



**Government
of South Australia**

Southern Adelaide Local Health Network 2016-17 Annual Report

Southern Adelaide Local Health Network

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To:

Hon. Peter Malinauskas M.L.C

Minister for Health

Minister for Mental Health and Substance Abuse

This annual report is presented to Parliament to meet the statutory reporting requirements of the *Health Care Act 2008* and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Southern Adelaide Local Health Network by:

Professor Michael O'Keefe

Chief Executive Officer



30 September 2017

Signature

Date

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Section A: Reporting required under the *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987*

Agency purpose or role

Southern Adelaide Local Health Network (SALHN) provides care for more than 350 000 people living in the southern metropolitan area of Adelaide, as well as providing a number of statewide services, and services to those in regional areas. More than 7 000 skilled staff provide high quality patient care, education, research and health-promoting services.

Health services which form SALHN include:

- Flinders Medical Centre (FMC), Repatriation General Hospital (RGH) and Noarlunga Hospital.
- Intermediate Care Services provided at GP Plus Super Clinic Noarlunga and GP Plus Health Care Centres at Marion and Aldinga/Seaford, in addition to Aboriginal health services and Aboriginal family clinics, health services in people's homes and the Aged Care Assessment Team (ACAT).
- Southern Mental Health inpatient services at Flinders Medical Centre, Noarlunga Hospital and Repatriation General Hospital, including specialised services for eating disorders, veterans' mental health and problem gambling. Community based mental health services include the Adaire Community Mental Health Centre at Noarlunga, the Inner South Community Mental Health Centre (collocated with GP Plus Marion), and the Southern Intermediate Care Centre and Trevor Parry Centre, which are both located at Noarlunga.

Objectives

SALHN is reconfiguring public health services in the southern Adelaide region with a focus on improving patients' access and flow to ensure quality service delivery for the community.

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
Reconfiguration of SALHN's public health services. The focus is on improving patient access and flow to ensure quality service delivery in the community. Developing and implementing new models of care	Transforming Health. The State Government is committed to transforming the healthcare system to provide the quality care, effectiveness and adaptability that South Australians expect and deserve.
Preparation work to implement and activate EPAS across FMC; to complete implementation across SALHN.	EPAS. In 2011, the State Government approved \$421.5 million over a 10-year period for SA Health to implement EPAS.

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Comments
<p>Clinical reconfiguration of overnight multi-day beds (Reconfiguration of SALHN's health services)</p> <p>Service Plan Development (Reconfiguration of SALHN's health services)</p> <p>RGH service transitions and decommissioning (Reconfiguration of SALHN's health services)</p> <p>Models of care development (Reconfiguration of SALHN's health services)</p> <p>EPAS implementation and activation preparation – FMC (EPAS)</p>	<p>The project created a number of efficiencies and quality improvements by:</p> <ul style="list-style-type: none"> • Remaining focused upon the improvement of patient care, outcomes, patient flow and discharge processes. • Right sizing wards and optimising staffing skill mix. • Enabling more patients to be located with their specialist teams. • Providing more single rooms and maximising inpatient spaces through a capital works program for improved patient care. <p>In 2016-17 the project achieved:</p> <ul style="list-style-type: none"> • Relocation and / or merger of 12 wards across SALHN • New models of care and length of stay improvements. <p>Development and finalisation of Service Plans for SALHN for:</p> <ul style="list-style-type: none"> • Surgery and Perioperative Medicine Clinical Reconfiguration Plan. • Outpatient Services Reconfiguration Service Plan. • Corporate Service Plan. <p>Not assessed during this period</p> <p>Ability to implement Clinical Reconfiguration; preparation to support further reconfiguration of SALHN services in 2017-18.</p> <p>Not assessed during this reporting period</p>	<p>The project delivered valuable outcomes for the South Australian community, which will support the continued reconfiguration of services across SALHN and RGH decommissioning.</p> <p>The Service Plans confirm SALHN's future service delivery arrangements following the completion of SALHN reconfiguration, and were informed by a comprehensive consultation processes.</p> <p>In 2016-17 significant planning and preparation work was undertaken for the transition of services off the RGH site to enable site decommissioning and handover in late 2017.</p> <p>New Models of Care continued to be developed and implemented in 2016-17, including the SALHN Older Persons Service Plan, Orthogeriatric Model of Care and the Rehabilitation Services Development. Outcomes will be reported on in subsequent reporting periods following full implementation.</p>

Legislation administered by the agency

Not applicable

Organisation of the agency

SALHN is managed by a Chief Executive Officer (CEO), who reports to the Chief Executive, SA Health, who has overall responsibility for services provided by the public health system.

The CEO of SALHN is supported by the SALHN Executive, which provides the strategic direction, planning, monitoring of activity within the agreed policy, funding, activity and planning parameters as set by the Department for Health and Ageing.

SALHN is responsible for implementing and monitoring a governing framework to discharge its responsibilities, provide leadership to the SALHN and provide advice to the Chief Executive on specific matters.

Our Organisational Chart can be viewed here:

<http://intra.sahs.sa.gov.au/public/download.jsp?id=71999&showOrig=t>

Other agencies related to this agency (within the Minister's area/s of responsibility)

SA Health
 Central Adelaide Local Health Network
 Country Health Local Health Network
 Northern Adelaide Local Health Network
 Women's and Children's Local Health Network
 South Australian Ambulance Service
 Office for the Ageing

Employment opportunity programs

Program name	Result of the program
Aboriginal and Torres Strait Islander Pre-Employment Program and Aboriginal and Traineeships and Cadetships	Maximised job-readiness for candidates and provided a pathway to employment.
Job 4 Youth Program	Initiated as part of the Premier's Initiative to increase employment for youth aged under 25 years old.

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
<p>Regular Performance Review and Development was undertaken across SALHN. Monthly reports were generated and provided to Executive and Division to monitor compliance. Regular updates were also provided to SALHN Executive. SALHN achieved 83.4% of the workforce undertaking a performance review and development plan in the 2016-17 financial year.</p>	<ul style="list-style-type: none"> • A review within the past six months - 18.7% • A review in the past 12 months - 64.7% •

Occupational health, safety and rehabilitation programs of the agency and their effectiveness

Occupational health, safety and rehabilitation programs	Effectiveness
<p>Work Health Safety Prosecutions, Notices and Corrective Action</p>	<ul style="list-style-type: none"> • Events reduced through prompt review of emerging risks, implementing corrective actions before injuries occur. • 42% reduction in the number of events reported to legislator compared to previous year. • Ongoing workforce education relating to legislative requirements for reporting these events, with a focus on after hour shift coordinator roles.
<p>Work Health Safety Performance (Building Safety Excellence Targets)</p>	<ul style="list-style-type: none"> • Early intervention response systems revised. • Significant injury response system implemented. • Musculoskeletal injury education implemented through the Local Manual Task Facilitator program. • Revised processes for bariatric patient management and equipment availability. • A free and confidential SALHN Wellbeing and Supportive Counselling program for all employees.

Fraud detected in the agency

Category/nature of fraud	Number of instances
The Independent Commissioner Against Corruption is currently investigating matters referred to it by SALHN, which involve potential corruption and/or misappropriation. These investigations are ongoing and SALHN is not in a position to advise as to the details of these matters.	Not disclosed
Allegedly falsified pre-employment declaration and working whilst medically unfit to work; did not declare relevant changes to their employment status; and worked whilst suspended by another Local Health Network.	1

Strategies implemented to control and prevent fraud

An internal audit and a number of reviews were undertaken to ensure compliance with policies and procedures. All Divisions were provided with financial reporting for review and analysis. SALHN also established delegations for all to abide by.

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/7f817a68-6e48-4499-9fe1-adf16b8b5544/resource/30ab8d86-20d1-43cf-aa64-ccd6920b0d50/download/fraud-template---salhn.xlsx>

Whistle-blowers' disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistle-blowers' Protection Act 1993* 0

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/7f817a68-6e48-4499-9fe1-adf16b8b5544/resource/590c6448-37c7-4e61-843c-a35c0b83b8eb/download/whistle-blowers-template---salhn.xlsx>

Executive employment in the agency

Executive classification	Number of executives
EXECO A	3
EXECOC	1
SAES-1	4
SAES-2	1
Total	9

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/7f817a68-6e48-4499-9fe1-adf16b8b5544/resource/6b563792-d33a-4796-bb20-bc6c713588e6/download/executive-employment-template---salhn.xlsx>

For further information, the [Office for the Public Sector](#) has a [data dashboard](#) for further information on the breakdown of executive gender, salary and tenure by agency.

Consultants

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken.

Consultants	Purpose	Value
All consultancies below \$10,000 each	N/a	\$Nil
Consultancies above \$10,000 each		
Beilby Health Outlook	Review Intermediate Care Services; provide consultancy reports with recommendations to SALHN stakeholders	\$22,500
Chris Reynolds	Summarise the outcomes of the <i>Tobacco Products Regulation Act 1997</i>	\$18,060
Dr Steven John Allsop	Review of drug and alcohol treatment provided by Drug and Alcohol Services SA	\$10,000
Total all consultancies		\$50,560

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/7f817a68-6e48-4499-9fe1-adf16b8b5544/resource/2e3c70e6-48bf-4c72-a0ed-727c80d5be63/download/salhn---consultants-template.xlsx>

See also <https://www.tenders.sa.gov.au/tenders/index.do> for a list of all external consultancies, including nature of work and value. See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Financial performance of the agency

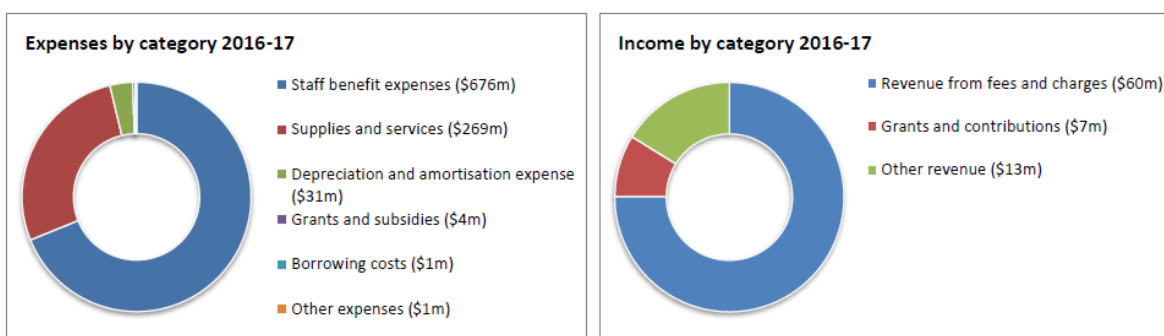
The audited net financial result for Southern Adelaide Local Health Network was \$113m surplus for the 12 months ended 30 June 2017. Underlying the surplus was capital funding received of \$146.4m for capital projects including the new Rehabilitation, Palliative and

Psychogeriatric Care building and Southern Car Park. Expenditure of \$981.5m has declined 5.8% when compared to the prior year comparable period. Income from services has increased 3.9% from the prior year. Total equity increased from \$327.9m to \$441.8m as at 30 June 2017 primarily the result of the significant investment in buildings and infrastructure occurring across the local health network to support the clinical service reconfiguration changes.

The Southern Adelaide Local Health Network produced streamlined financial statements this year (in line with AASB 101 *Presentation of Financial Statements*) making them less technical and more accessible to non-accountants. This has reduced the statements from around 50 pages in 2015-16 to 35 pages in 2016-17 (30% reduction).

SALHN three-year financial summary

Three-year financial summary (\$000)	2016-17	%	2015-16	%	2014-15	%
		↑↓		↑↓		↑↓
Total expenses	981 548	↓-5.8%	1 041 787	↑12.3%	928 028	↓-7.3%
Total income	79 901	↑3.9%	76 897	↓-17.2%	92 924	↓-20.0%
Net cost of providing services	901 647	↓-6.6%	964 890	↑15.5%	835 104	↓-5.7%
Revenues from/Payments to SA Government	1 014 875	↑15.1%	881 882	↑6.3%	829 482	↓-4.6%
Net result for the period	113 228	↑236.4%	(83 008)	↓-1376.5%	(5 622)	↑64.6%
Net cash provided by operating activities	17 001	↑41.0%	12 054	↓-55.4%	27 009	↑52.9%
Total assets	721 765	↑18.3%	609 905	↓-8.8%	668 736	↓-0.7%
Total liabilities	279 902	↓-0.8%	282 037	↑14.6%	246 080	↑0.5%
Net assets	441 863	↑34.8%	327 868	↓-22.4%	422 656	↓-1.4%



Other financial information

Nil to report

Other information requested by the Minister(s) or other significant issues affecting the agency or reporting pertaining to independent functions

Nil to report

Section B: Reporting required under any other act or regulation

Not applicable.

Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act* is deemed applicable for the following: Department for Communities and Social Inclusion, Department for Education and Child Development, Department for Health and Ageing, Department of State Development, Department of Planning, Transport and Infrastructure, South Australia Police and TAFE SA.

Section 7: Compliance or non-compliance with section 6 of the Carers Recognition Act 2005 and (b) if a person or body provides relevant services under a contract with the organisation (other than a contract of employment), that person's or body's compliance or non-compliance with section 6.

SALHN is committed to improving the way we partner with carers. We acknowledge that our carers, consumers and community have rights and the responsibility to engage in health care decisions.

In 2016-17, SALHN developed the Consumer, Carer and Community Engagement Procedure in partnership with carers and consumers. The procedure supports the Carer's Recognition Act and is underpinned by the SA Health Partnering with Carers Policy Directive. The purpose of this procedure is to support staff to build positive relationships and continue to strengthen existing relationships with our carers, consumers and community utilising appropriate mechanisms to support their engagement.

The SALHN Partnering with Consumers Advisory Group also amended its Terms of Reference to reflect the importance of the voice of the carer.

Section C: Reporting of public complaints as requested by the Ombudsman

A whole of SA Health response is provided in the Department for Health and Ageing 2016-17 Annual Report, which can be accessed on the [SA Health website](#).

Appendix: Audited financial statements 2016-17