



AUCKLAND DISTRICT HEALTH BOARD

**Minutes of the meeting of the Board held on Thursday 28 February 2002
in the Marie Hosking Room, Level 7, Building 14, Green Lane Hospital, Auckland
commencing at 1:45pm.**

The Chair declared the meeting open at 3:30pm.

Board Members

Wayne Brown (Chair)
Margaret Horsburgh (Deputy Chair)
Crystal Beavis
Charles Lowndes
Di Nash
John Retimana
Vicki Salmon
Pat Snedden
Rees Tapsell

Management in Attendance

Graeme Edmond – Chief Executive
Ian Ward -Chief Financial Officer/GM Shared Services
Marek Stepniak – Chief Operating Officer
Neil Woodhams –former Chief Operating Officer
Brenda Saunders - GM Communications
Ian Bell -Board Administrator

1. ATTENDANCE AND APOLOGIES

Apologies were received from Susan Devoy and Ian Scott.

2. CONFIRMATION OF MINUTES 31 JANUARY 2002

Charles Lowndes proposed the following amendment to the minutes:

Item 4.2 recording that the Board had arrived at the motion after receiving assurances that the CFA would be referred to the Board for approval before signing.
The motion lapsed for want of a seconder.

Moved Wayne Brown, seconded Margaret Horsburgh

That the minutes of the meeting of the Auckland District Health Board held on 31 January 2002 be confirmed as a true and correct record with an amendment recording Crystal Beavis' apologies for lateness.

Carried

Rees Tapsell expressed concern about reports in a local paper concerning the authority given by the Board to sign the CFA that may have affected the credit rating of ADHB. Charles Lowndes advised that he was repeating what was discussed in the meeting on Buddle Findlay's advice not to sign the funding agreement. Vicki Salmon advised that a report on why Standard and Poors had issued a press statement was being prepared by Internal Audit, but had not yet been completed. Pat Snedden considered that a breach of the principle of duty and care to the organisation may have occurred and that if the member damaged the organisation they should make good that damage. The Board had delegated authority to the Chair and CE to sign the CFA and the statements by Charles Lowndes were incorrect and did not reflect the duty of care expected of a member.

Charles Lowndes responded that he was responding to a media question in a responsible manner relying on specific legal advice paying attention to duties to creditors and financial responsibilities. Pat Snedden did not accept that this reflected the debate. Rees Tapsell after Charles Lowndes had stated that he had acted in compliance with Section 27 of the New Zealand Public Health and Disability Act 2000, advised the he did not believe that Charles had acted in accordance with that section. Crystal Beavis asked if Charles was prepared to make a retraction in the media. Charles Lowndes responded in the negative. At that point Rees Tapsell proposed a motion of censure.

Moved Rees Tapsell, seconded Vicki Salmon

That Charles Lowndes be censured by the Board for making incorrect and unauthorised statements to the press.

Carried

Crystal Beavis abstained and Charles Lowndes voted against the motion.

3. MATTERS ARISING FROM MINUTES

The Board reviewed the matters arising from the previous meeting.

Moved Wayne Brown, seconded Margaret Horsburgh

That the ADHB

- 1. amends the Terms of Reference for the Quality Committee dated January 2002 to increase the membership to a maximum of five Board members (5(a))*
- 2. appoints the following as an additional member: Crystal Beavis*

Carried

Moved Wayne Brown, seconded Margaret Horsburgh

That the ADHB adopts the attached meeting schedule for the Building and Change Committee for 2002. (March 12, April 9, May 14, June 11, July 9, August 13, September 10, October 8, November 12).

Carried

Moved Margaret Horsburgh, seconded Vicki Salmon

That the ADHB adopts the attached meeting schedule for the Special Hearings Committee for May 2002 to hear submissions on the Proposed Strategic Plan, subject to hearings only being held on enough days required to hear submissions. (May 21, May 22, May 23, May 24).

Carried

4. CHAIRMAN'S REPORT

Wayne Brown reported that he had attended the quarterly meeting of HSDP with Treasury. He highlighted the need for further integration with the change programme. He had certified the HSDP equity claim after receiving Management's assurances as to the claims correctness.

The Clinical Board would report to the Board.

He had had discussions with the CFO on timely reporting and certifications.

He thanked the media for interest in the Children Hospital's naming which had created an excellent diversion.

6. CHIEF EXECUTIVE'S REPORT

6.1 Report

Graeme Edmond advised that budgeting process for 2002/2003 had commenced and would be a major challenge to control costs to guidelines set by MoH with the consequential effect on employment agreements. The IS capital spend and strategy had been reviewed with emphasis on central management systems, costing system and alignment with other regional DHBs.

Moved Wayne Brown, seconded Margaret Horsburgh

That a subcommittee of Pat Snedden, Crystal Beavis, Ian Ward and Marek Stepniak be established to advance a costing system.

Carried

Item 6.3 was taken at 4:00pm.

6.3 Heart Library, Green Lane Hospital

Kirsten Finucane, Clinical Head, Paediatric Cardiac Surgery, gave a background on the heart library and apologised for any grievance caused. She spoke of the importance of the collection for the development of surgery that had saved lives and improved the health outcomes for children.

Over the last ten years there was an awareness of the need for consent following the Cartwright Report, however, there may have been some received without consent being able to be traced, particularly where they were received from other DHBs. There is now a definite consent process although she noted that the collection was not increasing markedly with reduced numbers of children dying from heart conditions.

A timely and systematic response had been established with the establishment of a steering committee last April which included Maori input. General advertisements had been placed to get people to contact the committee as to approach individuals may be an invasion of privacy. The issues were not black and white and had to be approached carefully. The steering committee had received feedback from Maori and a legal opinion from Professor Skegg.

In response to a suggestion that everyone connected with at heart be notified Margaret Horsburgh advised that it may not be appropriate in all cases where privacy matters may be breached. She considered that the steering group were operational and a very sound competent group to make decisions on appropriate action and to report to the Board. Kirsten advised that the membership of the steering committee were:

Shirley Wilson	Paediatric Cardiac Services Manager
Garry Smith	GM Surgical and Medical
Dr Kirsten Finucane	Clinical Head, Paediatric Cardiac Surgery
Dr Nigel Wilson	Clinical Director, Paediatric Cardiac Surgery
Dr Peter Ruygrok	Cardiologist
Dr Alan Kerr	CTSU Consultant
Dr Toby Whitlock	Clinical Director, General Physiology
Dr Louise Calder	Paediatric Cardiology
Angela Barnes	Maori Health Advisor
Fran Mitchell	Quality Manager, Green Lane Hospital
Rhys Bean	Parent Representative
Heather Alford	Parent Representative
Gail Lesley	Social Worker, Green Lane Hospital

Wayne Brown proposed and it was agreed that John Retimana join the steering committee as representative of the Board. The committee would report through the Quality Committee onto the Board. Pat Snedden reminded members of the paper on body parts provided to the Board in July 2001 and the 1996 change in consent provisions. There were being developed very clear pathways of consent and there may be a need to do different things for different people to accommodate all cultural values.

Neil Woodhams advised that in response to enquiries made by the MoH last April they had been advised that the heart collection was the only body part collection held by ADHB. Wayne Brown requested a policy for the Board to consider on guidance for future retention of body parts for research.

6.2 Human Resource Presentation

Declan Walsh, Human Resource Manager, Shared Services, presented to the Board supported by Eve Sharpe, Human Resource Manager, Auckland Hospital.

Declan advised that a FTE was defined as actual hours worked divided by 160 per fortnight. 6,867 FTE equated with approximately 7,500 people employed. The target reduction in staff turnover was to reduce from 18% to between 10% and 13%. Marek Stepniak advised that rates for nurses in Australia ranged from 15% to 20%. Efforts were being made to tap into the benchmarking being undertaken by Midlands. Eve advised on the strategies for recruitment of radiation therapists undertaken in December. Students were being bonded.

Rees Tapsell reminded the Board that he had requested a report on the RMO situation at ADHB in comparison with other DHB's.

The meeting returned to item 6.1

6.1 Chief Executives Report

Graeme Edmond advised that neither he, the Chair nor the MoH had signed the CFA. Once final items had been agreed with the Ministry the final draft would be sent to the Chair with copies to the Board. Crystal Beavis, Pat Snedden and Charles Lowndes requested copies of the present draft. Charles Lowndes advised that unless he had seen and approved the CFA before it was signed he would not accept any responsibility for it. He also requested to be advised as to the date and time it is signed. He proposed a motion: that the Board be given an opportunity to comment on the draft CFA prior to it being signed. The motion lapsed for want of a seconder.

Graeme Edmond advised that the four business cases approved by the previous Board were being reviewed in the formal process of capital planning for 2003 and beyond under the new parameters as a result of the MoH letter and return of the business cases. This included review by clinicians through David Sage and with HSDP through Nigel Murray. Graeme expected them to be presented to himself within two weeks and then progress to the March Board meeting. The Board requested that the cases be distributed as early as possible for reading.

7. FINANCIAL REPORTS

7.1 Monthly Report

Vicki Salmon advised that the Audit Committee had reviewed the financial reports, noting that revenue was based on 1/12 rather than earned, that there was progress on leave accruals and that after a review of the balance sheet they had requested some items be split. Ian Ward advised that the equity payment had been received the prior day and that ADHB had paid the capital charge of \$4.5m. The function of the capital charge was to remind entities that capital has a cost.

The Audit Committee had requested a list of IT projects and write offs as well as a list of consultants.

Wayne Brown reviewed the sequence of letters between the MoH and himself as a result of the MoH letter of 28 January 2002 restricting the capital available to \$106m. He was seeking to clarify that the Board had the ability to balance deficit funding requirements and capital expenditure within the \$106m.

7.2 Lease Starship Hospital CT Scanner

Graeme Edmond advised that the scanner was principally for children but was used for adults. Usage was 3000 scans per annum compared with the adult scanner's 12000 scans per annum.

Moved Pat Snedden, seconded Vicki Salmon

That the ADHB

1. *agrees to enter into a lease with Starship Foundation of a Siemens Somatom Volume Zoom CT Scanner for a term of seven years from 1 July 2001 at a rental of \$1 per annum*
2. *authorises the signing of the lease by any two Board Members*

Carried

8. QUALITY COMMITTEE

Margaret Horsburgh reported on the Quality Committee's first meeting. This focussed on how quality was managed at present and how the Committee would deal with issues referred to it by the Board. Confidentiality of information was essential to ensure confidence for matters to be discussed. Some quality structures would change when the Clinical Board was established. At the next monthly meeting the CMO would talk on how the Clinical Board would be established.

5. BOARD DIRECTIVES

The Board confirmed a number of directives to the CE proposed by the Chair:

Moved Di Nash, seconded Crystal Beavis

That the CE be instructed to move A+ to centralised theatre management to be instituted no later than June 2003.

Carried

Moved Di Nash, seconded Charles Lowndes

That the CE be instructed to move A+ to centralised admitting to be instituted no later than June 2003.

Carried

Moved Vicki Salmon, seconded Di Nash

That the CE be instructed to move A+ to centralised inpatient and out patient booking no later than June 2003.

Carried

The Audit Committee had instituted an IS systems review.

Moved Charles Lowndes, seconded Margaret Horsburgh

That the CE be instructed to move to centralised patient record management.

Carried

Moved Wayne Brown, seconded Di Nash

That the CE be instructed to reduce personal assistant numbers by 25%.

Carried

The CE was requested to bring a paper to the Board on the issues surrounding recovery of costs of specialist laboratory tests ordered for private patients.

Moved Di Nash, seconded Margaret Horsburgh

That the CE be instructed to reduce non-clinical consultants by 25% per month for the next 4 months.

Carried

The CE was requested to review all overseas travel requests, including CME, for relevance and adding value, and costs over \$5,000 to be notified to the Board.

The CE was requested to instruct the HSDP team to report on the maximum capital and operational savings that could be expected from the building programme reconfiguration. The CE was asked to provide a paper on the size and functions of the Legal and Governance section of Shared Services.

Moved Di Nash, seconded Vicki Salmon

That the CE be instructed to recruit or place all project managers into operation relating to their project, or select project managers from existing operation managers.

Carried

11. NEXT MEETING

The next monthly meeting is scheduled to be held on Thursday 28 March 2002.

12. CLOSE OF MEETING

The meeting adjourned at 6:30pm to meet the new Change Manager, and reconvened at 6:50pm. The Chair thanked all present and declared the meeting closed at 6:50pm.

CONFIRMED

CHAIR

DATE