

NSW Health Performance Agreement – 2021-22

Principal purpose

The principal purpose of the Performance Agreement is to set out the service and performance expectations for funding and other support provided to Clinical Excellence Commission (the Organisation), to ensure the provision of equitable, safe, high quality and human-centred healthcare services.

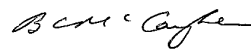
The agreement articulates direction, responsibility and accountability across the NSW Health system for the delivery of NSW Government and NSW Health priorities. Additionally, it specifies the service delivery and performance requirements expected of the Organisation that will be monitored in line with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

Through execution of the agreement, the Secretary agrees to provide the funding and other support to the Organisation as outlined in this Performance Agreement.

Parties to the agreement

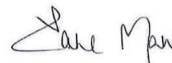
The Organisation

Professor Brian McCaughan AM
Chair
On behalf of the
Clinical Excellence Commission Board



Date 29/07/2021 Signed

Ms Carrie Marr
Chief Executive
Clinical Excellence Commission



Date 29/07/2021 Signed

NSW Health

Ms Elizabeth Koff
Secretary
NSW Health



Date 29/8/21 Signed

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1. Objectives of the Performance Agreement

- To articulate responsibilities and accountabilities across all NSW Health entities for the delivery of NSW Government and NSW Health priorities.
- To establish with support organisations a performance management and accountability system for the delivery of high quality, effective healthcare services that promote, protect and maintain the health of the community, and provide care and treatment to the people who need it, taking into account the particular needs of their diverse communities.
- To develop formal and ongoing, effective partnerships with Aboriginal Community Controlled Health Services ensuring all health plans and programs developed by support organisations include measurable objectives that reflect agreed Aboriginal health priorities.
- To promote accountability to Government and the community for service delivery and funding.
- To ensure that the CORE Values of Collaboration, Openness, Respect and Empowerment are reinforced throughout NSW Health
- To ensure support organisations engage in appropriate consultation with patients, carers and communities in the design and delivery of health services.
- To ensure that support organisations work together with clinical staff about key decisions, such as resource allocation and service planning.

2. Legislation, governance and performance framework

2.1 Legislation

The Health Services Act 1997 (the Act) provides a legislative framework for the public health system, including the establishment of Statutory Health Corporations to enable certain health services and health support services to be provided within the State other than on an area basis (s.11). The Clinical Excellence Commission is a Board governed statutory health corporation constituted under section 41 and specified in Schedule 2 of the Act.

Under the Act the Health Secretary's functions include: the facilitation of the achievement and maintenance of adequate standards of patient care within public hospitals, provision of governance, oversight and control of the public health system and the statutory health organisations within it, as well as in relation to other services provided by the public health system, and to facilitate the efficient and economic operation of the public health system (s.122).

2.2 Ministerial Determination of Functions

The Performance Agreement recognises that the Clinical Excellence Commission has a clearly defined role and set of functions as articulated in the Ministerial Determination of Functions for the Support Organisation, signed by the Minister 13th July 2012, pursuant to Section 53 of the *Health Services Act 1997*.

- a) To provide system wide clinical governance leadership with local health districts and specialty networks, including support of the implementation and ongoing development of local quality systems;
- b) To develop policy and strategy related to improvements of clinical quality and safety across the NSW public health system and promote and support improvement in clinical quality and safety in public and private health services;
- c) To identify, develop and disseminate information about clinical quality and safety in health care on a state wide basis, including (but not limited to):
 - i. Working with the Health Education and Training Institute to provide advice and inform the Institutes development, provision and promotion of training and education programs;
 - ii. Identifying priorities for and promoting the conduct of research about clinical quality and safety in health care;
- d) To review adverse clinical incidents arising in the NSW public health system and develop responses to those incidents including (but not limited to):
 - i. Coordinating responses to specific incidents with system or statewide implications; and
 - ii. Providing advice to the Secretary, Ministry of Health on urgent request or emergent patient safety issues and staff safety issues in a clinical setting;
- e) To monitor clinical quality and safety processes and performance of public health organisations and to report to the Secretary, Ministry of Health and Minister thereon;
- f) To provide the Bureau of Health Information with relevant data about clinical quality and safety in the public health system, to support the Bureau's public reporting function;
- g) To consult broadly with public health organisations, health professionals and members of the community in performing its functions;
- h) To provide advice to the Secretary, Ministry of Health and Minister for Health on issues arising out of its functions
- i) To develop three year Strategic Plans and an Annual Work Plan, linking these activities and priorities of the Commission to the statewide directions and priorities of NSW Health and work in accordance with these plans and Service Compact agreed with the Secretary, Ministry of Health.

2.3 Variation of the agreement

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

The Agreement 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 Agreement will be provided through separate documents that may be issued by the Ministry of Health in the course of the year.

2.4 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.

2.4.1 Clinical governance

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

<https://www.safetyandquality.gov.au/our-work/assessment-to-the-nsqhs-standards/nsqhs-standards-second-edition/>

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.

<https://www.safetyandquality.gov.au/publications-and-resources/resource-library/australian-safety-and-quality-framework-health-care>

The NSW Patient Safety and Clinical Quality Program provides an important framework for improvements to clinical quality.

http://www1.health.nsw.gov.au/pds/ActivePDSDocuments/PD2005_608.pdf

2.4.2 Corporate governance

The Organisation must ensure services are delivered in a manner consistent with the *NSW Health Corporate Governance and Accountability Compendium* (the Compendium) seven corporate governance standards. The Compendium is at:

<http://www.health.nsw.gov.au/policies/manuals/pages/corporate-governance-compendium.aspx>

Where applicable, the Organisation is to:

- Provide required reports in accordance with timeframes advised by the Ministry;
- Review and update the *Manual of Delegations* (PD2012_059) to ensure currency;
- Ensure recommendations of the NSW Auditor-General, the Public Accounts Committee and the NSW Ombudsman, where accepted by NSW Health, are actioned in a timely and effective manner, and that repeat audit issues are avoided.

2.4.3 Procurement governance

The Organisation must ensure procurement of goods and services complies with the *NSW Health Goods and Services Procurement Policy Directive* (PD2019_028). This policy directive details the requirements for all staff undertaking procurement or disposal of goods and services on behalf of NSW Health. The policy is at: https://www1.health.nsw.gov.au/pds/Pages/doc.aspx?dn=PD2019_028

2.4.4 Aboriginal Procurement Policy

The NSW Government support 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. The policy is at:

<https://buy.nsw.gov.au/policy-library/policies/aboriginal-procurement-policy>

2.4.5 Performance Framework

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

The performance of a health service is assessed on whether the organisation is meeting the strategic objectives for NSW Health and government, the Premier's Priorities and performance against key performance indicators. The availability and implementation of governance structures and processes, and whether there has been a significant critical incident or sentinel event also influences the assessment.

The Framework sets out responses to performance concerns and management processes that support the achievement of outcomes in accordance with NSW Health and government policies and priorities. Performance concerns will be raised with the Organisation for focused discussion at performance review meetings in line with the *NSW Health Performance Framework* available at:

<http://www.health.nsw.gov.au/Performance/Pages/frameworks.aspx>

3. 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.

3.1 NSW Premier's Priorities

In June 2019, the NSW Premier set new social priorities to tackle tough community challenges, lift the quality of life for everyone in NSW and put people at the heart of everything the Government does.

NSW Health is leading the three priorities for improving the health system:

- Improving outpatient and community care
Reduce preventable hospital visits by 5% through to 2023 by caring for people in the community.
- Improving service levels in hospitals
100% of all triage category 1, 95% of triage category 2, and 85% of triage category 3 patients commencing treatment on time by 2023
- Towards zero suicides
Reduce the rate of suicide deaths in NSW by 20% by 2023

NSW Health staff will continue to work together to deliver a sustainable health system that delivers outcomes that matter to patients and the community, is personalised, invests in wellness and is digitally enabled.

3.2 NSW Health Outcome and Business Plan

The NSW Treasury Outcome Budgeting initiative intends to transform the way budget decisions are made, and resources are managed in the NSW public sector. The overarching objective of Outcome Budgeting is to shift the focus of the NSW Government to deliver better outcomes for the people of NSW with increased transparency, accountability and value (TPP 18-09 – available at <https://www.treasury.nsw.gov.au/sites/default/files/2018-12/TPP18-09%20Outcome%20Budgeting.pdf>).

The NSW Health Outcome and Business Plan is an agreement between the Minister for Health and Medical Research, the Secretary, NSW Health and the NSW Government setting out the outcomes and objectives that will be the focus for the current period.

NSW Health has identified five state outcomes that it will achieve for the people of NSW. The state outcomes cover the broad range of functions and services provided across care settings.

1. Keeping people healthy through prevention and health promotion
2. People can access care in out of hospital settings to manage their health and wellbeing
3. People receive timely emergency care
4. People receive high-quality, safe care in our hospitals
5. Our people and systems are continuously improving to deliver the best health outcomes and experiences

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 Performance Agreement, the *NSW Health Performance Framework*, the *NSW Health Purchasing Framework* and the funding model.

4. Budget

4.1 State Outcome Budget Schedule: Part 1

Clinical Excellence Commission - Budget 2021-22		
		2021-22 Initial Budget (\$'000)
Category A	General Administrative	
	Corporate Services	\$1,894
	Executive Unit	\$637
	Information Management	\$647
	Corporate Overheads (eg rent & power)	\$1,582
	Sub-total	\$4,761
Category B	Centrally Managed Projects	
	Governance & Assurance	\$2,413
	Development & Culture	\$3,794
	Patient Safety	\$2,994
	System Improvement	\$3,905
	Sub-total	\$13,106
E	Other items not included above	
	Additional Escalation to be allocated	\$434
	Allocated Savings Programs	-\$323
	TMF Adjustments	\$6
	Intra Health Adjustments	\$13
	NSW Therapeutic Advisory (TAG)	\$195
	Sub-total	\$324
F	RFA Expenses	\$
G	Total Expenses (G=A+B+C+D+E+F)	\$18,191
H	Other - Gain/Loss on disposal of assets etc	\$
I	Revenue	-\$17,800
J	Net Result (J=G+H+I)	\$391

4.2 State Outcome Budget Schedule: Part 2

		2021/22
Clinical Excellence Commission		(\$'000)
	<u>Government Grants</u>	
A	Recurrent Subsidy	-\$16,577
B	Capital Subsidy	
C	Crown Acceptance (Super, LSL)	-\$1,166
D	Total Government Contribution (D=A+B+C)	-\$17,743
	<u>Own Source revenue</u>	
E	GF Revenue	-\$57
F	Restricted Financial Asset Revenue	\$
G	Total Own Source Revenue (G=E+F)	-\$57
H	Total Revenue (H=D+G)	-\$17,800
I	Total Expense Budget - General Funds	\$18,191
J	Restricted Financial Asset Expense Budget	\$
K	Other Expense Budget	\$
L	Total Expense Budget as per Schedule A Part 1 (L=I+J+K)	\$18,191
M	Net Result (M=H+L)	\$391
	<u>Net Result Represented by:</u>	
N	Asset Movements	-\$266
O	Liability Movements	-\$125
P	Entity Transfers	\$
Q	Total (Q=N+O+P)	-\$391
Note:		
<p>The minimum weekly cash reserve buffer for unrestricted cash at bank has been updated for FY 2021/22 to \$50K. Based on final June 2021 cash balances, adjustments will be made from July 2021 to ensure alignment with the cash buffer requirements of NSW Treasury Circular TC15_01 Cash Management – Expanding the Scope of the Treasury Banking System. The minimum weekly cash buffer relates to cash held in General Fund bank accounts only and will be used to determine subsidy cash sweep amounts in line with the schedule advised by the Ministry of Health</p> <p>The Ministry will closely monitor cash at bank balances during the year, excess cash will be swept back to the Ministry of Health regularly and made available to be allocated to the central payments bank accounts as required. Compliance with the General Sector Finance Act (2018), NSW Treasury and NSW Health policy and directives will also be monitored.</p>		

5. Performance against strategies and objectives

5.1 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.

✓	Performing	Performance at, or better than, target
↘	Underperforming	Performance within a tolerance range
✗	Not performing	Performance outside the tolerance threshold

Detailed specifications for the key performance indicators are provided in the Data Supplement. See: http://hird.health.nsw.gov.au/hird/view_data_resource_description.cfm?ItemID=47060

Outcome Indicators: These key performance indicators are reported to NSW Treasury under the NSW Health Outcome and Business Plan

NSW Health Outcome 5

Our people and systems are continuously improving to deliver the best health outcomes and experiences

Measure	Target	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
Outcome Indicator 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% decrease on previous survey	No change or increase from previous survey.	>0 and <5% decrease on previous survey	≥5% decrease on previous survey
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	<1.8	≥1.8 and <3	≥3
Compensable Workplace Injury - Claims (% of change)	≥10% decrease	Increase	≥0 and <10% decrease	≥10% decrease
Finance				
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 (%)				

5.2 Performance deliverables

Key deliverables will also be monitored, noting that process indicators and milestones are held in the detailed operational plans developed by the Organisation.

NSW Health outcome	Deliverable in 2021-22	Due by
Workplace culture		
Outcome 5	The results of the People Matter Employee Survey will be used to identify areas of best practice and improvement opportunities.	30 June 2022
Outcome 5	The National Medical Training Survey will be used to monitor the quality of training and supervision medical officers receive and to identify areas where the organisation can improve its management of doctors in training to provide a safe working environment to deliver high quality care.	30 June 2022
Value based health care		
Outcome 4	Continue to sustain and scale Comprehensive Care models and activities to reduce the rate of fall-related injuries in hospital .	Ongoing
Premier's Priorities		
<ol style="list-style-type: none"> 1. Improving outpatient and community care - reduce preventable hospital visits by 5% through to 2023 by caring for people in the community. 2. Improving service levels in hospitals - 100% of all triage category 1, 95% of triage category 2, and 85% of triage category 3 patients commencing treatment on time by 2023 3. Towards zero suicides - Reduce the rate of suicide deaths in NSW by 20% by 2023 		
	Continue to support the Towards zero suicide priorities through the Mental Health Patient Safety program.	Ongoing
Strategy 2: Provide world class clinical care where patient safety is first		
Outcome 4	Embed the revised incident management process.	30 June 2022
	Continue to partner with the Centre for Aboriginal Health to explore opportunities regarding Quality & Safety work.	Ongoing
	Deliver, monitor, evaluate and continuously improve the NSW Health Safety and Quality curriculum and capability development pathways, programs and resources.	Ongoing
	Continue to partner with the Systems Performance & Patient Experience branch to govern and implement actions identified in the Elevating the Human Experience (ETHE) Guide to Action; <ul style="list-style-type: none"> • Good to Great- Elevating the human experience in the Emergency Department • Schwartz Rounds • Enablers Governance 	Ongoing
Outcome 4 CEC strategic outcome: Safety priorities & program – Meeting the	Continue to partner with the MH branch and Districts/Networks to support the implementation of the Mental Health patient safety priorities across NSW Health including; <ul style="list-style-type: none"> • Reduction of suicide rate • Seclusion reduction. 	Ongoing
	In partnership with the Ministry of Health and Districts/Networks continue to implement a Maternal and Neonatal Patient Safety Program to support improved clinical care, safety and quality across NSW Health.	Ongoing

NSW Health outcome	Deliverable in 2021-22	Due by
needs of the system by identifying and then target priority groups with tools, resources, program and expertise. approach to safety.	Implement the Older Persons Patient Safety Program in partnership with Districts/Networks and Nursing and Midwifery Office.	Ongoing
	Continue to lead the NSW infection control response to the COVID-19 pandemic and plan for post pandemic infection control recovery work.	Ongoing
	Implement the Human Factors for Safety System White Paper actions to support improved clinical care, safety and quality across NSW Health.	30 June 2022
Strategy 3: Integrate systems to deliver truly connected care		
Outcome 4	Provide development and support for Boards and Districts/Networks Health Care Quality and Safety Committees on their governance role in clinical quality and safety.	Ongoing
	Conduct benefit realisation, in partnership with eHealth NSW, of the ims+ system.	30 June 2022
Strategy 5: Support and harness health and medical research and innovation		
Outcome 4	Participate in an interjurisdictional National Health and Medical Research Council Research Grant application on incident management in partnership with the Australian Institute of Health Innovation.	Ongoing
Strategy 6: Embed a digitally enabled healthcare system		
Outcome 4 CEC strategic outcome: Safety Intelligence - Use the power of triangulated data and connected technologies to gain insight that enable a predictive and proactive approach to safety.	In partnership with eHealth NSW, develop functionality and triangulation with other datasets.	Ongoing
	In partnership with eHealth NSW, evaluate real-time safety and quality analytics tool.	Ongoing
	Combine workforce, casemix and patient activity data to enhance safety and cost of services (finance, eHealth NSW and Activity Based Management).	Ongoing
	Continue development of tools and resources to support the reduction of Hospital Acquired Complications and improve patient outcomes.	Ongoing
	Lead, and support where appropriate, implementation activities identified in the Virtual Care Strategy Delivery Framework and detailed implementation plan.	Delivery timeframes as defined by the Virtual Care Strategy Delivery Framework and detailed Implementation Plan (to be developed).