

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 the Health Education and Training Institute (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

Adjunct Professor Annette Solman
Chief Executive
Health Education and Training Institute

Date 27/07 2021 Signed 

NSW Health

Ms Elizabeth Koff
Secretary
NSW Health

Date 29/8/21 Signed 

Contents

- NSW Health Performance Agreement – 2021-22.....1
- 1. Objectives of the Performance Agreement..... 3
- 2. Legislation, governance and performance framework 4
 - 2.1 Legislation 4
 - 2.2 Ministerial Determination of Functions 4
 - 2.3 Variation of the agreement 6
 - 2.4 Governance 6
- 3. Strategic priorities..... 8
 - 3.1 NSW Premier’s Priorities 8
 - 3.2 NSW Health Outcome and Business Plan 8
- 4. Budget..... 9
 - 4.1 State Outcome Budget Schedule: Part 1 9
 - 4.2 State Outcome Budget Schedule: Part 2 10
- 5. Performance against strategies and objectives..... 11
 - 5.1 Key performance indicators 11
 - 5.2 Performance deliverables 13

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 Organisations to be provided within the State other than on an area basis (s.11). The Health Education and Training Institute is a Chief Executive governed statutory health corporation established under section 52B, 52C and 52E and specified in 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 Health Education and Training Institute has a clearly defined role and set of functions as articulated in the Ministerial Determination of Functions for the Support Organisation, signed by the Secretary of the Ministry of Health on 13 September 2017, pursuant to Section 53 of *The Health Services Act 1997*.

1. Role

The primary role of the Institute is to provide leadership to Local Health Districts, Networks and other NSW public health organisations and training providers on the development and delivery of education and training across the NSW public health system. The Health Education and Training Institute ensures education and training across the system:

- (i) supports safe, high quality, multi-disciplinary team based, patient centred care;
- (ii) meets service delivery needs and operational requirements; and
- (iii) enhances workforce skills, flexibility and productivity;

2. Functions

- a. To design, commission, conduct, coordinate, support and evaluate education and training programs for:
 - i. clinical, corporate and support staff, including Vocational Education and Training sector trainees, vocational, undergraduate, professional entry/clinical trainees, new graduates; and
 - ii. such other education and training and workforce development programs as the Secretary may direct from time to time;
- b. To establish governance for whole of health education and training programs for the NSW Health system;
- c. To design, commission, conduct, coordinate, support and evaluate management, leadership and professional development programs;
- d. To support reform and improve workforce capacity and quality of clinical and non-clinical training through:

- i. identification and development of statewide programs for clinicians to become skilled teachers, trainers and supervisors;
- ii. managing a registered training organisation;
- iii. maintaining and administering an online learning management system, including provision of quality assurance standards and resource development;
- iv. statewide oversight, coordination and implementation of best practice learning including simulated learning environments, and other technologies;
- e. To maintain registration as a higher education provider and develop and deliver as appropriate higher education courses to support identified workforce needs;
- f. To institute, coordinate, oversee and evaluate education and training networks, and ensure they support service delivery needs, meet operational requirements, optimise the use of Statewide and Local Health District education and training resources and are, as far as possible, consistent with, clinical service networks;
- g. To set standards for education and training including medical training and accredit institutions for prevocational education and supervision;
- h. To establish effective monitoring and reporting systems to meet statewide and national reporting requirements for education and training in the health sector;
 - i. To ensure education and training programs and other projects it undertakes in performing its functions:
 - i. are responsive to local needs,
 - ii. are cost effective, affordable and accessible,
 - iii. meet both individual local health district, specialty network and whole of system needs,
 - iv. support staff in providing safe, high quality, multi-disciplinary team-based, patient-centred care,
 - v. support inter-professional learning and team-based practice.
- j. To work closely with Local Health Districts, Specialty Networks and education providers;
- k. To develop a three year Strategic Plan and an Annual Work Plan, linking activities and priorities of the Health Education and Training Institute to the statewide directions and priorities of NSW Health and work in accordance with these plans and the Service Compact agreed with the Secretary;
- l. To provide advice to the Secretary on matters relevant to its functions.

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

Health Education and Training Institute - Budget 2021-22		
		2021-22 Initial Budget (\$'000)
Category A	General Administrative	
	Office of HETI Chief Executive	\$1,692
	Strategic Communication & Marketing	\$395
	Corporate Support & Business Partnerships Directorate	\$238
	Finance & Business Support	\$853
	Information Systems & Technology Support	\$1,141
	Staff, Student & Facilities Support	\$582
	HETI Corporate Finance	\$2,000
	Sub-total	\$6,901
Category B	Centrally Managed Projects	
	Corporate Support & Business Partnerships	\$823
	Leadership, Management Development & Educational Design	\$4,094
	Medical	\$4,455
	Mental Health	\$4,284
	Professional Practice & Interprofessional Collaboration	\$6,117
	Rural & Remote	\$3,376
	Sub-total	\$23,149
Category C	Payments to Third Parties	
	Corporate Support & Business Partnerships	\$829
	Medical	\$280
	Mental Health	\$40
	Rural & Remote	\$319
	Sub-total	\$1,468
Category D	Budgets Held for LHD Allocation	
	Leadership, Management Development & Educational Design	\$517
	Medical	\$687
	Mental Health	\$1,000
	Office of Chief Executive	\$502
	Professional Practice & Interprofessional Collaboration	\$400
	Rural & Remote	\$3,971
	Sub-total	\$7,077
E	Other items not included above	
	Additional Escalation to be allocated	\$733
	Allocated Savings Programs	-\$422
	TMF Adjustments	\$9
	Intra Health Adjustments	\$62
	Sub-total	\$382
F	RFA Expenses	\$
G	Total Expenses (G=A+B+C+D+E+F)	\$38,977
H	Other - Gain/Loss on disposal of assets etc	\$
I	Revenue	-\$38,733
J	Net Result (J=G+H+I)	\$244

4.2 State Outcome Budget Schedule: Part 2

		2021/22
Health Education and Training Institute		\$ (000's)
	<u>Government Grants</u>	
A	Recurrent Subsidy	-\$30,164
B	Capital Subsidy	\$
C	Crown Acceptance (Super, LSL)	-\$715
D	Total Government Contribution (D=A+B+C)	-\$30,879
	<u>Own Source revenue</u>	
E	GF Revenue	-\$7,854
F	Restricted Financial Asset Revenue	\$
G	Total Own Source Revenue (G=E+F)	-\$7,854
H	Total Revenue (H=D+G)	-\$38,733
I	Total Expense Budget - General Funds	\$38,977
J	Restricted Financial Asset Expense Budget	\$
K	Other Expense Budget	\$
L	Total Expense Budget as per Schedule A Part 1 (L=I+J+K)	\$38,977
M	Net Result (M=H+L)	\$244
	<u>Net Result Represented by:</u>	
N	Asset Movements	-\$268
O	Liability Movements	\$23
P	Entity Transfers	\$
Q	Total (Q=N+O+P)	-\$244

Note:

The minimum weekly cash reserve buffer for unrestricted cash at bank has been updated for FY 2021/22 to \$100K. 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

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.

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 (%)				

**Note

- Staff Engagement and Experience – Racism experienced by staff - Where the Health Education and Training Institute has no change or decreases from previous year, the organisation will be deemed to be performing, regardless of the Performing descriptions
- Aboriginal Workforce Participation - Where the Health Education and Training Institute meets or exceeds the target overall for this item, the organisation will be deemed to be performing, regardless of the Performing descriptions.

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	Results from the Medical Board of Australia's, National Medical Training Survey will be included in HETI's Prevocational Accreditation Survey Program to improve the quality of training of PGY1s and PGY2s in NSW.	30 June 2022
Value based health care		
Outcome 5	Lead, and support where appropriate, implementation of education strategies 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).	30 June 2022
Premier's Priorities		
3. Towards zero suicides - Reduce the rate of suicide deaths in NSW by 20% by 2023		
Outcome 5	Deliver three (3) instances of the Higher Education Unit "Mental Health, Mental Ill Health and Suicide" module	30 June 2022
Strategy 4: Develop and support our people culture and governance		
Outcome 5	Develop and publish a learning compass tool for paediatrics education (Henry review)	30 June 2022
Outcome 5	Deliver NSW Health Finance Executive Development Program (cohort 2)	30 June 2022
Outcome 5	Support facilitation in the Good to Great Program Adaptive Challenge Team, in collaboration with the Ministry of Health and other Health organisations.	30 June 2022
Outcome 5	Develop a draft state-wide simulation education governance document	30 June 2022
Outcome 5	Develop and publish a training module on aged care standards, in collaboration with the Ministry of Health and Local Health Districts.	30 June 2022