <1 increase	≥1 increase
Food Services: Percentage of default meals where HSNSW provides meal ordering	30%	≥40%	Between >30% and <40%	≤30%
Food Services: Average labour cost per occupied bed day (% variation from target)	$29.00	>5% increase	>3% and ≤5% increase	≤3% increase

6 The health system is managed sustainably

Measure	Target	Performance Thresholds		
		Not Performing ✘	Under Performing ↘	Performing ✔
Food Services: Average labour cost per meal (% variation from target)	$7.00	>5% increase	>3% and ≤5% increase	≤3% increase
Food Services: Average meal cost per occupied bed day (% variation from target)	$50.00	>5% increase	>3% and ≤5% increase	≤3% increase
Food Services: Average meal cost per meal (% variation from target)	$12.00	>5% increase	>3% and ≤5% increase	≤3% increase
Food Services: Average meal cost per FTE (% variation from target)	$86,992	>5% increase	>3% and ≤5% increase	≤3% increase
Cleaning: Average cleaning cost per occupied bed day (% variation from target)	$71.00	>5% increase	>3% and ≤5% increase	≤3% increase
SYSTEM SERVICE DELIVERY KPI				
Linen Services: Percentage of returned items compared to the total number of items supplied to customers	0.075%	≥0.1%	0.75%	≤0.01%
Linen Services: Kilos produced per operating hour	29	≤27	>27 and>29	≥29
Linen Services: Average labour cost per occupied bed day (% variation from target)	$9.00	>5% increase	>3% and ≤5% increase	≤3% increase
Linen Services: Average labour cost per tonne (% variation from target)	$1,574	>5% increase	>3% and ≤5% increase	≤3% increase
Linen Services: Average cost per occupied bed day (% variation from target)	$14.00	>5% increase	>3% and ≤5% increase	≤3% increase
Linen Services: Average cost per tonne	$2,550	≥$2,650	>$2,550 and <$2,650	≤$2,550
Linen Services: Average cost per FTE (% variation from target)	$81,662	>5% increase	>3% and ≤5% increase	≤3% increase
Patient Transport Services: Average number of transports completed per hour by PTS	0.42	<0.37	≥0.37 and <0.42	≥0.42
Patient Transport Services: Number of jobs given to NSW Ambulance per month	≤150	≤250	<250 and >150	≤150
Patient Transport Services: Overall timeliness, transports completed within the relevant service level agreement (SLA) timeframes for the transport type as a percentage of total transports	65%	≤55%	>55% and <65%	≥65%
Patient Transport Services: Average labour cost per transfer (% variation from target)	$261	>5% increase	>3% and ≤5% increase	≤3% increase

Performance against strategies and objectives

6 The health system is managed sustainably

Measure	Target	Performance Thresholds		
		Not Performing ✘	Under Performing ↘	Performing ✔
Patient Transport Services: Average cost per transfer (% variation from target)	$382	>5% increase	>3% and ≤5% increase	≤3% increase
Patient Transport Services: Average cost per FTE (% variation from target)	$105,747	>5% increase	>3% and ≤5% increase	≤3% increase
Make Ready Service: Average time (minutes) cleaning and restocking of ambulances (daily cleans only)	30	>40	≤40 and >30	≤30
Make Ready Service: Average cost per daily clean of ambulances (% variation from target)	$125	Increase from previous year	No change from previous year	>0 and <5% decrease on previous year
EnableNSW: Processing time for Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS) claims within KPI (%)	85%	<80%	≤80 and <85%	≥85%
EnableNSW: Timeliness for processing equipment and aid requests	85%	<80%	≤80 and <85%	≥85%
EnableNSW: Cost avoidance through equipment recycling (per year)	$400K	≤$350K	>$350K and ≤400K	>$400K

4.2   Future Health actions and performance deliverables

Future Health actions and performance deliverables will be monitored, noting that indicators and milestones are held in the detailed program operational plans.

4.2.1   Future Health actions

Action code	Achievement statement	Actions	Due by
1 Patients and carers have positive experiences and outcomes that matter			
1.1.1.2.12	Respecting different beliefs: Patient, carer, and family preferences and needs are heard, respected and responded to, including cultural and religious needs and other preferences such as alternate treatments and care.	Provide and respect patients choice in the food and beverages they consume and when they consume them, to improve Patient Experience where Food Services Transformation occurs	30 June 2024
1.1.1.3.21	Self-reported outcomes and experience: Patients, carers, and the community have formal opportunities to describe the outcomes and experiences that matter to them and this information is used to inform decisions about their care and treatment.	Provide patients in PTS vehicles multiple avenues to provide feedback in real time to have a direct impact on improving service delivery and Patient Experience.	30 June 2024
1.2.1.2.6	Value and act upon feedback: Every person providing feedback to the NSW Health system will be acknowledged in a kind and compassionate way which includes a timely response that is transparent and clearly explains actions taken.	Implement the principles and learnings for food service delivery at agreed key sites aligned to patient cohorts, which improves Patient Experience.	30 June 2024

Action code	Achievement statement	Actions	Due by
2 Safe care is delivered across all settings			
2.1.1.1.10	Holistic metrics: timely and equitable access is consistently measured across acute, chronic, primary, and preventative services and inter-relationships can be analysed.	Develop and implement real time dashboards for the Patient Transport Service (PTS) that are accessible to NSW Health services and address operational issues in real time to improve system flow	30 June 2024
2.1.1.2.12	Access beyond acute and community: Timely access outcomes includes access to other services such as pharmacy and allied health.	Establish online portal (Enable Online) to provide improved visibility for NSW Health prescribers to obtain community equipment through Enable NSW, improving patient flow and discharge	30 June 2024

Action code	Achievement statement	Actions	Due by
2 Safe care is delivered across all settings			
2.5.1.2.15	Collaborative planning processes: Service planning leverages expertise from across NSW Health to inform early planning of infrastructure projects, including embedding digital/virtual health strategies.	Establish the operating model, resources and prioritised work program for a centralised Capital Assets and Service Planning (CASP) team	30 June 2024

Action code	Achievement statement	Actions	Due by
5 Research and innovation, and digital advances inform service delivery			
5.2.2.3.10	Building cross-sector collaboration: There is cross sector collaboration and data sharing capability to support patient journeys and inform policy beyond just health eg integrating NSW Health and Transport NSW data, HealthDirect Australia	Utilising Whole of Government contract data to inform and drive cluster-wide contract management and adherence to compliance targets. For example, through the National Waste Action Plan Alignment initiative (which draws on waste and sustainability monitoring), Travel, and Fleet contract management	30 June 2024
5.2.2.3.11	Building cross-sector collaboration: There is cross sector collaboration and data sharing capability to support patient journeys and inform policy beyond just health eg integrating NSW Health and Transport NSW data, HealthDirect Australia	Making the key systems data (for example ServiceNow, AWS Connect) available in real-time to business units following approval for enhanced HSNSW reporting and analytics capability	30 June 2024
5.2.2.3.7	Building cross-sector collaboration: There is cross sector collaboration and data sharing capability to support patient journeys and inform policy beyond just health eg integrating NSW Health and Transport NSW data, HealthDirect Australia	Expand the use of real time data to enhance operational practice through the development of real time dashboards, to provide visibility on key insights to PTS operational management, LHDs and MoH*	30 June 2024
5.4.2.3.4	Modernising systems: NSW Health modernised legacy systems including archiving content of legacy systems being decommissioned and reinvesting resources into modern solutions	Complete the discovery and transition of selected high volume and/or low complexity NSW Health accounts into the Auto-Reconciliation Tool	30 June 2024

Action code	Achievement statement	Actions	Due by
5 Research and innovation, and digital advances inform service delivery			
5.4.2.3.5	Modernising systems: NSW Health modernised legacy systems including archiving content of legacy systems being decommissioned and reinvesting resources into modern solutions	Continue the consolidation of contact centres within HealthShare, to realise efficiencies and have standardised training, governance, quality assurance and reporting, by integrating all applicable call centres operations into the existing Customer Service Desk	30 June 2024
5.4.2.3.6	Modernising systems: NSW Health modernised legacy systems including archiving content of legacy systems being decommissioned and reinvesting resources into modern solutions	Evaluate the available options to modernise the existing food management system into a single, contemporary platform that supports both patient safety and the continued reform of food services for NSW Health	30 June 2024

Action code	Achievement statement	Actions	Due by
6 The health system is managed sustainably			
6.1.1.1.17	Scale successful solutions: Successful VBHC initiatives are scaled and applied at a local and state level.	Optimise back of house services at key sites, leveraging the principles and learnings from the Task Allocation System pilot, and develop roadmap for broader rollout.	30 June 2024
6.1.1.1.20	Scale successful solutions: Successful VBHC initiatives are scaled and applied at a local and state level.	Complete a refresh of all Procurement category strategies with input from across the system including identification of opportunities to drive better value and eliminate inefficiencies.	30 June 2024
6.1.1.1.21	Scale successful solutions: Successful VBHC initiatives are scaled and applied at a local and state level.	Develop Patient Transport Services Reservations Model and pilot in one LHD. Refine model from pilot learnings for future rollout across metro LHDs	30 June 2024
6.1.1.2.6	Disinvest in low value activities: Unwarranted clinical variation is identified and the system is supported to disinvest from ineffective, inefficient and unwanted care.	Complete a linen services review, identifying opportunities to better support the system	30 June 2024
6.2.1.1.6	Building the evidence base for action: NSW Health has built a robust evidence base for carbon emissions, energy, water, waste and fleet performance and has set an ambitious net zero pathway for all stakeholders.	Ensure 20 largest NSW Health suppliers covering $1bn+ of spend report to NSW Health on progress against one or more UN Sustainability goals.	30 June 2024

Action code	Achievement statement	Actions	Due by
6 The health system is managed sustainably			
6.2.1.3.4	Foster innovative solutions: NSW Health proactively identifies opportunities across its full breadth of its operations to meet environmentally sustainability targets, and pilot local strategies to potentially scale statewide.	Move toward a circular economy by implementing pilot schemes to avoid waste, improve resource recovery, increase use of recycled material and build demand and markets for recycled products.	30 June 2024
6.3.1.1.5	Purchasing alignment to strategy: purchasing is aligned to the outcomes of Future Health, removing areas of duplication and low value investment, and encouraging an increase in preventive and population health.	Support the Savings Leadership Program with the Ministry of Health to refresh category strategies and identify further savings opportunities.	30 June 2024
6.4.1.2.2	Determine the balance: A more consistent approach has been established to determine and balance which activities need to be common across the whole system (e.g. procurement), and where local flexibility and innovation can be encouraged with clear accountability for delivery.	Standardise Commonwealth Paid Parental Leave services across NSW Health and transition the services to be managed by HealthShare NSW.	30 June 2024

4.2.2   Performance deliverables

Key objective / action code	Deliverable in 2023-24	Due by
1 Patients and carers have positive experiences and outcomes that matter		

1.1
 	
1.1.1.2.12
	• Provide and respect patients choice in the food and beverages they consume and when they consume them, to improve patient experience and reduce food waste.
	  a) Develop a strategic business case detailing the high-level costs and benefits of large-scale change for Food Services Transformation implementing the option of flexible meal ordering.
	  b) Partner with ACI to operationalise the newly published Nutrition Standards focussing on patient experience and reduced food waste.
		a. December 2023
		
		b. June 2024

Key Objective	Deliverable in 2023-24	Due by
2 Safe care is delivered across all settings		
2.2 2.1.1.2.12	• Establish and increase online applications for EnableNSW equipment programs a) Establish online equipment requests for NSW Health clinicians b) Establish online application for consumers	a. August 2023 b. November 2024

Key Objective	Deliverable in 2023-24	Due by
5 Research and innovation, and digital advances inform service delivery		
5.2 Contributes towards 5.4.2.3.12	• Deliver the Invoices in Payments Out program to modernise the accounts payable functions across NSW Health a) Progress the uplift of PCards for the payment of low-value goods and services b) Increase invoice to purchase order (PO) automatic rates in StaffLink by reviewing, evaluating, and adjusting current rules. c) Upgrade Kofax version to improve optical character recognition (OCR) data and image capture to increase touchless processing	a. June 2024 b. January 2024 c. January 2024

Key Objective	Deliverable in 2023-24	Due by
6 The health system is managed sustainably		
6.1.1.2.6	• Undertake Linen Logistics review a) Develop and review recommended future delivery models b) Prepare roadmap to implement the selected delivery model	June 2024
6.1 contributes towards 5.4.2.3.12	• Complete transition of Cash Transformation initiatives into business as usual a) Expanding the Health Invoices Payment Platform to include non-invoiced adhoc payments and donations across NSW Health. b) Complete automation of roster file into StaffLink to support real time payroll	a. June 2024 b. October 2023
6.1.1.1.19	• **SmartCHAIN**: Connect and digitise procurement and supply chain processes, delivering a series of solutions across the NSW Health value chain. Solutions to be delivered in FY2024 include: a) Sourcing and Contracts b) Dataflow c) Traceability d) Business Intelligence and Analytics	June 2024
6.1.1.1.18	• **DeliverEASE**: Continue state-wide rollout of DeliverEASE program to transform the management of our medical consumable supply chain by optimising processes. a) Completion of Horizon 1 deliverables b) Completion of Horizon 2 deliverables	a) January 2024 b) June 2024

Key Objective	Deliverable in 2023-24	Due by
6.1.1.1.17	• Implement recommendations from the Task Allocation System pilot evaluation report to enable improved patient flow through escalations management and data led capacity planning a) Implement the six recommendations as outlined in the evaluation report. b) Measure uplift in efficiency of service provision and timeliness of service at the initial pilot site	June 2024
6.1.1.1.21	• Patient Transport Services reservations model successfully launched within Hunter New England Local Health District a) Model implemented and operational in HNELHD. b) Review learnings from pilot and develop wider implementation plan	a) October 2023 b) June 2024
6.1	• Solidify service delivery model for Make Ready Service a) Undertake a market scan to understand if there are other business' providing the same service within Australia b) Deliver a future services roadmap to formalise Make Ready Service in the Sydney Metropolitan region	a) February 2024 b) June 2024
6.2	• Develop and execute strategy to sustainably manage down the whole of government (WGW) stockpile a) Identify sustainable processing options for all product categories held in WGW b) Reduce stockpile to 25,000 pallets	June 2024
6.2	• Transition 26 ICE fleet vehicles to hybrid vehicles in line with the hybrid turnover plan	June 2024
Will contribute to 6.1.1.1.22	• Develop a baseline for food and linen waste by weight and cost, and identify where LHD partners can participate in opportunities to reduce waste a) Determine approach and assumptions for baselining food waste b) Conduct food waste audits to inform baseline c) Calculate linen waste baseline, by weight and cost d) Identify waste reduction opportunity focus areas and engage with LHD partners	a) September 2023 b) October 2023 c) December 2023 d) June 2024
6.2.1.3.3	• Reduce reliance on chemicals for cleaning and sanitisation in HealthShare NSW Food Services a) Finalise pilot evaluation to confirm alternate solution options to chemical use b) Implement pilot outcomes at a minimum of six agreed sites c) Develop roadmap for ongoing implementation of alternate solution	a) October 2023 b) June 2024 c) June 2024

Key Objective	Deliverable in 2023-24	Due by

	Procurement reform
	Procurement capability of staff
	• Local resources and training to uplift procurement capability of non-procurement staff
	• Procurement staff attend Procurement Academy training
	Procurement compliance
	• Goods and services procurements and Information and Communication Technology (ICT) procurements valued over $30,000 and outside existing arrangements are tested against the Risk Assessment Tool.
	• Disclosure requirements for contracts (including purchase orders) valued over $150,000 are met:
	
	   - Contracts/purchase orders are disclosed on eTendering
	
	   - Contracts/purchase orders are saved on PROcure, where relevant
	• Whole-of-Health contracts and standing offers are disclosed on eTendering and uploaded onto Portt Discover
	Social and sustainable procurement
	• Spend and contracts with Aboriginal businesses
	• Achieve and report on a minimum 1.5% Aboriginal participation for contracts valued >$7.5m through the Department of Customer Services (DCS) reporting portal (unless an exemption applies).
	• Achieve and report on Small and Medium Enterprise participation of 25% of project addressable spend for goods and services contracts valued >$3m through the DCS portal (unless an exemption applies).
	• 20 largest Health suppliers covering $1bn spend reporting to NSW Health on progress against one or more UN Sustainable development goal.
	• 20 largest Health suppliers have a published Modern Slavery Statement, per Modern Slavery Act 2018 (Commonwealth) requirements.
	Contract and supplier relationship management
	• All requests for emergency procurements must be approved by the Secretary and must not be requested based on lapsed contract or supply shortfall.
	• The ICT Purchasing Framework contract templates (Core& contracts; Master ICT Agreement/ICT Agreement contracting framework) are used when engaging suppliers on the ICT Services Scheme (where relevant), unless an exemption applies.
	• All procurements requested by LHDs/Pillars/Specialty Networks that are valued above $250,000 and outside existing arrangements are undertaken in a timely manner.
	• Contracts with emerging, legacy and strategic suppliers valued at or over $5 million have a Contract/Panel Management Plan in place
		Quarterly

5. Supplementary Document - Delegation of Functions

DELEGATION OF FUNCTIONS

HealthShare NSW Board

Section 126B Health Services Act 1997

Recitals

A. Pursuant to section 8A of the Health Administration Act 1982 the Director General determined on 29 March 2006 (reconfirmed on 31 December 2010) that the Health Administration Corporation may exercise the Director-General's powers authorities, duties and functions to provide services under section 126B of the Health Services Act 1997;

B. HealthShare NSW is an administrative unit of the Public Health System Support Division of the Health Administration Corporation, originally established on and from 24 April 2007 (renamed as HealthShare NSW on 1 August 2012) and vested with certain of the Director-General's service provider functions under section 126B of the Health Services Act 1997;

C. The Director-General established the HealthShare NSW Board as an appointed body under section 126C of that Act by instrument dated 29 June 2012.

Functions of HealthShare NSW Board

Pursuant to section 126B(4) of the Health Services Act 1997 I, Mary Foley, Director-General, NSW Ministry of Health hereby delegate to the HealthShare Board the following functions in respect of the governance and oversight of HealthShare NSW:

(i) to ensure effective and comprehensive corporate governance frameworks are established to support the maintenance and improvement of standards of services provided by Health Share NSW and to approve those frameworks;

(ii) to approve systems to support the efficient and economic operation of Health Share NSW;

(iii) to provide strategic oversight of and monitor HealthShare NSW's financial and operational performance in accordance with the objectives and measures set by the Director General from time to time;

(iv) to liaise with the Chief Executives of local health districts and specialty network governed health corporations in relation to the quality and price of the services provided by HealthShare NSW;

(v) advise on strategies and business improvements that will support improved efficiency and customer service by HealthShare NSW, within the overall strategic framework and requirements set by Government;

(vi) ensure that robust financial and other internal reporting mechanisms are in place which provide adequate, accurate and timely information about HealthShare NSW to the Board and the NSW Ministry of Health;

(vii) provide such advice to the Director-General on the provision of shared services within NSW Health as requested from time to time.

Signed this 29th day of November 2012

Dr Mary Foley
Director-General
NSW Ministry of Health
In her capacity as the
Health Administration Corporation