

<b>MEETING DETAILS</b>													
Time and Date	2:00 pm, Wednesday, 2 December 2009												
Venue	A+ Trust Room Clinical Education Centre, Level 5, Auckland City Hospital Grafton.												
<b>1</b>	<p><b>KARAKIA</b></p> <p>The Chair declared the meeting open at 2:00pm and Rob Cooper led the meeting with the karakia.</p>												
<b>2</b>	<p><b>ATTENDANCE AND APOLOGIES</b></p> <p><b>Board Members</b></p> <table border="0"> <tr> <td>Pat Snedden (Chair)</td> <td>Jo Agnew</td> </tr> <tr> <td>Susan Buckland</td> <td>Harry Burkhardt</td> </tr> <tr> <td>Dr Chris Chambers</td> <td>Rob Cooper</td> </tr> <tr> <td>Dr Brian Fergus</td> <td>Dr Ian Scott</td> </tr> <tr> <td>Rt Hon Bob Tizard</td> <td>Seiuli Dr Juliet Walker</td> </tr> <tr> <td>Ian Ward</td> <td></td> </tr> </table> <p><b>Management in Attendance</b></p> <p>Garry Smith – Chief Executive  Dr Denis Jury – Chief Planning and Funding Officer  Dr David Sage – Chief Medical Officer  Johan Vendrig – Chief Information Officer  Brent Wiseman - Chief Financial Officer  Greg Balla - Director Performance and Innovation  Ngairé Buchanan – General Manager Operations  Taima Campbell - Executive Director Nursing  Chris Morgan – Manager, Materials Management  Janice Mueller - Director Allied Health  Vivian Rawlings – General Manager Human Resources  Ian Bell - Board Administrator</p>	Pat Snedden (Chair)	Jo Agnew	Susan Buckland	Harry Burkhardt	Dr Chris Chambers	Rob Cooper	Dr Brian Fergus	Dr Ian Scott	Rt Hon Bob Tizard	Seiuli Dr Juliet Walker	Ian Ward	
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<b>6</b>	<p><b>PRESENTATION</b></p> <p><b>Service and Food Workers Union</b></p> <p>The SFWU were part of the Health Sector Relationship group. Len Richards, organiser and three delegates presented to the Board advising that they covered 150 plus workers at ADHB seeking a renewal of the employment contract which expired in June 2009. They were all low paid workers being cooks, cleaners and orderlies with the starting rate of \$14.62 well below the average wage of \$23.00. They sought support for a fair pay rise.</p> <p>It was noted that Pat Snedden and Garry Smith were on the Health Sector Relationship group.</p> <p>The Chair thanked the delegates for their presentation.</p>												

<b>3</b>	<b>CONFLICTS OF INTEREST</b>
	There were no notifications of conflicts of interest for any item on the agenda.
<b>4</b>	<b>CONFIRMATION OF MINUTES 4 NOVEMBER 2009</b>
	<p><u>Moved Brian Fergus; seconded Harry Burkhardt.</u></p> <p><i>That the minutes of the Auckland District Health Board meeting held on 4 November 2009 be confirmed as a true and correct record.</i></p> <p><u>Carried.</u></p>
<b>5</b>	<b>ACTION POINTS 4 NOVEMBER 2009</b>
	There were no actions points.
<b>7</b>	<b>CHAIRMAN'S REPORT</b>
	The Chairman advised that he had spent considerable time on the Community Laboratory contracts.
<b>8</b>	<b>CHIEF EXECUTIVE'S SUMMARY</b>
	<p>There had been three successful EOI bids in the Auckland region being the Maori Coalition, Pacific Island and Auckland Regional PHOs who were now working on business cases which would be discussed at the CPHAC on 27 January 2010. While the Pacific was a small group it was innovative and is supported by Planning and Funding and they have requested a meeting which is committed to. Some confusion over their EOI had been resolved. How the three groups interact would be important and the three DHB Planning and Funding were working together and had suggested Pacific Island and Maori needed to be part of the bigger Regional PHO grouping.</p> <p>The review of contracts would be updated to the CPHAC and contracts expiring had been extended six months while the process was undertaken. The focus was on all non provider contracts over all services and letters had been issued.</p> <p>The Board was aware of the work needed on the DAP 2010/2011 with the draft delivered in March to be final. The financial envelope was expected close to Christmas but work was progressing based on a zero increase but demographic growth which was a projection from the last census.</p> <p>There was a grand round on H1N1 pandemic influenza to be held on Thursday 17 December 2009.</p> <p>Celebration Week had been held and the CE thanked Board members for their support. The week had had a quality focus. The health targets had been published and there was a plan of activity to maintain and improve to those targets. The quality improvements projects were gaining momentum and starting to have an effect in the organisation. These were exciting projects.</p> <p>With cost pressures there was a focus on keeping on track for this year and next year.</p> <p>There had been a visit from the National Party Members of the Health Select Committee with Brian Fergus in attendance covering the organisations activities with a specific interest in Women's Health and a visit to Level 9.</p> <p>The Minister had addressed the national CEOs the previous Monday, topics being challenging finances, clinical engagement, primary care EOI, hospital productivity with DAPs not showing improvement to be unacceptable and national/regional focus with the National Health Board being announced.</p> <p>The sentinel events report had been published but had not created an adverse reaction. The MOU on homeless has been signed the previous week. There were a couple of Christmas events planned for Auckland and Greenlane with encouragement to bring gifts for the City Mission.</p>

	<p>These will be held in the next week. The Board asked for a presentation by the City Mission in the new year.</p> <p>The CE in January would consider the strategy for the year including National Health Board, regional, change in legislation and where to position ADHB. With the industrial strategy there were national MECA involving the 21 DHBs and there was a working group on each MECA supported through a CEO representative from each region. The Chair CEO group were bringing an overarching strategy which had been discussed with the Minister and Cabinet.</p> <p>The MoH targets included the ED length of stay which required an organisational response as there was huge pressure on the team. ADHBs journey may take two years to get to a sustainable position and there was a work stream on demand management. There had been a presentation to HAC with eight areas of focus. A pilot of having all discharges by 11:00am had been successful but this need to be replicated over 50 wards. There was also a rapid round process. The focus was on the patient journey including the primary care, secondary care interface and placing structures around that. The CMO is to present on his sabbatical.</p> <p>Immunisation relied on communication, trust and awareness with information from GPs, schools and other sectors being most effective. It had been raised with the Social Sector Group.</p> <p>Smokers offered advice was having processes put in place with a “Elephant in the room” presentation the previous month.</p> <p><u>Moved Pat Snedden; seconded Susan Buckland</u></p> <p><i>That the Chief Executive’s report be noted.</i></p> <p><u>Carried</u></p>
<p><b>9.1</b></p>	<p><b>Committee Recommendations</b></p>
	<p><b>Community and Public Health Advisory Committee</b></p> <p>The Committee had supported funding of the Sexual Abuse Group and were seeking intersectional funding including from the Family Violence Council. ADHB funding was ongoing although ACC’s ceases at the end of January. ADHB was funding at a higher rate than other DHBs. The next CPHAC would be held on 27 January 2010 with business related to EOI and the DAP.</p> <p><b>Maori Health Advisory Committee</b></p> <p>A decision had been made to support the principle of Maori provider development to be applied to the Orakei provider. The Committee also sought that resources applied to Maori be protected in the prioritisation process as disparity issues would not be going away. The Committee sought to do more with Waitemata with a view to creating one governance committee. While Counties Manukau had a population of its own they would be encouraged into a regional structure.</p> <p><b>Pacific Health Advisory Committee</b></p> <p>The Committee’s responsibilities were to be discussed under the Terms of Reference. It had received a history of HVAZ which had grown from 10 to 41 churches with all PHOs involved with an evaluation process of how successful it was. The School of Population Health evaluation had used a social network analysis to assess connectiveness within the framework with a suggestion that if crucial hubs were removed the network may collapse. The Committee had been advised of the Tamaki Transformation initiative concerning workforce. The protection of Pacific in the prioritisation process was comparable with that of Maori to achieve equity. The Pacific Health teams’ ability to deliver Pacific Best Practice Guidelines had been compromised due to capacity.</p> <p><b>Disability Support Advisory Committee</b></p> <p>The Committee was progressing the environmental audit and had received a review of the aged sector which had been very positive. They had been informed on the aged residential care environment and would be meeting on 18 February 2010.</p>
	<p><b>Hospital Advisory Committee</b></p>

The Committee considered that there was a need to disturb the systems to get change. They had received an End of Life Care presentation which they complimented on which was aimed at getting conversations in a positive way.

The Chair thanked the General Managers for running the hospital and commented that the Board was fortunate in having such good management.

**Quality, Risk and Audit**

The Committee had received a presentation from Barry Snow on the Concord improvement project which was about the Right Amount of Care. While it had started in a small way it was ongoing and would have consequences and a change in culture. The quality of meetings had improved with a focus on the whole organisation which may be enhanced by adding benchmarks to indicators to focus on what ADHB wanted to achieve. The Committee is starting to look at substantive issues.

**10.2 DAP Projects Report**

There were no issues to note.

**11.1 Finance Committee Recommendations**

**Paediatric High Dependency Unit**

This was converting a room by moving out equipment to put in six beds adjacent to PICU which would be operated within existing resources.

Moved Harry Burkhardt; seconded Susan Buckland

*That the Auckland District Health Board approves Starship commissioning a 6 bed Paediatric High Dependency Unit collocated with the PICU environment for a total of \$662,000 noting that, of this Starship Foundation would be funding equipment of \$472,000, and ADHB the building works of \$190,000.*

Carried

**Handyman, Plumbing and Electrical Maintenance Contracts**

These had been to the market and in each case there had been a change of provider and cost savings. The contracts were 2x2x2x2 and are all non exclusive but did offer the ability to create long term relationships.

Moved Harry Burkhardt; seconded Ian Scott

*That the Auckland District Health Board approves the handyman, plumbing, and electrical maintenance contracts detailed below;*

<i>Trade</i>	<i>Recommended Supplier</i>	<i>Estimated Annual Cost</i>	<i>Total Cost over 8 Years *</i>
<i>Handyman</i>	<i>Ask Metro Ltd</i>	<i>\$1,560,000 pa</i>	<i>\$12,480,000</i>
<i>Plumbing</i>	<i>Wiltek Maintenance Ltd</i>	<i>\$360,000 pa</i>	<i>\$2,880,000</i>
<i>Electrical</i>	<i>Allendale Electrical Ltd</i>	<i>\$900,000 pa</i>	<i>\$7,200,000</i>

*And that the CEO be delegated authority to execute the contracts.*

Carried

### **IMTS Contracts 2009**

The first two recommendations were renewals and the third an extension. It was intended to go to the market on the telecommunication contracts in the next year and may use one.govt.

Moved Harry Burkhardt; seconded Rob Cooper

*That the Auckland District Health Board approves the renewal of the following telecommunications and IT Hardware contracts to 31 December 2010.*

<b>Contract</b>	<b>Covers</b>	<b>Renewal Term</b>	<b>Estimated Value of Extended Term</b>
<i>Telecom NZ Ltd</i>	<i>Telecommunications, Computer hardware and services</i>	<i>1 January 2010 to 31 December 2010</i>	<i>\$3.0M</i>
<i>Vodafone NZ Ltd</i>	<i>Telecommunications – mobile and data - internet</i>	<i>1 January 2010 to 31 December 2010</i>	<i>\$1.7M</i>
<i>Hewlett Packard Ltd</i>	<i>Desktop Hardware supply</i>	<i>1 January 2010 to 31 December 2010</i>	<i>\$1.3M</i>

Carried

### **New Chiller Auckland City Hospital**

This system kept the hospital air conditioned and there was a need for new capacity and mitigation of risk.

Moved Harry Burkhardt; seconded Brian Fergus

*That the Auckland District Health Board approves the expenditure of \$1.395m to purchase and install a new air conditioning chiller unit at Auckland City Hospital and approves the capex of \$525,125 to purchase the chiller as stage one of the project.*

Carried

### **Crown Health Financing Agency**

ADHB had been paying down debt at \$10.5m per annum but in fact the \$21m for the last two years was held by the Crown Health Financing Agency. It can be viewed as a revolving credit facility however the Committee recommended the principle and discipline to pay down debt be supported. Provision for repayment could be by providing for amortisation.

Moved Harry Burkhardt; seconded Ian Ward

*That the Auckland District Health Board (ADHB), with the agreement of the Crown Health Financing Agency (CHFA), withdraws its earlier voluntary arrangement to make annual loan repayments of \$10.5 million per annum. Instead, the matter of loan repayments will be considered each year by ADHB as a part of its annual planning processes. The ADHB supports the principle and discipline of having a debt repayment programme and will, in its annual deliberations, have a priority of providing for debt amortisation.*

Carried

### **ISDA Agreement Commonwealth Bank of Australia**

Moved Harry Burkhardt; seconded Pat Snedden

*That the ADHB agrees to enter into an ISDA Master Agreement with Commonwealth Bank of Australia and authorises two Board members to sign that agreement.*

Carried

	<p><b>Pharmacy Agreements</b></p> <p>While the dispensing fee had remained the same there had been increases in volume with an impact of \$400k of which \$300k was in the Pharmacy Agreement.</p> <p><u>Moved Harry Burkhardt; seconded Chris Chambers</u></p> <p><i>That the Auckland District Health Board</i></p> <ul style="list-style-type: none"> <li>• <i>notes the renewal of Pharmacy contracts for a further 18 months and,</i></li> <li>• <i>agrees that the Chief Planning and Funding Officer be delegated to sign contracts with term value in excess of \$2.5m.</i></li> </ul> <p><u>Carried</u></p> <p><b>Negative Pledge Deed Amendment</b></p> <p><u>Moved Pat Snedden; seconded Harry Burkhardt</u></p> <p><i>That the ADHB agrees to amend the Negative Pledge Deed dated 8 September 2000 as amended and restated 13 April 2006 and authorises two Board members to sign that amendment.</i></p> <p><u>Carried</u></p>
11.2	<p><b>Finance Report</b></p>
	<p>Results were tracking close to budget but the underlying cost pressures remained of labour, outsourcing and Health of Older People. Year to date had been affected by one offs so there would be increased pressure over the last six months which included some timing issues with staff costs. Donations would be up due to the MRI contribution from Starship and summer planning would avoid as much as possible additional costs due to statutory days and had a number of other initiatives.</p> <p><u>Moved Pat Snedden; seconded Brian Fergus</u></p> <p><i>That the Finance Report for October 2009 be noted.</i></p> <p><u>Carried</u></p>
12.1	<p><b>Regional Information Strategy for 2010 - 2020</b></p>
	<p>Johan Vendrig presented on the Regional Information Strategy “Progressing and Transforming Health”. This had been worked on for a year and a half with the long term vision well supported as part 1, and part 2 on how it was to be implemented still evolving. There was a strong drive to single process, single systems. There were some cornerstone projects i.e. working with Procure in taking in an incremental approach. The vision was health information that works wherever the patient is, operating off the same source of data. There was also increased sharing of population health information which were improving views of populations’ health. Knowledge management was a big topic which was being struggled with, with previous under investment. While it was not easy to fix there were agreed guidelines and a direction.</p> <p>Workforce information was evolving to a single system, single process basis as was business information. With IT infrastructure and services healthAlliance had been operating for 4 years but had been very limited in getting integration of Waitemata and Counties Manukau systems with long timelines i.e. for the plan 18 groups had been consulted, which made it difficult to get more capital investment. A number of cornerstone projects would include safe medication management and shared care planning.</p> <p>The principle was it was patient centred however there had been engagement with Maori Health and DHBs recognising the whanau. It was suggested that the new policy “whanau ora” needed to be included which were dealing with collectives rather than individuals. It was expected that the Strategy would be a living document as the sector evolved.</p> <p>The Board supported endorsement of the Strategy acknowledging Johan Vendrig’s leadership.</p>

	<p><u>Moved Pat Snedden; seconded Chris Chambers</u></p> <p><i>That the ADHB Board endorses the Regional Information Strategy 2010 to 2020.</i></p> <p><u>Carried</u></p>
<b>13</b>	<b>GENERAL BUSINESS</b>
	<p><b>SFWU Presentation</b></p> <p>The Health Sector Relationship Group had been advised that there would not be much money but it could be concentrated at the low end of the market. Most low paid workers did get incremental movements and within the Relationship Group there may be a suggestion of a lump sum rather than a percentage. The Group was very conscious of the issues.</p> <p><b>Financial Reporting</b></p> <p>The Board requested that the financial reports for November and key issues be distributed as an interim report.</p>
	<b>NEXT MEETING</b>
	<p>The meeting closed at 4:30pm</p> <p>The next scheduled meeting is :  2:00pm, Wednesday, 3 February 2010  A+ Trust Room,  Clinical Education Centre,  Level 5, Auckland City Hospital,  Grafton.</p>
<b>CONFIRMED</b>	
<b>CHAIR:</b>	<b>DATE:</b>