

MINUTES

Present:

Professor Carol Pollock	Chair, Board
Ms Ann Brassil	Board Member
Ms Diane Flecknoe-Brown	Board Member
Mr Andrew Goodsall	Board Member
Mr Anthony Hollis	Board Member
Ms Betty Johnson AO	Board Member
Professor Sue Kurrle	Board Member
Mr Don Marples	Board Member
Associate Professor Annette Schmiede	Board Member
Mr Peter Young	Board Member

In attendance:

Adj. Associate Professor Vicki Taylor	Chief Executive
Dr Andrew Montague	A/Executive Director Operations, NSLHD
Mr Lee Gregory	Director Finance & Corporate Services
Ms Maree Hynes	Director Planning, Performance & Innovation
Ms Judith Hogan-Wright	Secretariat

Apologies:

Dr Michele Franks	Board Member
Dr Adam Rehak	Chair Medical Staff Executive Council

Board Discussion

The Board members met in closed session prior to commencement of the meeting. During this closed session a presentation on the RNS Hospital Change Management progress by the Change Manager was made to the Board members for their information. Also a Commercial-In-Confidence discussion was held regarding commercial opportunities on the RNS campus.

1. Presentation:

1.1 BHI – Outcome Data

Presented by Dr Jean-Frédéric Lévesque, Chief Executive, Bureau of Health Information (BHI).

The purpose of BHI is to prepare and publish regular reports on the performance of the NSW public health system, including the appropriateness, accessibility, effectiveness, efficiency, equity and sustainability of the system. The presentation provided examples of the many reports produced and where NSLHD is rated. BHI is moving away from basic reporting measurement e.g. wait times and into different measures that could be more relevant for clinical networks and units on which to base decisions and reflect on a hospital's performance. Dr Lévesque advised the Board that BHI is working on an Integrated Care report which was agreed will be very beneficial. BHI provides valued information to the community, health care professionals and NSW parliament that is independent, timely and accurate about the NSW public health system.

Dr Lévesque outlined the number of reports to be released by the BHI each year. Each year 250,000 surveys are provided to patients across NSW seeking information on their experiences with the NSW health care system for the NSW Patient Survey Program.

The Board asked many questions and the possibility of BHI producing a variety of other reports not aligned with clinical performance i.e. workforce and overall efficiencies.

The committee thanked Dr Lévesque for the informative presentation and sought an update in 2015 on BHI's developments.

Action: The presentation to be distributed to Board members.

2. Patient Story

The CE relayed a pleasing patient story covering a paediatric admission at Mona Vale Hospital. The letter from the patient's father outlined the staff interaction with his son during an emergency presentation and subsequent surgery. The letter spoke of the positive staff involvement and the flow of information to the family and the paediatric patient during this stressful time. The letter along with a letter of thanks from the CE will be sent to those involved at Mona Vale hospital.

The Board commented on and complimented the staff on the high level of service provided.

3. Attendance / Apologies / Quorum / Conflict of Interest

Attendance and apologies were noted.

Conflict of Interest: Nil, other than those already documented.

4. Confirmation of Minutes

The Chair advised that the standing agenda items and correspondence tabled but not discussed at the 2 September meeting will be discussed out of session.

Action: Chair sought comments out of session on the standing agenda items and correspondence items from 2 September Board meeting.

Action: The Chair will seek clarification from the MoH on the By-Laws pertaining to the reporting structure of Audit and Risk Committee.

5. Ongoing Business (in conjunction with Action List)

The items in the action List were discussed and noted.

Health Infrastructure – Master Planning – Southern Campus

This action item was closed on the advice that Government Property NSW has released an Expression of Interest ("EOI") for purchase (freehold or leasehold) of Royal North Shore Hospital Masterplan Zone 8 land closing at the end of October 2014. The CE advised that the prescribed range of services to be considered on this site include the Child Care facility, Carers' accommodation, Health Administration as well as considering other purposes for this site.

High Level Reporting Framework – additional items for Board Calendar 2015

This action item was closed on the advice that the Director Finance & Corporate Services has included Staff Satisfaction Survey, Integrated Care, Academic Health Science Centre and Education into the 2015 Board Calendar of events.

5.1 Chief Executive Summary – High Level Reporting Framework

The report was tabled for the information of the Board and was noted.

5.2 Finance and Performance Report

The Director Finance & Corporate Services (DF&CS) referred to the tabled report and this was **noted** by the Board. The DF&CS updated the Board on the discussions held on 15 September with the MoH with the funding discussed and agreed upon including the transitional funding of the Clinical Services Building (CSB) plus the Facilities Management (FM) cost increments for this financial year. Ongoing dialogue will continue with the MoH around the Private Public Partnership (PPP) arrangements.

The CE expanded upon the National Weighted Activity Unit (NWAU) funding for the new buildings that will be launched in 2015 and the balancing of the efficiencies and increased revenue and other initiatives to improve the financial outcomes.

The DF&CS advised the Board on the technical issues that have been experienced by NSLHD Finance Department in compilation of the August financial statements. Overall high level reporting is accurate with detailed reporting to be completed once this issue has been resolved.

Goods and Services result was discussed and it was noted the result is a phasing issue and is attributed to the above noted technical issues.

The DF&CS then detailed to the Board the items of note as listed in the tabled report and commented that overall it is too early in the financial year to identify trends particularly on patient presentations. Full Time Equivalent (FTE) expenses for the current month and the projected financial year results were discussed at length.

Investment Revenues result was also mentioned and will be investigated by the DF&CS.

Action: DF&CS will investigate Investment Revenues results.

5.2.1 Client Services Report for the year ended 30 June 2014 – Statutory Audit Report

The above audit report was **noted** by the Board. The Audit Office reported that “audit has not detected any significant matters to report in the Statutory Audit Report”.

The signed financial statements and management letter to be distributed to the Board Members for their information.

Action: The DF&CS to distribute the signed financial statements and management letter to the Board members with the November meeting papers.

The Board was asked to note their comments regarding the Client Service report and these are as follows: Workforce internal controls, the change in the current ratio and the high amount of assets not able to be located in the stocktakes of the last two years.

- The DF&CS updated the Board on the workforce internal controls noted in the report compared to NSLHD’s analysis; the NSLHD latest overall result is far higher than that reported in the Auditor’s sample.
- The DF&CS advised that the assets issue is being addressed on many levels via education, training, awareness etc.

Action: The DF&CS to provide a note to Finance & Performance Committee (F&P) meeting covering the change in the current ratio and from F&P to report findings to Board.

5.2.2 Annual Report of the Audit & Risk Management Committee for year ended 30 June 2014

The above report was noted by the Board. A question was raised on the membership of the A&RMC and was answered by the CE quoting the requirements from the Health Services Act 1997 Model By-Laws Section 16; committee membership of the Audit and Risk Committee. To strengthen the framework the 2014 financial statements were tabled at F&P initially seeking this committee's comments and additional information prior to being tabled at A&R. Chair advised that she is confident of the process being undertaken prior to the signing of the NSLHD Financial Statements.

5.3 OESI Report

The OESI Report was covered in the Finance and Performance Report discussions by the DF&CS.

The Board noted the OESI Report and comments were received covering the Workforce Improvement results which are unfavourable. The CE advised that the new Director Medical Workforce is working on achieving improved results in this area. The Board sought the escalation of electronic rostering for which to improve workforce efficiencies.

Action: To update the Board on the practical issues involved in acquiring outside of MoH an electronic rostering system and to provide a business case on the cost benefits vs expenses of such an acquisition.

5.4 Master Planning Update

The CE updated the Board on the progress post the presentation to the NSLHD staff on 23 September 2014. The presentation was informative and extensive and further updates to staff will continue to occur. Feedback and comments were sought from the NSLHD staff. To date in total only 8 responses have been received and responded to. Also to note a mail-box drop to the neighbours surrounding the Southern Campus has been conducted. Only 3 responses received and again replies have been sent. Positive feedback by staff has also been received by both the Chair and the CE on the development of the Southern Campus.

5.5 Integrated Care Update

The Board **noted** the report covering the KPI monitoring and evaluation process of the Integrated Care submission was distributed at the meeting.

The CE provided a brief overview of the submission noting that the details remain confidential whilst the competitive tender process is underway. A decision is due to be announced by MoH in December 2014. The Acting Executive Operations Manager advised that the program will be commenced by the NSLHD at the end of October 2014 prior to any announcements.

Action: CE will distribute the confidential Integrated Care submission to the Board members for their information.

5.6 Academic Health Science Centre Update

The Chair expanded on the Academic Health Science Centre progress noting that there are multiple proposals currently under discussion; National Health & Medical Research Council (NHMRC) has launched the Advanced Health Translational Research Unit to turn research discoveries into improved medical practice and commercial opportunities. The Chair will provide further details to the Board. At the NSLHD Board Planning Day the HUB concept of the Kolling / NSLHD will be discussed.

6. Capital Planning Updates

The following referral notes were tabled.

6.1 Hornsby Ku-ring-gai Hospital Redevelopment

The Board **noted** the two reports covering Stage 1 and Stage 2 redevelopment. The CE updated the Board on the proposed expenditure for Stage 2 redevelopment and therefore reviews and revising of the project is currently underway. The Clinical Services Plan for the Hornsby Ku-ring-gai Hospital is seeking endorsement at the 13 October 2014 Clinical Council meeting.

6.2 Royal North Shore Developments / Master Plan

The Board **noted** the report.

6.3 Northern Beaches Redevelopment – Frenchs Forest update

The Board **noted** the report.

Mr Marples updated the Board on the Northern Beaches Project (Project). A subcommittee of the Board has been formed; Northern Beaches Health Service Redevelopment Project with the charter currently being determined. Membership consists of Mr Don Marples (Chair) with representatives from various areas to ensure this committee is effective in the pivotal role it will play to ensure governance of this Project.

This committee is tasked with being fully briefed as to the progress of the Project and guiding the Project Team in the interests of the NSLHD. The committee acts as a conduit between the Project and the Board and ensures that all NSLHD risks and Project implications are acceptable to the LHD.

Mr Marples provided additional information on the workings of the committee and the interaction between various Project committees, Project Delivery Board through to NSW Cabinet.

In answer to a question from Ms Betty Johnson covering the governance of the Community Centre at the Northern Beaches Hospital, the Chair responded it would be governed by the NSLHD.

The Chair of the Northern Beaches Health Service Redevelopment Project committee sought suggestions and comments from the Board as in general discussion Integrated Care was identified as an item requiring further investigation.

The Chair advised that the Communication Strategy being formulated by NSLHD and Health Infrastructure will be presented to the Board once finalised.

Action: Communication Strategy be presented to Board once finalised.

7. New Business

7.1 Adoption of Strategic Direction

This item will be discussed post Board Planning Day.

7.2 Clinical Council update

The Acting Executive Director Operations (AEDO) tabled a note for the information of the Board on the activities of the Clinical Council over the last 12 months. The tabled document outlined the variety and depth of presentations held and listed the endorsed and actioned items that have been addressed by the Clinical Council members over the past 12 months. Each of the Networks present to the Council each year on their specific projects, achievements and issues.

The AEDO commented on the options and opportunities for the Clinical Council undertaking a review of the Clinical Services Plan prior to presenting to the Board for endorsement. The Clinical Network Review will also be tabled at the Clinical Council prior to seeking endorsement from the Board.

The Clinical Council's Terms of Reference and membership will be reviewed in line with the organisational restructure. The main focus of the Clinical Council will be on the provision of clinical services across the District and focusing on inappropriate clinical variation.

7.3 Enterprise Risk Reporting to Integrated Risk Management Committee (IRMAC)

The above report was noted by the Board. The CE outlined to the Board that this was an action item which was escalated to IRMAC with the findings listed in the note to the Board. The note outlined the procedure of risks that have been identified, the overdue risks, and the slow rate of closure of these risks.

The CE advised that although there were risks noted that could impact on patient care, there has not been any increase on adverse patient safety. Also mentioned were various methods to engage staff and VMOs' participation to reduce these risks.

Action: The CE to explore methods to increase staff and VMO participation to reduce the risks mentioned and to update the Board on the outcomes.

8. Standing Agenda Items

8.1 NSLHD Committee Minutes

8.1.1 Health Care Quality Committee

The draft minutes from the meeting held 14 August 2014 was **noted** by the Board.

8.1.2 Medical and Dental Appointments Advisory Committee (MDAAC)

The endorsed minutes from the meeting held 8 August 2014 were **noted** by the Board.

8.1.3 Finance and Performance Committee

The endorsed minutes from the meetings held 22 July and 2 September was **noted** by the Board.

8.1.4 LHD Clinical Council

The draft minutes from the meeting held 1 September 2014 was **noted** by the Board.

8.1.5 Medical Staff Executive Council (MSEC)

The draft minutes from the meeting held 19 May 2014 was **noted** by the Board.

8.1.6 Peak Community Participation Council (PCPC)

The draft minutes from the meeting held 6 August 2014 was **noted** by the Board.

The Chair advised that two PCPC members have been appointed to join the master planning process and they are also seeking Expressions of Interest from Nursing and Allied Health staff to be part of this planning process.

8.1.7 NSLHD and Medicare Locals Consultative Council

The endorsed minutes from the meeting held 10 June 2014 was **noted** by the Board.

8.1.8 Capital Asset Planning Committee

The draft minutes from the meeting held 15 September 2014 was **noted** by the Board. The Chair commented on the Masonic Towers noted in the above minutes.

Associate Professor Annette Schmiede reported that this issue is under further investigation with a view to formalising this arrangement.

8.1.9 Integrated Risk Management Advisory Committee (IRMAC)

The draft minutes from the meeting held 2 July 2014 was **noted** by the Board.

8.1.10 Audit and Risk Management Committee

Nil available. Next meeting 3 December 2014

8.1.11 Education Sub-committee

The draft minutes from the meeting held 19 August 2014 were **noted** by the Board.

8.1.12 Research and Innovation Sub-committee

The draft minutes from the meeting held 15 July 2014 were **noted** by the Board.

9. Correspondence

The Board noted the following tabled correspondence.

9.1 Proposed Divestment of Southern Campus

The Board **noted** the correspondence from the Chair, Medical Staff Council.
The reply to the Chair, Medical Staff Council was tabled for the information of the Board.

The Board noted the correspondence from the Chair of Medical Staff Council was on an inappropriate letter head and requested the Board Chair to address this matter.

Action: Board Chair to address the issue of the correspondence from the Chair of Medical Staff Council on an inappropriate letter head.

9.2 Service Agreement 2014 – 2015

The Board **noted** the signed Service Agreement.

10. Items without Notice

10.1 Workforce and Litigious Issues

The CE advised that a paper will be brought to the Board covering the process and flow of workforce and litigious issues that arise from time to time.

The CE brought to the attention of the Board two items that pose risks to the NSLHD. Updated information was provided to the Board with questions answered covering the potential impact these items may cause to NSLHD.

The CE will update the Board on these items and other issues as they arise.

The Chair reiterated to the Board the confidentiality surrounding these items.

Action: A referral note will be tabled at the November Board meeting covering the process and flow of workforce and litigious issues.

10.2 New Board Members

On the question from Ms Betty Johnson on the replacement of the Peak Community Participation Council (PCPC) Deputy Chair previously held by a Board member.

The Chair advised that until discussions are finalised with the MoH on the composition of the NSLHD Board, it was recommended to postpone this appointment.

10.3 Representation on Senior and Advisory Committees

The Chair relayed to the Board the comments from the Chair, Medical Staff Council regarding the in-balance of representation by the majority workforce sectors within NSLHD professional community on senior and advisory committees.

From comments received from the Chair, Medical Staff Council it was recommended to consider nursing or allied health staff members on senior and advisory committees. The Chair recommended reviewing the NSLHD By-Laws Submission (March 2014) to the MoH to consider this recommendation.

Action: The Secretariat to distribute to the Board members NSLHD By-Laws Submission (March 2014). Comments to be directed to the Chair for consideration of inclusion of nursing or allied health staff representation on Senior and Advisory Committees.

11. Venue, date and time for next meeting

Executive Boardroom, Building 51, Royal North Shore Hospital
Tuesday 7 October, 2014 commencing 3:00pm

Meeting Closed: 7:40pm

CERTIFIED A CORRECT RECORD

**By Professor Carol Pollock, Chair
On 19 November 2014**