

Mr Paul McClintock AO  
Board Chair  
St Vincent's Health Network  
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## Interim 2023-24 Service Agreement schedules

Dear Mr McClintock

As you are aware, the deferral of the NSW 2023-24 Budget until 19 September 2023 necessitates a staged approach to the service agreements and budget allocation for the financial year 2023-24.

An Instrument of Authorisation has been issued allowing clusters to access Consolidated Funds from 1 July 2023 in accordance with the *Government Sector Finance Act 2018*. This replaces the authority of an Appropriation until the NSW Budget is handed down and allows the Ministry to issue an interim funding allocation, which includes approved escalations and savings initiatives.

There is no requirement that this letter be signed by the Board Chair and Chief Executive and related documentation should not be published on the Network's website.

Please find attached the following:

- The Network's interim funding allocation for the first quarter 2023-24 (1 July to 30 September 2023) which includes a limited number of initiatives issued primarily for business continuity reasons and the capital budget
- The initial full year activity targets for 2023-24
- The key performance indicators and performance deliverables for 2023-24
- Financial Requirements and Conditions of Subsidy (Government Grants)

The Interim NSW State Efficient Price and initial annual activity targets may be adjusted depending on the nature and scope of the NSW Budget in September 2023. The Interim NSW State Efficient Price for 2023-24 of \$5,161 per NWAU23, has been informed by the Cost per NWAU data of the 2021-22 District and Network Returns (DNR Clinical Costing Study). The Network's performance will continue to be monitored by the System Sustainability and Performance Division in line with the NSW Health Performance Framework.

### Actions required

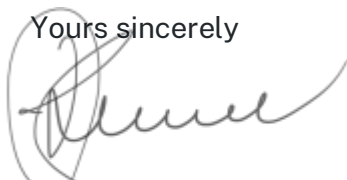
- Acknowledge receipt of this letter by email to:  
[MOH-ServiceAgreementSPB@health.nsw.gov.au](mailto:MOH-ServiceAgreementSPB@health.nsw.gov.au).
- Service and facility-level budgets (including staffing and activity levels) for the period 1 July to 30 September 2023, should be devolved in keeping with prior year practice.

The Ministry of Health will work with your Executive to prepare the final 2023-24 Service Agreement to be issued and executed as anticipated in September 2023. This process will proceed in line with the objectives of the Comprehensive Expenditure Review, as communicated in a memo from the Deputy Secretary, Financial Services and Asset Management and Chief Financial Officer on 2 June 2023 (H23/40663).

The review is tasked with identifying a series of recurrent savings across agencies in addition to the Government's election savings commitments, to support financial and service delivery objectives. Consistent with whole of Government savings strategies on legal, travel, consultants and advertising expenditure budgets will be defined for each of these categories.

If you have any questions, please contact Joe Portelli, Executive Director, System Purchasing Branch on [REDACTED] or [REDACTED].

Yours sincerely



**Susan Pearce AM**  
Secretary, NSW Health

CC: Chief Executive, St Vincent's Health Network

Encl. Interim funding allocation  
Capital budget  
Activity targets  
2023-24 Key performance indicators and performance deliverables  
Financial Requirements and Conditions of Subsidy (Government Grants)