

Western Cape Blood Service - Annual General Meeting

Date: Thursday, 15 August 2019 at 17:00
Venue: WCBS, Old Mill Road, Pinelands, Cape Town

1. WELCOME

Mrs Irene van Schalkwyk welcomed Board members, donor representative members, stakeholders and staff for their attendance at the 1st AGM of the Western Cape Blood Service, previously known as the Western Province Blood Transfusion Service.

She also thanked members for voting in favour of the name change which was effective 1 January 2019.

Mrs Irene van Schalkwyk referred to the Agenda and noted that there would be an opportunity for questions after the appointment of the honorary members. She also noted that for those eligible to vote, ballot forms were available inside their agenda packs.

She encouraged everyone to read through the Integrated Report for 2018/19, which included the Financial Statements, and was available on the WCBS website. She reported that the Integrated Report gives an overview of all business operations and performance, and is the Service's primary communication regarding value creation. Lastly, she mentioned that the 2018 WCBS Integrated report received a Merit Award at the 2018 Integrating Reporting Awards.

2. GOVERNANCE REPORT

Mr Paul Slack, the Board Chairman, welcomed and thanked everyone for their attendance at the 2019 AGM.

Mr Paul Slack reported that during the year under review the Board critically evaluated its role in providing strategic guidance to the Service and would continue to focus on the material aspects which promote the continued sustainability and growth of the Service for future generations. He emphasised that it is crucial for the Service to have a growth-orientated culture, and to have structures and processes in place to govern sustainability.

Mr Paul Slack reported that key indicators and material sustainability issues and risks were monitored on a regular basis and confirmed that the Board was responsible for setting the strategic direction of the Service, with annual reviews of the Strategic Plan, which is delegated to management for implementation, and monitored through the Board and Board committees.

Mr Paul Slack thanked his co-directors for their wisdom, support and guidance during the financial year, for their exceptional and honest cooperation, diverse thinking and sober reasoning, which makes for a formidable team.

Mr Paul Slack reported that the composition of the Board makes provision for appropriate and effective decision-making, which ensures that no individual can exercise undue influence. He also confirmed that it had fulfilled its responsibilities in accordance with its Charter for the year.

Mr Paul Slack specifically honoured and acknowledged the donors on behalf of the Board, noting that with every unit of blood donated many lives were saved and reiterated that it was the donors who have sustained the population of the Western Cape for the past eighty-one years.

Mr Paul Slack thanked the partners, suppliers and community for their continued support and loyalty, and confirmed that WCBS was well positioned for future growth. He also thanked the employees on behalf of the Board for their loyalty, energy and diligence and the management team for their sterling work in ensuring that the Service has grown from strength to strength.

Mr Paul Slack reported that he believed that this Service can make a contribution to our country and the economy by continuing to build on the business model. The Service's core values of team work, caring, being professional, responsible and committed positioned us well for the future. These values would ensure that the Service will be an admired successful business that creates jobs, develops the community, provides safe blood and generates pride in the hearts of our donors and personnel.

Mr Paul Slack announced that one of the Board Members, Prof. Brian Figaji had retired. He thanked Prof Brian Figaji for his years of contribution to the WCBS and noted that he will be missed by the Board and Executive Management for his valuable, multi-skilled experience. Prof Brian Figaji had an opportunity to address the members.

3. DIRECTORS' REPORT

Dr Greg Bellairs introduced himself, and welcomed members and staff.

Dr Greg Bellairs reported that the Service continued to operate in what was effectively in a self-regulating environment, noting that there is no significant oversight from the National Department of Health. He noted that the Service was accredited by the South African National Accreditation System which gives us the reassurance that operations comply with the Standards of Practice for Blood Transfusion in South Africa.

Dr Greg Bellairs reported that the provision of safe blood was a critical function of the Service. He detailed the Service's multilayered strategy to keep blood safe which included:

- Encouragement of repeat, low risk, voluntary, altruistic blood donors.
- Screening for risk using the self-exclusion questionnaire.
- Testing for transfusion-transmissible infections.
- Encouraging restrictive use of blood products.

Dr Greg Bellairs reported that the Service's research had shown that bacterial contamination of platelet products was in line with results from other developed countries. The utility and costs of several mitigation strategies were being explored and implemented.

Dr Greg Bellairs reported that during the past financial year, the Service produced sufficient blood for all patients in the Western Province. The ratio of repeat:new blood donors was satisfactory, and more than half of the Services' blood donors were under the age of 40 which was promising for the future sustainability of the blood supply.

He reported that on the delivery of blood in certain urgent situations, SANBS and WCBS had partnered on exploring using drones which were able to transport up to 4 units of blood to distant areas. The biggest remaining challenge was obtaining the approval of the Civil Aviation Authority.

Dr Greg Bellairs presented a graph showing Donor Adverse Reactions, divided into mild, moderate and severe. He reported that the mix of moderate and severe remained constant over the past two years, and the number of mild reactions had reduced. He noted that the most common donor adverse reaction was vasovagal syncope, more commonly known as fainting, and the Service's trend was in line with first world benchmarks.

Dr Greg Bellairs reported that red cell product sales had remained fairly constant in the last two years, due to patient blood management which promotes restrictive use of blood products and optimising patients' red cell mass. He explained that red cell sales per thousand people living in the Province had gone down from 25 to 21 in the last decade, which was in line with the experience in many other countries.

4. APPOINTMENT OF DIRECTORS

Mrs Irene van Schalkwyk noted that Clause 14.5.1 to 14.5.3 of the Memorandum of Incorporation (MoI) allowed for the rotational retirement of one third of the non-executive directors every year. She stated that the four non-executive directors up for retirement this year, based on those who have been the longest in office since their appointment or re-appointment, were Dr Arthur Bird, Mr Paul Slack, Dr Charlotte Ingram, and Prof Brian Figaji. Three members wished to continue serving on the Board, with the exception of Prof Brian Figaji who had resigned from the Board.

Mrs Irene van Schalkwyk noted that in line with clause 14.3.1 of the MoI, a call for nominations was distributed and two nominations were received. As required by clause 14.3.3 of the MoI, the Board considered the nominations, and decided to put one of these nominations forward for voting by the members. Mrs Irene van Schalkwyk gave a short overview of Mrs Nivrani Dhevcharran's résumé.

Mrs Irene van Schalkwyk requested that all members, or their appointed proxies voting on behalf of members, indicate their vote for Resolution No. 1 on the ballot form regarding the re-appointment of the three non-executive directors and the appointment of Mrs Nirvani Dhevcharran as a new non-executive Director.

5. FINANCIAL STATEMENTS FOR 2018/19

Ms Nicky du Toit reported that at the end of another financial year there was much to celebrate: the Service was in a healthy financial position despite the decrease in the value of the Rand and other political instabilities, which continued to raise concerns.

Ms Nicky du Toit stated that the Service strived to be acknowledged nationally and internationally as a centre of excellence in the discipline of blood transfusion and to provide patients with sufficient, safe, quality blood products and medical services related to blood transfusion in an adequate and cost-effective manner.

Ms Nicky du Toit reported that the Service employed a cost-recovery financial model and billed customers based on the costs incurred in collecting, processing, testing, storing, transporting and issuing units of blood.

Ms du Toit presented a snapshot of the Service over the past eighty years and noted that WPBTS was still the only vein-to-vein service in the Western Cape, with over 70 000 blood donors, and has collected 148,000 units of whole blood which was issued to patients in 140 healthcare institutions.

The Service currently has 544 staff members with specialised skills supporting the geographical footprint. The Service has a fleet of 54 vehicles which have travelled 1,5 million kilometres in the 2018/19 financial year. The Service has an excellent brand reputation with three fixed-site clinics and approximately 700 mobile clinics, there are three regional sites and four blood banks in the following hospitals; Groote Schuur, Tygerberg, Red Cross and Vergelegen Mediclinic and the Service was in the process of establishing two new blood banks in Khayelitsha Hospital and the Paarl Provincial Hospital. The official opening of Khayelitsha Hospital was planned for the 19th of August 2019.

Ms du Toit informed the meeting that the Service has three Processing Laboratories in Pinelands, Worcester and George, and a single testing laboratory in Pinelands.

Ms Nicky du Toit presented the Annual Financial Statements for the year ending March 2019 and explained in detail the turnover, income and expenses, and balance sheet.

6. APPOINTMENT OF AUDITORS FOR 2019/2020

Ms Nicky du Toit reported that the Board had proposed that EY be appointed as the auditors for the 2019/20 financial year. She requested that the members (or their proxies) indicate their votes in this regard on the ballot forms.

7. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Ms Nicky du Toit reported that the WCBS non-executive directors' remuneration was about 30 times lower than that of the NED's of SANBS, although WCBS was one seventh the size of SANBS. Accepting that the WCBS NED's do not expect significant remuneration for their services, the executive directors felt that the current remuneration for the NED's was inappropriately low and did not adequately

compensate them for the work and responsibilities for being a Board member, with significant governance and fiduciary duties. She proposed an increase of the monthly retainer fee and Board Meeting attendance fee by 50%, resulting in a total increase of R112k per annum for all 10 NED's. She requested members (or their proxies) to indicate their vote on the ballot forms.

8. APPOINTMENT OF HONORARY MEMBERS

Ms Nicky du Toit noted that an honorary life member is someone from the community, who has supported the Service over and above their expected duties for an extended number of years.

Ms Nicky du Toit presented a nomination by the Worcester Regional Branch for Ms Zubaidah Africa, who volunteers at blood donation drives by assisting our staff, welcoming donors, and taking care of the refreshment table. Ms Nicky du Toit requested that members (or their proxies) indicate their vote regarding accepting Ms Africa as a WCBS honorary member, on their ballot forms.

9. GENERAL/QUESTIONS

None.

10. CLOSING

Mrs Irene van Schalkwyk thanked everyone for attending the 2019 AGM and she particularly thanked the Promotions Officers for organising the AGM.

11. BALLOT RESULTS

Resolutions	In Favour	Against	Abstain
Appointment of non-executive directors	74	2	3
Approval of name change	77	-	2
Approval of Ernst & Young as auditors	75	-	4
Approval of directors' remuneration	70	1	8
Approval of honorary members	76	-	3

CHAIRMAN

DATE