

MINUTES

Present:

Mr Trevor Danos AM	Chair, Board
Dr Dianne Ball	Board Member
Adjunct Professor Ann Brassil	Board Member
Professor Elizabeth Chiarella	Board Member
Mr Andrew Goodsall	Board Member
Mr Brad Goodwin	Board Member
Mr Anthony Hollis	Board Member
Ms Beata Kuchcinska	Board Member
Mr Don Marples	Board Member
Dr Harry Nespolon	Board Member
Adj. Associate Professor Annette Schmiede	Board Member – via teleconference
Mr Keith Skinner	Board Member
Clinical Associate Professor Saxon Smith	Board Member – via teleconference

In attendance:

Ms Deborah Willcox	Interim Chief Executive, NSLHD
Mr Lee Gregory	Director Finance and Corporate Services, NSLHD
Ms Elizabeth Curran	Executive Director Operations NSRHS & NSLHD
Dr David Jollow	Chair, Medical Staff Executive Council
Ms Judith Hogan-Wright	Secretariat

1. Presentation

1.1 Northern Beaches Hospital presentation and tour

Prior to the Board Meeting at Mona Vale Hospital, the Board (with the exception Adj. Associate Professor Annette Schmiede, Clinical Associate Professor Saxon Smith and Professor Elizabeth Chiarella) and the NSLHD Executives as noted above, together with Mr John Hunter and Mr Brian Blood from the Board Audit and Risk Committee, attended a tour of the Northern Beaches Hospital construction site.

Northern Beaches Hospital Project Director, Ms Deborah Latta provided to the attendees information booklets, a presentation and an informative tour of various levels of the site. Although the building is not at a stage for inspection on the complete fit out, it provided to the attendees confidence that the project is on time. During Ms Latta's presentation she was asked for her top areas of concern and they are as follows: Information Management and Technology (IM&T) interface between Healthscope and NSLHD; Workforce; Third Party management e.g. retailers and facility management; Road access. There was discussion on the culture of the new hospital to ensure a cohesive working environment.

The Board thanked Ms Latta for an informative tour of the new Northern Beaches Hospital.

1.2 Mona Vale Hospital tour

Mr Frank Bazik, General Manager Northern Beaches Health Service/Hornsby Ku-ring-gai Health Service provided to the Board a tour of Mona Vale Hospital. Although the tour was for 30 minutes duration, it provided to the new Board members an indication of the hospital's current purpose and value to the community and a basis for its future use once Northern Beaches Hospital is operational.

The Board thanked Mr Bazik for the tour and the information provided.

2. Patient Story

The Interim Chief Executive (I/CE) spoke to an email from a recently discharged patient of Royal North Shore Hospital (RNSH) which listed the patient's concerns. Also presented and discussed was the response from NSLHD. These documents were tabled with the Board papers.

The I/CE commenced her summation acknowledging that this correspondence is very upsetting and proposed to investigate a redesign or process improvement. As to the response, it was felt that this response was somewhat officious and improvements to the tone of the response and a more personalised response could be made. The Board noted that training was desirable. The I/CE has commenced engagement with the patient to personally apologise and to obtain first hand patient experience to assist with process improvements within the areas noted in the email. It was also stated that the I/CE has commenced reviewing all patient complaint responses prior to their dispatch. The I/CE will update the Board on the improvements to both process and complaint responses as they are undertaken.

The Board provided input and suggestions to the Executives on current processes within various facilities, process improvements and customer satisfaction gathering.

Action 1: I/CE and/or Executive Director Operations NSRHS & NSLHD (EDoP) to report back to the Board on process improvements within Ambulatory Care prior to September 2017.

Action 2: I/CE to arrange training for those involved with patient complaints covering consumer communication / correspondence training.

Action 3: The Consumer, Community, Carer and Communication (CCCC) Committee to ensure that NSLHD has a consumer awareness and consumer responsive culture.

3. Attendance / Apologies / Quorum / Conflict of Interest

Attendance was **noted**; there were no apologies.

The Chair asked those present to declare any additional or new conflicts of interest. None was declared.

4. Confirmation of Minutes

Minutes of the meeting held 21 March 2017 were confirmed as a true and accurate record of the meeting.

5. Ongoing Business (in conjunction with Action List)

5.1 Draft NSLHD Strategic Plan

The Board **noted** the tabled documents; referral note, marked changes from the previous version presented to the Board in January 2017, final version, feedback summary and communication plan.

The Chair provided to the Board an overview of the large amount of work that has been undertaken to arrive at this final version of the Strategic Plan, the background to the proposed performance measures and the changes in the NSLHD Board membership which impacted on the delivery date of the final version of this Plan. The Board agreed to **endorse** the Strategic Plan with the exception of the performance measures. The Board noted that the performance measures will require further development and consultation.

Action 1: I/CE to provide at the May or June Board meeting a report on the proposed performance measures, the launch plan for the Strategic Plan and the related communication strategy.

Action 2: The Chair asked the I/CE to thank Mr David Miles, Manager Health Services Planning and his team for the work undertaken.

5.2 RNS Private and Public Partnership (PPP) – Financial Arrangements between Ministry of Health (MoH) and NSLHD

The Chair provided an overview of the PPP Soft Services facilities management arrangements for RNSH that will be in place until 2020.

The Director Finance and Corporate Services (DF&CS) provided a verbal update. Correspondence has been sent to the MoH seeking written assurance of the financial support from the MoH that will underpin the arrangements through to 2020. A written assurance of this arrangement by the MoH is still to be received.

Action: DF&CS to provide to the Board at the May Board meeting written confirmation from the MoH acknowledging and accepting the RNS PPP Soft Service financial arrangements until 2020.

5.3 Brown Building – rehabilitating the site

The Chair outlined the current situation of the site where the “Brown Building” was situated. Currently it is a large hole in the ground that is unusable, surrounded by unattractive hoarding, and is situated opposite the Clinical Services Building entrance, the main entrance for RNSH.

The I/CE reported she had contacted Health Infrastructure (HI) and a site visit was undertaken. In summary it is a large financial and logistical undertaking to transform this site into a usable and inviting green space. In the short term the hoardings could be updated to provide illustrations and information on the future use of this area. A Board member provided information on the potential identification of clean waste that could fill the site and this will be provided to HI as a suggestion.

Action: The I/CE to contact HI on possible clean fill generated by the demolition of buildings for the new Martin Place station that could be used to fill the site. Update by May Board meeting.

5.4 Health Care Quality Committee (HCQC) – Terms of Reference (ToR)

It was **noted** that the version presented to the Board is not the final version. Associate Professor Saxon Smith, HCQC Chair updated the Board that the changes requested that have been undertaken e.g. wording changes and membership has been extended to Divisional Medical Directors at all the hospitals.

Action: The final version of the ToR to be re-presented to the Board seeking endorsement at the May Board meeting.

5.5 Credentials for Medical Registration - Checklist

The Board **noted** the checklist that records the paperwork that is required for a medical officer commencing at Manly and Mona Vale Hospitals. The I/CE advised that this checklist is currently being standardised across all facilities. From a question from a Board member seeking information on to what could have identified the fraudulent doctor prior to his engagement, the I/CE advised that only a verbal check could have possibly alerted officers to any anomalies as NSLHD relies on the Australian Health Practitioner Regulation Agency (APHRA) to undertake checks on overseas registered medical officers. It was noted that a Government enquiry to address some of the system failures is underway and that recommendations from that enquiry will be received and considered in due course.

5.6 NSLHD Capital Project Management Services – Gladesville work

The Board **noted** the tabled document providing background, overview, the Memorandum of Understanding (MOU) and NSLHD's management of the delivery of capital works on the site and remuneration to NSLHD by MoH. The DF&CS provided further details to provide comfort to the Board that NSLHD has sufficient workforce and resources to support this request from MoH. A Project Control Group has been established between the NSLHD and MoH to monitor capital works at the site and the arrangement can be reviewed at any time.

The Board sought assurance that this would not be a distraction from more pressing and more high risk activities in the District. The DF&CS advised that the MoH is not able to undertake these duties; these capital works are of a size/value that they fall outside the remit of HI; NSLHD will undertake the duties of managing the minor capital works required at Gladesville Hospital utilising existing resources within the District; and the amount of the fee to be paid to NSLHD was determined between NSLHD and the MoH using usual calculation methodologies.

Action 1: DF&CS to present a paper on the NSLHD Capital Works Group and the Contracts Management Group (including managing third party management) and their respective staffing, workloads, experience, capacity, resourcing and methodology for the May or June Board meeting.

Action 2: DF&CS to present a short paper at the May Board meeting on how the \$140,000 fee amount has been determined.

5.7 Audit Office Client Services Plan

The Board **noted** the tabled document and it was discussed that this item has been presented to Board Audit & Risk Committee. The Chair advised that this is the first year that all Districts will be required to make certain related parties disclosures. The District is seeking clarification from the MoH.

6. Standing Business

6.1 Board Chair Report

The Chair outlined several matters which has occupied him over the last month:

- The Kolling Institute Strategic Review is occurring this week with numerous submissions received. Two days of interviews will be conducted this week.
- A meeting is planned with the I/CE, Board Chair and others regarding the Kolling Foundation.
- A meeting between the NSLHD Board Chair and Vice Chancellor Sydney University has occurred which covered the relationship between the Kolling Institute and the District. It is of significance that Sydney University sees enormous potential for the District.
- The Board Chair provided comments on the tour of the NBH tour conducted prior to this Board meeting, and what might be "next steps" for the Board including appointing a full time project manager for the District, having the Board Chair meet with the new managing director of Healthscope, giving consideration to cultural alignment, focusing on Workforce issues, escalating the issue of roadworks.
- The Board Chair also commented on the Mona Vale Hospital utilisation post the NBH being operationalised e.g. urgent care / emergency capacity for Mona Vale Hospital and the MoH's Registration of Interest (ROI) for the transformation of Mona Vale Hospital which closed in February 2017.

- The Board Chair commented on the report from PwC which outlined the current NSLHD readiness for the transition of these three hospitals and suggested that a standing agenda item for Board and FRAP meetings include all three hospitals.
- From suggestions from a Board member it was agreed to hold a strategy meeting with Board members and NSLHD Executives covering all the issues concerning the three hospitals; Northern Beaches, Manly and Mona Vale. At a minimum, the meeting would cover contractual arrangements, transitional arrangements, financial implications and community and cultural implications.
- The I/CE acknowledged the comments and concerns from the Board regarding the Northern Beaches project. The I/CE provided information on the work that have been undertaken post receiving the report from PwC which provided an outline of a governance structure, identification of potential risks and the proposed NSLHD resources.

The Board endorsed the matters raised or commented on by the Board Chair.

Action 1: A second NBH tour to be arranged for either November or December 2017.

Action 2: A standing item on the Board and Finance, Risk and Performance (FRAP) Committee agenda will include matters pertaining to the Northern Beaches, Manly and Mona Vale Hospitals.

Action 3: A Northern Beaches Hospital Strategy Meeting to be arranged for the Board and others as appropriate.

Action 4: I/CE will report back to the Board on the NBH project governance structure either at the May or June Board meeting.

Action 5: I/CE to arrange meeting between Board Chair and Healthscope managing director.

- It was suggested to commence a Chair's Lunch or Chair's Dinner to invite six emerging leaders from across the District that would provide a wide and varied representation of the workforce to discuss matters in an informal setting with Board members.

Action 6: EDoP to provide names of six emerging leaders from across the District for the informal meetings with Board members.

Action 7: I/CE to present to the Board information on the work being undertaken by NSLHD to reduce the incidents of suicides by young junior doctors. It was suggested that work has been undertaken at SLHD in this area. Update from the I/CE by June 2017.

6.2 Interim Chief Executive Summary

The Board **noted** the report and the report was taken as read. Board appreciated the abridged version and the focus on matters of importance.

The I/CE advised the Board that the Oncology Management Information System (OMIS) is a significant issue for NSLHD and as such a meeting with Central Coast Local Health District has been arranged to discuss the implications of the transfer to the Mosaiq oncology software product.

The I/CE updated the Board on an issue that will have adverse media coverage this week. Further details will be provided to the Board as required.

6.3 Finance and Performance Report

The Board **noted** the Financial Summary for February 2017 and was taken as read with the Director Finance & Corporate Services (DF&CS) providing additional information.

From a question from the Board seeking advice as to whether the MoH will accept the current financial year projected deficit, the DF&CS advised that there is potentially an opportunity for the MoH to spot purchase activities from those LHDs experienced unprecedented activity levels.

The projected bed and workforce plans for 2017/18 is currently being undertaken by the I/CE, the DF&CS and the EDoP.

A Board member suggested the liaising with SLHD with the pooling of resources in the nursing casual pool.

6.3.1 March 2017 Flash Report

The Board **noted** the late tabled report and the Director Finance & Corporate Services (DF&CS) provided additional information.

NSLHD is again continuing in the previous pattern in struggling to contain unit labour costs given the growth and variation in unplanned activity. The current year to date unfavourable position basis has resulted in a revised increased deficit forecast. The DF&CS highlighted the activity summary graphs and in particular the total length of stay which has increased by 7.4% from previous year which drives the increase in costs. Actions continue to rein in expenditures e.g. reduced use of premium labour, high level recruitment delegations as well as other measures previously discussed with the Board over the last six months.

The NWAU usage is 3.1% above the MoH agreed targets which is reflective of the increased growth as noted above. The DF&CS advised that the volume risks sits with the District and therefore NSLHD is not funded for any additional patients outside of the Service Agreement.

The EDoP spoke on the work currently being undertaken regarding efficiencies currently being undertaken across NSLHD with results expected to be seen over the coming year.

The DF&CS spoke to the questions from the Board regarding the recent increased trends. Over the last two years NSLHD has generally met the level of demand as set by the Service Agreement. This year NSLHD has experienced a level of demand that has been well above that provided in the Service Agreement and compounded by the steep growth volumes noted in November and December 2016 with no seasonality reduction.

Also mentioned was the work currently being undertaken by the Deputy Director Finance and Corporate Services (DDFCS) investigating patients acuity coding. Additional NWAU has been identified via this investigation for the period of January to September 2016 and partially the October to December 2016 quarter. This provides to NSLHD the true activity levels against the Service Agreement. This has positive effects on the financial situation for NSLHD.

The Board Chair summarised the concerns of the Board to ensure that NSLHD remains on Performance Level 0 now and into the future. The focus for this financial year is to ensure that our yearend financial position aligns with those provided to the MoH, and concurrently and ongoing the focus of performance improvement for Hornsby Hospital. Until NSLHD achieves extensive performance improvements it will be difficult to look at new initiatives such as those the subject of social benefit bonds in other LHDs.

6.4 Top 10 Risks by District, Site and Service

The Board **noted** tabled documents. The new Chief Risk Officer is currently reviewing the data and revising risk ratings to improve reporting to the Board and it is anticipated that within the next three months the new reporting will be available.

6.5 MoH Performance Summary of all LHDs – February 2017

The Board **noted** tabled document.

7. New Business

7.1 Patient Centred Care and Patient Advocacy – Medico-Legal Society of NSW Inc.

The Board **noted** the attached information. The Board was asked to provide articles of interest for distribution to the Board as and when they are published.

8. NSLHD Committee Minutes

8.1 Board Audit and Risk Committee (BARC)

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

8.2 Clinical Council

The Board **noted** the endorsed February 2017 minutes.

8.3 Consumer, Community, Carer and Communication (CCCC) Committee

The Board **noted** the draft February 2017 minutes.

8.4 Finance, Risk and Performance (FRAP) Committee

The Board **noted** the endorsed December 2016 and February 2017 minutes.

8.5 Health Care Quality Committee (HCQC)

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

8.6 Medical Staff Executive Council (MSEC)

Nil – next meeting scheduled for May 2017.

8.7 NSLHD and Sydney North Primary Health Network Executive Council

Nil – next meeting scheduled for April 2017.

8.8 Teaching, Innovation, Research and Education (TIRE) Committee

Nil - committee is currently being formed.

9. Correspondence

9.1 Friends of Northern Beaches Hospital – complaint and response

The Board **noted** the correspondence.

9.2 Australian College of Midwives – complaint and response

The Board **noted** the correspondence.

9.3 Primary and Community Health – Anonymous complainant

The Board **noted** the correspondence but requested that unless there is an upward trend with anonymous complaints pertaining to an individual matter, individual anonymous complaints are not to be tabled.

10. Assignment of Common Seal

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

11. Date, Time & Venue for Next Meeting

16 May 2017, commencing at **4:00pm**, Boardroom, Building 51, Royal North Shore Campus.

Meeting Closed: 7:00pm

CERTIFIED A CORRECT RECORD

**Endorsed by Mr Trevor Danos AM, Chair
On 16 May 2017**