

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 20 September 2016 at 10.00am at MidCentral District Health Board Offices, Gate 2, Heretaunga Street, Palmerston North.

PRESENT

Phil Sunderland (Chair)
Diane Anderson
Adrian Broad
Lindsay Burnell
Barbara Cameron
Ann Chapman

Kate Joblin
Nadarajah Manoharan
Karen Naylor
Oriana Paewai
Barbara Robson

IN ATTENDANCE

Tony Hartevelt, Chair, Finance, Audit & Risk Committee
Kathryn Cook, Chief Executive Officer
Mike Grant, General Manager, Clinical Services & Transformation
Neil Wanden, General Manager, Finance & Corporate Services
Craig Johnston, General Manager, Strategy, Planning and Performance
Janine Hearn, General Manager, People & Culture
Michele Coghlan, Acting Executive Director, Nursing and Midwifery
Ken Clark, Chief Medical Officer (part meeting)
Wayne Blisset, Acting General Manager, Maori and Pacific
Jill Matthews, Principal Administration Officer
David Andrews, Operations Director, Enable New Zealand
Dennis Geddis, Team Leader, Communications
Muriel Hancock, Director, Patient Safety & Clinical Effectiveness
Nicholas Glubb, Operations Director, Specialist Community & Regional Services
Kelly Isles, Strategic Planner
Vivienne Ayres, Manager, Planning & Accountability
Greig Russell, Medical Administration Trainee

Public: 1

Media: 1

1. APOLOGIES

An apology for early departure was received from Lindsay Burnell.

2. LATE ITEMS

There were no late items.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendments to the Register of Interests

The Chairman advised that his wife was a member of a consumer focus group for Te Waiora, Foxton. This was a voluntary role.

3.2 Declaration of Conflicts in Relation to Today's Business

Barbara Robson noted her involvement with the Titanium information system. She was a consumer representative on the national Electronic Oral Health Record Design Group. The Titanium system was mentioned in the Finance Report.

4. MINUTES OF PREVIOUS MEETING

4.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 9 August 2016 be confirmed as a true and correct record.

5.2 Matters Arising from the Minutes

5.2.1 Correlation between Sick Leave and High Rates of Annual Leave

The General Manager, People & Culture advised an initial analysis had been undertaken and there appeared to be no correlation between high sick leave and high annual leave balances. It was agreed that a more detailed update be provided to the Board in the CEO's next report.

5.2.2 Social Worker for Elderly Population

Progress in implementing this suggestion was questioned. The General Manager, Clinical Services & Transformation advised this had been discussed in the context of the Health of Older Persons Team being established in Palmerston North. It was intended this model would be rolled out across the district over time but was not likely to come to the Board before the next annual planning role.

5.2.3 Shannon and Kere Kere Health Services

Current community concerns around the level of health services in these areas was discussed. Management advised that a high level of consultation was occurring with the local communities about their needs, and then a determination would need to be made as to how these would be met, or not as the case may be.

It was noted that Te Waioira was a joint partnership between the Central PHO and Raukawa. They received DHB funding for general practice via the Central PHO. The DHB also funded some general community nursing services for the Kere Kere communities which included Shannon and Foxton.

The CEO advised that now the DHB had established its Strategy, there was a need to revisit its Primary Health Strategy and start work on locality planning. These plans would guide future investment.

5. BOARD COMMITTEES

5.1 Finance, Risk & Audit Committee

The Chairman welcomed Tony Hartevelt, Chair, Finance, Risk & Audit Committee to the meeting.

It was suggested that the minute around the Hawke's Bay water quality matter be clarified.

It was resolved:

that the unconfirmed minutes of the meeting of the Finance, Risk & Audit Committee held on 23 August 2016 be received and the recommendations contained therein approved.

5.2 Matters Arising

There were no matters arising from the minutes.

5.3 Quality & Excellence Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Quality & Excellence Committee held on 30 August 2016 be received and the recommendations contained therein approved.

5.4 Matters Arising

There were no matters arising from the minutes.

5.5 Healthy Communities Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Healthy Communities Advisory Committee held on 30 August 2016 be received and the recommendations contained therein approved.

5.6 Matters Arising

There were no matters arising from the minutes.

6. STRATEGIC MATTERS

6.1 MidCentral DHB Strategy

The General Manager, Strategy, Planning and Performance presented the Strategy. He advised that some fine-tuning was to occur. It was intended that a tenth element be added to "The Future We Want" to cover prevention, promotion and keeping people well.

Members of the Board expressed their support for the Strategy and congratulated all involved on its development.

It was noted that this was the penultimate draft, with a final document to be presented to the Board for approval at its next meeting.

Members were requested to advise any minor wording changes to the General Manager, Strategy, Planning and Performance. The following changes were suggested:

- Page 50: improve wording around innovation, stewardship and finance.
- Page 55 and 57: there was no mention of "informed consent" and consideration should be given to this.
- Page 62: improve wording around portals.

The opportunities to work with other agencies, such as Palmerston North City Council, to promote the region as a great place to live and work was noted.

Members agreed the Strategy was a living document, and it would be important to ensure it was enacted and regularly monitored.

The Chief Executive advised the Strategy would provide a sense of direction and pride for staff.

The Chief Executive confirmed that there would be no implementation plan for the Strategy. Implementation would occur via the various organisational plans as outlined in the diagram entitled, "This year – the future we want".

It was resolved:

that the report be received and that the content of the Strategy be approved.

6.2 centralAlliance Strategic Framework

The Board expressed their support of the Strategic Framework for the centralAlliance.

The importance of projects being clinically led, and focussed on the needs of the population and communities was discussed.

Management's and clinical leaders' expectations of the Boards, as outlined in the framework, were noted.

Tele-medicine was seen as a tool to support future service developments.

A member questioned whether an amalgamation of the boards had ever been considered. It was noted that this had occurred in the past and had been dis-established in line with community feedback. Further, it appeared that this was not consistent with the current Government's direction and therefore no consideration of this had or would occur.

It was resolved:

that the report be received, and, that the draft Strategic Framework be approved.

6.3 Annual Report

The Manager, Planning & Accountability presented the Annual Report. Members noted that some non-material changes were to be made, and that the report would be considered at the forthcoming meeting of the Finance, Risk & Audit Committee.

The General Manager, Finance & Corporate Services advised that an adjustment was to be made to incorporate the final year end result of Allied Laundry Services Limited. This was not material and would not change the bottom line for MidCentral DHB.

Mr Wanden further advised that the auditors had not found anything of significant concern during their audit, and they would be attending the next FRAC meeting to discuss the audit results.

The following changes were requested:

- description of the Feilding Integrated Family Health Centre to be amended to reflect that a limited laboratory service only was available from this facility; and,
- the new names of the Board's committees be added in brackets in the Governance Statement.

It was resolved:

that the 2015/16 Financial Statements and Annual Report, including the statement of accounting policies, be approved, subject to adjustments required by the Board and Finance Risk and Audit Committee being incorporated and any final audit changes and approval;

that the Chair and Deputy Chair be given delegated authority to approve any non-material changes that are required to be made to the Financial Statement and the Annual Report;

that the Chair and Deputy Chair be authorised to sign the 2015/16 Annual Report on behalf of the Board.

It was noted that hard copies would be available once the Report was finalised.

6.4 Enable New Zealand Limited's Annual Report, 2015/16

It was resolved:

that the Enable New Zealand Limited 2015/16 Annual Report be approved;

that the Chair and Deputy Chair be authorised to sign the 2015/16 Annual Report on behalf of the Board.

6.5 Integrated Service Model

The General Manager, Clinical Services & Transformation outlined the development of an integrated service model, stating that this was to be done progressively.

Discussion took place around the approach being taken, particularly the support to be provided to leaders and staff throughout the organisation. Management advised the selection of the services to first move to the model had taken into account their preparedness and training and development was being provided. The training and development process would be done in a way which would also enable services to provide support to each other.

The CEO advised that while there was a change management approach, an organisational development plan was being developed. Initial work on the organisational development plan had identified six themes and these would be developed in the Plan. The Plan would be submitted to the Board in the near future.

The General Manager, People & Culture advised a critical step was to establish the correct environment to enable staff to deliver services in a positive and proactive way. Only once this was in place could people be held to account for any behaviour that was not in line with expectations.

The impact of the new service model for patients was discussed. Management advised that the integrated approach would remove the current problems experienced by people as they moved through different parts of the organisation and/or care continuum. The possibility of cost shifting was raised and the CEO advised that this would not occur. The aim was to make better use of current resources, and target these to areas which would make the most difference for the DHB's communities.

The implementation timeline (quarters 2 and 3 of the 2016/17) year were noted.

Management confirmed that issues such as conflict of interest management would be managed as part of the establishment process.

The importance of have clear measures of success and evaluating each stage of the project was emphasised by the Board, and the CEO confirmed that would be occur.

The Board was supportive of the integrated service model and approach.

It was resolved:

that the Board note the proposed approach to the development of an integrated service model, initially in the areas of Mental Health and Addictions, Child Health, Elder Health, and Cancer and Palliative Care.

Nicholas Glubb and Greig Russell left the meeting.

7. OPERATIONAL REPORTS

7.1 CEO's Report

7.1.1 Cardiac Health Services

The CEO advised of a proposal was to establish a cardiac catheterisation laboratory at both Palmerston North Hospital and at Hawke's Bay DHB. These would work as part of a broad regional service, and would relieve pressure on Wellington Hospital. The services proposed for provision as Hawke's Bay and MidCentral were those now regarded as necessary for secondary care level hospitals.

The clinical and financial sustainability of the service proposal was questioned. Management advised that it was clinically sustainable and given that heart disease was the leading cause of mortality in MidCentral's community, investment of this type was timely.

The CEO advised that more clinical integration was occurring on a regional basis and she cited the telemedicine stroke service. This includes supporting rosters across the different hospitals, and this was expected to continue to evolve.

7.1.2 Clerical Cap

MidCentral DHB's position in respect of the clerical cap was questioned, including what impact this was having in managing workload pressure.

Management confirmed the cap remained in place and MidCentral DHB had some leeway at present. Analysis of support requirements was about to commence, including gaining an understanding if the benefits from growth had been achieved.

It was agreed an analysis of the clerical cap be provided to the Board as part of the CEO's operating report.

Ken Clark entered the meeting.

7.1.3 Medical Rosters

Management undertook to report back on how the organisation complied with current multi-employer contractual arrangements in terms of rosters at an appropriate time in the future. Members noted that employment negotiations were currently underway.

The CEO confirmed that MDHB was committed to ensure the safety of patients who were being treated by its medical staff.

7.1.4 Pacific Community

The Acting General Manager, Maori & Pacifica advised that the development of a work programme to support the Pacifica community had yet to commence. Initial contacts had been identified for the Pacifica community, particularly in the Western Suburbs of Palmerston North City. The aim was to take a co-design approach in developing support arrangements.

It was noted that the Maori and Pacific role was not looking at the refugee community at this point in time.

It was resolved:

that the report be received.

7.2 Finance Report (including Business Improvement)

The DHB's financial position was discussed. The General Manager, Finance & Corporate services advised that while revenue had not met budget within the provider arm, this was considered to be a timing issue. Ongoing pressure within the provider arm continued with sustained increased levels of demand.

The CEO advised that the Ministry of Health was aware of the situation, and was seeing demand pressures at other DHBs. She noted the importance of ensuring strategies were in place to enable the year end result to be achieved. Some analysis of demand had recently been completed and this would be provided to the Board.

The General Manager, Clinical Services & Transformation advised the provider arm was struggling with personnel costs, particularly those for senior and junior medical officers. Both outsourced and personnel costs were adverse to budget. Locums were being used to cover medical staff on sabbatical leave. Abnormal costs associated with the resignation of long term SMOs had also been incurred.

Mr Grant advised that a good forecasting model for medical staff costs had been developed, and work was undertaken to minimise the current adverse situation. Clinical supply costs had remained within budget despite the higher volumes. Some gain in this area over summer months was anticipated. Mr Grant advised that while the budget had been phased, there was room for improvement in this area.

The Board noted the table detailing business improvement activities.

Mr Burnell left the meeting.

It was resolved:

that this report be received.

8. GOVERNANCE MATTERS

8.1 2016 DHB Elections

The Chairman advised that the dates of the national induction days would be advised once these had been confirmed by the Ministry of Health.

It was resolved:

that the report be received.

8.2 2016/17 Reporting Framework

The CEO advised that the reporting framework was a work in progress and the focus was on ensuring the Board, the Quality & Excellence, the Healthy Communities and the Finance, Audit & Risk Committees were supported. She further advised that reporting would continue to evolve as management worked to ensure reports met the needs of the Board and the committees. Feedback from the recent joint meeting of the Healthy Communities and Quality & Excellence Advisory had been taken into account. The CEO advised that the joint meetings would continue to develop.

The CEO reported that a workshop had been held around the development of the Clinical Council and a similar approach was to be taken for the Consumer Council.

It was agreed that the quarterly non-financial performance measure reports be made publicly available on the DHB's website once released by the Ministry of Health.

Members agreed it was important that a disability perspective was incorporated in reports. It was further agreed that a disability consumer perspective be provided to the Quality & Excellence Advisory Committee in terms of patient feedback.

Management confirmed that matters regarding innovation and research would be advised to the Quality & Excellence Advisory Committee throughout the year via operating and other reports. However, an annual report focusing on innovation and research would also be provided.

The development of locality and Iwi plans was awaited with interest by members.

The importance of ensuring meaningful financial information was provided to the Quality & Excellence Advisory Committee was emphasised. It was considered that if this did not occur, there would be a dislocation of financial responsibilities from operations and accountabilities.

It was agreed that in addition to the Health & Disability Commissioner's six monthly reports, any specific HDC report relating to MidCentral Health would be provided to the Quality & Excellence Advisory Committee as they came to hand.

It was resolved:

that the reporting framework for 2016/17 be adopted.

8.3 Intellectual Property Rights and Benefit Sharing Policy

The Board supported the approach and concept of Benefit Sharing.

How department would access funds under this policy was questioned. It was noted these should be available for draw down, and the CEO advised that further work was to be done to understand the range of trust funds and other accounts in place at MidCentral DHB.

The Board noted that there was no need for the policy to contain a disputes clause. This was covered under the employer/employee relationship arrangements and other policies.

It was resolved:

that the Board approve the attached draft Intellectual Property Rights and Benefit Sharing Policy.

9. LATE ITEMS

There were no late items.

10. DATE OF NEXT MEETING

Tuesday, 1 November 2016 at Tararua District Council, Council Chambers, 26 Gordon Street, Dannevirke.

11. EXCLUSION OF THE PUBLIC

It was resolved:

that the public be excluded from this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reasons stated:

<i>Item</i>	<i>Reason</i>	<i>Ref</i>
"In committee" minutes of the previous meeting	For the reasons set out in the order paper of 28.6.16 meeting held with the public present	
"In committee" minutes of committee meetings: <ul style="list-style-type: none"> • Finance, Risk & Audit Committee, 23 August 2016 – centralAlliance laboratory contract 	Under negotiation and commercial sensitive information	9(2)(j)
<ul style="list-style-type: none"> • Quality & Excellence Committee, 30 August 2016 	For the reasons set out in the Committees' order paper 30.8.16 meeting held with the public present	
<ul style="list-style-type: none"> • Remuneration Committee, 30 August 2016: CEO's performance and remuneration review and measures 	To protect personal privacy	9(2)(a)
Operational Matters <ul style="list-style-type: none"> • CEO's report: ACC contract, and, national funding arrangements • National ACC Housing Service Update 	Subject of negotiation	9(2)(j)
	Under negotiation	9(2)(j)
Governance Matters <ul style="list-style-type: none"> • Board and CEO Only Discussions (no decision) • Board Only Discussion (no decision) 		

Confirmed this 1st day of November 2016.

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Chairman