

## AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting  
held on Thursday 1 November 2007, 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)	Ross Keenan
Harry Burkhardt	Dr Chris Chambers
Barry de Geest	Dr Di Nash
John Retimana	Dr Ian Scott

#### Management in Attendance

Garry Smith – Chief Executive  
Dr Denis Jury – Chief Planning & Funding Officer  
Roger Jarrold – Chief Financial Officer  
Dr David Sage – Chief Medical Officer  
Janice Mueller – Director Allied Health  
Vivian Rawlings – GM Human Resources Operations  
Ian Bell – Board Administrator

#### Apologies

The Chair declared the meeting open at 1:12 pm

An apology had been received from Dr Virginia Hope. The interests register was tabled and available for members to update.

### 2. CONFIRMATION OF MINUTES – 4 OCTOBER 2007

Moved John Retimana, seconded Ross Keenan

*That the minutes of the Auckland District Health Board meeting held on 4 October 2007 be confirmed as a true and correct record.*

Carried

### 3. ACTION POINTS – 4 OCTOBER 2007

#### Disability Parking

The consent process was underway to have disability parking designated on Park Road.

## **4. CHAIRMAN**

### **4.1 Report**

Wayne Brown reported on his activities for the month:

- He had opened an Optometrist Conference which had been very interesting. Their offer of a contribution to travel costs had been donated to the A+ Trust.
- He had sent his apologies for the launch of Healthy Village Action Zones.
- He had spoken to the new Mayor of Auckland City Council, John Banks concerning car parking buildings and demolition of buildings. He suggested that a meeting of himself and the Mayor and the two CEOs be arranged.
- He noted that a new Minister, David Cunliffe had been appointed.
- He thanked all those involved in managing the VRE outbreak and acknowledged their efforts.
- The Office of the Auditor General's report on conflicts of interest performance audit was expected to be tabled in Parliament on 5 November 2007 (updated to 7 November). He noted that the OAG had declined to note that they had been involved in the DML/Lab Test probity and there needed to be stronger acknowledgment of the conflicts of clinicians.
- A letter had been sent to supplier companies that had been fined in the United States some \$400m over kick backs through improper consulting contracts with surgeons. He noted that this was also absent from the OAG's report. He also noted the high gross profit margin on prosthesis which would be a challenge for the new Board.
- The MoH had raised the question of revaluation of land and buildings and there was a need to get a long term solution for funding of any additional costs associated with revaluation.
- He noted Dr Susan Love's research that there was no clinical evidence of better results relating to herceptin between 9 weeks and 12 months of treatment.

### **4.2 Regional Report**

Ross Keenan advised that the next meeting was on 22 November 2007 and he would be providing a detailed report on what the region had addressed over the last three years. Ross Keenan advised that he had sent a note to the Minister on the Regional Deputy Chair role which he felt was conflicted and deprived each DHB of having a Deputy Chair, however he did support a role as convenor of the CEO/Chairman Forum for the region one step away from each Board to provide coordination.

The Board acknowledged the work of Ross Keenan on behalf of the Board and the region.

## **5. DISABILITY SUPPORT SERVICES**

The Committee would be meeting on 15 November 2007.

## **8. QUALITY COMMITTEE**

The Chair of the Committee, Di Nash reported that the Quality Committee had met twice and apologised for not reporting to the last meeting however she had been called away.

The August Quality meeting had Andrew Keenan as the Acting Manager with the position being advertised. The Committee had been advised of the process of implementing Riskpro, an incidence data base and Quantate, a risk management tool with two risks registers, both the new and the old paper system, running at present. The Committee had visited the Greenlane Clinical Centre, including the Ophthalmology emergency department, to view management of waiting times and waiting room information. The Electricity Consumer Guidelines had been responded to and a consumer participation framework was being established for consumer liaison. The support of the Clinical Board for language change concerning “allow natural death” was noted.

The October meeting of the Quality Committee had been advised of training of Clinical Effectiveness Officers and quality assurance in primary care had been discussed which included the Health of Older People initiative. A Primary Health Care Plan was expected by June 2008. A review of all policies were being undertaken which included separating policy from guidelines. The Jim Gee report on counter fraud had been received by the MoH and two Healthpac people would be resourced into Auckland. The Committee had noted that the radiology signoff project was over budget and time, but would now be completed by February 2008.

The Board thanked Di Nash for her Chairmanship and dedication to quality within ADHB.

## 7. MAORI HEALTH ADVISORY COMMITTEE

The final meeting of the Maori Health Advisory Committee would be held on 5 December 2007.

## 6. AUDIT COMMITTEE

### 6.1 Report

The Chair of the Audit Committee, Harry Burkhardt reported that the Treasury Manager had attended the AGM of the Spectrum Care Trust with issues being the risks around low paid workers and revenue contracts direct with the MoH.

The Ministry were pushing for ADHB to fully revalue its assets but while funding assistance will cover year one the longer term funding was insufficient. The Committee had suggested that land should be held centrally.

### 6.2 Extension of Temporary Staff Recruitment Contracts

This was recommended by the Audit Committee.

Moved Harry Burkhardt, seconded John Retimana

*That the ADHB approves the recommendation that the following contracts be extended for a period of 12 months to expire on 31 October 2008*

<i>Recruitment Company</i>	<i>Area of Recruitment Responsibility</i>	<i>Recommended action</i>	<i>Estimated value for extended term</i>
<i>Alpha Personnel</i>	<i>Administration</i>	<i>12 month extension to 31 October 2008</i>	<i>\$1.8m</i>
<i>Solutions</i>	<i>Contractors</i>	<i>12 month extension to 31 October 2008</i>	<i>\$1m</i>

OCG	Contractors	12 month extension to 31 October 2008	\$100k
Executive Taskforce	Contractors	12 month extension to 31 October 2008	\$351k
Hudson (formerly TMP)	Contractors	12 month extension to 31 October 2008	\$90k
Candle	Contractors (IT)	12 month extension to 31 October 2008	\$190k

Carried

### 6.3 IMTS Contract Renewals 2007

This had been discussed by the Audit Committee who recommend that the extension be for a shorter period with a view to testing the rapidly changing market including secondary providers. The contracts should be addressed regionally.

Moved Harry Burkhardt; seconded Ian Scott

*That the ADHB approves the extension of the following telecommunications and IT Hardware contracts to 30 November 2008.*

Contract	Covers	Current Term	Estimated value for extended term
Telecom NZ Ltd	Telecommunications, Computer hardware and services	1 July 2006 – 30 June 2007	\$9.75m
Vodafone NZ Ltd	Telecommunications - mobile	1 July 2006 – 30 June 2007	\$3.64m
Hewlett Packard Ltd	Desktop Hardware supply	1 July 2006 – 30 June 2007	\$2.25m

Carried

### 6.4 Whitecross Overnight Subsidy

This was recommended by the Audit Committee.

Moved Ian Scott, seconded John Retimana

*That the ADHB approves a payment to Whitecross of \$640k per annum for 1 year 2 months on the basis that the overnight services will be maintained and patient co-payment amounts will not be increase during this period.*

Carried

### 6.5 Orthodic Centre (NZ) Ltd

This had been considered by the Audit Committee and they had noted that the approval was partially retrospective.

Moved Harry Burkhardt, seconded Ian Scott

*That the ADHB gives approval to the Chief Planning & Funding Officer to approve the variation for Orthotics Centre (NZ) Ltd for the period 1 October 2005 to 30 June 2008 for the total agreement value of \$5,222,673.50 (GST exclusive).*

Carried

## **9. CHIEF EXECUTIVE OFFICER - REPORT**

Garry Smith spoke to his report. He was pleased with the level of productivity in the hospital for the first quarter but there was focus on orthopaedics and cardiothoracic where production was less than satisfactory. The regional DHBs had been kept informed on the level of work being undertaken for them.

While ADHB was 10% of the DHB sector it contained 20 % of the workforce so there was cost pressures through IDFs as a flow on from MECA. The Board sought to raise the top five issues with the new Minister through a letter and seeking an opportunity to meet him at the first opportunity. Issues included MECA, centralising assets, structural deficiencies and IDF pricing.

The MoH were endeavouring to focus on ADHB issues and work with ADHB to resolve them. The credibility of ADHB was improved. Focuses at present were the car park and demolition with the City Council, working on the budget process for 2008/2009 with the budget process in the New Year to be more inclusive, celebrating Pacific with the launch of the Health Village Action Zone and VRE management.

Regionally the CEOs would meet for half a day on strategy on how to run the region and the way forward, what to undertake nationally and what to undertake regionally. Counties Manukau were seeking approval of their Stage 3 development which involved understanding the assumptions behind the plan such as their expanding secondary services or undertaking services that ADHB supplies. There is an underlying principle of only one tertiary provider in the region.

A workforce strategy was being developed for consideration by the Senior Management Team which would be part of the planning bringing together the Planning and Funding population approach to services through service reviews and planning and its workforce implications. At the governance level policy and processes were being reviewed as was the finalisation of the professional governance of the organisation.

## **10 FINANCIAL REPORT – SEPTEMBER 2007**

The CFO advised that it had been a good month with record production although October would be down. There had been over provision of services to Counties Manukau and Waitemata but they were being kept informed. Ongoing concerns were wage settlements and there would be a reassessment of accruals in October which may produce a deficit. Compared with the first quarter of last year ADHB was \$6m ahead.

The transport project was getting underway and more clinical input was being sought on travel issues for both patients and staff. A working party meeting had been held with Auckland City Council on the car park with more cooperation although the Council was still seeking to relocate the car park on the Grafton site. Extension of the Helipad car



park was seeking prices. The links into the EMA, who were doing regional work on transport and travel and access across the region, was useful.

Long term engineering solutions were being sought for the sterile supply department hot water leak and there would be a meeting with Meridian Energy on the co-generation contract.

There had been correspondence with the Ministry of Health on the Audit Committee's view on revaluation of assets and with electives, the MoH was being asked to allow transfer of orthopaedic incentive money to other orthopaedic areas. It was suggested that ADHB's role in civil defence be updated to the new Board.

**11. GENERAL BUSINESS**

There were no items of general business

**12. NEXT MEETING**

The meeting closed at 2:34 pm

The next scheduled meeting is  
1:30pm, Thursday 6 December 2007  
Marion Davis Library  
Building 43  
Auckland City Hospital  
Grafton

**CONFIRMED**

**CHAIR:** .....

**DATE:** .....