

FORENSICARE CAPABILITY REVIEW

The Victorian Government has vested the Victorian Public Sector Commission with functions designed to enhance the performance of the public sector – fostering the development of an efficient, integrated and responsive public sector which is highly ethical, accountable and professional in the ways it delivers services to the Victorian community.

The key functions of the Commission are to:

- strengthen the efficiency, effectiveness and capability of the public sector in order to meet existing and emerging needs and deliver high quality services; and
- maintain and advocate for public sector professionalism and integrity.

© State of Victoria (Victorian Public Sector Commission) 2020



This work is licensed under a Creative Commons Attribution 4.0 licence. You are free to re-use the work under that licence, on the condition that you credit the State of Victoria (Victorian Public Sector Commission) as author, indicate if changes were made and comply with the other licence terms. The licence does not apply to any branding, including the Victorian Government logo and the Victorian Public Sector Commission logo.

Copyright queries may be directed to info@vpsc.vic.gov.au

Currency

This is the Forensicare Capability Review Final Report, version 1.1, January 2020.

Inquiries

3 Treasury Place
Melbourne 3002

Email: info@vpsc.vic.gov.au
Phone: (03) 7004 7220
www.vpsc.vic.gov.au

CONTENTS

Foreword from the Lead Reviewer	1
Rating descriptions	2
Summary of ratings - Forensicare	3
Executive summary	4
Recommendations	8
Key areas of focus	10
Abbreviations.....	12
1. Introduction	13
1.1 Organisational capability review	13
1.2 Forensicare	13
1.3 Mental health system reform.....	14
1.4 Review methodology.....	15
2. Leadership	18
2.1 Set direction	18
2.2 Motivate people.....	24
2.3 Develop people	28
2.4 Actions planned or underway.....	30
2.5 Summary.....	31
3. Strategy	32
3.1 Outcome focused strategy	32
3.2 Evidence based choices	34
3.3 Collaborate and build choices.....	37
3.4 Actions planned or underway.....	38
3.5 Summary.....	38
4. Delivery	40
4.1 Innovative delivery	40
4.2 Plan, resource and prioritise	42
4.3 Shared commitment and sound delivery models.....	44
4.4 Manage performance.....	45
4.5 Actions planned or underway.....	47
4.6 Summary.....	47
5. Next steps	49

A1	Agency Response.....	50
A2	Information about the Lead Reviewer.....	52
A3	Review areas for inquiry.....	53
A4	List of consultees.....	56

FOREWORD FROM THE LEAD REVIEWER

I was pleased to lead this capability review, working with the Victorian Institute of Forensic Mental Health (Forensicare) to assess the current state of capability and identify opportunities for the future development of the organisation.

Forensicare provides an important but often unnoticed service to the Victorian community. The commitment of staff to caring for consumers suffering from severe mental health illnesses in the criminal justice system has been evident to the review team.

The review identified that there is significant room for improvement in organisational capability. In light of this finding, it is helpful to note that the leadership of Forensicare has already commenced a program of work to address capability gaps across all three capability domains: leadership, strategy, and delivery.





I would like to thank Forensicare's Board of Directors and staff for their time and assistance in undertaking this review. Clinical leaders participated in interviews, which took them away from their pressing clinical duties, with an attitude that demonstrates commitment to improving organisational management. Corporate staff readily supported the review through the provision of documents and scheduling of many interviews.

I trust that Forensicare will find this report useful in positioning the organisation to meet its current and future challenges. I wish the organisation success into the future.

Greg Wilson
Lead Reviewer



RATING DESCRIPTIONS

In accordance with the APSC's organisational capability review methodology, the review used the following scale to assess Forensicare's organisational capability.




 <p>Strong</p>	<ul style="list-style-type: none"> • Outstanding capability for future delivery in line with the model of capability. • Clear approach to monitoring and sustaining future capability with supporting evidence and metrics. • Evidence of learning and benchmarking against peers and other comparators.
 <p>Well placed</p>	<ul style="list-style-type: none"> • Capability gaps are identified and defined. • Is already making improvements in capability for current and future delivery, and is well placed to do so. • Is expected to improve further in the short term through practical actions that are planned or already underway.
 <p>Development area</p>	<ul style="list-style-type: none"> • Has weaknesses in capability for current and future delivery and/or has not identified all weaknesses and has no clear mechanism for doing so. • More action is required to close current capability gaps and deliver improvement over the medium term.
 <p>Serious concerns</p>	<ul style="list-style-type: none"> • Significant weaknesses in capability for current and future delivery that require urgent action. • Not well placed to address weaknesses in the short or medium term and needs additional action and support to secure effective delivery.

SUMMARY OF RATINGS - FORENSICARE





Leadership

Set Direction	
Motivate people	
Develop people	

Strategy

Outcome focused strategy	
Evidence based choices	
Collaborate and build common purpose	

Delivery

Innovative delivery	
Plan, resource and prioritise	
Shared commitment and sound delivery models	
Manage performance	

EXECUTIVE SUMMARY

Review of capability

In August 2019 Forensicare's Board Chair, Mr Ken Lay AO APM, requested the Victorian Public Sector Commission (VPSC) undertake a review of capability of both the Board and the organisation. The review provides independent advice to Forensicare to lift the strategic leadership capability and ensure Forensicare has the skills, structure and systems it needs to deliver high quality services into the future.

Given a significant program of work is already underway to address capability weaknesses, the review has had a focus on the future, aiming to prepare Forensicare for cultural change and for operating in the context of the Royal Commission into the Mental Health System in Victoria (Royal Commission). The review was undertaken from September to December 2019.

The review was led by Mr Greg Wilson and was based on the Australian Public Service Commission's (APSC) *Capability Review Model* (the Model), which focusses on three core areas: leadership, strategy and delivery. As part of the leadership component of the review, the review team assessed the Board's performance according to the VPSC's [Board and Director Performance Assessments](#) guidance.

This report sets out the review's findings in relation to Forensicare's organisational capability. The Board performance assessment is the subject of a separate report but, where relevant, themes from that assessment have been included in this report.

The review considered capability through all levels of the organisation. The review aimed to assist Forensicare to:

1. lift the collective leadership capability of the executive with a focus on strategy, policy, planning and systems thinking
2. build a leadership structure with clear roles, responsibilities and accountability for outcomes
3. provide clarity around professional, clinical and operational reporting lines, by identifying existing issues in light of the principle of separation of responsibilities
4. establish contemporary and fit for purpose processes and systems that support planning, risk management and service delivery, based on business needs.

Forensicare

Forensicare provides specialist mental health services to some of Victoria's most challenging consumers: people in the criminal justice system with a serious mental illness, those at risk of offending who pose a risk to themselves or others, and those referred from the general mental health system for specialist advice.

Forensicare has been through a period of rapid growth, with staff and revenue almost doubling in the last five years. Major policy changes and reform to bail, remand and parole conditions have led to an increase in the prison population.

In addition, the mental health sector has been under increasing pressure to deliver higher quality services to a growing population. The Royal Commission is likely to recommend increased provision of mental health care services. Responding to these demand pressures has been a challenge for Forensicare, moving from a small boutique organisation to a mid-size, complex organisation, with a workforce that is increasingly geographically disparate.

Findings

The review identified that Forensicare requires development across all three core areas. To some extent, this is to be expected for an organisation that has grown rapidly from operating on a 'small village' model of relationship-based decision making to one that requires fully developed organisational management practices.




The Model's assessment thresholds are of a high standard and are based on the capability to meet future challenges. Anything less than an '*outstanding capability for future delivery*' is regarded as needing further action to improve capability. While there are areas that need considerable effort to bring them up to standard, the review has not rated any areas as having *serious concerns* (the lowest rating on the scale). This is due to Forensicare's current program of activities, which touch on all areas of capability.

Overall, Forensicare's leadership is aware of its capability gaps to meet future challenges. The review notes that with appointments to several key roles in 2019, there has been a dedicated focus on improving organisational capability and governance. Given that the leadership is in the early stages of implementing change and the accountability structures are yet to be finalised, the review has concluded that a rating of *development area* is appropriate for all aspects of organisational capability.

The review makes several recommendations to address Forensicare's capability gaps, which are set out on page 8. Forensicare will need to take an incremental approach to change, with evaluation as part of the annual planning cycle. Implementation will need to take into account the burden of these changes on the current leadership, many of whom undertake significant clinical work. The Department of Health and Human Services (DHHS) will also need to support Forensicare to undertake some of the required changes.

The review notes that many of the findings in this report are also reflected in the findings of the interim report of the Royal Commission in relation to the general mental health system, particularly a lack of evidence based long term planning. Therefore, implementation of these recommendations is likely to go some way towards preparing Forensicare for implementation of the final recommendations of the Royal Commission.

Leadership

Set direction		Development area
Motivate people		Development area
Develop people		Development area

Forensicare's direction has been developed during a period of rapid growth, resulting from major policy changes. In that context it has been challenging for the leadership to proactively set direction for the organisation. While a strategic plan exists, it is not embedded in operations due to under developed operational planning and communication channels, with most staff considering it irrelevant to day to day work. The leadership group has also struggled to maintain a visible presence with staff and communicate effectively as the organisation has grown.




The difficulty that Forensicare's leadership has had in setting direction has been exacerbated by a lack of role clarity. Without clear authority to make decisions, organisational silos have developed, as leaders attempt to define their respective areas of influence. The lack of role clarity is reflected in the large number of management committees, which hinder effective decision making. Plans to revise the leadership and committee structure present an opportunity to solve these problems promptly.

Both the leadership and frontline staff have a strong underlying value of caring for consumers. However, the review heard staff are also losing their enthusiasm and pride in Forensicare and its vision. This is also reflected in the 2019 People Matter Survey (PMS) results. For example, trust has been eroded by instances where leaders have failed to act on inappropriate behaviour in accordance with established grievance policies and practices.

The review observed low levels of psychological safety amongst staff and the leadership, with many of the interviews conducted for this review focusing on a reluctance to raise problems for discussion with leadership. Addressing people and culture issues is a top priority for the leadership and the Board. Currently, there appears to be significant momentum to improve management of long standing people issues, in line with the high standards expected in the public sector.

The review considers that Forensicare could better harness learning and development (L&D) entitlements to address capability gaps, through a stronger focus on ensuring that approval to undertake training considers business needs. Systematically linking performance plans with clearer responsibilities and performance measures will also incentivise leaders to develop the necessary capabilities to undertake their roles.

Strategy

Outcome focused strategy	
Evidence based choices	
Collaborate and build common purpose	

Forensicare has a three-year strategy that sets out objectives under the priority areas of ‘better health, better access and better care’ for its consumers, in line with the Victorian Government’s Health Framework 2040. The rapid expansion of services has led to a focus on delivery of key initiatives approved by government, with less investment in the strategic planning and contribution to central government policy and system design processes.





Like many organisations, Forensicare has challenges in ensuring that vision, strategy and decisions are informed by timely evidence and analysis. Staff indicated that a large volume of data is collected but it is not well stored, being spread across multiple systems that do not interface with each other. In addition, operational planning has not been at the level of sophistication required for an organisation of its size and complexity. These weaknesses prevent Forensicare from developing strategy based on trend analysis and projected scenarios.

Forensicare has a large number of partners across the health and justice sectors, and long-standing clinical staff are the bedrock of Forensicare’s relationship management. However, effective collaboration with partners to develop strategy has been of limited effect in recent years. While it is true that Forensicare is unique, an overemphasis on the distinctiveness of the organisation has not engendered strong collaborative relationships with stakeholders. The review heard that external input is not readily sought out or accepted.

Despite these issues, one area of strategy that Forensicare has a strong record of achievement in is consumer involvement. Forensicare has programs and processes in place to ensure that consumer feedback is fed into the strategy development and decision-making processes. These initiatives have been recognized in 2018 and 2019 by state wide awards.

The 2020-21 Strategic Plan presents an opportunity for the leadership to envisage a new purpose and strategy for Forensicare and use it to strengthen relationships with key partners.

Delivery

Innovative delivery	
Plan, resource and prioritise	
Shared commitment and sound delivery models	
Manage performance	

Innovation in service delivery is one of Forensicare's legislated objectives. Forensicare's clinical staff are highly qualified and are well regarded for the services they deliver - valuing excellence despite daily challenges. In addition to the quality of its staff, Forensicare has strong links to best practice research through the Centre for Forensic Behavioural Science.

While staff have the expertise, access to research, and the ideas to innovate, the environment is not conducive to making change. Staff consider that Forensicare has struggled to translate its own best practice models into practice in recent years. Low levels of psychological safety have made staff reluctant to critically evaluate current practice and put forward new ideas. The ongoing work to address broad cultural issues is likely to contribute to building a culture of innovation.

Forensicare has worked hard to keep pace with demand for its services but its corporate systems and processes have fallen behind, making it particularly challenging to manage performance across the organisation. Continuing to deliver expanded services will require a greater focus on planning than has previously been the case. The review notes that service delivery planning has been more developed than corporate planning.

Without effective operational planning, there has been limited active management of, or accountability for, resources. Forensicare is in the process of addressing these issues with the first step being to more fully devolve budgets to executives and managers. Ensuring that budgets are actively managed can be supported by a greater emphasis on individual performance management.

A major contributor to challenges in planning and resource management is the IT infrastructure on which Forensicare operates. IT systems are outdated and cumbersome with regular and severe performance issues. Workforce data, payroll and finance systems are not integrated, making enterprise resource management a burdensome task that requires manual entry of collated data. Ensuring Forensicare's has contemporary information management systems is a critically urgent task, and one which the Board is currently considering.

Actions underway

Over the past year, Forensicare has undertaken a significant program of activities to strengthen its leadership capability and organisational management. These include:

- training for executives and board members in governance
- realignment of the Chief Executive Officer's (CEO) report and position description with the Strategic Plan's areas of focus.
- increased engagement between executives and the board and more regular engagement of a broader group of leaders in the development of strategy and senior executive meetings
- preliminary discussions with government to prepare for the outcomes of the Royal Commission
- a revised set of performance measures and involvement in the Department of Health and Human Services Performance Monitor Program

- establishment of people and culture committees at both board and management level to oversee the implementation of an action plan to deal with declining People Matter Survey (PMS) results
- establishment of new internal communication channels, including CEO roundtables with staff to discuss issues of concern identified in the PMS and a fortnightly email to all staff
- development of a new workforce retention and recruitment strategy, and exploration of options for setting up stronger peer support systems for staff injured at work
- review of the information management strategy and allocation of funding for information technology (IT) and information management upgrades
- increased resourcing for business analytics and strategy capability.
- reviews of many areas of the business including financial delegations, expenses, non-clinical resourcing, rostering and payroll functions, research and partnerships, internal audit, and risk
- planned development of a three-year financial plan, supported by devolution of budgets and additional training for budget managers.

Recommendations

The review recommends that Forensicare:

Leadership

1. Restructure the leadership roles to provide clarity of executive accountability and responsibilities, remove decision-making bottlenecks, better link accountabilities to strategic outcomes, and reflect a multidisciplinary team approach.
2. Develop position descriptions that articulate separate and shared responsibilities between corporate and clinical leaders. Performance plans should be linked to performance measures and performance reviews should include discussion of these.
3. Reduce the number and membership of management committee meetings to improve efficiency in decision-making. Forensicare should consider assigning accountabilities to individual executives to make decisions, in consultation with colleagues.
4. Develop a comprehensive people and culture strategy, based on staff engagement and input, and linked to other relevant strategies.
5. Redirect L&D budgets to target capability gaps and require accountability for spending through consideration of business needs.
6. Develop capability in workforce planning, career mapping and other strategic resource management skills.
7. Develop mechanisms for staff to provide feedback to the organisation, that encourage evaluation and innovation both for strategic issues and in day to day work.

Strategy

8. Develop a renewed, more tailored and performance driven, three-year strategic plan that reflects a cohesive and proactive organisation, in place by the end of 2020. The plan should:
 - be owned and communicated by the executive leadership, with endorsement of the Board (and approved by government), and reflect input from staff, consumers and stakeholders
 - be a compelling and coherent vision for the organisation, which supports future service expansion and breaks down the silos that exist between directorates
 - considers opportunities for innovation including initiatives emerging from the Royal Commission in the short term and embedding innovation into core business over the medium term.

9. Build a dedicated team to develop strategy and strengthen analytical and policy capability to enhance Forensicare's systems thinking approach and evidence based decision making.
10. Develop a stakeholder engagement plan that builds on existing stakeholder relationships and identifies new relationships to assist Forensicare to consciously foster strong working relationships and improve Forensicare's ability to collaborate and negotiate effectively.

Delivery

11. Develop an innovation strategy as part of the new Forensicare strategy and in the context of the Royal Commission, with the aim of building a culture of innovation and restoring Forensicare's reputation as a centre of excellence in its field. The objectives of the strategy should be to:
 - development innovations in the short term
 - build on the relationship with the Centre for Behavioural Forensic Science through more deliberate and targeted investment
 - engage and communicate with staff, to foster a culture of evaluation and embed innovation in Forensicare's core business.
12. Ensure the annual planning cycle includes a refresh of the strategy and embeds the strategic plan in day to day operations through operational and business unit plans.
13. Build on the outcomes of the risk management review to establish a mature organisational risk culture, where risk management is embedded across the organisation rather than in a single function.
14. Prioritise information management spending on critical issues in the short term, to ensure systems for managing performance, risk, and resources are adequate to support strategic evidence-based decision making and improve operational efficiency.
15. Define system requirements for the long term through the development of a business case for IT infrastructure for the 2020-21 cycle.
16. Seek the assistance of the Department of Health and Human Services to review the implementation of the VPSC's recommendations in 12 months' time.

Key areas of focus

The review has categorised the required improvements into six key areas of focus, summarising the themes of the report and recommendations. These are reflected in Figure 1 below.

Figure 1 Key focus areas

Lead and communicate strategically*	Reform accountability	Improve planning and performance	Refresh people and culture	Provide contemporary systems	Build effective relationships
<p>Develop a three-year strategic plan, in place by end of 2020</p> <p>Build a dedicated strategy and policy function</p> <p>Ensure the annual planning cycle includes a refresh of the strategy</p> <p>Targeted strategic communication to internal and external audiences</p>	<p>Regularly review the performance of the Board in relation to core accountabilities</p> <p>Restructure the leadership structure to clarify accountability and responsibility</p> <p>Develop revised position descriptions linked to performance plans</p> <p>Reduce the number and membership of management committees to improve decision making</p>	<p>Embed the strategic plan through an annual operational and business unit planning cycle</p> <p>Establish a mature organisational risk culture with risk management embedded across the business</p> <p>Strengthen performance through benchmarking and investing in data and analytics capability</p> <p>Develop an innovation strategy in consultation with staff</p>	<p>Implement the planned response to PMS Survey results, focussing on improving psychological safety</p> <p>Develop a comprehensive people and culture strategy</p> <p>Harness training and development budgets to target capability gaps</p> <p>Develop capability in strategic resource management skills</p> <p>Develop mechanisms for staff to provide feedback to the organisation</p>	<p>Prioritise IT spending on critical issues in the short term</p> <p>Build a business case for 2020-21 to obtain investment in IT infrastructure for the medium to long term</p> <p>Develop information management systems that support evidence based decision making</p>	<p>Develop a stakeholder engagement plan that identifies new strategic relationships and builds on existing ones</p> <p>Strengthen relationships with government by promoting leaders who proactively present solutions to address future priorities and needs</p>

* It is expected that the leadership group will lead and communicate strategically across all focus areas.

Indicators of success

Lead and communicate strategically

- Visible leaders who are held accountable for performance and work effectively as a team
- Demonstrated involvement and influence in policy design and budget submissions

Reform accountability

- Restructure of executive group and reduced management committee structure in place by end of 2020
- Decision making is supported by evidence and analysis at management and board level

Improve planning and performance

- Strategic, operational and business plans in place with annual planning cycle. Plans that link long term strategic objectives with short term organisational priorities.
- Several innovations have been developed and implemented by Forensicare which have resulted in demonstrable improvements in efficiency and effectiveness or have been recognised by the broader mental health and justice sectors
- Budgets are actively managed through regular analysis and resource prioritisation decisions that are aligned with strategic objectives

Refresh people and culture

- PMS results show trend improvement across multiple areas (staff engagement, leadership, wellbeing, psychological safety)
- Capability gaps are identified and addressed using L&D budgets

Provide contemporary systems

- IT systems support service delivery with significant efficiency gains in terms of staff time

Build effective relationships

- External stakeholders' rate Forensicare's leaders as proactive and strategic communicators

ABBREVIATIONS

Abbreviation	Full name
AMHS	Area Mental Health Services
APSC	Australian Public Sector Commission
CAG	Consumer Advisory Group
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Information Officer
DASA	Dynamic Appraisal of Situational Aggression
DHHS	Department of Health and Human Services
DJCS	Department of Justice and Community Safety
FTE	Full time equivalent
HR	Human resources
IT	Information technology
L&D	Learning and development
PMS	People Matter Survey
VPSC	Victorian Public Sector Commission

1. INTRODUCTION

1.1 Organisational capability review

In August 2019 the Chair of the Forensicare Board, Mr Ken Lay AO APM, requested the VPSC undertake an independent review of Forensicare's organisational capability. The purpose of the review was to:

- recognise the strengths and areas that need to be improved in order to meet emerging challenges, in the context of the Royal Commission
- provide a useful road map for the CEO
- ensure best practice governance arrangements are in place to support the strategic and operational direction of Forensicare.

The review was undertaken between September and December 2019.

1.2 Forensicare

Background

Forensicare is Victoria's only provider of forensic mental health services. This includes specialist mental health assessment, management and treatment of people with a serious mental illness in the criminal justice system, those at risk of offending who pose a risk to themselves or others, and those referred from the general mental health system for specialist advice, support and/or treatment. Forensicare also provides clinical assessment services to courts, the Adult Parole Board and other relevant government agencies.

In addition to providing clinical services in the justice and general mental health system, Forensicare works with Swinburne University of Technology through the Centre for Forensic Behavioural Science to undertake forensic mental health research and deliver specialist training and ongoing professional education to the mental health workforce.

Forensicare's clinical services are delivered at Thomas Embling Hospital (Victoria's secure mental health hospital), in Victoria's men's and women's prisons, and through the specialist Community Forensic Mental Health Service.

Key facts and figures regarding Forensicare's workforce and delivery are as follows:

- Forensicare has experienced significant growth in its workforce – from 352.6 FTE in 2013-14 to 650.39 FTE in 2018-19, an 84 per cent increase over five years.¹
- Forensicare's operating revenue has increased by 93 per cent over the same period from \$52.3 million in 2013-14 to \$101.1 million in 2018-19.²
- The prison population increased by 81.5 per cent between 2008 and 2018.³
- Two in five prisoners are assessed as having mental health treatment needs.⁴
- The prevalence of mental illness is three times higher in the prison population than the broader population.⁵

¹ Forensicare, *2015-16 Annual Report*, p52, and *2018-19 Annual Report*, p 40

² Ibid

³ *Corrections statistics: quick reference*, <https://www.corrections.vic.gov.au/prison/corrections-statistics-quick-reference>

⁴ Forensicare, Formal Submission to the Royal Commission into the Mental Health System in Victoria, p3.

⁵ Australian Institute of Health and Welfare (2018). *The health of Australia's prisoners 2018*, Cat. No. PHE 246.

In comparison, New Zealand's forensic mental health service workforce grew by 13 per cent from 2013-14 to 2017-2018 and expenditure grew by 9.6 per cent from 2012-13 to 2016-17.⁶ NSW's forensic mental health workforce grew by 5 per cent from 2015-16 to 2017-18 and the custodial population increased 9 per cent over that period.⁷

Challenges

The Victorian prison system has experienced a prolonged period of demand growth, which creates a flow on impact in forensic mental health services. Key indicators of the pressure on the forensic mental health system include:

- increased waiting times for a secure bed at Thomas Embling Hospital: the average wait time for forensic patients in prison to be admitted following a recommendation to the court for custodial supervision order has doubled since 2017-18 and is now 319 days⁸
- increased duration of stay at Thomas Embling Hospital due to the lack of alternative placement options in prisons and in the general mental health system
- insufficient capacity for non-forensic patients, who have been assessed as a danger to their carers or the community, to be treated by Forensicare, as has been the case in the past
- examples of system failures for particularly vulnerable people, such as that identified by Ombudsman Victoria in the *Investigation into the imprisonment of a woman found unfit to stand trial*.⁹

Forensicare's ability to respond to the increase in demand is hampered by several factors, including an overload on the general mental health system leading to insufficient early intervention, limited secure beds and specialist units, and an undersupply of the specialist workforce, with a shortfall of 109,000 mental health nurses predicted by 2025.¹⁰

In 2013, 2016 and 2017, the Government made a series of reforms to Victoria's parole, bail and remand systems in response to violent incidents involving perpetrators who were either on bail or parole. These changes have dramatically increased the prison population.

1.3 Mental health system reform

Legislative change

In the context of this demand growth, Victoria has also been focused on reforming the mental health system. In 2014 the *Mental Health Act 1986* was repealed and replaced by the *Mental Health Act 2014*, with the aim of putting individuals with mental illness, and their carers, at the centre of decisions about their assessment, treatment and recovery. In addition, the Mental Health Tribunal and the Mental Health Complaints Commissioner were established as oversight and safeguarding mechanisms to protect the rights of patients.

The *Mental Health Act 2014* also updated the regulatory framework establishing Forensicare, modernising its functions and governance arrangements with the aim of strengthening Forensicare's independence. Since 2014 members of the Board have been appointed by the Governor in Council rather than the Minister, and the clinical director is appointed by Forensicare, in the same way clinical directors are employed by other health services.

⁶ Te Pou o te Whakaaro Nui, (2019) *Adult mental health and addiction workforce survey: 2018 secondary care health services*, p12.

⁷ Justice Health and Forensic Mental Health Network, *Our Network 2018*, p33.

⁸ Forensicare, *2018-19 Annual Report*, p22

⁹ Ombudsman Victoria, *Investigation into the imprisonment of a woman found unfit to stand trial*, p5.

¹⁰ Health Workforce Australia, *Health Workforce 2025 Doctors, Nurses and Midwives, Volume 1*, cited in Forensicare's Formal Submission to the Royal Commission into the Mental Health System in Victoria.

Royal Commission into Victoria's Mental Health System

In 2019 the Victorian Government established the Royal Commission, in light of the increasing demand on the mental health system and significant issues experienced by Victorians in accessing adequate services.

The purpose of the Royal Commission is to provide the community with a set of actions that will change Victoria's mental health system and enable Victorians to experience their best mental health now and into the future. Under the terms of reference, the Royal Commission has been asked to make recommendations on:

- how to prevent mental illness and suicide, and support people to recover through early intervention
- how to deliver the best mental health outcomes and improve access to the system
- how to best support the needs of family members and carers of people with mental illness
- how to improve mental health outcomes, taking into account best practice and person-centred care models, especially for those at greater risk of experiencing poor mental health
- how to best support those who are living with both mental illness and problematic alcohol and drug use
- any other matters necessary to satisfactorily resolve the matters above.

Forensicare's unique position in providing care to people in the criminal justice system, makes its service delivery a focus area for the Royal Commission. Clause 4.4 of the terms of reference require that it inquire into and report on those at greater risk of contact with the forensic mental health system and the justice system.¹¹

Preparing Forensicare for future changes to its service delivery will, therefore, be critical to the successful implementation of the Royal Commission recommendations.

1.4 Review methodology

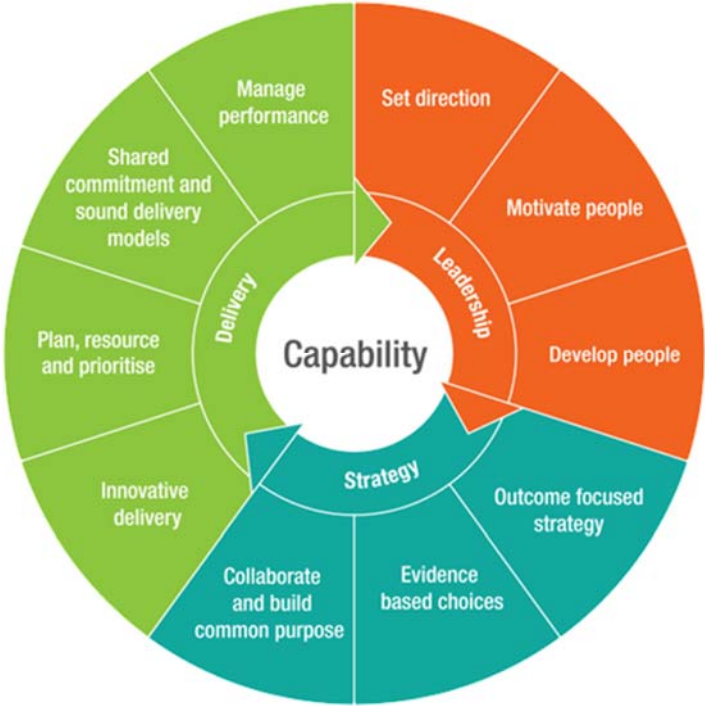
The Review was delivered by a VPSC review team, led by an independent Lead Reviewer, Mr Greg Wilson. Greg Wilson has significant experience in leading high performing public sector organisations to deliver outcomes from royal commissions and expertise in the justice and mental health portfolios. Further information about the Lead Reviewer is at Appendix 2.

While making an assessment of the current state of Forensicare's capability, the review was focused on providing a pathway that will guide the organisation in delivering services into the future.

¹¹ Royal Commission into the Mental Health System in Victoria, *Terms of Reference*, p3.

The review used the APSC’s organisational capability review model (the Model). The Model assesses an organisation based on three areas of capability: leadership, strategy and delivery, further detailed in Figure 2. The Model questions are provided in Appendix 3.

Figure 2 APSC Organisational capability review







The review findings were developed based on:

- extensive interviews with Forensicare’s executives, senior staff, and Board members
- interviews with senior officers from the Department of Health and Human Services (DHHS) and the Department of Justice and Community Safety (DJCS)
- a workshop with Forensicare executives
- a review of internal organisational documents and relevant external documents.


Rating descriptions

The review used the following scale to assess Forensicare's organisational capability.

 Strong	<ul style="list-style-type: none"> • Outstanding capability for future delivery in line with the model of capability. • Clear approach to monitoring and sustaining future capability with supporting evidence and metrics. • Evidence of learning and benchmarking against peers and other comparators.
 Well placed	<ul style="list-style-type: none"> • Capability gaps are identified and defined. • Is already making improvements in capability for current and future delivery and is well placed to do so. • Is expected to improve further in the short term through practical actions that are planned or already underway.
 Development area	<ul style="list-style-type: none"> • Has weaknesses in capability for current and future delivery and/or has not identified all weaknesses and has no clear mechanism for doing so. • More action is required to close current capability gaps and deliver improvement over the medium term.
 Serious concerns	<ul style="list-style-type: none"> • Significant weaknesses in capability for current and future delivery that require urgent action. • Not well placed to address weaknesses in the short or medium term and needs additional action and support to secure effective delivery.

2. LEADERSHIP

2.1 Set direction

Guidance questions	<ol style="list-style-type: none"> 1. Is there a clear, compelling and coherent vision for the future of the organisation? Is this communicated to the whole organisation on a regular basis? 2. Does the leadership work effectively in a culture of teamwork, including working across internal boundaries, seeking out internal expertise, skills and experience? 3. Does the leadership take tough decisions, see these through and show commitment to continuous improvement of delivery outcomes? 4. Does the leadership lead and manage change effectively, addressing and overcoming resistance when it occurs?
Rating	 Development area

2.1.1 Creating and communicating a vision for Forensicare

Having a compelling vision and a set of clear strategic priorities is essential to provide direction, drive performance and motivate staff.

Forensicare's vision is:

“Clinical excellence and translational research enable consumers to lead fulfilling and meaningful lives in a safer community”

The 2018-19 Strategic Plan (Strategic Plan) is a public document that sets out the vision, objectives and measures of success that are the overarching strategy for Forensicare's services. It retains much of the same content from the previous plan.

Most interviewees regard the Strategic Plan as an outward facing document that does not have an impact on their daily work. Only 43 per cent of staff indicated that senior leaders provide clear strategy and direction, a decline of 10 percentage points over a five-year period. This demonstrates that Forensicare's leadership group have not used the Strategic Plan as the basis for communicating a clear, compelling and coherent vision.

It should be noted that the Strategic Plan is prepared for a three-year period and, apart from the process of revising the Statement of Priorities each year, there has not been a systematic approach to the annual business planning process to produce operational plans until 2019. Forensicare determines its Statement of Priorities in consultation with government. The Annual Report lists these priorities and provides details of which have or have not been achieved for the year.

The Statement of Priorities is used as an accountability agreement between Forensicare and the Minister for Health under the *Mental Health Act 2014* [s.344] rather than a fully formed strategy to provide a coherent vision for the direction of the organisation.

Forensicare is in the process of implementing its operational plan; business unit plans will be developed in the next 12 months. This will be the first step in providing a tangible connection for staff between the strategic plan and their day to day work.

Communication channels within Forensicare are under-developed. Debriefing leaders below the senior executive group has not been occurring on a regular basis, which has made it difficult for these leaders to communicate a consistent vision and direction to staff.

A common theme emerging from interviews is the challenge associated with the current structure, including the fact that the executive directors of the directorates (hospital, community, prisons) are members of the executive leadership team, whereas their clinical colleagues report through to the Clinical Services Executive Director. This arrangement has created a bottleneck in decision making.

Clinical leaders have not had sufficient engagement with the senior executive group to enable them to fully undertake the role of setting and communicating direction. Without a clear line of sight from the top down to clinical staff, it is not possible for the vision and objectives of the Strategic Plan to be relevant to frontline delivery staff.

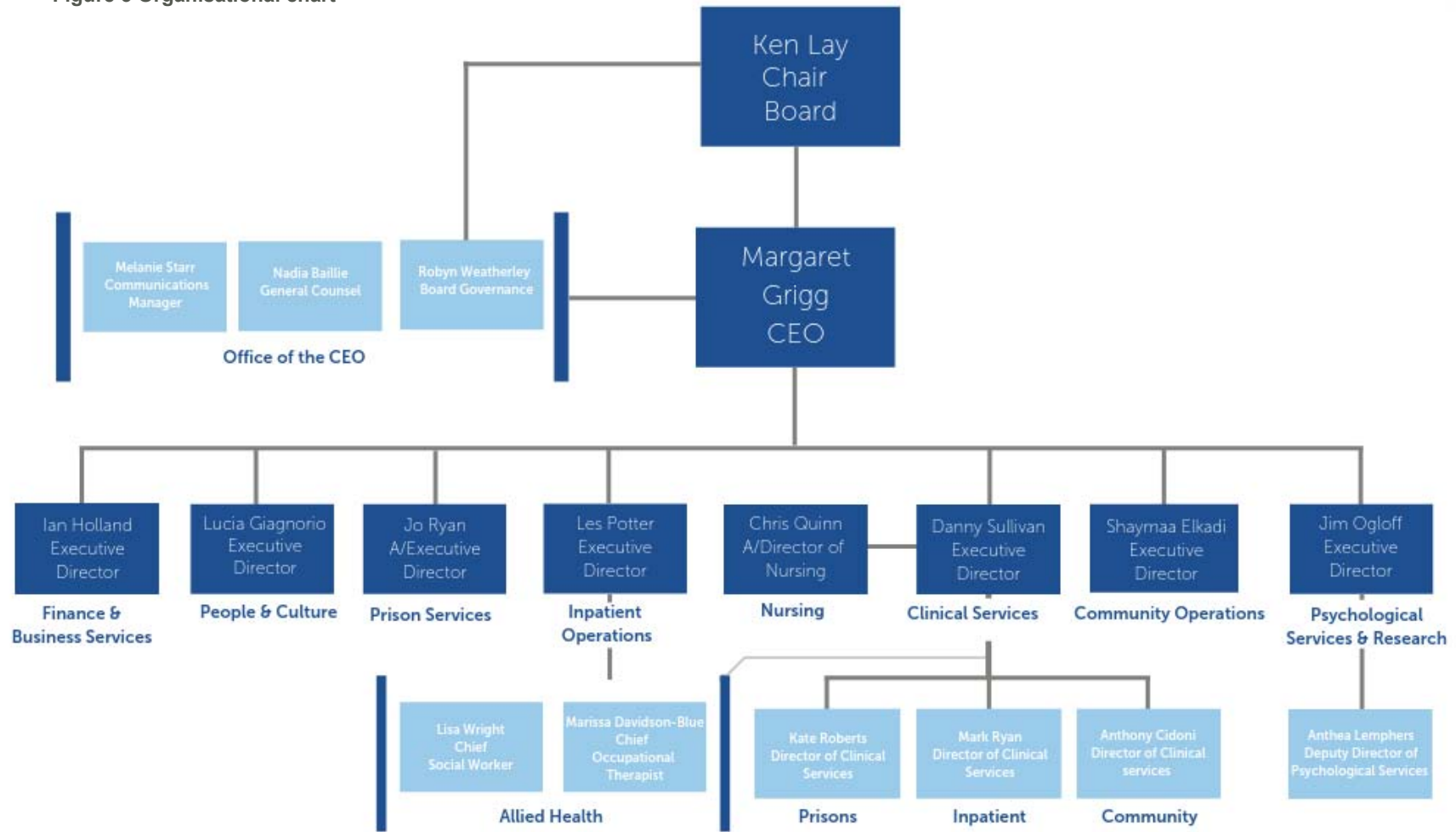
However, it is also clear that there is a communication capability gap that contributes to poor dissemination of the vision. Any restructure to address clearer accountabilities will also need to consider the communication capabilities required for executive positions.

Planning and development of the 2020-21 Strategic Plan has already begun, with a broader group of leaders involved in strategic discussions and earlier engagement of the Board. This process presents an opportunity for the leadership to envisage a new purpose and strategy for Forensicare, in the context of the Royal Commission. However, a well-developed strategy will only be as successful as the communication that accompanies it.

2.1.2 Teamwork

Forensicare's senior leadership is a relatively recently formed team, with a number of new appointments in 2018-19, including the appointment of a new Chair (in April 2019) and CEO (in June 2019). The current leadership team is set out in the organisational chart on page 20.

Figure 3 Organisational chart



Source: Forensicare

A strong, collegiate and visible leadership team is important in any organisation but is particularly so in an organisation like Forensicare, which has a number of characteristics that would otherwise lead to silos in the absence of deliberate efforts to maintain a culture of teamwork. These include separate disciplines, multiple sites, clinical services versus corporate operations, distinct services in three directorates (prisons, inpatient, and community services), and rapid service expansion.

The review found that there are significant communication weaknesses horizontally (between leaders) and vertically (from the top down). Forensicare has a structure where clinical and management accountabilities sit side by side, which is not unusual in the health sector. However, it does rely on a strong team approach and good relationships to make it an effective leadership structure.

The review noted instances where a lack of clarity in leadership positions has led to conflict over who makes decisions, particularly in relation to staff. The figure below indicates a model for articulating a division of responsibilities and the areas of shared responsibility between clinical and operational leadership in the health sector.

Figure 4: Clinical and operational responsibilities

Clinical and operational leadership roles		
Medical Director	Shared Responsibilities	Operations Director
<ul style="list-style-type: none"> Direction of quality processes/systems Medical subject matter expert Set medical standards for staff performance Medical staff supervision Patient care and quality of clinical services Research Medical director liaison Staff development – medical skills Medical teaching 	<ul style="list-style-type: none"> Staff recruitment Strategic development Forecasting resource requirements staff performance feedback Submissions (including research applications, funding and tenders) Reporting to major stakeholders (including senior management and government) Program and services design 	<ul style="list-style-type: none"> Operations direction of quality processes/systems (facilities, resources etc) Set performance objectives for staff Unit performance objectives reporting and budgets Staff management and performance monitoring Staff training and development Staff communication Liaison with senior operational management Process and system management Business case development

Source: Austin Health Mental Health, *Clinical and operational responsibilities*

The review noted that the committee structure at Forensicare is duplicated along corporate and clinical lines, resulting in inefficient decision making. Corporate executives do not attend clinical meetings and clinical leaders do not appear to have information about the corporate matters, such as budgets, in relation to their directorates.

During consultation leaders described an environment that was conducive to ‘protecting territory’ rather than seeking the best consumer and organisational outcomes based on a whole of system approach. To the extent that staff members observe these conflicts between leaders, it weakens the perception of a unified leadership team.

Staff indicated that the silo mentality filters down to frontline service delivery with transfers of consumers between wards being hampered by a lack of coordination. Moving consumers from one ward to another was effectively the same as a new admission, with the same information being collected, resulting in inefficient and duplicated processes.

In parts of the organisation, senior and lower levels of leadership are disconnected. Several interviewees spoke about the need for a clearer line of sight from top to bottom. Some leaders have had minimal contact with their direct managers, which has led to poor oversight and confusion about responsibilities, authority to make decisions and risk tolerance.

The ambiguity in accountability is evident in position descriptions, which are long and detailed but would benefit from more clearly defined responsibilities and a description of the specific contributions that are to be made towards shared organisational outcomes. In the absence of clear accountabilities, there is little to incentivise leaders to achieve shared outcomes. An example provided was the common occurrence of different recommendations from different parts of the organisation. While there are certain situations where this may be appropriate, it should not be a regular occurrence.

Health care is increasingly provided in a multidisciplinary team approach, valuing the contribution of nursing, psychiatry, psychology, allied health, social work and occupational therapy. This produces an holistic approach to the treatment of an individual, recognising the many factors contributing to patient conditions and outcomes.

Most leadership teams in the health sector would include, at least, a head of nursing at the most senior level of the organisation, if not other discipline heads. Forensicare has had a Director of Nursing since its inception. However, despite almost 60 per cent of the workforce being nursing staff, the Director of Nursing has not been on the senior executive team. Without adequate representation or engagement of the nursing discipline at the senior leadership level it is not possible to view the leadership as operating on a true multidisciplinary basis, and results in staff perceiving that their work is not valued.

Recent changes to the leadership structure have moved towards amending this issue. However, further consideration is required to position Forensicare to take a fully multidisciplinary approach and ensure the leadership can operate effectively as a team.

2.1.3 Decision making

There is a sense from interviews with key staff, that the decision-making approach of the leadership (including management and the Board) reflects how things were done when Forensicare was a much smaller *niche* organisation. A small number of key leaders could readily meet and discuss various management and clinical matters, reaching conclusions efficiently.

This approach was appropriate under the original governance arrangements, where the CEO and Clinical Directors were each members of an Advisory Council, managing the affairs of the organisation. These arrangements were modernised in 2014 with the establishment of an independent board. The Board is responsible for setting direction and governance. The CEO has responsibility for the running of the organisation in accordance with the governance arrangements established by the Board.

Significant growth has occurred since the creation of Forensicare and it is clear that decision-making processes and the corporate systems to support decision-making have not kept pace with growth. Despite the large number of management committees, decision making has been held by a relatively small group of people through informal relationships rather than in a more transparent manner.

There is a need for clearer delegations to support better decision-making. This would help leaders in setting direction for each of their areas of responsibility. Overwhelmingly, interviewees were of the view that there are too many management committees.

Staff spend a significant amount of time in management committee meetings, there are multiple overlapping memberships, and there is a tendency towards discussion but not necessarily making decisions in a timely manner. For example, the review heard that the Medical Advisory Committee action list has several items that have remained unchanged for two years.

Some committees have a membership of approximately 30, resulting in a significant time and cost to service delivery. Many leaders were concerned about the financial cost associated with running the committees, given the members are largely senior staff who are highly qualified and paid professionals.

2.1.4 Managing change

Forensicare has grown in scale significantly since its creation. Over the last 5 years, operating revenue has grown by more than 93 per cent - from \$52.3 million¹² in 2013-14 to \$101.1 million in 2018-19.¹³

Services have expanded with the addition of Ravenhall Prison, the Victorian Fixed Threat Assessment Centre and 30 beds at the psychiatric unit at Port Phillip Prison. Existing services, such as the court-based assessment service, have also grown significantly to deal with changes to bail, remand and parole.

The number of prison receptions has grown significantly since 2013 and prisoners are entering the system not only at the Melbourne Assessment Prison, but also at the Metropolitan Remand Centre and Ravenhall Prison. These locations were not designed to receive prisoners directly from the courts and are under pressure to respond to changes rapidly. Much of this growth has meant Forensicare has also had to react and adapt to government decisions to provide additional funding for expanded services.

There were conflicting views in interviews, with both internal and external stakeholders, as to whether Forensicare could have responded more effectively and strategically to these changes. The development of Ravenhall Prison was a case in point, with some leaders seeing it as a major drain on resources that could barely be sustained while others considered it was a lost opportunity to redesign service delivery models in a new context.

As Forensicare has expanded, implementation of standard organisational management practices to manage change has been of limited effect. This is not only in relation to managing external changes but can also be seen in internal changes, such as restructures that have taken place with minimal or no communication. As one staff member put it, 'we don't manage change, it just happens.'

The most recent PMS survey was conducted in April to June 2019, at a time of significant leadership change with the appointment of a new board chair and CEO. The survey showed that only 31 per cent of staff considered that they were provided with adequate support during change processes. Given the volume of change in the in the past 12 months and more scheduled for coming years, it will be a challenge for the leadership group to improve this result. However, change management is a critical component of effective leadership and it is required if Forensicare is to retain its high quality workforce.

¹² Forensicare, *2015-16 Annual Report*, p52, and *2018-19 Annual Report*, p 40

¹³ Ibid

2.2 Motivate people

Guidance questions	<ol style="list-style-type: none"> 1. Does the leadership create and sustain a unifying culture and set of values and behaviours which promote energy, enthusiasm and pride in the organisation and its vision? 2. Are the leadership visible, outward-looking role models communicating effectively and inspiring the respect, trust, loyalty and confidence of staff and stakeholders? 3. Does the leadership display integrity, confidence and self-awareness in their engagement with staff and stakeholders, actively encouraging, listening to and acting on feedback? 4. Does the leadership display a desire for achieving ambitious results for customers, focussing on impact and outcomes, celebrating achievement and challenging the organisation to improve?
Rating	 Development area

2.2.1 Organisational culture

Forensicare places a high value on achieving good patient outcomes, which drives a workplace culture of caring for consumers in everything staff do. However, there are three areas of organisational culture that give rise to serious concerns – a belief that problems cannot be solved due to demand pressure, limited acknowledgement of poor outcomes, and failure to deal appropriately with improper behavior.

A theme that emerged from consultation is that the number of beds has not kept pace with demand. While this is undoubtedly true, the constant focus on this issue has diluted efforts to identify opportunities to use the available resources more efficiently and effectively. Scarce resourcing has driven leaders to protect their resources and there is a sense that seeking whole of system solutions to achieve outcomes for consumers is a secondary consideration. This view is supported in both internal and external communications. The 2017-18 Annual Report states:

the reality is that, even with... additional beds, there will continue to be waiting lists for people to be admitted to the hospital. The increases in the number of prison beds in Victoria, has not been matched by a proportional growth in the number of beds for compulsory treatment of prisoners at Thomas Embling Hospital. In our Report of Operations last year we indicated our intention to keep working with government to build on its previous funding commitment for planning for a new hospital service, but the funding for this new hospital has not eventuated. The board remains critically concerned about the ability of our existing services to respond to the mental health needs of the increasing prison population.¹⁴

During interviews leaders spoke openly about problems with service delivery and organisational management that could be solved despite demand growth and which would result in better consumer outcomes. Leaders considered that change has been difficult to implement internally because it requires the ability to hold people to account for performance and critically evaluate current practices.

Similarly, advice to government has focused on seeking additional secure beds, with minimal attempts made to present alternative solutions. To effectively lead, the senior executive team needs to develop and deliver improvements to service delivery models alongside advocating for additional secure beds.

¹⁴ Forensicare, 2017-18 Annual Report, p11

The second aspect of Forensicare's organisational culture which limits its ability to improve service delivery and organisational capability is a low level of psychological safety. The review heard that Forensicare has a culture of not openly acknowledging failings. Program evaluations, reviews of service delivery practices, and accreditation findings are some of the examples staff provided where results have been celebrated, without a recognition of issues identified in the processes.

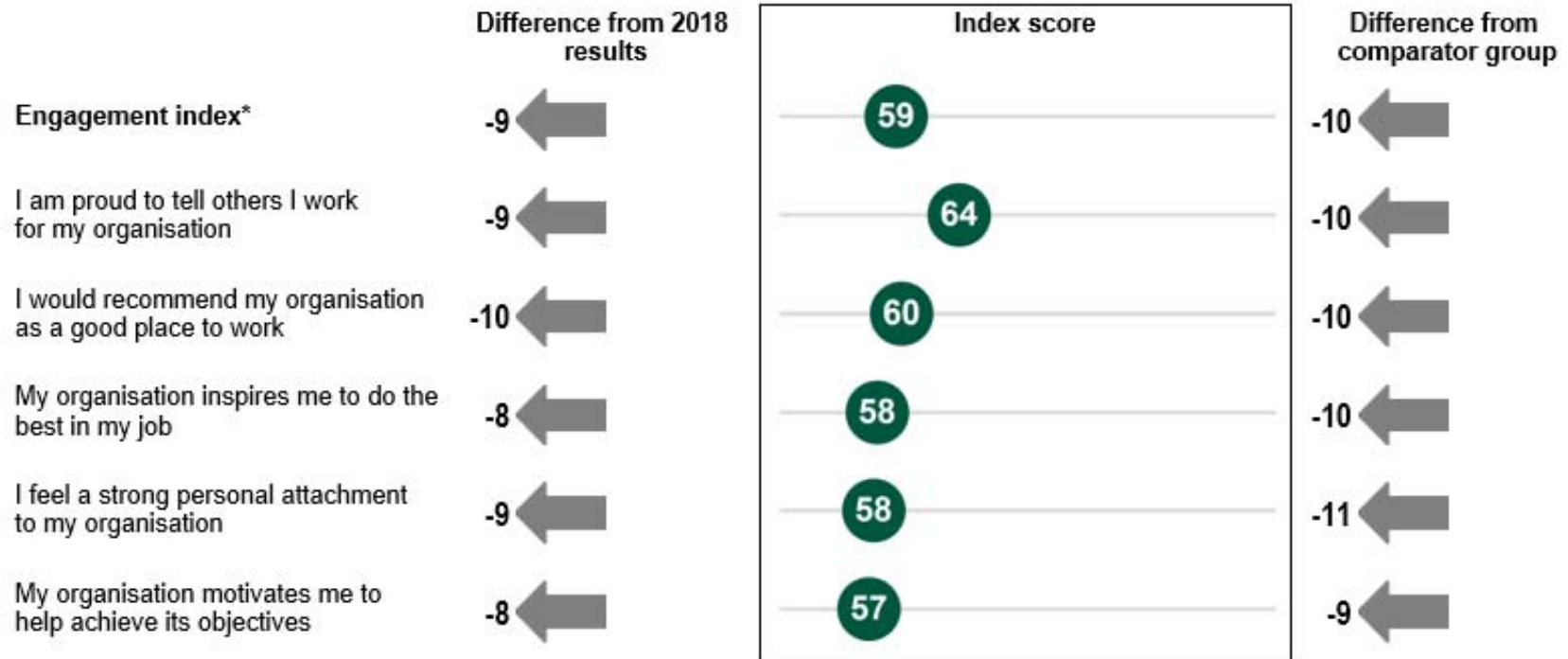
Staff are aware of the issues but have historically not received communication about how they will be addressed. This occurs at both the board and organisational level, with some directors unaware of the problems the organisation has faced. This has changed over the past 12 months with the leadership increasingly being prepared to openly confront problems, such as the trend decline of PMS results.

Perhaps the most troubling aspect of Forensicare's organisational culture is a failure to act appropriately to deal with unacceptable behavior in the workplace. This has been a major contributor to the poor psychological safety outcomes in Forensicare's PMS results – the review heard that staff no longer trust leadership to act on issues that are raised.

The PMS responses on negative behaviours have fallen well short of the desired targets for the organisation. The 2017-18 Annual Report states that efforts were undertaken to address the poor results in 2018, including recruitment of 12 peer contact officers for staff experiencing negative workplace behavior and a Custodians of Culture training to 132 senior staff to promote working respectfully.

However, the results have deteriorated further in the 2019 survey, with the headline people outcomes of employee engagement, satisfaction, wellbeing, and intention to stay all dropping by a significant margin below the previous year's results and against the comparator group, which are other health sector organisations. These results are set out in Figure 5 on page 26.

Figure 5: 2019 People Matter Survey employee engagement



Source: Forensicare People Matter Survey Executive Summary

PMS results for staff experiencing bullying, discrimination, sexual harassment, and occupational violence at Forensicare are higher than the comparator group. Only 53 per cent of staff feel that it is safe to speak up about workplace issues.

Figure 6: Trend analysis People Matter Survey 2015-2019



Source: VPSC People Matter Survey results 2015-2019

Until recently, Forensicare’s executive team has been predominantly male, while over 60 per cent of the workforce is female. Examples of inappropriate comments by senior executives and poor behaviour at lower levels being tolerated by leaders were provided by staff as illustrations of a ‘boys club’ mentality among leadership.

In the general health sector it is common to see a more gender balanced senior executive team, which is a key driver of gender equality in the workplace. Recent senior executive appointments of women have given staff a sense of hope that the culture will change. The review notes that the Board has a majority of female directors.

The review heard that these aspects of Forensicare’s culture have been present for some time. Leaders are aware that of these issues but there is a sense of inertia among some of the leadership group in tackling them. The newly established people and culture committees at board and management level will require significant time and energy to drive cultural change.

2.2.2 Motivating people

The review heard that staff have a strong underlying commitment to the work of Forensicare in caring for patients and are motivated by deeply held personal values and less by the example of the leadership team. However, there is a risk that staff will lose their enthusiasm and pride in Forensicare and its vision.

As discussed in section 2.1 senior leaders have struggled to be present or visible to staff. This is a challenge for Forensicare, given the rapid expansion of the organisation across multiple sites. Many leaders have significant clinical responsibilities that take precedence over consideration of how to be a visible leader who communicates effectively with staff. This is a problem for Forensicare, as regular opportunities to directly interact with leaders is a key motivator for staff on the frontline.


The disconnection between the strategic outcomes of the organisation and the day to day work means that staff performance is not driven by high level objectives. Business units do not have plans in place that articulate the objectives relevant to the unit.

Therefore, when local outcomes are achieved these may not be celebrated by teams or units collectively. Holding staff accountable for performance and devolving authority to make decisions appropriately incentivises and empowers them to drive service improvement.

Encouragingly, the senior leaders want to be more present and visible to staff and, with the right structure and communication channels, this is an achievable goal. Other health sector organisations face similar challenges with geographically disparate workforces undertaking shift work. However, it should be noted that Forensicare’s challenge is unique because prisons are a significantly different setting in which to provide healthcare than multicenter health care sites.

Small changes can achieve significant improvements. Executives being present on the wards from time to time during night shifts and program managers making sure units are supported when the unit manager is on leave were examples of behaviours that can increase staff trust and respect for leaders. These actions provide staff with a sense that their work is valued by leadership.

2.3 Develop people

Guidance questions	<ol style="list-style-type: none"> 1. Are there people with the right skills and leadership across the organisation to deliver your vision and strategy? Does the organisation demonstrate commitment to diversity and equality? 2. Is individuals performance managed transparently and consistently, rewarding good performance and tackling poor performance? Are individuals’ performance objectives aligned with the strategic priorities of the organisation? 3. Does the organisation identify and nurture leadership and manage talent in individuals and teams to get the best from everyone? How do you plan effectively for succession in key positions? 4. How do you plan to fill capability gaps in the organisation and in the delivery system?
Rating	 Development area

2.3.1 Leadership capability

Forensicare has highly-regarded leaders of clinical disciplines capable of delivering its clinical services. However, existing leaders do not appear to have had the opportunity to invest in sufficient leadership development activities, as distinct from clinical professional development. Clinical professional development alone is insufficient to enable leaders to also undertake their organisational management responsibilities.

It may be that this focus stems from Forensicare’s early history as a centre for excellence in forensic mental health. Achieving this reputation may have been possible in a small organisation, without the need for significant investment in organisational management. However, the size of the organisation now requires a more focused effort on recruiting and upskilling leaders who are capable of both clinical excellence and organisational management.

2.3.2 Individual performance management

Forensicare undertakes performance management through individual performance plans and 85 per cent of staff have plans in place. However, performance management of staff members faces several challenges. It is not possible to effectively manage performance with the lack of clarity in accountability and a disconnect between senior and lower leaders, which results from the current structure.

Performance goals for leaders have not consistently been linked to specific performance measures aligned to the Strategic Plan in their performance plans. This undermines Forensicare's ability to incentivise performance based on organisational goals.

Further complicating the process of performance management is the disconnect between discipline heads and day to day operations. Forensicare is structured such that units are led by a nurse unit manager with day to day responsibility for the operation of the unit. Program managers are responsible across several units and at the directorate level a psychiatrist is the clinical leader. The discipline heads of nursing, psychology, allied health, occupational therapy and social work do not undertake direct performance management of their staff, despite being responsible for the quality of their discipline's output.

Additionally, management of staff performance is not adequately supported by systems as there is no central performance management system. As with other areas of corporate management, such as resource management, finance and payroll, the systems are not integrated. This undermines the ability of the organisation to have a coordinated or long-term view of staff performance.

2.3.3 Identifying and addressing skill gaps

The review notes that some staff considered that learning and development budgets are generous, which is a result of entitlements in enterprise bargaining agreements. Nurses are entitled to five days of professional development leave and doctors are entitled to a capped reimbursement of professional development activities. The review considers that, given these entitlements are available, Forensicare should be able to address skill gaps in of its current workforce more effectively.

However, development activities are not necessarily well targeted to address skill gaps. Although training budgets are being used, at times, they are directed towards personal development based on interest areas and without consideration of business needs. For example, clinical sign-off of training can occur without having regard to operational requirements, such as rostering of psychiatrists.

There is also a sense among key staff that forensic professional development has fallen behind. The response to the PMS survey question 'this health service does a good job of training new and existing staff' was 47 per cent in 2019 against a target of 80 per cent, down from 56 per cent in 2018. The response to 'trainees in my discipline are adequately supervised' fell from 62 per cent in 2018 to 51 per cent against a target of 80 per cent.

The service expansion has created a focus on recruitment, which has required the HR team to direct their efforts to performing the transactional side of recruitment instead of mapping the capability needs of the organisation, developing career pathways, ensuring professional development keeps pace, and strategically positioning the organisation to attract the best staff.

The review understands that there is little or no succession planning or targeted leadership development in organisational management. A revised structure should give consideration to how the structure can support career pathways to enable succession planning to occur.

The review has identified that there is a capability gap in strategic planning (further discussed in Chapter 3), which is under-resourced and not supported by adequate systems to capture and analyse data. In the area of workforce management, this is demonstrated by the fact that questions raised by the Board in relation to retention of staff in prisons was not able to be answered due to the absence of adequate data at the time, such as exit interviews.

Inadequate workforce planning and persistent high levels of vacancy rates result in excessive overtime and use of contract staff. In 2018 New Zealand's forensic mental health service had a clinical staff vacancy rate of 6 per cent¹⁵, whereas Forensicare had a rate of 10 per cent for clinical positions.

¹⁵ Te Pou o te Whakaaro Nui, (2019) *Adult mental health and addiction workforce survey: 2018 secondary care health services*, p12.

However, this should be considered in the context that New Zealand's forensic health workforce grew by 13 per cent from 2014-2018 compared to Forensicare's workforce growth of 84 per cent from 2013-14 to 2018-19.¹⁶ Forensicare is not alone in its challenges with recruiting and retaining its workforce – in 2017 DHHS reported the average vacancy rate for mental health nurses across the state was 10 per cent.¹⁷

The *organisational* planning capability gap has coincided with a *service delivery* capability gap because of unprecedented demand growth. The focus has been on the urgency of securing funding for additional beds, relative to addressing corporate capability gaps.

As the sole service provider of forensic mental health in Victoria, Forensicare should be an attractive opportunity for health professionals. This has been the case in the past but the current recruitment and retention issues indicate that this is no longer the case. Forensicare is starting to address this through the development of a recruitment and retention strategy. An overarching people and culture strategy should encompass a stronger focus on harnessing learning and development to address organisational needs.

2.4 Actions planned or underway

The issues identified in this chapter are being addressed by the following actions, which are planned or underway:

- The executive team is working towards setting the direction of the organisation by developing a new strategic plan with the involvement of a broader group of leaders. The CEO's report to the Board has been revised and is now aligned with the key priority areas of the strategic plan.
- Executive committee meetings are now held most weeks to ensure there is sufficient connection and engagement between the CEO and the executive directors.
- The Director of Nursing and General Counsel roles have been elevated in the leadership group and a broader group of leaders are invited to executive meetings, to facilitate better communication and a multidisciplinary approach.
- The executive is increasingly engaged with the Board through the 'Divisional Get to Know You' presentations.
- New people and culture committees have been established at board and management level. These committees will initially focus on implementing the response plan to the PMS results.
- The Executive Director, People and Culture, is developing a workforce retention and recruitment strategy.
- A set of specific people and culture key performance indicators (KPI) was considered by the board in August 2019 and in December 2019.
- Forensicare is seeking advice from Ambulance Victoria about setting up an effective peer support system for those injured at work (physically or emotionally).
- A business insights analyst has been engaged to provide people-related data for the first time across all components of the workforce. This will directly support the work of the executive and CEO to better motivate and develop staff and enhance executive capability to more effectively manage the organisation.

¹⁶ Forensicare, *2015-16 Annual Report*, p52, and *2018-19 Annual Report*, p 40, Note that there are differences in the definition of the clinical workforce between the New Zealand data and Forensicare.

¹⁷ Interim Report of the Royal Commission into Mental Health System in Victoria, p137

2.5 Summary

2.5.1 Observations

The leadership group is in the process of determining the direction of the organisation. A range of factors have contributed to difficulties in developing and communicating the strategy, including the accountability structure, a culture of decision-making by committees, prioritization of responding to demand growth over managing people, and poor internal communication.

The Strategic Plan is disconnected from the day to day work of staff and there has been minimal staff involvement in the development of the plan. Under developed operational planning has also meant there is limited opportunity to create a link between strategy and operations.

Forensicare has well regarded clinical leaders and generous allowances for professional development within disciplines. However, these are not necessarily well-coordinated and or directly linked to organisational need and performance plans. The data and systems to support workforce planning, performance management and succession planning need improvement.

Staff and leaders are deeply committed to the work of Forensicare but this is driven more by personal values rather than the leadership. A lack of action on issues raised by staff in the past has significantly affected staff engagement and trust in the leadership. Despite efforts to address PMS results, they have deteriorated, as leaders appear to be focusing on daily demands, rather than striving for ambitious organisational improvement.

2.5.2 Assessment of actions planned or underway

Forensicare's current and planned actions indicate that capability gaps have been identified. There are positive signs of improvement, but more action is required to close the current gap. Gaining staff engagement and commitment to the PMS response plan and uplifting leadership capability and supporting HR systems will take some time. Addressing these issues is a medium-term task.

2.5.3 Recommendations


The review recommends that Forensicare:

1. Restructure the leadership roles to provide clarity of executive accountability and responsibilities, remove decision-making bottlenecks, better link accountabilities to strategic outcomes, and reflect a multidisciplinary team approach.
2. Develop position descriptions that articulate separate and shared responsibilities between corporate and clinical leaders. Performance plans should be linked to performance measures and performance reviews should include discussion of these.
3. Reduce the number and membership of management committee meetings to improve efficiency in decision-making. Forensicare should consider assigning accountabilities to individual executives to make decisions, in consultation with colleagues.
4. Develop a comprehensive people and culture strategy, based on staff engagement and input, and linked to other relevant strategies.
5. Redirect L&D budgets to target capability gaps and require accountability for spending through consideration of business needs.
6. Develop capability in workforce planning, career mapping and other strategic resource management skills.
7. Develop mechanisms for staff to provide feedback to the organisation, that encourage evaluation and innovation both for strategic issues and in day to day work.

Further recommendations that relate to leadership of strategy are included Chapter 3.

3. STRATEGY

3.1 Outcome focused strategy

Guidance questions	<ol style="list-style-type: none"> 1. Does the organisation have a clear, coherent and achievable strategy with a single, overarching set of challenging outcomes, aims, objectives and measures of success? 2. Is the strategy clear about what success looks like and focused on improving the overall quality of life for customers and benefiting Victoria? 3. Is the strategy kept up to date, seizing opportunities when circumstances change? 4. Does the organisation work with political leadership to develop strategy and ensure appropriate trade-offs between priority outcomes?
Rating	 Development area

3.1.1 Importance of the strategic plan

As previously noted, Forensicare has a three-year strategy that sets out objectives in relation to better health, better access and better care. The plan identifies how each objective covers the domains of consumers, staff, relationships, research and the organisation as a whole. The plan also describes for each objective, what success will look like for each year covered by the strategy.

The review notes that this approach is essentially translating the government's objectives to Forensicare, rather than Forensicare determining its objectives in light of long-term challenges and opportunities. The review considers that it is important to be consistent with government initiatives but that Forensicare should also be shaping a systems approach, informing future policy decisions and funding of initiatives.

The services that are delivered to achieve the strategic objectives were seen by interviewees as an add-on or a one size fits all approach to service models. This does not reflect the challenge of delivering in an increasingly complex system under pressure. There has been little capacity to resource a strategy and policy function adequately. However, this is a cyclical problem, as a one size fits all approach to service models does not recognise and capitalise on efficiencies that could be redirected to better resourcing strategic capability.

The annual process for revising the strategic plan has been ineffective. While there has been some engagement of staff in the process, it is unlikely that this has included a broad enough group of leaders. Examples of outdated information in the strategic plan were identified during consultation, which demonstrates that keeping the strategy up to date has not been a priority for Forensicare.

When strategic planning is not given adequate attention, opportunities to adapt to change and keep Forensicare at the forefront of service delivery excellence are lost. For example, the development of Forensicare's submission to the Royal Commission commenced four weeks prior to the deadline for submission.

Other similar sized organisations in the Victorian public sector have dedicated resources for strategy, policy and planning activities. Forensicare's resourcing and structure has required policy and planning to be undertaken by staff with other responsibilities. Strategy development is currently being overseen by the General Counsel. Given the changing landscape in mental health, the review considers that Forensicare should continue to build on the recently established positions for strategy and planning to ensure this function becomes a core part of the business.

3.1.2 Defining and monitoring success

Forensicare's dual role as a health provider and a component of the justice system makes success more complicated to define. In general health services, delivering good patient outcomes, efficiently and effectively, is the defining objective of the service. However, Forensicare has both a responsibility for good treatment outcomes and for ensuring that treatment decisions (for example, approval for day leave from Thomas Embling Hospital), and advice to the courts, support community safety.

The deeply held value of caring for consumers is critical to Forensicare achieving its objectives but it is not the only component of success. A clear definition of success that includes both these roles should be part of redefining Forensicare's strategy and will ensure staff have an appropriate understanding of Forensicare's role in the justice system.

As previously noted, there is a lack of detailed overarching annual business unit plans or processes for monitoring whether the organisation is successfully achieving its objectives set out in the strategy.¹⁸ Ensuring that performance measures are meaningful and effectively track achievement will ensure leaders are held accountable for their areas of responsibility under the strategic plan. This is something that many leaders are keen to implement.

Forensicare's board has recently approved a new set of KPIs, which will provide the basis for better measurement against strategic outcomes. Internal reporting of performance against those areas of focus has only recently been put in place with reports to the Board updated to reflect the strategic plan.

3.1.3 Strategic relationships

Consideration of Forensicare's strategic relationships should recognise that Forensicare occupies a unique position in the health justice system and is subject to complex interactions between departments and the competing priorities of government.

The Strategic Plan and Statement of Priorities are developed in consultation with DHHS, and more recently with DJCS, to ensure consistency with government priorities across the health sector more broadly.

The strategic priorities reflect several government funded initiatives and priorities, including:

- Ravenhall Correctional Centre – A medium security prison with 75 forensic mental health beds, and forensic mental health services for approximately 100 other prisoners on an outpatient basis.
- Victorian Fixated Threat Assessment Centre – To deal with fixated individuals who have an intense preoccupation with a highly personalised cause that they pursue to an obsessive and irrational degree, and individuals who have a mental health need who pose a risk to themselves and others.
- Increased capacity at Thomas Embling Hospital and upgrades to services at Dame Phyllis Frost Centre and the Melbourne Assessment Prison.

Forensicare has been operating in a highly reactive environment, with a small number of serious incidents resulting in policy decisions that have had a major impact on the prison population. Forensicare has had to respond with a rapid expansion of service, including an 84 per cent increase in FTE staff and a 93 per cent increase in total operating revenue in five years.

¹⁸ It should be noted that although there has traditionally been an underwhelming connection between operations and the strategy, one exception to the rule has been Psychological Services. This division has translated the strategic focus areas into a lower level strategic plan.

However, the review team heard that Forensicare has not been influential in the process of shaping government priorities or targeting funding to achieve long term objectives. Interactions with government have largely focused on the shortage of secure beds.

Working strategically with government has not traditionally been viewed or pursued as a core or priority avenue to achieve objectives, and, therefore, a way to support the delivery of high quality services. This is reflected in sections of the 2017-18 Annual Report:

Our staff continue to provide clinical assessment, policy and program advice, consultations with government agencies and departments and participate in a number of emerging program areas focused on the management of high risk individuals in the community. While we recognize the importance of these collaborations, they do add time and resourcing pressure to our operations.¹⁹

Forensicare does not currently have a relationship engagement plan to ensure that communication with stakeholders is both appropriate and strategic. Part of improving Forensicare’s stakeholder management will require developing clear accountabilities for stakeholder engagement and better defining the interaction between Forensicare and the two departments, in order to establish clearer governance arrangements around funding mechanisms.


Making strategic engagement a secondary consideration positions the organisation poorly to address future challenges and opportunities that are likely to result from the Royal Commission. The Premier of Victoria has acknowledged that the mental health system has failed Victorians and has committed to accepting all the recommendations of the Royal Commission.²⁰

The terms of reference for the Royal Commission include making recommendations as to how to improve forensic mental health services. Therefore, Forensicare’s Board and executive should assume that strategic engagement will be increasingly important to the future success of the organisation.

The review considers that key indicators of success for improved strategic engagement include

- demonstrated involvement and influence in policy design, particularly in relation to Royal Commission recommendations
- external stakeholders’ rate Forensicare’s leaders as proactive and strategic communicators.

3.2 Evidence based choices

Guidance questions	<ol style="list-style-type: none"> 1. Are policies and programs customer focused and developed with customer involvement and insight from the earliest stages? Does the organisation understand and respond to customers’ needs and opinions? 2. Does the organisation ensure that vision and strategy are informed by sound use of timely evidence and analysis? 3. Does the organisation identify future needs, plan for them and choose among the range of options available? 4. Does the organisation evaluate and measure outcomes and ensure that lessons learned are fed back through the strategy process?
Rating	 Development area

¹⁹ Forensicare 2017-18 Annual Report, p.10

²⁰ Department of Health and Human Services, <https://www2.health.vic.gov.au/mental-health/priorities-and-transformation/royal-commission>

3.2.1 Focus on consumer involvement

The review rated Forensicare as strong in the area of consumer involvement in program design. Examples of initiatives that drive a consumer focus in service delivery and design include:

- Aboriginal mental health trainee – The employment of an Aboriginal mental health trainee brings a unique understanding of social and emotional wellbeing principles and factors that contribute to good mental health. This expertise, coupled with their lived experience, provides an additional skill set and knowledge to the mental health team.
- Consumer Consultants – The Consumer Consultant Team facilitates consumer leadership and engagement across Forensicare to promote effective service delivery for the benefit of consumers. Forensicare’s Senior Consumer Consultant, Julie Dempsey, was awarded the highly-esteemed 2019 Meritorious Service Award for an individual on-college member by the Victorian Branch of the Royal Australian and New Zealand College of Psychiatry.
- Consumer Advisory Group (CAG) – Forensicare operates CAGs at all three directorates to enhance service delivery quality for consumers. In 2018, Thomas Embling Hospital won Victoria’s state-wide CAG of the year.

Forensicare’s procedures are developed with consumer involvement and a standing report to the Board reflects a commitment to understanding the consumer perspective in service design. It is embedded in the legislated governance of Forensicare with the requirement to ensure a member of the Board has lived experience. However, staff highlighted the constant challenge of making sure efforts are always genuine rather than tokenistic.

3.2.2 Strategy informed by evidence

Forensicare has significant challenges in ensuring that vision, strategy and decisions are informed by timely evidence and analysis. Staff indicated that a large amount of data is collected but it is not well stored, being spread across multiple systems that do not interface with each other. This includes both organisational data and clinical data. In some cases, data is being stored in spreadsheets accessible to individuals only.

An example of this problem in the organisational management context is that the finance, workforce data, and payroll systems are not integrated, making basic enterprise resource planning a laborious manual task. It should be noted that a business analyst is working towards making it easier for executives to manage their business through resource dashboards.

Further issues exist in the ability of systems to capture the relevant data. An example in the clinical setting is the fact that the risk management system does not distinguish between verbal and physical abuse or capture the data needed to assess risk of consumer incidents on day leave. These are crucial pieces of information to make sound clinical decisions that affect the safety of staff and of the public.

The quality of reports to the Board could also be improved with more timely data and analysis. This is important to enable the Board to undertake its governance role, including making evidence-based decisions and to hold the CEO to account for performance and risk management.

Similarly, a lack of high-quality data and resourcing of analytical capability makes it difficult for Forensicare to develop its strategies based on trend analysis and forecasting. Influencing government requires a stronger approach to analysis in order to develop a compelling case for good policy and program design.

Forensicare has not regularly undertaken scenario planning to position the organisation to deal with unanticipated events, such as the abolition of suspended sentences in 2014 and reforms to bail and reform. While these events are, by definition, difficult to predict, organisations need to plan for growth over the long term based on multiple scenarios and develop options to meet both steady growth and

accelerated growth scenarios. Step changes in demand can then be managed by bringing forward pre-planned service expansion options.

All these issues are reflective of the general mental health sector, with the Interim Report of the Royal Commission noting that there has been a lack of ‘consistent, integrated and sophisticated service planning – characterised by limited demand forecasting, fragmented planning... poor infrastructure planning and piecemeal approaches to previous reforms.’ The Royal Commission notes that ‘effective service planning has... been constrained by limitations in DHHS’s ability to forecast demand’ due to a lack of information.

Forensicare has predominantly considered it is tasked with implementing decisions rather than shaping decisions, by providing expert advice and evidence. This is evident in the 2015-17 Strategic Plan, which states that Forensicare ‘will continue to work with [DHHS] to implement... initiatives... which the Government elects to take forward’, and in the case of Justice ‘continue to collaborate closely with [DJCS] to implement those initiatives which are developed.’²¹

As noted above, DHHS has an overarching role to oversee the health and justice systems. The *Mental Health Act 2014* states that the role of the Secretary of DHHS is to ‘plan, develop, fund, provide and enable the provision of a comprehensive range of mental health services’ (s117).

However, as the sole service provider of forensic mental health, Forensicare should be influencing the system design to support the department to undertake its role as system planner. Forensicare has a responsibility to develop expansion options of its own to bring to these processes.

The Royal Commission has recommended the establishment of an administrative office to oversee the implementation of recommendations and has stated that implementation of some of the Commission’s recommendations will require ‘new datasets or analysis including supply and demand, workforce profiles and prevalence data’ from a range of government sources.²²

Alongside DHHS, Forensicare will need to contribute to providing the evidence required to design the forensic mental health system of the future and should be preparing to assist the implementation office. The under resourcing of strategy and policy within Forensicare diminishes its opportunities to be influential. Recent increases to policy and strategy functions and the planned investment in information management upgrades are a step in the right direction.

3.2.3 Learning from partners

The review heard that Forensicare’s unique role in both the justice and health systems means that comparisons with the general health sector are considered less valuable because the service is distinctly different. The review notes that there are significant differences in Forensicare’s role and the nature of its service delivery compared to the general health sector. However, there remain many similarities from which Forensicare can derive greater benefit through comparison. Reluctance to consider the experience of others lends itself to an ‘ivory tower’ mentality that is not well received by partners in the general mental health sector.


One example is that Forensicare has been slow to take on the standard approach to restraint of severely unwell patients. This included the use of prone restraint, inconsistent with the guidelines of the chief psychiatrist. While Forensicare has now changed this practice, it only occurred after an external review that was critical of the practice.

Another area of learning from others that Forensicare has been slow to take up is the practice of benchmarking. While recognising the differences in service design between forensic mental health services, it is important to understand the performance of other services in order to critically analyse whether the Victorian model is best placed to achieve the desired outcomes. These lessons are not systematically fed into Forensicare’s strategy and priority-setting processes.

²¹ Forensicare, *2015-17 Strategic Plan*, p7

²² Interim report of the Royal Commission into the Mental Health System in Victoria, p576

3.3 Collaborate and build choices

Guidance questions	<ol style="list-style-type: none"> 1. Does the organisation work with others in government and beyond to develop strategy and policy collectively to address cross-cutting issues? 2. Does the organisation involve partners and stakeholders from the earliest stages of policy development and learn from their experience? 3. Does the organisation ensure the agency’s strategies and policies are consistent with those of other agencies? 4. Does the organisation develop and generate common ownership of the strategy with political leadership, delivery partners and citizens?
Rating	 Development area

3.3.1 Strengthening relationships with stakeholders

As previously discussed, Forensicare could provide greater strategic input to the development of policy to address system wide issues. While there is a need for a more concerted and deliberate investment in capability to adequately contribute to these processes, work is required to change the current approach to managing relationships with government and other service providers.

During interviews leaders identified alternative solutions to the current challenges facing Forensicare. However, there remains a dominant view that all problems could be solved if there were more secure beds. More beds are critical to improving service delivery and coping with rapid demand growth. However, a sole focus on this problem prevents Forensicare from being a key player in developing solutions over the long term.

The review heard that Area Mental Health Services (AMHS) consider Forensicare is comparatively well-resourced due to the ratio of doctors and nurses to patients. A high nurse patient ratio is reasonable, given the nature of the patient population. However, strong relationships with stakeholders will require leaders to recognise the problems facing the system as a whole. AMHS are also dealing with severely unwell patients, under greater pressure to move people through the system quickly. Recognising these pressures and being open to learning from new staff coming into Forensicare from the general mental health sector will help to restore relationships with key stakeholders.

The relationship with prison management and the Justice Health Branch of DJCS requires regular dialogue over policies and practices in relation to the treatment and movement of prisoners. The review heard that this relationship has been improving over time despite the demand pressures each is managing.

3.3.2 Consistency with other agencies

Forensicare’s website states that:

“Forensicare’s strategic plans are developed in consultation with consumers, staff, government departments, criminal justice and mental health agencies, stakeholders and non-government agencies to deliver on our values and mission statement: to provide high-quality specialist clinical services that focus on consumer recovery.”²³

While consultation processes occurred in developing the Strategic Plan with the support of an external consultant, Forensicare has taken a limited approach to considering how its services interact with

²³ Forensicare, <https://www.forensicare.vic.gov.au/about-us/publications/>

those of other entities in the system. Consistency of the strategy with government objectives occurs because Forensicare's strategies are a product of government decisions. A significant component of its strategy is the implementation of government initiatives.

There are also formal processes in place to consult on the Statement of Priorities, coordinated by the DHHS. This ensures that Forensicare's priorities for the year ahead are consistent with those of government. There is regular dialogue with staff from DHHS on broader policy issues and strategic reviews relating to the sector as a whole. Forensicare also works closely with DJCS prison management and Justice Health Branch to ensure co-ordination and alignment in relation to demand for services.

As discussed above, an institutional mindset that focuses closely on its own services has led to inconsistency with policies and practices in the general health sector. Despite the attempts of staff to bring these issues to light internally, it has required external reviews of practice to make the most significant changes.

For example, in 2018 a review of Forensicare's seclusion practices was conducted and following the implementation of recommendations, Forensicare's rates of seclusion are now being brought into line with other service providers.²⁴

Common ownership of Forensicare's strategy is built on formal approval processes for the Statement of Priorities and Strategic Plan rather than strong relationships with partners. Developing a deeper sense of ownership with partners will require a concerted effort to rebuild relationships with stakeholders that have been affected by an unwillingness to genuinely seek and act on external input.

3.4 Actions planned or underway

- The executive team has commenced strategy development with a broader group of leaders across the organisation. This has included participation in strategy development days, surveys of leadership and the elevation of the General Counsel to the senior executive group. The General Counsel has been tasked with responsibility for strategy.
- The CEO is engaging with government on investment options in readiness for the recommendations of the Royal Commission.
- Forensicare has invested in increased resourcing of strategy, policy and critical analysis capability to undertake trend analysis and systems thinking.
- Consumer engagement continues through established mechanisms.
- A resource management dashboard has been developed for senior executives to enable management decisions to be based on evidence and trend analysis.
- The executive team is devolving accountability and management of budgets and has commissioned reviews of risk, expenses, and other aspects of organisational management to build a detailed understanding of performance, to inform future strategic decisions.

3.5 Summary

3.5.1 Observations

Forensicare has identified the outcomes it seeks to achieve and what success will look like. These are developed in consultation with government and a level of consistency is achieved through the annual Statement of Priorities process. However, the strategy is not adequately updated each year nor is it translated down through the annual operational business planning process.

²⁴ Forensicare, *Yanith Bilang – Quality Account 2018-19*, p40.

Forensicare has a strong record in collecting data on consumer perspectives and involving consumers in service delivery and program design. However, poor data and analysis of performance, risk and finances undermine efforts to base strategy on evidence. The focus on meeting demand growth by pursuing funding for additional beds has resulted in an under developed business planning cycle and a lack of evaluation.

Forensicare has regular engagement with a wide range of stakeholders on clinical treatment and these interactions are largely positive from the perspective of external stakeholders. However, engagement on strategy and work practices is less effective. Cultural beliefs about the uniqueness of Forensicare have impeded the organisation's ability to learn from others.

3.5.2 Assessment of actions planned or underway

Strategic capability gaps have been identified by senior leadership and the early engagement of the broader leadership team and with government is likely to deliver short term gains in strategic thinking. The current CEO and Chair of the Board have strong connections with central government, which is likely to place Forensicare on a better footing in managing this important relationship. These efforts are likely to gain increasing momentum with the progress of the Royal Commission.

It will be a medium term (3-5 year) task to provide adequate data analysis, IT systems, and benchmarking processes. A full planning cycle is required to evaluate effectiveness and identify improvements for the following planning cycle.


3.5.3 Recommendations

The review recommends that Forensicare:

8. Develop a renewed, more tailored and performance driven, three-year strategic plan that reflects a cohesive and proactive organisation, in place by the end of 2020. The plan should:
 - be owned and communicated by the executive leadership, with endorsement of the Board (and approved by government), and reflect input from staff, consumers and stakeholders
 - be a compelling and coherent vision for the organisation, which supports future service expansion and breaks down the silos that exist between directorates
 - considers opportunities for innovation including initiatives emerging from the Royal Commission in the short term and embedding innovation into core business over the medium term.
9. Build a dedicated team to develop strategy and strengthen analytical and policy capability to enhance Forensicare's systems thinking approach and evidence based decision making.
10. Develop a stakeholder engagement plan that builds on existing stakeholder relationships and identifies new relationships to assist Forensicare to consciously foster strong working relationships and improve Forensicare's ability to collaborate and negotiate effectively.

4. DELIVERY

4.1 Innovative delivery

Guidance questions	<ol style="list-style-type: none"> 1. Does the organisation have the structures, people capacity and enabling systems required to support appropriate innovation and manage it effectively? 2. Does the leadership empower and incentivise the organisation and its partners to innovate and learn from each other, and the front line, to improve delivery? 3. Is innovation explicitly linked to core business, underpinned by a coherent innovation strategy and an effective approach towards risk management? 4. Does the organisation evaluate the success and added value of innovation, using the results to make resource prioritisation decisions and inform future innovation?
Rating	 Development area

4.1.1 Cultural barriers to innovation

Forensicare has a vision of *‘clinical excellence and translational research enabling consumers to lead fulfilling and meaningful lives in a safer community.’*²⁵ Forensicare’s staff are highly qualified health professionals with specialist training in forensic mental health. In addition, Forensicare has strong links with research through the Centre for Forensic Behavioural Science. This means that Forensicare is involved in research and development of best practice models of care, which has contributed to Forensicare’s reputation as a centre for excellence, with the Royal Commission acknowledging that the CFBS is ‘well regarded internationally.’²⁶

An example of this is the Dynamic Appraisal of Situational Aggression (DASA), which was developed by professors Jim Ogloff and Michael Daffern. DASA is a tool to help health workers assess whether a patient is likely to become aggressive. DASA is used world wide in mental health care.

Despite having highly motivated and capable staff and the connections required to support innovation, Forensicare has struggled to successfully translate best practice into business as usual in recent years. During consultation staff reflected that implementation of DASA had at times been reduced to a compliance exercise, undermining the intent of the tool.

Staff noted that this was in part due to the pressure to keep up with demand but considered that the structural and cultural factors were an obstacle to successful implementation of innovation.

Forensicare’s leadership have struggled with a lack of clarity about the authority they have to make decisions. Where leaders are not empowered to make changes, it is difficult to move from developing innovative approaches to translating them into practice. The number of committees that are involved in considering changes to service delivery also makes innovation a slow and cumbersome process.

However, during consultation, some leaders were able to identify opportunities for innovation with clear examples of potential efficiency or effectiveness gains. This demonstrates that despite the demand pressure there is some capacity for innovation within the available resources.

²⁵ Forensicare, 2018-19 Strategic Plan, p2.

²⁶ Interim report of the Royal Commission into the Mental Health System in Victoria, p401

Leaders considered that change has been difficult to implement because it requires the ability to critically evaluate current practices internally. Instead, the most significant changes have been driven by external reviews, such as a recent review of restrictive practices, which has led to a decrease in the average number of seclusion episodes.²⁷

As discussed in section 2.2, the review observed low levels of psychological safety with leaders unsure whether asking questions openly would be received constructively. However, leaders were able to articulate some of these questions, including:

- Does this job need to be done by a consultant psychiatrist?
- Has clinical error contributed to this outcome?
- Can we have a more joined up set of programs?
- Can case load management and programs across the system be better managed through a change in approach to access and flow of consumers?
- Does the way we treat consumers align with the purpose of the organisation, based on its legislated objectives?

In addition to the need to review internal practices with a critical eye, the notion that lessons from the general mental health sector are not relevant or comparable hinders innovation. Changing this attitude will also contribute to bridging the gap between new staff, who may be less experienced but bring new perspectives, and long-standing staff, who have expertise but may be more comfortable with long established practices.

4.1.2 Innovation linked to core business

Forensicare's legislated objectives include:

- to conduct research in the fields of forensic mental health, forensic health, forensic behavioural science and associated fields
- to promote continuous improvement in the quality and safety of forensic mental health and related services provided in Victoria
- to promote innovations in the provision of forensic mental health and related services in Victoria.

Innovation is therefore a fundamental part of Forensicare's purpose. It is not a 'nice to have' but a 'must have,' and should be a part of core business. This is reflected in Forensicare's 2015 Strategic Plan innovation goal:

Goal 3: Innovation in Everything We Do

"Outcome Our services are based on best evidence and deliver contemporary best practice to our consumers and stakeholders

- *Recovery, safety and quality are at the centre of all that we do*
- *Develop models of care that better respond to the breadth of consumer needs*
- *There is a place for families and carers in our service and their role in recovery is supported*
- *Build a research program through our partnership with Swinburne University and collaboration with consumers and stakeholders that strengthens clinical practice and increases knowledge*
- *Embed a culture of evaluation in existing and developing programs.*²⁸

²⁷ Forensicare, *Yanith Bilang – Quality Account 2018-19*, p40.

²⁸ Forensicare, *2015-17 Strategic Plan*, p11.


Many elements of this goal are already in place, with programs to respond to consumer needs, a research program with Swinburne University, and development of best practice models of care.

However, embedding a culture of innovation in existing and developing programs is not a feature of Forensicare’s current business. There is no evaluation framework or innovation strategy and little in the way of a project or change management approach to delivering innovation. These weaknesses prevent Forensicare from regularly learning from mistakes and failings of current practices.

Resource prioritisation decisions have largely been driven by a set workforce profile associated with a hospital bed or prison unit. Funding has also been allocated with minimal or no investment in the supporting infrastructure and evaluation required to improve the efficiency and effectiveness of service delivery. Forensicare is not unique in this regard with most health services having the same battle between delivering core services while also learning from current practice. Forensicare’s PMS results for innovation are at the average for the comparator group of health sector services.

Making the case for funding of evaluation is always a difficult task, as it is not frontline service delivery. However, it is important to present the rationale for evaluation to ensure that innovation is possible and can help achieve longer term aims. Part of strengthening Forensicare’s strategy should be building evaluation into future investment submissions.

4.2 Plan, resource and prioritise

Guidance questions	<ol style="list-style-type: none"> 1. Do business planning processes effectively prioritise and sequence deliverables to focus on delivery of strategic outcomes? Are tough decisions made on trade-offs between priority outcomes when appropriate? 2. Are delivery plans robust, consistent and aligned with the strategy? Taken together will they effectively deliver all of the strategic outcomes? 3. Is effective control of the organisation’s resources maintained? Do delivery plans include key drivers of cost, with financial implications clearly considered and suitable levels of financial flexibility within the organisation? 4. Are delivery plans and programs effectively managed and regularly reviewed?
Rating	 Development area

4.2.1 Planning and managing workforce resources

As previously discussed, Forensicare’s planning processes have not kept up with the growth in the organisation. The review considers that Forensicare has had a fragmented approach to planning.

However, operational planning processes are being reformed, with the development of business unit plans scheduled for the 2019-20 year and the devolution of budgets underway. This will bring a more robust approach to linking strategy with delivery. Evaluation of the business planning cycle is critical to ensuring that Forensicare continues to improve its planning and resource management capability.

Workforce, finance, performance and risk management systems are not integrated and are of varying quality, which makes management and review of delivery plans and programs a challenge. For example, having the data to understand the cost of recruitment from overseas or the reasons staff are leaving the organisation are examples of information that should be available to corporate planners. Without them, Forensicare is hampered in its ability to overcome the significant problem of high vacancy rates.

4.2.2 Critical systems upgrades

The poor operational planning identified at Forensicare has contributed to the underlying operational systems becoming outdated and obsolete. Most interviewees spoke about the significant IT issues faced daily in their work. Regular and prolonged down time of servers is inefficient and takes staff away from their service delivery duties. Staff gave examples of the types of workarounds required to operate on the current infrastructure, such as taking screen shots when unable to save work into the system.

The review was advised that the current server issues are being triggered by migration to the cloud, which has resulted in insufficient bandwidth causing major outages. Staff are often waiting 15 minutes to log in to their computer and are subsequently faced with a blank screen. Additionally, administrative support may not be well allocated across the organisation, with burdensome administrative tasks associated with the IT system being undertaken by clinical staff.

There has been an increased focus on standards of information management in the public sector in recent years. The Victorian Auditor General's Report on the Security of Patients' Hospital Data highlighted the weakness in public health sector organisations management of patient information. While that report focused on cybersecurity of clinical information, it is also important that the security and integrity of organisational information is managed well.

Forensicare's current information management systems may not meet required standards in the public sector, create data integrity risks and hamper service delivery. A significant upgrade to information management systems and processes is critical to improving efficiency of the service and morale of the workforce. While IT system failures seem far removed from Forensicare's strategic outcomes, they are having a significant impact on the effectiveness of day to day work, and therefore undermining the achievement of Forensicare's objectives.

4.2.3 Resource controls

Forensicare is in the process of devolving accountability for budgets to leaders. This will provide opportunities to engage leaders and staff in key resource decisions for the year ahead. It will be a new process for many leaders, with some previously having had no involvement in budgeting and resource prioritisation decisions. For other leaders, who expressed concern over a lack of accountability for resources, these are welcome changes.

The review understands that the historical process has been for budgets to be discussed, or at least explained, at the beginning of the year with operational budget holders. Oversight of budgets has occurred at the Chief Financial Officer (CFO) level through to the CEO and a committee of the Board. Operational managers have been advised of their budgets at the beginning of the year but budgets have not been systematically built from the bottom up, with inputs regularly reviewed or variances explained.

Given that \$87 million of Forensicare's \$101 million operating budget is staff-related costs, and that there is a relatively high vacancy rate, budgets are regularly underspent. This means that budget holders are not frequently required to prioritise resources under budget pressures.

While managing within available resources is prudent financial management, the impact on staff of the persistent vacancy rate has been high levels of overtime and increased reliance on a casual workforce. Over the long term this is not an effective use of resourcing and is likely to contribute to poor workforce morale.


These practices are long-standing. In 2016 Forensicare commissioned a Sustainability Review by Ernst and Young, which noted ‘a lack of local ownership of the budgets (by cost centre owners).’ Several possible reasons for this were identified, including:

- data of a poor quality and therefore not utilised for monitoring trends and performance
- delayed reporting of performance and financial information
- insufficient training and education for cost centre managers
- lack of ownership in the budgeting process
- absence of incentive.

However, this is an area where Forensicare is making considerable improvements. A program of activities is currently underway that will assist management to better understand cost drivers and create additional financial flexibility. Training for budget holders on financial fundamentals is being rolled out across the organisation.

The number of improvement activities is such that it may be difficult to sustain the momentum required to fully implement changes. Forensicare will need to take an iterative approach to improving resource controls to ensure staff do not disengage from the process.

4.3 Shared commitment and sound delivery models

Guidance questions	<ol style="list-style-type: none"> 1. Does the organisation have clear and well understood delivery models which will deliver the agency’s strategic outcomes across boundaries? 2. Does the organisation identify and agree roles, responsibilities and accountabilities for delivery within those models including with third parties? Are these well understood and supported by appropriate rewards, incentives and governance arrangements? 3. Does the organisation engage, align and enthuse partners in other agencies and across the delivery model to work together to deliver? Is there a shared commitment among them to remove obstacles to effective joint working? 4. Does the organisation ensure effectiveness of delivery agents?
Rating	 Development area

4.3.1 Delivery models and partnerships

Forensicare has invested a significant amount of time in developing its delivery models, with a number of reviews in recent years. The Forensicare 2020 program is a series of projects designed to implement a new model of care. Some staff consider that the rapid expansion of the organisation into prisons has meant that, although delivery models have been reviewed, they have not been revised to suit the new environment in which Forensicare operates.

Internal collaboration on delivery models is hindered by the absence of clear accountabilities and responsibilities, which has led to a silo mentality between directorates and disciplines. Interviewees considered that leaders are inclined to ‘protect their territory’ and that this dynamic operates at all levels of the organisation, even at the level of wards and units. The review heard that handover of patients from one ward to another in Thomas Embling Hospital was an example of the lack of coordination across internal boundaries, with many of the initial processes being repeated unnecessarily.

External collaboration depends on Forensicare’s ability to interact and align with other agencies across the system. This interface occurs in the context of severe demand pressure, in courts, prisons and mental health services. The ability of Forensicare to work well together with partners has relied on its longstanding and well regarded clinical staff. This remains an important aspect of Forensicare’s ability to engage its partners now and into the future.


However, due to the size of the organisation and service it provides, a small number of enduring clinical relationships are no longer able to manage Forensicare’s stakeholders. Staff and stakeholders have described Forensicare as operating as a ‘small village’ or ‘cottage industry.’ Being the only provider of forensic mental health services to the justice health system, Forensicare is effectively a major system player and needs to approach partners from that perspective. Alignment with broader system objectives will require stronger stakeholder management from the executive and the Board. This is further discussed in section 3.1.3.

4.3.2 Roles, responsibilities and accountabilities

The critical issue undermining Forensicare’s leadership group is poorly defined roles, responsibilities and accountabilities. An example of this was confusion over who had responsibility for recruitment, whether it was the clinical administration team or the HR team. Given that recruitment is a major risk for Forensicare, it is an area where responsibilities should be well defined and managers held accountable.

There is a keen desire among the leadership group to better articulate roles, be held accountable for performance, and improve governance. This will require a restructure and the development of clearer position descriptions that include specific performance measures, to which executives can be held to account for service delivery performance. These issues are further discussed in section 2.1.2

4.4 Manage performance

Guidance questions	<ol style="list-style-type: none"> 1. Is the organisation delivering against performance targets to ensure achievement of outcomes set out in the strategy and business plans? 2. Does the organisation drive performance and strive for excellence across the organisation and delivery system in pursuit of strategic outcomes? 3. Does the organisation have high-quality, timely and well-understood performance information, supported by analytical capability, which allows you to track and manage performance and risk across the delivery system? 4. Does the organisation take action when not meeting (or are not on target to meet) all of its key delivery objectives?
Rating	 Development area

4.4.1 Delivery against targets

Forensicare reports outcomes in its annual report against both planned initiatives and performance targets. It has successfully delivered a number of major initiatives to expand services. These include the construction of 18 additional beds at Thomas Embling Hospital, servicing the new 75 bed facility at Ravenhall prison and additional programs for the 30 bed prison unit at Port Phillip Prison.

While Forensicare has worked hard to meet demand growth with system expansion investment and additional services, it has failed to arrest declining results against targets for the PMS. Against targets of 80 per cent for nine published performance priorities the results in 2019 ranged from 43-73 per cent, down from a range of 52-81 per cent in 2018.

Other performance priority targets in the 2018-19 Annual Report had mixed results with four out of eight high quality and safe care priorities below targets and timely access to care below target in 2 instances with outcomes impacted by excessive numbers in the prison system.

Forensicare provides a clinically competent and essential service for Victorians. However, the review formed the view that rather than driving performance and striving for excellence, Forensicare has focussed on keeping pace with demand for its services. Its corporate systems and processes have fallen behind, making it particularly challenging to keep a focus on managing performance.

As noted in the Strategic Plan

'In the lead up (2014) to Strategic Plan 2015 - 2017, it was evident Forensicare was regarded as an outstanding specialist mental health service. However, increasing pressures on both the mental health system as a whole and the forensic mental health system in particular meant issues of access to available services were of concern.

*In particular, an increase in the number of prisoners in Victoria was placing great demands on mental health services in prisons and on Thomas Embling Hospital as the site for involuntary treatment of security patients.'*²⁹

Forensicare has processes in place to support performance improvement, such as the Yanith Bilang Quality Account, which, among other things, reports on consumer satisfaction. There is also a desire among staff to strive for excellence, several interviewees mentioning Forensicare's history as a leader in its field. Forensicare's maintains a focus on clinical excellence as part of its vision. To regain that position, Forensicare needs greater investment in operational planning, updated corporate systems to support staff in their daily work, and stronger links between leaders' responsibilities and strategic outcomes.

4.4.2 Tracking performance and managing risks

Forensicare's performance and risk management are undermined by weak data and analytical capability due to inadequate investment in resourcing and systems. However, recent improvements, such as being part of the DHHS Performance Monitor Program and reviewing risk processes, are highlighting gaps and strengthening accountability for performance.

Forensicare has a detailed risk management framework and policy in place but these are not highly effective. There are several risk registers going to multiple committees and many of these registers overlap. It is not always clear who is responsible for a risk, with risk owners not being consistently identified as part of risk management plans. The review noted that at one time responsibility for the organisational risk register was reflected in two position descriptions, making it unclear who was ultimately accountable.

There are multiple systems for capturing risk, including corporate and clinical risk, and the systems are not easy to use. For example, the clinical patient risk assessment is not always easy to locate in the patient information, which is an important factor in considering treatment pathways.

In addition, the organisational structure has not provided a strong internal control for managing performance and risk. The quality and risk function had been reporting to the Executive Director of Clinical Services. Ideally, quality and risk should provide a check and balance against the delivery of clinical services and, therefore, it is best to have a separation of accountability for these responsibilities. The risk portfolio has since been redirected to the Executive Director of People and Culture.

Defining risk appetite and tolerance is a responsibility of the Board under the Risk Policy but this does not appear to be well communicated to the organisation. Staff are not clear on the thresholds for escalation of risks, which results in some risks being escalated that could be managed at a local level and vice versa.

²⁹ Forensicare, 2014-15 Strategic Plan, p10.

The absence of well-developed performance monitoring and reporting systems means that the failure to meet targets or delivery objectives is not reported in a timely manner, delaying remedial action. The review heard that when remedial action has been determined, progress to implement changes can be slow with risk owners either too busy or disinterested in the process. Recent experiences with accreditation demonstrate that leaders and the Board needs to more actively drive remedial action to rectify failures.

Continuing to clearly identify risk owners, allocating responsibility for performance measures, and implementing good performance management of leaders will enable Forensicare to act decisively when not meeting delivery objectives.

4.5 Actions planned or underway

- The executive team has developed a more detailed operational plan. Linking the strategy to the operational plan and devolved to business unit plans will strengthen leaders' understanding of their accountabilities and responsibilities. Performance measures will be linked to business unit plans and their relevant leaders.
- The executive team is in the process of devolving budgets and ensuring that those in management positions are aware of their responsibilities for financial management, including that clinical decisions associated with cost can be queried. The CEO and Board aim to complete this project by the end of 2019-20.
- An IT strategy review is being conducted by the former Chief Information Officer of DHHS. \$2.5 million has been set aside for IT upgrades in the current year's budget.
- Reviews are being conducted on many areas of the business, including financial delegations, expenses, non-clinical resourcing, and rostering and payroll functions, research and partnerships, and internal audit. The audit program has been extended to include clinical areas.
- A restructure of executive positions is planned to clarify responsibility and accountability for resource controls and workforce management.
- Forensicare is making a significant effort to improve risk management with a review of risk policy and processes underway. This is being conducted by an external risk consultant under the leadership of the Executive Director of People and Culture.
- Corporate resourcing for operational planning and performance reporting has been increased and a new suite of performance indicators has been approved by the Board. Increased tracking of performance is also occurring through participation in the DHHS Performance Monitor Program.

4.6 Summary

4.6.1 Observations

Forensicare has a strong commitment to innovation, which is underpinned by its legislated objectives. Forensicare's staff value excellence and it has been an aspect of Forensicare's reputation that is a source of pride for staff. In recent years, Forensicare's ability to implement innovation has been hampered by service demand pressure, cultural obstacles, and poor organisational systems and management capability. Clarifying responsibilities and accountabilities will empower the leadership to more effectively implement change to delivery models.

Planning and resource management have been under developed for an organisation of Forensicare's size and complexity. Risk, performance, workforce and finance systems require significant improvement, which will be a major focus for the organisation with the development of a new IT Strategy. Staff have been inadequately supported in their day to day work by an outdated IT system which has resulted in significant inefficiency.

Standard processes and systems to manage service delivery performance are underdeveloped and accountability for resources with the delivery of outcomes have not been appropriately devolved. Risk management is yet to be fully embedded and integrated across all leadership positions at Forensicare.

4.6.2 Assessment of actions planned or underway

Capability gaps have been identified and significant effort has been put towards addressing the shortcomings in planning, resource management and financial controls. The senior executive group are focussed on improving planning, performance and risk management.

Immediate actions by the Board to focus on performance metrics has improved accountability and driven a stronger focus on outcomes. Systems to support these changes will take time to fully implement.

Bringing Forensicare up to an appropriate level of planning and resource management is medium term task. However, significant gains can be achieved in the first year through implementation of basic planning processes and clarification of accountability.

4.6.3 Recommendations

The review recommends that Forensicare:

11. Develop an innovation strategy as part of the new Forensicare strategy, in the context of the Royal Commission, and with the aim of building a culture of innovation and restoring Forensicare's reputation as a centre of excellence in its field. The objectives of the strategy should be to:
 - development innovations in the short term
 - build on the relationship with the Centre for Behavioural Forensic Science through more deliberate and targeted investment
 - engage and communicate with staff, to foster a culture of evaluation and embed innovation in Forensicare's core business.
12. Ensure the annual planning cycle includes a refresh of the strategy and embeds the strategic plan in day to day operations through operational and business unit plans.
13. Build on the outcomes of the risk management review to establish a mature organisational risk culture, where risk management is embedded across the organisation rather than in a single function.
14. Prioritise information management spending on critical issues in the short term, to ensure systems for managing performance, risk, and resources are adequate to support strategic evidence-based decision making and improve operational efficiency.
15. Define system requirements for the long term through the development of a business case for IT infrastructure for the 2020-21 cycle.
16. Seek the assistance of DHHS to review the implementation of the VPSC's recommendations in 12 months' time.

5. NEXT STEPS

The review has identified a range of development areas and opportunities for improvement for Forensicare now and into the future. The review has also provided advice on key areas of focus and indicators of success on pages 10 and 11.

Forensicare's response to this report and proposed steps to implement the findings of the review is provided at Appendix 1.

A1 AGENCY RESPONSE



Forensicare

ABN 32 807 323 885
Yarra Bend Road
Fairfield Victoria 3078
T +61 3 9495 9100
F +61 3 9495 9190

E info@forensicare.vic.gov.au
www.forensicare.vic.gov.au

24 December 2019

Dr Paul Grimes
Victorian Public Sector Commissioner
3 Treasury Place
EAST MELBOURNE VIC 3002

Dear Dr Grimes

RESPONSE TO VPSC REVIEW

On behalf of the Forensicare Board and Executive, we extend our thanks to the Victorian Public Sector Commission for the organisational review delivered by Mr Greg Wilson on 11th December 2019.

The review was commissioned to investigate Forensicare's Executive, governance and organisational capability.

Forensicare has grown significantly in size over the past five (5) years; in addition, both future systems growth and the findings from the Royal Commission into Mental Health ("the Report") will likely see the organisation facing considerable operating, financial and environmental challenges that will require a heightened level of capability, commitment and investment to ensure the organisation is well positioned to meet the ongoing demand for our unique services.

The Board and the Executive have genuinely welcomed the review opportunity, and accept all recommendations in the report. We acknowledge that the significant deficiencies identified have led the organisation to this point, with the new Board and CEO deeply committed to undertaking requisite reforms to ensure Forensicare delivers against its responsibilities to patients, consumers, the community and government.

Our key areas of reform will encompass:

- Accounting for the conclusion of the Royal Commission' work, by December 2020 we will develop a new, ambitious and meaningful five (5) year strategic plan that responds not only to the Report's findings, but is also positioned to materially improve the quality of clinical services delivered to our patients, consumers and carers. As a more focused plan, it will also deliver against the expectations (of both current and future employees) of a modern, high performing health services employer.

- By 1st July 2020, the Chief Executive Officer will develop and implement a new Executive and level operating structure, to ensure the organisation has the right talent and capability to successfully lead Forensicare through the next phase of its history (including delivery against the new Strategic Plan). This structure will provide clarity on accountabilities across the organisation.
- The Board and CEO will oversee a significant program of workforce improvements, including an extensive but targeted investment in programs across culture reform, management governance, risk culture and frameworks, and operational systems and processes – delivering against not only the VPSC review findings and recommendations, but also those emanating from the 2019 People Matter Survey results. The new Executive team will be pivotal in delivering against this significant and important program of work.
- A program of work is underway to review the effectiveness of the processes across the organisation including a review of committee structures, development of a ICT investment strategy and investment in business planning cycles.
- In both the near and longer terms, the Executive and the Board will refocus their attention towards current and future external strategic relationships – ensuring that Forensicare can deliver against our vision of providing meaningful outcomes for patients and consumers through the application of translational research.

This reform program will require considerable time, investment and commitment from each of the new Board, CEO and Executive team to ensure we deliver against what has been a comprehensive and well informed independent review. The resultant findings provide Forensicare with an undeniable opportunity to take the organisation forward strongly and competently for the next decade of service delivery.

Yours sincerely



Ken Lay AO APM
Chair, Forensicare



Dr Margaret Grigg
Chief Executive Officer

A2 INFORMATION ABOUT THE LEAD REVIEWER

Greg Wilson

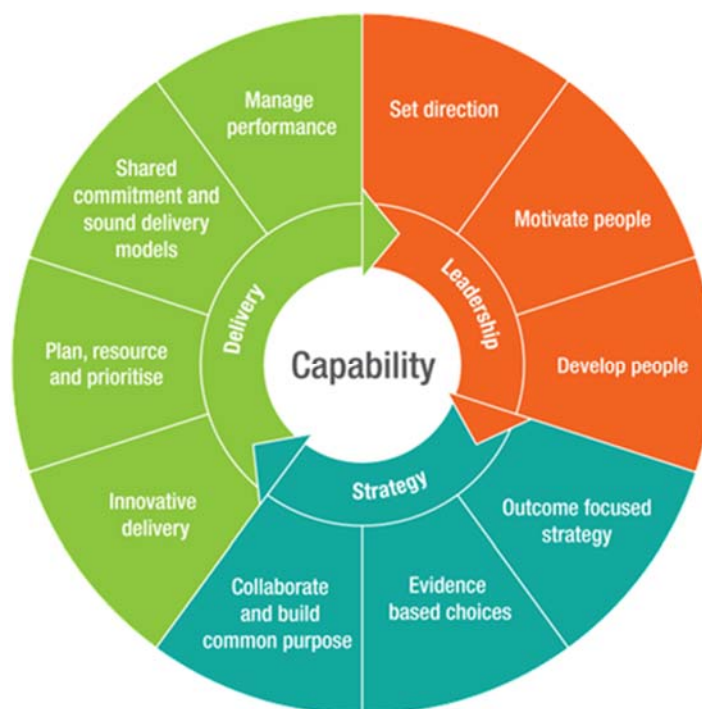
Mr Greg Wilson is the former Secretary of the Department of Justice and Regulation and prior to that was the Secretary of the Department of Sustainability and Environment. He has held many senior leadership roles in the Victorian public service including, Deputy Secretary Policy and Cabinet Group at the Department of Premier and Cabinet, Deputy Secretary Water Sector in the Department of Sustainability and Environment, General Manager of Regulatory Policy at the Essential Services Commission, Senior Economist at the Department of Treasury and Finance, Melbourne Water and City West Water.

Greg has led wide ranging public sector reforms, including those resulting from the Victorian Bushfires Royal Commission, the Royal Commission into Family Violence, and the Royal Commission into Child Sex Abuse. He also led the establishment of the Royal Commission into the Mental Health System in Victoria.

He is a Fellow of the Australian Institute of Public Administration and a Member of the Australian Institute of Company Directors. Greg is the Chair of the Transport Accident Commission and formerly chaired the Essential Services Commission.

A3 REVIEW AREAS FOR INQUIRY

The model of capability, rating descriptions and guidance questions are sourced from the Australian Public Sector Commission publication CAPABILITY REVIEW Australian Office of Financial Management, available at (<http://www.apsc.gov.au/priorities/capability-reviews>). This content is licensed for reuse under a Creative Commons BY Attribution 3.0 Australia Licence (<https://creativecommons.org/licenses/by/3.0/au/deed.en>).



Leadership

Set direction

- Is there a clear, compelling and coherent vision for the future of the organisation? Is this communicated to the whole organisation on a regular basis?
- Does the leadership work effectively in a culture of teamwork, including working across internal boundaries, seeking out internal expertise, skills and experience?
- Does the leadership take tough decisions, see these through and show commitment to continuous improvement of delivery outcomes?
- Does the leadership lead and manage change effectively, addressing and overcoming resistance when it occurs?

Motivate people

- Does the leadership create and sustain a unifying culture and set of values and behaviours which promote energy, enthusiasm and pride in the organisation and its vision?
- Are the leadership visible, out-ward-looking role models communicating effectively and inspiring the respect, trust, loyalty and confidence of staff and stakeholders?
- Does the leadership display integrity, confidence and self-awareness in their engagement with staff and stakeholders, actively encouraging, listening to and acting on feedback?

- Does the leadership display a desire for achieving ambitious results for customers, focussing on impact and outcomes, celebrating achievement and challenging the organisation to improve?

Develop people

- Are there people with the right skills and leadership across the organisation to deliver your vision and strategy? Does the organisation demonstrate commitment to diversity and equality?
- Is individuals' performance managed transparently and consistently, rewarding good performance and tackling poor performance? Are individuals' performance objectives aligned with the strategic priorities of the organisation?
- Does the organisation identify and nurture leadership and manage talent in individuals and teams to get the best from everyone? How do you plan effectively for succession in key positions?
- How do you plan to fill capability gaps in the organisation and in the delivery system?

Strategy

Outcome focused strategy

- Does the organisation have a clear, coherent and achievable strategy with a single, overarching set of challenging outcomes, aims, objectives and measures of success?
- Is the strategy clear about what success looks like and focused on improving the overall quality of life for customers and benefiting Victoria?
- Is the strategy kept up to date, seizing opportunities when circumstances change?
- Does the organisation work with political leadership to develop strategy and ensure appropriate trade-offs between priority outcomes?

Evidence based choices

- Are policies and programs customer focused and developed with customer involvement and insight from the earliest stages? Does the organisation understand and respond to customers' needs and opinions?
- Does the organisation ensure that vision and strategy are informed by sound use of timely evidence and analysis?
- Does the organisation identify future needs, plan for them and choose among the range of options available?
- Does the organisation evaluate and measure outcomes and ensure that lessons learned are fed back through the strategy process?

Collaborate and build common purpose

- Does the organisation work with others in government and beyond to develop strategy and policy collectively to address cross-cutting issues?
- Does the organisation involve partners and stakeholders from the earliest stages of policy development and learn from their experience?
- Does the organisation ensure the agency's strategies and policies are consistent with those of other agencies?
- Does the organisation develop and generate common ownership of the strategy with political leadership, delivery partners and citizens?

Delivery

Innovative delivery

- Does the organisation have the structures, people capacity and enabling systems required to support appropriate innovation and manage it effectively?
- Does the leadership empower and incentivise the organisation and its partners to innovate and learn from each other, and the front line, to improve delivery?

- Is innovation explicitly linked to core business, underpinned by a coherent innovation strategy and an effective approach towards risk management?
- Does the organisation evaluate the success and added value of innovation, using the results to make resource prioritisation decisions and inform future innovation?

Plan, resource and prioritise

- Do business planning processes effectively prioritise and sequence deliverables to focus on delivery of strategic outcomes? Are tough decisions made on trade-offs between priority outcomes when appropriate?
- Are delivery plans robust, consistent and aligned with the strategy? Taken together will they effectively deliver all of the strategic outcomes?
- Is effective control of the organisation's resources maintained? Do delivery plans include key drivers of cost, with financial implications clearly considered and suitable levels of financial flexibility within the organisation?
- Are delivery plans and programs effectively managed and regularly reviewed?

Shared commitment and sound delivery models

- Does the organisation have clear and well understood delivery models which will deliver the agency's strategic outcomes across boundaries?
- Does the organisation identify and agree roles, responsibilities and accountabilities for delivery within those models including with third parties? Are these well understood and supported by appropriate rewards, incentives and governance arrangements?
- Does the organisation engage, align and enthuse partners in other agencies and across the delivery model to work together to deliver? Is there a shared commitment among them to remove obstacles to effective joint working?
- Does the organisation ensure effectiveness of delivery agents?

Manage performance

- Is the organisation delivering against performance targets to ensure achievement of outcomes set out in the strategy and business plans?
- Does the organisation drive performance and strive for excellence across the organisation and delivery system in pursuit of strategic outcomes?
- Does the organisation have high-quality, timely and well-understood performance information, supported by analytical capability, which allows you to track and manage performance and risk across the delivery system?
- Does the organisation take action when not meeting (or are not on target to meet) all of its key delivery objectives?

A4 LIST OF CONSULTEES

Title	Organisation
Board Chair and Directors	Forensicare
CEO	Forensicare
Executive Directors	Forensicare
General Counsel	Forensicare
Governance Director	Forensicare
Directors of Clinical Services, Nursing and Psychological Services	Forensicare
Operations Managers	Forensicare
Quality and Risk Manager	Forensicare
Chief Occupational Therapist	Forensicare
Chief Social Worker	Forensicare
Deputy Secretary, Health and Wellbeing Division	DHHS
Director, Mental Health Branch	DHHS
Chief Psychiatrist	DHHS
Commissioner for Corrections	Corrections Victoria

