

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 8 April 2014 at 10.00 am at MidCentral District Health Board, Education Centre, Rooms A & B, Gate 12, Ruahine Street Palmerston North

unconfirmed Minutes

PRESENT

Phil Sunderland (Chair)
Diane Anderson
Adrian Broad
Barbara Cameron
Ann Chapman

Kate Joblin
Nadarajah Manoharan
Karen Naylor
Richard Orzecki
Barbara Robson

IN ATTENDANCE

Mike Grant, Acting Chief Executive Officer
Scott Ambridge, General Manager, Enable New Zealand
Jill Matthews, Principal Administration Officer
Nicholas Glubb, Operations Director, Specialist Community & Regional Services
Muriel Hancock, Acting General Manger, MidCentral Health
Jeff Small, Group Manager, Commercial Support Services
Helene Carbonatto, Acting General Manager, Planning
Michele Coghlan, Director of Nursing
Vivienne Ayres, Planning & Accountability
Dennis Geddis, Communications Officer

Public (1)

1. APOLOGIES

Apologies were received from Lindsay Burnell, Board Member and Murray Georgel, Chief Executive Officer.

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.

3.2 Declaration of Conflicts in Relation to Today's Business

Richard Orzecki recorded his interest as Chair, Manawhenua Hauora in agenda item 17.2, external committee membership.

4. MINUTES OF PREVIOUS MEETING

4.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 25 February 2014 be confirmed as a true and correct record.

4.2 Matters Arising from the Minutes

There were no matters arising from the minutes.

5. BOARD COMMITTEES

5.1 Group Audit Committee

5.1.1 Internal Audit Arrangements

Barbara Robson requested her personal view regarding this matter be recorded in the minutes. Mrs Robson considered the change had not been adequately discussed at Board level. Also, she considered the moving of this function to the Central Region's Technical Advisory Service (TAS) was a retrograde step as she believed it had no track record in this type of audit and she queried their independence.

It was noted that the change was based on moving to a regional internal audit arrangement, using TAS. MDHB had decided to retain some funding so it could use other auditors, such as the current internal auditor, as required for specific audits. It was further noted that the new arrangements were to commence from 1 October 2014 for MDHB, with the current internal auditor's contract running through to 31 September. The business case for the regional internal audit function had been submitted to the Group Audit Committee for consideration and had been supported.

The Acting CEO advised that recently the 3-DHB alliance had advised they would not be supporting the regional model.

It was agreed this was a matter for the Regional Governance Group to consider. MDHB had committed to the regional initiative and it now needed to know what the options were given the 3-DHB position. Concurrently, a paper would be provided for the Board's next meeting on this matter.

5.1.2 Sensitive Expenditure Policy

It was suggested by some members that this Policy be returned to the Group Audit Committee for further review, particularly regarding the purchase of alcohol, and that the policy arrangements in other entities be looked at as part of this process.

The Policy was considered by the Committee and received majority support for it in its current form.

It was resolved:

that the unconfirmed minutes of the meeting of the Group Audit Committee held on 25 February 2014 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

It was resolved:

that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 18 March 2014 be received and the recommendations contained therein approved.

5.4 Matters Arising

5.4.1 Ultrasound

The Operations Director, Specialist Community & Regional Services advised a further report would be provided to the Hospital Advisory Committee and would cover issues raised by members, including the progress of the ultrasound review, the utilisation of other hospital specialists, the clinical interface between specialists and services. Dr Ken Clark, Chief Medical Officer had agreed to facilitate a process around the interface between medical imaging and women's health. Other matters which would be included in the report were funding levels and funding arrangements.

Mr Glubb advised that over the past few months the focus had been on the immediate issue of reducing the wait time for ultrasound services and it was now timely to look at these longer term issues. Significant progress had been made in reducing the wait lists. At the end of February around 300 people were waiting greater than six months for an ultrasound. This had reduced to 133.

5.5 Community & Public Health Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 18 March 2014 be received and the recommendations contained therein approved.

5.6 Matters Arising

5.8.1 Adult Mental Health & Addictions Respite Service

A member expressed the view that reporting on this service would cover both qualitative and quantitative information.

Management advised the new service was expected to commence within the next couple of weeks.

5.8.2 Maori Health Expenditure

The Acting CEO advised the expenditure within the Personal Health Portfolio related to the smoking cessation service. This was effectively a "for Maori, by Maori" service.

5.7 Disability Support Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Disability Support Advisory Committee held on 18 March 2014 be received and the recommendations contained therein approved.

5.8 Matters Arising

There were no matters arising from the minutes.

6. WORK PROGRAMME

The possibility of a special workshop for the Master Health Service Plan's indicative business case was supported and it was requested this be timed so that those members who had Whanganui DHB duties that day could attend, eg say 4pm – 6pm.

It was resolved:

that the updated work programme for 2013/14 be noted.

7. STRATEGIC MATTERS

7.1 Car Parking Review

The Group Manager, Commercial Support Services presented his report.

Adrian Broad declared his interest as a Councillor, Palmerston North City Council.

The statement in the report regarding future action to improve street parking arrangements for residents being subject to funding and acceptance by the residents was questioned. The Group Manager, Commercial Support Services advised this statement was from the Council's senior transportation engineer.

Management was asked how long it could hold parking charges as original levels, and advised that no change was foreseen for the 2014/15 year. Fees were reviewed yearly and an increase may be required in out years.

Members expressed their support for the programme, and paid particular note to the improved parking availability for patients and visitors. The concession and exemptions process was discussed and members supported the audit to be undertaken regarding the practical application of this process. They noted the audit was with clinical service managers. They expressed the desire that management also undertake a walk-through of the process so they could ensure it was timely, appropriate and practical from a patient perspective.

Management confirmed that data was available regarding the busiest times of the day for parking, and entry/egress points. This was regularly reviewed. In respect of the car parking revenue, approximately 70% was from the public and around 25% from staff.

The possibility of neon signs to advise whether or not car parks were full was raised. Management advised that there was regular turnaround of parks so this was not an issue at this time.

The Group Manager, Commercial Support Services was congratulated on the paid car parking scheme and for his informative report.

It was resolved:

that the report be received.

8. OPERATIONAL REPORTS

8.1 CEO's Report

8.1.1 Health Benefits Limited (HBL)

The Acting CEO advised Nigel Wilkinson, CE, HBL had tendered his resignation.

The Chair advised that at a recent meeting of DHB Chairs a significant level of concern had been expressed regarding HBL projects. Consequently, the HBL CEO would now be attending future Chairs' meeting to provide regular updates and discuss matters.

The structural changes put in place by HBL were noted and it was considered these were more encompassing of the intelligence within the sector.

With regards laundry and food services, management reported advice had been received from HBL that the business cases were delayed due to queries from DHBs. It was noted that the delays would not impact MDHB as it had contractual arrangements in place with Spotless Services re food services and Allied Laundry Services Limited would continue to provide laundry services.

The Chair advised that the Minister of Health was watching progress closely.

8.1.2 Shared Banking and Treasury Management Service

The Board noted the proposed amending deeds to the master banking and DHB treasury services. The Acting CEO advised independent legal advice had been received from Bell Gully which stated members' interests were protected in the documentation. The Chair advised he had also reviewed the documents and was comfortable to sign them on behalf of the Board.

8.1.3 centralAlliance Strategic Plan

The Acting CEO advised he and MidCentral's Acting General Manager, Planning had met with Whanganui DHB's CEO and General Manager, Funding & Planning to consider terms of reference for the development of a strategic plan. The terms of reference were to be considered by each DHB's senior leadership team over coming weeks before being submitted to the centralAlliance sub-committee. At this stage it was likely engagement/consultation would occur in February/March 2015.

The Hospital Audit Sub-Committee had received an internal audit report regarding sub-regional planning in respect of urology and women's health service. It provided a good strategic framework which was akin to that put forward in the terms of reference.

8.1.4 Forthcoming Events

Errors in the dates of future events, as included in the work programme report, were noted. It was agreed this information be corrected and re-issued to board members.

8.1.5 Regional Governance Group

The Chair advised that terms of reference were being developed to recruit an independent chair for RGG. Work was being done on the type of attributes and experience required. Meantime, Murray Milner continued to act in this role. The Chair advised he would report back to the Board on the appointment in due course.

8.1.6 Central Region's Information Systems Plan (CRISP)

The Chair advised that the three DHBs had provided assurance that they would be supporting the ongoing CRISP programme of work. Nearly all parties had signed the agreement and

arrangements were in place to gather those outstanding. Issues regarding depreciation had been resolved to the 3DHBs' satisfaction. The Acting CEO advised this would require new treatment of these costs by the TAS Board.

The implementation of the Patient Administration System at MidCentral and Whanganui DHBs, based on the HB DHB system, was discussed. The potential additional costs for extra functionality was estimated to be \$700k, and there was a budget of \$600k. These costs were based on all work being outsourced. There were potential for in-sourcing and management considered it unlikely costs would exceed the budgeted provision.

8.1.7 Central Region's Planning Workshop

The Acting CEO advised that at the forthcoming regional board members' forum it was intended each DHB would present their key strategic issues. For MDHB it was intended that the issues as identified by management would be submitted to the Hospital Advisory Committee and Community & Public Health Advisory Committee for consideration and debate at their next meeting.

8.1.8 Pharmac

The Board endorsed the proposal that a Pharmac workshop be held. Members requested this be held prior to CPHAC if possible to enable HAC members to attend.

8.1.9 Windows XP and Office 2003

The Acting CEO advised Microsoft had offered a premier support package for organisations who needed to continue using Windows XP. MDHB had taken up this support arrangement for one year for the 50-60 PCs involved.

8.1.10 Travel Contract

Management advised the new contract arrangement was expected to deliver improved customer responsiveness and some pricing advantages.

8.1.11 Storage Area Network

The Acting CEO advised Computer Concepts Limited had been engaged to review the SAN outage and consider MDHB's IT infrastructure. The terms of reference for the review were broad and provided for CCL to drill down into any area of concern. A report would be furnished by 4 July 2014.

The Acting CEO further advised that he was meeting with representatives of the various organisations who had assisted during the outage to obtain their perspectives on the situation and MDHB's management of it.

8.1.12 Master Health Service Plan

The Board supported the proposed workshop arrangements of 1 August for the Indicative Business Case, and 12 August for the health strategy/charter.

8.1.13 Revenue Banking and Repayment of Equity

The Acting CEO advised MDHB was not likely to be in a position to revenue bank funds this year. It had revenue banked \$2m in 2012/13.

Management had been unable to progress repayment of equity with the Ministry of Health due to staffing changes within the Ministry. However, the opportunity would be taken to raise this matter with the Director, National Health Board and his deputy when they visited MDHB later in the week.

8.1.14 Financial Position

The Acting CEO advised the preliminary financial result for March was extremely pleasing. MidCentral Health had caught up on elective work, including elective initiative surgery which attracted additional funding. This has resulted in a positive result to budget. Vigilance was required to maintain this position and keep MCH's carrying costs at an appropriate level. To this end, Mr Grant advised he, in his CFO role, would be having greater engagement with MCH around cost management over ensuing months.

8.1.15 Capital Expenditure

The Acting CEO advised there were some large capital items currently underway such as IT, CRISP and seismic works. Where possible, work would be expensed.

The table regarding changes to the capital schedule was acknowledged.

It was resolved:

that the report be received.

It was resolved:

the amending deeds in relation to the Master Banking Services Agreement and the DHB Treasury Services Agreement dated 26 March 2012 be approved and signed on behalf of the Board by the Chairman and one other board member.

It was resolved:

that a Master Health Service Planning workshop regarding the indicative business case be held on Friday, 1 August 2014 at a time to be determined.

8.2 Quality Accounts

The Board thanked management for trying to raise the profile of the quality accounts in terms of the DHB's accountability documents.

It was resolved:

that future MidCentral DHB/Central PHO Quality Accounts remain a standalone publication and not be appended to future Annual Reports.

9. GOVERNANCE ISSUES

9.1 Manawhenua Hauora Minutes

Richard Orzecki advised there had been strong Maori involvement in the recruitment of the Director, Maori Health & Disability.

The Tuia Framework developed for the Regional Women's Health Service was discussed and it was suggested this be shared with HAC. The Operations Director, Specialist Community & Regional Services advised the framework has been presented to the RWHS governance group and had been received for further consideration. It represented a significant piece of work for the RWHS and now needed to be considered in relation to the services' work programme in terms of priority of implementation. This consideration would occur at the Group's next meeting.

5-8

It was resolved:

that the minutes be received.

10. LATE ITEMS

There were no late items.

11. DATE OF NEXT MEETING

Tuesday, 20 May 2014, Feilding Civic Centre, Concert Chamber, 84 Aorangi Street, Feilding

12. 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"><i>• Hospital Advisory Committee, 18 March 2014</i><i>• Community & Public Health Advisory Committee, 18 March 2014</i><i>• Disability Support Advisory Committee, 18 March 2014</i><i>• Remuneration Committee Report, 26 March 2014</i><ul style="list-style-type: none"><i>o CEO: performance review</i>	<i>For the reasons set out in the Committees' order paper 18.3.14 meeting held with the public present</i> <i>For the reasons set out in the Committees' order paper 18.3.14 meeting held with the public present</i> <i>For the reasons set out in the Committees' order paper 18.3.14 meeting held with the public present</i> <i>To protect personal privacy</i>	<i>9(2)(a)</i>
<i>Strategic Matters</i> <ul style="list-style-type: none"><i>• Annual planning update</i>	<i>Subject of negotiation</i>	<i>9(2)(a)</i>
<i>Operational Matters</i> <ul style="list-style-type: none"><i>• CEO's Report: HBL Contract Updates</i>	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<i>Governance Matters</i> <ul style="list-style-type: none"><i>• Treasury Management- Debt Roll-over</i><i>• External Committee Membership</i>	<i>Subject of negotiation and contains commercial sensitive information</i> <i>To protect personal privacy</i>	<i>9(2)(j)</i> <i>9(2)(a)</i>

Confirmed this 20th day of May 2014.

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Chairman