Appendices

Appendix 1: List of hospitals and health services

Public Health Services

Albury Wodonga Health

Alfred Health

Austin Health

Ballarat Health Services

Barwon Health

Bendigo Health Care Group

Dental Health Services Victoria

Eastern Health

Goulburn Valley Health

Latrobe Regional Hospital

Melbourne Health

Monash Health

Northern Health

Peninsula Health

Peter MacCallum Cancer Institute

The Royal Children's Hospital

The Royal Victorian Eye and Ear Hospital

The Royal Women's Hospital

Western Health

Denominational health services

St Vincent's Health

Mercy Health and Aged Care

Calvary Health Care Bethlehem

Public hospitals

Alexandra District Health

Bairnsdale Regional Health Service

Bass Coast Health

Beaufort and Skipton Health

Beechworth Health Service

Benalla Health

Boort District Health

Casterton Memorial Hospital

Castlemaine Health

Central Gippsland Health Service

Cobram District Health

Cohuna District Hospital

Colac Area Health

Djerriwarrh Health Services

East Grampians Health Service

East Wimmera Health Service

Echuca Regional Health

Edenhope and District Memorial Hospital

Gippsland Southern Health Service

Heathcote Health

Hepburn Health Service

Hesse Rural Health Service

Heywood Rural Health

Inglewood and Districts Health Services

Kerang District Health

Kilmore and District Hospital

Kooweerup Regional Health Service

Kyabram and District Health Services

Kyneton District Health Service

Lorne Community Hospital

Maldon Hospital

Mansfield District Hospital

Maryborough District Health Service

Moyne Health Services

Nathalia District Hospital

Northeast Health Wangaratta

Numurkah and District Health Service

Omeo District Health

Portland District Health

Rochester and Elmore District Health Service

Rural Northwest Health

Seymour Health

South Gippsland Hospital

South West Healthcare

Stawell Regional Health

Swan Hill District Health

Tallangatta Health Service

Terang and Mortlake Health Service

West Gippsland Healthcare Group

West Wimmera Health Service

Western District Health Service

Wimmera Health Care Group

Yarram and District Health Service

Yarrawonga Health

Yea and District Memorial Hospital

Multi purpose services

Alpine Health

Corryong Health

Orbost Regional Health

Otway Health

Mallee Track Health and Community Service

Robinvale District Health Service

Timboon and District Healthcare Service

Early Parenting Centres

The Queen Elizabeth Centre

Tweddle Child and Family Health Service

State-wide services

Ambulance Victoria

Health Purchasing Victoria

Victorian Institute of Forensic Mental Health

Appendix 2: Key provisions of each Enabling Act

Governance provision	HSA			ASA	MHA
	Public hospital	**Public Health service**	**Multi-purpose service**	**Ambulance**	**VIFMH**
Establishment of board	Sect 33	Sect 65S(1)	Sect 115E(1)	Sect 17(1)	Sect 332
Functions of the board	Sect 33	Sect 65(S)(2)	Sect 115E(2)	Sect 18(1)	
Powers of the board (inc establishment and revocation of by-laws)	Sect 33(2A)	Sect 65S(3)	Sect 115E(3)	Sect 18(2), 18(3)	
Board composition					
Number of board directors	Sect 33(3) Not less than 6 and not more than 12	Sect 65T Not less than 6 and not more than 9	Sect 115E(4) Not less than 6 and not more than 12	Sect 17(1A) Not less than 6 and not more than 9	Sect 333 Not less than 4 and not more than 7
Board appointments and composition	Sect 33(5), 33(6), 33(7), 33(8), 33(9), 33(10)	Sect 65T(2), 65T(3) and 65T(4)			Sect 334
Application of *Public Administration Act*	Sect 33(11)	Sect 65T(5)	Sect 115E(7)		
Terms and conditions of appointment	Sect 34 3 year terms, eligible for reappointment	Sect 65U 3 year terms, eligible for reappointment for a maximum period of 9 years	Sect 115F 3 year terms, eligible for reappointment	Sect 17(2)	Sect 335 3 year terms, eligible for reappointment for a maximum period of 9 years
Removal and resignation	Sect 35	Sect 65V	Sect 115G		Sect 336
Board procedures					
Annual meetings	Sect 36	Sect 65ZG	Sect 115H		
Procedure of board	Sect 37	Sect 65X	Sect 115I	Sect 19	Sect 339

Governance provision	HSA			ASA	MHA
Notice of Directions (including Ministerial directions)	Sect 40A, 40B	Sect 66, 66A		Sect 34A, 34B	
	Public hospital	**Public Health service**	**Multi-purpose service**		
Strategic Plans		Sect 65ZF Sect 65ZFA, 65ZFB		Sect 22E	Sect 343
Statement of Priorities				Sect 22F	Sect 344
Service agreement	Sect 26				
Board renewal					
Appointment of delegates to the board	Sect 40C	Sect 65ZAA		Sect 22B	
Function of the delegate	Sect 40D	Sect 65ZAB		Sect 22C	
Obligations of the board to the delegate	Sect 40E	Sect 65ZAC		Sect 22D	
Appointment of administrator	Sect 57A		Sect 115R	Sect 35	
Amalgamation			Sect 115T		
DHHS/Minister/GiC Intervention and Approvals					
Appointment of Chief Executive Officer (Approval by Secretary)		Sect 65XA		Sect 18	Sect 340
Financial Accommodation (Approval from Minister and Treasurer)	Sect 30	Sect 30	Sect 30	Sect 44	
Changes to name, objects or alter Its by-laws (Approval from Secretary)			Sect 115N		

Governance provision	HSA		ASA	MHA
Right of intervention in management (Minister Intervention)	Sect 69F			

Appendix 3: Regulatory bodies

The Health Complaints Commissioner

In Victoria, consumers have a right to make complaints about health service providers and to access their health records. The Health Complaints Commissioner (HCC) was established under the *Health Complaints Act 2016* (Vic). The HCC's role is to receive, investigate and resolve complaints from users of health services, to support healthcare services in providing quality healthcare, and to assist them in resolving complaints. The legislation also requires the information gained from complaints be used to improve the standards of healthcare and prevent breaches of these standards.

The HCC also administers the *Health Records Act 2001* (Vic), the Victorian legislation dealing with the privacy of health information and an individual's right to have access to their own information. It handles complaints about disclosure of health information and access to health information. The *Freedom of Information Act 1982* (Vic) also allows consumers to access information contained in public sector medical records, and for incorrect or misleading information to be amended or removed from records.

The Australian Information Commissioner may also refer complaints concerning health information privacy issues raised under the *Privacy Act 1988* (Cth) to the HCC for resolution.

While a coroner investigates deaths (see later in this section), the HCC is empowered to investigate other matters raised through individual complaints about the services provided by Victoria's public health services, and to suggest ways of improving services. If a complaint involves the professional conduct or performance of a registered health practitioner, the commissioner liaises with the Australian Health Practitioner Regulation Agency (AHPRA) about its handling and resolution.

The Minister for Health has the power to request the commissioner to conduct independent reviews of health service issues. An example of a report on such a review is the *Analysis of the inquiry held by the Health Services Commissioner 2002 into an incident at The Royal Melbourne Hospital, Victoria*.

More information about the complaints process is available at <https://hcc.vic.gov.au/public>.

The Mental Health Complaints Commissioner

The Mental Health Complaints Commissioner is an independent, specialist body established under the MHA to safeguard rights, resolve complaints about Victorian public mental health services, and recommend improvements.

Section 228 of the MHA gives the Commissioner the following key functions:

- to accept, assess, manage and investigate complaints relating to public mental health services
- to attempt to resolve complaints in a timely manner using formal and informal dispute resolution (including conciliation) as appropriate
- to provide advice on any matter relating to a complaint
- to make the procedure for making complaints in relation to services available and accessible, including publishing material about the complaint procedure
- to provide information, education and advice to services about their responsibilities in managing complaints
- to help consumers and people acting on their behalf, or who have a genuine interest in their wellbeing, to resolve complaints directly with services, either before or after the Commissioner accepts the complaint
- to help services improve policies and procedures to resolve complaints
- to identify, analyse and review quality, safety and other issues arising out of complaints and make recommendations for improvements to services, the Chief Psychiatrist, the Secretary and the Minister
- to investigate and report on any matter relating to services at the request of the Minister.

The MHCC has broad powers to deal with complaints in relation to designated mental health services and publicly funded mental health community support services.

To strengthen oversight, the Act also introduced the requirement for all public mental health services to provide a twice-yearly report to the MHCC detailing the number of complaints they have received and the outcomes of those complaints.

More information about the MHCC is available at <www.mhcc.vic.gov.au>.

The Ombudsman

The Victorian Ombudsman has the power to investigate administrative actions taken by a Victorian Government department or public statutory body, including public health services. The Ombudsman is a constitutional independent officer of the Victorian Parliament established under the *Ombudsman Act 1973*, and reports directly to Parliament. The matters investigated by the Ombudsman may arise through individual complaints about administrative actions or through disclosures of serious improper conduct under the *Protected Disclosures Act Vic (2012)*.

An example of a report on such an investigation is the Investigation of a protected disclosure complaint regarding allegations of improper conduct by councillors associated with political donations.[154]

The office also has a role in ensuring compliance with the Freedom of Information Act and the *Charter of Human Rights and Responsibilities Act 2006* (Vic).

Further information is available at www.ombudsman.vic.gov.au

The Auditor-General

The Victorian Auditor-General is an independent officer of the Victorian Parliament appointed under the *Audit Act 1994* to examine resource management in the public sector. The Auditor-General is responsible for auditing all public sector organisations, including the department and public health service entities. The independence of the Auditor-General is enshrined in the *Constitution Act 1975* (Vic), which establishes the office and gives the Auditor-General complete discretion when deciding whether to conduct an audit, how to carry it out and how to prioritise any particular matters.

Among other things, the Auditor-General is empowered to:

- conduct annual financial statement audits of public sector agencies
- undertake performance audits within the public sector that encompass assessments of the economy, efficiency and effectiveness of the management of public resources by the Government or individual Government agencies
- examine instances of waste, probity or lack of financial prudence in the use of public resources
- access a broad range of documents under section 11 of the Audit Act.

The Auditor-General and staff are able to access all public sector information, irrespective of any restrictions imposed by other legislation, including statutory secrecy provisions and Cabinet or commercial-in-confidence confidentiality.

Financial statement audits provide independent assurances to Parliament and the community that the information contained in the financial statements of public sector entities is presented fairly in accordance with Australian accounting standards and applicable legislation. They are carried out at the end of each financial year.

A performance audit evaluates whether an organisation or Government program is achieving its objectives effectively, economically and efficiently, and in compliance with all relevant legislation. These

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[154] https://www.ombudsman.vic.gov.au/Publications/Parliamentary-Reports/Investigation-into-the-transparency-of-local-gover

are carried out when the Auditor-General considers they are warranted, with the audit program developed in consultation with relevant sectors and agencies. Examples include:

• Board performance (2016);

• Public Hospitals: 2015 – 2016 Audit Snapshot (2016);

• Efficiency and Effectiveness of Hospital Services: High-value Equipment (2015);

• Palliative care (2015);

• Hospital Performance: Length of Stay (2016).

Additional reports can be found at www.audit.vic.gov.au/reports_and_publications.aspx

Health services and the department are required to provide a response to the recommendations of performance reviews. Where appropriate the department and health services act to implement changes as recommended by the Auditor-General.

Coroner

Coroners investigate unexplained natural deaths and deaths suspected to be from direct or indirect trauma. From time to time, this involves investigating deaths that occur in health services.

The importance of a coronial investigation is that it can lead to a greater understanding of risks and hazards in the community as well as to improvements in public health and safety.

By being empowered to hold a public court hearing (an inquest), coroners have a vehicle for raising in public the facts about how a person died and can use the inquest to raise awareness of how that death could or should have been prevented. In conjunction with the work of a coroner, other statutory agencies including the police, the Chief Medical Officer of Health and the Victorian Institute of Forensic Medicine maintain a constant surveillance on potentially fatal hazards in society and ensure that preventable deaths are recognised and brought to the attention of the relevant public and Government agencies so that the issues surrounding them can be addressed.

The Aged Care Complaints Investigation Scheme

Some Victorian public sector health services are approved providers of residential aged care services. While the Commonwealth Government is responsible for planning, funding and regulating residential aged care services, the Victorian Government provides top-up funding to public sector residential aged care services (PSRACS) to assist in providing these services.

The Commonwealth's *Aged Care Act 1997* (Cth) provides for complaints concerning Commonwealth Government-funded aged care services to be reported to the Aged Care Complaints Investigation Scheme. This scheme is managed by the Office of Aged Care Quality and Compliance, within the Commonwealth Department of Health and Ageing (DoHA). Under the Aged Care Act services are obliged to compulsorily report incidents or allegations of physical and sexual assault of residents and unexplained absences of residents from services to the scheme.

DHHS also requires Victorian PSRACS to notify it of all compulsory reports made to the scheme at the same time or within 24 hours of the service notifying police and the scheme. This parallel reporting requirement ensures the department is informed of all alleged or suspected incidents of physical or sexual assault and unexplained absences of residents from services. The department has developed a report form that contains no resident identifying information. The form is available at <www.health.vic.gov.au/agedcare/services/psracs>. Once the incident has been investigated, outcome details, including copies of correspondence from DoHA and reports, should be provided to the Victorian department.

The Office of the Aged Care Commissioner is an additional mechanism established by the Commonwealth Government to independently review the way in which the complaints scheme handles complaints. Further information about the aged care services complaints process can be found at: <www.agedcarecomplaints.gov.au/>.

Appendix 4: Board By-Laws (public hospital) example

[INSERT NAME OF HEALTH SERVICE]

BY-LAWS

[Note: These By-Laws are subject to formal approval by the Secretary of the Department of Health and Human Services in accordance with the Act]

1. INTRODUCTION

1.1. These By-Laws supersede the existing by-laws of the Health Service. All existing by-laws which were in force prior to these By-Laws coming into operation are hereby repealed and replaced with these By-laws.

1.2. In addition to these By-Laws, the Board makes and maintains other policies and procedures necessary to guide its decision-making process.

2. DEFINITIONS AND INTERPRETATION

2.1. In these By-Laws, unless the context requires otherwise:

2.1.1. "**Act**" means the *Health Services Act 1988* (Vic) as amended.

2.1.2. "**Auditor-General**" means the Auditor-General within the meaning of the *Audit Act 1994* (Vic) as amended.

2.1.3. "**Board**" means Board of Management of the Health Service.

2.1.4. "**Chair**" means the person elected in accordance with these By-Laws to preside over meetings of the Board (however so described).

2.1.5. "**Chief Executive Officer**" means the Chief executive officer of the Health Service and any person acting in place of such officer.

2.1.6. "**Committee**" means a Committee established by the Board for the discharge of its business, subject to Board approval.

2.1.7. "**Commonwealth**" means the Commonwealth of Australia or any Department of the Commonwealth of Australia.

2.1.8. "**Department**" means the Victorian Department of Health and Human Services and its successors.

2.1.9. "**Finance Directions**" means the *Standing Directions of the Minister for Finance under the Financial Management Act 1994*, given under section 8 of the *Financial Management Act 1994* (Vic), as amended or replaced from time to time.

2.1.10. "**Funding Guidelines**" means the most recent Victorian Department of Health and Human Services publication titled *Victorian health policy and funding guidelines*, as amended or replaced from time to time.

2.1.11. "**GSERP**" means the Government Sector Executive Remuneration Panel.

2.1.12. "**Health Service**" means [insert name of Health Service].

2.1.13. "**Officer**" means an office-bearer of the Health Service elected from amongst the directors of the Board in accordance with these By-Laws, and includes the Chair and any other office-bearers so elected.

2.1.14. "**Remuneration Policy**" means the Victorian Public Sector Commission *Policy on Executive Remuneration for Public Entities in the Broader Public Sector*, as amended or replaced from time to time.

2.1.15. "**Secretary**" means the Secretary to the Department.

2.2. In these By-Laws:

2.2.1. words in the singular include the plural and vice versa;

2.2.2. if a word or phrase is defined to have a particular meaning, the other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;

2.2.3. a reference to a clause is a reference to a clause in these By-Laws; and

2.2.4. a reference to any legislation or a legislative provision includes:

a) that legislation or legislative provision as amended or replaced from time to time; and

b) regulations and other instruments made under that legislation or legislative provision.

3.   **OBJECTS**

3.1. The objects of the Health Service are:

3.1.1. to operate a public hospital in accordance with the Act, and any enabling Commonwealth or Victorian legislation, including the provision of the following services:

a)   public hospital services;

b)   primary health services;

c)   aged care services; and

d)   community health services;[amend/delete as necessary]

3.1.2. to provide a range of high quality health and related services ancillary to those services described in clause 3.1.1;

3.1.3. to carry on any other activity or business that is convenient to carry on in connection with providing the services described in clauses 3.1.1 to 3.1.2, or intended or calculated to make more efficient or profitable any of the Health Service's assets or activities; and

3.1.4. to do all things that are conducive or incidental to achieving the Health Service's objects.

4.   BOARD OF MANAGEMENT

4.1. There will be a Board of Management for the Health Service whose appointment, functions and composition are as prescribed by the Act.

4.2. Subject to the Act and these By-Laws, the procedure of the Board is at the absolute discretion of the Board.

4.3. There will be elected from amongst the directors of the Board a Chair and any other Officers appointed by the Board who will each hold office for a period of one (1) year and be eligible for re-election. If an Officer ceases to hold office, the existing directors of the Board will elect from amongst themselves a member who will hold the office of that Officer until the next election of Officers in accordance with this clause 4.3, and be eligible for re-election at that time.

4.4. Any vacancy or impending vacancy of a member of the Board will be filled in accordance with the Act and any directions or guidelines issued by the Department.

4.5. The Board may make rules and adopt policies and procedures, not inconsistent with the Act and these By-Laws, for the administration of the Health Service.

5.   MEETINGS OF BOARD

5.1. The Board will meet at least ten (10) times during each year, at such place and at such time as the Board may from time to time determine.

5.2. Special meetings of the Board may be convened by the Chair or any four directors.

5.3. A quorum for a meeting of the Board is not less than half the number of directors appointed and nt less than 6 members in total.

5.4. Written notice of each meeting will be served on each member of the Board by delivering it to ensure it arrives with the member, in the case of ordinary meetings, three (3) days, and in the case of special meetings, one (1) day, prior to the meeting being held. Such notice may be delivered by hand, or by post to the usual or last known place of residence or business of the member, or by facsimile or by electronic mail. Failure by any member of the Board to receive due notice of any meeting of the Board will not invalidate the proceedings of that meeting.

5.5. Notice of ordinary meetings must specify the time, date and location of the meeting, and must be accompanied by copies of:

   5.5.1. the agenda for the meeting; and

   5.5.2. documents or other information relevant to the items on the agenda for the meeting.

5.6. Nothing in clause 5.5 requires that a member of the Board be provided with a document or information if the member has previously been provided with a copy of that document or information.

5.7. Notice of special meetings called in accordance with clause 5.2 must specify the time, date and location of the meeting, and the general nature of the business that is intended to be transacted at the meeting.

5.8. At a special meeting called in accordance with clause 5.2, the only business that will be transacted will be that business specified in the notice of the special meeting.

5.9. All questions arising at any meeting of the Board will be decided by a show of hands or, if demanded by any member, by a division, and voting may be by proxy [*delete if not applicable]. Each member present will have one vote. The person presiding at a meeting in accordance with clause 5.11 will have a deliberative vote and, in the event of an equality of votes of any question, that person will have a casting vote also.

5.10. No business will be transacted unless a quorum is present and, if within half an hour of the time appointed for the meeting a quorum is not present, the meeting will stand adjourned.

5.11. The Chair will preside at all meetings of the Board, or if the Chair is absent, the person specified as chair in any rules or standing orders made by the Board, or otherwise the directors present will choose one of their number to preside.

5.12. Any member of the Board who has an actual or perceived conflict (including, but not limited to, a direct or indirect material financial and non-financial interest) in any matter brought before the Board for discussion must disclose that interest immediately to the other Board directors and must not be present during discussion on the matter or be entitled to vote upon the matter.

5.13. No resolution of the Board may be varied or rescinded before the expiration of one calendar month after such resolution has been passed, except at a special meeting of the Board called for that purpose and then only by an absolute majority of the Board.

5.14. An act or decision of the Board is not invalid by reason only of a vacancy or vacancies in the office of a member or defect or irregularity in the appointment of a member.

5.15. The Board may meet in person, or by using technology that provides a means of audio or audiovisual communication (which permits all directors present at the meeting to hear each other), or by using a combination of meeting in person and using such technology.

5.16. A Board member present at the commencement of a meeting of the Board (whether in person or by using technology) will be presumed to have been present for the whole meeting, unless the minutes record that the person was not present at or after a particular time.

6. OFFICIAL SEAL

6.1. The Board must keep the official seal of the Health Service in safe custody.

6.2. The official seal of the Health Service must not be affixed to any document or item except by order or ratification of the Board. The seal must be affixed in the presence of a member of the Board and the Chief Executive Officer who will testify by their signatures that the seal has been duly affixed.

7. DIRECTIONS

7.1. The Board must comply with any directions given by the Secretary or the Minister for the Department under the Act.

8. CONDITIONS OF FUNDING

8.1. The Board must comply with any conditions of funding issued by the Department or the Commonwealth, or as required by the Funding Guidelines.

8.2. The powers and duties of the Health Service are subject to any health service agreements made between the Health Service and the Department in accordance with the Act.

9. CHIEF EXECUTIVE OFFICER

9.1. A Chief Executive Officer will be responsible for the day to day management of the Health Service.

9.2. The Chief Executive Officer's appointment must be in accordance with the Act and GSERP, and must have Secretary approval.

10. CHIEF FINANCE AND ACCOUNTING OFFICER

10.1. The Board must appoint a person as Chief Finance and Accounting Officer in accordance with the Finance Directions.

10.2. The responsibilities of the Chief Finance and Accounting Officer include:

10.2.1. endorsing financial reports submitted to the Board and senior management of the Health Service; and

10.2.2. ensuring that the financial information in such reports is endorsed as to its completeness, reliability and accuracy.

11. DELEGATION

11.1. The Board may delegate any of its powers or functions (other than its power of delegation) to any employee of the Health Service or to a Committee.

12. COMMITTEES

12.1. The Board:

12.1.1. must establish the Committees listed in clause 12.2, and any other Committees required under Commonwealth or Victorian law, regulations or directives; and

12.1.2. may establish any other Committees as it considers necessary or convenient in order for the Health Service to carry out its functions or achieve its objects.

12.2. The Board must establish the following Committees:

12.2.1. Audit Committee (in accordance with the Finance Directions); and

12.2.2. Finance Committee (in accordance with the Act)

12.2.3. Quality and Safety Committee (in accordance with Act); and

12.2.4. Remuneration Committee (in accordance with the Remuneration Policy).

12.3. In establishing each Committee, the Board must specify:

12.3.1. the name and directorship of the Committee;

12.3.2. the terms of reference of the Committee;

12.3.3. the chair of the Committee;

12.3.4. the quorum of the Committee;

12.3.5. any delegation of authority to the Committee in accordance with clause 11.1;

12.3.6. the rules and procedures of the Committee;

12.3.7. the manner in which the Committee must report to the Board in respect of the Committee's meetings and deliberations; and

12.3.8. any other matters required under Commonwealth or Victorian laws, regulations or directives.

12.4. Subject to any requirements under Commonwealth or Victorian laws, regulations or directives:

12.4.1. Committee directors will be appointed by the Board for a period of twelve (12) months and be eligible for reappointment; and

12.4.2. the Board may remove a member appointed to any Committee in its absolute discretion.

12.5. Should a vacancy occur on any Committee, it will be for the Board and not the Committee to fill the vacancy.

12.6. Committees may not co-opt directors without the approval of the Board.

12.7. Committees may establish sub-committees, however directors of a sub- committee may only be drawn from the Committee of which it is a sub-committee.

13. ANNUAL MEETING

13.1. The Annual Meeting of the Health Service will be advertised and held in compliance with the Act.

14. ANNUAL REPORT

14.1. The report of operations and financial statements will be prepared and submitted by the Board in accordance with the Act, the *Financial Management Act 1994* (Vic), and any other applicable legislation.

15. CODES OF CONDUCT

15.1. Board directors must comply with any applicable codes of conduct issued by the Public Sector Standards Commissioner under the *Public Administration Act 2004* (Vic).

16. REMUNERATION AND CONDITIONS OF EXECUTIVE STAFF

16.1. The Board must comply with any applicable directives or guidelines (including those issued by GSERP) issued by the Victorian Government or any department of the Victorian Government which relates to the remuneration or conditions of employment of executive staff of the Health Service.

17. AUDITING

17.1. The Health Service will comply with the provisions of the Act, the *Audit Act 1994* (Vic), and any other applicable legislation by providing for audit of the financial statements of the Health Service by the Auditor-General.

18. FINANCIAL ACCOUNTABILITY

18.1. The Board will ensure that:

18.1.1. regular financial reports are examined and prepared in accordance with the Department's accounting requirements, sound accounting principles and the Australian Accounting Standards;

18.1.2. appropriate financial controls are in place to maintain integrity;

18.1.3. all accountable forms are securely held and an adequate register for all such forms is maintained; and

18.1.4. such accounting books and records as are required by the Department and other statutory bodies are in the manner prescribed.

19. INVESTMENT

19.1. The Health Service may invest money in any manner authorised by law and in accordance with the Act for the investment of trust funds.

20. ACQUISITION AND DISPOSAL OF ASSETS

20.1. The Board may acquire and dispose of any assets of the Health Service in order to achieve its objects and in accordance with the Act, the Funding Guidelines and any other guidelines issued by the Department, and any directions of the Secretary.

20.2. In the event of amalgamation or closure of the Health Service:

20.2.1. any assets of the Health Service funded by the Commonwealth will be dealt with in accordance with any funding conditions contained in any agreement between the Health Service and the Commonwealth and after obtaining any necessary approvals of the Commonwealth; and

20.2.2.all other assets will be dealt with in accordance with the Act, any guidelines issued by the Department, and any directions of the Secretary.

21. **AMENDMENT**

21.1. The Health Service may alter or amend these By-Laws at any time, subject to the necessary approval of the Secretary in accordance with the Act.

CERTIFICATION

We the undersigned hereby certify that these By-Laws which have been signed by us on each page, are the By-Laws made by the Board of the Health Service and approved by the Secretary.

Title of authorised signatory: …………………………….

…………………………….
(Sign)

…………………………….
(Print name)

Date:…………………………….

Title of authorised signatory:…………………………….

…………………………….
(Sign)

…………………………….
(Print name)

Date:…………………………….

Appendix 5: Director Position Description

Health Organisation Board Director Position Description

The role of a board is essentially to:
- Be accountable for the provision of high quality, safe clinical care
- Set the strategic direction and goals for the health service
- Be accountable for ensuring the organisation operates effectively and delivers its strategy
- Monitor and manage risk to the organisation
- Appoint and manage the performance of the Chief Executive Officer, and
- Provide accessible and engaged leadership to create and promote a healthy and just culture for the board and within the organisation.

Effective boards are inquisitive and undertake regular stakeholder engagement within and beyond the organisation. They actively seek and use information and intelligence to understand how well their services are meeting people's needs and to ensure they are utilising opportunities to improve quality, safety and efficiency.

About Public health services

Public health services deliver health, mental health and aged care services in metropolitan and rural and regional Victoria. They are integral parts of the Victorian health system which promotes and protects Victorians' health.

Public health service boards are accountable for the safety and quality of care delivered in their services. They must create an organisational culture and governance environment that places patients at the centre of everything the organisation does and promote continuous improvement.

About Public Hospitals

Public hospitals deliver health, mental health and aged care services in rural and regional Victoria and are integral parts of the Victorian health system which promotes and protects Victorians' health.

Public hospital boards have a responsibility to create a governance environment that drives performance in a way that places patients at the centre of everything the organisation does and to drive improvements to performance within a culture of safety and quality.

About Multi Purpose Services

Multi purpose services provide a range of health and community services that best meet local community need. This may include public hospital services, health care services, aged care services, and community care services.

As with public hospitals, multi purpose service boards have a responsibility to create a governance environment that drives performance in a way that places patients at the centre of everything the organisation does and to drive improvements to performance within a culture of safety and quality.

About Early Parenting Centres

Early Parenting Centres are state wide early intervention and prevention health services. Their purpose is to provide parenting support to families during pregnancy and with children from birth to school age. They are part of a broader range of early intervention services which include Child FIRST and Integrated Family Services and Cradle to Kinder and are accredited health services specialising in parenting, infant health and early childhood development.

Department of Health & Human Services

State Government Victoria

Expectations of board directors

- Attend and actively participate in a minimum of 75 per cent of board meetings as well as any committee meetings they are involved in that are held during the year.

- Participate on a sub-committee of the board, and serve on one or more ad-hoc committees as necessary. Directors should be prepared to participate in Board Strategy Days, Open Access Board Meetings, AGMs and other nominated events which may be part of the board's calendar.

- Develop a full understanding of the organisation's finances, scope of service, strategic context and legal framework.

- Act in good faith in the best interests of the organisation at all times.

- Act with the degree of care and diligence that a reasonable person might be expected to show in the role, and do not improperly use the position, or the information gained in the course of the role, to gain an advantage for themselves or someone else to the detriment of the organisation.

- Adhere to the Victorian Public Sector Commission's directors' code of conduct including bringing any actual or potential conflict of interest or any perceived conflict of interest to the attention of the chairperson of the board.

- Undertake identified and agreed training and development in order to fully discharge their responsibilities.

General attributes required of board directors

As public officials, board directors are expected to demonstrate:

- Commitment to the delivery of safe, high quality, person-centred care – a genuine interest in the fundamental purpose of the organisation and its role in the health care service system

- Ability to use and interpret complex information – understanding the need for information on which to base decisions and the ability to use it to get to the crux of the issue quickly

- Integrity and accountability – dedication to fulfilling a director's duties and responsibilities, putting the organisation's interests before personal interests and acting ethically

- Effective teamwork – the ability to work well in a group, listen well, be open to different views, be tactful but able to communicate a point of view frankly

- Confidence to provide constructive challenge and oversight - the curiosity to ask questions and the courage to persist in asking, and to challenge management and fellow board members where necessary

Minimum competencies required of all board directors

All board members are required to have:

- sufficient financial literacy to understand and interpret financial reports, in particular the audited financial statement in the organisation's Annual Report

- sufficient clinical governance awareness to ensure the delivery of safe, high quality services is always front of mind (and to undertake training on this regularly)

- sufficient legal literacy to understand the board's primary obligations under its constituting legislation and other major legal obligations (such as occupational health and safety)

- sufficient governance skills to understand the role of the board vis a vis the organisation's executive and the accountability mechanisms for the agency, including the board's ultimate accountability to the Minister for Health.

This does not mean that every board member must be a clinician or an accountant or a lawyer, however, all must have these minimum competencies to discharge their duties as directors and to ensure delivery of high quality, safe clinical services.

Department of Health & Human Services

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Selection criteria

The following selection criteria are required to be addressed as part of the application submitted by interested candidates:

1) In addition to the required core competencies outlined above, possession of demonstrable expertise or qualifications in relation to one or more of the following disciplines would be advantageous (see below for definitions and requirements for each discipline):

   - Clinical governance
   - Patient (user) experience and consumer engagement
   - Strategic leadership / Executive Management
   - Corporate governance
   - Audit and risk management
   - Financial management and accounting
   - Asset management
   - ICT strategy and governance
   - Communications and stakeholder engagement
   - Human resources management
   - Community Services
   - Law
   - Registered Clinician

   It is not necessary to have experience in every discipline. Your application should address no more than three of these disciplines.

2) Continuing high levels of performance in your field of endeavour.

3) Appreciation or understanding of the broader policy context and issues surrounding the delivery and planning of public health and/or community services, including to those marginalised or disadvantaged in the community such as Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse (CaLD) families and people with a disability.

Please note every board needs to have at least one member in each of the following categories. If you fulfil one of these requirements, it would be helpful to highlight this in your application:

- A person with demonstrable user experience and patient engagement skills.
- A health professional with knowledge of contemporary clinical practice and experience in clinical governance and not employed in the hospital/health service concerned or where there is a conflict of interest that cannot be reasonably managed.
- A person with professional qualifications in either Finance or Audit and Risk.
- A qualified lawyer with expertise in corporate governance and/or the application and interpretation of law in the healthcare sector.

Department of Health & Human Services

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For further information in relation to hospital and health service board and governance positions, refer to:
https://www2.health.vic.gov.au/hospitals-and-health-services/boards-and-governance/current-appointment-processes

Appendix 6: Board papers example

6.1 Example Annual Agenda – Annual work plan or strategic workplace linked to Quality Initiatives

The health service board and annual agenda should be designed as a practical work plan where the board's staple business items are allocated to a particular meeting. The example annual agenda below is one approach to the categorisation of items and their allocation to specific meetings. In this example, it is assumed there will be 12 meetings of the board including an annual strategy day. An underlying objective of the annual agenda is to achieve balance in the board's workload through the year and ensure all board responsibilities are attended to. The items of business have been categorised as follows:

- matters that the board has resolved for its decision

- matters which have been delegated (e.g. to the CEO or a board committee)

- matters that are purely for information and do not require a board decision

- procedural matters that may arise at any or every board meeting.

The matters listed in the annual agenda and the scheduling of such matters will vary from health service to health service. Each board should identify the core matters for inclusion in the annual agenda. As well as the anticipated board business, there will be other matters which arise that require the board's attention such as a compliance, clinical, policy or major capital expenditure issue. An annual agenda may be set out in many different ways.

The annual agenda should focus on the key areas of safety and quality which require improvement across the organisation. These improvements should be embedded into the organisation's goals and objectives with clearly defined and measureable indicators of success. There should also be consideration of these safety and quality indicators for inclusion in the organisational safety and quality plan, the business plan and possibly the Statement of Priorities.

BOARD ANNUAL AGENDA

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Matters for the board (Reserved Authorities)												
Governance Framework												
Policies, documentation (Protected disclosure, WHS)												
By laws	■											
Review Code of Conduct	■											
Review Annual agenda	■											
Review and update Retained authorities				■								
Review and update Delegated Authorities				■								
Review and update board and committee roles					■							
Election and appointment of office holders							■					
Board and committee succession planning			■			■			■			■
Review board training plan	■											
Board evaluation						■						
Strategy												
Half year strategic review					■							
Review Strategic plan							■	■	■			
Develop Statement of priorities							■	■	■			
Oversight (delegated authorities)												
Review Risk appetite and risk management policy			■									
Corporate planning and budgeting		■							■	■		
Update Director independence registers								■				
Develop and approve internal audit plan									■			
Crisis management										■		
Review risk register			■						■			
CEO appraisal				■						■		
Stakeholder engagement strategy											■	
Management delegations, accountability and approvals				■								
Board and management information systems		■										
Sign off budgets						■	■	■	■			
Reporting												
External												
Sign off Annual report								■	■			
Vic Health Incident Management Report	■	■	■	■	■	■	■	■	■	■	■	■
Patient Satisfaction Monitor Report	■			■			■			■		
Internal												

CEO/CFO Report	X	X	X	X	X	X	X	X	X	X	X	X
Committee reports	X	X	X	X	X	X	X	X	X	X	X	X
Internal stakeholder feedback (staff surveys)		X			X			X			X	
Internal KPI Reports		X			X			X			X	

6.2 Example Board Agenda

The board agenda needs to be consistent and complete. It should include details of all matters for 'noting', 'discussion' or 'decision'. Attendees and apologies should be documented and conflict of interest declarations must be a standing item, as should review and approval of prior meeting minutes, reports presented and other business.

MEETING AGENDA

Meeting no.	X
Date and time	[Day] [Date] of [Month], [Year] at [Time]
Location	

Dial in Number	
Passcode	

Recipient List	
Attendees	
Guests	
Apologies	

Scheduled timing	Item no.	Item	Attachments
[Insert]	1.	**Opening formalities**	
	1.1	Welcome and Apologies	
	1.2	Confirmation of Quorum	
	1.3	Confirmation of Agenda	
[Insert]	2.	**Declaration of Personal Interests**	
	2.1	Declaration of Personal of Interest	
[Insert]	3.	**In camera session**	
	3.1	Board member discussion ●	
[Insert]	4.	**Minutes of Previous Meeting**	
	4.1	Review of Previous Minutes ● See Attachment 3.1 Minutes of meeting no. X	3.1 Minutes of meeting no. X held DD/MM/YYYY
	4.2	Actions Arising from Previous Minutes ● See Attachment 3.1 Minutes of meeting no. X	3.1 Minutes of meeting no. X held DD/MM/YYYY
[Insert]	5.	**Reports**	

Scheduled timing	Item no.	Item	Attachments
	5.1	CEO Report/Discussion	
	5.2	Board Chair Report/Discussion	
[Insert]	6.	**Safety and Quality and Consumer experience**	
	6.1	Quality and Safety Performance Report	
	6.2	Consumer experience reports and Patient Story	
[Insert]	7.	**Risk Management**	
	7.1	Strategic Risk template	[Insert]
	7.2	Review of Enterprise Risk Register	
[Insert]	8	**Strategy**	
	8.1	Presentation on one aspect of Strategic Plan	[Insert]
[Insert]	9	**Items for Decision**	
		[Papers requiring board decision with clear details of the decision required]	[Insert]
[Insert]	10	**Items for Noting**	
	10.1	[Papers tabled highlighting relevance for noting]	[Insert]
	10.2	Committee reports • Board Committee Calendar and directorship – date of meeting • Finance committee - date of meeting • Audit & Risk committee - date of meeting • Quality committee - date of meeting • Community Advisory committee - date of meeting • Population Health - date of meeting • Executive Performance and Remuneration - date of meeting	
	11	**Performance reports**	
	11.1	Internal reports • Clinical services • Medical services	

Scheduled timing	Item no.	Item	Attachments
		• Mental health services • Corporate services • Financial statements • BACeS • Capital, Planning, Projects and Costings report • Statement of Priorities report	
	11.2	**External reports** • VHSPM • PRISM	
[Insert]	12	**Other Business**	
		[Items not on the agenda can be raised for discussion, subject to the chair's permission]	
[Insert]	13	**Critique of Board meeting**	
		[To facilitate reflection and identify learning opportunities for the Board]	

Next Meeting
[Day] [Date] of [Month], [Year] at [Time] [Location]

6.3 Example Board Minutes

Board minutes are important legal documents. They are relied on to demonstrate board consideration of relevant matters and the agreed outcomes. Board directors are required to review the minutes and formally approve them at the following meeting to confirm that they are a true and accurate reflection of the board processes and outcomes.

MINUTES OF BOARD MEETING NO. [insert]

Date and time	[Day] [Date] of [Month], [Year] at [Time]
Location	[Location]

In Attendance	[Name], [Title]
	[List here board directors, and invited guests in attendance]
	[If a board member is absent for any items(s) or period(s) of time during the meeting, record in brackets beside their name. if a board member attends remotely, note this beside their name.]
Apologies	[Name], [Title]
Chair (or presiding member)	[Name], [Title – if not chair]
Minutes	[Name], [Title]

Time commenced	Item no.	Item
[Insert]	1.	Opening formalities
	1.1	Opening and Welcome.
		'The meeting was opened by the chair.'
	1.2	Apologies.
		'As listed above.'
	1.3	'Confirmation of Quorum.
		There being X board directors present the required quorum of Y is satisfied.'
	1.4	Confirmation of Agenda.
		'The board confirmed the agenda.'
		[Note any additions made to the agenda]
[Insert]	2.	Conflicts of Interest
	2.1	'The board **noted** there were no conflicts of interest (real, potential or perceived) in relation to any item on the agenda.'
		[If a conflict is declared, record:
		• Who declared the conflict;
		• A description of the interest and the conflict;
		• The board's decision as to whether the conflict is 'material'; and
		• The board's decision as to what action will be taken to manage the conflict.]

Time commenced	Item no.	Item
[Insert]	3.	Minutes of Previous Meeting
	3.1	Review of Previous Minutes. 'The board **endorsed** the minutes of the previous meeting no. X as complete and accurate.' [If amendments are made to the minutes, add: 'subject to the following amendments' and insert the amendments.]
	3.2	Actions Arising from Previous Minutes. 'The board **noted** the current status of the actions arising from the previous meeting no. X.'
[Insert]	4.	Safety and Quality Action Plans
	4.1	**Title** – [Insert title of Safety and Quality Action] **Description** [Insert short description of action being discussed.] **Discussion** [Insert summary of key considerations discussed leading to the board's decision, including any additional information presented at the meeting which was not attached to the agenda.] **Outcome** 'The Board decided by a vote of X in favour, none against, on option B for [Safety and Quality Action Item – Title]. [Insert details of any agreed further actions to be taken, the responsible person and the due date.]
[Insert]	5.	Priority Items - For Decision/Discussion/Noting [Select and document the purpose of the agenda item]
		[**Title** – [Insert title of Item] **Description** [Insert short description of item being discussed.] **Discussion** [Insert summary of key considerations discussed leading to the board's decision, including any additional information presented at the meeting which was not attached to the agenda.] **Outcome** 'The board endorsed [Priority Item A – Title]'

Time commenced	Item no.	Item
		[Insert details of any agreed further actions to be taken, the responsible person and the due date.] **Absence** [Insert if applicable] 'As a result of a conflict of interest, [insert name] was absent for all discussion and decision-making on this item. The board's quorum was maintained.' **Abstain** [Insert if applicable] '[Insert name] abstained from decision-making on the basis that he/she was attending remotely and was unable to satisfactorily read or be read X document, which was relevant to the decision.'
[Insert]	6	Other Business
	6.1	**Title** – [Insert] **Description** [Insert short description of item being discussed.] **Discussion** [Insert according to whether the item was for noting, confirmation or decision.] **Outcome** [Insert according to whether the item was for noting, confirmation or decision. If a decision was made by the board, where applicable also insert details of dissenting, abstaining or absent directors.]
	6.2	[As above if there are additional items of other business.]
[Insert]	7.	Critique of Board meeting
		[Insert discussion of board directors regarding the current meeting, reflecting on: ● What did we do well? ● What did we not do so well? ● What did we do that we could have done better? ● Education opportunities?]
	8.	Meeting close
	8.1	**Next meeting date** 'The next board meeting will be held [Day] [Date] of [Month], [Year] at [Time] at [Location].'

Time commenced	Item no.	Item
	8.2	'The meeting was closed at [Time].'

Signed as a true and correct record			
Chair	[Signature of chair]		
Name	[Insert name of chair]	**Date**	[DD/MM/YYYY]

6.4 Example Risk Register

Risks must be regularly reviewed by the board in a concise but meaningful way. The following example risk register shows one way in which risks can be presented. A 'risk matrix' gives effective visual, high level information in 1-2 pages. This can be supported by a more detailed risk register of key risks, mitigation actions and an assessment of their effectiveness (two examples of which are provided below. The first provides more detailed analysis of risk (using Risk No.1 'Workforce strategy and management' as the example. The second one shows a more concise version. The preferred version will depend on the level of detail the board wants to see).

RISK MATRIX

Risk Rating

Heat mapping
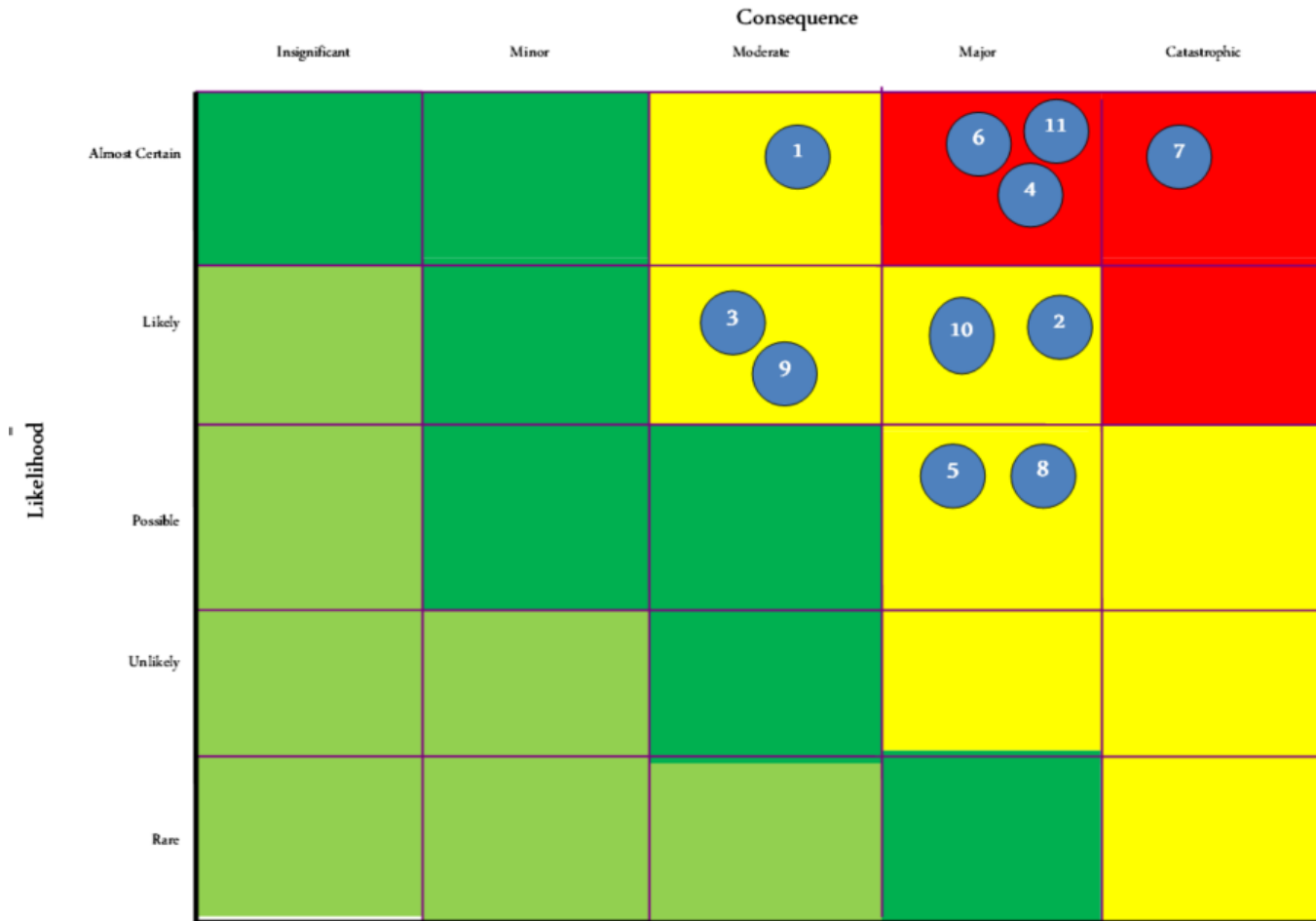
Risk

1	Workforce strategy and engagement
2	Hospital acquired infection
3	Delayed access
4	Financial stability
5	Health Information management
6	Capital and Infrastructure –Site 1
7	Capital and Infrastructure – Site 2
8	Capital and Infrastructure – Site 3
9	Staff Safety
10	Serious patient harm due to falls
11	Abnormal results escalation

🟥	Extreme
🟨	High
🟩	Medium
🟩	Low

CONSEQUENCE		DESCRIPTORS
Catastrophic	Personal Injury	Unexpected death or permanent disability of multiple patients, staff, contractors or visitors.
	Reputation	Public recognition that government and the community have lost confidence in hospital management. Includes Parliamentary Inquiry.
	Financial	Loss of more than 1% of total revenue (>$6M)
	Service / Operational	Substantial disruption to multiple services, threatening the survival or long-term business continuity of the organisation. Includes the unplanned termination of multiple significant services or programs.
	Environmental	Permanent environmental damage. Life threatening effect on public safety.
Major	Personal Injury	Unexpected death or serious injury to a patient, staff member, visitor or contractor requiring significant medical or surgical intervention. Includes staff experiencing any 'time lost to injury' in more than 13 working weeks.
	Reputation	Adverse publicity or legal action damaging Austin Health operations, but not resulting in loss of confidence in hospital management.
	Financial	Loss of more than 0.5% of total revenue ($3-4M)
	Service / Operational	Substantial disruption to multiple services, resulting in short to medium term loss of business continuity.
	Environmental	Long-term environmental damage. A serious threat to public safety that may result in the hospitalisation of casualties.
Moderate	Personal Injury	Injury to a staff member, patient or visitor requiring medical or surgical intervention. Includes staff experiencing any 'time lost to injury' in 2 - 13 working weeks.
	Reputation	Adverse publicity or media coverage not resulting in damage to Austin Health operations.
	Financial	Loss of more than 0.25% of total revenue ($1.5M). Includes losses of less than 0.25% of revenue that threaten the financial viability of a service.
	Service / Operational	Short-term disruption to a service, resulting in short term loss of business continuity.
	Environmental	Short-term environmental damage. A threat to public safety that may result in the treatment, but not hospitalisation, of casualties.
Minor	Personal Injury	Minor injury requiring first aid treatment only. Includes staff experiencing any 'time lost to injury' in 1 – 10 working days.
	Reputation	Complaints requiring a written response, but unlikely to result in adverse publicity.
	Financial	Loss that impacts on a local area only, but does not threaten the financial viability of the service.
	Service / Operational	Short-term disruption to services, not resulting in loss of business continuity.
	Environmental	Transient environmental damage. A minor threat to public safety requiring some corrective action to avoid casualties.
Insignificant	Personal Injury	No injury sustained.
	Reputation	Minor complaints resolved quickly with routine procedures.
	Financial	Minor loss resulting in only minimal impact to local area / service budget.
	Service / Operational	Minimal short-term disruption to a single service.
	Environmental	Minor, transient environmental damage. No threat to public safety.

LIKELIHOOD	GUIDE
Almost certain	The event or circumstance is likely to occur during **most weeks or months** (i.e. _more_ than twelve (12) times a year).
Likely	The event or circumstance is likely to occur **several times a year** (i.e. up to twelve (12) times a year).
Possible	The event or circumstance is likely to occur **once in every _one_ (1) to _two_ (2) years.**
Unlikely	The event or circumstance is likely to occur **once in every _two_ (2) to _five_ (5) years.**
Rare	The event or circumstance is likely to occur **once in every _five_ (5) to _ten_ (10) years** or less.

Likelihood	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost certain	M	M	H	E	E
Likely	L	M	H	H	E
Possible	L	M	M	H	H
Unlikely	L	L	M	H	H
Rare	L	L	L	M	H

Rating	Consequence	Response required
E=Extreme	The consequence would threaten the survival of the organisation, causing major problems for patients, management or for a large part of the public sector	Immediate action
H= High risk	The consequence would threaten continued effective function or survival of a stream or division	High priority action required
M=Medium Risk	The consequences would not threaten a division or stream but could result in a review or changed way of operating.	Develop procedures to manage risk
L=Low Risk	The consequences would be minor and dealt with through routine operations.	Risk monitoring, develop and maintain contingency plans

BOARD RISK REGISTER (Example 1)

1. Workforce Strategy and Management		
Description		**Risk Rating**
The risk that Hospital XX Clinical workforce pipeline is not equipped to meet future demands for services, • The existing clinical workforce mix from both a cost and workforce supply perspective will not be optimal to meet the challenge the health service faces with growth in demand for services. Our ability to address is constrained by political and industrial climate • Some highly specialised areas of hospital operations have insufficient succession strategies and struggle to attract and recruit clinical staff • Iconic clinical services and individuals don't have targeted succession and retention strategies in place		**Status:** ⟹ **Residual Risk:** Likelihood- Almost certain Consequence-Moderate **Rating:** HIGH
Controls/ Action taken		
•		**Category:** Service/Operational **Inherent Risk:** High
Strategies/ Action still required	**Timeframes for actions**	**Responsibility**
•		Director HR

Risk registers can also be prepared in a table format. This format provides a 'dashboard' view of the risks, how it is trending and management and board accountability/oversight.

BOARD RISK REGISTER (Example 2)

Level 2 area: [Insert area]						
Ref #	**Risk Description**	**Risk Category**	**Risk Direction (increasing, decreasing, constant)**	**Current Score (*)**	**Management Oversight**	**Board Oversight**
1	Inability to attract and retain key personnel.	Operational	Increasing	🟡	HR Director	Committee A
2	[Insert risk description]	Clinical	[Insert risk direction]	🟢	[Insert]	Committee B
3	[Insert risk description]	[Insert risk category]	[Insert risk direction]	🟡	[Insert]	Committee B
4	[Insert risk description]	[Insert risk category]	[Insert risk direction]	🟠	[Insert]	Committee D
5	[Insert risk description]	[Insert risk category]	[Insert risk direction]	🟢	[Insert]	Committee C
			Overall rating	**Within tolerance**		

(*)	Assessment of Actions to Manage Risk
🟢 (light)	Meets requirements—The risk management processes are appropriate for the level of risk identified.
🟢	Needs strengthening (minor)—Minor improvements in the risk management process are necessary to meet requirements.
🟡	Needs strengthening (important)—Risk management processes need to be strengthened in important ways to meet requirements.
🟠	Needs strengthening (critical)—Risk management processes are clearly deficient in critical ways.
🔴	Unestablished—Risk management processes have not yet been established.

6.5 Example Strategic Reporting Dashboard

Strategic reporting should be concise. It needs to convey a snap shot of progress against agreed targets using agreed measures. It should also include an overall status of overall progress and against key milestones. Risks and delays should be noted for board consideration and/or decision-making.

STRATEGY REPORTING TEMPLATE

1. Strategic Objective
[Insert a short description of the initiative being undertaken, including linkages to the organisational strategy]

2. Timeline

Action / Milestone	2017					2018				
	J u l	J u l	A u g	S e p	O c t	N o v	D e c	J a n	F e b	M a r	A p r	M a y
1. [Insert Action/Milestone]				◆						
2. [Insert Action/Milestone]				◆						
3. [Insert Action/Milestone]							◆			
4. [Insert Action/Milestone]							◆			
5. [Insert Action/Milestone]							◆			

Key	▇ Completed	▇ In progress	▇ Planned to commence	◆ Reporting date
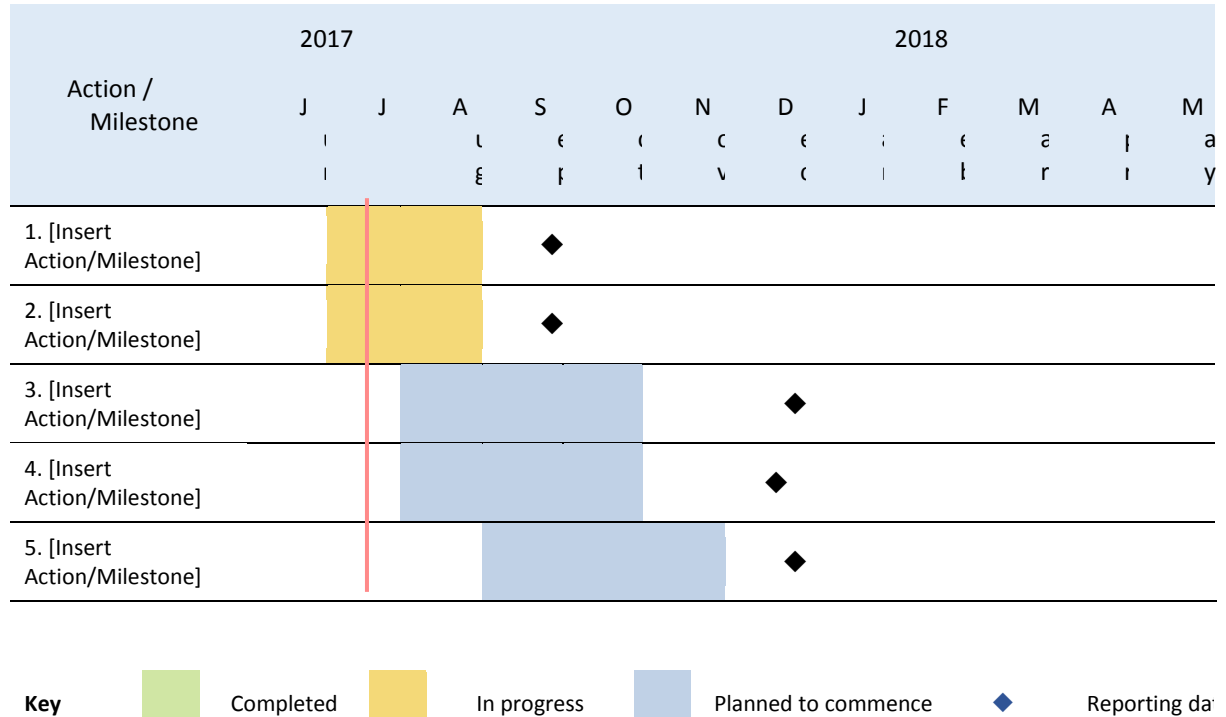
3. Status Update

Date	Narration
	[Status of key actions and deliverables]
	[highlight key risks and link to risk register]

4. Action Plan

#	Action / Milestone	Anticipated completion date	Revised completion date
1			
2			
3			
4			

5			

5. Resources			
Resource requested ($, people, other)	Justification	Status (Y/N/Pending)	Approver and date
	[Insert justification]		

6. Partnerships			
Details	Justification	Status (Y/N/Pending)	Approver and date

7. Other issues for consideration

Noted			
Management sign off	[Signature of responsible board member]		
Name	[Insert name of responsible executive]	**Date**	[DD/MM/YYYY]
Noted by the board		Meeting date	[DD/MM/YYYY]

6.6 Example Board Skills Matrix

A board skills matrix provides a snap shot of each director and the skills and attributes needed across the board. A board assessment is an important step in determining the necessary skills for the board (many of which are consistent across health services). DHHS' board assessment resources are useful tools for self-assessment of director skills against the needs of the health service.

The value of the skills matrix is ultimately derived from honest self-assessment. Individual directors are not expected to meet all the criteria. The objective is to ensure that collectively the board has the relevant skills and diversity. The value of the matrix is that it clearly identifies any training or recruitment needs.

Board member	Gender	Year elected	Years of tenure	Meeting attend-ance	Current position	General							Mandatory							Expertise					Behaviours		
						Risk management	Government relationships / understanding	HR \ People management	Disability Support	Community Engagement	Governance experience	Legal Understanding	Free of conflicts	Gender balance	Financial literacy	Length of Service	Boardroom experience	AICD qualification	Commitment to invest time to understand the organisation	Strong financial experience and qualification	Experienced risk practioner	Clinical experience	Strategic management experience	Change leader	Collaborattive	Values alignment	Ability to achieve consensus
	Female	2011	6	/5	Director																						
	Male	2011	6	/5	Deputy Chair																						
	Female	2017	1	/5	Chair																						
	Male	2002	15	/5	Director			●											●			●					
	Male	2012	5	/5	Director			●											●			●					
	Male	2013	4	/5	Director										●					●							

Male / Female   10%

High   Is highly qualified in this area

Medium   Is skilled / experienced in this area

Limited   Has some exposure in this area

Board member	Gender	Year elected	Years of tenure	Meeting attend-ance	Current position	Areas of experience											
						Asset management	Audit and risk management	Clinical governance	Communications and stakeholder engagement	Community Services	Corporate governance	Financial mangement and accounting	Human resource management	ICT strategy and governance	Law	Patient (user) experience and consumer engagement	Strategic leadership/executive
	Female	2011	6	/5	Director	●	●					●					●
	Male	2011	6	/5	Deputy Chair	●					●			●			●
	Female	2017	1	/5	Chair						●				●		
	Male	2002	15	/5	Director			●								●	●
	Male	2012	5	/5	Director				●	●							
	Male	2013	4	/5	Director				●							●	

Male / Female   10%

High	Is highly qualified in this area
Medium	Is skilled / experienced in this area
Limited	Has some exposure in this area

6.7 Example Professional Development Calendar

The professional development calendar provides an overview of relevant education sessions that should be made available to directors. The calendar is developed and updated by each individual health service in accordance with identified needs and skills gaps that exist within the board.

	2017					2018						
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Department of Health and Human Services (DHHS)												
Board induction												
Victorian Healthcare Association (VHA)												
Our health workforce: Tackling the challenges	16 Aug											
Infrastructure & capital challenges for health services		6 Sep										
Annual Conference			6-7 Oct									
Australian Centre for Healthcare Governance (ACHG)												
Roundtable: The consumer's role in strategy		9 Sep										
The CEO and Chair/Board relationships - A webinar hosted by Conscious Governance			1 Oct									
Clinical Governance: The board's key responsibilities			21 Oct									
Australian Healthcare and Hospital Association (AHHA)												
The Healthcare Facilities Design and Development Summit	8 Aug											
International Forum on Quality and Safety in Healthcare		26 Sep										
Victorian Managed Insurance Authority (VMIA)												
Risk for Boards (Health)				16 Nov								
Women on Boards												

	2017					2018						
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Financial Literacy for the Boardroom	23 Aug											
Realising your board potential	24 Aug											
Australian Institute of Company Directors (AICD)												
Leaders' Edge Luncheon	18 Aug											
Governance for directors	16 Aug		4 Oct									
Finance for directors	17 Aug		5 Oct									
Strategy and Risk for Directors	18 Aug		6 Oct									
Boardroom Financial Acumen	22 Aug											
Webinar : Is technology changing health care and institutions	25 Aug											
Chair Series Event		8 Sep										
Leadership in the Boardroom		13 Sep										
Evaluating the Board		13 Sep										
Healthcare Breakfast		14 Sep										
Mastering Financial Governance			12 Oct									
Applied Risk Governance			13 Oct									
Essential Directors Update			18 Oct									
Other												

Appendix 7: Financial reports example

Financial reports should be designed to provide the board with details of how the health service is progressing in terms of its financial performance to date, and provide a projection of the health service's position in the future.

The Financial Report should be tabled as a standing agenda item at every board meeting. Some of the key areas that a financial report should include are:

- Financial Report Summary
- Operating Statement
- Balance Sheet
- Acute/Sub Acute Activity
- Employee Expenditure/FTE Reporting
- Operating Result by Program
- Treasury Report
- Cash Flow Report
- Other Indicators Report
- Saving Initiatives

7.1 Financial Report Summary

The summary of the report below details how the health services can provide an update of their overarching financial performance and provide an update of their projected result.

Financial Report

Strategic & Specific Matters

Cash Position

A letter has been sent to the Minister raising concerns that the cash issues experienced by [INSERT Organisation Name], despite the strategies deployed prior to the end of the [20XX/XX] financial year, have not been resolved in a sustainable manner and seeking a meeting as soon as possible to discuss the situation.

The CEO and Board Members met with Individual X to discuss current cash challenges.

Projected Result [20XX/XX]:

The Projected result for [20XX/XX] has worsened as details of the recently approved Health & Allied Services, Managers and Administrative Workers Enterprise Agreement [20XX-20XX] have been assessed.

The increase awarded was [XX.XX] % effective [Day Month 20XX]. A sign on bonus of [$XXX] per FTE will cost in excess of [$XXX].

Correspondence was received on [Day Month] advising that funding supplementation will be provided equivalent to the difference between the [XX.XX] % Government standard rate of annual pay increase which has already been funded and the [XX.XX] % increase that has been awarded. The notice received is silent on the specific funding for the sign on bonus.

The quantum of funding is unknown at this time and is therefore excluded from the projected result. It is expected to be advised and received in early [20XX].

[Month] Commentary

Performance Year to date

The entity result is a deficit of [$XXX] which is [$XXX] behind/ahead of budget expectations year to date. The result before Capital items is a surplus of [$XXX] which is [$XXX] behind/ahead of budget expectations, whilst the result for Depreciation and Capital items is [$XXX] better/worse than budgeted due to [XXX].

Acute activity was over target year to date by [XX.XX] WIES. Activity continued to be high in [Month] and is expected to remain so during [Month] in the lead up to the [Month] / [Month] closure.

To date the proposed changes to the [XXX] to allow the calculation of the new Sub Acute WIES achieved against target have not been implemented. A proxy for reporting activity has been used which is based on the weighted bed day approach that was used previously. On this basis, the funded activity is slightly behind of target while actual occupancy remains high in the Sub acute ward.

[Insert Departmental] occupancy has improved during [Month] in the aftermath of the recent spate of outbreaks. [Insert Departmental] occupancy is now at [XX.XX] % year to date and the occupancy in the [Insert Departmental] remains high at [XX.XX] %.

Financial Performance

The operating result prior to Depreciation & Capital Items for the month of [Month] was a Deficit/Surplus of [$XXX] compared to a budget surplus of [$XXX] i.e. [$XXX] behind budget expectations. The result year to date is a Deficit/Surplus of [$XXX] against a budgeted surplus of [$XXX] i.e. [$XXX] behind/ahead of expectations.

The Summary report should include high level details of key financial measures such as cash position, profit and loss and a commentary on the overall performance

7.2 Operating statement

The Operating Statement details how the organisation is tracking to date on revenue and expenditure against budget. This goes beyond a Profit and Loss which only details actual revenue and expenditure.

Operating Statement
[Month 20XX]

	Month Actuals	Month Budget	Month Variance to Budget	YTD Month Actual	YTD Month Budget	YTD Variance to Budget	Month-Month Forecast	Month-Month Budget	Forecast Month-Month Variance to Budget	Board Approved Annual Budget
Revenue										
Inpatient Fees	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Resident Fees	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
Commonwealth Grants	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
Outpatient Fees	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
Government Grants DHHS	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
DH Indirect Contributions	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
Government Grants - Other State	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Other Revenue	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Interest Revenue	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX	XXX	XXXX	XXX
Total Revenue	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**	**XXXX**
Expense										
Salary & Wages	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
S & W - Employee Entitlements	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Nurse Agency Expense	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Other Agency Expense/External	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Superannuation	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Work cover	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Fee for Service - VMO Costs	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Food Supplies	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Medical & Surgical Supplies	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Other Supplies and Consumables	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Drug Supplies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Domestic Supplies & Services	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Fuel Light Power & Water	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Repairs & Maintenance	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Minor Equipment Purchases	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX	XXX	(XXX)	XXX
Administrative Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Patient Transport	XXX	XXX	(XXX))	XXX	XXX	(XXX))	XXX	XXX	(XXX))	XXX
Total Expense	**XXXX**	**XXXX**	**(XXX)**	**XXXX**	**XXXX**	**(XXX)**	**XXXX**	**XXXX**	**(XXX)**	**XXXX**

Using red and green to show negative and positive variances (respectively) provides an easy reference to identify issues or trends. The key is to understand not only variances to budget month to month, but year on year as well.

7.3 Balance Sheet

Balance Sheet
As at [Day Month 20XX]

	Month-XX	Month-XX	Current Year Opening Balance
Current Assets			
Cash on Hand & at Bank	XXX	XXX	XXX
Monies in Trust	XXX	XXX	XXX
Patient Related Debtors	XXX	XXX	XXX
Sundry Debtors	XXX	XXX	XXX
Stores	XXX	XXX	XXX
Prepayments	XXX	XXX	XXX
Accrued Income	XXX	XXX	XXX
GST Receivable	XXX	XXX	XXX
Total Current Assets	**XXX**	**XXX**	**XXX**
Non-Current Assets			
Investments in Joint Venture	XXX	XXX	XXX
Debtor - DHHS LSL A/c	XXX	XXX	XXX
Fixed Assets	XXX	XXX	XXX
Accumulated Depreciation	(XXX)	(XXX)	(XXX)
Total Non-Current Assets	**XXX**	**XXX**	**XXX**
TOTAL ASSETS	**XXX**	**XXX**	**XXX**
Current Liabilities			
Creditors & Accruals	XXX	XXX	XXX
Accrued Expenses	XXX	XXX	XXX
Monies in Trust	XXX	XXX	XXX
Other Accrued Expenses	XXX	XXX	XXX
Income in Advance	XXX	XXX	XXX
Other Current Liabilities	XXX	XXX	XXX
DHHS Cash Loans	XXX	XXX	XXX
Provision for Employee Entitlements	XXX	XXX	XXX
Total Current Liabilities	**XXX**	**XXX**	**XXX**
Non-Current Liabilities			
Provision for Employee Entitlements	XXX	XXX	XXX
DHHS Cash Loans	XXX	XXX	XXX
Total Non-Current Liabilities	**XXX**	**XXX**	**XXX**
TOTAL LIABILITIES	**XXX**	**XXX**	**XXX**
Equity			
Accum Surp/(Deficit)	(XXX)	(XXX)	(XXX)
Contributed Capital	XXX	XXX	XXX
Reserves	XXX	XXX	XXX
Surplus/(Deficit) Current Year	(XXX)	(XXX)	(XXX)
TOTAL EQUITY	**XXX**	**XXX**	**XXX**
TOTAL LIABILITIES & EQUITY	**XXX**	**XXX**	**XXX**

Balance sheets depict the assets and liabilities and movements in the values of these over time. Balance can be impacted by cash movements, changes to valuations of assets/liabilities, staff movements, accounting treatments (such as depreciation). The most important ratio to consider in the balance sheet is the Total Liabilities do **NOT** exceed Total Assets.

Health services will have many items in the balance sheet. The board level report should focus on the key items only.

7.4 Acute/Sub Acute Activity

As part of the financial report, there should always be a summary of how the health service is meeting WIES growth targets. WIES levels should consistently tracked throughout the year and variance levels should be reviewed.

SUBJECT:

TEXT:

Victorian Government funding for health services is based on individual patient needs, and funded in accordance with the **Weighted Inlier Equivalent Separator (WIES)** rating. All financial reports should include reference to the finding mix.

Directors should be familiar with the funding/case mix profile for their health service and look for trends in the data, and commentary by management with respect to variations.

Acute/sub-acute activity – [Month – YEAR]

1. Acute Activity

As discussed on many occasions, meeting the growth WIES targets allocated to [INSERT Health Service] in [20XX/XX] is a significant challenge and will provide some short term challenges. The immediate challenge has been to ensure activity levels were increased as quickly as possible as there has been a significant lead time experienced in the past to increase acute services.

The following summarises the key factors for the first quarter:
1. Acute WIES has increased by [XX or X.XX] % on last year's activity
2. Inpatients have increased by [XX or X.XX] %
3. Bed days have remained stable with a reduction of [XX or X.XX] %
4. WIES(revenue) per bed day has increased by [XX or X.XX] %

It is worth noting that, whilst activity is close to the target [XX] % to the end of [Month], activity has been weighted more heavily in the second half of the year to reflect the commencement of new lists at [Location X].

The following table details YTD inpatient activity:

Monthly	Mth	Mth 1	Mth 2	Mth 3	Mth 4	Mth 5	Mth 6	Mth 7	Mth 8	Mth 9	Mth 10	Mth 11
20XX/XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
20XX/XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
XX % Target	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
XX % Target	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
20XX/XX	XXX	XXX	XXX									
Variance	XXX	XXX	XXX									
	X.XX%											

7.5 Employee Expenditure and FTE Reporting

A breakdown of employee expenditure, including sick leave and overtime should be included. Sick leave is an often unaccounted cost and can have significant impacts on health service budgets if not monitored.

Discussion on the key/most significant expense items is important to highlight changes and trends.

Labour is the largest costs for most health services and therefore some analysis and discussion on this expenditure item (and aspects of employee costs) is important for the board to receive regularly.

3. Employee Expenses

Basic Pay   **[$XX.XX] mill**   **[$XXX or X.XX] % over/under budget**

Whilst under budget in the first quarter, there is some pressure on the basic pay budget and the following areas have been identified:

- There have been additional training shifts worked to manage some of the change associated with the increased workload.
- The new Theatre schedule will require additional FTE. The challenge is to find that FTE from within the savings identified in the Workforce review completed in [Month 20XX].
- Whilst the redesign of the medical rosters will result in a reduction in overtime, there will be an increase in HMO/Registrar positions.
- Accruals are being made for EBA outcomes that have not yet been finalised. There is some risk that the outcomes will place additional pressure on the salary budget. All EBAs will be finalised in the second quarter of the financial year.

Sick Pay   **[$XX.XX] mill**   **[$XXX or X.XX] % over/under budget**

The continued increase in sick leave is a significant concern as this is an area that has increased over recent years and a projected improvement to [20XX/XX] levels has been built into the budget.
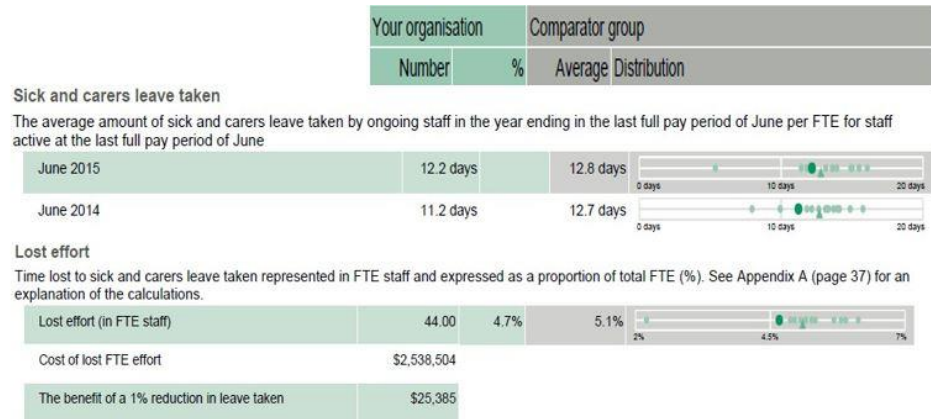
The following table details the sick leave hours by pay period as a % to total hours:

PY YTD % Sick Hours to Total Hours	YTD % Sick Hours to Total Hours	Target % Sick Hours	Variance to Target
X.XX%	X.XX %	X.XX %	X.XX %
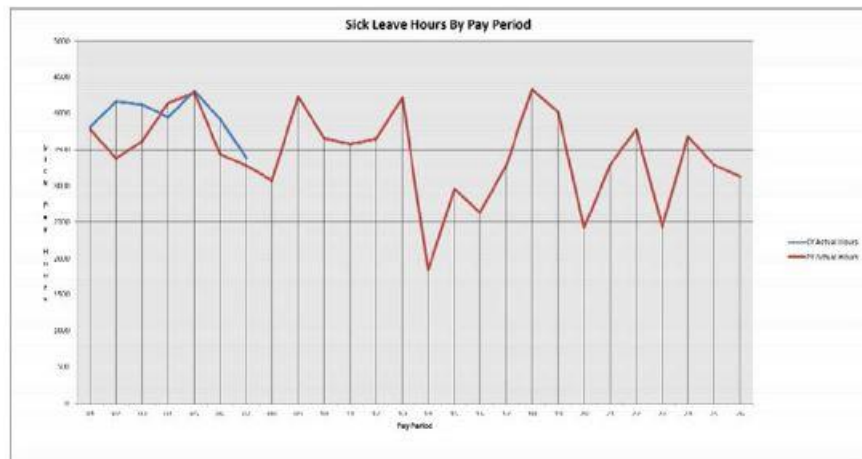
Sick Leave Hours By Pay Period

The following benchmarking has been undertaken from the most recent Victorian Public Sector Commission Workforce Data reports [20XX/XX] ([20XX/XX] reports due in [Month 20XX])
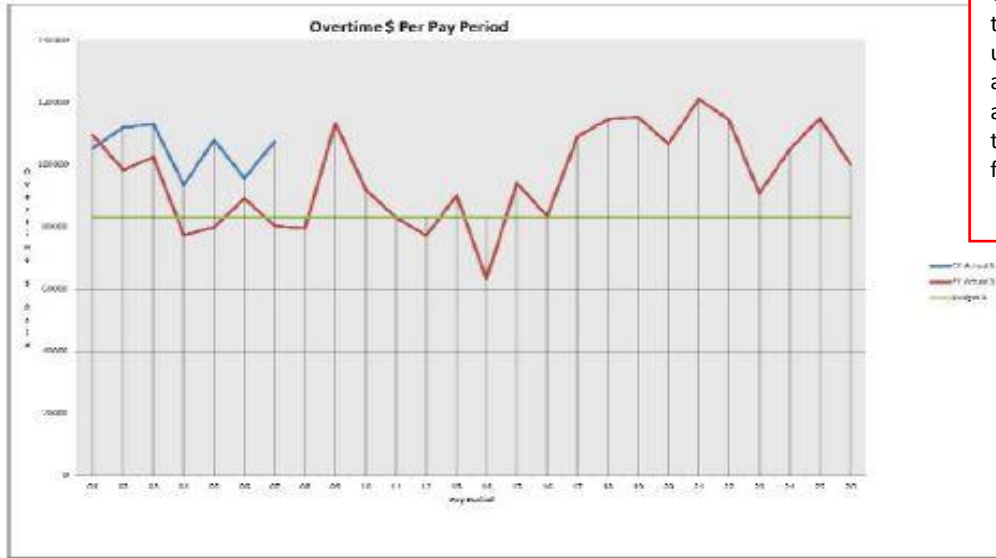
	Your organisation		Comparator group	
	Number	%	Average	Distribution

Sick and carers leave taken

The average amount of sick and carers leave taken by ongoing staff in the year ending in the last full pay period of June per FTE for staff active at the last full pay period of June

June 2015	12.2 days	12.8 days	
June 2014	11.2 days	12.7 days	

Lost effort

Time lost to sick and carers leave taken represented in FTE staff and expressed as a proportion of total FTE (%). See Appendix A (page 37) for an explanation of the calculations.

Lost effort (in FTE staff)	44.00	4.7%	5.1%	
Cost of lost FTE effort	$2,538,504			
The benefit of a 1% reduction in leave taken	$25,385			

The above benchmarking indicates that for the year ending [Day Month 20XX], the health service was slightly better than the industry with 4.7% lost time compared to 5.1% industry average.

It is clear, however, that the trend is bad and the Executive and Management are committed to improvement.

Overtime　　　$[XX.XX] mill　$[XXX] or [X.XX] % over/under budget
There has been an increase in overtime across the organisation, largely in the clinical areas as a result of the additional inpatient activity.

<table>
<tr><td></td><td>Overtime $ Per Pay Period</td></tr>
</table>

Division	YTD Actual $	PY YTD Actual $	Variance $
Finance & Performance	$XXX	$XXX	$XX
Medical	$XXX	$XXX	-$XXX
Mental Health	$XXX	$XXX	-$XXX
Nursing	$XXX	$XXX	-$XXX
Primary Care	$XXX	$XXX	-$XXX
Service Development	$XXX	$XXX	-$XXX
	$XXX	$XXX	-$XXX

As per the above table, in excess/decrease of [XX] % of the overtime expense relates to [Department] staff.

The increasing/decreasing cost of overtime was discussed at the most recent Medical Directors meeting and it was agreed reports detailing overtime expense would be provided to each Clinical Director.

There has also been an increase in overtime for nursing staff in [Insert Department]. This is reported to the monthly [Insert Team] meeting and there was discussion on the staff recruitment challenges and the pressure on the schedule due to the additional Theatre activity.

Other Agency Expenditure　　　[XX.XX] mill　[$XXX] or [X.XX] % over/under budget
A number of Locum appointments have been made to address short term demands, particularly in the [Insert Department]. This is an area that will continue to be under pressure and will require offsetting savings in salaries.

Employee Entitlements　　　[XX.XX] mill　[$XXX] or [X.XX] % over/under budget
This relates to LSL employee entitlements.

Graphs and tables are very useful tools for analysing trends and comparisons to prior year for forecast data

7.6 Operating Result by Program

It is important to breakdown the revenue and expenditure by Program. This can allow for decisions to be made in relation to which programs can be affected by financial decisions.

YTD Operating Result by Program
Month 20XX

	Acute	Sub-Acute	RAC	Community	Common-Wealth	Business Units	Total	Allocations	Allocated Total
Revenue									
Commonwealth	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Other Revenue	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Patient Fees	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
State Gov.	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Revenue	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Agency/Contract	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
On costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Salary & Wages	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
VMO Costs	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Salaries & Wages	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Food Supplies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Medical Supplies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Patient Transport	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Patient Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Admin	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Repairs / Replacements	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Supplies	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Utilities	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Non-Patient Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Direct Expenses	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Clinical Tfr	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Corporate Tfr	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Finance/IT/Supply/HR	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Hotel Tfr	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Revenue Tfr	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Total Transfers/Allocations	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Program Result after JV	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Capital Interest	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Allocated Program Result	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

> The main purpose of this report is to provide the board with a high level summary of major operating expenditure items. This type of analysis can provide an insight into where major costs are incurred.

7.7 Treasury (Cash and Investments) Report

Treasury reports are critical for managing both cash flows and balance sheet items. This example provides a good summary of the total cash investments and cash / operating account balances.

Treasury Report

Cash & Investments as at [Day Month 20XX]

Term Deposits

Issuer	Instrument	Account Number	Commenced	Maturity	Interest Rate	Credit Ratings	% of Total Term Deposits	Amount
Bank X	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank X	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank X	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank X	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank X	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank X Total Term Deposits							X.XX%	XXX
Bank Y	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-2		XXX
Bank Y	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-2		XXX
Bank Y	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-2		XXX
Bank Y	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-2		XXX
Bank Y	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-2		XXX
Bank Y Total Term Deposits							X.XX%	XXX
Bank Z	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank Z	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank Z	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	A-		XXX
Bank Z Bank Total Term Deposits							X.XX%	XXX
Bank A	Term deposit	XXX	DD-MM-YY	DD-MM-YY	X.X00%	AAA		XXX
Bank A Total Term Deposits							X.XX%	XXX
Total Term Deposits								XXX

Reconciling back to the balance sheet and bank statements provides an additional level of comfort that the amounts reported are accurate. These balances should be checked back to the Balance Sheet.

Cash

Institution	Account Number	Statement Balance		
Operating Account	XXX	$ XXX		
High Yield Account	XXX	$ XXX	X.X0% Interest Rate	
Total Cash		$ XXX		$ XXX

Total Cash & Investments as per Statements	**$ XXX**

Reconciliation to Balance Sheet

Total Cash & Investments, per Statements			$ XXX
Reconciling Item - Operating Account Cash in Transit (Unpresented Cheques)	($	XXX)	
Reconciling Items - Operating Account Other (Unbanked Receipts)	$	XXX	
Cash on Hand	$	XXX	
Cash at Bank - Joint Venture (held by LMHA)	$	XXX	$ XXX
Total Cash & Investments as per Balance Sheet			$ XXX

Represented By:

Monies in Trust	$ XXX
Cash & Investments	$ XXX

Total Cash & Investments

Reconciling back to the balance sheet and bank statements provides an additional level of comfort that the amounts reported are accurate. These balances should be checked back to the Balance Sheet.

7.8 Cash Flow Report

Cash flows should, on the whole, be positive. A negative cash flow indicates that the health service's revenue is not enough to meet its expenses. Over time, this will lead to insolvency.
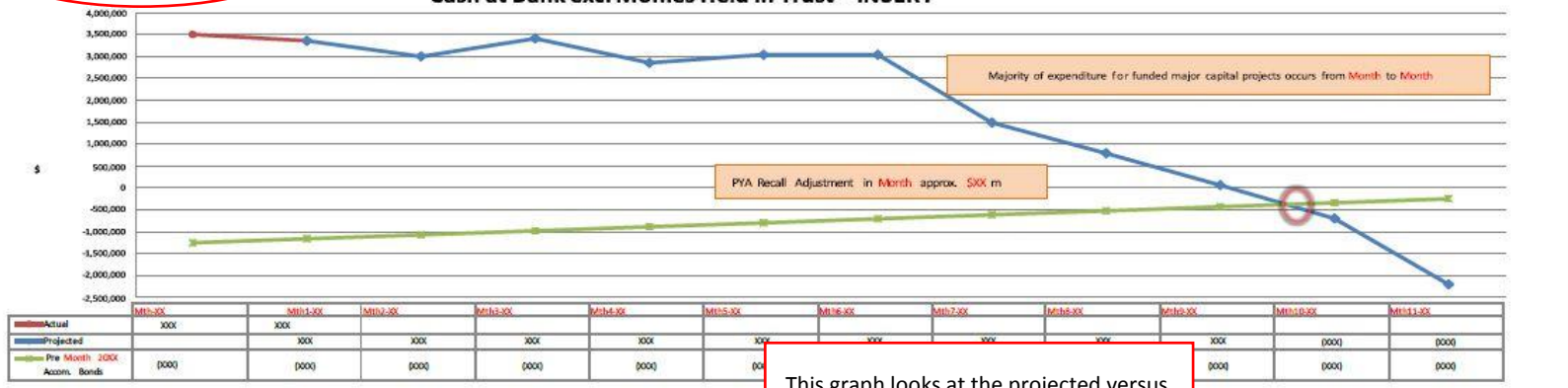
This graph looks at the projected versus actual cash flow with a projected drop in cash flow later in the year due to forecast major capital expenditure.

7.9 Other Indicators report

Other indicators can be useful to help track cash flow, assets and upcoming expenditure. There is no set definition of what other indicators a health service should/could use. It will depend on the focus of the board and what measures they feel are important to monitoring the clinical and financial performance.

FINANCIAL REPORT   **Month 20XX**

Other Indicators Report

(a) Analysis of Debtors

Category	Current	30 Days	60 Days	90+ Days	TOTAL
Inpatients	XXX	XXX	XXX	XXX	XXX
Outpatients	XXX	XXX	XXX	XXX	XXX
Residential Aged Care - Residents	XXX	XXX	XXX		XXX
Provision for Doubtful Debts			XXX	(XXX)	(XXX)
Total Patient Related Debtors	XXX	XXX	XXX	(XXX)	XXX
Joint Venture	XXX				XXX
Sundry	XXX	XXX	XXX	XXX	XXX
Provision for Doubtful Debts					(XXX)
Total Sundry Debtors	XXX	XXX	XXX	(XXX)	(XXX)
Total Debtors	XXX	XXX	XXX	(XXX)	XXX
% of total excluding Joint Venture	XX%	XX%	XX%	-X%	XXX%

(b) Potential and Written Off Bad Debts:

NIL

$ -

(c) Creditor Payments Processed for the Month:

$ XXX,XXX

(d) Capital Equipment Purchases for Month XX:

Purchase 1	$ XXX
Purchase 2	$ XXX
Purchase 3	$ XXX
Purchase 4	$ XXX
Purchase 5	$ XXX
	$ XXXXX

7.10 Savings initiatives

4. Key savings initiatives
The recent workforce review identified the following key initiatives for [20XX/XX].

1. Initiative 1
Insert Department Unit commenced operation on [Day Month 20XX] and Insert Department Unit relocated to the Location X and commenced services [Day Month, 20XX].

Discussion on Initiative 1 recommendations put on hold until schedule adopted. Discussions scheduled to commence in Month, with the aim to implement a new structure on [Day Month, 20XX].
Responsible Exec – [Insert Responsible Exec]

2. Initiative 2
The first stage is the restructure Current Issue. The anticipated implementation date is [Month 20XX].
Responsible Exec – [Insert Responsible Exec]

3. Initiative 3
Accept recommendation but need to be conscious of timing and staff available. This initiative has major risk implications that need to be addressed.
Responsible Exec – [Insert Responsible Exec]

4. Initiative 4
Business Case has been developed and approval by Executive has been obtained to commence the process of implementing [Action X]. Implementation planned for [Day Month 20XX].
Responsible Exec – [Insert Responsible Exec]

5. Initiative 5
Committee established to provide governance and leadership
Initiative Target has been set at [XX%]. Actual figure is currently 98%.
Responsible Exec – [Insert Responsible Exec]

5. Summary
The financial and activity result to [Month 20XX] is within budgeted expectations and the review indicates the full year budget is achievable. The major risks of meeting activity targets and managing costs structures are well understood and management strategies have been implemented.

FUNDING ISSUES: Nil

RECOMMENDATION: [Month YTD] financial and activity review is noted.

[INSERT NAME HERE]
Director of Finance

Key issues and recommendation should be noted.

Formally signed off reports allow for management to take accountability for and actions.

Appendix 8: Clinical reports example

The following example reports are based on board reports for an existing health service. They focus on elements of safe, quality care that all directors should understand and be reviewing regularly, together with guidance regarding key issues to look for.
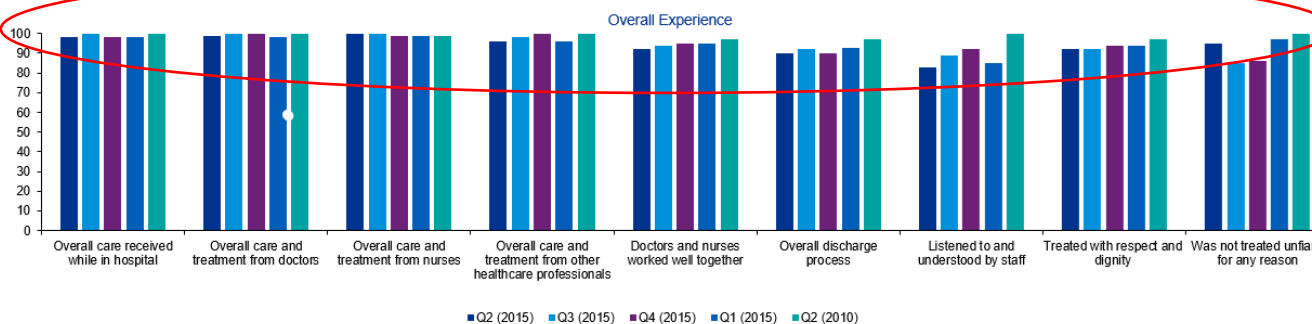
8.1 Patient experience

Patient perceptions of our progress towards world's best cancer care

Victorian Healthcare Experience Survey (VHES) – April to June 2016
Key

below peer average | average | above peer average | statistically significantly above peer average | sample size <30 (margin of error can be high)

Overall Experience	2015			2016		Overview
	Q2	Q3	Q4	Q1	Q2	
Overall care received while in hospital	98	100	98	98	100	**29 out of 79 aspects of our care** performed statistically significantly higher when compared to the Specialist Peer Group average (compared to 25 aspects in Q1: 2016)
Overall care and treatment from doctors	99	100	100	98	100	
Overall care and treatment from nurses	100	100	99	99	99	
Overall care and treatment from other healthcare professionals	96	98	100	96	100	**41 out of 79 aspects of our care** performed statistically significantly higher when compared to the Victorian state average (compared to 44 aspects in Q1 2016)
Doctors and nurses worked well together	92	94	95	95	97	
Overall discharge process	90	92	90	93	97	
Listened to and understood by staff	83	89	92	85	100	
Treated with respect and dignity	92	92	94	94	97	
Was not treated unfairly for any reason	95	85	86	97	100	

Overall Experience

Q2 (2015) Q3 (2015) Q4 (2015) Q1 (2015) Q2 (2010)

Patient experience data is one of the key measures of stakeholder views of the safety and quality of care provided.

Key trends to look for include:

1. Ensure that you understand what these benchmarks represent. E.g. what does statistically above peer average actually mean?
2. Look for, and query, clear signs of underperformance. Reasons for this should already be known given that it is a Q2 2015 data point. Reflect on the changes that were put in place to achieve the positive trend to achieve Q2 2016 result.
3. Look for dips and peaks in the data to understand if any issues might be behind the changes. Data should be trending positively or at least remaining constant and in line with peers.
4. Graphs can be a powerful way to show data and trends. Ensure that the graphs are accurately reflecting the data in the tables. Any discrepancies can indicate errors in the underlying data collection or report preparation processes.

Patient-centred care	2015			2016		Indicative Comments
	Q2	Q3	Q4	Q1	Q2	
Politeness and courtesy of admissions staff	95	98	100	98	99	"Everything about the service is very good, all staff are kind, caring and professional at all times"
Family and friends welcome to visit	91	91	97	91	93	
Hospital food (positive)	69	70	75	70	72	"They explained everything to me and calmed my nerves. Very caring and understanding, they go above and beyond"
Staff explained things in a way that was understood	98	99	96	99	99	
Did staff not talk about you as if you weren't there	75	91	70	71	87	
Involvement in decisions about care and treatment	66	72	75	74	70	"I am so grateful for the treatment I received"
Emotional support received from hospital staff	72	74	72	79	81	
Did you feel you could refuse treatment you did not agree with	65	64	69	77	71	
Adequate involvement in discharge decisions	55	64	77	70	68	
Were discharge delays explained by a member of staff	89	88	100	89	94	
Was information about managing health and care at home sufficient	77	82	78	81	85	
Was family or home situation taken into account when planning discharge	71	82	81	80	78	

Safe Care	2015			2016		Indicative Comments
	Q2	Q3	Q4	Q1	Q2	
Cleanliness of room/ward	65	66	64	69	69	"My only criticism of the hospital is cleanliness."
Cleanliness of toilets/bathrooms	65	66	64	69	69	
Confidence and trust in treating doctors	91	84	91	91	96	"Food quality/temp could be improved"
Confidence and trust in treating nurses	89	84	91	86	81	
Enough nurses on duty	86	84	82	70	85	"I have always felt confident about the way I have ever been treated by the staff. You save my life on at least two times. My access to the hospital has been excellent"
Assistance from staff within a reasonable time	86	88	84	97	90	
Did staff treating and examining you introduce themselves and their role	88	92	91	92	92	
Availability of handwash gels	98	91	99	97	98	
Did staff wash their hands, use hand gel or put on gloves	82	83	81	85	90	
Privacy when being examined or treated	92	95	80	92	94	
Overall privacy	75	77	78	84	81	
Did a staff member discuss any worries or fears about your condition	71	73	69	66	67	
Sufficient information given about medication	79	77	83	78	80	
Was permission sought for accompanying students	83	84	85	76	78	
Were you comfortable in the presence of students	83	88	78	78	79	

Key points:

5. Underperforming areas should be clearly highlighted – use of 'traffic light' colours are common and clear.

6. Ask questions of management to understand the reasons for the poor result. Question whether management's answers make sense based on what you know about what is happening in this health service in this area. For example, here there appears to be a recurring issue with respect to how staff engage with patients regarding their care. What issues within the organisation's culture or staff training could be causing this? Given this is an ongoing issue, are the management actions to address this effective and appropriate?

7. It is also useful to understand what is driving improvement in results as there may be opportunities to apply similar management actions to other areas.

8. The colour coding clearly highlights that there are issues in this area. Management should be providing comments to explain these results. Here we have been provided with quotes from the survey responses, but no comments from management regarding actions developed to address the issues.

9. Consider these results against other areas of poor performance to looks for key trends. In this example, when considered together with potential staff engagement issues noted in point 6 above, it may indicate that staff are not performing in a manner that is appropriate (compared with other health services). Dig deeper, through questioning management, to better understand any root cause / systemic issues with staff engagement. Are staff aware of these results? Would staff be able to shed light on these issues? Do staff survey/engagement responses provide any clues or evidence of training needs, organisational culture or morale issues?

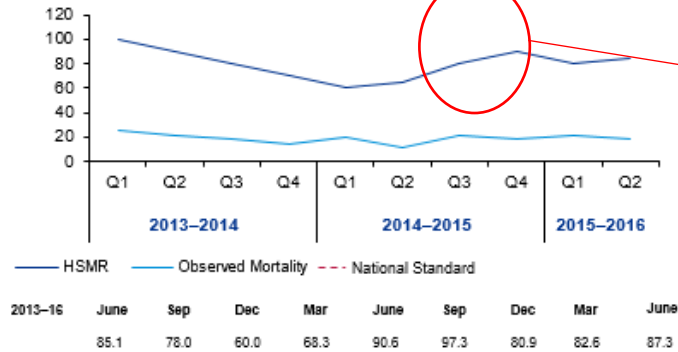| High Care	2015			2016		Indicative Comments
	Q2	Q3	Q4	Q1	Q2	
Was the hospital food suitable for dietary needs	80	81	81	78	81	"The professionalism, dedication and compassion of hospital staff"
Assistance from staff with meals	78	87	76	83	84	
Doctors knowledge of medical history	86	76	81	84	76	"I've been a long time patient of the hospital and they always, every time provide excellent compassionate care – from receptionist to nurses to doctors. This is much appreciated…. Thank you!"
Opportunity to talk to a doctor	78	72	79	72	73	
Treated with compassion by doctors	89	80	94	93	89	
Nurses knowledge about condition and treatment	81	80	85	83	81	"I felt very well taken care of and well informed of my illness and all options available"
Opportunity to talk to a nurse	84	79	84	82	83	
Treated with compassion by nurses	84	80	84	84	92	"So compassionate, caring and made me feel at ease after I got quite upset in the prep room"
Information about condition and treatment given to patient (adequate)	95	89	95	91	88	
Information about condition and treatment given to family/carers	95	88	89	88	89	
Information was given in preferred language (positive)	86	39*	80	12*	34*	
Opportunity for family/carer to talk to staff	60	62	70	62	60	
Did staff do every thing they could to help manage pain	92	81	88	82	85	
Did a staff member explain why you needed tests (positive)	94	92	81	88	91	
Did a staff member explain the results of these tests (positive)	78	79	50	82	79	
Did hospital staff explain the purpose of treatment before administering	87	81	89	80	79	
Did a staff member explain what would be done before your procedure	55	80	89	93	75	
Did a staff member explain how your operation/procedure went	60	83	63	75	84	

Co-ordinated care	2015			2016		Indicative Comments
	Q2	Q3	Q4	Q1	Q2	
Length of time on waiting list (appropriateness)	81	83	78	80	79	"Staff worked together so I had no trouble from the procedure and all was fine at home afterwards"
Sufficient information received before arrival to hospital	77	73	80	73	74	
Time to wait to be taken to ward/room (appropriateness)	79	78	85	84	81	"Decreased wait times for prescribed medication. Everything else at the hospital is very well organized and laid out, great supply of information"
Conflicting information from clinical staff (positive)	65	65	81	87	87	
Length of stay (appropriateness)	86	84	82	84	85	
Discharge notice (adequate)	61	74	62	77	76	
Discharge delays (positive)	88	92	91	84	92	
Were adequate arrangements made for services required at home	71	73	77	73	74	
Was GP given all necessary information about treatment or advice	89	80	94	93	94	
Did you receive copies of communication sent between hospital and GP	72	75	71	73	74	

10. The results here are consistent with other results in this report regarding staff engagement with patients.

11. This should be examined in more detail through understanding and identifying staff engagement issues through questioning management and direct engagement with staff through surveys. Management should be providing the board with information to support why these issues are arising and what actions have been considered or implemented to address them. The board may need to prove further to determine whether the explanations from management are sound and/or whether other actions need to be developed to address the issue/s.

12. Issues notes are made immediately obvious when traffic light reporting is used. Consider what might be happening within this health service given the feedback contained in these reports. E.g. what are the red flags telling you about staff engagement as part of the overall patient experience? Do management's responses make sense in the context of what you are seeing in the data?

8.2 Quality indicators

This example report highlights key quality indicators and some of the commentary that is provided to the board by management.

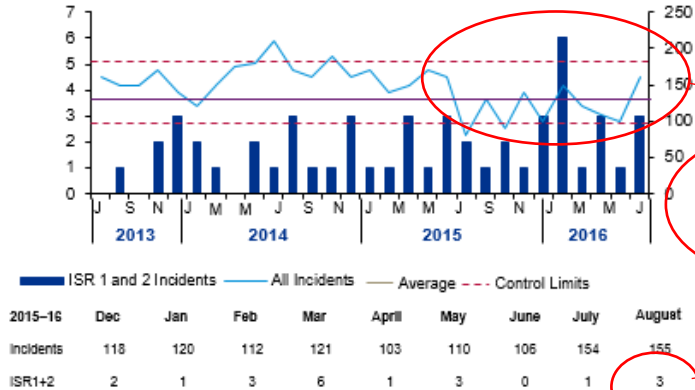**1 – In-hospital mortality – hospital standardised mortality ratio**

HSMR — Observed Mortality --- National Standard

2013–16	June	Sep	Dec	Mar	June	Sep	Dec	Mar	June
	85.1	78.0	60.0	68.3	90.6	97.3	80.9	82.6	87.3

Comment on current month:
Tracking below National Standard

Note: 100% of inpatient deaths are reviewed internally

Comment on previous month:
No outliers past three quarters

2 – Incidents

ISR 1 and 2 Incidents — All Incidents — Average --- Control Limits

2015–16	Dec	Jan	Feb	Mar	April	May	June	July	August
Incidents	118	120	112	121	103	110	106	154	155
ISR1+2	2	1	3	6	1	3	0	1	3

Comment on current month:
3 ISR 2 incidents for August

Comment on previous month:
1 ISR 2 incident for July – Failure to detect and act upon abnormal blood glucose levels.

In-hospital mortality – measures the number of deaths that occur in the health service for that month against the national average. Indicates potential issues with clinical practice.

1. As reflected in the comments section – the data indicates that in-hospital mortality rates are tracking below the national average (depicted by the HSMR data line)
2. Look for trends over time – in this instance the report clearly shows that the health service consistently tracks below the national average. As a director, ask questions to satisfy yourself of the significance of the data. E.g. tracking is below the national average, but is the national average too high?

Incidents – measures the number of ISR and non-ISR incidents during the month.

3. Including a target (or 'control limit' in this instance) in graph format help to easily track against objectives and acceptable levels of incidents.
4. Obvious issues in a particular period should be investigated. Management should expect the board to questions these obvious outliers and come to board meetings prepared to provide an explanation of the issue and remedial actions put in place.
5. Management should provide comments on key issues (one-off events) or concerns regarding any systemic issues noted.
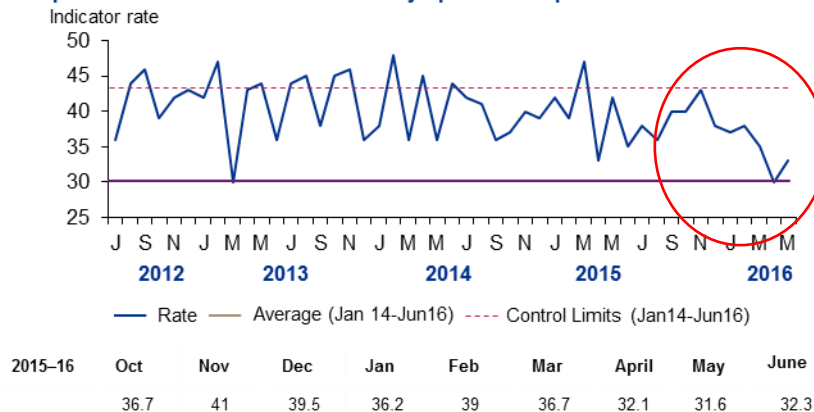
3 – Average Length of Stay (Days) for all DRG's
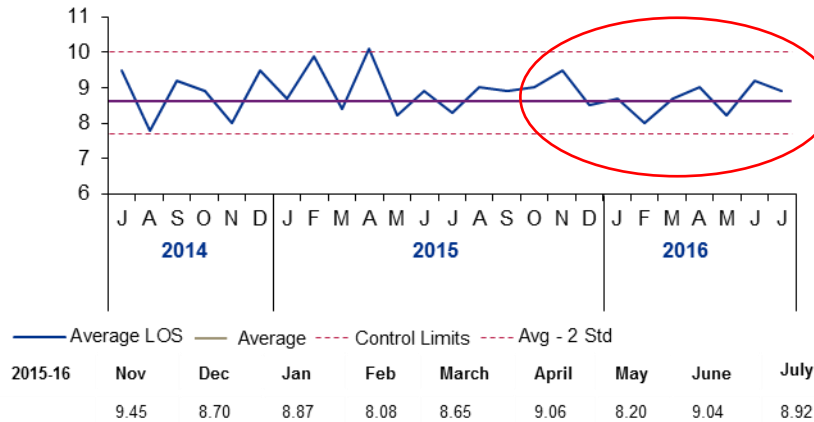
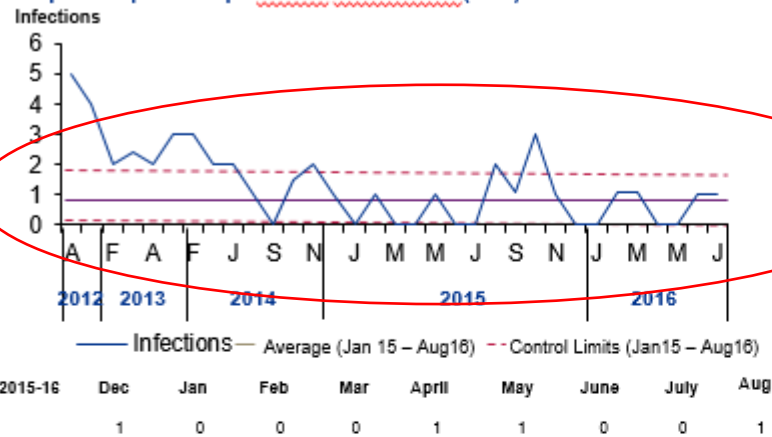| 2015-16	Nov	Dec	Jan	Feb	March	April	May	June	July
	9.45	8.70	8.87	8.08	8.65	9.06	8.20	9.04	8.92

Data Source: iPM

Comment on current month:

Tracking within control limits.

Comment on previous month:

No outliers past three months.

4 – Unplanned readmissions within 28 days per 1000 separations

2015–16	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
	36.7	41	39.5	36.2	39	36.7	32.1	31.6	32.3

Data Source: IPM

Comment on current month:

Tracking within control limits

Comment on previous month:

No outliers past three months.

Average length of stay for all Diagnosis Related Groups (DRGs) – measures the average length of stay (LOS) against averages and control limits.

1. Including the data source can provide useful information.
2. Control limits can be at both upper and lower ends. In this instance, the average LOS target area is between 7.8 and 10 days. T
3. Can expect minor fluctuations each month, however results that are consistently at higher or lower ends, or that show a major spike (up or down) should be queried.

Unplanned readmissions – measures unscheduled readmissions due to recurrence or complications post-discharge. Indicates potential issues with quality of care provided in first admission

4. Whilst comments indicate that there have been no outliers in the past three months, the data shows a consistent decline. Directors should understand what this means and be questioning management if they have concerns - asking for more detailed data, information or investigation if they feel it is necessary

9 – Hospital Acquired Staph Aureus Bacteraemia (SAB) Infections

Infections

Legend: Infections — Average (Jan 15 – Aug16) - - Control Limits (Jan15 – Aug16)

2015-16	Dec	Jan	Feb	Mar	April	May	June	July	Aug
	1	0	0	0	1	1	0	0	1

Data Source: Infection Prevention

Comment on current month:

On target

Comment on previous month:

No SAB infections for July

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10 – Post-Operative Cases with Sepsis

Indicator rate

Legend: Monthly... — Average - - Control Limits

2015–16	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
	13.21	7.6	32.2	8.8	8.4	18.4	10.9	13.5	13.2

Data Source: iPM

Comment on current month:

Tracking within control limits. Only updated to June as coding incomplete for July.
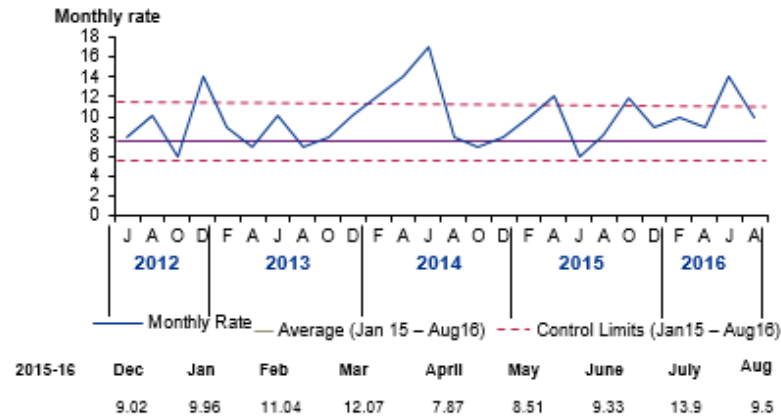
Comment on previous month:

No outliers past three months

Hospital acquired SAB infections – measures infections caught during hospital stays. Indicates potential safety or practice with respect to infection control.

1. General trend downward indicating positive performance, especially when compared to control limits and current tracking against average. Reasons for anomalies such as those shown in October 2015 should be provided by management at the time.

Post-operative cases with Septis – another measure of infection control more specifically associated with surgical and post-operative procedures. Better results are those in the lower ranges.

2. Comments regarding data capture and reporting issues should be monitored as ongoing 'gaps' can indicate potential system or process issues that management and the board may need to address.

11 – Medication incident's per 1000 bed days

Monthly rate

J A O D F A J A O D F A J A O D F A J A O D F A J A
2012   2013   2014   2015   2016

—— Monthly Rate   —— Average (Jan 15 – Aug16)   - - - Control Limits (Jan15 – Aug16)

2015-16	Dec	Jan	Feb	Mar	April	May	June	July	Aug
	9.02	9.96	11.04	12.07	7.87	8.51	9.33	13.9	9.5

12 – Hospital Acquired DVT/PE per 1000 Separations

Indicator rate

J S N J M M J S N J M M J S N J M M
2013   2014   2015   2016

—— Monthly Rate   —— Average (Jan 15 – Aug16)   - - - Control Limits (Jan15 – Aug16)

2015–16	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
	1.9	1.5	2.4	1.4	3.8	2.3	3.3	0.9	2.5

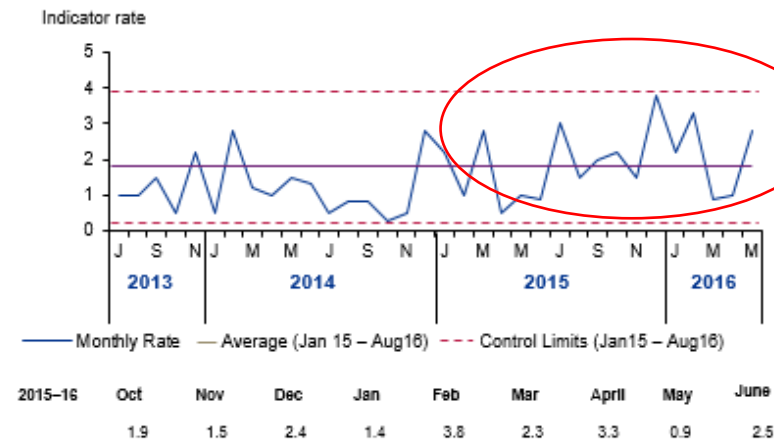**Comment on current month:**

Tracking within control limits

Comment on previous month:

58 medication incidents for July, 32 administration incidents with 29 occurring on inpatient wards. No errors led to patient harm however the medication incidents occurred primarily due to nursing staff learning new protocols for specific patient cohorts under the new stream model and skill mix is appropriate for patient cohorts. Daily reviews of new admissions to ensure the skill set of staff matches patients clinical need. Senior nurse supervision after hours increased.

Data Source: iPM

Comment on current month:

Comment on previous month:

Tracking within control limits. Only updated to June as coding incomplete for July

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Medication incidents per 1000 bed days – measures incidents where incorrect doses were administered to patients. Indicates potential safety or practice issues with respect to safe and quality clinical practices.

1. Management comments provide clear details of the incidents and actions taken to address. The board's role is to monitor the effectiveness and performance of these actions over time, especially as there has been a trend upward in the number of incident in the past few months up to July.

Hospital acquired DVT/PE - measures instances of deep vein thrombosis acquired during hospital stays. High incident rates indicates potential issues with wound management within clinical practices.

2. Directors should pay attention to trends like this which show a gradual increase in incident rates over time (spiking in December 2015) with an exception in May 2016. Directors should have an understanding regarding any underlying issues that might be causing this.

13 – Patient Identification Incidents

Incidents

2015-16

	Dec	Jan	Feb	Mar	April	May	June	July	Aug
	6	10	10	10	11	9	11	6	48
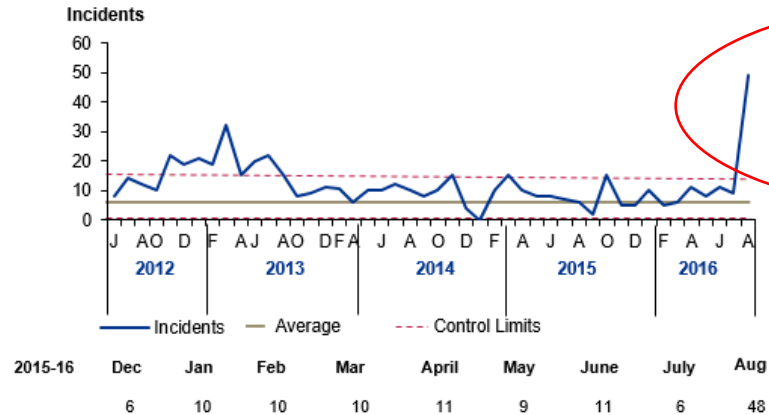
Incidents — Average --- Control Limits

Comment on current month:

Above control limits for August. Pathology specimen labelling errors account for 25 of the 48 incidents. Specimen labelling was included into the patient identification indicators in April 2016. Reason for the increase in errors related to new staff in outpatient pathology, new environment and increased throughout of workload. Working group established with nursing education, pathology laboratory and outpatient pathology management to improve patient identification and labelling processes across organization
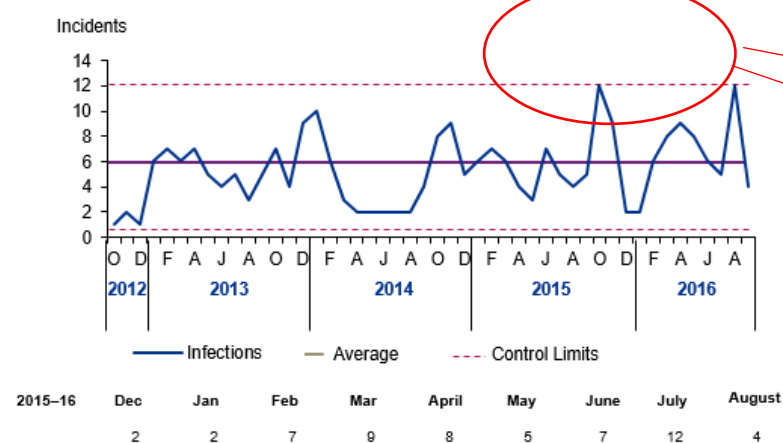
Comment on previous month:

No outliers past three months.

14 – Clinical Handover Incidents

Incidents

2015–16

	Dec	Jan	Feb	Mar	April	May	June	July	August
	2	2	7	9	8	5	7	12	4

Infections — Average --- Control Limits

Comment on current month:

Tracking within normal limits. Issues now rectified

Comment on previous month:

No outliers past three months.

Patient identification incidents – measures incidents where patient information has been incorrect resulting in practice or treatment errors.

1. In this instance there is an obvious jump in incidents well above the control limit. Management have – as the board should expect - provided an explanation for the anomaly as well as details of the management actions in place to address the underlying issue.

Clinical handover incidents – measures incidents relating to transfer of patients between clinical services. This can Indicate potential administrative, clinical practice or operational issues.

2. Trend indicates that incidents are regularly tracking close to control limits with some improvement and movement back towards the average.

3. The data appears to be quite volatile moving above and below the average. As directors, you should be asking – is this normal for this data? If not, what's happening?

15 – Pressure Injuries per 1000 Inpatient Bed Days

Incidents

Monthly Rate — Average (Jan 15-July16) --- Control Limits (Jan15 – Jul16)

2015-16	Dec	Jan	Feb	Mar	April	May	June	July	Aug
	2.3	2.4	1.3	2.4	1.7	2.6	3.6	1.2	1.5

Data Source: RiskMan

Comment on current month:

Tracking within control limits

Comment on previous month:

No outliers past three months.

16 – Medical Emergency Calls per 1000 Separations

Rate

Code Blue Calls — MET Calls — Average -- Control Limits

2015–16	Dec	Jan	Feb	Mar	April	May	June	July	August
	47.8	52.5	48.8	49.7	40.4	36.4	46.1	47.7	35.3

Data Source: High Acuity Team

Comment on current month:

Tracking within control limits.

Comment on previous month:

No outliers past three months. 1 Patient and Family Led Escalation Response (PEER) activated by family member of patient for pain management.

Pressure injuries per 1000 Inpatient Bed Days – measures incidents of pressure sores incurred during inpatient stays. Indicates quality of clinical practices in terms of patient management

1. This data is reporting highly variable performance. A key question for the board is 'is this normal an in line with other health services?' if not, what are the underlying issues.
2. Data is close to control limits on several occasions – this could be worth investigating in more detail

Medical emergency calls per 1000 separations

3. The data appears to be tracking in line with control limits and averages since Jan 2015.

8.3 Performance indicators

This example report highlights key performance indicators with respect to compliance and risk. It contains incident data and clinical indicators and is provide to the board on a quarterly basis.

Performance Indicator Report Trended Data – As at Q2 - October to December 2015

This report summarises quality, compliance and risk indicators for 2015 – 2016.

The following incident data, clinical indicators and audit results are trended over the respective data reporting periods. Where possible we are moving to peer benchmarking for comparison data with support of the Benchmarking Project and with participation in the ACHS Clinical Indicator Program.

Standard 1 – Governance for Health Services: Best Care – Personal, Connected & Right, Safe

Clinical Incidents – Overview
Clinical Incidents – Q 2 October to December 2015
— 22 clinical incidents
— 16 (72%) of clinical incidents occur on Acute
— Clinical incidents reported are below total for the same period last year (42) & ~ incidents/quarter

Summary of the results and activities should be included to provide a quick reference for board directors

Summary:
Clinical incident reporting has reduced.
Quality Improvement Activities in relation to incident & near miss reporting & investigation and consumer participation/experience continue with progress on Understanding Your Healthcare (Health Literacy) initiatives and SMART Patient Discharge advice.

Clinical Incidents/ Service (Stream)	July – Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	YTD Totals	Same period past year
Acute	24	16			40	38
Dialysis	0	0			0	0
Ma	0	1			1	1
Urgent Care	0	4			4	0
Perioperative	1	0			1	1
MR Community	3	0			3	1
Nursing Pharmacy	0	1			1	0
Other	0	0			0	0
Incidents – Total	28	22			48	42

Clinical Indicators (Q2 SRHSM VAED Sept. 2015/16)

	July – Sept	Oct – Dec	Jan – Mar 2016	Apr – Jun 2016	Annual Rate	National Rate	Comments
CHBOI 1 In Hospital Mortality HSMR	HSMR 381.3 (9 deaths)	No data Avail.					Annual data for 4 quarters indicate 255 in-scope seps. With an expected mortality of 9.5 and an observed mortality of 33 = HSMR 346.1 (National Standard = 100) NB 27 of the 33 deaths were classified as Palliative Care

Comments should always accompany results especially when there are gaps such as 'no data Avail'

**Internal Mortality Audit is reported 6 monthly

CHBOI 3 Death in Low Mortality DRG's Rates	July – Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Annual Rate	National Rates	Comments
Overall Death in Low Mortality	0	No data Avail.					Data only provided on Stroke & Pneumonia in Q.1
DRG's AMI	-				-	3.1	
Stroke	0				0	10.5	
Fractured NOF	-				-	3.0	
Pneumonia	0				0	4.6	

**By exception report

CHBOI 4 Unplanned/u nexpected readmissions	July – Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Annual Rate	Benchmark	Comments
<28 days		No data Avail.					*No results reported in SRHSM

Safety & Quality	July-Sept 2015	Oct – Dec 2015				nchmark	Comments
Health Service Accrediation	✓	✓				diation	OWS December 2013/Mid Cycle Review May 2015. OWS due in August 2016 (under ACHS)
Patient Safety Culture							89% April to June 2015

Keeping data and information simple and easy to understand provides an efficient way of monitoring performance.

Note: Ensure that you understand what the information represents. E.g. does the tick indicate that Health Service Accreditation is scheduled or completed for the period?

Note: High Performance Health Services Framework 2015 – 2016 and potential changes in reporting. Deaths & unplanned readmissions to be completed internally for July-December 2015 per DMS and Quality Coord.

High Risk Audis

1. Data submitted for the [Service] Benchmarking (Oct.– Dec.2015) shows 100% compliance with risk assessments for Pressure Injuries and Falls.

   Interventions/Actions:

   A review of Falls Management shows falls alerts need to be in place and medication reviews are required for patients at high risk of falls. The progress on the VTE Clinical Practice Guideline is due.

2. Urgent Care Clinical Practice Guidelines Audits have been completed for the management of Abdominal Pain and Stroke/TIA.

   Audit results indicate clinical practice according to guidelines & timely transfer to tertiary hospitals ranges from 85% to 90%.

   Interventions/Act ions:

   The audit schedule results and improvements will be loaded into Risk Man Q.

Risk/Risk Register

Clinical Risk Register updated March 2016. The risk associated with breach of patient privacy/confidentiality was reviewed with control in place confirmed and the Risk Treatments revised as below. The risk remained rated as Low.

The high risk associated with the maternity service staffing has been towered with the recruitment to the vacant position.

Interventions/Actions

Controls-Confidentiality Policy. Medical records stored securely. Information security policies and procedures. Open Disclosure policy and procedures. Freedom of Information policies and procedures require signed authority to release records. New staff induction & orientation includes training on Confidentiality obligations. Employment Contracts, Volunteer Agreements, Students Agreements and Board member induction include requirement to sign Confidentiality Agreement.

Risk Treatments – Confidentiality Policy revised with Health Legal oversight and endorsed by BOM Feb. 2016. Revised the Company Secretary's responsibilities for advising the dates, time and venues for meetings and distributing papers before meeting to include a specific check to confirm that no identifiable information is included with the papers relating to patients, staff, complainants, etc.

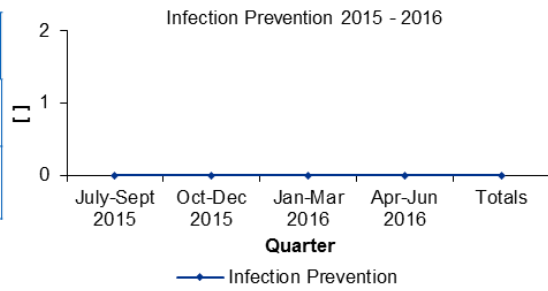| Standard 2 – Partnering with Consumers: [ ] Care that Is Personal							
Complaints	**July – Sept 2015**	**Oct – Dec 2015**	**Jan – Mar 2016**	**Apr – Jun 2016**	**Same period past year**	**Benchmark**	**Comments**
Number of Complaints	1	2	1		5	9 previous year	All complaints ISR rated Categories – Access, Admin Communication, Cost, Treatment Resolved between – 24 ours & 28 days

Clinical Indicators: Complaints resolved <28 Days = 100%

Additional information can provide more detail and show links to other areas of management, monitoring and oversight - including risk, compliance and operations.

Patient Experience – Satisfaction/Feedback							
	July – Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Same period past year	Benchmark	Comments
VHES Overall Results Over all Experience	92.3%	100%			96.7%	*95%	State Ave Overall Experience = 89.7%
Participation Rate	42% (n=50)	45% (n=108)			48% (n=99)	24% (n=6611)	State Ave Overall Experience = 89.7% Improvement in overall experience compared previous quarter and the same period last year, remain above the state average Increase in participants compared to previous quarter and the same period last year, with higher and lower participation rates as tabled, remaining above state average. Action Plan being developed to address areas identified as contributing to overall decline in satisfaction in particular in relation to discharge requirements SMART discharge is being developed

Benchmarking data and statistical measures are useful, however directors need to ensure that they understand the relevance of these measures and what it means for the health service's performance.

Standard 3 – Infection Prevention and Control: Best Care that is Safe

Clinical Incidents				
Infection Prevention	**July-Sept 2015**	**Oct-Dec 2015**	**Jan-Mar 2016**	**Apr-Jun 2016**
Infection Prevention	0	0		

Infection Prevention 2015 - 2016

(line chart: Infection Prevention plotted at 0 across July-Sept 2015, Oct-Dec 2015, Jan-Mar 2016, Apr-Jun 2016, Totals; y-axis 0 to 2, x-axis labelled Quarter)

— Infection Prevention

Clinical Indicators							
CHBOI 5 Healthcare Associated Staphylococcus Aureus Bacteraemia (SAB)	**July – Sept 2015**	**Oct – Dec 2015**	**Jan – Mar 2016**	**Apr – Jun 2016**	**Annual Rate past year**	**Benchmark**	**Comments**
Number	0	0			0	TBA	New cases at only (not transfer here)

CHBOI 6 Clostridium Difficile Infection Number	July – Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Annual Rate past year	Benchmark	Comments
Number	0	1			0	TBA	New cases at only (not transfer here). 1 case here.

There are a lot of 'zero' data being reported – you could question whether this is accurate or understand why the performance is so strong in these indicators

VICNISS Infection Control	July-Sept 2015	Oct – Dec 2015	Jan – Mar 2016	Apr – Jun 2016	Annual Rate past year	Benchmark	Comments
Hand Hygiene Rate		93%	96.2%			80%	Above state-wide benchmark of 80% and above SRHS overall average of 87%
Immunisation Rate-Staff	74.8%				46.5%	75%	Meet new (higher) target
Cleaning Standards	✓ ✓					85% standard 90% high risk areas	

Audit Results
Infection Control audits are on schedule according to Audit Schedule & reported to Clinical Practice Forum. Audits consistently demonstrating excellent results and opportunities to improve clinical practice guidelines.

Risk/Risk Register
5 risks specific to infection Prevention & Control are cited on Clinical Risk Register – relating to potential failure to report relevant incidents, potential failure to implement antimicrobial stewardship program, potential failure to comply with infection control practices, potential failure to prepare for pandemics and potential failure to provide adequate relevant consumer information.

All are rated as low risk with effective controls in place.

Interventions/Actions
Strategies to improve compliance with additional precautions, isolation guidelines and cleaning programs when indicated have been developed.
Procedure developed to manage Carbapenemase Producing Enerobacteriaceae (CPE) in line with new DHHS guidelines.

Standard 4 – Medication Safety: Best care that is connected & Right and Safe

Clinical Incidents

Medication Outcome	July-Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Harm	2	0		
No Harm	9	7		

Medication Outcome Harm/No Harm 2015–2016

Comment: No medication incident have resulted in harm this period. Work continues on ensuring alerts and adverse drug reactions are managed according to policy.

Clinical Incidents

Medication Process	July-Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Prescription/Order/Decision	1	3		
Dispensing/Receipt	0	2		
Preparation	3	2		
Administration/Treatment	5	0		
Adverse Drug Reaction	2	0		

Medication Process 2015–2016
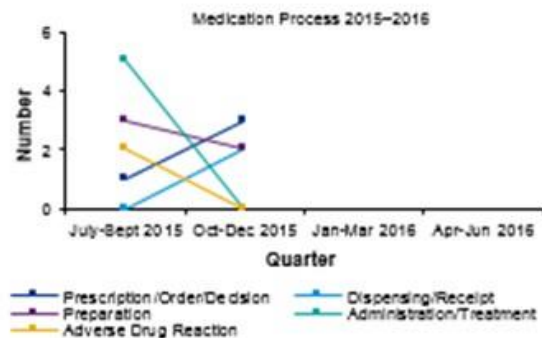
Comment: Medication incident and near miss incidents now show more incidents reported relating to prescription. This is a change in the nature of incidents reported & demonstrates for the first time in two years' that issues with prescribing (Doctor) are now being reported. There were no incidents relating to administration reported which have traditionally been the biggest group of incidents.

Audit Results
Medication Safety audits are managed according to Audit Schedule & reported to Clinical Practice Forum. Compliance with audits is currently overdue, with past results consistently showing excellent results. Data submitted the Benchmarking (Oct to Dec 2015) shows improvement with patients receiving written information regarding medication to discharge. Opportunities to continue to improve this performance are being followed up by the Medication Advisory Committee and Clinical Practice Forum.

Risk/Risk Register
2 risks specific to Medication Safety are cited on Clinical Risk Register – relating to potential failure to report relevant incidents and potential failure to comply with medication safety policies and practices. Both are rated as low risk with effective controls in place.

Interventions/Actions
Strategies to ensure staff work within their scope of practice (e.g. Endorsed Ens, RIPENs) as they related to medication checking and administration have been developed.
Plans to participate in the National Antimicrobial Prescribing Survey (NAPS) during Antibiotic Awareness Week will add to our antimicrobial stewardship program.
Plans to improve medication reconciliation and consumer information on discharge are underway.

Standard 5 Patient ID & Procedure Matching: Best Care that is Connected & Right and Safe

Clinical Incidents				
Patient Identification	July-Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Patient Identification	2	2		

Patient Identification 2015–2016
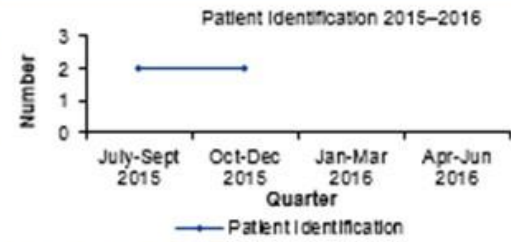
Comment: Patient ID incidents continue to involve incorrect labelling of medical record forms.

Audit Results
Patient ID & Procedure Matching Audit is scheduled to be conducted twice each year.
Data submitted (Oct to Dec 2015) shows compliance with patient ID bands is at 99%.

Risk/Risk Register
1 risk specific to Patient Identification and Procedure Matching is cited on Clinical Risk Register – relating to potential failure to comply with relevant policies and practices. This risk is rated as low risk with effective controls in place.

Interventions/Actions
Ongoing monitoring for patient identification incidents is in place along with an initiative to support real-time patient registration in IPM which will enable printing of ID labels for Urgent Care presentations (thus addressing the risk of incorrect patient ID at this point in care).

Standard 6 – Clinical Handover: Best care that is Personal, Connected & Right and Safe

Clinical Incidents				
Clinical Handover	July-Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Clinical Handover	1	0		

Clinical Handover 2015-2016
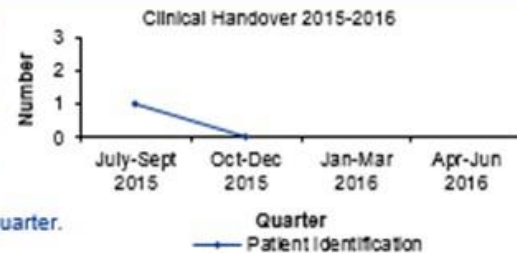
Comment: There have been no Clinical Handover incidents this quarter.

Audit Results
We are keen to ensure patients are actively involved in clinical handover and that they are encouraged and given time to ask questions about their care. Audit results in 2015 indicated we are on the right track, with this audit showing that 99% % of patients/carers were involved in handover at the bedside and patients were provided the opportunity to ask questions during handover.
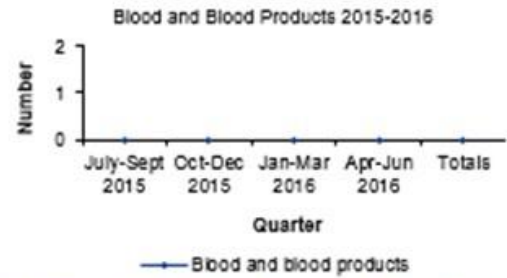
Risk/Risk Register
1 risk specific to Clinical Handover is cited on Clinical Risk Register – related to potential failure to conduct adequate clinical handover. This risk is rated as medium risk with the need for better controls to be instigated

Interventions/Actions
Data for patient Clinical Handover has now been submitted to the Benchmarking and we have implemented the new patients note pads. We are continuing to exploring strategies to enhance the discharge communication with GP practices & introducing a new Patient Discharge Form to support ongoing care after discharge.

Standard 7 – Blood and Blood Products: Best Care that is Safe

Clinical Incidents

Blood and Blood Products	July-Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Blood and blood products	0	0		

Blood and Blood Products 2015-2016

Comment: There have been no clinical incidents in relation to blood and blood product with a low volume of transfusions.

Audit Results

2 transfusions administered between October – December 2015.

Data submitted (Oct to Dec 2015) shows compliance with consent for blood transfusion at 100%. There were no adverse reactions recorded and 100% of screening was completed.

Risk/Risk Register

1 risk specific to Blood Product administration is cited on Clinical Risk Register – relating to potential failure to comply with relevant policies and practices. This risk is rated as medium risk with the need for better controls to be instigated.

Interventions/Actions

Strategies to improve consent are in place involving education to the GP/VMO's and Nursing staff and new Blood Product Management form has been developed for piloting over next 3 months.

Standard 8 – Preventing and Controlling Pressure Injuries: Best Care that is Safe

Clinical Incidents

Pressure Injury 2015 - 2016

Pressure Injury Rates 2015-2016

Pressure Injuries	July – Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
On Admission	7	0		
On Acute	1	0		
MRCN	0	0		

Pressure Injuries	July – Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Prevalence	1.45%	0		
Incidence	0.08%	0		

Comment: There were no incidents relating to preventing and controlling pressure injuries for this period. We can see that pressure injuries at are mainly present upon admission (as opposed to occurring during inpatient stay). The incidence is 0.00%. In additional to incident reports – we have completed a Coding File Audit for the same period and have confirmed only one case for the same period that was not reported on VHIMS.

Audit Results

Data submitted (Oct to Dec 2015) shows otherwise good compliance with patient pressure injury management at 100% for risk screening and management.

Risk/Risk Register

1 risk specific to pressure Ulcer Prevention is cited on Clinical Risk Register – relating to potential failure to identify at risk patients. This risk is rated as low risk with effective controls in place.

Interventions/Actions

An equipment audit is planned to review the resources available for managing pressure injuries.

| Standard 9 – Clinical Deterioration: Best care that is personal, connected & right and safe | | | | |

Clinical Incidents

Clinical Deterioration	July – Sept 2015	Oct- Dec 2015	Jan- Mar 2016	Apr- Jun 2016
Clinical Deterioration	4	4		

Clinical Deterioration 2015-2016
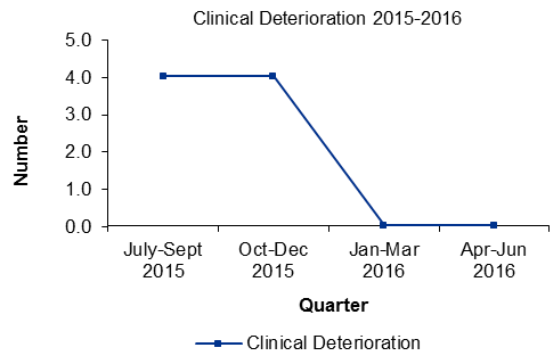
Comment: The clinical incidents for clinical deterioration mainly relate to patients who are transferred out for higher level care as part of our clinical review procedures.

Audit Results

Monitoring of the deteriorating patient is based on an audit sample of patient charts confirming where a complete set of observations is part of the last set of recorded observations, in agreement with their monitoring plan.

In 2015, auditing indicated 90% compliance to documentation and 100% of escalation being completed.

**Risk/Risk Register**

TBA to be updated

Interventions/Actions

All transfers out from UCC, Theatre or Acute are reported under clinical deterioration.

In 2015-15 12 case reviews were completed for discussion in UCCAC, with other case reviews discussed in CPF and Obstetric Audit Committees to identify areas for improvement in case & clinical outcomes.

| Standard 10 – Falls Prevention and Injury; Best Care that is Safe | | | | |

Clinical Incidents

Falls Numbers	July – Sept 2015	Oct- Dec 2015	Jan- Mar 2016	Apr- Jun 2016
Falls	3	7		

Falls 2015-2016
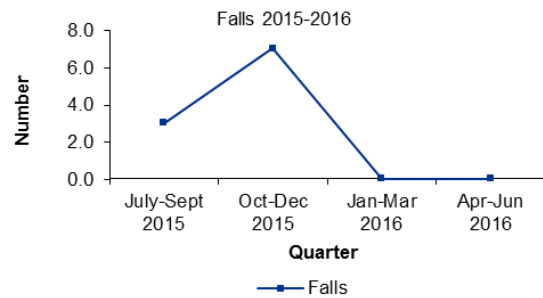
Falls				
Rates	July – Sept 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016
Rate	0.21%	0.47%		
Rate with Injury	0%	0.06%		

Falls Rates 2015-2016
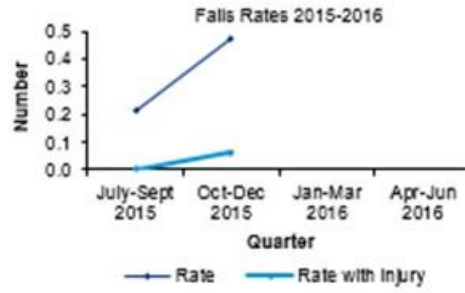
Comment: The clinical incidents for falls show one fall with minor injury and no falls with serious injury in Oct to Dec 2015.

Clinical Indicators
We have now submitted data to the ACHS clinical indicators and are waiting for results for July to December 2015 period.

Audit Results
Data submitted (Oct to Dec 2015) shows compliance with patient falls management at 100% with risk screening being completed.

Risk/Risk Register
TBA to be updated

Interventions/Actions
As above re ACHS clinical indicators program and falls alerts procedure and medication reviews for high risk patients are to be implemented.

Appendix 9: References and further reading

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