



Australian Government
Department of Health and Aged Care

s47F

Western Health Alliance

s47F

s47F

Dear

Thank you for your letter dated 4 April 2024, updating the department on cessation of Priority Red Health Foundation Limited (PRHFL), and the departure of Western NSW PHN's Chief Executive Officer on 27 March 2024.

To provide confidence to both parties that Western NSW PHN is performing its obligations under the 2015 *Primary Health Networks Core Funding Agreement*, McGrathNicol Advisory Services will be undertaking an independent assurance audit of the Western NSW PHN.

The audit will report on the effectiveness of Western NSW PHN's arrangements for financial management, governance, organisational capacity and capability, and probity and commissioning practices. The department expects the audit to take place from April 2024.

All PHNs are subject to assurance audits under the PHN Program Assurance Framework.

The department is committed to working with Western NSW PHN in delivering its core functions of commissioning, capability building and coordinating primary health services in the Western NSW region, including sustaining primary care for the community.

The PHN Branch will provide the proposed Terms of Reference to the Western NSW PHN Board and will be in contact regarding next steps.

Yours sincerely

s47F

Mark Roddam
First Assistant Secretary, Primary Health Division
Department of Health and Aged Care

/s April 2024

From: [PHN Assurance](#)
To: s47F
Cc: [PHN Assurance](#)
Subject: Letter from Abbie Alcock, Department of Health and Aged Care - Final Report from McGrathNicol Advisory's review of Western New South Wales PHN [SEC=OFFICIAL]
Date: Friday, 31 January 2025 2:49:28 PM
Attachments: [image001.png](#)
[Letter to s47F - 30 January 2025.pdf](#)
[Western New South Wales PHN Final Report.pdf](#)

Dear s47F

Please find attached correspondence from Abbie Alcock, A/g Assistant Secretary, Primary Care Division.

Please also see a copy of the Final Report from McGrathNicol Advisory's review of Western New South Wales PHN.

As noted in the attached letter, we are also working with McGrathNicol Advisory to prepare a Summary Report which will be published on the department's website. We will be in touch to request your advice on any significant sensitivities in the report prior to its publication.

Thank you once again for your participation in the review process and for your contribution to the continued improvement of the PHN Program.

Kind regards,

Primary Health Networks (PHN) Assurance

s47F, s47E(c)

Assistant Director – Assurance, Risk and Complaints

State Teams and Assurance Section

Primary Health Networks and Partnerships Branch

Primary Care Division | Primary and Community Care Group

Australian Government, Department of Health and Aged Care

s47F, s47E(c)

Location: Yaradhang Building Level 4, PO Box 9848, Canberra ACT 2601, Australia

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.



Australian Government

Department of Health and Aged Care

s47F

s47F, Western New South Wales Primary Health Network
8 Emma's Lane
WINDERA, ORANGE, NSW 2800

Dear s47F

I am writing to share the Final Report from the review undertaken by McGrathNicol Advisory on Western New South Wales Primary Health Network's (WNSW PHN) compliance with, and performance of, its obligations in the Primary Health Network's Funding Agreement.

As per usual practice, we are also working with McGrathNicol Advisory to prepare a Summary Report which will be published on the department's website. We will be in touch to request your advice on any sensitivities in the report prior to its publication.

s47G

I would like to thank you for your participation in the review and I look forward to working with you further as part of our collective efforts to improve the overall effectiveness and performance of the PHN Program.

Yours sincerely

s47F, s47E(c)

Abbie Alcock
A/g Assistant Secretary
Primary Care Division

30 January 2025

Attachment

- Western New South Wales PHN Final Report

OFFICIAL

To: Abbie Alcock
 A/g Assistant Secretary
 Primary Health Networks and
 Partnerships (PHNP) Branch
 Primary Care Division

SUBJECT Approval of Assurance Audit Reports

Purpose

To seek your approval to:

1. Share the Final Audit Report with Western New South Wales PHN (WNSWPHN) (**Attachment A**);
2. Share the Final Audit Report with s22 and the associated Summary Report ahead of publishing (**Attachments B & C**); and
3. **Seek your signature** on the letters to WNSWPHN and s22 (**Attachments D & E**) advising of the above.

Issues/sensitivities

Final Reports and Summary for publishing

Two Independent Desktop Audits were conducted by McGrathNicol Advisory (MN) from September to December 2024 in relation to WNSWPHN and s22 on their compliance with and performance of their funding agreement obligations.

Final Reports for WNSWPHN (**Attachment A**) and s22 (**Attachment B**) were provided by MN in December 2024. Jo Tester accepted the Final Reports on 10 December and 19 December 2024 respectively. Following this acceptance, the Final Reports can now be shared with the PHNs for their records and to assist in addressing recommendations made by MN as part of the Audit.

s22

s47E(a)

Letters are provided at **Attachment D and E** for your signature which provide the above-mentioned reports to the relevant PHNs for information and action as required.

s47E(a)

s47E(a)



s22

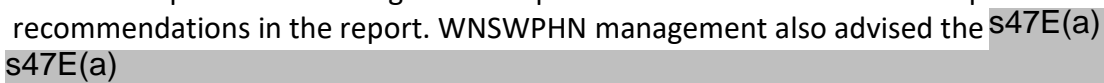


PHN progress in implementing recommendations

Both PHNs have reviewed draft audit reports, undertaken a fact check and provided a management response.

WNSWPHN provided a management response to MN on actions taken or planned to address recommendations in the report. WNSWPHN management also advised the

s47E(a)




s22




At a future date, PHNs subject to a MN audit will be asked to advise the department what actions are being and/or are planned to be undertaken to address the recommendations in the Final Reports.

s47E(a)



s47E(a)



Next steps

Following your approval and signature:

- The Final Audit Report will be formally provided to the s47F of WNSWPHN with a letter from the department notifying them that we will provide the Summary Report for their review at a future date.

s22



Consultation

Both s22 and WNSWPHN have previously undertaken a fact check on the draft audit reports and provided a management response to MN.

If required, Legal and Assurance Division (Assurance and Audit section) will be provided a copy of the final reports.

Recommendation

That you:

1. **AGREE** to share the Final Audit Report with WNSWPHN (**Attachment A**);

Approved / Not approved / Please discuss

s22



Approved / Not approved / Please discuss

3. If approved, **SIGN** the letters to each PHN (**Attachments D & E**)

Signed / Please discuss

OFFICIAL

Abbie Alcock
A/g Assistant Secretary
PHNP Branch
January 2025

Through
s47F, [REDACTED]
s47E(c) [REDACTED]
Director, State Teams and Assurance Section
Primary Care Division
29 January 2025

Attachments

Attachment A: WNSWPHN Final Report
Attachment B: s22 [REDACTED] Final Report
Attachment C: s22 [REDACTED] Summary Report for publication
Attachment D: Letter to WNSWPHN (for your signature)
Attachment E: Letter to s22 [REDACTED] for your signature)
Attachment F: Summary of key findings and recommendations from audits (below)

**Australian Government****Department of Health and Aged Care**

s47F

s47F

Western New South Wales Primary Health Network
8 Emma's Lane
WINDERA, ORANGE, NSW 2800

Dear s47F

I am writing to share the Final Report from the review undertaken by McGrathNicol Advisory on Western New South Wales Primary Health Network's (WNSW PHN) compliance with, and performance of, its obligations in the Primary Health Network's Funding Agreement.

As per usual practice, we are also working with McGrathNicol Advisory to prepare a Summary Report which will be published on the department's website. We will be in touch to request your advice on any sensitivities in the report prior to its publication.

s47G

I would like to thank you for your participation in the review and I look forward to working with you further as part of our collective efforts to improve the overall effectiveness and performance of the PHN Program.

Yours sincerely

Abbie Alcock
A/g Assistant Secretary
Primary Care Division

January 2025

Attachment

- Western New South Wales PHN Final Report

s47G



From: [PHN Assurance](#)
To: s47F s47F, s47E(c)
Cc: s47F [PHN Assurance](#)
Subject: RE: WNSWPHN - updated draft [SEC=OFFICIAL]
Date: Monday, 16 September 2024 4:46:31 PM
Attachments: [image005.png](#)
[image006.jpg](#)
[image007.jpg](#)
[image008.png](#)
[image009.jpg](#)
[DOHACPH01 - WNSWPHN Recommendations Letter - comments 16 September 2024.docx](#)
[WNSWPHN Draft Report - comments 16 September 2024.docx](#)

Hi ^{s47E(c), s47F} and team

Thanks for your patience while we considered the draft WNSWPHN audit report. Please find feedback below and in the attached documents for your consideration:

s47C



s47C

Please let us know if you would like to discuss any of the above feedback.

Kind regards

s47F, s47E(c)

Assistant Director – Assurance, Risk and Complaints
State Teams and Assurance Section
Primary Health Networks and Partnerships Branch

Primary Care Division | Primary and Community Care Group
Australian Government, Department of Health and Aged Care
s47F, s47E(c) [@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)

Location: Yaradhang Building Level 4, PO Box 9848, Canberra ACT 2601, Australia

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: s47F

Sent: Monday, August 12, 2024 3:14 PM

To: s47F, s47E(c)

Cc: s47F

Subject: WNSWPHN - updated draft

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Good afternoon s47F, s47E(c)

Further to our meeting last week and initial feedback provided on the draft report, please find an updated draft we worked through last week. No significant changes from the previous version – a little bit of tidying up and the inclusion of the “WNSWPHN Review Snapshot” page that was suggested.

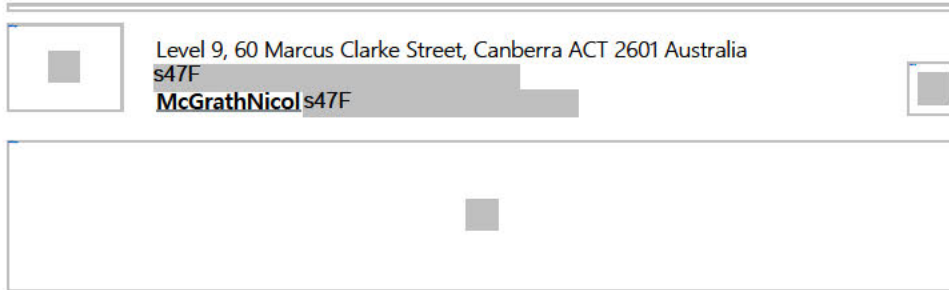
I understand that the Department continues to work through the previous draft and we look forward to receiving any further comments when available. Very happy to discuss any issues as you go through it if that would assist.

s47C

Kind regards

s47F

Partner



This email is confidential and may be legally privileged; it is intended solely for the addressee. Access by anyone else is unauthorised. If you have received this email in error please notify us immediately by return email or telephone +612 9338 2600 then delete and destroy any copies of it. Any unauthorised disclosure, copying, distribution or any action taken or not taken in reliance on it is prohibited and may be unlawful. Any opinions or advice contained in this email are subject to the terms and conditions of the governing McGrathNicol engagement letter. Opinions, conclusions and other information in this email and any attachments that do not relate to McGrathNicol business are not given or endorsed by it. McGrathNicol cannot guarantee that emails are secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late/incomplete or contain viruses. Liability limited by a scheme approved under *Professional Standards Legislation*.

From: s47F, s47E(c)
To: s47F, s47E(c)
Cc: [PHN Assurance](#)
Subject: RE: For review - Draft WNSWPHN Audit Report - due COB Tuesday 27 August 2024 [SEC=OFFICIAL]
Date: Thursday, 29 August 2024 12:35:19 PM
Attachments: [image001.png](#)
[image002.png](#)

Hi s47F, s47E(c)

So sorry about my tardiness on this. I only reviewed the summary report and letter and agree with your comments – nice work!! It is much easier to read then previous reports. Some extra thoughts:

s47C

Thanks for circulating the report, it was really useful to see the final findings.

s47F

From: s47F, s47E(c)

Sent: Monday, August 26, 2024 7:37 PM

To: PHN Assurance ; s47F, s47E(c) ; s47F, s47E(c)

Cc: s47F, s47E(c)

Subject: RE: For review - Draft WNSWPHN Audit Report - due COB Tuesday 27 August 2024 [SEC=OFFICIAL]

Thanks very much s47F, s47E(c) great job.

I've added my comments to yours in the [attached](#) version. No significant changes or suggestions for MH.

s47F, s47C

s47F, s47E(c) you may be interested in the Data Management section, and please let s47E(c), s47F know if you have any suggested changes.

s47F, s47E(c) PRHF obviously including s47E(a)

s47F, if you have the chance, you may like to scan the Summary Report (to page 10).

Thanks

s47F, s47E(c)

Director, State Teams and Assurance

Primary Health Networks and Partnerships Branch

s47F, s47E(c) [@health.gov.au](#)

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: PHN Assurance <PHN.Assurance@Health.gov.au>

Sent: Wednesday, August 21, 2024 5:00 PM

To: s47F, s47E(c) <[s47F, s47E\(c\)@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)>; s47F, s47E(c) <[s47F, s47E\(c\)@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)>;
s47F, s47E(c) <[s47F, s47E\(c\)@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)>; s47F, s47E(c) <[s47F, s47E\(c\)@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)>

Cc: PHN Assurance <PHN.Assurance@Health.gov.au>; s47F, s47E(c) <[s47F, s47E\(c\)@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)>

Subject: For review - Draft WNSWPHN Audit Report - due COB Tuesday 27 August 2024

[SEC=OFFICIAL]

Hi all

s47C



s47C



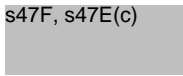
s47C



Many thanks for your help in advance and please let us know if the above timeframe is not achievable or if you would like to discuss anything further.

Kind regards

s47F, s47E(c)



Assistant Director – Assurance, Risk and Complaints

State Teams and Assurance Section

Primary Health Networks and Partnerships Branch

Primary Care Division | Primary and Community Care Group

Australian Government, Department of Health and Aged Care

s47F, s47E(c) [@health.gov.au](mailto:health.gov.au)

Location: Sirius Building Level 4, PO Box 9848, Canberra ACT 2601, Australia

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From: [TESTER, Joanne](#)
To: s47F
Cc: [RODDAM, Mark](#); s47F, s47E(c) s47F, s47E(c)
Subject: RE: Letter from Western NSW Primary Health Network [SEC=OFFICIAL]
Date: Thursday, 22 February 2024 12:51:36 PM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.gif](#)
[image008.png](#)
[image009.png](#)
[image011.png](#)

Thank you s47F

Confirming receipt of your letter. I will not be proceeding with the meeting of Friday 23rd of February 2024 with s47F . s42

Joanne Tester

Assistant Secretary

Primary Health Networks Branch | Primary Care Division | Primary and Community Care Group
 Australian Government Department of Health and Aged Care

s47F [@health.gov.au](#)

Location: Sirius Building 8.N.400. GPO Box 9848, Canberra ACT 2601.

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From: s47F
Sent: Thursday, February 22, 2024 9:51 AM
To: TESTER, Joanne <s47F @health.gov.au>
Subject: Letter from Western NSW Primary Health Network

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Good morning, Jo

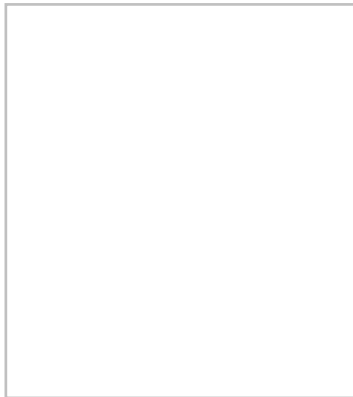
Please find attached a letter from our s47F .

Kind regards,

s47F

s47F

Western NSW Primary Health Network



s47F

First Floor, 187 Brisbane Street • Dubbo NSW 2830
Wiradjuri Country

WNSWPHN.ORG.AU



We acknowledge that we work on the traditional lands of many Aboriginal clans, tribes and nations. We commit to working in collaboration with our region's Aboriginal communities and peoples to improve their health, emotional and social wellbeing in the spirit of partnership.

WHAL is committed to cultivating inclusive environments. We are committed to embracing diversity and eliminating all forms of discrimination in the provision of health services. We believe everyone deserve access to the right care in the right place at the right time, irrespective of ethnicity, lifestyle choice, faith, sexual orientation, gender identity, and abilities.

We acknowledge people with lived experience who contribute particular knowledge and skill sets in relation to specific experiences, populations or settings. We particularly acknowledge the individual and collective contributions of those with a lived and living experience of mental ill-health and suicide, and those who love, have loved and care for them. Each person's journey is unique and a valued contribution to WHAL's commitment to health system reform.

NOTE: The information contained in this email is confidential. It is intended solely for the addressee. If you receive this email by mistake please notify us. You must not disclose or use the information in it unless we authorise you to do so. This note also confirms that this email message has been virus scanned and although no computer viruses were detected, WNSW PHN accepts no liability for any consequential damage resulting from email containing any computer viruses. Western Health Alliance Limited. ABN: 59 605 922 156

From: s47F, s47E(c)
To: [RODDAM, Mark](#); [TESTER, Joanne](#)
Cc: s47F, s47E(c); [Primary Care Inputs](#); s47F, s47E(c)
Subject: RE: Media enquiry - Central West Daily - PHN allegations - due 11am Friday [SEC=OFFICIAL]
Date: Friday, 21 February 2025 9:22:57 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.jpg](#)

Thanks Mark, s47F, s47E(c) is sending your response to the media team now.

From: RODDAM, Mark <s47F, s47E(d)@health.gov.au>
Sent: Thursday, 20 February 2025 7:43 PM
To: s47F, s47E(c)@Health.gov.au>; TESTER, Joanne s47F, s47E(d)@health.gov.au>
Cc: s47F, s47E(c)@health.gov.au>; Primary Care Inputs s47E(d)@health.gov.au>; s47F, s47E(c)@health.gov.au>; s47F, s47E(c)@Health.gov.au>
Subject: RE: Media enquiry - Central West Daily - PHN allegations - due 11am Friday [SEC=OFFICIAL]

Thanks s47F, s47E(c)

I think instead we should say:

s47C

Thanks
Mark

From: s47F, s47E(c)@Health.gov.au>
Sent: Thursday, 20 February 2025 5:23 PM
To: TESTER, Joanne s47F, s47E(d)@health.gov.au>; RODDAM, Mark s47F, s47E(d)@health.gov.au>
Cc: s47F, s47E(c)@health.gov.au>; Primary Care Inputs s47E(d)@health.gov.au>; s47F, s47E(c)@health.gov.au>; s47F, s47E(c)@Health.gov.au>
Subject: RE: Media enquiry - Central West Daily - PHN allegations - due 11am Friday [SEC=OFFICIAL]
Importance: High

Thanks s47F, s47E(c)

Jo and Mark, for your urgent clearance by 11am Friday please, proposed response to the

journalist's follow up questions (highlighted below).

s47C

Thanks

s47F,
s47E(c)

s47F, (she/her)
Director, State Teams and Assurance
Primary Health Networks and Partnerships Branch
s47F, s47E(c) @health.gov.au

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From: Primary Care Inputs s47E(d) @health.gov.au>
Sent: Thursday, 20 February 2025 5:13 PM
To: s47F, s47E(c) @Health.gov.au>
Cc: s47F, s47E(c) @health.gov.au>; Primary Care Inputs s47E(d) @health.gov.au>;
 RODDAM, Mark s47F, s47E(d) @health.gov.au>; TESTER, Joanne
 <s47F, s47E(d) @health.gov.au>
Subject: RE: Media enquiry - Central West Daily - PHN allegations - due 11am Friday
 [SEC=OFFICIAL]

Hi s47F,
s47E(c)

As discussed just now if you can please kindly address the following questions for Mark and Jo to review.

Follow ups:

Do you have a link to the assurance audit information I could have a look at?

Also, how many phns are involved in this audit?

Thank you

s47F, s47E(c)

PC Inputs Co-ords, Executive Support Team

Primary Care Division | Primary and Community Care Group
 Australian Government Department of Health and Aged Care

[Primary Care Division - Home](#)

E: s47E(d) @health.gov.au

GPO Box 9848 Canberra ACT 2601 Australia

The Department of Health and Aged Care acknowledges the Traditional Owners and Custodians of country throughout Australia, and their continuing connection to land, waters and community. We pay

our respects to them and their cultures, and to Elders past, present and emerging

From: News <news@health.gov.au>
Sent: Thursday, 20 February 2025 5:06 PM
To: Primary Care Inputs s47E(d) <[s47E\(d\)@health.gov.au](mailto:s47E(d)@health.gov.au)>
Cc: s47F, s47E(c) <[s47E\(c\)@health.gov.au](mailto:s47E(c)@health.gov.au)>; News <news@health.gov.au>
Subject: RE: Media enquiry - Central West Daily - PHN allegations - due 11am Friday [SEC=OFFICIAL]

Hi team,

Thanks for this, the journalist has asked the below follow ups.

Follow ups:

Do you have a link to the assurance audit information I could have a look at?

Also, how many phns are involved in this audit?

Thanks,

s47F, s47E(c)

Media and Events, Corporate Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c) E: news@health.gov.au

Unless stated otherwise, this information is provided on a background basis and should not be attributed.

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: Primary Care Inputs s47E(d) <[s47E\(d\)@health.gov.au](mailto:s47E(d)@health.gov.au)>
Sent: Thursday, 20 February 2025 4:06 PM
To: s47E(d) <[s47E\(d\)@health.gov.au](mailto:s47E(d)@health.gov.au)>
Cc: s47E(d) <[s47E\(d\)@health.gov.au](mailto:s47E(d)@health.gov.au)>; s47F, s47E(c) <[s47F, s47E\(c\)@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)>
Subject: Media enquiry - s47G - PHN allegations - due 11am Friday [SEC=OFFICIAL]

Hi News,

Please see below response which has been FAS cleared:

Enquiry

s47F

Central West Daily

I'm writing a story investigating allegations the Western NSW Primary Health Network misused commonwealth funds by establishing a charitable subsidiary known as the Priority Red Health Foundation intended to help regional NSW GPs.

I would appreciate answers to the following questions. My deadline is lunch time Friday February 20.

1. Did the department approve the establishment of the Priority Red Health Foundation?
2. When did the department become aware the foundation was established?
3. Once the foundation was ceased, what actions were taken to hold whoever was responsible to account?
4. How will the department ensure this does not happen again?
5. How has the department and the WNSW PHN shown accountability and transparency to the taxpayer, local medical centres in this situation?

Response:

As part of the ongoing Primary Health Network Assurance Framework, the Department engaged an independent auditor to conduct an audit of Western NSW PHN in 2024.

Findings and recommendations of this audit are still being finalised. Therefore, it is not appropriate to comment further at this time. Audit summaries are made publicly available on the Department's website once an audit has been reviewed and finalised.

Thank you

s47F, s47E(c)

PC Inputs Co-ords, Executive Support Team

Primary Care Division | Primary and Community Care Group
Australian Government Department of Health and Aged Care

[Primary Care Division - Home](#)

s47E(d) [@health.gov.au](#)

GPO Box 9848 Canberra ACT 2601 Australia

The Department of Health and Aged Care acknowledges the Traditional Owners and Custodians of country throughout Australia, and their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to Elders past, present and emerging

From: News <news@health.gov.au>

Sent: Thursday, 20 February 2025 11:38 AM

To: Primary Care Inputs s47E(d) [@health.gov.au](#)>

Cc: News <news@health.gov.au>

Subject: Media enquiry - Central West Daily - PHN allegations - due 11am Friday [SEC=OFFICIAL]

Hi team,

Can you please prepare a response to the below by **11am tomorrow?**

Enquiry

s47F, Central West Daily

I'm writing a story investigating allegations the Western NSW Primary Health Network misused commonwealth funds by establishing a charitable subsidiary known as the Priority Red Health Foundation intended to help regional NSW GPs.

I would appreciate answers to the following questions. My deadline is lunch time Friday February 20.

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3. Once the foundation was ceased, what actions were taken to hold whoever was responsible to account?
4. How will the department ensure this does not happen again?
6. How has the department and the WNSW PHN shown accountability and transparency to the taxpayer, local medical centres in this situation?

Thanks,

s47F, s47E(c)

Media and Events, Corporate Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c) E:news@health.gov.au

Location: 23 Furzer Street, Woden, ACT.

From: s47F

Sent: Thursday, 20 February 2025 11:23 AM

To: News <news@health.gov.au>

Subject: Request for information - PHN allegations

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

To the department,

I'm a journalist for Australian Community Media covering central west NSW. I'm writing a story investigating allegations the Western NSW Primary Health Network misused commonwealth funds by establishing a charitable subsidiary known as the Priority Red Health Foundation intended to help regional NSW GPs.

I would appreciate answers to the following questions. My deadline is lunch time Friday February 20.

1. Did the department approve the establishment of the Priority Red Health Foundation?
2. When did the department become aware the foundation was established?
3. Once the foundation was ceased, what actions were taken to hold whoever was responsible to account?
4. How will the department ensure this does not happen again?
4. How has the department and the WNSW PHN shown accountability and transparency to the taxpayer, local medical centres in this situation?

Thank you for your cooperation in this matter.

All the best,

s47E(d)

s47G

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From: s47F, [REDACTED]
To: [TEEB, Joanne](#)
Cc: s47F, s47E(c) [REDACTED] s47F, s47E(c)
Subject: For Awareness: media article on WNSWPHN [SEC=OFFICIAL]
Date: Wednesday, 26 February 2025 10:54:45 AM
Attachments: [ENQUIRIES AND RESPONSES TO MEDIA - PRHF FEB 2025.docx](#)
[image001.png](#)

Thanks Jo

For your awareness, [attached](#) is the WSNW PHN responses to media enquiries that they received directly from the same journalist. Note, the highlighted response to the last question was not sent to the journalist.

s47C



Yesterday, s47F, s47E(c) [REDACTED] met with the PHN managers of media & communications s47F [REDACTED]) and governance (s47F [REDACTED]). Key discussion points below.

s47C



s47C



Thanks

s47F,
s47E(

s47F, s47E(c)

Director, State Teams and Assurance

Primary Health Networks and Partnerships Branch

s47F, s47E(c) [@health.gov.au](mailto:s47F,s47E(c)@health.gov.au)

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: TESTER, Joanne s47F, s47E(d) [@health.gov.au](mailto:s47F,s47E(d)@health.gov.au)>

Sent: Wednesday, 26 February 2025 9:31 AM

To: RODDAM, Mark <s47F, s47E(d) [@health.gov.au](mailto:s47F,s47E(d)@health.gov.au)>; DEVELIN, Liz
<s47F, s47E(d) [@Health.gov.au](mailto:s47F,s47E(d)@Health.gov.au)>

Cc: s47F, s47E(c) [@Health.gov.au](mailto:s47F,s47E(c)@Health.gov.au)>

Subject: media article on WNSWPHN [SEC=OFFICIAL]

s47C



From: s47F, s47E(c)
To: s47F, s47E(c)
Subject: FW: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]
Date: Friday, 28 February 2025 3:43:37 PM
Attachments: [image001.png](#)

FYI, Jo's reply below

From: TESTER, Joanne s47F, s47E(d) @health.gov.au>
Sent: Friday, 28 February 2025 3:31 PM
To: RODDAM, Mark s47E(c), s47F @health.gov.au>; s47F, s47E(c) @Health.gov.au>
Cc: s47F, s47E(c) @Health.gov.au>
Subject: RE: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]

I have had a chat with s47F and a few others on this. I'll get s47F to set up a meeting early next week.

From: RODDAM, Mark s47E(c), s47F @health.gov.au>
Sent: Friday, 28 February 2025 3:13 PM
To: TESTER, Joanne s47F, s47E(d) @health.gov.au>; s47F, s47E(c) @Health.gov.au>
Subject: FW: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]

A follow up email. Let's discuss.

From: s47F
Sent: Friday, 28 February 2025 2:33 PM
To: RODDAM, Mark s47E(c), s47F @health.gov.au>
Subject: RE: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]

Thank you, Mr. Mark Roddam, for your response.

We are also writing to formally **raise serious concerns** regarding the **financial disclosures and transparency** of **Western Health Alliance Ltd** (trading as **Western NSW Primary Health Network**) for the year ending **30 June 2024**.

We note that the **financial statements were lodged late** with the ACNC, which raises **significant concerns** about **governance, transparency, and the PHN's commitment to timely public accountability**. This delay, combined with the **deficiencies identified in the financial disclosures**, further highlights the need for **urgent independent oversight**.

As community representatives, we are committed to ensuring **accountability and transparency** in the use of **public funds**. An independent review on behalf of the

community of the PHN's **financial statements** has identified **significant deficiencies** in the **accuracy, clarity, and completeness** of your financial disclosures, raising concerns that the **members, community, and key stakeholders may be misled** by the information presented.

Key Areas of Concern

1. Misleading Public Representations

The CEO's statement in the Annual Report asserts that WNSW PHN is "working towards sustainable costs." However, the **financial statements show a net deficit of \$1.6 million, declining net assets, and no disclosed cost-containment strategy**. This **misalignment between narrative and financial reality** contradicts the principles of **fair representation** under **AASB 101**.

2. Poor Disclosure of Liquidity Risks

With a **current ratio of only 1.02**, there are clear **liquidity risks**. Yet, there is **no disclosure of going concern risks** or any strategy to address them. This represents a **clear breach of AASB 101 and AASB 7**.

3. Subsidiary Mismanagement

The **\$2.15 million loss and closure of Priority Red Health Foundation** were not **adequately disclosed or explained**. There is **no evidence of impairment testing** on related assets or intercompany loans, as required under **AASB 136**. Further, **no explanation** has been provided as to what governance failures led to the **subsidiary's collapse**.

4. Related Party Transactions

Disclosures around **funding provided to entities linked to directors** are **inadequate**. Notably, one director holds an **executive position** at Orange Aboriginal Medical Service, which received **\$1.1 million in funding**. **AASB 124** requires **clear disclosure of related party transactions** and how **conflicts of interest are identified and managed** — this has not been properly disclosed.

5. Unexplained Expense Variations

Significant variations in expenses — including **program delivery expenses** (reduced from **\$1.66 million in 2023 to \$619k in 2024**), IT costs, and consulting fees — are not **explained or justified** within the financial

statements. **AASB 101** requires **appropriate narrative disclosures** for material changes.

6. Failure to Disclose Rejected Retrospective Funding Request

The Department of Health's **rejection of a \$10.1 million retrospective funding request** is a **material event** that **has not been properly disclosed**, and **no contingency plan** or **risk mitigation response** has been provided, in breach of **AASB 110**.

Why This Matters for Members

As **members of Western Health Alliance Ltd**, you have a **collective governance responsibility** to ensure that the PHN is **transparent, financially responsible, and compliant** with **Australian Accounting Standards**. These concerns are not only about **compliance** — they directly impact **the reputation and long-term sustainability** of the PHN and, more importantly, the **health outcomes for the communities you serve**.

Our Formal Requests to Members

We respectfully request that the **members, as part of your governance role, ensure that the following actions are taken:**

1. **Obtain a formal response from the Board and CEO** explaining how these **disclosure deficiencies** will be rectified.
2. **Commit to enhanced financial transparency** in all future reporting to ensure members, the community, and regulators receive a **clear and accurate picture** of the PHN's financial position.
3. **Seek a full internal review** of the governance failures contributing to the **subsidiary collapse**, related party transaction handling, and **financial mismanagement**. This should be **independently conducted** to restore trust and credibility.

Escalation to Regulatory Bodies

We respectfully ask the Department to **exercise its governance powers responsibly** and ensure that these **serious concerns are thoroughly investigated and addressed with full transparency**. Strong and ethical governance is essential to **protect the integrity of our health system** and to maintain **public confidence** in how public funds are managed and how essential health services are delivered to our communities.

Kind regards,
CommunityFirst

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Feb 28, 2025, 10:50 by s47E(c), s47F @health.gov.au:

Dear Concerned Community Members

Thank you for your email regarding the Western NSW Primary Health Network (WNSW PHN).

PHNs in every region across the country play a pivotal role in supporting health reform by driving local innovation to meet specific regional health needs and supporting consistent local delivery of national and co-commissioned programs. The Department of Health and Aged Care (the Department) is committed to demonstrating that PHNs are achieving their objectives and ensuring they meet Government expectations and requirements of their funding agreements under the PHN program.

The Department commissioned an independent Review of the PHN Program Business Model, which will ensure that the PHN program continues to have the right policy frameworks, administrative supports and governance structures to deliver on Australian Government objectives into the future. The Review is due to provide recommendations to the Department in May 2025.

The Department manages the performance of PHNs through a Performance and Reporting Framework and Assurance Framework that identifies and addresses non-compliance or performance concerns. As part of the Assurance Framework, the Department supports a rolling program of independent audits of PHNs to review whether they are operating in accordance with their funding agreements and identify areas where they can improve.

As part of this program, Western NSW PHN was audited in 2024, with findings and recommendations of this audit still being finalised. Therefore, it is not appropriate to comment further at this time. The Department is committed to public transparency, with audit summaries made available on the Department's website once an audit has been reviewed and finalised.

Thank you again for raising your concerns with the Department.

Kind regards

Mark Roddam

First Assistant Secretary – Primary Care Division

Primary and Community Care Group
 Australian Government Department of Health and Aged Care
 T: 02 5132 5160 | E: [s47E\(c\), s47F@health.gov.au](mailto:s47E(c), s47F@health.gov.au)
 GPO Box 9848, Canberra ACT 2601, Australia

Executive Assistant | [s47F, s47E\(d\)@health.gov.au](mailto:s47F, s47E(d)@health.gov.au)

From: s47F
Sent: Thursday, 27 February 2025 5:46 PM
To: RODDAM, Mark <[s47E\(c\), s47F@health.gov.au](mailto:s47E(c), s47F@health.gov.au)>
Subject: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures

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Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures

Dear Mr Mark Roddam,

We are writing as **concerned community members** to urgently bring to your attention serious **governance failures, financial mismanagement, and lack of transparency** within **Western NSW Primary Health Network (WNSW PHN)**. Given the **significant taxpayer funding provided to PHNs**, we respectfully request your intervention to ensure greater accountability and oversight.

Key Concerns:

- **Severe Financial Mismanagement** – WNSW PHN has reported a **staggering \$1.6 million deficit for the 2023–24 financial year**, despite receiving **\$46.7 million in government funding**. Liquidity issues raise further concerns about its ability to continue delivering critical

services.

- **Late Financial Disclosures** – The organisation **failed to lodge its financial statements on time** with the **Australian Charities and Not-for-profits Commission (ACNC)**, further undermining transparency and accountability.
- **Waste of Public Funds** – As per the attached article, **significant taxpayer monies were wasted on the establishment of WNSW PHN's wholly owned foundation**, which has since ceased operations. There has been **no clear accountability** for this expenditure.
- **Non-Transparent CEO Appointment** – CEO **Brad Porter** was reportedly appointed **without an open and competitive recruitment process**, raising further concerns about governance integrity.

Request for Immediate Action:

Given the **scale of public funding at stake**, we urge the Department of Health and Aged Care to:

1. **Conduct an independent investigation** into WNSW PHN's financial management, governance, and use of public funds.
2. **Review governance and leadership structures** to ensure appropriately skilled individuals oversee public health funding.
3. **Ensure greater financial oversight** to prevent further misuse of taxpayer money and guarantee funds are directed toward **delivering essential healthcare services**.

These concerns **directly impact the delivery of healthcare** in Western NSW, affecting some of our most vulnerable communities. Without intervention, **millions in public funds may continue to be mismanaged** at the expense of those in need.

We appreciate your urgent attention to this matter and would welcome the opportunity to discuss it further.

Sincerely,

Concerned Community Members (Anonymously for fear of retaliation)

Exclusive

Millions in taxpayer dollars spent on unapproved charity to help regional GPs

By s47F**Updated** February 26 2025 - 10:07am, first published 5:30am[Facebook](#)[Twitter](#)[Whatsapp](#)[Email](#)[Copy](#)

A regional government agency spent millions in taxpayers dollars to form a health charity which lasted only six months, provided no services and operated without federal approval.

The Western NSW Primary Health Network spent over \$2 million of federal funding on the charity, Priority Red Health Foundation, to help general practices with administrative support in the 2023-24 financial year.

Former foundation staff have told ACM, the publisher of this masthead, poor governance and mismanagement within the network led to millions being spent on the unapproved charity.

Western NSW Primary Health Network office in Orange and letter from the department of health and aged care to the Western Health Alliance, trading as West NSW PHN. Picture by Carla Freedman/supplied

"Our communities have missed out on all that money that was invested in the foundation ... money that could have been spent on them," a former foundation staff member, who is not authorised to speak publicly about the charity, said.

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"The money could have gone to Aboriginal communities ... who are suffering in the region," another said.

A health network document dated February 15, 2024, seen by ACM, confirmed no general practices had received support from the foundation as it was still in the early stages.

ACM put detailed questions to the Western NSW Primary Health Network. It told ACM the foundation shut down when it "became clear" funding from the department "was not forthcoming".

'Cease all activity'

Five months after the foundation was established, on February 7, 2024, the Department of Health and Aged Care sent an email to the health network board ordering them to immediately shut the foundation down.

"We require that you cease all activity by the subsidiary funded by WNSW PHN immediately," the department wrote in an email seen by ACM.

"At no time was the funding approved by the department."

The federal health department also said in the email the foundation violated program guidelines, as general practice support services cannot be subcontracted and cannot be used to form a subsidiary.

It also wrote the foundation was formed without written approval from the department.

ACM put detailed questions to the federal health department. In response, it said it had engaged an independent auditor in February 2024 to review the Western NSW Primary Health Network.

ADVERTISING

A department spokesperson said findings of the audit were still being finalised and "therefore it is not appropriate to comment further at this time".

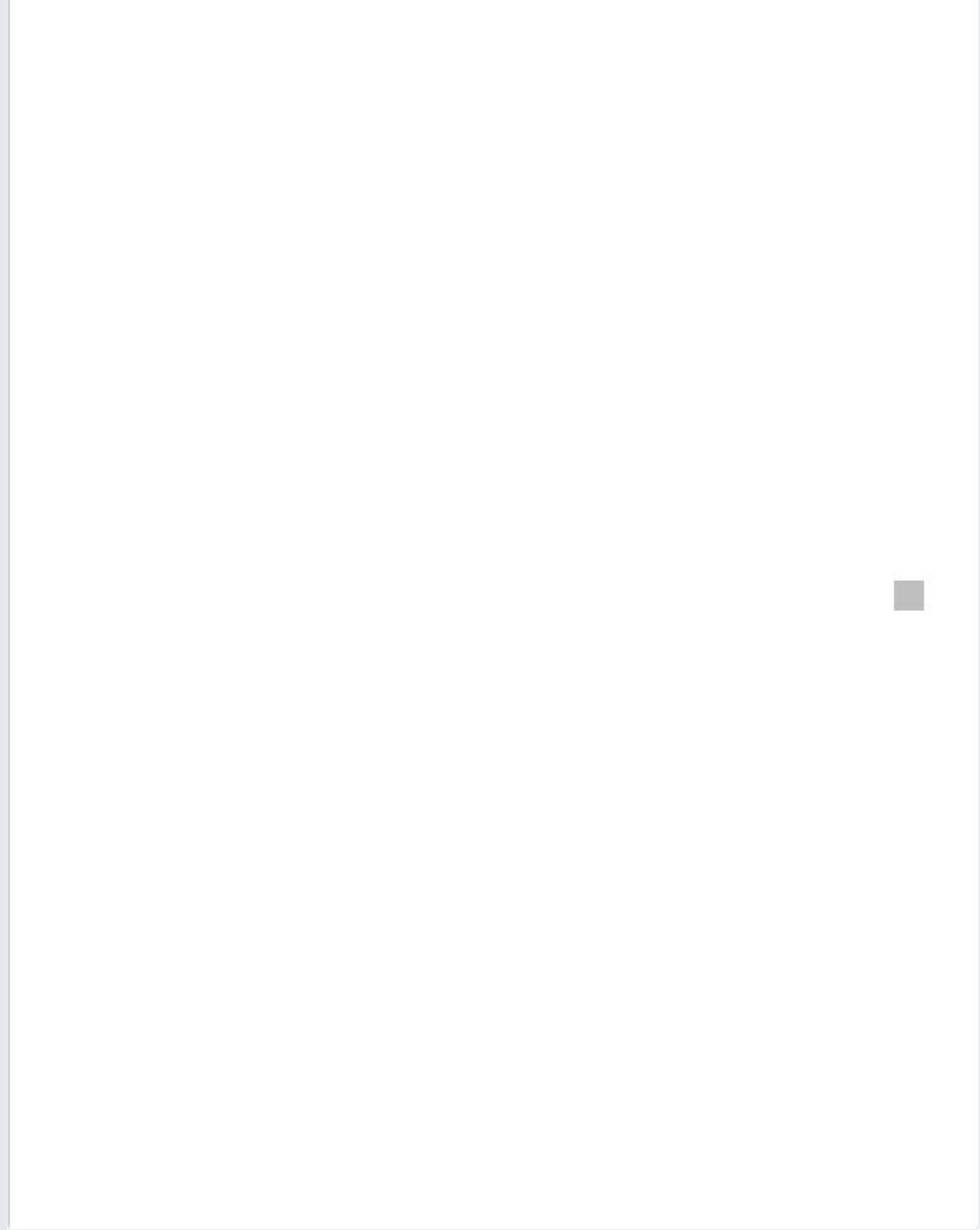
Separately, the Fair Work Commission confirmed there is an investigation into the regional network.

What is a primary health network?

Primary health networks are independent organisations funded by the federal government to identify [local health needs](#) in their area.

They aim to improve access to those services, such as GPs, allied health and mental health services.

Map of NSW and ACT primary health network boundaries from 2015. Pic



Map of NSW and ACT primary health network boundaries from 2015. Picture by Department of Health and Aged Care

There are 31 of these networks across Australia, each covering a specific region.

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The western NSW network is the largest in the state and covers an area spanning Oberon to Broken Hill, servicing major regional centres, including Bathurst, Orange and Dubbo.

Why was the charity formed?

The foundation was formed by the regional health network in September 2023 after it ran a survey and found many [general practices](#) were at risk of closure or struggling to stay afloat.

It found they were battling issues with back office and administrative support, such as human resources, accounting and budgeting, which the foundation aimed to provide.

A look at common chronic illnesses in Australia including cardiovascular disease, asthma, arthritis, and diabetes. This video includes ACM-produced voiceover powered by AI.

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A former foundation staff member told ACM general practices are "financially unviable" and the foundation's mission was to help those on the brink of closure.

"We absolutely believed in the initiative that we were trying to achieve ... because we were seeing practices closed down on a daily basis," the former staff member said.

"If small country practices close down, it could be the absolute decimation of a whole community."

Where was money spent?

In the 2023-24 financial year the network spent \$2,159,403 on the Priority Red Health Foundation.

The expenditure breakdown shows the money was mostly spent on employee salaries, legal and equipment costs.

A network document confirmed no general practices had received support from the charity due to it being in its infancy.

In November 2023, the network requested approval from the health department to use over \$10 million in funding over three years to fund the foundation, but the request was eventually denied.

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The network's governance document states the board has "ultimate responsibility" for overseeing financial, clinical and risk management.

Calls for an investigation

When the foundation was established, a range of staffing appointments were made to help facilitate it.

Multiple staff told ACM they believed it had been approved by the federal government when they were hired.

One said they assumed the board had followed proper procedures and if they had "followed process and due diligence, we wouldn't be in this situation".

Another former staff member called for an investigation into all primary health networks: "I hope it goes as far as a royal commission."

Within just a few months of being hired, when the department ordered the foundation to shut down, four foundation staff members were terminated. Five others chose to resign.

"There were a lot of [staff] who didn't make their six month probation period, but had bought houses, got married, moved countries, lots of things ... just to get their world turned upside down," a former staff member said.

ACM put questions to the Western NSW Primary Health Network board. In response, it said it had been "transparent" and "procedure was followed in the formation of [the Priority Red Health Foundation]".

Widespread distrust

ACM's exclusive reporting comes as the federal health department [initiates a review](#) into primary health networks more broadly to ensure they're meeting government objectives across Australia.

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In its [submission to the review](#), the Royal Australian College of General Practitioners (RACGP) highlighted the results of a survey of more than 1200 general practitioners, which found over half rated their local network as "poor" or "very poor".

NSW chair of RACGP Dr Max Mollenkopf said instances of conflicts of interests, lack of transparency and failure to demonstrate "value for money" have eroded GPs' trust in their local networks across the country.

Dr Max Mollenkopf, deputy NSW chair of the RACGP. Picture by Marina

Dr Max Mollenkopf, deputy NSW chair of the RACGP. Picture by Marina Neil

"We want PHNs to be accountable to GPs and their local communities and really the taxpayers," Dr Mollenkopf told ACM.

"They should be publishing what the representative local groups are asking for and why certain decisions are made or not made in response to that advice."

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He added it was "not remotely surprising" to see another network facing scrutiny.

Among 22 recommendations, the RACGP called for a minimum presence of general practitioners on network boards, as well as mandatory governance processes to ensure better oversight and accountability.

The Priority Red Health Foundation stopped trading from March 27, 2024 and on October 1, 2024, ASIC received an application to deregister the foundation.

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From: s47F, s47E(c)
To: [News](#); [Primary Care Inputs](#); s47F, s47E(c)
Cc: [PHN Assurance](#); [TESTER, Joanne](#); [RODDAM, Mark](#)
Subject: RE: MEDIA ENQUIRY - ADG - Western NSW PHN - Deadline COB Thursday [SEC=OFFICIAL]
Date: Thursday, 13 March 2025 5:59:36 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Thanks s47F, s47E(c), AS and FAS cleared the edited response below.

From: s47F, s47E(c)
Sent: Thursday, 13 March 2025 5:47 PM
To: News ; Primary Care Inputs ; s47F, s47E(c)
Cc: s47E(d)
Subject: RE: MEDIA ENQUIRY - ADG - Western NSW PHN - Deadline COB Thursday [SEC=OFFICIAL]

Hi s47F, s47E(c) – just running it past the AS and FAS, will confirm ASAP.
 Thanks

s47F,
 s47E(c)
 s47F, s47E(c)

Director, State Teams and Assurance
 Primary Health Networks and Partnerships Branch
 s47F, s47E(c) [@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)

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From: News <news@health.gov.au>
Sent: Thursday, 13 March 2025 5:30 PM
To: Primary Care Inputs s47E(d) [@health.gov.au](mailto:s47E(d)@health.gov.au); s47F, s47E(c) s47F, s47E(c) [@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)
Cc: s47F, s47E(c) [@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au); PHN Assurance s47E(d) [@Health.gov.au](mailto:s47E(d)@Health.gov.au); News <news@health.gov.au>
Subject: RE: MEDIA ENQUIRY - ADG - Western NSW PHN - Deadline COB Thursday [SEC=OFFICIAL]

Hi team,

Can you review edits made by the Minister's Office to original response provided.

s47C

s47C



s47F,
s47E(c)

Media Unit, Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c) E: news@health.gov.au

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From: Primary Care Inputs s47E(d) [@health.gov.au](mailto:s47E(d)@health.gov.au)>

Sent: Thursday, 13 March 2025 8:42 AM

To: News <news@health.gov.au>

Cc: s47F, s47E(c) [@Health.gov.au](mailto:s47E(c)@Health.gov.au)>; Primary Care Inputs s47E(d) [@health.gov.au](mailto:s47E(d)@health.gov.au)>;

PHN Assurance s47E(d) [@Health.gov.au](mailto:s47E(d)@Health.gov.au)>

Subject: MEDIA ENQUIRY - ADG - Western NSW PHN - Deadline COB Thursday [SEC=OFFICIAL]

Good Morning News,

s47C



s47C



Thank you

s47F, s47E(c)

PC Inputs Co-ords, Executive Support Team

Primary Care Division | Primary and Community Care Group
Australian Government Department of Health and Aged Care

[Primary Care Division - Home](#)

s47E(d) health.gov.au

GPO Box 9848 Canberra ACT 2601 Australia

The Department of Health and Aged Care acknowledges the Traditional Owners and Custodians of country throughout Australia, and their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to Elders past, present and emerging

From: News <news@health.gov.au>

Sent: Wednesday, 12 March 2025 4:59 PM

To: s47E(d) @health.gov.au>

Cc: s47F, s47E(c) @Health.gov.au>; s47F, s47E(c) @health.gov.au>; News
s47E(d) @health.gov.au>

s47C



s47C

Please note:

Media responses should be drafted as a brief statement or as a 1-5 dot point response that essentially addresses the enquiry/argument. If necessary, include further information (technical/policy/legislative nuances) as background to provide context and help the journalist better understand the issue. Please note, in some cases it may be necessary to respond to each of the questions separately.

Thanks,

s47F,

Media and Events, Corporate Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c) E: news@health.gov.au

Unless stated otherwise, this information is provided on a background basis and should not be attributed.

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From: s47F

Sent: Wednesday, 12 March 2025 4:45 PM

To: News <news@health.gov.au>

Subject: Western NSW PHN

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Hi,

Hope the team is well.

Just getting in touch regarding the Western NSW PHN.

I'm following up on this article regarding a charity set up by the PHN, which has since been shut down by the Department - the Priority Red Foundation.

<https://www.thesenior.com.au/story/8902718/taxpayer-millions-spent-on-unapproved-nsw-health-charity/>

Please can you confirm whether the Department has initiated an investigation into the PHN and/or its handling of funds in relation to this foundation?

Can you also confirm when the Department became aware of and shut down the foundation.

Did the foundation/PHN violate the department's commissioning guidelines for PHNs and if yes, please can you explain what the key concerns were?

Please could you get back to me by 5pm tomorrow.

Many thanks,

s47F

s47F

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From: [RODDAM, Mark](#)
To: s47F, s 47E(C) [TESTER, Joanne](#); [Primary Care Inputs](#)
Cc: s47F, s47E(c) ; [PHN Assurance](#); s47F, s47E(c)
Subject: RE: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]
Date: Wednesday, 26 March 2025 2:37:06 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)

Thanks all. This is good to go.

From: s47F, s47E(c)
Sent: Wednesday, 26 March 2025 1:36 PM
To: TESTER, Joanne ; Primary Care Inputs
Cc: s47F, s47E(c) ; RODDAM, Mark ; s47F, s47E(c) ; PHN Assurance ; s47F, s47E(c)
Subject: RE: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

Thanks Jo

s47F, s47E(c) [over to you please.](#)

From: TESTER, Joanne s47F, s47E(d) [@health.gov.au](#)>
Sent: Wednesday, 26 March 2025 1:34 PM
To: s47F, s47E(c) [@Health.gov.au](#)>; Primary Care Inputs s47E(d) [@health.gov.au](#)>
Cc: s47F, s47E(c) [@Health.gov.au](#)>; RODDAM, Mark s47F, s47E(d) [@health.gov.au](#)>; s47F, s47E(c) [@health.gov.au](#)>; PHN Assurance s47E(d) [@Health.gov.au](#)>; s47F, s47E(c) [@Health.gov.au](#)>
Subject: RE: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

Good thanks.

From: s47F, s47E(c) [@Health.gov.au](#)>
Sent: Wednesday, 26 March 2025 1:11 PM
To: s47E(d) [@health.gov.au](#)>; TESTER, Joanne s47F, s47E(d) [@health.gov.au](#)>
Cc: s47F, s47E(c) [@Health.gov.au](#)>; RODDAM, Mark s47F, s47E(d) [@health.gov.au](#)>; s47F, s47E(c) [@health.gov.au](#)>; PHN Assurance s47E(d) [@Health.gov.au](#)>; s47F, s47E(c) [@Health.gov.au](#)>
Subject: RE: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

Importance: High

Hi Jo

Another media enquiry re PRHF at WNSW PHN.

Proposed response below as per previous responses:

s47C

s47C

Thanks

s47F, s47E(c)

Director, State Teams and Assurance

Primary Health Networks and Partnerships Branch

s47F, s47E(c) [@health.gov.au](mailto:s47F, s47E(c)@health.gov.au)

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: Primary Care Inputs <s47E(d) [@health.gov.au](mailto:s47E(d)@health.gov.au)>

Sent: Wednesday, 26 March 2025 1:01 PM

To: s47F, s47E(c) [@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)>

Cc: TESTER, Joanne s47F, s47E(d) [@health.gov.au](mailto:s47F, s47E(d)@health.gov.au)>; Primary Care Inputs

s47E(d) [@health.gov.au](mailto:s47E(d)@health.gov.au)>; s47F, s47E(c) [@Health.gov.au](mailto:s47F, s47E(c)@Health.gov.au)>; RODDAM, Mark

s47F, s47E(d) @health.gov.au>

Subject: FW: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

Importance: High

Hi s47F,
s47E(

Please refer to enquiry below, deadline if possible is 1:30pm, today Wednesday, 26 March or as close as possible. I have advised the journalist we will endeavour to get a response to her today.

ENQUIRY:

I am looking for a comment please from the DoHAC on the story published in *AusDoc* today (refer to the attached) about the closing down of the Priority Red Health Foundation, set up by the Western NSW Primary Health Network's parent company, Western Health Alliance Limited (WHAL).

Background

The story (<https://www.ausdoc.com.au/news/the-story-of-the-phn-which-set-up-a-2-million-charity-that-delivered-no-services/>) said the foundation was established in September 2023 using reserve funds, without funding approval from DOHAC.

According to the article: *"In the letter [from DOHAC], dated February 2024, the department told WHAL to "cease all activity by the subsidiary", warning that it would not approve the funding because it breached the PHN's funding agreement.*

This included by subcontracting GP services and setting up a subsidiary using repurposed grant funds.

'Given the severity of the situation, the department seeks to work with WHAL to resolve these issues as quickly as possible, noting the department reserves all rights under the funding agreement,' the letter concluded."

And it was reported in the *Central Western Daily* that no GP practices at risk of closure were helped by the foundation, despite that being its purpose, and despite \$2.2 million being spent on the foundation.

My questions:

1. **What is DOHAC's response to the article?**
2. **Did the money come from repurposed fund grants?**
3. **Are there other projects, past or present, that have been commenced by the PHN without DOHAC funding approval?**
4. **Are there other instances where money has been spent by PHNs without DOHAC funding approval?**
5. **Is this something that DOHAC monitors? If so, how, and if not, why not?**

See response provided to author of this article on 13 March.

- Primary Health Networks (PHNs) are independent organisations that the Australian Government funds to manage 31 health regions across Australia. PHNs are overseen by individual boards, and clinical councils and community advisory committees provide advice.
- PHNs deliver three core functions. They:
 - Coordinate and integrate local health care services in collaboration with Local Hospital Networks to improve quality of care, people's experience, and efficient use

of resources.

- Commission primary care and mental health services to address population health needs and gaps in service delivery and to improve access and equity.
- Capacity-build and provide practice support to primary care and mental health providers to support quality care delivery.
- The Department of Health and Aged Care (the Department) is committed to ensuring that PHNs are achieving their objectives, and meeting Government expectations and requirements of their funding agreements under the PHN program.
- The Department manages the performance of PHNs through a Performance and Reporting Framework and Assurance Framework that identifies and addresses non-compliance or performance concerns. As part of the Assurance Framework, the Department supports a rolling program of independent audits of PHNs to review whether they are operating in accordance with their funding agreements and identify areas where they can improve.
 - As part of this rolling program of independent audits, Western NSW PHN was audited in 2024, with findings and recommendations of this audit still being finalised. Therefore, it is not appropriate to comment further at this time. The Department is committed to public transparency regarding the PHN program, and PHN audit summaries are made available on the Department's website once an audit has been reviewed and finalised.
- The Department commissioned an independent *Review of the PHN Program Business Model*, which will ensure that the PHN program continues to have the right policy frameworks, administrative supports, and governance structures to deliver on Australian Government objectives into the future. The review's final report is due to be provided to the Department in mid-2025.

Thank you

s47F, s47E(c)

PC Inputs Co-ords, Executive Support Team

Primary Care Division | Primary and Community Care Group
Australian Government Department of Health and Aged Care

[Primary Care Division - Home](#)

s47E(d) [@health.gov.au](#)

GPO Box 9848 Canberra ACT 2601 Australia

The Department of Health and Aged Care acknowledges the Traditional Owners and Custodians of country throughout Australia, and their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to Elders past, present and emerging

From: News <news@health.gov.au>

Sent: Wednesday, 26 March 2025 12:47 PM

To: Primary Care Inputs s47E(d) [@health.gov.au](#)>

Cc: s47F, s47E(c) [@health.gov.au](#); News <news@health.gov.au>

Subject: RE: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

HI team,

I have been able to access the following article, (<https://www.ausdoc.com.au/news/the-story-of-the-phn-which-set-up-a-2-million-charity-that-delivered-no-services/>) see attached mentioned in Background which says the, *foundation was established in September 2023 using reserve funds, without funding approval from DOHAC* which may provide further context and assist with your response.

s47F,
s47E(c)

Media and Events, Corporate Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c)

I E news@health.gov.au

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From: News <news@health.gov.au>

Sent: Wednesday, 26 March 2025 12:24 PM

To: Primary Care Inputs s47E(d) <[s47E\(d\)@health.gov.au](mailto:s47E(d)@health.gov.au)>

Cc: s47F, s47E(c) <[s47F,s47E\(c\)@health.gov.au](mailto:s47F,s47E(c)@health.gov.au)>; News <news@health.gov.au>

Subject: FW: Media Enquiry - Health Services Daily - re Priority Red Health Foundation and Western NSW PHN - Deadline 2.30pm, Wednesday, 26 March [SEC=OFFICIAL]

Hi team,

Please refer to enquiry below, deadline if possible is 2.30pm, today Wednesday, 26 March or as close as possible. I have advised the journalist we will endeavour to get a response to her today.

ENQUIRY:

I am looking for a comment please from the DoHAC on the story published in *AusDoc* today (refer to the attached) about the closing down of the Priority Red Health Foundation, set up by the Western NSW Primary Health Network's parent company, Western Health Alliance Limited (WHAL).

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The story (<https://www.ausdoc.com.au/news/the-story-of-the-phn-which-set-up-a-2-million-charity-that-delivered-no-services/>) said the foundation was established in September 2023 using reserve funds, without funding approval from DOHAC.

According to the article: *"In the letter [from DOHAC], dated February 2024, the department told WHAL to "cease all activity by the subsidiary", warning that it would not approve the funding because it breached the PHN's funding agreement.*

This included by subcontracting GP services and setting up a subsidiary using repurposed grant funds.

'Given the severity of the situation, the department seeks to work with WHAL to resolve these issues as quickly as possible, noting the department reserves all rights under the funding agreement,' the letter concluded."

And it was reported in the *Central Western Daily* that no GP practices at risk of closure were helped by the foundation, despite that being its purpose, and despite \$2.2 million being spent on the foundation.

My questions:

1. **What is DOHAC's response to the article?**
2. **Did the money come from repurposed fund grants?**
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 - As part of this rolling program of independent audits, Western NSW PHN was audited in 2024, with findings and recommendations of this audit still being finalised. Therefore, it is not appropriate to comment further at this time. The Department is committed to public transparency regarding the PHN program, and PHN audit summaries are made available on the Department's website once an audit has been reviewed and finalised.
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Thanks,

s47F,
s47E(c)

Media and Events, Corporate Communication Branch

Australian Government, Department of Health and Aged Care

s47F, s47E(c)

I E news@health.gov.au

Unless stated otherwise, this information is provided on a background basis and should not be attributed.

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From: s47F

Sent: Wednesday, 26 March 2025 11:55 AM

To: News <news@health.gov.au>

Subject: media query re Priority Red Health Foundation and Western NSW PHN

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Hello,

s47F, s47E(c) here from *Health Services Daily*. I am looking for a comment please from the DoHAC on the story published in *AusDoc* today about the closing down of the Priority Red Health Foundation, set up by the Western NSW Primary Health Network's parent company, Western Health Alliance Limited (WHAL).

Background

The story (<https://www.ausdoc.com.au/news/the-story-of-the-phn-which-set-up-a-2-million-charity-that-delivered-no-services/>) said the foundation was established in

September 2023 using reserve funds, without funding approval from DOHAC.

According to the article: "In the letter [from DOHAC], dated February 2024, the department told WHAL to "cease all activity by the subsidiary", warning that it would not approve the funding because it breached the PHN's funding agreement.

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And it was reported in the *Central Western Daily* that no GP practices at risk of closure were helped by the foundation, despite that being its purpose, and despite \$2.2 million being spent on the foundation.

My questions:

- What is DOHAC's response to the article?
- Did the money come from repurposed fund grants?
- Are there other projects, past or present, that have been commenced by the PHN without DOHAC funding approval?
- Are there other instances where money has been spent by PHNs without DOHAC funding approval?
- Is this something that DOHAC monitors? If so, how, and if not, why not?

My deadline is 2:30pm this afternoon. I look forward to hearing from you.

Many thanks for your help,

s47F



From: [TESTER, Joanne](#)
To: s47F, [REDACTED]
Cc: s47F, s47E(c); s47F, s47E(c); [PHN Complaints](#); s47F, [REDACTED]
Subject: RE: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]
Date: Tuesday, 25 March 2025 4:46:10 PM
Attachments: [image002.png](#)
[image003.png](#)

Thanks s47F

This is good to go.

From: s47F, s47E(c) @Health.gov.au>
Sent: Tuesday, 25 March 2025 4:38 PM
To: TESTER, Joanne <s47F, s47E(d) @health.gov.au>
Cc: s47F, s47E(c) <s47F, s47E(d) @health.gov.au>; s47F, s47E(c) s47F, s47E(c) @health.gov.au>; s47F, s47E(c) @Health.gov.au>; PHN Complaints s47E(d) @health.gov.au>; s47F, s47E(c) @Health.gov.au>
Subject: FW: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]
Importance: High

Hi Jo

s47C

Primary Health Networks (PHN) Complaints

s47F, [REDACTED]
 Director - State Teams and Assurance Section
 Primary Health Networks and Partnerships Branch

Primary Care Division | Primary and Community Care Group
 Australian Government, Department of Health and Aged Care
 Location: Yaradhang Building Level 4, PO Box 9848, Canberra ACT 2601, Australia

The Department of Health and Aged Care acknowledges First Nations peoples as the Traditional Owners of Country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to all Elders both past and present.

From: PHN Complaints s47E(d) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>
Sent: Tuesday, 25 March 2025 9:52 AM
To: TESTER, Joanne <s47F, s47E(d) [@health.gov.au](mailto:Joanne.Tester@health.gov.au)>; s47F, s47E(c)
s47F, s47E(c) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>; s47F, s47E(c) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>
Cc: s47F, s47E(c) [@Health.gov.au](mailto:PHN.Complaints@Health.gov.au)>; PHN Complaints s47E(d) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>
Subject: RE: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]

Hi Jo

We've received responses to my replies, one of which is a request to discuss an FOI request with the dept. See [attached](#).

Would be good to meet with you, s47F, s47E(c) to discuss this arvo/tomorrow.

And now that we have responses, I'll send on emails to s47F

From: TESTER, Joanne s47F, s47E(d) [@health.gov.au](mailto:Joanne.Tester@health.gov.au)>
Sent: Tuesday, 25 March 2025 7:55 AM
To: s47E(d) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>
Cc: s47F, s47E(c) [@Health.gov.au](mailto:PHN.Complaints@Health.gov.au)>
Subject: RE: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]

Thanks s47F

Is s47F aware of the below?

From: s47E(d) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>
Sent: Monday, 24 March 2025 5:57 PM
To: TESTER, Joanne s47F, s47E(d) [@health.gov.au](mailto:Joanne.Tester@health.gov.au)>
Cc: PHN Complaints s47E(d) [@health.gov.au](mailto:PHN.Complaints@health.gov.au)>; s47F, s47E(c)
s47F, s47E(c) [@Health.gov.au](mailto:PHN.Complaints@Health.gov.au)>
Subject: FYI: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]

Hi Jo

s47E(a)

s47F,
s47E(c)

s47F, s47E(c)

Director, State Teams and Assurance
Primary Health Networks and Partnerships Branch

s47F, s47E(c) [@health.gov.au](mailto:health.gov.au)

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From: PHN Complaints <PHN.Complaints@health.gov.au>

Sent: Monday, 24 March 2025 5:43 PM

To: CommunityFirst1234 <CommunityFirst1234@proton.me>

Cc: Brad Porter <brad.porter@wnswphn.org.au>; shaun.mcdonagh@wnswphn.org.au; melina.saunders@wnswphn.org.au; julie.toma@wnswphn.org.au; ai-vee.chua@wnswphn.org.au; matthew.banning@wnswphn.org.au; robyn.williams@wnswphn.org.au; danielle.taylor@wnswphn.org.au; communications@wnswphn.org.au; PHN Complaints <PHN.Complaints@health.gov.au>

Subject: RE: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]

Good afternoon CommunityFirst

Thank you for your email.

Please direct any enquiries or concerns regarding service providers commissioned by Primary Health Networks to their relevant complaints process.

For Western NSW PHN, this can be found here: [Complaints and Feedback : Western NSW PHN](#)

Primary Health Networks (PHN) Complaints

s47F,

Director - State Teams and Assurance Section
Primary Health Networks and Partnerships Branch

Primary Care Division | Primary and Community Care Group
Australian Government, Department of Health and Aged Care
Location: Yaradhang Building Level 4, PO Box 9848, Canberra ACT 2601, Australia

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From: CommunityFirst1234 <CommunityFirst1234@proton.me>

Sent: Friday, 21 March 2025 9:23 AM

To: PHN Complaints <PHN.Complaints@health.gov.au>

Cc: s11c <s11c@wnswphn.org.au>; s11c <s11c@wnswphn.org.au>;

s11c <s11c@wnswphn.org.au>; s11c <s11c@wnswphn.org.au>; s1

<s11c@wnswphn.org.au>; s11c <s11c@wnswphn.org.au>; 1c

s11c <s11c@wnswphn.org.au>; s11c <s11c@wnswphn.org.au>;

communications@wnswphn.org.au

Subject: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Dear Department of Health & Aged Care - PHN Program Complaints Team,

We are writing to formally raise concerns regarding financial disclosure and governance issues at **Western NSW Primary Health Network (WNSW PHN)**, operated by **Western Health Alliance Ltd**. Given the nature of these issues, we are including all relevant stakeholders in this correspondence.

Key Concerns

1. Failure to Disclose Related Party Transactions

- The 2024 Financial Statements of WNSW PHN do not disclose payments made to Bila Muuji Aboriginal Corporation Health Service, despite its status as a member of WNSW PHN.
- However, the statements do disclose \$1.1 million in funding to Orange AMS, another related entity.
- Under **AASB 124 – Related Party Disclosures**, all related party transactions must be transparently reported. The omission of funding details for Bila Muuji raises serious concerns about compliance, governance, and transparency in

financial reporting.

2. Governance Issues & Public Concerns

- A Sydney Morning Herald investigation over the weekend has highlighted serious allegations of bullying, mismanagement, and maladministration at Bila Muuji.
- As taxpayer funds support these programs, the public has a right to know how funds are allocated, measured, and monitored for effectiveness.

3. Lack of Performance Monitoring & Accountability

- According to public records, WNSW PHN has funded Bila Muuji through its Activity Plans, including:
 - ITC-01 – Care Coordination and Supplementary Services
 - AOD-01 – Opioid Mitigation Strategy
- However, there is no clear evidence of KPIs or performance metrics being applied to these programs.
- This raises serious concerns that taxpayer money is not being monitored effectively for its intended purpose.

Request for Urgent Clarification

We respectfully seek an urgent response to the following:

1. Why were payments to Bila Muuji Aboriginal Corporation Health Service not disclosed under AASB 124?
2. How does WNSW PHN measure and report on the value and outcomes of funding allocated to Bila Muuji and other related entities?
3. What steps will WNSW PHN and the Department of Health take to ensure financial transparency and accountability in future reporting?

Given the significant public funding involved, we believe full disclosure and transparency are not optional but an obligation to the community as users of these financial statements. If this information is not provided, we will escalate this matter to the Department of Health and Aged Care via a formal FOI request.

We appreciate you taking the time to look into this and look forward to your response.

Sincerely,

CommunityFirst

Sent with [Proton Mail](#) secure email.

From: [TESTER, Joanne](#)
To: [PHN Complaints](#)
Cc: s47F, s47E(c)
Subject: RE: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]
Date: Tuesday, 25 March 2025 7:54:36 AM
Attachments: [image002.png](#)
[image003.png](#)

Thanks s47F

Is s47F aware of the below?

From: PHN Complaints s47E(d) @health.gov.au>
Sent: Monday, 24 March 2025 5:57 PM
To: TESTER, Joanne s47F, s47E(d) @health.gov.au>
Cc: PHN Complaints s47E(d) @health.gov.au>; s47F, s47E(c) s47F, s47E(c) @Health.gov.au>
Subject: FYI: Urgent Inquiry Regarding Financial Disclosure and Governance Concerns – WNSW PHN [SEC=OFFICIAL]

Hi s47F

s47E(a)

Thanks

s47F,
s47E(c)

s47F, s47E(c)
 Director, State Teams and Assurance
 Primary Health Networks and Partnerships Branch
 s47F, s47E(c) @health.gov.au

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From: PHN Complaints <PHN.Complaints@health.gov.au>

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We appreciate you taking the time to look into this and look forward to your response.

Sincerely,

CommunityFirst

Sent with [Proton Mail](#) secure email.

From: [TESTER, Joanne](#)
To: s47F, [REDACTED]
Cc: s47E(d) [REDACTED]; s47F, s47E(c) [REDACTED]
Subject: RE: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]
Date: Monday, 24 March 2025 2:25:26 PM
Attachments: [image001.png](#)

Good thanks

From: s47F, s47E(c) [REDACTED]@Health.gov.au>
Sent: Monday, 24 March 2025 1:55 PM
To: TESTER, Joanne <s47F, s47E(d) [REDACTED]@health.gov.au>
Cc: s47E(d) [REDACTED]@health.gov.au>; s47F, s47E(c) [REDACTED]
s47F, s47E(c) [REDACTED]@Health.gov.au>
Subject: FW: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]
Importance: High

Hi Jo

s47C



s47C

Thanks

s47F,
s47E(

s47F, s47E(c)

Director, State Teams and Assurance

Primary Health Networks and Partnerships Branch

s47F, s47E(c) @health.gov.au

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From: s47E(d) @health.gov.au>

Sent: Monday, 24 March 2025 10:01 AM

To: s47F, s47E(c) @Health.gov.au>

Subject: FW: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures [SEC=OFFICIAL]

From: CommunityFirst1234 <CommunityFirst1234@proton.me>

Sent: Friday, 21 March 2025 3:36 PM

To: PHN Complaints <PHN.Complaints@health.gov.au>

Cc: s11c @wnswphn.org.au; s11c @wnswphn.org.au;

s11c @wnswphn.org.au; s11c @wnswphn.org.au;

s11c @wnswphn.org.au; s11c @wnswphn.org.au; s1

@wnswphn.org.au; s11c @wnswphn.org.au; 1c

s11c @wnswphn.org.au; communications@wnswphn.org.au

Subject: Urgent Request for Investigation into WNSW PHN – Financial Mismanagement & Governance Failures

REMINDER: Think before you click! This email originated from outside our organisation. Only click links or open attachments if you recognise the sender and know the content is safe.

Dear PHN Program Complaints Team,

We are writing as concerned community members to urgently bring to your attention many serious concerns relating to the governance, financial management, and transparency of the Western NSW Primary Health Network (WNSW PHN).

Given the significant level of taxpayer funding allocated to PHNs, we believe it is essential that the Department of Health and Aged Care initiates immediate oversight to ensure public confidence is maintained and services are protected for vulnerable communities across Western NSW.

Key Concerns

- *Severe Financial Mismanagement* - WNSW PHN reported a \$1.6 million deficit for the 2023–24 financial year, despite receiving \$46.7 million in government funding. This raises concerns about financial controls, planning, and sustainability.
- *Late Financial Disclosures* - The PHN failed to lodge its financial statements on time with the Australian Charities and Not-for-profits Commission (ACNC), significantly undermining transparency and statutory compliance.
- *Waste of Public Funds* - According to recent public reporting (attached), substantial taxpayer money was spent on establishing a wholly owned foundation which has since ceased operations with no clear accountability or return on investment.
- *Non-Transparent CEO Appointment* - It has been reported that the CEO was appointed without an open, merit-based recruitment process. This raises further questions about governance integrity and the Board's decision-making processes.

Request for Immediate Action

In light of these issues, we respectfully request that the Department:

1. Conduct an independent investigation into the governance, financial management, and expenditure of WNSW PHN.
2. Review the organisation's governance and leadership structure to ensure appropriately qualified individuals are managing public funds.
3. Implement stronger oversight and accountability mechanisms to ensure future funding is linked to measurable community health outcomes and ethical administration.

These matters directly affect the delivery of primary healthcare in Western NSW. Without intervention, there is a risk that taxpayer funds may continue to be mismanaged, to the detriment of the communities they are meant to support.

We have taken the step of including relevant oversight stakeholders in this correspondence due to the lack of response to previous community requests for clarity and transparency. Given the public nature of the funding and the importance of accountable governance, we believe it is appropriate that all parties with oversight responsibilities are informed of these concerns.

Additional Concern Raised by Recent Media Coverage

We also draw your attention to the article titled *"Millions in taxpayer dollars spent on unapproved charity to help regional GPs"* by journalist Grace Dudley, published in the *Central Western Daily* on 13 March 2025. The article highlights the misuse of over \$2 million in taxpayer funding by WNSW PHN to establish the Priority Red Health Foundation—an initiative that operated for only six months, delivered no services, and was created without approval from the Department of Health.

<https://www.centralwesterndaily.com.au/story/8893251/western-nsw-phn-spends-millions-on-unapproved-charity-for-gps/>

Given the gravity of the issues raised—especially the apparent lack of transparency, due diligence, and public reporting—we believe this strengthens the case for an urgent, independent investigation into WNSW PHN's governance and financial management practices. The damage to public confidence is significant, and we ask that this matter be treated with the highest priority.

We sincerely appreciate your attention to this matter and would welcome the opportunity to engage further, should it assist in supporting improved governance and outcomes for our communities.

Yours sincerely,
Concerned Community Members

Sent with [Proton Mail](#) secure email.