

**MINUTES**  
**SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT**  
**BOARD MEETING**  
**4 JULY 2012**  
**16:00 – 18:00**  
**MULTIPURPOSE FUNCTION ROOM, LEVEL 4**  
**THE SUTHERLAND HOSPITAL**

<b>PART A.</b>	<b>MEETING OPENING</b>	
	<b>Item 1</b>	<p><b>WELCOME</b></p> <p><b>1.1 Apologies:</b></p> <ul style="list-style-type: none"> <li>• The Hon. Morris Iemma (Chair)</li> </ul> <p><b>1.2 Members:</b></p> <ul style="list-style-type: none"> <li>• A/Prof Peter Gonski (Deputy Chair)</li> <li>• Ms Patricia Azarias</li> <li>• Mr Robert Boyd-Boland</li> <li>• Dr Ingrid van Beek</li> <li>• Ms Deborah Cansdell</li> <li>• A/Prof Robert Farnsworth</li> <li>• Dr Harry Harinath</li> <li>• Janet McDonald</li> <li>• A/Prof Peter Smerdely</li> <li>• Prof Jeanette Ward</li> </ul> <p><b>In Attendance:</b></p> <ul style="list-style-type: none"> <li>• Mr Terry Clout – Chief Executive (present for items 1-8 and 9.3.2-12)</li> <li>• Mr Peter Hudnall – Chief Financial Officer (present for items 1-8)</li> <li>• Dr Michael McGlynn – Executive Medical Director (present for items 1-8)</li> <li>• Ms Karen Edwards – A/Director Nursing &amp; Midwifery Services (present for items 1-8)</li> <li>• Prof James Colebatch – Chair Medical Staff Executive Council (present for items 1-8)</li> </ul> <p><b>Secretariat:</b></p> <ul style="list-style-type: none"> <li>• Ms Emily Janov – Executive Officer to Chief Executive</li> </ul>
	<b>Item 2</b>	<p><b>DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST AND DIRECTOR RELATED TRANSACTIONS</b></p> <p>The Chief Executive noted that he had a conflict of interest in item 9.3.1 and would excuse himself while the Board discussed this item.</p>
<b>Item 2.1</b>	<p><b>Management of Confidential Items</b></p> <p>The Board Secretary had prepared a brief explaining the management of confidential agenda items in the Board agendas, minutes, action items and correspondence registrar. The Board agreed with the recommended process for managing confidential items.</p>	

		<p>The Board discussed what principles are to be used to identify whether an items is classified as 'confidential'. It was noted that items pertaining to the following would be classified 'confidential' for record keeping purposes:</p> <ul style="list-style-type: none"> <li>• Commercial in confidence</li> <li>• Items which if released would not be in the public interest</li> <li>• Items pertaining to the Chief Executive's appointment and performance.</li> </ul> <p><b>Resolution 135</b> "That the Board accepted the recommended process for managing confidential Board agenda items, minutes, action items and correspondence."</p> <p><b>Moved:</b> P Smerdely <b>Seconded:</b> R Farnsworth <b>Carried</b></p>
<p><b>Item 3</b></p> <p><b>3.1</b></p>		<p><b>CONFIRMATION OF MINUTES</b></p> <p><b>Minutes of the SESLHD Board meeting held 6 June 2012</b> The Board endorsed the minutes (excluding items 9-12) of the SESLHD Board meeting held 6 June 2012 as an accurate record of proceedings.</p> <p><b>Resolution 136</b> "That the Board approve the minutes (excluding items 9-12) of the SESLHD Board meeting held on 6 June 2012 as an accurate record of proceedings."</p> <p><b>Moved:</b> P Smerdely <b>Seconded:</b> R Boyd-Boland <b>Carried</b></p>
<p><b>Item 4</b></p> <p><b>4.1</b></p>		<p><b>ACTIONS ARISING</b></p> <p><b>Action Log</b> The Board noted the action log (excluding items relating to 9-11), for information.</p> <p><b>Resolution 137</b> "That the Board approve the action item list (excluding items 9-12) as at 26 June 2012."</p> <p><b>Moved:</b> J Ward <b>Seconded:</b> R Boyd-Boland <b>Carried</b></p>
<p><b>Item 5</b></p> <p><b>5.1</b></p>		<p><b>PRESENTATION</b></p> <p><b>Healthcare Services Plan</b> Dr Michael McGlynn, Medical Executive Director, and Ms Julie Dixon, Director of Planning and Population Health attended the meeting and presented the revised draft SESLD Healthcare Service Plan 2012-2017 (HSP).</p> <p>They reported that following the Board's ratification of the <i>SESLHD Strategy 2012-2017</i> in February 2012, the review of the <i>Interim SESLHD Healthcare Services Plan 2011-2015</i> was commenced under the direction and oversight of the District's Review of Plans 2012 Reference Group. Membership of the reference group was broadened to include all clinical stream directors.</p> <p>The key purpose of the <i>SESLHD Healthcare Services Plan 2012-2017</i> is to</p>

		<p>provide detail on how the District's healthcare services will deliver the District's Strategy; in terms of specific initiatives, performance measures and targets.</p> <p>The District's facility/service Clinical Councils, Clinical Streams, Clinical Support Services, Executive Team and Directorates were requested to nominate initiatives/activities that address the District's 30 strategic priorities for the next five years. They were also asked to review and update Section 4 of the document which outlines an overview of services provided by the District and key strategic developments for:</p> <ul style="list-style-type: none"><li>• Population Health services and programs</li><li>• Ambulatory and Primary Health Care services</li><li>• Services located in the Southern and Northern Sectors of the District</li><li>• Royal Hospital for Women</li></ul> <p>The feedback was consolidated and incorporated into the current draft of the revised <i>SESLHD Healthcare Services Plan 2012-2017</i> which was reviewed by the local/service clinical councils and District Executive Team.</p> <p>The document was also reviewed by the District Clinical and Quality Council (Council) at its meeting held in June. In this meeting, the Council supported the:</p> <ul style="list-style-type: none"><li>• Initiatives outlined in the draft Healthcare Services Plan</li><li>• Recommended the prioritisation of initiatives which are reliant on additional resources (e.g. infrastructure, budget) would occur by the local clinical councils and District Clinical and Quality Council and Board on an annual basis (or more frequently if resources become available to the District) and the timeframe for their implementation.</li><li>• The inclusion of the District's top priority initiatives be highlighted in the document (these have been incorporated on page 49 in the draft Plan).</li><li>• The process had been appropriate and inclusive, and subject to minor editorial amendments, supported the draft Healthcare Services Plan 2012-2017.</li></ul> <p>The Board discussed whether listing initiatives in the HSP meant that the District would be held accountable in achieving all of the identified initiatives within the five year period. It was clarified that the HSP was a management framework and that the initiatives listed would be the priority focus of the District's efforts (besides for fundamental business delivery) over this time period.</p> <p>The Board identified that the term 'Hospitalists' should be defined more clearly. The HSP identified developing the role of the Hospitalist. However, it needed to be made clear that Hospitalists are not specialists and are not intended to replace specialists.</p> <p>The Board agreed that the HSP should be a clear communication tool for managers, staff and the community to identify what the District is committing to prioritise over the next five years. In doing so, the concept of the Ministry of Health being the 'purchaser' of services and the District being the 'provider' needs to be clearly articulated. The top clinical priorities recommended by the Clinical &amp; Quality Council also need to be clearly identifiable from the larger list of initiatives in the HSP.</p>
--	--	--

The Board requested that on page 9 of the draft document, the first principle included the concept of the community also taking responsibility for its own health.

The Board discussed a number of initiatives which encouraged consolidation of surgical services in centres of excellence. There was a query as to whether the concepts of discontinuing surgical services at specific sites had been the subject of communication with surgeons at those sites. The specific services discussed were: head and neck surgery at Prince of Wales, rare lower GIT cancer surgery at Prince of Wales, and adult Ophthalmology surgery at Prince of Wales. It was noted at these initiatives had been reviewed and accepted by the facility/service Clinical Councils and the District Clinical & Quality Council.

In respect to discontinuation of ophthalmology surgery at the Prince of Wales campus and the development of the service at Sydney Eye Hospital it was pointed out that this had been included in previous Healthcare Services Plans and that agreed clinical protocols existed outlining the clinical circumstances in which adult eye surgery would be undertaken at the Prince of Wales Hospital.

The Chief Executive agreed to discuss with the Director of the Surgery & Anaesthetic Clinical Stream the process the Stream had in place for consultation on the HSP. Pending this discussion the Reference Group is to review the initiatives relating to surgical services to reflect the outcomes of the meeting.

The Board requested periodic updates on the District's progress in relation to the HSP moving forward. It was agreed that the Board would receive 6 monthly updates on the District's progress relating to the HSP initiatives. The District's progress would also be monitored by the Clinical & Quality Council on a 6 monthly basis.

The Board agreed that the comments discussed at the meeting should be incorporated in the revised draft HSP and a further draft reviewed by the Clinical & Quality Council before returning to the Board in August for final approval.

**Action:** Chief Executive to discuss with the Director of the Surgery & Anaesthetic Clinical Stream the process the Stream had in place for consultation on the HSP.

**Action:** J Dixon to facilitate biannual progress updates to the Board (through the Clinical & Quality Council) on the District's progress on the HSP initiatives.

**Action:** J Dixon to incorporate the Board's discussed items in the revised HSP and resubmit it to the Clinical & Quality Council and Board (in August).

<p>Part B</p>	<p><b>CHAIR &amp; CHIEF'S EXECUTIVE REPORTS</b></p> <p><b>Item 6</b></p> <p><b>CHAIR'S REPORT</b></p> <p><b>6.1</b>      <b>Sydney Eye Hospital Foundation DVD Launch</b> The Board Chair had included an update brief on a launch he had attended on 20 June. The Sydney Eye Hospital Foundation had funded the development and production of a series of DVDs containing information for patients undergoing eye surgery. The Chair, Janet McDonald and Robert Boyd-Boland attended the launch.</p> <p><b>6.2</b>      <b>Ministry of Health Board Member Conference</b> The Board Chair had included an update brief on the Board Member Conference hosted by the Ministry of Health on Friday 22 June. The conference was a networking and educational opportunity for all interested Board members. Five SESLHD Board members and the CE had attended the conference. The presentations from the conference were available online for Board members to review.</p>
	<p><b>Item 7</b></p> <p><b>CE's REPORT</b></p> <p><b>7.1.1</b>      <b>Organisational KPI Report – May 2012</b> The Board noted the SESLHD Organisational KPI report for the period ending May 2012. The Chief Executive gave the Board a verbal update on the District's position at the end of the financial year. The District had performed very well in terms of patient safety and quality indicators by meeting all of the targets for these KPIs.</p> <p>As previously reported the clinical activity of the District had to be managed to remain within the elevated agreed targets adapted in April 2012. Prince of Wales and Sydney/Sydney Eye Hospitals finished the year at its projected level of activity. St George and Sutherland Hospitals were slightly ahead of their joint projections with St George exceeding its projection and Sutherland performing slightly less than its projected activity levels. The consequences of which was that St George Hospital breached on some of the surgical waiting list KPIs. The Royal Hospital for Women had exceeded its agreed clinical activity level by 10%. This had caused significant financial impact on the RHW end of year financial standing.</p> <p>The District continued to have above expected ED attendances and high ED admission rates. The transfer of care from EDs to wards and to community services had performed well and results relating to the ED access indicators were improving.</p> <p>For the end of the financial year, SESLHD would report a \$5million excess as at the 30 June 2012. \$3.6million of this excess had already been identified by the Board as items beyond its control, which included the cost of additional unfunded public holidays (\$2.1 million) and the increased unfunded cost of blood and blood products (\$1.5 million). The District had paid its creditors within the 45 day and 30 day requirements. The financial implications of the dissemination of the Cluster had also been completed within the financial year as had all the splits of budgets between SESLHD/ISLHD/SCHN. This financial position indicated that the District's ability to predict and monitor its financial situation was accurate and that the financial controls put in place had been successful. The details of the financial position had been</p>

	7.2	<p>discussed by the Finance &amp; Performance Committee.</p> <p><b>Resolution 138</b> "That the Board accept the SESLHD end of year position as presented at the Board meeting."</p> <p><b>Moved:</b> P Smerdely <b>Seconded:</b> D Cansdell <b>Carried</b></p> <div data-bbox="459 683 1374 1256" style="border: 1px solid black; padding: 50px; text-align: center;"><h1>Confidential Item</h1></div>
	7.3	<p><b>Update on the Royal Hospital for Women</b> The Chief Executive provided the Board with an update on the progress on the Royal Hospital for Women (RHW) Executive management restructure. The Chief Executive had met with all of the RHW Executives on an individual</p>

	<p><b>7.4</b></p>	<p>basis and they all supported the changes. The Chief Executive had also briefed the Director-General on the RHW Executive management restructure.</p> <p>An expression of interest for the role of the RHW General Manager, on an acting basis, was being issued.</p> <p>The RHW Executive Clinical Director, RHW Business Manager and the Chief Executive had been invited to the Royal Women’s Hospital in Melbourne to review its executive structures. This visit was due to take place during July.</p> <p><b>District Healthcare Awards</b> A brief describing the 2012 SESLHD Healthcare Awards classifications and judging process was provided to the Board for its consideration. The Board accepted the proposal of establishing the 2012 SESLHD Healthcare Awards, endorsed the proposed categories and agreed for Board members to be requested to participate in the judging panel.</p> <p><b>Resolution 139</b> “That the Board agree to: a) Endorse the establishment of the Healthcare Awards; b) Endorse the proposed categories; and c) Endorse that Board members be requested to participate in the judging process.”</p> <p><b>Moved:</b> J McDonald    <b>Seconded:</b> J Ward    <b>Carried</b></p>
<b>Part C</b>	<b>SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION</b>	
	<p><b>Item 8</b></p> <p><b>8.1</b></p> <p><b>8.1.1</b></p>	<p><b>SESLHN COMMITTEE REPORTS</b></p> <p><b>Clinical &amp; Quality Council</b></p> <p><b>Clinical &amp; Quality Council Minutes</b> The minutes of the SESLHN Clinical &amp; Quality Council meeting held on 20 June 2012 were noted for information.</p>

	<b>8.2</b>	<b>Finance &amp; Performance Committee</b>
	<b>8.2.1</b>	<b>Finance &amp; Performance Committee Minutes</b> The minutes of the SESLHD Finance & Performance Committee meeting held on 9 May were noted by the Board for information.  <b>Resolution 140</b> "That the Board note for information items 7.1.1 and 7.2.1."  <b>Moved:</b> J McDonald <b>Seconded:</b> J Ward <b>Carried</b>
	<b>8.2.2</b>	<div data-bbox="466 584 1339 909" style="border: 1px solid black; text-align: center; padding: 20px;"><h1>Confidential Item</h1></div>
	<b>8.3</b>	<b>Audit &amp; Risk Management Committee</b>
	<b>8.3.1</b>	<b>Audit &amp; Risk Management Committee Minutes</b> The minutes of the Audit and Risk Management Committee meeting held 6 June 2012 were noted for information.
	<b>8.4</b>	<b>Community Advisory Committee</b>
	<b>8.4.1</b>	<b>Community Networking Forum</b> The Board received a brief from the Community Networking Forum regarding the Community Networking Forum being held on Monday 22 October 2012. The purpose of the Forum is for SESLHD to engage with its community stakeholders to identify key shared initiatives. All Board members are invited to attend this forum.
	<b>8.5</b>	<b>Sydney Metropolitan Aboriginal Health Partnerships Agreement</b> The minutes of the first Sydney Metropolitan Aboriginal Health Partnerships Agreement meeting, held in February, were not available at the time of the meeting and would be included in future agenda papers when available.
	<b>8.6</b>	<b>Medical Staff Executive Council Minutes</b> The minutes of the Medical Staff Executive Council held on 16 May were noted for information.  <b>Resolution 142</b> "That the SESLHD Board note for information agenda items 8.3-8.6."  <b>Moved:</b> I van Beek <b>Seconded:</b> P Azarias <b>Carried</b>



<b>PART D</b>	<b>BOARD AMINISTRATION MATTERS (BOARD MEMBERS AND CE ONLY)</b>	
	<b>Item 9</b>	<b>BOARD ADMINISTRATIVE MATTERS</b>
	<b>9.1</b>	<div style="border: 1px solid black; padding: 50px; text-align: center;"><h1>Confidential Item</h1></div>
	<b>9.2</b>	<b>Actions Arising</b> The Board noted the action log (relating to items 9-11), for information.
	<b>9.3</b>	<b>Board Governance Committee</b>
	<b>9.3.1</b>	<div style="border: 1px solid black; padding: 50px; text-align: center;"><h1>Confidential Item</h1></div>
	<b>9.3.2</b>	<b>Recommended Process for Board Performance Review</b> At the June Board meeting, the SESLHD Board Governance Committee recommended a performance review process for the Board. A recommended external consultant, Effective Governance, was proposed to facilitate this review. At the time, the Board agreed to defer the decision to its July meeting.

The Board deliberated as to the most appropriate timing of a Board performance review. The Board had only been in existence with its current membership since July 2011. The Board also noted that 6 of its current members' terms were due to expire on 30 December 2012.

Currently, the Ministry of Health is not facilitating Board performance reviews for all LHDs and therefore, the District does not know if other LHD Board are completing reviews and if so, in what format.

The Board discussed governance issues which the Board was unclear about (e.g. in what capacity do Board members participate on the Clinical & Quality Council, what decision making powers does the Board have on documents that have been recommended by the District Executive Team and Clinical & Quality Council).

The taking of decisions by the Board on certain strategy matters was also discussed, for example the Board members' role on the Clinical & Quality Council was not clear.

It was noted that an example of the ambiguous role delineation between the Board functions and Council functions was in reference to the previous discussion relating to the HSP (item 5.1), the Board had sought the Medical Executive Director to revisit the draft SESLHD Healthcare Services Plan with regards to surgical initiatives and to resolve any variant views of surgeons at specific sites when what was needed was that the Board determine on the basis of appropriate principles what direction should be taken in relation to these matters.

It was also noted that specific clinical issues should be raised at the Clinical & Quality Council meetings by Board members on the Council prior to being aired at Board meetings. There was also a need to disclose when conflicts of interest arose and how the Board should deal with these conflicts.

The Board agreed that a session addressing these types of governance issues would be beneficial.

The Board agreed that Effective Governance should be sought to facilitate a Board and CE session about governance items which the Board felt needed. The objective being for the Board to determine how the Board would deal with these matters in the future so as to improve the effectiveness of the Board and Board Directors.

**Resolution 145**

"That the Board seek the SESLHD Board Governance Committee to engage Effective Governance to facilitate a Board and CE governance improvement forum."

**Moved:** P Azarias    **Seconded:** J Ward    **Carried**

**Action:** E Janov to seek Board member input into what topics they would like to be addressed in the Board improvement forum.

	9.4	<p><b>Request for Approved Leave of Absence</b> The Board noted A/Prof Robert Farnsworth's request for approved leave of absence from the 5 September 2012 Board meeting.</p> <p><b>Resolution 146</b> "That the SESLHD Board approve A/Prof Robert Farnsworth's request for approved leave of absence from the 5 September 2012 Board meeting."</p> <p><b>Moved:</b> P Azarias    <b>Seconded:</b> P Smerdely    <b>Carried</b></p>
<b>Part E</b>	<b>CORRESPONDANCE</b>	
	Item 10	<p><b>CORRESPONDENCE RECEIVED</b> The Board noted for information the correspondence received register, as updated on 20 June 2012.</p>
<b>Part F</b>	<b>MEETING CLOSE</b>	
	Item 11	<p><b>BUSINESS WITHOUT NOTICE</b></p> <p><b>Item 11.1</b> <b>Governance of the Royal Hospital for Women</b> A Board member presented alternative options for the governance and management of the Royal Hospital for Women. The three options put to the Board were:</p> <ol style="list-style-type: none"> <li>1. RHW to continue under the administration of SESLHD with the General Manager reporting to the Chief Executive;</li> <li>2. RHW to continue under the administration of SESLHD with the General Manager reporting to the Director of Operations Northern Sector; and</li> <li>3. RHW to move from being under the administration of the SESLHD to being under the administration of the Sydney Children Hospital Network.</li> </ol> <p>The Board member recommended that the third option be reviewed by a subcommittee. Such a review had been discussed by the Board member with the Board Chair out of session.</p> <p>It was identified that the third option would require jurisdiction amendments to the current District/Network structures which were reviewed and put in place 18 months ago. It was also noted that the RWH services are obstetric and gynaecology. Gynaecology services would not align with the general business of the Sydney Children's Hospital.</p> <p>The Board agreed to seek advice from the Minister for Health and/or the Director General as to whether they consider there would be value in the SESLHD Board investigating the option of the RHW being moved from the administration of SESLHD to the administration of SCHN. The Chief Executive was to advise the Board Chair of the different views as to who (Minister or Director General) the correspondence should be address to and act on the Chair's decision.</p> <p>The Board re-affirmed that the Chief Executive should implement the agreed management structures of RHW.</p>

		<p><b>Resolution 147</b> "That the SESLHD Board:</p> <ul style="list-style-type: none"> <li>a) Seek the Chief Executive to advise the Board Chair of the different views as to who (Minister or Director General) the correspondence should be addressed to; and</li> <li>b) That the Chief Executive prepare the appropriate correspondence on the Board's advice, to seek advice as to whether there would be value in the SESLHD Board investigating the option of the RHW being moved from the administration of SESLHD to the administration of SCHN."</li> </ul> <p><b>Moved:</b> J McDonald    <b>Seconded:</b> P Azarias    <b>Carried</b></p> <p><b>Action:</b> The Chief Executive was to advise the Board Chair of the different views as to who (Minister or Director General) the correspondence should be address to and act on the Chair's decision to seek advice as to whether there is value in the SESLHD Board investigating the option of moving the Royal Hospital for Women from being under the administration of the SESLHD to being under the administration of the Sydney Children Hospital Network.</p>
	<p><b>Item 12</b></p>	<p><b>NOTING OF CONFIDENTIAL ITEMS</b> Items 7.2 (2012/13 Service Agreement and Budget), 8.2.2 (Financial Narrative), 9.1 (Minutes of the Board meeting held 6 June items 9-11) and 9.3.1 (Chief Executive's Contract Review) were identified as confidential items for purposes of distributing the minutes of the meeting and the agenda papers.</p> <p><b>Resolution 148</b> "That the SESLHD Board note items 7.2, 8.2.2, 9.1, and 9.3.1 of its July meeting as a confidential items."</p> <p><b>Carried by consensus</b></p>
<p><b>Meeting closed at: 7:30pm</b></p> <p>..... <b>Name</b></p> <p>..... <b>Signature</b></p> <p>..... <b>Date</b></p>		