

Wednesday 27 May 2015 at 4:30 pm | Seminar Rooms 3/4, Royal Hospital for Women

## SESLHD Board Minutes

### Board Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Mr Jonathan Doy
- A/Prof Robert Farnsworth
- Dr Debra Graves
- A/Prof Peter Gonski
- Ms Kate Munnings
- Janet McDonald
- Ms Kristin Stubbins
- Prof Jeanette Ward

### In Attendance:

- Mr Gerry Marr – Chief Executive
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs
- Dr James Mackie - Medical Executive Director
- Ms Kim Olesen – Director Nursing & Midwifery Services

### Apology

- Ms Deborah Cansdell
- Dr Harry Harinath
- A/Prof Peter Smerdely

### Secretariat:

- Ms Melissa Angelucci

## STANDING ITEMS

### 1.1. Patient story:

Karen Van Cuylenburg, Nursing Unit Manager, Neurosciences, Prince of Wales Hospital attended the Board meeting to provide a verbal patient story experienced by her team. The story was of a patient with a very severe pressure injury. This story highlighted an extraordinary case with extremes of illness and difficult management issues.

The Board commended the level of dedication and professionalism demonstrated by the Neurosciences team and thanked Ms Van Cuylenburg for attending the Board to tell her story.

### Minutes of Board meeting held 29 April 2015

The Board approved the Minutes of the SESLHD Board meeting held 29 April 2015 as an accurate record of proceedings.

*Resolution 292*

“That the Board approves the Minutes of the SESLHD Board meeting held on 29 April 2015 as an accurate record of proceedings.”

Moved: R Farnsworth                      Seconded: J Ward

**1.2. Minutes of Finance and Performance Committee meeting held 27 April 2015**

The Board noted the Minutes of the Finance and Performance Committee meeting held 27 April 2015.

**1.3. Minutes of Clinical and Quality Council meeting held 15 April 2015**

The Board noted the Minutes of the SESLHD Clinical and Quality Council meeting held 15 April 2015.

**1.4. Minutes of the Medical and Dental Advisory Committee meeting held 9 March 2015**

The Board noted the Minutes of the SESLHD Medical and Dental Advisory Committee meeting held 9 March 2015.

**1.5. Actions**

The Board noted the Action Log.

**1.6. Correspondence Register**

The Board noted the correspondence received since 20 May 2015.

**1.7. Teaching and Research**

This item was held over until the June meeting.

**FOCUS**

**2.1. Chairs of Clinical Councils**

The following Co-Chairs of the facility/service Clinical Councils attended the Board meeting to discuss Clinical Councils;

- Dr Roger Allan, Co-Chair of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council
- Mr Jon Roberts, Co-Chair of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council
- Dr Mark Davies, Co-Chair of the St George Clinical Council
- Ms Leisa Rathborne, Co-Chair of the St George Clinical Council
- Mr David Pearce, Co-Chair of the Mental Health Clinical Council
- Dr Michael Chapman, Co-Chair of the Royal Hospital for Women Clinical Council
- Ms Vanessa Madunic, Co-Chair of the Royal Hospital for Women Clinical Council
- Dr Leonard Kalish, Co-Chair of the Sutherland Hospital Clinical Council

- Ms Nicole Wedell, Co-Chair of the Sutherland Hospital Clinical Council
- Dr Murray Wright, Co-Chair of the Mental Health Clinical Council was noted as an apology.

Dr Allan and Mr Roberts made the following key points in respect of the Prince of Wales and Sydney/Sydney Eye Hospital Clinical Council;

- The Prince of Wales Hospital has been promised a \$500 million investment into capital works by the NSW state government. This has required the Clinical Council to provide a strong and clear strategic direction for the hospital, particularly in designing new models of care so that the new building works may be aligned.
- The Council has been trying to focus on the big picture and identify how the hospital needs to change to become an effective and efficient hospital of the 21<sup>st</sup> century.
- A key action of the Clinical Council this year has been to build engagement across the Prince of Wales Hospital campus. The Council is seeking to empower staff to be part of the solutions.
- The Council is focussing on how it can better communicate the achievements of the hospital.

Dr Davies and Ms Rathborne made the following key points in respect of the St George Hospital Clinical Council;

- The biggest challenge faced by the St George Hospital Clinical Council is the well-known physical constraints of the hospital. The workload at the hospital has grown significantly over the last 25 years however the infrastructure has not been updated to accommodate this. This issue will be resolved by the hospital rebuild occurring over the next few years.
- Moving towards new integrated models of care will be made possible once the third stage of the hospital rebuild is realised. Work is underway to plan for this third stage of redevelopment.
- The Council has identified that SESLHD does not have a brain injury rehabilitation service. It is hoped that as part of the rebuild, funding will be sourced to build an appropriate service within SESLHD to cater to these patient's needs. The Board suggested that this issue should be considered at a District level by the Aged Care and Rehabilitation Stream. The Stream structure is still developing within SESLHD and links must be improved between the Clinical Councils and Streams so that issues with district-wide implications can be addressed at stream level.

**Action** – Chief Executive and Medical Executive Director to communicate that the stream structure has been reinvigorated within SESLHD.

Investment and disinvestment in services was discussed. The Board noted that it should be considering what SESLHD will look like from a clinical perspective in ten years' time. It was noted that a district level body of work has commenced in this space with the Planning Unit and the Medical Executive Director.

Dr Kalish and Ms Wedell made the following key points in respect of the Sutherland Hospital Clinical Council;

- The Sutherland Hospital Clinical Council has been mostly concerned with negotiating Sutherland Hospital's recent non-clinical split from the St George Hospital. Work is continuing to determine the administrative requirements of the hospital and how this will be separated from St George Hospital. Clinical Services will remain shared between St George and Sutherland Hospitals and this is expected to continue to work well.
- The Council is working on the redevelopment of Sutherland Hospital.

Mr Pearce made the following key points in respect of the Mental Health Clinical Council;

- The Mental Health Clinical Council has been driving a Mental Health service development and innovation change program for the past 18 months.
- A key strategy of the Council is to work closely with community organisations and narrow the focus of the services provided by SESLHD so as to expand the focus on shared partnerships of services.
- The Council is leading the state with a Peer Support Program which involves partnerships between clinicians and a person with lived experience of mental health.
- A Recovery College has just been developed, which is a new service model that brings clients, carers and clinicians together for a range of short courses that provide capacity for clients to live more effective lives.
- Significant improvements in the physical health of mental health patients have continued to be seen. Mental Health will present these improvements to the Board at its September 2015 meeting.

The Board noted that it found the discussion with the Clinical Council Co-Chairs very productive and interesting. It was agreed that a longer and more focussed strategic session between the Clinical Council Co-Chairs, Stream Directors and Board should be arranged.

**Action** – Secretary, Chief Executive and Chair to arrange a structured and facilitated strategic session between the Clinical Council Co-Chairs, Stream Directors and the Board.

## GENERAL BUSINESS

### GOVERNANCE

#### 3.1. Service Level Agreement

The Chief Executive reported that SESLHD had that day, its second round of negotiations over the activity to be purchased by the Ministry of Health within the 2015/16 Service Level Agreement. SESLHD is satisfied with the agreed activity levels for 2015/16.

The 2015/16 revenue target will likely be a 15% reduction from the previous year's target which is the lowest growth of all local health districts.

It has been indicated that SESLHD's transitional grant will be \$5 million for 2015/16.

The budget numbers have been delayed this year due to the timing of the state election and will be received on 24 June 2015. The Board may need to hold an extraordinary Board meeting in July to review the finalised budget and Service Level Agreement.

**Action** – Secretary to work with Chief Executive, Chair and Director of Finance to determine whether an extraordinary Board meeting in July will be necessary.

#### 3.2. Taskforce re- Junior Medical Staff

The Board noted the terms of reference for the development of a taskforce for junior doctors which will review and oversee the development of systems to ensure compliance with appointment procedures, ensure performance reviews, ensure rostered hours are approved and work hours are monitored.

The Board noted it supports the formation of the taskforce and noted that it may be appropriate to have a junior medical officer represented on the taskforce. The Board also suggested that the membership of the taskforce was very big. The Chief Executive agreed to review the membership.

The Chief Executive is considering including bullying and harassment and medical

engagement into the terms of reference of this taskforce.

### 3.3. Coronial Inquest

The SESLHD Board noted the update provided on the coronial inquest.

### 3.4. Staff link Post Implementation Audit

The SESLHD Board noted that the key issues raised within the audit of staff link implementation include poor project management, resourcing issues, insufficient allocated time and difficulty communicating with HealthShare.

## FINANCE AND PERFORMANCE

### 4.1. SESLHD Key Performance Indicators

The SESLHD Board noted the Key Performance Indicators.

### 4.2. Finance and Performance Update

The Director of Finance provided an overview of the May Finance and Performance Meeting. The following key points were noted;

- The Director of Finance reported that the 2014/15 projected financial position has remained stable during the month of May at \$19.9 million unfavourable to budget (adjusted for annual leave and depreciation).
- The Year to Date financial position is \$19.9 million unfavourable to budget. This is made up of \$15.9 million unfavourable in expenses and \$.9 million unfavourable in revenue. Strict containment of costs will occur in the following six weeks and delegation has been lifted to Tier Two level.

The Chief Executive reported that a key strategy for 2015/16 financial performance will continue to improve cost controls at hospital facilities. Alongside savings initiatives, cost controls will be monitored by the newly developed Productivity and Improvement Board.

Liquidity was discussed. The Director of Finance reported that SESLHD has experienced a significant issue with cash flow during the month of May. A cash shortfall, to the value of \$15 million, has been identified over and above the \$27 million in cash assistance that was requested from the Ministry of Health in November 2014. This cash shortfall does not influence the projected financial position, which remains stable at \$19.9 million unfavourable to budget (adjusted for annual leave and depreciation).

This shortfall should have been picked up earlier by the SESLHD Finance team and this is being addressed by management.

**Action** – Discuss cash flow in detail at a future Board meeting.

### 4.3. Incorrect payment of VMO

The Board noted an incorrect VMO claim processed during April 2015. The following key

points were noted;

- An unsubstantiated claim of \$1M (+GST) from a Visiting Medical Officer (VMO) at St George and Sutherland Hospitals was processed through the VMoney system (payment system for VMO claims) during April 2015.
- After engaging legal representation, the District had the amount of \$1.1M repaid into its bank account on Tuesday 19 May 2015.
- The large claim was processed and paid without any internal awareness or acknowledgment that the claim had been raised.
- Contact has been made with Healthshare and the Ministry to highlight this issue. This includes the internal Audit department of HealthShare.
- An internal audit on VMO's was scheduled to commence during May. The scope of this audit has been extended to focus on the miscellaneous tab in V Money.
- An initial review has highlighted visibility issues within the VMoney system. This will be further analysed as part of the internal audit with appropriate recommendations for improvement.
- A review of all Miscellaneous VMoney claims for the financial year has been completed by Finance and Internal audit with no other suspicious payments being identified.

## **STRATEGY**

### **5.1. Update – Program Management Office**

The Board noted the PMO report provided in the agenda pack.

### **5.2. Medical Engagement Workshop**

To be held over to the June Board meeting

### **5.3. Integrated Care action plan**

To be held over to the June Board meeting

**CLOSE**

## **Business without notice**

The Chief Executive reported a discussion he had with the Secretary for Health after the May Board meeting, at which she was present. It was agreed that the Chair should write a letter of confirmation to the Secretary and again thank her for her attendance.

At the pre-Board meeting the continuing work of Pricewaterhouse Coopers (PwC) in assisting management in the financial recovery work was discussed. Kristin Stubbins, Board Member and Chair of the Finance and Performance Board Committee, is a partner at PwC and advised that she would like to take an active role in the PwC work. This would however, require governance to be satisfied by her stepping aside from the Board for the period she is involved. The Board agreed and thanked Kristin for her continuing commitment to SESLHD.

## **NOTING OF CONFIDENTIAL ITEMS**

Nil discussion

Date of next meeting:

24 June 2015

4-7pm – Multi-Purpose Function Room, Sutherland Hospital

Focus – TBA

Meeting closed 6:40pm.



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**Signature**

Michael Still

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**Name**

1 July 15

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**Date**