

NSLHD BOARD MEETING

TUESDAY, 1 NOVEMBER 2016 4:10PM

MEETING ROOM 2, BUILDING 14, MACQUARIE HOSPITAL



Health

Northern Sydney
Local Health District

MINUTES

Present:

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| Professor Carol Pollock | Chair, Board |
| Dr Dianne Ball | Board Member |
| Adjunct Professor Ann Brassil | Board Member |
| Mr Trevor Danos, AM | Board Member |
| Ms Diane Flecknoe-Brown | Board Member |
| Dr Michelle Franks | Board Member |
| Mr Andrew Goodsall | Board Member |
| Mr Anthony Hollis | Board Member |
| Ms Beata Kuchcinska | Board Member |
| Mr Don Marples | Board Member |
| Adj. Associate Professor Annette Schmiede | Board Member |

In attendance:

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|------------------------|---|
| Mr Lee Gregory | A/Chief Executive, NSLHD |
| Mr Frank Bazik | A/Executive Director Operations NSRHS & NSLHD |
| Dr David Jollow | Chair, Medical Staff Executive Council |
| Ms Judith Hogan-Wright | Secretariat |

Apologies:

Nil

The Board met Macquarie Hospital staff for informal discussions for 30 minutes prior to commencement of the Board meeting. The Board members appreciated the staff engagement in developing processes designed to improve staff satisfaction and optimise patient outcomes. As part of a wide ranging discussion, Ms Andrea Taylor, Director Mental Health Drug & Alcohol (MHDA) explained the infrastructure improvements being undertaken at Macquarie Hospital. A key learning from this staff session was the importance of ensuring staff were communicated with in operational and infrastructure matters. The review undertaken by Ms Helen Telford, Consultant and its findings *MHDA Workplace Culture Report* was made available to all staff in September 2016 via the NSLHD intranet.

1. Presentations

1.1 Sydney Health Partners

Presented by Professor Don Nutbeam, Interim Executive Director, Sydney Health Partners and Mr Paul McClintock AO, Chair, Sydney Health Partners Governing Council

The Board was provided with a four page overview of Sydney Health Partners (SHP) that outlined the purpose, composition, key developments and current activities as well as the vision and future opportunities for Sydney Health Partners.

Mr McClintock commenced the discussion with the history of SHP and the alliance between the affiliated Local Health Districts (LHDs) (Sydney, Western, Sydney Children's Hospital Network and NSLHD), affiliated Medical Research Institutes and Sydney University. The premise for SHP is to build an effective system for translational research. Currently Professor Nutbeam is Interim Executive Director but this position is currently being advertised and it was noted that applications from high quality candidates have been received.

Mr McClintock stated the success of SHP is dependent on LHDs to drive this long term strategic research vision.

Questions were raised by the Board regarding the success of SHP within a three years' time frame and were answered as follows:

- Success will be demonstrated by at least six tangible case studies where research has been implemented which is delivering benefits to large numbers of patients.
- Good governance and ethics as well as the improved cross flow of innovation and research have been embedded within all partners.
- SHP will be in a more competitive position to undertake further research because the foundation has been established and there are excellent relationships with the LHDs. All of the above will culminate in SHP's ability to put forward compelling grant applications to undertake clinical and health service research.
- Utilising education as the means to move research from bench to bedside.

The challenges for SHPs are as follows:

- Initially there will be organisational challenges of forming a partnership with multiple groups and then ensuring long term stakeholder engagement.
- Ensuring that SHP links with strong clinical leadership within each of the LHDs in this partnership.
- Accessing quality patient data in a timely manner.
- Engagement with the primary health providers which will culminate in optimum integration of primary and tertiary services.

The challenge for both NSLHD and SHP will be the communication strategy to educate and engage with a wide audience, and the engagement with the private health care sector.

Action: The Chair to include in the Annual Public Meeting presentation the role of SHP and the importance of education in transferring research from bench top to bedside.

1.2 NSLHD Strategic Plan 2017-2022 - Update

Presented by Dr Bob McDonald, consultant and assisted by Mr David Miles, Manager Health Services Planning Unit

This presentation covered the development thus far of the Strategic Plan, the feedback received from the various consultations and workshops held during 2016, next steps in the process and invited further comments from the Board. A broad cross section of people, including 470 people within/external to NSLHD including Board members have been engaged to date in the extensive consultation process.

Dr McDonald outlined the key strengths of the NSLHD and also identified the critical areas to address over the next five years. The presentation also outlined the process required to develop a strong strategic plan, the underpinning of building blocks to achieve a balanced organisational strategy and the success of this plan in relation to community and patient outcomes.

Five strategic themes were detailed including the vertical and horizontal alignments of these themes within NSLHD. The change process map was presented and discussed. The updated draft Strategic Plan will be re-presented to the Board in December. Consultation will continue with the Board during Q1 2017.

The Board noted that further work was required to simplify the draft Strategic Plan and its key themes, to use language that readers would be familiar with and to avoid the use of jargon.

It is acknowledged that a strong communication strategy will be pivotal to the success of this plan.

Action: The draft Strategic Plan presentations to be distributed to the Board and seek their input. Comments to be provided to the Manager, Health Services Planning Unit by 11 November 2016.

1.3 Enterprise-Wide Risk and Opportunity Management Procedure (draft)

Presented by Mr Paul Russell, Director Clinical Governance, NSLHD

The Chair provided background of this draft procedure and how it links with previous and future discussions on the Enterprise-wide Risk Framework, the transference of risk governance from Clinical Governance Directorate to the responsibility of the newly created position of Chief Risk Officer under the Audit & Risk Directorate. This document is the NSLHD's procedure based on the Ministry of Health's *Policy Directive (PD) 2015_043 Risk Management – Enterprise-Wide Policy and Framework*. The reporting line of the Chief Risk Officer was discussed and will be considered further by the Chief Executive (CE).

The changes of PD 2015-043 from the previous version were outlined and explained in relation to the draft NSLHD Enterprise-Wide Risk and Opportunity Management procedure. The risk escalation framework was re-presented to the Board, with an explanation of the distinction made between the operational and assurance functions of enterprise risk management. It was also noted that the current Integrated Risk Management Advisory Committee terms of reference are currently under review and a non-executive Board member will no longer be Chair.

Discussion followed regarding the selection of the Top 10 Risks to be escalated to the Ministry of Health (MoH). The ultimate responsibility of the CE to determine what 10 risks are to be escalated was noted.

It was discussed in detail how risk is identified and actioned; the process of training of over 400 managers, the Incident Information Management System (IIMS) process where risks are first reported, the identification of risk trends via departmental input and the associated risk registers, the escalation process and the final reports to the Board covering risks. Risk and Complaints reporting are tabled quarterly and performance trends are listed within the Finance and Performance report each month for the Board.

It was noted that a risk workshop (including a consideration of current arrangements for the reporting of operational risk and clinical governance) would be held in early 2017 with the new Board.

The Board requested that it additionally receive a Top 10 risk report that was specific to each facility.

Action: Tabling of existing facility Risk Reports within the District as well as a District wide risk report to be tabled for the information of the Board at the next scheduled presentation of Top 10 Risks in February 2017.

1.4 RiskIT and SeeIT Presentation

Presented by Mr Paul Russell, Director Clinical Governance, NSLHD

RiskIT is an integrated IT platform, in use across the District to record and rate risks and to document control measures. A new version of this software went live in February 2016 with training to over 400 managers throughout the District. RiskIT is the consolidation of risk information, the identification of accountability of risks, introduction of security permissions, as well as the delivery of clear and precise reporting of risks to NSLHD management.

RiskIT can also be linked to the MoH and NSLHD strategic objectives and against national standards.

SeeIT (Sentinel Event Evaluation Incident Tracking Database) part of the RiskIT module developed by the Clinical Governance Directorate is able to track incident investigations and embed its findings, and has the ability to generate documents and reports. SeeIT reconciles information from IIMS, RiskIT and investigation and findings into one single point as well as the automatic generation of reminders to all stakeholders.

SeeIT software will be submitted as a NSW Health Quality Awards nomination in 2017. The commercialisation of this software is being investigated by NSLHD.

Action: Investigation on the physical hosting location of the RiskIT/SeeIT database should an adverse incident occur and the backup procedures. The security of this software was also requested to be investigated considering the personal and private information contained within. Task assigned to Director Clinical Governance and Director Internal Audit and due by December Board meeting.

2. Patient Story

The Chair relayed an email from a husband of a patient hospitalised with terminal malignancy resulting in rapid demise and death. It was an emotional story and he questioned why he had not received any correspondence from the hospital post the death of his wife.

Although investigations suggested appropriate clinical care, the need for empathetic communication was highlighted.

Action: Investigation of the process of contacting family members following a death in hospital and to consider a more personalised approach including the style and empathy of written complaint correspondence; assigned to EDoPs and due by December Board meeting.

3. Attendance / Apologies / Quorum / Conflict of Interest

The Chair advised the Board that Mr Peter Young a Board member since February 2012 has tendered his resignation, effective from 31 October 2016. A letter of thanks will be sent to Mr Young for his contribution to the Board.

Action: A letter of thanks on behalf of NSLHD Board to be sent to Mr Peter Young.

Attendance and apologies were noted.

The Chair advised to declare any conflicts of interest at this meeting.

There were no conflicts of interests declared.

4. Confirmation of Minutes

Minutes of the meeting held 4 October 2016 were confirmed as a true and accurate record of the meeting with one typographical error noted on point 5.1.

5. Ongoing Business (in conjunction with Action List)

5.1 Top 10 Quarterly Risks - Referral

5.1.1 Top 10 Quarterly Risks - Report

The Board **noted** the tabled documents incorporating the Top 10 risks reported to the MoH.

A Board member commented on senior management absences and suggested inclusion in the Top 10 risks.

Action: Senior management absences to be escalated to Integrated Risk Management Advisory Committee although it was noted that the CE will be responsible for the final Top 10 Quarterly Risk Report prior to sending to MoH and tabling at the Board meeting.

5.2 NSLHD Clinical Services Plan (CSP) 2015-2022 Q1 2016/17

The Board **noted** the tabled document and Mr Frank Bazik, A/Executive Director Operations NSRHS & NSLHD (A/EDoPs) provided further details.

This report is a rolling summary of NSLHD's attainment of KPIs within the CSP. This report will be tabled quarterly until CSP's conclusion in 2022. Monthly meetings are held with the 12 clinical network management teams to review recommendations and to assess/monitor risks and issues. There were only two major risks identified relating to ICT and they have been escalated to the Director ICT, NSLHD.

Action: An update on these two major risks to be provided at the February 2017 Board meeting. It was suggested the report include a note on the significance of the issues listed i.e. a timeframe for commencement and completion, and research and education milestones. Report to be compiled by the clinical network.

5.3 Systematic Review for the Management of Deceased Persons at Royal North Shore Hospital (RNSH)

The Board **noted** the tabled document and the A/EDoPs provided additional information. The report has been provided to the MoH for further distribution to other LHDs.

5.4 NSLHD Client Services Report – 30 June 2016

The Board **noted** the tabled document and Mr Lee Gregory, A/Chief Executive (A/CE) provided additional information

A few questions arose from the Board and were responded to by the A/CE; there was nothing of significance was noted by the Board.

6. Standing Business

6.1 Chief Executive Summary

The Board **noted** the report and the A/CE provided additional information

The A/CE commented on and congratulated the NSLHD winners at the NSW Health Awards 2016:

- Volunteer of the Year; and
- Minister's Innovation Award project '*Geriatric Rapid Acute Care Evaluation (GRACE)*' in partnership with NSW Ambulance.

The A/CE also congratulated the finalist in the 2016 Premier's Award for Public Service team project '*Hornsby Healthy Kids*' in partnership with Northern Sydney Medicare Locals / Sydney North Health Network.

The Board acknowledged these great achievements and asked for their congratulations to be passed on.

The Northern Beaches Hospital accreditation summation was mentioned and highlights were noted. The many commendations from this accreditation were detailed to the Board members. Only minor issues were raised and management is confident that these issues will be closed pending evidence being provided to the accreditation surveyors.

Action: A thank you to the staff for the impressive accreditation results be sent on behalf of the Board be included in the Northern Beaches Newsletter; to be undertaken by the A/CE.

6.2 Finance and Performance Report

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

It was noted the deficit for the month of September and the major contributing factors; increased clinical costs and changes in bed day utilisation.

Further information was provided on Hornsby Ku-ring-gai Hospital (HKH) and RNSH's increased clinical costs which are being driven by the growth in unplanned medical admissions, particularly for those patients aged over 80 years of age.

Short term strategies have been implemented to address these areas of concern. Further discussion arose on the deficit projection for 2016/2017 due to likely sustained increase in activities and the recovery plans to address this matter.

6.2.1 Projected End of Financial Year Position

The Board **noted** the A/CE presentation on the projected year end position, the plans to reduce the 2016/17 significant projected deficit and the strategy for the 2017/18 position.

A detailed reforecast has been discussed at the last Finance and Performance Committee (F&P) meeting. Clinical patterns seen at HKH and RNSH have been flowed through the projection together with all known items affecting the financial position.

The Board discussed the urgency and importance of finalising the identified immediate cost savings given the significant deficit projection. It was agreed that rostering and premium labour costs should be a current and ongoing focus. Long term savings and the need for NSLHD Executives to investigate outsourcing of selected services were also discussed.

The Board noted that important work has commenced on a plan to bring the budget to balance in 2017/18. Work has also commenced on identifying financial strategies by the end of Quarter two 2016/17 so that implementation can commence in Quarters three and four 2016/17. This will ensure maximum impact in 2017/18.

In addition, the issue of the structural deficit at HKH was discussed and there was agreement to bring forward the work identified in the Strategic Plan related to this issue. The Chair of the F&P Committee and the A/CE have agreed to jointly progress this work and there was general agreement on seeking external advice to assist.

Action: The Board sought a detailed outline of additional short term savings and long term strategies that can be identified and implications for the District to be tabled at the next Board meeting.

Action: The Chair of F&P Committee and the Director Finance and Corporate Services to jointly progress the work related to the structural deficit at HKH including identification of appropriate external advice.

7. New Business

- 7.1** The Chair, Medical Staff Executive Council on behalf of RNSH medical staff sought information from the Board and NSLHD Executives in attendance, whether the newly announced appointment of Executive Director Operations would also be responsible for RNSH.

In answer to his question, Dr Jollow was advised that there would not be any change to the present responsibilities of the Executive Director Operations North Shore Ryde Health Service (NSRHS) and NSLHD (EDoPs).

Action: A/CE to communicate with RNSH medical staff regarding the role of the EDoPs.

- 7.2 The Chair advised the Board of the resignation of the Director Kolling Institute effective from 31 December 2016. Interim and long term tenure of this position is under review.
- 7.3 The Chair discussed with the Board the role of the CE post her return from leave and the possible reorganisation of tier 2 Directors to support the Finance Unit during this period.
- 7.4 The Chair advised of her absence in early December and the possibility the Board meeting may be rescheduled to accommodate.
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8. NSLHD Committee Minutes

8.1 Audit and Risk Management Committee

Nil available – next meeting December 2016.

8.2 Capital Asset Planning Committee

Nil available – next meeting December 2016.

8.3 NSLHD Clinical Council

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

8.4 Finance and Performance Committee

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

8.5 Health Care Quality Committee

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

8.6 Medical and Dental Appointments Advisory Committee (MDAAC)

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

8.7 Medical Staff Executive Council (MSEC)

Nil available – next meeting November 2016.

8.8 Peak Community and Consumer Participation Council (PCCPC)

Nil available – next meeting December 2016.

8.9 NSLHD and Primary Health Network Executive Council

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

9. Correspondence

9.1 Hospital Safety and Quality Assurance in Victoria – executive summary

The Board **noted** the information provided.

10. Assignment of Common Seal Document

- 10.1 The Board **noted** the documents signed under common seal.
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11. Date, Time & Venue for Next Meeting

6 December 2016, commencing at 4pm
Boardroom, Building 51, RNS Campus

Meeting Closed: 7:45pm

CERTIFIED A CORRECT RECORD

**By Professor Carol Pollock, Chair
On 13 December 2016**