
MINUTES

BOARD MEETING

Date: 3.00pm-6.00pm, Monday 5 December 2016

Venue: Conference Rooms, Wollongong Hospital

ITEM 1: **NIL:** *There was no presentation.*

ITEM 2: MEETING OPENING

Attendance of members

Clinical Professor Denis King OAM (Chair), Ms Jill Boehm OAM, Associate Professor Stephen Andersen OAM, Mr Roger Downs, Professor Kathy Eagar, Mr Paul Knight, Ms Marisa Mastroianni, Associate Professor Rod McMahon, Mr Geoff O'Donnell, Clinical Professor Jan Potter, Dr William Pratt, Ms Carrie Schulman.

In Attendance

Ms Margot Mains, Chief Executive; Ms Jasmina Jonceski, Board Secretary.

Apologies

Professor Gerard Sutton AO.

ITEM 3: DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST

Professor Eagar declared a conflict of interest as Director Australian Health Services Research Institute (AHSRI), University of Wollongong, and Dr Stephen Andersen as University of Wollongong Council Member to Agenda Item 10.2 on the Illawarra Health and Medical Research Institute and Agenda Item 12.2 on the Illawarra Health Information Platform. It was agreed that as Agenda Item 10.2 was mutually beneficial to both organisations, and 12.2 was for information only, there was no need for Professor Eagar or Dr Andersen to not be present for discussion.

ITEM 4: BUSINESS FROM THE LAST MEETING

4.1 Confirmation of Minutes of meeting held 7 November 2016

The minutes were accepted as a true and accurate record.

4.2 List of Action Items

The Board noted progress/completion of actions.

4.3 Register of Board Resolutions

Members received the Board resolutions of the previous 12 months, and the progress to date.

4.4 Action 34: Private Health Insurance

The Board received the information provided.

In response to a question from the Board, the Chief Executive advised that private insurance revenue has increased following education and training of staff, including administrative and medical staff to ensure they are offering services through private health insurance effectively. The Chief Executive advised that the District continues to meet with the Ministry of Health concerning the support provided to increase the target and the District's ability to meet the target and how ISLHD compares to other local health districts (LHDs).

The Chair advised that at the Council of Board Chairs meeting earlier that day, there had been discussion on whether pursuing private health insurance use is the best use of staff time given other competing priorities within LHDs, notwithstanding the need to optimise staff time and revenue. He advised that discussions are ongoing with the Ministry of Health.

The Board noted the forecast increase in private insurance revenue of \$1 million for the year, and that this leaves a significant variance against the Ministry of Health target, despite assistance from

the Ministry of Health subject matter expert who has predicted that it will be a few years until the target can be met. The Board agreed that the Chair write to the Ministry of Health:

- Concerning the Budget target and funding gap referred to in previous correspondence
- Concerning the District's inability to meet the unreasonable target
- Advising that the District continues to face budget pressures and that in order to ensure quality and safety clinical outcomes, the District has two choices: meet its budget and decrease service levels or exceed its budget.

ACTION ITEM: Write to the Ministry of Health concerning budget pressure and concerns, with a copy to the Minister for Health.

The Board noted the lack of information available on private insurance policy coverage taken by the local community, including the levels of insurance cover, such as individual with full cover or minimal cover for tax purposes. The Board also noted that there may be flow on effects for private insurance coverage within the community through changes to private health insurance legislation at a federal-level.

ITEM 5: BOARD CHAIR REPORT

The Board received the information provided.

The Board Chair noted the advice from the Ministry for Health, circulated out of session, concerning the Board appointments. He said he was sorry to be losing two Board members, Professor Potter and Professor McMahon, acknowledged and thanked them for their contributions as Board members over the years.

The Board noted that the change would result in two medical clinicians leaving the Board, creating a gap for medical input into decision-making. The Board noted that this was governance issue for the Board it needs to consider how to involve greater clinical input into decision-making and succession planning. The Board noted that a skills audit and a skills matrix should be developed to feed into the next board member renewal process.

ACTION ITEM: Develop options for the development of a board skills matrix.

ITEM 6: BOARD COMMITTEE REPORTS

6.1 Finance and Performance Committee

The Board received the draft minutes from the last Finance and Performance Committee meeting.

The Committee Chair advised the Board of the following key points from its last meeting:

- Work health and safety performance is starting to trend in the right direction
- The committee asked for a quarterly update on development of a maintenance plan for the District
- Greater transparency, including detail on assumptions included in forecasts, is needed in the District's monthly financial statements; the Committee discussed financial forecast and reporting to not include forecast savings to ensure accurate representation of District's real financial position.
- Noted presentation from the Information Management Unit on the use of data to improve performance, such as the emergency department performance.

6.2 Health Care Quality Committee

The Board received the draft minutes from the last Health Care Quality Committee meeting.

The Committee Chair advised that over the past few months the information being received by the Committee has improved providing a greater assurance that quality and safety outcomes are appropriately being actioned. She advised the Board that at its last meeting, the

Committee received presentation from the Drug and Alcohol Service Director on its quality and safety plan and information was provided on the District's accreditation review which identified areas of action needed.

6.3 Planning Committee

The Board received the draft minutes from the last Planning Committee meeting.

The Committee Chair advised that the Committee met earlier in the day and that business discussed included updates on a number of projects in development or underway, such as the Shoalhaven Hospital and Integrated Care Strategies, which both remain in development. The Committee Chair noted that it was Professor Potter's last meeting and acknowledged her role on the Committee and her significant contribution through her working knowledge of the District.

6.4 Aboriginal Health Committee

Mr Knight provided an update on the last Committee meeting, as the Committee Chair was an apology. He advised the Board that the Committee:

- Received updates on the development of the District's strategy and action plan
- Advised management of the need for strong indicators and reporting against indicators and accountabilities to ensure action is occurring, rather than reporting against motherhood statements
- Need for accountability across the District for the health outcomes of Aboriginal patients and in the community; and that accountability must not lie just with Aboriginal health workers
- Noted that the new Executive Director was positive above the direction given at the meeting.

6.5 Audit and Risk Management Committee

The Board received the draft minutes from the last Audit and Risk Management Committee meeting.

Ms Mastroianni provided the Board with an update on the last Audit and Risk Management Committee, noting that:

- A number of presentations were received, including from the new Executive Director Medical Services on clinical governance; the Director Corporate Strategy / Chief Information Officer on the Information Community and Technology (ICT) strategy and the implementation of the Health Roster system.
- The Committee noted high risk for the implementation of the Health Roster system and that it was executed exceptionally well
- The District has an efficient Internal Auditor and Internal Audit Unit; however, the number of outstanding audit action items remains high, with high category actions to be focused on and prioritised to ensure strategic implementation and to focus on quick wins
- The Committee held an in camera discussion on the Board Chair's correspondence.

The Board discussed the need to embed risk management into the Board's annual calendar and noted that the Board calendar currently has a session on risk management scheduled for April/May which would enable further and development of the Board's risk appetite through the Audit and Risk Management Committee.

The Chief Executive advised that in response to the number of outstanding actions, that the Core Executive would meet with the Director Internal Audit to re-prioritise recommendations alongside other District priorities. The Board noted that one option may be for management to provide greater analysis of the implementation requirements before agreeing to implement a recommendation.

ITEM 7: WORK HEALTH AND SAFETY

7.1 Safety Share

The Board received the information provided.

7.2 Work Health and Safety Report

The Board received the information provided.

The Board discussed the need for a refresher program on work health and safety responsibilities of the Board and noted that the Workforce Unit is developing a training program to be rolled out across the District that would also include the role and responsibilities of the Board.

The Board noted its due diligence requirements as defined in legislation and in the guidelines issued by the Ministry of Health for Board members earlier in the year. The Board requested that the guidelines be recirculated to Board members.

ACTION ITEM: Circulate Guidelines for Boards: WHS and Due Diligence.

The Board noted the two recent notifiable incidents reported in the Chief Executive Report to the Board and received the update from the Chief Executive that one of the incidents was static incidents and not electrical and that the second included a fault in the cord despite the electrical item being tagged and that further work was being undertaken to understand if it was damaged after being tagged or was tagged while damaged.

The Board discussed the adequacy of reporting received by the Board on work health and safety incidents. The Board agreed that there needs to be improved reporting to ensure that the Board is appropriately advised of the appropriate follow up of serious incidents; reporting should include outcomes and actions arising from investigations; and that the Board should receive regular reports until all actions are completed. The Board noted that part of its role in ensuring due diligence is to be able to demonstrate that it is appropriately monitoring, asking questions and seeking action. For example, if there was an electrocution in future; the Board should be able to demonstrate that the information was received, the Board asked appropriate questions, and further action taken and assurances provided as appropriate. The Board asked for an appropriate reporting mechanism and template be developed, including identification of incidents for escalation and reporting to the Board.

ACTION ITEM: Develop appropriate reporting mechanism and template to ensure appropriate escalation and reporting for serious work health and safety incidents, including details of their investigation and implementation of actions.

The Chair of the Finance and Performance Committee advised that the Committee would commence site observation audits from next year, which would increase the visibility of the Board and its role in work health and safety.

ITEM 8: QUALITY AND SAFETY

8.1 Patient Safety, Quality and Risk Report

The Board received the information provided.

ITEM 9: STRATEGIC MATTERS

There were no matters for consideration.

ITEM 10: MATTERS FOR APPROVAL

10.1 Board Handbook

The Board received the information provided and approved the revisions to the Board Handbook, Version 2.

The Board Chair advised that in relation to the legislative changes to employer functions for the Chief Executive transferred to the Board, further advice would be provided by the Ministry of Health's Director of Legal Services on the legal requirements.

The Board Chair advised the Board of discussion at the Council of Board Chairs meeting on the model by laws with new models to be expected in the New Year.

RESOLUTION (2016/26): The Board approved the revisions to the Board Handbook, Version 2.

10.2 IHMRI Strategic Communication Marketing and Fundraising

The Board received the information provided.

The Board received the draft document presented, the IHMRI Strategic Communications, Marketing and Fundraising Principles, and discussed:

- The role of IHMRI in relation to the University of Wollongong and the District, particularly noting the initial intent that the University and District had for IHMRI when it was established as a health and medical research institute
- The principle in the draft document at 3.2b as “the primary vehicle ... for both parties” and whether both the District and the University agree that IHMRI is the primary vehicle for their respective organisations, noting anecdotal concerns that researchers are actively discouraged from undertaking research through IHRMI; or whether IHRMI is just one vehicle (of many) to support and promote research for both parties
- Whether the District approves all staff to work under the direction of IHMRI or whether staff should have a choice under which research body their work should be developed
- Whether the principles would exclude the District from pursuing other research partnerships and appropriate guidance for staff and researchers when to use which vehicle to undertake research
- The benefits of co-locating IHRMI within the District to promote and encourage use from clinicians.

The Board asked that further work be undertaken to consider the issues discussed. The Chief Executive advised that she would undertake further work, including internal consultation and consideration of how research institutes are linked into local health districts and universities elsewhere in the state.

ACTION ITEM: Undertake further to consider the role and relationship of IHRMI for the District.

ITEM 11: CHIEF EXECUTIVE REPORT

The Board received the information provided.

The Chief Executive advised the Board there has been an improved result on Emergency Treatment Performance (ETP) for October with work on the Access and Flow ongoing. She advised the Board that at the recent Performance meeting with the Ministry of Health (MoH), the District was advised that ISLHD would be maintained at Category 0, with MoH of the view that District is taking action and keeping them adequately briefed on progress to improve performance. The Chair noted that the Secretary noted the work of ISLHD particularly in quality and safety at the Council of Board Chairs Meeting.

The Board discussed:

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- The need for the upcoming strategic planning work to consider strategic arrangements for research and where the District should focus its research collaborations.
 - The current financial position of the \$4.8m deficit includes no mitigation strategies in place and that increased activity is adding budget pressure.

The Board Chair asked that letters be drafted for the staff acknowledged in the Achievements section in the Chief Executive Report.

ACTION ITEM: Send acknowledgement letters to staff highlighted in the Chief Executive's Report.

ITEM 12: GENERAL BUSINESS

12.1 Board Evaluation Survey

The Board received the information provided.

12.2 IHIP Update

The Board received the information provided.

12.3 Board Calendar

The Board received the information provided.

The Board noted the change in meeting times for 2017 and agreed that meetings would start from 2pm to 6pm and include all presentation during that time period.

In response to a question from the Board, it was agreed that the disinvestment strategy would be added to the Board Calendar for consideration when it is due for completion.

ACTION ITEM: Add disinvestment strategy to the Board Calendar.

ITEM 13: BUSINESS WITHOUT NOTICE

There was no business without notice.

ITEM 14: NEXT MEETING

Details for the next meeting of the Board are:

Monday 6 February 2017

3.30pm-6.00pm

Board members are referred to the Confidential Minutes for minutes relating to the Confidential Agenda.

MEETING AT 6.25PM.

CERTIFIED A CORRECT RECORD

Clinical Professor Denis King OAM

6 February 2017