

AM-16



Health

Ms Anna McFadgen
Chief Executive Officer
St Vincent's Health Network
Email: [REDACTED]

Our ref H23/92348

Dear Ms McFadgen

FEEDBACK ON 2023 CAPITAL INVESTMENT PROPOSALS

Thank you for submitting your Capital Investment Proposals for 2023. The Ministry **acknowledges your organisation's time and effort in developing your proposals.**

In accordance with the annual capital investment planning process, all Capital Investment Proposals have been reviewed against the NSW Health State-wide Investment and Prioritisation Framework. This approach helps to ensure any potential future capital investments are aligned with the long-term, state-wide directions in the NSW Health 20-Year Health Infrastructure Strategy.

The outcomes of this process helped to inform the development of the NSW Health 10-year Capital Investment Strategic Plan (CISP), which was submitted to NSW Treasury in accordance with the annual State Budget process. Please note that meeting the requirements for inclusion in the CISP does not guarantee a future funding allocation. **The Ministry is also unable to confirm a project's inclusion in the current CISP, as this is a Cabinet sensitive document and is subject to change prior to any future Budget announcements.**

Enclosed with this letter is feedback on each Capital Investment Proposal that your organisation submitted. This feedback indicates whether the proposal **meets the requirements for inclusion** in the CISP or **requires further development**. Alternatively, in some cases, the feedback may identify that an **alternative solution is required**.

In addition to the feedback provided, the Ministry will schedule an information session with all Health entity planners in early 2024. This session will highlight key themes, seek feedback on the process, and provide guidance in relation to the 2024 Capital Investment Proposal submissions.

2024 SUBMISSIONS AND PROPOSAL DEVELOPMENT

Your organisation will be invited to submit Capital Investment Proposals again in 2024, as part of the annual capital investment planning process. Please note that the Ministry recommends updating and resubmitting all Capital Investment Proposals that you wish to be considered next year, even if the proposal has previously met the requirements for inclusion in the CISP.

All Capital Investment Proposals submitted to the Ministry as part of the annual capital investment planning process must be underpinned by a current and robust Service Plan.

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Any commentary relating to assets at end-of-life or that have functional or performance **issues should also be reflected in your organisation's Strategic Asset Management Plan/Asset Management Plan.**

All Health entities will also be required to undertake a structured early options analysis and document the outcome to support their 2024 Capital Investment Proposal submissions. Analysis of a range of options and evidence will strengthen proposals and better support the preferred investment option. Additional details will be communicated in early 2024, including an updated Early Options Guide preceding the 2024 submission, and supplementary information within the 2024 package.

For 2023 proposals that **met the requirements for inclusion** in the CISP, the Ministry recommends updating these proposals for submission in 2024, as per the feedback provided. For example, cost estimates should be updated using the 2024 CIP Costing Template, and proposals should continue to be updated to reflect progress in collaborative planning. Proposals that have previously met requirements for inclusion in the CISP may be reassessed if the project has been significantly rescopeed or not resubmitted with updated supporting documentation.

For 2023 proposals that **require further development**, the Ministry recommends undertaking further work and collaborative planning, as per the feedback provided, before resubmitting these proposals for consideration in 2024.

Where an **alternative solution is required**, please note the feedback provided. For example, the timing requirements and availability of capital funding may not align.

I would like to thank you again for your submission and for your continued collaborative planning efforts, as part of the capital investment planning process. If you require further information regarding this correspondence, please contact the Service and Capital Planning Unit at MOH-SCPU@health.nsw.gov.au or Elizabeth Kim, Director, Service and Capital Planning Unit on [REDACTED] or at [REDACTED]

Yours sincerely



Vince McTaggart
Executive Director
Strategic Reform and Planning Branch

11 Dec 2023

2023 Capital Investment Proposal Feedback
St Vincent's Health Network



Proposal Name	Outcome	Feedback
SVHN Network Upgrade	Requires further development	<p>If the proposal is resubmitted in 2024, it should be updated to reflect any refinement to cost estimates and provide further evidence to support the preferred option.</p> <p>The Network should also consider strengthening the Early Options Analysis by documenting the nature and scope of consultation undertaken to inform the development of the long list of options.</p> <p>In addition, the Network should provide more detail regarding:</p> <ul style="list-style-type: none"> • how the proposal addresses the strategic alignment criteria, and • collaborative planning with state-wide services to strengthen the case for change, and further liaison with eHealth on the development of the preferred option.
SVHN PAS Replacement	Requires alternative solution	<p>The Ministry notes the importance of this investment and that there are ongoing discussions in relation to opportunities with the SDPR program. In addition, inclusion in the CISP does not guarantee a funding allocation, and the availability and timing of capital funding may not align with the investment need of this proposal.</p>
Kitchen Upgrade	Requires further development	<p>The Ministry notes that further work is required to develop a whole of campus approach and recommends that the Network continues to develop detail regarding how the preferred option prevents early obsolescence and unnecessary or premature asset replacement and preparedness for high impact events.</p> <p>If the proposal is resubmitted in 2024, it should be updated to reflect any refinement to cost estimates.</p> <p>The Network should also consider enhancing the Early Options Analysis by thoroughly examining each option within appropriate categories and providing more detailed descriptions for each of the options in the long list.</p>