

Minutes of the meeting of the

Health Service Executive Board

on

30th March, 2009

Members present: L. Downey (Chairman), N. Brennan, D. de Buitleur, B. Drumm, (CEO), P. Farrell, P.J. Fitzpatrick, M. Gaffney, E. McCague*, J. Mooney, A. Scott and W. O Reilly. (*participated by teleconference for part of the meeting)

Apologies: None

Attendees: D. Purcell (Board Secretary).

Joined the meeting: S. McGrath, L. McGuinness, A. Doherty, J. Carolan and L. Woods.

Time & Location: HSE – Employers Agency Building, Adelaide Road at 4 pm

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

Item	Discussion / Comments	Action
1.	Annual Financial Statements 2008	
	<p>Liam Woods joined the meeting for the discussion of this item.</p> <p>The Chairman advised members that in accordance with the Health Act 2004 there was a statutory requirement to adopt the 2008 Annual Financial Statements (AFS) on or before the 1st of April 2009. He asked N. Brennan Chairman of the Audit Committee to introduce this item.</p> <p>N. Brennan reported to the meeting that the Audit Committee had considered the 2008 AFS in draft format at its meetings on Friday 6th March 2009 and Wednesday, 25th March, 2009. The Committee had also considered related documents including the report by the Comptroller and Auditor General on the audit; the draft statement of Board members' responsibilities; the statement on the system of internal financial control and the letter of representation. During consideration of the accounts, the Audit Committee had suggested some changes in presentation which would not change the outcome for the year.</p> <p>Officials from the Office of the Comptroller and Auditor General had attended the Audit committee meeting on 25th March 2009 and had confirmed there were no significant issues outstanding on the accounts.</p> <p>L. Woods presented the detailed accounts and confirmed that the changes suggested by the Audit Committee had been incorporated into the accounts. He also confirmed that the management report on the 2008 review of the internal financial controls had been finalised and would be circulated to the Audit committee for consideration at its meeting on 24th April 2009.</p> <p>The accounts were reviewed by the Board and some further suggestions/inputs provided for inclusion in the final accounts. Following the review, the Annual Financial Statements in respect of the year ending 31st December, 2008 were adopted on the proposal of N. Brennan and seconded by M. Gaffney. (Decision Number: HSE/Board/30.03/ (10)/2009).</p> <p>The Board noted that in accordance with Section 36 of the Health Act 2004 the accounts will be signed by the Chairman and CEO and will be sent to the Minister for Health and Children and the C&AG for audit certification.</p> <p>The Chairman thanked management and the Audit Committee for their considerable work and contribution to the completion of the Annual Financial</p>	<p>L. Woods</p> <p>Chairman/CEO</p>

Item	Discussion / Comments	Action
	Statements.	
2.	Financial Position 2009 – proposed amendment to Service Plan 2009	
	<p>L. McGuinness, A. Doherty, J. Carolan, L. Woods, S. McGrath joined the meeting for consideration of this item.</p> <p>The Chairman introduced this item and confirmed that arising from the emerging financial position for 2009, as reported to the Board at the special Board meeting on 23rd February 2009, management had been requested at that meeting to identify proposals for further savings of €72m. Management was also requested to formulate a contingency plan to address a potential additional projected shortfall of €275m which, as advised by the Minister for Health and Children, is being considered by Government in context of Budget measures on 7th April 2009.</p> <p>The CEO spoke to the briefing paper on the actions proposed to deliver the additional savings, which had been circulated prior to the meeting, and advised the Board that these actions would reduce activity below levels in the Service Plan (NSP) 2009. He confirmed that the NSP 2009 is a very tightly balanced plan based on realising efficiencies/savings of €663m (€280m VFM 2008, €250m 2009 VFM/efficiencies and €133m additional savings) through targeting non frontline/corporate areas which have not impacted on service delivery and implementing a series of changes to the way we provide services, the manner in which we work and are remunerated and the type of services provided.</p> <p>J. Carolan outlined the specific measures already in place to reduce expenditure in 2009 in line with Budget provision without affecting service delivery, and the range of measures proposed to deliver the additional savings of €72m now required and the range of measures that may be required to address the potential additional projected shortfall of €275m presently being considered by Government.</p> <p>The Board explored with management alternative measures to achieve savings which would mitigate the impact on service levels but concluded that there is no scope for further cost reduction beyond those already in place without impacting service delivery. Following a discussion on the impact of these measures the Board approved the management proposal to amend the NSP 2009. The amended plan would now be presented to the Minister for Health & Children for her consideration in accordance with section 32 of the Health Act 2004.</p> <p>The Board also considered the proposal from management to provide a contingency fund should there be a requirement on the HSE to address the remaining projected shortfall of €275m and noted these measures would be discussed further with the Department of Health and Children at official level.</p>	
3.	Organisational Design - appointments at National Director level	
	<p>S. McGrath joined the meeting for consideration of this item.</p> <p>The Chairman outlined that at the March 2009 meeting the Board received a proposal from management in relation to the appointment of a National Director of Operations, a National Director of Planning & Performance and a National Director of Quality & Clinical Care. It was agreed, at that meeting, that these appointments would be further deliberated at a later meeting.</p> <p>The Board noted the legal advice circulated by the CEO prior to the meeting. This confirmed the legal opinion previously received by the Board that it is a matter for the HSE to make the appointments following conclusion of the selection process conducted through the Public Appointments Service.</p>	

Item	Discussion / Comments	Action
	<p>The Chairman confirmed that, having consulted with Board members since the March meeting and taken their views, the Board remains fully committed to the strategic approach and key objectives underlining the proposed new organisation direction for the HSE. However members do not now wish to fill these three posts in the light of developments since the positions were initially advertised. These include current financial pressures, the lack of clarity in relation to redundancy/early retirement arrangements and the recent Government moratorium on public sector recruitment and promotion. In that context, further consideration has to be given to the number, scope and requirements of National Director positions, succession/manpower planning implications and the finalisation of regional/area structures and posts. This would be done by the CEO/management with the support of the Board Remuneration and Organisation Committee.</p> <p>Following a discussion on the matter it was agreed not to approve or act on the current management proposal for the above reasons. The HSE will not, therefore, proceed to fill the posts as proposed and will terminate the current process. The CEO disagreed as these appointments were, in his view, essential drivers for the integrated care programme.</p> <p>The Board requested that the CEO and management would engage with the Remuneration & Organisation Committee to determine how to proceed now in order to ensure full and effective implementation of our organisation objectives as soon as possible.</p>	CEO
4.	AOB	
	<p>The Chairman circulated for information purposes correspondence received from the Secretary General in the Department of Health and Children on the current position of the individuals who were appointed/engaged at the time of the CEO's appointment. A reply is being prepared in consultation with management and will be circulated to members when finalised.</p>	Secretary

The meeting concluded at 6.25pm.

Signed:

Date:

Liam Downey
Chairman