

Minutes of the meeting of the  
**Health Service Executive Board**  
on  
**6<sup>th</sup> December, 2007**

**Members present:** L. Downey (Chair), D. de Buitelir, B. Drumm, (CEO), PJ. Fitzpatrick, M. Gaffney, M. McLoone, M. Murphy, E. McCague, A. Scott, N. Brennan, J. Murray and J. Macri\* (participated by teleconference).

**Apologies:** None.

**Attendees:** T. Martin, L. McGuinness, J. O'Brien and D. Purcell (Board Secretary).

**Joined the meeting:** L. Woods, M. Mc Donald, S. Bresnan, J. Breslin, B. Gloster, S. Mulvany, M. Culliton, L. Stronge and P. Smyth

**Time & Location:** HSE – Employers Agency Building, Adelaide Road at 8a.m.

The items are presented in the order in which they were discussed at the meeting.

Item	Discussion / Comments	Action
1	<b>Minutes of previous meeting</b>	
	The minutes of the meetings held on 1 <sup>st</sup> November, 2007, 15 <sup>th</sup> November, 2007 and 27 <sup>th</sup> November, 2007 were agreed.	
2	<b>Matters arising from minutes</b>	
	The action points from the previous meetings were reviewed and noted.  D. de Buitelir requested that the efficiency review of administration in the public sector, as proposed in the National Budget 2008, would be considered at the February, 2008 Board meeting.	<b>Secretary/M. Mc Donald/L. Woods</b>
3	<b>CEO's Report</b>	
	The CEO spoke to his monthly report which had been circulated prior to the meeting. He also circulated an addendum to the report providing an update on negotiations with the Irish Pharmaceutical Union on the introduction of the revised reimbursement price. The main items discussed were the consultant contract negotiations, the HIQA hospital hygiene review and the organisational issues being progressed by management to support the integrated care model. The Board requested that the latter issue would be put on the agenda for the January, 2008 Board meeting.  Following the discussion the Board noted the CEO's Report.  The Chairman then provided a report from the special Board committee established to progress the Minister's request for a review of the management of certain events at the Midland Regional Hospital, Portlaoise. He informed the meeting that terms of reference for the review had been agreed and that John Fitzgerald, former Dublin City Manager, had been engaged to assist the Board to conduct the review.	<b>Secretary/CEO</b>
4	<b>Performance Monitoring Report (PMR) October 2007</b>	
	L. Woods and M. McDonald joined the meeting for consideration of this item.  L. Woods presented the key performance summary report from the PMR and outlined, at a national level, progress against planned activity and the financial and HR data for October, 2007. He also referred to the inclusion in the PMR of new monthly performance data on parliamentary questions.	

	<p><b>HR Report</b> M. McDonald presented the employment figures to the end of September 2007 as set out in the PMR. He informed the Board that the Department of Health and Children has agreed that the full inclusion of student nurses and the impact of maternity leave entitlements should be recognised in reported employment levels. He confirmed that employment levels are expected to be within the approved employment ceiling at a national level by year end.</p> <p>He advised that employment levels had been reduced by over 1,000 posts since the recruitment pause had been implemented as part of the HSE break-even plan. Taking 1,000 posts out of the system would equate with an annual financial saving of €55m.</p> <p><b>Finance Report</b> L. Woods reported to the Board on the financial situation to October 2007 as set out in the PMR. He advised that there had been a sustained reduction in pay costs in September/October which is now contributing €18m savings per month as part of the overall breakeven plan. However, based on current expenditure levels, without access to savings/under-spending in a number of subheads, the HSE will not achieve financial breakeven by year end. Discussions are ongoing with the Departments of Health and Children and Finance on how to address this matter, including the need for a technical supplementary estimate to allow an internal transfer of monies between subheads.</p> <p>Following the discussion on the HR and finance data the Board noted that demand for services continued to exceed the planned activity levels set in the Service Plan and showed substantial growth compared to the same time last year. The Board requested management to ensure that the employment ceilings and budgets for 2008 are allocated and notified to all budget holders, including to local health office and individual hospital levels immediately, so that budget holders can actively manage their budgets from the start of 2008 to ensure they remain within budget to year end.</p> <p>The Board also requested that the outcome of the review of the demand led schemes, expected to be completed by the end of February 2008, would be put on agenda for the March 2008 meeting.</p> <p>L. Woods also provided a progress report on the HSE banking tender process. D. de Buitléir and N. Brennan left the meeting for the discussion of this matter. The Board noted that, when the tender process for a new banking contract has been completed, this matter will be brought back to the Board for approval.</p>	<p>L. Woods</p> <p>L. Woods</p>
<b>8</b>	<b>Progress report on the shared services implementation programme</b>	
	<p>S. Bresnan joined the meeting for the consideration of this item.</p> <p>L. Woods provided a summary update on the shared services programme particularly on the governance structures agreed and in place to implement shared services through the individual directorates - HR, finance and procurement.</p> <p>S. Bresnan then made a presentation to the Board on the three elements of the shared services work - HR, Finance and Procurement and outlined the work activity that is ongoing in each of the directorates and the cross directorate activity.</p> <p>The Board noted that the shared services programme now forms part of the overall transformation programme in each directorate and the initiatives that are being undertaken and progressed at individual directorate level. However, management expressed concern at the extent to which the absence of appropriate unified systems could limit progression of the shared services programme. The Board requested that a further progress report</p>	<p>L. Woods</p>

	would be provided at the April 2008 meeting.	
<b>6</b>	<b>Report on Consumer Complaints in the HSE - Part 9 of the Health Act 2004</b>	
	<p>M. Culliton joined the meeting for consideration of this item. She presented a progress report to the Board on the implementation of the HSE policy and procedures on complaints handling in the health service for the first six months of 2007. The report provided statistics on the number and type of complaints reported by PCCC and NHO but noted there is work ongoing to improve the collection of complaints data.</p> <p>Following a discussion the Board welcomed the ongoing monitoring, evaluation and audit of the quality of responses to complaints. It noted that an audit of the complaints process had been completed in November 2007 and the recommendations for improvements are currently being put in place. The Board requested that a further report be provided at the April 2008 Board meeting.</p>	T. Martin/ M. Culliton
<b>7</b>	<b>Child Care Services – Pre School Inspections</b>	
	<p>J. Breslin and B. Gloster joined the meeting for the discussion of this item and spoke to the report on the implementation of both the Pre School Services Regulations 2006 and the new nationwide standardised inspection process which had been circulated prior to the meeting.</p> <p>The Board welcomed the report and provided feedback on the quality standards in the inspection process and the development of a risk-based inspection system rather than a standard annual inspection process. The Board also noted that HIQA had been consulted on the work to develop the standardised inspection processes as the responsibility for the regulation of services for children will be taken over by HIQA in the medium term.</p>	
<b>5</b>	<b>Transformation Programme –North East project</b>	
	<p>S. Mulvany joined the meeting for the consideration of this item.</p> <p>The CEO introduced this item, highlighting that the North East project is a blueprint for the overall HSE transformation programme on service reorganisation. Learning from this project would inform the implementation of similar projects across the rest of the health service.</p> <p>S. Mulvany made a presentation on the project with specific reference to the detailed planning phase which commenced on the 1<sup>st</sup> October, 2007. He outlined the improvements already being made to existing services, the deliverables targeted for 2008 which will conclude the detailed planning phase and the targets set for the programme to mid 2009.</p> <p>The Board noted the integration work which was being undertaken on the project and welcomed the involvement of clinicians in the planning and design phase of the project. It also noted that a report on the project had been presented to the Cabinet Sub Committee on Health and that a change management / partnership process was underway with initial North East Transformation briefing sessions scheduled at Health Service National Partnership Forum, and regional and local levels.</p>	
<b>10</b>	<b>Reports from Committees of the Board</b>	
	<p><b>Report from the Audit Committee</b></p> <p>The Chairperson of the Audit Committee N. Brennan reported on the issues discussed at the committee meeting held on 22<sup>nd</sup> November, 2007. She mentioned in particular the progress reports provided to the committee on the Value for Money strategy; the implementation of the recommendations in the National Treasury Management Agency report including the closure programme for non core bank accounts; the amalgamation of subsidiary</p>	

	<p>companies into the HSE; the capital budget profiling for 2008 and the report from the National Director of Internal Audit on internal audit activity for the July-August 2007 period.</p> <p><b>Risk Committee Meeting</b> The Chairperson of the Risk Committee A. Scott reported on the issues discussed at the committee meeting held on 5<sup>th</sup> December, 2007. She mentioned in particular the committee's concerns that implementation plans for the management of the corporate key risks identified and approved by the Board had not been provided. The Committee had requested management to ensure that the implementation plans would be circulated to both the members of the committee and the Board members by the 21<sup>st</sup> December, 2007. She also reported to the Board on the work that was ongoing on the development of a serious untoward incident policy for the management of risk.</p> <p><b>Report from the Remuneration Committee</b> The Chairperson of the Remuneration Committee, D. de Buitleur, reported on the issues discussed at the committee meeting held on 1<sup>st</sup> November, 2007. He mentioned in particular the reports provided to the committee on organisational issues and succession planning. The report of the Review Body on Higher Remuneration in the Public Sector (Report No. 42) was also noted by the committee.</p> <p>The reports from the Committees were noted.</p>	T. Martin
9.	<b>Progress Report on Procurement Strategy Implementation</b>	
	<p>L. Stronge and P. Smyth joined the meeting for the discussion of this item. They made a presentation on the progress being achieved in the implementation of the new operating model for procurement and the benefits that have been achieved. They mentioned in particular that all former Health Board structures have been formally stood down and all staff re-appointed to the new structure. Contracts to the value of €428 million have been awarded by the HSE since its establishment and the target for procurement is that 100% of non pay expenditure would be done on contract basis with significant savings over a five year time period being anticipated.</p> <p>L Stronge also presented the logistics and inventory management operations in both Limerick and Sligo bases.</p> <p>The Board noted the progress report and welcomed the efficiencies being achieved from the implementation of the new procurement operating model.</p>	

The meeting concluded at 2.45p.m.

Signed:

Date:

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Liam Downey  
Chairman

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