

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the Board meeting held on 24 September 2019 at 9am at MidCentral District Health Board in the Board Room, Gate 2, Heretaunga Street, Palmerston North

PART 1

PRESENT

Dot McKinnon (Chair)	Nadarajah Manoharan
Diane Anderson	Karen Naylor
Barbara Cameron	Oriana Paewai
Ann Chapman	Barbara Robson
Michael Feyen	

IN ATTENDANCE

Kathryn Cook, CEO
Keyur Anjaria, General Manager, People & Culture
Neil Wanden, General Manager, Finance & Corporate Services
Steve Miller, Chief Digital Officer
Craig Johnston, General Manager, Strategy, Planning & Performance
Jill Matthews, Manager, Administration & Governance Services
Gabrielle Scott, Executive Director, Allied Health
Celina Eves, Executive Director, Nursing & Midwifery
Jonathon Howe, Corporate Communications Manager
Connie Roos, Organisational Development Planner (part meeting)
Darryl Ratana, Deputy Chief Financial Officer (part meeting)
Doug Barnes, Programme Director, EPMO (part meeting)
Kimberley Gilbert, Advisor, Planning & Commissioning (part meeting)
Lyn Horgan, Operations Executive, Acute & Elective Services (part meeting)
David Sapsford, Clinical Executive, Acute & Elective Services (part meeting)
Sarah Fenwick, Operations Executive, Healthy Women, Children & Youth (part meeting)
Barb Bradnock, Planning & Integrations Lead, Healthy Women, Children & Youth (part meeting)
Cushla Lucas, Operations Director, Cancer Screening, Treatment & Support (part meeting)
Geoff Anderson, Consultant Orthopaedic Surgeon (part meeting)
Quentin Bourke, Data Quality & Health Information Officer

Public: 5
Media: 1

In tribute to the late Mr John Hannifin, Consumer Council Chairperson, all present stood for a minute in silence. The Chairperson paid tribute to John's work, both locally and nationally.

1. ADMINISTRATIVE MATTERS

1.1 Apologies

Apologies were received from Board Members Adrian Broad and Brendan Duffy.

1.2 Late Items

There were no late items.

Oriana Paewai entered the meeting.

1.3 Conflicts and/or Register of Interests Update

Karen Naylor advised she had completed her term as a board member of the NZ Nurses' Organisation.

1.4 Minutes of the Previous Meeting

It was resolved:

that the minutes of the previous meeting be approved as a true and correct record. (Moved Michael Feyen; seconded Dot McKinnon)

1.5 Matters Arising

The schedule of matters arising was noted.

2. WORKFORCE

2.1 Workforce (OD) Plan

The General Manager, People & Culture presented the report and Organisational Development Plan, "He kura te Tāngata A Plan for Our People, 2019-2023". In respect of the 2017-19 OD Plan, he advised that all initiatives had been progressed with the exception of a review of recruitment processes. This was now underway.

Management advised that the Occupational Violence Prevention Strategy would be submitted to the Board in due course. Members requested that this include measures of success.

Quentin Bourke entered the meeting.

The Board noted that the next staff survey would occur in May 2020, and would be conducted on the same basis as the 2018 survey.

In respect of the 2019-2023 OD Plan, the Board requested that:

- measures of success be included to support monitoring of the Plan's effectiveness
- the disability perspective be expanded to include a focus on increasing the number of people with a disability employed by the DHB. It was noted that this was included in the Disability Workplan as part of the year 2 activities.

Steve Miller entered the meeting.

It was resolved:

that the Board:

- *note the six-monthly workforce update against activities with the DHB's Organisational Development Plan*

- *endorse MDHB's refreshed OD Plan, He Kura te Tangata, Our People for Our People, 2019-2023. (Moved Karen Naylor; seconded Nadarajah Manoharan)*

3. PERFORMANCE REPORTING

3.1 Chief Executive's Report for August 2019

3.1.1 Health Shuttles

Management undertook to look into parking arrangements for health shuttles, including the adequacy of these given the growing number of health shuttles.

It was noted that the construction of a new electrical sub-station had caused some parking disruptions.

The Chief Executive advised responsibility for patient transport was to be amended, with the Hospital Operations Centre taking charge of this area to enable improvements to be made.

Accessibility to health services was discussed and management undertook to re-engage with all territorial local authorities, including the regional council, on transport services.

3.1.2 Clinical Executives

The Chief Executive advised that Clinical Executives were not required to be in clinical practice.

3.1.3 Boundary Issues for Otāki and Te Horo Residents

The Chief Executive and General Manager, Strategy, Planning & Performance's work in establishing a Memorandum of Understanding with Capital & Coast DHB, and developing an information brochure for the local community was acknowledged.

It was resolved:

- *that the work of the late Mr John Hannifin, Consumer Council Chairperson be acknowledged*
- *that the report be noted. (Moved Dot McKinnon; seconded Barbara Cameron)*

Connie Roos left the meeting.

3.2 Performance Monitoring Reporting to the Ministry of Health - Quarter 4 2018/19

The General Manager, Strategy, Planning & Performance presented the report. He advised that due to an oversight, the detailed report had not been published on the DHB's website and this was being rectified.

Management advised that the Central Region DHBs would be applying for Government funding to enhance regional alcohol and drug services. MidCentral DHB would also be applying for funding to enhance primary mental health services in conjunction with the Central PHO and local providers. It was noted that the Government funding was contestable.

Access to diagnostic colonoscopies in light of the planned commencement of the national bowel-screening programme locally was raised. The Chief Executive advised that a readiness assessment for this programme had been undertaken and information on this and the work being done would be reported to the Health & Disability Advisory Committee.

Kimberley Gilbert entered the meeting.

The planned initiatives to improve the delivery of services to people with, or at risk of diabetes was discussed. The Chief Executive advised a new endocrinologist had been recruited. Also, that the Clinical and Operational Executives, Primary, Public & Community Services were playing a significant role in establishing an integrated diabetes service across the district. Information on this work would be provided to the Health & Disability Advisory Committee.

In light of the current measles outbreak in New Zealand, more information was sought regarding local initiatives in place to immunise babies and children against this disease. It was agreed that information would be provided to the Health & Disability Advisory Committee. The Chief Executive advised significant work was being done, particularly through the Central PHO.

Management advised that the integrated service model approach was having an impact across all areas and the Cluster health and wellbeing plans set out the work to be done over the next three to five years.

The role of vaping in MidCentral's smoking cessation policy was questioned. Management advised that this was a matter of national policy and the DHB would follow the policy direction set by the Ministry of Health.

The increase in mental health referrals was noted. The outcome of the increased activity in this area, and the DHB's measures of success were questioned. Members were encouraged to raise this matter when the Mental Health & Addictions' health and wellbeing plan was presented to the Health & Disability Advisory Committee in October 2019.

It was resolved:

that the Board note this report and progress that was made in delivering MidCentral DHB's Annual Plan and performance expectations for the 2018/19 year to date. (Moved Dot McKinnon; seconded Karen Naylor)

3.3 Board's 2019/20 Work Programme

Management confirmed that the Remuneration Policy and IEA Strategy would be submitted to the Board via the Remuneration Committee. The Policy would be presented in October, and the IEA Strategy in the new year. It was agreed this be noted on the work programme.

It was further agreed that the annual IEA parameters that had been endorsed by the Remuneration Committee earlier in the year, be submitted to the Board.

It was resolved:

that progress against the Board's 2019/20 work programme be endorsed. (Moved Karen Naylor; seconded Ann Chapman)

4. IWI PARTNERSHIP

4.1 Manawhenua Hauora Minutes

It was noted that Manawhenua Hauora's quorum was representation from three of the four Iwi.

It was resolved:

minutes of the Manawhenua Hauora meetings held on 24 June and 5 August 2019 be noted.

5. FINANCE, RISK & AUDIT

5.1 Finance, Risk & Audit Committee

It was resolved:

that the minutes of the Finance, Risk & Audit Committee held on 3 September 2019 be noted.

5.2 2018/19 Draft Annual Report and Financial Statements

The General Manager, Finance & Corporate Services and the Deputy Chief Financial Officer presented the report.

Doug Barnes entered the meeting.

The Annual Report and Financial Statements were considered and the following points were made:

- as the Annual Report set out the DHB's performance against the 2018/19 Statement of Intent, it could be useful to include the budgeted staff numbers (as contained in the SoI) in the "Being a Good Employer" section of the Plan
- in the Governance Statement, reflect that the role of the Remuneration Committee was expanded during the year
- in the Governance Statement, note within the Board Membership section, that the Enable New Zealand Governance Group ceased operation during the year
- the number of presentations to the Emergency Department during 2018/19 was inconsistently stated in the document
- in the Statement of Service Performance, it should be noted that the population group increased markedly during the year. (NB: this was the denominator for the cervical screening indicator.)

Management advised that management/administration numbers incorporated vacancies for all professional groups.

The gap between the DHB's budgeted expenditure and revenue was raised, and it was suggested that it would be useful for more detailed information to be provided to the Board on different expense categories as contained in the Annual Report, but not within the monthly financial reports, eg consultancy costs. The Chief Executive advised that consultancy costs had a broad definition. A drill down of this information would be necessary to support an informed discussion, and this would be provided to the Finance, Risk & Audit Committee.

It was suggested that the induction of new board members include a workshop regarding the DHB's finances.

It was resolved:

that the Board:

- *note the 2018/19 Financial statements were approved by FRAC at its September meeting for submission to the Board.*
- *approve the 2018/19 draft Financial Statements and Annual Reports, including the statement of accounting policies, subject to adjustments required by the Board being incorporated, together with any final changes and approval by the external auditors;*
- *delegate authority to the Chair and Deputy Chair to approve any non-material changes that are required to be made to the draft Financial Statements and the Annual Report; and,*
- *authorise the Chair and Deputy Chair to sign the 2018/19 Annual Report on behalf of the Board once finalised. (Moved Ann Chapman; seconded Oriana Paewai)*

Quentin Bourke and Kimberley Gilbert left the meeting.

5.3 Liquidity and the Application of the Going Concern Principle

The Deputy Chief Financial Officer presented the paper. He confirmed that the DHB had sufficient funds to cover its liabilities and obligations during 2019/20 and that the going concern assumption applied to MidCentral.

The financial challenges facing the DHB were discussed and the need for good stewardship, forecasting and cost controls noted.

It was resolved:

that the report be noted.

5.4 Financial Performance - August 2019

It was resolved:

that the Board:

- *note that this is an update paper and the full August Finance Report will be provided to FRAC's October 2019 meeting.*
- *note that the result for August 2019 is an operating deficit of \$3.122m, which is \$0.111m adverse to budget for the month.*
- *note that the year to date result is a deficit of \$6.649m and is \$0.006m favourable to budget.*
- *note that the year-end financial forecast is for a deficit of \$12.1m.*
- *observe that total available cash and equivalents is \$26.669m as at 31 August 2019. (Moved Barbara Cameron; seconded Ann Chapman)*

5.5 Finance Update Report for MidCentral DHB - July 2019

It was noted that the Board's meeting schedule for 2020 had been designed to ensure timely provision of financial information to both the Board and the Finance, Risk & Audit Committee.

It was resolved:

- *note that a preliminary July Financial Update Report was provided to the 20 August Board meeting and the July financial report was considered by Finance, Risk and Audit Committee at their September meeting. An update will be given to the Board by the FRAC Chair.*
- *note that the operating result for July 2019 is an operating deficit of \$3.527m. This is \$0.117m favourable to budget*
- *note that the year-end financial forecast is for a deficit of \$12.1m. This is in line with the budgeted deficit.*
- *observe that total available cash and deposits is \$30.080m at 31 July 2019. (Moved Barbara Cameron; seconded Ann Chapman)*

5.6 Performance Improvement Programme (PIP)

The Programme Director, EPMO presented the report.

In respect of the FTE Optimisation initiative, the Deputy Chief Financial Officer advised that during the budget process a number of positions were identified as “desirable” and were removed from the budget. There was no impact on the current workforce.

Kelly Isles entered the meeting.

The Chief Executive advised that more sophisticated reporting of staffing levels was being sought. She noted that additional staff had been budgeted in line with the Care Capacity Demand Management and other programmes. Use of locums was made to ensure continuity of service delivery. Active recruitment continued meantime.

The Skill Mix Review was questioned and the Chief Executive advised that information on this would be provided.

It was resolved:

that the Board note progress made to date in the delivery of the Performance Improvement Plan.

Doug Barnes and Darryl Ratana left the meeting.

5.7 Quarterly Health & Safety System Report

The General Manager, People & Culture presented the report.

The growth in the number of total staff incidents was noted. Management advised that staff were encouraged to report incidents.

Members requested that in addition to the number of incidents, this information be presented on the basis of the percentage of staff.

Geoff Anderson left the meeting.

It was resolved:

that the quarterly Health and Safety System report be noted.

Lyn Horgan, David Sapsford, Sarah Fenwick, Cushla Lucas and Barb Bradnock entered the meeting.

6. HEALTH AND DISABILITY

6.1 Health & Disability Advisory Committee

It was resolved:

that the minutes of the Health & Disability Advisory Committee held on 10 September 2019 be noted.

6.2 Cluster Health and Wellbeing Plans

The Director of Strategy presented the paper.

Members expressed their support for the Plans and congratulated those involved in their development. The importance of ensuring all Clusters were adequately resourced to implement the Plans was noted.

The importance of health prevention was raised and a member of the public addressed the meeting. She reflected back on 60 years of nursing, and considered that health prevention in the community had deteriorated over the past 20 years. Further, that it would take 20 years, ie one generation, to catch up.

It was resolved:

- *that the Board approve the following Health and Wellbeing Plans*
 - *Uru Mātai Matengau Cancer Screening, Treatment and Support*
 - *Uru Arotau Acute and Elective Specialist Services, and*
 - *Uru Pā Harakeke Healthy Women Children and Youth (Moved Karen Naylor; seconded Diane Anderson)*

Lyn Horgan, David Sapsford and Cushla Lucas left the meeting.

7. GOVERNANCE

7.1 DHB Elections and Transition to New Board

The difficulty for DHB candidates to campaign across a large district was discussed and it was agreed this matter be raised with the Health & Disability System Review Panel for its consideration. It was further suggested that publicity be given to the DHB elections to raise public awareness.

The proposed orientation programme for the incoming Board was discussed. It was noted that this would be provided for both new and returning members. It was agreed that the timing of the orientation day had to accommodate the appointment process for appointed members and should occur prior to Christmas 2019. Management was encouraged to finalise a date as soon as possible.

It was further agreed that members should have access to supporting documents and orientation presentations.

It was resolved:

*the report be noted and arrangements for the incoming Board endorsed.
(Moved Michael Feyen; seconded Barbara Cameron)*

7.2 Board and Committee Members' Fees

It was resolved

- *the updated Cabinet Fees Framework be noted*
- *that a fee for independent (non-Board Member) members of the Finance, Risk & Audit Committee of \$542.50 per meeting, and for independent chairs \$650.00 per meeting be approved effective from 1 July 2019, up to a maximum of 10 meetings per year. (Moved Ann Chapman; seconded Karen Naylor)*

8. LATE ITEMS

There were no late items.

9. DATE OF NEXT MEETING:

5 November 2019, Boardroom MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North.

10. 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:

<i>Item</i>	<i>Reason</i>	
<i>"In committee" and "board only" minutes of the previous meeting</i>	<i>For the reasons set out in the order paper of the 20.8.19 meeting held with the public present</i>	
<i>Strategy & Planning</i> • <i>Te Papaioea Birthing Centre</i>	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<i>Governance</i> • <i>NZ Health Partnership Review</i>	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<i>Committee Minutes</i> • <i>Finance, Risk & Audit Committee, 3.9.19 - low voltage substation and 11Kv network upgrade update</i>	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
• <i>Health & Disability Advisory Committee, 10.9.19</i>	<i>For the reasons set out in the order paper of 10.9.19 held with the public present</i>	
<i>Board only time</i>	<i>No decision sought</i>	

(Moved Dot McKinnon; seconded Barbara Robson)

Confirmed this 5th day of November 2019.

.....
Chairperson

Unconfirmed minutes