

MINUTES
SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT
BOARD MEETING
9 MAY 2012
16:00 – 18:00
SEMINAR ROOMS 3 & 4,
ROYAL HOSPITAL FOR WOMEN

A.	MEETING OPENING	
	Item 1	WELCOME
	1.1	Apologies: <ul style="list-style-type: none"> • Dr Harry Harinath
	1.2	Members: <ul style="list-style-type: none"> • The Hon. Morris Iemma (Chair) • Ms Patricia Azarias • Mr Robert Boyd-Boland • Dr Ingrid van Beek • Ms Deborah Cansdell • A/Prof Robert Farnsworth • A/Prof Peter Gonski • Janet McDonald • A/Prof Peter Smerdely • Prof Jeanette Ward In Attendance: <ul style="list-style-type: none"> • Mr Terry Clout – Chief Executive (present for items 1-7 and 8.2-11) • Mr Peter Hudnall – Chief Financial Officer (present for items 1-7) • Dr Michael McGlynn – Executive Medical Director (present for items 1-7) • Ms Kim Olesen – Director Nursing & Midwifery Services (present for items 1-7) • Prof James Colebatch – Chair Medical Staff Executive Council (present for items 1-7) Secretariat: <ul style="list-style-type: none"> • Ms Emily Janov – Executive Officer to Chief Executive
	Item 2	DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST AND DIRECTOR RELATED TRANSACTIONS The Chief Executive noted that he had a conflict of interest in item 8.1.1 (the review of the Chief Executive's Contract). The Board agreed the Chief Executive should excuse himself during the discussion of this item.
	Item 3	CONFIRMATION OF MINUTES
	3.1	Minutes of the SESLHD Board meeting held 4 April 2012 The Board endorsed the minutes of the SESLHD Board meeting held 4 April 2012 as an accurate record of proceedings, subject to the following

		<p>amendments:</p> <ul style="list-style-type: none"> Item 6.2, paragraph 1, to finish reading "SESLHD is forecasting to meet budget"; and Item 7.1, resolution, amendment to the spelling of A/Prof Smeredely's name. <p>Resolution 113 "That the Board approve the minutes of the SESLHD Board meeting held on 4 April 2012 as an accurate record of proceedings, subject to the amendments noted."</p> <p>Moved: R Boyd-Boland Seconded: J Ward Carried</p>
	Item 4	ACTIONS ARISING
	4.1	<p>Action Log The Board noted the action log, as at 4 April 2012, for information.</p>
Part B	CHAIR & CHIEF'S EXECUTIVE REPORTS	
	Item 5	<p>CHAIR'S REPORT There were no items listed for Chair's Report.</p>
	Item 6	<p>CE's REPORT</p> <p>6.1 Organisational KPI Report –March 2012 The Board reviewed the SESLHD Organisational KPI report for the period ending March 2012.</p> <p>The financial aspects of the report were likewise reviewed in the Finance & Performance Committee meeting. The Committee had noted that the facility/service Clinical Councils had executed their management strategies for maintaining/containing clinical activity levels within the agreed and budgeted levels. While this is having a positive impact on the budget, the extent to which it will assist with the budget is yet to be confirmed. Other aspects impacting on the budget position are items out of the control of the LHD including the cost of the extra public holiday, increase costs of blood and blood products.</p> <p>The impact of the clinical activity management has resulted in no breaches of surgical access KPIs at Prince of Wales Hospital, Sydney/Sydney Eye Hospital, or Sutherland Hospital. There are breaches in category 2 (36) and 3 (43) at St George Hospital as predicted. The Chief Executive reported that he and the Director of Operations at St George were reviewing the actions implemented to further control the adverse impact on these clinical indicators.</p> <p>The Board queried if all SESLHD facilities were reporting surgical category waiting times in a consistent manner.</p> <p><u>Action:</u> The Chief Executive agreed to take on notice the query and ensure all sites were reporting surgical category waiting times consistently.</p> <p>It was requested that there be an executive summary attached to the front of the KPI report to highlight any issues in the District's performance. It was agreed that this would have validity in the second half of each financial year.</p>

	6.2	<p><u>Action:</u> Board Secretary to ensure executive summary accompanies the KPI report in the second half of each financial year.</p> <p>Resolution 114 “That the SESLHD Board note for information the SESLHD Organisational KPI report for the periods ending March 2012.”</p> <p>Moved D Cansdell Seconded R Boyd-Boland Moved</p> <p>Activity Projections and Methodology for 2012/13 The Board received the Activity Based Funding (ABF) information (including an explanatory brief and the District and facility/service Clinical Council activity levels for 2012/13) in the agenda papers. A further version was provided to the Board members at the meeting.</p> <p>The process undertaken to date was that the Business Intelligence and Efficiency Unit (BIEU) had been in consultation with all of the facility/service Clinical Councils to discuss the 2011/12 data, explain the methodology for 2012/13 targets, and assist the Councils in identifying their 2012/13 targets.</p> <p>Patient inflows from other LHDs or States have been investigated separately, as requested by facility/service Clinical Councils.</p> <p>The Chief Executive identified the targets for 2011/12, the adjusted targets for 2011/12 with the additional medical activity, the actual projection for end of year 2011/12, the Ministry of Health’s (MoH’s) projection for 2012/13, the facility/service Clinical Council projections for 2012/13 (3.8% increase on 2011/12 levels), a recommended 1% increase for 2012/13 (with inflow from outside SESLHD paid for separately, above the 2010/11 levels), and a recommended 2.8% increase for 2012/13.</p> <p>The MoH had brought forward a recommended 2012/13 clinical activity level of negative growth on the activity that will actually be performed in 2011/12.</p> <p>The options brought forward for the Board’s consideration was to negotiate with the MoH using</p> <ol style="list-style-type: none">1. facility/service Clinical Councils’ requests of 3.8% growth, or2. 1% growth, but identifying that any additional inflows above the 2010/11 levels would need to be funded by the MoH in addition to the allocated budget; or3. 2.8% growth (which is the average growth over the last three years) with no additional funding for increased inflows. <p>It was noted that for 2012/13 the MoH would probably not have the sophistication to monitor or fund additional inflows, within the 2012/13 financial year.</p> <p>The Board agreed to support the facility/service Clinical Council figure of 3.8% increase as this was supported by advice by clinicians relating to the care needed of the LHD’s residents. If this increase in funding was not forthcoming, the Board identified that clinicians would be forced to make difficult ethical/clinical decisions regarding the access to care patients can receive. While the District would support the clinicians in managing this, the Ministry and/or Treasury would need to be held accountable for this.</p>
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6.3		<p>District Executive Team Business Forum The Chief Executive reported to the Board on the District Executive Team Business Forum which took place in on the 10 and the 11 April. The purpose of the Forum was to set team goals for 2012, identify how the Executive Team can support staff in their day to day operational roles, review the ABF processes for 2012/13, and identify how the Executive can strengthen its interaction with the Board.</p> <p>The update on the District Executive Team Business Forum was noted by the Board for its information.</p>
6.4		<p>Director-General Visit to Sutherland Hospital and District Executive Team Meeting The Chief Executive reported to the Board on the Director-General's visit to Sutherland Hospital and the District Executive Team (DET) meeting on 26 April 2012. The Director-General visited the Sutherland Hospital Emergency Department, Rehabilitation Unit and received a presentation regarding the Respiratory Coordinated Care Program.</p> <p>At the DET meeting, the Director-General had an opportunity to discuss the SESLHD ABF methodology and discuss the funding of public healthcare in general.</p> <p>The update on the Director-General's visit to the Sutherland Hospital and DET meeting was noted by the Board for its information.</p>


Part C	SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION	
	<p>Item 7</p> <p>7.1</p> <p>7.1.1</p> <p>7.2</p> <p>7.2.1</p> <p>7.2.2</p> <p>7.3</p> <p>7.3.1</p> <p>7.4</p>	<p>SESLHN COMMITTEE REPORTS</p> <p>Clinical & Quality Council</p> <p>Clinical & Quality Council Minutes The minutes of the SESLHN Clinical & Quality Council meeting held on 18 April 2012 were noted for information.</p> <p>Finance & Performance Committee</p> <p>Finance & Performance Committee Minutes The minutes of the SESLHD Finance & Performance Committee meeting held on 4 April were noted by the Board for information.</p> <p>Resolution 116 "That the Board note for information items 7.1.1 and 7.2.1."</p> <p>Carried by consensus</p> <div data-bbox="518 974 1391 1444" style="border: 1px solid black; padding: 20px; text-align: center;"> <p>Confidential Item</p> </div> <p>Audit & Risk Management Committee</p> <p>Audit & Risk Management Committee Minutes The Board noted the extraordinary meeting of the Audit & Risk Management Committee meeting on 1 May 2012.</p> <p>Community Advisory Committee The Board noted the minutes of the Community Advisory Committee(CAC) meeting held on 28 March 2012 for information. The Chair of the Committee noted that the next meeting was on 16 May 2012 and that the ABF item should be included in the agenda for discussion on how the CAC can engage the community in understanding ABF principles.</p> <p><u>Action:</u> E Janov to add ABF to the 16 May CAC meeting agenda.</p>

	<p>7.5</p> <p>7.6</p>	<p>Sydney Metropolitan Aboriginal Health Partnerships Agreement 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.</p> <p>The Chief Executive and Aboriginal health liaison Board member had attended a Lead the Change workshop in April which reviewed the strategic approach of Aboriginal Healthcare services.</p> <p>Medical Staff Executive Council Minutes The minutes of the Medical Staff Executive Council held on 28 March 2012 were noted for information.</p> <p>Resolution 118 "That the SESLHD Board note for information agenda items 7.3-7.6."</p> <p>Carried by consensus</p>
<p>PART D</p>	<p>BOARD ADMINISTRATION MATTERS (BOARD MEMBERS AND CE ONLY)</p>	
	<p>Item 8</p> <p>8.1</p> <p>8.1.1</p>	<p>BOARD ADMINISTRATIVE MATTERS</p> <p>Board Governance Committee The Board Governance Committee had not met since the last Board meeting, but had a meeting planned for 10 May 2012.</p> <div data-bbox="475 1167 1385 1742" style="border: 1px solid black; padding: 50px; text-align: center;"> <p>Confidential Item</p> </div>

	<p>8.2</p> <p>8.3</p> <p>8.4</p>	<p>Healthcare Services Plan Timeframe The Board noted the brief provided explaining the revised timeframe for the review of the Healthcare Service Plan.</p> <p>Request for Board Member Details Update The Board noted the request for updated Board member details for the SESLHD internet/intranet site and administrative records. This process was facilitated by the Secretary at the meeting individually with each Board member.</p> <p>Board RSVPs The Board noted the following two events which all Board members were invited to:</p> <ul style="list-style-type: none"> • The ABF Symposium on the 16 May 2012 and • The Board Member Conference on the 22 June 2012 <p>Board members were requested to RSVP to the Board Secretary, if not already done so.</p>
Part E	CORRESPONDANCE	
	Item 9	<p>CORRESPONDENCE RECEIVED The Board noted for information the correspondence received register, as updated on 30 April 2012.</p>
Part F	MEETING CLOSE	
	<p>Item 10</p> <p>Item 10.1</p> <p>Item 10.2</p> <p>Item 10.3</p>	<p>BUSINESS WITHOUT NOTICE</p> <p>Director of Nursing and Midwifery The Chief Executive reported that Ms Kim Olesen, Director of Nursing and Midwifery, was going to be taking a secondment to the MoH as Chief Nurse from June – August 2012. During this time period, Ms Karen Edwards, Chief Executive Officer Calvary Healthcare Sydney, would be acting as Director of Nursing and Midwifery in SESLHD.</p> <p>Date of the Annual General Meeting in 2012 The Chief Executive noted that the date for the Annual General Meeting for 2012 had been set for 5 December 2012. This is the same day as the December Board meeting and would be held directly prior to the Board meeting in the same venue.</p> <p><u>Action:</u> E Janov to forward details of AGM to Board members and subcommittees.</p> <p>Further Details on SESLHD Financial Position The Chief Executive provided further explanation to the Board regarding the Districts current projection of \$10million unfavourability as the District was</p>

**SESLHD Board
Minutes
Meeting held Wednesday 9 May 2012**



		<p>forecasting an improvement for the end of the financial year due to the following items yet to be processed:</p> <ul style="list-style-type: none"> • The recoupment for redundancy payments due to the organisation's structural changes. • Increase in DVA patient prices not taken into account in the projections; • A \$2-2.5M TMF hindsight adjustment; and <p>In addition to these adjustments, the Chief Executive noted that he has a contingency budget for emergency clinical items/issues (currently containing \$2.5M) which can be used to further assist the District with its bottom line figure at the end of the financial year.</p>
	<p>Item 11</p>	<p>NOTING OF CONFIDENTIAL ITEMS</p> <p>Item 7.2.2 and 8.1.1 were noted by the Board as being confidential for the purposes of distributing the minutes of the Board meeting.</p> <p>Resolution 120 "That the SESLHD Board note items 7.2.2 and 8.1.1 of its May meeting as a confidential items."</p> <p>Carried by consensus</p>
<p>Meeting closed at: 5:55pm</p>		
<p>.....M. LEMMA..... Name</p> <p>.......... Signature</p> <p>.....6/06/2012..... Date</p>		