

TRIM: 15/40814

SUMMARY OF MINUTES

Meeting of the Board of the Western Sydney Local Health District

No. 2013/34

Date: Tuesday, 11 February 2014

Venue: WSLHD Board Room, Institute Road, Westmead

Minutes

Present: Stephen Leeder (Chair), Kathy Baker, Abby Bloom, Jeremy Chapman, Hadia Mukhtar, Di O'Halloran, Paul Gibson, Jane Spring, Dea Thiele, Peter Zelas (Deputy Chair).

Ex officio: Shaun Drummond, Peter Klineberg, Carrie Marr, Danny O'Connor,

Secretariat: Michelle Wensley

Item 1 Welcome and Leave of Absence

Acknowledgement to Country.

Leave of Absence: Andrew Pesce.

Item 2 Declarations of Changes in Material Circumstances

Discussion: The Chair asked members to disclose any changes in material circumstances.

Action and decision: Members to note the declarations.

Item 3 Presentation – McKinsey – Integrated Care Proposal – WentWest

Discussion: The Board Chair welcomed Dr Tim Fountaine (McKinsey) and Walter Kmet (WentWest) to the meeting.

A proposal for integrated care in Western Sydney was presented that included the case for change, a blue-print for integrated care including assessment of the population needs and enablers, the implementation approach and the proposed governance model. Potential funding sources include NSW MoH integrated care funding and private health insurers. The three main parts of the proposal are to improve people's experience of care, improve health of the population and to improve cost effectiveness.

Members discussed the challenges including clinician engagement, IT, funding and ensuring strong partnership models to reduce duplicated effort in this area. Mr Kmet commended the Board on their interest and willingness to be involved.

Action and decision: Members noted the presentation.

Item 4 Business Arising

4.1 Correspondence

Discussion: The Chair confirmed members had read correspondence received or distributed 3 December 2013 to 4 February 2014.

Action and decision: Members noted the correspondence.

Item 5 Minutes of Previous Meeting

Item 5.1 Acceptance of Minutes

Discussion: D O'Halloran requested an amendment to Agenda Item 5.1 – Council of Board Chair's meetings (p.2) from:

D O'Halloran suggested inviting the Chief Executive of the Medicare Local at a future meeting with LHD Chairs

to

D O'Halloran noted as the Minister meets with LHD Chairs on a regular basis, and given the emphasis on LHD-ML collaboration, it would seem appropriate that ML Chairs were invited to join that meeting (or a joint meeting convened immediately following the LHD Chairs meeting) on at least two occasions per year.

The Chair moved that the minutes of the meeting held 10 December 2013 be endorsed as a true and accurate record of the meeting following insertion of the above amendment.

Action and decision: Motion carried.

Item 5.1.1 Register of Actions from the Meeting

Discussion: The Chair requested updates from members on the progress of actions listed in the *Register Of Actions* from the 10 December 2013 meeting.

Actions and decisions: Members noted the progress of actions.

Item 6 Standing Agenda Items – Reports

6.1 Chair's report

Discussion:

- *Invited speaker for next Board meeting, Mr Ken Whelan, Deputy Director General, System Purchasing and Performance, NSW Ministry of Health.*

Mr Ken Whelan will be in attendance at the next Board meeting on 11 March 2014 and has offered to speak on any matters of interest to the Board. Mr Whelan is responsible for the purchasing framework and developing the Annual Service Level Agreements and Performance Frameworks for Local Health Districts. Members proposed questions for Mr Whelan may include:

1. How does Mr Whelan see the system purchasing framework working into the into the future
2. Is there a trial period for the ABF environment beyond the current time where the MoH will make an adjustment according to evidence where activity changes, and whether there will be more flexibility?
3. Questions on mental health as this are also under Mr Whelan's portfolio responsibilities.

Action and decision: Members to discuss any further questions with Danny O'Connor and / or Shaun Drummond prior to the 11 March 2014 Board meeting.

- *2014 District Performance*
The Chair confirmed the district remains on a Level 2. Further details provided under the Chief Executive report at agenda item 6.2.
- *Strategic Plan*
The *Strategic Plan* was released on 13 December 2013 to staff and key partners over January 2014. Shaun Drummond, Executive Director, Operations is the Executive lead for reporting implementation of the Plan and is working with the Executive to finalise timelines for report progress and/ or risks to the Board.
- *Board Workplan*
The draft Board workplan was tabled and remains under development in consultation with the WSLHD Executive, and the Chairs and Secretariats of the Board sub committees. The workplan will include review of progress against the principal components or mandatory reporting under the strategic plan, in addition to key calendar events, including the annual Public Meeting confirmed for 14 October 2014 at Westmead.
- *2014 Statutory Governed Board Training Program*
The options for the 2014 Board training program will be forwarded to members as soon as confirmed by the Ministry for review and advice. The Chief Executive has also invited members of the Executive to participate in the training program.

Action and decision: Members to review 2014 Board training program for further advice to the Board.

- *Major capital works*
The summary of major capital development projects for Westmead and Blacktown Mt Druitt was discussed by members. Members noted the new *WSLHD Planning and Development Committee providing* governance for capital works and planning. The Committee will report progress and risks to major capital work to the Finance, Performance and Asset Board sub-committee for advice to the Board.
- *Westmead Precinct:* D O'Connor advised there had been intense activity in the district following the Minister's announcement of \$1M funding to plan for the Westmead "precinct" with the first stage to be completed by April 2014. The district has been working in collaboration with Health Infrastructure and strategic stakeholders to develop the Masterplan with operational governance for the project under Masterplanning Executive Working Group (MEWG). Members requested a summary of progress be forwarded out of session, in addition to a more detailed report for discussion at the 11 March Board meeting.

Action and decisions:

- Additional summary of progress of the Westmead Precinct to be forwarded out of session,
- A more detailed report to be discussed at the 11 March Board meeting.

Tabled for Information: Minister's Speech to the Senior Executive Forum – 31 January 2014.

Action and decision: The Chair's report was noted.

Item 6.2 Chief Executive Report

Discussion: D O'Connor tabled the report and raised two matters for discussion.

- *14/15 Service Level Agreement/Increased Activity*

D O'Connor advised the WSLHD and the MoH continue to negotiate the Agreement, noting this year's activity target is problematical for WSLHD due to the budget allocation which is unable to be adjusted. Additionally, there has been extraordinary demand in acute clinical activity with no additional budget agreed to by the Ministry. Activity and growth for the period ended 31 December 2013 for Westmead was greater than July 2013 despite the Christmas / New Year close downs. This was due to an

unprecedented 20% increase in unplanned surgical activity, adversely impacting on financial performance.

Members noted the risk to clinical services going forward, and confirmed the possibility of an extraordinary Board meeting if the financial situation continued to deteriorate or if there was an unreasonable offer from the Ministry moving forward.

The WSLHD 1st Round of Negotiations for Activity Targets meeting with the Ministry is scheduled for 21 March 2014. A paper on the progress of negotiations will be provided to the Board in April 2014.

Actions and decision:

- Members noted the requirement for an extraordinary Board meeting to discuss financial performance if required
 - A paper on the progress of negotiations be provided to the Board at the April Board Meeting.
- *WSLHD District Orthopaedic Review.*

D O'Connor advised members the single applicant for the HOD for Orthopaedics was not appointed following the interview on 31 January 2014. S Drummond noted a review is undertaken of all unsuccessful applications on a case by case basis, and in this instance a second interview has been offered. A second panel will include an orthopaedic peer from another LHD, and an expert in procedural fairness. Members supported this approach and asked to remain informed of progress.

Action and decision: Members unanimously supported the actions by the Chief Executive.

Action and decision: The Chief Executive's report was noted.

Item 6.2A Financial Performance

Action and decision: Discussed under the Chief Executive Report and noted.

Item 6.2B WH&S/OHS

D O'Connor referred members to the new Ministry of Health *Guidelines for Boards: WHS and Due Diligence* reporting template that explain the general duties of due diligence as they apply to NSW Health Board members, and designed to enable the Board to demonstrate compliance with their obligations under the *Work Health and Safety Act 2011*. The requirement to only report extreme risks is new, thereby removing the report of high risks to the Board. Members were invited to review the WH&S report populated with WHS data and to provide feedback to D O'Connor prior to the next Board meeting on 11 March 2014.

Action and decision: Members to review the WH&S template and provide feedback to D O'Connor.

Item 6.2C Review of the WSLHD By Laws

S Drummond referred members to the *NSW Health Model By Laws 2013 Review consultation paper* distributed by Ms Karen Crawshaw, Deputy Director General who has advised the Model By-Laws will be reviewed following the health reforms in 2011. The current district by laws are the former Sydney West Area Health Service By-Laws created on 1 January 2005 and updated on 6 July 2010. Each District may adopt and amend the Model By-Laws however there is a requirement for consistency with the *Health Services Act 1997*. A response to the Issues Paper to the Ministry has been requested by 31 March 2014.

A district consultation process is underway to seek input into the Model By Laws, and in addition the model By-Laws are being compared with the current SWAHS By-Laws to determine whether WSLHD makes any changes to reflect local circumstances. Members were invited to review the By Laws for

feedback to S Drummond to inform the response back to the Ministry.

Action and decision: Members invited to review the Model By Laws.

Item 6.2D Medicare Local Review – NSW Health submission

D O'Halloran provided members with an overview of the joint submission to Professor John Horvath who is overseeing the current Medicare Local (ML) Review. A meeting also occurred with the WSLHD Board Chair and Chair, WS ML. At a State level, the most positive responses were submitted by NSW and Queensland where the partnerships are the most mature.

Members noted the strong support for progression of the LHD-ML partnerships and the opportunity for further collaboration notably with new approaches to integrated care services.

Action and decision: Members noted the report.

Item 6.3 Quality and Safety (Board on Boards)

C Marr confirmed ongoing discussions were underway to define the governance role of the Board for quality and safety. The HCQC Workshop on 14 March 2014 is well represented by the Board and will further refine this work. The Board will be advised of the outcomes of the workshop at a future meeting. A discussion paper on "Boards on Board for Quality Improvement" was included with papers for the information of members.

Action and decision: Members noted the Report and attached discussion paper.

Item 6.4 Reports- WSLHD Board Sub committees/ Other Reports

MDAAC: J Spring acknowledged the significant contribution of Michael Datyner to MDAAC proceedings, who is rotating off the committee.

Aboriginal Health: D Thiele advised members that following agreement from key partners, the final draft of the partnership agreement will be tabled for discussion at the Aboriginal Health Services Board sub committee meeting on 25 March prior to submitting to the Board at the April meeting.

Action and decision: Members noted the reports

There being no further business, the meeting closed at 7.30pm.

Signed:  (Stephen Leeder, Chair)