



Strategic Plan 2021-25





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HealthShare Victoria (HSV) was established as a new organisation tasked with transforming the supply of essential products and services to hospitals and their patients. The significant challenges brought by the global COVID-19 pandemic had reinforced the need for a new approach to public health sourcing in Victoria.

HSV was built on the foundation of the former Health Purchasing Victoria and Melbourne Health Logistics. Already, HSV's achievements in supporting the health sector's response to the pandemic have inspired increased adaptability, resilience and innovation across the organisation.

This plan is our roadmap for HSV to become Victoria's trusted transformational partner.

Our vision to support health, safety and value in everything we do drives us forward – and our ability to adapt to the changing needs of our stakeholders is essential to our success.

We gratefully acknowledge the support of the Victorian Department of Health, our public hospital customers and reference group partners, and our suppliers who work with us in delivering for Victoria's health services.

We appreciate the contribution of our Board and committee members, and our employee workforce, without whom none of this is possible.

Neil Rodaway
HSV Chief Executive
4 April 2022

Health.Safety.Value. In everything we do.

HealthShare Victoria was established on 1 January 2021 as a commercially oriented independent provider of supply chain, procurement and corporate shared services to Victoria's public health sector.

Our role is to partner with Victoria's public health services and suppliers to ensure the right products and services are delivered to the right place at the right time, supporting better value for our public health services and better outcomes for their patients.

Since our establishment, our focus has been on the end-to-end supply chain needs of health services. This has included establishing transformational capabilities to cater for developments when appropriate in non-clinical shared services.

As part of this, we have been working hard to support Victoria's public health services in responding to unprecedented challenges as the pandemic has unfolded.

We have innovated more in the past two years than we ever thought possible – not least in supporting the creation and ongoing operation of a State Supply Chain (SSC).

The opportunity presented by the pandemic to transform the sourcing, procurement and distribution of essential medical consumables led to success in providing fair and equitable access across the public health sector.

The HSV Strategic Plan 2021–25 outlines our work over a five-year timeframe, building on this spirit of change and transformation to continue the great work we have been a part of and also provide a clear direction for the future.

This plan sets out our roadmap of activities to the end of FY2025 and our aspiration to become an agent of transformational change.

It's our goal to be the trusted service partner for our public hospital customers and to work together in tackling shared health system challenges to deliver improved value and support sustainable, high-quality healthcare for all Victorians. As a customer-focused service organisation, we concentrate on providing services that our public hospital customers can rely on.

Our roadmap to drive improved performance and better outcomes is presently focused on three core operational business areas that drive our activity in line with our vision of **Health.Safety.Value. In everything we do.**

They are:

Procurement
Supply Chain
Supply Chain Surety

HSV's Transformation, Finance, Risk and Governance, Information Technology and People, Culture and Safety functions provide vital support for the organisation. This ensures stable governance and structures to help us pursue our transformation agenda. The importance of safety, data and security as the foundations of a strong organisation are specifically highlighted in our strategic plan.

This plan supports our people to continue to do their best work and deliver for our customers and the wider Victorian community. We aim to be an organisation that people want to join and are proud to be part of.

Ultimately, our work is aligned to our vision and supports our health service customers in delivering safe, high-quality and sustainable healthcare for all Victorians.



Our purpose and values



Our purpose

HSV's purpose is to partner with Victoria's public health services to deliver value through transformational change in the provision of shared services.

HSV's initial area of focus is end-to-end supply chain services.

We aim to deliver significant benefits for Victoria's public health system, including:

- Statewide sourcing of goods and services to deliver savings and benefits for Victoria's public health sector
- Consolidating Victoria's health service supply chains, enhancing their efficiency, consistency and reliability to deliver improved value for money
- Implementing statewide supply chain surety reform to improve availability of critical pharmaceuticals, medical consumables and medical devices for Victoria's public health sector.



Our core values



Customer-centric

Our customers, employees and stakeholders have confidence we will do the right thing.



Accountable

We do things to a high standard and do what we say we will do.



Respectful

We listen to and support our people and stakeholders to do the right thing.



Solutions-focused

We work together to find solutions that meet objectives and incorporate lessons for the future.



Open

We are open to new ideas and change and we engage freely with our people, customers and stakeholders.

Our vision of Health.Safety.Value. In everything we do.

aligns to our purpose, and highlights to our stakeholders – including our customers and the wider community – what is most important to us and how we operate.

Our team

Collaboration is at the heart of HSV's work, and is embedded and integrated with the health sector stakeholders we serve.

From our Board and committee structure providing a framework and direction, to our executive team, employees and consultants, we each contribute relevant expertise and experience to achieve our organisational goals.

We liaise closely with our Victorian Government partners – principally the Department of Health and Safer Care Victoria within the health portfolio – and the Department of Jobs, Precincts and Regions and the Department of Treasury and Finance who support HSV through essential approvals, funding and policy advice.



HSV's health service customers partner with us in our executive and product reference groups to advise on the product and service selections that best meet hospital requirements, contributing vital knowledge and understanding to our procurement process.

Our process benefits from customer input via our Procurement Activity Plan (PAP) and HSV's customer engagement function. We gather specific feedback on our plan every six months and more general feedback throughout the year via surveys and meaningful discussions with health service representatives.

Our teams work cross-functionally to ensure that our customers are supported at every step – from understanding more about our procurement, to working with suppliers to ensure their delivery arrives as expected and getting the information they need to make the most of the products and services they use.



"Collaboration is at the heart of HSV's work."



"Our teams work cross-functionally to ensure that our customers are supported at every step."

Representing the newest part of our supply chain, our distribution centre (DC) logistics team oversees the distribution of large volumes of essential goods. Their insights and data help to inform our Supply Chain and Procurement functions.

We support our customers in complying with regulatory requirements, supporting good probity practice and helping them to understand and apply relevant policies. We work with the sector to improve our data integrity, which in turn supports better decision-making. We also support our customers through operational and process change.

We connect and communicate with suppliers, health services and health professionals to help ensure we're delivering the right products and services at the right time.



Our team comprises five distinct functions:

Supply Chain	Transformation	Finance, Risk and Governance	People, Culture and Safety	Information Technology
Supply Chain Surety	Strategy and Commercial	Corporate Governance	Health and Safety	Information Management
Procurement	Customer Engagement	Risk Management	Human Resources	Information and Communication Technology
Logistics	Project Management Office	Legal Services	Diversity and Inclusion	Supply Chain Information and Analytics
Performance and Insights	Change Management	Policy Compliance	Learning and Development	Business Intelligence
	Communication	Financial Sustainability	Industrial Relations	

Our progress to date

HSV has responded to changing health service customer needs as they have evolved throughout the COVID-19 pandemic. This strategic plan highlights some of our recent innovations and achievements.

Supply Chain Surety: Problem-solving to ensure ongoing supply of essential goods

Disruption to heart and lung surgery averted

In early 2022, HSV worked with experts to help quickly avert disruption in the supply of disinfectant for cardiac surgery equipment, ensuring health services could continue essential heart and lung surgeries.

With cold sterilant being delayed in the United States, we immediately began assessing the likely impact on health services. We identified the need for quality, regulatory and technical expertise and finding the right expertise to solve the issue.

We supported our contacts in the biotechnology industry and health service surgical and support teams to find an alternative product through a local supplier. The result solved the immediate supply problem while identifying a long-term solution at the same time.



Supplying new medicines in a pandemic

In the COVID pandemic, HSV played a vital role working with the National Medicine Stockpile and the Department of Health to ensure ongoing supplies of critical medicines. We helped to provide important medicines in surge situations, from intensive care to elective surgery settings, for Victorian health services.

As new medicines to treat COVID patients developed and were approved for use in Australia, HSV was able to successfully supply specialised COVID medicines to Victoria's public hospitals for the first time.

HSV has since built on this experience to develop a more proactive approach to supply chain surety, working with suppliers to prevent critical medicine shortages and anticipate future supply chain challenges ahead of time.

As HSV's surety capability grows, supply forecasting and analysis will become significant tools in our approach to maintaining supply availability.



Procurement: Finding savings in product and service sourcing

Procurement Activity Plan

Increasing opportunities for health services to have their say in HSV's procurement activity planning, we launched a Procurement Activity Plan (PAP) in 2021. The PAP drives activities to reach our savings targets while supporting more meaningful engagement with our customers. The PAP provides details of all our planned sourcing activities for the coming 24 months.

Working with our customers, we review and update the PAP every six months to ensure it remains relevant to the sector's requirements. This provides greater visibility and understanding of HSV's role and activities and provides our customers opportunity to have input into those activities.



Product Information Library

To support health services in using Personal Protective Equipment (PPE) supplies from the SSC – some of which were new and unfamiliar to them – HSV established a Product Information Library (PIL) to be a hub of product information.

The PIL is a single source of information about the appropriateness of PPE items – including different types of masks, gloves and isolation gowns from multiple suppliers – available via the SSC. It details approximately 770 products and continues to play an important role in ensuring health services have confidence in the efficacy and safety of the essential PPE and equipment we source.



Fit testing support

Faces come in all shapes and sizes and fit testing helps a healthcare worker find out which mask gives them the best protection. The Department of Health introduced fit testing into Victorian hospitals in the winter of 2020 after HSV's Equipment team quickly put in place a contract to provide fit testing equipment and service providers.

Fit testing is now an annual requirement and a very important safety initiative, which informs HSV procurement activities.



“Faces come in all shapes and sizes and fit testing helps a healthcare worker find out which mask gives them the best protection.”

Supply Chain: Supporting better customer access to products

Standing up a State Supply Chain

At the height of the COVID-19 infection waves in 2020 and 2021, Victoria's healthcare workers had been using between 900,000 to 1.5 million respirator masks every week.

In the early stages of the pandemic the Victorian Government worked quickly to centralise the supply of essential PPE and stand up the SSC to ensure ongoing supplies for all healthcare workers. Central to the SSC's ability to secure ongoing supplies was HSV's procurement efforts in sourcing large volumes of essential PPE items.

The SSC has been a very successful initiative, helping to manage spikes in demand and support greater equity of access. HSV continues to source and secure PPE stock for the SSC, working with Monash Health, which manages the facility to fulfil orders from Victoria's public health services. The SSC is planned to transition to HSV in the 2022 calendar year.



"More than 60 million RATs were delivered through the SSC and Derrimut DC"

Pivoting HSV's public health goods warehouse to be Victoria's RAT hub

HSV's Derrimut DC opened in December 2021, marking a key milestone in the transformation of Victoria's health sector supply chain. At 22,500 square metres, it is similar in size to the MCG and boasts 10 loading docks and space for 24,000 pallets. It has capacity for the future expansion of HSV's supply chain services statewide.

Setting up the DC involved a new fit-out, including racking, offices, kitchens, change facilities, safety barriers, a clean room and rapid-response roller doors as well as IT and security systems.

By January 2022 it had already proved valuable as a hub for Victoria's Rapid Antigen Tests (RATs). More than 60 million RATs were delivered through the SSC and Derrimut DC by the end of February 2022 and more than 200 million had been sourced. RATs were distributed quickly for statewide whole-of-government use, including at Victorian public hospitals and schools.

The arrival of the first RATs was the culmination of months of work by many people at HSV, who addressed significant challenges to secure the order as soon as Therapeutic Goods Administration (TGA) approval was confirmed.



Our strategy on a page



Health.Safety.Value. In everything we do.

HSV is a commercially focused public sector organisation partnering with Victoria's public health services to deliver value through transformational change in the provision of shared services.

Procurement

We're sourcing goods and services to deliver savings and benefits for Victoria's public health sector.



Supply Chain Surety

We're working with stakeholders to put in place frameworks, processes and networks to improve surety to avoid and reduce the impact of outages in critical supply chains for Victoria's public health sector.



Supply Chain

We're consolidating Victoria's public health sector supply chains, enhancing their efficiency, consistency and reliability to deliver improved value for money.



Transformation

HSV is an agent of transformational change. We're supporting Victoria's public health sector to deliver sustainable, safe and high-quality healthcare into the future.

Clinical Engagement



Communication



Customer Engagement



Finance, Risk & Governance



Information Technology



People, Culture & Safety



PMO & Change



Strategy & Commercial



Safety/Data & Security

Our core business strategies

We have developed a detailed strategic plan outlining the initiatives, goals and deliverables to take us through to the end of FY2025, and position us to achieve our goal to be Victoria's foremost trusted agent of change for the public health sector.

Initiatives

2021–22

2023–24

2025

Procurement



- Build and grow procurement footprint to deliver savings and benefits value over five years
- Accelerate and increase procurement savings
- Simplify procurement processes
- Develop product rationalisation process
- Improve data use to support decision making and reporting
- Develop and embed sustainability into procurement
- Boost procurement capability

- Continue growth to identify further opportunities and expand value under contract
- Enhance supplier relationship management capabilities and activities
- Consolidate and enhance savings initiatives
- Identify opportunities for product alternatives
- Improve use of data insights to support procurement outcomes, savings and reporting
- Develop a long-term plan to support evolution of the procurement function

- Realise cost savings and benefits delivered by business-as-usual procurement activities and project initiatives over five years
- Improve the quality and reliability of data to support and improve procurement decision-making and reporting
- Embed and refine the long-term procurement plan

Supply Chain



- Full transition from Tullamarine to Derrimut DC
- Transition SSC (PPE) to HSV
- Build supply chain system capability for the future

- Complete onboarding of metro health services to achieve 70% statewide coverage
- Complete onboarding of regional and rural health services
- Expand workforce based on rollout plan
- Increase SKU offerings improving supply chain reliability and efficiency and reducing cost
- Finalise service design blueprint

- Undertake continuous improvement of supply chain operating models
- Assess automation to improve efficiency
- Supply chains working effectively, and warehousing held by HSV
- Transition to cloud-based systems

Supply Chain Surety



- Establish supply chain surety function
- Design and implement operating framework, including supporting infrastructure
- Update medicines stockpile model

- Implement any additional long-term infrastructure (including technology and data requirements)
- Enhance and strengthen capability including market intelligence and research to gain insights into future supply risks; and procurement to develop an effective approach to secure supply
- Review and adjust remit of team to potentially expand scope (products, categories)

- Continue to review and adjust remit of team and potentially offer surety shared services to other jurisdictions
- Strengthen relationship and collaborate with state and Commonwealth governments to help facilitate national-led approach to surety

Our supporting function strategies

The strategies of our three core business functions – Procurement, Supply Chain and Supply Chain Surety – are reinforced by the work of our supporting functions. These streams include Transformation; Finance, Risk and Governance; Information Technology; and People, Culture and Safety. The missions of these areas all contribute to our core business strategies.

Area	Focus for 2021–25
Transformation	
Strategy and Commercial	Delivering the strategic and commercial foundations for HSV's current and future aspirations.
Customer Engagement	Introducing a customer-centric approach in everything we do to improve customer loyalty and support for HSV (a partnering approach). We will undertake meaningful engagement with all key health service stakeholders and provide excellent customer service to enhance the customer experience.
Communication	Proactively positioning HSV in line with our vision, values and principles, and strategic objectives. Supporting key projects and initiatives with effective stakeholder communication and helping our people to communicate effectively.
PMO and Change	Providing project management, change management and learning and development resources, governance and oversight to support project delivery.
Clinical Engagement	Working with clinical networks to develop and implement an engagement function to enable procurement savings and benefits with appropriate quality and service required by our customers.
Finance, Risk and Governance	
	Ensuring HSV achieves financial sustainability through informed decision-making. Taking a balanced approach to risk management and maintaining compliance while achieving optimal commercial outcomes that support internal and external stakeholders.
Information Technology	
	Shoring up and maturing existing capability and building on it to enhance our governance and security. Working across HSV toward achievable data outcomes that add value.
People, Culture and Safety	
	Facilitating a desired HSV culture and embedding safety across all aspects of our operation. Ensuring we have a stable workforce and capable and motivated people to support HSV's business objectives, we're developing our capability in line with evolving priorities and initiatives.

The following pages highlight a selection of focus areas for our supporting functions in the coming years.

One HSV, celebrating our diverse workforce

Our team is as diverse as our functions. Located across two distinct workplaces at the Casselden office in Melbourne's CBD and at the DC at Derrimut in Melbourne's west – plus regionally based Customer Relationship Managers supporting health services across Victoria – we're supporting our people to be 'One HSV'.

Every person in our team is critical to our success, and each brings a unique set of skills, experiences and backgrounds. Our people also reflect our approach that recognises the many benefits of a diverse workforce, including

the understanding that a workplace that reflects the wider Victorian community helps us relate to the unique needs of our public health sector customers and stakeholders.

Our approach also helps ensure HSV is a great place to work and contributes to a fairer and safer society.

We have a suite of plans promoting diversity, accessibility and equality, including our Gender Equality Action Plan 2022–25, which highlight that we treat everyone with dignity, respect and fairness.



Safety in everything we do

When HSV transitioned from an office-based organisation to one that included operations in distribution centres with activities involving heavy vehicles, forklifts and other manual handling equipment, our health and safety environment became significantly more complex. Ensuring our people and everyone involved with HSV are safe is something we take very seriously.

Our safety program – BeSafe – emphasises that keeping ourselves healthy and safe means we are able to deliver critical medical supplies to health services to help improve the lives of patients and their families.

BeSafe ensures our managers lead by example and support safe work, and clearly communicate expectations. Employees are given the training to perform their work safely, and everyone is encouraged to take ownership for health and safety.

Wellbeing is an important component of BeSafe – we care for the mental and physical health of everyone at HSV, whether they're working from an HSV workplace or from home. We urge everyone to speak up if they think anything is unsafe.



Reporting on our environmental and social sustainability

Supporting a more holistic approach to our operations, HSV's reporting is being guided by a new framework covering our environmental, social and governance (ESG) performance.

We are investigating how our business performs as a steward of the natural environment, including on energy use, waste management and renewable energy investment. Social factors – or how we treat our people and the wider community – are reflected in our business relationships, supply chains and safe and diverse working environments.

Governance reporting considers how HSV holds itself accountable in our accounting methods and sustainability strategies, conflicts of interest and the diversity of our board appointments.

Over the next five years, we will report on our progress against these core indicators and look to how HSV can participate and provide appropriate leadership in relevant ESG areas.



Putting our customers at the centre of everything we do

To help achieve our aim of putting our health service customers at the centre of everything we do, HSV is designing and implementing an improved customer experience capability highlighting a continuous improvement approach.

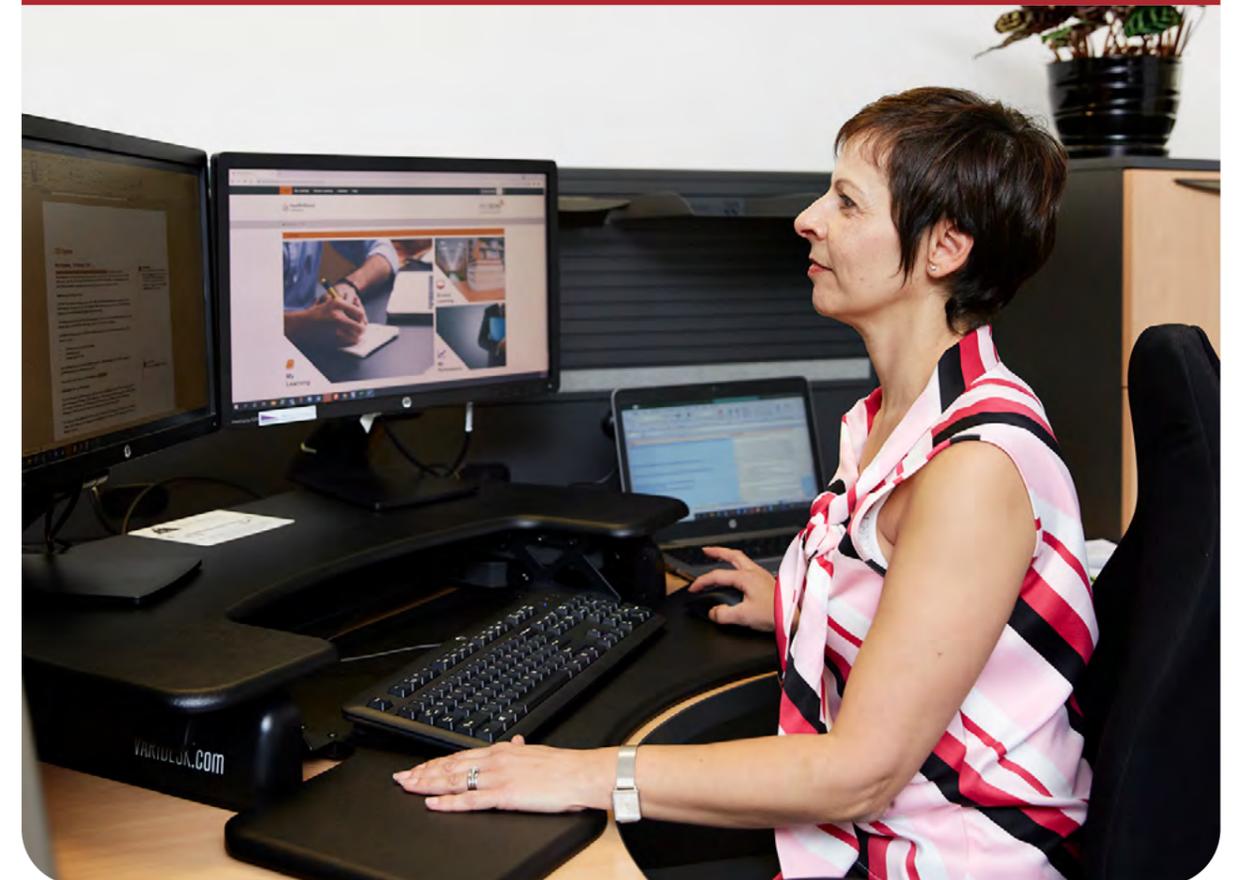
This function will expand on our existing customer engagement to design, establish and manage the delivery of best-in-class customer experience strategies across all of our business areas. We will apply customer feedback research strategies to uncover insights and coordinate service improvements with our senior leadership.



Information Technology security in an evolving world

HSV takes an iterative continuous improvement approach to Information Technology security, ensuring timely systems and desktop patching and monitoring. Regular training across the organisation helps users maintain a security mindset, and we regularly challenge our users with phishing simulations.

To keep our data and systems secure, HSV has implemented the Australian Signals Directorate (ASD) 'essential eight' cyber security mitigation strategies, as well as adopting revised health services cyber security controls. HSV is also looking to adopt the ASD's information security manual control set to further bolster our security stance.



Looking ahead

As the unfolding pandemic showed, Victoria's public health services had to respond quickly to patient needs and HSV in turn had been ready to adapt to their requirements.

The success of the newly established SSC and our own Derrimut DC in responding to urgent requirements in pandemic conditions reflects the first steps of HSV's evolution as a service organisation. This achievement demonstrates our aspiration to be a trusted service partner and change agent for Victoria's health sector.

Our collaborative work with health services, suppliers, clinicians and government stakeholders will continue as part of our strategic plan.

This is highlighted by our focus on driving greater efficiency and equity and ensuring essential products and services are on hand when most needed.

As we further embed our systems and processes, we will continue to expand our capability – including in the new functions of supply chain surety and clinical engagement – to support our ability to provide critical products as needed.

More broadly, our focus areas of supply chain, procurement and supply chain surety will remain fundamental to our capacity to respond and adapt to the ever-evolving needs of our customers.





HealthShare Victoria recognises the traditional custodians of the lands on which our services are provided and pays respect to Elders past, present and emerging.

healthsharevic.org.au

