

Minutes of the Meeting of the Members of the  
Counties Manukau District Health Board  
Held in the Board Room, Counties Manukau District Health Board,  
19 Lambie Drive, Manukau  
On Tuesday 9<sup>th</sup> July 2002 at 1.00pm

- Present: Mr Ross Keenan (Chair), Mr Donald Barker, Mr Paul Cressey,  
Mr Alan Johnson, Ms Maxine Moana-Tuwhangai, Dr Charles Small, Mr  
Lindsay Smith, Ms Airini Tukerangi, Dr Juliet Walker
- In attendance: Mr Stephen McKernan, Mr Ron Pearson, Prof. Peter Smith, Mr Alistair  
Burry (Secretary), Ms Elisabeth Harding
- Apologies: Mr Brent Morrissey, Mr Robert Wichman, Mr Chris Mules, Mr Brian  
Rousseau
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## 1. Welcome

The Chair, Mr Ross Keenan, welcomed new Board member, Ms Airini Tukerangi, Prof. Peter Smith, Dean of the University of Auckland School of Medicine and one member of the public to the meeting and noted that there was no media representative. Mr Keenan also welcomed Ms Elisabeth Harding, Manager External Commercial Relationships, who will be taking over the secretarial duties from the current Board Secretary.

## 2. Apologies

Apologies were received from Mr Brent Morrissey, Mr Bob Wichman, Mr Chris Mules and Mr Brian Rousseau.

## 3. Ratification of Previous Minutes

The minutes of the previous Board meeting held on Tuesday 11<sup>th</sup> June 2002, having been circulated, were taken as read and confirmed.

**This recommendation was moved by Dr Small, seconded by Dr Walker and approved by Board members.**

## 4. Matters Arising

### 6.2 a) Neonatal Unit – SAH Foundation Appeal

The South Auckland Health Foundation is reviewing the public appeal for funds for the Neonatal unit, which although successful did not achieve the anticipated level.

#### 11.1 a) Parking at Middlemore

Ministerial approval of the agreement with the parking service operator had been received on July 3<sup>rd</sup>. The Board authorised Mr Smith, as Chair of the Hospital Advisory Committee, to sign the agreement on behalf of the Board.

## **PHO Agreement Signing**

Management were reminded that for an event such as the signing of the agreement with the new Maori PHO, all Board and Committee members should be invited, with adequate notice given.

## **5. Procedural Issues**

### **5.1 Disclosure of Interest**

Ms Tukerangi is completing the Disclosure of Interests form. The Register of Conflict of Interest was made available for review at the Board meeting. There were no additional declarations of Conflicts of Interest relative to the agenda.

### **5.2 Deputations – Counties Manukau Whanui Trust**

The Board received a deputation from the Counties Manukau Whanui Trust led by Mr John Tamihere MP, Mr Mike Tolich (Executive Officer) and Ms Anne Candy (Chairperson, and Deputy Mayor of Manukau City). The Trust representatives were joined by Manawhenua representatives led by Ms Nganeko Minhinnick and Mr Eru Thompson. In total there were approximately 15 people in the deputation.

After opening prayers and greetings in Maori from both groups, Mr Tamihere advised that Maori were concerned over the poor state of Maori health in the Counties Manukau district. That was one reason behind the formation of the Counties-Manukau Whanui Trust, which was incorporated in February 2002 “for education, welfare, sporting, health and recreational purposes and integrated for the benefit of the people and communities of Counties-Manukau.”

Mr Tamihere proposed that:

- The CMDHB Board appoint a senior manager to resolve engagement with Maori.
- Maori engage with that senior manager.

Mr Tamihere also commented that the new Maori PHO should not be regarded as a pilot as further PHOs will arise.

Ms Anne Candy advised that the Trust will work with Manawhenua to seek to improve the health outcomes for all Maori in the district.

Mr Eru Thompson commented that there needs to be accountability back to Maori on progress on improving Maori health.

Mr Tolich gave the Board Secretary a copy of the Deed of Trust for the Counties-Manukau Whanui Trust. This is to be copied to all Board members.

## **6. Chief Executive’s Monthly Report (Part A)**

### **6.1 Key Issues**

The CEO, Mr McKernan updated the Board on the following matters:

#### **a) Shared Services**

The amalgamation of the Finance departments at Counties Manukau and Waitemata DHBs was announced the previous week. There will be some reduction in staff numbers. The new combined team will be located at Waitemata premises at Takapuna over the next few months.

Good gains continue to be achieved on procurement. However, the amalgamation of IS systems and staff is a major exercise. Overall the shared services initiatives are progressing well, although the financial gains are not as big in the first year as originally expected, due to one-off costs.

**b) Communications Policy**

Mr McKernan spoke to his update paper, noting that it was now appropriate to review the original policy document prepared during the establishment phase for the DHB. Under Identity, a move towards greater use of the Counties Manukau DHB name is proposed, reducing the use of “South Auckland Health”. The Board supported the increasing use of “Counties Manukau”.

The proposed Organisational Messages were considered by the Board. Mr Johnson suggested that good health and healthy lifestyles should also be promoted.

**c) Population Based Funding**

The paper from Dr Gary Jackson dated 4 July 2002 “Population Based Funding Update” was noted by the Board. Indication is awaited from the Ministry on the formula to be applied and confirmation of the implementation date. It is understood that further progress has been put on hold by the Government until after the election.

**6.2 Chief Operating Officer’s Report**

Mr McKernan updated the meeting on current South Auckland Health issues, on behalf of Mr Rousseau:

**a) AMC Stage 2**

Construction remains on track (and budget) for the operational opening on about August 30.

**b) Proposed Car Parking and Retail Developments**

Ministerial support has been received for these projects in a letter dated 3 July 2002.

**6.3 Planning & Funding**

In the absence of the General Manager Planning & Funding, Mr Chris Mules, Mr McKernan updated the Board on the following matter:

**a) PHO Development**

The Maori PHO was launched the previous week and both the Maori and Pacific PHOs are now operational, in accordance with the timetable.

Mr Pearson confirmed that PHO operational expenditure is fully funded by the Ministry, so there is no financial exposure for CMDHB.

**6.4 Performance**

**a) Financial**

The Net Deficit for May 2002 at \$2.7m before Capital Revenue, was \$469k worse than Budget with continuing demand driven cost overruns particularly in Mental Health due to the unfunded operation of 5 additional acute beds and additional respite care. The Year to Date unfavourable variance to budget is \$1.34m.

For the year to June 2002, the forecast Net Deficit before Capital Revenue has been increased slightly to \$18.9m., \$0.6m more than Budget. The deficit before the surplus on property sales is forecast at \$28.0m.

Mr Pearson noted that the Capital Charge payment was continuing to be withheld from the Ministry pending resolution/payment of overdue MOH payments. A recent meeting with the banks had confirmed that, while they were concerned with the breaches of the ratio covenants, they did not plan any action at present, pending the outcome of the current negotiations with the Ministry over the Budget for 2002/03 and additional funding support.

#### **b) Revaluation of Fixed Assets**

The Board reviewed the paper on the proposed revaluation of land and buildings as at 30 June 2002 following a valuation by Telfer Young.

**The Board resolved (moved Mr Johnson / seconded Mr Keenan) to accept the valuation completed by Telfer Young in compliance with FRS-3 Accounting for Property, Plant and Equipment, which will result in an upward revaluation of assets over book value by approximately \$51.508m., subject to the Board not accepting an increase in the Capital Charge as a result of this book entry.**

### **6.5 Integrated Care**

The Integrated Care Strategic Initiative Report was reviewed. The Board noted with pleasure that 1,174 patients had been managed in the community without admission to hospital in the period 26 February 2001 to 30 June 2002, under the Primary Options for Acute Care programme.

While the Board appreciated the reports, in some cases (e.g. Breast Feeding), the Board requested that in future comparative data be supplied, so that the results achieved could more easily identify the positive progress being achieved.

Under the Primary Care Extension – South Seas programme, Dr Walker noted her interest and requested that the funding issue be referred to CPHAC.

Mr Cressey advised that a showcase will be presented to the Board on these projects in due course.

### **6.6 Information Services**

The IS Strategic Update was noted.

## **7. Board Committee Reports**

### **7.1 Community & Public Health Advisory Committee**

Mr Cressey tabled his report on the meeting held on 25<sup>th</sup> June 2002.

### **7.2 Hospital Advisory Committee**

Mr Smith spoke to his report on the meeting held on 3<sup>rd</sup> July 2002. The cost efficiencies being achieved are to be reported back to the Board via HAC.

Mr Chris Fleming is to replace Mr Meng Cheong as General Manager Surgical Services.

### **7.3 Disability Support Advisory Committee**

In the absence of the Chair, Mr Morrissey, comments were made by other Board members on the DiSAC Committee. There is valuable input coming from the new non-Board members. Good progress is being achieved given the uncertainty over the current role of the Committee, with no funding or responsibility yet.

### **7.4 Maori Health Advisory Committee**

Ms Moana-Tuwhangai advised that the Terms of Reference for the Committee approved at the last Board meeting had been adopted as establishment TOR.

**The Board resolved (moved Ms Moana-Tuwhangai / seconded Mr Johnson) that Ms Airini Tukerangi be a member of the Maori Health Advisory Committee.**

The three Board appointees to the Committee had met to discuss how to fully establish the Committee.

### **7.5 Pacific Health Advisory Committee**

Dr Walker spoke to her report on the meeting held on 27<sup>th</sup> June 2002. A Pacific Mental Health Advisory Sub-Committee is to be established.

## **8. Capital Expenditure**

There were no Capital Expenditure items for approval.

## **10. NDSA Overview**

Mr William Ranger, General Manager of the Northern District Health Board Support Agency, gave a presentation outlining the role, structure, funding and projects being undertaken by NDSA. Mr Ranger tabled the Business Plan for 2002/03 and Recommendations and Executive Summary from a review of NDSA prepared in April 2002.

The shareholders of NDSA are the three Auckland region DHBs. Services are provided to these DHBs and to Northland DHB. There are 19 staff (18 FTEs) split into three teams – Mental Health, Personal Health and Regional Decision Support. The budget for 2002/03 is \$1.8m, reduced from \$1.9m in 2001/02.

## **12. General Business**

### **12.1 Achievement Register**

Items noted from this month were:

- Approval for National Major Burns Centre at Middlemore.
- Completion of the sale of property assets programme.
- Launch of two Primary Healthcare Organisations.
- Involvement with the nationwide Meningococcal B Immunisation Project.
- Prevention of 1,100 hospital admissions through the Primary Options for Acute Care project

### **12.2 Change of Board Secretary**

The Chair noted that this was the last Board meeting that Mr Burry would attend as Board Secretary as Ms Harding would now assume that role. Mr Keenan thanked Mr Burry for his assistance to the Board over the last year.

### **13. Next Meeting**

The next Board meeting will be held on Tuesday 13<sup>th</sup> August 2002 at 19 Lambie Drive, Manukau City. The confidential section of the meeting will commence at 10.00 am with the public meeting to start at 1.00 pm. Mr Keenan tendered his apologies for the meeting.

There being no further business the meeting concluded at 3.58 pm.

Signed as a true and correct record on the ..... day of ..... 2002.

Acting Chair: .....

Paul Cressey

Recommendation (moved Dr Juliet Walker / seconded Dr Charles Small)

That the minutes of the meeting of Counties Manukau District Health Board of 9<sup>th</sup> July 2002 be approved.