

## MIDCENTRAL DISTRICT HEALTH BOARD

### Minutes of the MidCentral District Health Board meeting held on 4 July 2017 at 10.05am in Boardroom, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North

#### PRESENT

Dot McKinnon (Chair)  
Diane Anderson  
Adrian Broad  
Barbara Cameron  
Ann Chapman

Brendan Duffy  
Nadarajah Manoharan  
Karen Naylor  
Oriana Paewai  
Barbara Robson

#### IN ATTENDANCE

Anne Kolbe, Member, Finance, Risk & Audit Committee  
Kathryn Cook, Chief Executive Officer  
Michele Coghlan, Acting Executive Director, Nursing & Midwifery  
Neil Wanden, General Manager, Finance & Corporate Services  
Craig Johnston, General Manager, Strategy, Planning and Performance  
Gabrielle Scott, Executive Director, Allied Health  
Ken Clark, Executive Director, Medical/Chief Medical Officer (part meeting)  
Stephanie Turner, General Manager, Maori & Pacific  
Keyur Anjaria, General Manager, People & Culture  
Jill Matthews, Principal Administration Officer  
Lyn Horgan, Operations Director, Hospital Services  
Craig Fleury, Project Officer  
Greig Russell, Principal Advisor  
Susan Murphy, Acting Director, Patient Safety & Clinical Effectiveness  
Kelly Isles, Project Manager  
Willie Kirk, Project Officer  
Vivienne Ayres, Manager, DHB Planning & Accountability  
Mahashweta Patel, Project Manager  
Dennis Geddis, Team Leader, Communications  
Helen Cosgrove, co Clinical Director, Emergency Department (part meeting)  
Carrie Naylor-Williams, Service Manager (part meeting)  
David Prisk, co Clinical Director, Emergency Department (part meeting)  
Jeff Brown, Clinical Director, Child Health (part meeting)  
Andrew Tripe, Programme Manager, Integrated Services Model (part meeting)  
Barb Bradnock, Senior Portfolio Manager, Children, Youth & Intersectoral Partnerships

Public: 1  
Media: 1

#### 1. ADMINISTRATIVE MATTERS

##### 1.1 Apologies

An apology was received from Board Member Michael Feyen.

## **1.2 Late Items**

There were no late items.

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

The following additions to the Register of Interest were advised:

- Barbara Robson, Member, Consumer Reference Group for the National Health Workforce Strategy (short term commitment)
- Dot McKinnon, Member, Workforce Strategy Group.

## **1.4 Public Comment**

John Bent, member of the public addressed the meeting regarding the DHB's Consumer Council. Mr Bent questioned whether the Council, as currently structured, had the ability to produce reports on topical matters. He cited the report developed by the Citizens Grand Jury regarding the San Francisco mental health system.

## **1.5 Minutes of Previous Meeting**

### *a. Minutes*

It was resolved:

*that the minutes of the previous meeting held on 23 May 2017 be confirmed as a true and correct record. (Moved Brendan Duffy; seconded Ann Chapman)*

### *b. Matters Arising from the Minutes*

It was noted that members had received the corrected information regarding car parking.

A member advised that Palmerston North Hospital's 125<sup>th</sup> anniversary would take place in November 2018 and requested that this be appropriately acknowledged.

## **2. STRATEGIC AND ANNUAL PLANNING**

### **2.1 Locality Approach to Health and Wellbeing Plans**

The General Manager, Strategy, Planning & Performance presented the report.

The common themes from the community engagement undertaken to date were noted, and management advised while these were not unexpected, the issue of primary care accessibility was coming through very strongly.

Mr Johnston advised that actions would be developed and prioritised. Care was being taken throughout the process to ensure community expectations were not raised beyond what the DHB could deliver.

Partnering with local Councils, particularly the Palmerston North City Council, was raised and Mr Johnston confirmed that the planning teams worked closely with local

authorities. Within Palmerston North, while locality planning had yet to get underway, there was a close working relationship with the Council at all levels of the DHB. A board-to-council hui was planned for later in the year.

A member expressed surprise at the number of people unable to get a “same day” appointment with a general practitioner at Integrated Family Health Centres. It was noted that some IFHCs used a triage process in scheduling appointments.

Awareness of mental health services available to local communities was raised and members noted the new national phone line recently launched – 1737. This would be promoted by MidCentral DHB.

Stephanie Turner entered the meeting.

Recent negative publicity regarding mental health services was discussed.

It was noted that the NZ health survey data was not available by region.

It was resolved that:

*progress with the development of “Health and Wellbeing Plans” be noted.*

### **3. INTEGRATION**

#### **3.1 Manawhenua Hauora & MDHB Workplan 2016/17 Update, and Proposed Workplan 2017/18**

The General Manager, Maori & Pacific Health presented the report.

Oriana Paewai, in her role as Chair, Manawhenua Hauora, advised that Manawhenua Hauora was to hold a 2017/18 planning workshop on 10 August. The purpose was to ensure Iwi perspectives were included in the DHB’s work going forward, and was partly as a result of Sir Mason Durie’s recent presentation regarding the Ngai Kauwhata Iwi Plan. All members were welcome to attend.

It was resolved:

*that progress against the shared Manawhenua Hauora and MDHB Board workplan be noted; and,*

*that the proposed workplan for 2017/18 be endorsed. (Moved Dot McKinnon; seconded Barbara Robson)*

#### **3.2 Manawhenua Hauora Minutes**

The development of a Hauora Maori cluster as part of the DHB’s integrated service model was discussed. The CEO advised that the development of this cluster had been foreshadowed in the original report to the Board. It was likely this cluster would look somewhat different to those envisaged to be established in the short term. The CEO had received a letter from Manawhenua Hauora with their thoughts and was organising a meeting to discuss these further. No provision had been made for this cluster in the 2017/18 budget specifically.

It was resolved:

*that minutes be noted.*

### **3.3 Consumer and Clinical Council Membership**

A welcome was extended to Keyur Anjaria, General Manager, People & Culture.

The CEO advised that the Councils had been established to be independent of the Board and Chief Executive so they could provide free and frank advice, and challenge and support matters within their area of focus. The CEO acknowledged the point raised by the member of the public earlier in the meeting and advised that the Councils could set in place working groups to address specific issues. Further, provision had been made in the 2017/18 budget to support the work of the Councils.

The CEO confirmed that the first item of business for each Council was consideration of their terms of reference.

The General Manager, Strategy, Planning & Performance acknowledged the work done by Mahashweta Patel in establishing the Councils.

It was resolved:

*that the Board note the Clinical and Consumer Council membership as endorsed by the Chief Executives of MidCentral DHB and Central PHO.*

## **4. PERFORMANCE REPORTING**

### **4.1 Operating Report for May/June 2017**

#### *4.1.1 Regional Health Informatics Programme*

The CEO clarified the position regarding the programme and the financial impact on MidCentral DHB - the Regional Clinical Portal was now live at Whanganui DHB, with MidCentral DHB the next to have this implemented. The Regional Clinical Portal was a regional platform and as MidCentral DHB migrated data to it, problems were being encountered impacting the stability of the platform. A lot of work was being done to understand the cause of these issues and to resolve them.

Concurrently, work was being done to ensure support arrangements were in place for the new regional systems and any enhancements to them, once they became "business as usual". This work was being done at a regional level with Capital & Coast DHB as the service provider.

The cost of future enhancements to the regional platform would be shared amongst the DHBs. Costs being incurred at MidCentral DHB in implementing the systems were its own costs.

The cost associated with the delays incurred with the Regional Clinical Portal were questioned and the CEO advised that this was a work in progress. She expected to be able to report back at a later date.

#### *4.1.2 National Role*

Congratulations were extended to the CEO on her new national role.

Concern was expressed at the CEO's ability to undertake this additional role at the current time given the transformational change underway at MidCentral DHB. The Chairwoman advised that all CEOs were required to lead at least one national project. The CEO advised she had discussed this role with the Chairwoman prior to acceptance, and would balance the responsibilities.

#### *4.1.3 Allied Laundry Services Limited*

The achievements of Allied Laundry Services Limited were noted with pleasure.

#### *4.1.4 Regional Governance*

The initiative for a regional governance evaluation tool developed in conjunction with the Institute of Directors was commended.

#### *4.1.5 Speaking Up for Safety*

Members expressed support for this initiative, noting that this was a critical part of patient safety as highlighted by the Mid Staffordshire report.

Helen Cosgrove, Carrie Naylor-Williams and David Prisk entered the meeting.

The CEO advised that this was a critical project and progress would be reported through to the Quality & Excellence Advisory Committee.

Helen Cosgrove, Carrie Naylor-Williams and David Prisk left the meeting.

#### *4.1.6 National Budget*

Management confirmed that the mental health social investment funding contained in the budget would be held by other agencies, but would be available to health for cross agency initiatives. A proactive approach would be required to source these monies.

#### *4.1.7 Operations Director, Specialist Community & Regional Services*

A member acknowledged the services and support of Nicholas Glubb during his time as Operations Director, Specialist Community & Regional Services.

The CEO advised that interim reporting arrangements were in place for the services previously managed by Mr Glubb.

It was resolved:

*that the operating report for May/June 2017 be noted*

#### **4.2. Finance Report for MidCentral DHB – May 2017**

A member questioned whether additional costs had been provided for in the 2017/18 budget to cover the extra rosters required to meet new Resident Medical Officer employment agreement requirements.

It was resolved:

*that this report be noted.*

#### **4.3 Year End Audit Process**

It was resolved:

*that the Board Chair and Deputy Board Chair be authorised to sign the Letter of Representation in respect of the year-end financial return to the Ministry of Health. (Moved Barbara Cameron; seconded Karen Naylor.)*

#### **4.4 Workforce Report: Six-monthly Update**

The need to watch the “lost time injury” rate was noted.

Dot McKinnon left the meeting and Brendan Duffy assumed the chair.

Cover for annual leave for administration staff, including medical secretaries, was questioned. The CEO advised that there were challenges in this area and management was currently engaging with the team.

The high level of annual leave hours was discussed, and details of management’s plan to manage this going forward was sought. The CEO advised all people with excess annual leave had a plan in place to reduce their leave balance, however as there was a need to keep the business running there were some limitations on how much leave could be taken at one time.

Dot McKinnon re-entered the meeting and reassumed the Chair.

It was noted that vacancies also impacted the ability for the DHB to grant leave. The CEO advised that the ability to recruit staff was more difficult in the areas of allied health and medical specialists. The CEO noted that MDHB’s annual leave trend was not worsening but remained above the national average.

Management was encouraged to keep its focus on annual leave levels.

A member questioned whether information from exit interviews, as previously provided to the Board, would be available in the next update. The General Manager, People & Culture advised that normally conversations with exiting staff were confidential, however themes and trends from these could be reported.

Management confirmed that a lot of work continued to be done to attract people to Palmerston North city and the wider MidCentral district, and that the DHB worked closely with local Councils in this regard.

It was resolved:

*that June 2017 workforce update be noted.*

Jeff Brown and Andrew Tripe entered the meeting.

#### **4.5 Integrated Service Model (“Cluster Model”)**

Andrew Tripe and Jeff Brown gave a presentation on the Integrated Services Model. The following key points were noted:

- a phased and stepped approach was to be taken, reflecting the level of change involved
- staff were up for the change and were interested in the new model

Ken Clark entered the meeting.

- as part of the phased approach, each cluster would need to achieve set criteria in order to move to the next phase
- the cluster model would support an integrated approach and the achievement of improved health outcomes, and examples within Child Health were cited
- the timeline reflected that implementation of the model required significant investment, and the need to ensure the change was sustained
- clusters would act as autonomous organisations, with a budget for funding services across the district, and each would be committed to improving outcomes for the population
- the maturity model was the expected time for all clusters to reach full maturity, and it was expected that all clusters would be in place well before 2022
- investment in information and data analytics was required to ensure the success of the clusters

Barb Bradnock entered the meeting.

- the integrated services model would be of interest to people throughout the sector and would assist in recruitment
- MDHB had some very strong and capable leaders and had to get better at growing, supporting and developing them

It was resolved:

*that this report be noted.*

Jeff Brown and Andrew Tripe left the meeting.

#### **4.6 Board’s Work Programme 2017/18**

The CEO advised that the Horowhenua STAR 4 project report would be submitted to the Healthy Communities and the Quality & Excellence Advisory Committees.

It was noted that the business case for the upgrade of Ward 21 had been delayed and would not be available until September 2017.

It was resolved:

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

Helen Cosgrove, Carrie Naylor-Williams and David Prisk entered the meeting.

## **5. COMMITTEE RECOMMENDED PAPERS**

### **5.1 Emergency Department Triage Improvement Detailed Business Case**

It was resolved:

*that the business case with a capital expenditure of \$1,976,000 for the 2017/2018 financial year be approved. (Moved Brendan Duffy; seconded Barbara Robson)*

Helen Cosgrove, Carrie Naylor-Williams and David Prisk left the meeting.

### **5.2 Draft Internal Audit Plan 2017/18**

It was resolved:

*that the Board approve the 2017/18 Internal Audit Plan. (Moved Dot McKinnon; seconded Ann Chapman)*

### **5.3 Treasury Management Policy**

It was resolved:

*that the Board note the changes proposed to the Treasury Management Policy; and approve the amended policy. (Moved Barbara Robson; seconded Dot McKinnon)*

### **5.4 Business Improvement Update**

The reduction in procurement costs and more efficient service delivery within Pharmacy was noted. Management confirmed that the implementation of ePharmacy had contributed to this result. Ongoing improvements from ePharmacy were expected. A member questioned whether the savings from ePharmacy were net savings, given the capital investment required. The General Manager, Finance & Corporate Services confirmed each business case factored in the investment required to deliver the projected benefits. For the business improvement reporting, these benefits were netted off against the expenditure. It was agreed that an example be provided to the Board, using ePharmacy. This would show both the immediate benefit realisation from ePharmacy, together with the expected ongoing benefits.

The impact of new and increased providers within the district was raised, such as primary maternity, Crest and Broadway Radiology. The CEO advised that the primary maternity centre would provide a level of care not currently available to women in this area, however it would likely have an adverse financial impact on the DHB. MidCentral would need to maintain hospital level maternity services with less revenue.

MidCentral DHB had a contract with Broadway Radiology for services.

It was resolved:

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

## **6. COMMITTEE MINUTES**

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

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

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

It was resolved:

*that the unconfirmed minutes of the meeting of the Finance, Risk & Audit Committee held on 6 June 2017 be noted;*

*that the unconfirmed minutes of the meeting of the Quality & Excellence Advisory Committee and the Healthy Communities Advisory Committee held on 13 June 2017 be noted; and,*

*that the unconfirmed minutes of the meeting of the Enable New Zealand Governance Group held on 13 June 2017 be noted.*

## **7. LATE ITEMS**

There were no late items.

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

15 August 2017, Horowhenua Health Centre, 62 Liverpool Street Levin.

## **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:*

<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 11.4.17 meeting held with the public present	
Integration • Consumer Story	To protect personal privacy	9(2)(a)
Strategic and Operational Planning • 2017/18 Annual Plan and Budget • Final Draft 2017/18 Regional Services Plan	Subject of negotiation Subject of negotiation	9(2)(j) 9(2)(j)

<ul style="list-style-type: none"> <li>• Insurance – Fire Loss Limits</li> <li>• Emergency Department Reconfiguration Business Case – Tender Evaluation</li> </ul>	<p>To protect the commercial position of supplies information, and the future supply of information</p> <p>Subject of contractual negotiations</p>	<p>9(2)(b)&amp;(ba)</p> <p>9(2)(j)</p>
<p>Performance Reporting</p> <ul style="list-style-type: none"> <li>• CEO’s report – complaints and contracts (Health Partnerships Limited and local)</li> </ul>	<p>To protect personal privacy</p> <p>Subject of negotiation</p>	<p>9(2)(a)</p> <p>9(2)(j)</p>
<p>“In committee” minutes of committee meetings:</p> <ul style="list-style-type: none"> <li>• Finance, Risk &amp; Audit Committee, 6 June 2017 <ul style="list-style-type: none"> <li>○ Insurance arrangements</li> <li>○ Central Alliance Laboratory Services</li> </ul> </li> <li>• Quality &amp; Excellence Advisory Committee &amp; Healthy Communities Advisory Committee, 13 June 2017</li> <li>• Enable New Zealand Governance Group, 13 June 2017 <ul style="list-style-type: none"> <li>○ General Manager’s Report – facilities, and, business development</li> </ul> </li> </ul>	<p>Under negotiation and subject of negotiation</p> <p>For the reasons set out in the order paper of 13.6.17 meeting held with the public present</p> <p>Subject of commercial negotiations and contains commercial sensitive information</p>	<p>9(2)(j)</p> <p>9(2)(j)</p>
<p>Governance Matters</p> <ul style="list-style-type: none"> <li>• CEO &amp; Board Only time <ul style="list-style-type: none"> <li>○ Minutes of the previous meeting</li> <li>○ Other – no decisions</li> </ul> </li> <li>• Board only time – no decisions</li> </ul>	<p>For the reasons set out in the order paper of 11.4.17 meeting held with the public present</p>	

*(Moved Dot McKinnon; seconded Brendan Duffy)*

Confirmed this 15<sup>th</sup> day of August 2017.

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Chairperson