Auckland District Health Board

Board Meeting

Wednesday 7 July 2010

2:00pm

A+ Trust Room
Clinical Education Centre
Level 5
Auckland City Hospital
Grafton

Hei Oranga Tika Mo Te Iti Me Te Rahi
Healthy Communities, Quality Healthcare

1

KARAKIA

Karakia

E te Kaihanga e te Wahingaro

E mihi ana mo te ha o to koutou oranga

Kia kotahi ai o matou whakaaro i roto i te tu waatea.

Kia U ai matou ki te pono me te tika

I runga i to ingoa tapu

Kia haumie kia huie Taiki eee.

Creator and Spirit of life.

To the ancient realms of the Creator

Thank you for the life we each breathe to help us be of one mind
As we seek to be of service to those in need.
Give us the courage to do what is right and help us to always be aware
Of the need to be fair and transparent in all we do.

We ask this in the name of Creation and the Living Earth.

Well Being to All.

2

ATTENDANCE AND APOLOGIES

3

CONFLICTS OF INTEREST

Conflicts of Interest Quick Reference Guide

Under the NZ Public Health and Disability Act Board members must disclose all interests, and the full nature of the interest, as soon as practicable after the relevant facts come to his or her knowledge.

An "interest" can include, but is not limited to:

- Being a party to, or deriving a financial benefit from, a transaction.
- Having a financial interest in another party to a transaction.
- Being a director, member, official, partner or trustee of another party to a transaction or a person who will or may derive a financial benefit from it.
- Being the parent, child, spouse or partner of another person or party who will or may derive a financial benefit from the transaction.
- Being otherwise directly or indirectly interested in the transaction.

If the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the Board member in carrying out duties under the Act then he or she may not be "interested in the transaction". The Board should generally make this decision, not the individual concerned.

Gifts and offers of hospitality or sponsorship could be perceived as influencing your activities as a Board member and are unlikely to be appropriate in any circumstances.

- When a disclosure is made the Board member concerned must not take part in any deliberation or decision of the Board relating to the transaction, or be included in any quorum or decision, or sign any documents related to the transaction.
- The disclosure must be recorded in the minutes of the next meeting and entered into the interests register.
- The member can take part in deliberations (but not any decision) of the Board in relation to the transaction if the majority of other members of the Board permit the member to do so.
- If this occurs, the minutes of the meeting must record the permission given and the majority's reasons for doing so, along with what the member said during any deliberation of the Board relating to the transaction concerned.

IMPORTANT

If in doubt – declare.
Ensure the full nature of the interest is disclosed, not just the existence of the interest.

This sheet provides summary information only - refer to clause 36, schedule 3 of the New Zealand Public Health and Disability Act 2000 and the Crown Entities Act 2004 for further information (available at www.legisaltion.govt.nz) and "Managing Conflicts of Interest – Guidance for Public Entities" (www.oag.govt.nz).

AUCKLAND DISTRICT HEALTH BOARD
Te Toka Tumai

Date: 29/06/2010

ADHB BOARD
INTERESTS REGISTER

NAME OF BOARD MEMBER	ORGANISATION	ROLE	FINANCIAL INTEREST	NATURE OF INTEREST	DATE OF LATEST DISCLOSURE
Pat SNEDDEN (Chair)	1. Ngati Whatua o Orakei Maori Trust Board	Consultant	Hourly consulting rate	Member of Treaty Negotiation Team in respect of Claim 388 register with Waitangi Tribunal	3 September 2008
	2. Watercare Services Limited	Director	Fee	Wholesale supplier of water and waste water services to the Auckland region	
	3. Housing New Zealand	Chair	Fee	Has a joint multi-million Healthy Housing programme with Health Board	
	4. Tamaki Establishment Board	Chair	Fee via HNZC	Investigating a comprehensive cross agency intervention related to the Tamaki area including ADHB	
	5. Quality Improvement Committee	Chair	Fee	Oversees implementation of quality programmes in DHB nationwide	
	6. Chief Crown Negotiator Ngati Kahu Claim	Consultant	Fee	Crown Negotiator Ngati Kahu Treaty of Waitangi Claim	
	7. Chief Crown Negotiator Muriwhenua Forum	Consultant	Fee	Crown Negotiator Muriwhenua Treat of Waitangi Claim	

Date: 29/06/2010

NAME OF BOARD MEMBER	ORGANISATION	ROLE	FINANCIAL INTEREST	NATURE OF INTEREST	DATE OF LATEST DISCLOSURE
Harry BURKHARDT (Deputy Chair)	1. Replas Ltd 2. Matta Products Ltd 3. Remat Ltd 4. Matt I Ltd 5. Matta LLC 6. New Zealand Maori Arts and Craft Institute 7. Auckland District Health Board 8. ADHB Charitable Trust 9. Ngati Kuri Trust Board 10. Packaging Council of New Zealand 11. Ngati Whatua o Orakei Health Clinic Ltd	Managing Director and shareholder Director and shareholder. Director and shareholder Shareholder/Director Trustee Chairman Deputy Chair, Chair Finance Committee Trustee Deputy Chairman and Treaty Negotiator Executive Member Chairman	Salary Honorarium	Plastics Manufacturing Company Plastics Manufacturing Company Plastics Manufacturing Holding Company Plastics Manufacturing Holding Company Plastics Distribution Company USA Government owned Maori Tourist operation	6 April 2010
Jo AGNEW	1. Senior Lecturer Nursing, Auckland University 2. Casual Staff Nurse ADHB		Salary Salary		21 April 2010

Date: 29/06/2010

NAME OF BOARD MEMBER	ORGANISATION	ROLE	FINANCIAL INTEREST	NATURE OF INTEREST	DATE OF LATEST DISCLOSURE
Susan BUCKLAND	1. Writing, editing and public relations services 2. Medical Council of NZ 3. Occupational Therapy Board	Self-employed Professional Conduct Committee member Professional Conduct Committee member	Fees Hourly fee Hourly fee	Writer, editor and public relations services Lay member of PCC set up to hear complaints brought to Medical Council and to determine outcomes Lay member of PCC to assess complaints and determine outcomes	7 August 2009
Dr Chris CHAMBERS	1. Employee, Auckland District Health Board 2. Wife employed by Safekids 3. Associate, Epsom Anaesthetic Group 4. Member, ASMS 5. Shareholder, Ormiston Surgical 6. Credentialing Committee for Ormiston private hospital 7. Surveyor Quality Healthcare NZ				3 February 2010

Date: 29/06/2010

NAME OF BOARD MEMBER	ORGANISATION	ROLE	FINANCIAL INTEREST	NATURE OF INTEREST	DATE OF LATEST DISCLOSURE
Rob COOPER	1. Ngati Hine Health Trust	Chief Executive	Salary	Management of a Health, Disabilities, Social & Education Services Trust	21 April 2010
	2. New Zealand Research Centre for Growth and Development	Board Member	Fee (to Ngati Hine Health Trust	Governs a leading health sciences research centre	
	3. James Henare Research Centre, University of Auckland	Advisory Board Member	Fee (to Ngati Hine Health Trust	Advises U o A on Maori research in Northland	
	4. Manaia PHO, Whangarei	Shareholder	Fee (to Ngati Hine Health Trust	Governs a Whangarei based PHO	
	5. Whanau Ora Task Force	Member	Fee (to Ngati Hine Health Trust	Assists in the development of Government's Whanau Ora policy	
	6. National Health Board	Member	Fee		
	7. Chair Whanau Ora Governance Group				
Dr Brian FERGUS	1. Honorary Research Associate, Myra Szazsy Research Centre, University of Auckland				29 June 2010
	2. Northern (AK) Regional Ethics Committee				
Dr Ian SCOTT	1. Shareholder Chair Auckland PHO	Chair	Meeting fee		27 January 2010
	2. Locum GP		Contract rate		
	3. Waiheke "Integrated Family Health Centre" Steering Group	Member			

Date: 29/06/2010

NAME OF BOARD MEMBER	ORGANISATION	ROLE	FINANCIAL INTEREST	NATURE OF INTEREST	DATE OF LATEST DISCLOSURE
Bob TIZARD	1. Nil				27 February 2008
Seiuli Dr Juliet WALKER	1. Locum General Practitioner, Mangere – PHO TaPasefika, Grey Lynn – PHO Procare 2. Member, National Breast Screening Advisory Committee 3. Facilitator, RNZCGP General Practice Education Programme Stage II 4. ADHB Employee: contracted roster Doctor for Pohutukawa 5. Panel Member, Medical Appeal Board, Work and Income	Self employed contractor Member Contractor Contractor	Contract hourly rate Fee Contracted monthly fee Hourly rate Fee	General practitioner services Consultant Pacific Advisor Educational Support and Training Forensic sexual assault examinations	5 May 2010
Ian WARD	1. Chair, Advisory Board, Healthvision Limited 2. Principal/Director C -4 Consulting Limited		Fee	Tender to National Shared Services	3 February 2010

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CONFIRMATION OF MINUTES

- WEDNESDAY 2 JUNE 2010

Auckland District Health Board
Minutes

MEETING DETAILS	
Time and Date	2:00 pm, Wednesday, 2 June 2010
Venue	A+ Trust Room, Clinical Education Centre, Level 5, Auckland City Hospital, Grafton

	TOUR – CLINICAL RECORDS
	The Board met at 2:00pm and were then escorted on a tour of Clinical Records. The Board returned at 3:18pm.
1	**KARAKIA**
	Naida Glavish led the meeting with the karakia.
2	**ATTENDANCE AND APOLOGIES**
	Board Members Harry Burkhardt (Chair) Susan Buckland Rob Cooper Dr Ian Scott Rt Hon Bob Tizard Ian Ward Jo Agnew Dr Chris Chambers Dr Brian Fergus Pat Snedden (part) Seiuli Dr Juliet Walker **Management in Attendance** Garry Smith – Chief Executive Dr Margaret Wilsher – Chief Medical Officer Brent Wiseman - Chief Financial Officer Taima Campbell – Executive Director Nursing Naida Glavish – Chief Advisor Tikanga, General Manager Maori Health Hilda Fa'asalele – General Manager Pacific Health Janice Mueller – Director Allied Health Dr Celia Palmer – Director of Population Health and Primary Care Ian Bell - Board Administrator **Apologies** Apologies had been received from Denis Jury, Greg Balla and Ngaire Buchanan and Pat Snedden had apologised for lateness.
3	**CONFLICTS OF INTEREST**
	There were no notifications of conflicts of interest for any item on the agenda.
4	**CONFIRMATION OF MINUTES 5 MAY 2010**
	Moved Ian Scott; seconded Susan Buckland *That the minutes of the Auckland District Health Board meeting held on 5 May 2010 be confirmed as a true and correct record.* Carried

5	**ACTION POINTS 5 MAY 2010**
	Strategic Planning Day The Strategic Planning Day is schedule for Wednesday, 18 August 2010. **ACH Car Park** The Chair had rung the CEO of the National Health Board as there was a 90 day opportunity to accept the tender. It was understood that this was going to the Capital Investment approving authority in the next week. **Financial Results** The brief financial results had been forwarded to the Chair and Chair of the Audit Committee as soon as available. May's results should be available next week.
7.1	**Chief Executive Officer's Summary**
	The Primary Care/EOI Process and Radiation Therapy would be updated later in the meeting. The DAP/SOI had both been well handled and had been filed in the appropriate timeframes. The Bowl Cancer Screening pilot was being considered for ADHB to be the lead but it would depend on capacity for endoscopy which was part of the Greenlane Surgical Unit development. While capacity is not adequate for current demand there may be an opportunity to leverage off of the pilot as ADHB did want to be a centre of excellence in Cancer Services. The Board supported ADHB taking a lead noting that it will be researched and a recommendation made. The pilot should be funded. The Organisation Realignment had created good organisational discussion with extended consultation on OR and surgical with the feedback being considered the next day. The generic direction was supported. There was pressure on services in the Bone Marrow Transplant Unit with a need for national support and decision. ADHB can take the lead but this must be resolved within two months. The work of the Disability Support Advisory Committee was acknowledged and this was having an increased focus at the Senior Leadership Team. At the last meeting there had been a presentation by Counties Manukau and Waitemata's Disability Officers to get an understanding of their role. It was understood that 14 of the 21 DHBs had a Disability Officer position. Pat Snedden joined the meeting at 3:44pm. There had been presentations to the CEO by those undertaking green belt training on the improvement projects being undertaken. Cardiac surgery was on target to deliver to the planned 918 patients. Auckland and Counties Manukau were paying for their additional throughput although there had been no response from Waitemata. There had been over purchasing for Northland. The focus was on year end. There had been feedback into the National Cardiac Network about funding with the Minister focused on year end and targets. ADHB measured production in WIES whereas the target was counted in patient numbers which was putting stress on the neighbouring customers this being a relationship issue, with tensions growing. There was a need to deliver on undertakings but the tension was promoting difficult behaviours with Waitemata not signing up to the Regional Cardiac Plan. Within the region the commitment to Cardiac need to be the same in each DHB's DAP. In the next year there will be more proactive management of the relationships. Pat Snedden advised that he understood that the car park business case was with Treasury and it was expected to be approved next week. There was pressure to reach the Forecast 2009/2010 targets. The Regional Cancer Services Radiation Therapy Waiting Times Improvement Plan was in response to the Minister's letter of 10 May 2010. Demand averaged 59 to 63 patients per week with a gap of 15% in capacity to get to 4 weeks waiting times. FSAs are done for patients but only the number that can be treated are put forward so there is a hold between The insurance profile of patients was changing with some insurers paying part payments. To achieve a long term contract with the private sector there needed to be some commitment of patients to them.

The Regional Strategic Plan had been signed off and with the private sector there needed to be a longer partnership relationship at a better price. Treatment pathways were being developed for particular tumour streams.

Work was being undertaken with APEX on pressures in the radiation therapist workforce as the model of leadership has not been working. They required leadership and increase in the number of people being trained to deliver to intervention rates although there was still a question whether the Funder would pay to get to “best” intervention rates. Training was 3 years as an undergraduate and a 2 years post graduate masters.

Juliet Walker left the meeting at 4:33pm.

7.2 Minister’s Six Health Priorities 2009/2010

Within Adult Acute Patient Flows there was a focus on discharges. With Electives the focus was on increasing throughput for next year, and with the Smoking target interacting with the patients earlier, recording and capturing of data. Cardiac Bypass Surgery numbers were being achieved although they were managing to new guidelines which required managing the front door as well as production.

There is a fee paid for the annual Diabetes Get Checked and the target may not necessarily be the best diabetes care and was not qualatative. There would be a presentation on diabetes to the CPHAC in July. The numbers were growing each year and there may need to be use of other indicators to manage ADHBs population to get the appropriate outcomes. There was a lack of tools for GPs to view their population to estimate diabetic numbers. GPs are paid for Cardiovascular Risk Assessment if they reach the targets.

8.1 Committee Recommendations

Community and Public Health Advisory Committee

The Palliative Care Steering Group was thanked for their work and the meeting had been held at the Mercy Hospice who are to be congratulated on their fund raising.

Palliative Care

Moved Brian Fergus; seconded Ian Scott

That the Auckland District Health Board:

- *Approves the release of the ADHB Palliative Care Needs Analysis report;*
- *Supports the thrust of the recommendations from the ADHB Palliative Care Needs Analysis report and related activities;*
- *Thanks the Palliative Care Steering Group for their efforts; and*

Awaits the outcome of further engagement with providers.

Carried

ARPHS Submission on Tobacco Displays

Moved Brian Fergus; seconded Ian Scott

That the Auckland District Health Board advise the Ministry of Health that ADHB supports the ARPHS submission on tobacco displays; and requests that research be undertaken by the Ministry of health on the effectiveness of the introduction of these new restrictions on tobacco use and on criminal activity related to tobacco.

Carried

Maori Health Advisory Committee

Efforts were being made to move to regional governance with the aim to provide regional DHBs with good advice.

Pacific Health Advisory Committee

The Pacific Health Advisory Committee had combined with the Maori Health Advisory Committee which was a valuable opportunity. There was concern at the complexity of needs of some people coming into the hospital with high deprivation. The Ministers’ Leadership Forum had been held at

	ADHB. The General Manager Pacific Health was complimented on linking the community leaders with hospital leaders. **Disability Support Advisory Committee** The next meeting was in July and the Area Manager for Housing New Zealand would be attending. **Hospital Advisory Committee** The Committee had been briefed on cardiac surgery, radiation therapy, the Greenlane Surgical Unit and the report on Children's Vulnerable Services.
9.2	**DAP Projects Report**
	The overall consolidated report was noted.
10.1	**Finance Committee Recommendations**
	The Manager Materials Management had managed the national process for heart valves with Christchurch opting out as there were only small savings for them. The Regional Clinical Documents proposal was expanding the existing platform to primary care for access by GPs supporting the health information residing with the patient. **Heart Valves and Annuloplasty Rings** Moved Harry Burkhardt; seconded Brian Fergus *That the Auckland District Health Board approves the proposals for Heart Valves and Annuloplasty Rings from:* *Obex Medical Ltd Contract Number 1091-1, REM Systems Ltd Contract Number 1091-2, Edwards Lifesciences Pty Ltd Contract Number 1091-3, Medtronic Australasia Pty Ltd Contract Number 1091-4, Spectrumed Ltd Contract Number 1091-5.* *Estimated Annual Value:* *ADHB: $1,840,000 Auckland* *CCDHB: $1,173,000 Wellington* *WDHB: $682,000 Waikato* *ODHB: $290,000 Dunedin* *ADHB initial term of contract 2 years, total current estimated ADHB value $3,680,000 if required – A further Right of Renewal of 1 year plus an additional 1 year, current estimated ADHB value of the ROR if taken up $3,680,000. Total estimated contract term if initial term and full ROR taken up – (2+1+1), $7,360,000.* Carried **Regional Clinical Documents Project** Moved Harry Burkhardt; seconded Brian Fergus *That the Auckland District Health Board:* *Approves the Regional Clinical Document Project regional business case and ADHB's share of the Capital Expenditure of $227,556 and additional annual support costs of $7,067.* *Notes that $200k was set aside for the project in the FY09/10 Capital Plan. The capital budget for FY10/11 will be impacted by the fact that the actual cost is $27k higher than was original estimated and the majority of this expenditure will take place in FY10/11 rather than FY09/10.* Carried

10.2	**Finance Report April 2010**
	The results were $102k favourable to budget for the month with a year to date deficit of $3.72m which was $1.3m favourable to budget. The unfavourable variance in direct treatment costs reflected cardiac outsourcing pressures. The aim was to get to the year end break even position with the MRI donation on track and savings in depreciation and capital charge as a result of actions taken last year. The situation was still volatile with pressures in the Funders demand driven services, outsourcing costs and the payroll savings target being higher in the last quarter.
11	**GENERAL BUSINESS**
	Building 5 There had been meetings with two interested parties, one being a developer who would require access to extra land and it would need to be linked to an ADHB activity i.e. rehabilitation centre and the other with the Civic Trust who were looking at Government and Local Body heritage funding to bring the building up to the code standard. If this was achieved it could become possibly a head office, boardroom or lecture and community meeting facilities. The preferred option was the latter with this to be determined within 2 months and then aiming for an implementation plan by 30 June 2011.
	NEXT MEETING
	The meeting closed at 5:30pm The next scheduled meeting is : 2:00pm, Wednesday, 7 July 2010 A+ Trust Room Clinical Education Centre Level 5 Auckland City Hospital Grafton

CONFIRMED

CHAIR: **DATE:**

5

ACTION POINTS

- WEDNESDAY 2 JUNE 2010

Board
Action Points from the meeting on Wednesday 2 June 2010

Item	Detail	Designated	Action
Carried forward	Suggested Strategic Planning Day for the Board	Pat Snedden Garry Smith	To be held Wednesday 18 August 2010

6

PRESENTATIONS

No Presentations

7

CHAIRMAN'S REPORT

8

CHIEF EXECUTIVE'S REPORT

8.1 Chief Executive's Summary

Chief Executive Officer's Summary

	Traffic Light	Comment	Mitigation
Goal 1 Lift the Health of the People of Auckland			
Whanau Ora	Green	Initial stages underway.	The 3 Auckland DHBs agree that I will be the CEO rep on Tamaki Makaurau Leadership Group.
CED Triage 2	Green	Good improvement noted in performance.	Volumes concerning – see note below.
EOI / Regional Primary Care	Orange	New structures and deliverables are a Key Focus.	Strong relationships and leadership.
Regional Clinical Services Plan	Green	Priority Areas identified and being worked up.	CMO leadership.
Unsettled Industrial Environment	Red	Number of negotiations. Potential and actual actions.	Contingency Planning.
Goal 2 Improve Performance			
Organisation Realignment	Green	Decisions made. Second document published.	Further Consultation on Operating Rooms. Move to Phase 2 and 3.
Record levels of Patients	Green	Increased attendance per day to last year APU 8.5% Record levels but length of stay ↓ AED 12.7% Highest May ever CED 12.3% Highest in past 5 years.	Integration, process improvement, Health education and promotion.
Throughput / IDF / ESPI Reporting	Green	New Suite of Reports developed.	Excellent Reports for ADHB, WDHB, CMDHB, NDHB as key stakeholders.
X Factor	Green	Fantastic Talent / Morale Booster	Communication
Goal 3 Live Within Our Means			
Cardiac Surgery	Green	Funding resolved.	-
Car Park	Orange	Awaiting final sign off. Quote expires 27 July 2010.	Chairman in regular contact with NHB.
Forecast 09/10 and preparation for 10/11	Orange	Strong management for final month of year.	Weekly meetings continue.
Regional Shared Services Plan	Green	Scoping and development progressing well.	CEOs, CMOs, Chairs to consider 25 June 2010.

8.2 Minister's Six Health Priorities 2009/10

Project: Adult Acute Patient Flow

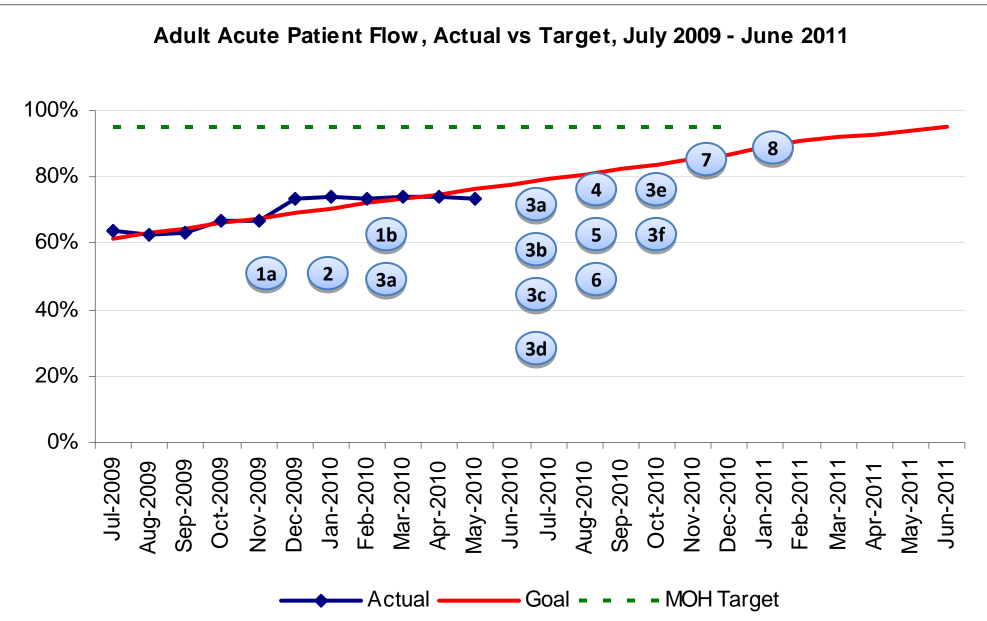
Primary Objective: That at least 95% of patients will be admitted, discharged or transferred from Auckland Adult Emergency Department within 6 hours

Date of Delivery: 30 June 2011

Clinical Leads: Nurse Director Margaret Dotchin , Dr Tim Parke

Project Sponsor: Nurse Director Margaret Dotchin

Steering Group: Nurse Director Margaret Dotchin, General Manager Ngaire Buchanan, Dr Tim Parke, Dr David Spriggs, Dr Wayne Jones, Dr Celia Palmer, Nurse Advisor Mark Entwistle.



Project Risks / Comments:

Improvements continue to be implemented and data suggests that these are having an impact in the time take to admit patients to wards, with a sustained improvement over the past 5 months, although the results are still outside the goal of 95% of bed requests completed within one hour. 13% of patients completed bed request to admission to ward within one hour (improvement from 7.6%) and average hours taken reduced from 7.5hours to 3.7 hours in May.

Work continues with implementation of rapid rounds – to be commence in orthopaedics from 14 June, and nurse facilitated discharges (21 completed to end of May).

Bed Management communication team commenced looking at non bed block issues – initial CMS changes reveal after hour delays.

There has been a significant increase in the number of AED presentations on Sundays. Further analysis has shown that this is being driven primarily by Triage 4 patients who are subsequently discharged directly from AED. Significant increase in Triage 2 patients also noted in May.

Work has commenced on triage processes within AED to identify areas for improvement.

Feasibility of 'buffer' ward to be explored.

Activity follows to be completed in AED to identify areas of opportunity to create more patient care time.

Recent and Current activities:

1.Additional beds opened in
- a) November 2009
- b) January 2010

2.Improved Measurement systems to better identify clinical short stay patients

3.Reducing ward occupancy
- a) Expediting patient discharges from wards by the introduction of daily 'rapid rounds' - completed in General Medicine wards . Agreement to implement into orthopaedics from 14 June 2010.
- b) Increase the number of weekend discharges in General medicine and Orthopaedics. Nurse Facilitated discharge Twenty One nurse facilitated discharges have been completed since the relaunch.
- c) Improve the volume and accuracy of estimated discharge dates in Orthopaedics. Baseline performance identified that approximately 7% of patients have EDD within 8 hours of arrival on wards
- d) Improve triage processes in Emergency Department
- e) Remove delays associated with NASC referrals
- f) Remove delays associated with Taikura Trust patients. Workshops have been held with both Taikura Trust team and ACH teams.

4.Bed management CMS system enhancements

5.Improved ED / Inpatient Team methods of communication

Planned activities

6.Increased Operational management

7.Improved scheduling of elective volumes

Future activities

8.Phase 3 improvement initiatives focusing on occupancy and specialty service response time.

Project: Children's Acute Patient Flow

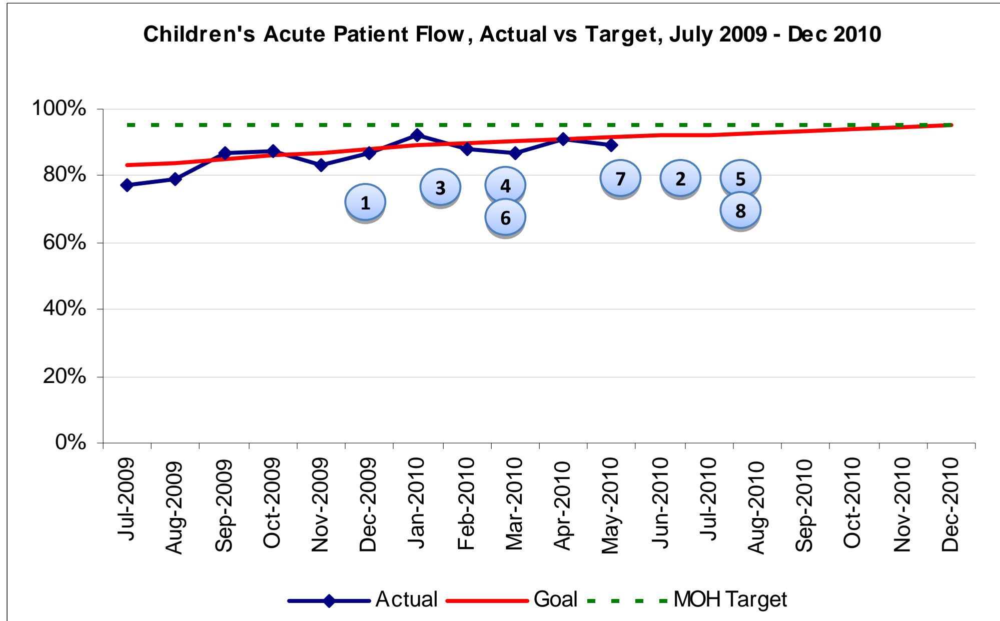
Primary Objective: That at least 95% of patients will be admitted, discharged or transferred from Auckland Children's Emergency Department within 6 hours

Date of Delivery: 31 December 2010

Clinical Lead: Richard Aickin

Project Sponsor: Ngaire Buchanan

Steering Group: Ngaire Buchanan, Kay Hyman, Richard Aickin, Michael Shepherd, Janet Campbell, Stuart Dalziel



Current activities:

1.Improved Measurement systems to better identify clinical short stay patients

2.Improved bed management and patient transfer process

3.Expediting patient discharges from wards by improved application of estimated discharge dates

4.Development of weekly dashboard reporting for CED to better track performance

5.Workstream recently commenced to reduce short stay (<24 hr) admissions

6.Weekly communications of performance to ward level

7.Development underway of daily reviews to identify specific reasons for delays on a case-by-case basis and to communicate findings with relevant teams

8.Development of 'full hospital plan' to improve responsiveness when indicators of 'bed block' developing

Project Risks / Comments:

CED continues to maintain improved percentage of stays less than 6 hours (89% average to May 2010 compared to 80% for the same period in 2009) this has been achieved in the face of 4.1% increase in attendances over the same period last year. Increased focus across Starship has assisted in achieving this result and this focus and further focus on inpatient processes will be necessary to maintain the improved results through the winter period.

Additional acute high dependency capacity is scheduled to come on stream from 21 June 2010. This will reduce the number of children who experience long delays in CED due to their care requirements being too intensive for them to be transferred to the ward and PICU at peak occupancy not able to take the patient.

Project: Improved access to elective surgery

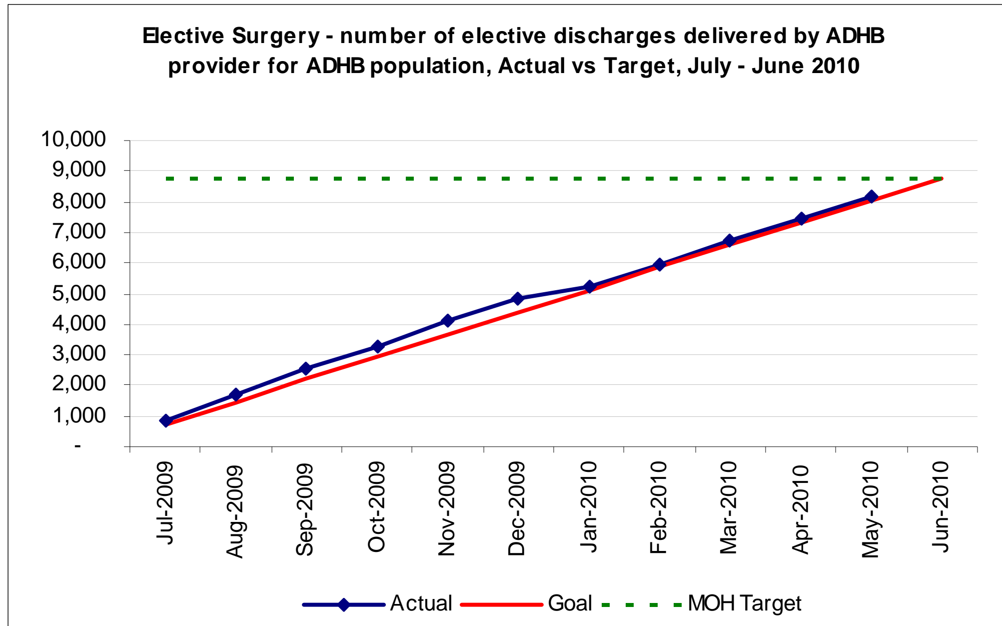
Primary Objective: To meet the MoH deliverable of elective discharges in surgical specialties for the ADHB population. The specified target is 93% of the overall population target, to account for ADHB population elective discharges from the ADHB provider.

Date of Delivery: 1

Clinical Lead:

Project Sponsor: Ngaire Buchanan

Steering Group: Ngaire Buchanan



Planned Activities:-

1. Operationalisation of the Greenlane Surgical Unit.
2. Additional operating hours at Greenlane
3. Increasing DOSA
4. Operating Room productivity improvements

Data above is indicative based on DHB provider and outsourcing, ADHB outflows e.g. plastic surgery at CMDHB are not yet included - approximately 6% of wies .

Risks / Comments:

We have increased elective surgery delivery by 36% over the 3 years since 2005/06.

On a standardised basis, we have increased elective surgical discharges by 31% and case weights by 29% (ie 10% year on year). This is a significant increase in an organisation where 50% of surgical production is for other DHBs (acute and elective services). In the current year much of the increase has been due to a combination of improved cardiothoracic volumes and outsourcing. The plan is to increase in-house capacity to meet the increase.

Project: Shorter waits for Radiation Therapy

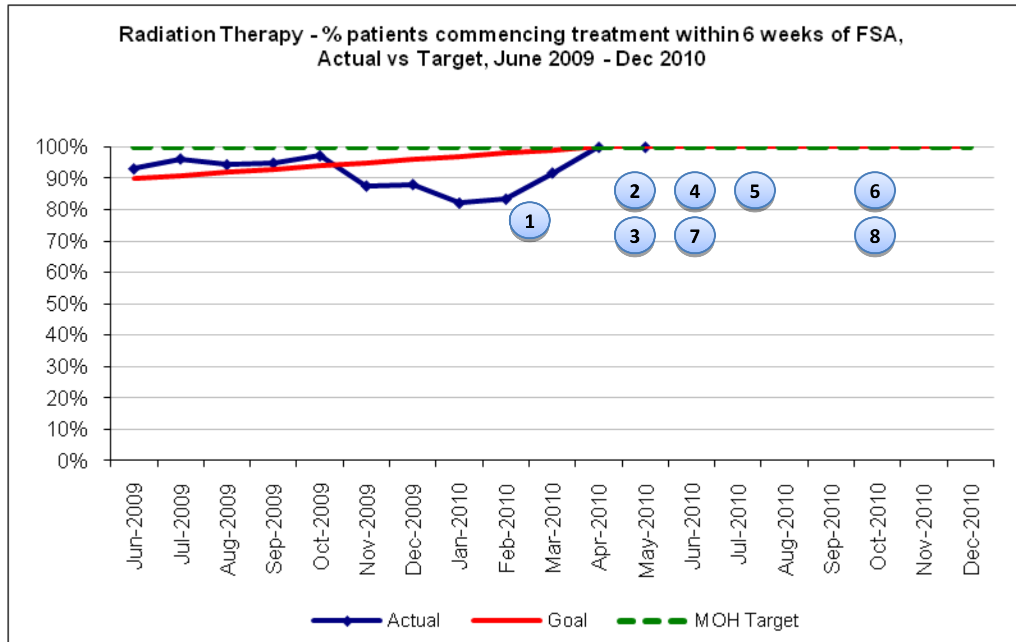
Primary Objective: That 100% of patients requiring radiation treatment will commence treatment within 6 weeks of their first specialist assessment by 1 July 2010, and within 4 weeks by 31 December 2010

Date of Delivery: 1 July 2010 (6 weeks), 31 December 2010 (4 weeks)

Clinical Lead: Andrew Macann

Project Sponsor: Fionnagh Dougan

Steering Group: Fionnagh Dougan, Andrew Macann, Margaret White, Robyn Dunningham



Project Risks / Comments:

Performance to current MOH targets dropped last quarter during the period of decommissioning and replacement of a linear accelerator. Other contributing factors include increased demand, patient complexity and reduced capacity.

As at 10 May 2010 all patients awaiting treatment will commence treatment within 6 weeks (excluding category D patients which are outside of the MoH target). Currently all Patients with a decision to treat (On the wait list with A-C Priority) have a treatment date booked.

In the past 5 weeks, there has been a 20% increase in referral rates that has increased the load on the service. This demand combined with current Radiation Therapy vacancies has the potential to increase wait times further. Projected wait times are currently the trigger to initiate outsourcing.

In order to deliver a sustainable service it is critical to recruit and retain a flexible RT workforce.

We will meet 100% compliance to the 6 week MoH target in the 4th quarter.

Current activities:

1.Weekly prioritisation meetings continue, with a focus on detailed scheduling to review and accommodate urgent referrals as well as manage fluctuations in demand.

2.Development of a capacity modelling tool for future planning and management of workload based on acuity and demand (staged implementation May 2010).

3.Evening shifts have been extended until the end of May - this provides an additional 3 Linac treatment hours per day.

4. Lean Six Sigma Project to improve the provision of radiation therapy treatment and services to meet MOH targets, now in analyse phase. Operational Plan in place by August 2010.

5.Continue to prioritise the "flexible working hours" project to identify ways of increasing the treatment capacity within available FTE.

6.Fast track commissioning of MV5 is underway to ensure the new machine will be commissioned by November. This will deliver an additional 5 hours of treatment hours per day.

7.Agreement with ARO to outsource a minimum of 50 Patients per annum to manage compliance with the target and peaks in demand.

8.Outsourcing to Waikato Hospital - contingent on current wait time status, 9 patients have been treated at Waikato since mid Jan.

9.Referrals project: This project is underway to improve the receipt and management of referrals into the service. The aim is to reduce variability in the volume of referrals received and reduce time from referral to FSA. This project has linkages to other lean six sigma project activity.

Project: Better help for smokers to quit

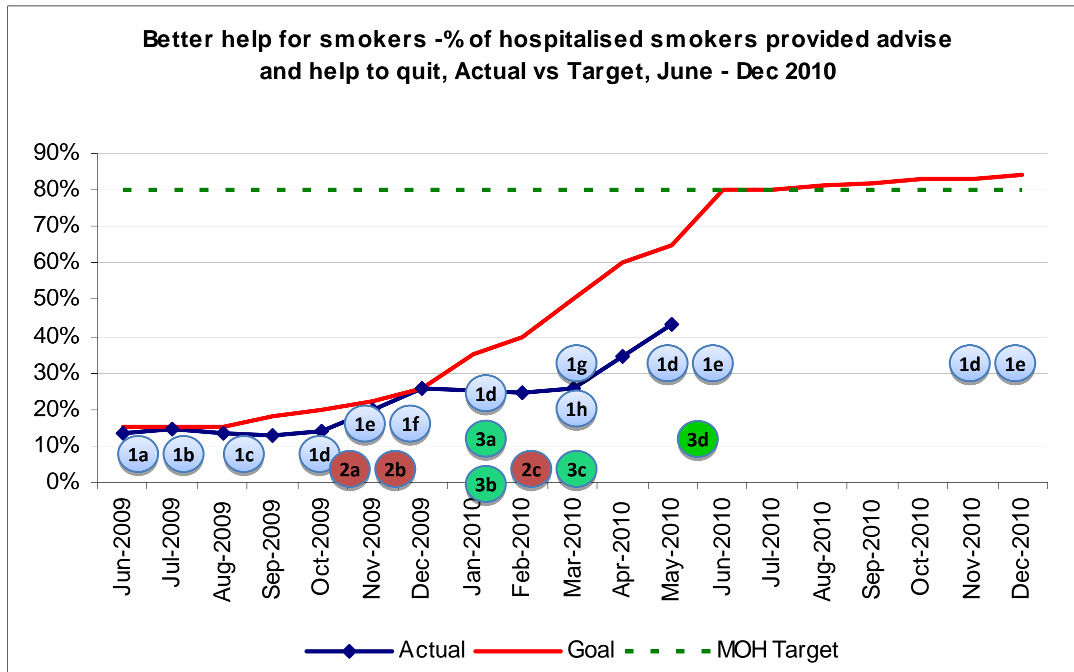
Primary Objective : % of hospitalised smokers provided advice and help to quit

Date of Delivery: 80 % by 1/07/2010, 90% by 1/07/2011, 95% by 1/07/2012

Clinical Lead: Stephen Childs

Project Sponsor: Taima Campbell

Steering Group: Taima Campbell, Stephen Child, Jan Marshall, Anna Schofield, Anne Bannatyne, Paul Bohmer, Leani O'Connor, Cheryl Hamilton, Nicki Jackson, Jim Kriechbaum, Kerry Hiini, Lyndsay Le Comte, Rachel Morris



Project Risks and Comments

An improvement plan was developed early May to boost target results. Consequently a significant amount of activity has been undertaken throughout May. The smoking status field of the Electronic Discharge Summary was made mandatory, the Adult Emergency Dept added a smoking ABC section to their main clinical pathway and nursing staff trained in it' s use. Both went live 31 May. The ABC stamp was introduced into 9 Day Stay and Outpatient services that feature in the target data and four National Women's' inpatient services to improve the capture of the ABC. The Clinical Coding team have been advised of the additional documents from which to code the ABC. A major awareness raising campaign on the ABC was linked to the World Smokefree Day Celebrations.

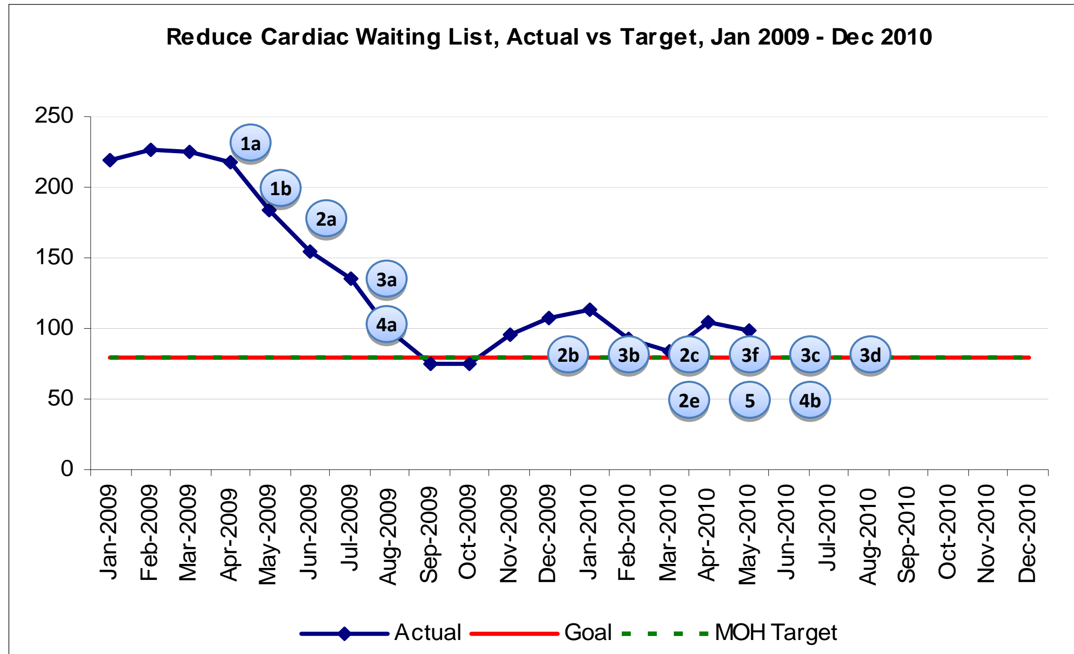
Recent and Current activities:

1. *Training and coaching n The ABC of Smoking Cessation*
   a. *Clinical Coding team updated on new interpretation of ICD codes for smoking brief advice and support*
   b. *Nurse training commenced and is ongoing . 1500 nursing staff have attended education sessions on the ABC of smoking cessation, since August 2009.*
   c. Since September 09 *240 ADHB staff have successfully completed the Ministry of Health (MoH) National Smoking Cessation ABC on line learning tool via MOODLE.*
   d. House Officer training on ABC and prescribing NRT at Quarterly orientations from Nov. 09
   e. Registrar orientation ABC training ongoing.
   f. Standing Order training commenced
   g. Staff coaching programme to be introduced to support staff confidence in completing ABC
   h. Implement strategy to improve medical staff buy in
2. *Ongoing review of documentation and Systems to Support clinical staff do the ABC and for this to be coded.*
   a. *Standing Order for NRT rollout commenced.*
   b. *Mental Health Tobacco Assessment live on HCC*
   c. *Smoking Cessation ABC included in Electronic Discharge Summary*
3. Monitoring, feedback and communication activities promote improved performance
   a. Monthly feedback to GMs, Service Mangers and Charge nurses commenced
   b. Ward Audits and feed back on documentation
   c. Revised Communications plan to be implemented
   d. World Smokefree and Ask About the Elephant Promotion 31 May

Project: Cardiac Bypass Surgery

Primary Objectives: To enable timely access to cardiac bypass surgery the waiting list should be no greater than 80.
To support the national cardiac bypass intervention target, 916 bypass will be completed in 2009/10

Date of Delivery: 31 December 2010
Clinical Lead: Paget Milsom
Project Sponsor: Garry Smith, Kay Hyman
Steering Group: Marian Hussey, Paget Milsom, Andrew McKee, Peter Ruygrok, Elizabeth Shaw, Pam McCormack, Greg Balla, Gordon Davies



Recent and Current activities:

1. Initial drive for an improvement to the waiting list
   a) Successful recruitment campaign for CVICU nurses shortage
   b) Outsource push to reduce the waiting list
2. Improve measurement and reporting
   a) The development of improved operational measurement systems
   b) The development of surgical clinical outcome reporting
   c) Ongoing improvement of CTSU Throughput Meeting
3. Improve co-ordination and synchronisation between units to improve utilisation and throughput:
   a) Daily bed management meeting
   b) Development of online scheduling system
   c) Development of ward load planning system
   d) Development of the patient pathway management system
   e) Capacity plan model developed for CVICU and Ward 42
   f) Flex CVICU roster to optimise resource cover and reduce cancellations
4. Reduce patient related cancellations
   a) Initiation of pre-admission process/clinic
   b) Review and refinement of the referral process to achieve 'full kit' patient information
5. Provide clinical leadership
   a) Evaluate the position of 'Cardiac Clinical Leader'

Project Risks / Comments:

The project successfully achieved the waiting list target of 80 in Oct 2009. Current YTD volumes are also on target to achieve the required intervention levels (918 BP) having completed 858 bypass procedures at 6 June 2010. Over the Christmas holiday period a higher than historical referral rate and surgeon injury resulted in a steady incline in the waiting list. We were able to again return to the target waiting list in early April. The Easter break and conference following again resulted in an increase in waiting list numbers. A recovery plan is in place to achieve 918 by pass, a waiting list of 81 or less and to meet the intervention rate of 59 per 100,000 by end June. Work continues to improve the performance and increase the throughput of the unit while also investigating the optimal outsourcing partnerships that will support the long term strategy for the Auckland Region.

Project: Diabetes

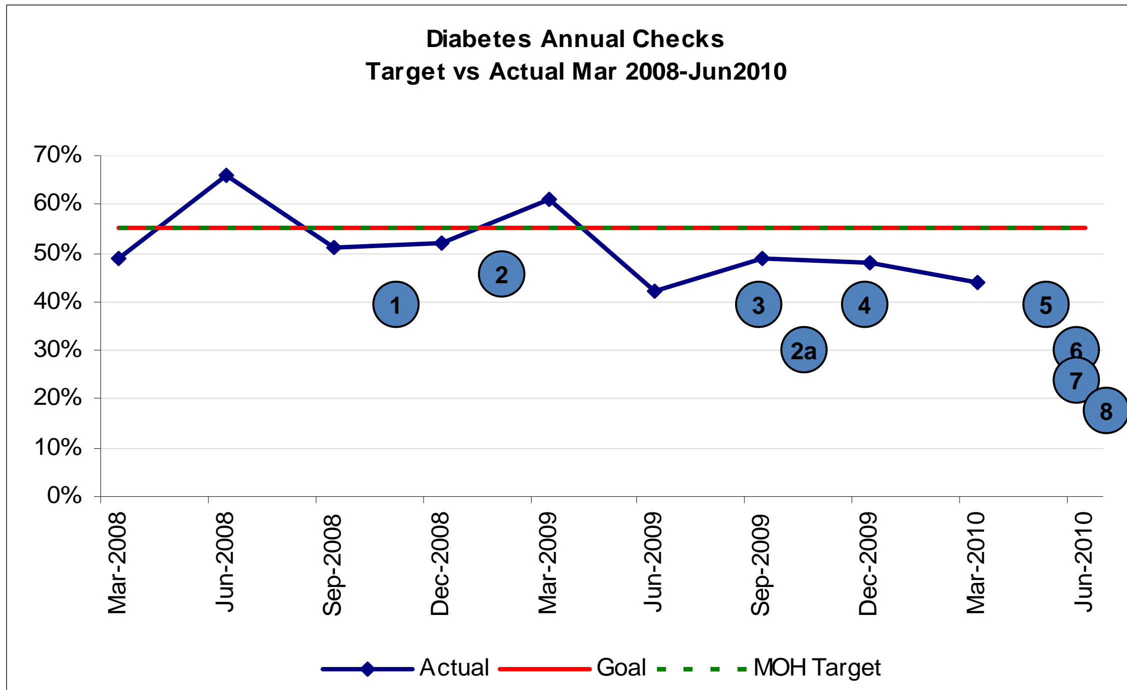
Primary Objectives: Increase the percentage of people with diabetes accessing and attending their free annual diabetes get check

Date of Delivery: 55% June 2011

Clinical Lead: Dr Celia Palmer

Project Sponsor: Dr Denis Jury

Steering Group: Primary Care Clinical Advisory Group, Auckland Diabetes Advisory Team



Recent and Current activities:

1) Increase awareness project with PHOs driving information share

2) Practise based data (results) feedback

2a) Increase feedback options

3) Improved understanding of IT linkages in Practice systems

4) Auckland Diabetes Advisory Team – structured agreed district plan of action

5) Routine reports to clinical advisory leadership meetings

6)Developing shared care pathway

7) Regional shared care pathway work

8) Develop regional shared target setting and service outcomes

Project Risks / Comments:

We are still under our target for this quarter, with a decrease from last quarter of 2%. The majority of effort has been focused on improving Maori Diabetes Get Checked with an increase from 32 % April -June (2009), 43% July-September (2009), 47% October-December (2009) to 55% Jan-March 2010. We have also just passed our target for Pacific Peoples, now at 52%. However, there is still a large amount of work to do especially as our prevalence data for the 2010 / 2011 year has increased our base by over 4000. This is an enormous challenge for our providers and it is hoped that the collective planning and actions identified by the district partners will begin to assist in supporting reaching the targets for our population.

Project: Diabetes

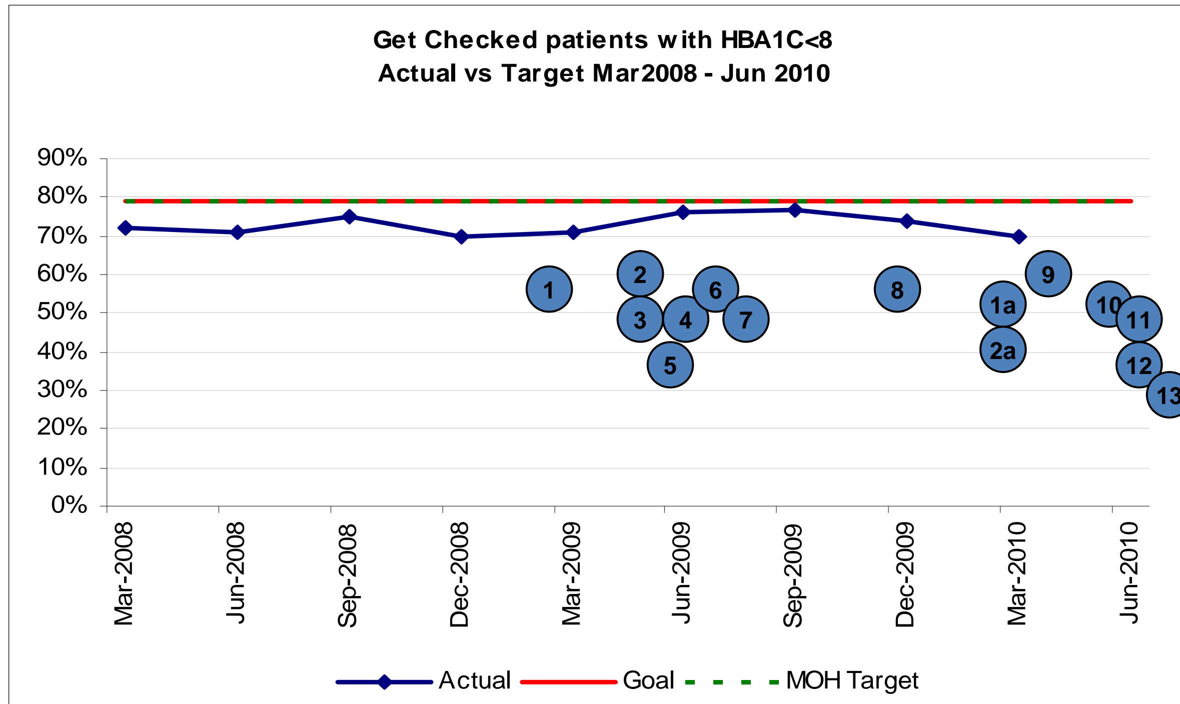
Primary Objectives: Increase the percentage of people with diabetes having satisfactory or better diabetes management

Date of Delivery: 79% of people with diabetes will have a HbA1c ≤8%

Clinical Lead: Dr Celia Palmer

Project Sponsor: Dr Denis Jury

Steering Group: Primary Care Clinical Advisory Group, Auckland Diabetes Advisory Team



Recent and Current activities:

1) Increase awareness project with PHOs driving information share
1a) reinforce awareness
2) Practise based data (results) feedback via various mediums including Health point
2a) increase feedback processes
3) Direct Secondary Service phone support for GPs
4) Increased community shared clinics with secondary care
5) Increased SEAsian Nurse Specialist access
6) Widened opportunity for self management to include greater than 2 year or less diagnosed people with diabetes
7) Improved culturally appropriate self management courses
8) Improved understanding of IT linkages in Practice systems (linking PPP)
9) Auckland Diabetes Advisory Team – structured agreed district plan of action
10) Redesign the supported self management to meet needs of population
11) Developing shared care pathway for Diabetes
12) Regional shared care pathway work including clinical workshop
13) Application for HRC funding to evaluate telephone support for LTC : Diabetes

Project Risks / Comments:

We have slipped back on our progress for the second quarter in a row. It is difficult to understand root cause the reasons. Discussions with our partner organisations are happening as this target will increasingly get more difficult as we increase the annual check volumes. This is because as we capture more of our diabetic population more will have complex needs and as such have a longer management care plans which will reflect in our management figures. In the coming months a range of activites are planned and this should show some impact on these targetes.

Project: Cardiovascular Risk Assessment

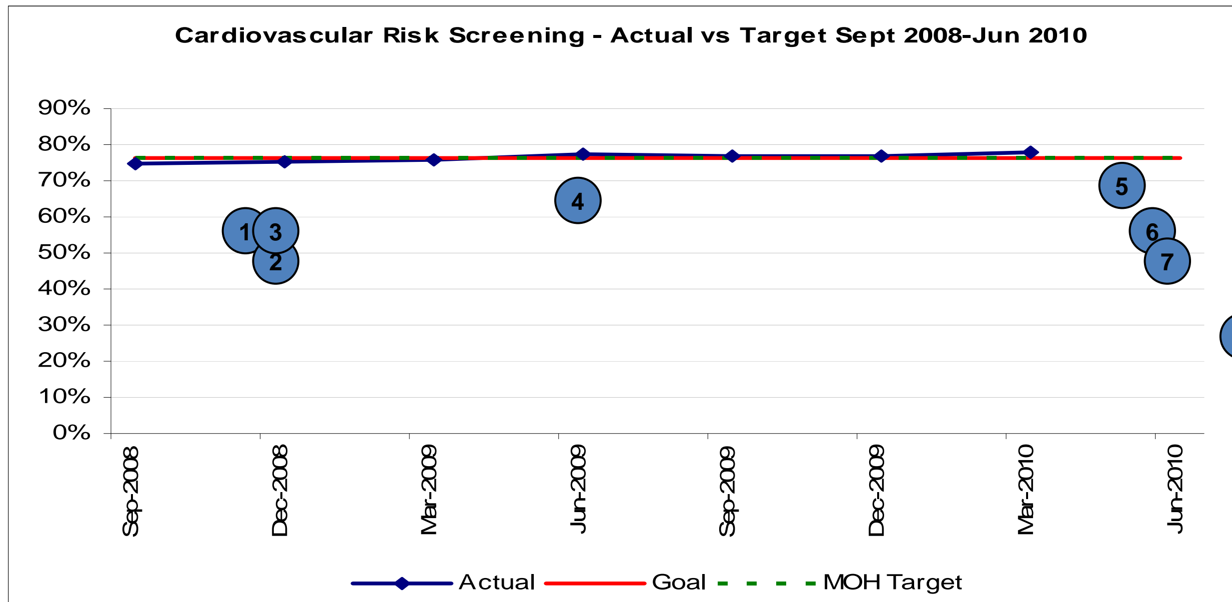
Primary Objectives: Increase the percentage of our eligible population who have had their CVD risk, assessed in the last five years

Date of Delivery: Overall goal is to have 80% of eligible population CVD risk assessed every five years.

Clinical Lead: Dr Celia Palmer

Project Sponsor: Dr Denis Jury

Steering Group: Primary Care Clinical Advisory Team



Recent and Current activities:

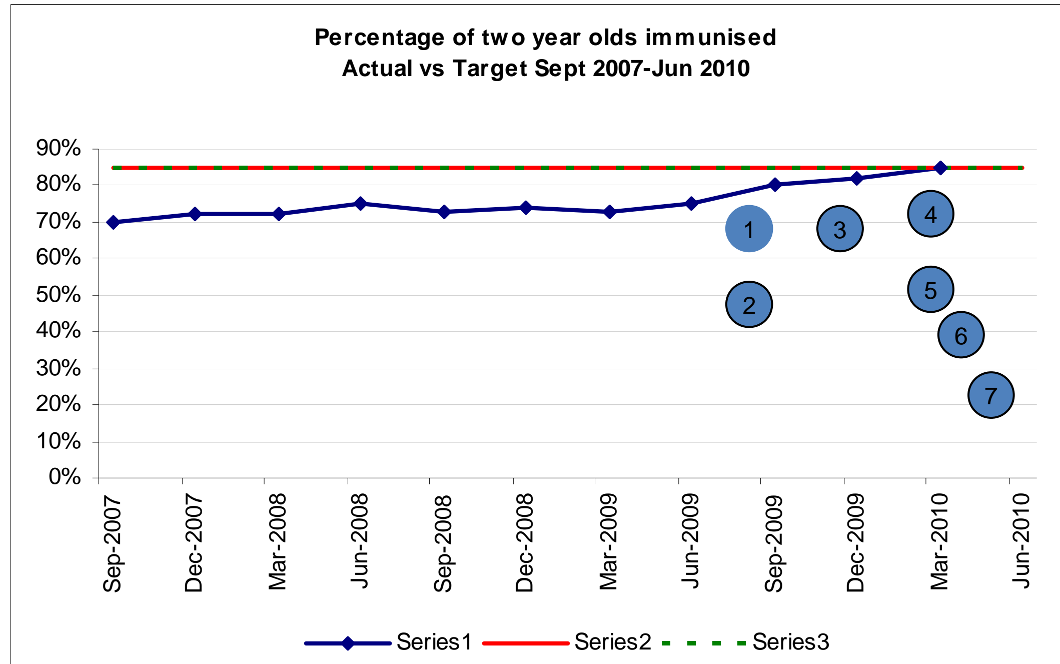
1) Support the uptake of an electronic CVD tool
2) Training and information system support for electronic tool
3) IT help line for GPs for risk assessment tool
4) Increase the cumulative incentive payments for achieving both good assessment and good management together
5) Review and reshape incentives to link with PPP targets
6) Enhance links to Green Rx and maximise primary care uptake
7) Continue to work in various workplaces to enhance CVD risk assessment for men
8) Link in with research looking at ways to optimise Pacific males participation in health self management
9) Work regionally to have similar focus on incentive goals

Project Risks / Comments:

We are right on target this quarter. Other analyses indicate that primary care are working hard in this area to identify and screen eligible people. It will be interesting to compare these figures with the outcomes from the electronic risk tool data the ADHB sponsor to assist in screening activity. An annual report will be available at the end of the financial year for all PHOs to illustrate both their assessments and their management . This will be available for reporting end July.

Project: Increased Immunisation

Primary goal: That 85% of two-year olds will be fully immunised by July 2010, 91% by July 2011 and 95% by July 2012
Date of Delivery: 1 July 2010, 1 July 2011 and 1 July 2012
Clinical Lead: Richard Aickin
Project Sponsor: Richard Aickin
Steering Group: Richard Aickin, Carol Stott, Hilda Faasalele, Ruth Bijl, Alison Leversha, Marion Hakaraia, IMAC, Auckland PHO, Public Health, Plunket, Commissioner for Children Office, Ministry of Health



Current activities:

- Practice level reporting available
- Primary care Immunisation Co-ordinators funded
- ADHB Immunisation Strategy approved
- Submission to Health Select Committee on actions to improve immunisation coverage
- Funding application made to Starship Foundation to fund social marketing programme
- Meeting of regional DHBs to agree regional immunisation target held
- Immunisation Governance Group exploring service delivery models to achieve maximum coverage

Project Risks / Comments:

Annual target of 85% coverage was achieved in February which reflected a 3% increase over the previous month. This coverage level has been maintained. Maori coverage at all milestone ages remains a challenge as does timeliness in particular at 6 months and 18 months. The Ministry of Health has required DHBs to agree on achievement of a 90% regional target in 2010/11. ADHB’s target is 91% to enable the regional target to be achieved.

9

LIFT THE HEALTH OF PEOPLE IN AUCKLAND CITY

9.1 Committee Recommendations

9.1 Committee Recommendations

Community and Public Health Advisory Committee Recommendations

Maori Health Advisory Committee Recommendations

ADHB Board
Author: Ian Bell (8077)

Subject: Ngati Whatua Representation on Maori Health Advisory Committee

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Recommendation

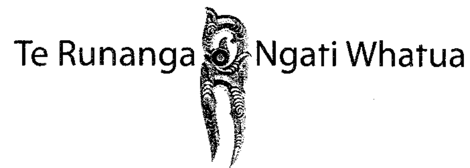
That the ADHB Board appoints Kere Cookson-Ua as a Ngati Whatua representative on the Maori Health Advisory Committee replacing Tepania Kingi

Background

Representation on the Maori Health Advisory Committee is 4 nominees from Ngati Whatua and 4 from ADHB. Attached is a letter from Ngati Whatua advising the Kere Cookson-Ua is to be one nominee in place of Tepania Kingi.

Pacific Health Advisory Committee Recommendations

Disabled Support Advisory Committee Recommendations



Rep076
File: BB1B

15 June 2010

Ian Bell
Board Administration
Auckland District Health Board
Private Bag 92189
Auckland Mail Centre
AUCKLAND 1142

Tena koe,

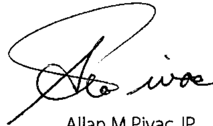
Ngati Whatua Representation on the Maori Health Advisory Committee (MHAC)

This letter is to advise that Mr Kere Cookson-Ua will replace Mr Tepania Kingi as the Runanga representative on ADHB Maori Health Advisory Committee.

Mr Cookson-Ua can be contacted through our Auckland office on phone number 09 366 1993 or by email at kcookson-ua@tihiora.co.nz regarding future committee meetings.

I would appreciate it if you could notify the Board and the Maori Health Advisory Committee of this change.

Kia Ora



Allan M Pivac JP
Secretary

10

PERFORMANCE IMPROVEMENT

10.1 Committee Recommendations

10.2 DAP Projects Report

10.1 Committee Recommendations

Hospital Advisory Committee Recommentations

Verbal by Committee Chair

Quality, Risk and Audit Advisory Committee Recommendations

Verbal by Committee Chair

10.2 DAP Projects Report

Goal 1: Lift the health of people living in Auckland city

High Level Strategy	Objective	Strategies to achieve objectives
Reduce inequities in health status		
Maori	Increase access to services	1. Reduce Maori DNA rates. 2. Increase enrolment of Maori in PHOs 3. Rangatiratanga - Maori Health Equity Framework
Pacific	Build healthy communities	1. Healthy Village Action Zone (HVAZ) evaluation 2. Implement and monitor revised KPIs for HVAZ Parish Community Nurses 3. Healthy Village Action Zone leadership and coordination
Improve outcomes in priority areas		
Children & young people	Achieve agreed Ministry of Health immunisation targets (focus Maori & Pacific)	1. Increase PHO/primary care involvement in managing immunisation 2. Practice level reporting 3. Practice nurse NIR training 4. Maori immunisation initiative
	Improve oral health outcomes for children	1. Auckland DHB wide oral health promotion 2. Implement new service model
Older People	Streamline access to older people's services	1. Create a single point of entry to services 2. Develop clinical triage according to need (direct referral to community support) 3. Establish new Home Based Support Services 4. Increase packages of care available 5. Restorative care process implemented
Mental Health	Increase effectiveness across primary, secondary & tertiary services	1. Eating Disorder Services 2. Reconfigure Maori Mental Health Services 3. Reconfigure current level 3 & 4 residential rehab services 4. Implement share care project (PROGRESS+) Primary /secondary integration
Palliative Care	Implement revised service model to align with client need	1. Unbundle current resources 2. Restructure programs to achieve effective use of general and specialist services 3. Increase the input of primary care teams in palliative care services
Prevent & manage long term conditions	Strengthen community participation and action	1. Work with Healthy Village Action Zones initiative to spread lessons 2. Plan the approach to maximise community engagement 3. Achieve target for cardiovascular risk screening
	Support whanau and self resilience	1. Increase efficiency, capacity and options of self-management approaches
	Proactive planned coordinated care	1. Run a GP clinical network for long term conditions that develops planned care 2. Increase retinal screening capacity 3. Develop care pathways for people with long term conditions
	Intensive support for people with high needs	1. Pilot case management 2. Increase the percentage of people utilising cardiac rehabilitation 3. Develop workforce for Kaupapa Maori cardiac rehabilitation

Goal 2: Performance Improvement (Better, Sooner, More Convenient)

High Level Strategy	Objective	Strategies to achieve Objective
Improve the effectiveness & efficiency of Healthcare System		
Primary healthcare	Implementation of PHO-DHB primary healthcare plan	1. Implement approach to providing efficient & effective coordinated care in the neighbourhood
	Improve access to after hours primary care	1. Develop after-hours services including palliative and residential care
Improve Primary Secondary system efficiency -decrease total system cost	Improve information availability across system Improve access & efficiency of service delivery	1. e-referrals, health event summaries and electronic outpatient letters 2. Increase access to diagnostic tests in primary care 3. Transfer some services to primary/community
Improve hospital efficiency / throughput	Improve the performance of ED	1. Projects to improve performance against 6 hr benchmark (OPJ) 2. Increase the use of and capacity of primary options
	Improve the acute capacity management	1. OPJ Starship theatre project 2. Adult inpatient capacity step (beds and workforce)
	Improve Cardiac Surgery Throughput	1. OPJ Cardiac surgery project
Reduce waiting times for elective services	Increase elective services to National Intervention rates	1. Increase Greenlane capability to a full elective services centre (feasibility)
	Achieve Radiation Oncology intervention rates and reduce waiting times for both radiation & medical oncology	1. Improve service scheduling process & utilisation of day stay 2. Tumour specific model implementation 3. Optimising the patient journey projects
	Improve Outpatient Management for Surgical Patients while improving patient satisfaction	1. Patient centred scheduling and communication 2. Accurate waiting time information. Reduced Waiting time 3. Increased input from GP's
	Reduce unmet need for elective services	1. Establish a new elective services centre
Improve Leadership Capability	Clinical leadership model: implement, monitor and evaluate Improve senior leadership team performance	1 Leadership development, mentoring and engagement process 2 Integrated governance reporting implemented 3. Define baldrige roll out plan and complete base line
Improve clinical quality & professional governance	Implement sector wide clinical networks	1. Develop GP network (collaborative) with primary care
	Improve safety and quality of care	1. Implement NQIP Medication Safety, Infection Prevention & Control, Mortality Review, Incident Management 2. Increase the number of GP practices with Cornerstone accreditation
Strengthen the health workforces	Improve clinical staff retention Healthy workplace Develop response to Long Term Services Plan	1. Targeted recruitment ICU, Midwives, RMOs, OR staff 2. Define, train and implement new workforce roles 3. Review performance based incentive programs 4. Improve the ease of application and entry
Information management	Improve resilience and availability of core IT systems	1. Implement the resilience improvement plan
	Regional Strategic Plan	1. Regional Strategic Plan development in alignment with NZ HIS 2009
Planning	Improve Capacity Management	1. Implement dynamic planning process (right beds, staff, facilities)
	Long Term Services Planning	1. National 2. Regional 3. Local

Goal 3: Live Within Our Means (Improve Value for Money)

High Level Strategy	Objective	Strategies to achieve Objective
Manage Revenue	Ensure revenue received for services provided	1. IDF annual agreements ensure we are paid for what we do. 2. Participate in National pricing process
Improve Productivity	Reduce Administration Cost	1. Improve HR payroll processing and leave management 2. Reduce back office cost (regional shared services) 3. Manage administration of M&A FTE cap
	Improve Clinical Effectiveness	1. Improve clinical resource utilisation 2. Reduce variation in Clinical Practice
	Health Service Process Improvement	1. Implement improvement programs to reduce waste, improve flow and enhance the patient experience.
	Achieve procurement savings	1. Leverage national/regional procurement initiatives 2. Refine procurement strategy 3. Deliver direct treatment cost savings 4. Deliver indirect treatment cost savings 5. Monitor and collect rebates within contracts for supplies and services
Manage Cash	Optimise stock holding	1. Revisit replenishment parameters 2. Improve supply chain systems and processes
	Sustainable Cash Management Plan	1. Asset Management Plan alignment with the Long Term Services Plan 2. Improve prioritisation process for new capital 3. Long term financial modelling process is implemented

Goal Level Summary Report (Board)

Total Projects: 81

DAP GOAL	Number (#)	Started (#)	Current Phase						On Time			On Budget			Expected Outcome			Finished	Post Implementation Benefits		
			Plan			Do/Check	Act														
			Define	Measure	Analyse	Improve	Control	Cancelled	Green	Orange	Red	Green	Orange	Red	Fully deliver	Partially deliver	Not deliver		Green	Orange	Red
1) Lifting the Health of the people in Auckland City	25	25	1	0	6	10	4	0	21	4	0	24	1	0	23	1	1	4	4	0	0
2) Performance Improvement	45	45	9	3	10	12	2	1	32	10	3	44	1	0	38	7	0	8	8	0	0
3) Living within our Means	11	11	1	0	3	3	2	1	9	2	0	11	0	0	10	1	0	1	1	0	0
Totals #	**81**	**81**	**11**	**3**	**19**	**25**	**8**	**2**	**62**	**16**	**3**	**79**	**2**	**0**	**71**	**9**	**1**	**13**	**13**	**0**	**0**
Totals %	**100%**	**100%**	**14%**	**4%**	**23%**	**31%**	**10%**	**2%**	**77%**	**20%**	**4%**	**98%**	**2%**	**0%**	**88%**	**11%**	**1%**	**16%**	**16%**	**0%**	**0%**

Goal 1

Review

Overall good progress with implementation of a range of initiatives, but the impact of the EoI initiative contiues to have an impact on the nature and timing of some initiatives as discussed previously. Areas impacted by this process have noted as exceptions below (and similarly for Goal 2). Work continues with the three primary care buiness cases, particularly with the advancement of the Allinace contracting framework nationally.

Goal 2

Overall good progress on projects in Goal 2. As noted in Goal 1 work continues with the development of the implementation plans with the three business plan groups, and national work with the development of the alliance contracting framework this has changed the approach for several projects in Goal 2 these are noted as exceptions. The eReferrals contract has been signed; development starting from 1 July with expectation that first pilots will occur before end of calender year. Regional Clinical Documents business case with National IT Board for approval. Aspire progressing to the revised (staged) implementation plan to allow for some extra change activity and catch-up with GP PMS vendors. IT Resilience project still affected by delays related to complexity and staffing. Procurement issues have now been resolved but also caused delays. The leadership walkaround project is finished with the programme in place and going well.

Goal 3

The weekly management group meetings which focus on budget achievement have occurred throughout the second half of the year with the May year to date result being close to break-even and favourable to budget. The focus of the group is therefore now shifting more to the 10/11 year acitvities whilst still being conscious that in a large organisation a single month variation can be significant.

11

LIVE WITHIN OUR MEANS

11.1 Finance Committee Recommendations

11.2 Finance Report

11.1 Finance Committee Recommendations

ADHB Board

Author: **Ian Bell (8077)**

Subject: **Natural Gas Contract**

Recommendation

That the ADHB Board accepts the tender from Nova Energy Ltd to supply ADHB with natural gas for a term of three years from 1st July 2010 at an estimated annual cost for gas energy of $1,629,000 (total contract value over the term is $4,887,000) and that the CEO be delegated authority to execute the contract with Novas Energy Ltd once it has been finalised.

Background

This was considered by the Finance Committee on 6 July 2010.

ADHB Board

Author: **Ian Bell (8077)**

Subject: **ACH Car Park Building Tenders**

Recommendation

(Assuming Ministerial approval has been received)

That the ADHB accepts the tender from Mainzeal Ltd to construct the Auckland City Hospital Car Park Building for $11,303,722 plus GST and delegates authority to the CEO to execute the contract once it is finalised.

(If Ministerial approval has not been received by the time of the Finance Committee meeting on 6 July 2010)

That the ADHB accepts the tender from Mainzeal Ltd to construct the Auckland City Hospital Car Park Building for $11,303,722 plus GST and delegates authority to the CEO to execute the contract once it is finalised, however, until Ministerial approval for the project is confirmed only $500,000 of the capex will be authorised for expenditure.

Background

This was considered by the Finance Committee on 6 July 2010.

ADHB Board

Author: **Ian Bell (8077)**

Subject: **Supply of Contractors and Temporary Recruitment Services**

Recommendation

That the ADHB endorses the supply of Contractors and Temporary Recruitment Services-Non Clinical from 30 June 2010 to 30 June 2013 with a two year right of renewal (RoR) with Alpha Personnel Recruitment with the estimated annual value for this contract being $3,915,807 p/a or $19,579,035 over the full term including RoR's.

Background

This was considered by the Finance Committee on 6 July 2010.

ADHB Board

Author: **Ian Bell (8077)**

Subject: **IBM Contract Extension 2010**

Recommendation

That the ADHB endorses the extension of the IBM Hardware and Support contract to 30 June 2012 at an estimated value of the term of the extension of Capital $500,000, Support $720,000 a Total of $1,220,000.

Background

This was considered by the Finance Committee on 6 July 2010.

ADHB Board

Author: **Ian Bell (8077)**

Subject: **Specialist Eating Disorders Residential and Day Programme Services**

Recommendation

That the ADHB Board approves a three year contract with Challenge Trust for the provision of Specialist Eating Disorders Residential and Day Programme Services, committing the DHB to up to $8,073,872.96 and;

Approves the delegation to the Chief Planning and Funding Officer to sign the three year contract and;

Notes that this is a Northern and Midland Region contract providing services to all Northern and Midland DHBs.

Background

This was considered by the Finance Committee on 6 July 2010.

ADHB Board

Author: **Ian Bell (8077)**

Subject: **Treasury Debt Profile to 2020**

Recommendation

That the ADHB Board notes the proposed debt maturity profile to 2020 and authorises the Treasurer to arrange the necessary documentation and draw downs with CHFA of $70m to finance the first tranche of Bonds maturing on 15 September 2010 and the redraw of $21m to finance the Greenlane Surgical Unit development.

Background

This was considered by the Finance Committee on 6 July 2010.

Maturity Schedule

Loan	Facility	Principal	Maturity	Rate	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
49780	AK001	30,000,000	15-Apr-15								30,000,000					
49782	AK001	30,000,000	15-Apr-15								30,000,000					
49783	AK001	10,000,000	15-Apr-15								10,000,000					
49777	AK001	60,000,000	15-Apr-13						60,000,000							
49784	AK001	20,000,000	15-Nov-11				20,000,000									
49781	AK002	10,000,000	15-Apr-14							10,000,000						
49779	AK003	3,500,000	16-Jul-12		-			3,500,000								
		163,500,000			-	-	20,000,000	3,500,000	60,000,000	10,000,000	70,000,000	-	-	-	-	-
	Bond	70,000,000	15-Sep-10			70,000,000										
	Bond	50,000,000	15-Sep-15								50,000,000					
		283,500,000			-	70,000,000	20,000,000	3,500,000	60,000,000	10,000,000	120,000,000	-	-	-	-	-
		Maturity as % of Total Debt			-	24.7	7.1	1.2	21.2	3.5	42.3	-	-	-	-	-

Potential Future profile:

Loan	Facility	Principal	Maturity	Rate	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
49780	AK001	30,000,000	15-Apr-15								30,000,000					
49782	AK001	30,000,000	15-Apr-15								30,000,000					
49783	AK001	10,000,000	15-Apr-15								10,000,000					
49777	AK001	60,000,000	15-Apr-13						60,000,000							
49784	AK001	20,000,000	15-Nov-11				20,000,000									
49781	AK002	10,000,000	15-Apr-14							10,000,000						
49779	AK003	3,500,000	16-Jul-12		-			3,500,000								
$21m re-draw		21,000,000	TBC												21,000,000	
Bond re-finance, Sept-10		70,000,000	TBC										50,000,000		20,000,000	
		254,500,000			-	-	20,000,000	3,500,000	60,000,000	10,000,000	70,000,000	-	50,000,000	-	41,000,000	-
	Bond	50,000,000	15-Sep-15								50,000,000					
		304,500,000			-	-	20,000,000	3,500,000	60,000,000	10,000,000	120,000,000	-	50,000,000	-	41,000,000	-
		Maturity as % of Total Debt		100.0	-	-	6.6	1.1	19.7	3.3	39.4	-	16.4	-	13.5	-
		Policy Limit			-	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0

11.2 Finance Report

AUCKLAND
DISTRICT HEALTH BOARD
Te Toka Tumai

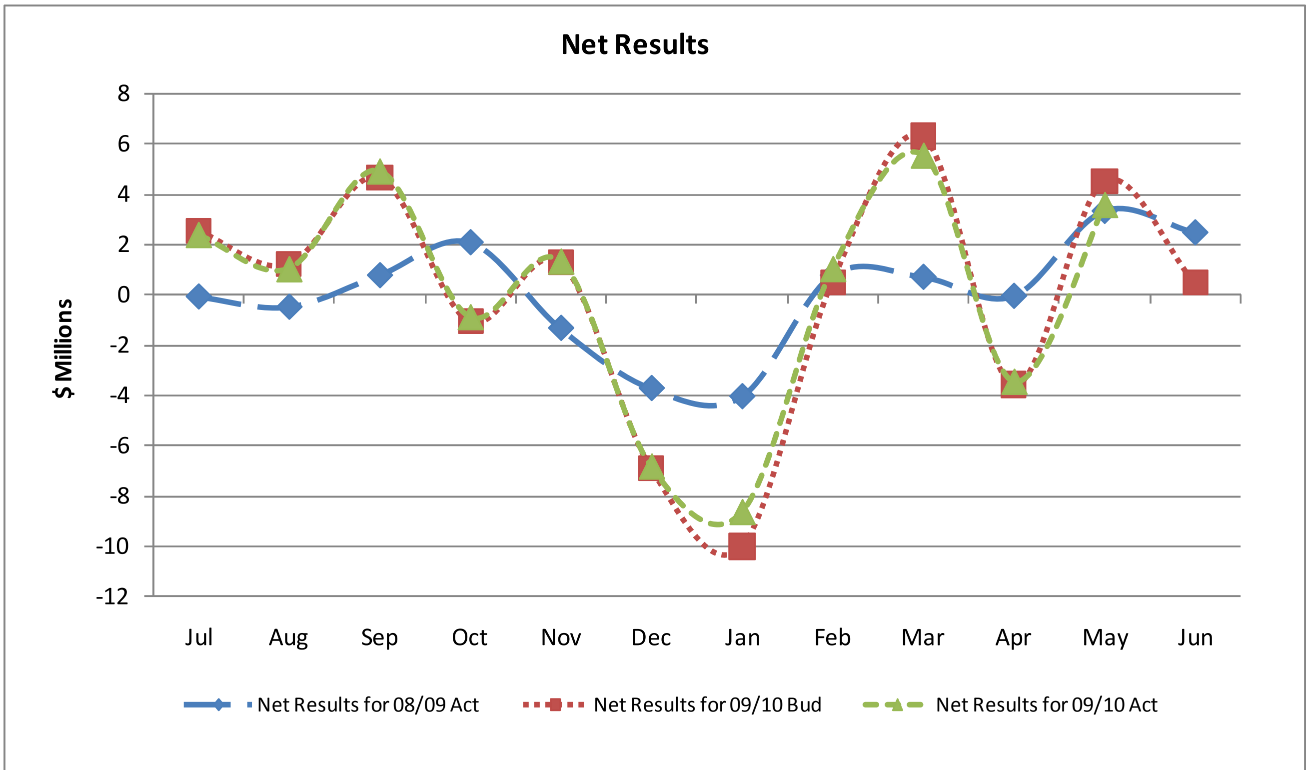
Auckland District Health Board

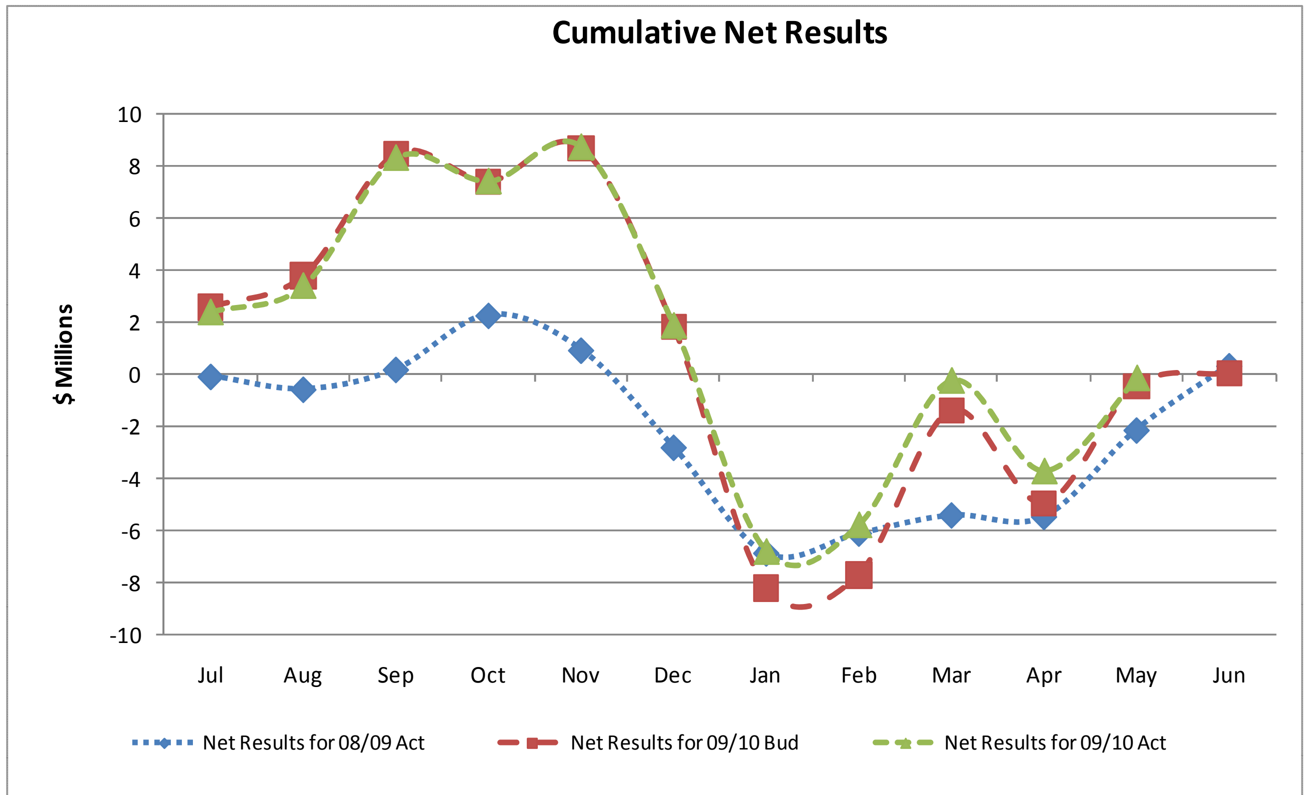
Board
Financial Report

Prepared by Grant Barnett

May 2010

Performance Graphs by Month & YTD





Auckland District Health Board
Summary Result
Month of May-10

$000s	Month A	Month B	Month Var	YTD A	YTD B	YTD Var
Income						
PBF - AKL Population	81,617	81,701	85 U	879,429	862,982	16,447 F
Inter District Inflows	46,078	46,989	911 U	509,550	516,880	7,330 U
	127,695	128,691	996 U	1,388,979	1,379,863	9,116 F
MOH Sub-contracts	7,929	4,873	3,056 F	58,140	53,713	4,427 F
Other Patient Care	2,473	2,995	522 U	29,614	32,996	3,381 U
Services & Products	4,701	4,354	347 F	46,927	47,405	477 U
CTA	1,608	1,657	48 U	19,347	18,023	1,324 F
Trust & Donation Income	296	847	551 U	4,094	9,486	5,392 U
Financial Income	776	352	425 F	6,804	4,187	2,618 F
Other Income	708	522	186 F	7,352	6,176	1,176 F
	146,186	144,291	1,895 F	1,561,258	1,551,847	9,411 F
Expenditure						
Employee Costs						
Medical	18,797	17,663	1,134 U	205,277	202,692	2,585 U
Nursing	18,824	19,204	380 F	217,475	216,014	1,462 U
Technical	9,535	9,493	41 U	107,532	109,698	2,167 F
Hotel Services	825	751	74 U	9,024	8,795	229 U
Administration	7,692	7,287	405 U	82,925	81,695	1,229 U
Other	3,068	3,683	615 F	38,563	41,021	2,458 F
Total Employee Costs	58,741	58,081	660 U	660,795	659,915	880 U
Direct Treatment Costs	18,027	17,450	578 U	202,037	193,085	8,952 U
Indirect Treatment Costs	3,564	3,210	354 U	36,429	35,231	1,198 U
Funder Payments	39,136	37,865	1,271 U	413,799	409,636	4,163 U
Inter District Outflows	8,584	8,093	491 U	90,424	88,021	2,403 U
Prop, Equip. & Transport	4,067	4,101	34 F	43,850	46,599	2,749 F
Maintenance	1	133	132 F	1,242	1,467	224 F
Building Compliance	0	0	0 F	(400)	0	400 F
Loss on Sale of Fixed Assets	4	2	2 U	178	19	159 U
Administration Costs	1,862	1,552	311 U	17,830	17,114	715 U
Total Operating Expenditure	133,985	130,488	3,497 U	1,466,183	1,451,088	15,095 U
Operating Contribution	12,201	13,803	1,601 U	95,075	100,759	5,684 U
Depreciation	3,937	4,257	320 F	44,029	46,533	2,504 F
Finance Costs	1,634	1,731	96 F	18,453	18,596	143 F
Capital Charge	3,063	3,300	237 F	32,747	36,094	3,347 F
Total Non Operating Costs	8,635	9,288	653 F	95,229	101,223	5,994 F
Net Surplus / (Deficit)	3,566	4,514	948 U	(154)	(464)	310 F

Auckland District Health Board
Statement of Financial Position
As at May 2010

	May-10 Actual $ 000s	May-10 Budget $ 000s	Apr-10 Actual $ 000s	Jun-09 Actual $ 000s
Crown Equity				
Opening Balance	566,089	569,698	566,089	601,089
Equity Injections/(Repayments)	3,320	-	1,794	(35,000)
Closing Balance	569,409	569,698	567,883	566,089
Revaluation reserve				
Opening Balance	381,278	417,016	381,278	417,019
Revaluation Adjustments	41	-	41	(35,741)
Closing Balance	381,319	417,016	381,319	381,278
Retained Earnings				
Opening Balance	(468,647)	(468,975)	(468,647)	(468,972)
Surplus/(Deficit) Current Year	(153)	(464)	(3,718)	325
Closing Balance	(468,800)	(469,439)	(472,366)	(468,647)
Total Crown Equity	481,927	517,276	476,836	478,719
Represented by:				
Fixed Assets				
Land	201,337	245,814	201,337	201,337
Buildings	594,819	569,819	594,237	605,970
Clinical, Other Equipment & Motor Vehicles	80,963	112,729	82,759	85,971
Work in Progress	17,529	11,584	17,264	8,288
Total Fixed Assets	894,648	939,946	895,596	901,566
Derivative Financial Instruments	5,017	2,823	4,690	6,954
Investments				
Associated Company Investments	386	366	386	386
Trust Deposits	10,000	5,500	10,000	8,000
Total Investments	10,386	5,866	10,386	8,386
Current Assets				
Cash & Short Term Deposits	51,426	61,416	51,563	35,287
Trust Deposits	11,779	15,264	11,022	11,780
Debtors	34,926	19,571	29,548	24,176
Accrued Income	25,415	14,838	23,723	36,920
Prepayments	2,954	2,604	3,088	2,320
Inventory	11,946	11,348	11,912	11,717
Total Current Assets	138,447	125,041	130,856	122,200
Current Liabilities				
Borrowings	73,405	86,650	72,485	18,372
Trade & Other Creditors, Provisions	215,332	203,734	217,275	216,416
Income Received in Advance	24,556	24,359	23,813	17,509
Taxes Payable	17,931	18,958	15,835	17,210
Funds Held in Trust	1,064	1,094	1,063	1,038
Total Current Liabilities	332,289	334,794	330,472	270,546
Working Capital	(193,842)	(209,753)	(199,616)	(148,346)
Non Current Liabilities				
Borrowings	213,006	195,788	212,999	269,168
Employee Entitlements	21,275	25,818	21,221	20,673
Total Non Current Liabilities	234,282	221,606	234,220	289,841
NET ASSETS	481,927	517,276	476,836	478,719

Statement of Cashflows for the Year ended 30 June 2010						
	May-10			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Operations						
Revenue Received	139,083	139,850	(767)	1,572,007	1,556,527	15,480
Payments	(137,577)	(127,013)	(10,564)	(1,525,926)	(1,506,185)	(19,741)
Net Operating Cashflows	**1,506**	**12,837**	**(11,331)**	**46,081**	**50,342**	**(4,261)**
Investing						
Income	449	352	97	4,587	4,188	399
Capital						
Sale of Assets	0	2	(2)	10	22	(12)
Purchase Fixed Assets	(2,990)	(5,658)	2,668	(37,111)	(55,338)	18,227
Net Investing Cashflows	**(2,541)**	**(5,304)**	**2,763**	**(32,514)**	**(51,128)**	**18,614**
Financing						
Equity Injections	1,526	0	1,526	3,320	3,609	(289)
New Loans	0	0	0	0	6,900	(6,900)
Equity Repayment	0	0	0	0	0	0
Loans Repaid	0	0	0	0	(10,500)	10,500
Net Financing Cashflows	**1,526**	**0**	**1,526**	**3,320**	**9**	**3,311**
Total Net Cashflows	**491**	**7,533**	**(7,042)**	**16,887**	**(777)**	**17,664**
Opening Cash	51,683	26,977	24,706	35,287	35,287	0
Closing Cash	52,174	34,510	17,664	52,174	34,510	17,664

Financial Commentary for May 2010

Financial Performance

The result for May was a surplus of $3.6m an unfavourable variance to budget of $(1.0)m. On a year to date basis there is a deficit of $(0.2)m a favourable variance to budget of $0.3m. The result year to date was driven by higher revenue of $9.4m offset by higher expenditure of $(9.1)m.

Year to date revenue is higher than budget by $9.4m at $1,561.2m.

- The higher revenue variance was driven by higher production $2.7m(net of over delivery $9.9m) base revenue variations $4.0m, the accrual of a revenue wash up of Careplus $1.9m, higher MoH Subcontract revenue $4.4m , mainly driven by higher Funder subcontract revenue such as PHO performance management $2.5m and Mental Health (Eating Disorder) $1.5m, higher CTA Income $1.3m driven by additional volume and payment of arrears, and higher volumes of retail pharmacy sales $2.0m.

- Interest Rate Swap Instruments are recording a favourable variance of $2.2m driven by long term market interest rates being lower than budgeted.

- These favourable variances have been offset by lower external laboratory sales volumes $(1.3)m, lower donation income mainly associated with the timing of Starship funded projects $(5.4)m ,and lower ACC and Non resident fee volumes $(3.4)m.

Year to date expenditure is higher than budget by $(9.1)m at $1,561.4m.

- Labour Costs are $(0.9)m unfavourable to budget year to date mainly driven by
  a) a favourable timing variance as a result of the budget phasing of the NZNO,RDA and PACT Meca's $1.4m. This favourable variance will reverse in June.
  b) Annual leave reduction over budget in Christmas New Year period $0.4m
  c) Medical & Technical staff vacancies and other price variances $17.6m
  d) Savings in administrative staff 81 FTE $6.0m
  e) Superannuation contributions being below budget $3.0m.
  f) Redundancy Costs $(0.9)m
  g) Additional Provision for Long Service Leave & Gratuities $(0.9)m
  h) Nursing 39 FTE over budget $(2.7)m
  i) Savings targets $(24.8)m

- Direct Treatment costs are $(9.0)m unfavourable to budget due to higher third party treatment costs $(4.1)m, principally for Cardiac Services $(4.3)m, driven by the waitlist reduction initiative, General Surgery $(0.2)m and Orthopaedics $(0.1)m for other outsourcing. In addition Clinical Supplies costs are $(8.1)m unfavourable to budget largely due to increased surgical volumes $(3.7)m and savings targets to be delivered $(4.4)m. These unfavorable variances are partially offset by lower blood usage in Cancer $3.9m.

- Funder Payments (Including IDF Outflows) are $(6.5)m unfavourable to budget driven by higher PHO expenditure $(5.7)m as a result of the payment of PHO performance management payments (with a partial offset in the PHO revenue), demand driven enrolments and price increases, higher Laboratory expenditure $(2.6)m driven by the introduction of a further contract, higher Health Of Older people expenditure $(2.8)m driven by increased cost of residential and hospital care and higher Public Health expenditure $(1.4)m. These unfavourable variances have been offset by underspends in Mental Health expenditure $2.4m and other personal health expenditure lines $3.5m.

- Property Costs were favourable to budget $2.7m mainly driven by lower costs for computer maintenance $0.9m and lower property and clinical equipment maintenance $0.8m.
- There has been a partial release of the provision for asbestos removal credited to Building Compliance Costs $0.4m.
- The Capital Charge is lower than budget $3.3m driven by the Ministry washup for FY09 $1.0m and downward revaluation of Land & Buildings at balance date. This downward revaluation credit will be ongoing for the balance of the year.
- Depreciation costs are below budget by $2.5m as a result of the reassessment of IS Software lives and the depreciation adjustment for property revaluation.

Financial Position

- The opening balance of fixed assets was $(29.3)m below budget principally due to the downward revaluation of land & buildings $(35.7)m as at 30 June 2008.

▪ YTD Capital spending is $37.1m, under budget by $18.3m. Baseline and Facilities projects are under budget by $12.6m and Information Systems projects are behind budget by $5.7m driven by the pace at which business cases are completed, approved and implemented.

▪ Cash on deposit stands at $51.4m (excluding Trust deposits). At month end there is an unused overdraft facility of $45.4m.

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PAPERS

No Papers

13

GENERAL BUSINESS

14

APPENDICES

No Appendices

15

PUBLIC EXCLUSION

AUCKLAND DISTRICT HEALTH BOARD

RESOLUTION TO EXCLUDE THE PUBLIC FROM A MEETING OF THE BOARD

Clauses 32 and 33, Schedule 3, New Zealand Public Health and Disability Act 2000 (“ Act”)

That, in accordance with the provisions of Schedule 3, Clauses 32 and 33, of the New Zealand Public Health and Disability Act 2000, the public be excluded for consideration of Item 13.

The general subject of the matters to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under the above clause for the passing of this resolution are as follows:

General subject of each matter to be considered:	Reason for passing this resolution in relation to each matter:	Ground(s) under clause 34 for the passing of this resolution:
13.1 Community Laboratory Services	To enable the Board to carry on without prejudice or disadvantage commercial activities and negotiations: Official Information Act 1982 s.9(2)(i) and s.9(2)(j)	That the public conduct of the relevant part of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under s 9 of the Official Information Act 1982.

AUCKLAND DISTRICT HEALTH BOARD
Te Toka Tumai

ADHB Board
Agenda

MEETING DETAILS	
Time and Date	2:00pm, Wednesday 7 July 2010
Venue	A+ Trust Room, Clinical Education Centre, Level 5, Auckland City Hospital, Grafton
Members	Pat Snedden (Chair), Harry Burkhardt (Deputy Chair), Jo Agnew, Susan Buckland, Dr Chris Chambers, Rob Cooper, Dr Brian Fergus, Dr Ian Scott, Rt Hon Bob Tizard, Seiuli Dr Juliet Walker, Ian Ward
Apologies	
In Attendance	Garry Smith, Dr Denis Jury, Dr Margaret Wilsher, Brent Wiseman, Greg Balla, Taima Campbell, Naida Glavish, Chris Morgan, Janice Mueller, Vivienne Rawlings, Ian Bell.

	Item	Page No
1	**Karakia**	001
2	**Attendance and Apologies**	005
3	**Conflicts of Interest**	007
4	**Confirmation of Minutes** 2 June 2010	017
5	**Action Points** 2 June 2010	025
6	**Presentations** No Presentations	029
7	**Chairman's Report** - Verbal	031
8	**Chief Executive's Report** 8.1 Chief Executive's Summary 8.2 Minister's Six Health Priorities 2009/10	033
9	**Lift the Health of People in Auckland City** 9.1 Committee Recommendations	051
10	**Performance Improvement** 10.1 Committee Recommendations (Verbal by Committee Chair) 10.2 DAP Projects Report	055
11	**Live Within Our Means** 11.1 Finance Committee Recommendations 11.2 Finance Report	067

AUCKLAND DISTRICT HEALTH BOARD
Te Toka Tumai

ADHB Board Agenda

	Item	Page No
12	**Papers** No Papers	089
13	**General Business**	091
14	**Appendices** No Appendices	093
15	**Public Exclusion**	095

NEXT MEETING

	Time and Date:	2:00pm, Wednesday 4 August 2010
	Venue:	A+ Trust Room, Clinical Education Centre, Level 5, Auckland City Hospital, Grafton

Hei Oranga Tika Mo Te Iti Me Te Rahi
Healthy Communities, Quality Healthcare