

# **Minutes of the Hunter New England Local Health District Board**

## **Seventh Meeting**

**22<sup>nd</sup> February 2012**

**Venue: District Headquarters**

**PRESENT**

Associate Professor Lyn Fragar, Dr Felicity Barr, Professor Trevor Waring , Mrs Janelle Speed, Mr Ken White, Dr Ian Kamerman, Ms Helen Staines and Dr Helen Belcher

**IN ATTENDANCE**

Mr Michael DiRienzo, Professor Nik Bogduk , Ms Karen Kelly and Ms Desiree Chymiak

**APOLOGIES**

Dr Bruce Bastian, Mr Fergus Fitzsimons and Mr Paul Henry

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Order of business: 1- 4, 11.1, 5-10, 11.2-13

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## **1. Welcome and Apologies, Acknowledgement of Country**

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

The Chair ACKNOWLEDGED the traditional owners of the land on which the meeting was held and elders past and present.

The Board ACCEPTED the apologies of Dr Bruce Bastian, Mr Fergus Fitzsimons and Mr Paul Henry.

### **1.1 In-camera session**

The Board moved into an –‘in camera’ session, with only Board members and the Chief Executive present. Matters discussed included:

1. Maintenance of good Board-Chief Executive relationships
2. Succession planning for senior executive  
The Chief Executive will provide the Board with a paper outlining his approach to succession planning

ACTION BY: Chief Executive

3. Issues from members’ Meeting Feedback
  - Strategies for managing discussions that become ‘long-winded’ and/or that should be deferred to a future meeting with a background paper, balancing the need for adequate information for all members with good time management of meetings.
  - The key purposes for the Board having meetings with Local Health Committee members and clinicians – to become familiar with the range of services and facilities across the District, to hear about key issues or concerns for the health service, to observe the interaction between the clinicians, management and the community representatives.

It was AGREED that a short information handout that describes the Board, its members and its role should be prepared and provided to all participating community representatives and clinicians 2 weeks prior to a Board visit.

ACTION BY: Secretariat

- Remuneration of Board members  
It was noted that this is on the agenda of the next Council of Chairs meeting. In the meantime, members should submit claims for subcommittee work authorised by the Board.

The Board moved out of ‘in-camera ’ session, and other participants joined the meeting.

## **2. Declarations of Conflict of Interest**

No conflicts of interest were reported for this meeting.

## **3. Minutes of the Previous Meeting**

### **3.1 Adoption of the minutes held on the 14<sup>th</sup> December 2011.**

The minutes from the meeting held on the 14<sup>th</sup> December 2011 had been circulated. The minutes were ADOPTED by the Board as a true and accurate record.

The minutes in full will be published on the Board section of the Hunter New England Health District website.

ACTION BY: Secretariat

## **4. Business Arising from Previous Meetings**

### **4.1 Action Sheet – report on actions taken**

The Board NOTED progress with actions agreed to be taken at previous meetings.

## **5. Chief Executive's Report**

The Chief Executive report had been circulated to members in the business papers. The Board NOTED the report that summarised key current issues for the District.

### **1. NSW Health Reform update**

As at the 31<sup>st</sup> December 2011 the Health Reform Transition Office Northern (Cluster) has closed. The remaining Organisational Capability and Learning staff (20 FTE) have returned to the District. We are awaiting further advice regarding the development of Health Education Training Institute (HETI).

Pathology staff remain with Pathology North awaiting the development of the new entity to be known as Pathology NSW which will take on State-wide management of pathology and forensic services. Ms Tracey McCosker has been appointed as Project Manager implementing the governance review into a State-wide approach to public pathology services and will lead the development of the business plan for implementation.

Dr Rohan Hammett has accepted appointment as Deputy Director General Strategy Resources, to commence on the 20<sup>th</sup> February 2012.

Applicants for the positions of Deputy Director General System Purchasing and Performance and the Chief Executive of HETI have been interviewed.

### **2. Issues arising from the January Senior Executive Forum with the Director General** Included information around the NSW Health budget performance, 2012/13 funding arrangements, forensic mental health network, NSW public service commission, Isolated patients travel and accommodation scheme and Home and Community Care funding.

### **3. North West NSW Floods**

The Chief Executive acknowledged the great effort of staff from Moree, Wee Waa and Narrabri in maintaining services during recent record floods, even though some of their own homes were affected.

It was AGREED that a letter be sent from the Board to the Mehi Cluster General Manager acknowledging and thanking them for their great effort in keeping services going under great difficulty.

ACTION BY: Secretariat and Chair

#### **4. NSW Government Delegation – Public Private Partnership (PPP) Market Sounding**

The NSW Government is investigating a number of innovative procurement options for the development of new capital infrastructure. NSW Health has established a Market Sounding Activity Steering Committee chaired by Health Infrastructure and members comprising of Treasury and Local Health District Chief Executives. On the 31<sup>st</sup> January The Chief Executive travelled to Western Australia with the committee and the NSW Health Minister to explore public private partnership experience in Western Australia. The intention is to include PPP procurement options in the development of new hospital projects such as the new Hunter Hospital and the new Northern Beaches Hospital. The next steps will be the development of market sounding activity with a range of private sector organisations including banks, builders, operators and facility managers.

The Board REQUESTED that they receive reports on options and the opportunity to have input and make comment on future processes. The Chief Executive to take the Board's request to the next Market Sounding Committee Meeting and report back to the Board.

ACTION BY: Chief Executive

## **6. District Business**

### **6.1 Lower Mid North Coast Clinical Service Planning**

A brief was received from Mr Todd McEwan outlining details from the meeting held with Mayors and General Managers of the 3 local government areas of the Lower Mid North Coast. It has been agreed that an internally led clinical services plan for the Lower Mid North Coast would be the preferred option for future clinical service planning for the Manning Rural Referral Hospital. The internal planning process would be prioritised and commenced in the second half of 2012. An internal planner will be working on the plan and may take up to 18 months to complete.

The brief had the following recommendations:

1. That the Board are made aware of the meeting with the Lower Mid North Coast Councils and local members.
2. That the Board support the development of an internally led clinical services plan for the Lower Mid North Coast.

The Board ADOPTED the recommendations, and requested a schedule with costing of development of the plan. It was AGREED that the Board should be provided with a schedule of work and costs.

ACTION BY: Chief Executive

There was further discussion relating to the basis for priority setting for capital works planning across the District. It was recognised that clinicians as well as management should be involved in evaluating need. The Chief Executive advised that a Capital Work plan was submitted by the Area Health Service to NSW Health Infrastructure, but that it would be timely to revisit that plan.

ACTION BY: Chief Executive

It was AGREED that a paper will be provided to the Board on the Capital Works Program that proposes, for Board consideration, an objective basis for setting priorities for capital works. It was recognised that funding and political issues will overlay any such plan, but that the Board needs to be able to refer to a plan that has a firm objective basis.

It was AGREED that a paper on the District capital works program be provided to the Board, including the current capital works program.

ACTION BY: Chief Executive

## **6.2 John Hunter Hospital Ophthalmology**

A brief was received from Mr Todd McEwan recommending that the Board NOTES that accreditation of the ophthalmology training position by the Royal Australian and New Zealand College of Ophthalmologists has been withdrawn as a result of the District being unable to meet the Ophthalmologists' requirements and them withdrawing services from clinics. It was further noted that patients are still able to access other services provided.

## **6.3 Medical Outreach Assistance Program, Indigenous Chronic Disease (MSOAP – ICD)**

A brief was received from Mr Scott McLachlan recommending that the Board notes progress on implementation of the Medical Outreach services.

Hunter New England Local Health District has been successful in gaining \$889,903 through the Department of Health and Ageing (DoHA) Medical Outreach Assistance Program, Indigenous Chronic Disease (MSOAP-ICD) program to establish multidisciplinary specialist services in Moree, Toomelah/Boggabilla, Narrabri, Inverell, Werris Creek, Quirindi/Walhallow and Muswellbrook.

The recommendation was ENDORSED by the Board. The Board notes with satisfaction the implementation and progress made so far.

## **6.4 Barraba GP VMO**

A brief was received from Mr Scott McLachlan advising that the sole GP VMO at Barraba MPS has rapidly increased workload in the Emergency Department placing pressure on the service and incurring significant additional cost which needs addressing.

## **6.5 Draft Policy for Consultation – Managing Excess Staff of the NSW Health Service**

A Brief WAS received from Ms Glenda Dingwall recommending that the Board note the new policy relating to excess staff. The Ministry of Health is proposing to introduce a new policy for managing excess staff in the NSW Health Service which is aligned to the policy covering staff of the NSW Government Service.

The new policy is significantly different from the current policy. The draft policy was provided to health unions in the week commencing 16 January 2012 and a series of meetings has been scheduled with the unions in February. It is proposed that the new policy will operate from 30 April 2012.

The Board NOTED the report.

#### **6.6 Increased Volume of Media Requests and Issues**

A brief was provided by Ms Carina Bates recommending that the Board note current communication processes and provide advice as to whether these are adequate given the uncertainty of media interest and resources available.

The Board AGREED with the following:

1. The Chief Executive to send the daily email to the Board Chair.
2. The Board to be added to the circulation list to receive the weekly Chief Executive 'The Latest' email.
3. Daily media summaries to be emailed from the Communication Unit to the Board.
4. The Board to continue receiving the monthly Health Matters magazine.

The Board NOTED the current communication process and felt that issues should be dealt with at a local level by general managers. The Board ADVISED the Chief Executive to review this process.

ACTION BY: Chief Executive

#### **6.7 Commissioning of a Forensic Pathology Lookback at the Newcastle Department of Forensic Medicine**

A brief was received from Mr Todd McEwan indicating issues within the Newcastle Department of Forensic Medicine.

The Board NOTED the content of the brief.

#### **6.8 Medical Oncology Review**

A brief was received from Mr Todd McEwan recommending that the Board note the Medical Oncology Review recommendations and endorse the implementation of immediate priority enhancements to medical oncology services.

The Chief Executive reported that the Calvary Mater Newcastle will be contributing a medical oncologist which will bring the waiting list back to 2 weeks for treatment rather than 6 weeks.

The Board NOTED the recommendations.

#### **6.9 Annual General Meeting for HNE Board**

A Brief was received from Mr Richard Asher recommending the following:

1. That the Board proceed to holding the Annual General Meeting on the day prior to the regular Board meeting in March.
2. It is proposed that 21 days' notice be given for the holding of this meeting.
3. As well as advertising in the local press a suitable list of attendees should be drawn up.

Under the Health Services Regulation 2008 it is necessary for a Board Control Entity to hold an Annual General Meeting (AGM). Unfortunately the District was unable to arrange an AGM during the calendar year 2011. We have advised the Ministry of Health and have requested an extension period for the 2011 AGM to be held early 2012.

It is proposed to hold this meeting around the Board meeting scheduled for the 28 March 2012 at Armidale Rural Referral Hospital. This is considered to be a convenient time as Board Members and Executive Leadership Team members will be present.

The Board AGREED to hold the AGM on the afternoon of the 27<sup>th</sup> March in Armidale and hold the meeting with the Local Health Committee on the same afternoon before the AGM.

#### **6.10 Community Partnership Forum**

A brief was received from Ms Carina Bates. As reported at the December 2011 Board Meeting, a Community Partnerships Forum had been held late last year providing an opportunity to reconnect with members of local health advisory committees (LHACs) from across the HNE Health district. The District needs to organise a follow-up meeting with the LHAC representatives to further cement relationships with members and define future directions.

The Board Chair advised that she was disappointed with the progress of the work which was agreed to at the Partnership Forum. Specifically, a revised Terms of Reference was to have been prepared for the Board, and thence circulation to local health committees prior to the next Partnerships Forum.

It was AGREED that a letter to be sent to Chairs of Local Health committees from the Board Chair indicating progress and advising them of the delay. The evaluation from the last forum to be sent with this letter.

ACTION BY: Carina Bates, Chair

It was AGREED that the Board Chair and Dr Helen Belcher will draft terms of reference with a circulating resolution to be sent to the Board before circulating to Local Health Committees for their consideration prior to the next Partnerships Forum.

ACTION BY: Chair and Dr Helen Belcher

It was AGREED that the Local Health Committees should be advised of the date of the next forum which will now be held in April.

ACTION BY: Carina Bates

#### **6.11 HNE Activity Based Funding (ABF) Readiness review for NSW Ministry of Health**

A brief was received from Mr Grantly Hunt recommending that the Board note the KPMG assessment of ABF readiness with monitoring ABF progress through the Finance and Performance Committee.

The recommendation was ENDORSED by the Board.

## **7. Finance**

A brief was provided to the Board by Mr Mark Jeffrey which summarised the financial performance for the month ending 31<sup>st</sup> January 2012. Hunter New England Health improved its performance to budget in January with a favourable \$900,000 variance to budget. However, year to date the District remains \$5.8 million unfavourable to budget. The primary driver for the year to date over expenditure is an increase in FTE numbers and cost while being 4.3% ahead of our weighted separation targets. While revenue is behind budget expectations particularly DVA and private room accommodation.

The Executive Leadership Team met on the 27<sup>th</sup> January 2012 to agree on District and individual directorate actions to achieve budget in 2011/12. Action plans are being developed to ensure these targets are met. High level weekly reporting on achievement is being undertaken.

- Focus on FTE management and monitoring
- Review of planned activity to offset increases in unplanned activity
- Revenue opportunities

The LHD's financial position in terms of cash is still reasonable.

HSS backlog of creditors has been reduced, although it is too early to gauge if this recovery will be sustained.

Response from HSS was received regarding increase in charges of \$9.2m. This letter rejected the basis of claim. Next step will be to ask HSS to detail basis of current charges and then do comparison with HSS line by line.

Performance is currently being monitored on a weekly basis and the Executive are expected to present a progress report to Mark Jeffrey each week. Planning is currently in progress for the next 12 months.

The report and position was NOTED by the Board.

## **8. Performance Report**

The Performance Report from December 2011 had been circulated to the Board. The Chief executive provided further information that was NOTED by the board.

## **9. Committee Reports**

1. Audit and Risk Management Committee – The draft minutes from the 13<sup>th</sup> December 2011 were circulated to the Board.

The Board NOTED the minutes and SUPPORTED the planned actions.

2. Medical and Dental Appointments Advisory Committee – Professor Trevor Waring tabled a report on the meeting which was held on the 24<sup>th</sup> January 2012 to members for their information.

The Board NOTED the report and SUPPORTED the planned actions.

## **10. Correspondence**

Board members had been circulated the correspondence for the period December to February with the business papers.

The correspondence was NOTED by the Board.

It was AGREED that invites from staff within the organisation for Board members should be approved by the Chief Executive in the first instance to determine the appropriateness of their attendance.

## **11. General Business**

### **11.1 Chief Executive**

There were no further issues to report that had not been addressed earlier in the meeting.

### **11.2 Medical Staff Executive Council.**

There were no further issues to report that had not been addressed earlier in the meeting.

### **11.3 Chair**

There were no further issues to report that had not been addressed earlier in the meeting.

### **11.4 Members**

Dr Ian Kamerman reported that the Hunter Urban Medical Local presented to the GPAC meeting held yesterday. It was noted that progress with Medical Locals is going well. There was also a discussion at the meeting around Lead Clinician Groups with commentary from the Ministry around what a lead clinicians group is made up of.

The report was NOTED by the Board.

## **12. Presentations**

### **1. Patient Flow Portal**

The Board was joined by Mr Andrew Sargeant who gave the Board a demonstration of the patient flow portal.

### **2. Presentation on the Tamworth Redevelopment**

The Board was joined by project managers from Aurecon and representatives from Health Infrastructure who made a presentation on the Stage 2 Tamworth Hospital Redevelopment. The Board had the opportunity to view the concept plans for the redevelopment.

### **3. Work Health and Safety Act**

The Board was joined by Megan D'Amico and Trish Robertson who made a presentation on the new Work Health and Safety Act.

The Board NOTED the obligations that members have as 'officers' under the Work Health and Safety Act.

The Board REQUESTED a report of the District's Work Health and Safety policy and procedures.

The Board AGREED that Work Health and Safety performance will be an agenda item on all Board meeting agendas, and that the Audit and Risk Committee be the Subcommittee that will receive reports and recommend action.

ACTION BY: Chief Executive

**13. Next Meeting**

The next Board meeting is scheduled for the 28<sup>th</sup> March 2012 and will be held in Armidale.

**14. Meeting Evaluation**

Members were requested to complete a meeting feedback on the SurveyMonkey link to be circulated by the Chair after the meeting.

ACTION BY: All members and meeting participants

The meeting closed at 3.15pm