

## **MIDCENTRAL DISTRICT HEALTH BOARD**

**Minutes of the MidCentral District Health Board meeting held on 26 September 2017 at 10.00am at MidCentral District Health Board, Boardroom, Gate 2, Heretaunga Street, Palmerston North**

### **PRESENT**

Dot McKinnon (Chair)  
Diane Anderson  
Adrian Broad  
Barbara Cameron

Michael Feyen  
Nadarajah Manoharan  
Karen Naylor  
Barbara Robson

### **IN ATTENDANCE**

Kathryn Cook, CEO  
Keyur Anjaria, General Manager, People & Culture  
Craig Johnston, General Manager, Strategy, Planning & Performance  
Steve Miller, Chief Information Officer  
Neil Wanden, General Manager, Finance & Corporate Services  
Ken Clark, Chief Medical Officer  
Michele Coghlan, Acting Executive Director, Nursing & Midwifery  
Stephanie Turner, General Manager, Maori & Pacific  
Lyn Horgan, Operations Director, Hospital Services  
Muriel Hancock, Director, Patient Safety & Clinical Effectiveness  
Cushla Lucas, Service Manager, Regional Cancer Treatment  
Debbie Davies, Acting Service Director, Community  
Chris Nolan, Service Director, Mental Health & Addiction Services  
Jill Matthews, PAO  
David Andrews, Operations Manager, Enable New Zealand  
Darry Purdy, Data Quality & Health Information Manager

Public: 1  
Media: 1

## **1. ADMINISTRATIVE MATTERS**

### **1.1 Apologies**

Members Ann Chapman, Brendan Duffy and Oriana Paewai.

### **1.2 Late Items**

There were no late items.

### **1.3 Conflict and/or Register of Interests Update**

Karen Naylor advised her husband was no longer a list MP.

Barbara Cameron entered the meeting.

## **1.4 Minutes of Previous Meeting**

### *a. Minutes*

It was resolved:

*that the minutes of the previous meeting be approved as a true and correct record, subject to amendment of the note regarding trace elements in the Horowhenua district's water to reflect it had high levels of "manganese and iron". (Moved Michael Feyen; seconded Nadarajah Manoharan)*

### *b. Matters Arising*

The issue of trace elements in Horowhenua's water and whether or not this impacted on residents' health was discussed. The CEO advised that the matter would be referred to the group of local and regional councils and the DHB looking at the quality of drinking water to find a way forward.

Publicity regarding the Board's discussion on its Code of Conduct in relation to members' speaking in public was raised. A member noted that this had been incorrectly reported as a new item when in fact it was a regular review of an existing policy.

Investment funding for primary mental health initiatives was raised. The CEO advised that the DHB had sufficient funding for the first year of work and was watching carefully for funding sources for outyears.

## **2. STRATEGIC & ANNUAL PLANNING**

### **2.1 Integrated Services Model**

The General Manager, People & Culture presented this report.

The interim leadership structure was noted. The CEO confirmed that the Clinical Directors were hospital-based but several had a significant role in primary/community care. The new Executive Director roles would have district-wide accountability. The Chairperson stated that from her perspective, it would be good to see more community-based people in these roles.

The high number of roles reporting directly the CEO was noted. The CEO advised that this was manageable. The day-to-day responsibilities were largely undertaken by the Executive Director, with Clinical Director involvement as required.

The CEO further advised that a decision had not yet been made regarding the need for the Clinical Director role in the new structure. Medical head roles would be required. Many of the current appointments were on an acting basis.

The level of support for the new model throughout the organisation was questioned. Management advised that this was a work in progress. Clinical Directors and others in line leadership roles were gaining a greater understanding of the new structure and they were seeking certainty around timeframes and processes. Once appointments had been made to the new leadership roles and work on the clusters began, it was anticipated that the level of interest and support would increase. It was noted that for some staff, the new structure would not impact their day to day work markedly and as such they were not as interested.

The Chief Medical Officer advised that from a medical perspective within hospital services, the surgical and medical disciplines were still some questioning the need for change. Within other services, such as child health, elder health and psychiatry there was a much higher level of support for the new model.

It was noted that the new leadership roles would be advertised both internally and externally.

The importance of ensuring the new model delivered better outcomes was noted. The General Manager, People & Culture advised feedback from people who had worked in similar structures overseas was very positive.

It was resolved:

*that this report be noted. (Moved Dot McKinnon; seconded Adrian Broad)*

### **3. PERFORMANCE REPORTING**

#### **3.1 2016/17 Draft Annual Reports and Financial Statements**

The General Manager, Finance & Corporate Services presented his report. He advised that the auditors were doing their final review which would result in some fine-tuning of the annual report and financial statement. No material change was expected. Following the auditor's review, the final accounts would be presented to the next meeting of the Finance, Risk & Audit Committee, and then to the Board.

It was noted that the Finance, Risk & Audit Committee had reviewed the accounts.

The following changes to the MidCentral DHB Annual Report and financial statements were requested:

- correction of typographical errors
- "Progressing our Strategic Intentions" section:
  - inclusion of a waiting list perspective in the summary of the orthopaedic (major joints) clinic
  - fine-tuning of the description of mortality in the opening section of "progressing the health status of our population".

The CEO advised that a peer review of the non-financial performance summary was a work in progress.

The Board complimented all staff involved in the development of the Annual Report, stating it provided a good overview of the DHB's achievements and challenges.

It was resolved:

*that the Board:*

- *approve the 2016/17 draft Financial Statements and Annual Report, including the statement of accounting policies, subject to adjustments required by the Board and Finance Risk and Audit Committee 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; sign the letters of representation for MidCentral DHB and Enable New Zealand Limited; and,*
- *authorise the Chair and Deputy Chair to sign the 2016/17 Annual Report on behalf of the Board once finalised. (Moved Dot McKinnon; seconded Nadarajah Manoharan)*

### **3.2 CEO's Report for July/August 2017**

#### *3.2.1 Leadership Team*

The CEO advised that recruitment of a General Manager, Quality & Innovation continued. The current market was challenging and the focus was on getting the right person.

#### *3.2.2 Regional Radiology Information System (RIS)*

The Chief Information Officer provided an update on the issues encountered with the implementation of RIS. He advised there were around five issues being focused on and extensive engagement was occurring with the business. Some of the issues were within the radiology department and others were around work flows. Some of the workflows, such as the form used for ordering radiology tests, had been developed regionally and so resolution had to be made on a regional basis. Progress was underway.

Some technical issues had been incurred and there were some performance issues relating to the infrastructure. Regarding the latter, work was underway to determine whether these were about the local or regional platform.

Mr Miller noted that business as usual continued, with workarounds in place. He noted that there were always learnings associated with such IT projects. In this instance, these related to change management and stakeholder engagement. These learnings were being taken into account in planning for the next project, being implementation of the new patient administration system.

Resourcing for change management was raised and Mr Miller advised that the hospital was under pressure and engagement with the business would take place. It may be that investment in online training tools was required. It was noted that the General Manager, People & Culture and the Integrated Service Model Programme Manager were working through change management and this was a new resource.

The Chief Information Officer advised a paper would be submitted to the Board regarding ICT governance within the next month.

The ability for patients to access medical images and reports stored in RIS via the Patient Portal was raised. The Chief Information Officer advised this was the intention long term. Changes were occurring with primary care which would provide the opportunity to do things differently. He stated that to add value and to improve the patient experience, the use of a single pane of glass, where all information was available and updated was the objective.

Linkages with private radiology providers was questioned and the CEO advised there were two locally-based private providers and a number within the region. Over time, private and

public information would be brought together for MDHB's community. This was similar to the work being done within primary care with general practices.

### *3.2.3 Patient Administration System*

Clarification was sought on the "critical" reports generated from Homer which now needed to be developed in the new patient administration system. The Operations Director, Hospital Services advised these included reports critical to the running of the hospital, such as the daily report detailing admissions to hospital over the past 24 hour period.

### *3.2.4 Official Information Act Request Statistics*

The Board noted the improvement made in processing requests for information made under the Official Information Act. The increase in OIA request was also noted. The CEO advised that the organisation was committed to achieving 100% compliance with the Act regarding turnaround of OIA requests. Regarding the increase in number, the CEO advised that there were no particular drivers or issues and noted that the political process could impact.

Members noted that there was increased awareness of the Act. It was also considered people were more confident in seeking information.

The CEO confirmed that the Act provided for managing unreasonable requests and the DHB worked within these parameters.

### *3.2.5 Operational and Annual Planning*

The alignment of operational and annual planning, together with locality planning and integrated service model planning was raised. The CEO advised that a diagram depicting the planning processes would be provided for the Board's next meeting.

### *3.2.6 Strategic Property Plan*

The CEO confirmed that this Plan related to the Palmerston North Hospital campus only. Work was also underway to look at options around the Horowhenua Health Centre site. The DHB was also looking at all property arrangements across the district with a view to ensuring best value in respect of lease arrangements.

It was resolved:

*that the CEO's report for July/August 2017 be noted. (Moved Dot McKinnon; seconded Michael Feyen)*

## **3.3 Finance Report for MidCentral DHB – August 2017**

The General Manager, Finance & Corporate Services presented his report. He noted an error in the tables under section 4.3, MidCentral Provider. The headings in the second table should read "July".

Management clarified the statements regarding breast screening and radiation oncology (linac) revenue. Both services had had a good month in terms of revenue.

In respect to the tables reporting personnel numbers against budget, it was noted that while levels under budget provided a positive financial result as noted in the report, they had a negative impact on service delivery levels.

It was resolved:

*that the Finance Report for August 2017 be noted. (Moved Dot McKinnon; seconded Barbara Robson)*

#### **4. POLICY & GOVERNANCE**

##### **4.1 Health & Safety Statement**

Members supported the revamped Health and Safety Statement.

A member questioned how stress and workload pressures were measured and reported within the context of health and safety. Management advised that staff received support from the occupational health team in partnership with their managers, however incidents of stress were not recorded within the incident data base. It was noted that some causes of stress, such as violence, were recorded as an incident.

It was noted that the staff culture safety surveys conducted previously has provided a baseline against which the Board could measure changes in workplace safety culture from a staff perspective. Management had previously advised this survey tool would not be used again, but information on a replacement had been provided to the Board. Without such surveys, it was considered the Board had no line of sight into the workplace culture and safety, and this was essential in terms of health and safety.

The CEO advised that the Organisational Development Plan included staff surveys but an appropriate tool had yet to be agreed. The previous tool used had been of limited value. The CEO noted that such surveys would not be undertaken every year or two, but periodically. It was noted that the Speaking up for Safety, Professional Accountability Programme, and work of values and behaviours all contributed to staff safety.

It was agreed that management would give consideration to options for measuring stress within the workplace and report back to the Board.

It was resolved:

*that the Board approve the final draft Health and Safety Statement and that the Chief Executive Officer and Board Chair be authorised to sign this on the Board's behalf. (Moved Michael Feyen; seconded Karen Naylor)*

##### **4.2 Health Partnerships Ltd - Annual Update**

The value of MidCentral DHB's investment in Health Partnerships Limited was questioned and the CEO advised this would be the subject of a future conversation which would be reported to the Board.

Members noted that MidCentral DHB had elected not to participate in the national food services contract. Its food services were provided under contract by Spotless.

The National Infrastructure Platform was discussed. Management advised that the move to infrastructure as a service (IaaS) involved a significant change and investment, with a substantive increase in operating costs going forward. Health Partnerships Limited had established contracts with three national providers for providing IaaS and developed a suite of guidelines to support DHBs in planning the change. It had now completed this programme.

The Chief Information Officer advised that MidCentral DHB was collaborating with Whanganui DHB on a project looking at what applications should move to IaaS and how this work should be undertaken. This project was being co-funded.

It was resolved:

*that the annual update on NZ Health Partnerships Limited be noted. (Moved Dot McKinnon; seconded Barbara Robson)*

### **4.3 Conflicts of interest, Secondary Employment & Board Election Policies**

The Board requested that the definition of primary employment be amended to reflect that it not necessarily be a full-time position, ie “the employee’s normal regular hours”.

The process for determining how a Board/Committee Members’ conflict of interest was to be managed was questioned. Management advised that was contained in the Board’s Standing Orders, with the Board/Committee being responsible for making this determination. The Policy referred to the Standing Orders in this regard.

It was resolved:

- *the Conflicts of Interest Policy be approved;*
- *the Secondary Employment Policy be approved, subject to amendment of the definition of primary employment;*
- *that the Board Elections Protocols for MDHB Staff and Board Members Policy be noted;*
- *these three policies be reviewed in 36 months; and,*
- *that it be noted these policies replace the Conflicts of Interest, Secondary Employment, Appointments and Employee Representation on MidCentral District Health Board and Committees, and Outside Organisations and Committees policy. (Moved Dot McKinnon; seconded Adrian Broad)*

### **4.4 2018 Board and Committee Meeting Schedule**

It was suggested that Enable New Zealand Governance Group meetings be scheduled for later in the day to enable workshops to take place following the Finance, Risk & Audit Committee as required. After discussion, it was agreed that as ENZGG met quarterly, any workshops could be arranged around this and that there was no need to adjust the proposed timing of meetings.

The amended approach to joint meetings was supported. It was agreed that if further review was required, this would be undertaken.

It was resolved:

*that the 2018 meeting schedule, as set out below, be approved:*

2018 MEETING SCHEDULE FOR MDHB BOARD & ITS COMMITTEES					
FRAC	ENZGG	QEAC	QEAC/H CAC	HCAC	Board
10am	1.30pm	9am	10.45am	1.30pm	10am
30 Jan		7 Feb <sup>1</sup>	7 Feb <sup>1</sup>	7 Feb <sup>1</sup>	27 Feb
13 Mar	13 Mar	20 Mar	20 Mar	20 Mar	10 Apr
24 Apr		1 May	1 May	1 May	22 May <sup>2</sup>
5 June	5 June	12 June	12 June	12 June	3 July <sup>3</sup>
17 July		24 July	24 July	24 July	14 Aug
28 Aug	28 Aug	4 Sep	4 Sep	4 Sep	25 Sep
9 Oct		16 Oct	16 Oct	16 Oct	6 Nov <sup>4</sup>
20 Nov	20 Nov	27 Nov	27 Nov	27 Nov	18 Dec

Notes:

1. On Wednesday due to Waitangi Day
2. To include a public forum in Levin
3. To include a public forum in Palmerston North
4. To include a public forum in Woodville (or Dannevirke)

*(Moved Barbara Cameron; seconded Karen Naylor)*

#### **4.5 Board's Work Programme**

It was noted that an update on the waste minimisation/environment sustainability programme was scheduled to be provided to FRAC.

The development of Operational Plans was noted. A member questioned the timing, given the combined plan would not be provided to the Board until November. The CEO advised that timing would definitely be improved for the next planning round.

It was resolved:

*that progress against the 2017/18 work programme be noted.*

#### **5. COMMITTEE RECOMMENDED PAPERS**

##### **5.1 Options Paper - Ward 21 Redesign**

Members noted that the proposal had been considered and endorsed by the Quality & Excellence Advisory Committee.

The Service Director, Mental Health & Addictions advised that a small group had been established, including consumers, family and whanau, kaumatua and clinical representatives, to support a co-design approach. This group would be in place until completion of the project. The CEO advised that the Consumer and Clinical Councils would also have oversight of this project.

The General Manager, Finance & Corporate Services noted that costing a new build would be relatively straightforward. Costing the extend and refurbish option would be harder. It was noted that under the new build option, consideration would need to be given to the future use of the existing building.

The number of beds required in the future was raised and the CEO advised that a lot of work had gone into this part of the business case, and it continue to be advanced.

It was resolved:

*that the Board approve the proposed development of a business case for Ward 21 comparing the alternatives of Option C “Extend and Refurbish” with Option D “New Build” against the Option “A” Counterfactual “Minimal Change”. (Moved Diane Anderson; seconded Barbara Cameron)*

Chris Nolan and Ken Clark left the meeting.

## **5.2 WebPAS-Patient Administration Project and RHIP Programme Additional Contingency Funding Request**

The Chief Information Officer presented his report, advising that early December was the target date for implementation of the patient administration system (WebPAS). He had increasing confidence that this date would be achieved. Additional funding was required. Mr Miller noted that the burn rate for the project was in excess of \$200,000 per month.

The CIO advised that WebPAS would be implemented in Wairarapa DHB in November 2017, followed by MidCentral DHB. If Wairarapa was delayed for any reason, MidCentral DHB would look to implement they system first.

It was resolved:

*that the Board:*

- *note the status of the MDHB’s Regional Health Informatics Programme; and,*
- *approve the allocation of an additional CAPEX of \$536,000 to enable the successful delivery of MDHB’s WebPAS-Patient Administration project and RHIP programme. (Moved Dot McKinnon; seconded Adrian Broad)*

## **5.3 Business Improvement Update**

The CEO advised that many opportunities for improvements were being explored and a full list would be provided for next FRAC meeting.

It was resolved:

*that the update on the Business Improvement Plan be noted.*

## **6. COMMITTEE MINUTES**

### **6.1 Finance, Risk & Audit Committee**

It was resolved:

*that the unconfirmed minutes of the meeting of the Finance, Risk & Audit Committee held on 29 August 2017 be noted.*

## **6.2 Quality & Excellence Advisory Committee Healthy Communities Advisory Committee**

The CEO advised that the old viewing room within the mortuary remained available for use, however an adjacent room used for large groups had been impacted by a recent fire compliance audit. Other options for use to accommodate large groups were in place.

Mrs Cook advised that the audit had also identified issues with Te Whare Rapuora's sleeping accommodation. This had been closed and the DHB was supporting individuals requiring accommodation in other ways.

In respect of both facilities, the DHB was taken a measured approach, looking at appropriate longer term options.

A member questioned whether a permanent appointment had been made to the vacancy in the Horowhenua community mental health team which was been covered by a secondment from Palmerston North. The CEO undertook to provide this information outside the meeting, noting that she understood the previous Clinical Director was now working within the Horowhenua team.

It was noted that a correction to the final paragraph of section 3.3 of the minutes was required.

It was resolved:

*that the unconfirmed minutes of the meeting of the Quality & Excellence Advisory Committee and Healthy Communities Advisory Committee held on 5 September 2017 be noted.*

## **6.3 Enable New Zealand Governance Group**

It was resolved:

*that the unconfirmed minutes of the meeting of the Enable New Zealand Governance Group meeting held on 5 September 2017 be noted.*

## **7. LATE ITEMS**

There were no late items.

## **8. DATE OF NEXT MEETING**

7 November 2017. Members noted that the meeting included a public forum.

The date of the 2018 Te Kaha conference was sought. The General Manager, Maori & Pacific advised that this was still to be finalised.

## **. 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>Ref</i>
<i>“In committee” minutes of the previous meeting</i>	<i>For the reasons set out in the order paper of 15 August 2017 meeting held with the public present</i>	
<i>Strategic and Operational Planning</i> • <i>National Oracle Solution</i>	<i>Subject of negotiation and contains commercially sensitive information</i>	<i>9(2)(j)</i>
<i>Performance Reporting</i> • <i>CEO’s report</i> - <i>personal contact details,</i> - <i>National Oracle Solution</i> - <i>2017/18 draft Annual Plan</i>	<i>To protect personal privacy</i> <i>Subject of negotiation</i> <i>Subject of negotiation</i>	<i>9(2)(a)</i> <i>9(2)(j)</i> <i>9(2)(j)</i>
<i>Governance Matters</i> • <i>QEAC Membership</i>	<i>To protect personal privacy</i>	<i>9(2)(a)</i>
<i>In committee” Minutes of Committee Meetings</i> • <i>Finance, Risk &amp; Audit Committee, 29 August 2017 – minutes of the previous meeting (annual plan)</i> • <i>Quality &amp; Excellence Advisory Committee &amp; Healthy Communities Advisory Committee, 5 September 2017</i> • <i>Enable New Zealand Governance Group, 5 September 2017: General Manager’s report – disability support service system transformation</i>	<i>Subject of negotiation</i>  <i>For the reasons set out in the order paper of 5 September 2017 meeting held with the public present</i>  <i>Subject of negotiation</i>	<i>9(2)(j)</i>   <i>9(2)(j)</i>
<i>Governance Matters</i> • <i>CEO &amp; Board Only Time</i> ○ <i>Minutes of the previous meeting</i>  • <i>Board Only Time</i> ○ <i>Remuneration Committee Minutes 15.8.17: CEO’s performance review and remuneration</i> ○ <i>CEO’s Performance Review for Year Ended 30.6.17</i> ○ <i>CEO’s Remuneration Review 2017/18</i> ○ <i>Other (no decision)</i>	<i>For the reasons set out in the order paper of 15 August 2017 meeting held with the public present</i>  <i>To protect personal privacy</i>  <i>To protect personal privacy</i>  <i>To protect personal privacy</i>	   <i>9(2)(a)</i>  <i>9(2)(a)</i>  <i>9(2)(a)</i>

*(Moved Adrian Broad; seconded Nadarajah Manoharan)*

Confirmed this 7<sup>th</sup> day of November 2017.

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Chairperson