

# **Role of The Royal Children's Hospital Foundation in Helping the Sick Kids of Victoria**

By Peter Yates AM, Chairman, The Royal Children's Hospital Foundation



# Overview



1. The RCH today
2. How the RCH Foundation evolved
3. Roles and responsibilities of government/community partnership
4. How we are structured today
5. The grant-making process
6. The opportunity for Hong Kong and its community
7. The future for the RCH Foundation



## OVERVIEW OF

# The Royal Children's Hospital (RCH)



- **One of world's top five children's hospitals**  
Great Ormond Street, Toronto Sick Kids, Boston Children's, Children's Hospital of Philadelphia, The Royal Children's Hospital
- **In 2014/15:**
  - 84,482 children received urgent care in the Emergency Department
  - 250,000 appointments were held in the Specialist Clinics
  - 19,000 surgeries were performed by theatre teams
  - Approx 28% of all paediatric care in state of Victoria was delivered by RCH
  - 45% of inpatients cases were deemed complex
- **RCH Foundation:**
  - In 2016 will raise approximately AUD\$45 million (HK\$260 million)
  - Has a corpus of approximately AUD\$170 million (HK\$990 million) funds under investment
  - Distributes \$AUD30-\$40 million (HK\$235 million) to the RCH and its campus partners annually
  - Has AUD\$120million (HK\$700 million) in forward commitments over the next five years

# The journey



- Influential women's only committee of management
- History and role of community engagement
  - 1870: Raffles, bazaars, schools for basic needs
  - 1890s: First media based appeal supported by the Argus
  - 1900: Only 10% of expenses came from government
  - 1922: Formation of the Auxiliaries
  - 1931: Newspaper: Good Friday Appeal in 1931
  - 1957: Telethon: Good Friday Appeal
  - 1989: Formation of RCH Foundation
  - 2006: Major participant sports: Run for the Kids



# Government and community partnership

## HOW IT HAS WORKED... FOR MAJOR CAPITAL WORKS



- In 1900 more money was raised for a new hospital than any other charitable organisation at the time and eradicated the debt. Government contributed nothing
- In 1960, £434,000 or AUD\$12.5 million in today's dollars was fundraised for a new building. The government committed £3.5m
- The newest RCH building was a build/own/transfer with a major financial investor. There was no community fundraising



# Government and community partnership



## ...FOR OPERATIONAL FUNDING

- In the State of Victoria public hospitals are free to all Australians
- Government funds the hospital using a case mix funding method; meaning a set amount is paid by the government to a public hospital to treat a certain health issue
- Where government funding stops and philanthropy begins is a complex border. The RCH Foundation uses an 'excellence' test, asking whether a grant is adding to the excellence quotient



# How we are structured today

- **Melbourne children's campus – four partners**
  - Research partner - Murdoch Childrens Research Institute, the leading paediatric research centre in Australia
  - Teaching partner - University of Melbourne Department of Pediatrics
  - Clinical partner - RCH
  - Fundraising partner - RCH Foundation
- **Good Friday Appeal Board**
- **RCH Foundation Board**
  - Grants Committee
  - Executive and Finance Committee
  - Auxiliaries Committee
  - Investment Committee
  - Audit Committee



# How we are structured today CONT



- **RCH Auxiliaries**
  - More than 60 Auxiliaries and 1,000 members
  - Based across Victoria
- **Community fundraising and donations**
- **Giving circles**
  - RCH1000
  - Impact5000
  - Leadership Circle
- **Corporate engagement**
  - Workplace giving
  - Corporate partnerships
- **Major gifts and bequests**





# The grant-making process



- **Grants are made into one of four areas:**
  - Leadership, education and training
  - Equipment and technology
  - Research
  - Patient and family centred care
- **Grants Committee comprises:**
  - Chairman of RCH Foundation
  - Foundation CEO
  - Hospital CEO
  - MCRI CEO
  - Department of Paediatrics CEO
  - Deputy Chairman of RCH Foundation
  - Additional Foundation Board member
- **Grants Committee meets quarterly with dedicated Grants Program Manager**



# The grant-making process CONT

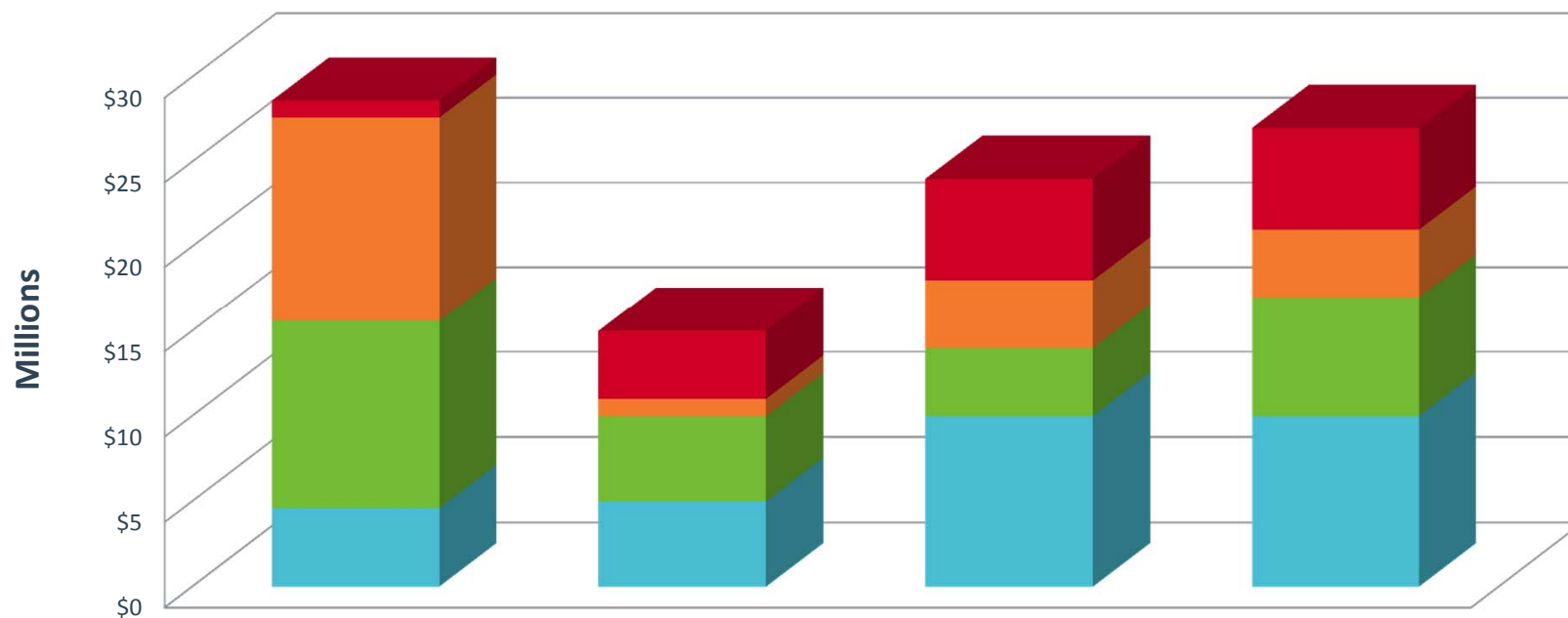


- Grants may only be submitted with the signature of the CEO of the RCH. Research proposals must also be countersigned by the CEO of MCRI
- **The Grants Committee focuses on whether:**
  - the proposal creates excellence
  - the costs seem reasonable
  - this an appropriate use of donor funds
- **Strong acquittal process**
- **Reporting to donors on the impact of their support**



2011-2015

# Distributions by funding principles



	2011/12	2012/13	2013/14	2014/15
<b>Research</b>	\$5 million	\$5 million	\$10 million	\$10 million
<b>Leadership, Education &amp; Training</b>	\$11 million	\$5 million	\$4 million	\$7 million
<b>Equipment &amp; Technology</b>	\$12 million	\$1 million	\$4 million	\$4 million
<b>Patient &amp; Family Centred Care</b>	\$1 million	\$4 million	\$6 million	\$6 million

# Leadership, education and training

## The Geoff and Helen Handbury Chair in Adolescent Health

- A major gift to endow, in perpetuity a Chair in Adolescent Health
- Enhance the work of adolescent health by developing a Department of Adolescent Medicine
- Enable strong clinical leadership, clinical expertise and innovation
- Enhances research leadership in adolescent health

## Dame Elisabeth Murdoch Nursing Development Scholarship

- Created in 2009 to advance the talent of RCH nurses
- Each year, a scholarship of \$50,000 enables one nurse to further develop their skills to improve patient care



# Equipment and technology



## MR PET

- Allows Magnetic Resonance (MR) and Positron Emission Tomography (PET) imaging to be obtained in the one machine simultaneously, setting a new standard in imaging technology

## EOS Imaging System

- A radical improvement on plain radiography, which allows simultaneous right angle images to be captured in the upright position from head to toe in less than 25 seconds
- Uses a unique linear scanning process that eliminates parallax and magnification errors at one tenth of the radiation dose of plain radiography



# Research



## Near miss NHMRC funding

- The NHMRC project grant scheme involves a rigorous peer review process. However, there has been a decrease in the success rate of National Health and Medical Research Council (NHMRC) project grants as a result of:
  - Increased cost of research
  - Increased number of overall research proposals
- Therefore the MCRI and the RCH Foundation jointly fund “near miss” grants, to provide partial funding to support 10 projects that received a very good score in the NHMRC grant scheme, but did not receive funding



## Health services delivery research funding

- Set up to identify the most effective ways to organise, manage, finance, and deliver high quality care, reduce medical errors and improve patient safety
- Focuses on delivery and access to care, in contrast to medical research, which focuses on the development and evaluation of clinical treatments

# Patient and family centred care



## Transition Support Service

- Provides holistic care, support and education for young people and their parents and carers as they transition from paediatric to adult health care

## Wadja Aboriginal Family Service

- Provides excellence in health services to indigenous children and their families. Since establishment in 2009, the program has:
  - Increased the number of patients identifying as Aboriginal
  - Increased attendance rates at the Wadja Health Clinic
  - Developed and promoted an e-learning package for staff about cultural safety
  - Partnered with the University of Melbourne to co-lead roundtable discussions in Indigenous Child Health; the first initiated in Victoria



# The opportunity for Hong Kong and its community



- The State of Victoria and Hong Kong are broadly the same in terms of population and GDP

	GDP (AUD)		Population
Hong Kong	\$260b	7.03 million	
Victoria	\$290b	5.90 million	

- The Hong Kong Hospital Authority Foundation last year raised over A\$6 million
- In Victoria, philanthropic funds for public hospitals, excluding RCH and Peter MacCallum Cancer Centre, raise a similar dollar amount
- Including the fundraising for RCH, that figure increases to over \$45 million. It increases to \$65 million when Peter MacCallum is added





# The future for the RCH Foundation



## Further commitment to the RCHF model

- Stand-alone foundation with strong governance
- Community engagement and support
- Influential partners
- Alignment with strategic objectives of the hospital

## Drive growth in core operations

- Increase annual giving - \$AUD60 million by 2020
- Continue to grow major gifts

## Capitalise on once in a lifetime opportunity

- Celebrate 150 years of the hospital
- Capital campaign to raise a large endowment



Image: Herald Sun