



Minutes of the Hunter New England Local Health Network

Governing Council

Third Meeting

Monday 28th March 2011

John Hunter Hospital Board Room

PRESENT

Associate Professor Lyn Fragar, Dr Ian Kamerman, Mr Paul Henry, Mr Ken White, Dr Bruce Bastian, Dr Helen Belcher, Professor Trevor Waring, Ms Felicity Barr

IN ATTENDANCE

Mr Michael DiRienzo (Chief Executive), Professor Nik Bogduk (Medical Staff Executive Council), Ms Glenda Dingwall, Dr Kim Hill, Ms Desiree Chymiak

APOLOGIES

Mrs Janelle Speed and Ms Helen Staines

Order of business: 1-8.8; 9-10; 8.9; 12-14

1. WELCOME AND APOLOGIES, ACKNOWLEDGEMENT OF COUNTRY

The Chair, Associate Professor Lyn Fragar, opened the Governing Council meeting at 10.00am and welcomed those present.

The Council ACCEPTED the apologies of Ms Helen Staines and Mrs Janelle Speed.

2. CONFLICT OF INTEREST DECLARATIONS

2.1 General Conflict of Interest Declarations and Actions

Members NOTED the Conflict of Interest Register with General Declarations of Conflict of Interest provided by members.

The Governing Council NOTED the General Declarations of Conflict of Interest of members and RESOLVED that action to manage members' conflict be taken as listed in the Register

2.2 Conflict of Interest Relating to this Meeting's Agenda

Mr Paul Henry advised that the agenda item regarding the planning for Inverell Health Service may be a conflict of interest for him.

The Council NOTED Mr Henry's declaration and AGREED that Mr Henry will not need to be excluded from today's discussion.

1. MINUTES OF THE PREVIOUS MEETING

3.1 Adoption of Minutes of Meeting Held on 11th March 2011

The minutes from the meeting held on Friday 11th March 2011 had been circulated. The minutes, with amendment, were ADOPTED by the Council as a true and correct record.

The minutes in full will be published on the Governing Council section of the Hunter New England Health Network website

ACTION BY: Secretariat

4. BUSINESS ARISING FROM THE PREVIOUS MEETING

4.1 Action Sheet – Report on Progress

The Council NOTED progress with action agreed to be taken following the previous meeting.

4.2 Appointment to Clinical Councils – verbal report

The Chief Executive advised the Governing Council that the Chairman of the Clinical Council (Southern) and the Director Clinical Governance met on the 16th March 2011 regarding the Local Health Network Clinical Council, and considered practical proposals to link with hospital clinical councils, several of which are now established and meeting. A draft Charter is being prepared based on that meeting.

The Council NOTED this information.

4.3 Executive Appointments and Organisation

The Governing Council had been provided with a paper from Chief Executive Mr Michael DiRienzo that outlined the Tier 2 Division and Tier 2 mandatory Local Health Network executive position that have been filled. The Cluster Executive Directors have transitioned into their new positions at the Division. Transition plans are currently being developed to ensure there is effective executive support during this period. The Council NOTED the current acting arrangements that have been put in place at the Local Health Network.

In discussion the Governing Council NOTED:

- The need for clinician input in the Executive Team
- The need for strong governance relationships
- The need and importance of community engagement
- Responsibility for IT is missing from the organizational structure and this is an important function
- Responsibility for relationship with the Clinical Support Division to be defined

The Governing Council SUPPORTED the proposed Hunter New England Local Health Network Tier 2 Executive Structure.

4.4 Transitional Performance Agreement

The Transitional Performance Agreement signed by both the Governing Council Chair and the Chief Executive had been sent to the Department of Health.

At the previous Governing Council meeting it was agreed that a letter would be prepared and send to the Department of Health outlining the Council's significant issues with processes for negotiation of the performance agreement. A draft letter had been circulated to the Governing Council, and the Governing Council was also provided with a summary of members' feedback around the Performance Agreement.

The Governing Council NOTED the feedback summary. The Governing Council APPROVED the letter to be signed by the Chair and sent to the Department of Health.

ACTION BY: The Chair

5. PROGRESS WITH TRANSITIONAL ORGANISATION

The Governing Council had been provided with an update on progress in relation to the Health Reform Transition as it affects Hunter New England Local Health Network, and the Chief Executive provided further explanation. The Governing Council NOTED the clinical services scoping briefs that have been submitted. The scoping briefs outline the current service structure and resourcing as well as defining the current level of service provision.

Paper was NOTED by the Governing Council.

6. REVIEW OF COMMITTEES

Under the interim By-Laws, the Governing Council is required to establish committees to provide advice or other assistance to enable to Local Health Network to perform its functions under the Health Services Act 1997. The committees required are:

- Audit and Risk Management Committee
- Finance and Performance Committee

- Health Care Quality Committee
- Clinical Councils and Hospital Clinical Councils
- Medical Staff Councils and Medical Staff Executive Council
- Medical and Dental Appointments Committee with a Clinical Privileges Sub-Committee

At its meeting on the 9th February 2011 the Council adopted the current committees, pending a review of the core committees, including committee charters.

The terms of reference are being finalised and will be brought back to the next Governing Council meeting.

In discussion the Governing Council NOTED:

- **The finance committee** will oversee the development of the budget, and this will be reflected in the terms of reference.
- **Audit and Risk Management Committee** – The meeting noted the advice received from the Department of Health that recommends some shared administrative support across the Clinical Support Division. The Governing Council AGREED that there would be significant problems with the suggested model and REQUESTED the Chief executive to indicate to the Department of Health the concerns of the Council, the Governing Council supports a committee model that affords the Governing Council an opportunity to consider the possible impacts of identified risks at the organisational level.

ACTION: Chief Executive

- **Clinical Councils** - A draft set of terms of reference is being developed which will look at having one Network Clinical Council for the whole network, in addition to the hospital clinical councils.
- **Medical Staff Council and Medical Staff Executive** –It was recognised that further work needs to be on this. Work is being done on how they will function as a group. Nik Bogduk and Murray Hyde-Page are the current co-chairs who are looking at the functions. It was agreed that there is a need to examine the administrative support and communication resource requirements.
- **Medical Appointments** – It was noted that there is discussion around governing function and who the appropriate person for sign off is. It was agreed that the Chief Executive should be the signatory to appointments, while the Committee remains a Committee of the Governing Council. The Chair of this committee will be reappointed due to the resignation of Professor Trevor Waring.
- **Other committees**
- It was NOTED that other Local Health Network Governing Councils have established additional committees. The following will be considered - a Communication Committee; a Community Participation Committee; a Research and Education Committee:

The Committee Charters will be finalized in light of discussions, and the revamped Committees commence operation as soon as practicable.

Minutes of committees will be provided to the Governing Council for information, recognising that most will not have been adopted as the final record prior to being in the business papers of Governing Council.

Nominations to membership of Committees.

It was AGREED that a process for nomination of consumer representatives to Committees should be established.

The Governing Council made the following nominations of members to key committees:

Health Care Quality Committee: Ken White, Helen Belcher

Finance and Resource Committee: Paul Henry (Chair), Lyn Fragar

Network Clinical Council: Bruce Bastian

7. CHIEF EXECUTIVE REPORT

The Chief Executive provided a report to the Governing Council that summarised key Local Health Networks issues.

The Governing Council NOTED the following key developments and issues:

1. Commonwealth Government Health and Hospital fund funding
 - Tamworth Redevelopment – Hunter New England Local Health Network has received \$191 million to start construction of the first stage of the redevelopment of Tamworth Hospital.
 - Armidale Redevelopment – Hunter New England Local Health Network has received \$10 million for an upgrade of Armidale Hospital.
2. Planning – the Local Health Network has made a commitment to the development of specific service improvement planning for Inverell and Glen Innes Health Services
3. Activity Based Funding – update on progress
4. New Nursing Award – a new nurses award was negotiated on the 23rd February 2011.
5. Performance issues
 - Emergency Access – Emergency access performance across has significantly deteriorated, and recovery plans will be presented to NSW in April.
 - Surgical Wait List – Hunter New England has experienced an increase in the number of patients waiting for their surgical procedures across all three surgical categories.

The Governing Council NOTED the Chief Executive's report.

8. DIRECTORS REPORTS

Directors' reports had been circulated in business papers to members.

8.1 Mental Health Services

The report provided by Dr Dinesh Arya was NOTED by the Governing Council.

8.2 Acute Networks

The report provided by Mr Todd McEwan was NOTED by the Governing Council.

8.3 Nursing and Midwifery

The report provided by Ms Karen Kelly was NOTED by the Governing Council.

8.4 Communication and Stakeholder Engagement

The report provided by Ms Carina Bates was NOTED by the Governing Council.

The Governing Council further NOTED that it had agreed to review Local Health Advisory Committees and local community participation in health service planning and decision making. A review report was suggested for the meeting on 31 May and a community engagement plan for the June meeting. It was recognised that the newly elected NSW Government is committed to enhancing local community participation, and that direction is likely to be forthcoming shortly.

It was AGREED, that a Working Group be formed to:

- Review the current local community advisory arrangements, and recommendations for change made by the Director of Communication
- Consider options for strengthening local community involvement, taking into account the potential interests of the Local Health Network, Medicare Locals and Local Government
- Recommend an approach and plan for strengthening community participation.

Membership of the Working Group should include representatives of Divisions of General Practice, of Local Government, and of LHACs.

Governing Council members were nominated to participate - Helen Staines, Helen Belcher, Janelle Speed, Lyn Fragar.

ACTION: Chief Executive

8.5 Workforce Development

The report provided by Ms Glenda Dingwall was NOTED by the Governing Council.

8.6 Primary and Community Networks

The report provided by Mr Scott McLachlan was NOTED by the Governing Council, and the following were AGREED:

1. Support to the **Rural Generalist Medical Training Program** as a key strategy to address rural hospital medical practitioner workforce shortage.
2. Support to the approaches being taken by the **General Practice Advisory Committee** to ensure close and functional working relationships between the Local Health network and proposed Medicare Locals
Membership of the General Practice Advisory Committee to include a member of the Governing Council
Reporting of the General Practice Advisory Committee to the Governing Council.

Dr Ian Kamerman was nominated to membership of the General Practice Advisory Committee.

8.7 Clinical Governance

The report provided by Dr Kim Hill was NOTED by the Governing Council.

The Governing Council AGREED that it should adopt the ISBAR communication tool, including its use for Governing Council business papers and communication.

8.8 Year to Date Performance Budget

The report provided by Mr Mark Jeffrey was NOTED by the Governing Council.

8.9 Balanced Scorecard Report – year to date performance

The report provided by Ms Jenny Jennings was discussed and NOTED by the Governing Council.

9. CARING TOGETHER

9.1 Report

The Governing Council had been circulated with a progress report that provided an update on the work being undertaken to further implement the recommendations of Caring Together: NSW Health Action Plan.

The report was NOTED by the Governing Council.

9.2 Workplace Culture Framework – Hunter New England Programs

At the request of the Chair of the Governing Council an update was provided on the strategic leadership and actions occurring within Hunter New England Local Health Network to build and sustain a culture of excellence and embed the organizational values.

The Governing Council ENDORSED the strategies currently underway and the strategic direction, for building and sustaining a culture of excellence.

9.3 Hunter New England Values – demonstrated by the Governing Council

Professor Trevor Waring led discussion around the incorporation of the Hunter New England Health values [Excellence, Caring, Courage, Commitment, Teamwork, Honesty, Respect, Ethics] into the way the Governing Council functions. There was consideration of

In discussion the Governing Council NOTED the anticipated changing dynamics of meetings as interpersonal and working relationships develop.

It was AGREED:

1. That the Governing Council formally adopt the Hunter New England Local Health Network values, and members individually commit to displaying those values
2. That there be an annual review of how the Governing Council has functioned, and incorporated the values into its dealings. This should be at the second meeting in each calendar year.

9.4 Hunter New England Aboriginal and Torres Strait Islander Cultural Respect Education Program

Members had been circulated with information regarding Hunter New England Local Health Network Aboriginal and Torres Strait Islander Cultural Respect Education Program.

In 2007 Hunter New England Area Health Service engaged in the program of cultural respect. The program focuses on white people's experience and views of the world, white privilege and racism.

The Hunter New England Local Health Network aims to provide cultural respect education for all non-Aboriginal staff. The aims of the education are:

- The health services wishes to increase its capacity to delivery culturally appropriate and respectful services to Aboriginal people.
- The health services wishes to increase its capacity to provide a culturally safe working environment.

The Governing Council ENDORSED the continuation of the Aboriginal and Torres Strait Islander Cultural Respect Education Program and AGREED to participate in the education workshop.

Education workshop dates to be provided to the Governing Council by the Secretariat.

ACTION: Secretariat

9.5 Preliminary Discussion around Strategic Planning

It was NOTED that the Governing Council had agreed that a key goal for the transition period was to prepare for development of the Network Strategic Plan. Agreement regarding the processes for development of the Strategic Plan has not been reached with all parties at this stage. However, it was acknowledged that it is important that there be wide consultation before and during the planning exercise.

It was RESOLVED that the current Hunter New England Strategy Map, that indicates the Vision and Key Focus Areas, should be distributed to all managers [for attention of staff], to all Local Health Advisory Committees, to all other committees and key stakeholders to seek their views as to, for example):

- Have the 5 Focus Areas been effective in directing attention to key areas of activity?
- Do the 5 Focus Areas remain the important areas for attention for the Hunter New England Local Health network? Are there others to consider?
- Are the components within each focus area the critical ones to address? Are there others to consider?
- Can you suggest ways to make the language simpler?

ACTION: Chief Executive with Chair

10. THE GOVERNING COUNCIL

10.1 Role and Relationship with Chief Executive

The Chief Executive and the Governing Council NOTED the functions of the Chief Executive and the Governing Council laid down in the Members' Manual - "jointly responsible for ensuring the Local Health Network properly undertakes its functions and for ensuring funding and performance targets are met, with the Local Health Network as a whole subject to the governance, oversight and direction of the Director-General."

The role and key functions of the Governing Council have been set out in Section 28 of the Health Services Act 27, and described in the Members' Manual (P6 and P86).

1. Establish and oversee an effective governance and risk management framework for the Network
2. Set the Network strategic directions:
3. Confer with the Chief Executive in connection with the operational performance targets and performance measures to be negotiated in the service agreement for the Network, and approve the service agreement
4. Monitor and provide strategic oversight of the Network's financial and operational performance, in accordance with the State-wide performance framework
5. Ensure high standards of professional and ethical conduct are maintained :
6. Seek the views of providers and consumers of health services and local community on the Network's policies, plans and initiatives
7. Provide information on the Network's policies, plans and initiatives
8. Liaise with Governing Councils of other Networks and state agencies on both local and State-wide initiatives for provision of health services
9. Approve the Network Annual report

In discussion relating to the relationship between the Chief Executive and the Governing Council the meeting NOTED some principles to be followed:

- The Governing Council needs to be aware of issues relating to its role and function, and achievements and challenges, including systemic issues/failures, should be communicated to the Governing Council.
- How to deal with tensions
- Members can communicate with the Chair and Chief Executive. Either can escalate issues to the Governing Council attention.
- A summary of media issues will be provided for each meeting.
- "No surprises" for the Governing Council where key issues are known to executive staff

10.2 Acting Chair

The Chair advised that she will be on leave from the 13th April – 26th April. Ms Felicity Barr was nominated by the Chair to be the acting Chair during this period. This nomination was SUPPORTED unanimously by members.

11. CURRENT ISSUES

11.1 Chief Executive

There were no further issues to report.

11.2 Medical Staff Executive Council

Professor Nik Bogduk raised the question as to what issues should be raised by the Medical Staff Executive Council representative at the Governing Council meetings.

There was agreement that key issues that would be brought to the Governing Council's attention would include:

- Issues pertaining to the performance of the Network, particularly if these have not been resolved through routine negotiation and through the Committee/Council processes.
- Issues that the Medical Staff Executive Council requests to be brought to the Governing Council attention.

11.3 Chair

There were no further issues to report.

11.4 Members

There were no further issues to report.

12. CORRESPONDENCE

A list of correspondence had been circulated to the Governing Council for their information. The correspondence was NOTED by the Governing Council.

13. NEXT MEETING

The next Governing Council meeting will be held on the 6th May 2011 at Muswellbrook.

14. Meeting evaluation

The summary of the February meeting evaluation had been circulated. Members were requested to complete the meeting evaluation form for the current meeting and return these to the Chair.

The meeting closed at 5.00pm.

Professor Lyn Fragar
Chair

Date _____

ACRONYMS

CE	Chief Executive
LHN	Local Health Network
COO	Chief Operating Officer

**Hunter New England Health Network Governing Council
Action List**

Date of Meeting	Item Number	Action	Responsibility	Status as at 28 March 2011
09.02.11	9	Review current delegations and report to future meeting of Governing Council.	Chief Executive	Pending
11.03.11	4.1	Letter to be prepared and sent to the Department of Health outlining the Council's significant issues with processes for negotiation of performance agreement.	Chair	Pending
11.03.11	6	Chair to circulate further information in a communication matrix for Council members' consideration with comments to be provided directly to the Chair.	Chair and Members	Pending
11.03.11	7	The Chair and Chief Executive to revise Governing Council meeting plan to meet the goals for the interim period	Chair and Chief Executive	Pending
28.03.11	4.4	Letter to the Department of Health outlining significant issues to be signed and sent.	Chair	Pending
28.03.11	6	Finalisation of terms of reference of committees.	Chief Executive	Pending
28.03.11	8.4	Working group to be established to review the current local community arrangements and recommend an approach and plan for strengthening community participation.	Chief Executive	Pending
28.03.11	9.5	Development of network strategic plan	Chief Executive and Chair	Pending