

The Chair paid his respects to Aboriginal Elders, past and present, as the traditional owners of the land, being the Bundjalung Nation and thanked them for their custodianship of the land.

1. MEETING OPENING

1.1 PRESENT AND APOLOGIES:

Dr Brian Pezzutti (Chair), Dr Joe Ogg, Dr John Griffin, Mr Michael Carter, Professor Susan Nancarrow, Dr Allan Tyson and Ms Deb Monaghan.

In Attendance : Mr Wayne Jones, Chief Executive
Mr Peter Clark, Acting Chief Financial Officer
Mr Murray Spriggs (Secretariat)

Apologies: Mr Mark Humphries (L), Dr John Moran (L) Mr Patrick Grier (Leave of Absence), Mr David Frazer and Ms Carolyn Byrne.

1.2 Declaration of Pecuniary and/or Conflicts of Interest

There were no Declarations of Pecuniary and/or Conflicts of Interest made.

2. Matters for Decision

2.1 2017/18 NNSWLHD Budget Presentation

Mr Jones spoke to PowerPoint presentation which was provided with the meeting papers and suggested that Board members note questions for end of the presentation. The presentation covered the following content areas.

- 2016/17 Performance
- Key Budget Influences
- 2016/2017 Budget Progress and Annual Impact
- 2017/2018 Activity Targets and Growth
- Source and Application of Funds
- Strategies
- ABF Modelling
- Undistributed reserves
- Capital allocations
- Devolved accountability
- Risks
- Next Steps.

During and following the presentation general discussion and questions was undertaken including:

Wayne Jones advised work is being undertaken on NAP activities to address the data errors that are driving the significant transition grant for 2017/18.

The Chair questioned the information relating to 2.5% mandated increase relating to employee costs. Mr Jones advised that the 2.5% is funded however this funding does not cover the goods and services related to this increase.

Mr Jones noted that as a result of the Annual Staff Profile Adjustment growth in base has been noted for GBH 3%, TTH 2.7% and LBH 1.7%, this equated to an increase of 8.7 Million.

Dr Pezzutti asked about Targets for Surgery and Mr Jones responded that these have been factored in.

The Chair noted the increase for Dental.

Mr Jones spoke to the proposed change in registering ED Admit patients as of 1 January 2018. He advised that this would mean NNSWLHD would lose \$2.5 million in revenue and that further negotiations are being held with the Ministry to ensure no negative impact for the current financial year. Mr Jones advised of work being undertaken to assess development of EMUs at Ballina and Grafton Hospitals to gain improvements in ETP.

Professor Nancarrow sought clarification of Treasury Managed Fund (TMF) Hindsight. Mr Jones advised that this related to a reduction to insurance premiums due to improved performance in return to work and worker's compensation.

Mr Jones advised that he had met with Mr Frazer who expressed support relating to the devolved responsibility and he had advised that with the additional budget control comes additional responsibility and that Executive will be monitored on performance against targets.

The Chair advised that he did not want a motion approving the Performance Agreement at today's meeting. Mr Jones advised that the Performance Agreement would be added to the Board Meeting on the 26 July 2017.

Dr Tyson made comment in relation to the higher numbers of JMOs in the LHD stating that this was the case for Richmond and Tweed, he believed there were five Ward Doctors in the Clarence and some rotation of staff from Richmond. Mr Jones stated that the issue was not necessarily the volume of FTE but the overtime and the expenditure reduction strategy in this case relates to a net reduction in costs not a pure reduction in FTE. Dr Ogg stated that there is also an impact on Locum costs and Mr Jones advised that strategies to reduce reliance on locum medical services including rotation of Medical Clinicians between Lismore and Grafton are being explored.

The Chair asked about the costs associated with JMO accommodation and was advised that nearly 100% of JMOs for NNSWLHD are exempt from contribution to accommodation costs within the current criteria. The Chair indicated this was an added cost for rural areas.

Mr Jones explained the methodology in determining the base FTE and the application of activity targets by site.

During the discussion concerning challenges in meeting the surgical activity targets, Dr Ogg suggested that consideration needs to be given to supporting Medical Specialists including additional access to outpatient clinics and administrative support.

Ms Monaghan asked about the Clinical Coding workforce and was advised that Pavilion have been retained for an additional period pending bedding down of the additional workforce and work practice changes. Mr Jones emphasised the commitment from the Executive in improving the self-sufficiency of the LHD coding workforce/services.

Ms Byrne queried the cause of nursing overtime and discussion ensued including need for proactive management of casual pool, need for balance of Senior and Junior Nursing Staff and role of Nursing Educators.

Dr Ogg raised the issue of difficulty in recruitment and retaining staff with difference in Awards between NSW and QLD. Mr Jones agreed with this view and explained the differential between Queensland and NSW for both Nursing and Medical Staff Specialist Awards.

Ms Byrne spoke of the importance of a secure and stable workforce and change management in relation to planning and progressing the new Tweed Valley Hospital. Mr Jones agreed and emphasised that working with clinicians in reviewing models of care to ensure readiness for change well in advance of the new hospital is well in train.

Mr Jones explained the differences between LHD and the State Efficient Price and how local improvements in understanding and partnering with clinicians and coding staff have improved our data capture and reporting. Mr Jones emphasised that the work around engagement of clinicians and developing an effective and efficient coding program is ongoing.

The Chair requested that under Own Source Revenue ED and Prosthesis Rates are separated.

The Board also discussed a number of other issues including:

- VMO auditing
- Lack of Psychiatrists
- Private Health Insurance factors
- Leading Better Value Care
- Lack of supervision and support from AMOs
- Clinical Governance and Performance measures for AMOs
- Car parking at Tweed
- Tweed Heads redevelopment
- Need to re look at PRINI

Dr Ogg acknowledged the major achievement in getting the 2017/18 budget agreed to and available at this stage of the year.

Discussion ensued around monitoring and management of the Budget and Mr Jones advised that he and the Chief Financial Officer have established an Activity and Performance Monitoring

MINUTES OF THE MEETING OF THE NORTHERN NEW SOUTH WALES LOCAL HEALTH DISTRICT BOARD HELD ON FRIDAY, 14 JULY 2017, IN THE GROUND FLOOR MEETING ROOM, CRAWFORD HOUSE, HUNTER STREET, LISMORE COMMENCING AT 3.00PM

Program with Executive staff that will lend itself to improved reporting to the Board Finance and Performance Meeting.

Board consideration/approval of 2017/18 NNSWLHD Budget

The Board endorsed the proposed 2017/2018 NNSWLHD Budget.

2.2 2017/18 Service Agreement

This item was deferred to the next Board Meeting on 26 July 2017.

3. Meeting Finalisation

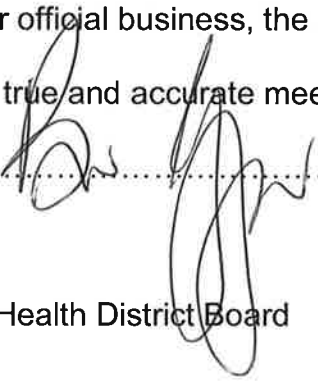
3.1 Meeting Finalisation

3.2 Next Meeting –

26 July 2017 – 9am – 12.30pm WHS Workshop – Ballina Education Centre
26 July 2017 – 1.00pm – 5.00pm Board Meeting – Ballina Education Centre

There being no further official business, the Chair declared the meeting closed at 4.50 pm.

I declare that this is a true and accurate meeting record.

Signed  Date 9/9/17

D Brian Pezzutti
Chair
Northern NSW Local Health District Board