

AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting
held on Thursday 2 March, 2006 in the Marion Davis Library
Building 43, Auckland City Hospital, Grafton
commencing at 1:30 pm

1. ATTENDANCE AND APOLOGIES

Board Members

Wayne Brown (Chair)
Harry Burkhardt
Virginia Hope
Ian Scott

Ross Keenan
Chris Chambers
Di Nash
John Retimana

In Attendance

Graham Aitken – Board Advisor

Management in Attendance

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

Apologies

The Chair declared the meeting open at 1:47 pm.
Apologies had been received from Barry de Geest, Garry Smith and Taima Campbell.

2. CONFIRMATION OF MINUTES – 2 FEBRUARY 2006

Moved Ian Scott, seconded Ross Keenan

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

Carried

3. ACTION POINTS – 2 FEBRUARY 2006

The question of regional DSAC meetings had been raised with the Chair of the Waitemata DSAC Committee. Further input was awaited from the Chair of Auckland DSAC and comment from the Chair of Counties Manukau.

4. CHAIRMAN

4.1 Report

Wayne Brown reported on his activities for the month to the Board:

- He had attended the Select Committee Review of DHB to 30 June 2005 with the main message being population based funding formula versus service planning. Of the 87 pages of questions only 1 question was asked of these. He had considered that the meeting went reasonably well until misquotes were made in a press release later.
- He had attended the Quality Committee, Chaired by Di Nash.
- He had attended a e-group meeting considering internet solutions for Auckland and had become aware of a MoH project related to the health sector IS.
- The Regional Chairs meeting had looked at regional efficiency opportunities. The CEO of Counties Manukau was benchmarking services in Auckland looking for the lowest cost services which correlated with the present service reviews with potential regional savings of \$16m. Data was based on 2004/2005 but was being updated to 2005/2006 based on six months actual and six months forecast which was expected to demonstrate a shift in costs. Roundtable benchmarking showed that ADHB compared well with Australian hospitals using WEIS. He requested that the CEO present on the regional work to the Audit Committee and to the Clinical Directors.
- He had received a letter from the Minister who was encouraged by ADHB's progress however pressure remains as FFT is less than meca step increases.
- He would be attending the Clinical Directors meeting on the 24 March 2006.
- Denis Jury and Ian Scott had briefed the Starship Foundation who were very positive in accepting a wider community view and what the Children's Hospital and the Foundation could mean for New Zealand.
- He had received considerable e-mail communication about governance of DHBNZ. The DHB Chairs would be meeting on the next Monday where he would be represented by the Chair of the Audit Committee.
- A meeting would be held with the Auckland Labour Caucus on the next Friday 10 March 2006 and Board members were invited to attend. The presentation would be on a regional basis.
- He had attended a dinner with Dr Omi with the General Manager Pacific Health hosted by the Ministry of Health. Dr Omi was President of the World Health Organisation. Dr Omi had rated New Zealand's preparation for bird flu as good, noting that there was only a 16 day window to respond. He also had a view on specialists rating the top specialists as being (1) general surgeons and (2) general practitioners.
- At a Waitangi Day function a Clinical Director had been asked what he considered the best configuration of the Auckland region with his response being one Board.

4.2 Regional Report

Ross Keenan advised that the regional meeting had been held on 9 February 2006. Issues raised were that the Population Based Funding Formula model did not reflect in funds moving north which was still under funded. The Crown wanted to see Mental Health blueprint money spent and gains in Mental Health which was being constraint by workforce capacity at present. It was noted that Mental health had no measures of outputs only being measured on inputs. Work was being undertaken on PHO structures to ensure there is value for money. The CEOs work streams on regional initiatives were progressing. Library services needed a definition so that a common regional understanding could be reached. The DHBNZ structure had also been considered.

5. DISABILITY SUPPORT ADVISORY COMMITTEE

This Committee would be meeting in March.

6. MAORI HEALTH ADVISORY COMMITTEE

John Retimana, Chair of this Committee advised that at the April meeting they would be considering primary care and Mental Health. There would be a presentation on workforce development and oral health issues pertaining to childrens' health.

The Board congratulated Naida Glavish, Chief Advisor Tikanga, on her appointment as Chair of the Ngati Whatua Runanga which provided opportunities to develop stronger regional relationships.

7. QUALITY COMMITTEE

Di Nash, Chair of the Quality Committee, reported on their meeting held on 16 February 2006. The Committee had considered the communication of waiting times to patients at clinics, received a very good presentation by HealthShare on the audit process noting that larger providers had quality systems but smaller providers may not have the resources and that Mental Health contracts were long contracts and a lack of quality systems can impact on consumer safety issues. HealthShare was ISO certified. ADHB would be issuing an RFP through a regional process for the audit of aged care with issues being medicine management, reviewed by the person's GP, self medication and qualifications of staff.

MedSafe pharmacy audits appeared to have large areas of non compliance although it was noted that critical issues had to be fixed within 24 hours with a maximum time to fix all issues being 6 months. A presentation had been made to the Committee on AED triage times noting that the workload at Auckland ED had a very high acuity case mix particularly in triage category 2. The average waiting time of 60 minutes was comparative internationally. With triage times improved recording by nurses was being encouraged as the first clinicians seen need not be a doctor. The Committee was looking forward to the new Manager Quality commencing in March.

8. CHIEF EXECUTIVE OFFICER

8.1 Report

Roger Jarrold, CFO, spoke to the CEO's report advising of the good result year to date with the forecast deficit revised down to \$50.5m. Cash flows were satisfactory however there were some delays in operational revenue through invoicing and signing off of revenue contracts. The District Annual Plan was being finalised which included reducing debt going forward and delays in requirements for equity capital. The first cut of budgets had been sent to managers. Other points of note were the hospital operations being favourable, funding pressures on labs and receipt of the funding envelope with a net reduction in the tertiary adjuster.

The CFO had attended the CFO forum where issues discussed were payroll and rostering systems where there was a large amount of interest, need for more financial input to the HR process to understand the outcomes, the insurance project by DHBNZ and draft DAPs with other DHBs struggling to stay within budget.

There was a need to manage the over production and with stock there would be a focus on the operating rooms. It was noted that with FTEs of 7,500 and a head count of 9,000 ADHB employed more part-time staff.

8.2 ADHB 2005/2006 Objectives – Quarter 2 Report

The report was noted with the negative against Mental Health largely being around the under spend.

8.3 Northern DHB Support Agency Ltd. – Annual Report 2005

This was received for information by the Board.

9. FINANCIAL REPORT – JANUARY 2006

Roger Jarrold advised that the budgets forward were challenging and would require a cultural change to be delivered. After the first review of the budget he had had to reinforce his instructions that they be based on similar production while encompassing cost pressures. A second review would be undertaken early the next week for the District Annual Plan to be delivered to the MoH on 9 March 2006. He had written to the MoH concerning some revenue delays however there was a good relationship and the MoH input into service reviews had been appreciated.

10. AUDIT COMMITTEE

10.2 Facilities Maintenance and Engineering Services

This had been considered by the Audit Committee the previous day and provided financial advantage to ADHB. HR advice had also been received.

Moved Wayne Brown, seconded Ian Scott

That the ADHB approves the Transfield Services contract of \$4,072,000 per annum to provide facilities maintenance and engineering services at the Auckland City Hospital and Greenlane Clinical Centre for a term of five years commencing 29 April 2006 with a right of renewal for a further five years and that the CEO be delegated authority to approve the form of and execute the final contract.

Carried

10.3 Clinical Training Agency

This had been discussed by the Audit Committee and while the contract did not cover all the RMOs being trained, by 100, this would continue to be discussed with the CTA. The signing of the contract would allow for payments which would improve the cash flow position.

Moved Virginia Hope, seconded Ian Scott

That the ADHB agrees to the Clinical Training Agency Based Contract 2005/2006 and authorises the Chair to sign on its behalf.

Carried

11. GENERAL BUSINESS

District Annual Plan

Moved John Retimana, seconded Ian Scott

That the ADHB approves the District Annual Plan 2006/2007 for submission to the Ministry of Health and authorises the Chair to sign the plan on its behalf.

Carried

DHBNZ

The Chair of the Audit Committee would be attending the DHB meeting on behalf of the Board Chair. DHBNZ had originally been an association of DHBs as the Minister had wanted a focus for communications.

Moved Di Nash, seconded Ian Scott

That the ADHB supports a restructuring of DHBNZ processes to reflect:

(a) that the governance structure should consist of all 21 Chairs with one appointed on an annual rotation to chair the group insofar as the linkage to the Minister of Health's requirements is concerned, and

(b) that the national/sector processes that the Chief Executives manage continue (and are well respected) and that any resources required by DHBNZ report to this group.

Carried

Particular focus for DHBNZ should be on HR and the effects of mecas.

12. NEXT MEETING

The meeting closed at 3:37 pm.
The next meeting will be held at
1:30pm, Thursday 6 April 2006
Marion Davis Library
Building 43
Auckland City Hospital
Grafton

CONFIRMED

CHAIR:

DATE: