



**AUDITOR GENERAL
FOR WESTERN AUSTRALIA**

Serving the Public Interest

SUMMARY OF THE PERFORMANCE EXAMINATION

**EARLY DIAGNOSIS:
Management of the Health Reform Program**

Report 5, June 2006

Background

The Government commissioned the Health Review Committee (HRC) in March 2003 to develop a financially sustainable vision for the future. The Government's acceptance of 85 of the report's 86 recommendations sets the foundation for transforming the Western Australian public health system over the next decade. On 2 August 2004, the Health Reform Implementation Taskforce (HRIT) was established to implement the recommendations of the HRC report. The recommendations are being implemented through 99 distinct health reform projects.

The examination reviewed the progress of 15 health reform projects to assess how well the HRIT was managing the reform program to deliver anticipated outcomes on-time and on-budget.

What the examination found...

We found delays in many of the projects and inadequacies in project management and reporting. The key findings were:

- There have already been some notable achievements of the health reform program.
- However, many of the projects examined were behind schedule.
- The project management approach outlined in the HRIT Work Plan provides a solid basis for managing the health reform program.

- The reform activities undertaken to date have changed from that outlined in the Work Plan, making it difficult for external stakeholders to determine the progress of reform implementation.
- The HRIT was unable to provide appropriate documentation to show that health reform projects had been appropriately scoped, resourced and approved to address the recommendations of the HRC.
- Key project information, such as an action plan and risk management strategies, was not generally available to guide planning, implementation and monitoring.
- Inadequacies were found with the completeness, timeliness, reliability and relevance of activity and public reporting.

The HRIT has acknowledged the validity of our concerns. We have been encouraged by advice they provided subsequent to the completion of the audit, of new project management and reporting processes implemented to better manage the health reform program. Commentary on these developments is provided in an addendum to the report.

What the examination recommended...

The HRIT should:

- identify and address the extent and causes of project delays
- ensure that good record keeping practices are observed and project approvals are documented
- prepare documentation containing information that will facilitate effective project planning, implementation, monitoring and evaluation
- regularly report progress in implementing the health reforms and ensure that reports contain relevant, complete and accurate information about project progress, changes to project scope and expenditure against budget.

A copy of the report can be accessed at www.audit.wa.gov.au/
For further information contact by email: info@audit.wa.gov.au