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- ☐ Murray Georgel, CEO
- ☐ General Manager, Corporate Services
- ☐ General Manager, MCH
- ☐ Mike Grant, General Manager, Funding
- ☐ Heather Browning, General Manager, Enable NZ
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Next Meeting Date: 17 May 2011

Deadline for Agenda Items: 3 May 2011

# MIDCENTRAL DISTRICT HEALTH BOARD

## A g e n d a

### Board Meeting

#### Part 1

Date: Tuesday, 19 April 2011

Time: 10.00am

Place: Council Chambers  
Tararua District Council  
26 Gordon Street  
Dannevirke

# MIDCENTRAL DISTRICT HEALTH BOARD

## Board Meeting

19 April 2011

### Part 1

## Order

#### 1. APOLOGIES

Diane Anderson

#### 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 – 5.7

Documentation: minutes of 15 March 2011

Recommendation: that the minutes of the previous meeting held on 15 March 2011 be confirmed as a true and correct record.

##### 5.2 Matters Arising from the Minutes

## **6. BOARD COMMITTEES**

### **6.1 Group Audit Committee**

Pages: 6.1 – 6.4  
Documentation: unconfirmed minutes of Group Audit Committee meeting, 15 March 2011  
Recommendation: that the unconfirmed minutes of the meeting of the Group Audit Committee held on 15 March 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, 5 April 2011  
Recommendation: that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 5 April 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, 5 April 2011  
Recommendation: that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 5 April 2011 be received and the recommendations contained therein approved.

### **6.6 Matters Arising**

## **7. STRATEGIC MATTERS**

### **7.1 Manawhenua Hauora**

Pages: 7.1 – 7.5  
Documentation: minutes of Manawhenua Hauora meeting held on 21 March 2011  
Recommendation: that the minutes be received.

### **7.2 centralAlliance Update**

Pages: 7.6 – 7.16  
Documentation: CEO's report dated 13 April 2011  
Recommendation: that the report be received.

## **8. OPERATIONAL REPORTS**

### **8.1 CEO's Report**

Pages: 8.1 – 8.20  
Documentation: CEO's report dated 12 April 2011  
Recommendation: that the report be received.

## **9. GOVERNANCE ISSUES**

### **9.1 Delegations Policy**

Pages: 9.1  
Documentation: report from Acting General Manager, Corporate Services dated 5 April 2011  
Recommendation: that the revised Delegations Policy be presented to the July Board meeting.

### **9.2 2010/11 Work Programme**

Pages: 9.2 – 9.5  
Documentation: CEO's report dated 12 April 2011  
Recommendation: that the updated work programme for 2010/11 be noted.

## **10. LATE ITEMS**

## **11. DATE OF NEXT MEETING**

Tuesday, 17 May 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"><li>• Community &amp; Public Health Advisory Committee, 5 April 2011</li><li>• Hospital Advisory Committee, 5 April 2011</li><li>• Remuneration Committee, 31 March 2011: CEO's performance review</li></ul>	For the reasons set out in the Committee's order paper of 5.4.2011 meeting held with the public present For the reasons set out in the Committee's order paper of 5.4.2011 meeting held with the public present To protect personal privacy	9(2)(a)
Strategic Issues <ul style="list-style-type: none"><li>• 2011/12 Annual &amp; Regional Strategic Plans</li><li>• Enable New Zealand Discussion Paper</li></ul>	Under negotiation Subject of negotiation	9(2)(j) 9(2)(j)
Operational Issues <ul style="list-style-type: none"><li>• CEO's Operating Report:<ul style="list-style-type: none"><li>- Integrated Family Health Centre, Feilding</li><li>- HBL Update: Insurance Contract</li><li>- Central Region's Information System Plan</li></ul></li></ul>	Under negotiation Under negotiation Under negotiation	9(2)(j) 9(2)(j) 9(2)(j)

# MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 15 March 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  
Mavis Mullins  
Karen Naylor  
Barbara Robson

*Unconfirmed Minutes*

## 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  
Nicholas Glubb, Operations Director, Specialist Community & Regional Services  
Bob Brown, Finance Manager  
Bart Baker, Clinical Director, Regional Cancer Treatment Services (RCTS)  
Cusha Lucas, Service Manager, RCTS

Public (2)  
Media (1)

### 1. APOLOGIES

An apology was received from Richard Orzecki, Board Member. An apology for lateness was received from Jack Drummond, Board member due to a flight cancellation.

### 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 to the Register of Interests.

#### 3.2 Declaration of Conflicts in Relation to Today's Business

Ann Chapman and Lindsay Burnell advised their interest in the electricity tender included in the CEO's operating report (agenda item 7.1)

## **PUBLIC COMMENT**

Two members of the public addressed the meeting.

- Dr Brian Booth delivered a presentation he had made to the Palmerston North City Council's Planning Committee on 14 March 2011. He advocated for the creation of communities of such size, so-well serviced and so well represented as to inspire a sense of belonging in all of whatever race, religion, age or sex.
- Mr John Bent strenuously urged the board to oppose the recommendation, to not publish some contact details of members, including Statutory Committee members (agenda item 8.2). He felt the availability of this information was important to ensure a community voice was heard, and for the Board to uphold its legislative responsibilities.

## **4. MINUTES OF PREVIOUS MEETING**

### **4.1 Minutes**

It was resolved:

*that the minutes of the previous meeting held on 15 February 2011 be confirmed as a true and correct record.*

### **4.2 Matters Arising from the Minutes**

#### **4.2.1 Service Change Protocols**

It was noted that if Tairāwhiti DHB should decide to proceed to change medical oncology service provision arrangements, this would be an interesting test case as to how the new service change protocols worked, particularly around the need or otherwise for community consultation.

## **5. BOARD COMMITTEES**

### **5.1 Community & Public Health Advisory Committee**

It was resolved:

*that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 1 March 2011 be received and the recommendations contained therein approved.*

### **5.2 Matters Arising**

There were no matters arising from the minutes.

### **5.3 Hospital Advisory Committee**

A correction to the minutes was noted. The recommendation regarding the "Women's and Children's Health Services in Whanganui and MidCentral Region – Evaluation" incorrectly stated that the evaluations be undertaken in August 2012 and February 2014. The recommendation moved by the Committee included August 2012 and February 2014 as the evaluation dates.

### 5.3.1 Permanent Fourth Linac, Radiation Oncology – Business Case

The Chairman advised that the Committee had moved discussion around this agenda item to the confidential section of this meeting. It has approved the following recommendation and agreed this be made publicly available:

- that this information is noted, and
- that approval is given to purchase a fourth permanent linear accelerator (linac) and to house this linac in a new bunker, to be built adjacent to an existing linac, LA1 with the Chief Executive Officer authorised to sign the contracts for tender, purchase and associated documentation for both linac and bunker.

This recommendation was fully discussed by the Board. The importance of ensuring capital funds were used prudently, and invested in initiatives which would enhance the health of the district was noted. The Board requested that management pursue the potential additional revenue, noting that this related to spare capacity of around 5% and that this would be eroded over time as local demand increased. Management advised that the potential additional revenue was estimated at \$250-\$400k, and it would offer the short-term one-off additional capacity to other cancer centres, both New Zealand and Australia. Management confirmed that the partnering/education/training arrangement was an integral part of the contract.

Management also confirmed that depreciation costs associated with future scheduled capital expenditure purchases had been factored into the financial modelling around asset planning.

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 1 March 2011 be received and the recommendations contained therein approved including that relating to the purchase of a new linear accelerator as set out above, and, subject to the recommendation regarding the "Women's and Children's Health Services in Whanganui and MidCentral Region – Evaluation" being corrected to show the independent evaluations would take place in August 2012 and February 2014.*

Bart Baker and Cushla Lucas left the meeting.

### 5.4 Matters Arising

There were no matters arising from the minutes.

### 5.5 Disability Support Advisory Committee

It was resolved:

*that the unconfirmed minutes of the meeting of the Disability Support Advisory Committee held on 1 March 2011 be received and the recommendations contained therein approved.*

### 5.6 Matters Arising

There were no matters arising from the minutes.

5.4

## **6. STRATEGIC MATTERS**

### **6.1 Review of MidCentral DHB's Capex Plans**

Jack Drummond entered the meeting.

The Acting General Manager, Corporate Services advised that a conservative approach had been taken to estimating the likely cost of the Palmerston North Hospital Site Redevelopment project given that detailed exploration had yet to be undertaken.

It was noted that the DHB's move a position of surplus generation would enable investment in service development.

Management confirmed that the scheduled purchase of Linear Accelerator (LA) 5 was a replacement for LA2.

It was resolved:

*that the report be received.*

### **6.2 2010/11 District Annual Plan: Performance Improvement Actions – Corporate/Governance**

Management confirmed that the Health Benefits Limited saving target of \$30m was a national target. A \$40m target had been set for 2011/12 and this was additional to the current \$30m savings.

It was resolved:

*that the report be received.*

### **6.3 Manawhenua Hauora**

It was resolved:

*that the minutes be received.*

## **7. OPERATIONAL REPORTS**

### **7.1 CEO's Report**

Ann Chapman and Lindsay Burnell's interest in the electricity contract was noted. It was agreed this would not impact discussions.

#### **7.1.1 Christchurch Earthquake**

The CEO advised that support continued to be provided to Canterbury DHB. Health service and health promotion staff had been seconded to date. Enable New Zealand was also supporting the 'quake efforts in the area of disability support services.

The General Manager, Enable New Zealand advised that its Christchurch store was operational. Arrangements had also been made with a transport depot to enable delivery and distribution of short term loan equipment to local disabled and older people.

The Chairman recorded the Board's thanks for the work and support provided by Enable New Zealand to Canterbury DHB and its communities. He asked that this appreciation be conveyed to all staff concerned.



The importance of ensuring the needs of older people and the disabled community were not overlooked in disaster planning was discussed and agreed.

#### *7.1.2 Commercial Banking and Treasury Management Arrangements*

Management confirmed that a recommendation on this matter would be submitted for the Board's consideration before the end of the current financial year.

#### *7.1.3 Ministry of Health's New Organisational Structure*

The location of disability support services within the structure was questioned. Management undertook to find out more about this matter.

#### *7.1.4 National Health Committee*

The update on the National Health Committee was noted.

#### *7.1.5 Central Region's Information Systems Plan (CRISP)*

Management advised that the cost of the Gateway review was a regional cost and would be shared amongst DHBs. In addition, the National Health IT Board had undertaken to meet 50% of the cost given the central region's IT planning was ahead of other regions.

Heather Browning left the meeting.

#### *7.1.6 Monitoring Status*

The CEO advised that a response to MidCentral DHB's request for a change in monitoring status had not yet been received. He noted that the National Health Board was currently focused on assisting Canterbury DHB with provision of health and disability services following the recent earthquake.

#### *7.1.7 Health Targets*

The Board noted the positive feedback received from the Ministry of Health's Health Target Champions regarding MDHB's achievement of, or progress toward achievement of, health targets.

The Minister and Ministry of Health's focus on targets was noted.

Heather Browning re-entered the meeting.

#### *7.1.8 Capital Expenditure*

The CEO advised that some capital expenditure would flow over into the following year.

It was resolved:

*that the report be received.*

## **8. GOVERNANCE ISSUES**

### **8.1 Delegations Policy**

Members considered the policy and asked that it be amended to take account of the following:

- changes to DHB responsibilities around strategic and annual planning, including regional service and asset planning. As the names of Plans, such as the District Annual Plan, were

subject to the change, it was agreed that policy should use generic terms such as annual planning.

- policy and processes for electronic transactions

It was agreed that the revised policy would be submitted to the Board for consideration. Once approved, it would then be submitted for the Minister of Health's consideration.

The CEO advised that amendments to the organisational structure would be completed within the next few months.

It was resolved:

*that the report be received.*

## **8.2 Board/Committee Members' Contact Details**

This matter was fully debated. Points noted included:

- accountability arrangements for DHBs and how these different to local authorities
- means of community engagement
- governance/management split
- availability of members' contact information
- security
- collective contact point

It was resolved:

*that the status quo be maintained regarding publication of board and committee members' contact details.*

Pat Kelly and Karen Naylor recorded their votes against the motion.

## **8.3 2010/11 Work Programme**

The CEO advised the Clevely Health Centre report was expected in April.

It was resolved:

*that the updated work programme for 2010/11 be noted.*

## **9. LATE ITEMS**

There were no late items.

## **10. DATE OF NEXT MEETING**

Tuesday, 19 April 2011, Tararua District Council, 26 Gordon Street, Dannevirke.

Diane Anderson recorded her apologies.

## **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:

<i>Item</i>	<i>Reason</i>	<i>Ref</i>
<i>"In Committee" Minutes of the Previous Meeting</i>	<i>For reasons stated in the previous agenda</i>	
<i>"In Committee" Minutes of Committee Meetings:</i> <ul style="list-style-type: none"> <li><i>• Community &amp; Public Health Advisory Committee, 1 March 2011</i></li> <li><i>• Hospital Advisory Committee, 1 March 2011</i></li> <li><i>• Disability Support Advisory Committee, 1 March 2011</i></li> </ul>	<i>For the reasons set out in the Committee's order paper of 1.3.2011 meeting held with the public present</i> <i>For the reasons set out in the Committee's order paper of 1.3.2011 meeting held with the public present</i> <i>For the reasons set out in the Committee's order paper of 1.3.2011 meeting held with the public present</i>	
<i>Strategic Matters</i>		
<i>• 2011/12 Annual Plan: Progress Report</i>	<i>Under negotiation</i>	<i>9(2)(j)</i>
<i>• 2011/12 Regional Services Plan</i>	<i>Under negotiation</i>	<i>9(2)(j)</i>
<i>Operational Matters</i>		
<i>• CEO's Report: DHBNZ Future Status</i>	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<i>Governance Matters</i>		
<i>• External Appointments to Committees</i>	<i>To protect personal privacy</i>	<i>9(2)(a)</i>

Confirmed this 19<sup>th</sup> day of April 2011.

.....  
Chairman

# MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the Meeting of the Group Audit Committee, held on Tuesday, 15 March 2011 at 8.30am in the Boardroom, MidCentral DHB Offices, Heretaunga Street, Palmerston North

## **PRESENT:**

Ann Chapman (Chair)  
Kate Joblin (Deputy Chair)  
Lindsay Burnell  
Mavis Mullins  
Karen Naylor  
Phil Sunderland (ex officio)

*Unconfirmed Minutes*

## **IN ATTENDANCE:**

Murray Georgel, Chief Executive Officer  
Mike Grant, General Manager, Funding Division  
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness  
Robert Brown, Financial Services Manager  
Carole Chisholm, Committee Secretary  
Diane Anderson, Board Member (part)

### **1. APOLOGIES**

Mavis Mullins (late)  
Bruno Dente, Deloitte (external auditors)  
Chris de Wit and Annika Corley, 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 conflicts.

Mavis Mullins entered the meeting.

### **4. MINUTES OF THE PREVIOUS MEETING**

It was recommended:

*that the minutes of the previous meeting held on 14 December 2010 be endorsed as a true and correct received.*

## **5. MATTERS ARISING**

The evaluation of the Committee's fulfilment of the Terms of Reference would be included in the June agenda.

Management also confirmed they would be in a position to provide an update on the Contract Management System to the June meeting.

## **6. EXTERNAL AUDIT PROGRAMME**

### **6.1 Audit Management Letter**

Management advised that the document was a standard engagement letter received at this time every year and which set out the audit responsibilities for both the auditors and District Health Board.

It was unfortunate the external auditor's flight had been cancelled and Mr Dente was therefore unavailable to answer any questions. A Committee member noted that she was interested in the area around establishing and maintaining internal controls in relation to the JDE system and the auditor's thinking in terms of audit process.

Pat Kelly entered the meeting.

Management advised that the Deloitte team had been on site the previous week working in the IT area. A part of the audit brief was to review the new security which had been implemented in JDE. During a brief discussion with one of the Deloitte team members it was confirmed that they would carry out high level reviews of all transactions in the system up until the security was changed. In the event that any issues that were identified these would be investigated.

In response to an enquiry, management confirmed that the issue of JDE security had been referred to in the Audit Highlights Memorandum and the Constructive Report to Management.

It was recommended

*that the audit engagement letter be signed by the Chair of MidCentral DHB.*

### **6.2 Annual Report 2010/11 – Timeline**

Management confirmed that the deadline of 31 October 2011 for the completion of the audited annual accounts would be met.

It was recommended:

*that the proposed timeline be approved.*

### **6.3 2011 Draft Audit Plan**

A Committee member noted that she was interested in the auditor's determination of materiality, and the level of \$400,000 for reporting misstatements to the Committee. Clarification of both issues would be sought from Deloitte on these matters and reported back to the next meeting.

Management confirmed that there was no longer an ability to post journals from MidCentral DHB to Whanganui DHB and visa versa.

It was noted that there was still an audit issue around the adjustment to the 2009 revaluation of \$6.1m which was made by the Board. The next revaluation was confirmed as being due in 2012. As part of the annual accounts process a brief review would be undertaken to confirm that there had not been a significant change in the valuations since the last adjustment.

It was recommended:

*that the draft audit plan for 2011 be accepted.*

## **7. INTERNAL AUDIT PROGRAMME**

### **7.1 Update**

Management confirmed that the 2010/11 internal audit programme should be completed by the end of the financial year.

It was recommended:

*that this report be received.*

### **7.2 Risk Plans**

Following a Committee member's comment that the major risk was not covered in the internal audit programme for the year, management advised that the Board had determined the 2010/11 internal audit programme be based primarily around the financial recovery.

It was recommended:

*that this report be received.*

### **7.3 Business Continuity/IT Disaster Recovery**

Management confirmed that this audit was part of the 2009/10 programme and required external resources to complete.

It was recommended:

*that no further reports be provided to the Committee until the final report in September 2011*

Diane Anderson entered the meeting.

### **7.4 Identification of Items – 2011/12**

Management advised that it was now necessary to undertake a tendering exercise for the provision of the internal audit service. The identification of items process which normally took place at this point in the audit year would now be undertaken on completion of the tendering process. A discussion then followed around the nature of the internal audit service. Committee members wished to see a wide ranging audit specification and to include the ability to contribute to clinical and systems evaluation. It was expected that the tendering process would be completed by 30 June.

It was recommended:

*that this report be received.*

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## **8. GOVERNANCE**

### **8.1 Work Programme**

It was recommended:

*that the updated work programme for 2010/11 be noted.*

## **9. LATE ITEMS**

There were no late items under 2 above.

## **10. DATE OF NEXT MEETING**

Tuesday, 21 June 2011.

The meeting concluded at 9.30am.

Confirmed this 21<sup>st</sup> day of June 2011

.....  
Chairperson

# MidCentral District Health Board

6.5

## Community & Public Health Advisory Committee Meeting

Minutes of meeting held on Tuesday, 5 April 2011 at 1.00 pm in the Boardroom of Board Office, Gate 2 Heretaunga Street, Palmerston North

### **PRESENT:**

Ann Chapman (Acting Chair)  
Linda Gray  
Pat Kelly  
Mavis Mullins  
Karen Naylor  
Phil Sunderland  
Charmaine Hamilton

*Unconfirmed Minutes*

### **IN ATTENDANCE:**

Murray Georgel, Chief Executive Officer  
Mike Grant, General Manager, Funding Division  
Carole Chisholm, Committee Secretary

### **OTHER:**

Staff: (5)  
Public: (1)  
Media: (0)

#### **1. APOLOGIES**

Diane Anderson and Oriana Paewai; Pat Kelly (late)

#### **2. NOTIFICATION OF LATE ITEMS**

There were no late items.

#### **3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE**

##### **3.1 Amendment to the Register of Interests**

There were no amendments.

##### **3.2 Declaration of Conflicts in Relation to Today's Business**

Karen Naylor noted her conflict in relation to item 6 on page 13.1 'Well Child Framework Contract' (Patron of Plunket).

Pat Kelly entered the meeting.



## **4. MINUTES**

### **4.1 Minutes**

It was recommended:

*that the minutes of the previous meeting held on 1 March 2011 be confirmed as a true and correct received.*

### **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.

## **5. OPERATIONAL REPORTS**

### **5.1 Cardiology Landscape Review**

Mike Grant introduced the Cardiology Landscape review and noted that the report had been considered by the Hospital Advisory Committee earlier in the day. As a result of their discussions, the Committee had requested that a workshop be held enabling members to see the programme outline, the deliverables and timeline. They had also taken into consideration that there were short, medium and long term requirements around local, regional and sub regional services. This committee would also be invited to attend.

\$300,000 - \$400,000 had been budgeted for in the 2011/12 financial year and the cardiac cath lab was the major capital requirement. This would be commissioned in the last quarter of the 2011/12 financial year. \$1.2m would be in the out years financials, subject to Board approval. The financials as raised in the report had not taken into account any potential revenue from IDF inflows. The next financials would include inflows from Wanganui and outflows to Capital and Coast Health.

A Committee member confirmed the report was a very good document but was a statement of the present. There was an absence of discussion around possible new technological or clinical trends, nor long term strategies. Age structure was also seen as another area which could prove misleading. As an example it was pointed out that of those people shown in the 75 – 85 group with cardiology problems, very few of those people would only have that complaint. Conditions including arthritis and diabetes also had an impact on cardiology demand. In addition, non availability of data was noted, although it was recognised that some of the problems were due to a lack of national data. The member advised that she raised the matter as a point and not a complaint.

In response to a request for more commentary around invasive waiting lists, management advised the recommendations confirmed the need for this area to be looked at. A person living in Palmerston North and referred by their General Practitioner to see a cardiologist would have a specialist assessment. If they were considered not to be an immediate risk they would be referred for a set of diagnostic procedures. This could be anything from a treadmill test to an echocardiogram and were performed at MidCentral Health. It may also involve being placed on a waiting list. (At the present time approximately 700 patients were on that list awaiting a diagnostic treadmill test). At this stage the cardiologist had already reviewed the referral information from the GP or actually seen the patient. Although their condition was not regarded as urgent or significant, nevertheless the patient would go through the diagnostic programme. It was that area where MidCentral Health needed to work with the GP and nursing service, together with the cardiologist, to better manage that 'go ahead' of patients. It was also noted

that if a patient needed acute care they got it or if a patient's condition changed, they could go to their GP and be dealt with on that basis.

The Tararua and Horowhenua programme enabled a large number of patients to undergo the diagnostic programme all on the same day. This was due to a dedicated cardiologist and technician and was the reason why the programmes had been successful.

Following an enquiry around the very low number of responses when compared to the number of stakeholders and agencies involved, management advised that the draft had been circulated for feedback prior to the release of the final draft. As a result the report had been worked through with the stakeholders in a robust manner followed by a further two weeks of consultation. By the time stakeholders received the final draft, they were comfortable with the content.

Following a Committee member's enquiry around the emphasis on clinical governance, management agreed it was a change in style and membership.

Committee members' comments on the review document included:

- The recommendations were really useful and appeared achievable;
- Surprised at the assessments of the performance indicators but that was good;
- Workshop will be a good way of gaining a better understanding and further information; whether there were any gaps in terms of reporting that needed to be identified; clarification of the timeline; and in terms of the budget, what funds had been allowed for already and had the additional FTEs been included.
- An excellent report which contained some good information. Complimented those involved in completing the review within two months.

A further comment noted that members were reliant on Disease State Plans and Service Strategies to signal any areas of concern. As Cardiology had not been highlighted previously this raised the question of what could be learned going forward. There would be potentially other areas where investment funds were unavailable but it was always important to know what the issues were, prioritise and make assessments.

Management noted that cardiology issues had been obvious for sometime. The standard discharge ratios and other metrics reported on in relation to heart disease performance in the district showed MidCentral Health had been a poor performer. The reason for this had been difficult to assess at times but included Capital and Coast performance together with other variables which had been included in the review.

The Chief Executive Officer advised that management endeavoured to include all of the Board's issues into the annual plan ahead of time. However management had begun receiving feedback from the financial reviews which disclosed Cardiology as being an area to be looked at.

It was confirmed that committee members would be invited to the Cardiology workshop whenever that was scheduled. The reasoning behind the Hospital Advisory Committee's decision to request a workshop was the wish for a stronger recommendation than "that this report be received".

It was recommended:

*that this report be received.*

## **5.2 Funding Division Operating Report – March 2011**

Mike Grant introduced his report.

*Item 2.1.1 Funding Long Term Supports for People with Chronic Health Conditions*

In response to an enquiry around responsibility for people with insufficient funds to meet demand and the eligibility criteria, management confirmed that the matter had not been resolved and it continued to be work in progress.

Management referred to the top of page 5.5 and advised that experience suggested there would be an unfavourable financial risk for the central region as opposed to other regions. In this particular case if the Board moved to population based funding there was a risk in 2012/13 of \$271,000 to MidCentral. Out of expenditure of approximately \$800,000 this amount was quite significant. It was therefore in the Board's interests to keep this under surveillance and manage it appropriately.

Following an enquiry around dispute resolution and terminology referred to on page 5.5, management noted the most suitable practice was to have any dispute resolved as best as possible beforehand. As with anything, and particularly in this matter, there would be disputes.

*Item 2.2.3 Maori Provider Development Scheme*

In response to a question concerning the provider with an outstanding report, management confirmed this was a one-off and a different provider from the previous occasion.

*Item 2.7 Pharmacy*

A member took the opportunity to acknowledge Andrew Orange's Pharmaceutical Society of New Zealand fellowship award and extended her congratulations. It was unfortunate that he was not present at the meeting and to be complimented in person. Committee members endorsed these comments. Management confirmed the Board was fortunate in having Andrew as their Pharmacy Advisor and would ensure the message was passed on.

It was recommended:

*that this report be received.*

## **5.3 Finance Report**

In response to an enquiry around the reason for an increase in IDF wash-up, management confirmed that this was due to more throughput.

It was also confirmed the Funding Division would be slightly favourable at year end. \$500,000 on \$450m was marginal. The result was growing within the provider arm where there were significant positive variations to budget. These related to contained personnel costs, reduction in clinical supply costs and increased revenue.

It was recommended:

*that this report be received.*

## **6. GOVERNANCE ISSUES**

### **6.1 Work Plan**

It was recommended:

*that the updated work programme for 2010/11 be noted.*

## **7. LATE ITEMS**

There were no late items under 2 above.

## 8. DATE OF NEXT MEETING

Tuesday, 3 May 2011.

## 9. EXCLUSION OF PUBLIC

Recommendation: 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><b>Item</b></i>	<i><b>Reason</b></i>	<i><b>Ref</b></i>
"In Committee" Minutes of the Previous Meeting	For reasons stated in the previous Agenda	
2011/12 District Annual Plan	Under negotiation	9(2)(j)
Funding Division Operating Report: Well Child Framework Contract	Subject of negotiation	9(2)(j)

The meeting closed at 1.55pm.

Confirmed this 3rd day of May 2011

.....  
Chairperson

**Minutes of the Hospital Advisory Committee meeting held on 5 April 2011  
commencing at 8.30 am in the Boardroom, MidCentral District Health Board**

---

**PRESENT**

Jack Drummond (chair)  
Lindsay Burnell  
Kate Joblin  
Richard Orzecki

Barbara Robson  
Phil Sunderland  
Cynric Temple-Camp

*Unconfirmed Minutes*

**In attendance**

Murray Georgel, CEO  
Mike Grant, Acting General Manager, Corporate Services  
Carolyn Donaldson, Committee Secretary

Karen Naylor, Board Member  
Nicholas Glubb, Operations Director, Specialist Community & Regional Services  
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness  
Lyn Horgan, Operations Director, Hospital Services  
Sue Wood, Director of Nursing  
Mark Beale, Clinical Director Medical Services (part meeting)  
Chris Channing, Manager, Planning & Performance Unit  
Ian Ironside, Portfolio Manager, Secondary Care  
Communications (1)  
Media (1)

**1. APOLOGIES**

An apology was received from Kerry Simpson.

**2. LATE ITEMS**

There were no late items.

**3. CONFLICT AND/OR REGISTER OF INTERESTS**

**3.1. Amendments to the Register of Interests**

Richard Orzecki advised his contract with Statistics New Zealand re the census 2011, had finished.

Barbara Robson advised two new interests:

- National Health IT Board - Health Identity Project Governance Board; Consumer Representative
- National Health IT Board – Expert Consumer Panel; Member

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

There were no conflicts of interest declared.

6.11

#### **4. MINUTES**

##### **4.1. Minutes**

It was recommended

*that the minutes of the meeting held on 1 March 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. OPERATIONAL REPORTS**

##### **6.1. Provide Division Operating Report – February 2011**

###### *Continuing Reviews*

The Committee expressed an interest in seeing what new reviews were being undertaken, and asked Management to provide an update on that work in the next operations report.

###### *Inpatient Smoking Cessation*

Management confirmed that it should be possible to sustain the inpatient smoking cessation target but it would depend on maintaining data reporting. Anecdotally progress slowed as the target got nearer. Management would keep supporting and facilitating processes so that they became business as usual.

###### *Shorter Stays in ED*

Management advised they did not believe the facility design affected this target, rather it was having the various services respond in a timely manner in respect to moving their patients through the system from ED.

###### *Elective Surgery*

The request from National Health Board concerning additional elective surgery following the Christchurch earthquake was briefly discussed. Management advised they were still evaluating the situation, but thought MCH might be able to do an additional 120 discharges.

###### *National Medication Chart*

The benefit of having an electronic record was highlighted during the recent Christchurch earthquake, particularly in respect of having a central electronic repository for clinical results and prescriptions. The roll-out of a national medication chart was also noted as having similar benefits.

###### *MidCentral Health/Whanganui DHB Gynaecological Surgery Initiative*

6.12

The Committee were advised of the current figures relating to this initiative. There was discussion regarding the reasons why some referrals had been declined or were no longer required. Management explained there were various reasons why this had occurred, eg the length of time since the FSA, differing clinical opinion, and a change in health status. Management were asked to provide more feedback on this issue so members could understand it better.

#### *Paid Car Parking*

Management were asked to provide an update on the lighting situation in the car parks, as a member expressed concern for the safety of staff changing shifts during darkness.

#### *Financial Performance Summary Scorecard*

It was noted that the YTD target for personnel costs/FTE was incorrect.

It was recommended

*that this paper be received*

## **6.2. Cardiology Landscape Report**

The CEO and Acting General Manager Corporate Services spoke to this report.

Feedback from members touched on a number of aspects:

- The regional implications would have to be understood before making decisions on expenditure.
- Capital requirements were for regional and sub-regional requirements. FTE requirements were separate.
- It would be positive in terms of attracting registrars.
- The report looked at a short, medium and long term outcome.
- It would be a huge challenge – there was no place where the service could be situated in one setting at the moment.
- It would need full time project management and good leadership.
- Significant amount of the report was dependent on staff, and fortunately two new cardiologists would arrive within the next few months.
- Cardiology nursing specialists would be required.
- A management plan and timeline would be required to implement the plan and its recommendations.
- A workshop should be held, similar to the one held in relation to purchasing the linear accelerator.
- A better understanding of the waiting lists and how they are managed would be helpful.
- Dr Andrew Hamer, cardiologist from Nelson/Marlborough DHB and chair of the National Cardiology Network had peer reviewed the report. His comments related to the regional dimensions of the report.

6.13

- There would be a significant one-off expenditure in terms of a cath lab - \$2.6m – plus other expenditure to link the service together. However, the facilities should be considered in terms of an overall facility redesign.
- Management were asked if there was any capacity to improve the current intervention rates. Dr Beale advised that the arrival of the new cardiologists would enable increased angiography sessions and this would help until the report recommendations were implemented. MCH was also working with both Capital & Coast DHB and Wakefield Hospital in order to try and maintain intervention levels, and would look to improve processes and efficiencies when the new staff arrived.
- Through inter-district flows, patients from Whanganui would be able to access MCH's services once set up, rather than travel to Wellington.

The issue of the cardiology waiting lists was referred to, with Management being asked if there were any other waiting lists that were not reported to the Committee because they were not part of any ministerial reporting process. Management advised the Funding Division monitored various indicators and trends, and had not seen any other issues within the organisation.

The CEO advised there had been three areas of concern recently. The National Health Board and Ministry of Health also monitored performance to see it was comparable to other DHBs, and they had raised cardiology as an issue with MDHB just prior to Christmas. MDHB had already started this review when they raised the issue. The second area was around dental services provided to the former Kimberley Centre residents and the third area was the general level of elective services. All three areas had been actioned. Management were requested to think about how the reporting of waiting list information was managed for the Committee.

The discussion concluded with agreement that a programme outline with timelines would be developed and reported back to the Committee, and a workshop would also be arranged to further discuss the plan.

It was recommended

*that this report be received*

Dr Beale and Cynric Temple-Camp left the meeting.

### **6.3. Horowhenua Health Centre update**

Management confirmed the corporate overhead costs were not included in this report, and that the report was about the facility not services operating from the premises.

Cynric Temple-Camp returned to the meeting.

It was noted that the level of funding received for the general purpose/rural inpatient beds was \$157 per day compared to \$690 per bed day under the ATR bed classification. It was pointed out that public health nursing services were provided under MCH's Community & Support Services and should be included in appendix 1.

It was recommended

*that this report be received*



## 7. GOVERNANCE ISSUES

### 7.1. 2010/11 Work Programme

It was noted that the update on paid car parking would be reported direct to the Board meeting.

It was recommended

*that the updated work programme for 2010/11 be noted.*

## 8. LATE ITEMS

There were no late items.

## 9. DATE OF NEXT MEETING

3 May 2011

## 10. 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 : Bariatric Surgery	Under negotiation	9(2)(j)
2011/12 Draft 2 - Annual Plan	Under negotiation	9(2)(j)

# MANAWHENUA HAUORA

71

Minutes of the Manawhenua Hauora hui held 21 March 2011 at 10 am at MDHB Boardroom, Palmerston North

## KARAKIA/MIHI

Mr Matt Matamua/Mr Richard Orzecki

*The Chair acknowledged the passing of Josephine Hape from Kahungunu ki Tamaki Nui a Rua as well as whanau members that died during the earthquake at Otautahi.*

## PRESENT

### Ngati Raukawa ki te Tonga

Mr R Orzecki (Chair)

Mrs M Sanson

### Rangitaane

Ms O Paewai, Manawatu

Mr H Kani, Tamaki nui a rua

### Kahungunu ki Tamaki-nui-a-rua

### Muaupoko

Mr Matt Matamua, Muaupoko

## In Attendance

Mrs D Te Puni, Kairangahau, Manawhenua Hauora

Mr Shane Ruwhiu, Maori Health Advisor, Funding Division

Mrs Te Aira Henderson, Maori Health Service Manager, MDHB

Mr H Arapere, Kaupapa Maori Manager ENABLE NZ

Ms Ana Winiata, General Manager, Te Runanga o Raukawa

Ms Paddy Jacobs, Public Health Unit

Materoa Mar, CPHO

Mike Grant, Moana Mataira and Trish Keelan (*arrived 11.30am*)

## 1. APOLOGIES

Ms D Harris, Manawatu

Mr Steve Hirini, Muaupoko

Mr D Emery, Ngati Raukawa

Mr Hayden Hape – tangihana

## 2. LATE ITEMS

- Nil

## 3. MINUTES 7 February 2011

### It was agreed

*that the minutes of the meeting held 7 February be accepted and moved as a true and accurate record with the correction to title for Mr Henare Kani, and Mavis Mullins and Materoa Mar to be included on the MWH distribution list.*

#### 4. MATTERS ARISING

- **Child Health Steering Group**

*Member confirmed appointment as representative on the Child Health Steering Group.*

- **Police Iwi Liaison Position**

*Members discussed the powhiri process for this position.*

#### 5. CORRESPONDENCE

**It was agreed**

*that the record of inward correspondence for the February/March period be received and outward correspondence be approved with the addition of Email received from Hayden Hape to confirm representation from Kahungunu ki Tamaki Nui a Rua on Manawhenua Hauora Board. Hayden will bring Pam to the next hui in May.*

#### 6. OPERATIONAL REPORTS

##### 6.1 Kairangahau Reports

##### 1. Work Programme 2010/2011 Update

- *Tikanga Best Practice guidelines were tabled and distributed to members.*
- *Feedback from the Maori Health Plan, Annual Plan and Tikanga Best Practice guidelines is requested by 28 March 2011.*
- *Consumer survey is now online. 24 completed surveys to date. Hard copies can also be printed for those unable to access the internet and the Kairangahau will enter them manually.*
- *The Chair will discuss including CPHO relationship with MWH in the work programme outputs.*

**It was agreed**

*that the Kairangahau report is received and accepted and that members provide comments or feedback regarding the Tikanga Best Practice guidelines by 28 March 2011.*

##### 6.2 Maori Health Advisor Report

- *Discussed the Kaumatua initiative and how effective the current services in the District for Older People have been. The following issues were discussed:*
  - *community engagement processes;*
  - *Kaumatua services in Tararua and Horowhenua; and*
  - *Older persons work stream for Business case*
- *Iwi/Maori provider expo*
- *Future contracts and collaborative initiatives*
- *Immunisation statistics*

- *Hauora scholarships*
- *One Heart many lives update*
- *Workforce Development Group (collaborative model for future provider hui)*

7-3

**It was agreed**

*That the Maori Health Advisor report be noted and accepted*

### **6.3 Kaiwhakahaere Hauora Report**

- *Kaiwhakahaere Hauora Manager provided an update on the following:*
  - *Colposcopy DNA rates;*
  - *Breast screening Action Group;*
  - *Hospitalised smoker statistics; and*
  - *Family Violence Intervention Programme.*
- *Members discussed the Cultural Competency Programme*
  - *Paper will be submitted to EMT*
  - *Systemic process (addressing different levels)*

**It was agreed**

*That the Kaiwhakahaere Hauora Report be noted and accepted*

## **7. MDHB BOARD AND COMMITTEE MINUTES**

### **7.1 MidCentral District Health Board**

**It was agreed**

*That these minutes of 15 February 2011 be noted*

### **7.2 Hospital Advisory Committee**

**It was agreed**

*That these minutes of 1 March 2011 be noted*

### **7.3 Community & Public Health Advisory Committee**

**It was agreed**

*That these minutes of 1 March 2011 be noted*

### **7.4 Disability Support Advisory Committee**

**It was agreed**

*That these minutes of 1 March 2011 be noted*

### **7.5 Enable NZ Governance Group**

**It was agreed**

*That these minutes of 01 February 2011 be noted*

## **8. GENERAL BUSINESS**

### **8.1 Consumer Surveys**

- 7-4
- Total completed as of 20 March 2011 = 24;
  - Hard copies available for distribution; and
  - Members to forward survey to all contact lists.

## 8.2 Central Region Maori Relationship Board Forum

- Agenda was distributed to members
- RSP draft has been amended and emailed to members for review.

## 8.3 HAC Vacancy

- Awaiting response from potential representatives – members will be notified once details confirmed.

### It was agreed

*That the Chair will follow up with the HAC vacancy and advise members of progress.*

## 8.4 Hauora a Iwi Whanganui Hui

- Invitation to attend hui either 5 April or 17 May 2011.
- Members agreed that they would be available to travel to Whanganui early 17 May 2011.

### It was agreed

- That the Kairangahau will confirm MWH attendance in Whanganui on the 17<sup>th</sup> of May 2011 for a 9.00am hui.
- That the Maori Health Advisor would look into booking a vehicle to travel to Whanganui for the morning.

## 8.5 Ethics Committee Update

- Update provided on the Ethics Committee and minutes noted.

## 8.6 Regional Services Plan

- RSP draft with highlighted amendments emailed to members for comment/feedback.

## 8.7 Annual Plan and Maori Health Plan (Draft)

- Mike Grant, Moana Mataira and Trish Keelan attended hui (11.30am) and discussed the following:
  - DAP and corresponding Maori Health Plan initiatives;
  - Provider collectives and District initiatives;
  - Integrated Health Centres;
  - Maori health outcomes;
  - Tobacco and smoking cessation;
  - HEHA;
  - Re-design vs Re-investment in contracts;
  - Whanau Ora Pathway; and
  - Funding to Maori providers.

### It was agreed

*That members will forward any comments and feedback on the Draft MHP*

*and DAP to the Kairangahau by 28 March 2011 to develop a collective response on behalf of Manawhenua Hauora.*

7.5

**9. NEXT HUI**

Monday, 2 May 2011 (DATE TBC)

**10. KARAKIA WHAKAMUTUNGA**

Matua Matt Matamua

**TO** Board  
**FROM** Chief Executive Officer  
**DATE** 13 April 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 road map continues.

Through the regional service planning process, the priority initiatives for 2011/12 have been developed. These cover all work streams and are incorporated into both DHB's draft 2011/12 Annual Plan.

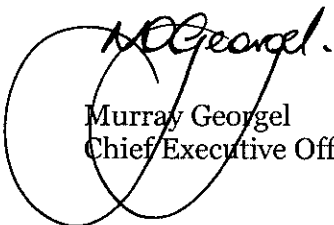
The Project Manager is working with key internal stakeholders to prepare a work programme for 2011/12, identifying the key milestones for each initiative. This work programme will then form the basis of monitoring (at both a management and governance level).

A copy of the Project Manager's progress report is attached, together with the latest update provided to the Minister of Health.

### 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

# March 2011

## centralAlliance Progress Report

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### Collaboration

No new initiatives have been established in March. In part due to the end of the reporting year and in part it is due to the required focus on completing the Annual Planning requirements and operational priorities and WDHB organisational change create little opportunity for new service development work.

However centralAlliance planning for 2011/12 has moved centralAlliance initiatives firmly within the Annual Plan. This allows the centralAlliance programme to have its priorities set, to be operationally managed and reported on within the context of the overall DHB plan.

The list of initiatives completed in the last two years (as shown below) is significant and covers a wide range of activities which in their own right continue the collaborative programme. For example the appointment of the joint Head of HR and Organisational Development last year is now feeding into shared use of staff and other resource and planning for a single HROD function across the two DHBs.

The format of this report will be altered from the 1<sup>st</sup> July. The Minister will receive a quarterly report in October, January April and July. The Board will receive that report and a separate report for the other months. These reports will include commentary on progress of the 14 2011/12 centralAlliance initiatives.

### Clinical

#### *Previously Reported Initiatives*

- 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 Cardiology, Endocrinology, Elder Health and ENT
- 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.
- Women's health service common purchasing plan is being progressed at CEO level before being submitted to Boards for approval.
- Common Ophthalmology and ENT services development is progressing with a priority on Ophthalmology
- 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 12 or so WDHb SMOs and reports solid support for centralAlliance clinical collaboration and Regional Clinical Services Plan initiatives
- Greater use of telemedicine is required/anticipated by the respective Medical Directors. Not just teleconferencing but clinician interaction including patient specific imaging and documentation.
- WDHb PACS system is planned for implementation in 2012/13 due to cost, estimated at \$1.6m and is also timed to coordinate with the Central Region PACs implementation timeframe. WEBpas the replacement for the patient management system Oracare is WDHb's imperative as support for this system ceases in June 2012. Wanganui DHB, MidCentral and Wairarapa DHBs need to prioritise and coordinate planning work around implementation planning, including regional business process and requirements design. A site by site progressive implementation across the region would then take place.

MidCentral DHB before they replace their Homer patient management system must first replace their Homer Pharmacy system. This is a priority action for MidCentral Health in addition to development work for implementation of WEBpas.

- 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**

### *Previously Reported Initiatives*

- 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

### *Previously Reported Initiatives*

- 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

### *Previously Reported Initiatives*

- 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 its 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

## 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. Two new significant risks have emerged:
  - a. The degree to which organisational change processes at WDHB are making less time available for key staff to participate in centralAlliance planning processes. [Mitigation will need to be CEO reinforcement of the balance between local DHB and centralAlliance priorities]
  - b. The degree to which existing systems and developments within clinical support systems within the areas of Quality and Patient Safety do not align strategically nor practically. The obvious example being emergency call systems – 8000 for WDHB

and 777 for MDHB. [Mitigation should be common strategic planning processes in areas supporting clinical activity and shared priority setting for new developments].

3. Establishing agreed language and intent such that Boards, management and clinical teams have common expectation and understanding

## **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.

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.

**Whanganui  
District Health Board**

Whanganui District Health Board  
Private Bag 3003  
Wanganui 4540

MidCentral District Health Board  
PO Box 2056  
Palmerston North 4440

11 April 2011

The Hon Minister of Health  
Minister of Health  
Parliament Buildings  
WELLINGTON 6160

Dear Minister

**centralAlliance**

Enclosed is an extract from both DHBs' draft annual plans for 2011/2 outlining scheduled centralAlliance milestones for that year. This sub-regional activity is supportive of, and complementary to, the draft Regional Services Plan.

Our plans for next year build on the achievements and progress to date are summarised below.

**Clinical Workstream**

This workstream, led by the clinicians, continues to make good progress. Urology services are now provided on a sub-regional basis, and next year ophthalmology, ENT, cardiology and sexual health will be progressed. (NB: women's health and the child health network are currently sub-regional activities with their shared, ongoing, service improvement work demonstrating the value of the centralAlliance Foundation Agreement.)

The clinical leaders of both DHBs work closely together and this will be formalised next year through shared governance and a sub-regional clinical leaders' forum. Common nursing professional development and Allied Health professional development systems are planned, as well as a common sonographer training programme.

**Funding/Planning Workstream**

Next year will see the culmination of a lot of current activity, with the potential development of a "one service, two sites" model and business case for women's health. This will be a major milestone event for the centralAlliance, with the establishment of a shared population, shared funding, shared waiting lists, and shared staffing. This model moves beyond shared services, to a one-population approach. It will be the blueprint for other services, with renal services identified as the next priority area.

Regional service planning has been a priority over recent months, and we are ensuring maximum gain is achieved. Consequently, the centralAlliance is

focusing on services which are not part of the wider regional planning (RSP) at this stage

Over the past year we have aligned our prioritisation models, produced a joint child health epidemiology report, and made arrangements for a shared health needs assessment.

### **Support Services**

A large number of support services are provided on a sub-regional basis, with hotel (food, cleaning and orderly), facilities, engineering & maintenance, grounds, security and transport/fleet service occurring earlier this financial year. Human resources also moved to a sub-regional service. (Laundry services already provided jointly through Allied Laundry Services Limited.)

In 2011/12, we intend to combine information systems, and, transactional financial functions (accounts payable and receivable). We already use the same financial and payroll information systems.

Shared asset planning will also be finalised next year.

After that, the key remaining areas will be payroll, contracts, and business support.

### **Governance**

The increase in shared board appointments to three is appreciated and appropriate.

Our management teams work closely together, and this is augmented by monthly centralAlliance governance/management sessions. Over the past 12 months, we have aligned several governance policies and this work will continue. Joint workshops of our two boards will take place to ensure new service models, such as renal and women's health are implemented in a sound and timely manner.


A detailed work programme is being finalised to support the achievement of these annual planning initiatives.

We will continue to closely monitor centralAlliance progress, and will provide you with quarterly updates.

Yours sincerely



Kate Joblin  
Chairman



Phil Sunderland  
Chairman

## Whanganui and MidCentral central/Alliance Sub-Regional Priorities

### x. Sub-Regional Priority: implementation of central/Alliance Road Map

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	We expect these actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes
Implement Sub-Regional Service Model for Women's Health	Improve equity of access to the combined population over time Assist with clinical sustainability	Women's Health Service Plan	Board approval 2011/12	
Sub-Regional approach for Renal services	Assist with clinical sustainability Enable prioritisation based on cost/benefit	Proposed approach	Board approval 2011/12	
Sub-Regional Shared Health Needs Assessment	Make best use of specialist expertise Allow sub-regional prioritisation and planning based on health need	Joint Health Needs Analysis Review	2012/13	
Development of two regionally deployed palliative care medical specialist positions across Whanganui, Taranaki, MidCentral	Improve overall access and equity of access to palliative care medical specialists Support greater coordination of service planning and delivery between districts and within districts across primary, secondary and Hospice care Mitigate workforce risks relating to recruitment and retention of medical specialists Strengthen clinical leadership across palliative care	Improved options for care for people in cancer services	Positions in place by August 2011 Meeting medical supervision requirements of staff Performance against agreed measures of improved clinical sustainability, access, quality, service integration and efficiency	Development of two regionally deployed palliative care medical specialist positions across Whanganui, Taranaki, MidCentral: <ul style="list-style-type: none"> <li>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.</li> <li>Palliative Care Medical Specialist position to provide hands-on medical specialist services primarily to Arohanui Hospice, Hospice</li> </ul>

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	We expect these actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes
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"> <li>• Systems and network review</li> <li>• Capability assessment</li> <li>• Impact and gap analyses</li> <li>• Alignment of policies, operating principles, functions and practices</li> <li>• Business process redesign requirements Benefits and costs of proposal</li> <li>• Investment requirements</li> </ul>	<p>Recommendations approved by both Boards by 30 June 2012</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>	<p>Whanganui and Hospice Taranaki.</p> <p>Achieve service delivery and financial benefits to the DHBs from establishing shared, common infrastructure and support services as part of centralAlliance</p>
Ongoing support for newly established sub-regional services in Urology, and Women's Health	<p>Successful sub-regional services which meet the needs of the populations and staff in both DHBs</p>			The right services delivered to the right people at the right time
Establishment of other appropriate sub-regional services, eg ophthalmology, ENT, cardiology and sexual health	<p>Services configured for optimal patient journeys</p>			
Establish a common nursing professional development programme for specialist areas		<p>Easier access to more relevant &amp; consistent in-house nursing education using modern educational and communication tools.</p>		
Discipline-specific common Allied Health professional development system established.		<p>Alignment of allied health expertise and capacity across the two DHBs under common allied health leadership</p>	<p>Development of consistent discipline specific processes around student placements and new staff (new graduates).</p>	

7.15

We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	We expect these actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes
Sub regional Clinical Leaders Forum established			Professional development plans & maintenance of professional standards.	
Shared Clinical Governance to feature 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 No of services with shared clinical governance.	
Explore sonographer training opportunities in alliance with Whanganui DHB by 30.12.11	Improved success of development & implementing shared programmes			
Assess feasibility of single transactional processing unit across Whanganui and MidCentral DHBs for accounts payable and receivable functions	Increased coverage for staff Potential for improved efficiency Standardisation of systems and common processes	Feasibility study and options proposal completed by 30 June 2012 identifying: 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	Volume of invoices processed Cost reduction Supplier confidence in on time payments Time between receipt of requisition to electronic payment systems	
Establish combined asset management planning capability – implement agreed recommendations of Sustainability Report	Agreed approach to ensure sustainability and affordability of capital expenditure plan across centralAlliance Asset planning and management built into service planning framework	Management plan for current assets within CentralAlliance completed Alignment of asset registers Timeframes for capital funding aligned to planning	Approved asset management plan by Boards Consistency with national Capital Assessment guidelines Consistency with RSP and	Achieve better value for money through collaborative planning and management of assets across the DHBs, aligned to national purchasing and capital programmes



We will lead/sponsor the initiatives/activities and actions that form part of our regional services plan	We expect these actions will support improved performance in the following ways	To deliver	Measured by	In support of system outcomes
	Common capital purchasing and procurement approach	priorities.	clinical services' planning	
<b>The initiatives will have the following impact:</b>				
<b>Resources:</b> Within existing funding. Consultancy fees will be required for IT and asset management planning initiatives.				
<b>Financial/cost saving opportunities:</b> Improved value for money, sustainability and affordability of capital expenditure plans across both DHBs. Corporate initiatives have potential cost savings subject to options analyses				
<b>Workforce opportunities:</b>				
Easier access to more relevant and consistent in-house nurse education using modern educational and communication Tools. Alignment of allied health expertise and capacity across the two DHBs under common Allied Health leadership. Improved recruitment and retention and sufficient skill and expertise available to sustain current and implement new services. Improvement in clinics held/attended, education provided and medical supervision.				
<b>IT linkages/opportunities:</b> Increased compatibility of IT. Central Regional Information Systems Plan implementation				
<b>Quality for patients:</b>				
Right services delivered to the right people at the right time				
Improved quality and consistency of service across both DHBs				
Improved use of resource with more cohesive workforce leading to improved patient experience/outcomes.				
Optimal patient access to services and utilisation of clinical resource/facilities.				
<b>Capital/Infrastructure:</b> Nil though corporate initiatives may require investment in information technology to achieve anticipated benefits (in out years)				

**TO** Board  
**FROM** Chief Executive Officer



MIDCENTRAL DISTRICT HEALTH BOARD  
Te Pae Hauora o Ruahine o Tairāroa

**DATE** 12 April 2011

**SUBJECT** Report for February/March 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

Locally, work continues to deliver on initiatives, volumes and targets contained within the 2010/11 District Annual Plan. Good progress is being made across the DHB, and our operational performance continues to be positive. Concurrently, finalisation of our plans for next year and beyond continues.

Regionally, the focus is currently on finalising the Regional Services Plan and developing the business case for the implementation of the regional information systems plan. The recent regional DHB board members' forum was successful.

At a national level, the development of a pathway for designating and implementing national services is occurring. Within the DHB sector, we are now looking at what is required to transfer the 20 DHB activities to a new entity following the recent decision to close DHBNZ.

The sector continues to support Canterbury DHB in re-establishing services following the February earthquake.

### 3. Recommendation

It is recommended:

*that the report be received.*

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#### COPY TO:

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

## 4. Sector Matters

### 4.1 MINISTRY OF HEALTH

#### 4.1.1 Review of Policy Functions

Last month a question was raised as to Disability Support Services' place within the Ministry of Health's organisational structure.

We have been advised these are within the National Health Board, and form part of the National Service Purchasing division. This division is headed by Kelvin Moffatt.

#### 4.1.2 National Services Designation and Development Pathway

The NHB is developing the policy and process for designating services as "national services" and the associated development pathway. The NHB will be advising the Minister of Health "on services where patient care, access, and clinical and financial viability can be improved by national involvement." National involvement is defined as:

- *National Services* – services that should be nationally planned and/or funded ('purchased') by the NHB
- *National Service Improvement Programmes* – services that require action from the centre to lift DHB performance, but are not currently seen as requiring the additional step of the NHG purchasing the service. The focus would be on centrally coordinated performance improvement activities.

DHBs' CEOs were given the opportunity to comment on the draft document. Central Region CEOs' submitted:

- **Travel & Accommodation:** Review and amendment to national travel and accommodation arrangements is an integral part of national service provision (and regional planning), yet it is not mentioned. Central Region believes it should be here.
- Sector involvement appears to be limited to the Joint Oversight Group. This is not representative of sector. Also, some clinician input is necessary.
- Public involvement appears to be overlooked. How do these service changes link to the Service Change Guidelines issued by the Ministry? Shouldn't the process be the same? We believe that there should be a link to Service Change Guidelines, and also a need for public consultation and/or engagement as appropriate.
- There is a risk that national services will see a growth in the numbers of small boards/committees. Is this not against the philosophy of the current government, and also the Ministerial Review Group report?
- The information appears silent on the workforce delivering the service. Existing employment contractual arrangements would most likely require consultation.
- There is no explanation as to what is meant by "national involvement". Understanding what this could mean would help with completing the template.
- **Template for Regional Service Proposals:** The template does not identify impact on DHBs (particularly those currently providing the service) or on the community/population. In fact, the template as proposed is quite different to that in the Service Change Guidelines. Central Region cannot see why they would be different? Surely DHB-led service change and NHB-

led service change is still a service change and should be subject to same requirements re proposals and engagement and/or consultation.

- The model of care is not required to be described in Appendix 1. It could be argued it is included in the 'description of the service', but it may only focus on service provision from a provider perspective rather than how the service would work for patients.
- The incidence and prevalence is included but it may be worth differentiating this from current service utilisation. One is clearly need for service versus what is actually happening. There is obviously a link here with future development so these aspects of the template need a bit more clarity so as to cover everything but not be repetitive.
- We believe the funding profile and the costs should be dealt with separately.

We have been advised our feedback has been taken into account. An updated copy of the revised Pathway is awaited and will be provided to Board Members.

The NHB has also advised it will be contacting DHBs inviting them to submit proposals for services they believe would benefit from a national involvement. MDHB's management team will consider this matter. I will also ask for it to be considered at a regional level and will then report to the Board with a recommendation. At this early stage, there are no services which are obvious candidates. Generally, we would be looking at small, highly specialised services for which there is a small number of specialist staff, eg paediatric oncology.

#### 4.2 CHRISTCHURCH EARTHQUAKE

The National Health Board's latest newsletter (available online – [www.nationalhealthboard.govt.nz/enewsletter-Mar-2011](http://www.nationalhealthboard.govt.nz/enewsletter-Mar-2011)) focuses on the Christchurch earthquake.

Looking forward to the rebuilding phase, the NHB Chair, Dr Murray Horn, commented:

*While Government has prioritised health and education, the earthquake has had a negative impact on the fiscal position. Rebuilding housing and health infrastructure in Christchurch will inevitably require some reprioritisation of health capital projects, in Canterbury and further afield. And the focus on improving value for money in health has just become even more important*

*The earthquake has created new challenges that will require a reconsideration of how the sector works together to deliver health services.*

*It has underscored just how important an electronic health record is to be able to deliver well coordinated care, especially when large numbers of people are displaced. The National Health IT Board has identified how we might accelerate progress towards this goal.*

*The loss of existing facilities in Christchurch also creates the opportunity to rebuild facilities that are better suited to the post earthquake demographic and to patient-centric models of care that deliver better integrated care closer to home, with relatively less emphasis on hospital-based care. Canterbury DHB is continuing to engage clinicians in this process."*

At last month's meeting, special interest was expressed about supporting disabled people, including the elderly. The newsletter provides a summary of what was done in this regard in Christchurch:

- the Ministry's Disability Support Services (DSS) worked with providers and activated an emergency operations centre, including an 0800 number.
- all providers were contacted within 24 hours and almost 200 disabled people were evacuated within the first couple of days.
- 260 have been relocated, including some non-Ministry clients
- CBM (NZ), a volunteer agency that helps disabled people in emergencies, worked with the Needs Assessment Service to locate disabled people in welfare/evacuation centres.
- DSS worked with Deaf Aotearoa and the Foundation the Blinds to address the needs of those with visual or hearing impairments
- DSS' equipment providers (including Enable New Zealand) got emergency repair and replacement services up and running within the first two days to help those whose equipment, such as wheelchairs, was damaged.

### 4.3 DHBNZ UPDATE

The quarterly update from DHBNZ has been received. This relates to the quarter ended 31 December 2010.

Key achievements, by priority area, are reported as:

#### *Employment Relations*

- Conclusion of 54 National Terms of Settlement agreements by quarter end; settlements reached with Association of Professional and Executive Employees (APEX) medical radiation technologists, medical laboratory workers, medical physicists and radiation therapists, and a pathway agreed for further residential medical officer discussions
- Regular partnership meetings with health sector unions via Health Sector Relationship Agreement arrangements as well as national and local Bipartite Action Groups.
- Positive evaluation of Healthy Workplace sites and agreement to continue this work for another three years
- Completion of third-party workforce forecasts for primary health nursing, alcohol and drug addiction, and disability workforce groups
- Preparations to launch the new national job portal in March 2011

#### *National Services*

- Pharmacy: discussion documents released for feedback – Services to People in Age Related Residential Care, and People with Disabilities living in Community Residences; plan developed for Community Pharmacy Agreement 2011
- Aged residential care (ARC): New audit framework for ARC work implemented in 12 month pilot; health & community support services audit review by Office of the Auditor General (OAG) underway in the quarter; ARC service review launched
- Hospital Quality & Productivity: proposal for provider-arm performance programme developed with chief operating officers.
- Primary Health Organisation (PHO) Performance Programme: public reporting of PHO and DHB-level performance data in place; work underway with Ministry to improve data related to cardiovascular disease and diabetes as part of developing a new Health Target.

#### *Collaboration*

- Provided 20 DHB feedback and input to Minister and emergent central agencies
- Engaged with new agencies and supported lead CEO engagement
- Maintained support for DHB collective groups and reinforced clinical networks
- Developed proposal for CEO discussion about placement of DHBNZ functions
- Input into streamlined accountability arrangements announced by Ministry in the quarter
- Further development of Assumptions Model covering all DHB expenditure, baseline and forecast, for next three years

### *Financial Position*

- Financial performance is largely on track against a tight Annual Plan Budget with 48k deficit for the period to 31 December 2010.

Arrangements for the transfer of DHBNZ functions to Central Region's Technical Advisory Service (TAS) are underway. It is intended it will operate as a separate unit, ensuring national and regional matters are clearly delineated.

DHBNZ has made a public release advising the transfer of the three core DHB functions (national service contracting & performance, employment relations and capability, and 20 DHB collaboration) to TAS.

DHBNZ sought clarification from the Ministry of Health regarding long term plans around responsibility for the national contracts which currently rest with DHBs. The Director-General has advised that he sees no reason for moving responsibility from DHBs. He also expresses concern "if any new arrangement for the facilitation of these contracts ended up with confused accountabilities". Care will be taken to ensure this risk is mitigated.

DHBNZ staff have been informed and a change management process has been implemented.

## **4.4 NATIONAL HEALTH COMMITTEE**

The financial review of our performance for 2009/10 has been completed. No issues were identified. Lakes DHB was reviewed at the same time and the Committee reported:

*The Health Committee has conducted the financial reviews of the 2009/10 performance and current operations of the Lakes District Health Board and the MidCentral District Health Board, and has no matters to bring to the attention of the House. The committee recommends that the House take note of its report.*

## **4.5 CAPITAL CHARGE**

In February this year, I reported to the Board on Treasury's proposed changes to the capital charge regime. In considering the changes and MDHB's proposed submitted, the Board requested that we recommend the capital charge regime be subject to regular review.

Our submission has been acknowledged, together with confirmation that "the capital charge regime will be reviewed on a regular basis by Treasury".

## **4.6 HEALTH BENEFITS LIMITED**

As advised last month, HBL is working closely with the Ministry of Economic Development to link the health sector into the "all-of-Government" procurement contract opportunities. MDHB has joined the all-of-Government contracts established in Year 1 (passenger vehicles, office consumables, desktop & laptop computers, and single/multifunctional print devices).

Year 2 contracts will include external legal services, electricity, air travel, travel management services, and energy management services. MDHB will participate in these contracts.

Currently, MDHB has a sub-regional (four DHB) contract for legal services. It is part of the health sector electricity contract through HBL, and has local arrangements in place for the other three areas.

The national contract for DHB insurance cover is due for renewal and update on this is provided in the confidential section of this report.

## 5. Regional Matters

### 5.1 REGIONAL SERVICES PLANNING

The annual forum of central region DHB Board Members was held in early March. There was representation from all DHBs and MDHB had a large attendance. The Director-General of Health, Andrew Woods, also attended.

The programme provided updates on regional activity and achievements over the past year. These were numerous and wide-ranging. I think it is important to acknowledge this, particularly as this work is growing, and is over and above DHBs' local funding, planning and service delivery.

A large part of the forum focused on the Regional Services Plan for 2011/12, including details of individual DHB feedback received to date.

The forum helped progress regional planning and understanding.

### 5.2 CENTRAL REGION'S INFORMATION SYSTEM PLAN (CRISP)

The development of a business case around an implementation plan for CRISP is running about three week's behind schedule as it undertakes the State Service Commission's Gateway review process. The Gateway review process provides a strong, independent review and will assist the NHB approval process.

The business case is expected to be ready for consideration by the regional CEOs' group in late April. The next major milestone is submission of the business case to the six DHB boards by end June. It is also to go to the NHB's Capital Investment Committee.

At this stage, the CRISP is reflected in MDHB's 2011/12 draft Annual Plan via the capital schedule and the summary of regional activity.

### 5.3 CENTRALALLIANCE

Steady progress continues to be made regarding the centralAlliance. The development of the work programme for 2011/12 is a current priority.

A separate report on the centralAlliance is provided.

## 6. Organisational Matters

9.7

### 6.1 QUARTER TWO 2010/11 PERFORMANCE

The National Health Board's performance overview of MidCentral Health has been received. This relates to the quarter ended 31 December 2010. (Refer Appendix A.)

Results are positive. There are no performance issues, and the implementation of the Better, Sooner, More Convenient care initiative was rated a "performance highlight". These highlights are "where a DHB is performing above expectations, either from achieving/exceeding a performance expectation, making significant process from their base position, or implementing/leading an innovation process that will lead to performance improvement".

### 6.2 PERFORMANCE MONITORING STATUS

The National Health Board is considering MDHB's application for a return to "standard" monitoring. A follow-up letter has been sent, advising MDHB's ongoing positive operational results and seeking an early decision.

### 6.3 NATIONAL HEALTH TARGETS

The Minister of Health has written to the Chairman outlining his expectation that "you and your Board will direct your management teams to focus on the practical actions that will ensure delivery against **all** six Health Targets in the remainder of the year". A copy of the Minister's letter is attached – refer Appendix B.

MidCentral DHB is currently achieving three of the health targets. MDHB is performing well against the combined target for diabetes/cardiovascular, however further improvement is being sought in the diabetes component.

Steady progress is being made toward the emergency department wait times and smoking cessation targets.

The approach taken to date is steady and sustainable improvements. Generally, we are improving our results in these areas each quarter. After discussion with the Chair, it was agreed this approach be continued. Increased speed comes with a high risk that the improvements will not be sustained. Any deterioration would also have a damaging impact on the morale of all involved with this priority initiative.

### 3.7 EMPLOYEE ASSISTANCE PROGRAMME

MidCentral District Health Board offers an "employee assistance programme" to its staff. This confidential, counselling programme is provided by an independent organisation and assists employees who may have problems that are impacting their life at work and/or home. This programme is a good employer initiative, and has been in place since 1994.

Each year, a report is provided on usage over the previous 12 months. The report for the year ended 31 December 2010 has now been received. This shows 192 staff (and their families) took advantage of this service, raising 258 major issues. Overall, the usage of EAP within MidCentral DHB decreased slightly during last year – down from 204 in 2009. EAP advises that is usual for organisations to have fluctuations in the use of EAP from year to year. This is dependant both on issues within the organisation and issues employees are experiencing in their personal lives that are affecting their work.



8-7

The majority of issues which staff are seeking support with are personal in nature (178, or 69%). "Relationship", "family", "anxiety" and "grief" continue to be the main areas where support is being sought.

There are no major workplace trends or common themes identified during last year that need addressing by MidCentral DHB. The majority of work issues were about "careers", followed by relationships with co-workers or managers.

	2005	2006	2007	2008	2009	2010
<b>Work issues</b>	76	65	94	87	91	80
<b>Personal issues</b>	199	247	175	176	200	178

NB: As staff may identify more than one issue affecting them, these figures do not necessarily equal the number of employees attending EAP in the corresponding year.

It is intended to continue with this programme which costs around \$55k per annum.

## 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 Results for the Year to 28 February 2011

<i>Feb-11</i> <i>Monthly result</i>	<b>DHB RESULT</b> (‘000’s)	<b>Funding Division</b> (‘000’s)	<b>Provider Division</b> (‘000’s)	<b>Governance</b> (‘000’s)
<b>Net Result</b>				
Actual	<b>2,926</b>	1,179	1,647	100
Budget	<b>1,032</b>	1,655	(652)	29
Variance	<b>1,894</b>	(476)	2,299	71

The monthly result for February was \$1.9m favourable to budget, with the biggest favourable variance being in the provider division. The main driver of the favourable variance is revenue, which is higher than budget due to increased surgical output (\$844k) and additional Ministry of Health revenue relating to the IT capital expenditure to meet the health targets shorter cancer treatment times (\$553k), and to fast track the new linear accelerator’s business case (\$169k).

<i>Feb-11</i> <i>Year to date</i>	<b>DHB RESULT</b> (‘000’s)	<b>Funding Division</b> (‘000’s)	<b>Provider Division</b> (‘000’s)	<b>Governance</b> (‘000’s)
<b>Net Result</b>				
YTD - Actual	<b>5,015</b>	1,442	2,896	677
YTD - Budget	<b>(1,688)</b>	1,328	(2,479)	(537)
Variance	<b>6,703</b>	114	5,375	1,214

The cumulative result to the end of February was a surplus of \$5.0m, which is favourable to budget by \$6.7m. The revised forecast result for the year is a surplus of \$4.0m, which is \$7.7m favourable to budget.

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

## 7.2 STATEMENT OF FINANCIAL PERFORMANCE

### 7.2.1 Financial Position

<b>MidCentral District Health Board</b> <b>Statement of Financial Position (summary)</b>				
	<b>Jun 2009</b>	<b>Jun 2010</b>	<b>Feb 2011</b>	<b>Change</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Assets Employed</b>				
Current Assets	44,727	41,941	53,645	11,704
Current Liabilities	(54,841)	(55,944)	(59,805)	(3,861)
Fixed Assets and Investments	164,748	160,010	157,524	(2,486)
	<b>154,634</b>	<b>146,007</b>	<b>151,364</b>	<b>5,357</b>
<b>Funds Employed</b>				
Equity	98,521	89,425	94,771	5,346
Bank Loans	54,867	55,301	55,312	11
Long Term Liabilities	1,246	1,281	1,281	0
	<b>154,634</b>	<b>146,007</b>	<b>151,364</b>	<b>5,357</b>

(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	612	0.00%	Fixed

#### 7.2.2.2 Investments

At the end of February, the cash invested totalled \$36.0m. Details of the investments are contained in the table below.

Deposit Type	Maturity Date	Rate	Value \$000
60 day	01-03-2011	4.59%	3,000
90 day	03-03-2011	4.68%	3,000
88 day	18-03-2011	4.68%	2,400
90 day	31-03-2011	4.67%	3,000
91 day	02-05-2011	4.57%	4,800
122 day	02-05-2011	4.85%	3,000
180 day	01-06-2011	5.20%	3,000
160 day	11-07-2011	5.20%	6,000
150 day	23-07-2011	5.20%	4,500
On call	n/a	3.40%	2,000
Enable	n/a	3.50%	1,280
Total as at 28 February		4.75%	35,980

The investments which matured in March were used as follows:

- \$3m, 1 March - placed on call
- \$3m, 3 March - re-invested for 151 days at 4.51%
- \$2.4m, 18 March - used to fund expenditure
- \$3m, 31 March - placed on call

### 7.2.2.3 Covenants

Feb-11	Actual	Limit / Covenant
YTD - Variance to Budget	\$6.7	< (\$2.0m)
Bank Loans (net debt)	\$17.9	\$71.7m
Equity	\$94.8	> \$30m
Debt & Equity	\$112.7	
Debt Ratio	15.9%	< 55.0%
YTD Interest Cover	6.72	> 3.00

All covenants are being met.

### 7.2.2.4 Debt Position

	Jun-09 \$m	Jun-10 \$m	Feb-11 \$m
<b>MidCentral District Health Board</b>			
Available Bank Facility	71.7	71.9	71.9
Net Debt (CHFA & Banks)	29.0	29.8	17.9
<b>Debt Facility Surplus / (Shortfall)</b>	42.7	42.1	54.0
Reserved Funds	18.7	18.7	20.2
<b>Debt Facility Available</b>	24.0	23.4	33.8

### 7.2.3 Capital Expenditure (Capex)

The following table shows the current capital expenditure program.

<b>MidCentral District Health Board</b>			
<b>Capital Expenditure Programme Status 28 February 2011</b>			
<b>Plan 2010/11</b>	<b>Budget 2010/11 \$'000's</b>	<b>Approval 2010/11 \$'000's</b>	<b>Actual Spent 2010/11 \$'000's</b>
<b>MidCentral Health</b>			
Linac Sinking Fund	360		
CAOHS- Dentistry Business Case	1,887	1887	
Planning Workstations	555	555	510
Emergency Rooms 11 & 12 (Radiology)	1,000		
Under \$250k	5,409	2827	1524
<b>Substitutions (Original DAP)</b>			
Car Parking	860	860	709
Telemetry Systems (ED & MAPU)	800		
Drug Distribution System	364		
Clinical Records Building (Part)	374	374	
<b>Total MidCentral Health</b>	<b>11,609</b>	<b>6,503</b>	<b>2,743</b>
<b>Corporate</b>			
Under \$250K	1,629	767	731
<b>ISSP Plan 2010/11</b>			
Regional PACS Archive	275		
eReferrals	200		
Maternity System	190		
Dental	385		
Sterile Tracking System	340		
<b>Total ISSP</b>	<b>1,390</b>	<b>0</b>	<b>0</b>
<b>Total Corporate</b>	<b>3,019</b>	<b>767</b>	<b>731</b>
<b>Enable</b>			
Capital Plan 2010/11 (Items under \$250k)	450	66	66
<b>Total Capital Expenditure 2010/11</b>	<b>15,078</b>	<b>7,336</b>	<b>3,540</b>
<b>Allocated</b>			
MidCentral Health Provider	11,609		
Enable	3,019		
Corporate	450		
<b>Total</b>	<b>15,078</b>		
<b>Funding Sources Approved by Board</b>			
Depreciation funding		12,331	
MOH Funding Enhancements Child & Adolescent Oral Health		1,887	
Cash Reserves Board-Wilsons Carpark		860	
<b>Total Funding</b>		<b>15,078</b>	
<b>Less</b>			
Spent to date			
Depreciation Funding	3,540		
MOH equity injection			
Other			
	<b>3,540</b>		
Adverse budget variance to 28.02.2011	<b>0</b>		
<b>Balance to be expended</b>		<b>3,540</b>	<b>11,538</b>

		Prior Approval Unspent as at 28 Feb 2011	2011 YTD Spend
<b>Capital Plan Prior Years</b>			
MidCentral Health			
ICU Monitors		524	
LA1 MLC		0	264
Linac Sinking Fund		206	
Ultrasound		0	343
CAOHS		364	274
Theatre Electrics		142	335
Under \$250K		2	714
Total		1,238	1,930
Corporate			
Clinical Records Building		1,429	582
Corporate IT & Other		42	374
ISSP			
Concerto- Moved to CAPEX 2011/12 plan		0	
Other ISSP		13	49
Total		1,484	1,005
Enable			
On-Line Applications		0	229
Total Capital Expenditure Prior Years		2,722	3,164
<b>Funding Sources</b>			
MOH Funding Enhancements Child & Adolescent Oral Health		457	
Cash Reserves- Board		2,265	
Total		2,722	
<b>Total Capex Outstanding</b>			
Plan 2010/11		11,538	
Prior Years		2,722	
Total		14,260	
<b>To be Funded</b>			
Depreciation	8,791		
MOH Capital Injection	2,344		
Cash Reserves	3,125		
Total		14,260	
<b>Total Fixed Asset Purchases to 28/02/2011</b>			<b>6,704</b>

### 7.3 CASH POSITION

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

<b>Cash / Investment Summary as at 28 February 2011</b>	
	\$m
Treasury Division	17.3
Funding Division	16.4
MidCentral Health	2.0
Trust Funds - Short Term	0.3
Enable	1.4
Total	<u>37.4</u>

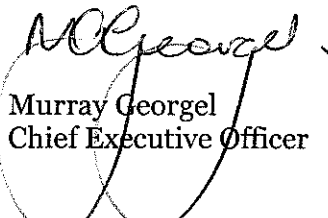
## 8. Outlook

Over the next few weeks, I will be discussing MDHB's application for a change in monitoring status with the NHB.

Negotiations will continue with the Trust around the Feilding Integrated Family Health Centre, with an aim of having a report for the Board's consideration next month.

centralAlliance work will be advanced and a work programme for 2011/12 will be developed.

Together with other DHBs in the region, we will work to finalise the Regional Services Planning, including the Central Region's Information Systems Plan.

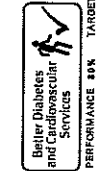
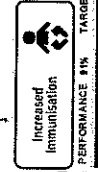
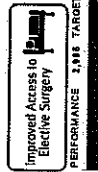


Murray Georgel  
Chief Executive Officer

### *Appendices:*

- A. NHB's Quarter Two 2010/11 Performance Overview of MidCentral DHB*
- B. Letter from Minister of Health dated 4 March 2011 re National Health Targets*
- C. Statement of Financial Performance (Consolidated)*
- D. Statement of Financial Performance (Divisional)*
- E. Statement of Financial Position,*
- F. Statement of Cash Flows*

## Health Targets



## Performance Measures

### POLICY PRIORITIES

#### Primary Care

Implementation of Better, Sooner, More Convenient care

#### Oncology

Waiting times for chemotherapy treatment

#### Mental Health

Improving the health status of people with severe mental illness

0-19 years

20-64 years

65+ years

Mental health relapse planning

### SYSTEM INTEGRATION

#### Electives

Elective services standardised intervention rates (Q1 results)

Intervention rate

Cardiac procedures

Major joint procedures (Hip and Knee)

Cataract procedures

### OWNERSHIP

#### Productivity

Elective and arranged inpatient length of stay

Acute inpatient length of stay

Theatre productivity

Elective and arranged day surgery

Elective and arranged day of surgery admissions

#### Quality

Acute readmissions to hospital

#### Planning and Production

Hospital outputs are delivered to plan

Inpatient

Outpatient

## Other Key Performance Information

### Monitoring & Intervention Framework

Ministry MIF Status: Performance Watch

### Financial Performance

Status: Good

2010/11 Net Result as at 31 Jan				
YTD net result ending January 2011	YTD	YTD	Forecast	Forecast
Fund	Govern	Provider	Total	2010/11 DAP
253	577	1,249	2,099	(3,739)
			4,899	4,739

Capital Expenditure to Plan YTD net result ending January 2011

Actual	Planned	Variance
5,123	7,282	(2,159)

### How to read the graphs

Indicator Title



Improvement against previous result

DFB Performance below target will display below the orange line

**Caveat**  
Where indicator title displays a quarter (i.e. Q1 result) this identifies the period when the indicator was last reported against, if not the current quarter

## Performance Issues

1  
Implementation of Better, Sooner, More Convenient care  
The DHB has provided its Alliance Leadership Team quarter two report as a progress report. This report demonstrates the engagement of the DHBs in Business Cases as a true partnership with other actors in the sector on the development of improved service delivery models.



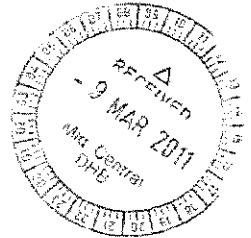
# Appendix B

## Letter from Minister of Health re National Health Targets



### Office of Hon Tony Ryall

Minister of Health  
Minister of State Services



4 MAR 2011

Mr Phil Sunderland  
Chair  
MidCentral District Health Board  
Corporate Office  
PO Box 2056  
Palmerston North Central  
PALMERSTON NORTH 4440

Dear Mr Sunderland *Phil*

The 2010/11 second quarter reporting for Health Targets was released this week. The Director General will also be writing to your CEO with feedback on your DHB's specific progress. I spoke to CEOs on the 21 February to emphasise my expectation that there is significant focus on delivering Health Target improvements.

We are now more than half way through the 2010/11 year. I expect you and your Board will direct your management teams to focus on the practical actions that will ensure delivery against all six Health Targets in the remainder of the year.

No doubt you will be assuring yourself that all actions that are possible are being taken by management to ensure improvement. The Health Target Champions will follow up with your management and clinical teams to ensure that you are making the best use of available experience in proven improvements from across the country. The National Health Board will continue their monitoring of DHB performance.

The six Health Targets are an important way to show New Zealand public how their tax payer funded health system is working for them. It is important that all Boards are confident that they have the operational systems in place to assure them that health target delivery is on track; early variations are identified and addressed. I will be seeking your assurance when we meet on the 7 March 2011.

I thank you, again, for you and your organisation's continued attention to this priority.

Yours sincerely

Hon Tony Ryall  
Minister of Health

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FILE NUMBER	H40-44 B13-23
FOR ACTION BY	CHAIR
COPIES TO	CEO CMMCH
	PRO CMLORP CMMED

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## Appendix C

### Statement of Financial Performance (Consolidated)

<i>Feb-11</i> <i>Monthly Result</i>	<b>Actual</b> \$000	<b>Budget</b> \$000	<b>Variance</b> \$000	<b>Variance</b> %
<b>Revenue</b>				
Govt. & Crown Agency	43,293	44,299	(1,006)	(2%)
Patient/Consumer Sourced	51	64	(13)	(20%)
Other Income	1,398	605	793	131%
<b>Total Revenue</b>	<b>44,742</b>	<b>44,968</b>	<b>(226)</b>	<b>(1%)</b>
<b>Expenditure</b>				
Personnel	13,246	13,604	358	3%
Outsourced Personnel	246	145	(101)	(70%)
Sub-total Personnel	13,492	13,749	257	2%
Other Outsourced Services	1,113	1,243	130	10%
Clinical Supplies	3,755	3,840	85	2%
Infrastructure & Non-Clinical	5,460	7,477	2,017	27%
Provider Payments	17,996	17,627	(369)	(2%)
<b>Total Expenditure</b>	<b>41,816</b>	<b>43,936</b>	<b>2,120</b>	<b>5%</b>
<b>Operating Surplus/(Deficit)</b>	<b>2,926</b>	<b>1,032</b>	<b>1,894</b>	<b>184%</b>

<i>Feb-11</i> <i>Year to Date</i>	<b>Actual</b> \$000	<b>Budget</b> \$000	<b>Variance</b> \$000	<b>Variance</b> %
<b>Revenue</b>				
Govt. & Crown Agency	342,585	354,760	(12,175)	(3%)
Patient/Consumer Sourced	702	512	190	37%
Other Income	7,214	4,610	2,604	56%
<b>Total Revenue</b>	<b>350,501</b>	<b>359,882</b>	<b>(9,381)</b>	<b>(3%)</b>
<b>Expenditure</b>				
Personnel	112,721	116,040	3,319	3%
Outsourced Personnel	2,866	1,130	(1,736)	(154%)
Sub-total Personnel	115,587	117,170	1,583	1%
Other Outsourced Services	9,420	9,945	525	5%
Clinical Supplies	29,169	30,437	1,268	4%
Infrastructure & Non-Clinical	45,435	59,693	14,258	24%
Provider Payments	145,875	144,325	(1,550)	(1%)
<b>Total Expenditure</b>	<b>345,486</b>	<b>361,570</b>	<b>16,084</b>	<b>4%</b>
<b>Operating Surplus/(Deficit)</b>	<b>5,015</b>	<b>(1,688)</b>	<b>6,703</b>	<b>(397%)</b>

## Appendix D

### Statement of Financial Performance (Divisional)

<i>Feb-11</i> <i>Monthly Result</i>	<b>DHB</b>		<b>Funding</b>		<b>Provider</b>		<b>Governance</b>		<b>Eliminations</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue	44.7	44.9	40.0	38.4	25.2	25.3	0.4	0.4	(20.9)	(19.2)
Expenditure	41.8	43.9	38.8	36.8	23.6	25.9	0.3	0.4	(20.9)	(19.2)
Net Result	2.9	1.0	1.2	1.6	1.6	(0.6)	0.1	0.0	0.0	0.0

<i>Feb-11</i> <i>Year to Date</i>	<b>DHB</b>		<b>Funding</b>		<b>Provider</b>		<b>Governance</b>		<b>Eliminations</b>	
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Revenue	350.5	359.9	312.1	307.7	199.4	211.2	3.8	3.1	(164.8)	(162.1)
Expenditure	345.5	361.6	310.7	306.4	196.5	213.7	3.1	3.6	(164.8)	(162.1)
Net Result	5.0	(1.7)	1.4	1.3	2.9	(2.5)	0.7	(0.5)	0.0	0.0

# Appendix E

## Statement of Financial Position

	Actual			
	Jun-09 \$000	Jun-10 \$000	Feb-11 \$000	Change \$000
<b>ASSETS EMPLOYED</b>				
<b>Current Assets</b>	<b>44,727</b>	<b>41,941</b>	<b>53,645</b>	<b>11,704</b>
Bank/Cash	766	1,008	1,080	72
Investments < 3 months (Trusts)	313	276	322	46
Investments < 3 months	16,545	13,180	35,980	22,800
Investments > 3 months	8,500	11,000	0	(11,000)
Other Current Assets	18,603	16,477	16,263	(214)
<b>Current Liabilities</b>	<b>(54,841)</b>	<b>(55,944)</b>	<b>(59,805)</b>	<b>(3,861)</b>
Capital Charge	(1,334)	(672)	(598)	74
Employee Entitlement Provisions	(17,668)	(19,820)	(19,659)	161
GST	(1,513)	(2,011)	(2,181)	(170)
Other Current Liabilities	(34,326)	(33,441)	(37,367)	(3,926)
<b>Fixed Assets &amp; Investments</b>	<b>164,748</b>	<b>160,010</b>	<b>157,524</b>	<b>(2,486)</b>
Total Fixed Assets (refer to note)	162,248	157,209	154,723	(2,486)
Restricted Investments	1,750	2,000	2,000	0
Investments	750	801	801	0
<b>Net Assets Employed</b>	<b>154,634</b>	<b>146,007</b>	<b>151,364</b>	<b>5,357</b>
<b>FUNDS EMPLOYED</b>				
Share Capital	63,693	63,992	64,323	331
Revaluation Reserve	54,644	54,645	54,640	(5)
Trust and Special Funds	2,064	2,276	2,322	46
Retained Earnings	(21,880)	(31,488)	(26,514)	4,974
	<b>98,521</b>	<b>89,425</b>	<b>94,771</b>	<b>5,346</b>
Term Loans	54,867	55,301	55,312	11
Long Term Liabilities	1,246	1,281	1,281	0
<b>Total Funds Employed</b>	<b>154,634</b>	<b>146,007</b>	<b>151,364</b>	<b>5,357</b>
<b>Note:</b>				
Land	16,545	16,545	16,545	0
Buildings (including fitout)	115,772	110,113	106,891	(3,222)
Plant & Equipment	28,615	29,318	27,667	(1,651)
Work in Progress	1,316	1,233	3,620	2,387
<b>Total</b>	<b>162,248</b>	<b>157,209</b>	<b>154,723</b>	<b>(2,486)</b>

## Appendix F

### Statement of Cash Flows

<i>Feb-11</i> <i>(\$'000's)</i>	<b>Qtr 1</b> <b>Actual</b>	<b>Qtr 2</b> <b>Actual</b>	<b>Jan</b> <b>Actual</b>	<b>Feb</b> <b>Actual</b>	<b>Qtr 3</b> <b>Forecast</b>	<b>Qtr 4</b> <b>Forecast</b>	<b>Full Year</b> <b>Forecast</b>
Cash From Operating	4,142	48,052	-35,939	2,903	-33,020	3,914	23,088
Cash from Investing	-1,079	-1,643	-1,119	-1,398	-7,292	-2,931	-12,945
Cash From Financing	-432	-962	-293	-314	103	-1,356	-2,647
Increase (Decrease) in Cash Held	2,631	45,447	-37,351	1,191	-40,209	-373	7,496
Add Opening Cash Balance	25,464	28,095	73,542	36,191	73,542	33,333	25,464
<b>Closing Cash Balance</b>	<b>28,095</b>	<b>73,542</b>	<b>36,191</b>	<b>37,382</b>	<b>33,333</b>	<b>32,960</b>	<b>32,960</b>
<b>Net Debt Position:</b>							
Funds Utilised	27,217	-18,230	19,121	17,930	21,534	21,907	21,907
Useable Facility	71,867	71,867	71,867	71,867	71,867	71,867	71,867
Surplus / (Shortfall)	44,650	90,097	52,746	53,937	50,333	49,960	49,960
Reserved Funds	20,250	20,250	20,250	20,250	20,250	20,250	20,250
Available Facility	<b>24,400</b>	<b>69,847</b>	<b>32,496</b>	<b>33,687</b>	<b>30,083</b>	<b>29,710</b>	<b>29,710</b>

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.

**TO** The Board

**FROM** Acting General Manager  
Corporate Services



MIDCENTRAL DISTRICT HEALTH BOARD  
Te Pae Hauora o Ruahine o Tairāia

**DATE** 5 April 2011

**SUBJECT** Delegations Policy

## MEMORANDUM

### Purpose

The purpose of this report is to update the Board on the review of the Delegations Policy.

### Commentary

At the March Board meeting, the Delegations Policy was presented, and it was noted that some minor changes were required. These are in the process of being incorporated into the policy.

As part of the internal audit programme for 2011/12, Ernst & Young will be carrying out a review of compliance with delegated authorities. This review is due to commence shortly, and the draft report is due by the end of May. One of the areas to be covered in the review is an assessment of the existing Delegations Policy, and the identification of any potential gaps and/or improvement areas. It is therefore proposed that the updated policy be presented to the July Board, in order that any issues raised by Ernst & Young can be addressed.

### Recommendation

It is recommended:

*that the revised Delegations Policy be presented to the July Board meeting.*

Mike Grant  
Acting General Manager  
Corporate Services

**TO** Board  
**FROM** Chief Executive Officer

**DATE** 12 April 2011

**SUBJECT** Board's Work Programme, 2010/11

## MEMORANDUM

### 1. Purpose

This report provides an update of progress against the Board's 2010/11 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. It was intended to bring back the Delegations Policy for the Board's consideration. However, it is now proposed this occur in July so that findings from an internal audit review can be incorporated.

An update on the Integrated Family Health Centre proposal for Feilding is provided.

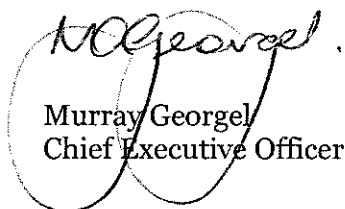
A schedule of all reports scheduled for consideration at the Board's next meeting are set out below. If there are any new items which members require, or any issues they would like canvassed in future reports, please advise.

- CEO's Operating Report
- Draft 2011/12 Annual Plan (including Statement of Intent) and progress report
- Update on Shared Work Programme with Manawhenua Hauora
- Contracts Update

### 3. Recommendation

It is recommended:

*that the updated work programme for 2010/11 be noted.*

  
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

Task Name		2011																	
ID	6	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	BOARD: 2010/11 WORK PROGRAMME																		
2																			
3	STRATEGIC PLANNING																		
4	Local																		
5	✓ Outcome of Govt's Decision re DSP for DHBs (inc impact on consultation with centralAlliance)																		
6	DSP: update against current long term measures																		
7	✓ MDHB' asset management plan																		
8	✓ National																		
9	Long term systems framework: update																		
10	✓ REGIONAL PLANNING																		
11	✓ Draft Regional Services Plan																		
12	ANNUAL PLANNING																		
13	2011/12 Plan(s): Development																		
14	✓ Outcome of Govt's decision re annual accountability documents (joint rpt WDHB)																		
15	✓ Timeline & approach for annual accountability documents (joint rpt WDHB)																		
16	✓ Annual planning assumptions (regional) - joint rpt WDHB																		
17	✓ Planning Workshop																		
18	Progress reports re DAP Development																		
19	✓ Plan(s) - Draft 1																		
20	✓ Plan(s) - Draft 2																		
21	✓ Plan(s) - Final																		
22	✓ Review of MDHB's capex plans (10 years), with external support																		
23	2010/11 Plan: Implementation (inc update re implementation & identified outcomes)																		
24	✓ PIA 5: Improved Purchasing (exc 14.2 & 14.3) - update																		
25	✓ PIA 5: Improved Purchasing (exc 14.2 & 14.3) - update																		
26	✓ PIA 5: Improved Purchasing (exc 14.2 & 14.3) - update																		
27	OPERATIONAL REPORTS																		
28	CEO's Report																		
29	Clevely Health Centre																		
30	✓ YTD interest cover covenant																		
31	✓ Performance watch: update re three issues																		
32	Contracts (Governance/Corporate):																		
33	Update 1																		
34	Update 2																		

7.3

Board's Work Programme - 2010/11  
Page 1



ID	Task Name	2011																		
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
35	Update 3																			
36	Update 4																			
37	Quality																			
38	Clinical Council: annual report																			
39	Clinical Council: annual report																			
40	Financial Recovery Programme																			
41	Use of board land																			
42	Full update																			
43	Update																			
44	Update																			
45	Update																			
46	Full update (based on results for first quarter)																			
47	Diabetes Lifestyle Centre Service Reconfiguration (+ HAC recommendation 7.9.10)																			
48	CENTRAL ALLIANCE																			
49	Implementation of Governance & Support Workstreams & Project Overview																			
50	Update 1 (joint rpt WDHB)																			
51	Update 2 (joint rpt WDHB)																			
52	Update 3 (joint rpt WDHB)																			
53	Governance workstream review report																			
54	IWI PARTNER																			
55	Annual get-together 2010																			
56	Annual get-together 2011																			
57	2010/11 work programme																			
58	Proposed programme																			
59	Update 1																			
60	Update 2																			
61	2011/12 work programme																			
62	Proposed programme																			
63	Minutes																			
64	Maori responsiveness framework																			
65	Update 1																			
66	Update 2																			
67	MoU: Triennial Review																			
68	GOVERNANCE MATTERS																			
69	Insurance arrangements																			
70	2011 meeting arrangements + PHO engagement/rptg																			

9.4

ID	Task Name	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
71	Bates Estate: 2011 Round																		
72	DHB Elections																		
73	Induction programme for new members, inc role of Funding Audit, & audit processes/assurances it receives (clarification CPHAC mbrs), and, workshop re hospital																		
74	Update re NHC																		
75	Enable New Zealand's entity status: position paper																		
76	2011/12 Reporting Framework (joint rpt WDHB)																		
77	Triennial review of external committee membership																		
78	Enable New Zealand Annual Reporting requirements																		
79	<b>Policies &amp; ToR Review</b>																		
80	Standing Orders, Training Policy & Expense Policy																		
81	Delegations Policy: annual review																		
82	Delegations Policy: amended																		
83	Delegations schedule																		
84	Record of Board/Committee meeting policy																		
85	Apptment of External Committee Members Policy																		
86	<b>Associated Organisations</b>																		
87	TAS: annual update (joint rpt WDHB)																		
88	TAS: annual general meeting (joint rpt WDHB)																		
89	DHBNZ: annual update (joint rpt WDHB)																		
90	Allied Laundry: annual update (joint rpt WDHB)																		
91	Allied Laundry: annual general meeting (joint rpt WDHB)																		
92	<b>2009/10 Annual Report/Accounts</b>																		
93	Draft report																		
94	<b>Apologies</b>																		
95	B Robson																		
96	J Drummond																		
97	<b>CARRIED FORWARD FROM 2009/10</b>																		
98	Concerto business case: clarification re benefits + risk mg																		
99	Concerto business case: business continuity risk																		
100	Clevery Health Centre proposal																		
101	Revaluation of land & assets																		
102	Insurance: outcome of negotiations 10/11 year																		
103	DSP: Update against long term measures NOW OCT 10																		