

6 Strategic & Service Planning

6.1 Strategic Planning Responsibilities

6.1.1 Role of Local Health Districts and Specialty Networks in Planning

Local health districts and specialty networks have a responsibility to effectively plan services over the short and long term to enable service delivery that is responsive to the health needs of its defined population. It is noted that for a number of clinical services, the catchment population extends beyond the geographic borders of the local health district or specialty network. Generally, local health districts and specialty networks are responsible for ensuring that relevant Government health policy goals are achieved through the planning and funding of the range of health services which best meet the needs of their communities (whether those services are provided locally, by other local health districts, specialty networks or other service providers).

Under the *Health Services Act 1997*, Boards have the function of ensuring that strategic plans to guide the delivery of services are developed for the local health district or specialty network, and for approving those plans.

Local health districts and specialty networks, oversighted by their Board (where established), have responsibility for developing the following organisational plans:

- Strategic Plan;
- Health Care Services Plan;
- Corporate Governance Plan;
- Annual Asset Strategic Plan; and
- Operations/Business plans at all management levels of the local health district or specialty network.

Furthermore, local health districts and specialty networks, oversighted by their Board (where established), have responsibility to undertake the following planning activities:

- undertaking detailed service planning and workforce planning to ensure a sound foundation for investment decisions, both capital and recurrent;
- developing plans required by legislation, or as a result of specific requests from central agencies, such as the NSW Department of Premier and Cabinet;
- developing plans with Aboriginal communities and stakeholders that facilitate Aboriginal health governance, and reflect needs as expressed by Aboriginal communities;
- any planning considered necessary at the local level to respond to particular health issues, emergencies or service needs;
- developing plans to improve health outcomes in response to national, state and local health priority areas;
- developing and maintaining reliable information systems to support services planning and delivery, and the monitoring and evaluation of performance and health outcomes; and
- undertaking appropriate planning for primary care services, involving those stakeholders and service providers outside of NSW Health.

Boards also have the role of ensuring that the views of providers and consumers of health services, and other members of the community served by the local health district or specialty network, are sought in relation to the organisation's policies and plans for the provision of health services.

6.1.2 **Role of the NSW Ministry of Health in Planning**

The NSW Ministry of Health has responsibility for coordinating the planning of system-wide services, workforce, population health, asset planning and portfolio management, and providing advice to the Minister for Health and the Minister for Mental Health on these matters.

The Ministry also has a role in informing national initiatives and coordination of system-wide responses to national health initiatives.

The role played by the NSW Ministry of Health in planning processes lies along a continuum, from setting broad directions to leading specific planning exercises. Activities include:

- setting policy and strategic directions for the overall NSW health system;
- planning for key services and as a result of national and state priorities;
- system-wide planning for information management, assets and procurement;
- providing direction and policy regarding population health issues;
- system-wide planning and strategy development for the workforce;
- capacity analysis to support and purchase some supra local health district and specialty network clinical services;
- providing guidelines, information and tools to facilitate local health service planning;
- providing advice and feedback to local health districts and specialty networks on local planning exercises as required;
- reviewing local planning in respect to achieving whole of system goals and objectives; and
- ensuring that the NSW Department of Premier and Cabinet, NSW Treasury and other central agency requirements are met.

6.2 **Planning Documents**

A range of planning and policy documents govern the operation of the NSW public health system and individual health agencies. Key plans include:

6.2.1 **The NSW 2021 Plan**

The NSW Government's State Plan, titled *NSW 2021 A Plan to Make NSW Number One* sets out clear targets for improved outcomes and service delivery, including health services.

6.2.2 **The NSW State Health Plan**

The *NSW State Health Plan Towards 2021* sets the overall strategy for NSW Health, aligns with NSW Government policy and reflects the goals and targets for Health in the NSW State Plan.

The *NSW State Health Plan* provides a strategic framework which brings together NSW Health's existing plans, programs and policies and sets priorities across the system for the delivery of 'the right care, in the right place, at the right time'.

The NSW State Health Plan highlights strategies to deliver on health priorities and improved health outcomes, and builds on previous reforms focusing on devolved decision-making, health system integration and increased transparency of funding and performance.

Key planning documents include the State Plan, NSW Health Workplace Culture Framework, Aboriginal Health Plan 2013 - 2023, Aboriginal Health Impact Statement and Guidelines, Keep Them Safe.

It has three directions:

1. Keeping people healthy;
2. Providing world class care; and
3. Delivering truly integrated care.

These directions are supported by four strategies:

1. Supporting and developing our workforce;
2. Supporting and harnessing research and innovation
3. Enabling eHealth; and
4. Designing and building future-focused infrastructure.

The delivery of the State Health Plan is the responsibility of the whole NSW Health system.

6.2.3 **NSW Health Workplace Culture Framework**

The Workplace Culture Framework has been designed to embed cultural improvement strategies as part of the core business of every health organisation. It embodies the CORE values for the NSW Health system of Collaboration, Openness, Respect and Empowerment, and identifies the characteristics and elements of workplace culture which are expected to be embedded at every level of service

Chief executives are expected to implement the framework, including the CORE values, in their workplace culture planning and all aspects of their service delivery.

6.2.4 **NSW Health Professionals Workforce Plan 2012-22**

Workforce is the most significant input into the delivery of health services. However, it can become a significant constraint when there are insufficient skilled and qualified health professionals available to meet workforce requirements. There are many factors which affect service provision, including inadequate supply or distribution of the workforce and changing work practices and demands. As such, service development strategies need to be integrated with workforce analysis and workforce strategy development.

The *NSW Health Professionals Workforce Plan 2012–2022* seeks to address the long term projected workforce needs of NSW Health. The Plan provides the policy objectives, and local and collaborative activities – between the Ministry, local health districts, specialty networks, Pillar agencies, the Commonwealth Government, specialty medical colleges and universities – to ensure that New South Wales trains, recruits and retains appropriate numbers of doctors, nurses and midwives and allied health professionals in the appropriate locations.

6.2.5 **Aboriginal Health Plan 2013-2023**

The *Aboriginal Health Plan 2013-2023* was developed in partnership with the Aboriginal Health and Medical Research Council (AH&MRC), and is a 10 year commitment by the NSW Government to work in partnership with Aboriginal communities and organisations to close the gap in Aboriginal health outcomes. The Plan also recognises the continued need for strong partnerships between NSW Local Health Districts and Aboriginal Community Controlled Health Services (ACCHSs) at the local level.

The Plan sets the framework using six key strategic directions:

1. Building trust through partnerships
2. Implementing what works and building the evidence
3. Ensuring integrated planning and service delivery
4. Strengthening the Aboriginal workforce
5. Providing culturally safe work environments and health services
6. Strengthening performance monitoring, management and accountability

The NSW Ministry of Health has responsibility for implementing the Plan and reporting on progress. The NSW Aboriginal Health Partnership between the NSW Government and the AH&MRC will monitor progress and oversight evaluation.

6.2.6 **Aboriginal Health Impact Statement and Guidelines**

NSW Health Policy Directive PD2007_082 *NSW Aboriginal Health Impact Statement and Guidelines* ensures the needs and interests of Aboriginal people are embedded into the development, implementation and evaluation of all NSW Health initiatives. The Impact Statement should be used as a tool to assist with appropriate consultation and engagement with Aboriginal stakeholders to ensure that any potential health impacts (of the initiative) to Aboriginal health and health services are adequately identified and addressed.

6.2.7 **Keep Them Safe**

Keep Them Safe is a whole of Government program responding to the Report of the Special Commission of Inquiry into Child Protection Services in NSW (November 2008). The plan aimed to fundamentally change the way children and families are supported and protected, to improve the safety, welfare and wellbeing of all children and young people in NSW.

Keep Them Safe is focused on shared responsibility and intends to build on the strengths of the current child protection system. It includes actions to enhance the universal service system, improve early intervention services, better protect children at risk, support Aboriginal children and families, and strengthen partnerships with non-government organisations in the delivery of community services.

It also includes the new risk of significant harm reporting threshold for mandatory reporters with concerns about children and young people. The Online Mandatory Reporter Guide can be accessed at: http://www.keepthemsafe.nsw.gov.au/reporting_concerns/mandatory_reporter_guide

NSW Health is lead agency for 28 actions in Keep Them Safe and is involved in many key actions requiring cross-agency collaboration. NSW Health's actions have been organised into 21 projects, which are being implemented by the Ministry of Health in collaboration with local health districts and specialty networks.

6.3 Local Planning Documents

6.3.1 Health Care Services Plans

Each local health district or specialty network will undertake a full range of strategic and operation planning. As part of this process, the Health Care Services Plan (HCSP) will be the most comprehensive plan, providing the service direction and detail of priorities for a local health district or specialty network over a five to ten year horizon, with specific focus on those issues which affect the health of the catchment population and the delivery of services.

The information and analysis provided by the Health Care Services Plan is particularly important with regard to strategic planning and priority setting for appropriate capacity to respond to demand. It is vital that there be an appropriate balance between investments in various services. The value and quality of a Health Care Services Plan will depend on the quality of a number of separate, but inter-dependent foundation planning processes, which focus more specifically on areas such as clinical services, health improvement, workforce and assets. This Plan should also consider the provision of safe and efficient health care within the available recurrent budget through the Activity Based Funding (ABF) framework and the best approach to service delivery. This is the planning mechanism where value for money opportunities are investigated and may include partnering with other service providers, public or private, not-for-profit and / or other non-governmental organisations (NGOs).

6.3.2 Business plans

Business plans describe the operational intentions of identified administrative groupings for each financial year. In general, they present information on goals, detailed annual strategies, targets, accountabilities and performance measures.

Business plans are prepared at various levels in the system and integrate unit and organisational activities with the Health Care Services Plan. They are distinguished from annual Service Agreements and performance agreements by their stronger focus on the detail of operational activities, which might also reflect a more “bottom-up” approach.

Some local health districts and specialty networks may choose to prepare Strategic Resource Plans (SRPs), as this provides an opportunity to examine the interaction of plans and investment decisions across financial, human and capital dimensions. The Asset Strategic Plan is an example of a Strategic Resource Plan.

The Ministry of Health and individual local health districts and specialty networks should put in place processes for business planning to ensure the coordination and articulation of the various plans developed are communicated along with any local priorities or strategies, to their subordinate locations such as divisions, branches, streams, facilities and units, within the Ministry of Health, local health districts and / or specialty networks.

Business plans should be finalised at the beginning of each financial year. The Ministry has no involvement in the development of business plans by local health districts or specialty networks, or units within local health districts and / or specialty networks. However, local health districts and specialty networks embarking on Strategic Resource Plans should discuss this with the Ministry to put in place a collaborative planning process.

6.3.3 **Specific service plans**

The form, scope and content of service plans are influenced by the nature of service under consideration and the objectives of the particular planning exercise. However, they have the common elements of documenting, reviewing, gap analysis, priority identification and costing.

Service plans may focus on a particular type of service, such as community health care; a particular category of services, such as maternity; a particular population group, such as Aboriginal people or those with chronic illness; or a particular health issue, such as drug and alcohol use.

In some cases, such plans may be required as part of agreements with the Commonwealth and other State Government agencies. Local clinicians, clinical networks and Pillar organisations, such as the Agency for Clinical Innovation; Clinical Excellence Commission; Health Education and Training Institute; NSW Kids and Families and the Cancer Institute NSW will also provide valuable reference points for the development of these plans.

Health improvement is an integral aim of service planning, and all service plans should address, among other things, desired health outcomes and how these will be measured for the specified service. Service plans should also take into account evidence of effectiveness of interventions, where this is available. The timetable for producing specific service plans will vary and may be influenced by the requirements of central agencies, the framework provided by relevant statewide policy or planning documents, and/or targets negotiated in annual Service Agreements.

6.3.4 **Workforce strategy plans**

Local health districts and specialty networks have lead roles in the implementation of strategies contained in the NSW Health Professionals Workforce Plan 2012-22 in some cases jointly with other institutions and Pillars, in other cases as the sole lead organisation.

Local health districts and specialty networks report progress against each of the strategies in which they have a lead implementation role.

Local health districts and specialty networks also undertake more detailed local workforce plans that identify the numbers and types of staff required to meet service needs. A long lead time is important in order to provide advice to the Ministry and education and training agencies on the numbers and types of health service staff required to meet population demand in the future.

In addition, each local health district, specialty health network and other NSW Health organisation is required to develop and implement a local Aboriginal Workforce Action Plan. This Action Plan is to outline actions locally to build the Aboriginal workforce in NSW Health organisations through working to achieve:

- 1.8% Aboriginal representation across all salary bands and occupations in line with whole-of-government strategy and NSW Health KPIs
- Aboriginal employment of 2.6% or higher commensurate with the representation of Aboriginal people in the populations they serve, as highlighted in Good Health — Great Jobs: Aboriginal Workforce Strategic Framework 2016-2020

6.3.5 **Financial plans**

Financial planning is inherent in most management activities undertaken within the health system. It is primarily concerned with identifying the sources and applications of funds, with the aim of achieving value for money. In addressing these issues, financial planning should take into account issues of relative need, equity, efficiency, effectiveness and appropriateness.

Financial planning occurs at the Ministry, local health district, specialty network and individual division / service levels. The Ministry of Health is not directly involved in the development of local health districts or specialty networks detailed financial plans, but has separate financial reporting arrangements to manage and monitor local health districts and specialty networks statewide budget performance.

6.3.6 NSW Health Total Asset Management and Asset Strategic Plans

Total Asset Management (TAM), as defined by NSW Treasury, is a strategic approach to physical asset planning and management, whereby an agency aligns its ten year asset planning with its service delivery priorities and strategies, within the limits of resources available.

The development of the NSW Health Total Asset Management submission is guided by the NSW Government's overarching asset management policy. The policy sets out the Government's directives on how its Departments, Ministries and Agencies should undertake the management of assets to enable service delivery objectives to be met effectively and to provide a foundation for economic growth. The NSW Ministry of Health is currently developing a NSW Health specific Asset Management Framework that will embrace and enhance government and internal asset management policy and provide further guidance and direction in the discipline of portfolio asset management.

Its purpose is to advance the management of assets and better integrate assets and service provision. The Total Asset Management policy is part of the overall NSW capital expenditure submission framework, also comprising of the procurement policy framework with business cases and Gateway Reviews, and the commercial policy framework, including Statement of Business Intent (SBI), Statement of Corporate Intent (SCI), and projects of State Significance.

The NSW Health annual Total Asset Management submission comprises the NSW Health Asset Strategy, Total Asset Management Data Tables and individual capital business cases for specific programs and projects as applicable.

The NSW Health Asset Strategy is a high level strategic plan for Health to demonstrate the relationship between the performance of its physical asset portfolio and the services it delivers.

The Asset Strategy is developed to determine whether assets should be enhanced by capital investment, maintained, or disposed of, or retained to continue their role in supporting service delivery.

As part of informing the NSW Health Asset Strategy, Asset Strategic Plans by each of the local health districts and specialty networks are a key input to this process, in providing detail of potential future capital investments; asset maintenance; and asset disposals.

Each local health district or specialty network is responsible for the development of their Asset Strategic Plan. The objective of asset strategic planning is to demonstrate the alignment of NSW Health assets with service needs and where appropriate, identify the gaps between asset supply and future requirements for assets. These requirements may relate to unmet or forecast service demand requiring increased infrastructure capacity or a change in the nature of the health service model of care or technology.

The Asset Strategic Plan of a local health district or specialty network will be based on the Health Care Services Plan. The outcome of the Asset Strategic Plan process is an assessment of whether assets should be retained and enhanced through capital investment; continue to be maintained, or to be disposed.

The priority and timing of implementation of capital investment and asset disposal strategies of individual local health districts and specialty networks is influenced and determined by resource availability and other investment priorities that may be approved in the Ministry of Health's State-wide Asset Strategy and Capital Investment Strategic Plan.

6.3.6.1 **Capital Investment Strategic Plan (CISP)**

The Capital Investment Strategic Plan has a ten year horizon and outlines the aggregation of NSW Health's capital projects based on needs and priorities, including estimated total costs and cash flow for the annual budget process (Year 1) and forward estimates period (Years 2-4). Future priority projects that are likely for inclusion in the outer years (Years 5-10) are also identified.

Capital investment projects approved for inclusion in the NSW Health Asset Strategy and Forward Capital Investment Strategic Plan are prioritised in the context of competing State-wide investment needs and the constraints of funding allocations made available to NSW Health through the annual Budget process.

Planning and delivery of approved investment projects is to be undertaken in accordance with PD2010_035 Process of Facility Planning (POFP) and other relevant Ministry of Health policy directives.

6.3.6.2 **Asset Maintenance Strategic Plan**

The Asset Maintenance Strategic Plan aims to identify and define operational maintenance, repairs and replacement needs and provides a guide to proactive management and minimisation of risk from the asset failure or the inability of assets to support service delivery needs. The outcome sought is a more productive, safe and reliable asset portfolio and efficient use of available resources.

6.3.6.3 **Asset Disposal Plan**

A key component and outcome of the asset strategic planning process is the identification, declaration and shedding of under-utilised or obsolete property assets, which are determined, within the Health Care Services Plan horizons, by service planning and infrastructure strategies to be surplus to the requirements of constituent entities within the Health Cluster. Noting there is a need to adhere to specific conditions of trusts or grants.

The reference to property asset includes, but is not limited to all owned and leased land (including vacant land), buildings, and improvements including hospitals, health service facilities, ambulance facilities, dwellings and administrative facilities.

6.3.6.4 **Office Accommodation Plan**

The purpose of office accommodation planning is to demonstrate the methodology used by NSW Health to determine accommodation requirements while remaining consistent with the Government's accommodation strategies and targets.

Strategic and Service Planning – Resources & References

NSW State Plan:

<http://2021.nsw.gov.au>

NSW State Health Plan

<http://www.health.nsw.gov.au/statehealthplan/Pages/NSW-State-Health-Plan-Towards-2021.aspx>

NSW Health Workplace Culture Framework:

<http://www.health.nsw.gov.au/workforce/pages/workplace-culture-framework.aspx>

Council of Australian Governments National Indigenous Reform Agreement:

<http://www.coag.gov.au/node/145> <http://www.coag.gov.au/node/65>

NSW Aboriginal Health Impact Statement and Guidelines:

https://www1.health.nsw.gov.au/pds/ActivePDSDocuments/PD2017_034.pdf

NSW Aboriginal Health Plan 2013 – 2013:

<http://www.health.nsw.gov.au/aboriginal/Publications/aboriginal-health-plan-2013-2023.pdf>

Other resources available at:

Publications

<http://internal.health.nsw.gov.au/policy/ssdb/publication.html>

- NSW Acute Inpatient Projections –Final Report (2010)
- aIM2012 Data Book Version 1.0
- Acute/Subacute Modelling Tool aIM2012 and SiAM2012 User Guide Version 2.0
- Projecting Demand for Subacute Inpatient Activity – Final Report (2010)
- Activity Planning Guidelines for Subacute Inpatient Care Services (2010)
- SiAM2012 Data Book Version 1.0
- FlowInfo Version 11.0 – NSW Health Admitted Patient Service Planning Tool User Manual
- Guide to Role Delineation of Health Services – Rural Companion Guide (2004)
- Guide to Role Delineation of Health Services, Third Edition (2002)
- NSW Local Health Districts – Information Pack and Attachments – LHD by LGA and LHD by SLA
- Principles for Emergency Care Models in NSW Small Rural Hospitals (August 2010)
- Defining Specialist Paediatric Activity Report – 2009 (2010)
- Service Planning Handbook for Rural Health Planners (September 2006)
- Guide for the Development of Area HealthCare Services Plans (2005)
- Asset planning documents

Local Documentation

Strategic Plan

Health Care Services Plan Corporate Governance Plan Asset Strategic Plan

Operations/Business plans (at all management levels) Specific service plans

Clinical and Population Service Plans Asset Strategy Plan

Total Asset Management Plan Asset Maintenance Plan

Asset Disposal Plan Workforce Strategy Plan Financial plans

Capital Investment Strategic Plan (CISP)

Disaster Plan

Office Accommodation Plan