

AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting
held on Thursday 1 September 2005 in the Marie Hosking Room
Level 7, Building 14, Greenlane Clinical Centre, Auckland
commencing at 1:30 pm

1. ATTENDANCE AND APOLOGIES

Board Members

Wayne Brown (Chair)	Ross Keenan
Tony Bierre	Harry Burkhardt
Chris Chambers	Barry de Geest
Virginia Hope	Di Nash

Management in Attendance

Garry Smith – Chief Executive Officer
Denis Jury – Chief Planning and Funding Officer
David Sage – Chief Medical Officer
Adrian Lichkus – Acting Chief Financial Officer
Nigel Murray – General Manager Auckland City Hospital
Andrew Norton – General Manager Human Resources
Taima Campbell – Executive Director Nursing and Midwifery
Janice Mueller – Director Allied Health
Ian Bell – Board Administrator

Apologies

The Chair declared the meeting open at 2:08 pm.

Apologies had been received from Jackie Blue, John Retimana and Ian Scott.

2. CONFIRMATION OF MINUTES – 4 AUGUST 2005

Moved Ross Keenan, seconded Virginia Hope

That the minutes of the Auckland District Health Board meeting held on 4 August 2005 be confirmed as a true and correct record.

Carried

The Chair noted that he had not as yet signed the Crown Funding Agreement 2004-2007.

4. CHAIRMAN

4.1 Report

Wayne Brown reported to the Board:

- He had had a number of meetings with the Ministry of Health's Gordon Davies and Peter Jane with Graham Aitken with a programme agreed to approach cost reductions.
- He had had discussions with the owner of Southern Community Laboratories.

- He had received a letter concerning provision of \$600k for personal protection equipment and had asked to be informed on what equipment ADHB had and why we needed more. Garry Smith advised that preparations were being made for a pandemic and this was part of the preparedness including provisions for primary care and included a number of supplies some being as basic as gloves. There would be a presentation on preparedness and links to other services. Garry Smith advised that at the national level and at the regional level there is testing of response plans. The key was the triggers from local to regional to national.
- There had been some publicity on the visitor policy.
- He had attended Maori Health's regional function.
- There had been publicity concerning Barry de Geest's altercation with a staff member over disability parking. A process had been undertaken with the staff member within the employment law framework and an unreserved apology had been tendered to Barry. There had been considerable support for Barry de Geest's position.
- The Starship Foundation had made a number of statements ostensibly on behalf of the hospital. They could only make statements on behalf of the Starship Foundation.
- He thanked the Chair of the Quality Committee, Di Nash, for her work on that Committee.

4.2 Regional Report

Ross Keenan, Deputy Chair, advised that there would be a more detailed report next month with a meeting being held on 8 September 2005. He had added to that agenda library services and energy contracts. There were questions of PBFF equity and the nurses' settlement which continued to stop funds being transferred north. He was also pursuing the question of Board members training.

5. CHIEF EXECUTIVE OFFICER

5.1 Report

Garry Smith advised that the 2005/2006 Objectives had been introduced to all Level 1 to 4 managers and the KPIs for 2005/2006 would be part of all managers' performance measures. Supporting material for the recently introduced values has also been circulated. The focus at the moment was on service reviews. The District Strategic Plan would be launched on 12 September with this being the focus for September and October. This included a fold out and a feedback and consultation form. The first month's financial results had been favourable.

The 2004/2005 goals review had been included in the Board papers and presented to Level 1 to 4 managers. The performance review circulated to Board members would be reissued with the presentations made to the Community Public Health Advisory Committee and Hospital Advisory Committee. Points from the performance review were that overall we had made excellent progress. Points that had not been made in earlier presentations were that there had been a regional planning day but the five year volume projections had not been achieved yet. Even though the target had been favourably met it was expected that sick leave would increase as a result of improved information for a period of time. Improved diabetes management targets had not been achieved although there had been improvement in the last quarter and patients on active review lists for surgery greater than six months was trending in the wrong direction. It was noted that no DHBs met all the performance measures and work is being undertaken to improve

measures. He acknowledged the work of the executive team and the organisation on what had been achieved.

The Executive Director Nursing and Midwifery advised that last year there had been nurse shortages and turnover was an issue. Work was being undertaken on workforce issues and the development of the nurse practitioner role. There had been a deliberate recruitment campaign in the last period and now some wards were reporting full complements of staff. Investment was being made in new graduate nurses. It was unsure whether the return to nursing campaign had been very successful particularly with the competency requirements under the Health Practitioners Competency Act. ACH was being marketed as a teaching hospital. The combined Clinical Boards had had input to the nurse prescribing submission which had been very positive.

5.2 Auckland Regional Information Services Strategic Plan

Steve Mayo-Smith, Chief Information Officer, was in attendance and spoke to the RISSP Implementation update. Factors that had changed were that NewShare had not been proceeded with and there was now a Health Information Standards New Zealand strategy. There were regional technical forums being held at operational levels. Under the strategy more projects had been established than there had been funds available for. Issues going forward were privacy and security and he was unsure of what impact national programmes would have. The Health Information Standards was being managed by the MoH and did not have IS input.

6. FINANCIAL REPORT – JULY 2005

The financial result for the month was a favourable variance of \$5.5m but adjusting to normalise results would be \$3.9m with favourable variances across most areas. FTEs were favourable and after adjusting for MeNZB staff of 68 this was favourable by 104 which had converted to a favourable employee cost variance of \$2.9m mostly in nursing. Stock had increased which could be partially explained by the Grafton Pharmacy however it was still too high. A linkage between the last year's actual performance and the 05/06 budget had been provided.

The Audit Committee had scrutinized the month's favourable variance and while acknowledging that actions taken during the last year would be producing some improvement in results had agreed to consider two months results to see if a trend was emerging. A review of the assumptions in the DAP now that 2004/2005 had been completed had some impacts particularly with the capital charge cover for the revaluation being accommodated in the first year but then adjusted through PBFF to the detriment of ADHB in years 2 and 3. The operating surplus and the DAP statement of financial performance moved from a deficit of \$8.4m in 2004/05 to a operating surplus of \$47.3m in 07/08 which was a substantial improvement in performance. Management's performance would be judged on the operating surplus targeting costs improvements.

7. DISABILITY SUPPORT ADVISORY COMMITTEE

There was a need for improved regional service planning and concern was expressed on disability support services funding for some patients that would not be provided by the MoH under their funding stream which left a problem with DHBs. The emphasis and focus of the Committee was implementing the Disability Strategy at the DHB level.

8. QUALITY COMMITTEE

Di Nash, Chair of the Quality Committee, reported on the Committee meeting held 18 August 2005. Issues covered were alerts which had resulted in a sentinel event with a practical solution being proposed including relying on patient interrogation. Patient Satisfaction reports had been discussed and had been referred to the Hospital Advisory Committee. A quality framework was being proposed with consumer input and the complaints structure was being reorganised. Risks had included potential instability of clinical IT systems and their need to be web based. The combined Clinical Board's meeting had been successful and was a milestone for the organisation however there would be a need to ensure that agendas were productive as they were high cost meetings. Audit matters had included Healthshare audits with it being noted that with cultural competency there was not a need to reinvent the wheel with certain publications being available from other organisations. While the audits focused on the contract, concern had been expressed that their assessment of some low risks could be considered high clinical risks from a quality point of view.

Moved Di Nash, seconded Virginia Hope

That the Board endorses the recommendations from the Quality Committee on patient satisfaction reports to:

- *Be specific for our own population.*
- *Confront the Ministry of Health on appropriateness of the survey.*
- *Develop ability to go to service level for our population and other populations.*
- *Make "How long to appointment from arrival" in out-patients as a sub set goal with training of receptionists.*
- *Use the many communication strands to inform the organisation.*

Carried

It was suggested that the surveys should also include questions on signage and if you had a disability how you were treated.

9. AUDIT COMMITTEE

9.1 Report

The Chair of Audit Committee, Harry Burkhardt, advised that it had been a good meeting which included consideration of a proposal relating to the Costly Building at Greenlane which would be brought back to the Committee. Procurement had been considered based on four philosophies of aggregating volumes; disaggregating services; limiting the range purchased and seeking alternative solutions at the time of RFP.

9.2 Annual Report 2004/2005

The Audit Committee had suggested some layout changes.

Moved Ross Keenan, seconded Chris Chambers

That the Auckland District Health Board authorises the Chair and the Chair of the Audit Committee to sign the Annual Report for the 2004 – 2005 year on their behalf.

Carried

ADHB Procurement Policies

Moved Wayne Brown, seconded Harry Burkhardt

That the Auckland District Health Board adopt a more aggressive commercial orientative procurement and payment policy with details to be finalised by the Audit Committee.

Carried

District Annual Plan and 2005/2006 Budget

The Audit Committee, Chair and Deputy Chair had requested some tidy up of the numbers.

Moved Virginia Hope seconded Ross Keenan

That the Auckland District Health Board approves delegation to the Chair and Chair of the Audit Committee to sign the District Annual Plan for 2005/2006 budget for submission to the Minister.

Carried

9.3 Relocation of Child Health to Cornwall Complex

Moved Harry Burkhardt seconded Ross Keenan

That the Auckland District Health Board resolves;

- a) *That the capex for \$753,756 to relocate Child Health from 9 Manukau Road to the Cornwall Complex be approved. This project is in accordance with the Greenlane Building Occupancy Plan and will achieve rental savings of \$280,651 per annum.*
- b) *That the contract for \$494,983 with Lucas Commercial Interiors for the building works component be approved.*
- c) *That the Chief Executive Officer is delegated authority to execute the contract with Lucas Commercial Interiors.*

Carried

The project had a three year payback.



10. GENERAL BUSINESS

Mental Health Workers

It was noted that there have been recruitment of Mental Health staff by other DHBs contrary to the regional rules and this would be raised at the regional Chairs' meeting.

11. NEXT MEETING

The meeting closed at 4:54 pm.

The next meeting will be held on:
Thursday 6 October 2005
Marion Davis Library
Building 43
Auckland City Hospital
Grafton

CONFIRMED

CHAIR:

DATE: