Health
South Eastern Sydney
Local Health District

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

A.	**MEETING OPENING**	
	Item 1 **1.1** **1.2**	**WELCOME** **Apologies:** • The Hon. Morris Iemma (Chair) • Ms Patricia Azarias **Members:** • A/Prof Peter Gonski (Deputy Chair) • Mr Robert Boyd-Boland • Dr Ingrid van Beek • Ms Deborah Cansdell • A/Prof Robert Farnsworth • Dr Harry Harinath • Janet McDonald • A/Prof Peter Smerdely • Prof Jeanette Ward **In Attendance:** • Mr Terry Clout – Chief Executive • Mr Peter Hudnall – Chief Financial Officer (present for items 1-6) • Dr Michael McGlynn – Executive Medical Director (present for items 1-6) • Ms Kim Olesen – Director Nursing & Midwifery Services (present for items 1-6) • Prof James Colebatch – Chair Medical Staff Executive Council (present for items 1-6) **Secretariat:** • Ms Emily Janov – Executive Officer to Chief Executive
	Item 2	**Declaration of Pecuniary Interest, Conflict of Interest and Director Related Transactions** Board members had no items for declaration.
	Item 3 **3.1**	**CONFIRMATION OF MINUTES** **Minutes of the SESLHD Board meeting held 8 February 2012** The Board endorsed the minutes of the SESLHD Board meeting held 8 February 2012 as an accurate record of proceedings.

		Resolution 93 "That the Board approve the minutes of the SESLHD Board a meeting held on 8 February 2012 as an accurate record of proceedings." **Moved:** I van Beek **Seconded:** R Boyd-Boland **Carried**
Part B	**CHAIR & CHIEF'S EXECUTIVE REPORTS**	
	Item 4 **4.1**	**CHAIR'S REPORT** **Future Meeting with the Minister for Health** This agenda item was deferred to Board only discussion, in section D of the agenda.
	Item 5 **5.1**	**CE's REPORT** **Organisational KPI Report – January 2012** The Board reviewed the SESLHD Organisational KPI reports for the periods ending November and January 2012 As reported in the February Bord meeting, The Chief Executive reported that SESLHD was currently projecting an overrun of $8.6M (0.7% of the total SESLHD budget) by the end of the financial year, if current trends continue. This overrun is primarily due to an overrun in year to date clinical activity compared to agreed activity projections. At its meeting in February 2012, the Board agreed that facility/service Clinical Councils were in the best position to manage clinical activity flow and should be sought to identify and implement strategies to ensure facilities met the clinical activity projected activity agreed to in the Service Agreement. At its meeting on 22 February 2012, the SESLHD Clinical & Quality Council supported this approach. Since then, the Chief Executive has met with each Director of Operations, Director Clinical Service and Chair of facility/service Clinical Council to ensure this action is progressing. Each facility/service Clinical Council has provided a briefing note identifying the actions they are taking to manage clinical activity within the agreed levels for 2011/12. The Councils have also identified any risks (i.e. details of any breaches of clinical targets). Action: E Janov to provide summarising brief of facility/service actions and risks associated to managing clinical activity within the 2011/12 agreed levels. The agreed actions, and associated risks, identified by the facilities include: • Elective surgery is the main component of clinical activity which can be managed differently to assist in meeting agreed activity levels; • Compliance with category 1 surgery patient waiting times is to continue; • Category 2 surgery patient waiting times may be breached and facilities have identified which specialties will breach. • Category 3 surgery patient waiting times will be elongated where possible. Some breaches may occur where the least amount of risk is associated. • Statewide services provided by SESLHD (i.e. Peritonectomy at St George, Neonatal at Royal Hospital for Women) will not exceed the

agreed activity levels.

The governance structure and identified actions have been discussed with the Ministry of Health at the District's performance meeting held in the previous week. The Ministry noted its concern with the District's clinical activity performance, however are comfortable with the District's approach to managing the issue.

The Chief Executive noted he is 75% comfortable that facilities/services will comply with the plans they identified to manage clinical activity and that if these are met, the District will operate within 2% of the agreed budget for 2011/12.

The facility/service Clinical Councils have communicated their concern with the clinical risk associated with managing the clinical activity by the agreed action items, however are prepared to manage clinical activity as required by the Service Agreement. The Councils have also indicated a desire to be more involved in the development of the future year's clinical activity targets. The Councils also sought the Ministry's acknowledgement that Statewide service funding and activity levels can not be redistributed for use in the general fund and activity flow.

The Board also raised a concern that clinicians not be 'blamed' for the overrun in activity. It was noted that while the facility/service Clinical Councils were approving the action plans, the facility executive are also members of the Council.

The Board then discussed the Statewide Peritonectomy Service at St George in detail. Year to date, the District has completed 52 out of the agreed 72 cases. However, 17 cases were out of state residents. The Board sought the Chief Executive to request that the Ministry of Health recoup the cost of the inter-state peritonectomy cases from the other states.

The Board noted that an overrun of budget is due either due to excessive clinical activity, or facilities functioning at a non-efficient cost. All of SESLHD facilities provide services at an efficient cost. The overrun in budget is due to more activity being conducted than the agreed levels of activity with the Ministry. The excess of clinical activity is mainly due to pressures caused by emergency surgery and the subsequent management of surgical activity needing to be done to meet surgical waiting time targets. As a result the area which usually has to compensate for this activity is planned surgery.

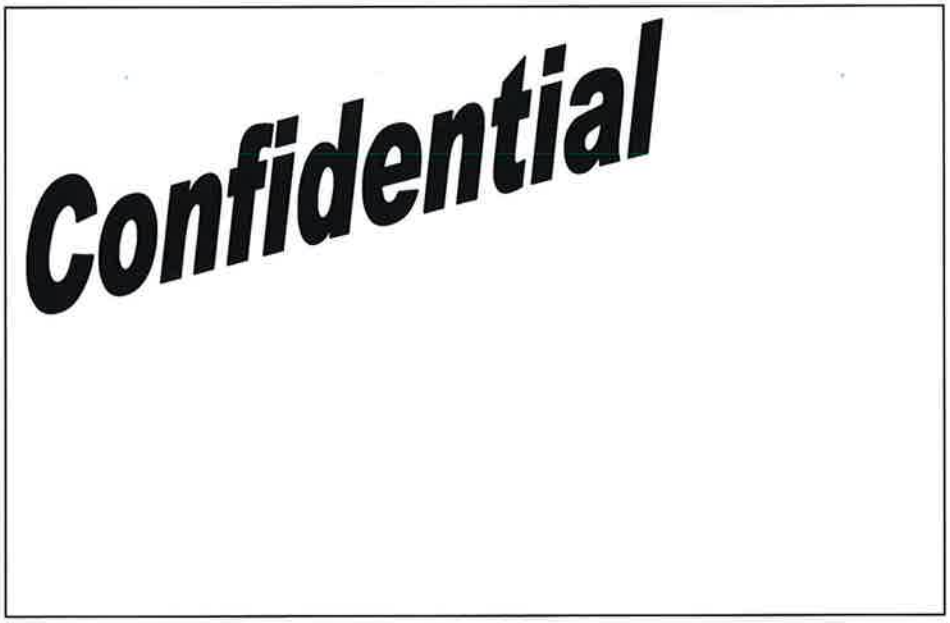
The Board likewise noted that the District did not get the final budget or agreed activity numbers until October 2011, making early monitoring and management of clinical activity and budget difficult.

It was noted that KPI19 reported the District being in surplus in the block funded component of the budget. The Chief Executive noted that the data for this indicator was a work in progress at this stage, and not dependable.

Resolution 94
"That the SESLHD Board approve the SESLHD Organisational KPI report for the periods ending January 2012."

Moved: J Ward **Seconded:** D Cansdell **Carried**

	5.2	**Emergency Access Performance Update** Prince of Wales Hospital, St George Hospital and Sutherland Hospitals provided their quarterly update on their Emergency Access Performance (EAP) plans. The Board noted that significant improvements in EAP had been achieved since last year and that the sites needed to be congratulated for this. There is also still a need for considerable further work to be done by the sites to meet the EAP targets. The Board noted that in future, the Medicare Locals should be engaged to assist with reducing emergency department attendances. **Resolution 95** "That the Board accept the Emergency Access Performance updates provided by Prince of Wales Hospital, St George Hospital and Sutherland Hospital." **Moved:** P Smerdely **Seconded:** R Boyd-Boland **Carried**
	5.3	**Norfolk Island Visit** The Chief Executive reported on his recent visit to Norfolk Island. The State had previously requested that SESLHD assume responsibility for providing healthcare assistance to Norfolk Island. Norfolk Island is a territory of Australia but has a separate government, acts and regulations, and does not have Medicare for its residents. With a little assistance from SESLHD, the healthcare services provided on the island with significantly improve. In particular, the island requires assistance with Mental Health, Drug & Alcohol and Child counselling services. The island with likewise need assistance in the up skilling and continuing clinical education opportunities for its staff. The District is currently in negotiations to identify an agreed Memorandum of Understanding between the Norfolk Island Hospital Enterprise, Sydney Children's Hospital Network, and SESLHD.
	5.4	**Strategy 2012-2017** The Board was provided with a final Strategy 2012-2017, which incorporated the comments made by the Board at its February meeting. Action: the Board requested to receive a copy of the Aboriginal Health Impact Statement eluded to in the Strategy 2012-2017 document. **Resolution 96** "That the Board endorse the finalised Strategy 2012-2017." **Moved:** D Cansdell **Seconded:** P Smerdely **Carried**

Part C	**SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION**	
	Item 6	**SESLHN COMMITTEE REPORTS**
	6.1	**Clinical & Quality Council**
	6.1.1	**Clinical & Quality Council Minutes** The minutes of the SESLHN Clinical & Quality Council meeting held on 22 February were noted by the Board for information.
	6.2	**Finance & Performance Committee**
	6.2.1	**Finance & Performance Committee Minutes** The minutes of the SESLHD Finance & Performance Committee meeting held on 8 February were noted by the Board for information. **Resolution 96** "That the Board note for information items 6.1.1 and 6.2.1." **Moved:** R Farnsworth **Seconded:** J Ward **Carried**
	6.2.2	
	6.3.1	**Audit & Risk Management Committee** **Audit & Risk Management Committee Minutes** The Audit & Risk Management Committee had met on the 28 February and the meeting minutes would shortly be made available to the Board. Action: E Janov to distribute the Audit & Risk management Committee minutes from 28 February to the Board members when available.

	6.3.2	**NSW Commission of Audit Interim Report** The NSW Commission of Audit Interim Report was included in the agenda papers for the Board's information.
	6.3.3	**NSW Financial Audit Report** The NSW Financial Audit Report was included in the agenda papers for the Board's information.
	6.4	**Community Advisory Committee** An update was provided from a meeting with the Chief Executive, Chair of the Community Advisory Committee Chair, and the Directors of Operations of each facility in relation to the governance of the District Community advisory Committee. A brief highlighting the main discussion points was included in the agenda papers for the Board's information.
	6.5	**Sydney Metropolitan Aboriginal Health Partnerships Agreement** An update briefing papers was provided in the agenda papers for the Board's information on the first meeting of the Sydney Metropolitan Aboriginal Health Partnerships Agreement.
	6.6	**Medical Staff Executive Council Minutes** The Medical Staff Executive Council had not met since the last Board meeting. **Resolution 98** "That the SESLHD Board note for information agenda items 6.3 – 6.6." **Moved:** R Farnsworth **Seconded:** J Ward **Carried**
		Items Raised Before the Executive left the Board meeting for the Board only agenda items, the Chair of the Medical Staff Executive Council raised a concern regarding the potential impact the National Emergency Access Targets (NEAT) will have on the clinical of SESLHD facilities. The Chief Executive explained that the NEAT was a revised target which aimed to have all patients either admitted to hospital or discharged within 4 hours of being triaged by a nurse in the Emergency Department. This change in practice will potentially change the flow of patients within the hospital settings. The SESLHD Clinical & Quality Council is reviewing what the potential impact may be, and how SESLHD can manage the implementation of the revised target. It was noted that Western Australia has already implemented the NEAF and 'lessons learnt' from their experiences will be presented to NSW in the upcoming months.
Part D	**Board Administrative Matters**	
	Item 7	**BOARD ADMINISTRATIVE MATTERS**

	7.1	**Instrument of Appointment of Deputy Chair** The covering letter and Instrument of Appointment of the Deputy and Alternate Deputy Chair submitted to the Minister for Health, was included in the agenda papers for the Boards' information. **Resolution 99** "That the SESLHD Board accept the Instrument of Appointment of the Deputy Chair and Alternate Deputy Chair." **Moved:** R Boyd-Boland **Seconded:** R Farnsworth **Carried**
	7.2	**SESLHD Board Governance Committee** The Board noted that now that the appointments had been made to the role of Deputy Chair and Alternate Deputy Chair, that the SESLHD Board Governance Committee would hold regular meetings. The first to identify the recommended charter of the Committee.
	Item 8	**ACTIONS ARISING**
	8.1	**Board Action Log** The Board noted the Board action log. It was noted that the action item relating to the alignment of the organisational KPI report and the Service Agreement KPIs should be provided to the April Finance & Performance Committee meeting. Action: KPI alignment action it be added to the Board action log. **Resolution 100** "That the SESLHD Board note for information the Board action log, as on 29 February 2012." **Moved:** R Boyd-Boland **Seconded:** D Cansdell **Carried**
	8.2	**SESLHD FTE Analysis** At its meeting in October 2011, the SESLHD Board revised the revised organisational structure as a result of the transition. An action arose from this discussion seeking an analysis be undertaken to compare the percentage of administrative staff to clinical staff numbers within the District. The Chief Financial Officer provided this report. The report was in the agenda papers for information. **Resolution 101** "That the SESLHD Board accept the FTE analysis report provided for information." **Moved:** R Boyd-Boland **Seconded:** D Cansdell **Carried**
		DEFERRED ITEM
	Item 4.1	**Future Meeting with Minister for Health** The SESLHD Board Chair will be meeting with the Minister for Health on the 23 March 2012. The Chair will be provided with a contentious issues brief to provide to the Minister for information. Likewise a summary of the activity issues discussed by the Board will be provided.

		The Chair sought further items to be raised on the Boards' behalf at this meeting from the Board members. The Board agreed that the ongoing issues caused by Health Support Services (HSS) should be brought to the Minister's attention. In particular, the impediments making it difficult to use trust fund accounts and the capital works cap restricting funds currently available from trust fund accounts from being made available to purchase equipment is an example of this was requested to be raised with the Minister. The Board also agreed that the lack of long term financial commitment to COAG programs should be discussed with the Minister as this was a 'risk' to the public hospital system when funding runs out. Action: E Janov to provide brief to the Board Chair outlining the issues identified by the Board members.
Part E	**CORRESPONDANCE**	
	Item 9	**CORRESPONDENCE RECEIVED** The Board noted for information the correspondence received register, as updated on 29 February 2012. The Chief Executive raised a concern that the Medicare Locals were establishing interim Boards to facilitate the development of their organisations and in doing so were approaching SESLHD staff directly to seek SESLH representation on these Boards. The Board agreed that the membership of these interim Boards should continue as they currently are. However, that the Chief Executive contact the Medicare Locals to seek them to approach the District Boards for future members of the permanent Boards. The Chief Executive should likewise contact the SESLHD staff members on the interim Boards to inform them of their potential conflict to interest in representing the District as a whole on these Boards. Action: Chief Executive to write to Medicare Local interim Boards and contact SESLHD staff members on interim Boards to communicate the Board's concern. The Board sought clarification on the Ministry's response to the District's proposal for the refurbishment of the Albion Street facility. The Chief Executive confirmed that the request was not granted, and that the District was advised to include the proposal in its next revision of the asset strategic plan. **Resolution 102** "That the SESLHD Board accept the correspondence register as on 29 February 2012." **Moved:** R Smerdely **Seconded:** R Farnsworth **Carried**

Part F	**MEETING CLOSE**	
	Item 10	**NOTING OF CONFIDENTIAL ITEMS** Item 6.2.2 was noted by the Board as being confidential for the purposes of distributing the minutes of the Board meeting. **Resolution 103** "That the SESLHD Board note item 6.2.2 of its March meeting as a confidential item." **Moved:** H Harinath **Seconded:** P Smerdely **Carried**

Meeting closed at: 6:00pm

THE HON. MORRIS IEMMA
Name

Signature

4/04/2012
Date