

Central Adelaide Local Health Network Governing Board

Meeting: 2 August 2023

MINUTES

Item No.	Item	Discussion	Action Ref No.
1.	Executive Session	The Board held an Executive Session.	
2.	Meeting Opening Acknowledgement of Country	<i>"We would like to acknowledge this land that we meet on today is the traditional lands for the Kaurna people in the Adelaide region, the Gadigal people of the Eora nation in New South Wales and the Wurundjeri people of the Kulin nation in Victoria. We respect their spiritual relationship with their country. We also acknowledge that they are the custodians of their regions and that their cultural, linguistic and heritage beliefs are still important to the living Kaurna, Gadigal and Wurundjeri people today".</i>	
2.1.	Welcome Attendance of Board members: In attendance: Invited Guests: Apologies:	<p>The meeting commenced at 11:05am with the Chair providing an Acknowledgement to Country and the Chair welcoming all Committee members and meeting attendees. The Chair welcomed Dr Janine Mohamed to the CALHN Governing Board.</p> <p>Mr Raymond Spencer, Adjunct Professor Mick Reid, Professor Justin Beilby, Professor Judith Dwyer, Mr Peter Hanlon, Ms Ingrid Haythorpe, Mr Peter Hanlon, Dr Janine Mohamed and Dr Peter Subramaniam (Observer).</p> <p>Professor Lesley Dwyer (CEO), Ms Julia Knight (General Counsel & Corporate Secretary), Mr Chris Preston (ED, Finance & Business Services), Ms Lauren Letton (Manager, Intergovernmental Relations), Ms Rachael Kay (I/ED, Operations and Performance – <i>attended for items 4.4, 4.7 and 4.9</i>), Dr Kathryn Zeitz (Deputy CEO & ED, Clinical Governance), Adjunct Associate Professor Julie Hartley-Jones (Group Executive Director, SCSS – <i>attended for item 4.6</i>) and Mr Jim Papanicolaou (I/Director, Enterprise Risk & Compliance – <i>attended for item 4.6</i>)</p> <p>Mr Rick Persse (Under Treasurer, Department for Treasury & Finance)</p>	
2.2.	Conflict of Interest Disclosures	No conflicts of interest were declared.	

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2.3.	Confirmation of Agenda / Any Other Business	Members confirmed the agenda. The Chair advised two additional Executive Sessions will occur at the conclusion of the meeting.	
2.4.	Confirmation of Previous Minutes	The committee endorsed minutes from the previous meeting, held 7 June 2023.	
2.5.	Action List	The status of each action item was noted.	
3.	<i>Strategic Discussion</i>		
3.1.	CEO Report	<p>The Board noted the CEO Report.</p> <p>The CEO provided an overview of CALHN's winter demand strategies, including changes to planned care (elective surgery).</p> <p>The CEO reported that a review was undertaken in relation to waiting times for colonoscopies. The Board noted that a new model of care is being investigated to more effectively triage patients in the future.</p> <p>The CEO reported that the temporary condition imposed by the Chief Psychiatrist on RAH Ward 2G Mental Health Unit is to be removed in the coming weeks and replaced with a 12-month, time-limited condition focused on reporting duress testing and incident data.</p> <p>The CEO reported that the land for the new 24 bed Mental Health Rehabilitation Unit at TQEH was acquired on 13 July 2023. The tender to demolish the existing building will close on 18 August 2023.</p> <p>The CEO reported that the Pregnancy Advisory Centre will move to an alternate location due to the significant infrastructure remediation required. Discussions with DHW to identify an alternative location have commenced.</p> <p>The CEO advised that CALHN will present the Digital Front Door initiative to the HSCGB Board in August 2023.</p> <p>The CEO provided an overview of the July Gateway.</p> <p>The CEO provided a brief overview of the dispute between CALHN and Mesoblast.</p> <p>The CEO provided an overview of the mock snap accreditation that was undertaken on 13 and 14 June 2023. CALHN will review the recommendations and develop a plan to strengthen the focus to address the areas identified for improvement.</p> <p>The CEO reported that a proposal to establish a Statewide Services Health Network was discussed at the Health Chief Executive Council meeting on 1 August 2023.</p> <p>The CEO briefly discussed the potential opportunities the university merger may present CALHN.</p> <p>The CEO provided an overview of executive staffing changes.</p>	

4.	<i>Matters for Discussion/Decision</i>		
4.1.	2022-23 Draft Annual Financial Statements	<p>The ED, Finance & Business Services presented the 2022-23 Draft Annual Financial Statements for Board approval.</p> <p>The Board requested minor amendments to the AusHealth paragraph.</p> <p>The Board approved the signing of the 2022-23 Draft Annual Financial Statements, subject to amendments.</p> <p><i>Action: The ED, Finance & Business Services to amend the AusHealth paragraph within the 2022-23 Draft Annual Financial Statements prior to submitting to the Board Secretariat for Chair and CEO signatures.</i></p>	01.
4.2.	2023-24 Budget	<p>The ED, Finance & Business Services presented the 2023-24 Annual Plan and Budget. The approach has focused on the improvement of the underlying expenditure run-rate (actual performance). The overall efficiency target of \$75m for 2023-24 is based on a 4% improvement from underlying expenditure run-rate.</p> <p>The Board requested an additional paper detailing the key assumptions, initiatives and metrics that will provide Board the assurance that Programs will be held to account. This paper is to include details regarding cost-cutting, medical engagement and escalation.</p> <p>The ED, Finance & Business Services provided a breakdown of the targeted financial improvement for 2023-24. CALHN plans to operate at 106% of NEP by end of 2024-25 through efficiency improvements delivered in 2023-24 and 2024-25.</p> <p>The ED, Finance & Business Services provided an overview of next steps, including finalising the Annual Plan and Service Agreement. Letters to expectations are to be developed for each Program detailing what the Program needs to do and the focus of performance meetings going forward.</p> <p><i>Action: The ED, Finance & Business Services to develop a paper for Board endorsement detailing the key assumptions, initiatives and metrics of the 2023-24 Annual Plan and Budget to provide Board assurance that Programs will be held to account. The paper is to include details regarding cost-cutting, medical engagement and escalation.</i></p> <p><i>Action: The ED, Finance & Business Services to develop letters of expectations for Programs detailing what each Program needs to do and the focus of performance meetings going forward.</i></p>	02. 03.
4.3.	Service Agreement	<p><i>The I/ED, Operations & Performance attended for this item.</i></p> <p>The I/ED, Operations & Performance presented the 2023-24 Service Agreement for Board approval.</p> <p>The Board noted the Finance & Investment Committee provided feedback on the Service Agreement and proposed response letter at the meeting held 28 July 2023. A summary of the changes to the Service Agreement and proposed response letter were outlined.</p> <p>The I/ED, Operations & Performance provided an overview of the 2023-24 commissioning and funding approach.</p>	

		<p>The Board raised concerns regarding the response letter's reference to stranded patients. The I/ED, Operations & Performance is to amend the response letter to reflect that management of stranded patients are to be managed in partnership between CALHN and DHW. The response letter needs to note the specific things CALHN is unable to deliver and reinforce the balance of responsibilities between CALHN and DHW.</p> <p>The Board agreed that a special meeting is to be scheduled in the next few weeks to discuss and approve the Service Agreement.</p> <p><i>Action: The I/ED, Operations & Performance to amend the Service Agreement response letter to: (1) reflect that management of stranded patients are to be managed in partnership between CALHN and DHW, (2) note specific things CALHN is unable to deliver and (3) reinforce the balance of responsibilities between CALHN and DHW.</i></p> <p><i>Action: The Manager, Intergovernmental Relations to schedule a Special CALHN Governing Board meeting to sign the revised Service Agreement.</i></p>	<p>04.</p> <p>05.</p>
4.4.	Revised Six Core KPIs	<p><i>The ED, Finance & Business Services and I/ED, Operations & Performance attended for this item.</i></p> <p>The ED, Finance & Business Services and I/ED, Operations & Performance presented the revised Six Core Key Performance Indicators (KPIs).</p> <p>The Board noted the proposed updates to the Six Core KPIs.</p> <p>The Board noted the Finance and Investment Committee endorsed the revised Six Core KPIs during the meeting held 28 July 2023. A shadow line will be added against LOS to provide a comparator.</p> <p>The Board noted the revised Six Core KPI Dashboard and queried the trajectory for the remainder of the year. The I/ED, Operations & Performance is to update the Dashboard to include a trajectory for the remainder of the year.</p> <p>The Board requested an amendment to the 'EOFY Deficit Projection' graph. The I/ED, Operations & Performance is to update the wording from 'Deficit Projection' to 'Reportable Underlying Deficit'.</p> <p>The Board approved the revised Six Core KPIs to be enacted for the 2023-24 financial year.</p> <p><i>Action: The I/ED, Operations & Performance to update the revised Six Core KPI Dashboard to include a trajectory for the remainder of the year.</i></p> <p><i>Action: The I/ED, Operations & Performance to amend the 'EOFY Deficit Projection graph in the Six Core KPIs Dashboard from 'Deficit Projection' to 'Reportable Underlying Deficit'.</i></p>	<p>06.</p> <p>07.</p>
4.5.	Amendments to Financial Authorisations	<p>The ED, Finance & Business Services reported on the Crown Solicitor's advice in relation to T18 – Financial Authorisations, confirming that the delegated authority of the Chair, CALHN Governing Board to enter a contract can be increased from \$1.5m (including GST) to \$15m (including GST).</p> <p>The Board noted the recommended change in Financial Authorisations will facilitate the signing of the Chest Clinic lease, in line with the revised delegations.</p> <p>The Board approved the recommended changes to the CALHN Financial Authorisations, increasing the delegated authority of the Chair, Governing Board to enter a contract to \$15m.</p>	

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		The Board discussed the ability to authorise the CEO to sign contracts on behalf of CALHN up to the increased delegated authority of \$15m.	
4.6.	Annual Attestation Statement	<p>The Deputy CEO and ED, Clinical Governance presented the Safety and Quality Attestation Statement 2023 for Board approval. Statewide Clinical Support Services (SCSS) are included in this Attestation Statement. SCSS are separately accredited under various accreditation systems but participate in CALHN NSQHS accreditation where their services are provided to CALHN patients.</p> <p>The Board noted that signing the Attestation Statement confirms that CALHN, to the best of its knowledge, has fully complied with an acquitted actions in the National Safety Quality Health Service Standards, or parts thereof, relating to the responsibilities of governing bodies generally for Governance, Leadership and Culture.</p> <p>The Board noted that the Safety and Quality Attestation Statement 2023 was endorsed by the Clinical Governance Committee on 26 July 2023.</p> <p>The Board approved the signing of the Safety and Quality Attestation Statement 2023 by the Chair, Governing Board.</p>	
4.7.	Annual Compliance Certification <ul style="list-style-type: none"> - CALHN - SCSS 	<p><i>The I/Director, Enterprise Risk & Compliance attended for this item.</i></p> <p>The Deputy CEO and ED, Clinical Governance presented the 2022-23 Annual Compliance Certification for Board approval. Six focus areas were included in the 2022-23 Annual Compliance Certification. The focus areas were evaluated by relevant Executive Directors to assess the level of effectiveness of compliance systems and processes. Key areas of improvement were identified, including implementation target dates.</p> <p>The Board noted that due to timing issues, the 2022-23 Annual Compliance Certification for CALHN was unable to be presented to the Audit and Risk Committee for endorsement prior to Board consideration.</p> <p>The Board noted the Statewide Clinical Support Services (SCSS) Committee endorsed the 2022-23 Annual Compliance Certification for SCSS via Circular Resolution on 6 July 2023.</p> <p>The Board approved the submission of the 2022-23 Annual Compliance Certification for CALHN and SCSS to DHW.</p>	
4.8.	Chest Clinic Lease	<p>The ED, Finance & Business Services reported on the Royal Adelaide Hospital (RAH) lease extension with Royal Adelaide Health Partners for the 'Chest Clinic' functions. A 12-month lease extension is sought whilst alternate options within the RAH or proximate to RAH can be identified.</p> <p>The Board noted the Finance and Investment Committee endorsed the lease extension between CALHN and the Royal Adelaide Health Partners for a further 12-months during the meeting held 28 July 2023.</p> <p>The Board approved the lease extension between CALHN and Royal Adelaide Health Partners for a further 12-months, from 1 June 2023 to 31 May 2024, at an annual cost of \$892,000.</p>	

		The Board approved the signing of the lease extension briefing by the Chair, Governing Board, to approve the lease extension and authorise the CEO to sign the association lease and contract documentation on behalf of CALHN.	
4.9.	RAH ED Incident Update	<p><i>The I/ED Operations & Performance attended for this item.</i></p> <p>The I/ED, Operations & Performance reported on the Royal Adelaide Hospital Emergency Department Incident. An external evaluation of the security arrangements was undertaken by McGrathNicol. The evaluation provides CALHN with 11 themed recommendations that cover clinical practice, security, communication/education, staff alertness and onboarding/offboarding.</p> <p>The Board noted the recommendations arising from the 'Royal Adelaide Hospital – Emergency Department Security Evaluation Report - Unauthorised Access'.</p> <p>The Board noted the detailed implementation plan will be discussed at the Audit and Risk Committee scheduled for 9 August 2023.</p> <p>The Board noted the Audit and Risk Committee is recommended to provide oversight of the completion of the associated actions.</p> <p>The Board approved the signing of the Minute to the Minister for Health and Wellbeing detailing the outcome of the external evaluation by the Chair, Governing Board, subject to minor changes.</p>	
4.10.	Committee Reports	<p>The following Committee Chairs presented reports on the work of their Board Committees.</p> <p><i>People & Culture (PCC) (Focus) –</i></p> <p>The PCC Chair reported on the recent PCC meeting, including the following:</p> <ul style="list-style-type: none"> • Medical managerial appointments process • Changes to Domestic and Family Violence leave • Leadership Development Framework 2023 • Professional Accountability Program progress report • CALHN Aboriginal Employment and Retention Strategy progress report • Medical Leadership Cohort, People First Dashboard and Exit Survey analysis • Independent Commission Against Corruption Action Plan status update • HR Delegations review • Updates to strategic risks: <ul style="list-style-type: none"> ○ R-1004756 – Injury or harm to employees, students, contractors or volunteers ○ R-1004764 – Failure to prevent fraud, corruption and maladministration. <p><i>Consumer & Community Engagement (CCEC) (Focus) –</i></p> <p>The CCEC Chair reported on the recent CCEC meeting, including the following:</p> <ul style="list-style-type: none"> • Refugee Health Service presentation • Health Literacy Working Group update <ul style="list-style-type: none"> ○ Alternatives to written communication ○ Legibility of health information documentation. • Yaitya Marnintyarla Kangka Committee membership update 	

		<ul style="list-style-type: none"> • Yaitya Marnintyarla Kangka Committee Terms of Reference update • Aboriginal Patient Group Dashboard • CALHN's second Reconciliation Action Plan • Redevelopment Leadership Committee and Stakeholder User Group update • Diversity and Inclusion Action Plan implementation update. <p><i>Adelaide Health Innovation Partnership (AHIP) –</i> The Committee Chair reported on the recent AHIP meeting, including the following:</p> <ul style="list-style-type: none"> • Changes to meeting frequency • Changes to Executive Group membership: <ul style="list-style-type: none"> ○ Dr Liz Sutton, Research Director replaced Professor Gerry O'Callaghan as CALHN representative ○ Professor Maria Makrides, incoming Executive Director replaced Professor Steve Wesselingh as SAHMRI representative. • Communication and Engagement Plan • Project Updates: <ul style="list-style-type: none"> ○ Adelaide EpiCentre ○ Bragg Comprehensive Cancer Centre (BCCC) ○ Centre of Excellence for Aboriginal Health (Purruna Trruku) ○ Clinical Researcher PhD Pathway (CPP) ○ Shared Research Working Group. <p><i>AusHealth</i> The Board Chair reported on the recent AusHealth meeting, including the following:</p> <ul style="list-style-type: none"> • AusHealth activities • AusHealth Hospitals • AusHealth Research • Pipeline • Research Projects: <ul style="list-style-type: none"> ○ APOMAB ○ Corticosteroid-binding globulin (CBG) for septic shock ○ Critical Care Informatics System. • Change of employer to AusHealth Hospital Research Fund (AHRF) • AusHealth Reconciliation Action Plan • Financial discussions. 	
<p>5.</p>	<p><i>Matters for Noting</i></p>		
<p>5.1.</p>	<p>Financial Management Compliance Program Self-Assessment</p>	<p>The Financial Management Compliance Program Self-Assessment paper was noted.</p>	

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5.2.	Mesoblast Dispute	The Mesoblast Dispute paper was noted.	
5.3.	Workforce Report	The Workforce Report was noted.	
5.4.	Performance Report	The Performance Report was noted.	
6.	Executive Session	The Board held an Executive Session with the CEO and General Counsel & Corporate Secretary present.	
7.	Executive Session	The Board held an Executive Session.	
8.	Meeting Close		
8.1.		<i>Meeting closed at 2:50pm.</i>	

Signed:



Mr Raymond Spencer, Chair

Date: 25 October 2023