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## Sydney Local Health District

### Seventy Fourth Meeting of the Board

Date: Monday 19 March 2018  
Time: 9.00am – 11.00am  
Venue: SLHD Boardroom  
Chair: Ms Victoria Weekes, Member

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#### 1. Present and apologies

Ms Victoria Weekes, Member  
Dr Thomas Karplus, Member  
Ms Frances O'Brien, Member  
Ms Joanna Khoo, Member  
Ms Ronwyn North, Member  
Dr Mary Haines, Member  
Mr David McLean, Member  
Dr Teresa Anderson, Chief Executive

#### Apologies

The Hon. Ron Phillips, Chair AO  
Professor Paul Torzillo AM, Member  
Ms Susan Anderson, Member  
Dr Barry Catchlove, AM, Member  
A/Professor Christine Giles, Member

#### In attendance

Dr Katherine Moore, Director, Clinical Governance and Risk, SLHD (9.00am – 10.55am)  
Ms Nerida Bransby, Secretariat  
Dr James Edwards, Senior Staff Specialist, Emergency Department, RPAH, Chair of the NSW Prevocational Training Council, Health Education and Training Institute and Clinical Director, Demand Management, SLHD (9.00am – 9.35am)  
Dr Leena Gupta, Clinical Director, Public Health, SLHD (9.00am – 9.35am)  
Dr Tim Sinclair, General Manager, CRGH (9.00am – 9.35am)  
Dr Genevieve Wallace, General Manager, Canterbury Hospital (9.00am – 9.35am)  
Mr Jon Gowdy Director Capital Assets, Property & Engineering SLHD (9.00am – 9.35am)  
Mr Nobby Alcalá, Acting General Manager, RPAH (9.30am – 9.35am)

#### 2. Welcome and introductions

The Chair welcomed members and guests to the seventy fourth meeting of the Sydney Local Health District (SLHD) Board.

## Presentation:

### ***SLHD Winter Strategies for 2018:***

The Chief Executive introduced the staff from the Demand Management Unit and the General Managers and advised the Board that planning for winter 2018 commenced in winter 2017 including.

- Overview including winter planning, staff vaccination rates, community flu promotion and vaccinations and peak activity period.
- Increased activity and acuity for patients requiring care.
- Sharp increase in flu presentation and respiratory illness in winter 2017.
- Outcomes of the Winter Planning and Evaluation Forum held in November 2017
- Maximising vaccination rates among staff including mass vaccination exercises at RPAH and CRGH and monitor who is being vaccinated.
- Communication strategy with staff including new policy requirements
- Focusses on flu vaccination; second phase on messages such as: wash your hands, respiratory etiquette and stay away from work and school if sick.
- Working with Primary Health Networks.
- Progressive development of the Residential Aged Care Facilities (RACF) outreach model of care to provide the right care, at the right time in the right place for RACF residents.
- Staff Enhancements for Sydney District Nursing, Aged Care, RPAH and CRGH.
- Next steps include regular meetings between all facilities and services to implement, monitor and support influenza management across the District with updates provided during a weekly performance and access meeting to the Chief Executive.
- Refurbishments include addition resus space and new discharge lounge at RPAH.

The Chair thanked the team for the presentation and for attending the meeting.

### **3. Declaration / Removal of conflicts of interest**

The Chair advised to declare / remove any conflicts of interest at this meeting.

- (i) Ms Ronwyn North declared that she is no longer an externally appointed member of the Safety and Risk Committee of the University of Sydney and that from 1 June 2018 she is a board member elect of the University of Sydney Student Union.
- (ii) Dr Mary Haines declared that she is a reviewer on the panel for the next round of Translational Research Grants.

### **4. Confirmation of previous minutes**

#### 4.1 Minutes – 19 February 2018

The minutes of the Board meeting held on Monday 19 February 2018 were moved and seconded with the following amendments:

- (i) Include the resignation of the Director of Finance.
- (ii) Agenda item 13.5 – remove the word “is” in the sentence.

The Chair will then sign the minutes.

#### 4.2 CE Report – February 2018

The Chair declared that the CE Report for February 2018 was ready for publication

### 5. Matters arising from the previous minutes

#### 5.1 Action sheet

The Board received and discussed the outstanding ‘in progress’ agenda items on the action sheet including:

- A “lessons learnt” paper on Organ Donation will be placed on the agenda of the Organ Donation Committee and then will be provided to the Board.
- Evidence for SAC 1 and SAC 2 go through a rigorous system and is audited. This can be removed from the action list.
- A letter of thanks was sent to the ED at RPAH. This can be removed from the action list.
- The presentation for Winter Planning 2018 can be removed from the action list.
- A letter of congratulations from the Board has been forwarded to Mrs O’Brien. This can be removed from the action list.
- Need to look at the list of presentations and prioritise.

### 6. Patient Story

The Chief Executive provided the Board with two patient stories.

### 7. Standing Items

#### 7.1 Acronyms List

The Board received and noted the revised Acronyms List.

#### 7.2 Financial Classification Codes

The Board received and noted the Financial Classification Codes List.

#### 7.3 Board Calendar 2018

The Board received and noted the Board Calendar for 2018.

### 8. Chairman’s Report

Nil to report.

## 9. Chief Executive's report

The Board received and discussed the Chief Executive's Report including:

- The District continues to be at Performance Level zero which is the highest level achievable.
- The improvement of 14.1% in Mental Health Readmissions within 28 days for the month of November 2017 compared to the same month last year. Although Mental Health Readmissions within 28 Days exceeded the target of <13% YTD November 2017, there has been a significant decrease (12.2%) from the same period last year from 15.4% to 14.6% despite the significant increase in mental health activity this financial year.
- The District's unplanned readmissions within 28 days of separations were 5.9% for the month and 5.1% YTD November 2017, which are significantly below the state rate of 6.4% and 6.1% respectively. It remains strong at all facilities. Unplanned Emergency Presentations (same ED within 48 hours) were 4.1% for the month and 4.2% YTD which are significantly below the state rates of 5.2% and 4.9% respectively.
- A comprehensive report will be provided to the Board on the Pitch winners following the Pitch at the District's Symposium in June 2018.
- January 2018 GF Total Expenditure was \$0.707M (0.51%) favourable to budget, reflecting favourable results for Salaries & Wages (\$2.903M), Overtime (\$0.267M), G&S Special Services (\$0.328M), VMO Payments (\$0.92M), Superannuation (\$0.048M) offset by unfavourable variations in G&S Drugs (\$1.231M), G&S Medical & Surgical Supplies (\$0.640M), G&S Prosthetics (\$0.596M), G&S Support (\$0.117M) and RMR (\$0.250M)
- YTD January 2018 GF Total Expenditure was \$6.463M (0.65%) unfavourable to budget, which is an improvement on last month. This result reflects unfavourable results for Overtime (\$3.703M), Annual Leave Provision (\$1.120M), VMO Payments (\$0.320M), RMR (\$1.535M), G&S Med and Surgical Supplies (\$2.540M), G&S Special Services (\$5.113M) and G&S Support (\$0.499M) offset by favourable variances in Salaries & Wages (\$0.769M), G&S Drugs (\$6.962M), G&S Admin (\$0.913M) and G&S Prosthetics (\$0.127M).
- GF Total Revenue was \$3.951M (2.83%) unfavourable to budget for the month of January 2018, which is a deterioration on last month and is related to a decrease in elective surgery over this time. The result for the month reflects unfavourable variances in Patient Fees (\$0.508M), User Charges Facility Fees (\$0.388M), Services to Other Organisation (\$2.054M), High Cost Drugs (\$1.152M) and Prosthesis Income (\$0.251M) offset by favourable variances in Grants & Contributions (\$0.594M) and User General Rendered Services (\$0.105M).
- YTD January 2018 GF Total Revenue was \$6.427M (0.64%) unfavourable to budget. The unfavourable YTD result reflects mainly unfavourable variance in User Charges (\$13.107M) offset by favourable variances in Patient Fees (\$2.212M) and Grants & Contribution (\$3.731M).
- The new draft format for the reports on the trending analysis for the key KPIs (twenty) for the period of three to five years was tabled. The Board supported the new format with the inclusion of narratives. A copy of this report is to be circulated to the Board.

### 9.1 Finance and Performance Reports

#### 9.1.1 SLHD Board reporting pack – January 2018

The Board received, read and discussed the SLHD Board Reporting Pack for January 2018 including:

- The SAC 1 incident target of 140. Further information will be provided to the Board.
- Include Urban Growth in the top ten risks, maintain the cyber security and combine number five and six financial risks.

## 9.1.2 Selected Performance Indicators – January 2018

The Board received, read and noted this report.

## 9.1.3 HealthPathways Dashboard Report – February 2018

The Board received, read and noted this report.

## 9.2 Project updates

### 9.2.1 Lifehouse

The Board received, read and noted this report.

### 9.2.2 Macquarie International Private Hospital

The Board received, read and noted this report.

## 9.3 Capital Works Report

The Board received, read and noted the Capital Works report.

## 9.4 Clinical Governance and Risk Reports

### (i) Quarterly Report

The Board received, read and noted the report for the period November 2017 – January 2018. There were no significant areas of concern in this report.

### (ii) Monthly Report – Complaints Management

The Board received, read and noted this report.

## 9.5 Audit and Risk Committee Report - September – November 2017

The Board noted this report is due in April 2018.

## 9.6 Facility Reports – January 2018

### (i) Balmain Hospital

The Board received, read and noted the Balmain Hospital facility report.

(ii) Canterbury Hospital

The Board received, read and noted the Canterbury Hospital facility report. A series of discussions are occurring to manage the increase in presentations for Paediatrics at Canterbury Hospital.

(iii) Community Health

The Board received, read and noted the Community Health report.

(iv) Concord Hospital

The Board received, read and noted the Concord Hospital facility report.

(v) Drug Health Services

The Board received, read and noted the Drug Health report. The relocation of Drug Health Services from Concord during renovations is progressing.

(vi) Mental Health Services

The Board received, read and noted the Mental Health Services report.

(vii) Oral Health Services and Sydney Dental Hospital

The Board received, read and noted the Oral Health Services and Sydney Dental Hospital facility report.

(viii) Royal Prince Alfred Hospital

The Board received, read and noted the Royal Prince Alfred Hospital facility report. Discussions are ongoing with the Union re Security suits.

(ix) Tresillian

The Board received, read and noted the Tresillian report. The Board congratulated the staff at Tresillian on one hundred years of service.

(x) Lifehouse

The Board received, read and noted the Lifehouse report.

(xi) Public Health Unit

The Board received, read and noted the report.

(xii) Population Health

The Board received, read and noted the report.

(xiii) Health Equity Research and Development Unit (HERDU)

The Board received, read and noted the report.

- (xiv) Croydon / Marrickville / Redfern Community Health

The Board received, read and noted the report.

- (xv) Organ Donation for Transplant – Quarterly Report

The Board noted the January 2018 – March 2018 is due in April 2018.

## 10. Matters for approval / resolution

Nil to report

## 11. Board Committee reports / minutes

- 11.1 Finance, Risk and Performance Management Committee

The Board received, read and noted the minutes of the meeting held 12 February 2018.

- 11.2 Education and Research Committee

The Board noted the next meeting is to be held on 19 March 2018.

- 11.3 Communications Committee

The Board received, read and noted the minutes of the meeting held on 6 March 2018. Mr McLean spoke of the extraordinary professionalism of the staff in organising the symposium. A copy of the draft program for the Symposium is to be forwarded to all Board Members.

- 11.4 Audit and Risk Committee

The Board noted the meeting was held on Tuesday 13 March 2018.

- 11.5 Health Care – Clinical Quality Council

The Board received, read and noted the minutes of the meeting held on 28 February 2018.

- 11.6 Health Care – Clinical Council

The Board received, read and noted the minutes of the meeting held on 28 February 2018.

- 11.7 Medical Staff Executive Council

The Board received, read and noted the minutes of the meeting held on 9 February 2018.

- 11.8 Patient and Family Centred Care Steering Committee (bi-monthly)

The Board received, read and noted the minutes of the meeting held on 7 February 2018.

## 12. Other Committee reports / minutes

### 12.1 Sustainability Committee (bi-monthly)

The Board noted the meeting is to be advised.

### 12.2 Medical and Dental Appointments Advisory Committee

The Board received, read and noted the minutes of the meeting held on 14 February 2018.

### 12.3 SLHD Targeted Activity and Reporting Systems (STARS)

The Board received, read and noted the minutes of the meeting held on 19 February 2018.

### 12.4 Surgical Demand Committee (bi-monthly)

The Board received, read and noted the minutes of the meeting held on 21 February 2018.

### 12.5 Revenue Enhancement Development Committee

The Board received, read and noted the minutes of the meeting held on 28 February 2018.

### 12.6 NSW Health / SLHD Performance Review Meeting

The Board noted the minutes of the meeting held on 12 February 2018 were not available.

### 12.7 Organ Donation for Transplantation

The Board received, read and noted the minutes of the meeting to be held on 27 February 2018.

### 12.8 Major Procurement, Assets and Imaging Steering Committee

The Board received, read and noted the minutes of the meeting held on 13 February 2018.

### 12.9 Yaralla Estate Community Advisory Committee (bi-monthly)

The Board noted the next meeting is to be held on 20 March 2018.

### 12.10 Sydney Healthy and Active Living Steering Committee

The Board noted the minutes of the meeting held on 28 February 2018 were not available.

### 12.11 Concord Hospital Redevelopment Executive Steering Committee

The Board received, read and noted the minutes of the meeting held on 28 February 2018.

## 13. Matters for noting

### 13.1 Correspondence from Health Share re Certification Letter to Customers 2016-2017

The Board received, read and noted this correspondence.

13.2 Brief - Hospital Acquired Complications

The Board received, read and noted this correspondence.

13.3 Correspondence M4-M5 Link Project

The Board received, read and noted this correspondence.

**14. Other Business**

14.1 2018 Key Management Personnel Declaration

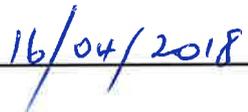
Dr Anderson reminded all Board Directors to complete the 2018 Key Management Personnel Declaration on-line.

**15. Next Meeting**

The next meeting is to be held on Monday 16 April 2018 at 9.00am.

The meeting closed at 11.05am.

  
\_\_\_\_\_  
Chair

  
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Date

# Board Report

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**Chief Executive's Report to the  
Finance, Risk and Performance Management Committee and the SLHD Board  
March 2018**

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## **PERFORMANCE**

According to the Ministry of Health Framework, the District remains at Performance level 0, which is the highest level achievable.

### **Safety and Quality**

Despite the significant activity through the SLHD facilities, the quality and safety of our services was maintained.

The District continues to achieve the root cause analysis (RCA) target for January 2018.

There was a significant improvement of 14.1% in Mental Health Readmissions within 28 days for the month of November 2017 compared to the same month last year. Although Mental Health Readmissions within 28 Days exceeded the target of <13% YTD November 2017, there has been a significant decrease (12.2%) from the same period last year from 15.4% to 14.6% despite the significant increase in mental health activity this financial year.

The District's unplanned readmissions within 28 days of separations were 5.9% for the month and 5.1% YTD November 2017, which are significantly below the state rate of 6.4% and 6.1% respectively. It remains strong at all facilities. Unplanned Emergency Presentations (same ED within 48 hours) were 4.1% for the month and 4.2% YTD which are significantly below the state rates of 5.2% and 4.9% respectively.

The District remains under the benchmark (2.0/10,000 bed days) for Staphylococcus Aureas Bloodstream Infections (SABSI) with a result of 1.0 per 10,000 bed days for the month of December 2017. In comparison to the result from the same period last year there has been a slight improvement in performance of 1.28% SABSIs per 10,000 bed days. There was one Central Line Associated Bloodstream (CLAB) infections during November 2017 and there has been one CLAB YTD December 2017. Ongoing education and training in infection control strategies and CLAB awareness discussions at ICU morbidity and mortality meetings continue.

The District has continued to have no incorrect procedures resulting in death or major loss of function.

### **Workforce**

Premium staff usage for Medical and Nursing decreased for January 2018 compared to the same period last year by -0.16% and -0.64 % respectively. Allied Health premium staff usage decreased by -0.12% in January 2018 compared to the same period last year.

### **Activity**

This has continued to be a busy period for our hospitals with an increase in both separations and occupancy reflecting the high acuity of the patients been cared for. There was a significant increase of 1.99% in separations (12,771 separations) in January 2018, compared to the same period last year. For January 2018 YTD there has been an increase of 1.23% separations across the District.

The District's occupancy rate has significantly increased over this period. The District occupancy rate for December 2017 increased by 2.2% to 84.84% compared to the same time last year and there was a 4.15% increase on occupancy YTD (91.76%) due to the significant increase in the acuity of patients being managed by our hospitals. This is also reflected in the significant (1.44%) increase in case weighted attendances in SLHD compared to the previous year.

Emergency department attendances decreased by 1.25% for January 2018 compared to the same month last year. There were 13,765 ED attendances in January 2018. There has been a 3.4% increase in ED attendances YTD to 97,276.

### **Emergency Treatment Performance (ETP) (formerly NEAT)**

There has been some improvement in ETP performance for the District by 0.93% for the month of January 2018 to 74.7% compared to January 2017. The increase occupancy due to the increase demand and in the acuity of patients during winter has had a major impact on YTD ETP performance. This has led to a 2.2% decrease in ETP performance January YTD to 70.33% compared to the same period last year.

### **Transfer of Care**

The transfer of care (TOC) target (90%) was met by all three emergency departments in January 2018 and January YTD. This result again highlights the success of the RPA TOC Program in operation in SLHD Emergency Departments.

### **ED Triage**

SLHD met target for Triage Categories 1,4,5 for January and Triage Categories 1,2,4,5 YTD. Triage 3 performance remains challenging due to the significant increase in triage 3 presentations. Ongoing work is being undertaken to manage ED activity across the District.

Canterbury Hospital achieved all emergency department triage categories for January 2018. RPA met triage category targets 1, 4 and 5 in January 2018. Both RPA and Concord's triage performance in category 2 and 3 decreased compared to January 2017.

### **Elective Surgery**

Despite a 1.57% increase in operations YTD, SLHD continues to perform at the top of the state for patient treatment timeframe targets for elective surgery. Performance is at 100% for January 2018 in all categories, which is consistent with the result achieved in January 2018. The District has also made a significant decrease in the number of surgical patients not ready for care of 7.10% YTD.

### **Community care and Hospital in the Home**

The District has continued to manage its activity through investments in Sydney District Nursing who are managing over 1,000 patients per day in the community who would otherwise be in hospital. There has been a 33.7% increase in the number of Hospital in the Home separations January YTD. As previously indicated the District would have had significant difficulty in managing the demands of this winter without the investments made by the District in these services.

## **NATIONAL FUNDING REFORM / ACTIVITY BASED FUNDING**

### **2018/19 Service Level Agreement and Activity Purchasing**

The Service Level Agreement and activity purchasing negotiations are progressing well with the Ministry and District to meet again in March. As part of purchasing process, the Ministry is offering potential funding to Districts to help support initiatives aimed at improving Hospital Acquired Complications (HAC) numbers. As previously advised, additional HAC adjustors will commence from the new financial year.

## **Non-Admitted Patient (NAP) Activity**

The Ministry has advised that the State will not be implementing the Independent Hospital Pricing Authority's (IHPA) Tier 2s for Multidisciplinary Case Conferences. Alternatively, the State will continue to report Multidisciplinary Case Conferences as a modality and the Ministry will perform to conversion to the Tier 2s.

The Ministry are considering the development of Establishment Type State Weight for those Tier 2s that currently do not have NWAU weights under the IHPA classification.

The District continues to improve the variance to target for non-admitted patient activity, with a year to date December variance of -2.58% to target. The variance is expected to continue improve with the data re-extraction in February.

## **Clinical Costing Update**

The SLHD Costing Team was awarded the Director's Award – Contribution to Costing at the inaugural Activity Based Management Costing Standards User Group Awards. The award recognises improvements made to the costing process, costing initiatives and organisational engagement in the costing process. The SLHD Costing Team undertakes a number of unique bottom up costing exercises for highly specialised services, such as peritonectomy, pelvic exenteration and sarcoma and have worked extensively with District Finance to raise the profile of costing through the iFRAC process.

Preparations for the half year costing round 22.1 are underway, with the final submission due on 27 April 2018.

Furthermore, preparations have now commenced for the full year costing round 22.2, with the iFRAC cost centre review now underway. An iFRAC workshop for facility/service finance and performance was held in mid-February to reiterate the iFRAC methodology and expectations. The Costing Team is providing additional support through the provision of an iFRAC template, previous fraction results and mapping of financial account codes to program streams. Weekly teleconferences will be held throughout March to track progress against the iFRAC process.

## **REVENUE ENHANCEMENT DEVELOPMENT COMMITTEE**

### **Private Health Insurance Usage, January 2018**

For the month of January, 20.22% of SLHD's inpatients were treated as private patients. RPAH's result was strong at 22.33% and Concord had an additional 152 private discharges compared to January 2017.

### **Single Room Utilisation, January 2018**

With a significant increase in patients isolated for a clinical alert to 11.3%, the LHD had 26% of all single rooms taken up by private patients. 48% of all private patients were accommodated in single rooms.

### **Revenue Enhancement Committee**

- Committee currently being restructured
- Focus continuing on improving proportion of elective patients using their private health insurance
- Relationships with private health funds being re-visited

## **PERFORMANCE AND REDESIGN UNIT / REDESIGN AND SERVICE IMPROVEMENT**

### **Innovations**

- A new Pitch opening video is being developed and will be ready for exhibition at the March 2018 The Pitch session.
- The next Pitch is scheduled on Friday 9 March at the Concord Medical Education Centre. The four innovative ideas which will be presented are:
  1. “Pinball wizards” by Sarah Jacek
  2. Compression therapy and the use of an Ankle Brachial Pressure Index machine by Naomi James
  3. “Smile \* sparkle \* shine: bring the sparkle into paediatric dental visits through interactive technology” by Jeena Paul and Suzanne Brent
  4. “The Suits and Scrubs program” by Reuben Haupt

### **Clinical Redesign: CHR Projects**

- For the first round of the Centre for Healthcare Redesign (CHR) Graduate Certificate program in 2018, The “A Joint Effort” Project was successful (project title pending approval). The project is in the Project Initiation phase of the Clinical Redesign Methodology and aims to improve the efficiency and patient care experience in the Rheumatology Outpatient Department at Royal Prince Alfred Hospital. The team are currently refining the project’s goals and objectives and developing key foundations for the project. Project participants include Dorothy Fowler, Clinical Nurse Consultant, Rheumatology, RPAH; Stephanie Laurent, A/Performance and Redesign Program Manager and Elizabeth Smyth, Graduate Health Management Trainee.
- The ‘POPI: PreOperative Iron deficiency assessment and management’ project (CHR 2017 - first intake) is in implementation phase. The new iron-deficiency management pathway is being piloted in RPA’s upper gastrointestinal specialty. Rollout to RPA’s Colorectal specialty is expected to launch end of March prior to implementing in CRGH.
- The ‘A Collaborative Care Outreach in Residential Aged Care Facilities (RACF) across the SLHD (ACCORD)’ project (CHR 2017 - second intake) is in implementation phase. The newly developed Model of Care has been endorsed by the CE and is becoming ‘business as usual’ within the service. In addition, the number of calls to the Access Care Team from RACF, have well exceeded the originally set target of 70 calls per month reaching 135 calls in January 2018.
- The SPORT (previously known as ‘Perioperative and Sterilizing departments redesign’) (CHR 2017 – third intake) team have submitted the implementation phase deliverables to the University of Tasmania and are progressing well with the implementation of identified solutions. A working group has been established to progress the redesign of current communication forms while the recruitment process for the Educator position and the Loan set team leader position is progressing well.

### **Accelerating Implementation Methodology (AIM):**

- The February AIM course was at full capacity and received exceedingly positive evaluations. The next course is scheduled for 17-18 May 2018 and is nearing capacity.

## HealthPathways

### **Workgroups**

No workgroups held in February

### **Workgroups set for:**

- Head and Neck
- Hands
- Immunology

### **Pathways**

The continued move to the Directory format for listing service information continues with all project staff now trained. This will allow for the faster conversion of existing content to undergo redesign. Along with this process the Program Team has signed off on the HealthPathways Community Style Guide variations for the Sydney Region. The style guide will be a return to basics for the look and core content of pathways removing over time a number of variances (outside of local service considerations) of pathway content and look. Sydney has adopted a return to basics as part of our Periodic Review Process to avoid variance across pathways.

Pathways currently being developed include Rheumatology, lower back pain, transgender issues, paediatric jaundice and Central line management in the community.

New pathways published in February include skin cancer and skin lesion diagnosis and management and depression in the older adult.

### **Usage of HealthPathways**

Usage of pathways continued to grow at high rates in a twelve month comparison. The change over of GP Registrars being a prime reason, with new identified users making up nearly 50% of total users in February. Page views and individual sessions of use also recorded as some of the highest recorded.

## FINANCIAL PERFORMANCE

### **FINANCIAL PERFORMANCE – NET COST OF SERVICE BASIS**

#### **GENERAL FUND (GF)**

The 2017/18 Service Level Agreement between the Board and Ministry of Health has as a key financial performance target an expected Net Cost of Service (**NCoS**) result. The following analysis reflects the result for the month ended 31 January 2018 based on the District's budgeted NCoS.

For the month of January 2018, Sydney Local Health District (SLHD) General Fund Expenditure was \$0.707M (0.51%) favourable to budget, YTD January 2018 GF Expenditure was \$6.463M (0.65%) unfavourable to budget. GF Revenue was \$3.951M (2.83%) unfavourable to budget for the month and \$6.427M (0.64%) unfavourable to YTD budget. For the YTD January 2018 the District's GF NCoS was \$12.890M unfavourable to budget. The significant increase in activity and acuity of patients over an extended winter period has proven challenging for the District. All facilities continue to work on a recovery plan to ensure that the District achieves an on budget performance by the end of the financial year.

**The Chief Executive and the A/Director of Finance are confident that the District will have an on budget NCoS result for the 2017/18 financial year despite the challenges that are facing the District. To achieve the 2017/18 NCoS target the District continues to maintain the good controls that it has in place and monitors performance on a daily basis.**

The major variances for the month were:

## **Expenditure**

- For the month of January 2018 GF Total Expenditure was \$0.707M (0.51%) favourable to budget, reflecting favourable results for Salaries & Wages (\$2.903M), Overtime (\$0.267M), G&S Special Services (\$0.328M), VMO Payments (\$0.92M), Superannuation (\$0.048M) offset by unfavourable variations in G&S Drugs (\$1.231M), G&S Medical & Surgical Supplies (\$0.640M), G&S Prosthetics (\$0.596M), G&S Support (\$0.117M) and RMR (\$0.250M)
- YTD January 2018 GF Total Expenditure was \$6.463M (0.65%) unfavourable to budget, which is an improvement on last month. This result reflects unfavourable results for Overtime (\$3.703M), Annual Leave Provision (\$1.120M), VMO Payments (\$0.320M), RMR (\$1.535M), G&S Med and Surgical Supplies (\$2.540M), G&S Special Services (\$5.113M) and G&S Support (\$0.499M) offset by favourable variances in Salaries & Wages (\$0.769M), G&S Drugs (\$6.962M), G&S Admin (\$0.913M) and G&S Prosthetics (\$0.127M).

## **Revenue**

- GF Total Revenue was \$3.951M (2.83%) unfavourable to budget for the month of January 2018, which is a deterioration on last month and is related to a decrease in elective surgery over this time. The result for the month reflects unfavourable variances in Patient Fees (\$0.508M), User Charges Facility Fees (\$0.388M), Services to Other Organisation (\$2.054M), High Cost Drugs (\$1.152M) and Prosthesis Income (\$0.251M) offset by favourable variances in Grants & Contributions (\$0.594M) and User General Rendered Services (\$0.105M).
- YTD January 2018 GF Total Revenue was \$6.427M (0.64%) unfavourable to budget. The unfavourable YTD result reflects mainly unfavourable variance in User Charges (\$13.107M) offset by favourable variances in Patient Fees (\$2.212M) and Grants & Contribution (\$3.731M).

## **SPECIAL PURPOSE AND TRUST (SP&T)**

SP&T NCoS was \$1.667M unfavourable to budget for the month of January 2018 and \$2.311M unfavourable to budget for the YTD January 2018. This YTD result reflects unfavourable budget variances for Expenditure (\$0.198M) and Revenue (\$2.113M).

## **CONSOLIDATED RESULT**

For the period ended 31 January 2018 the consolidated year to date NCoS result for the General Fund and SP&T was \$15.198M unfavourable to budget. The result comprises unfavourable variances in Expenditure \$6.659M and Revenue \$8.539M.

## **FINANCIAL PERFORMANCE – BASED ON NEW MOH REPORTING FORMAT**

For the period ended 31 January 2018, SLHD recorded a Total Net Result of -\$33.703M (Note that Total Revenue was higher than Total Expenditure for YTD January 2018) which was \$15.208M (31%) unfavourable to budget. The Net Direct Operating Result (GF and SP&T) for the YTD January 2018 was \$16.309M unfavourable to budget. The YTD Net Direct Operating Result reflects unfavourable budget variances in Expenditure (\$7.891M) and Revenue (\$8.419M).

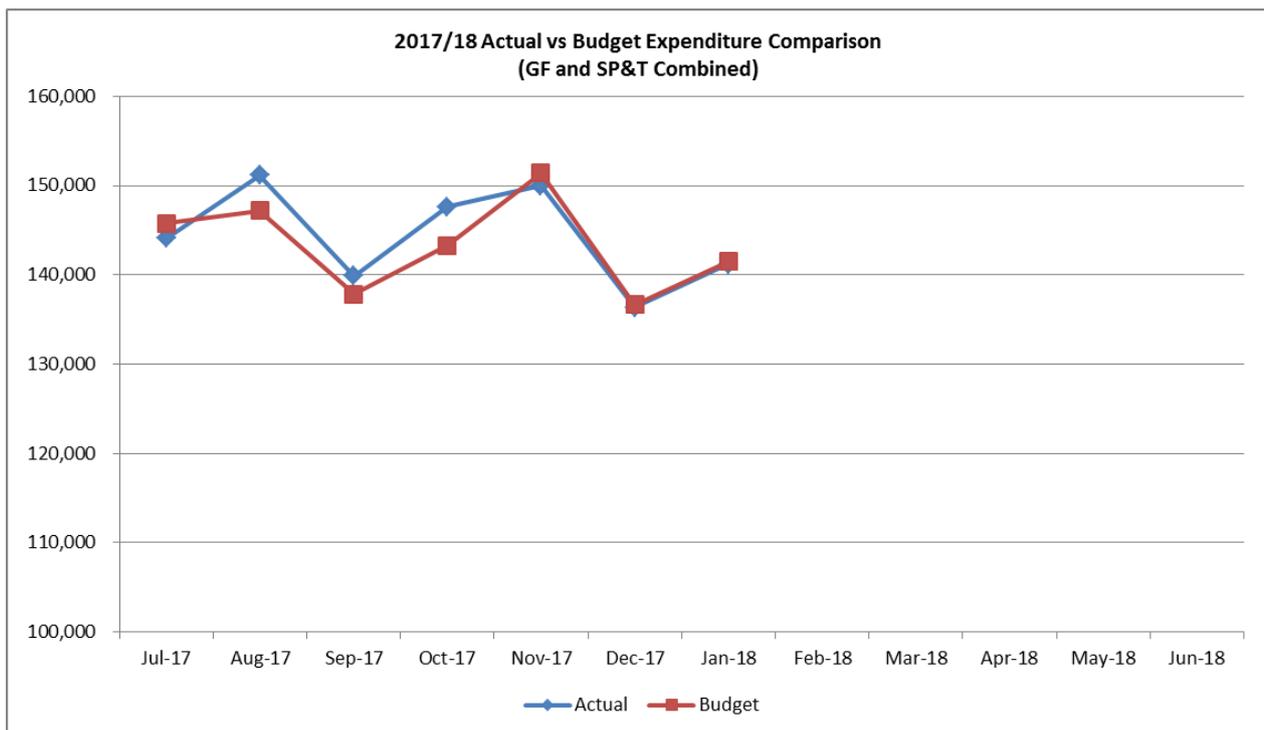
# Board Report

For the month of January 2018 Total Direct Revenue was \$5.254M unfavourable to budget, comprising \$3.990M unfavourable variance for the General Fund and a \$1.264M unfavourable variance for the SP&T Fund. YTD Total Direct Revenue was \$8.419M unfavourable to budget, comprising unfavourable variances for the General Fund (\$6.492M) and SP&T Fund (\$1.927M). The YTD result for the GF reflects unfavourable variances in User Charges offset by favourable results for Patient Fees, Grant Income and Other Income.

Total Direct Expenditure was \$0.432M favourable to budget for the month of January 2018, comprising \$0.743M favourable result for the General Fund and \$0.311M unfavourable result for the SP&T Fund. YTD Total Direct Expenditure was \$7.891M unfavourable to budget, comprising \$6.552M unfavourable variance for the General Fund and a \$1.339M unfavourable variance for the SP&T Fund. The YTD result for the General Fund reflects unfavourable variances in Overtime (\$3.703M), On-costs (\$3.060M), Direct Clinical Operating (\$0.573M), G&S Support Services (\$0.499M) and VMOs (\$0.320M). These results were offset by favourable results for Salaries & Wages (\$0.769M), and G&S Corporate & Operational Admin (\$0.913M)

## MONTHLY BUDGET PERFORMANCE

The graph below compares the actual and budget performance on a monthly basis.



## LIQUIDITY

The District had **NIL** creditors over 45 days as at 31 January 2018.

The District achieved the target of 100% compliance with the NSW Government target for payment of small vendor creditors within 30 days for the month of January 2018.

The cash balance at 31 January 18 for the SLHD Operating bank account was \$12.683M and the Operating Cash book balance was \$13.132M.

## **CAPITAL WORKS – SMRS PROJECTS**

The District's Full Year Capital works budget relating to SMRS Projects as of January 2018 is \$24.914M comprising \$6.862M of MoH funded and \$18.052M of locally funded projects. In January 2018, one locally funded project, namely RPAH IRO Building Level 6 Refurbishment costing \$730K was approved by MoH.

Actual expenditure as at YTD January 18 was \$6.599M which is \$0.269M below budget.

## **OTHER CAPITAL PROJECTS**

As of January 2018, the District has expended a total amount of \$0.717M on projects relating to IAS various equipment, K2 Fetal Monitoring System and Internal Audit relocation. The total expenditure of \$0.717M was sourced from General Fund.

## **CAPITAL WORKS**

### **Capital Projects February 2018**

#### **Concord Hospital Redevelopment Stage 1.**

Good progress is being made on the finalisation of plans for the redevelopment of Concord Stage 1. The Executive Steering Committee and Project Development Committee are meeting regularly to oversee the project User Groups have commenced. The decanting strategy has been finalised. Decanting is continuing.

#### **RPA - QEII Level 6 East Refurbishment**

Works are continuing to reinstate Level 6 IRO to an orthopaedic surgical ward. Painters are now on site. Vinyl is being delivered early March for an end of March completion.

#### **RPA - QEII Hydrotherapy Pool – Stage 1**

Entry works for the hydrotherapy pool have been completed. Sheeting, bathrooms and amenities are now complete. Tiling has been organised. Completion due end of March 2018.

#### **CRGH - Theatres 7 and 8**

Refurbishment of the two theatres is nearing completion. Hand over is to occur mid to late March with theatres 9-10 works commencing in July 2018.

#### **Balmain – Sorrie Street /Stacey House Works**

Works have commenced on the landscaping. Rendering of walls has been completed. The Fence is due to be installed in early March.

#### **SLHD Energy Efficiency Program**

Works are continuing on the program, which will run for 18 months and will involve the replacement of all light fittings across the RPAH campus with energy efficient LED lighting. Detailed Planning is being finalised for Sydney Dental Hospital and Canterbury Hospitals.

## **PLANNING**

### **Youth Mental Health Forum**

The Planning Unit worked with the Mental Health stream to hold a half day forum, attended by about 100 people from a wide variety of services and organisations. The purpose was to scope the current issues, gaps and concerns and to provide positive options for change, for the service, to pursue either alone or in partnership. This will be written up in a planning format as an addendum to the Inner West Youth Health and Wellbeing Plan.

## Strategic Local Government Engagement

Strategic meetings between the Chief Executive and senior SLHD personnel and senior executives of local government have started to be organised with a view to improving health, health service development and healthy urban development. The first meeting was with the Canterbury-Bankstown Council executive.

## SLHD Strategic Plan 2018-2022

The new SLHD Strategic Plan has been approved by the Board and is currently with Audiovisual for publishing.

## SLHD Diabetes Strategy

The SLHD Planning Unit, in collaboration with the Clinical Director, Chronic Diseases has drafted the plan for the consideration of the Diabetes Steering Committee and then broader circulation.

## SLHD Research Strategic Plan

The framework for the SLHD Research Strategic Plan was presented by the Research Director at the SLHD Clinical Council. The plan is currently being developed in full.

## RPA HealthOne East (Green Square)

- The Green Square Pop-Up, in collaboration with Landcom, is currently being considered by the City of Sydney Council. A draft plan has been developed which is being circulated to service providers for comment. It is hoped that the service will be operational by the end of the year.
- The Planning Unit is co-ordinating the second Continuing Professional Development (CPD) event for Green Square GPs and private providers to develop the “health neighbourhood”.
- The formal Planning and Development Committee for the HealthOne has been established in consultation with Health Infrastructure (HI).
- Consultants have been appointed by HI to review possible sites for the HealthOne – this has involved UrbanGrowth NSW (now Landcom) and the City of Sydney. The agreed site selection criteria will be applied to develop a preferred set of options for consideration by the District.
- RPA HealthOne Steering Committee and the Inter-Agency Advisory Committee have held ongoing meetings. A paper on recurrent funding options will be developed.

## Urban Development

### • Waterloo State Significant Site

Meetings have been held with Land and Housing Commission (LAHC), Family and Community Services (FACS) and The Waterloo NGO Counterpoint to discuss the Waterloo Human Services Framework.

The Director of Planning presented the outcomes of the Waterloo Health Forum at the FACS/LAHC Forum on the Waterloo Human Services Forum.

The follow-up Waterloo – Building a Healthy and Resilient Waterloo Forum will be held on the 4<sup>th</sup> May, 2018.

### • Camperdown-Ultimo Collaboration Area (Strategic Centre) meetings

The Planning Director has contributed, with the CE, to Key Reference Group and subcommittee meetings to develop the Collaboration Area, especially the visioning and messaging around this strategic centre. A Memorandum of Understanding will be devised to formalise the governance of the Collaboration.

- **EquityFest**

The Director of Planning provided an overview of the urban development in the inner west and chaired a session at the conference.

## **SLHD Imaging Strategic Plan and Position Paper**

The Imaging Position Paper has been uploaded to the website. The Strategic Plan is currently with AV and being prepared for publication with a launch being planned.

## **Aboriginal Health Strategic Plan 2017-2022**

The SLHD Aboriginal Health Strategic Plan is currently being prepared for publication, with the Aboriginal Health Unit planning the launch in March.

## **Multicultural Health Plan**

The SLHD draft plan is being updated for broader consideration and publication.

## **SYDNEY RESEARCH**

### **Commercialisation**

The full 2018 STRIVE program has been released with a number of sessions across the year. The first session, Research Grant Writing had near 40 expressions of interest, with 20 people attending on the day. Industry Research Engagement and Funding was held on 20 February 2018 at the ANZAC Research Institute with 5 attendees. This session will be repeated on the RPA campus on 13 March 2018.

### **OHMR – Translational Research Grant Scheme**

Two full TRGS-3 applications have been submitted with SLHD as the Host Organisation.

- Dr Sarah Maguire, *Online Cognitive Behavioural Therapy for Bulimia Nervosa*
- Clinical A/Professor Michael Dinh, *The Sydney Triage to Admission Risk Tool (START) study: using a data analytics tool to drive early senior decision making and improve patient outcomes in Emergency Departments*

SLHD has signed the following applications as a Partner Organisation:

- SESLHD: A/Prof Gideon Caplan and Ms Anne Meller, *Advance Care Planning in outpatient clinics study – extension*
- SESLHD: Prof Mark Brown, *Adverse cardiovascular outcome after hypertensive disorders of pregnancy: altering this trajectory*
- WSLHD: Prof Graeme Stewart, *Developing a practical and affordable clinical pathway to identify and reduce the burden of heart failure due to transthyretin amyloidosis (ATTR).*
- NSLHD: Prof Gemma Figtree, *Stimulating  $\beta$ -3 adrenergic receptors to improve symptoms and clinical outcomes in patients with peripheral vascular disease*
- NBMLHD: Dr Kathryn Williams, *Feasibility of Home Sleep Apnoea Testing (HSAT) for Screening and Early Diagnosis of Sleep Disordered Breathing (SDB) in a Tertiary Obesity Service with an aim to Optimise Weight Management Interventions.*
  - SLHD's signature is only being obtained due to participation of Prof Ian Caterson as a subject matter expert. No SLHD sites will be participating in the study and there will be no impact on patients.

Applicants will be notified of the outcome in late May 2018.

### **OHMR - Biobank**

Simon Cooper, Chief Operating Officer of the Biobank presented at the February Sydney Research Council meeting.

# Board Report



## OHMR – Embedding Quality Research into LHDs

The EQRLHDs Working Group held their first meeting in January 2018. A dedicated resource for this project is required and the ongoing delivery of the project will be discussed with OHMR.

## Sydney Health Partners (SHP)



The Sydney Research team continue to work closely with Prof Garry Jennings, Executive Director, SHP:

- Recruitment to the SHP team has been finalised. The Executive Assistant commenced in January, the Chief Operating Officer (COO) in February and the Media and Communications Manager will start on 5 March. Any further recruitment will be progressed by the COO.

## Sydney Research Building

Individual consultations have been held with Capital Insight the relevant MRIs (Centenary, HRI, NHMRC CTC and the Woolcock). Projections have been provided for Capital Insight to draft specific schematics.

The Minister has requested an information brief “regarding the feasibility of pursuing a ‘precinct’ status for Missenden Road”.

## Other Activities

- A survey has been distributed to Sydney Research Council members to stimulate discussion regarding the membership of Sydney Research.
- Sydney Research met with representatives from the University of Sydney to discuss the linking of business students with researchers. It was identified that advanced MBA students must complete a capstone project. This provides an opportunity for this capstone project to be completed with a research team. The University will follow this up internally with consideration of the IP issues and ensuring the MBA students are presented research projects in a coordinated fashion.
- Sydney Research and representatives from the University of Sydney have revived a discussion regarding support for Mid-Career Researchers (MCRs). This will align with the introduction of the new Faculty of Medicine and Health. Alan Pettigrew will be invited to the next Sydney Research Council meeting to continue the discussion of the proposal.
- At the invitation of Sydney Research Dr Tony Penna, Executive Director, OHMR attended the ccChiP clinic in the Charles Perkins Centre. Dr Penna, Adj Assoc Prof Vicki Taylor and Ms Lisa Daly all met with Prof Tim Lambert and observed operations of the clinic, shadowing a patient through the multidisciplinary consultations.
- The University of Sydney’s School of Public Health has met with SLHD and Sydney Research and will be more closely linked. Further meetings are scheduled.
- The Sydney Research 16-17 Biennial Report design has been completed with AVS incorporating the final changes.
- Sydney Research continues to participate in plans for Innovation Week.
  - Applications for the Big Idea and Sydney Research Awards and Scholarships program will open in early March.
- Mr Alan Chan has commenced a six month secondment acting as the Executive Assistant for Sydney Research.
- @SydneyResearch currently has 195 followers on Twitter.

A handwritten signature in black ink, appearing to read "Teresa Anderson".

Dr Teresa Anderson

Chief Executive

Date: 19.3.18