Statement of Priorities

2025-26 Agreement between the Secretary, Department of Health and Kooweerup Regional Health Service

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VICTORIA State Government | Department of Health

The department proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders, past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us.

We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

To receive this document in an accessible format, phone using the National Relay Service 13 36 77 if required, or Commissioning and System Improvement; Accountability on <Accountability@health.vic.gov.au>

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Available at The Department of Health Statements of Priorities <https://www.health.vic.gov.au/funding-performance-accountability/statements-of-priorities>

Contents page

Contents page 3

Background 4

Ministerial Priorities 5

Part A: Department of Health Strategic Plan 7

Part B: Performance Priorities 10

Part C: Activity and Funding 12

Accountability and funding requirements 14

Signing Page 15

Background

Statements of Priorities are key accountability agreements between the Victorian State Government and Victorian publicly funded health, mental health, and ambulance services. The content and process for preparing and agreeing to the annual Statement of Priorities are consistent with sections 40G, 65ZFA, 65ZFB, and section 26 of the *Health Services Act 1988*.

Statements of Priorities are consistent with the health services' strategic plans and aligned to government policy directions and priorities. For 2025-26, the Statements of Priorities continue to refer to the *Department of Health Strategic Plan 2023-27* (Strategic Plan), which is refreshed on an annual basis. The annual agreements support the delivery of, or substantial progress towards, the key shared objectives of quality and safety, good governance and leadership, access and timeliness, and financial sustainability.

Statements of Priorities consist of four main parts:

- Part A provides the strategic priorities for the health service to contribute to in the year ahead.
- Part B lists the performance priorities and agreed targets.
- Part C lists funding and associated activity.
- Part D forms the service agreement between each health service and the state of Victoria for the purposes of the National Health Reform Agreement.

Performance expectations and mechanisms used by the Department of Health (the department) to monitor and manage performance are described in the *Victorian Health Service Performance Monitoring Framework 2025-26* (The Framework).

High standards of governance, transparency and accountability are essential. In this context, the Victorian Government commits to publishing the Statements of Priorities each year and presenting data on the performance of our health system in the public domain.

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Ministerial Priorities

Statements of Priorities are aligned to government policy directions and priorities. Ministerial priorities are reflected in the Statements of Priorities and the Department of Health Strategic Plan 2023-27 (Strategic Plan).

In 2025-26, these include the following Ministerial priorities:

For the **overall health system**:

1. A reformed health system, shifting from competition to collaboration through the establishment of Local Health Service Networks, and with strengthened, formalised partnerships between health services and community and primary care services to ensure patients receive the right care closer to home.

2. A growing, skilled, and engaged workforce supported to develop professionally. This is achieved through improved workforce planning, an increased supply of priority roles, world leading employee experience, and a strategic focus on future roles, capabilities, professional development, and promoting a safe workplace.

3. A health system that is grounded in respect and safety, particularly cultural safety, and awareness, achieved through mandatory cultural safety training, anti-racism plans and actions, and employment plans that drive greater representation of First Nations people across all levels of a health service.

4. Improved health equity through a focus on:

    a. Aboriginal health and wellbeing, achieved through identifying and closing gaps in access to care, and improved discharge planning for Aboriginal patients and building stronger relationships with local Aboriginal Community Controlled Health Organisations.
    b. Health care models for priority populations, including people with disabilities, LGBTQIA+ communities and people from culturally and linguistically diverse backgrounds.
    c. Improved access to health services by rural and regional patients through the establishment of patient referral pathways by Local Health Service Networks.
    d. Women's health, including improved access to abortion, public fertility services and reduced gender health disparities across the life course, supported through the roll out of new services and better coordinated care.

5. A continued focus on improving the quality and safety of care, including through strengthening clinical governance systems and a culture of reporting and transparency under the Victorian Clinical Governance Framework.

6. Provide timely access to services by implementing strategies that connect people to the right care and improve the whole of system patient flow.

7. A financially responsible and sustainable health system, reflected in balanced health service budgets.

8. Public health and population health initiatives, including through the operation of Local Public Health Units, to contribute to better health outcomes among Victorians through prevention strategies and early interventions.

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For the **mental health** system:

9. A mental health and well-being system that delivers inclusive, personalised, compassionate, integrated care so all Victorians are supported to live and experience the life they want:

    a. Consumers have choice and agency and access to high quality and holistic care, as well as leadership roles
    b. Carers, families, supports and kin: Are recognised, respected, and supported, including in leadership roles.
    c. Workforces are diverse, multidisciplinary, and collaborative, and feel safe, valued, and supported.
    d. Aboriginal communities: Self-determination and cultural safety are upheld, and physical, emotional, social, and spiritual aspects of wellbeing are central and interconnected.
    e. Diverse communities: Are reflected and embraced in our services and models of care

10. Mental health services are focused on continuously improving performance.

11. Mental health services maintain service levels whilst transitioning to activity-based funding.

Supporting services for **older Victorians**:

12. A reformed health system that responds to the needs of older people to receive the right care in the right place through:

    a. Initiatives that reduce avoidable hospital presentations and length of stay for older people in hospital.
    b. Availability of public sector residential aged care.

13. A strengthened approach to the delivery of high quality and safe aged care services through:

    a. Continued implementation of national aged care reforms arising from the Royal Commission into Aged Care Quality and Safety.
    b. System stewardship and oversight of public aged care service delivery.

Part A: Department of Health Strategic Plan

The Statement of Priorities are aligned with the Strategic Plan[1].

Kooweerup Regional Health Service will contribute to the Strategic Plan 2023-27 by agreeing to the following priorities:

Strategic Priorities

Innovate and improve access and care

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

Goal
Align with the Victorian Clinical Governance Framework to strengthen clinical governance systems, ensuring safe, high-quality care.

Health service deliverables:

- Demonstrate high quality care in which consumer engagement and input is actively sought, facilitated and used to drive system change to improve consumer experience and outcomes
- Ensure that health service reporting, reviews and decision-making are underpinned by a safety culture and systems that are transparent, accurate and fair for staff and consumers.
- Health services are able to show evidence of a comprehensive training program approach that includes performance management, accountability, and continuous improvement.

Prudent, sustainable and effective use of resources

We are innovative and resourceful in balancing improved patient care, operational performance, and system management to ensure a financially secure health system. We invest in a skilled and future-ready workforce, maintaining a modern, safe, and resilient healthcare system for all Victorians.

Goal
Develop and implement initiatives to strengthen financial sustainability. By delivering sustainable, responsible budgets, we can ensure a well-managed, viable, and sustainable health system for the future.

Health service deliverables:

- Deliver the key initiatives outlined in the Budget Action Plan within Government parameters.
- Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance.
- Use funding efficiently and effectively to optimise patient facing services. Undertake programs to reduce the cost of service delivery, improve safety, capacity and reduce unnecessary waiting.

[1] Link to Strategic Plan 2023-27. <https://www.health.vic.gov.au/our-strategic-plan-2023-27>

A stronger workforce

We strive to foster an equitable, skilled and supported workforce that builds professional capabilities to meet current and future roles.

Goal
Position Victoria as a leader in employee experience, capability, and capacity by focusing on future roles and professional development in line with the Victorian Health Workforce Strategy to ensure a regenerative and sustainable workforce.

Health service deliverables:

- Implement processes to sustain workforce supply and fulfill obligations, including those under the Gender Equality Act 2020 by improving employee experience in leadership, health and safety, flexibility, career development, and agility to ensure safe, high-quality care.
- Collaborate with the department to improve workforce data analytics, generate actionable insights, and enhance strategic planning.

Improving Aboriginal health and wellbeing

Strengthen cultural safety in Victoria's health service system by fostering strong connections to Aboriginal culture, creating a holistic, accessible, and empowering health system.

Goal
Enhance Delivery and Access to Culturally Safe Services, fostering strong connections to culture. Address racism and provide Aboriginal people with culturally safe healthcare and referral pathways between mainstream and community-controlled health services.

Health service deliverables:

- Deliver high-quality cultural safety training to all executives and staff using independent, expert, community-controlled organisations or a registered Aboriginal business.
- Health service executives and senior leaders establish and maintain strong, ongoing partnerships with Aboriginal community-controlled organisations and/or recognised Aboriginal leaders within their local catchments. These partnerships must be based on regular, proactive engagement that prioritises the voices, self-determined priorities, and cultural knowledge of Aboriginal communities in the design, delivery, and evaluation of health and wellbeing services.
- Ensure culturally appropriate systems for identifying Aboriginal and Torres Strait Islander patients and implement responsive discharge plans and referral pathways.

Moving from Competition to Collaboration

We are committed to transforming Victoria's health system by partnering with care providers and health services to share knowledge, information, and resources.

Goal
Collaborate within the Local Health Service Network to build a more integrated health system, with better access and experience for patients, strengthened workforce, consistently high-quality care, and more sustainable healthcare delivery.

Health service deliverable:

- Meet all objectives agreed to in the Local Health Service Network *Statement of Expectations* across priority areas (access, equity and flow, workforce, safety and quality, and shared services).

Part B: Performance Priorities

The *Victorian Health Services Performance Monitoring Framework* (PMF) outlines the Government's approach to overseeing the performance of Victorian health services. Further information is available at the Funding, Performance and Accountability webpage <https://www.health.vic.gov.au/funding-performance-accountability/performance-monitoring-framework>.

As the PMF states, while the Statements of Priorities set out the annual high level strategic performance priorities, health services remain comprehensively accountable for quality and safety, good governance and leadership, access and timeliness, and financial sustainability, as defined in relevant legislation. This means that performance against these broader accountabilities will continue to be monitored based on a comprehensive set of quantitative metrics and qualitative intelligence and managed and raised with health services as needed.

High quality and safe care:

Key Performance Measure	Target
Infection prevention and control	
Percentage of healthcare workers immunised for influenza	94%
Adverse events	
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days
Aged care	
Public sector residential aged care services overall star rating	Minimum rating of 3 stars
Patient experience	
Percentage of patients who reported positive experiences of their hospital stay	95%
Aboriginal Health	
Difference between the percentage of Aboriginal patients and non-Aboriginal patients who left against medical advice	0%

Strong governance, leadership, and culture

Key Performance Measure	Target
Organisational culture	
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions	80%

Effective financial management

Key Performance Measure	Target
Operating result ($M)	0.00
Adjusted current asset ratio	0.7 or 3% improvement from health service base target
Variance between the forecast and actual operating result (OR) as a percentage of the forecast OR for the current financial year ending 30 Jun	5% movement in forecast revenue and expenditure forecasts

Part C: Activity and Funding

The performance and financial framework within which state government-funded organisations operate is described in *The Policy and Funding Guidelines – Funding Rules*. The Funding Rules detail funding and pricing arrangements and provide modelled budgets and targets for a range of programs. The Policy and Funding Guidelines webpage <https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services>.

Period 1 July 2025 – 30 June 2026

Table 1 Kooweerup Regional Health Service funding summary for 1 July 2025 – 30 June 2026

Funding Type	Activity	Budget ($'000)
Consolidated Activity Funding		
Acute admitted, subacute admitted, emergency services, non-admitted NWAU		254
Acute Admitted		
Other admitted		(1,126)
Aged Care		
Residential aged care	21,696	750
HACC	1,964	220
Small Rural		
Small rural acute		6,655
Small rural residential care		66
Small rural health workforce		579
Small rural other specified funding		193
Other		
Health workforce		84
Other specified funding		101
Total Funding		**7,776**

Please note:

- Base level funding, related services and activity levels outlined within the Policy and Funding Guidelines are subject to change throughout the year. Further information about the department's approach to funding and price setting for specific clinical activities and funding policy changes is also available from Health Services <https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services>
- Each funding type row (e.g., "emergency services") comprises a mix of activity-based funding and block grants. Funding depends on the service profile. For further details, refer to the Policy and funding guidelines for health services (see the above point for the link).

- In situations where a change is required to Part C, changes to the agreement will be actioned through an exchange of letters between the department and the health service's Chief Executive Officer.

Accountability and funding requirements

The health service must comply with:

- All laws applicable to it.
- The *National Health Reform Agreement.*
- All applicable requirements, policies, terms, or conditions of funding specified or referred to in the Department of Health P*olicy and Funding Guidelines 2025-26*.
- Policies, procedures, and appropriate internal controls to ensure the accurate and timely submission of data to the Department of Health.
- All applicable policies and guidelines issued by the Department of Health from time to time and notified to the health service.
- Where applicable, all terms and conditions specified in an agreement between the health service and the Department of Health relating to the provision of health services are in force at any time during the 2025-26 financial year.
- Relevant standards for programs that have been adopted, e.g., the International Organisation for Standardisation standards and AS/NZS 4801:2001, Occupational Health and Safety Management Systems, or an equivalent standard.
- Where applicable, this includes the National Safety and Quality Health Service Standards (‘NSQHS standards’) as accredited through the Australian Health Service Safety and Quality Accreditation Scheme.
- Specific to DHSV: in relation to the School Dental Project Plan, as agreed and specified by both parties, including meeting the requirements outlined in the School Licence Agreement.
- Any other relevant, applicable statutory, regulatory or accountability rules, policies, plans, procedures, or publications.

Signing Page

The Secretary, Department of Health and the health service board chairperson agree that funding will be provided to enable the health service to meet its service obligations and performance requirements as outlined in this Statement of Priorities.

Debra Sudano

Executive Director

North East,South East Health Services and Statewide Performance Department of Health

Date: 25 / 7 /2025

Mr Kushal Shah

Board Chair

Kooweerup Regional Health Service

Date: 25 / 7 /2025

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