

MINUTES
SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT
BOARD MEETING
18 DECEMBER 2013
12:45 – 15:00
BOARDROOM, LEVEL 1, ADMIN BLOCK
SYDNEY HOSPITAL

Part A.	MEETING OPENING
Item 1	<p>PATIENT STORY The SESLHD Board noted the patient story provided in the Board papers as a good example of patient satisfaction.</p>
Item 2	<p>WELCOME</p> <p>2.1 Apologies</p> <ol style="list-style-type: none"> 1. A/Prof Peter Smerdely 2. Ms Kristin Stubbins <p>2.2 Members:</p> <ol style="list-style-type: none"> 3. Mr Michael Still (Chair) 4. Mr Robert Boyd-Boland 5. Ms Deborah Cansdell 6. Ms Patricia Azarias 7. Ms Kate Munnings 8. A/Prof Ingrid Van Beek 9. A/Prof Robert Farnsworth 10. A/Prof Peter Gonski 11. Dr Harry Harinath 12. Mrs Janet McDonald 13. Prof Jeanette Ward <p>In Attendance:</p> <ol style="list-style-type: none"> 14. Mr Terry Clout – Chief Executive 15. Ms Kim Olesen – Director Nursing & Midwifery Services 16. Ms Karen Foldi – Director of Finance 17. Dr Michael McGlynn – Executive Medical Director 18. Prof James Colebatch – Chair Medical Staff Executive Council <p>Secretariat:</p> <ol style="list-style-type: none"> 19. Ms Melissa Angelucci – Board Secretary
Item 3	<p>DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST AND DIRECTOR RELATED TRANSACTIONS There were no potential conflicts of interests declared at the meeting on 18 December 2013.</p>

	<p>Item 4</p> <p>4.1</p>	<p>CONFIRMATION OF MINUTES</p> <p>Minutes of the SESLHD Board meeting held 27 November 2013 The Board approved the minutes of the SESLHD Board meeting held 27 November 2013 as an accurate record of proceedings.</p> <p>Resolution 214 “That the Board approves the minutes of the SESLHD Board meeting held on 27 November 2013 as an accurate record of proceedings.”</p> <p>Moved: J Ward Seconded: B Farnsworth Carried</p>
	<p>Item 5</p> <p>5.1</p> <p>5.1.1</p>	<p>ACTIONS ARISING</p> <p>Action Log The Board noted the action log, for information.</p> <p>Cleaning Audit The cleaning audit results for Sydney Hospital are very good. The St George Hospital results are poor. It is well recognised that adherence to infection control affects patients outcomes.</p> <p>The audit has been discussed by the District Executive Team and the Sector Executive Teams. Processes have been developed to implement the recommendations of the audit. Compliance will be closely and consistently monitored over the next 12 months.</p> <p>The Board questioned whether there are any policies in place around infection control specifically relating to cleaning processes and staff uniforms. The Chief Executive noted that infections are monitored regularly as part of clinical outcomes and SESLHD results are consistently good. NSW Health has a policy on uniform. Staff members are allowed to wear their uniforms to and from work; this does not prevent them for wearing their uniforms in public spaces, for example, doing grocery shopping. It is very difficult to control the cleanliness of the clothes of staff and visitors to the hospital. The policy mandates that staff members are not to wear their scrubs outside of the hospital; compliance to this aspect of the policy varies.</p> <p>The current St George Hospital cleaning contract continues on a month to month basis.</p>
<p>Part B PRESENTATIONS</p>		
	<p>Item 6</p>	<p>AUDIT AND RISK DISCUSSION</p> <p>The Chief Executive lead a discussion on how the Board might engage in the determination of risk within SESLHD. This has traditionally been done through the Audit and Risk Management Board sub-committee, whose minutes were then made available to the Board. The Board’s role has been one of oversight rather than determination of the organisation’s risk appetite.</p> <p>The Chief Executive noted that, in his view, the top seven risks for SESLHD are;</p> <ol style="list-style-type: none"> 1. The ability of SESLHD to deliver the requirements of the Service Agreement to budget 2. The collection of patient fees revenue to the extent of the patient


		<p>fees revenue budget</p> <ol style="list-style-type: none"> 3. Peritonectomy surgery 4. Meeting NEST targets 5. The transitional grant and the risk that it may not be retained 6. Disengagement of clinicians and key clinical groups especially Clinical Councils as a result of needing to achieve and balance 1-5 above 7. Reputation risk due to the exposure of the other risks <p>The Chief Executive suggested that into 2014 and beyond the Board be actively monitoring the process for identifying the top half dozen risks and the extent to which they could be accepted and the development/approval of the mitigation strategies for these risks. Also that the Board regularly monitors those risks and be made aware of the broader risks being managed by the Executive.</p> <p>The Board agreed that it should be involved in setting the top risks and the risk appetite. It was suggested that the management team is in a better position to identify risks and the Board should focus more on ensuring appropriate action plans and monitoring progresses against action plans are in place.</p> <p>The Board accepted the Chief executive's view that risk management should be integrated into existing processes rather than act as a separate or special process.</p> <p>It was agreed that a presentation will be provided by the Chief Executive on the top risks and risk framework at the February 2014 Board meeting.</p> <p>Action – Chief Executive to provide a presentation on the top risks and risk framework at the February 2014 Board meeting</p>
<p>Part C</p>	<p>GENERAL BUSINESS</p>	
	<p>Item 7</p>	<p>CHAIR'S REPORTS</p> <p>The Chair reported that the Ministry of Health continues to be concerned about SESLHD's financial position.</p> <p>The Chair reported that he has attended a number of Ministry of Health level meetings over the past month for the Ministers Advisory Council and Council of Board Chairs meetings. SESLHD is often asked to prepare detailed information for the purposes of the Council of Board Chairs meetings and is not provide with feedback as to how the information is used or how it compares to other responses. Some of this information may also be useful to the Agency for Clinical Innovation (ACI) and there should be a process for sharing it so. The Chairman agreed to investigate how this loop could be closed by enabling feedback to the ACI and back to the Local Health District.</p> <p>Action - The Chairman to investigate how the feedback loop could be closed by enabling feedback to the ACI and back to the Local Health District.</p> <p>The 2014/15 Service Agreement with the Ministry of Health was discussed. The Chief Executive advised that the agreement may look different to previous years and SESLHD has requested input from the very early stages of development, i.e. before drafts are sent out.</p>

		<p>The Ministry of Health is planning to use the 2011/12 coding and activity data for next year's budget. SESLHD holds the position that the most current data should be used instead i.e. data from 2012/13 and the first six months of 2014.</p> <p>NWAU version 14 will not be available until July 2014. This means that activity measured in NWAU version 13 will be measured against NWAU version 14. SESLHD has communicated to the Ministry of Health that this may cause significant issues and is unacceptable.</p>
	<p>Item 8</p> <p>8.1</p> <p>8.2</p> <p>8.3</p>	<p>CE's REPORT</p> <p>Chief Executive's Written Report The Board noted the written Chief Executive's Report. The following key points were discussed;</p> <ul style="list-style-type: none"> • The financial projection is as it was last month, that is, between \$20-25 million unfavourable to budget. A letter has been sent from the Chief Executive and Chairman to the Director General seeking cash assistance to the value of \$25 million to meet financial commitments for the remaining weeks of 2013/14. • There has been some improvement in the constraint of activity over the past month • SESLHD is breaching its NEST Category 3 targets and NEAT is improving in some places but remains a significant challenge • Revenue continues to be a concern • All additional work contracted to St George Private Hospital due to peritonectomy surgery, has now been complete • When purchasing the six additional peritonectomy surgeries, the Ministry of Health paid \$110,000 per case (i.e. \$660,000) and in addition agreed to pay the additional related public hospital activity being performed at St George Private Hospital. The cost of the six additional Peritonectomies to St George Private Hospital was \$480,000. • The Board questioned how SESLHD will use the \$180,000. The Chief Executive explained that the original agreement with the Ministry of Health was that the \$180,000 could be used to alleviate the budget deficit; however more recent discussions are indicating that SESLHD will be required to use the \$180,000 to cover the additional costs of the activity undertaken at the St George Private Hospital. The Chief Executive will clarify this. The Chair asked the Chief executive to remind the Ministry of Health that he was part of the discussion relating to the agreement about the additional funds to be provided. • The Enhanced Multi-disciplinary Team for Radical Peritonectomy Procedures (EMTRPP) Committee has held its inaugural meeting. • The EMTRPP Committee will be required to consider whether peritonectomy surgery patients on the waiting list are for either 'curative intent' or palliation'. The Committee is expected to then identify a view point as to whether both categories of patients will be considered for surgery. This decision may have implications on waiting list size and alternative care for palliation patients. <p>Chief Executive's Christmas Leave The Board noted that the Chief Executive will be on leave from 25 December 2013 until 17 January 2014. Ms Kim Olesen will be acting as the Chief</p>

<p>8.4</p>	<p>Executive.</p>	<p>NSW Pathology Newsletter The Board noted the NSW Pathology Newsletter</p> <p>Multicultural Health KPIs</p> <ul style="list-style-type: none"> • The process for developing the Multicultural Health KPIs has been robust, with significant engagement of all stakeholders. • The process for developing the KPIs has been slow. • The KPIs were agreed that it was felt important for the Board to see annual reporting against them. <p>Kareena Private Hospital Major Alterations The Board noted the information provided in the meeting papers on the alterations of Kareena Private Hospital. The Board supports this development.</p> <p>The alterations, especially in the development phase, may cause parking problems at Sutherland Hospital. This is because consideration of parking is not a requirement of their redevelopment. SESLHD plans to seek the Ministry of Health to enforce parking requirements.</p>
<p>Item 9</p>	<p>District Inflows</p>	<p>The Board noted the District Inflows Fact sheet.</p> <p>The fact sheet provided in the agenda pack highlights disparities in terms of considerably more patient inflows to SESLHD from residents of other local health districts compared to outflows of SESLHD residents to other local health districts. It also highlights the general utilisation of higher cost and complex SESLHD services by residents of other local health districts and the subsequent higher cost of servicing these residents. These costs are estimated to have increased by over \$17 million since 2010/11 and are projected to continue to trend upwards.</p> <p>The Chief Executive recommended to the Board that this information be used to lobby the Ministry of Health for increased activity and to maintain the transitional grant. This will be pertinent when drafting the 2014/15 Service Agreement.</p>
<p>Item 10</p>	<p>Population Health Fact Sheets</p>	<p>The Board noted the fact sheets provided on the Kirketon Road Centre, Albion Centre, District's Sexual Health Services, HIV and Related Programs Unit and the NSW STI Programs Unit, as provided in the agenda pack.</p> <p>It was agreed that representatives from these services should be invited to attend a Board meeting over the coming year, so that the Board can meet the key players and better understand the services.</p> <p>Action – Board Secretary to ensure that representatives from the Kirketon Road Centre, Albion Centre, District's Sexual Health Services, HIV and Related Programs Unit and the NSW STI Programs Unit, are invited to attend a future Board meeting.</p>
<p>Item 11</p>	<p>Capital Investment Gates – Southern Sector</p>	

		<p>The SESLHD Board noted the update of the Capital Investment Gates for Sutherland and St George Hospital redevelopments.</p> <p>The media had recently released information that \$22 million of funding for St George Hospital previously committed to by the Labor Government, will no longer be provided. The capital investment plan does not rely on that \$22 million.</p>
Part C	SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION	
	Item 12	<p>SESLHD COMMITTEE REPORTS</p> <p>12.1 Finance & Performance Committee</p> <p>Finance & Performance Committee Minutes The minutes were noted by the Board.</p> <p>12.1.1 SESLHD Financial Narrative The narrative was approved by the Board.</p> <p>12.1.2 Cash Assistance The Board noted the letter sent from the Chief Executive and Chairman to the Ministry of Health seeking \$25 million in cash assistance. No formal response to this letter has been received.</p> <p>12.1.3 Report from F&P Committee Meeting It was noted that December F&P Committee meeting had not yet occurred and the Chair of the F&P Committee is an apology. The following points were discussed;</p> <ul style="list-style-type: none"> • A lot of work has been done over the last month on the Recovery Plans and the second grouping of initiatives is under development and review at a sector/facility Clinical Council level. • The Director of Operations, Northern Sectors projection remains the same at \$15.8-16.4 million unfavourable to budget. The Director of Finance expects \$21.6 million unfavourable to budget for the Northern Sector. • The Southern Sector cost controls are reasonable; the major concerns are activity levels and revenue. <p>The Board discussed the capability of the Northern Sector Management Team. The Chief Executive indicated his confidence in the Director of Operations' technical ability to deliver on his plans and projection. Current data demonstrates that the Sector is tracking well against initial projections and much of the Recovery Plan is being prosecuted.</p> <p>The Board questioned a bed reconfiguration strategy listed within the Southern Sector Recovery Plan update. On page 149 of the agenda pack it is stated that from 27 January until 1 July 2014, 40 beds will remain deactivated. The Board noted that this could result in a significant risk for Category 2 NEST patients. The Chief Executive noted that there has been no decision to deactivate these beds beyond the end of January 2014; rather this is information about the considerations of the Clinical Council. The Chief executive made clear to the Board that he did not support the bed closure proposal during Winter.</p>



	12.1.4	Northern Sector Recovery Plan - Progress The Board noted the Northern Sector Recovery Plan Progress Report.
	12.1.5	Southern Sector Recovery Plan – Progress The Board noted the Southern Sector Recovery Plan Progress Report.
	12.1.6	November KPI Report The Board noted the November KPI Report
	12.2	Clinical & Quality Council
	12.2.1	Clinical & Quality Council Minutes - ratified The minutes were noted by the Board.
	12.3	Audit & Risk Management Committee The minutes were noted by the Board.
	12.4	Community Advisory Committee No meeting held.
	12.5	Sydney Metropolitan Aboriginal Health Partnerships Agreement No meeting held.
	12.6	Medical Staff Executive Council The minutes were noted by the Board.
Part D	BOARD AMINISTRATION MATTERS	
	Item 13	BOARD ADMINISTRATIVE MATTERS
	13.1	Actions Arising The action log was noted by the Board
Part E	BUSINESS WITHOUT NOTICE No discussion held	
Part F	CORRESPONDANCE	
	Item 14	CORRESPONDENCE RECEIVED The correspondence was noted
Part H	MEETING CLOSE	
	Item 15	NOTING OF CONFIDENTIAL ITEMS 1. Item 12.1.4 2. Item 8.1
MEETING CLOSED at: 15.00		
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**SESLHD Board
Minutes
Meeting held Wednesday 18 December 2013**



Health
South Eastern Sydney
Local Health District

M. Stal

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Signature

11 March 2014

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Date