

AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting
held on Thursday, 1 March 2007, in the Rangitoto Room,
Level 3, LabPlus, Auckland City Hospital, Grafton
commencing at 1:30 pm

1. ATTENDANCE AND APOLOGIES

Board Members

Wayne Brown (Chair)	Ross Keenan
Harry Burkhardt	Chris Chambers
Virginia Hope	Di Nash
John Retimana	Ian Scott

Management in Attendance

Garry Smith – Chief Executive
Denis Jury – Chief Planning and Funding Officer
Roger Jarrold – Chief Financial Officer
David Sage – Chief Medical Officer
Taima Campbell – Executive Director Nursing
Janice Mueller – Director Allied Health
Vivian Rawlings – General Manager, Human Resources Operations
Ian Bell – Board Administrator

Apologies

The Chair declared the meeting open at 1:42 pm.
An apology had been received from Barry de Geest.

2. CONFIRMATION OF MINUTES – 1 FEBRUARY 2007

Moved Ian Scott, seconded John Retimana

That the minutes of the Auckland District Health Board meeting held on 1 February 2007 be confirmed as a true and correct record.

Carried

3. ACTION POINTS – 1 FEBRUARY 2007

Regional Chairs and CEOs Meeting

This had been held on Monday 12 February 2007.

Disabled Persons Assembly Conference

This item was carried forward.

Grafton Pharmacy

This had been reported to the Audit Committee.

4. CHAIRMAN

4.1 Report

Wayne Brown noted that Naida Glavish was in hospital and reported on his activities for the month:

- Regionally focus had been on the judicial review case and he thanked the Deputy Chair Ross Keenan for managing this regionally
- He had met with the Mayor and Ludo Campbell-Reid concerning the Domain car park. He thanked Paul Jepsen and Reg Prasad for their input to the meeting
- He would be responding to the letter from the OAG concerning their report on procurement
- He thanked the Chief Medical Officer for attending the Auckland City Council Works Committee concerning a move to not fluoridate the water supply
- He and the CEO had met with the Committee for Auckland, a group who had done considerable analysis of data on Auckland receiving its share of the national cake. He supported being more active with Auckland action groups as part of looking outside the hospital and being involved in the community through such organisations as the Auckland Chamber of Commerce, Committee for Auckland, EMA etc. to build on the regional cooperation moves.
- DHBNZ's voting proposal did not address ADHB's concern however the Minister was pressing him to attend meetings. He would seek a meeting with the State Service Commission concerning organisational values.

A motion moved by Wayne Brown and seconded by Ian Scott that ADHB rejoin DHBNZ was put and defeated. The Board noted that the CEO was empowered to be engaged with any DHBNZ work stream at his discretion where he sees value for ADHB.

- He and other Board members had visited the Mercy Hospice and Ian Scott would be attending in his stead to its official opening.

4.2 Regional Report

Ross Keenan, Deputy Chair advised that there were encouraging signs at the regional CEOs level with two new CEOs sharing more of the work streams. The regional meeting had been held on 12 February 2007 with Wayne Brown leading on capital issues with other matters discussed being DHBNZ procurement, looking at a common external auditor, the community laboratory court case and libraries to be considered as a possible regional service. This led to a request for a review of the regional services by way of a stock take to see what was being achieved, what worked well and what did not work so well. He noted that the reports on productivity had been taken out of context in Parliament. There would be a meeting in March with the Labour MPs to be followed at a later date with a briefing of all Auckland MPs.

4.3 2007 District Health Board Elections

The Board Administrator tabled a report to the Board from Independent Election Services Ltd on the 2007 triennial elections together with suggested resolutions, a timetable and a fact sheet.

The following resolutions were put and approved noting that appointed members did not vote and that the order of candidates' names on the voting paper was decided on the toss of a coin.

Moved Ian Scott, seconded Virginia Hope

1. *That the ADHB confirms the appointment of Dale Ofsoske, electoral officer for the Auckland City Council, as the electoral officer for the Auckland District Health Board for the conduct of the 2007 triennial election*
2. *That the ADHB resolves for the 2007 Auckland District Health Board triennial election to adopt the alphabetical order of candidate names as permitted under regulation 31 of the Local Electoral Regulations 2001*
3. *That the ADHB resolves for the 2007 Auckland District Health Board triennial election to adopt the early processing of returned voting documents, as permitted under section 79 of the Local Electoral Act 2001*
4. *That the ADHB authorises the Chief Executive to approve and sign the Memorandum of Understanding on behalf of the Auckland District Health Board with the Auckland City Council, for the conduct of the 2007 triennial Board election.*

Moved

5. DISABILITY SUPPORT ADVISORY COMMITTEE

The Committee was meeting in March 2007.

6. MAORI HEALTH ADVISORY COMMITTEE

The Committee would be meeting in April 2007.

7. QUALITY COMMITTEE

The Committee had met on the 15 February 2007 and the Chair, Di Nash reported that there were a number of increases in complaint trends. She understood that electronic prescribing was presently illegal and there were moves in Parliament to rectify this.

She had attended the seminar held by Healthpac with the theme being developing an anti-fraud culture. Points made were that 75% of losses could be tracked and recovery was 12 times the money invested in recovery and an aim being to mobilise the honest majority to condemn the dishonourable through the development of a counter fraud culture. Currently ADHB spends money on internal audit, external auditors and NGOs as well as internal controls which are built on the ADHB values. The Board suggested that the Internal Auditor and Chief Planning and Funding Officer prepare a paper, suggested as a regional project, on the scope of the problem, what was being done through Healthpac and try and quantify losses. It was suggested that the Internal Auditor contact Land Transport who had a fraud recovery unit.

8. CHIEF EXECUTIVE OFFICER

8.2 Auckland Regional RMO Services Ltd (ARRMOS)

Peter Guthrie, General Manager, Auckland Regional RMO Services Ltd was in attendance and advised that the proposal was to develop the existing DHBs' RMO administrations into a regional service to provide improved support for RMO administration. The Deputy Chair advised that Waitemata had passed the suggested resolution with an amendment to item 4 by deletion of the wording after 'annual budget'. The proposal had been agreed by the regional CEOs and was a first step in improving support for the one workforce working over three DHBs which may move to having one employer across the region in the future.

Moved Ross Keenan seconded Ian Scott

That the Board of Auckland DHB resolves:

- 1. To note the contents of this paper as to the restructuring of Northern Clinical Training Network Ltd, a company jointly owned by the Auckland, Counties Manukau, Waitemata and Northland DHBs and the University of Auckland (Faculty of Medical and Health Sciences) and to be renamed Auckland Regional RMO Services Limited ('the Company' or 'ARRMOS').*
- 2. To confirm the appointment of the Chief Executive as director to the board of the Company and the provision of directors and officers liability insurance in respect to that appointment, and to note that the Director of Clinical Training (Stephen Child) will be resigning from the board of the NCTN as a result of the restructuring.*
- 3. To delegate to the Chief Executive the authority to act as the shareholder of the Company on behalf of the DHB, including to execute a shareholders' agreement, to attend shareholders' meetings and to formalise shareholders' resolutions.*
- 4. To delegate to the Chief Executive the authority as director of the Company to approve the annual budget.*
- 5. To approve the sale by Auckland DHB of 6 shares in the Company to Counties Manukau DHB and 7 shares to Waitemata DHB at nominal value.*

Carried

11.1 District Annual Plan 2007-2008

Moved Wayne Brown seconded Ross Keenan

That the ADHB delegates final sign off on the 9 March 2007 version of the District Annual Plan 2007-08 for the Ministry of Health review to the Chairman and CEO.

Carried

This was a recommendation from the earlier Community and Public Health Advisory Committee meeting.

8.1 Report

Garry Smith spoke to his report noting the focus on production and coding together with ESPI compliance through moves to protect electives. The DAP together with financials would be provided to the MoH on 9 March 2007 delivering a break even budget for 2007/2008 with the risks related to this documented and quantified.

He advised that Naida Glavish was unwell and was receiving appropriate support.

The State of the Nation presentations to staff would commence in the next week and the programme was to be provided to Board members. Other focuses were the community laboratories contract and work with Counties Manukau on boundary issues arising in Otahuhu and how services would be delivered there which included consideration of marginal pricing of services. The Health Select Committee would be meeting to review ADHB in Wellington in mid March and responses to their questions would be circulated to Board members once they are finalised. The Operational Efficiency projects had been updated to the Hospital Advisory Committee with the focus on strong line management ownership within the projects.

There was a need to define acceptable and non acceptable behaviour related to ADHB's values.

The General Manager, Human Resources Operations acknowledged the contribution of Carol Brown to the organisation and advised that the Accident Compensation Commission audit had been completed.

10. AUDIT COMMITTEE

10.1 Report

The Chair of the Committee, Harry Burkhardt reported on the previous day's meeting which included consideration of internal audit reports which were detailed and showed how complex the organisation is. The PIMs post audit had been approved and there was work being done on the cogeneration project as a post audit including working with the EECC who had offered funding. The Committee had had an update on the Operational Policy Framework and the Chair had written to the Ministry of Health concerning a number of points.

10.2 Audit Committee Terms of Reference

Moved Ross Keenan, seconded Ian Scott

That the Auckland District Health Board adopts the revised Audit Committee Terms of Reference dated March 2007.

Carried

9. FINANCIAL REPORT – JANUARY 2007

The reports had been discussed at the Audit Committee with the emphasis being on the need to improve production and while this may be improved through coding there was nevertheless the need to adopt a production culture. Results were better than budget and ahead of the previous year however there were real risks to production if industrial action was undertaken. Weis performance summaries and non DRG performance summaries had been included in the CEOs report. What needed to be understood was how August 2006 had achieved performance when the organisation was under pressure.

In completing the District Annual Plan, Ambulatory Services were near budget however there is work to be done in Women's and Children's to match the funders expectations. There would need to be pressure on staff numbers and to match production to funding. The finances in the DAP would be break even with the associated assumptions and risks detailed.

11. GENERAL BUSINESS

The land sale at Greenlane required a use rezone going through Auckland City Council from hospital use to general use. Car parks will affect the value. The Board held a legal permit to demolish Building 5 at Greenlane.

12. NEXT MEETING

The meeting closed at 4:00 pm.
The next meeting will be held at
1:30pm, Thursday 5 April 2007
Marion Davis Library
Building 43
Auckland City Hospital
Grafton

CONFIRMED

CHAIR:

DATE: