
Sydney Local Health District

Eighty Eighth Meeting of the Board

Date: Monday 17 June 2019
Time: 9.30am – 11.30am
Venue: SLHD Boardroom
Chair: Ms Victoria Weekes

Acknowledgement of Country

"I would like to acknowledge the Gadigal people of the Eora nation the traditional owners of the land and to pay my respects to Elders past and present and Aboriginal people attending today's meeting"

1. Present and apologies

Ms Victoria Weekes, Member
Dr Thomas Karplus, Member
A/Professor Christine Giles, Member
Dr Mary Haines, Member
Dr Karen Luxford, Member
Mr Richard Acheson, Member
Ms Ronwyn North, Member
Ms Frances O'Brien, Member
Dr Teresa Anderson, AM, Chief Executive (Arrived 9.45am)
Mr David McLean, Member

Apologies

The Hon. Ron Phillips AO, Chair
Professor Paul Torzillo AM, Member
Ms Susan Anderson, Member
Dr Alicja Smiech, Chair, Medical Staff Executive Council
Ms Tina Zarkos, Director of Nursing and Midwifery, RPAH

In attendance

Ms Nerida Bransby, Secretariat
Dr Tim Sinclair, Director, Operations
Dr Katherine Moore, Executive Director, Clinical Governance and Risk (Departed 10.40am)
Ms Lou-Anne Blunden, Executive Director, Clinical Services Integration and Population Health (Departed 10.45am)
Ms Gina Finocchiaro, Executive Director, Workforce and Corporate Operations (Departed 10.40am)
Mr Ross Sinclair, Director of Finance (Departed 10.40am)
Dr Kim Hill, Acting Director Medical Services (Departed 10.40am)

Others in Attendance

Mr Nobby Alcala, Acting General Manager, RPAH (Departed 10.40am)
Dr Lynette Lee, Director of Medical Services, RPAH (Departed 10.40am)

2. Welcome and introductions

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

Presentation: “Deep Dive into Royal Prince Alfred Hospital”

Dr Tim Sinclair presented on Royal Prince Alfred Hospital, the second of our deep dive presentations including:

Following the presentation the Board discussed:

- Overview including, number of beds, role delineation, tertiary and quaternary referral centre, affiliations with the University of Sydney, Medical Research Institutes and Central Eastern Sydney Primary Health Network.
- State-wide supra and quaternary services.
- Overview of the Institute Rheumatology and Orthopaedics.
- Financial Performance expenditure for 2019 includes employee related expenses, compound annual growth rate and own source revenue and were all compared to the 2016 financial year.
- Workforce FTE overview including nursing, medical and allied health, use of agency staff, overtime, sick leave, excessive annual leave and workers compensation claims.
- Activity and performance includes admissions, operating theatres in RPAH and the Institute Rheumatology and Orthopaedics, emergency department, non-admitted patients.
- Quality and Safety included hospital acquired complications, RCA reports and investigations.
- It was noted that the forecasted 2018/2019 SAC 2 incidents should read forty five not one.
- Challenges and strategies include clinical services footprint, emergency treatment performance, ambulatory care services, performance monitoring and governance framework, workforce and finance.
- Innovations include clinical trials, paediatric domestic violence routine screening program, robotic surgery expansion, comprehensive stroke service and pelvic exenteration and peritonectomy services.

Following discussion the Chair and the Board thanked Dr Sinclair and the RPAH team for the comprehensive and informative presentation.

3. Declaration / Removal of conflicts of interest

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

Dr Karen Luxford reported that in her new role of Chief Executive Officer of The Australian Council on Healthcare Standards commencing on 22 July 2019, she will now need to resign from the SLHD Board as of 30 June 2019.

There were no other **new** conflicts of interests to declare or to be added to the Register at this meeting.

4. Confirmation of previous minutes

4.1 Minutes – 20 May 2019

The minutes of the Board meeting held on Monday 20 May 2019 were moved and seconded with the following amendments:

Agenda item Presentation, Board Discussion, last dot point should read:

“An invitation for the Commissioner of Mental Health to visit the McKay Unit”

The Chair then signed the minutes.

4.2 CE Report – May 2019

The Chair declared that the CE Report for May 2019 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 meeting is to be held to discuss the Sydney District Nursing Service review. A copy of this review will be provided to the Board.
- A letter is to be written to the NSW Cancer Institute re the reporting indicators for Lifehouse.
- The presentations now include the strategies to address the challenges. This agenda item can be removed from the action sheet.
- The information contained in the Communication Committee Minutes, agenda item 9.2 has been removed. This agenda item can be removed from the action sheet.
- The data for the neonatal birth trauma will be available post June 2019.

5.2 Workplace Culture Action Plan

The Board received, read and noted the information contained in the action plan. This agenda item can be removed from the action list.

6. Patient Story

The Chief Executive provided a verbal report of a patient presenting in the Emergency Department at RPAH with special needs and the actions taken.

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 2019

The Board received and noted the Board Calendar for 2019.

8. Chairman's Report

Due to the Board Chair being on annual leave and the Deputy Chair not being available due to other commitments, A/Professor Giles will attend the Council of Board Chairs Forum on 24 June 2019.

9. Chief Executive's report

The Board received, read and noted the Chief Executive's Report including:

- The District remains at Performance Level Zero, which is the highest level achievable.
- The Mental Health Services have been the first to gain accreditation with the Australian Council on Healthcare Standards using the new standards. Feedback from the surveyors was very positive for quality and safety, staff culture and succession planning. A copy of the EDM sent to all staff is to be provided to the Board.
- Workplace injury claims have decreased by 8 claims (30.8%) for the month of April 2019, when compared to the same time last year. YTD April injury claims have decreased 6 (2.7%) in comparison to the same period last year. Staff safety remains a major focus for the District.
- For the month of April 2019, GF Total Expenditure was \$5.046M (3.31%) unfavourable to budget, reflecting unfavourable results for Salaries & Wages (\$0.277M), Overtime (\$0.208M), Annual Leave Provision (\$1.919M), Superannuation (\$0.581M), VMO Payments (\$0.783M), G&S Drugs (\$0.717M), G&S Medical and Surgical Supplies (\$0.413M), G&S Support (\$0.284M) and Grants (\$0.365M) offset by favourable results in Other Employee Expenses (\$0.348M) and RMR (\$0.257M). This has been driven by the significant increase in activity across the District during April 2019.
- The District had NIL creditors over 45 days as at 30 April 2019. HealthShare have been engaged concerning invoices being on hold and the effect on the District's KPIs.

- The budget is being handed down on 18 June 2019.
- The Chief Executive will be attending the Institute of Public Administration Australia NSW Budget Briefing Breakfast on Thursday 20 June 2019.
- The information on redesign and service improvement was noted.
- The information on planning was noted.
- The information on Sydney Research was noted.
- The information on Sydney Health Partners was noted.

9.1 Finance and Performance Reports

9.1.1 SLHD Board reporting pack – April 2019

The Board received, read and noted the SLHD Board Reporting Pack for April 2019.

9.1.2 Selected Performance Indicators – April 2019

The Board received, read and noted this report.

9.1.3 HealthPathways Dashboard Report for 1 – 21 May 2019

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 this report for the period January - March 2019. Following discussion it was agreed:

- A footnote is to be added to verify the Clinical Investigation Reports have been endorsed and by whom.
- Need to look at the colour codes for the patient complaints graphs.

(ii) Disaster Management

The Board received, read and noted this report.

(iii) SLHD Risk Register

The Board received, read and noted this report. The Board discussed:

- The District Risk Committee manages the Risk Register and risks get consolidated up.
- This agenda item is also on the Audit and Risk Committee agenda.
- An annual review of the Asset Strategic Plan has been undertaken to review the current infrastructure risk to ensure continuity of services in the interim while master plans are being drawn up.

9.5 Audit and Risk Committee Report – Period 15 March 2019 – 13 June 2019

The Board noted the next report is due in July 2019.

9.6 Facility Reports – April 2019

(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.

(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.

(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) Population Health

The Board received, read and noted the report.

(ix) Royal Prince Alfred Hospital

The Board received, read and noted the Royal Prince Alfred Hospital facility report.

(x) Tresillian

The Board received, read and noted the Tresillian report.

(xi) Lifehouse

The Board received, read and noted the Lifehouse report.

(xii) Public Health Unit

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 this report. Ms Blunden provided the background in relation to the position of General Manager for these sites. The clinical services that occupy these sites include drug health, mental health, community paediatrics, child and family health, breastscan, oral health, district nursing and child protection are all managed by the relevant clinical stream and community health services manager.

(xv) Organ Donation for Transplant – Quarterly Report (April – June 2019)

The Board noted the report for April – June 2019 is due in August 2019.

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 on 13 May 2019.

11.2 Education and Research Committee

The Board received, read and noted the minutes of the meeting held on 20 May 2019.

11.3 Communications Committee

The Board noted the next meeting is to held on 3 September 2019.

11.4 Audit and Risk Committee

The Board noted the meeting was held on 13 June 2019.

11.5 Health Care – Clinical Quality Council

The Board received, read and noted the minutes of the meeting held on 22 May 2019.

11.6 Health Care – Clinical Council

The Board received, read and noted the minutes of the meeting held on 22 May 2019.

11.7 Medical Staff Executive Council

The Board received, read and noted the minutes of the meeting held on 10 May 2019.

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

The Board noted the meeting to be held on 5 June 2019 was cancelled.

11.9 Aboriginal Health Steering Committee (bi-monthly)

The Board received, read and noted the minutes of the meeting held on 28 May 2019. Attendance at the Nicholas Catchlove memorial presentation on Aboriginal Health held on 6 June 2019 in the Charles Perkins Centre was well received. A copy of the video link is to be provided to the Board.

12. Other Committee reports / minutes

12.1 Sustainability Committee (bi-monthly)

The Board received, read and noted the minutes of the meeting held on 16 May 2019.

12.2 Medical and Dental Appointments Advisory Committee

The Board received, read and noted the minutes of the meeting held on 10 April 2019.

12.3 SLHD Targeted Activity and Reporting Systems (STARS)

The Board received, read and noted the minutes of the meeting held on 16 May 2019.

12.4 Surgical Demand Committee (bi-monthly)

The Board noted the next meeting is to be held on 19 June 2019.

12.5 Finance Leaders Forum (previously Revenue Enhancement Development Committee)

The Board received, read and noted the minutes of the meeting held on 15 May 2019.

12.6 NSW Health / SLHD Performance Review Meeting

The Board noted the minutes of the meeting held on 21 May 2019 were not available.

12.7 Organ Donation for Transplantation

The Board received, read and noted the minutes of the meeting held on 28 May 2019.

12.8 Major Procurement, Assets and Imaging Steering Committee

The Board received, read and noted the minutes of the meeting held on 14 May 2019.

12.9 Yaralla Estate Community Advisory Committee (bi-monthly)

The Board noted the next meeting is being held on 24 June 2019.

12.10 Sydney Healthy and Active Living Steering Committee (bi-monthly)

The Board noted the next meeting is to be held on 24 June 2019.

12.11 Concord Hospital Redevelopment Executive Steering Committee

The Board received, read and noted the minutes of the meeting held on 23 April 2019 in particular, the funding relating to Soldier on.

13. Matters for noting

13.1 Bureau Health Information Quarterly Report

The Board read and noted this correspondence received by email on 12 June 2019.

13.2 NSW Audit Office Governance of LHDs and Early Close Procedures

The Board noted this correspondence received by email on 14 June 2019. The Acting Chair recommended all Board Members to read this correspondence. This item is to be discussed at the next meeting.

14. Other Business

Nil to report

Next Meeting

The next meeting is to be held on Monday 15 July 2019 at 9.00am in the SLHD Boardroom.

Minutes

The meeting closed at 11.40am.

 Don Phillips
Chair

 15/7/2019
Date

Chief Executive's Report to the Finance, Risk and Performance Management Committee and the SLHD Board June 2019

PERFORMANCE

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

Safety and Quality

SLHD continues to maintain the quality and safety of our services.

The District continues to achieve the root cause analysis (RCA) target for April 2019, with all RCAs completed within 70 days.

Mental Health Readmissions within 28 days slightly decreased for the month of February to 15%, from January result of 21.9%. There has been a slight increase (0.5%) in the percentage of Mental Health Readmissions within 28 Days as of YTD February 2019 in comparison to the same period last year. The District continues to focus on strategies to improve mental health performance.

The District continues to perform well in relation to unplanned readmissions within 28 days of separation at 5.4% for the month of March and 5.5% YTD March, which is below the State rate for the month of March and YTD March of 6.1%. Unplanned Emergency Presentations (same ED within 48 hours) were 4.3% for the month of April and 4.2% YTD April, which are also below the State rates of 4.9% for the month of April and 4.8% YTD April.

The District remains under the benchmark (2.0/10,000 bed days) for Staphylococcus Aureus Bloodstream Infections (SABSI) with a result of 1.0 per 10,000 bed days for the month of March 2019. There were 0 Central Line Associated Bloodstream (CLAB) infections during March 2019. Ongoing education and training in infection control strategies and CLAB awareness discussions at ICU morbidity and mortality meetings continue.

The District remains within benchmark for all reported Hospital Acquired Complications for the month of February except for 3rd or 4th Degree Perineal Lacerations During Delivery (per 1,000 bed days), which was slightly above target for the month of February (0.035). Work is being undertaken to determine the reason for this and what action is required to address it.

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

Workforce

The District continues to focus on strategies to ensure our workforce has the appropriate skill mix and levels to meet demand. Premium staff usage has increased for Medical, Nursing and Allied Health for April 2019 compared to the same period last year by 8.35, 9.27 and 1.28 respectively. SLHD facilities continue to meet both nursing hours per patient bed day and birth-rate plus as per Award. The strategies to ensure compliance requires significant monitoring and mobility of resources.

Staff Safety

Workplace injury claims have decreased by 8 claims (30.8%) for the month of April 2019, when compared to the same time last year. YTD April injury claims have decreased 6 (2.7%) in comparison to the same period last year. Staff safety remains a major focus for the District.

Activity

There was a slight increase (2.65%) in the number of separations (14,330) for the month April 2019 when compared to the April last year. YTD separations have increased across the District by 1.97% in comparison to last year. In April the District's occupancy rate increased by 5.21%, to 89.62% when compared to the 84.40% in April 2018, reflecting the acuity of patients. The YTD occupancy rate has increased by 3.03%, to 87.69%, when compared to YTD April 2018.

There were 14,690 attendances to the District's Emergency Departments in April 2019, representing an increase of 6.40% when compared to the same month last year. YTD Emergency Department attendances have increased by 3.39% to 142,807. YTD case weighted attendances have increased by 4.21%, when compared to the previous year.

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

The significant increase in activity has led to a 6.54% decrease in the month of April 2019, to 70.02%, when compared to the same month in the previous year. YTD April there has been a 2.05% decrease in ETP performance to 69.27% when compared to the same period in the previous year. The District has remained focused on ETP. Despite the increase in activity, YTD April, 433 additional patients have been admitted, referred or discharged within 4 hours of presentation, when compared to the same period in the previous year.

Transfer of Care

The District met the transfer of care (TOC) target (90%) in April 2019, with 90.64% of all patients transferred from ambulance to our emergency departments in 30 minutes or less. RPA was slightly below target for the month at 86.2%. YTD April the District continues to meet the TOC target.

ED Triage

The District met target for Triage Categories 1, 2, 4 and 5 for the month of April. The District continues to make improvements in relation to Triage Category 3 performance, which was slightly below the target of 75% at 74.85% for the month of April, representing a 0.69% drop on the 75.54% in April 2018. YTD April Triage Category 3 performance has increased by 3.33% to 73.23%, when compared to the 69.90% for YTD April 2018.

Elective Surgery

There was a slight (2.45%) decrease in surgical admissions in the month of April 2019 when compared to the same month last year. YTD surgical admissions have increased by 1.54% across the District. SLHD continues to perform at the top of the state for patient treatment timeframe targets for elective surgery achieving 000, with all patients admitted within the clinically appropriate timeframe for their surgery. There has been a 20.27% decrease in surgical patients not ready for care for the month of April 2019, when compared to the same month last year.

Emergency Surgery

There were 17 additional emergency surgeries performed in April 2019 when compared to the same period last year, representing a 1.6% increase. YTD emergency surgery has increased by 430 cases (4.0%) across the District.

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 6.1% increase in the number of Hospital in the Home overnight separations (1,697) April YTD in comparison to the same period last year. As previously indicated the District would have had significant difficulty in managing the demands on our acute services without the investments made by the District in these services.

NATIONAL FUNDING REFORM / ACTIVITY BASED FUNDING

NWAU Activity against Target

The District continues to perform well in relation to NWAU activity against target, with a 0.85% variance to target for YTD March, excluding DWAU.

Stream	Target	Actual	Variation	Variation %
Acute*	135,042	135,689	647	0.48%
ED	19,357	19,781	424	2.19%
NAP	38,000	37,050	-950	-2.50%
SNAP	9,761	9,957	196	2.01%
MH Admit**	13,905	14,036	131	0.94%
MH NAP***	135,042	135,689	647	0.48%
Total	222,386	224,275	1,889	0.85%
Dental DWAU	53,988	64,568	10,580	19.60%
Dental NWAU#	6,410	7,666	1,256	19.60%
Total (NWAU)	228,796	231,941	3,145	1.37%

*April is 95.2% coded, 628 uncoded episodes

** 91.3% coded, 61 uncoded episodes

**March data

NWAU=589/4691*DWAU

Sub and Non-Acute Patient (SNAP) Activity

SLHD is one of two Districts participating in a pilot project to develop an audit tool for subacute activity. Concord and Balmain Hospitals will be participating in the project, with all five SNAP care types represented between the two facilities. The Ministry of Health attended Balmain Hospital in the final week in May to undertake the a SNAP medical record audit as part of the project.

In late May, 19 clinicians from across the District attended training to be credentialed in the SNAP functional independence measure (FIM) tool.

Mental Health Activity

Data analysis of the recently implemented (Feb 2017) Australian Mental Health Care Classification (AMHCC) shows there is poor compliance with the completion of outcome measures across the State. A working group consisting of members from the Independent Hospital Pricing Authority, Mental Health Services and consumers has been established to review the phases in the AMHCC.

Community mental health data will continue to be shadow funded under the current ambulatory classification and admitted mental health under the DRG classification until there is more reliable data and associated costing to enable transition to the AMHCC.

Non-Admitted Patient (NAP) Activity

NSW Ministry of Health will be participating in a national costing study to inform the development of a new Australian Non-Admitted Care Classification (ANACC). The ANACC will better describe patient characteristics and the complexity of care to more accurately reflect the costs of NAP services. Clinicians across the District have provided feedback on the proposed data collection for the costing study. 51 clinics from Royal Price Alfred Hospital, Concord Hospital and Sydney District Nursing have been nominated by the District to participate in the study.

REVENUE ENHANCEMENT DEVELOPMENT COMMITTEE

Private Health Insurance Usage

For the month of April 2019, 18.13% (2,502 separations) of all patients discharged by SLHD facilities were classified as privately insured.

For the financial year ended 30 April 2019 there were a total of 26,706 (19.04%) private patients admitted, a reduction of 1,141 (4%) patients compared to the same period last year. The April 19 YTD results across each facility were:

- RPAH – a reduction of 1,349 (9.7%) private patients.
- Concord – an increase of 106 (1%) private patients.
- Canterbury Hospital – a reduction of 76 (4.2%) private patients.
- IRO – an increase of 10 (4.1%) private patients.
- Balmain Hospital – an increase of 78 (40.8%) private patients.

The District recorded an increase of 2,677 in total separations (all financial classifications) in the nine months to the end of April 2019, compared to the same period last year.

Single Room Usage

For the month of April 2019, 7.76% of patients were flagged as infection control across the District, compared to the average of 8.36% for the first ten months of the financial year.

For the month, 26% of all available single rooms were occupied by private patients and 43% of all private patients were accommodated in single rooms.

For the first ten months of the financial year the average occupancy of private patients in single rooms is 26% and the average of all private patients accommodated in single rooms is 40%.

SLHD Revenue Committee

Key notes:

- The SLHD Revenue Committee did not sit in April 2019. The next meeting is in May 2019.

REDESIGN AND SERVICE IMPROVEMENT

Innovations

- The next round of the Pitch will be held on 28 June 2019, in conjunction with the Sydney Innovation and Research Symposium. Applications for submissions to the Pitch close on the 27 May 2019.

Clinical Redesign: CHR Projects

- The “A Joint Effort – Patient Centred Redesign in the Rheumatology Outpatient Services at RPA” Project (CHR 2018 – first intake) submitted the evaluation poster and summary which will be displayed on the Innovation Exchange website. The department is currently implementing the 9 solutions, which were generated from workshops with staff and patients, literature reviews, site visits and benchmarking with other similar departments. Evaluation of solutions has commenced and is pending data analysis. The team will graduate from the Centre for Healthcare Redesign on 10 May 2019.

Accelerating Implementation Methodology (AIM):

- The next AIM training is scheduled on 23-24 May 2019.

HealthPathways

Content development

No Workgroups conducted in May.

Content in Development:

- Neurology
- Neurosurgery
- Rheumatology & Back pain
- Genetic Testing
- Fractures (for publication late May 2019)

The program hit two publication milestones in May 2019: firstly, the completion of 250 Periodic reviews of previously published pathways and resources and secondly, the publication of pathway number 750, which maintained Sydney as the leading Australian site for localisation of pathway content. This milestone leaves the Program team with approximately 300 pages of content to localise to the local health environment.

Usage of HealthPathways

Provisional May 2019 (1 – 21) usage figures are comparable to previous months and showing an increase from earlier months in 2019. April 2019 figures reflected the downturn in access and lower GP activity from the Easter and ANZAC public holidays and NSW School holidays.

	May 2019 1 – 21	April 2019	March 2019	May 2018 1– 21
Users	812	961	1,023	986
Sessions of use	3,833	4,801	5,312	3,945
Unique Page Views	11,315	14,237	15,390	11,916
Total Page Views	14,123	17,628	19,075	15,857

Evaluation update

Along with our evaluation partners, Menzies centre for HealthPathways we have had two papers accepted for the following conferences:

1. **Australian Evaluation Society's 2019 International Evaluation Conference, 16 – 18 September 2019, Sydney** - Operationalising systems-thinking approaches to evaluating health system innovations: The example of HealthPathways Sydney
2. **11th Health Services and Policy Research Conference in Auckland, New Zealand, 4 to 6 December, 2019** - Evaluation of the impact of HealthPathways on the design and integration of health services in Sydney Local Health District.

FINANCIAL PERFORMANCE – NET COST OF SERVICE BASIS GENERAL FUND (GF)

The 2018/19 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 period ended 30 April 2019 based on the District's budgeted NCoS.

For the month of April 2019, Sydney Local Health District (**SLHD**) General Fund Expenditure was \$3.853M (2.54%) unfavourable to budget. GF Revenue was \$5.046M (3.31%) favourable to budget for the month. For the period ended 30 April 2019, GF Expenditure was \$13.089M (0.90%) unfavourable to budget and GF Revenue was \$4.424M (0.30%) favourable to budget. For the year ended 30 April 2019, the District's GF NCoS was \$8.665M unfavourable to budget.

The YTD results reflect the impact of the Own Source Revenue budget realignment that was processed by the Ministry. The District has requested the Ministry to further review the final Facility Fees budget realignment and is awaiting a response.

The Chief Executive and the Executive Director of Finance are confident that the District will have an on budget NCoS result (excluding the impact of Doubtful Debts) for the 2018/19 financial year despite the continued challenges that are facing the District. To achieve the 2018/19 NCoS target the District will continue to maintain the good controls that it has in place and monitor performance on a daily basis.

The major variances for the month were:

Expenditure

- For the month of April 2019, GF Total Expenditure was \$5.046M (3.31%) unfavourable to budget, reflecting unfavourable results for Salaries & Wages (\$0.277M), Overtime (\$0.208M), Annual Leave Provision (\$1.919M), Superannuation (\$0.581M), VMO Payments (\$0.783M), G&S Drugs (\$0.717M), G&S Medical and Surgical Supplies (\$0.413M), G&S Support (\$0.284M) and Grants (\$0.365M) offset by favourable results in Other Employee Expenses (\$0.348M) and RMR (\$0.257M). This has been driven by the significant increase in activity across the District during April 2019.
- YTD April 2019, GF Total Expenditure was \$13.089M (0.90%) unfavourable to budget. This result reflects unfavourable results for Salaries & Wages (\$2.901M), Overtime (\$2.662M), Annual Leave Provision (\$4.367M), Superannuation (\$2.572M), VMO Payments (\$1.514M), G&S Drugs (\$2.160M), G&S Medical & Surgical Supplies (\$2.545M), G&S Special Services (\$1.147M), G&S Support (\$0.898M) and Grants (\$1.018M) offset by favourable variances in

- Other Employee Expenses (\$3.260 M), G&S Admin (\$2.701M) and RMR (\$2.996M). This has been driven by the significant increase in activity especially since the new calendar year.

Revenue

- GF Total Revenue was \$3.853M (2.54%) favourable to budget for the month of April 2019. The result for the month reflects favourable variances in High Cost Drugs (\$0.561M), Facility Fees (\$1.226M), Services to Other Organisations (\$3.574M), Emerging Rights to Assets (\$0.234M) offset by unfavourable variances in Patient Fees (\$0.800M), Grants & Contributions (\$0.698M), Rent Income (\$0.264M) and Doubtful Debts (\$0.639M)
- YTD April 2019, GF Total Revenue was \$4.424M (0.04%) favourable to budget. The favourable YTD result reflects favourable variances in User Charges (\$1.817M) Grants & Contribution (\$2.798M) and Other Revenue (\$3.719M) offset by unfavourable variances in Patient Fees (\$0.667M), and Doubtful Debts (\$3.069M).

SPECIAL PURPOSE AND TRUST (SP&T)

SP&T NCoS was \$1.124M favourable to budget for the month of April 2019 and \$1.308M unfavourable to budget for the ten months ended 30 April 2019. The YTD result reflects an unfavourable budget variance for Expenditure (\$3.736M) offset by a favourable budget variance for Revenue (\$2.428M).

CONSOLIDATED RESULT

For the period ended 30 April 2019, the consolidated year to date NCoS result for the General Fund and SP&T was \$9.974M unfavourable to budget. The consolidated result comprises unfavourable variances for Expenditure (\$16.826M) and Doubtful Debts (\$3.328M) offset by a favourable variance in Own Source Revenue (\$10.180M)

FINANCIAL PERFORMANCE – BASED ON NEW MOH REPORTING FORMAT

For the period ended 30 April 2019, SLHD recorded a Total Net Result of -\$37.274M (Note that Total Revenue was higher than Total Expenditure for YTD April 2019) which was \$10.017M (21%) unfavourable to budget. The Net Direct Operating Result (GF and SP&T) for YTD April 2019 was \$10.584M unfavourable to budget. The YTD Net Direct Operating Result reflects an unfavourable budget variance in Expenditure (\$19.334M) offset by a favourable budget variance in Revenue (\$8.750M).

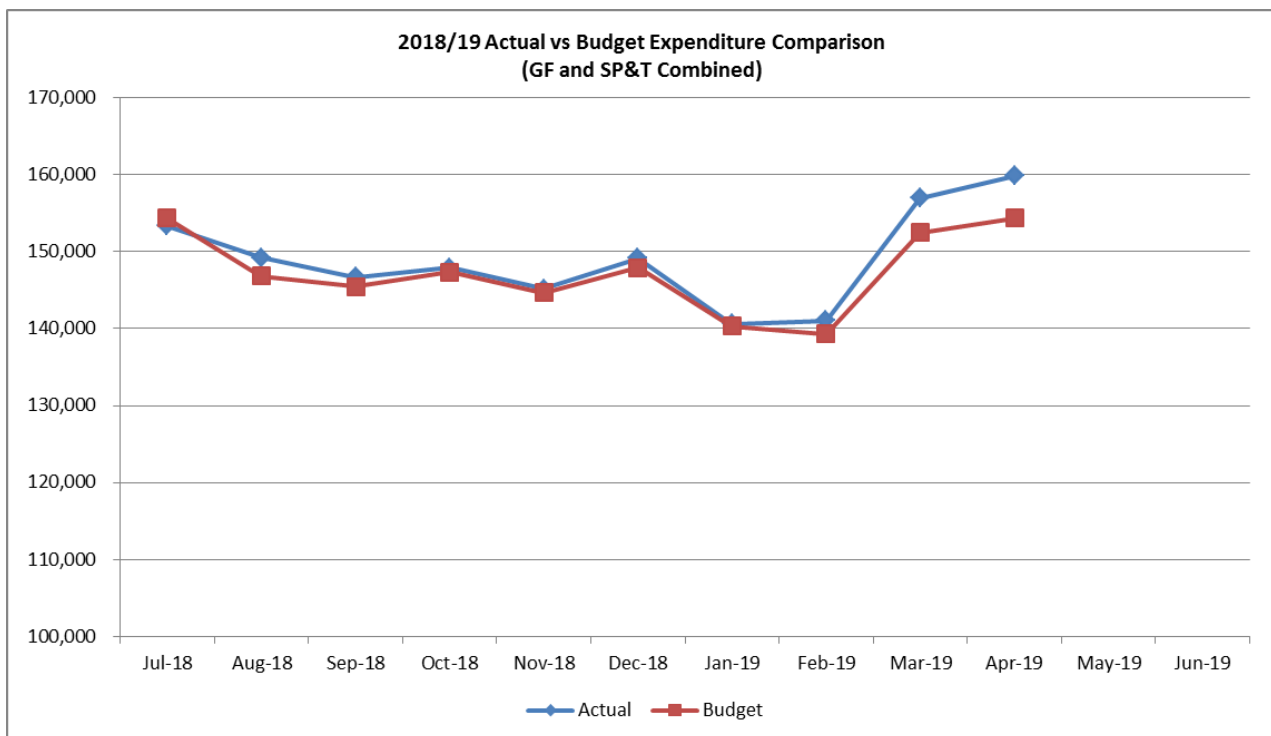
For the month of April 2019, Total Direct Revenue was \$5.879M favourable to budget, comprising favourable variance for the General Fund (\$4.353M) and the SP&T Fund (\$1.526M). YTD Total Direct Revenue was \$8.750M favourable to budget, comprising favourable variances for the General Fund (\$6.280M) and the SP&T Fund (\$2.470M). The YTD result for the GF reflects favourable variances in all Revenue categories except Patient Fees.

Total Direct Expenditure was \$5.760M unfavourable to budget for the month of April 2019, comprising unfavourable results for the General Fund (\$5.300M) and the SP&T Fund (\$0.460M). YTD Total Direct Expenditure was \$19.334M unfavourable to budget, comprising \$15.950M unfavourable variance for the General Fund and a \$3.384M unfavourable variance for the SP&T Fund.

The YTD result for the General Fund reflects unfavourable variances in Salaries & Wages (\$2.901M), On-costs (\$3.679M), Overtime (\$2.662M), VMOs (\$1.514M), Support Services & Utilities (\$0.898M), Direct Clinical Operating (\$5.979M) and Grants & Subsidies (\$1.018M) offset by favourable result for G&S Corporate & Operational Admin (\$2.701M).

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 30 April 2019. However, HealthShare placed a number of invoices on hold and released them for payment after the month close. The District has engaged HealthShare in relation to this matter.

The District achieved 99% compliance with the NSW Government target for payment of small vendor creditors within 30 days for the month of April 2019. Two small vendor invoices were paid outside of the 30 Days KPI. A plan is in place to ensure that this KPI is met. The District is having ongoing discussion with Healthshare in relation to this.

The cash balance at 30 April 2019 for the SLHD Operating bank account was \$15.778M and the Operating Cash book balance was \$15.476M.

CAPITAL WORKS – SMRS PROJECTS

As at 30 April 2019 the District's Full Year Capital works budget relating to SMRS Projects is \$37.630M comprising \$8.892M of MoH funded projects and \$28.738M of locally funded projects.

Actual expenditure as at the end of April 2019 was \$10.646M which is marginally below budget.

OTHER CAPITAL PROJECTS

As at the end of April 2019, the District has expended a total amount of \$0.158M on project relating to the Patient Billing and Tracking (h-Trak) System. The total expenditure of \$0.158M was sourced from the General Fund.

CAPITAL WORKS

RPA

Building 77 Plant Room

Fire service installation is complete. Lighting is complete. Louvered doors will be installed early May.

Building 63 RPU

Mechanical and electrical documentation is 95% complete. Clean room product review has been undertaken. The District is awaiting final drawings for revised quotes. Site visits are being arranged to inspect potential clean room manufacturers early in the New Year. Hot cells are under tender review. The Lift pit has been created. Partition framing is complete.

Renal Medicine - PMBC

Mechanical services rough in, fit off and ceilings are complete. Paintings and flooring is 90% complete. Electrical and hydraulic fit off is 90% complete. Bathroom wall and floor tiling is complete. Fire service installation is complete. Joinery installation is 95% complete. Work stations have been installed.

Building 75, Level 11 Respiratory Labs – Stage 2

Phase 1 has been occupied. Phase 2 demolition is complete. Partitions have been installed. Service rough in has commenced.

Pharmacy Manufacturing

Detailed Design signed off by the users and the FFE list has been prepared. Awaiting elevation drawings.

Concord

Concord Redevelopment

During the period, planning and design meetings have continued. Roberts Pizzarotti have taken partial site possession in April with foundation piling for the main building commenced in the North West Corner and New Atrium.

The next three months key activities on the project are summarised below. June, July & August include a range of activities that are critical to ensuring the project remains on programme.

- Enabling Works demolition complete – End May;
- Enabling works services commissioning – Ongoing – June, July & August;
- Enabling Works complete – Early August;

- Main works full site possession – June;
- Main works design finalisation – Ongoing – July;
- Bulk excavation – July, August; and
- Tower crane installation – August.

Project Decanting – VMO Car Park

Compaction of the ground continues with some services also being installed. Works are on schedule.

Building 34-JMO's Relocation

Demolition works are complete. Asbestos and lead paint removal is complete. Building works are complete. Hydraulic, electrical works, flooring and internal painting are complete. External cladding works have commenced. Internal area to be occupied early June.

Building 2-Suite 100

Demolition is complete. Wall framing and sheeting is complete. Mechanical services are complete. Flooring and painting are complete. Joinery has been installed. The Area is complete and ready for occupation.

Building 75 – Fussell House

Decanting works are underway. Service disconnections are complete. Demolition in project zone is complete.

Mental Health Therapeutic Environment Minor Capital Works

Internal Patient Care Unit Northern part is complete and Southern part is underway.

Canterbury Hospital

ED Expansion

Site disconnections are complete. Preliminary demolition is complete. Procurement underway. Site surveying is complete. Site has been prepared in preparation for piling.

Community and Family Services

Additional works have been completed. Certification has been received. Handover document completed. Project complete and area has been occupied.

Balmain Hospital

GPC Waiting Room

Painting is complete. Joinery has been installed. Vinyl flooring is complete. Artwork has been installed. FFE has been delivered. Defects ready to be undertaken. The Area is complete and the space has been occupied.

PLANNING

Concord Clinical Services Plan (CSP) – Stage 2

The Executive Steering Committee has been meeting regularly to support the process of planning for Concord Stage 2.

The Planning Unit is reviewing and updating the projected clinical service activity using the new Ministry of Health forecasting tools (HealthApp). Updated activity and staffing data has been incorporated into departmental and service summaries for review and discussion as the initial stage of consultation.

The consultation plan for Stage 2 has been developed and approved by the Steering Committee.

A significant amount of data and information has been generated on the proposed Concord Radiotherapy service to identify future activity scenarios, demand and forecasts. The Planning Director provided a presentation on this data to the District Radiotherapy Working Group.

Camperdown-Ultimo Collaboration Alliance

A number of meetings have been held to formalise the governance structure and functions of the Collaboration Area Alliance.

- Agreement has been reached and funds collaboratively provided for a senior person to manage this work.
- A meeting has been organised between the Alliance and the Greater Sydney Commission executive to discuss the GSC role in furthering the work of the collaboration area, transport issues, land use and key strategies.
- The Inner West Council will collaborate with the City of Sydney, SLHD and the University of Sydney to undertake a land use study in the Camperdown part of the Collaboration Area to commence the study for the biotechnology hub and related uses.
 - The Planning Unit has provided a summary of the RPA Clinical Services Strategy for this study.

Greater Sydney Commission – Council Local Strategic Planning Statements

The Planning Unit attended Greater Sydney Commission (GCS) sessions for our local councils to present their draft Local Strategic Planning Statements to the GCS and relevant agencies. These plans include information related to the Camperdown-Ultimo Collaboration Area, our physical facilities, our plans for the future and healthy urban development.

Asset Strategic Plan (ASP)

The Planning Unit has commenced the work required to update the service planning, forecasting and demography sections of the Annual Asset Strategic Plan.

SLHD Facility Strategic Plans 2019-2024

The five facility strategic plans are currently under review in the Planning Unit. These plans will be submitted to the Chief Executive for presentation at the District Clinical Council.

SLHD Clinical Stream Position Papers 2019-2024

The Planning Unit is continuing to work with Clinical Directors and Clinical Managers to finalise the Position Papers to align with the SLHD Strategic Plan 2018-2023.

(draft) Central and Eastern Sydney Primary Health Network Mental Health and Suicide Prevention plan

This plan has been reviewed and commented upon by the Planning Unit and other relevant units and the CE has agreed that it can now proceed to open consultation.

RPA HealthOne (Green Square)

Health Infrastructure is continuing to work with SLHD to progress property acquisition options.

The Planning Unit has developed a paper outlining the current and future demand for dialysis services in Green Square/Waterloo.

Work has continued on the economic appraisal of options for Green square/Waterloo in collaboration with Health Infrastructure.

Waterloo Metro

The District provided comment on the draft plans for the Waterloo Metro Station development.

SYDNEY RESEARCH

The Big Idea

The Sydney Research team are continuing to finalise the program, speaker list and judging panel. In addition to keynote speaker Mr Richard Taggart, Chief Information Officer SLHD, winners of The Big Idea from 2018 and 2017 Professor Wojciech Chrzanowski and Professor Gerard Sutton have been confirmed to present updates on the AeroEV and Corneal BioPen devices.

Industry Partner, IDE Group, have been secured as one of the key sponsors for The Big Idea in 2019. IDE Group will sponsor The Big Idea winner with \$25,000 worth of services which provides them with time and expertise in the areas of discovery, design, engineering, new product implementation, manufacturing and commercialisation. IDE Group are also providing the prize for our first ever People's Choice Award where the audience will be given the opportunity to vote on who will receive the prize of \$5,000 worth of IDE's services.

Applications closed on 17 May 2019 with 25 applications received, with a good representation from across the Sydney Research membership.

Clinical Trials Showcase

The Clinical Trials Showcase will be held on Thursday 27 June 2019 as part of the Sydney Innovation and Research Symposium. The theme for 2019 will be "*Transforming the Patient Experience through Research*". Prof John Zalcborg OAM, Chair of the Australian Clinical Trials Alliance (ACTA) has been confirmed as keynote speaker. The Sydney Research team are continuing to finalise the program and speaker list, working with SLHD Research and CEWD.

Sydney Research Awards and Scholarships

The suite of Sydney Research Awards and Scholarships applications closed on 17 May 2019. A judging panel from across the Sydney Research partnership has been convened with varying backgrounds and areas of expertise. A good number of applications were received for each award, as listed below:

Award or Prize	No. Applications
Annual Health Research Infrastructure Award	2
Clinician Researcher Scholarship	6
Research Excellence Award for the Best Publication in a High Impact Journal	10
Health Informatics Research Scholarship	2
Research Supervisor Award	13
Young Researcher Award	22

Office for Health and Medical Research (OHMR) – Embedding Quality Research into Local Health Districts (EQRLHD)

Recruitment is in progress for a Project Manager (Digital Communications) for the EQRLHDs project, to be supported by SLHD and OHMR. Interviews have been conducted and an offer has been made to the preferred candidate. The preferred candidate is due to commence in the role in mid-June 2019.

Nominations across the State have been sought for representation on the EQRLHDs Working Group. This group will lead the progression of the work in each of the 4 priority focus areas as decided by the EQRLHD Steering Committee. These areas are

1. Clinical Trials Strategy
2. Research Governance
3. Translational Research
4. Information Technology Platforms

Sydney Health Partners (SHP)

The Sydney Research team continues to work closely with Prof Garry Jennings, Executive Director, SHP.

- SLHD was the first of the Sydney Health Partners (SHP) partner organisations to sign the SHP Data Accord, with an official signing date of 8 May 2019. This is a pioneering agreement to make it easier for researchers to utilise de-identified patient data to further health and medical research. The Data Sharing Accord has been developed in consultation with ethics and governance committees at Northern Sydney Local Health District, Western Sydney Local Health District, the Sydney Children's Hospitals Network (at Westmead) and the University of Sydney.
- The SHP Strategy has been finalised which strengthens the commitment to translating research into better health outcomes. The partnership's five founding members will each take leadership of a strategic platform of health and medical research translation, with the aim of speeding the application of evidence into clinical practice. Implementation of the 2019-2022 Strategy will see:
 - Sydney Local Health District lead efforts to transform how research improves patient outcomes to meet the needs of our communities
 - Northern Sydney Local Health District lead efforts to build medical research capacity and remove barriers to the timely conduct of research
 - Sydney Children's Hospitals Network (at Westmead) lead efforts to utilise digital health and informatics research to optimise models of health care and care delivery
 - University of Sydney lead efforts to enhance translational and implementation research expertise within health services
 - Western Sydney Local Health District lead efforts to promote collaboration and inclusivity, and by doing so increase research scale and international competitiveness
- The SHP Governing Council has agreed that a Working Group be established to assist in the development of a model for addition of new SHP partners. SLHD will have representation on this Group, with nominations being finalised in end May 2019.

Franklin Women

Sydney Local Health District has joined as a Franklin Women Academic Partner and also the Mentoring Program for 2019. This is a fantastic opportunity for women aspiring to leadership roles to be a mentee, and also for male and female leaders (as a mentor) to develop inclusive leadership skills which they can apply to their own teams, organisations and the broader sector. The Mentoring Program aims to support the career development of women over a 5-month program delivered between June and November 2019. Nominations for the Mentoring Program closed on 11 April 2019. The successful applicant for the mentor role is Associate Professor Shilpi Ajwani, Head, Oral Health Research and Oral Health Promotion, and the successful applicant for the mentee role is Associate Professor Rebekah Ahmed, Neurologist, RPAH, NHMRC Early Career Fellow and Director Memory and Cognition Clinic, RPAH.

Sydney Research has been working with Franklin Women to support and host the Mentors Briefing and Mentoring Program kick-off event which will be held on Thursday 13 June 2019 at the Kerry Packer Education Centre.

Biodesign

SLHD has partnered with the University of Sydney to launch the Biodesign program, as a pilot for NSW Health in embedding research leadership, innovation and collaboration. Biodesign Australia is a fast-paced, hands-on course for aspiring biomedical innovators and entrepreneurs with a drive to improve healthcare in NSW, Australia and around the world. The 6 month program will involve 5 teams of 5 participants, working in 5 SLHD departments. These departments are being finalised. The program will form diverse, multidisciplinary teams with a creative and entrepreneurial mindset, to identify unmet clinical needs and work towards providing a solution, whilst learning about the medical device development process of prototyping, writing patents, developing regulatory, intellectual property, reimbursement, business and funding strategies. Applications have opened, with a closing date of Monday 17 June 2019. Sydney Research has been working with Strategic Relations and Communications team to include Biodesign as a 'Snapshot' session as part of the 2019 Sydney Innovation and Research Symposium on Friday 28 June 2019.

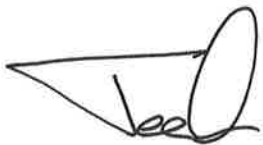
Precinct Planning

The Working Group and Governance Council for the precinct planning continue to collaborate to progress the planning in line with the Royal Prince Alfred Hospital redevelopment work. The group has obtained guidance and direction from the Executive Director, OHMR, regarding the suite of metrics to be developed for the precinct including, but not limited to finance, research output, commercialisation, collaborations and partnerships, workforce development, education and training programs, workforce culture, communication and media and showcases/events and public forums. A number of deliverables have also been recommended including governance, strategy, priority setting, translation, leadership, and operating procedures.

Other Activities

- Highlights and upcoming activities of Sydney Research Council members have been documented for coverage by Sydney Research in 2019.
- The Sydney Research Council meeting held on 30 April 2019 with presentations from Professor Tim Lambert on the Collaborative Centre for Cardiometabolic Health in Psychosis (ccChiP) program and its integrated health informatics technology platform, as well as Mr Richard Taggart who provided an overview of SLHD ICT priorities and strategic direction in research.
- Sydney Research has supported the submission of an Expression of Interest to establish a specialist immune effector cell (IEC) translation centre for adult settings in NSW. If successful, this facility will serve as a statewide research hub and clinical treatment centre for immune effector cell therapies. This has been developed in collaboration with Professor John Rasko, Head of Department, Cell & Molecular Therapies, Royal Prince Alfred Hospital, and Professor Joy Ho, Senior Staff Specialist in Haematology, Royal Prince Alfred Hospital.
- Sydney Research continues to support partnerships and collaboration opportunities, linking with the Macquarie University Centre for the Health Economy (MUCHE), as well as the University of Sydney Faculty of Engineering and Business School.
- Sydney Research continues to support the work on the development of the Pharmaceutical Manufacturing Lab to be located within the NSW State Biobank.
- Sydney Research continues to support the work of the Collaborative Centre for Cardiometabolic Health in Psychosis (ccChiP) in progressing the clinics and its expansion into other locations and avenues.

- Sydney Research has continued to build strong relationships with NSW State Biobank, working with Dr Craig Gedye, Clinical Research Director and Director NSW Statewide Biobank, and Mr Tom Karagiannis, Chief Operating Officer, NSW Statewide Biobank.
- Sydney Research continues to develop strong partnerships with the Institute for Musculoskeletal Health, having attended their inaugural Advisory Board on 7 May 2019.
- Through the Sydney Research Council, fortnightly e-update, communications and social media, Sydney Research is promoting internal and partner educational and research activities to its audience of 600+ subscribers.
- @SydneyResearch currently has 706 followers on Twitter.



Dr Teresa Anderson AM
Chief Executive

Date: 25.7.19.