THE FACTS
During 2010 The Audit Office of New South Wales reviewed the Greater Sydney Area Emergency Medical Helicopter Contract for the Ambulance Service of NSW. This contract has much higher specifications and obligations regarding helicopter availability, helicopter performance and safety standards than previous arrangements.

THE AUDIT OFFICE CONCLUSION
The NSW Audit Office found that the contract process was satisfactory. Ambulance data show that the performance of CHC Australia is meeting contract requirements with the exception of the availability of Wollongong Helicopter. Ambulance’s ability to transport patients to the right hospital at the right time has improved.

The Audit Office also found:
> Prior to 2007 the number of inter-hospital missions exceeded the number of pre-hospital missions. Since then the number of pre-hospital missions has grown and now exceeds inter-hospital missions. By taking more pre-hospital patients to the right hospital the first time it has reduced the potential for unnecessary inter-hospital transfers. Better patient outcomes are achieved if patients are taken directly to a hospital equipped and experienced in managing their complex needs. This is consistent with the NSW Health current Trauma Services Plan.

> Longer-range helicopters and quicker tasking mean that inter-hospital transfers can be arranged earlier. In 2009, 14 per cent of inter-hospital transfers were initiated while the patient was still at the accident site This was not able to be done in 2004.

> Standardisation of helicopters and operating procedures have permitted improvements to reduce the time taken from triple zero call to tasking of helicopters for pre-hospital trauma cases.

> Ambulance can now transfer patients that could not be transported under the previous arrangements – patients with a body weight greater than 120kg, critically ill heart and lung patients needing Extra-Corporeal Membrane Oxygenation (ECMO) machines and cardiac patients requiring specialised treatment.

> Under CHC Australia there were nil days (May 2007 to Sep 2009) when Ambulance did not have access to a helicopter that could fly in poor weather compared to 23 days (July 2006 to May 2007) under previous arrangements

> Under CHC Australia there have been no missions where critical care missions were either delayed or not responded (excluding days of severe weather where no aircraft could fly eg. dust storms) compared to 72 occasions (July 2006 to May 2007) under previous arrangements

> That the average down time for the Sydney and Orange helicopters was well under the allowed hours. The Wollongong helicopter averaged 6.4 hours over the allowed 20 hours per month.

WOLLONGONG HELICOPTER
The Wollongong helicopter averaged 6.4 hours over the allowed 20 hours downtime per month. The availability of the Wollongong helicopter has been impacted by three unscheduled maintenance services over the last twelve months. These episodes were not mission related and did not impact upon service delivery. Nonetheless, the relevant financial penalties under the contract have been imposed on the provider.

ORANGE HELICOPTER
Ambulance reviewed the need to extend the operating hours of the Orange helicopter during 2009. The review identified there was not sufficient demand at this time to warrant an increase to a 24 hour service. Ambulance continuously monitors the missions undertaken from Orange to assess whether a winch could have been used. Over the last three years this has averaged less than one potential winch mission every four months. Given the high training requirements, costs and operational risks, such low activity does not justify winch operations with the Orange helicopter.

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AMBULANCE FACTSHEET

MEDICAL VERSUS RESCUE FUNCTION
The primary function of the Ambulance Helicopter Emergency Medical Service (HEMS) is not rescue: The primary responsibility of HEMS is to ensure that its helicopters are able to transfer a medical team and patients when needed. Previous comments in the media appear to confuse Ambulance’s HEMS responsibilities with rescue functions, for which NSW Police are responsible.

COMPANY OWNERSHIP
Ambulance was kept informed of the potential changes to CHC Australia. Additionally, rights and obligations under the contract cannot be assigned without Ambulance written consent.

NEW BASE
Ambulance engaged a consultant to identify a permanent location for the Sydney HEMS base, and received a report in August 2010. No decision has been made at this time.

INCREASED COSTS
The new contract and new arrangements are not the same as before. Ambulance conducted a number of reviews and found that demand, standards and operational complexity had grown considerably and that performance standards and service levels had dropped below those acceptable to Ambulance. New enhanced contract arrangements were required. The current contract has much higher specifications and obligations regarding helicopter availability, helicopter performance and safety standards than previous arrangements; hence higher contract costs.

TENDER CONCERNS
Two minor issues were noted by the probity audit and independent review of the tender process conducted in 2006. One related to the examination of the degree of compliance with tender requirements by a lower ranked tenderer and one related to the method of comparing costs amongst tenders. With both issues the probity audit, the independent review and now the Audit Office review concluded that these were minor and did not in anyway undermine the rigour of the tender process nor influence the final decision.

HELIQUARTER PERFORMANCE MONITORING
Ambulance is introducing through a phased approach a new operations computer software into the Aeromedical Operations Centre. This software will enable Ambulance to better monitor and report on a range of indicators including response times and aircraft availability. The aim is to enable Ambulance to regularly report and publicly publish similar key indicators of performance as published for road ambulance services.

WORKLOAD DECREASE
All helicopter activity including Child Flight has decreased in 2009-2010. The reasons for this are multiple and mostly related to factors beyond Ambulance. An element of the decrease is because the improved aeromedical capacity has seen patients transported to the right hospital the first time and factors such as improved capacity in regional hospitals and changes in the ways Area Health Services organise patient transfers.

FUTURE CONTRACTS
Ambulance will review the effectiveness and efficiency of current regional helicopter arrangements before committing to new contracts. As helicopters for Ambulance work as a network, the activity of the Greater Sydney contract is an important component of any review of regional arrangements.

AIR CONDITIONING
The Technical Review of helicopter requirements did not indicate the need for air conditioning. Under previous arrangements only one of the four helicopters in the Greater Sydney Area was air conditioned and there was no operational experience suggesting that air conditioning was required. The majority of rescue helicopters in Australia were, and still are, not air conditioned because of the negative impact it has on weight and performance.

OPERATIONAL CAPABILITIES OF THE EC145
The specifications and operational capabilities of the EC 145 were considered without the inlet barrier filters, as they were not available at the time of the tender process. After the tender decision but prior to the delivery of the aircraft the inlet barrier filters became available as an option from the manufacturer to reduce engine wear.

CHC Australia had the barrier filters fitted as a matter of good business practice. However, once the final weight calculations of the aircraft were conducted, which can only be done close to operational commissioning, the effect of the barrier filters on the expected operational capacity of the aircraft became apparent. The filters were removed and the performance of the EC 145 is now as expected and specified during the tender process. The range and weight carrying capacity (approximately 180kg) of the aircraft has improved significantly.

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Audit recommendations

1. Ambulance should ensure, in consultation with the helicopter operators that the improvements recommended by the safety audit of the Orange helicopter landing site are followed
   **ACTION:** Ambulance commissioned a review of the Orange Hospital helicopter landing site prior to the audit. Ambulance introduced the recommendations of the safety audit to limit the circumstances under which the current hospital landing site is used. The limitations apply to all helicopters including all previous helicopters not just the EC145. These limitations do not apply to the helipad at the new hospital.

2. Ambulance should provide more comprehensive information on its helicopter emergency medical services performance to the public
   **ACTION:** Once Ambulance introduces the new Aeromedical Operations Centre software the aim is to enable Ambulance to regularly report and publicly publish similar key indicators of performance as published for road ambulance services.

3. Ambulance should explore whether any financial compensation should be sought for lost capability resulting from the installation of the inlet barrier filters.
   **ACTION:** While Ambulance intends to explore the feasibility of this, the complexity of operational decision making around choice of aircraft will make retrospective analysis time consuming and may not be a cost effective analysis.

4. Ambulance should ensure that AmbFlight is implemented and fully functional.
   **ACTION:** The new Aeromedical Operations Centre software, AmbFlight, is currently undergoing user acceptance testing.

5. Ambulance should advise the public on the permanent location for the Sydney HEMS base and its impact on operations once this decision is made.
   **ACTION:** Ambulance has received the report from the consultant, which is currently being considered. No decision has been made as this time and discussions with the Department of Planning and the Land and Property Management Authority will be required before any decision is finalised.

6. Because of the apparent change in demand across NSW, Ambulance should review the effectiveness of all helicopter emergency medical arrangements before extending the CHC contract or executing any new regional contracts.
   **ACTION:** Ambulance will review the effectiveness and efficiency of current regional helicopter arrangements before committing to new contracts. As helicopters for Ambulance work as a network, the activity of the Greater Sydney contract is an important component of any review of regional arrangements.

7. Ambulance should ensure through its contract management that helicopter operators gain appropriate authorisation for any changes that may influence delivery capacity of the helicopters.
   **ACTION:** Ambulance conducts regular contract meetings with all helicopter providers. All modifications to the aircraft except those required by law require the authorisation of Ambulance. All modification requests are considered by an independent aviation advisor.

8. Ambulance should continue to ensure CHC appraise them of any possible changes in corporate direction that could affect their role in Australia.
   **ACTION:** Ambulance was kept informed of the potential changes to CHC Australia. Additionally, rights and obligations under the contract cannot be assigned without Ambulance written consent.