



## EASTERN HEALTH BOARD

Minutes of proceedings of Special Meeting  
held in  
Board Room, St Mary's Hospital, Chapelizod, Dublin 20  
on Wednesday 21 May 1986 at 6 pm.

### *PRESENT*

Mr F Beale

Dr J D Behan

Cllr B Briscoe TD

Cllr I Calley

Cllr M Carroll

Mrs D Clune

Cllr P De Rossa TD

Cllr J Dillon-Byrne

Cllr P Dunne

Mr P Finegan

Cllr E Fitzgerald

Cllr Dr D Fitzpatrick

Cllr A Groome

Dr M Henry

Cllr P Hickey

Cllr F Hynes

Dr D I Keane

Dr P McCarthy

Cllr C Murphy

Dr B O'Herlihy

Cllr J Reilly

Cllr J Sweeney

### *APOLOGIES*

Aid B Ahern TD, Mr N Andrews TD, Cllr O Bennett, Prof J S Doyle,  
Cllr B J Durkan TD, Cllr W J Harvey

### *IN THE CHAIR*

Cllr J Sweeney

### *OFFICERS IN ATTENDANCE*

Mr P B Segrave, Chief Executive Officer

Mr F J Donohue, Programme Manager, Community Care

Mr K J Hickey, Programme Manager, General Hospital Care

Mr M Walsh, A/Programme Manager, Special Hospital Care

Mr J F Reynolds, Finance Officer

Mr R Keane, A/Personnel Officer

Prof B O'Donnell, Dublin Medical Officer of Health

Mr T Byrne, A/Technical Services Officer

Mr M J O'Connor, Senior Executive Officer, Secretariat

60/86  
**CONDOLENCES**

On the proposal of the Chairman, votes of sympathy were passed with the family of Mr Paddy Hennessy, Assistant Section Officer, Community Care Service, and with the family of Mr James O'Keeffe, a former Lord Mayor.

61/86  
**ALLOCATION FOR NON-CAPITAL  
 HEALTH EXPENDITURE 1986**

The following Report No. F. 1/1986 from the Working Group was submitted:

'Board members will already be familiar with the budgetary problems facing us in 1986. These were outlined in detail in the Chief Executive Officer's report to the April meeting (see minutes p.p. 59/60).

To recapitulate, we were initially faced with a shortfall in expenditure for the services directly delivered by our Board, as follows:

Board's Estimate of Expenses	£180.987M
Department's Allocation	<u>166.620M</u>
	<u>£ 14.367M</u>

It was agreed that officers of our Board should meet with officers of the Department of Health to consider the policy issues arising for our Board. Following these discussions the Department undertook to re-examine their calculations with a view to restoring a sum of £3.654M as requested by our officers. They agreed that while this matter was being considered the sum of £3.654M could be added back, bringing the allocation to £170.274M.

The Department officials stressed that the allocation contained no provision for the new developments and trends which were included in our estimate (£1.726M for new developments and £2.71 OM for trends). It was agreed that as no provision had been made by the Department for new developments, that the £1 726M would have to be dealt with separately.

The position then became

Board's estimate	£179.261M
Department's allocation	170.274M
Shortfall	<u>£ 8.987M</u>

This shortfall is due to the following factors:

	£M
Our Board's over-run in 1985	1.863
No provision in estimates for trends	2.710
Pay cut imposed by Department	3.614
Retained by Department towards cost of funding previous year's over-run	<u>0.800</u>
	<u>8.987</u>

In his reports of 17 and 28 April 1986, the Chief Executive Officer outlined a number of cost-cutting options to us. These were carefully considered by us at two meetings of the Working Group held on 21 and 29 April 1986 which were attended by the following members:

Cllr J Sweeney, Chairman  
 Mrs D Clune, Vice-Chairman  
 Cllr P Dunne  
 Mr P Finegan  
 Cllr Dr D Fitzpatrick  
 Cllr P Hickey  
 Cllr F Hynes  
 Dr B O'Herlihy  
 Cllr J Reilly

The most serious aspect of the problem facing us is the failure of the Department to provide for trends in the demands for our services. In his report on 28 April, the Chief Executive Officer commented as follows:

Reduction in Estimates for Trends (see option 14)

*The total non-pay cost of the Community Care Services (excluding GMS (Payments) Board) in 1985 was £46.2M.*

*In preparing our estimates for 1986 we estimated that we would need to add 5.5% or £2.5M for increasing demands on our services and services funded by our Board during the year. While this is based on previous year's experience, it must be acknowledged that there is a possibility (however remote) that we have reached a plateau and that demand will flatten out in 1986.*

*We have been advised by the Department of Health that our 1986 allocation contained no provision for such trends. Consequently, I would suggest, we must exclude the cost of trends from our present calculations.*

*If the trends do materialise during the year, and persons present themselves for statutory service for the first time, we will of course have to meet the demand. (I am certainly not proposing that the Board should refuse to make these services available to eligible persons). In that case our only recourse will be to seek an additional allocation. In the absence of such an allocation we will be faced with a major deficit at the end of the year.'*

We agree with this approach and it is on this basis that we are recommending our original estimate be reduced by £2.5M

Many other issues relating to our Board's expenditure were considered and the following recommendations were agreed:

- (1) That the Minister be asked to re-consider our Board's proposals in relation to the Drugs Refund Scheme.
- (2) That the Minister be asked to consider the option of introducing limited charges for some services as an effective measure to control the unnecessary use of services and to improve our financial position.
- (3) That the cost to our Board of that part of the Ambulance Service administered by the Dublin Fire Brigade be maintained at the 1985 level and that our contractual arrangements with the Corporation be reviewed.

- (4) That the Department of Social Welfare be asked to expedite its review of the Supplementary Welfare system in light of the unsatisfactory arrangements pertaining at this time.
- (5) That the Minister for Health be formally advised that, because of inadequate financial allocations, our Board is not in a position to assume its statutory obligations under the Fire Services Act 1981.

We recommend the adoption of the Book of Estimates prepared by the Chief Executive Officer which provides for a net health expenditure on the Board's direct services of £170.274M.

In order to try to keep within this budget level, we recommend the following proposals:

	Estimated Savings £M
1. Leave 1/3 of vacancies occurring from 1 June 1986 unfilled	1.50
2. Terminate 10% temporary or sessional employments from 1 June 1986	0.40
3. Provide substitutes only on a 2 in 3 basis	0.50
4. Eliminate rostered overtime	0.50
5. Rationalisation of Services, St Brendan's - L, M and N	0.25
6. Eliminate provision of special nursing support for psychiatric patients in general hospitals	0.25
7. Review and reduce health board staff providing services for institutions and other agencies - particularly in 'non-clinical' areas	0.10
8. Continued rationalisation of TB Services	0.10
9. Review and reduce payment to other statutory agencies for services provided to the Eastern Health Board (Departments of Justice, Education etc.).	0.25
10. Continue efforts to reduce energy costs	0.40
11. Continued stringent control of drugs, pathology services (including some re-organisation of services), x-ray, medical and surgical appliances, including repair and recycling of major appliances such as wheelchairs	0.50
12. Development of bulk purchasing policies and reduction of stock levels. Reduction in replacements of furniture etc. hardware	0.50
13. Generally maintaining assistance to voluntary agencies at our 1985 expenditure levels	1.20

	Estimated Savings £M	£M
14 Maintenance of Community Care Services at 1985 levels (drug schemes, medical and surgical appliances, ophthalmic services, support to child care agencies, services for elderly and handicapped (including allowances))	2.50	
Total:		8.9

In relation to the pay cut of E3.6M, we have recognised the fact that payroll costs and numbers of staff have been reduced elsewhere in the public service.

It is not possible at this stage to fully assess the impact of the cuts on our services. We do, however, recognise the importance of providing our Board's officers with a framework within which they cope with the situation in which we all find ourselves.

The impact on services should be monitored, in the first instance, by our Programme Committees. Our financial position should be reviewed periodically by the Working Group on the Budget.'

Following a lengthy discussion to which Cllrs Murphy, Carroll, Fitzgerald, Reilly, Callely, Dunne, Hynes, De Rossa, Hickey, Mr Beale, Dr O'Herlihy, Dr Keane, Mr Finegan, Dr Behan and Mrs Clune contributed and to which the Chief Executive Officer replied, it was proposed by Dr O'Herlihy and seconded by Cllr Hickey that the proposals contained in Report No. F 1/ 1986 be adopted.

The following amendment was proposed by Cllr Carroll and seconded by Cllr Fitzgerald.

'To substitute:

*'That the Minister be asked to seek ways and means to reduce excessive demands for services' for*

*'That the Minister be asked to consider the option of introducing limited charges for some services as an effective measure to control the unnecessary use of services and to improve our financial position'.*

The amendment was defeated on a show of hands.

An amendment, proposed by Dr Behan, that the Report be not adopted and that the Minister for Health be requested to indicate where savings should be made was not seconded and was, accordingly, declared lost.

Dr O'Herlihy's proposal that the Report be adopted was then put and carried.

Cllrs Carroll and Dillon-Byrne and Dr Behan requested that it be recorded they were not in favour of the adoption of the Report.

The meeting concluded at 8.30 pm

CORRECT: P B Segrave

Chief Executive Officer

  
Chairman