

MINUTES
SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT
BOARD MEETING
6 FEBRUARY 2013
16:00 – 18:00
EXECUTIVE CONFERENCE ROOMS A&B, EXECUTIVE
DIRECTOR UNIT, LEVEL 3
PRINE OF WALES HOSPITAL

**PART
A.**

MEETING OPENING

Item 1

WELCOME

1.1

Apologies

- Nil

1.2

Members:

- The Hon. Morris Iemma (Chair)
- A/Prof Peter Gonski (Deputy Chair)
- Ms Patricia Azarias
- Dr Ingrid van Beek
- Mr Robert Boyd-Boland
- Ms Deborah Cansdell
- A/Prof Robert Farnsworth
- Dr Harry Harinath
- Mrs Janet McDonald
- Ms Kate Munnings
- A/Prof Peter Smerdely
- Ms Kristin Stubbins
- Prof Jeanette Ward

Document tendered by

Ms Abigail Boyd MLC

Received by

Emily Whittingstall

Date: 26 / 06 / 2013

Resolved to publish Yes / No

In Attendance:

- Mr Terry Clout – Chief Executive
- Mr Peter Hudnall – Chief Financial Officer (present for items 1-8)
- Ms Karen Foldi – Director of Finance (present for items 1-8)
- Dr Michael McGlynn – Executive Medical Director (present for items 1-8)
- Ms Kim Olesen – Director Nursing & Midwifery Services (present for items 1-8)
- Prof James Colebatch – Chair Medical Staff Executive Council (present for items 1-8)

Secretariat:

- Ms Emily Janov – Board Secretary

Item 2

DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST AND DIRECTOR RELATED TRANSACTIONS

There were no potential conflicts of interests declared at the meeting on 6 February 2013.

	Item 3	CONFIRMATION OF MINUTES
	3.1	<p>Minutes of the SESLHD Board meeting held 5 December 2012 The Board endorsed the minutes (excluding items 9-12) of the SESLHD Board meeting held 5 December 2012 as an accurate record of proceedings.</p> <p>Resolution 192 "That the Board approve the minutes (excluding items 9-12) of the SESLHD Board meeting held on 5 December as an accurate record of proceedings."</p> <p>Moved: J Ward Seconded: R Farnsworth Carried</p>
	3.2	<p>Minutes of the joint Mental Health Clinical Council and SESLHD Board meeting held 5 December 2012 The Board noted the minutes of the joint Mental Health Clinical Council and SESLHD Board meeting held 5 December 2012 as an accurate record of proceedings, subject to the amendment of Jeanette Ward being an apology to the meeting.</p> <p>Resolution 193 "That the Board approve the minutes of the joint Mental Health and Clinical Council meeting on 5 December 2012 as an accurate record of proceedings, subject to the amendment of Jeanette Ward being an apology to the meeting."</p> <p>Moved: J McDonald Seconded: P Smerdely Carried</p>
	Item 4	ACTIONS ARISING
	4.1	<p>Action Log The Board noted the action log (excluding items relating to 9-11), for information.</p>
	Item 5	PRESENTATION There were no presentations provided to the Board at the meeting.
Part B	CHAIR & CHIEF'S EXECUTIVE REPORTS	
	Item 6	CHAIR'S REPORT
	6.1	<p>2013 Board Membership The Chair welcomed the returning Board members:</p> <ul style="list-style-type: none"> • Ms Deborah Cansdell; • A/Prof Robert Farnsworth; • Dr Harry Harinath; • A/Prof Peter Smerdely; and • Prof Jeanette Ward. <p>The Chair also welcomed the two new Board members:</p> <ul style="list-style-type: none"> • Ms Kate Munnings; and

		<ul style="list-style-type: none"> Ms Kristin Stubbins. <p>It was noted that Ms Kristin Stubbins was awaiting sign-off by the Board of Pricewaterhouse Coopers prior to formally accepting the position of Board member at SESLHD.</p>
	6.2	<p>Council of the Chairs – SESLHD COAG Presentation</p> <p>It was noted that the Minister for Health and Director-General of NSW Ministry of Health co-host quarterly meetings for LHD Board Chairs and Deputy-Director Generals. In the SESLHD Board Chair's absence, the Deputy Chair attends.</p> <p>The Chief Executive was requested by the Director-General to present to this forum on Friday 8 March 2013 regarding the SESLHD subacute models of care initiative which was funded at SESLHD with COAG funding. The programs implemented at SESLHD were analysed for efficiency and effectiveness. The draft presentation was included for information.</p>
	Item 7	<p>CE's REPORT</p>
	7.1	<p>Organisational KPI Report – December 2012</p> <p>The December 2012 Organisational KPI Report was noted for information.</p> <p>The Chief Executive noted that the report had been aligned to the KPIs listed in the SESLHD Service Agreement with the Ministry of Health and that there was a covering page which summarised the District's performance against the KPIs. The summary page also included commentary from the Chief Executive on KPIs which were not being met.</p> <p>The following KPIs with a risk rating of 'at risk' were discussed:</p> <ul style="list-style-type: none"> KPI 14 – Mental Health presentations staying in Emergency Department for greater than 24 hours; Service Measure 1 – Emergency Access Performance; Service Measure 4 – Large Claims Performance; KPI 23&25 – Expenditure & revenue matched to budget – year to date; KPI 24&26 – Expenditure & revenue matched to budget – June projection; and Service Measure 5 – Cost of activity based funded activity. <p>The Board discussed Mental Health readmission rates and their likely correlation to the lack of community housing. The Board sought the Chief Executive to report on the number of Mental Health rehabilitation patients (in acute and subacute services), and the number of beds (in facilities and in the community) supported by SESLHD.</p> <p>Action: Chief Executive to report back to the March Board meeting with the mental health patient and bed figures.</p>
	7.1.1	<p>Northern Sector Clinical Council Service Level Agreement</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> <p>This item has been marked as confidential</p> </div>

		<p>This item has been marked as confidential</p>
	<p>7.1.2</p>	<p>Northern Sector Savings and Efficiencies Progress Report</p> <p>This item has been marked as confidential</p>
	<p>7.2</p>	<p>Asset Strategic Plan The SESLHD Asset Strategic Plan 2012-2017 was noted. The Chief Executive explained that the Asset Strategic Plan was a plan which indicated the District's priorities to the Minister. Not all initiatives would necessarily receive funding for work during the plan's term.</p> <p>The Board requested that the St George Clinical Council present their redevelopment plans in the March joint meeting of the Council and the Board.</p>

		<p>Action: St George Clinical Council to provide Board with an update on the St George Hospital redevelopment plans at the March joint meeting of the Council and the Board.</p> <p>The Chief Executive was sought investigation whether it was feasible to split the St George Hospital redevelopment proposals into stages.</p> <p>Action: Chief Executive to report back to Board regarding the feasibility of splitting the St George Hospital redevelopment proposal into stages.</p> <p>The Board discussed the cost of maintaining heritage listed sites, such as Sydney Hospital and the Edmund Blackett Building on the Prince of Wales campus. It was noted that the heritage fund had ceased over eight years ago and that maintenance of heritage listed facilities was required to be met from within the current LHD budget.</p> <p>Resolution 196 "That the SESLHD Board endorse the Asset Strategic Plan 2012-2017."</p> <p>Moved: D Cansdell Seconded: J McDonald Carried</p>
7.3		<p>Scoping Paper – Population Health Services Plan The scoping paper for the SESLH Population Health Service Plan was noted. The plan included a Gantt chart indicating the review and consultation process for the Population Health Service Plan. The completed Plan is proposed to be brought back to the Board for approval in August 2013.</p> <p>Resolution 197 "That the SESLHD Board approve the recommended deliverable due dates and planning process for the development of the Directorate's Population Health Plan 2013-2018 as presented in the Scoping Paper."</p> <p>Moved: P Azarias Seconded: J McDonald Carried</p>
7.4		<p>SESLDH Executive Recruitment Update The Board noted for information the update provided regarding the Executive recruitments and contract reviews currently being undertaken within the SESLHD Executive Team. These were:</p> <ul style="list-style-type: none"> • The use of an executive recruiter for external recruitment to the Director of Operations of the Northern Sector; • The regrading of the position description for the Director of Information, Communication & Technology; and • The review of the Director of Operations of the Southern Sector's contract (expiring in August 2013).
7.5		<p>Norfolk Island Hospital Enterprise MOU The final Memorandum of Understanding (MOU) between the Norfolk Island Hospital Enterprise (NIHE), Sydney Children's Hospitals Network (SCHN), and SESLHD was noted. The MOU stipulates the agreement of health service provided by SESLHD and SCHN to the NIHE.</p> <p>SESLHD had been asked to identify a senior SESLHD representative to</p>

	<p>participate on the NIHE Advisory Council. The Chair had requested that the Chief Executive participate on the Advisory Council as the SESLHD representative, and the Chief Executive agreed to this arrangement.</p> <p>The Board noted for information the update provided in relation to the MOU with the NIHE and the SESLHD representative on the NIHE Advisory Council.</p>
7.6	<p>CE's Appointment to Implementation Committee of the NSW HIV Strategy 2012-2015</p> <p>The Board noted the NSW HIV Strategy 2012-2015 - A New Era, launched by the Minister on 1 December 2012. The Deputy Director-General Population and Public Health and Chief Health Officer had requested the SESLHD Chief Executive participate on the Implementation Committee for the Strategy. The Board noted the Chief Executive and A/Prof Ingrid van Beek's appointment to the Implementation Committee.</p>
7.7	<p>Randwick Urban Precinct Activation Project</p> <p>The Board noted for information the brief provided regarding the Randwick Urban Activation Precinct provided by the Director of Operations of the Northern Sector.</p>
7.8	<p>Peritoneotomy Activity</p> <p>The Board had received a briefing note regarding the Peritonectomy services at St George Hospital as a late agenda item.</p> <p>The Chair, The Hon. Morris Iemma, left the room during the following discussion, as he is the Chair of the Cancer Institute Board.</p> <p>The Board noted that the Peritonectomy services at St George were being operated by one clinician who was not adhering to the agreed activity levels for the service. The clinician is the author of all Australian literature relating to the effectiveness of peritoneotomy surgery and therefore all evidence relating to efficiency of the surgery may be biased.</p> <p>The Board discussed the need to seek an external organisation to undertake a review of peritonectomy surgery and provide advice to the Ministry of Health on appropriate activity levels of the State-wide service. The Board agreed that the Cancer Institute would be an appropriate organisation to seek to undertake the review.</p> <p>Resolution 197</p> <p>"That the SESLHD Board note the update provide regarding the St George Hospital peritonectomy services and agree that the Chief Executive seek the Cancer Institute to undertake a review of the peritonectomy state-wide services and the future activity levels recommended."</p> <p>Moved: J McDonald Seconded: P Smerdely Carried</p> <p>Action: CE to seek Cancer Institute to undertake a review of the St George Hospital Peritoneotomy Services and the recommended future activity levels.</p>

	7.9	Interventional Neuroradiology The Board noted the late agenda item providing an update on the Interventional Neuroradiology services.
Part C	SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION	
	Item 8	SESLHN COMMITTEE REPORTS
	8.1	Clinical & Quality Council
	8.1.1	Clinical & Quality Council Minutes The minutes of the SESLHN Clinical & Quality Council meeting held on 19 December 2012 were noted for information.
	8.2	Finance & Performance Committee
	8.2.1	Finance & Performance Committee Minutes The minutes of the SESLHD Finance & Performance Committee meeting held on 7 November and 5 December were noted by the Board for information.
	8.2.2	SESLHD Financial Narrative The SESLHD financial narrative for the periods ending November and December 2012 were noted by the Board. The Chair of the Finance & Performance Committee noted the District's projection was \$6.8M unfavourable to budget at the end of the financial year. Resolution 198 "That the SESLHD Board approve the SESLHD financial narrative reports for the period ending November and December 2012." Moved: P Smerdely Seconded: J McDonald Carried
	8.2.3	SESLHD Delegations Manual The SESLHD Delegations Manual had been amended in early 2013. The Finance & Performance Committee had approved the revised Manual. Resolution 199 "That the SESLHD Board approve the revised SESLHD Delegations Manual." Moved: J Ward Seconded: P Smerdely Carried
	8.3	Audit & Risk Management Committee
	8.3.1	Audit & Risk Management Committee Minutes The Board noted the Audit & Risk Management Committee meeting minutes of the meeting 28 November 2012.

**SESLHD Board
Minutes
Meeting held Wednesday 6 February 2013**



Health
South Eastern Sydney
Local Health District

	8.4	Community Advisory Committee
	8.4.1	Community Advisory Committee Update There had not been a Community Advisory Committee meeting since the last Board meeting.
	8.5	Sydney Metropolitan Aboriginal Health Partnerships Agreement There had not been a meeting of the Sydney Metropolitan Aboriginal Health Partnerships Agreement meeting since the last Board meeting.
	8.6	Medical Staff Executive Council Minutes The Board noted for information the minutes of the Medical Staff Executive Council meeting held on 28 November 2012.

MINUTES
SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT
BOARD MEETING
6 FEBRUARY 2013
16:00 – 18:00
EXECUTIVE CONFERENCE ROOMS A&B, EXECUTIVE
DIRECTOR UNIT, LEVEL 3
PRINE OF WALES HOSPITAL

PART D	BOARD AMINISTRATION MATTERS (BOARD MEMBERS AND CE ONLY)														
	<table border="1"> <tr> <td data-bbox="319 627 462 672">Item 9</td><td data-bbox="462 627 1503 672">BOARD ADMINISTRATIVE MATTERS</td></tr> <tr> <td data-bbox="319 672 462 1052">9.1</td><td data-bbox="462 672 1503 1052"> <p>Minute of Board Meeting held 5 December (items 9-12) The Board endorsed the minutes (items 9-12) of the SESLHD Board meeting held 5 December 2012 as an accurate record of proceedings.</p> <p>Resolution 199 "That the Board approve the minutes (items 9-12) of the SESLHD Board meeting held on 5 December 2012 as an accurate record of proceedings."</p> <p>Moved: R Farnsworth Seconded: J McDonald Carried</p> </td></tr> <tr> <td data-bbox="319 1052 462 1187">9.2</td><td data-bbox="462 1052 1503 1187"> <p>Actions Arising The Board noted the action log (relating to items 9-12) as at 29 January 2012, for information.</p> </td></tr> <tr> <td data-bbox="319 1187 462 1299">9.3</td><td data-bbox="462 1187 1503 1299">Chair's Report</td></tr> <tr> <td data-bbox="319 1299 462 1859">9.3.1</td><td data-bbox="462 1299 1503 1859"> <p>Board only Meeting Times The Board discussed the appropriate SESLHD executive attendance at future Board meetings. It was noted that the Chair of the Medical Staff Executive Council was to be invited to the Board meetings, as a requirement of the legislation. The Board reaffirmed that the Director of Finance, Director of Nursing & Midwifery Service and Medical Executive Director should also attend Board meeting (general business).</p> <p>It was clarified that the District Executive and Chair of the Medical Staff Executive Council attend as observers and will contribute when required by the Board Chair or Chief Executive.</p> <p>Action: Chief Executive to discuss Board meeting participation with the Directors attending the Board meetings.</p> </td></tr> <tr> <td data-bbox="319 1859 462 1926">9.4</td><td data-bbox="462 1859 1503 1926">Chief Executive's Report</td></tr> <tr> <td data-bbox="319 1926 462 2042">9.4.1</td><td data-bbox="462 1926 1503 2042"> <p>Prince of Wales Contentious Issues Brief</p> <div style="border: 1px solid black; padding: 5px; text-align: center;">This item has been marked as confidential</div> </td></tr> </table>	Item 9	BOARD ADMINISTRATIVE MATTERS	9.1	<p>Minute of Board Meeting held 5 December (items 9-12) The Board endorsed the minutes (items 9-12) of the SESLHD Board meeting held 5 December 2012 as an accurate record of proceedings.</p> <p>Resolution 199 "That the Board approve the minutes (items 9-12) of the SESLHD Board meeting held on 5 December 2012 as an accurate record of proceedings."</p> <p>Moved: R Farnsworth Seconded: J McDonald Carried</p>	9.2	<p>Actions Arising The Board noted the action log (relating to items 9-12) as at 29 January 2012, for information.</p>	9.3	Chair's Report	9.3.1	<p>Board only Meeting Times The Board discussed the appropriate SESLHD executive attendance at future Board meetings. It was noted that the Chair of the Medical Staff Executive Council was to be invited to the Board meetings, as a requirement of the legislation. The Board reaffirmed that the Director of Finance, Director of Nursing & Midwifery Service and Medical Executive Director should also attend Board meeting (general business).</p> <p>It was clarified that the District Executive and Chair of the Medical Staff Executive Council attend as observers and will contribute when required by the Board Chair or Chief Executive.</p> <p>Action: Chief Executive to discuss Board meeting participation with the Directors attending the Board meetings.</p>	9.4	Chief Executive's Report	9.4.1	<p>Prince of Wales Contentious Issues Brief</p> <div style="border: 1px solid black; padding: 5px; text-align: center;">This item has been marked as confidential</div>
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This item has been marked as confidential

9.5.1

Board Governance Committee

The Board Governance Committee had not met since the last Board meeting.

Item 10

Board Committee and Sub-Committee Membership

The nomination process for the Deputy Chair, Alternate Deputy Chair, and Board membership on Board Committees and Sub-Committees was held out of session over January 2013. Nominations were reviewed by the Chair and all nominees were contacted to ensure their interest in the proposed roles.

The Board noted the nominations received, and agreed to by the nominees, for the Deputy Chair and Alternate Deputy Chair roles in 2013, which were:

- Deputy Chair (clinical)
 - Peter Gonski
- Alternate Deputy Chair (external Board member)
 - Janet McDonald

The Board noted the nominations received, and agreed to by the nominees, for the Board representative on Board Committees and Subcommittees in 2013, which were:

- Audit and Risk Management Committee
 - Patricia Azarias
- Finance and Performance Committee*
 - Kristin Stubbins – as Chair
 - Patricia Azarias – as representative on the Audit & Risk Management Committee
 - Jeanette Ward
 - Robert Boyd-Boland
 - Kate Munnings
- Clinical & Quality Council
 - Deborah Cansdell – as Co-Chair
 - Robert Farnsworth
 - Peter Gonski
 - Peter Smerdely
 - Ingrid van Beek
- Community Advisory Committee
 - Robert Farnsworth – as Chair
 - Harry Harinath
- Sydney Metropolitan Aboriginal Health Partnership Agreement
 - Prof Jeanette Ward
 - Prof Ingrid van Beek - as alternative
- RHW Transitional Subcommittee*
 - Janet McDonald – as Chair
 - Robert Farnsworth
 - Jeanette Ward
 - Kristin Stubbins
- Board Governance Committee*
 - Peter Gonski – as Deputy Chair
 - Janet McDonald – as Alternate Deputy Chair
 - Patricia Azarias – as representative on the Audit & Risk Management Committee
 - Peter Smerdely

		<p>o Kate Munnings</p> <p>The Board agreed to amend the charters of the Finance and Performance Committee, RHW Transitional Subcommittee, and Board Governance Committee to increase the additional Board representative memberships by one.</p> <p>Action: Board Secretary to amend the charters of the Finance & Performance Committee, RHW Transitional Subcommittee, and Board Governance Committee.</p> <p>Resolution 200 "That the SESLHD Board note for information the nominations received for the 2013 membership on Board Committees and Subcommittees, and the Deputy Chair and Alternate Deputy Chair roles."</p> <p>Moved: Robert Farnsworth Seconded: D Cansdell Moved</p> <p>Resolution 201 "That the SESLHD Board resolve to amend the charters of the Finance and Performance Committee, RHW Transitional Subcommittee, and Board Governance Committee to increase the additional Board repetitive memberships by one."</p> <p>Moved: Robert Farnsworth Seconded: D Cansdell Moved</p> <p>Resolution 202 "That the SESLHD Board appoint the following members as Deputy Chair and Alternate Deputy Chair for 2013:</p> <ul style="list-style-type: none"> • Deputy Chair (clinical) <ul style="list-style-type: none"> o Peter Gonski • Alternate Deputy Chair (external Board member) <ul style="list-style-type: none"> o Janet McDonald" <p>Moved: Robert Farnsworth Seconded: D Cansdell Moved</p> <p>Resolution 203 "That the SESLHD Board appoint the following members to Board Committees and Subcommittees for 2013:</p> <ul style="list-style-type: none"> • Audit and Risk Management Committee <ul style="list-style-type: none"> o Patricia Azarias • Finance and Performance Committee* <ul style="list-style-type: none"> o Kristin Stubbins – as Chair o Patricia Azarias – as representative on the Audit & Risk Management Committee o Jeanette Ward o Robert Boyd-Boland o Kate Munnings • Clinical & Quality Council <ul style="list-style-type: none"> o Deborah Cansdell – as Co-Chair o Robert Farnsworth
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		<ul style="list-style-type: none"> ○ Peter Gonski ○ Peter Smerdely ○ Ingrid van Beek • Community Advisory Committee <ul style="list-style-type: none"> ○ Robert Farnsworth – as Chair ○ Harry Harinath • Sydney Metropolitan Aboriginal Health Partnership Agreement <ul style="list-style-type: none"> ○ Prof Jeanette Ward ○ Prof Ingrid van Beek - as alternative • RHW Transitional Subcommittee* <ul style="list-style-type: none"> ○ Janet McDonald – as Chair ○ Robert Farnsworth ○ Jeanette Ward ○ Kristin Stubbins • Board Governance Committee* <ul style="list-style-type: none"> ○ Peter Gonski – as Deputy Chair ○ Janet McDonald – as Alternate Deputy Chair ○ Patricia Azarias – as representative on the Audit & Risk Management Committee ○ Peter Smerdely ○ Kate Munnings <p>Moved: Robert Farnsworth Seconded: D Cansdell Moved</p>
Part E	CORRESPONDANCE	
	Item 11	CORRESPONDENCE RECEIVED The Board noted for information the correspondence received register, as updated on 29 January 2013.
	11.1	<p>NSW Health Pathology Board</p> <p>The Board noted the NSW Health Pathology request for LHD nominations to the NSW Health Pathology Board. The agreed process within SESLHD for identifying suitable nominees was via the District Clinical & Quality Council. The Council had recommended Prof Amany Zekry (St George Hospital Clinical Council Chair and Director of the Gastroenterology Department at St George Hospital) was put forward as the SESLHD nominee.</p>
	11.2	<p>Medicare Local Board Membership</p> <p>It was noted that the Medicare Local had sought Local Health District representation on their Boards. The SESLHD Board had previously raised concerns that SESLHD staff were not the appropriate representatives on the Medicare Local Boards to represent SESLHD. Instead, SESLHD Board members were requested to participate on the Medicare Local Boards. Dr Harry Harinath had been recommended for membership of the Eastern Sydney Medicare Local Board, however the Board's membership constitution stipulated the number of General Practitioners allowed on the Board and the Board had already reached its capacity in this regard. A/Prof Ingrid van Beek had agreed to participate on the Eastern Sydney Medicare Local Board, and A/Prof Peter Gonski had agreed to participate on the South Eastern Sydney Medicare Local Board.</p> <p>Resolution 204</p>

		<p>Board had already reached its capacity in this regard. A/Prof Ingrid van Beek had agreed to participate on the Eastern Sydney Medicare Local Board, and A/Prof Peter Gonski had agreed to participate on the South Eastern Sydney Medicare Local Board.</p> <p>Resolution 204 "That the SESLHD Board approve the representation of A/Prof Peter Gonski on the South Eastern Sydney Medicare Local Board and A/Prof Ingrid van Beek on the Eastern Sydney Medicare Local Board."</p> <p>Moved: J McDonald Seconded: R Farnsworth moved</p>
	11.3	<p>RHW Transitional Committee Chair The Board noted for information the Minister's correspondence, and Chair's response, regarding the appointment of Janet McDonald as the Chair of the RHW Transitional Committee.</p>
Part F	MEETING CLOSE	
	Item 12	<p>BUSINESS WITHOUT NOTICE Nil items raised</p>
	Item 13	<p>NOTING OF CONFIDENTIAL ITEMS Items 7.1.1 (Northern Sector Clinical Council SLA), 7.1.2 (Northern Sector Savings and Efficiencies Progress Report) and 9.4.1 (Prince of Wales Hospital Contentious Issues Brief) were noted as confidential items.</p>
<p>Meeting closed at: 6:00pm</p> <p>..... Name</p> <p>..... Date</p>		

Wednesday, 26th March at 4:15pm | Boardroom, NeuRA Institute

Minutes

Apologies

- Dr Harry Harinath

Members:

- Mr Michael Still (Chair) (attended for pre-meeting)
- Ms Patricia Azarias (attended for pre-meeting)
- Mr Robert Boyd-Boland (attended for pre-meeting)
- A/Prof Robert Farnsworth (attended for pre-meeting)
- Ms Deborah Cansdell (attended for pre-meeting)
- A/Prof Peter Gonski (attended for pre-meeting)
- Mrs Janet McDonald (attended for pre-meeting)
- Ms Kate Munnings
- A/Prof Peter Smerdely (attended for pre-meeting)
- Ms Kristin Stubbins
- A/Prof Ingrid Van Beek
- Prof Jeanette Ward

In Attendance:

- Mr Gerry Marr – Chief Executive (attended for pre-meeting)
- Ms Kim Olesen – Director Nursing & Midwifery Services
- Ms Karen Foldi – Director of Finance
- Prof James Colebatch – Chair Medical Staff Executive Council

Secretariat:

- Ms Melissa Angelucci– Board Secretary

PRE - MEETING

Meeting with the Neuroscience Research Australia

A representative group of the SESLHD Board toured the Neuroscience Research Australia (NeuRA) facility with the Chair, Mr Paul V Brassil and the Executive Director and CEO, Professor Peter R Schofield. Following the tour they met to discuss opportunities to enhance dialogue about collaborative engagement between research and health care activities.

The following key points were noted:

- Both SESLHD and NeuRA are two of 14 partners in The Health Science Alliance (THSA). THSA strives to deliver cutting edge healthcare in a research intensive environment.
- The Board noted that the approach of the Local Health District (LHD) should be to always incorporate research. There is collaboration work already underway between SESLHD Mental Health and the NeuRA Institute. This type of activity should be expanded.
- NeuRA explained that if clinicians and health managers begin by identifying clinical hypothesis, these hypotheses can be then treated as joint ventures.
- Clinicians are more likely to agree to be part of a research project if they are

involved in the research, rather than just providing patients for research purposes

- NeuRA is well placed to be able to work in collaboration with SESLHD to conduct research that is relevant and meaningful to SESLHD
- The SESLHD Board noted that collaboration between healthcare and research will be vital for innovation. Research discoveries are central to SESLHD being able to meet the health needs of its population into the future
- The Board would like to see the development of a SESLHD Research Plan and identify which SESLHD clinicians are research active or are seeking to be active
- The Memorandum of Understanding between SESLHD and NeuRA should act as an effective platform for building strong governance for the future

The SESLHD Board agreed that the Deputy Chair, A/Prof Peter Gonski will be responsible for this element of work on behalf of SESLHD.

FOCUS

BUDGET PLANNING SEMINAR

Service Level Agreement development

The following members of the Executive Team attended the meeting to discuss budget planning;

- Mr Jon Roberts, Director of Operations, Northern Sector
- Ms Cath Whitehurst, Director of Operations, Southern Sector
- Dr Murray Wright, Director of Mental Health
- Mr David Pearce, Director of Operations, Mental Health
- Mr Leisa Rathborne, Director of Operations, Royal Hospital for Women
- Mr Mark Shepherd, Deputy Chief Executive

The Chief Executive presented an outline of current status of discussions with the Ministry of Health (MoH) regarding the development of the 2013/14 Service Level Agreement (presentation attached). The following points were noted;

Confidential

Action - The Chief Executive and Executive Team to produce a quantifiable, risk assessed list of items that the Ministry of Health is asking SESLHD to deliver in the 14/15 financial year. For consideration and approval by the Board at the April Board meeting.

STANDING ITEMS

PATIENT STORY

The SESLHD Board noted the patient story which outlined the issue of poor physical health amongst mental health patients.

Action – Director of Mental Health to prepare a short paper on the actions SESLHD is currently undertaking to address the physical health of mental health patients and potential options for future work in the area. The Board to consider the appropriateness of these actions at the April Board meeting.

GENERAL BUSINESS

Minutes of Board meeting held 26 February 2014

The Board **approved** the minutes of the SESLHD Board meeting held 26 February 2014 as an accurate record of proceedings.

Resolution 275

"That the Board approves the minutes of the SESLHD Board meeting held on 26 February 2014 as an accurate record of proceedings."

Moved: P Gonski Seconded: P Azarias Carried

Minutes of F&P meeting held 12 February 2014

The Board noted the minutes of the SESLHD Finance and Performance Committee Meeting held 12 February 2014.

Minutes of CQC meeting held February 2014

The Board noted the minutes of the Clinical and Quality Council meeting held February 2014.

Actions

The Board noted the action log as updated on 26 February 2014.

Correspondence Register

The Board noted the correspondence received since 26 February 2014

GENERAL BUSINESS

GOVERNANCE

By-law Review

A/Prof Peter Gonski reported that he has had communications with the Chairs of the local Clinical Councils with regard to the by-laws. Feedback has been received and incorporated into the response provided in the Board papers. It was agreed that the final response would be finalised off-line with the Chairman, Chief Executive and Board Secretary.

Board Sub-Committee – membership nominations

Ms Kate Munnings has agreed to act as the Chair of the Finance and Performance Committee for the next few months as the Chair is stepping down due to a temporary conflict of interest.

Ms Munnings has been asked to join the Audit and Risk Management Committee as there is a requirement for an additional Board member to sit on the Committee.

Janet McDonald prepared the attached paper outlining the background and issues of SESLHD's consumer approach. It was agreed that the report would be sent out to all Board members and discussed at the April Board meeting. The Chair of the District Consumer Committee has not been finalised.

Action – Board Secretary to send the Consumer report to all Board members and ensure its inclusion on the April agenda

Board Training – Nous Group

The Board noted the information provided regarding the upcoming NOUS Board Training.

PERFORMANCE

Patient Safety and Quality Presentation

Dr George Rubin, SESLHD Director of Clinical Governance attended the meeting to join the Chief Executive in giving a presentation on quality and safety reporting and the way forward for quality improvement. This presentation is a result of the discussion the Board had at its February meeting around safety and quality reporting to the Board.

The National Standards are based around the areas of major clinical risk Accreditation against the National Standards result in a large audit load for hospitals and often means that staff members are pre-occupied with work to meet the standards e.g. record keeping requirements. There is a misbalance between planning, compliance and improvement; with a heavy emphasis on compliance and not enough resource allocation to planning and improvement.

A new computer system called Edward is currently being implemented and this system is expected to minimise the need for clinicians to do hands on monitoring.

The current safety and quality KPIs don't measure harm to patients, only incidences of error such as cardiac arrest rates, rapid response calls, unplanned readmissions and complaints reported in the incident management system, IMMS.

The current KPI report includes some safety and quality KPIs. Many of these KPIs are from the Service Agreement with the Ministry of Health and others have been included organically overtime.

The Chief Executive reported that the international thinking around quality and safety has moved on from compliance and towards harm minimisation and healthcare improvement. The Chief Executive proposed that Dr Rubin's team work on establishing a plan for moving SESLHD towards the next phase in patient safety and quality. The Board agreed to this approach.

The Board asked the Chief Executive to also consider what meaningful patient safety and quality information should be provided to the Board on a monthly basis.

Action - Director of Clinical Governance and Chief Executive to produce a plan to move from compliance reporting work to actual improvement and harm reduction work and consider what meaningful patient safety and quality information should be provided to the Board on a monthly basis. To be presented at the June 2014 Board meeting.

It was noted that some Board members have noted the continued need for appropriate

maintenance at SESLHD facilities. The Board agreed that Janet McDonald would work with the Northern Sector, Director of Operations to oversee the maintenance and the cleanliness of the Hospital.

Action - Janet McDonald to work with the Northern Sector, Director of Operations to work to improve cleanliness procedures at the Prince of Wales Hospital.

Finance and Performance Overview

The Chair of the Finance and Performance Committee, Ms Kristin Stubbins, made the following points in regards to SESLHD's financial performance;

- The financial forecast remains consistent with that predicted last month i.e. a deficit of \$22m. This has been communicated to the Ministry of Health.
- The intention is to focus on improving the non-financial KPIs. If the forecast becomes more favourable than predicted, those additional funds will be directed at improvement strategies focussed at the clinical KPIs
- The turn around plan will be for two to three years and planning for this must begin now
- The Finance and Performance Committee has asked management to review their financial recovery plans in light of potential areas of risk from a clinical perspective. The outcomes of this will be reported at the April Finance and Performance meeting.
- SESLHD should clearly articulate all the positive savings strategies that are occurring across the District and then share these positive stories

STRATEGY

Draft Road Map to Excellence 2014-2017

The Chief Executive reported that over his first few weeks in the role he has noted that the District language is predominantly a "negative conversation". The Chief Executive plans to change the narrative of the organisation.

The Road Map to Excellence pulls together the themes raised at the Board Off-site event and priorities articulated by the Minister for Health earlier this year. The Chief Executive proposed that the Road Map be used by the Board and Executive Team as a baseline and to report on progress quarterly.

The Road Map was well received and approved by the Board members. Some slight variations were suggested.

Action – Board Secretary to include suggested variations to the Road Map to Excellence

It was raised that organisational culture, staff morale, education and teaching and staff safety should be included in the Road Map. The Chief Executive noted that he is in the process of writing a separate paper on Just Culture which will incorporate all workforce issues and propose a way forward for SESLHD. This paper will be presented to the Board at its April meeting.

Action – Chief Executive to present paper on Just Culture at the April Board meeting.

SESLHD Smoke-free Health Care Program

The SESLHD Board discussed the Smoke-free Health Care Program. It was noted that the program will be difficult to police and manage however the Board felt it is a move in the right direction. The program is a trial for three months and its effectiveness and sustainability will be re-considered by the Board at a future meeting.

Resolution 276

"That the Board approves the SESLHD Smoke-free Health Care Program."

Moved: J McDonald Seconded: P Azarias Carried

CLOSE**BUSSINESS WITHOUT NOTICE**

The Chair reported that he recently attended the Council of Board Chairs meeting. The Activity Based Management Portal was demonstrated and appears to be a useful tool. Social Media was discussed and will be addressed by the Board at a future meeting.

Mr Ken Whelan, Deputy Director-General has been invited to attend the April Board meeting.

The Chair noted that it was Prof Jim Colebatch's last Board meeting as his tenure as Chair of the Medical Staff Executive Council has come to an end. On behalf of the Board, the Chair thanked Prof Colebatch and wished him well for his future activities.

Prof Colebatch thanked the Board for being open to his views and allowing him to represent his peers over the past three years. It was noted that Dr Theresa Jacques will be appointed as the new Chair of the Council.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

28 April 2014

4-7pm – Board meeting, Sydney Hospital

Focus – Risk

Meeting closed at 19:15

Michael Hill

Name

28 April 14

Date

Monday, 30 April at 4:40pm | Boardroom, Sydney Hospital

Minutes

Apologies

- A/Prof Ingrid Van Beek
- Ms Kate Munnings
- Ms Kristin Stubbins

Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Mr Robert Boyd-Boland
- A/Prof Robert Farnsworth
- Ms Deborah Cansdell
- Dr Harry Harinath
- A/Prof Peter Gonski
- Mrs Janet McDonald
- A/Prof Peter Smerdely
- Prof Jeanette Ward (via teleconference)

In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Kim Olesen – Director Nursing & Midwifery Services
- Ms Karen Foldi – Director of Finance
- Dr Theresa Jacques – Chair Medical Staff Executive Council

Secretariat:

- Ms Melissa Angelucci – Board Secretary

Ms Kristin Stubbins did not attend this meeting due to a conflict of interest. Ms Stubbins' employer PriceWaterhouseCoopers Australia is responding to a Request for Quote (RFQ) which SESLHD recently sent out. Ms Stubbins has detached herself from all Board activities, including her role as the Chair of the Finance and Performance Committee, until the RFQ is closed.

STANDING ITEMS

PATIENT STORY

The SESLHD Board noted the patient story which outlined a patient's positive experience in the Department of Oncology at the Prince of Wales Hospital.

GENERAL BUSINESS

The Chair introduced Dr Theresa Jacques to the meeting. Dr Jacques will be replacing Dr Colebatch as a Board attendee through her role as Chair of the Medical Staff Executive Council. Dr Jacques is the Director of the Intensive Care Unit at St George Hospital. She noted that she looks forward to observing the functions of the Board.

Minutes of Board meeting held 26 March 2014

The Board **approved** the minutes of the SESLHD Board meeting held 26 March 2014 as an accurate record of proceedings.

Resolution 277

"That the Board approves the minutes of the SESLHD Board meeting held on 26 March 2014 as an accurate record of proceedings."

Moved: R Farnsworth Seconded: J Ward

Minutes of F&P meeting held 12 February 2014

The Board noted the minutes of the SESLHD Finance and Performance Committee Meeting held 19 March 2014. Some concerns were noted with the F&P minutes and it was agreed that the Board Secretary should take on writing these minutes for consistency across both committees.

Minutes of CQC meeting held February 2014

The Board noted the minutes of the Clinical and Quality Council meeting held 12 March 2014.

Actions

The Board noted the Action Log.

Mr Mark Shepherd attended the meeting to provide advice on action item 6, regarding the risks associated with the Service Level Agreement (SLA). The attached PowerPoint presentation was provided as an update.

The Board noted Mental Health's briefing paper on initiatives SESLHD is undertaking to address the Physical Health of Mental Health patients. The Board suggested that the Mental Health Stream work in Collaboration with the Medicine Stream on this issue.

Action – Director of Mental Health to work with Stream Director, Medicine to address the Physical Health of Mental Health patients.

Action – Director of Mental Health to provide 6 monthly progress reports to the Board for the next 18 months on progress against initiatives to address the Physical Health of Mental Health patients.

Ms Janet McDonald reported that she recently undertook a walk around of the Prince of Wales Hospital (POWH) with the Northern Sector Director of Operations. A number of small refurbishment projects were agreed to and a work plan is being established to the value of approximately \$100 000.

It was noted that confectionary and soft drink vending machines are situated throughout the POWH hospital. The Board questioned the principle of this; given that POWH is a health institution. It was noted that the hospital is required to have a balance of wholefoods available and vending machines are an effective way to make food and drink available to visitors after hours.

Correspondence Register

The Board noted the correspondence received since 26 March 2014

FOCUS

Risk

SESLHD Risk process, audit planning process, risk assurance, risk appetite and top risks

The following members of the SESLHD Managers attended the meeting to discuss Risk process, audit planning process, risk assurance, risk appetite and top risks

- Mr Michael Spence, Manager, Enterprise Risk Management
- Ms Kylie McRae, Director Internal Audit
- Mr Jim Mitchell, Chair Audit and Risk Management Committee
- Mr Mark Shepherd, Deputy Chief Executive

Being the Board representative on risk, Ms Patricia Azarias introduced the focus area. It was noted that this will be the first of two risk sessions that the Board will undertake. The purpose of the first discussion was to understand the process by which risk and internal audit have been developed and are managed within SESLHD. The second session, to follow in the coming months, will give Board members an opportunity to review the top strategic risks and set its appetite for each risk.

Ms Kylie McRae led the presentation on Risk Management and Assurance. The following key points were noted;

- The role of the Board is to supervise and monitor risk management processes including system of internal control and play an active role in the determination of strategic risks and of the organisational risk appetite
- The role of the Audit and Risk Management Committee (ARMC) is to assist the Board by assessing and enhancing SESLHD's corporate governance, including its systems of internal control, ethical conduct and probity, risk management, management information and internal audit
- The role of management is to develop and operate the risk management processes and system of internal control
- At the request of the CE, the Director Internal Audit and the Board Secretary/Executive Officer plan to develop a Board Assurance Framework, which will provide a mechanism for reporting risks to the Board.
- It was noted that routine clinical risk is not recorded formally through any system, rather clinical risk management is imbedded into the daily practice of clinicians. However if there is a succession of related clinical incidences, these incidences would then become a formal clinical risk.
- A recent report by the Ministry of Health found that SESLHD had the most advanced risk maturity in the state. This is because SESLHD has had a high degree of buy in with regards to the Enterprise Risk Management System (ERMS).
- One Board member noted that she finds the ERMS system can be clunky. The Manager, Enterprise Risk Management agreed to collect further feedback regarding the system offline.
- Improper management of financial and clinical risks can lead to significant reputational risks.

It was noted that the reports produced through the ERMS system are designed for the reporting requirements of the Ministry of Health, however this format is not suitable for clinicians who want to use the report to discuss risk with their teams at the front line (i.e. clinicians do not have access to A3, colour printers). The Board agreed that the primary purpose of the system should be to support use by clinicians. The Manager, Enterprise Risk Management to negotiate improvements to the standardised Risk Register template with the Ministry of Health so that it can be better used by clinicians Managers at the front line.

Action – Board to have a 2-3 hour session to review SESLHD's top strategic risks and set its risk appetite

Action - Director Internal Audit and the Board Secretary/Executive Officer are developing a Board Assurance Framework

Action – The Manager, Enterprise Risk Management to negotiate improvements to the standardised Risk Register template with the Ministry of Health so that it can be better used by clinicians Managers at the front line

GENERAL BUSINESS

GOVERNANCE

Membership/chairperson of board committees (audit and risk, community engagement and F&P)

No discussion held. To be addressed offline.

PERFORMANCE

The Board noted that the SESLHD KPI Summary Report does not provide an accurate picture of the organisations performance and requested some narrative around the KPIs. The Chief Executive noted that it would be more useful for the Board to see trends and annotated data. Furthermore, with the pending introduction of Service Line Reporting, a more sophisticated and less crowded picture of performance will be possible.

The Chief Executive agreed to work with the Performance Unit to develop a test KPI report that is more relevant to both the Executive and Board.

Action – Chief Executive to deliver a revised test KPI report to the June Board meeting.

The Chief Executive reported that he has been meeting with the various staff across the District who are involved in innovation work. There is a need to strategically link these siloed improvement efforts with performance and measurable improvement.

Finance and Performance Overview

The Director of Finance, made the following points in regards to SESLHD's financial performance;

- The Finance and Performance Committee does not expect the financial position to stray from \$17m unfavourable to budget. The projection has been steady over the past four months.
- Of the \$25m in cash assistants requested, \$15m has been drawn down and another \$4m will be drawn for April.
- The Finance team have been challenged over the past three weeks due to an upgrade in the Oracle system.
- Revenue continues to be a concern and is a major contributor to the budget overrun. If SESLHD had performed to the private patient income target, it would be sitting at \$7m unfavourable to budget. Decreased Length of Stay is contributing to the problem but does not explain the whole variance to target.

The Chief Executive reported that SESLHD has recently released a Request for Quote (RFQ) for external assistance in a finance project. The project will seek assistance with structural issues in the finance department, work to set up a new system of service line reporting and

look at coding performance. Quotes are due back for assessment in mid-May.

STRATEGY

Consumer/Community Strategy

Due to time constraints the Consumer/Community Strategy item could not be discussed in detail. There is a need for the Board to clarify its strategic intent in terms of community engagement and this should be discussed in detail at the next Board meeting.

The Board appointed Ms Janet McDonald as the Chair of the Consumer Advisory Committee and agreed she should represent the Board on all matters relating to community.

SESLHD Smoke-free Health Care Program

The SESLHD Board approved the Smoke-free Health Care Program at its March 2014 meeting. Since the March Board meeting, the Chief Executive was provided with further advice as to the risks associated with implementing the program. The Board noted the detailed risk assessment as outlined in the agenda pack.

The Board reaffirmed its decision to implement the Smoke-free Health Care Program. However a two staged approach to implementation will now take place. Stage One will include locating Designated Smoking Areas on Hospital Campuses and asking smokers to move into those areas to reduce individual's exposure to second-hand smoke and offering Nicotine Replacement Therapy to patients and staff who smoke to improve their long term health. Stage Two will involve reviewing the effectiveness of Stage One at a Board level and move towards issuing Penalty Infringement Notices if Stage One is unsuccessful.

Action – A report on the effectiveness of Stage One, implementing the Smoke-free Health Care Program to be delivered to the Board at the appropriate time

Follow up – research discussion

Due to time constraints, this item will be held over to the May Board meeting

CLOSE

BUSSINESS WITHOUT NOTICE

A Clinical and Quality Council Working Group has been established to review the role and function of the Council in its capacity as a Board sub-committee and peak District quality committee. The outcomes of this working group will be reported at a future Board meeting.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

4 June 2014

4-7pm – Board meeting, Sutherland Hospital

Focus –Community Engagement

Meeting closed at 19:00

Michael Still

Name

4 June 2014

Date

Wednesday, 4 June at 4:40pm | Boardroom, Sydney Hospital

Minutes

Apologies

- Ms Kate Munnings
- Ms Kristin Stubbins
- Mr Michael McGlynn, Medical Executive Director (attendee)

Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Mr Robert Boyd-Boland
- A/Prof Ingrid Van Beek
- A/Prof Robert Farnsworth
- Ms Deborah Cansdell
- Dr Harry Harinath
- A/Prof Peter Gonski
- Mrs Janet McDonald
- A/Prof Peter Smerdely
- Prof Jeanette Ward (via teleconference)

In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Kim Olesen – Director Nursing & Midwifery Services
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs
- Dr Theresa Jacques – Chair Medical Staff Executive Council

Secretariat:

- Ms Melissa Angelucci– Board Secretary

Ms Kristin Stubbins did not attend this meeting due to a possible conflict of interest. Ms Stubbins' employer PricewaterhouseCoopers (PwC) Australia has been commissioned by SESLHD to undertake a body of work. Ms Stubbins will not be participating in any Board activities, including her role as the Chair of the Finance and Performance Committee, the Board Chair will discuss the governance of her continuing attending Board meetings, or the part of Board meetings which deal with the PwC appointment with the Ministry of Health and the Board and advise the Board accordingly.

STANDING ITEMS

PATIENT STORY

The SESLHD Board noted the patient story; Small Acts of Kindness, NSW Health video. The Board noted that the video could be used for orientation and at staff forums or other similar events.

GENERAL BUSINESS

Minutes of Board meeting held 26 March 2014

The Board **approved** the minutes of the SESLHD Board meeting held 28 April 2014 as an accurate record of proceedings.

Resolution 278

"That the Board approves the minutes of the SESLHD Board meeting held on 28 April 2014 as an accurate record of proceedings."

Moved: J McDonald Seconded: Robert Boyd Boland

Minutes of F&P meeting held 23 April 2014

The Board noted the minutes of the SESLHD Finance and Performance Committee Meeting held 23 April 2014.

Minutes of CQC meeting held 12 April 2014

The Board noted the minutes of the Clinical and Quality Council meeting held 12 April 2014.

Actions

The Board noted the Action Log.

Correspondence Register

The Board noted the correspondence received since 28 May 2014

FOCUS

TEACHING AND RESEARCH

Strategic Planning - Teaching and Research

Professor Terry Campbell, Deputy Dean of the faculty Medicine, University of NSW, attended the meeting to discuss the future of teaching and research within SESLHD.

The Academic Health Science Centre (AHSC) model is a strategic initiative/investment requiring clear evidence of the "value" added to the participating organisations. Benefits to SESLHD include;

- Improved infrastructure and service delivery;
- Increased research grants secured;
- Increased research productivity – quality and quantity;
- Enhanced reputational standing, nationally and internationally;
- Enhanced ability to attract "world class" staff

The individual Hospitals and Research institutes within the AHSC will retain their brands and their fund-raising and other activities but the campus will be seen as more than the sum of the parts and as the place to go for the best health care, and the place to apply for the best jobs and training in basic science, clinical medicine, nursing, allied health and medical research in NSW.

The Ministry of Health has set up eight research hubs within NSW. Within SESLHD's geographic boundaries there is a hub in Randwick, called the Randwick Health and Medical Research Institute Board (RHMRI), Chaired by Mr Peter Joseph.

St George and Sutherland Hospitals (Southern Sector) have an academic health centre but they do not interact with the broader RHMRI as Randwick Campus does. This is due to the geographic distance from Randwick and historical silos. It would be beneficial for the Southern Sector to establish better networks with the RHMRI.

The Board supports the development of a SESLHD Teaching and Research Plan that will promote improved collaboration between RHMRI and the Southern Sector.

Action – Peter Gonski to work with Director of Operations, Southern Sector to bring together key players from the Southern Sector and Randwick Campus to encourage collaboration between RHMRI and the Southern Sector.

Action – Teaching and Research to become standing agenda item until the matter is resolved.

GENERAL BUSINESS

GOVERNANCE

Membership Composition of Audit and Risk management Committee

The Board endorsed the revised membership composition of the Audit and Risk management Committee, noting that the new independent Chair will be Todd Davies.

PERFORMANCE

PricewaterhouseCoopers has been commissioned by SESLHD to provide advice to SESLHD over, approximately, the next four months.

Mr Mark Shepherd, Director of Programs provided an overview of this work. The following key points were noted;

- The new Program Office, led by the Director of Program will be leading the work with PwC
- The work with PwC will be broken down into work streams and will include a financial baseline exercise, address revenue, creating a framework around clinical variance and creating a framework for Service Line Management.
- The expected outcome of the PwC work is not merely a report at the end of four months. SESLHD expects that PwC will create a framework for implementing the findings and assist the District in implementation.
- All staff within SESLHD will be expected to aid the work of PwC wherever required. Clear escalation processes will be in place if this does not occur.

A governance committee will be established to oversee the work of the Program Office with representation from the Ministry of Health, Board and Executive.

SESLHD KPI Report

The Board noted that the SESLHD KPI Summary Report for April 2014.

A concern was raised that SAC2s and SAC3s are inappropriately being classified as SAC1s. It was noted that the Clinical Governance Unit Reviews SAC1s for correctness. The Board requested that a report of SAC classification be provided at the next Board meeting.

Action – Chief Executive to provide a report on how SACs are classified at the June Board meeting.

St George Hospital is not meeting its NEST targets. This is a result of the decision to stop activity at the end of 2013 which resulted in a backlog of patients on the waiting list. To rectify this decision, the backlog of patients on the waiting list is now being worked through by creating additional lists. Through these extra lists, the NEST results are gradually returning to

target.

Finance and Performance Overview

The Director of Finance, made the following points in regards to SESLHD's financial performance;

- April was a challenging month due to a number of variances including the introduction of the new Oracle system and early close off in March. Despite this, the projection remains stable at \$21m unfavourable to budget.
- There is an acknowledged \$1m risk in the projection of \$21m unfavourable to budget and the Ministry has been made aware of this risk.
- Revenue continues to be a significant challenge for the District with a YTD projection of \$16m deficit in patient fees.

The Board inquired as to whether SESLHD's conviction to deliver according to the projection is resulting in compromised patient care. The Director of Finance assured the Board that the Districts plan to deliver on projection is not increasing clinical risk.

Over the past month, any Special Purpose and Trust (SP&T) funded Capital, which is over and above the capital plan, has been approved. The Board encouraged the Director of Finance to approve as much Special Purpose and Trust (SP&T) funded projects as possible before the end of the Financial Year.

It was noted that cashiers within hospitals have not had enough cash to distribute over the past month. This is a result of the recent Oracle upgrade and is being managed.

STRATEGY

Consumer/Community Strategy

The consumer strategy was not discussed. It was agreed that the Chair would discuss this with the Chief Executive off-line.

Action – Chairman to discuss SESLHD consumer and community engagement strategy with the Chief Executive.

Future of Medicare Locals

The Future of Medicare Locals was discussed.

Being a GP, Dr Gorur Harinath noted that he believes the Review of Medicare Locals Report is a positive document as it lists GPs at the forefront of primary care and recognises that improving primary care will support the broader health system.

Some Board members noted that, under the circumstances, the Board should support the idea to combine the Eastern Sydney Medicare Local and South Eastern Sydney Medicare Local into a new, single entity. This would match the geographic boundaries of the District and enable the best possible working arrangement.

Action – Dr Gorur Harinath to work with A/Prof Ingrid Van Beek and A/Prof Peter Gonski to draft a letter to NSW Health outlining the boards' view on how Primary Health Organisations should be formed.

Chief Executive's First 100 Days Report

The Board noted the Chief Executive's First 100 Days Report.

CLOSE

BUSSINESS WITHOUT NOTICE

It was noted that the afternoon tea held with the Sutherland Hospital Clinical Council and Sutherland Hospital High performing staff was very well received.

The Chair noted that he and the Chief Executive recently met with Julie Babineau, Chief Executive, Justice and Forensic Health Network so that the relationship between the Network and District can be further developed.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

25 June 2014

3-4pm – Afternoon tea, RHW

4-7pm – Board meeting, RHW

Focus – End of Financial Year

Meeting closed at 19:00

Michael Still

Name

25 June 2014

Date

Wednesday, 30 July at 4:30pm | Boardroom, St George Hospital

Minutes

Apologies:

- Ms Kristin Stubbins
- Ms Patricia Azarias

Members:

- Mr Michael Still (Chair)
- A/Prof Peter Gonski
- Mr Robert Boyd-Boland
- A/Prof Ingrid Van Beek
- Ms Kate Munnings
- A/Prof Robert Farnsworth
- Ms Deborah Cansdell
- Dr Harry Harinath
- Janet McDonald
- A/Prof Peter Smerdely
- Prof Jeanette Ward (via teleconference)

In Attendance:

- Mr Gerry Marr – Chief Executive
- Mr Michael McGlynn, Medical Executive Director
- Ms Kim Olesen – Director Nursing & Midwifery Services
- Ms Karen Foldi – Director of Finance
- Prof James Colebatch – Acting Chair Medical Staff Executive Council

Secretariat:

- Ms Melissa Angelucci– Board Secretary

Ms Kristin Stubbins did not attend this meeting due to a possible conflict of interest. Ms Stubbins' employer PricewaterhouseCoopers (PwC) Australia has been commissioned by SESLHD to undertake a body of work. Ms Stubbins will not be participating in any Board activities, including her role as the Chair of the Finance and Performance Committee, for the duration of the work.

STANDING ITEMS

PATIENT STORY

The SESLHD Board noted the patient story.

GENERAL BUSINESS

Minutes of Board meeting held 25 June 2014

The Board **approved** the minutes of the SESLHD Board meeting held 25 June 2014 as an

accurate record of proceedings.

Resolution 279

"That the Board approves the minutes of the SESLHD Board meeting held on 25 June 2014 as an accurate record of proceedings."

Moved: P Gonski Seconded: R Boyd Boland

Minutes of Board meeting held 4 June 2014

The Board **approved** the minutes of the SESLHD Board meeting held 4 June 2014 as an accurate record of proceedings.

Resolution 280

"That the Board approves the minutes of the SESLHD Board meeting held on 4 June 2014 as an accurate record of proceedings."

Moved: P Gonski Seconded: R Boyd Boland

Minutes of ARMC meeting held 2 June 2014

The Board noted the minutes of the SESLHD Finance and Performance Committee Meeting held 2 June 2014.

Minutes of CQC meeting held 14 June 2014

The Board noted the minutes of the Clinical and Quality Council meeting held 14 June 2014.

Actions

The Board noted the Action Log.

The Board noted that the strategy to increase the percentage of SESLHD's Aboriginal Workforce should be reviewed to maximise potential. A further report to be provided at the August Board meeting.

Action – Further report on the percentage of SESLHD's Aboriginal Workforce to be provided at the August Board meeting.

Correspondence Register

The Board noted the correspondence received since 20 July 2014

Teaching and Research

A/Prof Peter Gonski reported that a meeting with the Ministry of Health took place to promote the new research hubs. The key message from the meeting was that collaboration should be formed and research translation. Professor Terry Campbell has proposed that the Randwick hub change its name, possibly to the South Eastern Sydney Hub, as this will help to include the St George and Sutherland Hospitals in the Hub.

SESLHD is a significant player in both teaching and research and the Board agreed that it should continue to push collaboration within the District.

FOCUS

Review of Clinical and Quality Council and recommendations for governance

CLINICAL RISK

Review of Clinical and Quality Council and Recommendations for Governance

The Director of Clinical Governance attended the meeting to discuss the Review of the Clinical and Quality Council and Recommendations for Governance. The following key points were noted;

- Evidence strongly indicates that board leadership in quality care drives high quality care within organisations.
- The Local Health District Model by-laws suggest that Districts should establish a health care quality board sub-committee.
- The SELSHD Clinical and Quality Committee (CQC) acts as both an operational committee and a sub-committee of the Board. A working group has recently reviewed the role and function of the CQC.
- It is recommended that the two functions of the CQC be separated. That is, the CQC function becomes purely operational and strategic and a separate healthcare quality committee is established for board assurance and governance.

It is anticipated that a Board committee would meet quarterly; it would set the overall direction for quality and monitor progress. The CQC would be operational and would undertake work to review policies, ensure clinical consistency across the District etc.

Membership of the Board committee was discussed. It was agreed that a small group would be best. Membership may include Board representatives, the Medical Executive Director, the Director of Nursing, the Director of Allied Health, the Director of Clinical Governance and a Stream Director.

It was noted that the by-laws do not clearly state that Local Health Districts must have a separate quality committee, however the Board agreed it is best practice to form a committee.

The Board supported the recommendation to create a separate healthcare quality committee for board assurance and governance.

Resolution 281

"The establishment of a SESLHD health care quality board sub-committee."

Moved: J McDonald Seconded: D Cansdell

Action - The Chief Executive, through the executive team to draft a quality strategy for the board's consideration at its September 2014 meeting. The quality strategy is to be focused on reducing mortality, reducing harm, reliable care and improving the patient experience.

Action – Director of Clinical Governance to work with P Smerdely and P Gonski to draft a charter for the health care quality board sub-committee. For discussion at the September Board meeting.

The process and governance around the Root Cause Analysis' (RCA) was discussed. Gerry Marr observed that most of RCAs recommend staff education but little else. George Rubin reassured the board that this was probably only when no specific root causes had been identified. Furthermore, it was noted that due to a perceived conflict of interest the RCA review process does routinely not involve the management team of the service where the incident has occurred until the final report is tabled for consideration, and that this may sometimes result in

inappropriate recommendations being made. The RCA process will be examined as part of the Clinical Governance Review which is scheduled to occur.

GENERAL BUSINESS

GOVERNANCE

Corporate Governance Attestation

The Board noted that in future it would like to see evidence of compliance to the attestation. The Board agreed to sign the Corporate Governance Attestation.

PERFORMANCE

SESLHD KPI Report

The Board noted the SESLHD KPI Summary Report for June 2014.

2014/15 Service Agreement

The following key issues with the Service Level Agreement were noted;

The revenue target for 14/15 will be very challenging for SESLHD to achieve and may compromise SESLHDs overall position. For the 2013/14 financial year, SESLHD was \$18.2 million unfavourable to budget in patient fees. Given this, an increase in expected patient fees revenue of 4.6%, as indicated in the Service Agreement, will compound this potential shortfall.

\$12m worth on revenue target in the Service Agreement will be held centrally and will not be assigned to the sectors. This will enable the sectors to focus on achieving reductions in their expenses budget without being concerned about a difficult revenue target.

A report of SESLHD's revenue performance is currently being finalised. Significant opportunities for improved opportunities have been identified. Billing is a significant issue and will be reviewed. Salary Packaging is also being reviewed.

The Schedule C budget allocation does not accurately reflect all expenditure incurred by the service. This is particularly evident in the Mental Health budget.

It is anticipated that the new emergency department, at this stage, will have additional expenditure not adequately covered by its ABF allocation. This is expected to be a risk over the budget year.

The most significant difference between the 2014/15 budget and last year's 2013/14 budget is that the District will not be holding any funds centrally. That is, the entire budget will be allocated to the facilities. This will request of the sectors an achievable income gain of income approximately 2-3.5%. The Board noted that transparent process will be welcome.

Draft 13/14 financial statement (unaudited)

The draft financial statement (unaudited) was noted.

Prior Year Adjustment Summary 2013/14

The 13/14 financial position was discussed. It was noted that the deficit increased substantially in the final month of the year compared to what had been projected. The final position was \$34.2m unfavourable to budget, which is 2.24% of the District expense budget. The increased deficit in the final month was due to a decision to bring forward to account, Prior Year Adjustments to the value of \$17m.

The Chief Executive recommended that these amounts be disclosed in order to create a clean slate for the future. The Ministry of Health was informed of this decision and has accepted it.

A detailed plan is being prepared which will set out the expected improvement in expenses during 2014/15 and for the two years thereafter. This plan will be presented at the August 2014 Board meeting and then provided to the Ministry of Health.

14/15 Financial Narrative

The 14/15 Financial Narrative was noted.

STRATEGY

Draft 14/15 Budget

As discussed under agenda item '14/15 Service Agreement'

Qlik View Presentation

The Director of Business Intelligence, A/Prof Dominic Dawson, attended the meeting to provide a presentation on the new Qlik View Software and The Health Round Table. The Board watched a demonstration of the Qlik View software and noted it to be user friendly and a platform for sharing and using data more meaningfully. The following key points were noted;

- Clinical and non-clinical staff at all levels will be able to use Qlik View to drill down and quickly/easily find data relevant to the performance of their team.
- There will be various levels of access to the system depending on position and level of authority. Clinical data that may be identifiable, will be password protected.
- The data will be real time or close to. This will enable staff to use the data during practice.
- The Qlik View tool is capable of pulling financial data. At this stage, the tool is patient focussed only.
- SESLHD is looking at how it can use The Health Round Table data and Qlik View together. This would make the Health Round Table data more dynamic and user friendly.
- As the SESLHD becomes more sophisticated with the software, the trending and forecasting capability of the District will be improved.

PricewaterhouseCoopers (PwC) Update

The Chief Executive noted that the PwC assignment is underway. The work has been very consultative and participative. The first Program Management Office Steering Committee meeting was held today. The Director of Operations, Southern Sector has been happy with the process.

The sector will be required to prepare revised savings plans, which will be managed through The Program Office. This will avoid double counting and ensure that a program approach is taken to achieve savings, for example, planning, design etc.

Action – Revised savings plans and the progress against last year's savings plans to be brought to the August 2014 Board meeting.

The Board questioned when clinical services planning would be addressed. The Chief Executive reported that a stream review is underway, following this, in year two; the streams will lead a review of low value procedures and work towards disinvestment.

The Chief Executive reported that some of the work generated by the Pillars is of low value to the District. This is being reviewed as part of the Improvement and Innovation Hub.

It is PwC's view that the District does not manage HealthShare well and that the contract

should be managed more vigorously.

Chief Executive Update

As discussed in the PricewaterhouseCoopers (PwC) Update

St George, Sutherland and Prince of Wales infrastructure planning

The Chair noted that planning from Health Infrastructure for St George Hospital and Sutherland Hospital are underway. Details will be discussed at a future Board meeting.

CLOSE**BUSSINESS WITHOUT NOTICE**

A social marketing campaign is being established called 'save your emergency department for a real emergency'. This will aim to reduce unnecessary increases in activity.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

27 August 2014

4-7pm – Boardroom, The St George Hospital

Focus – Clinical Risk & Governance

Meeting closed 7:00pm.

.....
Michael Still

Name

.....
27 August 14

Date

Wednesday 27 August at 4:30pm | St George Hospital, Boardroom

Minutes

Apologies

- Mr Robert Boyd-Boland
- A/Prof Peter Gonski
- Dr Harry Harinath
- A/Prof Peter Smerdely

Board Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Ms Deborah Cansdell
- A/Prof Robert Farnsworth
- Janet McDonald
- Ms Kate Munnings (via teleconference)
- A/Prof Ingrid Van Beek
- Prof Jeanette Ward (via teleconference)

In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs
- Mr Michael McGlynn, Medical Executive Director
- Ms Kim Olesen – Director Nursing & Midwifery Services
- Dr Theresa Jacques – Chair Medical Staff Executive Council

Leave of absence

- Ms Kristin Stubbins

Secretariat:

- Ms Melissa Angelucci– Board Secretary

Ms Kristin Stubbins did not attend this meeting due to a possible conflict of interest. Ms Stubbins' employer PricewaterhouseCoopers (PwC) Australia has been commissioned by SESLHD to undertake a body of work. Ms Stubbins will not be participating in any Board activities, including her role as the Chair of the Finance and Performance Committee, for the duration of the work.

STANDING ITEMS

PATIENT STORY

The SESLHD Board noted the patient story from the Prince of Wales Hospital regarding the engagement of a patient's anaesthetist prior to surgery.

Action – The Chief Executive agreed to investigate practices relating to anaesthetics and details of this patient story.

STANDING ITEMS

Minutes of Board meeting held 30 July 2014

The Board noted the minutes and they will be revised and approved at the September Board meeting.

Minutes of Audit and Risk Management Committee meeting held 2 June 2014

The Board noted the minutes of the SESLHD Audit and Risk Management Committee Meeting held 2 June 2014.

Minutes of Clinical Quality Council meeting held 9 July 2014

The Board noted the minutes of the Clinical and Quality Council meeting held 9 July 2014.

Actions

The Board noted the Action Log.

Correspondence Register

The Board noted the correspondence received since 20 August 2014

Teaching and Research

This item was deferred to the September Board meeting.

FOCUS

COMMUNITY ENGAGEMENT

Community Engagement Strategy

Ms Julie Dixon, Director of Population Health and Planning and Ms Carla Saunders, Senior Planner attended the meeting to present the recently drafted Community Partnership Strategy. Janet McDonald is the Board's community partnerships representative and assisted in the development of the strategy. Janet McDonald noted that she believes the strategy is very well aligned with the Board's objectives. Janet McDonald commended Ms Saunders on her work in writing the document. The following key points were noted in relation to the strategy;

- The rationale supporting this strategy is strong. Literature from diverse sectors and disciplines informs us that a community benefits if local organisations striving for common outcomes, work together.
- The Strategy provides a Systematic approach to collaboration with community members, groups and organisations leading to enduring networks and partnerships and is linked to long-term strategic goals and centred on relationship building and innovation.
- Early identified community needs include health literacy, chronic disease, mental

health, and disability and the need to better support personal care providers.

The Community Engagement Portfolio will sit in the Strategy and Planning Unit, Planning and Population Health Directorate. The minimum resource commitment will be 1 Full Time Equivalent HSM3 and 0.5 FTE Admin.

The Chief Executive added that this strategy is very well aligned with the District's commitment to integrated care. The District is in the planning phase of moving in a radically different direction with integrated care. This will be further discussed at the September Board meeting.

The Board noted that the outcomes of such activities are difficult to measure; for instance, it is difficult to measure community resilience. Patient pathways, community knowledge and general health may be used as measures of success.

Action - Ms Saunders to provide literature with examples of where this model has been successful in the past to the Board, for information.

The Community Partnerships Strategy was highly commended by the Board. The Board approved the Community Partnerships Strategy and the associated resource requirements.

GENERAL BUSINESS

GOVERNANCE

Ethics Report

The ethics report was noted and discussed by the Board.

Action – Further details outlining SESLHD's ethical processes to be provided to the Board at a future meeting.

Template for Finance & Performance

The Board noted the F&P templates. The Chief Executive reported that a few minor changes will be made to the template before it is used at the September F&P meeting.

PERFORMANCE

SESLHD KPI Report

The Board noted the example SESLHD KPI Summary Report for May 2014. The revised KPI Board Dashboard will be ready to go live at the September Board meeting. In the meantime, the papers demonstrate an example of the Qlik screen shots that will be provided.

Projected District Net Position 14/15

The Chief Executive again stressed that patient care is paramount in all budget considerations.

The Board discussed the 14/15 projections as provided in the agenda pack. The Director of Finance advised that acute services have been asked to find savings of approximately 2%. The savings asked of other Directorates varied, and some exceeded 2%.

The Board questioned how these savings targets were configured. The Chief Executive reported that in his experience, a 2% target is reasonable and achievable. It was noted that

imposing targets on Directorates that performed well last year may be disadvantaged to perform well again in future.

The Chief Executive reported that the savings targets were collectively agreed to by the District Executive Team.

The Chief Executive acknowledged that extra cost has been incurred in winter, due to the high level of presentations of patients with influenza. There will be a focus on making significant inroads on the deficit in the first half of the financial year. SESLHD has committed to halve the expenses deficit, and the expenses projection for 14/15 is a deficit of \$7.95m. The District will hold a further \$8m in revenue budget centrally as the Chief Executive believes it will be difficult for the hospital to meet this requirement. The total projected deficit for 14/15 is therefore \$15.95m.

The Chair urged the Chief Executive and Director of Finance to ensure that budgets are allocated and flowed in a timely way so as to ensure that the first quarter of the year does not go unmanaged. The Director of Finance assured the Board that budgets have been allocated earlier than in the previous year.

Revenue Report

The Board noted the Francis Group International revenue report. The Chief Executive noted that SESLHD will need to reconfigure its revenue collection practices.

STRATEGY

Journey to Excellence – progress to date

The Chief Executive provided a presentation outlining SESLHD's progress towards the Journey to Excellence. The Board noted 15 key initiatives planned over the next three years. SESLHD will secure transactional competence with a highly controlled environment within the first year of the journey, building the platform for transformation and securing gains through years two and three.

The Chief Executive provided the following update;

- PwC's financial baseline report is currently being finalised by PwC and will be brought to the Board at its September or October meeting.
- The Service Line Reporting (SLR) proposal with PwC has been revised and now PwC will be completing the foundation work to set up SLR including the development of an accountability framework.
- SESLHD has identified significant duplication and poor controls and there is opportunity to take expenses out by improving the control environment. The foundations are also being laid for more substantial change e.g. a review of clinical streams, strategy for integrated care and a review of the population health function. By the end of the first year, SESLHD will have better competence to tackle more complex, systemic issues.
- The skills sets in the Program Office are building and staff are willing to take on the process changes.
- Culture norms within the District can be challenging and work will be put into this area over the coming three years. Work to improve the relationship between the Sectors and the District is important and central to success. Work to improve cohesiveness in the management team will also be required. The Improvement and Innovations Hub is looking at improving capacity, capability and training across the whole District.

The Board was in favour of the Revenue Strategy to review potential retail spaces within

hospitals. Retail spaces can provide a hub for staff and the community to congregate. Improved retail spaces would provide a setting for networking that doesn't currently exist. The Director of Operations, Northern Sector has begun to look into possibilities in this area.

The revised business rules for financial reporting are complete and will be circulated to the Board out of session.

Action – Revised business rules for financial reporting to be circulated to the Board, for its information.

The Board discussed and wished to see further strategies and work in respect of hospital avoidance. The Chief Executive noted that there is a significant body of work, being led by the Director of Primary and Ambulatory Care and the Director of Improvement and Innovation, underway to move integration to scale.

SESLHD Oral Health Service Update

The Board noted the SESLHD Oral Health Service Update

PwC Improvement Report

The Chief Executive noted that the PwC Value Improvement report is still in draft form and has not been reviewed by SESLHD for relevance and accuracy. Once SESLHD has had an opportunity to evaluate the report, clear, robust strategies for value improvement will be recommended to the Board.

The Board noted that if recommendations made by PwC are based on internal bodies of work undertaken by SESLHD staff, this should be acknowledged within the reports produced by PwC.

St George, Sutherland and Prince of Wales infrastructure

Planning

This item will be rescheduled to the September meeting.

CLOSE

BUSSINESS WITHOUT NOTICE

The Board noted that with respect the Business Processes, that red tape, e.g. bureaucracy, approvals etc., raises concerns. The Director of Programs noted that a body of work is underway within the Program Office to eliminate unnecessary checks and approvals in the recruitment process. The concept of earned autonomy is being built into the Service Line Reporting system and will also assist in eliminating bureaucracy.

The process for handling bullying incidents to be escalated beyond Human Resources Officers, was questioned by the Board. The Director of Nursing noted that the bullying policy stipulates that the incident should be escalated ultimately to the Chief Executive and that there is a clear process for doing so.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

24 September 2014

4-7pm – Claffy Lecture Theatre, Sydney Hospital

Focus – Integrated Care

Meeting closed 7pm.

Michael Still

Name

24/9/14

Date

Wednesday 29 April 2015 at 4:30 pm | Boardroom, St George Hospital

SESLHD Board Minutes

Board Members:

- A/Prof Peter Gonski (Acting Chair)
- Ms Deborah Cansdell
- Mr Jonathan Doy
- A/Prof Robert Farnsworth
- A/Prof Debra Graves
- Dr Harry Harinath
- Ms Kate Munnings
- Janet McDonald
- A/Prof Peter Smerdely
- Ms Kristin Stubbins
- Prof Jeanette Ward (via teleconference)

In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs
- Dr James Mackie - Medical Executive Director
- Ms Kim Olesen – Director Nursing & Midwifery Services

Apology

- Mr Michael Still (Chair)
- Ms Patricia Azarias

Secretariat:

- Ms Melissa Angelucci

STANDING ITEMS

1.1. Patient story:

The Board noted the patient story of a woman who gave birth at the Royal Hospital for Women.

1.2. Minutes of Board meeting held 25 March 2015

The Board **approved** the Minutes of the SESLHD Board meeting held 25 March 2015 as an accurate record of proceedings.

Resolution 291

"That the Board approves the Minutes of the SESLHD Board meeting held on 25 March 2015 as an accurate record of proceedings."

Moved: D Cansdell Seconded: D Graves

1.3. Minutes of Finance and Performance Committee meeting held 23 March 2015

The Board noted the Minutes of the Finance and Performance Committee meeting held 23 March 2015.

The Board noted that the Director of Capital Redesign will be attending the Finance and Performance Committee meeting quarterly to provide updates on the capital work occurring across the District. The Board noted that it must ensure a strong governance arrangement around this work.

Action - Director of Capital Redesign to attend the Board meeting annually to present on capital works progress.

1.4. Minutes of Clinical and Quality Council meeting held 11 March 2015

The Board noted the Minutes of the SESLHD Clinical and Quality Council meeting held 11 March 2015.

1.5. Actions

The Board noted the Action Log.

1.6. Correspondence Register

The Board noted the correspondence received since 20 April 2015.

1.7. Teaching and Research

The Chief Executive reported that he and the Chair met with the Vice Chancellor of the University of New South Wales who is reinvigorating the universities approach to research.

The St George and Sutherland Research Foundation is in the process of developing a rigorous action plan.

FOCUS

2.1. Integrated Care Strategy and Aged Care Plan

Mr Greg Stewart, Director of Primary and Integrated Care and Ms Linda Soars, Manager of Integrated Care, attended the meeting to provide an overview of SESLHD's new Integrated Care strategy. The following key points were noted;

- Integrated Care is the provision of seamless, effective and efficient care that responds to all of a person's health needs, across physical and mental health, in partnership with the individual, their carers and family. It means developing a system of care and support that is based around the needs of the individual, provides the right care in the right place at the right time, and makes sure dollars go to the most effective way of delivering healthcare for the people of NSW.
- Integrating Care is important because chronic conditions are expected to account for 80% of disease burden in Australia by 2020.
- The key strategies include;
 - Engage with people and communities through person centred planning and evaluation
 - Develop a health intelligence system

- Use innovative models to target areas of need
- Utilise central support structures to evaluate, transfer and spread successful models
- From here, SESLHD will build collaborative teams to test and improve healthcare and build practical improvement capability.
- The Chief Executive is working with Pricewaterhouse Coopers (PwC) to develop a business case for integration paper. This will demonstrate the economic value of this strategy and will be brought to a future Board meeting for information.
- SESLHD was recently successful in receiving funding for a model of care in wound care and treatment of skin cancer. This model of care links up dermatologists, surgeons, general practitioners, nursing staff etc. This model goes across the public and private system and demonstrates that models of linked up care are already in place and working well.
- Dr Gorur Harinath commended the population health focus of the strategy and noted that the shift away from acute care and towards primary and preventative care is very important.
- The Board noted that working with aged care facilities in this area is a significant opportunity. There is already very positive work happening in this space which needs to be expanded.
- The Board noted the Aged Care Plan provided in the papers to be outstanding. The plan is an example of one of the integrated approaches the District is taking.

The Secretary for Health thanked the Board for inviting her to attend the meeting and made the following points with respect to integrated care and other matters;

- The new state government sees the approach as central and supports the slogan 'right place, right time, right care'.
- The federal and state governments are particularly interested in how they can support and create mechanisms for linking aged care, acute hospital care, primary care, social care etc.
- In recent times, the federal government has become very interested in working with the states on the integrated care agenda.
- Various Local Health Districts are working innovatively in this space and the Ministry of Health will be looking to share the learnings from each District across the state.
- The Commonwealth has been in discussions with the states regarding a reduction in the amount of funding provided to the states. NSW is currently working to address the implications of this.
- The NSW Premier is chairing the Council of Australian Governments (COAG) this year.
- The Ministry of Health acknowledges that SESLHD has a plan to manage its financial deficit.
- SESLHD has an exciting opportunity to redesign its models of care as part of the new capital works happening at each of the major hospitals. The Ministry of Health will be keen to support SESLHD as it works through this.

Dr Foley assured the Board that the Ministry of Health is willing and prepared to support SESLHD on its strategy to recover its financial position and implement its integrated care agenda.

Dr Foley agreed to stay for the Heart of Caring Presentation which was held following this item.

The Acting Chair thanked Dr Foley for visiting St George Hospital and attending the first half of the Board meeting.

GENERAL BUSINESS

GOVERNANCE

3.1. Service Level Agreement

SESLHD has now had its second round of negotiations with the Ministry of Health in respect of the 2015/16 Service Level Agreement. The activity profile for 15/16 has been agreed to by both parties.

Two major risks have been identified including the value of the transition grant and the achievability of the revenue target for next year.

SESLHD received a disproportionate revenue target increase for 2014/15. A separate meeting is to be scheduled to discuss the 15/16 revenue target.

The Board noted that it will not sign up to a Service Agreement which includes targets that are not within SESLHD's control to achieve. A body of work should be undertaken to determine what the Board can and cannot be held accountable for in the Service Level Agreement.

Action – Chair of Finance and Performance Committee to meet with Director of Finance to determine what the Board can and cannot be held accountable for in the Service Level Agreement.

Non-admitted patients are being funded based on historical data. It was noted that this funding is inadequate at the Prince of Wales Hospital.

3.2. Peritonectomy Audit Results

The Board noted the independent retrospective audit of peritonectomy procedures and letter from the audit committee as provided in the meeting papers. The main findings were related to the unavailability of patient data and the inappropriateness of consent sought before procedures. SESLHD has accepted all recommendations made by the audit committee and is moving to implementation.

3.3. Internal Audit Plan

The SESLHD Board approved the internal audit plan.

FINANCE AND PERFORMANCE

4.1. SESLHD Key Performance Indicators

The SESLHD Board noted the Key Performance Indicators.

It was noted that SESLHD is under target in activity in some facilities for the month of March.

4.2. Finance and Performance Update

The Director of Finance provided an overview of the March Finance and Performance Meeting. The following key points were noted;

- SESLHD's full year projection has deteriorated to \$22.7 million unfavourable to budget. This is due to the impact of the \$3.8 million annual leave adjustment which has now

been brought into account. The Ministry of Health has advised that SESLHD will not be given budget for the additional cost. The Chair of the Finance and Performance Committee noted that she does not support the accrual of this additional charge as it is not within the District's control.

- Salary and wages at the hospital facilities were noted as concerning and do not collate with FTE numbers. Impacts may have included having three pay periods during March, having 116 additional graduate nurses commence employment and a Junior Medical Officer rotation during the month.

The Director of Finance reported that significant work has been undertaken to develop tools and techniques for improving the accuracy of the financial projections. The Board noted it will draft a letter to the Ministry of Health, outlining any budget adjustments from throughout the year that have not been within SELHD's control.

Action – Letter to be drafted to the Ministry of Health, outlining any budget adjustments from throughout the year that have not been within SELHD's control.

The Ministry of Health has agreed to provide some additional funding to reflect the increased emergency department activity at St George Hospital. The Ministry of Health has also agreed to fund the additional peritonectomy procedures performed at the St George Hospital during this financial year. This funding is valued at approximately \$3.4 million.

If SESLHD is provided with the additional peritonectomy funding and is reimbursed for the annual leave adjustment, the full year projection will be \$18 million unfavourable to budget.

4.3. CEO's Paper – Safely Reducing Costs – Phase 2

The Board noted the Safely Reducing Costs paper as written by the Chief Executive. The paper outlined the plan to develop a Productivity and Improvement Board within SESLHD to monitor and drive financial performance over 2015/16 and 2016/17. The Board noted that the target is to achieve a breakeven position by June 2017. This is a reduction of \$25-28 million over two years.

STRATEGY

5.1. Update – Program Management Office

The Board noted the PMO report provided in the agenda pack.

5.2. SESLHD Change Program Update

SESLHD Board noted the Change Program update.

5.3. Community Partnerships Charter

The Board approved the Community Partnerships Charter.

5.4. Heart of Caring Publication

This item was held following the integrated care presentation.

Ms Karen Tuqiri, Development of Practice & Work Force, SESLHD Nursing and Midwifery and Ms Suzanne Murray, Nurse Educator attended the Board meeting to present on the Heart of

Caring publication. Then Heart of Caring Publication is a collection of quotes and excerpts from fifty SESLHD nurses and midwives who have shared their stories of compassion. These stories were then transcribed and themed and reflective resources were developed for staff.

SESLHD nurses and midwives described patient centred compassionate care to be about 'making a difference to the care experience', is supported by 'teamwork', with 'self-care and wellbeing' essential to enable its sustainability. The work has led to the development of a framework that is centred around four themes; connecting human to human; engaging as a team; promoting self-care and well-being; and creating positive workplace cultures.

The Board commended the Nursing division for its excellent work on this project. The Board questioned whether this work could be rolled out to other professions. The Director of Nursing reported that SESLHD is looking to roll the project out interprofessionally.

This work is being shared at a state-wide nurse's forum.

Dr Foley thanked the Board for this presentation.

CLOSE

Business without notice

No discussion held.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

27 May 2015

4-7pm – Seminar Rooms, Royal Hospital for Women

Focus – Chairs of Clinical Councils invited to first hour of meeting

Meeting closed 6:40pm.

Michael Still

Name

19 May 15

Date

Wednesday 27 May 2015 at 4:30 pm | Seminar Rooms 3/4, Royal Hospital for Women

SESLHD Board Minutes

Board Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Mr Jonathan Doy
- A/Prof Robert Farnsworth
- Dr Debra Graves
- A/Prof Peter Gonski
- Ms Kate Munnings
- Janet McDonald
- Ms Kristin Stubbins
- Prof Jeanette Ward

In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs
- Dr James Mackie - Medical Executive Director
- Ms Kim Olesen – Director Nursing & Midwifery Services

Apology

- Ms Deborah Cansdell
- Dr Harry Harinath
- A/Prof Peter Smerdely

Secretariat:

- Ms Melissa Angelucci

STANDING ITEMS

1.1. Patient story:

Karen Van Cuylenburg, Nursing Unit Manager, Neurosciences, Prince of Wales Hospital attended the Board meeting to provide a verbal patient story experienced by her team. The story was of a patient with a very severe pressure injury. This story highlighted an extraordinary case with extremes of illness and difficult management issues.

The Board commended the level of dedication and professionalism demonstrated by the Neurosciences team and thanked Ms Van Cuylenburg for attending the Board to tell her story.

Minutes of Board meeting held 29 April 2015

The Board approved the Minutes of the SESLHD Board meeting held 29 April 2015 as an accurate record of proceedings.

Resolution 292

"That the Board approves the Minutes of the SESLHD Board meeting held on 29 April 2015 as an accurate record of proceedings."

Moved: R Farnsworth

Seconded: J Ward

1.2. Minutes of Finance and Performance Committee meeting held 27 April 2015

The Board noted the Minutes of the Finance and Performance Committee meeting held 27 April 2015.

1.3. Minutes of Clinical and Quality Council meeting held 15 April 2015

The Board noted the Minutes of the SESLHD Clinical and Quality Council meeting held 15 April 2015.

1.4. Minutes of the Medical and Dental Advisory Committee meeting held 9 March 2015

The Board noted the Minutes of the SESLHD Medical and Dental Advisory Committee meeting held 9 March 2015.

1.5. Actions

The Board noted the Action Log.

1.6. Correspondence Register

The Board noted the correspondence received since 20 May 2015.

1.7. Teaching and Research

This item was held over until the June meeting.

FOCUS

2.1. Chairs of Clinical Councils

The following Co-Chairs of the facility/service Clinical Councils attended the Board meeting to discuss Clinical Councils;

- Dr Roger Allan, Co-Chair of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council
- Mr Jon Roberts, Co-Chair of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council
- Dr Mark Davies, Co-Chair of the St George Clinical Council
- Ms Leisa Rathborne, Co-Chair of the St George Clinical Council
- Mr David Pearce, Co-Chair of the Mental Health Clinical Council
- Dr Michael Chapman, Co-Chair of the Royal Hospital for Women Clinical Council
- Ms Vanessa Madunic, Co-Chair of the Royal Hospital for Women Clinical Council
- Dr Leonard Kalish, Co-Chair of the Sutherland Hospital Clinical Council

- Ms Nicole Wedell, Co-Chair of the Sutherland Hospital Clinical Council
- Dr Murray Wright, Co-Chair of the Mental Health Clinical Council was noted as an apology.

Dr Allan and Mr Roberts made the following key points in respect of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council;

- The Prince of Wales Hospital has been promised a \$500 million investment into capital works by the NSW state government. This has required the Clinical Council to provide a strong and clear strategic direction for the hospital, particularly in designing new models of care so that the new building works may be aligned.
- The Council has been trying to focus on the big picture and identify how the hospital needs to change to become an effective and efficient hospital of the 21st century.
- A key action of the Clinical Council this year has been to build engagement across the Prince of Wales Hospital campus. The Council is seeking to empower staff to be part of the solutions.
- The Council is focussing on how it can better communicate the achievements of the hospital.

Dr Davies and Ms Rathborne made the following key points in respect of the St George Hospital Clinical Council;

- The biggest challenge faced by the St George Hospital Clinical Council is the well-known physical constraints of the hospital. The workload at the hospital has grown significantly over the last 25 years however the infrastructure has not been updated to accommodate this. This issue will be resolved by the hospital rebuild occurring over the next few years.
- Moving towards new integrated models of care will be made possible once the third stage of the hospital rebuild is realised. Work is underway to plan for this third stage of redevelopment.
- The Council has identified that SESLHD does not have a brain injury rehabilitation service. It is hoped that as part of the rebuild, funding will be sourced to build an appropriate service within SESLHD to cater to these patient's needs. The Board suggested that this issue should be considered at a District level by the Aged Care and Rehabilitation Stream. The Stream structure is still developing within SESLHD and links must be improved between the Clinical Councils and Streams so that issues with district-wide implications can be addressed at stream level.

Action – Chief Executive and Medical Executive Director to communicate that the stream structure has been reinvigorated within SESLHD.

Investment and disinvestment in services was discussed. The Board noted that it should be considering what SESLHD will look like from a clinical perspective in ten years' time. It was noted that a district level body of work has commenced in this space with the Planning Unit and the Medical Executive Director.

Dr Kalish and Ms Wedell made the following key points in respect of the Sutherland Hospital Clinical Council;

- The Sutherland Hospital Clinical Council has been mostly concerned with negotiating Sutherland Hospital's recent non-clinical split from the St George Hospital. Work is continuing to determine the administrative requirements of the hospital and how this will be separated from St George Hospital. Clinical Services will remain shared between St George and Sutherland Hospitals and this is expected to continue to work well.
- The Council is working on the redevelopment of Sutherland Hospital.

Mr Pearce made the following key points in respect of the Mental Health Clinical Council;

- The Mental Health Clinical Council has been driving a Mental Health service development and innovation change program for the past 18 months.
- A key strategy of the Council is to work closely with community organisations and narrow the focus of the services provided by SESLHD so as to expand the focus on shared partnerships of services.
- The Council is leading the state with a Peer Support Program which involves partnerships between clinicians and a person with lived experience of mental health.
- A Recovery College has just been developed, which is a new service model that brings clients, carers and clinicians together for a range of short courses that provide capacity for clients to live more effective lives.
- Significant improvements in the physical health of mental health patients have continued to be seen. Mental Health will present these improvements to the Board at its September 2015 meeting.

The Board noted that it found the discussion with the Clinical Council Co-Chairs very productive and interesting. It was agreed that a longer and more focussed strategic session between the Clinical Council Co-Chairs, Stream Directors and Board should be arranged.

Action – Secretary, Chief Executive and Chair to arrange a structured and facilitated strategic session between the Clinical Council Co-Chairs, Stream Directors and the Board.

GENERAL BUSINESS

GOVERNANCE

3.1. Service Level Agreement

The Chief Executive reported that SESLHD had that day, its second round of negotiations over the activity to be purchased by the Ministry of Health within the 2015/16 Service Level Agreement. SESLHD is satisfied with the agreed activity levels for 2015/16.

The 2015/16 revenue target will likely be a 15% reduction from the previous year's target which is the lowest growth of all local health districts.

It has been indicated that SESLHD's transitional grant will be \$5 million for 2015/16.

The budget numbers have been delayed this year due to the timing of the state election and will be received on 24 June 2015. The Board may need to hold an extraordinary Board meeting in July to review the finalised budget and Service Level Agreement.

Action – Secretary to work with Chief Executive, Chair and Director of Finance to determine whether an extraordinary Board meeting in July will be necessary.

3.2. Taskforce re- Junior Medical Staff

The Board noted the terms of reference for the development of a taskforce for junior doctors which will review and oversee the development of systems to ensure compliance with appointment procedures, ensure performance reviews, ensure rostered hours are approved and work hours are monitored.

The Board noted it supports the formation of the taskforce and noted that it may be appropriate to have a junior medical officer represented on the taskforce. The Board also suggested that the membership of the taskforce was very big. The Chief Executive agreed to review the membership.

The Chief Executive is considering including bullying and harassment and medical

engagement into the terms of reference of this taskforce.

3.3. Coronial Inquest

The SESLHD Board noted the update provided on the coronial inquest.

3.4. Staff link Post Implementation Audit

The SESLHD Board noted that the key issues raised within the audit of staff link implementation include poor project management, resourcing issues, insufficient allocated time and difficulty communicating with HealthShare.

FINANCE AND PERFORMANCE

4.1. SESLHD Key Performance Indicators

The SESLHD Board noted the Key Performance Indicators.

4.2. Finance and Performance Update

The Director of Finance provided an overview of the May Finance and Performance Meeting. The following key points were noted;

- The Director of Finance reported that the 2014/15 projected financial position has remained stable during the month of May at \$19.9 million unfavourable to budget (adjusted for annual leave and depreciation).
- The Year to Date financial position is \$19.9 million unfavourable to budget. This is made up of \$15.9 million unfavourable in expenses and \$.9 million unfavourable in revenue. Strict containment of costs will occur in the following six weeks and delegation has been lifted to Tier Two level.

The Chief Executive reported that a key strategy for 2015/16 financial performance will continue to improve cost controls at hospital facilities. Alongside savings initiatives, cost controls will be monitored by the newly developed Productivity and Improvement Board.

Liquidity was discussed. The Director of Finance reported that SESLHD has experienced a significant issue with cash flow during the month of May. A cash shortfall, to the value of \$15 million, has been identified over and above the \$27 million in cash assistance that was requested from the Ministry of Health in November 2014. This cash shortfall does not influence the projected financial position, which remains stable at \$19.9 million unfavourable to budget (adjusted for annual leave and depreciation).

This shortfall should have been picked up earlier by the SESLHD Finance team and this is being addressed by management.

Action – Discuss cash flow in detail at a future Board meeting.

4.3. Incorrect payment of VMO

The Board noted an incorrect VMO claim processed during April 2015. The following key

points were noted;

- An unsubstantiated claim of \$1M (+GST) from a Visiting Medical Officer (VMO) at St George and Sutherland Hospitals was processed through the VMoney system (payment system for VMO claims) during April 2015.
- After engaging legal representation, the District had the amount of \$1.1M repaid into its bank account on Tuesday 19 May 2015.
- The large claim was processed and paid without any internal awareness or acknowledgment that the claim had been raised.
- Contact has been made with Healthshare and the Ministry to highlight this issue. This includes the internal Audit department of HealthShare.
- An internal audit on VMO's was scheduled to commence during May. The scope of this audit has been extended to focus on the miscellaneous tab in V Money.
- An initial review has highlighted visibility issues within the VMoney system. This will be further analysed as part of the internal audit with appropriate recommendations for improvement.
- A review of all Miscellaneous VMoney claims for the financial year has been completed by Finance and Internal audit with no other suspicious payments being identified.

STRATEGY

5.1. Update – Program Management Office

The Board noted the PMO report provided in the agenda pack.

5.2. Medical Engagement Workshop

To be held over to the June Board meeting

5.3. Integrated Care action plan

To be held over to the June Board meeting

CLOSE

Business without notice

The Chief Executive reported a discussion he had with the Secretary for Health after the May Board meeting, at which she was present. It was agreed that the Chair should write a letter of confirmation to the Secretary and again thank her for her attendance.

At the pre-Board meeting the continuing work of Pricewaterhouse Coopers (PwC) in assisting management in the financial recovery work was discussed. Kristin Stubbins, Board Member and Chair of the Finance and Performance Board Committee, is a partner at PwC and advised that she would like to take an active role in the PwC work. This would however, require governance to be satisfied by her stepping aside from the Board for the period she is involved. The Board agreed and thanked Kristin for her continuing commitment to SESLHD.

NOTING OF CONFIDENTIAL ITEMS

Nil discussion

Date of next meeting:

24 June 2015

4-7pm – Multi-Purpose Function Room, Sutherland Hospital

Focus – TBA

Meeting closed 6:40pm.

Michael Still

Name

1 July 15

Date