

MINUTES –

1. Present:

Professor Carol Pollock	Chair, Board
Ms Betty Johnson AO	Board Member
Associate Professor Annette Schmiede	Board Member
Mr Peter Young	Board Member
Dr Michele Franks	Board Member
Mr Anthony Hollis	Board Member
Mr Michael Still	Board Member
Ms Judith Hopwood	Board Member

Teleconference:

Ms Diane Flecknoe-Brown	Board Member
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In attendance:

Dr Andrew Montague	Acting Chief Executive
Mr Lee Gregory	Acting Director Operations
Ms Jacqueline Ferguson	Acting Director Finance
Ms Virginia Foley	A/Secretariat

Apologies:

Associate Professor Sue Kurrle	Board Member
Ms Ann Brassil	Board Member

Conflict of Interest

Nil

2. Confirmation of Minutes

The Board accepted the minutes of the meeting held on 11 June 2013 as a true and accurate record.

3. Business Arising from Previous Meetings

3.1 Update on Board Recovery Plan

This additional meeting has been convened to review the financial situation and the progress of the Northern Sydney Local Health District (NSLHD) Recovery Plan. The Board noted the information presented in the Referral Note and additional paper tabled.

The Acting Director Operations provided an overview of the NSLHD Recovery Plan to the Board and an update on the deficit.

In response to the April 2013 results, NSLHD have developed three key elements with the Recovery Plan. The progress of these initiatives and milestones were presented and discussed.

The Acting Chief Executive and Acting Director Operations attend the RNSH Executive weekly meeting to review the progress of their Recovery Plan. It has been emphasised that maintaining a focus on quality and safety for patients and staff is paramount.

An initial communication has been formulated, to be distributed by Area Communications, for NSLHD staff on the Operational Efficiency and Service Integration (OESI) Program with a particular focus on Activity Based Funding (ABF) and the 'Whole of Hospital' initiatives that are encompassed in the Recovery Plan. Presentations will be conducted at each Health Service Clinical Council to provide a better insight into the. The Board members highlighted the importance of providing clear communication to all staff regarding the initiatives in the OESI Program.

The Board was updated on discussions with the Ministry of Health regarding the OESI Program and the projected 2013/14 budget and Service and Performance Agreement.

There was discussion regarding challenges moving forward and the placement of key indicators and accountability on staff to encourage positive performance, engagement and efficiency.

The Board Chair discussed the correspondence provided by the each of the NSW district Board Chairs to the Minister of Health regarding several initiatives, including innovation, efficiencies and clinical engagement. The purpose of sharing these documents is to consider what is working well in these areas in other districts. The Board chair undertook to determine the confidentiality of these documents for the Board members to consider at a strategic planning meeting.

The Ministry of Health External Reviewer, Ms Karen Roach, provided the final review of the OESI Plan. All aspects that were highlighted on a local level have been identified in this report, providing a level of confidence from the Ministry of Health. The Board Chair requested this report be provided to the Board for review.

Action: Acting Chief Executive to provide copy of Ministry of Health External Review Report to the Board.

3.2 Communication to staff regarding Board Recovery Plan

The Communication Strategy Plan is due for completion shortly and will be circulated to the Board for information and review. As previously discussed the initial communication regarding the OESI program will be distributed to all NSLHD staff.

The Board Chair advised members there will be an opportunity to discuss a communication strategic plan at the Board Planning day..

Communication from Senior Executive was highlighted as a key strategy in ensuring all staff are provided accurate information in staff forums, with the emphasis on improving quality and safety for patients and staff whilst applying effective financial initiatives highlighted in the OESI Program. There will also be a focus on ensuring senior Clinical and Executive staff are provided training on interpreting financial information.

The Board Chair requested a paper be presented at the next meeting to address the key communication strategies for NSLHD.

Actions:

- 1. Acting Chief Executive to distribute Communication Strategy Plan to Board members for review.**
- 2. Acting Chief Executive to provide a paper on NSLHD Communication Strategies.**

3.3 Clinician's Reference Group Update

There was constructive discussion held in the recent RNS Clinical Reference Group (CRG) with clinicians and budget managers whereby a list of key initiatives that relate to the OESI Program will be reviewed. This group will agree on areas where they will be accountable for implementation.

The Chair of the CRG has changed from the General Manager of North Shore Ryde Hospital Service to the Medical Staff Council Chair, Dr Adam Rehak. It is considered this will increase clinician engagement. The Terms of Reference have been amended to acknowledge this change and to include accountability measures.

It was discussed whether an incentive program should be adopted with these initiatives, whereby if revenue targets are achieved, additional funding could be granted for specific projects.

3.4 External Auditor Follow-up

The Board was provided an update by Ms Diane Flecknoe-Brown on meetings held with the External Auditor, which was highlighted in the previous meeting to present information regarding the process of audit and the utility of current LHD systems.

The External Auditors have been made aware of the OESI Program currently underway within the district and provided an opportunity to ask questions regarding the program. The Auditors have advised they are willing attend the Board meeting to provide recommendations and an overview on the Master Audit Plan.

There will be an Internal Audit and Risk Committee meeting on 18 July 2013 to review recurring system audits and the resources provided to internal and ad-hoc auditing.

The Board Chair has requested the External Auditor attend the August meeting to provide feedback on the Audit Plan.

Actions:

- 1. Acting Director Operations to provide Board members papers relating to the Auditor General Report on Health 2011/12, Client Service Plan 2012/13 and Management Plan 2011/12 and request Client Service Plan 2013/14.**
- 2. IRMAC Report to be provided at August Board Meeting regarding the Internal Audits to be conducted.**
- 3. Acting Director Operations to organise External Audit Chair to attend August Board meeting.**

4. New Business

4.1 NSW Budget and relevance to NSLHD

The Board noted the information presented in the Referral Note to provide initial advice on the 2013/14 Service Agreement and budget outcome for NSLHD.

The NSW Government budget for Health has been released. The Ministry of Health Service Agreement has been received for the district and a review of the changes to the LHDs expense budget was provided in detail.

It was noted the Ministry of Health has provided LHD's with relief from the decrease in the rate Health Funds pay Public Hospitals for single rooms.

Due to the introduction of Activity Based Funding (ABF), Activity Targets for 2013/14 have been allocated and were analysed, including additional activity such as Mental Health Services being commissioned at Hornsby Hospital and the 20 additional sub-acute beds.

4.2 Service and Performance Agreement

The Board Chair requested members to review the Service and Performance Agreement with the Ministry of Health, and to forward all queries to the Director Finance.

The Agreement was discussed and reviewed during the meeting, with a follow-up discussion to occur at the August Meeting.

The Board acknowledge the dedication and work conducted by the NSLHD Executive Team during the months leading to the end of the financial year.

Actions:

- 1. Service and Performance Agreement to be tabled at the August Board meeting for discussion.**
- 2. Acting Director Operations and Mr Anthony Hollis to arrange meeting to discuss aspects of the Agreement.**

4.3 Melbourne Hospital Correspondence

The Board Chair advised the members of a letter from Melbourne Hospital requesting information on the structure of the NSLHD Board. The Board endorsed this information to be released and requested feedback on the Melbourne Hospital Board structure.

Action: Jenny Dennis to respond to Melbourne Hospital and request similar information to be provided by Melbourne Hospital.

A Board Planning Day will be organised late August. The day will include NSLHD Executive Team for half a day.

5. Venue and time for next meeting

Tuesday 23 July 2013 at 4.30pm in the Executive Board Room, Building 51, Royal North Shore Hospital

Meeting Closed: 8:20pm

CERTIFIED A CORRECT RECORD

**By Ms Ann Brassil Deputy Board Chair
On 23 July 2013**