

MINUTES

Present:

Professor Carol Pollock	Chair, Board
Adjunct Professor Ann Brassil	Board Member
Ms Diane Flecknoe-Brown	Board Member
Mr Andrew Goodsall	Board Member - teleconference / present
Ms Beata Kuchcinska	Board Member
Mr Anthony Hollis	Board Member
Dr Dianne Ball	Board Member - teleconference
Mr Don Marples	Board Member
Mr Peter Young	Board Member
Adj. Associate Professor Annette Schmiede	Board Member

In attendance:

Adj. Associate Professor Vicki Taylor	Chief Executive, NSLHD
Dr Andrew Montague	Executive Director Operations NSRHS & NSLHD
Mr Frank Bazik	General Manager, Hornsby Ku-ring-gai and Northern Beaches Health Services
Mr Rob Wright	A/Director Finance & Corporate Services
Dr David Jollow	Chair, Medical Staff Executive Council
Ms Judith Hogan-Wright	Secretariat

Invitee:

Mr Trevor Danos AM	Sydney Local Health District Board Member
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Apologies:

Dr Michelle Franks	Board Member
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The Board welcomed Mr Trevor Danos AM, currently a Sydney LHD Board member to the meeting. The Ministry of Health has advised that Mr Danos is being considered for appointment to the NSLHD Board in the coming weeks. Mr Danos was invited to participate in the Board consultation process of the Strategic Plan and left the meeting post consultation.

1. Presentations

1.1 Strategic Plan

Presented by Dr Bob McDonald, consultant and supported by Ms Brenda Scully, Senior NSLHD Health Services Planner

Dr McDonald provided background information on the progress thus far in developing a new Strategic Plan for NSLHD for the period 2017 to 2022. The draft Strategic Plan will be provided to the Board for further comment later this year with the new plan to be finalised by March 2017.

50 stakeholder groups have been identified who will provide input into the Strategic Plan. The Board was invited to provide input into the strengths, weaknesses, opportunities and threats (SWOT) for the NSLHD. Ms Scully recorded the Board's input in this consultation session. It was also noted that should the Board have additional information, to contact Mr David Miles, Manager Health Services Planning Unit to ensure that this information be included during this phase of the development process. The Board thanked Dr McDonald and Ms Scully for the presentation.

Action: Distribute the updated presentation detailing the Board commentary to Directors.

1.2 Mental Health Drug & Alcohol

Presented by Dr Andrew Montague who acknowledged Ms Andrea Taylor, Director Mental Health Drug and Alcohol (MHD&A) who provided the detail

The presentation covered the geographical layout of MHD&A and the highlights, risks and challenges faced by this service.

Action: The Board requested that thanks be sent to Ms Taylor for the informative presentation.

2. Patient Story

The Chief Executive (CE) relayed an email sent from a Medical Officer from another LHD whose child was recently admitted to Hornsby Hospital. Thanks were given to the “world class care” that was provided to the doctor’s daughter. A memo of appreciation from the CE has been sent to the team at Hornsby Hospital and written acknowledgment and thanks has been sent to the father.

The Chair also updated the Board on the five kidney transplants that occurred over last weekend. The Chair commented on the excellent team work undertaken by the NSLHD surgeons, nursing staff and junior medical staff; all of whom excelled during an intensive two day period.

3. Attendance / Apologies / Quorum / Conflict of Interest

Attendance and apologies were noted.
There were no Conflict of Interests noted.

4. Confirmation of Minutes

Minutes of the meeting held 5 July 2016 were confirmed as a true and accurate record of the meeting with one minor change in syntax.

5. Ongoing Business (in conjunction with Action List)

5.1 Clinical Services Plan (CSP) Reporting Framework

A referral note was tabled for the Board’s information which included two templates; CSP Work Plan and CSP Implementation Status Report and was **noted**.

Dr Montague provided additional commentary regarding the background and work undertaken. Ms Janine Carragher, Acting Manager Operations NSLHD had provided input, Ms Deb Stewart, Manager Clinical Redesign was engaged to develop the plan and reporting tools and in addition, Dr Dianne Ball provided additional feedback during the process. This plan will be updated and a CSP Implementation Report will be provided to the Board in September 2016.

Action: Clinical Services Plan Implementation Report will be provided at the next Board meeting.

6. Standing Business

6.1 Chief Executive Summary

The Board **noted** the report. The Chief Executive took questions arising from the tabled report.

Further information was requested regarding the commentary in the Medical Workforce concerning the potential lack of engagement by Junior Medical Officers (JMO). Due to the constant rotation by JMOs throughout the District, it has the potential of reducing the JMOs allegiance with the District.

This is being addressed by the NSLHD Director Medical Workforce by providing the JMOs at their induction with a firm base of connection to the District and supporting them through the various rotations that occur as part of the JMO work process.

Further information was requested on the RNSH Northern Specialist Centre (NSC). A governance work group has been established to improve the alignment of the RNSH NSC and the RNSH ambulatory clinics. The aims of this working group are to investigate the allocation of clinics and to strengthen the clinical and corporate governance across these two services.

It was taken on notice the question from the Board concerning the 'external assessments' as noted in the Audit & Risk commentary.

Action: Clarification on the 'external assessments' as noted in the Audit and Risk commentary will be provided by the CE at the next Board meeting.

6.2 Finance and Performance Report

The Board **noted** the Financial Summary for June 2016.

The A/Director Finance and Corporate Services (A/DF&CS) provided additional information to the tabled report as listed below.

The end of financial year 2015/16 the minimal unfavourable result was discussed and noted that advice has been received from the Ministry of Health of a Treasury Managed Fund (TMF) hindsight adjustment. This non-cash adjustment will be incorporated into the NSLHD accounts and statements accordingly and has resulted in a favourable net cost of service (NCOS) result for the 2015/16 financial year. The NSLHD Financial Statements will be signed in September 2016 reflecting this adjustment. The Chair recommended that a note be included in the NSLHD Corporate Governance Attestation Statement covering the non-cash TMF hindsight adjustment.

It was noted and commented upon the private health insurance utilisation is dropping. The participation rate year to date for those patients holding and utilising private health insurance is 88% of end users and actions are in place to reverse the decline in private health insurance utilisation.

Last year's influx of high acuity patients during the winter period resulted in an increase in the FTE numbers over the previous financial year. Work is in progress to maintain and strengthen the nursing pool to ensure that NSLHD has appropriate coverage in high demand periods for appropriately skilled nursing staff.

The projected forecast for financial year 2016/17 was presented to the Board and at this time it is forecast to be a deficit. Management has processes in place to address the projected areas where shortfalls have been identified. At present the operational efficiencies projected savings are conservatively estimated to be 70% achievable, providing scope for reduction in the financial gap. Additional budget strategies are being developed to address this projected deficit.

The result for the month of July is unfavourable and the Board sought detail on the budget strategies in place for the financial year 2016/17.

Action: Detailed budget strategies / initiatives and the efficiency roadmaps to address the projected budget deficit and the updated 2016/17 projection to be presented at the next Board meeting.

6.2.1 OESI Report – June 2016

The Board **noted** the tabled document presented by A/DF&CS.

The final year efficiency result was 10% short of the target, but achieved exceptional savings. The report identified areas of improvement for the current financial year. This report will be incorporated in the Finance and Performance Report for this financial year.

The Board congratulated the NSLHD Executive and OESI team for the achievements.

6.3 Financial Statements 2015/16

The Board **noted** the tabled documents presented by A/DF&CS.

Mr Wright provided information on the preparation and approval process for the 2015/16 Financial Statements. The statements are currently with the Auditor General's office and it is expected to have the audit completed by early September 2016. The audited financial statements are then returned to the Audit & Risk Committee for approval and then signed by NSLHD by 9 September 2016. The final approved statements and a signed certificate from the Auditor General will be presented to the Board.

Action: The A/DF&CS and the CE will confirm what has previously been submitted (interim statements) and will discuss this with those Board members who attend the Finance & Performance Committee.

Item 6.3.3 will be referred back to Audit & Risk Committee to note the added comments.

Action: Invitation to be sent to the Chair Audit & Risk Committee to present to the Board in September.

6.4 Corporate Governance Statement 2015/16

The Board **noted** the tabled document presented by A/DF&CS.

It was identified on the statement referring to the Audit and Risk Management Committee membership that it should include the commentary 'a Board member attends, who is Ms Flecknoe-Brown'.

It was noted that the Corporate Governance Attestation Statement is to be signed by 9 September 2016 and the budget variance will be adjusted by the TMF hindsight adjustment. To ensure compliance by the due date, the statement will be approved by the Board via a circular resolution as the next meeting is scheduled on 13 September 2016.

7. New Business

7.1 NSLHD Integrated Care Project Tender

The referral note was **noted** by the Board and the CE provided additional comments. The CE asked the Board to declare any conflict of interests prior to discussion; no declarations were noted.

The CE provided background information and the involvement of HealthShare in the tender process.

NSLHD had received two respondents to this tender; of which only one was compliant. A tender negotiation team was established to commence a negotiation phase where it identified that due to the very high risk that the tender response would not meet key performance measures and outcomes, NSLHD terminated the tender process.

The Integrated Care Project remains a priority for NSLHD and work is occurring to develop appropriate robust alternative(s). It was added that there are multiple Integrated Care initiatives occurring within and across NSLHD and this termination of the tender will present more opportunities for this District in the delivery of integrated care.

7.2 NSLHD Clinical Audit Framework

The Board **noted** the tabled documents and Dr Andrew Montague provided additional information.

The tabled documents outlined the current process occurring throughout the District. Separate attachments outlined the audit schedules occurring at each of the health services. The work that is currently being undertaken is to align the clinical audit process with a standardised approach throughout all NSLHD health services by the end of this financial year.

From a question from the Board regarding the internal audits of the clinical areas, the processes undertaken regarding clinical audit were iterated; Departmental reviews of morbidity and mortality, the oversight by facility, service and District and the escalation and resolution procedure should adverse trends be identified. Once a trend is identified Health Care Quality Committee (HCQC) and the Audit and Risk Committee are notified.

The independent reviews of clinical audits within and external to NSLHD, the identification of clinical variation, and also stated were the large number of outside organisations that benchmark the various services to NSLHD peers were discussed.

From a question from the Board regarding the adequacy of clinical practice, attachment two was provided as a guide to the responsible entities, the frequency of the audits and reporting committees and noted that the CE has the overall responsibility for the District.

7.3 Top 10 Quarterly Risk Report – April-June 2016

The Board **noted** the tabled documents. The CE advised that the format of this document will be changed to provide the Board a more robust and refined action list and resolutions undertaken to mitigate the risks identified. The current format does not provide sufficient information to the Board on the resolution to the identified risk.

Action: The updated format for the Top 10 Quarterly Risk Report will be provided to the Board once the CE is satisfied with the improvement in information provision and formatting.

7.4 SafeWork NSW – Enforceable Undertaking

The Board **noted** the tabled documents which included the actions that are being undertaken by NSLHD regarding the alleged contraventions arising from an exposure to asbestos incident that occurred in 2012. The Board will be kept abreast of this matter until conclusion.

Action: The Board to be provided with an update on a six monthly basis until completion via the CE Report. The attachment listing the start / end date for each of the Enforceable Undertaking strategies to be populated and presented with the update.

7.5 Work Health and Safety (WHS) Audits

The Board **noted** the tabled documents. The Chair requested that the WHS and Due Diligence Guidelines for Boards template be incorporated within the Board calendar of events and be tabled four times per year. The template will be populated and reported back to Ministry of Health (MoH) as per the guidelines.

Action: The CE will update the Board when this MoH requirement will commence and the implementation process. The WHS and Due Diligence template will be incorporated into the Board calendar of events.

8. NSLHD Committee Minutes

8.1 Audit and Risk Management Committee

The Board **noted** the endorsed March 2016 minutes.

8.1.1 Audit and Risk Management Committee

The Board **noted** the endorsed April 2016 minutes.

8.2 Capital Asset Planning Committee

The Board **noted** the endorsed November 2015.

8.3 NSLHD Clinical Council

The Board **noted** the endorsed June 2016 minutes.

8.4 Finance and Performance Committee

The Board **noted** the endorsed June 2016 minutes.

8.5 Health Care Quality Committee

The Board **noted** the meeting notes – May 2016.

8.6 Medical and Dental Appointments Advisory Committee (MDAAC)

No confirmed minutes available.

8.7 Medical Staff Executive Council (MSEC)

No confirmed minutes available.

8.8 Peak Community and Consumer Participation Council (PCCPC)

The Board **noted** the report to the Board – August 2016.

8.9 NSLHD and Primary Health Network Executive Council

The Board **noted** the draft February 2016 minutes.

8.9.1 NSLHD and Primary Health Network Executive Council

The Board **noted** the draft April 2016 minutes.

9. Correspondence

9.1 Letter of congratulations to Ministry of Health – Chief Nursing & Midwifery Officer

The Board **noted** the congratulatory letter sent to Ms Jacquie Cross.

9.2 Letters of congratulations / encouragement to Translational Research Grant applicants

The Board **noted** the congratulatory letters sent to Professor Sarah Hilmer and Dr Mark Gillett and the letter of encouragement sent to Professor Gin Malhi.

9.3 Letter to Betty Johnson – recognition of service

The Board **noted** the letter of appreciation sent to Ms Betty Johnson AO, retired Board member.

10. Assignment of Common Seal Document

The Board **noted** the document assigned under common seal.

The Chair advised the Board that Dr Andrew Montague has recently been appointed to the position of Chief Executive, Central Coast Local Health District and will take up this position next week.

The Chair and Board thanked Dr Montague for his outstanding work and his contribution to the development of this District over the last four years.

11. Extraordinary Board Discussions

Non Board members left the room to enable confidential discussions to proceed.

12. Date, Time & Venue for Next Meeting

13 September 2016, venue to be confirmed.

Meeting Closed: 8:00pm prior to the Extraordinary Board Discussions

CERTIFIED A CORRECT RECORD

**By Professor Carol Pollock, Chair
On 15 September 2016**