



Government of **Western Australia**
South Metropolitan Health Service

Hon Amber-Jade Sanderson MLA
Minister for Health; Mental Health
Level 5, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

MINISTERIAL STATEMENT OF EXPECTATIONS FOR THE SOUTH METROPOLITAN HEALTH SERVICE BOARD

Thank you for your Statement of Expectations for the South Metropolitan Health Service (SMHS) dated 2 March 2023. This response outlines how the SMHS Board (the Board) will meet your expectations.

As Board Chair, I formally commit the Board to meet your expectations and ensure the Government's key strategic priorities for SMHS are realised. We will work to safeguard and strengthen the community's confidence in the Board and SMHS and in all our activities, we will operate in a way that promotes collaboration and demonstrates accountability and transparency in support of the Government's strategic public health care priorities.

The Board acknowledges its accountability to you as the responsible Minister and manages its operations in accordance with the *Health Service Provider (HSP) Boards Governance Policy* and the *Statutory Board Operations Policy Framework*.

In 2021, the Board developed a Board Charter which sets out the framework for governance within SMHS and defines the roles, responsibilities and authorities of the SMHS Board in line with the *Health Services Act 2016*, other relevant legislation, relevant policy frameworks and mandatory requirements outlined in the *HSP Board Governance Policy* and associated documents. This document is updated annually.

The Board undertakes external evaluation every three years and internal evaluation every year. The evaluation reviews performance, strengths and opportunities for enhanced performance, and ensures appropriate governance practices are in place. Whilst the external evaluation undertaken in 2021 provided the Board with strategies for improvement, it confirmed SMHS has a high performing and effective Board.

In response to the specific expectations you have raised, I advise the following:

COVID-19

Over the past three years, SMHS has consistently implemented all the changes in guidelines issued by the Government and Chief Health Officer. SMHS staff have worked tirelessly to continue to provide high quality services and care for those in our

communities. Like you, the Board is incredibly proud of the way our staff have responded to the pandemic in what have often been very challenging circumstances.

SMHS sites and services continue to practise public health measures such as physical distancing, hand hygiene and wearing of masks where appropriate to protect vulnerable patients and staff.

Projects or programs that were delayed due to COVID-19 have been recommenced with a plan to recover lost time, including in operational clinical services. For example allied health clinics were restarted in the area that had been used for the FSH COVID clinic in September 2022 and have now resumed full capacity.

Sustainable Health Review – revised priorities

The Board welcomed the review of the implementation of the Sustainable Health Review (SHR) and the concentration on the six key (focus) recommendations and commits to actively supporting the delivery of the SHR.

The Board also welcomes the emphasis on Aboriginal cultural governance, Aboriginal health outcomes, mental health outcomes, health equity across diverse and vulnerable population groups, preventative healthcare and partnership approaches and supports these being embedded within the six key recommendations. As you know, the Board has released a statement in support of the Uluru Statement of the Heart and the proposed First Nations Voice to Parliament as it believes the Voice to Parliament will improve health outcomes for First Nations peoples across Australia.

SMHS is a major contributor to developing the recommendations' systems and processes and there are aspects where our contribution is at an advanced stage. For example, in relation to recommendation 11 (improve timely access to outpatient services), the SMHS Chief Executive (CE) chairs the recommendation on behalf of WA Health and has led the work in the discovery phase creating an understanding of the program requirements, future workforce, digital solution and model of care.

In relation to recommendation 22 (invest in a phased 10-year digitisation of the WA health system), the digital medical record (DMR) is planned for go live at Rockingham General Hospital (RGH) in May 2023, making SMHS the first health service with a complete DMR.

Safety and quality

Patient safety remains the highest priority for SMHS and is a core focus for both the Board and its Safety and Quality Committee, as well as promoting a culture of openness and transparency and a demonstrated commitment to continuous improvement in service delivery.

The Safety and Quality Committee ensures safety and quality in patient care across SMHS by providing assurance that the *Clinical Governance, Safety and Quality Policy Framework* is implemented and adhered to, and clinical systems, processes and outcomes are effective. SMHS publishes patient safety and quality data in order to support transparency.

A key focus in safety and quality is improving open disclosure governance, education and compliance. SMHS is monitoring open disclosure compliance rates and is auditing the documentation of discussions with consumers when serious adverse events occur. The Board receives quarterly reports in relation to open disclosure indicators. Following training in clinical incident management in August, consumers are now routinely included on SAC1 review panels at the Fiona Stanley Fremantle Hospital Group (FSFHG) and this approach will be expanded to the Rockingham Peel Group (RkPG) soon. Evaluation of this trial demonstrated that consumers add value and insight into reviews with no negative consequences having emerged.

The Board's Safety and Quality Committee has conducted a monthly Board to Ward program since 2016 which provides the opportunity for Board members to engage with patients, their families and staff across all SMHS hospital and community service sites, to hear first-hand about their experiences. This feedback provides valuable information about improvement opportunities and enables members to identify areas of innovative practice. You can read the latest Board to Ward annual summary [here](#).

Staff and patient experience measures are considered by the People, Culture and Engagement Committee on a quarterly basis. The MySay surveys have been extended to patients attending SMHS emergency departments, outpatient clinics and community services. SMHS' net promoter scores remain in the excellent range. The '*What Matters to You*' person-centred care initiative is being rolled out at SMHS as a strategy to improve communication and partnering with patients.

Further, SMHS has developed and released an online community engagement platform, '[Put it to the People](#)', to better partner and engage with the broader community in planning, evaluating and improving care and services. SMHS is the first HSP to offer this form of engagement.

Ramping, transfer of care and patient flow

The Board continues to focus on meeting the Western Australian Emergency Access Target (WEAT), noting that the WEAT target and a range of new indicators are currently being finalised to ensure performance targets remain relevant and contemporary. The SMHS CE reports on this and other key performance indicators at monthly Board meetings and the Board commits to continuing to monitor and manage performance targets as changes to performance targets are made.

The SMHS Emergency and Elective Access Program is discussed in detail at the Board's Safety and Quality Committee and at Board level. Initiatives within this SMHS-wide program are working to bring occupancy down, and reduce unnecessary time patients spend in hospital, acknowledging that the right patient, in the right place, at the right time is critical to running safe and efficient hospitals.

Significant improvement has been made across SMHS in relation to emergency access and patient flow since late 2022, particularly in the reduction of ambulance transfer of care. A range of initiatives have contributed to recent progress such as the establishment of the short stay acute medical unit established in December 2022, action to reduce delayed discharges to the aged care sector and transitional care placement beds and daily executive-led patient flow meetings. Going back to basics and being focused on patient flow every hour of every day has been the most important

driver of improvements. FSFHG implemented a new patient flow policy in November 2022 to reflect this. RkPG and Peel Health Campus (PHC) are working towards adopting the same policy.

The Board acknowledges that patients generally recover better in a home setting and that having seamless and well-developed system-wide community health services have a positive impact on patient flow in hospitals. This is a key area of focus for the organisation as well as residential aged care and disability services.

The Board commits to maintaining a continued focus on emergency department performance and patient flow across all SMHS' sites, continuing to make progress against targets and actively contributing to the Ministerial Taskforce.

Deferred care and plan for elective surgery

The Board discusses the Western Australian Elective Surgery Target (WEST) at its monthly meetings and maintains a focus on elective surgery and outpatient performance. There remains an emphasis on category 1 cases and while it is pleasing to note over boundary elective surgery category 1 cases have reduced, the Board acknowledges there is significant work to do post COVID-19 in reducing both over boundary cases on the elective surgery waitlist as well as those waiting for their first outpatient appointment.

Both are areas of major focus by the SMHS Area Executive Group (AEG) with the executive directors of FSFHG and RkPG reporting to the CE on a weekly basis in detail about the over boundary surgical cases and on over boundary outpatient appointments and how they are being managed at a site level. The CE recently met with heads of surgical specialties at FSFHG to discuss the management of over boundary cases and all sites are developing surgical specialty recovery plans. Significant investment by SMHS into key specialties such as cardiothoracic surgery will improve access to elective surgery for our patients.

Other improvement strategies for elective surgery wait times include opening additional beds at RGH to reduce medical outliers using surgical beds, allowing these to be used for surgical patients; implementing additional emergency theatre access Monday to Friday from June 2023; adding additional gastroenterology sessions at Fiona Stanley Hospital (FSH) from April 2023; developing a theatre utilisation working group for endoscopy and main theatres across FSFHG to improve workflows and throughput; and developing an intensive education and recruitment plan for perioperative nursing staff to upskill and retain proficient theatre and endoscopy nurses. A pilot program is progressing for a digital platform that enrolls patients into a Life Fit, Surg Fit program which focuses on more active intervention during patients' time waiting for surgery, to improve health outcomes and ensure that patients are in the best shape possible by the time they have their surgery.

In relation to outpatients, SMHS continues to focus on digital appointments where possible and is working closely with the Department of Health (DoH) as part of the system-wide outpatient reform program referenced in the SHR update above. SMHS is auditing patients waiting longer than four years and targeting additional clinics for these patients.

SMHS has a significant focus on reducing elective surgery over boundary cases as much as possible by June 2024, noting this will be a major and complex task. Physical theatre capacity is a key constraint.

Mental health

Mental health, alcohol and other drug (AOD) services and support continue to be an important focus for the Board due to the increasing demand for services and pressure on SMHS services. Over the coming months and particularly in the context of the independent review of WA health system governance's recommendation for a dedicated Executive Director of Mental Health Services for each HSP, SMHS will be reassessing its model for mental health to ensure it provides equity of access across all SMHS communities.

In line with the *WA State Priorities for Mental Health, Alcohol and Other Drugs 2020-2024* and the *Young People's Mental Health and Alcohol and Other Drug Use Priorities for Action*, SMHS continues to work with DoH, other HSPs, the Mental Health Commission (MHC), the WA Primary Health Alliance and community organisations in this important area. Evidence suggests there will be a significant increase in mental health services across SMHS over the next few years and substantial work is being undertaken across SMHS in relation to this expansion.

Ongoing projects include the Community Care Unit in Orelia; working with WA Police to continue to improve the co-response model; planning for mental health services at PHC; ongoing work with the Peel Mental Health Taskforce to provide a systematic way for multiple agencies in Peel to work together to improve mental health service delivery in the region with an initial focus on youth; planning for expansion of youth services to the Rockingham/Peel area; planning and implementation of the WA Eating Disorders Specialist Services Model of Service; phased expansion of the AOD services at FSH; and ongoing planning for the additional 40 mental health beds at Fremantle Hospital (FH) which are detailed below. SMHS is working with the MHC to develop, embed and support lived experience (peer) workers as an essential part of mental health service delivery.

SMHS continues to actively participate in the implementation of the recommendations of the *Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0-18 years*. The models of care are being developed and SMHS has representatives in each of the relevant working groups.

The Board commits to implementing actions related to the *Mental Health Clinical Workforce Action Plan* and ensuring SMHS continues to report on these actions through the Mental Health Executive Committee of which the CE is a member. The implementation of a SMHS-specific strategy for the recruitment and training of the mental health workforce is ongoing.

Work health and safety

Strategies to support the health and wellbeing of the SMHS workforce are overseen by the Board and its Audit and Risk Committee. Employee / management groups across SMHS' sites coordinate a range of programs, initiatives and activities, including the introduction of a staff psychologist at FSFHG and the establishment of a project to specifically support junior doctors across SMHS.

The Board's Audit and Risk Committee members undertake quarterly safety walk arounds across SMHS sites. Similar to the SMHS Board to Ward program, these visits provide an opportunity for Board members to speak to staff and assure themselves of a culture of safety across all SMHS sites.

In terms of updates to the new legislation, the SMHS Work Health and Safety Management Plan has been updated to ensure SMHS' policies and procedures are in line with the requirements of the *Work Health and Safety Act 2020*. Due diligence education sessions have been undertaken across SMHS, with the Board and AEG to inform and update them on their obligations. A new Work Health and Safety Consultation procedure has been developed to clarify and align the consultation requirements of the legislation with SMHS' practice.

The SMHS AEG recently approved a project to develop a psychological risk management toolkit based on the People at Work free online survey system. When developed, the toolkit will be rolled out using a targeted approach to high risk locations with the support of our Work Health and Safety teams. The Board, through the People, Culture and Engagement Committee, has oversight of staff wellbeing through various mechanisms including take up of the Employee Assistance Program.

Increased job security

SMHS remains fully committed to employing staff on a permanent basis and continues to comply with the requirements of the Conversion to Permanency Provisions (CPP) under each of the Industrial Agreements.

As at the beginning of March 2023, SMHS has made more than 740 fixed term contract and casual staff permanent since the inception of *Commissioner Instructions No.23 Conversion and Appointment of Fixed Term Contract and Casual Employees (CI23)* in 2019 and subsequent conversion to permanency provisions in industrial agreements. SMHS' focus is currently on reducing numbers of fixed term contracts given the progress that has been made on the use of casual and agency staff.

The Employment Security Project has commenced to oversee the implementation of initiatives recommended by the Minister's Advisory Panel Working Group on job security including targeting areas across SMHS with high rates of casual, fixed term contract and casual engagement; surveying relevant managers in target staff areas to identify strategies to reduce the utilisation of temporary staff, such as establishing permanent leave relief pools, reducing recruitment timelines, and educating managers on addressing staff performance issues. An analysis of leave usage in target areas will identify where permanent leave relief pools can be established or increased.

The SMHS CE is Chair of the monthly Ministerial Advisory Panel that meets regularly with the unions and continues to champion these important initiatives.

Procurement

The Board will ensure SMHS manages procurement activity in accordance with relevant Western Australian legislation and frameworks to maximise value for money and social, economic and environmental outcomes for WA. This includes adhering to the *WA Buy Local Policy 2022* which provides local businesses with enhanced access

to the government market. The Board is cognisant of the fraud and corruption risks associated with procurement and monitors this through its committees.

The SMHS Contract Management and Procurement department is moving to a hybrid procurement support model in 2023 which will enable and improve early identification of opportunities to improve value for money outcomes; improve efficiency of procurements and reduce non-compliant procurement processes; ensure continued compliance with the WA Procurement Rules; and identify early in procurement planning if there is opportunity to support aggregated procurement opportunities, sustainability, registered aboriginal businesses, apprentices and trainees, Australian Disability Enterprises, regional businesses, and small and medium enterprises across SMHS.

Expenditure and activity

The Board and its Finance and Governance Committee works diligently to ensure SMHS achieves the best possible outcomes within available budget constraints and delivers on activity targets. SMHS has a proven history of robust financial management and while a deficit is predicted in this financial year, it should be noted the deficit is due to environmental factors and not poor financial management. The Board commits to continuing to discuss any pressures on activity and expenditure with the System Manager.

Prior to COVID-19, SMHS enjoyed a stable financial position which enabled the organisation to invest money back into essential services. Despite the extraordinary financial impact of COVID-19, SMHS is working hard to return to a balanced budget, with a cautious approach to finances and a strong focus on increasing activity levels.

Meeting activity targets continues to be a challenge but SMHS has plans in place to ensure activity is increased by year end, particularly as this is exacerbated by workforce shortages.

SMHS is using best endeavours to improve its performance and efficiency and to achieve activity targets. Whilst we remain below target, we are seeing improvements in inpatient, outpatient and emergency department attendances. We expect this trend to continue and to provide a stable platform as we enter the 2023/24 fiscal year.

Implementation of election commitments and key ICT and infrastructure projects

The Board commits to prioritising the implementation of the Government's election commitments assigned to SMHS and key ICT and infrastructure projects including those listed below. SMHS continues to comply with reporting obligations to DoH on the implementation of election commitments and key infrastructure projects.

Mental Health Emergency Centre – Rockingham

The functional brief for the Mental Health Emergency Centre (MHEC) at RGH has been completed with the project definition plan due for completion in April 2023 with input from Department of Finance, architects and costing consultants for further submission to DoH. This will reflect the current environment for building costs and timelines. The current approved budget is \$12M. The project is expected to be completed in 2026 and will deliver an additional 10 beds – eight for mental health emergency care and two for urgent behavioural assessment.

Acute Mental Health beds – Fremantle Hospital

The Board closely monitors the progress of the project to open a further 40 mental health beds at Fremantle Hospital. While there have been recent challenges in the project delivery, it is expected the roof replacement and internal demolition works will be completed by May 2023. Subject to provision of additional project funding in the 2023-24 State Budget, the main works will start by September 2023, with the new beds fully commissioned by early 2025.

Murdoch Medihotel

SMHS is working closely with DoH and the service provider to finalise the service agreement for the Medihotel being built in Murdoch to ensure an appropriate patient case mix. The Board and AEG is cognisant of our responsibility to ensure the best use of public funding is achieved. SMHS understands the Medihotel construction is on track to be completed in late 2023.

Peel Health Campus

Following the most recent Gateway Review in February 2023, the Board has confidence that the Peel Health Campus (PHC) is on track for the privately operated public hospital services at PHC to be brought back into public hands as part of SMHS from August 2024. The Gateway Review acknowledged the significant work done during the past few months to complete the replanning work given the extension of the transition date by 12 months. Strong progress is also being made across other areas of the project, including the redevelopment of the hospital.

The SMHS Board and CE continue to support the work being undertaken by DoH in relation to other elections commitments within the SMHS catchment.

Independent Governance Review

The Board welcomes the independent review of WA health system governance and the official Government response to the report, tabled in March 2023. The Board was pleased to note that overall, the panel's findings showed the WA devolved governance model is maturing and should be retained. The Board commits to working with the System Manager and Government to implement the accepted recommendations of the review in a strategic and timely manner.

SMHS also notes the *Health Services Amendment Bill* and upcoming amendments to the *Health Services Act 2016*.

Advice to Government

SMHS submitted the SMHS Board Annual Governance Attestation Statement 2021-22 in August 2022, in which SMHS provided detailed information about compliance with board governance practices and controls during 2021-22. SMHS has been commended by DoH for the quality and comprehensive nature of the attestation statement and SMHS' overall approach to governance.

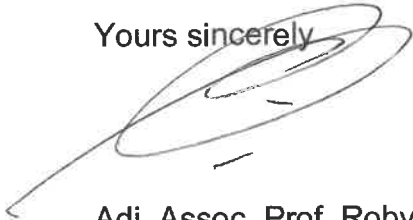
The Board commits to continuing to provide accurate and timely advice to the Minister and Government on significant issues relating to the delivery of healthcare in the south metropolitan region. The Board will provide vigorous oversight to ensure the Government's priorities are achieved.

SMHS will be pleased to provide quarterly reporting on the expectations you have outlined.

Like you, I wish to acknowledge the Board and the SMHS Executive's considerable efforts in leading SMHS through the past few years and believe we have much of which to be proud.

The Board looks forward to working with you during the next 12 months to deliver the strategic priorities for SMHS and the WA community.

Yours sincerely



Adj. Assoc. Prof. Robyn Collins
BOARD CHAIR
SOUTH METROPOLITAN HEALTH SERVICE

3 April 2023