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- ☐ Phil Sunderland, Chairman
- ☐ Diane Anderson
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- ☐ Kate Joblin
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- ☐ Karen Naylor
- ☐ Richard Orzecki
- ☐ Barbara Robson

Management Team

- ☐ Murray Georgel, CEO
- ☐ Mike Grant, General Manager, Planning & Support
- ☐ Heather Browning, General Manager, Enable NZ
- ☐ COO's Office
- ☐ Jill Matthews, PAO
- ☐ Communications Dept, MDHB
- ☐ External Auditor

National Health Board

- ☐ Aroha Metcalf, Account Manager

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Contact Details

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Next Meeting Date: 20 September 2011
Deadline for Agenda Items: 6 September 2011

MIDCENTRAL DISTRICT HEALTH BOARD

A g e n d a

Board Meeting

Part 1

Date: Tuesday, 16 August 2011

Time: 10.00am

Place: Council Chambers
Horowhenua District Council
126-148 Oxford Street
Levin

MIDCENTRAL DISTRICT HEALTH BOARD

Board Meeting

16 August 2011

Part 1

Order

- 1. APOLOGIES**
- 2. LATE ITEMS**
- 3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE**
 - 3.1 Amendments to the Register of Interests**
 - 3.2 Declaration of Conflicts in Relation to Today's Business**
- 4. PUBLIC FORUM AND CENTRAL PRIMARY HEALTH ORGANISATION PRESENTATION**
 - 4.1 Questions from the Public**
 - 4.2 Presentation from Central Primary Health Organisation**
- 5. MINUTES OF PREVIOUS MEETING**
 - 5.1 Minutes**

Pages:	5.1 – 5.9
Documentation:	minutes of 19 July 2011
Recommendation:	that the minutes of the previous meeting held on 19 July 2011 be confirmed as a true and correct record.
 - 5.2 Matters Arising from the Minutes**

6. BOARD COMMITTEES

6.1 Hospital Audit Sub-Committee

Pages: 6.1 – 6.4
Documentation: unconfirmed minutes of Hospital Audit Sub-Committee meeting, 19 July 2011
Recommendation: that the unconfirmed minutes of the meeting of the Hospital Audit Sub-Committee held on 19 July 2011 be received and the recommendations contained therein approved.

6.2 Matters Arising

6.3 Community & Public Health Advisory Committee

Pages: 6.5 – 6.9
Documentation: unconfirmed minutes of Community & Public Health Advisory Committee meeting, 2 August 2011
Recommendation: that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 2 August 2011 be received and the recommendations contained therein approved.

6.4 Matters Arising

6.5 Hospital Advisory Committee

Pages: 6.10 – 6.14
Documentation: unconfirmed minutes of Hospital Advisory Committee meeting, 2 August 2011
Recommendation: that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 2 August 2011 be received and the recommendations contained therein approved.

6.6 Matters Arising

6.7 Enable New Zealand Governance Group

Pages: 6.15 – 6.18
Documentation: unconfirmed minutes of Enable New Zealand Governance Group meeting, 2 August 2011
Recommendation: that the unconfirmed minutes of the meeting of the Enable New Zealand Governance Group held on 2 August 2011 be received and the recommendations contained therein approved.

6.8 Matters Arising

7. STRATEGIC MATTERS

7.1 centalAlliance Project Update

Pages: 7.1 – 7.10
Documentation: CEO's report dated 3 August 2011
Recommendation: that the report be received.

8. OPERATIONAL REPORTS

8.1 CEO's Report

Pages: 8.1 – 8.23
Documentation: CEO's report dated 8 August 2011
Recommendation: that the report be received.

9. GOVERNANCE ISSUES

9.1 Manawhenua Hauora Minutes

Pages: 9.1 – 9.4
Documentation: minutes of Manawhenua Hauora's meeting held on 25 July 2011
Recommendation: that the minutes be received.

9.2 Capital Expenditure Policy Amendment – Low Value Assets

Pages: 9.5 – 9.6
Documentation: report from the General Manager, Planning & Support dated 1 August 2011
Recommendation: that the capitalisation threshold contained in the Capital Expenditure Policy be amended from \$1,000 to \$2,000;

that this change be effective from 30 June 2011; and

that all items in the fixed asset register below the \$2,000 level be removed from the fixed asset register, and the write down of \$1.37m be incorporated into the accounts as at 30 June 2011.

9.3 Local Authority Election Statistics 2010

Pages: 9.7 – 9.17
Documentation: report from Manager, Administration & Communications dated 1 August 2011
Recommendation: that the report be received.

9.4 2011/12 Work Programme

Pages: 9.18 – 9.21
Documentation: CEO's report dated 5 August 2011
Recommendation: that the updated work programme for 2011/12 be noted.

10. LATE ITEMS

11. DATE OF NEXT MEETING

Tuesday, 20 September 2011, MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street, Palmerston North.

12. EXCLUSION OF PUBLIC

Recommendation: 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 reasons stated in the previous agenda	
"In Committee" Minutes of Committee Meetings: <ul style="list-style-type: none">• Community & Public Health Advisory Committee, 2 August 2011• Hospital Advisory Committee, 2 August 2011• Enable New Zealand Governance Group, 2 August 2011: contracts update	For the reasons set out in the Committee's order paper of 2.8.2011 meeting held with the public present For the reasons set out in the Committee's order paper of 2.8.2011 meeting held with the public present Subject of negotiation	9(2)(j)
Strategic Matters <ul style="list-style-type: none">• Central Region's Information Systems Plan	Under negotiation	9(2)(j)
Operational Matters <ul style="list-style-type: none">• CEO's Report: HBL Contract Update• Contracts Update	Subject of negotiation Subject of negotiation	9(2)(j) 9(2)(j)

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 19 July 2011 at 10.00 am
at MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street,
Palmerston North

PRESENT

Phil Sunderland (Chair)
Diane Anderson
Lindsay Burnell
Ann Chapman
Jack Drummond

Kate Joblin
Pat Kelly
Karen Naylor
Richard Orzecki

IN ATTENDANCE

Murray Georgel, Chief Executive Officer
Mike Grant, General Manager, Funding Division (and Acting General Manager, Corporate Services)
Heather Browning, General Manager, Enable New Zealand
Jill Matthews, Principal Administration Officer
Dennis Geddis, Communications Officer
Lyn Horgan, Operations Director, Hospital Services
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness

Public (1)
Media (1)

1. APOLOGIES

An apology was received from Barbara Robson, Board Member. Mavis Mullins was absent.

2. LATE ITEMS

The CEO requested the board accept a late item being the "Transfer of District Health Board New Zealand's (DHBNZ) functions to Central Region's Technical Advisory Service (TAS)". He advised this item had come to hand after the agenda for the Board's meeting had been finalised. The timeframe for the proposed transfer was such that offers of employment were to be made to staff in the week beginning 27 July 2011.

A brief paper regarding this item was tabled.

It was resolved:

that the "transfer of DHBNZ functions to TAS" be accepted as a late item under agenda item 9.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendments to the Register of Interests

Richard Orzecki advised his directorship of Horowhenua Primary Health Organisation had ended as this entity was now defunct.

3.2 Declaration of Conflicts in Relation to Today's Business

No conflicts were identified.

4. MINUTES OF PREVIOUS MEETING

John Bent, member of the public addressed the meeting. He referred to the minutes of the Board's previous meeting and the presentation made by the Central Primary Health Organisation. Mr Bent suggested that as the Central PHO was district-wide, it was no longer appropriate for it to make presentations at the Board's public forums. Instead, if it wished to make a presentation this should be directed to the Community & Public Health Advisory committee which was responsible for that area of the Board's operations.

Mr Bent further suggested that appointed members of the Board's committee be invited to attend the public forum scheduled to be held in Horowhenua in August, or other such forum, to introduce themselves to the community.

4.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 21 June 2011 be confirmed as a true and correct record.

4.2 Matters Arising from the Minutes

4.2.1 Horowhenua Health Shuttle

The General Manager, Funding Division advised that an agreement had been reached between MidCentral DHB and the Horowhenua Shuttle Trust in relation to support for its ongoing operations and to assist with the passage of renal patients over the weekend. From an examination of the Trust's financial statements there appeared to be no short term financial risk. Regarding the sustainability of volunteer workforce for the shuttle's operations, Mr Grant was unable to comment at this time. He stated that a full update would be provided to the Board's Community & Public Health Advisory Committee, including the financial and volunteer workforce risk profile.

5. BOARD COMMITTEES

5.1 Group Audit Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Group Audit Committee held on 21 June 2011 be received and the recommendations contained therein approved.

5.2 Matters Arising

5.2.1 IT Systems and Services in the Event of a Disaster

The Acting General Manager, Corporate Services advised the work noted in the minutes formed part of the Central Region's Information Systems Plan (CRISP). He further advised that an update on IT business continuity planning was scheduled for a future meeting of the Group Audit Committee.

5.3 Community & Public Health Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 5 July 2011 be received and the recommendations contained therein approved.

5.4 Matters Arising

There were no matters arising from the minutes.

5.5 Hospital Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 5 July 2011 be received and the recommendations contained therein approved.

5.6 Matters Arising

5.6.1 Transitional Steering Group

The General Manager, Funding Division advised that the DHB had established District Management Group to oversee planning and implementation of its disease state plans. With the establishment of clinical networks, a Transitional Steering Group had been created to oversee such networks. It had a large clinical membership. In time, the Group's responsibilities would transfer to the Clinical Council.

It was noted that the Transitional Steering Group's membership also included Manawhenua Hauora and Primary Health Organisation representation.

5.6.2 Volunteer Workforce

The CEO confirmed that the valuable contribution of the hospital's volunteer workforce was formally recognised at an annual event.

5.7 Disability Support Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Disability Support Advisory Committee held on 5 July 2011 be received and the recommendations contained therein approved.

5.8 Matters Arising

5.8.1 Health Passport

The Committee Chair drew members' attention to this initiative.

6. STRATEGIC MATTERS

6.1 2010/11 District Annual Plan: Update re Corporate/Governance Initiatives

6.1.1 Asset Management

Management advised that the recent Grant Thornton report regarding MidCentral DHB's asset

plan outlined future expected capital expenditure. Major items included CRISP, site redevelopment of Palmerston North Hospital, and replacement of a suite of linear accelerators.

As part of the 2011/12 Annual Plan, an Investment Plan was to be developed. The first draft of this would be presented to the Board in November/December 2011 and would likely take a further year to finalise. This would identify the major capital and operational investments.

It was noted that the DHB's improved financial position would enable the Board to make such investment decisions.

It was further noted that the approval process for major investment could be lengthy and that was why the DHB was re-commencing the site redevelopment planning process now. The CEO advised the approval process would require a strong regional aspect and support.

MidCentral DHB's 2011/12 Annual Plan signalled the proposed \$50m investment for site redevelopment works, and the DHB's intention to free-cash flow that.

It was resolved:

that the report be received.

7. OPERATIONAL REPORTS

7.1 CEO's Report

7.1.1 In Good Hands

The CEO advised that the proposed staff survey to assess the strength of clinical leadership within DHBs' provider arms would take place, but not within expected timeframes. The standardised survey was still to be finalised. He noted that once in place, the survey would be extremely useful.

7.1.2 Seismic Risk of Hospitals

The CEO advised that MidCentral DHB would be undertaking lower level assessment work to provide comfort that it was not exposed to any undue risk.

7.1.3 Regional Services Plan

The CEO advised that the Minister of Health had given conditional approval of the Regional Services Plans. Details of the conditions were not specified, however there was an expectation Regional Services Plan would continue work in priority areas, clinical leadership, infrastructure and regional governance capability.

Notice of the approval had only been received at MidCentral DHB on 18 July 2011.

7.1.4 Annual Plan 2011/12

The CEO reported that advice of the Minister of Health's approval of MidCentral DHB's 2011/12 annual plan had been received on 18 July. He had "approved and signed the plan for three years". It was noted that while the approval was for three years, DHBs would be expected to furnish a new annual plan next year.

The CEO advised that publication and distribution of the Annual Plan would now occur as quickly as possible. Discussions had already taken place with Clinical and Operational Directors in this regard.

A brief summary of the Plan had been prepared for staff and clearly showed that MDHB's initiatives for 2011/12 were aligned with the Minister of Health's letter of expectations.

7.1.5 Capital Charge

The new capital charge regime was noted. The CEO advised that the Ministry of Health had yet to determine how the new system would be enacted in terms of health funding. DHBs were funded on a population basis and consideration would need to be given as to how any increase or reduction in funding based on specific DHBs' revaluation of assets would be accommodated.

7.1.6 Integrated Family Health Centre, Feilding

The CEO advised that the Community Trust expected to present a proposal to the Board by September. All parties were aware that MidCentral DHB may need to seek Ministerial approval for certain aspects of any proposal, eg a long term lease. This process could take some time.

During the 2011 general election process, the Government would not be making decisions. All parties wished to ensure any application by MidCentral DHB preceded this period, hence the September timeframe.

The CEO advised that MidCentral DHB had offered to look through the Trust's draft financial model if this would be useful.

7.1.7 Maori Services Plan

Ministry of Health approval of this document was noted. Richard Orzecki requested a hard copy of the Plan.

7.1.8 Financial Position

The CEO advised that the year end forecast had been amended to \$9.6m surplus. This was better than expected. This improvement was mainly due to positive one-off contributions, particularly within the Funding Division. These were unlikely to re-occur in 2011/12. Already, management was aware of two factors:

- cardiothoracic surgery levels. While MidCentral Health had exceeded its elective target in 2010/11, cardiothoracic levels were down to the value of \$1.5m to \$2m. With MCH's increased capacity, referrals to Capital & Coast DHB were expected to increase in 2011/12.
- expenditure on high cost pharmaceuticals had been low. Next year, this was expected to be around \$450k to \$500k.

All divisions of the DHB had generated a positive financial position. Enable New Zealand had ended the year \$200k better than budget, and MidCentral Health had achieved a small surplus of around \$2m – the first surplus for many years.

The Board recorded its appreciation of the great effort on the part of management and others over the last 18 months.

A member noted that one-off benefits were just that and should not create an expectation of being repeated in following years.

7.1.9 Debt

Management's recommendation to roll-over two tranches of debt totalling \$13m which were due to expire in November 2011 was discussed in full. Key issues raised:

- management's recommendation to roll-over debt was in line with previous Board consideration of this matter, and was based on retaining a debt facility to finance future major capital works and projects;

- the cost of capital was higher than the cost of debt;
- management recommended roll-over dates of between 2019 and 2021 to align to capital works and expenditure, and, to spread debt so it was not weighted to any particular timeframe;
- interest rate forecasts were based on advice from the Crown Health Financing Agency (CHFA) and other financial institutions;
- the DHB's net debt position was \$17m;
- repayment of the debt would generate a saving of around \$400k per annum;
- current debt levels together with the Board's surplus were not sufficient to fund future capital investment;
- capital expenditure generated operating costs (rough calculation – for every \$50m capital spend generated operating costs of around \$10m) which had to be met from surpluses;
- the next tranche of debt was due to expire in April 2013 and this mitigated the DHB's risk exposure as it could look to repay debt at that time;
- the risk that MidCentral DHB may not be able to access funding in future should it pay back debt now was based on the Government's total indebtedness and the fact that the DHB capital pool was oversubscribed;
- Ministry of Health and CHFA advice was not to repay equity and debt; and,
- the current costing for the site redevelopment of MidCentral DHB was an estimate and further work was planned over the next year to review what was required and associated costs

It was resolved:

that the report be received, and,

that debt maturing in November 2011 be rolled over to 2019-2021.

Karen Naylor recorded her vote against the motion.

7.2 Manawhenua Hauora Minutes

The hui with Manawhenua Hauora which was to be held at the conclusion of the Board meeting was noted.

Richard Orzecki, Chair, Manawhenua Hauora noted: the re-involvement of Kahungunu in Manawhenua Hauora activities; Stephen Paewai's appointment to the DHB's Hospital Advisory Committee; engagement with Central PHO's Maori Director; and the recent Health Needs Assessment update as regard Maori mortality rates.

It was noted that the comment in the minutes regarding the aged residential care workforce was the view of a member of Manawhenua Hauora.

It was resolved:

that the minutes be received.

7.3 Clinical Council

Heather Browning left the meeting.

The CEO advised that the Council's terms of reference and membership was currently under review with the aim of increasing its strategic and advisory role. It was intended the Council would be a key contributor to the development of strategy and annual plans and would do this in a proactive manner.

It was intended to increase the Council's membership to include other groups such as pharmacies and aged residential care.

The Council would be an influential group within the DHB.

It was resolved:

that the report be received.

8. GOVERNANCE ISSUES

8.1 Delegations Policy

Heather Browning re-entered the meeting.

It was noted that delegations were assigned to a position and not a person. It was further noted that honorary staff status was not aligned to long service.

It was resolved:

that the delegations policy be approved and forwarded to the Minister of Health for final approval.

8.2 2011/12 Work Programme

The CEO noted that the key report for the Board's consideration at its next meeting was the business case for the Central Region's Information System Plan. This document had been finalised and was now being submitted to each of the six DHBs within the region.

It was resolved:

that the updated work programme for 2011/12 be noted.

9. LATE ITEMS

9.1 Transfer of District Health Board New Zealand's (DHBNZ) functions to Central Region's Technical Advisory Service (TAS)

The CEO presented this matter which was discussed fully. Key points noted were:

- DHBNZ's functions had been reduced as new agencies, such as Health Benefits Limited, Health Workforce New Zealand, and the Health Quality & Safety Commission took up their new roles;
- DHBNZ now had three key functions being:
 - national ER capacity to support the national Multi Employer Collective Agreements
 - national contracts such as aged residential care, community pharmacies, and primary health organisations

- secretariat support for executive groups, such as DHBs' Chief Medical Officers and Chief Executive Officers.
- the size of DHBNZ's remaining functions did not require an entity or organisation so DHBs had agreed to end its incorporate society status;
- it was proposed that DHBNZ's functions be hosted by TAS, forming a National Arm;
- the National Arm would be led by a Unit Manager
- DHBNZ staff would need to be employed by TAS
- the Unit Manager would be accountable to the CEO Executive of DHBs as was the case under the DHBNZ structure;
- the decision to host DHBNZ functions was considered a "major transaction" in respect of the Companies Act and required the support of TAS's six shareholding DHBs, including MidCentral;
- TAS did not wish to expose itself to risk as a result of this transaction (reputational, financial or other risk) and contractual arrangements would be put in place;

It was resolved:

that the Chief Executive Officer be authorised to enter into the transaction to transfer the functions of District Health Boards' New Zealand to Central Region's Technical Advisory Service (TAS), subject to the Chair and General Manager of TAS being satisfied as to the final details of the Agreement.

10. DATE OF NEXT MEETING

Tuesday, 16 August 2011, Council Chambers, Horowhenua District Council, 126-148 Oxford Street, Levin.

11. 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 Meeting	For reasons stated in the previous agenda	
"In Committee" Minutes of Committee Meetings: <ul style="list-style-type: none"> • Community & Public Health Advisory Committee, 5 July 2011 • Hospital Advisory Committee, 5 July 2011 • Disability Support Advisory Committee, 5 July 2011 	For the reasons set out in the Committee's order paper of 5.7.2011 meeting held with the public present For the reasons set out in the Committee's order paper of 5.7.2011 meeting held with the public present For the reasons set out in the Committee's order paper of 5.7.2011 meeting held with the public present	
Operational Matters		
• CEO's Report: HBL Contracts & Annual	Under negotiation	9(2)(j)

<i>Plan</i>		
• <i>Shared Commercial Banking & Treasury Service Contract</i>	<i>Under negotiation</i>	9(2)(j)
• <i>centralAlliance</i>	<i>Under negotiations</i>	9(2)(j)

Karen Naylor left the meeting.

Confirmed this 16th day of August 2011.

.....
Chairman

MIDCENTRAL DISTRICT HEALTH BOARD

6.1

Minutes of the Meeting of the Hospital Audit Sub-Committee, held on Tuesday, 19 July 2011 at 8.30am in the Boardroom, Board Office, Heretaunga Street, Palmerston North

PRESENT:

Lindsay Burnell (Chair)
Jack Drummond (part)
Ann Chapman (ex officio)

IN ATTENDANCE:

Murray Georgel, Chief Executive Officer
Mike Grant, Acting General Manager, Corporate Services
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness
Robert Brown, Financial Services Manager
Carole Chisholm, Committee Secretary
Pat Kelly, Board Member

Unconfirmed Minutes

1. APOLOGIES

Barbara Robson; Jack Drummond (lateness) Chris de Wit, Ernst & Young (internal auditors)

2. LATE ITEMS

There were no late items.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendments to the Register of Interests

There were no amendments.

3.2 Declaration of Conflicts in Relation to Today's Business

There were no declarations.

4. MINUTES OF PREVIOUS MEETINGS

It was recommended:

that the minutes of the meeting held on Tuesday, 19 April 2011 be confirmed as a true and correct record.

5. MATTERS ARISING

There were no matters arising from the minutes of the meeting held on 19 April 2011.

6. 2010/11 INTERNAL AUDIT PROGRAMME

6.1 Update

It was noted that the internal auditors had the audit 'Management Reporting and IT Effectiveness' on their programme to complete, and the fieldwork was about to start. Management confirmed that Ernst & Young had chosen not to participate in the tendering of internal audit services so this would be their final piece of work.

It was recommended:

that this report be received.

7. 2011/12 INTERNAL AUDIT PROGRAMME

7.1 Identification of Issues

The Chair commented that items to be included in the 2011/12 programme should flow from the risk profile developed by the Board and management.

The Chief Executive Officer advised of the need to be aware of current and future trends.

It was noted that in formulating the next year's audit plan, the auditors, when appointed, would liaise with a range of individuals including the Audit Committee Chairs.

It was recommended:

that this report be received.

8. RISK ANALYSIS

8.1 Update

Management noted that work was underway on redefining risk with a view to reducing the number of risks to a manageable level. The Policy and Procedures would be updated over the following few months now that an appointment had been made to the position of Risk Advisor.

It was recommended:

that this report be received.

9. PROJECT REPORTS

It was recommended:

that no further updates be provided on Rehabilitation Under 65 Service Review and MCH Specialist Diabetes Service – Service Reconfiguration.

10. GENERAL

10.1 Health and Disability Commissioner Complaints Information

It was noted that the number of complaints to the Health & Disability Commissioner (HDC) were trending upwards and the Board was ranked 18th out of 20.

Members noted that they did not see the higher number of complaints as being negative as they provided an opportunity to reflect and repair.

Jack Drummond entered the meeting.

A number of complaints had been referred directly by the complainants to the HDC and consequently management had not been in a position to address the issues directly.

It was recommended:

that this report be received.

10.2 Progress in Delivering Publicly Funded Scheduled Services to Patients (Electives) – A Summary of a Performance Audit Report by the Office of the Auditor-General, June 2011

Management confirmed that the Ministry of Health's target for first specialist assessment within six months was to be 100% by 30 June 2012. The only exceptions to this rule would be where the patient elected not to proceed within that timescale.

It was noted that there would be a need to manage referrals and to refer back to General Practitioners where appropriate.

It was recommended:

that this report be received.

10.3 Recommendation from Regional Lower North Island Peritoneal Dialysis Tender

It was recommended:

that this report be received.

11. GOVERNANCE

11.1 Terms of Reference

Following a member's enquiry, management confirmed that some minor amendments had been made to the Terms of Reference a number of years ago. Otherwise they had remained unchanged.

It was recommended:

that the Terms of Reference for the Hospital Audit Sub-Committee be noted and reviewed in 36 months time.

11.2 Work Plan

It was recommended:

that the updated work programme for 2011/12 be noted.

12. LATE ITEMS

There were no late items.

6.4

13. DATE OF NEXT MEETING

18 October 2011

The meeting closed at 9.15am.

Confirmed this 18th day of October 2011.

.....
Chairperson

MidCentral District Health Board

Community & Public Health Advisory Committee Meeting

Minutes of meeting held on Tuesday, 2 August 2011 at 1pm at MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street, Palmerston North

PRESENT:

Diane Anderson (Chair)
Ann Chapman (Deputy Chair)
Pat Kelly
Karen Naylor
Phil Sunderland (ex officio)
Andrew Ivory
Neil Perry

Unconfirmed Minutes

IN ATTENDANCE:

Murray Georgel, Chief Executive Officer
Mike Grant, General Manager, Planning & Support
Rebecca Bensemann, Committee Secretary
Craig Johnston, Senior Portfolio Manager, Primary Health Care
Brad Grimmer, Senior Portfolio Manager, Health of Older People
Claudine Nepia-Tule, Portfolio Manager, Mental Health & Addictions
Barb Bradnock, Portfolio Manager, Child & Youth Health
Andrew Orange, Pharmacy Advisor
Jo Smith, Project Manager, InterRAI
Tricia Keelan, Planning & Accountability Manager
Niki Michael, Communications Officer

OTHER:

Public: (1)
Media: (2)

1. APOLOGIES

An apology was received from Oriana Paewai, Committee Member. Mavis Mullins, Board Member was absent.

2. NOTIFICATION OF LATE ITEMS

There were no late items, however Pat Kelly tabled an item to be placed on the agenda for the Committee to review at its next meeting. This paper will be placed on the Work Programme accordingly.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendment to the Register of Interests

There were no amendments to the Register of Interests.

3.2 Declaration of Conflicts in Relation to Today's Business

Ann Chapman declared her conflict regarding agenda item, 13.1 Contracts Quarterly Report in respect of her membership of the Otaki Community Health Trust.

Ms Chapman remained at the meeting but did not participate in discussion relating to this item.

4. MINUTES

4.1 Minutes

It was recommended:

that the minutes of the previous meeting held on 5 July 2011 be confirmed as a true and correct record

4.2 Recommendations to the Board

It was noted that all recommendations contained in the minutes were approved by the Board.

4.3 Matters Arising from the Minutes

There were no matters arising from the minutes.

5. STRATEGIC REPORTS / SPECIAL ISSUES

5.1 Annual Prioritisation Framework Update

The General Manager, Planning & Support, advised that the prioritisation framework is a set of criteria used by the Funding Division to evaluate all new service initiatives and for renewing existing contracts and services. Any potential funding changes can be signalled through this framework.

A Member queried whether the scope of the prioritisation framework included potential impact from a financial or a national perspective. It was advised that the financial impact is considered within this process, in terms of the effect on other services as well as possible opportunity costs.

The General Manager, Planning & Support, provided a general overview in that prior to 1 July 2011, the Funding & Planning division within the MidCentral District Health Board (DHB) structure was accountable for the allocation of revenue across services. It was noted that from 1 July 2011 Corporate Services had merged with Funding & Planning to create a combined Planning & Support division.

Total spend across total continuum of care is largely the responsibility of Portfolio Managers, who also initiate or recommend any service changes. Additionally, the Annual Plan and Health Needs Assessment aid in the prioritisation of service delivery.

It was recommended:

that this report be received and the Community and Public Health Advisory Committee makes any comments and suggestions

that the prioritisation framework be confirmed for use in the 2011/12 financial year or until reviewed as part of the centralAlliance Road Map outcomes

5.2 The Impact of Pharmac

The General Manager, Planning & Support, advised that a copy of this paper had been forwarded to PHARMAC for their reference. It was also reiterated that representatives of PHARMAC would attend a future workshop to be held for all Board and Committee members.

Members thanked management for a comprehensive and informative paper, however it was requested that a colour copy of Figure 1: Impact of PHARMAC on Medicines Expenditure Over Time be electronically sent to all Committee members.

It was also queried whether figures were available to substantiate the cost-effectiveness of All-at-Once dispensing. Management advised that the projected reduction in DHB spending on dispensing fees of \$132m was a net estimate as it was difficult to measure or quantify waste.

An update was provided to the Committee in that an amendment to the Medicines Regulations 1984 came into effect on 1 August 2011. This amendment being that generic substitution on prescriptions is to be the default position unless the prescriber specifically states that the medicine prescribed is not to be substituted for another brand.

It was recommended:

that this report be received

5.3 Regional Services Plan

The Chief Executive Officer iterated that the Regional Services Plan focuses on areas which require immediacy of action at a regional level. A general overview of such work streams was provided in this paper.

A Member sought further feedback around the Central Regions Information System Plan (CRISP) initiative. It was advised that CRISP is the development of a suite of key clinical systems focusing on providing standardised availability of user information and entitlements to six DHBs in the lower North Island. This initiative is not fundamentally related to a national strategy, however the I.T Board (part of the National Health Board) has endorsed this regional focus on clinical systems. National cohesion may or may not be a future initiative at this stage.

It was recommended:

that this report be received

6. OPERATIONAL REPORTS

6.1 Funding Division Operating Report – July 2011

Item 3.1 Health of Older Person, Audit Framework – Integrated Audits

Management advised that the Funder had previously been carrying partial liability but that the move to an integrated audit framework in October 2010 ensures a partnering approach to liability risk is undertaken together with the sector.

Item 3.1 Health of Older Person, Premium-only Facilities

The Committee was assured that the ability to grow premium bed numbers will not compromise the current situation for years to come.

Item 3.2.1 He Korowai Oranga update

A Member noted that Whanau Ora was of particular importance and requested that the Committee be made aware of any potential implications or relevant information pertaining to this.

Item 3.1 Health of Older Person, InterRAI for Aged Residential Care

An overview was provided to the Committee in that interRAI is intended to standardise assessments throughout New Zealand by the removal of locality variations. In effect, this generates the collection of standardised data which will contribute to more informed and robust decision-making.

Item 3.4.1 PHO Performance Programme

With regard to Table 1: PHO Performance Programme Summary of Performance to December 31st 2010, it was noted that Central PHO has achieved a large number of local targets, which were not recorded on this table, and that updated data will be presented to the Committee at its next meeting.

Item 3.4.4 National Pharmacy Services Agreement

Management advised that DHBs are facing unsustainable financial risk from the 'Close Control' provisions of the current National Pharmacy Services Agreement and that the existing agreement will rollover to 30 April 2012 in order to garner greater support for the change in process.

It was recommended:

that this report be received

6.2 Finance Report

The General Manager, Planning & Support, advised that the interim financial result to mid August 2011 was positive variance to budget which was mainly caused by a \$3.8m "one-off" component. This robust financial position also enabled a number of balance sheet adjustments to be made in the Provider Arm, most notably the lifting in threshold defining an asset.

It was recommended:

that this report be received

7. GOVERNANCE

7.1 Committee's Work Programme, 2011/12

The Chief Executive Officer reiterated that representatives from PHARMAC had been invited to attend a future workshop which would be held for all Board and Committee Members. It was noted that the last presentation by PHARMAC was approximately two years ago.

The Chief Executive Officer also advised that the Annual Plan had been approved and that a copy would soon be distributed to each Committee Member. It was noted that any final changes to the Annual Plan would be minor with one exception, being that from 30 June 2012 patients were to wait no longer than six months for a specialist appointment or for elective surgery (once approved).

It was recommended:

that the updated work programme for 2011/12 be noted

8. LATE ITEMS

There were no late items.

9. DATE OF NEXT MEETING

Tuesday, 6 September 2011

10. EXCLUSION OF PUBLIC

It was recommended:

that the public be excluded from Part 2 of this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reason stated:

<i>Item</i>	<i>Reason</i>	<i>Reference</i>
<i>"In Committee" Minutes of the Previous Meeting</i>	<i>For reasons stated in the previous agenda</i>	
<i>Quarterly Report – Contracts</i>	<i>Subject to negotiation</i>	<i>9(2)(j)</i>

Confirmed this 6th day of September 2011

.....
Chairperson

**Minutes of the Hospital Advisory Committee meeting held on 2 August 2011
commencing at 8.30 am in the Boardroom, MidCentral District Health Board**

PRESENT

Jack Drummond (chair)
Lindsay Burnell
Kate Joblin
Stephen Paewai

Barbara Robson
Phil Sunderland
Kerry Simpson

In attendance

Murray Georgel, CEO
Mike Grant, General Manager, Planning & Support
Carolyn Donaldson, Committee Secretary

Diane Anderson, Board Member (part meeting)
Nicholas Glubb, Operations Director, Specialist Community & Regional Services
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness
Lyn Horgan, Operations Director, Hospital Services
Chris Channing, Manager, Planning & Performance Unit
Sue Wood, Director of Nursing (part meeting)
Phil Marshall, Clinical Director Dental Services (part meeting)
Amanda Drifill, Service Manager Medicine (part meeting)
Ian Ironside, Portfolio Manager, Funding Division (part meeting)
Doug McLean, Whanganui & MidCentral DHBs
Women's and Children's Health Services (part meeting)
Communications (1)
Media (1)

1. APOLOGIES

Apologies were received from the Cynric Temple-Camp and Richard Orzecki. Stephan Paewai apologised for lateness.

Condolences

The Committee extended its sympathies to Richard Orzecki for the recent loss of his brother.

2. LATE ITEMS

There were no late items.

3. CONFLICT AND/OR REGISTER OF INTERESTS

3.1. Amendments to the Register of Interests

Barbara Robson advised she was still a member of the Consumer Representative Forum for the Central Region DHBs.

3.2. Declaration of conflicts in relation to today's business

The CEO informed members that Stephan Paewai had advised of a conflict of interest in relation to item 16 in part 2 as he knew one of the patients.

4. MINUTES

4.1. Minutes

It was recommended

that the minutes of the meeting held on 5 July 2011 be confirmed as a true and correct record.

4.2. Recommendations to Board

To note that the Board approved all recommendations contained in the minutes.

5. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the minutes.

6. ANNUAL PLANNING

6.1. Regional Services Plan (RSP)

Management advised the Regional Services Plan had been approved on 11 July 2011.

It was noted that as soon as the project scope for the regional elective service was available, it would be provided to the committee.

Stephan Paewai arrived.

Management offered to ensure the Mental Health & Addictions Network was aware of the *Green Paper for Vulnerable Children*, a recent paper by Paula Bennett MP.

In terms of cardiac work, the regional cardiac network would look at a regional response to the regional demand. This work would incorporate a regional clinical perspective with some standardised services across the region. MidCentral Health's cardiac work related to our own population and its issues.

It was confirmed that MDHB has representation on most of the RSP committees.

Management confirmed that Allied Laundry Services was owned by four DHBs and provided services for a fifth DHB. The company would look at expanding its services if Hutt Valley and Capital & Coast DHB were interested in this option. It was noted that whilst Health Benefits Limited had looked at our laundry and received information and advice on its operations, they had not been involved any other role with the company.

It was recommended

that this report be received

7. ANNUAL PLANNING

7.1. Child & Adolescent Oral Health Project – Quarter 4 update

Arrears - There was discussion on the arrears. Management reiterated the reasons for them, advising the situation should resolve as the facilities became operational and the reconfiguration was completed. There should be an improvement by the middle of next year.

Diane Anderson joined the meeting.

It was noted that although staffing had been improved with new graduates arriving, it took time for their productivity to be similar to that of their more experienced colleagues.

A member said it would be good to see more children, as that was one of the key aims of the project. Getting some positive media coverage would be helpful, as it took time to change the culture and for parents to appreciate what the improvements meant, eg having access to the service during school holidays. Management agreed it probably needed to socialise the changes more, but feedback so far had been very positive.

Management confirmed members would be updated on progress via the future reports and that improvements would be seen as the system was implemented. Further progress would also be made as the information system was developed for the service, as a large amount of time was currently taken up with the paper based administration system. The information system would not be in place until at least the end of next year.

Management were asked in the next report to show on an area by area basis, that progress is being made in the areas and the strategy for making that progress. The next update to the committee was due to the February 2012 meeting.

It was recommended

that this report be received

7.2. Update on Implementation of the cardiology Landscape Report

The work done to address the wait list backlog since the Cardiology Landscape report was received was noted. During this time, no patients were identified with significant cardiac risk as a result of being on the wait lists, and there was no increase in the number of referrals to Capital & Coast DHB as a result of the review of the CARD AT waiting list. Access criteria particularly for diagnostics would be established so that people were referred appropriately. Once the clinical governance group was underway and the access criteria developed, consideration would be given to establishing a small focus group so there could be input from the patient's perspective.

It was recommended

that this report be received

7.3. Women's Health and Child Health Service Evaluation

There was some discussion on the proposed key performance indicators (KPIs) in terms of the information they would provide. The data provided by the KPIs was important in terms of assessing progress on arrangements for the regional service and collection information. A member felt that while the KPIs provided certain information, there was another set of information from the consumer aspect which could help improve the service.

Management explained the intention had always been to ensure there was sufficient narrative to reflect on achievements. The purpose of this paper was to demonstrate that the original objectives were robust and could be measured.

The proposed recommendation was amended by the addition that the report still had to be discussed by Whanganui DHB.

It was recommended

that this report be received

that the proposed evaluation criteria and monitoring arrangements for the Regional Women's Health and Child Health Services between MidCentral and Whanganui DHBs be endorsed noting that this report still has to be discussed by Whanganui DHB.

8. OPERATIONAL REPORTS

8.1. Provider Division Operating Report – June 2011

The CEO spoke to his report, advising the Shorter Stays in ED project launch would be delayed for a little while. He explained that following discussions with the Senior Management Team, it had been agreed that a different approach was needed. There were a number of activities and initiatives underway at the moment which should be more integrated, and focus on an organisational culture change. An update on this would be provided in the following months.

It was noted that the Other Outsourced Costs represented invoices received for diagnostic tests performed by other DHBs that were not invoiced until year end. These costs had not been anticipated or provided for.

Asset Write-Off – the proposal to change the capital expenditure policy so that the level for capitalising assets was raised from \$1,000 to \$2,000 was discussed and supported. The proposed change would be cost neutral in future years.

Management advised there would be an independent assessment of the Horowhenua Urgent Care Pilot Project which would show how this service was working and any impact it might have had on ED presentations, which had levelled off recently.

Electives – the comparison of elective work performed in house over the last few years was noted. The figures showed a huge increase in work done in house now compared to three years ago.

Shorter Stays in ED – Regional DHBs are struggling with this project. MidCentral Health has done as much as it can to achieve the target at the lower rate, and was now looking at a whole of organisation culture change. This approach was supported by the project's national champion, Prof Ardagh, who had visited recently to see if he could help progress the initiative. The Director of Nursing explained the Care Capacity and Demand Management programme which was also looking at culture change. This programme forecast and planned for patient demand on services, looking at models of care and workforce so that we were able to deliver the services required, ie matching supply and demand, with forward planning for at least six months ahead if possible.

6-14
Sharepoint site – The issue of patients being informed their information was put onto this site was raised. Management confirmed access to the site was by clinicians involved in the care of the individuals, and the site was a means by which they accessed clinical information. The member felt an information sheet could be made available so that patients were informed about their listing on the site.

It was recommended

that this paper be received

9. GOVERNANCE ISSUES

9.1. 2011/12 Work Programme

Clinical Trials – the issue of research and clinical trials being undertaken at MidCentral Health and whether or not any revenue was involved was raised. Whilst it was felt the trials were more likely to provide useful scientific information rather than revenue, Management offered to report back in a few months time, covering issues like the length of activity, type, benefits, revenue and clinical oversight.

It was recommended

that the updated work programme for 2011/12 be noted.

10. LATE ITEMS

There were no late items.

11. DATE OF NEXT MEETING

6 September 2011

12. EXCLUSION OF PUBLIC

It was recommended

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>Reference</i>
"In Committee" minutes of the previous meeting	For reasons stated in the previous agenda	
Operations Report: Potential Serious and Sentinel Events and Complaints	To protect personal privacy	9(2)(a)
Quarter Report - Contracts	Subject of negotiations	9(2)(j)

**Minutes of the Meeting of the Enable New Zealand Governance Group,
Held on Tuesday, 02 August 2011 at 4.00pm,
In the Conference Room, Enable New Zealand's Offices,
Malden Street, Palmerston North**

Unconfirmed Minutes

PRESENT

Barbara Robson (Chair)
Murray Georgel, CEO (ex officio)
Karen Naylor
Ewen Kirkcaldie
Matt Matamua

IN ATTENDANCE

Heather Browning (General Manager)
Eileen Downing (Corporate Services Manager)
Sharon Holmes (Secretary)

1. APOLOGIES

Richard Orzecki
Scott Ambridge

2. LATE ITEMS

There were no late items identified.

3. CONFLICTS OF INTEREST

3.1 Amendments to the Register of Interest

There were no amendments to the Register of Interest.

3.2 Declaration of Conflicts in Relation to Today's Business

There were no declarations of conflicts.

4. MINUTES OF THE PREVIOUS MEETING

4.1 Minutes

It was recommended:

that the minutes of the previous meeting held on 03 May 2011 are confirmed as a true and correct record.

4.2 Recommendations to the Board

The Committee noted that all recommendations contained in the minutes had been approved by the Board.

5. MATTERS ARISING FROM THE MINUTES

There were no matters arising.

6. STRATEGIC PLANNING

6.1 Further Development of Enable New Zealand regarding National Procurement & Distribution – DAP Update 1

The General Manager advised that as this was the first update for the year there was little to report for the current period, however going forward the update would include activities undertaken in regard to Short Term Loan, Health Benefits Limited, contracts with Canterbury District Health Board and the review of freight models.

Panel contracting has been a positive initiative with substantial savings being delivered through the reissue of equipment. As the focus is on form and function of equipment rather than brand it is easier to reissue equipment from the Store.

It was noted that the savings from the Hamilton Stores initiative had not been reported, however this will be included going forward.

Work is currently being undertaken on productivity measures that will be able to be reported to the Minister. The General Manager advised that she will be putting together a one page briefing paper to the Ministry of Health outlining savings achieved to date.

The Committee noted that it was important to capture the fact that the quality of the services provided had not reduced due to the increase in savings. It was equally important to note that the savings delivered were not only to the two Ministers but also the client.

It was suggested that a Client Satisfaction Survey be carried out, particularly in regard to the Panel Contracting initiative.

It was recommended:

that the report be received.

7. OPERATIONAL REPORTS

7.1 General Managers Operational Report

NATIONAL AND CONTRACTUAL MATTERS

The General Manager advised that Enable New Zealand had been unsuccessful in the bid for the Hearing Aid Services contract. Transition to the new provider Accessable will be complete by the end of December.

It was queried whether there had been a debrief on why Enable New Zealand had been unsuccessful in their bid. The General Manager advised that to date there had been no debrief, however she was hoping to have some time set aside at the next quarterly providers meeting with the Ministry of Health to discuss this.

The Committee noted that they would need to be mindful of the loss of revenue associated with the non-renewal of the Hearing Aid Service Contract. It was requested that the General Manager report to the Committee at the next meeting the impact of the loss of revenue and any associated reduction in costs in order to give the Committee an understanding of what the Management Team had done to respond to the loss in revenue.

The Health Benefits Limited contracts for the procurement of rehabilitation equipment on behalf of the District Health Boards have been signed by the General Manager and will be distributed to the District Health Boards for signing. Enable New Zealand will be receiving a margin on prices and will look to share further savings with the District Health Boards as the organisation moves forward with procurement.

The on-line service for Spectacle Subsidies and Short Term Loan Equipment Provision for MidCentral District Health Board is now fully operational. The General Manager noted that all on-line issues had been resolved, however it has been indicated to the current provider the intention to go to market for the next stage of the development of a fully integrated on-line ordering system. It was advised to the Committee that the General Manager would be presenting a Business Case at the next meeting in regard to this development work.

The Hamilton site expansion is delivering significant freight savings to the Ministry of Health and this has been communicated to the Contract Relationship Manager at the Ministry. An analyst at the Ministry of Health is currently working on how to price the contracts with the Ministry, in particular the different service components and associated costs. The General Manager indicated that this would form part of the discussion about recovery of lost revenue from the Hearing Aid Service contract.

LOCAL MATTERS

The Supportlinks transition to the Planning and Support division of MidCentral District Health Board been completed. The Younger Person's team will now be known as the Enable New Zealand Needs Assessment and Service Coordination Team. The Ministry of Health has formally been advised of this. Ferrida Curwood from the MidCentral District Health Board Communications Team will be putting out a press release.

FINANCIAL MATTERS

The Committee noted that they were very pleased with the financial result.

The General Manager advised that the Ministry of Health had undertaken to increase the Needs Assessment and Service Coordination budget for this financial year. A new financial reporting methodology has been developed and the team will be travelling to Wellington to attend training in this.

The General Manager has been working with a Systems Analyst and the Needs Assessment and Service Coordination Team Leader to develop a mechanism to benchmark performance and drivers.

It was recommended:

that the report be received.

8. CONTRACTS UPDATE

8.1 Update 1

It was recommended:

that this report be received.

9. RISK ANALYSIS

9.1 Update 1

It was recommended:

that this report be received.

10. GOVERNANCE MATTERS

It was noted that the one significant change to the reporting framework was the change to a six-week meeting cycle however this would have no effect on the Governance Group meetings.

It was recommended:

that the Committee's 2011/12 work programme be noted.

11. LATE ITEMS

There were not late items identified.

12. DATE OF NEXT MEETING

1ST November 2011

Venue: Enable New Zealand Conference Room, 69 Malden Street, Palmerston North.

13. EXCLUSION OF THE PUBLIC

It was recommended:

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 reasons stated in the previous agenda	

TO Board
FROM Chief Executive Officer

DATE 3 August 2011

SUBJECT centralAlliance

MEMORANDUM

1. PURPOSE

This report provides an update against all work streams that make up the centralAlliance work programme. No decision is required.

2. SUMMARY

Implementation of the centralAlliance work programme continues.

The 2011/12 work programme has been finalised, including lead management responsibilities.

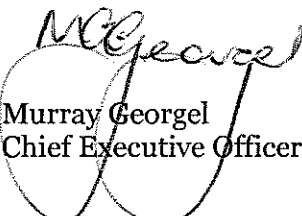
The key focus at present is finalisation of the women's health paper for consideration by each Board. This is schedule to take place next month via the Hospital Advisory and the Community & Public Health Advisory Committees.

A copy of the Project Manager's progress report is attached.

3. RECOMMENDATION

It is recommended:

that the report be received.


 Murray Georgel
 Chief Executive Officer

COPY TO:

CEO's Department

MidCentral DHB
 Heretaunga Street
 PO Box 2056
 Palmerston North
 Phone +64 (6) 350 8910
 Fax +64 (6) 355 0616

July 2011

centralAlliance Progress Report

1 Summary

As reported last month the Whanganui and MidCentral DHB sub-regional activities for 2011/12 have been incorporated into the respective DHB Annual Plans. The individual initiatives have been prioritised from both a business perspective (as required by the Ministry) and by a clinical perspective (as reviewed by the Whanganui/MidCentral Clinical leader's Forum).

Most initiatives now have had a lead DHB appointed to initiate the initiative, with a specific person, within each DHB to deliver the initiative. A limited number are still to be finalised.

Milestones, resourcing, work programmes and reporting requirements will now be developed for each initiative.

It is expected that having the centralAlliance initiatives embedded within each DHB's annual plans will mitigate previously identified risks associated with differing day-to-day priorities within each DHB.

A workshop of the centralAlliance Board subcommittee has discussed with management and clinical leaders the process and decision points for finalising the delivery of Women's Health Services. A paper detailing the recommended option will be available for the Whanganui DHB's Board and MidCentral HAC and CPHAC committees September meetings.

2 Progress on 2011/12 centralAlliance Joint Initiatives

Of the 18 initiatives four (Clinical Leader's Forum, clinical governance arrangements, development of allied health and development of nursing professional frameworks) are already underway, and one (a shared health need assessment summary) has been completed.

The Clinical Leader's Forum will meet for the second time and will be considering the summary health need assessment of the two DHB populations and methodology of developing medium and long-term clinical service plans under the guidance of the CEOs.

Subsequent reports will show the detailed milestones and reporting requirements against each initiative along with progress toward the milestones.

2.1 Sub-Regional Women's Health Service

The Whanganui and MidCentral DHB CEOs and senior managers have been working with Dr. Digby Ngan Kee (Joint Clinical Director for the Women's Health Service) on the principals and processes for development of a recommendation to the two Boards on the future delivery service model for women's health services across the two districts.

This work complimented a dedicated workshop of the Board centralAlliance subcommittee to identify what issues Boards would need to consider, the decisions they would be required to make, the process for developing a recommendation paper and roadblocks to effective decision making.

After hearing the progress made by the management and clinical teams, and discussion by the Board members, the workshop resolved support for management's intention to complete a recommendation paper on the preferred service model for the respective Boards and subcommittee September meetings and supported the need for a timely Board decisions.

WDHB & MDHB 2011/12 Annual Plan centralAlliance Initiatives

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	These actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes	Lead DHB	WDHB Respblty.	MDHB Respblty.
Continue the establishment of shared back-office functions, and management/governance processes:							
<ul style="list-style-type: none"> Review and align best fit for delivery of information Systems across Whanganui and MidCentral DHBs 	<p>Consistency and allocation of appropriate resources to ensure capability and capacity to deliver and support implementation plan for the CRISP</p> <p>Streamlined management of IS service delivery functions across Whanganui and MidCentral DHBs</p> <p>Provide sufficient skill and expertise to develop, implement and sustain current services and new information system / technology requirements</p>	<p>Options proposal identifying:</p> <ul style="list-style-type: none"> Systems and network review Capability assessment Impact and gap analyses Alignment of policies, operating principles, functions and practices Business process redesign requirements Benefits and costs of proposal Investment requirements 	<p>Recommendations approved by both Boards by 30.6.12</p> <p>Total cost of maintaining IS operations' service delivery functions reduced across DHBs</p> <p>Level of sustained support and response times to on-site helpdesk enquiries</p> <p>Network infrastructure and telecommunications functionality maintained at optimal levels</p> <p>Successful interconnectivity between the DHBs</p>	Achieve service delivery and financial benefits to the DHBs from establishing shared, common infrastructure and support services as part of centralAlliance	MDHB	Corp	Corp.
<ul style="list-style-type: none"> Assess feasibility of single transactional processing unit across Whanganui and MidCentral DHBs for accounts payable and receivable functions 	<p>Increased coverage for staff</p> <p>Potential for improved efficiency</p> <p>Standardisation of systems and common processes</p>	<p>Feasibility study and options proposal completed by 30.6.12 identifying:</p> <ul style="list-style-type: none"> Capability assessment Impact and gap analyses Alignment of policies, operating principles, functions and practices Business process redesign requirements Benefits and costs of proposal Centralised processing Logistics and systems plan Software and technical change requirements 	<p>Volume of invoices processed</p> <p>Cost reduction</p> <p>Supplier confidence in on time payments</p> <p>Time between receipt of requisition to electronic payment systems</p>	Achieve service delivery and financial benefits to the DHBs from establishing shared, common infrastructure and support services as part of centralAlliance	WDHB	Corp	Corp.
<ul style="list-style-type: none"> Establish combined asset management planning capability – implement agreed recommendations 	<p>Agreed approach to ensure sustainability and affordability of capital expenditure plan across</p>	<p>Management plan for current assets within centralAlliance completed</p>	<p>Approved asset management plan by Boards</p> <p>Consistency with national</p>	Achieve better value for money through collaborative planning and management of assets across the DHBs,	WDHB	Corp	Corp.

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	These actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes	Lead DHB	WDHB Respblty.	MDHB Respblty.
of Sustainability Report	centralAlliance Asset planning and management built into service planning framework Common capital purchasing and procurement approach	Alignment of asset registers Timeframes for capital funding aligned to planning priorities.	Capital Assessment guidelines Consistency with RSP and clinical services' planning	aligned to national purchasing and capital programmes			
<ul style="list-style-type: none"> Undertake line by line review of contracts and procurement arrangements between Whanganui and MidCentral DHBs 	Standardisation of contract arrangements Reduced costs	Line by line reviews	Review of multi function devices completed by 30.9.11 Review of PCs & laptops completed by 30.9.11 Telecommunication review completed by 30.11.11 Diagnostic price per treatment analysis (eg MRI, catscan) completed by 30.11.11 Joint purchasing plan for major capex	Achieve better value for money through shared procurement arrangements	MDHB	Corp	Corp.
<ul style="list-style-type: none"> Explore the opportunity to align organisational risk management systems, structures and processes 	Standardisation of systems Reduced costs	Single systems and processes	Proposal established by 30.4.12	Achieve better value for money through shared systems	WDHB	DON	MCH
<ul style="list-style-type: none"> Develop joint proposals to be a demonstration sites for Health Benefits Limited and the Health Quality & Safety Commission activities 	Reduced costs	Single systems and processes	Proposals established as opportunities arise	Achieve better value for money through shared systems	WDHB	Corp DON	Corp Cmrc MCH
<ul style="list-style-type: none"> Consider joint positions for all key management and clinical vacancies wherever appropriate 	Reduced costs Shared leadership	Common processes	Proposals developed as opportunities arise	Achieve better value for money through shared systems	Joint	CEO HR&OD	CEO HR&OD
Build on shared approach to planning health & disability service							
<ul style="list-style-type: none"> Undertake sub-regional shared health needs assessment 	Make best use of specialist expertise Allow sub-regional prioritisation and planning	Joint health needs analysis review	2012/13	Improved & equitable health outcomes for communities	MDHB	S&BP	FD

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	These actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes	Lead DHB	WDHB Respblty.	MDHB Respblty.
<ul style="list-style-type: none"> Develop two regionally deployed palliative care medical specialist positions across Whanganui, Taranaki, MidCentral 	<p>based on health need</p> <p>Improve overall access and equity of access to palliative care medical specialists</p> <p>Support greater coordination of service planning and delivery between districts and within districts across primary, secondary and Hospice care</p> <p>Mitigate workforce risks relating to recruitment and retention of medical specialists</p> <p>Strengthen clinical leadership across palliative care</p>	Improved options for care for people requiring palliative care	<p>Positions in place by August 2011</p> <p>Meeting medical supervision requirements of staff</p> <p>Performance against agreed measures of improved clinical sustainability, access, quality, service integration and efficiency</p>	<p>Development of two regionally deployed palliative care medical specialist positions across Whanganui, Taranaki, MidCentral:</p> <ul style="list-style-type: none"> Palliative Care Clinical Director to provide clinical leadership and strategic direction to the clinical, education, research and clinical quality improvement aspects of palliative care across DHBs, Hospices and primary care. Palliative Care Medical Specialist position to provide hands-on medical specialist services primarily to Arohanui Hospice, Hospice Wanganui and Hospice Taranaki. 	MDHB	S&BP	FD
Using successes to date, continue the development of combined clinical service delivery arrangements, with strong clinical governance:							
<ul style="list-style-type: none"> Move from a "virtual" to a "one service, two-sites" service through implementation of the Subregional Service Model for Women's Health 	<p>Improve equity of access to the combined population over time</p> <p>Assist with clinical sustainability</p>	Women's Health Service Plan	Board approval 2011/12, with implementation to follow	Improved clinical sustainability Improved & equitable health outcomes for communities	WDHB	CEO	MCH FD
<ul style="list-style-type: none"> Implement a sub-regional approach for Renal services 	<p>Assist with clinical sustainability</p> <p>Enable prioritisation based on cost/benefit</p>	Proposed approach	Board approval 2011/12, with implementation to follow	Improved clinical sustainability Improved & equitable health outcomes for communities	MDHB	S&BP CMO	MCH FD
<ul style="list-style-type: none"> On-going support for newly established sub-regional services in 	<p>Successful sub-regional services which meet the needs of the populations and</p>			The right services delivered to the right people at the right time	Business as Usual – through	CEO	MCH

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	These actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes	Lead DHB	WDHB Respblty.	MDHB Respblty.
Urology, and Women's Health	staff in both DHBs				joint meetings		
<ul style="list-style-type: none"> Establish other appropriate sub regional services, e.g. ophthalmology, ENT, cardiology and sexual health 	Services configured for optimal patient journeys	Proposed approach	Management approval 2011/12, with implementation to follow	Improved clinical sustainability	WDHB	CMO	CMO
<ul style="list-style-type: none"> Establish a common nursing professional development programme for specialist areas 	Consistency of nursing professional development supporting combined service delivery arrangements	Easier access to more relevant & consistent in-house nursing education using modern educational and communication tools.	Common programme in place 2011/12	Improved workforce sustainability	MDHB	DON	DON
<ul style="list-style-type: none"> Establish a discipline-specific common Allied Health professional development system 	Consistency of allied health professional development supporting combined service delivery arrangements	Alignment of allied health expertise and capacity across the two DHBs under common allied health leadership	Development of consistent discipline specific processes around student placements and new staff (new graduates)	Improved workforce sustainability	Joint	DAH	DAH
<ul style="list-style-type: none"> Establish a sub-regional Clinical Leaders Forum 	Shared clinical arrangements	Forum for clinical networking and developments	Professional development plans & maintenance of professional standards	Clinical leadership	Joint	DAH	DAH
<ul style="list-style-type: none"> Ensure shared Clinical Governance features in all of the shared service arrangements 	Development of shared clinical programmes to be supported by senior clinical staff	Safer quality systems	Measures to be developed by Clinical Board	Clinical leadership	Business as Usual	CMO	CMO
<ul style="list-style-type: none"> Explore sonographer training opportunities in alliance with Whanganui DHB by 30.12.11 	Improved success of development & implementing shared programmes	Consistency of sonography training	No of services with shared clinical governance	Improved workforce sustainability	Joint	HR&OD	HR&OD

WDHB

CEO - Julie Patterson - CEO
 Corp - Brian Walden - GM Strategic & Business Support
 DON - Sandra Blake - Director of Nursing & GM Patient Safety
 S&BP - Tracey Schiebli - GM, Service and Business Planning
 CMO - Dr John Rivers - Chief Medical Officer

Joint Appointments

HR&OD - Hentie Cilliers - Regional GM Human Resources & Organisational Development
 DAH - Kim Fry - Regional Director of Allied Health

MDHB

CEO - Murray Georgel - CEO
 Corp - Mike Grant - GM Corporate Services
 Cmtcl - Mike Grant - GM Corporate Services
 FD - Mike Grant - GM Funding Division
 MCH - Murray Georgel - GM MidCentral Health
 DON - Sue Wood - Director of Nursing
 CMO - Ken Clark - Chief Medical Officer

2.2 Reporting and Management

Because each centralAlliance initiative is now a core component of each DHB Annual Plan the responsibilities, resourcing for implementation and reporting becomes a normal part of each DHB's management programme. As such the current risks associated with conflicting work priorities will be largely mitigated.

Each initiative will have the opportunity through 2011/12 to present, in advance of proposals to the individual Boards of management teams, progress on the initiative to the Board centralAlliance subcommittee. The subcommittee is expecting to act as a sounding board for individual acceptability of the proposals allowing for the final proposals to have a higher degree of acceptability to the full boards and the local communities. These reporting opportunities are built into the 2011/12 work plan of the centralAlliance Board Subcommittee workshops.

3 Initiatives Completed in 2009/10 and 2010/11

The following lists initiatives completed:

Clinical

- Shared Urology service began in Whanganui 08-02-11
- Contract agreed with MoH and MDHB for the Whanganui/MidCentral Maternity Quality framework
- 2011/12 annual plan initiatives adds shared clinical services in Ophthalmology, ENT, Cardiology and Sexual Health
- Directors of Nursing have agreed to develop joint nurse education services which will include the underlying technology and system support for cost effective training. This agreement includes Hawkes Bay DHB.
- Common template to be used for credentialing new treatments and procedures
- WDHB clinical staff to be invited to attend MDHB departmental credentialing sessions
- MCH Medical Director has met with several WDHB SMOs and reports solid support for centralAlliance clinical collaboration and Regional Clinical Services Plan initiatives
- Agreement in principle for shared Orthopaedic department education and clinical audit/peer review
- Anaesthetics, ED, Elder Health, Internal Medicine and General Surgery advised they are the next priority list to review collaboration opportunities
- Successful joint tender for provision of Support Services for Autism Spectrum Disorders
- Successful joint tender for provision of a minimum of 150 additional elective gynaecology surgeries.
- Joint appointment of Clinical Director Women's Health
- Joint appointment of Director of Allied Health
- Lead departments for collaboration established: Women's Health Service – a single service across two sites and Children's Health Service – a managed clinical network both have planned, joint work programmes supported by project management resource
- Enhanced cancer services are shared
- Renal, ENT, Ophthalmology and Neurology departments utilising shared resource
- Agreement to shared medical credentialing shared clinical policies and guidelines and shared clinical governance information/participation. Cross attendance implemented for clinical governance and credentialing committees. Central Regional Credentialing agreement signed

Governance

- Standing orders of both Boards have been aligned

- The Hospital Advisory, Community and Public Health, Disability and Support Advisory Committee terms of reference have been aligned and approved by both Boards
- Reciprocal invitations to attend each other's Board CPHAC meetings are in place and have been held
- A number of governance member policies have been aligned and work continues in this area.

Support Services

- Common CCTV security monitoring services have been implemented
- A shared Head of HROD has been appointed and a shared HROD structure being implemented
- A joint payroll computer server system (individually operated) is in place
- A joint financial system in place
- The tender process for common hospitality services has been completed with the common service beginning August 2010
- Agreement for common RFP process for legal services has been agreed across Whanganui, MidCentral and Hawkes Bay DHBs.

Funding and Planning

- GMs and Portfolio Managers are consulting extensively on most programmes
- Shared elective purchase being progressed
- Agreement for common clinical prioritisation processes and evaluation and research methodologies
- Agreement to develop health need assessment reviews with common themes across the two DHB populations
- Agreement for a single Child Epidemiology Report

Community and Consultation

- A common communications plan (stakeholders including staff and the community) has been approved and it's implementation is updated after each centralAlliance meeting with key messages and issues.
- Community consultation was envisaged to be part of the 2010-11 District Strategic Planning process. New planning requirements of the bill before parliament will alter that time table and specific centralAlliance community consultation will be implemented.
- A programme of internal and external communication releases is in place.

4 Risks and Risk Mitigation

1. The two previously significant risks (the degree to which individual DHB deficit management programmes conflict with clinical collaboration and the differing priorities between centralAlliance initiatives and District Annual Plan initiatives) have been mitigated through centralAlliance plans now being within the Annual Plans of both DHBs
2. The unavailability of key staff to be available for Regional and sub-regional activity remains a high risk as notified in last month's report.. As suggested previously the mitigation should be CEO reinforcement of the balance between local DHB, centralAlliance and Central Regional Service Plan priorities.
3. Establishing agreed language and intent such that Boards, management and clinical teams have common expectation and understanding of expected outcomes and timing.

5 Appendix

5.1 Foundation Agreement – Key Elements

The Boards of Whanganui and MidCentral DHB signed a Foundation Agreement in August 2009 which prescribes the mechanism for the two DHBs to develop clinically led collaboration of frontline health services and more effective and efficient back shared support services.

The foundation agreement includes statements on the expected outcomes and ways of working between the two DHBs. They are summarised as:

The objectives

- Improved and equitable health outcomes across the communities of the combined districts
- To develop a consistent, combined districts approach to health and disability service planning that will result in health gains for their resident populations; and
- Whilst remaining autonomous DHBs, to develop an integrated approach to the common strategic and operational responsibilities of both parties

The Scope

- The development of shared services – economies of scale in business support services, including but not limited to finance, human resources and information systems
- Constructive collaboration between the respective clinical teams, which may, in time, lead to the development of shared delivery of clinical services

DHB Autonomy and Independence

- Acknowledging that each DHB will remain an autonomous DHB, legally and structurally independent of the other

Principles of Engagement

- The principles of engagement include statements on integrity, open mindedness, evidence based decisions etc.

Financial Arrangements

- Arrangements should ensure cost neutrality to each DHB. Each DHB shall remain responsible for funding services for its district.

These clauses are critical to the intent behind the centralAlliance.

Leadership of the centralAlliance work programme is with the respective CEOs while monthly workshops governance advice to the management and clinical teams within the DHBs implementing the work programmes within the centralAlliance.

TO Board
FROM Chief Executive Officer
DATE 8 August 2011
SUBJECT Report for June/July 2011

MEMORANDUM

1. Purpose of Report

This report is for the Board's information and discussion. It provides the DHB's result for the month on a consolidated basis, and discusses organisation, governance and corporate issues of note.

2. Executive Summary

MidCentral DHB's and the Central Region's plans for 2011/12 have received the Minister of Health's endorsement. Implementation of these is underway.

Planning for the next update of Regional Service Plans has commenced nationally.

The business case for the Central Region's Information Systems Plan has been finalised and is now being considered by each of the six DHBs.

The provisional results for the year ended 30 June 2011 are positive and is in line with the results as reported to the August committee meetings. The external audit process is underway and the Annual Report, including annual accounts, will be submitted for the Board's consideration in September 2011.

3. Recommendation

It is recommended:

that the report be received.

COPY TO:

CEO's Department
MidCentral DHB
Heretaunga Street
PO Box 2056
Palmerston North
Phone +64 (6) 350 8910
Fax +64 (6) 355 0616

4. Sector Matters

4.1 NATIONAL HEALTH BOARD

4.1.1 Advancing Regional Services Planning

Advancing regional service planning is a key focus for the Government and the National Health Board. This was summarised recently in a newsletter article from Dr Murray Horn, Chair, National Health Board. He wrote:

Under the Public Health & Disability Amendment Act 2010 DHBs are required to start planning at a regional level - co-operating, sharing resources and jointly planning to develop affordable and clinically sustainable regional health service arrangements. The first of these Regional Service Plans (RSPs) are now being approved.

In his letter the Minister expected to see DHBs develop RSPs which:

- Focus on a small number of high priorities and the most vulnerable services in each region, with implementation plans to quickly place these services on a more secure and sustainable footing;
- Development of shared back office functions across DHBs; and
- Regionalisation of IT platforms, IT support and workforce development.

Heath Benefits Limited is tasked with helping DHBs deliver quality healthcare through the development of shared back office functions across DHBs. Meanwhile, the National Health Board is looking at both service delivery and capacity (capital, workforce and IT) and supporting DHBs through their regional planning processes.

While we have made a good start, and some regions are more advanced than others, we need to substantially pick up the pace if we are to ensure we drive real benefits through regionalisation.

In the coming weeks I will be writing to DHB Chairs to outline our views of their regions relative progress across four key areas:

1. Service planning and implementation;
2. Development of regional training hubs;
3. Development of regional IT priorities and decision making; and
4. Effectiveness of regional capital committees in setting regional investment priorities.

At a management level, the NHB's planning team intends to meet regularly with each regional governance body to monitor progress against their agreed actions. They will also use these meetings as an opportunity to discuss specific regional issues and next steps. It is understood the first of these meetings will occur this month.

The NHB is also giving thought to the next edition of Regional Services Plans (2012/13). It advises it will be engaging and working closely with the health and disability sector over coming months on the 2012/13 RSP requirements.

4.1.2 Monitoring Intervention Framework

The NHB advises it is looking to refine its Monitoring Intervention Framework so it explicitly covers financial performance, service issues, health targets, better sooner more convenient achievements and regional collaboration. The NHB recognises that currently DHB movement within the framework is largely based on financial performance, although all aspects of performance are actually monitored.

DHBs involvement in this re-design work is yet to be determined and the NHB will be raising this with the Joint Oversight Group. (NB: JOG is national advisory group established by NHB.)

Under the Monitoring Intervention Framework MidCentral DHB is currently classified “performance watch”. Its rating was reduced in March 2010 as a result of financial performance which had deteriorated at that time. MDHB’s application for its rating to be reviewed is still under consideration by the NHB.

4.2 DHB PERFORMANCE

The NHB advised that the DHB sector has ended the year with a provisional result which is much better than planned. (The actual results are not yet to hand but will be reported in due course.)

In addition, early elective surgery information indicates that the sector had delivered more cases than the elective surgery volume target.

4.3 CONSULTATION GUIDELINES

The Ministry of Health is reviewing its consultation guidelines. MDHB provided detailed comments document with the strong conclusion and recommendation that effective consultation as part of broader engagement of the Ministry (including NHB) and DHBs will be best served by making the Guidelines document more comprehensive and prescriptive in terms of what is required. This will allow for greater comfort that DHBs in particular are meeting the requirements within the context of our changing environment and greater regionalisation. We are also concerned to ensure that our populations understand the requirements and threshold for consultation.

4.4 NATIONAL INFORMATION TECHNOLOGY (IT) INFRASTRUCTURE

A workshop was recently held between DHBs, the National Health IT Board and HBL to agree an integrated approach to IT development. It is agreed there is single national IT plan for the health sector.

In terms of developing a national infrastructure, key points reported from the workshop were:

- Delivery of a national IT infrastructure which will be needed to support clinical and non-clinical applications is seen as a shared priority.
- A feasibility analysis will be undertaken, led by HBL, and working closely with the NHB’s IT Board and DHBs using three current projects as examples: national Financial Management Information System (FMIS), Central Regional Information Strategy Plan (CRISP) and Midland Connected Health. This will confirm whether a national approach to IT infrastructure will lead to cost savings, and to identify the service model options available and their estimated costs and benefits. This will be completed by the end of August 2011.



- In the meantime as a guiding principle, it is agreed that any regional or national projects requiring new or additional IT infrastructure should be hosted using a services contract. DHBs should not be purchasing new IT infrastructure for such projects unless dispensation has been agreed through Graeme Osborne, Director, NHITB.
- It is recognised that the level of investment needed in the infrastructure will have to be considered against other priorities.
- If cost savings are achievable in this area it is recognised that these will assist in supporting the further investment that is likely required in clinical support systems.
- A further update on the intended
- Direction for a national infrastructure configuration will be provided in September.

4.5 DISTRICT HEALTH BOARDS' NEW ZEALAND

The transfer of remaining DHBNZ functions to the Central Region's Technical Advisory Service (TAS) is proceeding.

Arrangements for the ongoing governance structure for DHBNZ activities have been put in place. The **DHB Executive** shall comprise:

- 4 Chairs regionally selected, 4 CEOs regionally selected, plus a Lead CEO for Employment Relations
- The Chairs' Group would select its Chair and Deputy Chair from the 4 Chairs
- The Chairs' Group would select a Lead Chair for Employment Relations
- The CEO Group would select its Chair from the 4 CEOs
- The DHB Executive has the power to co-opt others as required for specific topics

The Chair Reps are: Tony Norman (Northern), Graeme Milne (Midland), Bob Francis (Central), Murray Cleverly (Southern).

The CEO Reps are: Kevin Snee (Chair and Central Region), Geraint Martin (Northern), Craig Climo (Midland), Chris Fleming (Southern).

Sally Webb has been elected Lead Chair for Employment Relations.

Nominations for chair and deputy chair of the executive have been received and are Graeme Milne and Murray Cleverly respectively. This matter will be determined at the next meeting.

4.6 CAPITAL CHARGE REGIME

As reported last month, the new regime for capital charge commenced on 1 July 2011. The National Health Board has now advised how this will be implemented within the health sector:

- the final capital charge invoice under the old methodology will be issued by the NHB by 30 November for the wash-up for the year ended 30 June 2011.
- invoicing will then occur twice yearly (November and May, payable by the 20th of the following month) based on the final audited and the six monthly accounts.
- there will be no change in funding for capital charge resulting from the DHB revaluations as at 30 June 2011. This is due to the adjustment occurring prior to the implementation date of 1.7.11 of the new regulations.

- movements in the revaluation reserve that occur between 1 July 2011 and 31 December 2011 (as based upon DHB year to date 31 December 2011 financial templates) should be subject to an adjustment (increase/decrease) in funding to compensate for additional/reduced capital charge expense.
- funding adjustments will then be calculated at six monthly intervals. The initial funding payment will be top sliced and there after rolled into base funding at the next funding update.

5. Regional Matters

5.1 CENTRAL REGIONAL SERVICE PLAN 2011/12

As verbally advised at the Board's last meeting, the Minister of Health has conditionally approved the Regional Services Plan. The Minister's expectation for RSPs is that they:

- include agreed actions to work on in key priority areas; services needing to be strengthened and health targets that need to be achieved
- demonstrate clinical leadership and engagement necessary to support the development of models of care and actions to be implemented for priority areas
- document linkages and implications for infrastructure including IT and workforce that will resolve service vulnerability for prioritised services; and
- establish regional governance capability with their Chairs and CEOs that enables effective regional decision-making on behalf of constituent DHBs.

A copy of the Minister's letter is attached for members' information – refer Appendix A.

5.2 CENTRAL REGION'S INFORMATION SYSTEMS PLAN (CRISP)

The business case for a regional information system plan has been finalised and is in the process of being submitted to each of the six central region DHB Boards for consideration.

The business case is provided as a separate report for MidCentral's Board to consider.

5.3 CENTRALALLIANCE

Currently, the main focus has been the development of a women's health regional service plan. The service currently operations as a "virtual" regional service and the plan will set out how this can be further progressed into a "one service, two-DHB" model.

Our preference is that the plan will be submitted to the Board, via the Community & Public Health Advisory Committee, in September.

6. Organisational Matters

6.1 DISTRICT ANNUAL PLAN

MidCentral DHB's annual plan for 2011/12 has been supported by the Minister of Health. A copy of his letter of support is attached, and is also contained in the Annual Plan – refer Appendix B.

The plan has been circulated to a range of stakeholders and is also available from our website – www.midcentraldhb.govt.nz

6.2 INTERNAL AUDITORS

Interviews for a provider of internal audit services were held on 19 July. Negotiations with the preferred provider commenced on 8 August and a full report, including a recommendation, will be provided for the Board's consideration next month.

6.3 ASSET MANAGEMENT PLANNING

The Asset Management Plan (AMP) financial information has been forwarded to Hutt Valley DHB in accordance with the timetable outlined last month, and HVDHB are now working on a regional version for onward submission to the Ministry of Health by 31 August. An update on the regional AMP will be provided next month.

The information supplied to HVDHB was based on the Grant Thornton review that was submitted to the Board in March, updated with the latest information on CRISP. The main projects included over the next five years are as follows:

CAPEX Summary		
	Year	Amount \$'000's
New Linear accelerator & bunker	2011-12	6,300
Cardiology	2011-12	2,595
CRISP - IT Project(Over 5yrs)	2011-16	8,096
Planned Site Redevelopment	2014-2017	49,500
Other ISSP Projects	2011-16	5,416
Major Plant Replacement		
Digital Subtraction Angiography	2011-12	1,100
Gamma Camera	2011-12	1,200
CT Scanner	2012-13	2,000
Linear Accelerator No 1	2013-14	3,500
Baseline asset replacements	2011-16	47,771

Please note that these are **provisions only**. The major out year projects will require board approval in accordance with our policy.

7. Financial Matters

(Amounts are in \$000s and adverse numbers are in brackets.)

7.1 STATEMENT OF FINANCIAL PERFORMANCE

Monthly results are reported to the Ministry of Health for the three divisions – Funder, Provider, and Governance. The table below shows the results for each business unit within each of these divisions.

7.1.1 Consolidated Provisional Result – 30 June 2011

<i>Jun-11</i> <i>Monthly result</i>	DHB RESULT (‘000’s)	Funding Division (‘000’s)	Provider Division (‘000’s)	Governance (‘000’s)
Net Result				
Actual	206	2,342	(1,064)	(1,072)
Budget	(167)	(226)	151	(92)
Variance	373	2,568	(1,215)	(980)

The monthly result for June was \$0.4m favourable to budget, which was primarily due to revenue in the funding division being in excess of plan. The adverse results for the month in the provider and governance divisions are largely related to the write-off of \$1.37m of fixed assets, following the change in the capitalisation limit from \$1,000 to \$2,000. This is dealt with in a paper elsewhere on this agenda.

<i>Jun-11</i> <i>Year to date</i>	DHB RESULT (‘000’s)	Funding Division (‘000’s)	Provider Division (‘000’s)	Governance (‘000’s)
Net Result				
YTD - Actual	9,601	5,846	3,775	(20)
YTD - Budget	(3,739)	(500)	(2,420)	(819)
Variance	13,340	6,346	6,195	799

The provisional result for the year was a surplus of \$9.6m, which is favourable to budget by \$13.3m. There may be some minor adjustments to this result as part of the year end process.

The detailed statement of financial performance is shown in Appendices C and D.

7.2 STATEMENT OF FINANCIAL PERFORMANCE

7.2.1 Financial Position

MidCentral District Health Board Statement of Financial Position (summary)				
	Jun 2009 \$000	Jun 2010 \$000	Jun 2011 \$000	Change \$000
Assets Employed				
Current Assets	44,727	41,941	59,114	17,173
Current Liabilities	(54,841)	(55,944)	(58,373)	(2,429)
Fixed Assets and Investments	164,748	160,010	155,119	(4,891)
	154,634	146,007	155,860	9,853
Funds Employed				
Equity	98,521	89,425	99,189	9,764
Bank Loans	54,867	55,301	55,417	116
Long Term Liabilities	1,246	1,281	1,254	(27)
	154,634	146,007	155,860	9,853

(Refer Appendix E for details.)

7.2.2 Debt and Investments

7.2.2.1 Debt

This table shows the debt profile for the hospital's long term debt.

Lender	Maturity	\$'000	Rate	Type
CHFA	Nov-11	8,000	7.28%	Fixed
	Nov-11	5,000	7.28%	Fixed
	Apr-13	8,000	7.00%	Fixed
	Apr-13	4,500	4.70%	Fixed
	Apr-14	4,100	4.94%	Fixed
	Apr-15	7,000	6.71%	Fixed
	Apr-15	5,600	6.54%	Fixed
	Dec-17	2,500	5.05%	Fixed
	Dec-17	10,000	6.63%	Fixed
	Total	54,700		
Unused Facility		2,000		
Total Facility		56,700		
EECA	May-15	717	0.00%	Fixed

Following the decision by the Board in July to roll over the \$13m of debt maturing in November, this has now been done, and the rate fixed. The debt has been rolled over until March 2019, at a rate of 5.01%.

7.2.2.2 Investments

At the end of June, the cash invested totalled \$38.5m. Details of the investments are contained in the table below.

Deposit Type	Maturity Date	Rate	Value \$000
160 day	11-07-2011	5.20%	6,000
150 day	01-08-2011	4.54%	2,500
151 day	01-08-2011	4.51%	3,000
160 day	02-08-2011	5.20%	4,500
120 day	31-08-2011	4.28%	4,000
150 day	01-09-2011	4.29%	2,500
180 day	07-09-2011	4.39%	2,800
122 day	03-10-2011	4.33%	2,000
122 day	04-10-2011	4.32%	2,000
180 day	10-10-2011	4.35%	3,000
179 day	30-11-2011	4.40%	4,000
On call	n/a	3.10%	700
Enable	n/a	3.00%	1,500
Total as at 30 June		4.53%	38,500

The investment which matured in July was used as follows:

- \$6m, 11 July - placed on call

7.2.2.3 Covenants

<i>Jun-11</i>	Actual	Limit / Covenant
YTD - Variance to Budget	\$13.3	< (\$2.0m)
Bank Loans (net debt)	\$14.1	\$71.7m
Equity	\$99.2	> \$30m
Debt & Equity	\$113.3	
Debt Ratio	12.4%	< 55.0%
YTD Interest Cover	7.43	> 3.00

All covenants are being met.

7.2.2.4 Debt Position

MidCentral District Health Board	Jun-09 \$m	Jun-10 \$m	Jun-11 \$m
Available Bank Facility	71.7	71.9	71.9
Net Debt (CHFA & Banks)	29.0	29.8	14.1
Debt Facility Surplus / (Shortfall)	42.7	42.1	57.8
Reserved Funds	18.7	18.7	20.2
Debt Facility Available	24.0	23.4	37.6

7.2.3 Capital Expenditure (Capex)

The following table shows the current capital expenditure program.

MidCentral District Health Board Capital Expenditure Programme Status 30 June 2011			
Plan 2010/11	Budget 2010/11 \$'000's	Approval 2010/11 \$'000's	Actual Spent 2010/11 \$'000's
MidCentral Health			
Linac Sinking Fund	360		
CAOHS- Business Case(Costs to come through in 2011/12)	1,887	1887	
Planning Workstations	555	555	510
Emergency Rooms 11 & 12 (Radiology)	1,000		
Under \$250k	5,409	3474	2782
Substitutions (Original DAP)			
Car Parking	860	860	861
Telemetry Systems (ED & MAPU)	800		
Drug Distribution System	364		
Clinical Records Building (Part)	374	374	130
Total MidCentral Health	11,609	7,150	4,283
Corporate			
Under \$250K	1,629	730	465
ISSP Plan 2010/11			
Regional PACS Archive	275		
eReferrals)	0		
Maternity System)	0		
Dental) Transferred to 2011/12	0		
Sterile Tracking System)	0		
Total ISSP	275	0	0
Total Corporate	1,904	730	465
Enable			
Capital Plan 2010/11 (Items under \$250k)	350	350	303
Total Capital Expenditure 2010/11	13,863	8,230	5,051
Allocated			
MidCentral Health Provider	11,609		
Enable	1,904		
Corporate	350		
Total	13,863		
Funding Sources Approved by Board			
Depreciation funding		10,563	
MOH Funding Enhancements Child & Adolescent Oral Health		1,887	
MOH Revenue Contract Workstations		553	
Cash Reserves Board-Wilsons Carpark		860	
Total Funding		13,863	
Less			
Spent to date			
Depreciation Funding	4,541		
MOH Contract	510		
MOH equity injection			
Other			
	5,051		
Adverse budget variance to 30.06.2011	0		
		5,051	
Balance to be expended		8,812	

	Prior Approval Unspent as at 30 June 2011	2011 YTD Spend
Capital Plan Prior Years		
MidCentral Health		
ICU Monitors	0	486
LA1 MLC	0	264
Linac Sinking Fund	206	
Ultrasound	0	343
CAOHS	152	509
Theatre Electrics	125	349
Under \$250K	2	716
Total	485	2,667
Corporate		
Clinical Records Building	0	2,011
Corporate IT & Other	27	382
ISSP		
Concerto- Moved to CAPEX 2011/12 plan	0	
Other ISSP	36	26
Total	63	2,419
Enable		
On-Line Applications	0	292
Total Capital Expenditure Prior Years	548	5,378
Funding Sources		
MOH Funding Enhancements Child & Adolescent Oral Health	152	
Cash Reserves- Board	396	
Total	548	

Total Capex Outstanding	\$'000's	\$'000's
Plan 2010/11		8,812
Prior Years		548
Total		9,360
To be Funded		
Depreciation	6,022	
MOH Capital Injection	2,039	
MOH Revenue Contract	43	
Cash Reserves	1,256	
Total		9,360
Total Fixed Asset Purchases to 30/06/2011 Per General Ledger		
Prior Year		5,378
Current Year 2010/11		5,051
Total		10,429

7.3 CASH SUMMARY

A summary of the cash position by division is shown below.

Cash / Investment Summary as at 30 June 2011	
	\$m
Treasury Division	17.3
Funding Division	18.0
MidCentral Health	4.0
Trust Funds - Short Term	0.4
Enable	1.6
Total	<u>41.3</u>

7.4 AGED DEBT SUMMARY

A summary of the aged debt position as at 30 June is shown in the table below. There are no significant issues at this point in time.

Aged Debt Analysis as at 30 June 2011					
	Total	Current	31-60	61-90	Over 90
	\$000	\$000	days	days	days
			\$000	\$000	\$000
Ministry Of Health	3,305	3,229	41	35	0
ACC	440	382	39	1	18
Other DHBs	343	255	83	5	0
Overseas Visitors	123	10	17	5	91
Other	2,533	2,229	160	16	128
Total	6,744	6,105	340	62	237

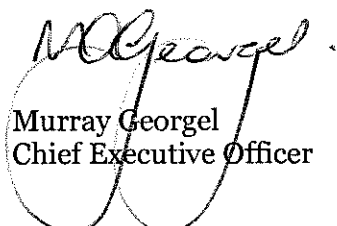
8. Outlook

Over the next few weeks we will be working with the external auditors to finalise the accounts for 2011/12 and develop our annual reports.

We will also be discussing our 2011/12 Annual Plan with staff and further progressing its implementation.

Other priority matters are getting our monitoring status revised, and progressing the regional women's health paper (centralAlliance).

Regionally, approval of the business case for CRISP, followed by implementation planning, will be a priority.



Murray Georgel
Chief Executive Officer

Appendices:

- A. *Letter from Minister of Health to Lead CEO, Central Region dated 11 July 2011 re 2011/12 Central Regional Service Plan*
- B. *Letter from Minister of Health dated 18 July 2011 re MidCentral DHB 2011/12 Annual Plan*
- C. *Statement of Financial Performance (Consolidated)*
- D. *Statement of Financial Performance (Divisional)*
- E. *Statement of Financial Position,*
- F. *Statement of Cash Flows*

**Office of Hon Tony Ryall**

Minister of Health
Minister of State Services

18 JUL 2011

8.15

Mr Phil Sunderland
Chair
MidCentral DHB
PO Box 2056
Palmerston North Central
PALMERSTON NORTH 4440

Dear Mr Sunderland

MidCentral District Health Board 2011/12 Annual Plan

This letter is to advise you I have approved and signed MidCentral District Health Board's (DHB) 2011/12 Annual Plan for three years.

This year has seen significant change to the accountability framework for all DHBs with the introduction of annual Regional Service Plans to replace District Strategic Plans and one Annual Plan that incorporates the Statement of Intent. These changes are designed to help improve the way we plan service delivery by setting a long term direction and clear pathways to get there, through an integrated approach linking the different levels of health care.

I want to thank you for your cooperation as we transition to this new way of thinking and look forward to your continued support as we strive for improved health services for all New Zealanders.

Clinical and financial sustainability

All DHBs are expected to budget and operate within allocated funding and identify specific actions to improve financial performance in order to live within their means. This includes seeking efficiency gains and improvements in purchasing, productivity and quality aspects of your DHB's operation and service delivery.

I am pleased to see your DHB is planning for small surpluses for the three planning years and that your plan notes a focus on identifying actions to ensure you continue to live within your means.

Primary Care

Delivering better, sooner and more convenient services closer to home has been a priority for the Government and DHBs for a number of years. Closer integration of services across primary and secondary care and a greater range of services being delivered in the community should not only reduce pressure on hospitals but also improve the patient experience. It is important that you collaborate with your regional DHB colleagues to develop this integration effectively.

Ongoing commitment to implementing a better sooner and more convenient environment is evidenced in your Annual Plan. In this area your DHB has made positive progress over the last year, which aligns with my expectation.

Regional Collaboration

Greater regional collaboration is a key aspect of the new accountability arrangements and supports more effective use of clinical and financial resources. Better collaboration amongst DHBs is essential to address priority vulnerable services and has the potential to maximise efficiencies through shared back office functions, as well as IT, workforce support and development and capital investment. As core elements of the National Health Board's work, I look forward to seeing the benefits of collaborative partnership with your fellow DHBs as these important regional initiatives are implemented.

I expect to see delivery on your agreed Regional Service Plan actions as detailed in your Annual Plan and look forward to seeing greater ongoing support for the work of Health Benefits Limited in developing shared back office functions where appropriate. I also thank you for your continued commitment to work with the Health Quality and Safety Commission.

Sub-regional collaboration with Whanganui DHB is of particular importance for the future of your DHB. Progress on the centralAlliance is expected in line with your roadmap of actions and your Annual Plan. I will be looking closely at how you implement your planned actions and how they assist each partner DHB in future clinical and financial sustainability.

Health of Older People

The prioritisation of investment in services to ensure the health and support needs of older people are met is important. An ongoing programme will be required to manage the impact of our ageing population on health services and support the provision of high quality and sustainable services in this area.

I am pleased to see more detail in your Annual Plan on how you are planning to deliver health services for older people. I am especially interested to follow your progress in relation to addressing the respite care needs of your community and the effective use of recent additional funding for this service.

How you will provide new and expanded services for people with dementia is of importance to me as is your DHB's continued application of the comprehensive clinical assessment tool (interRAI) currently being rolled out nationally.

Clinical Leadership

Clinical leadership is fundamental to improving patient care and has an important role in supporting overall service delivery in a number of ways. Engagement with clinical leaders aids job satisfaction for health care professionals and improves delivery of workforce initiatives. The success of clinical networks is based on clinical input working across regions and nationally to assist with overall service delivery. Clinical leadership also plays an important part in the integration of service delivery closer to home.

I expect to see clinical leadership embedded as a way of working within your DHB and the ways in which you seek engagement with your clinicians continue to expand over coming years.

Health Targets

New Zealanders have high expectations that they will have access to quality health care services when they need them. The Government's Health Targets are selected to drive ongoing improvements in specific priority areas in order to meet the growing expectations of the public.

I appreciate MidCentral DHB's efforts to deliver on the Health Targets and your progress in delivering on these. It is good to see that you have identified more specific actions within your Annual Plan that you will take to ensure you achieve your planned performance on the six Health Targets.

Annual Plan Approval

My approval of your Annual Plan does not constitute acceptance of proposals for service changes that have not undergone review and agreement by the National Health Board. All service change or service reconfigurations must comply with the requirements of the Operational Policy Framework and you will need to advise the National Health Board of any proposals that may require my approval.

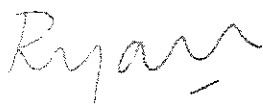
Additionally, my acceptance of your Annual Plan does not indicate support for any capital projects requiring equity or new lending, or self-funded projects that require the support of the Capital Investment Committee. Approval of such projects is dependant on both completion of a sound business case, and evidence of good asset management and health service planning by your DHB. Approval for equity or new lending is also managed through the annual capital allocation round.

I acknowledge that the impacts for DHBs of the earthquakes in Christchurch over the last year are difficult to determine and that these have not been taken into account in producing Annual Plans. The impacts of these events are ongoing for the health sector and will need to be managed beyond what is included in your Annual Plan.

I would like to thank you, your Board and management for your valuable contribution and continued commitment to delivering quality health care to your population and wish you every success with the implementation of your 2011/12 Annual Plan.

Finally, please ensure that a copy of this letter is attached to the copy of your signed Annual Plan held by the Board and to all copies of the Annual Plan made available to the public.

Yours sincerely



Hon Tony Ryall
Minister of Health

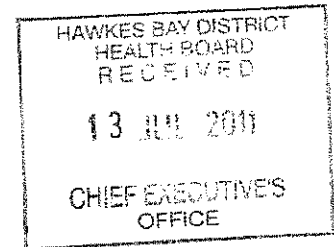


Office of Hon Tony Ryall

Minister of Health
Minister of State Services

11 JUL 2011

Dr Kevin Snee
Lead CEO, Central Region
Chief Executive Officer
Hawke's Bay District Health Board
Private Bag 9014
HASTINGS, 4156



Dear Dr Snee *Kevin*

2011/12 Central Region Service Plan

This letter is to advise you I have conditionally approved the Central Region, Regional Services Plan.

This is a transition year in respect to service planning and accountability documentation and I want to thank you for your assistance as we move to a new way of thinking about how we coordinate the delivery of health services throughout the country. I look forward to your continued support as we strive for improved health services for all New Zealanders.

District Health Boards (DHBs) working collaboratively within regions are about ensuring the right services are provided in the right place. By working regionally, DHBs can ensure that services are delivered in a clinically sustainable and financially viable way to meet the needs of the region.

RSPs need to develop quickly; with immediate action on vulnerable services and key priority areas, and with DHB Annual Plans increasingly seen as part of this broader regional plan.

My expectation for RSPs is that they:

- include agreed actions to work on in key priority areas; services needing to be strengthened and health targets that need to be achieved
- demonstrate clinical leadership and engagement necessary to support the development of models of care and actions to be implemented for priority areas
- document linkages and implications for infrastructure including IT and workforce that will resolve service vulnerability for prioritised services; and
- establish regional governance capability with their Chairs and CEOs that enables effective regional decision-making on behalf of constituent DHBs.

It is also critical these key priority areas are supported by IT and workforce development which is increasingly organised at a national and regional level as an integrated whole, rather than at a district level.

In commenting on your RSP, the Central region RSP is now more of a framework than the 'whole of system' approach that the region originally produced in 2008. I expect to see good progress on your agreed RSP actions for 2011/12, and for the Central region DHBs to focus on working better together to realise the benefits of regional and sub-regional collaboration. In particular, I expect to see evidence of increased tangible activity between MidCentral and Whanganui DHBs, as well as between Capital and Coast, Wairarapa and Hutt Valley DHBs.

There is also a need for Central region DHBs to begin to collectively share risk (especially financial risk) for the benefit of the region's population. I will be closely watching your progress with this during 2011/12. I also look forward to seeing greater ongoing support for the work of Health Benefits Limited in developing shared back office functions where appropriate and thank you for your continued commitment to work with the Health Quality and Safety Commission.

DHB Annual Plans

DHBs are each expected to identify the specific actions they will undertake to give effect to their RSP implementation plan at a local level in their Annual Plans. I am pleased to see a range of activities identified by individual DHBs in these plans to act on their RSP commitments and expect this to be strengthened in coming years.

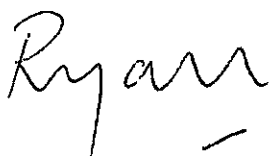
Next steps

The National Health Board will continue to work closely with the Central region and will monitor progress against your identified actions, offer support and act as a resource to assist you to deliver on your RSP. Through its important regional initiatives (IT, workforce support and development, and capital investment) I look forward to seeing real benefits resulting from the Central region's collaborative partnership with the National Health Board.

As part of implementing these actions I expect the Central region to measure and communicate the benefits of regional collaboration, particularly the benefits to patients.

Finally, please ensure that a copy of this letter is attached to the copy of your signed RSP held by the Board and to all copies of the RSP made available to the public.

Yours sincerely



Hon Tony Ryall
Minister of Health

cc: Central Region DHB Chairs
Central Region DHB Chief Executive Officers

Appendix C

Statement of Financial Performance (Consolidated)

<i>Jun-11</i> <i>Monthly Result</i>	Actual \$000	Budget \$000	Variance \$000	Variance %
Revenue				
Govt. & Crown Agency	45,965	44,408	1,557	4%
Patient/Consumer Sourced	72	65	7	11%
Other Income	1,116	574	542	94%
Total Revenue	47,153	45,047	2,106	5%
Expenditure				
Personnel	14,870	14,278	(592)	(4%)
Outsourced Personnel	408	381	(27)	(7%)
Sub-total Personnel	15,278	14,659	(619)	(4%)
Other Outsourced Services	1,444	1,099	(345)	(31%)
Clinical Supplies	5,116	3,878	(1,238)	(32%)
Infrastructure & Non-Clinical	7,781	7,480	(301)	(4%)
Provider Payments	17,328	18,098	770	4%
Total Expenditure	46,947	45,214	(1,733)	(4%)
Operating Surplus/(Deficit)	206	(167)	373	(223%)

<i>Jun-11</i> <i>Year to Date</i>	Actual \$000	Budget \$000	Variance \$000	Variance %
Revenue				
Govt. & Crown Agency	521,751	532,305	(10,554)	(2%)
Patient/Consumer Sourced	1,104	771	333	43%
Other Income	11,266	6,925	4,341	63%
Total Revenue	534,121	540,001	(5,880)	(1%)
Expenditure				
Personnel	170,610	174,664	4,054	2%
Outsourced Personnel	4,032	1,794	(2,238)	(125%)
Sub-total Personnel	174,642	176,458	1,816	1%
Other Outsourced Services	14,858	14,911	53	0%
Clinical Supplies	46,214	45,870	(344)	(1%)
Infrastructure & Non-Clinical	71,612	89,554	17,942	20%
Provider Payments	217,194	216,947	(247)	(0%)
Total Expenditure	524,520	543,740	19,220	4%
Operating Surplus/(Deficit)	9,601	(3,739)	13,340	(357%)

Appendix D

Statement of Financial Performance (Divisional)

<i>Jun-11</i> <i>Monthly Result</i>	DHB		Funding		Provider		Governance		Eliminations	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue	47.1	45.0	40.9	38.5	26.9	26.8	0.5	0.4	(21.2)	(20.7)
Expenditure	46.9	45.2	38.5	38.8	28.0	26.6	1.6	0.5	(21.2)	(20.7)
Net Result	0.2	(0.2)	2.4	(0.3)	(1.1)	0.2	(1.1)	(0.1)	0.0	0.0

<i>Jun-11</i> <i>Year to Date</i>	DHB		Funding		Provider		Governance		Eliminations	
	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue	534.2	495.0	472.6	423.3	305.1	292.2	6.0	4.2	(249.5)	(224.7)
Expenditure	524.6	498.7	466.8	423.8	301.3	294.6	6.0	5.0	(249.5)	(224.7)
Net Result	9.6	(3.7)	5.8	(0.5)	3.8	(2.4)	0.0	(0.8)	0.0	0.0

Appendix E

Statement of Financial Position

	Actual			
	Jun-09	Jun-10	Jun-11	Change
	\$000	\$000	\$000	\$000
ASSETS EMPLOYED				
Current Assets	44,727	41,941	59,114	17,173
Bank/Cash	766	1,008	2,388	1,380
Investments < 3 months (Trusts)	313	276	388	112
Investments < 3 months	16,545	13,180	2,200	(10,980)
Investments > 3 months	8,500	11,000	36,300	25,300
Other Current Assets	18,603	16,477	17,838	1,361
Current Liabilities	(54,841)	(55,944)	(58,373)	(2,429)
Capital Charge	(1,334)	(672)	(650)	22
Employee Entitlement Provisions	(17,668)	(19,820)	(21,096)	(1,276)
GST	(1,513)	(2,011)	(2,689)	(678)
Other Current Liabilities	(34,326)	(33,441)	(33,938)	(497)
Fixed Assets & Investments	164,748	160,010	155,119	(4,891)
Total Fixed Assets (refer to note)	162,248	157,209	152,318	(4,891)
Restricted Investments	1,750	2,000	2,000	0
Investments	750	801	801	0
Net Assets Employed	154,634	146,007	155,860	9,853
FUNDS EMPLOYED				
Share Capital	63,693	63,992	64,155	163
Revaluation Reserve	54,644	54,645	54,582	(63)
Trust and Special Funds	2,064	2,276	2,388	112
Retained Earnings	(21,880)	(31,488)	(21,936)	9,552
	98,521	89,425	99,189	9,764
Term Loans	54,867	55,301	55,417	116
Long Term Liabilities	1,246	1,281	1,254	(27)
Total Funds Employed	154,634	146,007	155,860	9,853
Note:				
Land	16,545	16,545	16,481	(64)
Buildings (including fitout)	115,772	110,113	106,511	(3,602)
Plant & Equipment	28,615	29,318	25,961	(3,357)
Work in Progress	1,316	1,233	3,365	2,132
Total	162,248	157,209	152,318	(4,891)

Appendix F

Statement of Cash Flows

<i>Jun-11</i> (\$'000's)	Qtr 1 Actual	Qtr 2 Actual	Qtr 3 Actual	Apr Actual	May Actual	June Actual	Qtr 4 Actual	Full Year Actual
Cash From Operating	4,142	48,052	-30,871	2,979	2,132	633	5,744	27,067
Cash from Investing	-1,079	-1,643	-3,334	-838	-250	-862	-1,950	-8,006
Cash From Financing	-432	-962	-661	-79	-233	-882	-1,194	-3,249
Increase (Decrease) in Cash Held	2,631	45,447	-34,866	2,062	1,649	-1,111	2,600	15,812
Add Opening Cash Balance	25,464	28,095	73,542	38,676	40,738	42,387	38,676	25,464
Closing Cash Balance	28,095	73,542	38,676	40,738	42,387	41,276	41,276	41,276
Net Debt Position:								
Funds Utilised	27,322	-18,125	16,741	14,679	13,030	14,141	14,141	14,141
Useable Facility	71,867	71,867	71,867	71,867	71,867	71,867	71,867	71,867
Surplus / (Shortfall)	44,545	89,992	55,126	57,188	58,837	57,726	57,726	57,726
Reserved Funds	20,250	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Available Facility	24,295	69,742	34,876	36,938	38,587	37,476	37,476	37,476

Note: Under NZ IFRS, the cash balance is deemed to be the total of cash / bank balances and investments < 3 months. In the table above, investments > 3 months have been included to give the whole picture of cash and investments.

Minutes of the Manawhenua Hauora hui held 25 July 2011 at 10 am in the Boardroom,
MidCentral District Health Board, Palmerston North

KARAKIA/MIHI

Matua Hare Arapere / Richard Orzecki

PRESENT

Ngati Raukawa ki te Tonga

Mr R Orzecki (Chair)

Mrs M Sanson

Rangitaane

Ms D Harris, Rangitaane o Manawatu

Ms O Paewai, Manawatu

Mr Henare Kani, Tamaki nui a Rua

Kahungunu ki Tamaki-nui-a-rua

Ms Pam Te Haate

Ms Vanessa Hape

Muaupoko

In Attendance

Mrs Debbie Te Puni, Kairangahau, Manawhenua Hauora

Mrs Te Aira Henderson, Maori Health Service Manager, MDHB

Ms Materoa Mar, CPHO

Mr Shane Ruwhiu, Maori Health Advisor, Funding Division

Mr Hare Arapere, ENABLE NZ

1. APOLOGIES

Mr Matt Matamua, Muaupoko

Ms Ana Winiata, General Manager Te Runanga O Raukawa

Ms Paddy Jacobs, Public Health Unit, MCDHB

Mr Steve Hirini, Muaupoko

Mr D Emery, Ngati Raukawa

2. LATE ITEMS

- District Health Board's Maori Relationship Board hui 26 August 2011.

3. MINUTES 13 June 2011

It was agreed

that the minutes of the meeting held 13 June 2011 be accepted and moved as a true and accurate record

4. MATTERS ARISING

Nil

5. CORRESPONDENCE

It was agreed

that the record of inward correspondence for the June/July period be received and outward correspondence be approved with the addition of the Invitation for members to attend the Maori Relationship Board hui in Wellington 26 August.

6. OPERATIONAL REPORTS

6.1 Kairangahau Reports

1. Work Programme 2011/2012 1st report

- MDHB reporting framework (draft) for 2011/2012 tabled; and
- Triennial review of the Memorandum of Understanding due July 2012.

2. Consumer survey report 2010/2011

- Member queried the process of engagement with the consumer surveys;
- Discussion around the survey and methods of collecting data to use effectively as a tool for further planning and development; and
- Suggestion to review the survey for 2011/2012.

It was agreed

The Kairangahau liaise with the CPHO Director Maori Health in reference to researchers who can provide some expertise and input regarding data collection to utilise research effectively from a Maori perspective; and that the Kairangahau report is received and accepted.

6.2 Maori Health Advisor Report

- Update on the final copy of the Maori Health Plan;
- Member recommended MWH link the Work Programme with the Maori Health Plan to monitor implementation in a six weekly report;
- Request from member to include a regular update on Childbirth and Maternity within the District, due to some issues regarding Cultural awareness and the delivery of these services to Maori;
- Discussed representation on the Child Health Clinical network group and the Maori midwife previously on the Child health reference group.
- Member requested an update on the development of the National coalition Maori PHO;
- Discussion on the leadership reconfiguration and the impact on Maori workforce;
- Position of A&D Maori Provider discussed; and
- Member noted the Service Review of Maori specifications, and MWH supported the urgent review of the outdated specifications.

It was agreed

That the Maori Health Advisor report be noted and accepted and that member (O Paewai) will liaise with the Child Health Portfolio Manager ref: representation, while the Kairangahau contacts Maori midwife (A Pene) ref: availability to take part in the Clinical Network Group; and

That the Kairangahau will develop a letter to support the urgent review of Maori specifications so that they are consistent with current policy and strategic sector direction.

6.3 Kaiwhakahaere Hauora Report

- Colposcopy rates;
- Family Violence Intervention Group;
- Korowai Kahui (invitation to hui 9 August will be distributed to members); and
- MCH audit scheduled for August.

It was agreed

That the Kaiwhakahaere Hauora Report be noted

7. MDHB BOARD AND COMMITTEE MINUTES

7.1 MidCentral District Health Board

It was agreed

That these minutes of 21 June 2011 be noted

7.2 Community & Public Health Advisory Committee

It was agreed

That these minutes of 5 July 2011 be noted

7.3 Hospital Advisory Committee

It was agreed

That these minutes of 5 July 2011 be noted

7.4 Disability Support Advisory Committee

It was agreed

That these minutes of 5 July 2011 be noted

8. GENERAL BUSINESS

8.1 District Wide arrangement for Clinical Governance Position Paper tabled

Key points of discussion:

- Clinical Governance = Quality and Performance;
- Workforce development and recruitment (cultural competency);
- Workshop “From Theory to Practice”;
- Limited reference to the integration of Maori (clinicians) in the structure;
- Clinical Governance = improving access to services for whanau; and
- Not “Whanau” focused or Whanau centred approach.

It was agreed

That the Kairangahau draft feedback based on the above points to be sent before 14 August 2011.

8.2 Mobile Dialysis

- Discussion and new initiative with Rural broadband.

It was agreed

That the Chair will Liaise with the Mobile Dialysis clinic to provide an update and presentation on service delivery at the next hui in September.

8.3 DHB Maori Relationship Board Hui

- Background for this hui was discussed
- “Our contribution to improving Maori health in our DHB area”

It was agreed

That the MHA will book a MDHB mini bus or van for transport, and the Kairangahau will confirm numbers attending with the organisers.

8.4 Te Whiti ki te Uru

- Updated provided by the Chair

8.5 CRISP

- Update provided by the Chair

8.6 Annual Board hui debrief

- MWH Annual report presented to Sir Mason Durie;
- Additional copies to be sent to the Minister of Health, Tariana Turia and Teresa Wall; and
- PDF copy for MWH web page.

It was agreed

That the Kairangahau will forward copies of the MWH Annual report

9. NEXT HUI

Monday 5 September 2011

TO The Board

FROM General Manager
Planning & Support

DATE 1 August 2011

SUBJECT Capital Expenditure Policy
Amendment-Low Value Assets



MEMORANDUM

Purpose

To seek Board approval to amend the definition of fixed assets contained in the Capital Expenditure Policy.

Executive Summary

As the Board will be aware all policies are reviewed on an agreed timeline. At the time of the last review of the Capital Expenditure Policy in 2009, management looked at changing the threshold value of fixed assets from \$1,000 to \$2,000, which was considered a more realistic level at which to capitalise assets. This would have involved writing off the assets on the register with a gross cost of between \$1,000 and \$2,000.

However, at that time it was financially prudent to keep the threshold at \$1,000 as the organisation was in fiscal difficulties and could not afford to change to this more realistic level.

Management believe it is now an appropriate time both from an operational and financial perspective to raise the threshold level to \$2,000. The cost of this change as at 30 June is \$1.37m, and now that MDHB has returned to surplus financially this additional one off cost can be absorbed. Currently this amount has been incorporated in the provisional accounts as at 30 June 2011 subject to Board approval.

Recommendation

It is recommended:

that the capitalisation threshold contained in the Capital Expenditure Policy be amended from \$1,000 to \$2,000;

that this change be effective from 30 June 2011; and

Corporate Services

MidCentral DHB
Heretaunga Street
P O Box 2056
Palmerston North
Phone +64(6) 350 8350
Fax +64(6) 355 0616

that all items in the fixed asset register below the \$2,000 level be removed from the fixed asset register, and the write down of \$1.37m be incorporated into the accounts as at 30 June 2011.

Summary of Change

The impact of changing to this threshold means not having to maintain a significant number of assets within the fixed asset register, which is both efficient and effective. The threshold change means 4,590 assets are removed from an asset base of 10,500.

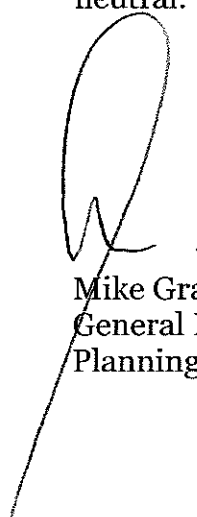
The main implications of this change are as follows:

- Assets currently on the fixed asset register with an initial cost of between \$1,000 and \$2,000 will be written off, with the current net book value being charged to operating expenses;
- Future purchases of items costing less than \$2,000 will need to be funded through operating expenditure, rather than through capital expenditure.

By way of comparison with other DHBs, Whanganui and Hawkes Bay have a capitalisation threshold of \$1,000, Hutt Valley has \$500, and Waikato has \$2,000.

In anticipation of the policy change being approved, assets with an initial cost of between \$1,000 and \$2,000 were written off in the provisional accounts for 2010/11. The financial performance of the DHB in June 2011 therefore reflects this policy change. The total write-off charged to operating expenses for the DHB was \$1.37m.

In 2011/12 and subsequent years, a budget will need to be established for the purchase of items costing between \$1,000 and \$2,000, and a process put in place to manage this budget. Over the last four years, the average capital spend on items in that cost range across the DHB has been in the order of \$460,000. However, by writing off the assets currently in the asset register as outlined above, there is a saving in future depreciation costs of around \$475,000 per year. The change in policy can therefore be seen as cost neutral.



Mike Grant
General Manager
Planning & Support

TO Board

FROM Manager, Administration & Communications

DATE 1 August 2011

SUBJECT Local Authority Election Statistics
2010



MIDCENTRAL DISTRICT HEALTH BOARD
Te Pae Hauora o Ruahine o Taranaki

MEMORANDUM

1. PURPOSE

This report is provided for the Board's information and does not seek a decision.

It reports on statistics from the 2010 local authority elections, including District Health Boards.

2. SUMMARY

Voter turnout in the 2010 local authority elections increased, including for DHBs. MidCentral DHB's voter turnout remained at 2007 levels, being 47%.

DHB membership has a higher proportion of women than other local government councils/boards.

One-third of DHB candidates were sitting members, and 74% of these members were re-elected.

DHBs continue to record the highest level of invalid votes.

Candidate affiliation- groupings/parties were a feature in the election of 10 of the 20 DHBs in 2010.

The listing of DHB candidates in voting documents varies, with 50% of DHBs using alphabetical listing.

3. RECOMMENDATION

It is recommended:

that the report be received.

COPY TO:

CEO's Department
MidCentral DHB
Heretaunga Street
PO Box 2056
Palmerston North
Phone +64 (6) 350 8967
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4. BACKGROUND

Since 1959, the Department of Internal Affairs (DIA) has provided an analysis of local authority elections. In recent times it has also surveyed election candidates however this survey was not conducted for the 2010 elections.

As noted by the DIA, the 2010 local authority elections included the first elections for the governing body and local boards of the new Auckland Council. This council covers a population of approximately one third of the country. The DIA 2010 local authority election statistics provides special analysis of this.

From a DHB perspective, the 2010 election saw a change in the number of DHBs; reducing from 21 to 20 with the creation of Southern DHB with a subsequent reduction in the number of elected positions (147 to 140). The election of Southern DHB saw a move from one “at large” district for the DHB to two constituencies (Southland and Otago).

The DIA’s report can be accessed from its website: <http://www.dia.govt.nz/Services-Local-Elections-Index>

5. 2010 STATISTICS

5.1 Local Authority Elections

Key findings from the DIA’s analysis include:

- the number of candidates per position in 2010 remained relatively constant across most election types.
- the number of people on residential electoral rolls across the country, at the close of the roll in August 2010, was 2.942 million, an increase of over 100,000 from 2007.
- Auckland Council governing body had the **lowest level of representation**, that is the highest number of electors per member, followed by DHBs and regional councils. The highest level of representation is for the community boards, followed by district councils.

Electors per member, 1989 – 2010								
	1989	1992	1995	1998	2001	2004	2007	2010
Regional councils	10,852	16,786	17,536	18,097	18,543	18,933	20,131	13,621
Auckland Council governing body	-	-	-	-	-	-	-	47,956
City councils	4,809	5,136	5,601	6,315	6,622	7,570	7,973	6,368
District councils	1,304	1,481	1,577	1,664	1,745	1,831	1,982	1,908
Auckland local boards	-	-	-	-	-	-	-	6,437
Community boards	1,168	1,257	1,371	1,542	1,610	1,944	2,090	1,230
DHBs	-	-	-	-	17,433	18,377	19,321	20,941
Trusts	1,875	N/A	N/A	N/A	N/A	2,674	4,268	4,428

- Voter turnout increased in 2010. This follows a period of general decrease between 1989 and 2007. The increase in voter turnout in 2010 is mostly attributable to significant increases in turnout in Auckland and Christchurch which are likely to be the result of heightened public interest in local government activity, arising out of the Auckland local restructuring and the September Canterbury earthquake respectively.

Voter turnout for DHBs increased to 49%, almost reaching the high achieved in 2001 of 50%.

Voter turnout by type of body, 1989 – 2010								
	1989	1992	1995	1998	2001	2004	2007	2010
Regional councils	56%	52%	48%	53%	49%	45%	43%	47%
Auckland Council	-	-	-	-	-	-	-	51%
City mayors	52%	48%	49%	51%	45%	43%	41%	46%
City councils	52%	48%	49%	51%	45%	43%	41%	46%
District mayors	67%	62%	59%	59%	56%	52%	49%	50%
District councils	65%	61%	59%	61%	57%	51%	49%	50%
Community boards	54%	49%	50%	50%	46%	42%	41%	50%
DHBs	-	-	-	-	50%	46%	43%	49%
Trusts	55%	N/A	N/A	N/A	N/A	48%	43%	47%

- The number of special votes cast in 2010 (16,596) was higher than in all previous elections (2007 – 11,660). Special votes accounted for around one percent of all votes cast. However, the proportion of special votes allowed (66%) was lower than in previous elections (2007 – 76%).
- In 2010, the proportion of total invalid voting documents (informal and blank) was the same as 2007 – 7.8%.

As in both 2004 (when DHBs first used STV) and 2007, **DHBs recorded the highest level of invalid votes** in the 2010 elections, with an average of 16.1% votes invalid.

In 2010, the proportion of DHB informal votes (5.8%) was lower than in the two previous elections, however it remains notably higher than in all over election types (<1%). This suggests that in STV elections some voters may find it harder to correctly complete the voting document. However there was a significant range in the number of DHBs informal voting documents from 1.8% (Southern DHB) to 13.4% (Bay of Plenty DHB) suggesting other factors are also involved.

Proportion invalid votes of total votes, 1989 – 2010								
	1989	1992	1995	1998	2001	2004	2007	2010
Regional councils	3.4%	7.0%	9.0%	9.0%	6.1%	8.2%	8.6%	8.2%
Blank votes	N/A	N/A	N/A	N/A	N/A	7.7%	7.7%	7.3%
Informal votes	N/A	N/A	N/A	N/A	N/A	0.5%	0.9%	0.9%
TA Mayors	1.6%	2.2%	2.4%	2.0%	2.3%	2.5%	2.1%	1.6%
Blank votes	N/A	N/A	N/A	N/A	N/A	2.1%	1.9%	1.4%
Informal votes	N/A	N/A	N/A	N/A	N/A	0.4%	0.3%	0.2%
TA councillors	2.8%	2.9%	2.6%	3.2%	2.2%	3.6%	3.5%	4.4%
Blank votes	N/A	N/A	N/A	N/A	N/A	3.1%	3.0%	4.0%
Informal votes	N/A	N/A	N/A	N/A	N/A	0.5%	0.5%	0.4%
Community/local boards	6.0%	3.8%	3.9%	6.8%	5.0%	6.1%	6.3%	8.6%
Blank votes	N/A	N/A	N/A	N/A	N/A	5.7%	6.0%	8.4%
Informal votes	N/A	N/A	N/A	N/A	N/A	0.4%	0.3%	0.3%
DHBs	-	-	-	-	5.6%	14.6%	17.2%	16.1%
Blank votes	N/A	N/A	N/A	N/A	N/A	8.0%	8.9%	10.3%
Informal votes	N/A	N/A	N/A	N/A	N/A	6.6%	8.2%	5.8%
Trusts	N/A	N/A	N/A	N/A	N/A	6.6%	7.8%	9.5%
Blank votes	N/A	N/A	N/A	N/A	N/A	6.1%	6.5%	8.8%
Informal votes	N/A	N/A	N/A	N/A	N/A	0.5%	1.3%	0.7%

Voting documents (or sections of combined voting documents for particular elections) that are left blank are counted as 'blank votes' by electoral officers for those or that election issue.

Voting documents that are not left blank but do not satisfy the 'clear intention test' (of who the voter intended to vote for), are counted as 'informal votes'.

Prior to the 2004 elections, electoral officers were not required to record blank and informal votes

- The **highest proportion of women members was in DHBs** (46%) and the lowest in district mayoralities (17%).
- Candidate affiliation- groupings/parties were a feature in the election of 10 of the 20 DHBs in 2010. These DHBs were: Northland, Auckland, Counties Manakau, Waitemata, Bay of Plenty, Capital & Coast, Hutt Valley, Nelson Marlborough, Canterbury and Southern.

The DIA looked at factors influencing voter turnout. No specific findings were noted regarding DHBs. The general, overall conclusion was:

- “There are a range of factors that impact on voter turnout at local authority elections in New Zealand. The level of turnout at a particular election can be seen to reflect a combination of underlying factors and particular local issues relating to that election.

“Underlying factors are the ongoing institutional arrangements relating to local elections, the characteristics of the particular electorate in terms of such things as size and its urban/rural character, and also the vicissitudes of elector behaviour.”

5.2 DHBs

The DIA's summary regarding DHB elections is attached. Some interesting points include:

- Three DHBs used pseudo-random order for the order of candidates on voting documents, seven used random order and the remaining 10 used alphabetical order. (NB: MDHB used alphabetical order.)
- In 2010, almost one-third (32%) of all DHB candidates were sitting members. Of the 120 candidates who were sitting members, 89 were re-elected (74%).
- As noted above, voter turnout for DHBs increased in 2010 for the first time since the 2001 elections.

5.3 MidCentral DHB

- The election of seven members for MidCentral DHB commenced in 2001.
- Voting turnout in 2010 remained at 2007 levels, being 47%. The 2010 result is slightly less than the overall DHB result of 49%.
- The number of informal votes, as a proportion of total votes, reduced slightly and was 3.59%. This is better than the DHB average result of 5.76%.
- The level of blank votes (8.13%) has reduced for the second election in a row, and is better than the DHB average result of 10.33%.
- The number of candidates for MDHB has remained relatively steady over the past three elections: 2004 – 13; 2007 – 14; 2010 – 15.

The following table summarises DIA statistics relating to MDHB's election. (Source: DIA local authority election statistics 2001, 2004, 2007 and 2010.)

	MidCentral DHB				All DHBs
	2001*	2004**	2007	2010	2010
Candidates	57	13	14	15	371
Candidates per position	8	1.9	2.0	2.14	2.65
Electors per position	15,499	15,708	15,950	16,095	21,013
Voters per position	8,309	7,575	7,483	7,543	10,224
Women candidates	21	7	5	5	154
Women candidates %	37%	54%	36%	33%	42%
Women members	4	3	3	5	65
Women members %	57%	43%	43%	71%	46%
Electors	108,494	109,954	111,652	112,666	2,941,803
Voters	58,165	53,026	52,380	52,800	1,431,343
Turnout	54%	48%	47%	47%	49%
Special votes cast	396	571	470	462	15,339
Special votes cast %	0.7%	1.08%	0.90%	0.88%	1.07%
Special votes allowed	366	454	455	406	10,406
Special votes allowed %	92%	80%	97%	88%	68%
Informal votes	3,318	2,888	2,010	1,893	82,439
Informal votes %	5.7%	5.45%	3.84%	3.59%	5.76%
Blank votes		5,454	4,989	4,294	147,838
Blank votes %		10.3%	9.52%	8.13%	10.33%

*First DHB elections. Elections run on constituency basis. Election conducted using first past the post (FPP).

**From 2004 elections conducted "at large", with the exception of the election for Southern DHB in 2010. Southern DHB was created as a result of the merger of Southland and Otago DHBs, and the 2010 election was held in two constituencies with three board members elected from Southland and four members from Otago.

***For 2004 and 2007, the DIA's report distinguished between current "appointed" and "elected" members who stood for election.



Jill Matthews
Manager
Administration & Communications

Section 11: District health board elections

This section provides information about the elections for 20 district health boards (DHBs) covering:

- Positions and candidates
- Incumbency
- Women candidates and members
- Electors, representation and voter turnout
- Special voters
- Informal and blank votes

DHBs were established from 1 January 2001 and used constituencies for the 2001 elections. In 2004 and 2007 all DHB elections were conducted 'at large'. This was also the case in 2010 with the exception of the election for the Southern DHB (created as a result of the merger of Southland and Otago DHBs) which was held in two constituencies with three board members elected from Southland and four members from Otago.

The first DHB elections conducted in 2001 used the first past the post (FPP) electoral system. From the 2004 elections onwards DHBs have been required to use the single transferable vote (STV) electoral system.

Three DHBs used pseudo-random order for the order of candidates on voting documents, seven used random order and the remaining 10 used alphabetical order (See 'Definitions – Voting documents' for details).

Positions and candidates

DHBs consist of up to 11 members, seven elected at the triennial local authority elections and up to four appointed by the Minister of Health. The number of elected positions reduced by seven in 2010 as a result of the merger of the Southland and Otago DHBs (Table 11.1). The number of candidates per DHB in 2010 ranged between 12 and 32 candidates with an average of 19 candidates. The average number of candidates per position has been decreasing over all elections from 7.4 in 2001 to 2.7 in 2010.

Table 11.1: DHB positions and candidates, 2001 – 2010

	2001	2004	2007	2010
Elected positions	147	147	147	140
Candidates	1,085	520	429	371
Candidates per position	7.4	3.5	2.9	2.7
Elected unopposed	1	0	0	0

Incumbency

In 2010, almost one-third (32%) of all DHB candidates were sitting members (Table 11.2). Of the 120 candidates who were sitting members, 89 were re-elected (74%). Incumbent members comprised 64% of the elected board members.

Table 11.2: Candidates and members incumbents, 2004 – 2010

	2004	2007	2010
Candidates sitting members	133	110	120
% candidates sitting members	26%	26%	32%
Members re-elected	82	89	89
% members re-elected	56%	61%	64%
% candidates re-elected	62%	81%	74%

Women candidates and members

The proportions of women candidates (41%) and women members (46%) remained unchanged between 2007 and 2010 (Table 11.3). Similar to previous elections, in 2010 women candidates were more successful than men candidates (42% of women candidates were elected compared to 35% of men candidates).

Table 11.3: Representation of women in DHB elections, 2001 – 2010

	2001	2004	2007	2010
Women candidates (N)	479	222	175	154
Women candidates (%)	44%	43%	41%	41%
Women members (N)	65	62	67	65
Women members (%)	44%	42%	46%	46%
Women candidates elected (%)	14%	28%	38%	49%

Electors, representation and voter turnout

The number of electors per DHB member continued to increase (Table 11.4). The overall voter turnout increased in 2010 for the first time since the 2001 elections.

Table 11.4: Electors, voters and voter turnout in DHB elections, 2001 – 2010

	2001	2004	2007	2010
Electors on roll	2,563m	2,701m	2,840m	2,942m
Electors per member	17,433	18,377	19,321	21,013
Electors who voted	1,265m	1,233m	1,227m	1,431m
Overall turnout	50%	46%	43%	49%

Special votes

The number and proportion of special votes cast was higher than in the 2007 election (Table 11.5). However, the proportion of special votes allowed was lowest since 2001.

Table 11.5: Special votes in DHB elections, 2001 – 2010

	2001	2004	2007	2010
Special votes cast	9,589	7,085	11,560	15,339
Special votes as a % of all votes	0.8%	0.6%	0.9%	1.1%
Special votes allowed	6,870	5,572	8,408	10,406
% special votes allowed	69%	79%	73%	68%

Informal and blank votes

Prior to the 2004 elections, electoral officers were not required to record informal and blank votes separately. The overall proportion of invalid votes (combined informal and blank votes) decreased slightly from 17.2% in 2007 to 16.1% in 2010 (Table 11.6). The number and proportion of blank votes continued to increase in 2010, while the number and proportion of informal votes decreased in comparison with the 2007 election

Table 11.6: Informal and blank votes in DHB elections, 2001 – 2010

	2001	2004	2007	2010
All invalid votes	71,170	179,530	210,929	230,277
% invalid votes	5.6%	14.6%	17.2%	16.1%
Informal votes	-	80,911	101,179	82,439
% informal votes	-	6.6%	8.2%	5.8%
Blank votes	-	98,619	109,750	147,838
% blank votes	-	8.0%	9.0%	10.3%

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Table 11.7: DHB results – positions and candidates

District health board	Elected members	Elected unopposed	Candidates	Candidates per position	Electors per position	Voters per position
Auckland	7	0	18	2.57	42,773	16,669
Bay of Plenty	7	0	18	2.57	20,427	7,771
Canterbury	7	0	28	4.00	49,430	25,134
Capital & Coast	7	0	20	2.86	28,681	11,773
Counties Manukau	7	0	24	3.43	42,691	17,872
Hawke's Bay	7	0	14	2.00	15,239	7,003
Hutt Valley	7	0	15	2.14	14,036	4,015
Lakes	7	0	16	2.29	9,531	3,742
MidCentral	7	0	15	2.14	16,095	7,543
Nelson Marlborough	7	0	18	2.57	14,226	7,511
Northland	7	0	21	3.00	14,740	6,218
South Canterbury	7	0	13	1.86	5,924	3,347
Southern	7	0	22	3.14	30,141	16,322
Tairāwhiti	7	0	15	2.14	4,331	2,367
Taranaki	7	0	12	1.71	11,048	5,034
Waikato	7	0	31	4.43	34,424	13,844
Wairarapa	7	0	13	1.86	4,272	2,301
Waitemata	7	0	31	4.43	51,307	21,155
West Coast	7	0	14	2.00	3,275	1,729
Whanganui	7	0	13	1.86	6,227	3,431
Large district health boards	77	0	242	3.14	31,581	15,309
Small district health boards	63	0	129	2.05	8,097	4,009
North Island district health boards	105	0	276	2.63	21,151	10,029
South Island district health boards	35	0	95	2.71	20,599	10,809
New Zealand district health boards	140	0	371	2.65	21,013	10,224

Table 11.8: DHB results – women and incumbents

District health board	Women candidates	Women candidates (%)	Women members	Women members (%)	Candidates sitting members	Candidates sitting members (%)	Sitting members re-elected	Sitting members re-elected (%)
Auckland	9	50%	5	71%	6	33%	3	43%
Bay of Plenty	5	28%	2	29%	5	28%	5	71%
Canterbury	10	36%	3	43%	7	25%	4	57%
Capital & Coast	9	45%	5	71%	6	30%	5	71%
Counties Manukau	11	46%	2	29%	5	21%	5	71%
Hawke's Bay	7	50%	3	43%	6	43%	6	86%
Hutt Valley	7	47%	1	14%	8	53%	5	71%
Lakes	7	44%	4	57%	3	19%	3	43%
MidCentral	5	33%	5	71%	8	53%	5	71%
Nelson Marlborough	8	44%	3	43%	4	22%	3	43%
Northland	7	33%	3	43%	7	33%	5	71%
South Canterbury	5	38%	2	29%	5	38%	5	71%
Southern	11	50%	2	29%	8	36%	6	86%
Tairāwhiti	5	33%	4	57%	5	33%	4	57%
Taranaki	5	42%	4	57%	6	50%	4	57%
Waikato	10	32%	2	29%	6	19%	3	43%
Wairarapa	7	54%	5	71%	6	46%	5	71%
Waitemata	14	45%	3	43%	7	23%	3	43%
West Coast	8	57%	4	57%	6	43%	5	71%
Whanganui	4	31%	3	43%	6	46%	5	71%
Large district health boards	98	40%	35	45%	71	29%	50	65%
Small district health boards	56	43%	30	48%	49	38%	39	62%
North Island district health boards	112	41%	51	49%	90	33%	66	63%
South Island district health boards	42	44%	14	40%	30	32%	23	66%
New Zealand district health boards	154	42%	65	46%	120	32%	89	64%

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Table 11.9: DHB results – electors, voters, turnout and turnout change

District health board			Change in turnout 2007-2010	
Electors		Voters	Turnout	
Auckland	299,410	154,656	52%	12%
Bay of Plenty	142,987	66,618	47%	3%
Canterbury	346,007	175,940	51%	8%
Capital & Coast	200,768	82,411	41%	-1%
Counties Manukau	308,920	154,493	50%	13%
Hawke's Bay	106,676	49,023	46%	0%
Hutt Valley	98,250	40,775	42%	1%
Lakes	66,716	31,769	48%	2%
MidCentral	112,666	52,800	47%	0%
Nelson Marlborough	99,581	52,579	53%	2%
Northland	103,177	50,487	49%	-1%
South Canterbury	41,470	23,427	56%	-1%
Southern	210,985	114,254	54%	4%
Tairāwhiti	30,317	16,570	55%	3%
Taranaki	77,335	35,236	46%	-6%
Waikato	240,969	96,910	40%	4%
Wairarapa	29,907	16,110	54%	-4%
Waitemata	359,148	181,163	50%	12%
West Coast	22,927	12,105	53%	-4%
Whanganui	43,587	24,017	55%	-4%
Large district health boards	2,431,713	1,178,755	48%	7%
Small district health boards	510,090	252,588	50%	-1%
North Island district health boards	2,220,833	1,053,038	47%	6%
South Island district health boards	720,970	378,305	52%	5%
New Zealand district health boards	2,941,803	1,431,343	49%	5%

Table 11.10: DHB results – special, informal and blank votes

District health board	Special votes cast	Special votes cast (%)	Special votes allowed	Special votes allowed (%)	Informal votes	Informal votes (%)	Blank votes	Blank votes (%)
Auckland	2732	2.34%	1195	44%	11,265	9.65%	26,710	22.89%
Bay of Plenty	601	1.10%	361	60%	7,278	13.38%	4,940	9.08%
Canterbury	1496	0.85%	1464	98%	10,096	5.74%	23,244	13.21%
Capital & Coast	1145	1.39%	942	82%	2,297	2.79%	8,874	10.77%
Counties Manukau	1599	1.28%	724	45%	9,674	7.73%	19,714	15.76%
Hawke's Bay	433	0.88%	351	81%	2,513	5.13%	2,486	5.07%
Hutt Valley	339	0.83%	283	83%	2,074	7.38%	2,158	7.68%
Lakes	472	1.80%	359	76%	2,921	11.15%	2,655	10.14%
MidCentral	462	0.88%	406	88%	1,893	3.59%	4,294	8.13%
Nelson Marlborough	432	0.82%	411	95%	2,703	5.14%	6,625	12.60%
Northland	449	1.03%	198	44%	3,677	8.45%	3,281	7.54%
South Canterbury	103	0.44%	101	98%	1,264	5.40%	1,021	4.36%
Southern	993	0.87%	876	88%	2,103	1.84%	9,138	8.00%
Tairāwhiti	313	1.89%	253	81%	861	5.20%	738	4.45%
Taranaki	314	0.89%	222	71%	2,164	6.14%	3,971	11.27%
Waikato	846	0.87%	715	85%	5,236	5.40%	4,280	4.42%
Wairarapa	214	1.33%	214	100%	884	5.49%	747	4.64%
Waitemata	2032	1.37%	992	49%	11,628	7.85%	21,450	14.48%
West Coast	77	0.64%	70	91%	545	4.50%	485	4.01%
Whanganui	287	1.19%	269	94%	1,363	5.68%	1,027	4.28%
Large district health boards	12,788	1.08%	8,224	64%	67,660	5.74%	128,411	10.89%
Small district health boards	2,551	1.01%	2,182	86%	14,779	5.85%	19,427	7.69%
North Island district health boards	12,238	1.16%	7,484	61%	65,728	6.24%	107,325	10.19%
South Island district health boards	3,101	0.82%	2,922	94%	16,711	4.42%	40,513	10.71%
New Zealand district health boards	15,339	1.07%	10,406	68%	82,439	5.76%	147,838	10.33%

TO Board
FROM Chief Executive Officer



MIDCENTRAL DISTRICT HEALTH BOARD
Te Pae Hauora o Ruahine o Taranaki

DATE 5 August 2011

SUBJECT Board's Work Programme, 2011/12

MEMORANDUM

1. Purpose

This report provides an update of progress against the Board's 2011/12 work programme. It is provided for the Board's information and discussion.

2. Summary

Reporting is occurring in accordance with the timeline, with one exception. As advised last month, the review of our DHB Elections Policy is being done through the centralAlliance and will be submitted to the Board in September.

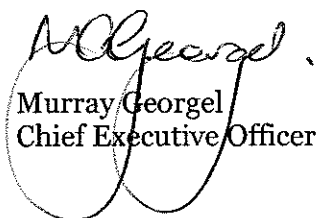
A schedule of all reports scheduled for consideration at the Board's next meeting is set out below. If there are any new items which members require, or any issues they would like canvassed in future reports, please advise.

- CEO's operating report
- 2010/12 annual report and accounts
- Internal audit appointment
- 2013/12 annual plan – approach and timeline
- Update re regional asset management plan
- centralAlliance update
- Technical Advisory Service annual update
- Allied Laundry Services Limited annual update
- Update re DHB NZ wind-up and transition, and, annual update

3. Recommendation

It is recommended:

that the updated work programme for 2011/12 be noted.


Murray Georgel
Chief Executive Officer

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ID	Task Name	Jul	Aug	Sep	Oct	Nov	Dec	2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1	BOARD, 2011/12															
2																
3	STRATEGIC PLANNING															
4	2011/12 Regional Services Plan Implementation															
5	CRISP business case															
6	Regional Asset Mgmt Plan Update															
7	Regional Asset Mgmt Plan Update															
8	2012/13 Annual Plan Development															
9	Annual planning assumptions															
10	Draft Annual Plan, v1															
11	Draft Annual Plan, v2															
12	Planning workshop															
13	Risk workshop															
14	Monthly updates re AP progress															
15	Maori responsiveness framework: update															
16	2011/12 Annual Plan Implementation															
17	Fiscal responsibility, update 1															
18	Fiscal responsibility, update 2															
19	centralAlliance, update 1															
20	centralAlliance, update 2															
21	Further maturity of business continuity & disaster recovery															
22	Further maturity of business continuity & disaster recovery															
23	Streamlining & active management of projects															
24	Streamlining & active management of projects															
25	Business Cases															
26	Business intelligence															
27	IFHC, Feilding (if too late for inclusion in 2011/12)															
28	Sub-Regional															
29	centralAlliance Project Updates															
30	OPERATIONAL MANAGEMENT															
31	Operating Report															
32	Contracts, update 1															
33	Contracts, update 2															

Task Name		2012													
ID		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
34	Contracts, update 3														
35	Contracts, update 4														
36	Annual report from Clinical Council														
37	Annual report from Clinical Council														
38	Debt (2 tranches due Sept 11)														
39	Debt - details of new arrangements														
40	Staff Climate Survey														
41	GOVERNANCE														
42	Iwi Partner (Manawhenua Hauora)														
43	Annual get-together 2011														
44	Annual get-together 2012														
45	Development of 2012/13 work programme														
46	Triennial review of MoU														
47	Minutes														
48	2011/12 work programme: update 1														
49	2011/12 work programme: update 2														
50	Policies & Terms of Reference														
51	Delegations Policy review														
52	Consultation Policy														
53	Communication Policy														
54	Election Protocols for MDHB staff & board m														
55	Associated Organisations														
56	TAS: annual update														
57	TAS: AGM arrangements														
58	Allied Laundry: annual update														
59	Allied Laundry: AGM arrangements														
60	DHBNZ: wind-up & transition														
61	Governance Arrangements & Processes														
62	Details of final insurance arrangements 11/1														
63	Insurance														
64	2012 meeting arrangements														
65	2012/13 reporting framework														
66	Appt of Internal Auditors														

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ID	Task Name	Jul	Aug	Sep	Oct	Nov	Dec	2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
67	Annual Accounts															
68	ENZ annual reporting requirements															
69	2010/11 Annual Accounts															
70	CARRIED FORWARD FROM 2010/11															
71	Delegations Schedule															
72	DAP: improved purchasing, update 3															
73	DAP: centralAlliance (support), update 3															