

AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting
held on Thursday 6 April, 2006 in the Marion Davis Library
Building 43, Auckland City Hospital, Grafton
commencing at 1:30 pm

1. ATTENDANCE AND APOLOGIES

Board Members

Ross Keenan (Chair)	Harry Burkhardt
Chris Chambers	Barry de Geest
Virginia Hope	John Retimana
Ian Scott	

In Attendance

Graham Aitken – Board Advisor

Management in Attendance

Garry Smith – Chief Executive Officer
Denis Jury – Chief Planning and Funding Officer
Roger Jarrold – Chief Financial Officer
David Sage – Chief Medical Officer
Janice Mueller – Director Allied Health
Andrew Norton – General Manager Human Resources
Ian Bell – Board Administrator

Apologies

The Chair declared the meeting open at 1:30 pm.
Apologies had been received from Wayne Brown and Di Nash.

2. CONFIRMATION OF MINUTES – 2 MARCH 2006

Moved Ian Scott, seconded John Retimana

That the minutes of the Auckland District Health Board meeting held on 2 March 2006 be confirmed as a true and correct record.

Carried

3. ACTION POINTS – 2 MARCH 2006

Regional DSAC

The Chair of Counties Manukau DSAC was reluctant to lead the discussion on the regional DSAC so Barry de Geest and Lisa Christian were preparing a Terms of Reference for submission to the Regional DSAC to provide it with a focus.

Facilities Maintenance and Engineering Services

While the contract had been awarded to Transfield they had declined to sign it so the right of renewal in the present contract with Spotless had been exercised for one year.

Library

The question of library services had been taken to the region however they did not understand what their services and costs were but were discussing these with the General Manager, Human Resources. There was a suggestion of transferring all library services to the University. The present University contract with ADHB continued to the end of the calendar year.

4. CHAIRMAN

4.1 Report

A report from the Chairman was circulated.

Harry Burkhardt had attended the DHB Chairs Forum and had circulated his thoughts to members. The Chair of Taranaki concurred with ADHB's concerns however governance changes were being undertaken and there would be an opportunity to vote on these at the next Chairs meeting.

Anthony Hill had taken over the position of Gordon Davies at the MoH.

Ian Scott noted the reference in the Chairman's report to issues raised in Parliament referencing to individual patients. He considered that this behaviour was unfair using patients for political purposes without seeking information from the DHB and giving an unbalanced position. This was not only unfair to the DHB but also was not ethically appropriate to put patients in that position.

4.2 Regional Report – Deputy Chair

Ross Keenan advised that the presentation to the Labour Caucus had emphasised how well the region was working together with good work streams.

The Chairs and CEOs meeting was to be held on the following Tuesday topics being PBF application, Pharmac and procurement for DHBs seeking bulk purchasing power, PHOs regional and local and an update on Regional Pharmacy. Other topics would be pandemic planning, efficiency, regional Internal Audit and facilities interfaces with services and facility planning for 10 years including possible relationships with the private sector.

5. DISABILITY SUPPORT ADVISORY COMMITTEE

The Chair of the DSAC, Barry de Geest, advised that ADHB was looking at the <65 Boundary issue and had decided to use funding to get patients concerned out of hospital into the community until the MoH sorted the issue out. The MoH had also under funded mobility services which had a potential cost of \$100k to ADHB. He had attended the Labour Caucus meeting but noted that the venue had been inaccessible to him however they were going to improve access. The DSAC Committee had had input to the District Annual Plan which has included disability issues.

He advised that Ronelle Baker had resigned from the Committee due to work pressures and he nominated Ava Tafili of PIASS to the Committee.

Moved Barry de Geest, seconded Virginia Hope

That Ava Tafili be appointed a member of the Disability Support Advisory Committee.

Carried

He thanked members of the Board and staff for their involvement in DSAC.

6. MAORI HEALTH ADVISORY COMMITTEE

The Chair of the Committee, John Retimana, advised that nominations to the Committee had been received from Te Runanga o Ngati Whatua.

Moved John Retimana, seconded Harry Burkhardt

That the ADHB appoints and confirms the Ngati Whatua members of the Maori Health Advisory Committee as: Puawai Rameka, Aroha Hudson, Naida Glavish and Liz Mitchelson.

Carried

The quarterly report from Tihi Ora Mapo had been received by the Maori Health Advisory Committee.

7. QUALITY COMMITTEE

The next meeting of the Quality Committee would be on Thursday 27 April 2006.

8. CHIEF EXECUTIVE OFFICER REPORT

Garry Smith reported to the Board that it was a critical period to manage to the year end with the forecast on target but issues of production planning, contract volumes and waiting lists to be addressed as there was no DRG washup or revenue for over production. There was still staff shortages in operating rooms. The Service Reviews were nearing completion. Some support services demand was created from other services and the Service Reviews had provided a communication platform for services. While the emphasis of the reviews had been on financials, quality issues had also been involved taking a whole system approach and while some units had done reviews well they may not have been broad enough to remove inter-services barriers.

Pandemic planning had progressed with the draft local plan submitted to the MoH on 31 March 2006 with, in April, a peer review and the regional plan being finalised.

National negotiations covered RMO and Radiation Therapists with the DHBs better organised than the previous years.

The Regional Laboratory RFP would close in April.

Preparation for 2006 - 2007 had seen the District Annual Plan lodged with the MoH on time and a number of projects being undertaken including Hospital at Night. Service Reviews implementation was to be by the end of the calendar year.

Included in issues were oncology drugs which showed strong growth which raised question of spending priority decisions. The Air Ambulance services were under a 2 year contract and it required certainty of volume to be viable before the contract would be renewed. The move of neuro surgery to Waikato had implications for ADHB.

David St George, Group Manager Quality, was introduced to the Board with him reporting through to the Clinical Governance team of Chief Medical Officer, Executive Director Nursing and Midwifery and Director of Allied Health. He had addressed the Clinical Directors meeting. David St George had qualified in Auckland, moved to Canada and the UK and for the last 15 years had worked in teaching hospitals on quality.

With payroll there were challenges, however payroll staff had been physically moved to HR Administration which may overcome communication problems and there is now a Regional Steering Committee looking at a regional payroll strategy.

The Child Health Improvement Plan had been recommended to the Board by the Community and Public Health Advisory Committee.

Moved Barry de Geest, seconded Ian Scott

That the Auckland District Health Board approves the draft Child Health Improvement Plan 2006 – 2011 and notes that an Implementation Plan for 2006/2007 will be prepared. The Board congratulated the team on the plan development.

Carried

9. FINANCIAL REPORT – FEBRUARY 2006

The month's results had been affected by the distribution to Counties Manukau and Waitemata of the Laboratory risk share of \$2.4m. Revenue for the month had been \$2.9m per day compared with an average of \$2.5m per day year to date through good productivity. The year end forecast was still \$50m although there was a risk of over production. A number of year on year graphs had been provided to the Audit Committee which showed direct costs and labour being relatively constant. There was some indication of production being slowed in the later part of the financial year which was an issue for ADHB and for the tax payer as the strict revenue rules did not make sense if ADHB had the capacity to produce.

The District Annual Plan for 2006/2007 was a deficit of \$49m and while performance had been better this financial year there would be significant challenges to achieving the 2006/2007 result.

Capex was under budget and in the next year there was provision for a Linear Accelerator replacing a 12 year old machine. There was a regional commitment to keeping that service viable.

There were productivity implications in the application of the Code of Good Faith when trying to change contractors. This would be discussed with unions to try and negotiate a

position however in the meantime Court clarification of the application of the Code would be sought.

A review of the District Annual Plan showed unfunded wage increases of \$7m which equated to a reduction of 100 people which would be better addressed through revenue. It also made sense that in paying staff more through salary increases there should be an expected improvement in productivity.

A review of Delegated Authorities was being undertaken as well as the number of RC units which may be better reconfigured to the organisational structure.

Staff numbers were affected by the 14 people included in the orthopaedic initiatives and there was also an intake of new graduate nurses. There were robust processes in place for the appointment of replacement staff.

10. AUDIT COMMITTEE

The Audit Committee had considered a paper on the A+ Trust on research administration and fund raising including amendments to their Deed to be able to raise funds and to put more rigor and discipline into research.

Moved Harry Burkhardt, seconded Ian Scott

That the Auckland District Health Board endorses the proposal to expand the functions of the A+ Trust into active fund raising and research administration: and confirms the proposed changes to the Deed and terms of the proposed Memorandum of Understanding between Auckland District Health Board and the A+ Trust.

Carried

11. GENERAL BUSINESS

Public/Private Sector

The question of public/private sector cooperation and involvement was being raised with Regional Chairs for discussion.



12. NEXT MEETING

The meeting closed at 2:55 pm.

The next meeting will be held at
1:30pm, Thursday 4 May 2006
Marion Davis Library
Building 43
Auckland City Hospital
Grafton

CONFIRMED

CHAIR:

DATE: