

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 23 February 2021 from 9.00am

PART ONE

MEMBERS

Brendan Duffy, Board Chair
Heather Browning
Vaughan Dennison
Lew Findlay

Muriel Hancock
Oriana Paewai
John Waldon
Jenny Warren

IN ATTENDANCE

Kathryn Cook, Chief Executive
Kelvin Billingham, Chief Medical Officer
Celina Eves, Executive Director Nursing and Midwifery
Gabrielle Scott, Executive Director, Allied Health
Tracee Te Huia, General Manager, Māori Health; and Acting General Manager, Strategy,
Planning and Performance
Margaret Bell, Board Secretary

IN ATTENDANCE (part meeting)

Simon Allan, Clinical Council Chair
Keyur Anjaria, General Manager, People and Culture
Judith Catherwood, General Manager, Quality and Innovation
Jonathon Howe, Communications Manager
Gail Munro, Consumer Council Chair
Darryl Ratana, Deputy Chief Financial Officer
Neil Wanden, General Manager, Finance and Corporate Services

Media – 1
Public – 0

1. KARAKIA

The meeting opened with the organisational karakia.

2. ADMINISTRATIVE MATTERS

2.1 Apologies

Apologies were received and accepted from Norman Gray, Materoa Mar and Karen Naylor.

2.2 Late items

There were no late items.

2.3 Register of Interests Update

The Board Chair advised that the Chief Executive had declined an invitation from Ventia to attend an America's Cup event in Auckland on 10 March. An invitation was also extended to the Board Chair and accepted, in accordance with MDHB's Code of Conduct for Board and Committee Members and the Procedure for Donations, Gifts, Gratuity and Sponsorship. There would be no associated costs to the Board.

It was resolved that the Board:

endorse the Board Chair's decision to accept an invitation from Ventia to an America's Cup event. (Moved Vaughan Dennison; seconded Oriana Paewai)

In relation to agenda item 5.5 Hospital Foundation Progress, Oriana Paewai and John Waldon noted their previously declared interests in relation to the Manawatū Cancer Society. It was agreed they could take full part in any discussion.

A review of the register of interests would be undertaken to ensure details were current.

2.4 Minutes of the 15 December 2020 meeting

It was resolved that:

the Part One minutes of the 15 December 2020 Board meeting be approved as a true and correct record. (Moved Jenny Warren; seconded Vaughan Dennison)

2.5 Matters arising from previous Minutes

Item 4.1 – The suggestion for the Board to meet with the THINK Hauora Board had been discussed at the February meeting of the Health and Disability Advisory Committee (HDAC) and would be considered at the next Board meeting.

The Chief Executive reiterated the view she expressed at the HDAC meeting that it was inappropriate for the Board to meet with a funded provider, as that put both the Board and the organisation at risk.

2.6 Verbal report from the Board Chair

The Board Chair provided an overview of the National Chairs and Chief Executives meeting held in February.

Health sector reform

Ministers and officials were still deliberating on Health and Disability Service Review recommendations. Greater clarity for DHBs was expected by the end of the first quarter. The message was to carry on, continue to deliver services and not to hold back in anticipation of what might happen.

A series of Cabinet papers would be presented in March and it was expected that DHBs would then receive further advice. The Minister of Health and Government were clear they wanted to have all legislation ready to be enacted by 1 July 2022.

Budget preparation

The Minister's Letter of Expectations noted that the annual planning and budget process timelines must be met. The DHB had not yet been advised of the funding envelope for 2021/22.

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer joined the meeting.

2.7 Health and Disability Advisory Committee (HDAC) – Verbal report from Committee Chair

The HDAC Chair, John Waldon, noted the meeting on 16 February 2021 discussed the roll out of the national COVID-19 immunisation programme and midwifery workforce issues. There had been substantial progress made on reporting inequalities in the Māori Health Dashboard.

2.8 Finance, Risk and Audit Committee (FRAC)– Verbal report from Committee Chair and Minutes from previous FRAC meetings, Part One

The FRAC Chair, Oriana Paewai, commended management on the financial result, the Holidays Act remediation project and managing of staffing issues.

It was resolved to:

note the confirmed Part One minutes of the Finance, Risk and Audit Committee meeting held on 15 December 2020

note the unconfirmed Part One minutes of the Finance, Risk and Audit Committee meeting held on 9 February 2021. (Moved Vaughan Dennison; seconded Heather Browning)

2.9 Manawhenua Hauora Chair’s Report

The Manawhenua Hauora Chair, Oriana Paewai, presented this report, which was taken as read.

The General Manager Māori Health noted that the actions from the Ka Ao, Ka Awatea Māori Health Strategy would be implemented through the Annual Plan.

It was resolved to:

note the report from the Manawhenua Hauora chair for the Manawhenua Hauora meeting held in December 2020. (Moved Jenny Warren; seconded John Waldon)

3. STRATEGIC FOCUS

Discussion held in Part Two of the meeting.

4. PERFORMANCE REPORTING

4.1 Board KPI Dashboard

The Acting General Manager, Strategy, Planning and Performance presented this report, which was taken as read. It was agreed to provide more detail on Mental Health Client DNAs for Non-Māori Patients in the next HDAC report. Although most scorecard information is dealt with at HDAC meetings, improvements were needed to link the scorecard with dashboard reporting to the Board.

It was resolved that the Board:

*note the areas highlighted in the KPI dashboard and associated commentary.
(Moved Muriel Hancock; seconded Jenny Warren)*

4.2 Finance Report – November 2020

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer presented this report, which was taken as read.

It was resolved that the Board:

note that the month operating result for November 2020 is a surplus before one-off items of \$0.217m, which is \$0.091m favourable to budget

note that the year to date result for November 2020 is a surplus before one-off items of \$1.012m, which is \$1.611m favourable to budget

note that year to date for November COVID-19 related costs of \$0.095m and unbudgeted Holidays Act related costs of \$1.316m have been incurred. Including these one-off costs results in a year to date deficit after exceptional items of \$0.0399m

note that total available cash and equivalents of \$36.052m as at 30 November 2020 is sufficient to support liquidity requirements

note that the Finance, Risk and Audit Committee endorsed this report for Board approval at their February meeting

approve the November 2020 financial report. (Moved Oriana Paewai; seconded Vaughan Dennison)

4.3 Finance Report – December 2020

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer presented this report, which was taken as read. They noted that the favourable result was due to good management of staffing and FTEs; improved planned care revenue; and additional one-off revenue of \$20 million in last year's funding package to acknowledge the cost pressures faced by DHBs. The January financial result was positive and work on forecasting was ongoing.

The General Manager, Quality and Innovation joined the meeting.

A Board member noted there were several large projects coming to the Manawatū region which may assist with recruitment to clinical vacancies.

It was resolved that the Board:

note that the month operating result for December 2020 is a deficit before one-off items of \$1.061m, which is \$0.288m favourable to budget

note that the year to date result for December 2020 is a deficit before one-off items of \$0.049m, which is \$1899m favourable to budget

note that year to date for December COVID-19 related costs of \$0.049m and unbudgeted Holidays Act related costs of \$1.520m have been incurred. Including these one-off costs results in a year to date deficit after exceptional items of \$1.618m

note that total available cash and equivalents of \$101.8m as at 31 December 2020 includes January funding received early and is sufficient to support liquidity requirements

note that the Finance, Risk and Audit Committee endorsed this report for Board approval at their February meeting

approve the December 2020 financial report. (Moved Oriana Paewai; seconded Vaughan Dennison)

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer left the meeting.

4.4 Sustainability Plan Report

The General Manager, Quality and Innovation presented this report, which was taken as read.

It was resolved that the Board:

note the emerging risks and mitigation plans

note that at its 9 February 2021 meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's approval

approve the approach and progress made to date on the Sustainability Plan for 2020-2023. (Moved Vaughan Dennison; seconded John Waldon)

The General Manager, Quality and Innovation left the meeting.

4.5 Health, Safety and Wellbeing

The Chief Executive presented this report, which was taken as read. She noted the dashboard would be revised for future reports. In response to a question regarding incidents of staff shortages, management agreed to provide a breakdown by service area to show any common themes. Details would include the location, what was being recorded, why it was being recorded, and what was being done to address the issue.

Sensory rooms had been incorporated in the new STAR 1 and STAR 2 areas to assist with de-escalation of violent and aggressive patient behaviour. Additional sensory areas would be included in the design of the new mental health building. Staff were provided with support and training on how to care for people with challenging behaviours.

The General Manager, People and Culture joined the meeting.

It was resolved that the Board:

note that at its 9 February 2021 meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's approval

endorse the quarterly Health, Safety and Wellbeing report. (Moved Vaughan Dennison; seconded Heather Browning)

4.6 Organisational Development Plan – six-monthly update

The General Manager, People and Culture presented this report, which was taken as read.

It was resolved that the Board:

note the six-monthly workforce update against activities within the District Health Board's plan 'He kura te Tāngata A plan for our people'

endorse the next steps as the District Health Board implements initiatives within the Plan. (Moved Lew Findlay; seconded Vaughan Dennison)

4.7 Preventing Occupational Violence Strategy

The General Manager, People and Culture presented this report, which was taken as read.

It was resolved that the Board:

note the six-monthly update against activities within MidCentral District Health Board's Preventing Occupational Violence Strategy

note that at its 9 February 2021 meeting, the Finance, Risk and Audit Committee endorsed this report for Board approval

endorse the next steps as the District Health Board implements initiatives identified within the plan

endorse the future reporting of this strategy to be included as part of the six-monthly workforce report 'He kura te Tāngata A plan for our people'. (Moved Heather Browning; seconded Oriana Paewai)

The General Manager, People and Culture left the meeting.

4.8 Care Capacity Demand Management

The Executive Director Nursing and Midwifery presented this report, which was taken as read. Management agreed to investigate if it was possible to provide a breakdown of nursing and midwifery FTEs in financial reports.

It was resolved that the Board:

endorse the progress to implement Care Capacity Demand Management (CCDM) and the Safer Staffing Accord. (Moved Oriana Paewai; seconded Muriel Hancock)

The General Manager, Finance and Corporate Services, the General Manager, Quality and Innovation, the Clinical Council Chair and the Consumer Council Chair joined the meeting.

The media representative and the Communications Manager left the meeting.

5. DISCUSSION/DECISION PAPERS

5.1 2020/21 Annual Plan and Budget

The General Manager, Finance and Corporate Services and the Acting General Manager, Strategy, Planning and Performance presented this report, which was taken as read.

The Chief Executive noted that the Organisational Leadership Team (OLT) was focused on reducing inequalities for Māori and advancing the digital programme. OLT was

considering ways to improve on the \$4.9 million deficit forecast for 2020/21. A Board workshop would be held in April to discuss the Annual Plan and Budget.

It was resolved that the Board:

note that this paper was considered by the Finance, Risk and Audit Committee (FRAC) and has been updated with their feedback

note that FRAC endorsed the financial target in the first draft 2021/22 Annual Plan to be submitted to the Ministry of Health is the level agreed in the 2020/21 Annual Plan for the 2021/22 year (surplus of \$0.897m)

note that since submitting this paper to FRAC, the Minister's Letter of Expectations has been received and a summary of the key messages are included in this paper

note timelines to meet the Ministry of Health submission dates for the 2021/22 Annual Plan

note the proposal of a joint FRAC and Board meeting on 15 June 2020

approve the financial target in the first draft 2021/22 Annual Plan to be submitted to the Ministry of Health is the level agreed in the 2020/21 Annual Plan for the 2021/22 year (surplus of \$0.897m)

approve the first draft 2021/22 Annual Plan be submitted to the Ministry of Health. (Moved Jenny Warren; seconded Muriel Hancock)

The General Manager, Finance and Corporate Services left the meeting.

5.2 Te Tiriti o Waitangi Training

The General Manager Māori Health presented this report, which was taken as read. The Chief Executive advised that the Board's workshop schedule was full, so this training would be held on a separate day. Board members expressed their preference for holding the training on a Tuesday.

It was resolved that the Board:

note the Te Tiriti o Waitangi training has been endorsed by Manawhenua Hauora

approve the training proposal for MidCentral District Health Board members. (Moved Oriana Paewai; seconded Vaughan Dennison)

5.3 Clinical Council Chair's Report

The Clinical Council Chair presented this report, which was taken as read. He outlined his recent experience in supporting a user of hospital services in both Palmerston North and Wellington Hospitals. Service in Palmerston North had been exemplary, including the ambulance service and clinical care.

The experience had highlighted difficulties in accessing primary care health services in a timely manner. Increased use of IT was needed to improve access to primary health care services, including informing the public who to access and telehealth solutions. GP practices needed to work through a more business-like model.

Board members acknowledged the progress made by the Clinical Council.

It was resolved that the Board:

note the contents of the Clinical Council Chair's Report. (Moved Muriel Hancock; seconded John Waldon)

The Clinical Council Chair left the meeting.

5.4 Consumer Council Chair's Report

The Consumer Council Chair presented this report, which was taken as read. She acknowledged the support and guidance received from the General Manager, Quality and Innovation.

The Consumer Council was about to recruit to vacancies and would be looking to extend its reach into specific disability communities at risk of disadvantage, including Māori. It was challenging to identify people with relevant knowledge and networks to become consumer representatives.

The Council Chair offered her support for the Board to appoint a person with a disability who was actively engaged with the disability sector as a member of HDAC. She believed there would be value in Consumer Council members meeting with the Board to gain a better understanding of the Board's priorities.

The Board Chair extended thanks to the Consumer Council Chair for taking on the leadership role and the results achieved.

It was resolved that the Board:

note the contents of the Consumer Council Chair's Report. (Moved Heather Browning; seconded Vaughan Dennison)

The Consumer Council Chair and the General Manager, Quality and Innovation left the meeting.

5.5 Hospital Foundation Progress

The Chief Executive presented this report, which was taken as read. There would be several arms to the Trust, such as bequests; specific fundraising events; capital projects to be supported in partnership with other organisations; and research.

The Hospital Foundation would provide a more structured approach to fundraising and work with other charities, not against them. Any donations made for a specific purpose would be allocated accordingly. A Te Reo name that resonated with the community would be sought.

The proposal was for the Board to provide 'seed funding', with the expectation that the role would be self-funding after the first 12 months. The Hospital Foundation Director would report either to the Chief Executive or to someone in the Chief Executive's Office. Trustees of the Foundation would be appointed by the Board.

It was resolved that the Board:

note the lessons learnt from other DHBs who have established Trusts, including the appointment of a lead as a key starting point

note that a specialist recruitment firm will be used to identify suitable candidates

note the anticipated salary range of between \$150k and \$200k would be required to attract a suitable candidate

note the anticipated timeframes for establishing the Trust

approve the appointment of a Director as the executive lead for the MidCentral District Health Board's Hospital Foundation Trust

approve the anticipated pro rata costs of between \$50k and \$65k in the 2020/21 financial year. (Moved Jenny Warren; seconded Oriana Paewai)

6. INFORMATION PAPERS

6.1 NZ Health Partnerships Update

The Chief Executive presented this report, which was taken as read.

It was resolved that the Board:

note the overview of the NZ Health Partnerships (NZHP) Annual Report 2020

note the financial result for NZHP was a small profit of \$0.692m. (Moved John Waldon; seconded Muriel Hancock)

6.2 Board's Work Programme

The report was taken as read. It was noted that although there are now only five HDAC meetings per year, the HDAC Chair would have an opportunity to provide a verbal update at each Board meeting.

Board members asked that the scheduled workshops be included in the work programme.

It was resolved that the Board:

note the Board's annual work programme. (Moved John Waldon; seconded Muriel Hancock)

7. LATE ITEMS

There were no late items.

8. DATE OF NEXT MEETING

Tuesday, 13 April 2021 – Board Room, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North

9. EXCLUSION OF 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:

Item	Reason	Ref
'In committee' minutes of the previous Board meeting	For reasons set out in the agenda of the 10 November 2020 meeting.	
Board only time	No decision sought	
'In Committee' minutes of the previous FRAC meeting	For reasons set out in the agenda of the FRAC meeting held on 15 December 2020	
Te Awa Digital Strategy	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)
Chief Executive's Report	To carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)

(Moved Oriana Paewai; seconded Lew Findlay)

Part One of the meeting closed at 11.35am

Confirmed this 13th day of April 2021

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Chairperson