

## MINUTES

### Present:

Professor Carol Pollock	Chair, Board
Dr Dianne Ball	Board Member
Ms Ann Brassil	Board Member
Ms Diane Flecknoe-Brown	Board Member
Dr Michele Franks	Board Member
Mr Andrew Goodsall	Board Member
Mr Anthony Hollis	Board Member
Ms Betty Johnson AO	Board Member
Ms Beata Kuchcinska	Board Member
Mr Don Marples	Board Member
Associate Professor Annette Schmiede	Board Member
Mr Peter Young	Board Member

### In attendance:

Dr Andrew Montague	Acting Chief Executive, NSLHD
Mr Anthony Dombkins	Acting Executive Director Operations
Mr Lee Gregory	Director Finance & Corporate Services
Mr John Feneley	Mental Health Commission of NSW
Dr Adam Rehak	Chair Medical Staff Executive Council (left post Finance & Performance Discussion)
Ms Judith Hogan-Wright	Secretariat

### Apologies:

Adj. Associate Professor Vicki Taylor	Chief Executive, NSLHD
Ms Maree Hynes	Director Planning, Performance & Innovation

### Board Discussion

The Board members met in closed session prior to commencement of this meeting.

The Chair welcomed two new Board members to their first NSLHD Board meeting; Dr Dianne Ball and Ms Beata Kuchcinska.

## 1. Presentation

### Mental Health Commission Strategic Plan

Presented by Mr John Feneley, Mental Health Commissioner of NSW.

The Mental Health Commission (MHC) is a statutory body and its sole objective is to monitor, review and improve the mental health system and the mental wellbeing of people of New South Wales. Therefore the first priority for the MHC was to commission the Strategic Plan *Living Well* (Strategic Plan).

The Mental Health Commission (MHC) Strategic Plan *Living Well* (Strategic Plan) document was distributed to the Board members during the meeting. Mr Feneley provided a presentation and outlined the 150 actions listed within the Strategic Plan. Post the handover of this Strategic Plan to the Ministry of Health, the MHC will be engaged in its implementation and the subsequent monitoring and reporting. The presentation covered the consultation process which included

broad inclusion from consumer and carers, the change from institutional care to care within the community which aligns with the NSW Ministry of Health Integrated Care Strategy 2014-2017.

The presentation covered the support by the whole of government to this Strategic Plan and the objectives for this organisation going forward. Mr Feneley commented upon and congratulated the NSLHD on the performance by the Assertive Outreach Teams, the quantity and utilisation of the Lived Experience workforce and the feedback received from Non-government Organisations on the good working relationships they experience whilst interacting with NSLHD.

Mr Feneley closed his presentation by commenting that change occurs at a local level by innovation and addressing the needs of the local population. Also added was that this change will be driven by local LHD Boards' capacity to partner with the new Medicare local system and other providers to investigate new alternatives to providing services.

The Board asked many questions and ended by thanking Mr Feneley for his informative presentation.

**Action:** Secretary to distribute the presentation to Board members.

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## 2. Patient Story

The Acting Chief Executive (A/CE) relayed a patient complaint received in December 2014 to the Board. The A/CE relayed the issues faced on a day to day basis in relation to this complaint. The Board requested that this complaint be referred to NSLHD Health Care Quality Committee (HCQC) for further investigation and report back to the Board on the review and findings.

**Action:** Refer complaint to HCQC to be Patient Story for February 2015 meeting.

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## 3. Attendance / Apologies / Quorum / Conflict of Interest

Attendance and apologies were noted.

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

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## 4. Confirmation of Minutes

The Board accepted the minutes of the meeting held on 2 December 2014 as a true and accurate record of this meeting.

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## 5. Ongoing Business (in conjunction with Action List)

The items in the Action List were discussed and **noted**.

### 5.1 Chief Executive Summary

The Acting Chief Executive (A/CE) advised the Board that the NSLHD Integrated Care submission will not be funded. The MoH has provided feedback that they wish to work with NSLHD to understand further the relationships with the private partners as noted in the submission.

The MoH also requested NSLHD to provide an alternative proposal for funding and subsequently Integration of Musculoskeletal Care was submitted. This proposal covers: a) Chronic Back Pain b) Osteoarthritis Program c) Osteoporosis Re-fracture Prevention. The MoH has allocated from the Integrated Care funding \$550k to the NSLHD to commence the Muscular Skeletal Care proposal.

The A/CE advised the Board of an incident concerning a maternity vaccine refrigerator located within the Ryde Hospital. A review of procedures is underway. The A/CE advised that a full audit of refrigerators throughout the District has been undertaken and no other issues were identified. NSLHD is working with State Public Health Unit. Since 29 January 2015 when this incident was identified, significant work has been undertaken by the NSLHD, and inclusion in the risk register.

**Action:** A/CE to update Board on Maternity Vaccine Refrigerator located at Ryde Hospital.

From a question from the Board seeking improvements identified within the NSLHD the A/CE advised that he was pleased by the direction taken by the Divisions undertaking variance analyses and managing their business in a timely fashion. Overall the A/CE noted that the District is maintaining the high level of patient care. Further it was noted that the implementation of the OESI team into investigation of innovation and efficiencies will provide long term benefits for the NSLHD.

From a question from the Board regarding the financial modelling undertaken covering the NSLH Clinical Restructure the A/CE advised there are no additional on-going expenses incurred with this restructure. The A/CE noted that there is opportunity to review the broader workforce as this restructure progresses.

## 5.2 Finance and Performance Report

The Chair pre-empted this discussion noting the initial comments of the new Board members on the Financial reports and the Operational Efficiency and Service Integration (OESI) reporting. Further discussion was had and it was recommended the new Board members discuss this further with the Director Finance and Corporate Services (DF&CS) and Director Planning, Performance & Innovation (DPP&I).

The December Financial report was tabled and **noted** by the Board. The year to date result and the year-end forecast was discussed, with the DF&CS stating the current variance and forecast deficit remain on track to the agreed target deficit. Three key areas in which work is ongoing are the RNS Medical Staff, Imaging Expenses and Surgical Costs at Hornsby Hospital.

The A/CE advised that the OESI team will be working on the areas of Medical Workforce (including rostering JMOs and implementation of electronic rosters) and Medical Imaging. The A/CE added that independent reports have been undertaken in these areas to provide additional information on efficiency gains. The DF&CS added to previous comments on recent achievements and noted the containment of unplanned demand within funded capacity.

Responding to questions from the Board the DF&CS advised that the risks to the forecast deficit remain as: managing unplanned demand, medical imaging expense, and RNS medical staff expenses. Referring to page 5 of the report covering Activity Volumes for December 2014 it was noted that unplanned demand is driving the variance from target with the highest increase occurring at Hornsby and Mona Vale Hospitals.

Referring to page 7 and the NSLHD FTE Average Trend, the December increase is due to the additional staff employed by Infrashore for the opening of the CSB. This figure will be excluded in coming months as this expense is fully recovered under the Private Public Partnership arrangements.

The Chair advised the Board the MoH is considering the performance level of the LHD based on the financial results of January 2015 and it is hoped that the last 18 months' improvement will be acknowledged.

The DF&CS updated the Board on VMoney. A memo will be distributed shortly to advise that paper claims will no longer be accepted post 1 March 2015. VMO undertaking training is currently at 88% of the 550 clinicians with nine VMO not renewing their contracts in July 2015 with the Quinquennium. Approximately 50 VMOs have not responded to the request to attend training.

- Action:**
1. DF&CS to report on the extra ENT lists at Hornsby Hospital and investigate whether these patients are located within the NSLHD. (This will be referred to the Manager, Health Planning NSLHD, for investigation for the whole District and in particular Hornsby Hospital.)
  2. DF&CS to investigate Other Revenue on page 2 as compared to amount listed on page 9.
  3. DF&CS advised Electronic Rostering System will be tabled at Finance and Performance Committee meeting.

### 5.3 OESI Report

The OESI Report was tabled and **noted** by the Board. The DF&CS spoke to this report and the following is of note:

The Board was advised that those team leaders driving achievements have received thank you letters from the Chief Executive.

The main focus for the remaining 6 months of this financial year will be Medical Workforce and Imaging. It is anticipated an improvement on the projection of \$5m due to the Imaging review and rostering benefits.

The Board sought comments on new streams of revenue for the 2015-16 financial year and ongoing. The A/CE gave examples of commercialisation (e.g. Antimicrobial Stewardship IT solution). Ms Ann Brassil added the potential funding of the Hospital at Home service undertaken by Acute and Post Acute (APAC), and potential revenue from the supply and delivery of educational services are some of the potential funding streams. The Board also sought further involvement by the business community via the Kolling Foundation. These above comments centre on the basis for the OESI team which is looking at innovation throughout the NSLHD.

The A/CE added that in addition to the above, the NSLHD should also focus on the ability to absorb unplanned demand and again investing in innovation and utilising new models of care will have benefits of improving efficiencies and patient care.

The Acting Executive Director Operations (A/EDoP) raised a concept that is being considered for the 2015-16 financial year of having an Innovation Fund to support innovative concepts for service delivery. It is a bottom up as opposed to top down approach to the OESI program.

- Action:**
1. Include a covering referral note to this report going forward.
  2. The DF&CS to forward to Dr Ball the presentation covering the interpretation of OESI report.
  3. Mr Goodsall and Ms Hynes to present at the April Board meeting covering what investment is required to achieve returns on innovation and potential revenue streams.

### 5.4 NSLHD Clinical Services Plan

The Board **noted** the papers tabled and the A/CE provided additional information. Comments received from the Board members have been included in the amended NSLHD Clinical Services Plan (Plan).

Post endorsement by the Board the process for governance includes each of the networks developing an action plan with clear timelines for implementation and completion including

financial modelling of this Plan. The NSLHD Clinical Council will provide oversight on these actions and each of the networks will provide a 6 monthly traffic light report which will highlight those areas achieving their action plan and financial targets.

The Chair commented on the various other Plans that will be developed over the coming years such as the Northern Beaches Hospital, Hornsby and Ryde redevelopments, Academic Health Science Centre. It was asked how these Plans it will be integrated within this Plan and sought a timeline.

The A/CE advised that this Plan is a living document and will change as the District evolves and develops.

The Board **endorsed** the NSLHD Clinical Services Plan on the basis that the A/CE will provide to the Board a reporting framework on the implementation and success of this Plan including improved patient care.

The Board thanked the NSLHD executive team and all who were involved in this extensive document which involved consultation with many levels of the NSLHD and involvement by multiple stakeholders.

- Action:**
1. The A/CE to investigate the ACI Monitoring Tool to be utilised for the information of the Board as a monitoring and reporting instrument of the implementation and success of this Plan to be tabled within three months'. Also to be tabled is the communication plan for this NSLHD.
  2. The Board sought a timeline on the integration of the various other Plans which will be developed in-line with the proposed changes of this LHD i.e. the operationalizing of the Northern Beaches Hospital, Hornsby and Ryde redevelopments and the progression of Academic Health Science Centre etc.

## 5.5 Northern Beaches Sub Committee Update

Mr Don Marples recapped on the circulation of a draft terms of reference for this committee and the comments received from the Board. The next step will be to note the comments, undertake extensive discussions with the Audit and Risk Management Committee, Integrated Risk Management Advisory Committee and the Finance and Performance Committee to ensure that there is no duplication across these committees.

The focus will be on the high level priority issues of this Northern Beaches Hospital and eliminate duplication of the work currently being undertaken by various committees or departments within the NSLHD. The role of this committee will be to assist the NSLHD executive management team wherever possible. A meeting will be scheduled with the Chief Executive to discuss the committee's objectives, the interaction with management and other committees etc.

Mr Marples outlined the initial projects of this committee; strong project planning, transitioning of staff, community health and the maintenance of a strong communication strategy. Further updates will be tabled at March Board meeting.

**Action:** Mr Don Marples to update the Board on the next steps for this committee and represent the Terms of Reference for this committee at the March Board meeting.

## 5.6 Outstanding Action Item

The Board sought further update on the action item: Review of Mental Health Site by Health Infrastructure.

**Action:** A/CE will speak to Ms Andrea Taylor seeking further information on the progression of this action item.

## 6. Capital Planning Update

### 6.1 Hornsby Ku-ring-gai Hospital Redevelopment

The Board **noted** the two reports covering Stage 1 and Stage 2 redevelopment. The A/CE added additional comments: Stage 2 - Health Information Service has successfully moved into STAR building and there will be sharing of information learned from the successful transition into the CSB with the Hornsby Stage 2 team members.

**Action:** From a question from the Chair it was agreed the Financial Impact Statement for Stage 2 will be tabled at a Finance and Performance Committee meeting.

### 6.2 Royal North Shore Developments / CSB

The Board **noted** the tabled report. The DF&CS provided further detail on the issue of the Royal North Shore (RNS) Private Public Partnership Menu Management System. InfraShore are committed to the full implementation of the Menu Management System by the end of March 2015 and if this timetable is not met the LHD will be applying its full rights under the contract. Further discussions will be held covering the handling of this issue.

As is usual under the administration of the contract any reported KPI failures have been applied and deducted from the Monthly Service Payment.

Regarding the Royal Bank of Scotland (RBS) sale of its interest in the RNS PPP, as part of the State Consent process the LHD has been involved in an extensive assessment of the preferred bidder including extensive discussion with AMP Capital to understand their operation capabilities. Final government endorsement of the sale is expected at the end of February.

### 6.3 RNS Masterplan

The A/CE advised that NSLHD is in the process of finalising the Terms of Reference (TOR) for the newly formed committee which has a broader multi-disciplinary membership including Nursing and Allied Health and Medical representation. Further comments have been received on the TOR and this document will be recirculated and it is anticipated that this document will be finalised at the end of the first week of February 2015. Following the finalisation of the TOR an Expression of Interest (EOI) will be distributed seeking representation on this committee. It is anticipated that this committee will hold their first meeting in March 2015 and will report to the Executive Steering Committee which consists of Treasury, Health Infrastructure and the NSLHD representatives. The new RNS Masterplan committee is an advisory group reporting through to the Executive Steering Committee.

Further discussion followed on the carers accommodation proposed for the Douglas Building and the work currently being undertaken. Functional briefs and plans have been distributed to stakeholders. It is expected an EOI for the building renovations will be undertaken shortly to enable completion of this project within agreed timeframes.

### 6.4 Northern Beaches Redevelopment – Frenchs Forest update

The Board **noted** the report and the A/CE added that the financial close has occurred and a summary document is progressing.

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## 7. New Business

### 7.1 Assignment of Common Seal Documents

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

### 7.2 NSLHD Board Charter

The Board **noted** the Charter. The Charter has been reviewed by the MoH and the Board has also provided input which will be included in the Charter and recirculated. This

document will be reviewed on an annual basis or as required i.e. post implementation of the By-Laws.

**Action:** Chair to circulate the updated Board Charter to the Board members.  
The Chair will seek out of session endorsement of this Charter.  
Post endorsement this document will be included on the NSLHD Board internet/intranet page.

### 7.3 **NSLHD Board Planning Day**

The Board **noted** the records of the Planning Day. The Chair of PCCPC updated the Board on the work of this committee including a planning day and the agreement of the committee to align with the current NSLHD restructure being undertaken. It was agreed that there will not be a Community Forum until the latter half of 2015. The focus for this committee for the next six months will be centred on the 80 Consumers who attend various committees throughout the District. The PCCPC will be seeking to assist, educate and the provision of additional support to this representatives to enhance their contribution to the NSLHD.

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## 8. **Standing Agenda Items**

### 8.1 **NSLHD Committee Minutes**

#### 8.1.1 **Health Care Quality Committee**

The draft minutes from the meeting held 13 November 2014 was **noted** by the Board.

#### 8.1.2 **Medical and Dental Appointments Advisory Committee (MDAAC)**

The endorsed minutes from the meeting held 5 November 2014 were **noted** by the Board.

#### 8.1.3 **Finance and Performance Committee**

The endorsed minutes from the meetings held 4 and 25 November 2015 were **noted** by the Board.

#### 8.1.4 **NSLHD Clinical Council**

The endorsed minutes from the meeting held 3 November 2014 and the draft minutes from the meeting held 1 December 2014 were **noted** by the Board.

#### 8.1.5 **Medical Staff Executive Council (MSEC)**

Nil available. Next meeting will be held in February 2015.

#### 8.1.6 **Peak Community and Consumer Participation Council (PCCPC)**

The draft minutes from the meetings held 4 and 25 November were **noted** by the Board.

#### 8.1.7 **NSLHD and Medicare Locals Consultative Council**

Nil available; 9 December 2014 meeting cancelled; next meeting 10 March 2015.

#### 8.1.8 **Capital Asset Planning Committee**

Nil available; December meeting cancelled; next meeting 16 March 2015.

#### 8.1.9 **Integrated Risk Management Advisory Committee (IRMAC)**

Nil available; next meeting scheduled for 4 February 2015.

#### 8.1.10 **Audit and Risk Management Committee**

The draft minutes from the meeting held 3 December 2014 was **noted** by the Board. The Chair sought a resolution to the ECT plan as noted in item 1 of this document. In reference to 2.1 Royal Bank of Scotland sale and the State Assistance Fee, the Board was advised that the NSLHD has written to the MoH and subsequently a meeting will be arranged with the Chief Executive on her return. The DF&CS advised that a meeting will

occur with MoH concerning the disbursement of the State Assistance Fee as reimbursement to the NSLHD to pay for the additional life cycle costs of the CSB.

**Action:** A/CE to investigate and table documentation regarding the ECT issues as noted in the above report and table at the March Board meeting.

**Action:** The DF&CS to investigate 'the investment of patient funds' and 'draft Investment Management policy' as listed under point 1.0 in the minutes dated 3 December 2014.

#### **8.1.11 Education Sub-committee**

The endorsed minutes from the meeting held 14 October 2014 was **noted** by the Board.

#### **8.1.12 Research and Innovation Sub-committee**

Nil available. Meeting scheduled for 24 November 2014 and 20 January 2015 were cancelled. Next meeting scheduled for 17 March 2015.

#### **8.1.13 Aboriginal Health Advisory Committee**

Next quarterly update due in March 2015.

#### **8.1.14 Northern Beaches Hospital Project Sub-committee**

Awaiting initial meeting.

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### **9. Correspondence**

The Board **noted** the following tabled correspondence.

#### **9.1 Reply to Senior Medical Staff – dated 17 December 2014**

This document was **noted** by the Board.

#### **9.2 NSW Kids and Families – Strategic Plan**

The Board **noted** the Strategic Plan.

#### **9.3 Capacity assessment Project, MoH**

The document covering the Capacity Assessment Project was **noted** by the Board.

#### **9.4 Letter to Professor Sue Kurrle**

The Board **noted** the letter sent by the Chair to Professor Sue Kurrle on her contribution to the NSLHD Board.

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### **10. Items without Notice**

#### **10.1 Medicare Locals**

The Board discussed the joint agreement between NSLHD and the Medicare Locals Service Plan. It was agreed to distribute the plan for reflection and consideration of the new organisation, Primary Health Networks.

**Action:** The A/CE to highlight the difference on the Medicare Locals Service Plan and the tender process for the Primary Health Network at the March Board meeting.  
The Medicare Locals Service Plan to be included in the Board papers for review.

#### **10.2 IVF Services**

The A/CE advised that investigation of the matter is proceeding. Contact has been made with a clinician who was initially involved in this service and who has agreed to participate in this investigative process. Ms Diane Flecknoe-Brown provided past and current governance requirements on this service.



## **10.2 Correspondence from MSEC**

An email which was received by NSLHD SoundingBoard on 3 February 2015 at 3:15pm was read out to the Board. From suggestions contained within this email from Dr Bruce Cooper, Treasurer, Medical Staff Council, the Board agreed to have their photo and bios included on the NSLHD Board intranet/internet site.

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## **11. Venue, date and time for next meeting**

Norman Nock 2, Level 5, Kolling Building  
Tuesday, 3 March 2015 commencing 3:30pm

**Meeting Closed: 8:20pm**

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## **CERTIFIED A CORRECT RECORD**

**By Professor Carol Pollock, Chair  
On 4 March, 2015**