

AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting
held on Wednesday 7 May 2008, in the Marion Davis Library,
Building 43, Auckland City Hospital, Grafton
commencing at 1:30 pm

1. ATTENDANCE AND APOLOGIES, CONFLICTS OF INTEREST

Board Members

Pat Snedden (Chair)	Jo Agnew
Susan Buckland	Harry Burkhardt
Dr Chris Chambers	Rob Cooper
Brian Fergus	Dr Ian Scott
Bob Tizard	Seiuli Dr Juliet Walker
Ian Ward	

Management in Attendance

Garry Smith – Chief Executive
Dr Denis Jury – Chief Planning and Funding Officer
Dr David Sage – Chief Medical Officer
Greg Balla – Director Performance and Provider Development
Taima Campbell – Executive Director Nursing
Janice Mueller – Director Allied Health
Vivienne Rawlings – General Manager HR Operations
Ian Bell – Board Administrator

Apologies, Conflicts of Interest

The Chair declared the meeting open at 1:55 pm.
No conflicts of interest with items on the agenda were declared.

2. CONFIRMATION OF MINUTES – 2 APRIL 2008

Moved Jo Agnew, seconded Ian Ward

That the minutes of the Auckland District Health Board meeting held on 2 April 2008 be confirmed as a true and correct record with the amendment that Ian Ward declared his interest in relation to the Electricity Contract renewal as a consultant to the Auckland Energy Consumer Trust.

Carried

3. ACTION POINTS – 2 APRIL 2008

Building 5

The Chair would contact the appellant to the Building 5 demolition consent.

Board Training

Members are to advise the Chair of what professional training they desired. The Chair advised that he had authorised travel support for Dr Ian Scott to attend a palliative care conference.

Community Laboratory History

There would be a regional Board members meeting on 27 May 2008, 4:30 pm to 6:30 pm at the Clinical Education Centre, Auckland City Hospital looking at the history of the laboratory contract and regional processes.

4. CHAIRMAN'S REPORT

The Chair reported on his activities for the month.

Building 5 Greenlane Clinical Centre

There had been a meeting with the officers of the Auckland Regional Council (ARC) and Auckland City Council (ACC) and separately a meeting with the Chair and CEO of ARC and the Mayor and CEO of ACC to get their better understanding of ADHB's priorities for health and to tour Building 5. Work was being done on the future health needs for the Greenlane site and work on viable alternatives for Building 5 aligned to those health needs. While this work was being undertaken the legal process was suspended but no rights had been forgone. The processes with ACC and ARC would be worked through prior to any public input. The Chair undertook to meet with the appellant to the Environment Court.

Northern Regional Quality Collaborative

An action focused meeting had been held with KPIs for key quality improvements developed.

Clinical Directors

The Chair had attended the quarterly Clinical Directors meeting where he outlined the issues of control of money to allow appropriate initiatives, primary care relationships particularly for Maori and Pacific and the tripartite relationships with a need for change in the way employment relations are conducted.

5. COMMITTEE REPORTS

5.1 Audit Committee

5.1.1 Report

The Chair of the Audit Committee, Harry Burkhardt expressed concern for the organisation going forward in relation to revenue, costs and governance both financial and quality of services with this being made more complex for a break even organisation with costs and revenue being set external to the organisation. The CFO advised that regionally there were surpluses of \$20m and for the overall sector \$40m which showed that the national pricing of IDF flows to achieve breakeven across all DHBs were not quite right. ADHB had been tightly managed over the last five years and it was not easy to increase productivity. Capital expenditure had also been tightly controlled due to its affect on the break even position required.

Optimism was expressed that there can be improved system performance and the time for constraining capital may have to change due to need to re-equip depreciated assets. There had been achievements from a population perspective and, as with any allocation of resources, this involved political decisions and with costs and prices set by others this required strong political argument.

The Board Chair noted that the present Board had benefited from the previous Boards work to achieve a good platform and a position of considerable respect as ADHB had addressed its own difficulties. It was now in a better position to argue about funding both regionally and nationally, and he was happy to address these at the national level including having conversations with the Minister.

5.1.2 Expenditure Proposals Facilities Maintenance Management Contract

Moved Harry Burkhardt, seconded Ian Scott

That the ADHB confirms its earlier approval of the PAE New Zealand Ltd management contract for facilities maintenance & central plant operations on the basis that the contract will be for two years with ADHB having two rights of renewal for an additional two years each at the same fee plus annual CPI adjustments (i.e. total contract period available to ADHB is six years).

Carried

Superannuation Schemes

With the advent of KiwiSaver there was allowance for RMOs and SMOs to split superannuation between KiwiSaver and other schemes. There had also been changes in tax legislation on superannuation schemes to allow portfolio investment entities (PIE). Superannuation agreements were deeds which required Board approval and because of the number of deeds delegation was sought to the CEO and CFO to work regionally on changes to superannuation deeds. Members would be advised of the risks of changing on a falling market but to do nothing was not an option. There were significant sums involved. ADHB was a participating member of a master Trust and not a promoter of any superannuation scheme.

Moved Pat Snedden, seconded Harry Burkhardt

That the Auckland District Health Board gives delegated authority to the Chief Executive and Chief Financial Officer to sign all documents, within the form of a deed or an agreement, relating to superannuation schemes for SMOs and RMOs and other employees whose collective employment contracts or individual employment contracts provide for the provision of superannuation by Auckland District Health Board.

Carried

5.1.1 Report (continued)

The Audit Committee had also considered the Domain car park proposal where costs had moved from \$9m to \$23m and the Committee had asked for a commercial view on the project and options including the status of the original proposal.

A paper on public/private relationships had been considered.

5.2 Disability Support Advisory Committee

The next meeting on the Committee would be on 15 May 2008.

5.3 Maori Health Advisory Committee

The Committee had not met in April and would meet on 21 May 2008.

5.4 Pacific Health Advisory Committee

The Committee had had a good positive and productive first meeting agreeing membership and the Terms of Reference as well as considering aspirations for Pacific Health and the role of the Committee.

5.4.2 Terms of Reference

Moved Seiuli Juliet Walker, seconded Rob Cooper

That the Auckland District Health Board confirms the Terms of Reference of the Pacific Health Advisory Committee.

Carried

5.5 Quality Committee

The Committee had considered the risk report, serious and sentinel events processes and noted that ADHB was taking a lead in infection control at the national level. Concern had been expressed at the potential affect on quality of increasing numbers of locums.

The Chief Executive and Executive Director Nursing had attended a quality conference and Garry Smith advised that he would be making a formal report to the Board however he felt very positive about quality including the appointment of the Director of Performance and Provider Development with a focus on quality improvement.

6. CHIEF EXECUTIVE OFFICER

6.1 Report – March 2008

The RMO's strike was creating tension and impacted on the financial results however the amount of electives cancellations had been halved from that of the first strike. While it was not known whether there would be more strikes the effects were very negative with waiting lists increasing in what otherwise had been a very productive year.

The District Annual Plan narrative was due for delivery to the Ministry on Friday however the financial templates had been deferred to 19 May 2008 pending some announcements.

The nurses' settlement partnership addressing productivity was required and the SMO ratification was due. To get value added and increased productivity would require a rethink of the way the workforce was arranged and how they fitted into multi disciplinary teams.

DHBNZ had sought an extension in getting back to ADHB as their Annual Plan had not been completed. Regional feedback on their Annual Plan would be sought by 30 May 2008 with responses from the region to DHBNZ by 30 June 2008. The regional feedback would be provided to the Board.

Other work being undertaken was the regional work plan, ESPI compliance, the Clinical Directors' structure of clinical governance across the four levels of management and how this worked in an integrated management structure, car parks and buildings and development of a report on outcomes for Maori for the Maori Health Advisory Committee. There would be a regional Boards' meeting on 27 May 2008 and the Minister would be visiting ADHB on 6 June 2008 with a session for the Board being scheduled for that visit.

In response to a question the CEO advised the time spent externally on work both regionally and nationally including nationally leading cancer services and air ambulance and national CEOs meetings. Regionally there was the CEOs and Chairs meetings and regional work plans. In total he spent approximately four and a half days per month on regional/national work.

6.2 HR Organisational Indicators

This was an initial set of HR indicators which would be compared across services and trends over time reported. A SMT member would be visiting every part of the organisation with a view to picking up pressure points so that these could be addressed early rather than later. Sick leave would be included in the next report. The HR indicator report is to be provided quarterly with commentary.

6.5 Report on 2007 Triennial Elections

The report was noted and, with the higher level of invalid votes or no vote, the Board felt that there should be a return to First Past the Post voting.

6.3 District Annual Plan and Statement of Intent 2008 - 2009

The feedback from the MoH was mainly positive and changes made were detailed to the Board. The more explicit and descriptive requirements for Mental Health showed a disproportionate emphasis. Regional planning was a priority and the Annual Plan had to align with the Strategic Plan. Regional planning to be meaningful needed to be in the other three DHB's District Annual Plans. Revaluation would be subject to a separate discussion.

Moved Pat Snedden, seconded Rob Cooper

That the Board:

- 1. Notes the feedback from the Ministry of Health on the draft versions of the District Annual Plan 2008-09 and the Statement of Intent for 2008-2011*
- 2. Approves the attached District Annual Plan 2008-09 as a final to be submitted to the Ministry of Health to meet the 9 May 2008 deadline not including financials*
- 3. Approves that the final Board approved version of the District Annual Plan to be made publically available with a cover note to ensure that its status is understood*
- 4. Note the progress on developing a final version of the Statement of Intent for 2008-2011*
- 5. Agree that sign off on the final version of the Statement of Intent be delegated to the Board Chair and CEO*

Carried

The financials were due for completion by 19 May 2008 and further work had been done with the MoH, including work on electives, with now reduced risk concerning possible deficit and there would be a recommendation coming forward to the Board on break even financials. Due to the timing requirements for the financials delegation for signoff was sought.

Moved Ian Scott, seconded Brian Fergus

That the Auckland District Health Board delegates final signoff of the District Annual Plan to the Chair and Chair of the Audit Committee.

Carried

6.4 ADHB District Strategic Plan Review

The Board noted the Ministry of Health (via the NZPHD Act) requirement to review the ADHB District Strategic Plan. The intention was to shorten the document and it was felt that there was not a need for a major review. With the Board being new it was suggested that any review be deferred to 2009.

Moved Pat Snedden, seconded Rob Cooper

That the review of the Auckland District Health Board District Strategic Plan be deferred to the 2009 calendar year.

Carried

7. FINANCIAL REPORT

7.1 Report – March 2008

The financial report for March 2008 was noted.



8. GENERAL BUSINESS

There were no items of general business.

9. NEXT MEETING

The meeting closed at 4:30 pm

The next scheduled meeting is
1:30pm, Wednesday, 4 June 2008
Marion Davis Library
Building 43
Auckland City Hospital
Grafton

CONFIRMED

CHAIR:

DATE: