better research, better policy, better health

Annual Report 2007-2008
Our vision, evidence from health research is considered fundamental to policy to improve the health of the community.

Our mission, to improve health, health services and programs by increasing the use of research in policy making.
“There was a commonly held view among those engaged in the review process that without the Sax Institute, research assets would not have been developed, capability would not have been enhanced and translation of research findings into policy would not have occurred. There was a general view that if the Institute did not exist it would have been necessary to invent it.”

[quote from report of the independent review, 2007]
Health research can make a major contribution to addressing many of the health challenges facing Australia including closing the gap in life expectancy between Indigenous and non-Indigenous Australians, finding ways to help people remain healthy and independent as they age, and improving the performance of our health system. The key role that evidence from research can play in informing health policy is recognised by the NSW and Federal governments.

The Sax Institute aims to improve health, health services and programs by increasing the use of research in policy making. This year has seen an affirmation of the value of the Institute’s work to policy makers and to researchers, and an expansion of our programs.

In 2007, NSW Health commissioned an independent review of the Sax Institute to examine its impact at the end of its second term of funding. The review was undertaken by Professors Judith Whitworth (from the Australian National University) and Helen Roberts (from the University of London) and included interviews with many of the policy makers and researchers who work with the Institute. The review team commented that the Institute had made:

inishting progress in building research capacity, developing research assets and linking policy and research evidence.

[quote from report of the independent review, 2007]

Following the review, the Minister for Health agreed a further 5 years of funding for the Institute. This has offered us the opportunity to consider how the Institute can best contribute to improving health and health care in NSW and has resulted in a new strategic plan for 2008–2013.

This year has seen a number of major achievements as outlined in this report. Some of my personal highlights include seeing:

1. The 45 and Up Study become the largest cohort study in the southern hemisphere recruiting 125,000 participants and many research groups and policy agencies interested in using data from the study.

2. A major expansion of our work with policy agencies including new programs with NSW Treasury, NSW Department of Premier and Cabinet, The Australian Commission for Quality and Safety of Health Care and the Victorian Department of Human Services.

3. The results of many years work between the Institute and the Aboriginal Health and Medical Research Council culminate in the 2008 Aboriginal Health Research Conference. The conference attracted over 300 people from across Australia and illustrated many research partnerships between Aboriginal communities and researchers in NSW.

These achievements would not be possible without the contribution of researchers in NSW and I would like to thank our members for their support and commitment to increasing the use of evidence from research in policy. We are also very grateful to the many partner agencies that have generously supported our work.

I would also like to thank my fellow Board members for their hard work and enthusiasm during the year. On behalf of the board I commend the dedication and leadership of the Chief Executive Officer, the management team and all the staff at the Institute.

We hope that evidence from health research will increasingly be considered as an integral part of making and evaluating health policy. We look forward to building on the achievements of the Sax Institute to ensure that the best possible evidence is readily available to contribute to health policy.

Irene Moss AO Chair
2007-2008 Highlights

This year has seen an affirmation of the value of the Institute’s work to policy makers and to researchers, and an expansion of our programs.

- The 45 and Up Study became the largest cohort study in the southern hemisphere reaching 125,000 participants at the end of the year.

- Strong Foundations, Strong Futures, the second Aboriginal health research conference in NSW, demonstrated the increase in research capacity from the work of the Coalition for Research to Improve Aboriginal Health.

- A substantial increase occurred in the number of policy agencies using our programs to increase the impact of research on policy.

- Innovative approaches to increasing the use of research in policy were developed.

- The funds leveraged for research in NSW over the past 3 years from the work of the Institute rose to over $16 million.

- The independent review of the Institute commissioned by NSW Health gave us a very positive report, following which we were refunded for five years.
the institute
The Sax Institute is an independent, not-for-profit organisation with a governance board. It receives core funding from NSW Health and earns further funds from government, non-government, philanthropic and competitive research funding agencies.

The Institute has as its members 37 public health and health service research groups and their Universities. Our members include almost all of the health researchers in NSW, many of whom are international and national leaders in their fields. A list is provided on page 32.

Our mission is to improve health, health services and programs by increasing the use of research in policy making. We:

1. Support policy organisations to use evidence from research to inform health policy and decision making
2. Build infrastructure to generate research that is vital to health policy
3. Lead the development of knowledge about how to increase the use of research evidence in policy

“The board has a considerable range of expertise and board members are clearly engaged with, and committed to the Institute. The review felt that this was a significant strength.”

[quote from report of the independent review, 2007]
Board of the Sax Institute

The board has an independent chair, three independent members appointed by the board, three Directors nominated by University Members, three Directors voted by Ordinary Members, a Director appointed by NSW Health and the CEO. The Board has an Audit and Risk Management Committee, chaired by Mr Michael Lambert (see page 41).

Ms Kim Anderson, CEO, thereadingroom.com and Media Consultant

Professor Bruce Armstrong, Director of Research, Sydney Cancer Centre & Professor of Public Health and Medical Foundation Fellow, University of Sydney

Associate Professor Marion Haas, Associate Professor of Health Services Research, Deputy Director of the Centre for Health Economic Research and Evaluation (joined 14 January 2008)

Professor Michael Hensley, Dean of Medicine, Faculty of Health, University of Newcastle

Mr Michael Lambert, Managing Director, Corporate Finance, Head of Government and Transport, ABN Amro and former Secretary to the NSW Treasury

Mr Christopher Paxton, Director, Crescendo Partners

Dr Denise Robinson, Deputy Director General (Population Health), Chief Health Officer, NSW Health (resigned 2 May 2008)

Professor Glenn Salkeld, Head and Associate Dean, School of Public Health, The University of Sydney (joined 25 January 2008)

Professor Sally Redman, Chief Executive Officer, the Sax Institute (ex officio)

Professor Peter Smith, Dean of Medicine, The University of New South Wales

Dr Irene Moss, Chair, formerly Commissioner Independent Commission Against Corruption and NSW Ombudsman

Associate Professor Alan Cass, Director Renal Division, The George Institute for International Health, University of Sydney

Professor Kenneth Hillman, The Simpson Centre for Health Service Research, University of NSW (resigned 14 January 2008)
New Phase for the Institute

Over the past year, we have extensively reviewed our achievements and considered opportunities and priorities for the future. As our current funding phase came to a close in June 2008, the Board developed a new five year strategy.

2007 – Independent review

NSW Health commissioned an independent review of the Institute that was undertaken by Professor Judith Whitworth and Professor Helen Roberts in July and August 2007. The findings of the review were extremely positive declaring the Institute had made significant progress and sound achievements against all deliverables.

There was a commonly held view among those engaged in the review process that without the Sax Institute, research assets would not have been developed, capability would not have been enhanced and translation of research finding into policy would not have occurred. There was a general view that if the institute did not exist it would have been necessary to invent it.

[quote from report of the independent review, 2007]

The review pointed to a number of key achievements of the Institute over this funding period (see box) and noted that:

… the reviewers were impressed by the contribution the Sax has made to relationship building between policy makers and researchers; their capacity to listen and respond to service priorities; and the role they are playing as cultural change agents in the use of research evidence to inform policy.

[quote from report of the independent review, 2007]

Some of the outcomes identified by the review team

The review team reported that the Institute has:

① Developed and implemented new programs to support policy makers use of evidence; policy receptivity and demand for the Institute’s policy impact programs has increased rapidly over the funding period. Through a range of programs and initiatives, the work of the Institute has contributed significantly to improving access to evidence to address policy priorities in NSW.

“The reviewers noted the Sax Institute was recognised by senior officials as having great value in providing evidence to assist policy formulation.”

② Had a significant impact on the capacity in public health and health services research to generate and deliver evidence for policy. The Institute has developed major research assets which will be of increasing value to research and policy in NSW and established many research partnerships and large scale research and policy collaborations attracting significant funding, including the 45 and Up Study, SEARCH, HERON, and Aboriginal health research capacity building grant.

“The reviewers commend the Institute for the outstanding progress in building research capacity, developing research assets and linking policy and research evidence.”

③ Made a substantial contribution to the increase in the proportion of funds from new grants awarded by NHMRC for public health and health services research that come to NSW.
The future 2008–2013

Following the independent review, the NSW Minister for Health approved a five year funding agreement for the Institute, providing support from 2008 – 2013.

This five year investment in the Institute will enable significant development of the existing and new programs. With the certainty of funding, the Board agreed a new strategic plan that can be found at www.saxinstitute.org.au. The strategic plan includes a refined Vision, Mission and Objectives for the Institute as follows:

Our vision

Evidence from health research is considered fundamental to policy that improves the health of the community.

Our mission

To improve health, health services and programs by increasing the use of research in policy making.

Our objectives

The Sax Institute provides a bridge between health research and policy. Our objectives are:

1. To implement systems to support the use of research in policy for health
2. To build the capacity to produce new research evidence that is relevant to policy for health
3. To contribute to global knowledge about the best methods to increase the use of research evidence in policy
4. To continue to build a sustainable and effective organisation
The review on the cost effectiveness of certain treatments and screening for Hepatitis C went to the Ministerial Advisory Committee to inform policy development and the commissioning of further research to address identified gaps in the evidence.
Increasing the Use of Research in Policy

It is urgent that we increase the use of evidence in health decisions. Over the next forty years, expenditure on health as a proportion of GDP is expected to double. Decisions about the best use of scarce resources for health will become more difficult and the need for evidence more urgent. Governments are beginning to respond. The NSW State Health Plan (Towards 2010) emphasises the importance of translating and using best research evidence to drive health policy and practice.

Prime Minister, Kevin Rudd, made clear his support for the use of evidence in policy in a recent speech to senior public servants: “Policy innovation and evidence based policy making is at the heart of being a reformist government…We’re interested in facts not fads”.

Our role

The Sax Institute assists policy makers to:

- Analyse their research needs and priorities
- Access existing research findings
- Identify emerging research findings of policy relevance
- Generate new policy relevant research through partnerships
- Exchange ideas and information

Major achievements in 2007–2008

- Demand for our policy analysis and review services and programs increased significantly over the last year. The Institute initiated new policy programs with NSW Health, NSW Treasury, NSW Department of Premier and Cabinet, NSW Department of Ageing, Disability and Home Care, Greater Metropolitan Clinical Taskforce and the Victorian Department of Human Services.

The independence of the Institute is of great value in developing the rapid review capacity.

[quote from report of the independent review, 2007]

- Thirteen new research reviews were developed for policy agencies to inform policy priorities. This brings the total number of reviews commissioned so far by the Institute to thirty. These reviews were completed by health researchers with expertise in the area. Examples this year included:
  - Effectiveness of early interventions for autism. NSW Department of Ageing, Disability, and Home Care. NSW Department of Ageing, Disability and Home Care – (R. Sanson-Fisher)
  - Effectiveness of respite services in delivering outcomes for carers and care recipients. NSW Department of Ageing, Disability, and Home Care (L. Parkinson)
  - Current and future health workforce demand, supply and distribution evidence. NSW Treasury (D. Schofield)
Effectiveness of workplace health promotion programs in preventing chronic disease – Victorian Department of Human Services (B. Bellew)

Strategies for improving the health of indigenous people – NSW Health (R. Sanson-Fisher)

The impact of providing after hours care on acute care utilisation – NSW Health (M. Fry)

Best-practice recommendations for physical activity to prevent falls in older adults – NSW Health (S. Lord)

Items for measuring physical activity that is beneficial for falls prevention in older adults – NSW Health (A. Bauman)

“It is wonderful piece of work which we are using to influence decisions already”

Shelley Bowen, Principal Policy Manager, Victorian Department of Human Services

The Institute provided policy makers with a gateway to research expertise to assist in policy formulation. For example we linked NSW Health policy makers and researchers for discussion about one stop health care shops, junior medical officer assessment systems and after hours GP care.

New ways of establishing research partnerships between policy agencies and researchers were developed. For example, the MBF Policy in Action Roundtable brings together representatives from state and commonwealth government agencies, research institutions, non-government organisations and the private health sector to maximise the use of the 45 and Up Study. In this year, four research partnership projects arose from the Roundtable and are currently underway.

The Institute assisted policy agencies to analyse their research needs. For example, the Australian Commission for Safety and Quality in Health Care commissioned a research framework to provide a systematic approach for using evidence from research when establishing and evaluating their programs. This is available at www.safetyandquality.org

Many opportunities for exchange between researchers and policy makers were offered. The Institute hosted nine formal and informal seminars and meetings between researchers and policy makers; for example, we held:

- a forum to examine opportunities for hospital reform featuring an international guest speaker Kieran Walshe, Research Director of the National Institute for Health Research Service Delivery and Organisation Programme (SDO) in the UK. The forum was attended by around 80 senior policy makers, health services researchers, clinicians and health service managers.

- a roundtable involving researchers from University of Sydney, NSW Health Population Health Directors, and representatives from Area Health Services to examine the most effective and cost effective early intervention strategies and health promotion campaigns for adult and child obesity.

- a forum in collaboration with the Centre for Health Record Linkage to examine the role linked data research can play in the evaluation and state wide roll out of the NSW Health and NSW Department of Community Services joint Aboriginal Maternal and Infant Health Strategy. The forum was attended by senior policy makers from a range of NSW agencies and senior aboriginal health researchers from a range of NSW centres and Universities.
Outputs

- Thirteen new commissioned research reviews
- Evidence that the reviews were used in policy decisions. For example the “Cost-effectiveness of Antiviral Treatment and Screening for Hepatitis C” review report has gone to a NSW Health Ministerial Advisory Committee on Hepatitis to inform policy development and the “HACC services with a respite effect: respite and centre based day care” is being used to inform the next stage of the HACC Respite Care and Centre Based Day Care Evaluation
- Four policy agencies using data from the 45 and Up Study
- New models for increasing the use of research in policy developed

In 2007 the Sax Institute launched the PulsE, e-bulletin.

Designed to meet the needs of a busy policy maker, PulsE provides easy access to summaries of newly published international systematic reviews of population health and health services research evidence.

As an interactive bulletin – one click on the summary that is of specific interest and the reader is taken to a 10 line summary of the findings. One more click takes the enthusiast to the complete original review.

PulsE is now distributed to over 150 subscribing policy makers and health professionals throughout the health system in NSW and beyond.

To read previous PulsE editions and reviews or to join the distribution list go to www.saxinstitute.org.au
“The reviewers were very impressed with the achievements in the development of research assets. These will be of increasing value to research and policy in NSW.”

[quote from report of the independent review, 2007]
Building Research Capacity

Australia needs a better evidence base to inform policy development and evaluation. For example, there is an urgent need to:

① Understand what works to reduce disparities in health, such as closing the gap in Indigenous life expectancy
② Better understand the operation of our health system and how best to improve performance
③ Be able to evaluate the impact of policies and health programs in Australia as they are implemented

Policy development requires evidence that is timely and locally relevant and this can be assisted by:

① Research infrastructure, such as registers, cohorts and improved methods
② A better supported research workforce
③ Improved integration between policy makers and researchers in designing and implementing research

Our role

We build capacity for policy relevant research by developing research assets and capabilities and by strengthening the research workforce.

We have had a special focus in developing research capacity in:

① Understanding healthy ageing
② Improving Aboriginal health
③ Improving the quality and safety of health services
④ Using economic evidence in health policy
“The 45 and Up Study, in particular, is a flagship for the Institute.”

[quote from report of the independent review, 2007]
Understanding Healthy Ageing
The 45 and Up Study

Australia has an ageing population; over the next 15 to 20 years, the number of people aged over 65 is expected to increase by 50 per cent and expenditure on health and aged care services will substantially increase. It will be vitally important to understand how people can remain healthy and independent as they age.

Our role
The 45 and Up Study was launched in 2006 by the Sax Institute to create a research asset to help understand healthy ageing and to better plan services and programs for an ageing population. It is the largest study of healthy ageing in the southern hemisphere, recruiting 250,000 men and women aged 45 and over across NSW, or 10% of this age group. The Study will follow the health of participants over the coming decades through follow up surveys and record linkage.

The 45 and Up Study is an open source research asset. Researchers and policy makers are encouraged to use the resource to undertake world-leading and policy-relevant research. The 45 and Up Study partners are the Cancer Council NSW, the National Heart Foundation (NSW Division), NSW Health, the NSW Department of Ageing, Disability and Home Care and beyond blue: the national depression initiative.

Major achievements in 2007–2008

1. The 45 and Up Study became the southern hemisphere’s largest cohort study in 2008. By the end of June 2008, 125,000 participants were enrolled and full recruitment of 250,000 will be complete by the end of 2008.

2. The value of the baseline questionnaire data was enhanced by linkage to routinely collected information such as that contained in the NSW Central Cancer Registry and the hospital inpatient and mortality data collections. This year, the Centre for Health Record Linkage incorporated the first wave of Study participants into their Master Linkage Key (MLK). Eventually, all Study participants will be included in the MLK, allowing ongoing linkage with the major routinely collected data sets, and building an increasingly rich resource for policy-relevant research.

3. The Cancer Council NSW provided funding for a pilot study of biospecimen and biodata collection from 1,000 45 and Up Study participants. The addition of physical measures and biospecimens to the 45 and Up Study will greatly increase the potential of the Study to contribute new scientific knowledge nationally and internationally.

4. New methods for facilitating use of data by policy makers were established. For example, the 45 and Up Study MBF Foundation Policy in Action Roundtable commissioned its first four analyses addressing priorities nominated by the Roundtable membership. The projects will analyse the 45 and Up Study data to examine the evidence on: health insurance status; obesity and hospitalisation; high health resource utilisation; and maintaining independence. Members of the Roundtable include: beyondblue: the national depression initiative; MBF Foundation; Australian Government Department of Health and Ageing; NSW Health; the Cancer Council NSW; and, NSW Department of Ageing Disability and Home Care.
The 4th Annual Study Collaborators meeting brought together 110 researchers, policy makers and stakeholders to discuss progress with the Study and opportunities to use the data. The meeting featured a keynote address by Professor Eugenia Calle, of the American Cancer Society, on how American Cancer Society cohort studies have shaped our understanding of risk, with particular emphasis on the effects of obesity.

**Outputs**

- By June 2008, The 45 and Up Study had earned $8 million to support the cohort and to undertake research using the resource.
- By June 2008 over 30 applications to use Study data have been given approval by the Scientific Advisory Committee, 13 of which have commenced. These projects include studies examining:
  - social, economic and geographic disadvantage on the health of Australians in mid to later life
  - met and unmet needs for home care in NSW
  - aged care trajectories and influences on patterns of aged care service use
  - mental health
  - oral health
- A growing number of policy agencies are using data from the Study including NSW Department of Premier and Cabinet, the Cancer Council NSW, NSW Department of Ageing and Disability and beyondblue: the national depression initiative. One such project, funded by beyondblue, is examining factors impacting on the uptake of the new Medicare Benefits Scheme mental health items relating to the use of psychologists.
- The first paper from the Study was accepted for publication in the prestigious International Journal of Epidemiology.
Early findings from The 45 and Up Study

Professor Anthony Blinkhorn and Dr Manish Arora from Population Oral Health at the University of Sydney’s Faculty of Dentistry, examined the socio-demographic and lifestyle variables associated with tooth loss among just over 36,000 of the 45 and Up Study’s participants. Their study identified a range of factors which impact significantly on oral health, providing new evidence and guidance for policy.

“It’s widely recognised that oral health is integral to overall health. Poor oral health directly impacts quality of life and has been linked to a number of systemic disorders, including cardio-vascular disease, cancer, and neonatal problems.”

www.45andup.org.au

Building capacity
“Engagement of researchers across NSW has been remarkable in particular with respect to Aboriginal Health.”

[quote from report of the independent review, 2007]
Aboriginal people have significantly worse health outcomes than non-Aboriginal Australians. NSW is home to more Aboriginal people than any other state, yet little is known about their health needs or how their health might be improved.

Our role

The Coalition for Research to Improve Aboriginal Health (CRIAH), a partnership between the Sax Institute and the Aboriginal Health and Medical Research, was established to:

1. Develop a better understanding between researchers and Aboriginal communities
2. Ensure the findings of research impact on policy and practice
3. Develop programs in areas perceived as important by Aboriginal communities
4. Build capacity among Aboriginal health researchers

Major achievements in 2007–2008

1. The Study of Environment on Aboriginal Resilience and Child Health (SEARCH), the first large scale longitudinal study of the health of urban Aboriginal children commenced recruitment at Western Sydney Aboriginal Medical Service. Over the coming year, SEARCH will work with six Aboriginal Medical Services to recruit an estimated 2000 Aboriginal children from 800 families. The study will provide a unique insight into the health of urban Aboriginal children and particularly explore the links between environment, resilience and health outcomes. In this year, an additional NHMRC project grant was awarded to explore hearing, speech and language development among the cohort.

2. The NHMRC Capacity Building Grant continued to support 9 early career researchers, 7 from Indigenous backgrounds. A series of workshops was held to help these researchers build their skills in: developing research partnerships with Aboriginal communities; conducting systematic reviews; analysing intervention studies; and using geographic information systems. One of the researchers supported by the Capacity Building Grant was awarded a prestigious Fulbright Scholarship to study in the United States, while another was awarded an NHMRC post-doctoral fellowship to continue work investigating mental health in Aboriginal people.

3. The ‘Tools for Collaboration’, a set of interactive resources developed to provide information and resources to assist researchers work in partnership with Aboriginal communities were launched and can be found at: www.saxinstitute.org.au
Closing the Gap in Indigenous Health continued

The second CRIAH Aboriginal Health Research Conference, ‘Strong Foundations … Strong Future’ was held; it was attended by more than 300 delegates and 90 scientific papers were submitted for presentation. The conference demonstrated the success of CRIAH in facilitating the development of research capacity and fostering relationships between researchers and Aboriginal communities. The number of abstracts received doubled from the last conference and the number of papers with a representative of an Aboriginal organisation as a co-author also doubled, indicating an increase in research partnerships with Aboriginal communities.

The Institute led or contributed to several major research projects designed to develop a better evidence base for Aboriginal health policy including:

- A randomised trial of a smoking cessation program among Indigenous women during pregnancy (NHMRC funded: S Eades)
- A suite of work surrounding the appropriateness and validity of the Strengths and Difficulties Questionnaire for urban Aboriginal children (NHMRC funded: A Williamson)
- A feasibility study of a nutritional and physical activity program that aims to reduce type 2 diabetes among Aboriginal people with impaired glucose tolerance, led by the George Institute (NSW Health funded – A Cass and S Eades)
- An analysis of the impact of NHMRC’s policy changes on funding for Aboriginal health research (S Leon de la Barra, paper accepted for publication)

Outcomes

- There has been a substantial increase in the research dollars from NHMRC awarded to Aboriginal health research, and the percentage of the national total, flowing to NSW over the past five years as shown below.
- There has been an increase in the number of early career researchers from Indigenous backgrounds.

![NHMRC funding awarded to Aboriginal health research originating from NSW, 2001-2007](image)
2008 CRIAH Aboriginal Health Research Conference
Strong Foundations…Strong Future

On April 29 and 30 2008 more than 300 Aboriginal community members, health care professionals, researchers and policy makers came together in Sydney for the second Aboriginal Health Research Conference.

The conference demonstrated the quality and depth of research initiatives in Aboriginal health being undertaken and the partnerships between researchers and Aboriginal communities that have developed since the first conference was held in 2005. The strong presence of Aboriginal people reporting on their own research was a highlight.

“This is a conference of far reaching implications for indigenous communities. The time has come when governments, the community and health professionals are prepared to make a difference”

Her Excellency Professor Marie Bashir AC CVO

The conference presentations centred around six key themes:

1. Developing strong partnerships
2. Improving the evidence base
3. Improving capacity
4. Priority areas for policy and intervention
5. Positive frameworks
6. Improving care in the mainstream

At the CRIAH conference the Federal Minister for Families, Housing, Community Services and Indigenous Affairs, The Hon Jenny Macklin, launched the biennial Health and Welfare of Australia’s Aboriginal and Torres Strait Islander People report. The NSW Minister for Health, The Hon Reba Meagher, opened the second day of the conference and signed a five year partnership agreement with the Aboriginal Health and Medical Research Council.

The conference report is available at www.saxinstitute.org.au.

building capacity
“Our staff at Liverpool Hospital are very excited about the HARC research project on patient flow because they can see how relevant it is to patient care”

A/Director of Nursing and Midwifery Services at Liverpool Hospital
Improving the Quality and Safety of Health Services

Around ten percent of Australian GDP is spent on health care and seventy percent of the NSW health budget is spent on hospital care. The NSW State Health Plan emphasises NSW’s commitment to improve safety and quality by implementing programs to reduce health care risks; redesigning journeys to build in safety; and, improving clinical practices.

There is an urgent need for better evidence about strategies to improve the quality, efficiency and effectiveness of hospital care.

“In the past 7 years we have seen unprecedented interest in patient safety and the quality of health care… However we have also witnessed recent initiatives that emphasise dissemination of innovative but unproven strategies, an approach that runs counter to the principle of following the evidence in selecting interventions”


Our role

The Institute has sought to:

1. Build capabilities in health service research, primarily by contributing to the development of the Centre for Health Record Linkage (CheReL) which provides a world class resource for analysing health service use. We have also built capacity in the analysis of these data through workshops, training programs and the NHMRC Population Health Capacity Building Grant (HERON).

2. Promote collaboration and exchange between clinicians, researchers and policy makers to generate and use evidence through the Hospital Alliance for Research Collaboration (HARC).

Major achievements in 2007–2008

1. The HARC network, a collaboration with the Clinical Excellence Commission, now consists of 1000 members including clinicians, service providers, policy makers and researchers. In this year, through HARC, the Institute:

   a. hosted three significant health services forums to examine how research can better contribute to health system improvement. For example, in January 2008 we hosted Professor Nicholas Mays, from the Health Services Research Unit at the London School of Hygiene and Tropical Medicine and co-editor of the Journal of Health Services Research and Policy. Professor Mays presented on ‘Evaluating current market reforms in the UK National Health Service’ which was followed by a facilitated panel exploring how we could rigorously evaluate hospital reforms in NSW involving leading researchers, NSW Health executives and representative of the NSW Clinical Excellence Commission. Keynote speakers at other forums included Professor Chris Ham (University of Birmingham) and Professor Keiran Walshe (Manchester Business School).

   b. Disseminated four issues of a new quarterly e-Bulletin; the e-Bulletin is focussed on NSW and national health service policy priorities and provides ready access to summaries of national and international reviews, research and reports about health care. (see www.saxinstitute.org.au )

building capacity
The Institute led or facilitated a number of research partnerships designed to answer questions of immediate interest to policy agencies including:

- **The clinical supervision of junior doctors**: a collaboration between Port Macquarie Base Hospital, UTS and the University of Sydney funded by the NSW Institute of Medical Education and Training and the North Coast Area Health Service which resulted in a new model of effective clinical supervision for junior doctors “Hands on, Hands off” being developed.

- **The relationship between time spent in the Emergency Department, specialty of first admitting ward, and patient outcomes**: a collaboration between Liverpool Hospital, University of Sydney and University of Newcastle, and South West Sydney Area Health Service.

> “Our staff at Liverpool Hospital are very excited about the HARC research project on patient flow because they can see how relevant it is to patient care”

A/Director of Nursing and Midwifery Services at Liverpool Hospital.

- A new program of research in partnership with the Greater Clinical Metropolitan Taskforce to examine the impact of the work of the Taskforce.

- The Institute built research capacity in the use of linked data:

  - A series of forums to consider the use of linked data and large population data sets in health services research were provided on behalf of the Centre for Health Record Linkage. The forums included consideration of Aboriginal maternal and infant health, health service safety and quality, cancer and perinatal care, attracted over 200 policy and research participants from NSW and the ACT.

  - A five day intensive course in multi-level modelling was coordinated on behalf of HERON. Tutored by Professor Peter Groenewegen (The Netherlands Institute for Health Services Research) and Professor Alastair Leyland (Glasgow University, United Kingdom) the course was attended by 25 senior researchers.

  - A five day intensive data linkage course tutored by Professor D’Arcy Holman from the University of Western Australia was coordinated on behalf of ChReL and HERON. This was attended by 25 senior researchers with experience and interest in using linked data.

- HERON, the NHMRC Population Health Capacity Building Grant, continued to provide support for eight early career researchers interested in health record linkage. A new application for a further Capacity Building Grant, OSPREY, was submitted to continue this work.

- A workshop was convened at the Health Service Research Association of Australia and New Zealand’s 5th Health Services and Policy Research Conference, in Auckland. The workshop, attended by around 100 researchers, and considered the potential for using data linkage methods to produce timely policy relevant health service research.
With the aim of increasing researcher capacity in NSW for world class health services research, the Institute, in collaboration with the Health Service Research Association of Australia and New Zealand, also hosted an early career researcher workshop attended by around 100 researchers from a range of universities and research centres, with Professor Nicholas Mays, on “How to successfully publish your research”.

Outputs

- The Institute has led a substantial effort in building capacity in the use of linked data for health services research and policy. The HERON grant over four and half years has generated 61 publications and leveraged a further $3,079,158 new research funding. One HERON team investigator has taken up a professorial post, another has been awarded an NHMRC Career Development Award; team investigators have been named chief investigators on 5 successful NHMRC project grant applications.

- The research partnership program has resulted in two papers submitted for publication and a new model for the clinical supervision of junior doctors.

Health Services Research – Improving Practices
Clinical Supervision of Junior Doctors

The challenge to the health system: Recent national and international inquiries into adverse events in hospitals highlight the need to improve supervision of junior doctors. Concerns about the adequacy of Clinical Supervision on NSW were raised by the NSW Clinical Excellence Commission (CEC), NSW Institute of Medical Education and Training (IMET), and clinicians working in North Coast Area Health Service (NCAHS).

The study: the Sax Institute brokered a qualitative research study investigating the clinical supervision of junior doctors at Port Macquarie Base Hospital. The project was led by the University of Technology Sydney and supported by co-investigators from The University of Sydney, Port Macquarie Based Hospital, and the Sax Institute.

The outcomes:
1. New research evidence about the nature of the supervisory relationship
2. A new model of effective clinical supervision for junior doctors “Hands on, Hands off”
3. Recommendations for how to implement this model in the system

A copy of Hands on, Hands off is available at www.saxinstitute.org.au
Economic Evidence for Health Policy
Informing Resource Allocation

The second Intergenerational Report estimated that the proportion of GDP expended on health will double by 2040. There will be a need for increasingly sophisticated approaches to the allocation of limited resources for health.

Our role

The Sax Institute has sought to:

- Build capacity in undertaking analyses in the economics of health
- Encourage the use of the economic evidence in health policy

In 2005–2006, the Institute convened a funding coalition between NSW Health and the Cancer Institute NSW to establish a program of economic analyses, the Costing for Health and Economic Evaluation Program (CHEEP). Following a competitive tender, the Centre for Health Economic Research and Evaluation (CHERE) was appointed to undertake the analyses. In 2007, the Sax Institute established a Steering Group to further this work, bringing together representatives of NSW Health, NSW Treasury and the NSW Department of Premier and Cabinet.

Major achievements in 2007–2008

- Several projects for NSW Health are complete or underway as part of CHEEP including:
  - economic and process evaluations of Hunter New England Good For Kids. Good For Life Program
  - economic evaluation of the NSW Diabetes Prevention Program Pilot
  - development of a ‘how to guide’ and instructions for costing for use by policy agencies
  - a report on investment in obesity prevention
  - modelling the cost-effectiveness of strategies designed to prevent falls amongst the elderly

- A report was prepared by Professors Bob Elliott (Health Economics Research Unit, University of Aberdeen in Scotland) and Michael Frommer (Sydney Health Projects Group) to identify possible strategies to increase capacity in NSW to undertake economic evaluation. This will be considered by the Steering Group in 2008/2009.

- A framework to be used by policy makers to assist them in analysing and presenting the costs and benefits of health programs was commissioned. The framework will be a valuable tool for policy agencies making investment decisions across a spectrum of policy areas, and it is anticipated that it will be complete by the end of 2008.
our people
Sax Institute Staff as at June 2008

Management and Administration
Chief Executive Officer
Professor Sally Redman
Executive Assistant
Ms Elsa Skinner
Chief Operating Officer
Ms Marianne Karam
Executive Assistant
Ms Samantha Fong
Finance Officer
Ms Cecilia Au
Accounts Assistant
Ms Jocelyn Tan

Business Development and Communications
Partnership Director
Mr Adam Blake
Communications, Marketing and Events Coordinator
Ms Jane Gibson
Business Development and Private Sector Engagement
Dr Virginia Lloyd

Research Assets Program
Director, Research
Professor Louisa Jorm
Director, Research Assets
Dr Sonia Wutzke

The 45 and Up Study
Scientific Director
Associate Professor Emily Banks
Communications Manager
Ms Gillian Tatt
Manager, Study Cohort
Ms Angela Robl
Project Officer
Ms Nicol Herbert
Project Officer
Ms Alison Cowle
Data Manager
Ms Fiona Horn
Biostatistical Trainee
Mr Kris Rogers
Project Assistant
Ms Katie Elkington
Project Assistant
Mr Aaron Price

Aboriginal Health Research
Director, Aboriginal Health Research Program
Professor Sandra Eades
Adviser, Aboriginal Health Research
Mr James Ward
Business and Program Manager
Ms Nicole Cockayne
NHMRC Research Fellow
Dr Anna Williamson
Study Manager, Smoking and Chronic Disease
Ms Jessica Stewart
Study Manager, SEARCH
Ms Bronwen Taylor
Project and Community Liaison Officer, SEARCH
Ms Leone Malamoo
Project Officer, SEARCH
Mr Grant Mistler

Health Services Research
Director, Health Services Research
Dr Mary Haines
Project Officer, HARC
Dr Teresa Wozniak

Policy Impact Program
Director, Policy Impact Program
Ms Deborah Frew
Manager, Policy Impact Program
Ms Gabriel Moore
Senior Project Officer, Policy Impact Program
Ms Danielle Campbell
Our Partners and Supporters

We would like to acknowledge our core funder NSW Health and thank them for their support, contribution and partnership throughout the year.

In addition we value the opportunity to work with the following organisations and thank them for their collaboration and support in 2007-08:

Australian Commission on Safety and Quality in Health Care
beyondblue: the national depression initiative
Cancer Institute NSW
Clinical Excellence Commission
Commonwealth Department of Health and Ageing, OATHSIH
Freehills
Greater Metropolitan Clinical Taskforce
Hunt Foundation
Macquarie Bank Foundation
Mary MacKillop Foundation
MBF Foundation
Medicare Australia
National Health and Medical Research Council
National Heart Foundation Australia NSW Division
North Coast Area Health Service
Northern Rivers University Department of Rural Health, University of Sydney
NSW Department of Ageing, Disability and Home Care
NSW Department of Premier and Cabinet
NSW Health
NSW Institute of Medical Education and Training
NSW Treasury
Office for Science and Medical Research
Perpetual Trustees Managed Trusts
Public Health Association of Australia
Rio Tinto Aboriginal Foundation
Sydney South West Area Health Service
The Aboriginal Health and Medical Research Council
The Cancer Council Australia
The Cancer Council NSW
The National Heart Foundation (NSW Division)
Public health and health service research groups and universities with relevant research programs can apply for membership of the Sax Institute. Organisations that are accepted nominate an individual to be the member of the Sax Institute.

The Institute has 37 member organisations and nominees.

**Australian Centre for Health Promotion**  
The University of Sydney  
(nominated member: Professor Adrian Bauman)

**Centre for Clinical Epidemiology and Biostatistics**  
University of Newcastle  
(nominated member: Professor John Attia)

**Centre for Clinical Governance Research**  
University of New South Wales  
(nominated member: Professor Jeffrey Braithwaite)

**Centre for Evidence-Based Physiotherapy**  
University of Sydney  
(nominated member: Associate Professor Rob Herbert)

**Centre for Health Economics Research and Evaluation**  
University of Technology Sydney  
(nominated member: Professor Jane Hall)

**Centre for Health Research in Criminal Justice**  
Justice Health, NSW Health  
(nominated member: Ms Devon Indig - Acting)

**Centre for Perinatal Health Services Research**  
The University of Sydney  
(nominated member: Professor David Henderson-Smart) (retired)

**Centre for Population Mental Health Research**  
University of New South Wales  
(nominated member: Professor Derick Silove)

**Centres for Primary Health Care & Equity Research and Development**  
University of New South Wales  
(nominated member: Professor Mark Harris)

**Family Medicine Research Centre**  
The University of Sydney  
(nominated member: Associate Professor Helena Britt)

**The George Institute for International Health**  
University of Sydney  
(nominated member: Professor Robyn Norton)

**Health Behaviour Research Collaborative**  
University of Newcastle  
(nominated member: Professor Rob Sanson-Fisher)

**Health Services and Practice Research Centre**  
University of Technology Sydney  
(nominated member: Professor Doug Elliott)

**Menzies Centre for Health Policy**  
The University of Sydney and the Australian National University  
(nominated member: Professor Stephen Leeder)

**National Centre for Immunisation Research and Surveillance of Vaccine Preventable Diseases**  
The University of Sydney  
(nominated member: Professor Peter McIntyre)

**National Centre in HIV Epidemiology and Clinical Research**  
The University of New South Wales  
(nominated member: Associate Professor Andrew Grulich)

**National Centre in HIV Social Research**  
The University of New South Wales  
(nominated member: Professor Susan Kippax)

**National Drug and Alcohol Research Centre**  
The University of New South Wales  
(nominated member: Professor Richard Mattick)
<table>
<thead>
<tr>
<th>University Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of New South Wales</td>
</tr>
<tr>
<td>(nominated member: Professor Peter Smith)</td>
</tr>
<tr>
<td>University of New England</td>
</tr>
<tr>
<td>(nominated member: Professor Victor Minichiello)</td>
</tr>
<tr>
<td>University of Newcastle</td>
</tr>
<tr>
<td>(nominated member: Professor Michael Hensley)</td>
</tr>
<tr>
<td>The University of Sydney</td>
</tr>
<tr>
<td>(nominated member: Professor Glenn Salkeld)</td>
</tr>
<tr>
<td>University of Technology Sydney</td>
</tr>
<tr>
<td>(nominated member: Professor Christine Duffield)</td>
</tr>
<tr>
<td>University of Western Sydney</td>
</tr>
<tr>
<td>(nominated member: Professor Louisa Jorm)</td>
</tr>
<tr>
<td>University of Wollongong</td>
</tr>
<tr>
<td>(nominated member: Professor Don Iverson)</td>
</tr>
<tr>
<td>Associate Members</td>
</tr>
<tr>
<td>National Perinatal Statistics Unit</td>
</tr>
<tr>
<td>University of New South Wales</td>
</tr>
<tr>
<td>(nominated member: Dr Elizabeth Sullivan)</td>
</tr>
<tr>
<td>Centre for Health Services Research</td>
</tr>
<tr>
<td>The University of Sydney</td>
</tr>
<tr>
<td>(nominated member: Professor George Rubin)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>University of Sydney Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW Centre for Overweight and Obesity</td>
</tr>
<tr>
<td>The University of Sydney (nominated member: Ms Lesley King)</td>
</tr>
<tr>
<td>Northern Rivers University Department of Rural Health</td>
</tr>
<tr>
<td>The University of Sydney (nominated member: Dr Megan Passey)</td>
</tr>
<tr>
<td>Research Centre for Gender, Health and Ageing</td>
</tr>
<tr>
<td>University of Newcastle (nominated member: Professor Julie Byles)</td>
</tr>
<tr>
<td>School of Medicine and Public Health</td>
</tr>
<tr>
<td>University of Newcastle (nominated member: Professor Catherine D'Este)</td>
</tr>
<tr>
<td>School of Public Health</td>
</tr>
<tr>
<td>The University of Sydney (nominated member: Professor Robert Cumming)</td>
</tr>
<tr>
<td>School of Public Health and Community Medicine</td>
</tr>
<tr>
<td>University of New South Wales (nominated member: Professor Raina MacIntyre)</td>
</tr>
<tr>
<td>Simpson Centre for Health Service Research</td>
</tr>
<tr>
<td>University of New South Wales (nominated member: Professor Ken Hillman)</td>
</tr>
<tr>
<td>Social Policy Research Centre</td>
</tr>
<tr>
<td>University of New South Wales (nominated member: Professor Peter Saunders)</td>
</tr>
<tr>
<td>Surgical Outcomes Research Centre</td>
</tr>
<tr>
<td>The University of Sydney (nominated member: Dr Jane Young)</td>
</tr>
<tr>
<td>The Cancer Council New South Wales</td>
</tr>
<tr>
<td>(nominated member: Associate Professor Freddy Sitas)</td>
</tr>
</tbody>
</table>
Committees

The 45 and Up Study Scientific Advisory Committee

Bruce Armstrong, Professor of Public Health and Medical Foundation Fellow School of Public Health
The University of Sydney (Chair)

Emily Banks, Scientific Director, the 45 and Up Study the Sax Institute and National Centre for Epidemiology and Population Health
Australian National University

Adrian Bauman, Director Australian Centre for Health Promotion, the University of Sydney

John Beard, Clinical Professor and head, the Northern Rivers University Department of Rural Health,
University of Sydney

Valerie Beral, Head Cancer Research UK Epidemiology Unit

Julie Byles, Director, Research Centre for Gender, Health and Ageing, the University of Newcastle

Terry Campbell, Head of Department of Medicine St Vincent’s Clinical School
The University of New South Wales

Stephen Corbett, Director, Centre for Population Health, Sydney West Area Health Services

Robert Cumming, Acting Head and Professor of Epidemiology and Geriatric Medicine Centre for Education and Research on Ageing
The University of Sydney

Catherine D’Este, Professor in Biostatistics Centre for Clinical Epidemiology and Biostatistics
The University of Newcastle

Mark Harris, Executive Director Centre for Primary Health Care and Equity
The University of New South Wales

Phillip Harris, Clinical Professor, Head, Cardiology
The University of Sydney

Louisa Jorm, Research Director, the Sax Institute and Professor of Population Health School of Medicine
University of Western Sydney

Freddy Sitas, Director, Cancer Research and Registers Division
The Cancer Council New South Wales

Lee Taylor, Epidemiologist and Manager, Surveillance Methods
NSW Department of Health

The 45 and Up Study Community and Ethical Oversight Committee

Philippa Smith, former CEO The Association of Superannuation Funds of Australia Ltd (ASFA)

Carmen Champion, barrister

Deborah Frew, Policy Impact Director, the Sax Institute

Betty Johnson, consumer advocate

Sally Redman, CEO, the Sax Institute

Sue Rowley, Deputy Vice-Chancellor and Vice President (Research) University of Technology Sydney

The 45 and Up Study Consumer and Community Committee

Betty Johnson (Chair), consumer advocate

Jeanette Antrum, consumer advocate

Peter Brown, consumer advocate

Leone Malamoo, Project and Community Liaison Officer, the Sax Institute

Barbara Malcolm, consumer advocate

Matine Mottee, consumer advocate

Sonia Wutzke, Research Assets Director, the Sax Institute
The 45 and Up Study Management Committee

Sally Redman (Chair) CEO the Sax Institute
Bruce Armstrong Professor of Public Health and Medical Foundation Fellow School of Public Health, The University of Sydney
Andrew Penman CEO the Cancer Council NSW
Mark Harris Executive Director Centre for Primary Health Care and Equity the University of New South Wales
Marianne Karam Chief Operating Officer, the Sax Institute
Philippa Smith former CEO, The Association of Superannuation Funds of Australia Ltd (ASFA)
Sarah Thackway, Director Centre for Epidemiology and Research NSW Health

The 45 and Up Study Partners’ Committee

Louisa Jorm (Chair) Research Director, the Sax Institute and Professor of Population Health School of Medicine University of Western Sydney
Adam Blake, Partnership Director, the Sax Institute
Andrew Penman CEO the Cancer Council NSW
Tony Thirlwell CEO National Heart Foundation of Australia (NSW Branch)
Leonie Young CEO beyondblue: the national depression initiative
David Sherlock Executive Director, Business Improvement, NSW Department of Ageing, Disability and Home Care

Coalition for Research to Improve Aboriginal Health Steering Committee

Frank Vincent (Chair), Chief Executive Officer, Daruk Aboriginal Medical Services
Bruce Armstrong, The University of Sydney, Sydney Cancer Centre
Sandra Bailey, Chief Executive Officer, Aboriginal Health and Medical Research Council
Alan Cass, Director, Renal Division, The George Institute for International Health
Elizabeth Harris, Director, Centre for Health Equity Training Research and Evaluation
Sally Redman, Chief Executive Officer, The Sax Institute
Cathy Sinclair, Manager, Yerin Aboriginal Health Services Inc


The 45 and Up Study Collaborators (Banks E, Jorm L, Redman S and Wutzke S members of writing group). Cohort profile: The 45 and Up Study. Int J Epidemiol 2007; Sep 19; [Epub ahead of print].


The Sax Institute
Concise Financial Report
for the Year Ended 30 June 2008

38 Independent Audit Report
39 Directors’ Report
43 Discussion & Analysis
44 Income Statement
44 Balance Sheet
45 Statement of Recognition of Income & Expenditure
45 Cash Flow Statement
46 Notes to the Financial Statements
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48 Auditors Independence Declaration under Section 307C of the Corporations Act 2001
Independent Audit Report

Scope

We have audited financial report of The Sax Institute for the financial year ended 30 June 2008 as set out on pages 9 to 13.

The financial report includes the financial statements at the year’s end. The company’s directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standard AASB 1039: Concise Financial Reports.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed the applicable independence requirements of Australian professional and ethical pronouncements and the Corporations Act 2001.

In accordance with ASIC Class order 05/83, we declare to the best of our knowledge and belief that the auditor’s independence declaration as set out in the financial report has not changed as at the date of providing our audit opinion.

Audit Opinion

In our opinion, the concise financial report of The Sax Institute complies with Accounting Standard AASB 1039: Concise Financial Reports.

ECONOMOS
Chartered Accountants

George T VENARDOS
Registered Company Auditor
Registration No. 767

SYDNEY
10 September 2008
Your directors present their report on the company for the financial year ended 30 June 2008.

1 General information

a Directors
The names of the directors in office at any time during, or since the end of, the year are:

<table>
<thead>
<tr>
<th>Names</th>
<th>Appointed/Resigned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irene Moss</td>
<td>23/08/2006</td>
</tr>
<tr>
<td>Kim Anderson</td>
<td>14/06/2006</td>
</tr>
<tr>
<td>Peter Smith</td>
<td>22/05/2006</td>
</tr>
<tr>
<td>Bruce Konrad Armstrong</td>
<td>14/01/2008</td>
</tr>
<tr>
<td>Sally Redman</td>
<td>25/09/2003</td>
</tr>
<tr>
<td>Michael John Hensley</td>
<td>25/09/2003</td>
</tr>
<tr>
<td>Christopher Maitland Paxton</td>
<td>23/11/2005</td>
</tr>
<tr>
<td>Glenn Philip Salkeld</td>
<td>25/01/2008</td>
</tr>
<tr>
<td>Michael Lambert</td>
<td>18/12/2006</td>
</tr>
<tr>
<td>Alan Cass</td>
<td>06/12/2006</td>
</tr>
<tr>
<td>Marion Ruth Haas</td>
<td>14/01/2008</td>
</tr>
<tr>
<td>Denise Robinson</td>
<td>(02/05/2008 – Resigned)</td>
</tr>
<tr>
<td>Kenneth Mark Hillman</td>
<td>(14/01/2008 – Resigned)</td>
</tr>
</tbody>
</table>

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

b Company Secretary
The following person held the position of company secretary at the end of the financial year:

Marianne Mioduszewski (nee Karam) Bachelor of Business (Accounting), FCIS, FCPA. Has 18 years of experience as company secretary. Ms Mioduszewski was appointed company secretary on 24 August 2005.

c Principal Activities
The principal activities of The Sax Institute during the financial year were:

1. Develop and undertake research in public health and health services
2. Develop new research assets that enable internationally leading research
3. Promote the use of research to impact on health policy and practice
4. Consult and liaise with government bodies and groups nationally and internationally to promote, develop and foster health research.

There have been no significant changes in the nature of The Sax Institute’s principal activities during the financial year.
2 Business review

a Operating Results
The profit of The Sax Institute after providing for income tax and eliminating minority equity interests amounted to $745,748 (2007: $367,775).

b Review of operations
A review of the operations of The Sax Institute during the financial year and the results of those operations found that the diversity of funding sources had grown as the company continues to expand its partnerships with government, not-for-profit and private sectors. Funding sources include NSW Department of Health, The National Health and Medical Research Council through our University partners, The Cancer Council, the National Heart Foundation, Beyond Blue, the Department of Ageing, Disability and Home Care and Macquarie Bank to name a few. The Sax Institute has renewed its funding contract with NSW Department of Health for a further five year term until June 30, 2013. The Sax Institute has 37 member organisations encompassing most of the public health and health service research groups and all of the universities with a public health or health service research program in New South Wales. Three major programs are well established: Research Asset Program, Policy Impact Program and Research Capacity Program. Major project include 45 and Up Study (the health of older people), Aboriginal health research (including smoking in pregnant women, Type 2 diabetes and the study of environment on Aboriginal resilience and child health), health services research (hospital based research, costing studies and the use of large population databases). The Sax Institute works closely with government to increase the use of research in policy and practice.

3 Other items

a Significant Changes in State of Affairs
No significant changes in The Sax Institute’s state of affairs occurred during the financial year.

b After balance day events
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of The Sax Institute, the results of those operations or the state of affairs of The Sax Institute in future financial years.

c Auditors Independence Declaration
The lead auditor’s independence declaration for the year ended 30 June 2008 has been received and can be found on page 30 of the financial report.

d Rounding of amounts
The company is an entity to which ASIC Class order 98/100 applies and, accordingly, amounts in the financial statements and directors’ report have been rounded to the nearest dollar.

e Future Development
The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity’s operation.

f Environmental issues
The entity operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.
4 Director Information

a Information on Directors

Dr Irene Moss  Chairperson
Qualifications
AO, Hon. LLD, BA, LLB, LLM
Experience
Formerly Commissioner, Independent
Commission Against Corruption and
NSW Ombudsman

Ms Kim Anderson
Qualifications
Grad Dip Library & Info Sc (UTS), BA
(The University of Sydney)
Experience
CEO, thereadingroom.com and
Media Consultant

Prof Peter Smith
Qualifications
RD, MD, FRACP, FRCPA,FAICD
Experience
Dean of Medicine, The University of
New South Wales

Prof Bruce K Armstrong
Qualifications
AM, FAA, B Med Sc (Hons), MBBS (Hons),
D Phil (Oxon), FRACP, FAFPHM
Experience
Director of Research, Sydney Cancer
Centre & Professor of Public Health and
Medical Foundation Fellow,
The University of Sydney
Member – 45 and Up Study
Management Committee, The 45
and Up Study Scientific Advisory
Committee, Coalition for Research to
Improve Aboriginal Health (CRIAH)
Steering Group

Prof Sally Redman
Chief Executive Officer
Qualifications
BA (Psych), BA (Hons) (Psych), PhD
Experience
Chair, The 45 and Up Study
Management Committee, Co Chair,
Hospital Alliance for Research
Collaboration Steering Committee,
Member – The 45 and Up Study
Community and Ethical Oversight
Committee

Prof Michael John Hensley
MBBS, PhD, FRACP, FAFPHM
Experience
Dean of Medicine, Faculty of Health,
University of Newcastle

Mr Christopher M Paxton
BA (Hons) in Economics (UK), MBA (UK)
Experience
Director Crescendo Partners

Prof Glenn P Salkeld
B.Bus, Grad Dip Health Economics,
MPH, PhD
Experience
Head and Associate Dean, School of
Public Health, The University of Sydney

Prof Assoc Prof Alan Cass
Qualifications
BA, MBBS, Grad Dip Clinical
Epidemiology, FRACP, PhD
Experience
Director Renal Division, The George
Institute for International Health,
Chief Investigator – Kanyini Vascular
Collaboration, Member – Study of
Environment on Aboriginal Resilience
and Child Health Steering Committee,
Coalition for Research to Improve
Aboriginal Health (CRIAH) Steering
Group

Assoc Prof Marion R Haas
Qualifications
BPhty (Qld), MPH, PhD (Syd)
Experience
Associate Professor of Health Services
Research, Deputy Director of the Centre
for Health Economic Research and
Evaluation

Dr Denise Robinson
MBBS, MHP, FAFPHM, MRACMA
Experience
Deputy Director – General
(Population Health), Chief Health
Officer, NSW Health
Special Responsibilities
Member – Audit and Risk Management
Committee

Prof Kenneth M Hillman
MBBS, FRCA (Lond), FANZA, FICIM
Experience
The Simpson Centre for Health Service
Research, University of NSW
b Meetings of Directors

During the financial year, meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

<table>
<thead>
<tr>
<th>Directors’ Meetings</th>
<th>Audit and Risk Management Committee Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Eligible to attend</td>
</tr>
<tr>
<td>Irene Moss</td>
<td>4</td>
</tr>
<tr>
<td>Kim Anderson</td>
<td>4</td>
</tr>
<tr>
<td>Peter Smith</td>
<td>4</td>
</tr>
<tr>
<td>Bruce Konrad Armstrong</td>
<td>4</td>
</tr>
<tr>
<td>Sally Redman</td>
<td>4</td>
</tr>
<tr>
<td>Michael John Hensley</td>
<td>4</td>
</tr>
<tr>
<td>Christopher Maitland Paxton</td>
<td>4</td>
</tr>
<tr>
<td>Glenn Philip Salkeld</td>
<td>2</td>
</tr>
<tr>
<td>Michael Lambert</td>
<td>4</td>
</tr>
<tr>
<td>Alan Cass</td>
<td>4</td>
</tr>
<tr>
<td>Marion Ruth Haas</td>
<td>2</td>
</tr>
<tr>
<td>Denise Robinson</td>
<td>4</td>
</tr>
<tr>
<td>Kenneth Mark Hillman</td>
<td></td>
</tr>
<tr>
<td>Cameron Johnstone</td>
<td>4</td>
</tr>
</tbody>
</table>

5 Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums or since the end of the financial year, for any person who is or has been an office or auditor of the entity.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

6 Sign off details

a Sign off information

Signed in accordance with a resolution of the Board of Directors:

Irene Moss

Director

Irene Moss

10 September 2008
Information on The Sax Institute Concise Financial Report
The concise financial report is an extract from the financial report. The financial statements and disclosures in the concise financial report have been derived from the 2008 Financial Report of the Sax Institute.

The concise financial report cannot be expected to provide as full an understanding of the income statement, balance sheet and financing and investing activities of the company as the financial report.

A copy of the full financial report and auditors’ report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on The Sax Institute financial statements and the information contained in the concise financial report has been derived from the full Financial Report of the Sax Institute.

Income Statement
This was the seventh full year of operations for The Sax Institute. Revenue increased by $2,061,236, which was mainly due to an increase in funding from various government departments including the NSW Department of Health and the Cancer Council of NSW.

A number of new staff were employed to implement the expanding programs. The Sax Institute now has 37 member organisations from universities and research centres. Major research assets and programs are in their second full year of operation including studies into the health of older people (The 45 and Up Study) and the prevention of Type 2 diabetes and Aboriginal health.

Accordingly the operating expenses of the company increased by $1,683,263. The operating expenses were impacted by the increased number of staff and an increase in research program expenses as a result of new research studies.

Profit for the year totalled $745,748 as compared to a profit of $367,776 in the prior year.

Balance Sheet
Total assets increased by $1,367,220 to $4,001,171 which represented an increase of 51.9% from 2007. This increase was mainly attributable to the following:

- Cash and cash equivalents increased by $994,786 to $1,233,339. This was a result of a deposit received for GRIPP and National Collaborative Research Infrastructure Strategy Funding on 30/6/2008.
- Due to expanding operations of The Sax Institute total liabilities increased by $621,472.
- The equity of the company increased by $745,748. This was due to the retention of profits from ordinary activities.

Statement of Changes In Equity
The equity of the company increased by $745,748. This was due to the retention of profits from ordinary activities.

Statement of Cash Flows
Due to expanding operations of The Sax Institute and increased funding from government departments, the company experienced an increase in operating cash flows of $1,742,196 in receipts from customers and contributions. Payments to suppliers and employees increased by $1,528,139 mainly as a result of the increased number of staff and more research related costs. The overall increase in net cash flows provided by operating activities was $226,667.
### Income Statement
for the year ended 30 June 2008

<table>
<thead>
<tr>
<th>Note</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td>5,525,483</td>
<td>3,428,035</td>
</tr>
<tr>
<td>Other income</td>
<td>126,924</td>
<td>163,136</td>
</tr>
<tr>
<td>Cost of Funding</td>
<td>(1,429,314)</td>
<td>(505,363)</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>(2,660,007)</td>
<td>(2,075,820)</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairments</td>
<td>(46,720)</td>
<td>(47,600)</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>(363,976)</td>
<td>(249,326)</td>
</tr>
<tr>
<td>Impairment loss available for sale financial assets</td>
<td>(8,480)</td>
<td>(40,269)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(398,162)</td>
<td>(304,849)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>–</td>
<td>(169)</td>
</tr>
<tr>
<td>Profit before income tax</td>
<td>745,748</td>
<td>367,775</td>
</tr>
<tr>
<td>Profit attributable to members</td>
<td>745,748</td>
<td>367,775</td>
</tr>
</tbody>
</table>

### Balance Sheet
for the year ended 30 June 2008

<table>
<thead>
<tr>
<th>Note</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,233,339</td>
<td>238,553</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>552,365</td>
<td>246,962</td>
</tr>
<tr>
<td>Financial assets</td>
<td>1,982,239</td>
<td>1,943,795</td>
</tr>
<tr>
<td>Other current assets</td>
<td>88,173</td>
<td>71,218</td>
</tr>
<tr>
<td>Total current assets</td>
<td>3,856,116</td>
<td>2,500,528</td>
</tr>
<tr>
<td>Non current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>67,010</td>
<td>61,014</td>
</tr>
<tr>
<td>Other non current assets</td>
<td>78,045</td>
<td>72,409</td>
</tr>
<tr>
<td>Total non current assets</td>
<td>145,055</td>
<td>133,423</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>4,001,171</td>
<td>2,633,951</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>299,937</td>
<td>214,316</td>
</tr>
<tr>
<td>Short term borrowings</td>
<td>687</td>
<td>–</td>
</tr>
<tr>
<td>Short term provisions</td>
<td>95,658</td>
<td>88,646</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>1,168,795</td>
<td>662,728</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>1,565,077</td>
<td>965,690</td>
</tr>
<tr>
<td>Non current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other long term provisions</td>
<td>22,085</td>
<td>–</td>
</tr>
<tr>
<td>Total non current liabilities</td>
<td>22,085</td>
<td>–</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>1,587,162</td>
<td>965,690</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>2,414,009</td>
<td>1,668,261</td>
</tr>
<tr>
<td>EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings</td>
<td>2,414,009</td>
<td>1,668,261</td>
</tr>
<tr>
<td>TOTAL EQUITY</td>
<td>2,414,009</td>
<td>1,668,261</td>
</tr>
</tbody>
</table>
Statement of Recognition of Income & Expenditure
for the year ended 30 June 2008

<table>
<thead>
<tr>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>2008</strong></td>
<td></td>
</tr>
<tr>
<td>Balance at Sunday, 1 July 2007</td>
<td>1,668,261</td>
</tr>
<tr>
<td>Profit attributable to members</td>
<td>745,748</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>745,748</td>
</tr>
<tr>
<td>Balance at 30 June 2008</td>
<td>2,414,009</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>2007</strong></td>
<td></td>
</tr>
<tr>
<td>Balance at Sunday, 1 July 2006</td>
<td>1,300,485</td>
</tr>
<tr>
<td>Profit attributable to members</td>
<td>367,776</td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td>367,776</td>
</tr>
<tr>
<td>Balance at 30 June 2007</td>
<td>1,668,261</td>
</tr>
</tbody>
</table>

Cash Flow Statement
for the year ended 30 June 2008

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash from operating activities:</td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Receipts from customers and contributions</td>
<td></td>
<td>5,722,415</td>
<td>3,980,219</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td></td>
<td>(4,776,458)</td>
<td>(3,248,318)</td>
</tr>
<tr>
<td>Interest received</td>
<td></td>
<td>21,546</td>
<td>13,153</td>
</tr>
<tr>
<td>Interest paid</td>
<td></td>
<td>–</td>
<td>(169)</td>
</tr>
<tr>
<td>Distributions received</td>
<td></td>
<td>126,924</td>
<td>122,876</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>15</td>
<td>1,094,427</td>
<td>867,761</td>
</tr>
</tbody>
</table>

| Cash flows from investing activities: |      | $    | $    |
| Proceeds from sale of plant and equipment |      | –     | 8,500   |
| Payments for available for sale assets |      | (2,196,925) | (2,122,876) |
| Proceeds from available for sale assets |      | 2,150,000 | 1,250,000 |
| Net cash provided by (used in) investing activities |      | (99,641) | (906,827) |

| Net cash provided by (used in) investing activities |      | (99,641) | (906,827) |
| Cash flows from financing activities: |      | –     | –     |

| Net cash provided by (used in) financing activities |      | –     | –     |

| Other activities: |      | $    | $    |
| Net increase (decreases) in cash held |      | 994,786 | (39,066) |
| Cash at beginning of financial year |      | 238,553 | 277,619 |
| **Cash at end of financial year** |      | 1,233,339 | 238,553 |
1 Basis of Preparation of the Concise Financial Report

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports.

The financial statement, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of The Sax Institute. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of The Sax Institute as the full financial report.

The financial report of The Sax Institute complies with all Australian equivalents to the International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency in this concise financial report is Australian Dollars.

2 Revenue

(a) Operating activities

<table>
<thead>
<tr>
<th>Note</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>2(b)</td>
<td>21,546</td>
</tr>
<tr>
<td>Funding Revenue</td>
<td></td>
<td>5,098,935</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td>175,554</td>
</tr>
<tr>
<td>Conferences and Training</td>
<td></td>
<td>199,587</td>
</tr>
<tr>
<td>Sitting Fees</td>
<td></td>
<td>23,972</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
<td>5,889</td>
</tr>
<tr>
<td>Total Revenue</td>
<td></td>
<td>5,525,483</td>
</tr>
</tbody>
</table>

(b) Interest revenue breakup

Interest revenue from:

| Interest income | 21,546 | 16,977 |

Total interest revenue | 21,546 | 16,977 |

3 Other operating income

(a) Detailed table

| Recoveries | – | 1,800 |
| FBT Refund | – | 38,460 |
| Other income | 126,924 | 122,876 |
| Total | 126,924 | 163,136 |

4 Dividends

The company’s constitution prohibits the payment of a dividend.
5 Segment Reporting
The company’s activities are to foster and conduct health research throughout New South Wales.

6 Rounding of Amounts
Amounts in the concise financial report have been rounded off in accordance with Class Order 98/100, issued by the Australian Securities and Investment Commission.

7 Economic Dependence
The NSW Department of Health provides the majority of the funding to The Sax Institute, which enables it to operate. As all funding is provided on a cash basis annually, it is anticipated that adequate funding will be provided to enable the company to pay its debts as and when they fall due. The funding agreement expires on 30 June 2008. A new funding agreement for $1,841,400 per annum has been signed and is in effect until 30 June 2013.

8 Subsequent Events
No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in the future financial years.

Directors’ Declaration

The directors of the company declare that:

1. The concise financial statements and notes for the Sax Institute for the year ending 30 June 2008, as set out on pages 7 to 13:
   (a) complies with Accounting Standard AASB 1039: Concise Financial Reports; and
   (b) is an extract from the full financial report for the year ended 30 June 2008 and has been derived from and is consistent with the full financial report of the Sax Institute.

This declaration is made in accordance with a resolution of the Board of Directors.

Director
Irene Moss

10 September 2008
Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief during the year ended 30 June 2008 there has been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ECONOMOS
Chartered Accountants

George T VENARDOS
Registered Company Auditor
Registration No. 767

SYDNEY
10 September 2008

Profit Explanation

The Sax Institute is a not for profit organisation. The reference to profit in these accounts is determined by accounting standards. In these accounts, profit means the surplus carried forward. In 2007/2008 all of the surplus funds are committed to specific projects; they are funds received in advance for contracted work.