



Government of Western Australia  
Department of Health  
Office of the Director General

## MEMORANDUM

TO: Dr D Russell-Weisz  
CHIEF EXECUTIVE  
FIONA STANLEY HOSPITAL COMMISSIONING

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### FIONA STANLEY HOSPITAL COMMISSIONING

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Thank you for providing me with your "confidential draft" status report (8 December 2012) on the commissioning of Fiona Stanley Hospital (FSH), and in particular your personal observations on the readiness of ICT to support the commissioning.

As you are aware, much work has been conducted since you wrote that report and went on leave. I am sure you will agree that an enormous amount of progress has been made across a number of fronts to identify and address the risks associated with this project.

While your report focused particularly on the readiness of ICT, it also needed to be focused on the commissioning schedule for FSH as the starting point. This is something that I had been asking for almost 18 months without success. I simply kept getting the response that FSH was being scheduled to open in April 2014 with four to six weeks to become fully operational, something that was clearly risky and unlikely from every perspective.

I am pleased that this has now been properly addressed with a sensible scheduling and staging program sketched out. I am sorry I had to press on this while both yourself and Ms MacLeod were overseas (and you had to respond while on leave) however I think the final product will now ensure a safe commissioning of services at FSH. While work is still required at the detailed level of each service, it is the right basis for us to then assess and deliver the associated support services and enablers such as ICT and workforce transitioning to match the commissioning schedule.

Having now described the safe staging of the commissioning of FSH we are in a good position to further assess the readiness of the associated services. I did not think it was appropriate to only focus on the readiness of ICT without a clear commissioning plan, so really this needed to go first.

While you were on leave I agreed with HIN a process and a preliminary budget to achieve and deliver all of the necessary ICT to support clinical services. This nominally assigned \$20m, subject to their provision of a workplan and detailed costing. As you know, this focussed especially on the clinical systems required to support the commissioned services.

As explained at the recent Taskforce meeting, further refinement of this plan is due to be completed by HIN on each application with the necessary critical path and decision points for the degree of digitalisation of each application determined. This now gives me clear perspective on what HIN needs to achieve and monitoring the progress HIN is making will be transparent to all parties, something that I think has been missing to date.

I share some of your concerns about the capacity for HIN to deliver across the agenda set for them. This has been made even more difficult by the attitude from Treasury not to support the expert panel's assessment of ICT funding required across WA Health, instead simply funding ICT for FSH, Albany and WebPas. This ignores the fact that both new hospitals need ICT applications that are integrated with the rest of Health, we cannot deliver them in isolation.

I think it is timely in the next budget to seek fuller financial support from Treasury for the critical clinical systems and bearing mind that Treasury had made it clear that successful implementation of WebPas would represent a litmus test of our ability to successfully implement new systems. We have passed that test and they should be reminded of that.

I also acknowledge that there is considerable variability in the project management capability within HIN, an issue not lost on any of us when we seemed to get push-back from the project managers recently. Dates for delivery seem optional to the project managers as do constraints on the scope of projects. The meeting we had with HIN project managers recently needs to be repeated at key intervals to make sure the message is understood and they are held strictly accountable for deliverables. Having said this, I think my appointment of Mr Harrison as exclusive FSH lead gives greater attention to the project and both he and Dr Robertson have embraced the priority we have all given to the project.

With all of the intervention we have initiated since you wrote your original status report I think we have substantially mitigated the risk, or at least have a clear direction and process to do so. The residual but not insubstantial risks remain with the integration of the commissioning with the other South Metropolitan Health Services (and the wider system), the acquisition of the required workforce in a manner coordinated with other sites and finally, but by no means least, the relationship and rescheduling requirements with Serco.

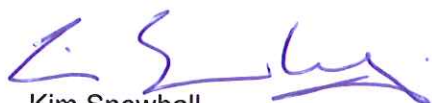
It was pleasing to note that the briefing of the established Taskforce monitoring our progress and risk management of the FSH Commissioning and reconfiguration of the major hospitals on behalf of Cabinet, clearly showed they appreciate the strengthened governance processes we now have in place and the required staging arrangements for commissioning. I think with their deeper understanding of the issues confronting the project and the manner in which it is now being managed by yourself and Ms Feely, attention and interest from a group of this calibre can only add value to its outcome.

With the benefit of hindsight the draft report you produced after six weeks in the Commissioning role reads as very alarmist. There is no question that much work has to be done but it reads as if nothing can be done to get the project back on track and to meet the as yet unspecified commissioning schedule. Clearly that is not the case.

I am pleased that this report has led to a more pragmatic approach to the design of the ICT for FSH and a range of options for clinical applications so while they may not be the fully digitalised versions that you were assessing for readiness, they will be foundational and steady progress towards digital systems, concurrent with the rest of Health.



Finally, I have asked Ms Angela Kelly, in her role as Executive Support to the FSH Taskforce, to prepare a progress report that I can submit to the Minister for Health when government is formed after 9 March 2013. This report will capture the update we provided to the Taskforce (including governance and ICT) and will be signed off before being submitted to Cabinet through the Minister. This is the process established to ensure government understands the risks inherent in the reconfiguration of hospital services in the South Metropolitan Health Service and of course the Commissioning of FSH and the actions taken to address those risks.



Kim Snowball  
**DIRECTOR GENERAL**

5 March 2013