

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the Board meeting held on 21 May 2019 at 9am at MidCentral District Health Board in the Board Room, Gate 2, Heretaunga Street, Palmerston North

PART 1

PRESENT

Dot McKinnon (Chair)
Diane Anderson
Adrian Broad
Barbara Cameron
Brendan Duffy

Michael Feyen
Nadarajah Manoharan
Karen Naylor
Oriana Paewai
Barbara Robson

IN ATTENDANCE

Scott Ambridge, Acting Chief Executive
Craig Johnston, General Manager, Strategy, Planning & Performance
Keyur Anjaria, General Manager, People & Culture
Neil Wanden, General Manager, Finance & Corporate Services
Judith Catherwood, General Manager, Quality & Innovation
Steve Miller, Chief Digital Officer
Stephanie Turner, General Manager, Māori & Pacific
Jill Matthews, Manager, Administration & Governance Services
Jonathon Howe, Corporate Communications Manager
Mariette Classen, Consumer Experience Manager (part meeting)
Liam Greer, Manager, Facilities & Estate Management (part meeting)
Vivienne Ayres, Manager, DHB Planning & Accountability (part meeting)

Public: 2

Media: 1

1. ADMINISTRATIVE MATTERS

1.1 Apologies

Apologies were received from Ann Chapman, Board Member and Kathryn Cook, Chief Executive.

An apology for lateness was received from Board Member Barbara Cameron.

1.2 Late Items

There were no late items.

1.3 Conflicts and/or Register of Interests Update

No amendments to the Register of Interest were advised.

1.4 Minutes of the Previous Meeting

It was resolved:

that the minutes of the previous meeting be approved as a true and correct record, subject to the parking concession proposed by Karen Naylor being amended to reflect this was for patient's next-of-kin who were gold card holders. (Moved Dot McKinnon; seconded Karen Naylor)

1.5 Matters Arising

There were no matters arising from the minutes.

The General Manager, Māori and Pacific entered the meeting.

2. QUALITY IMPROVEMENT

2.1 Quality & Safety Walk-Rounds

The Board expressed its support for the quality and safety walkround programme and the proposed changes. The following points were agreed:

- it was important that walkround participants, including board members, met together at the end of the process to discuss what they had observed and agree any action plan required

Barbara Cameron entered the meeting.

- a copy of the action plans developed following each walkround should be provided to participating board members
- it was important that the walkround should not intrude upon patients and visitors
- consideration be given to expanding the walkrounds to other organisations, such as the Central PHO and Te Tihi Tihi, in due course
- scheduling of walkrounds be linked to other board activities where appropriate.

The General Manager, Finance and Corporate Services confirmed that a replacement programme was in place for all sterilizing units. This issue had been raised at a recent walkround.

It was resolved:

that the Board:

- *note the Quality and Safety walk-rounds progress report*
- *note the Quality and Safety walk-rounds evaluation*
- *endorse the recommendation to reduce the number of formal walk-rounds for each cluster from 12 to four per annum and ensure improvements to the process is carried out by the Clusters and Enablers. (Moved Karen Naylor; seconded Nadarajah Manoharan)*

2.2 Integrated Service Model and Cluster Implementation Update

Management confirmed that the new third tier leadership structure was cost-neutral. Recruitment was nearing completion and care was being taken to ensure people with the right skills and experience were selected. The organisational leadership team had processes in place to support an integrated approach to their work and planning.

It was noted that this was the final report regarding the integrated service model and cluster implementation.

It was resolved:

report from the General Manager, Quality & Innovation dated 14 May 2019 that the Board endorse the progress towards implementation of the Integrated Service Model. (Moved Oriana Paewai; seconded Diane Anderson)

2.3 Development and Use of Consumer Stories

The General Manager, Quality & Innovation introduced Mariette Classen, Consumer Experience Manager.

The Board supported the consumer story programme. It was agreed that an informal environment, such as a workshop, would be more appropriate for presentation of consumer stories to the Board. It was further agreed that three stories per year would be appropriate. Other points raised were:

- presentations and reports on the consumer stories should include the changes that resulted from the consumer experience
- the experience of patients who had been transferred to other hospitals should be sought
- the consumer story toolkit and approach should reflect and support that from a consumer perspective their home environment would likely be their venue of choice for being interviewed
- the toolkit and information sheet should be easy to understand and use plain language.

It was resolved:

that the Board:

- *endorse the proposals to develop the use of Consumer Stories as outlined in the report*
- *endorse that consumer stories should be presented to Board workshop, including independent Health & Disability Advisory Committee members, three times per year*
- *endorse an annual report on themes from consumer stories be provided to HDAC. (Moved Karen Naylor; seconded Brendan Duffy)*

The Patient Experience Manager left the meeting.

3. IWI PARTNERSHIP

3.1 Manawhenua Hauora Minutes

Iwi representation at Manawhenua Hauora meetings was raised. It was noted that each Iwi came to Manawhenua Hauora with their own mana to determine who would represent them.

The board-to-board hui scheduled for 10 September 2019 was noted.

It was resolved:

that the minutes be noted. (Moved Karen Naylor; seconded Dot McKinnon)

3.2 Manawhenua Hauora & DHB Work Programme 2018-2019 Update

The work being done locally and nationally to encourage Māori students to take up a career in health was noted.

It was resolved:

that the Board note the progress report against priorities from the DHB/MWH Work Programme 2019-2020 for the period of February to May 2019. (Moved Dot McKinnon; seconded Brendan Duffy)

4. WORKFORCE

4.1 Workforce Strategy

It was resolved:

that the Board note that the DHB wide workforce strategy will be developed following the development of a national workforce strategy framework. (Moved Brendan Duffy; seconded Karen Naylor)

5. PERFORMANCE

5.1 CEO's Report

The Acting Chief Executive Officer presented the report.

5.1.1 Promoting Professional Accountability

Management confirmed that the Cognitive Institute's presentation to the Board in 2017 covered both components of the programme, being Speaking Up for Safety and Promoting Professional Accountability (PPA). A presentation on the PPA had been provided to staff by the Executive Director, Allied Health and management advised this could be made available to the Board if required.

5.1.2 Regional Service Plan

Management undertook to provide a copy of the final 2018/19 Regional Service Plan to the Board and to arrange for this to be published on the DHB's website.

5.1.3 Meeting with Territorial Local Authorities

It was agreed that the engagement with territorial local authorities be increased to include Board-to-Council hui, in line with the approach in place with the Palmerston North City Council. It was further agreed that this could be progressively implemented over coming years.

It was resolved:

that the report be noted. (Moved Dot McKinnon; seconded Karen Naylor)

5.2 Regional Digital Health Services - Operating Model

It was resolved:

that the Board note the activities to review the Regional Operating Model, and the Regional Application and Infrastructure Environments. (Moved Nadarajah Manoharan; seconded Brendan Duffy)

5.3 Board's Work Programme 2018/19

It was agreed that over a three year period, the Board look to visit all territorial local authorities in its district.

The Board acknowledged the work undertaken by management in delivering the work programme and the Board's additional reporting requirements.

The decision for the non-financial performance measures reporting to be done via the Board's Governance SharedNet site was raised. It was agreed that these reports should also be made publicly available on the DHB's website.

It was resolved:

that progress in the delivery of the 2018/19 work programme be endorsed. (Moved Adrian Broad; seconded Dot McKinnon)

6. FINANCE, RISK & AUDIT

6.1 Finance, Risk & Audit Committee

It was resolved:

that the minutes of the Finance, Risk & Audit Committee meeting held on 23 April 2019 be noted. (Moved Dot McKinnon; seconded Karen Naylor)

6.2 Finance Update Report for MidCentral DHB – April 2019

The forecast year end position was noted. The increased rate of deterioration in financial performance forecast for May and June was questioned.

The DHB's need to return to financial sustainability was discussed and it was agreed the Board should take a more proactive role, working to support management develop a plan/approach. It was agreed that this could be advanced via the scheduled risk workshop. The possibility of benchmarking with another DHB was suggested.

Governance reporting arrangements in respect of financial performance was discussed and it was agreed that management would look at ways of improving this for the 2019/20 year.

The financial contribution made by Enable New Zealand was noted. It was agreed that this business unit differed from the service clusters. Accordingly, its financial reporting to the Health & Disability Advisory Committee could be different.

It was resolved:

that the Board:

- *note that this is an update paper and the full April Finance Update Report will be provided to FRAC's June 2019 meeting.*
- *note that the operating result for April 2019 was an operating deficit of \$0.587m, which was \$1.493m adverse to the budget. Of this \$1.0m is due to the RMO strike*
- *note that the year-to-date result is now a deficit of \$7.812m being \$5.557m adverse to budget*
- *note that the potential year-end financial forecast remains for a deficit of \$13.320m which is \$8.370m adverse to budget*
- *observe that total available cash and equivalents is \$47.799m as at 30 April 2019. (Moved Dot McKinnon; seconded Brendan Duffy)*

6.3 Finance Update Report For MidCentral DHB – March 2019

It was resolved:

that the Board:

- *note that this report was endorsed by the Finance, Risk and Audit Committee on 23 April 2019 for consideration by the Board*
- *note that the result for March 2019 was a surplus of \$0.082m, which was \$0.077m adverse to the budget*
- *note that the year-to-date result is now a deficit of \$7.226m being \$4.065m adverse to budget*
- *note that the potential year-end financial forecast is for a deficit of \$12.320m which is \$7.370m adverse to budget*
- *observe that total available cash is \$42.598m at 31 March 2019 which is an improvement of \$4.669m over the prior month. (Moved Karen Naylor; seconded Brendan Duffy)*

6.4 Finance Update Report For MidCentral DHB – February 2019

It was resolved:

that the Board:

- *note that this report was endorsed by the Finance, Risk and Audit Committee on 23 April 2019 for consideration by the Board*
- *note that the result for February 2019 was a surplus of \$1.210m, which was \$1.172m adverse to the budget*
- *note that the year-to-date result is now a deficit of \$7.308m being \$3.987m adverse to budget*
- *note that the potential year-end financial forecast is for a deficit of \$12.320m which is \$7.370m adverse to budget*
- *observe that total available cash is \$37.928m at 28 February 2019. (MOVED Karen Naylor; seconded Brendan Duffy)*

6.5 Enable New Zealand Limited - Annual Reporting Requirements

It was resolved:

that pursuant to section 211(3) of the Companies Act 1993, the annual report of Enable New Zealand Limited for the year ended 30 June 2019 shall incorporate the financial statements and auditor's report thereon and exclude information

specified in any of the paragraphs (a) and (e) to (j) of subsection (1) of that section. (Moved Barbara Robson; seconded Brendan Duffy)

7. HEALTH & DISABILITY

7.1 Health & Disability Advisory Committee

It was resolved:

that the minutes of the Health & Disability Advisory Committee meeting held on 30 April 2019 be noted. (Moved Dot McKinnon; seconded Brendan Duffy)

8. GOVERNANCE

8.1 centralAlliance Update

The General Manager, Strategy, Planning & Performance advised that the joint DHB workshop would take place in November. It was noted this would enable both current and incoming DHB Board Members to participate.

It was resolved:

that this report be noted and discussed and;

agree that centralAlliance governance occur by way of an annual joint board workshop as part of the planning cycle and six-monthly update reports to both Boards. (Moved Barbara Robson; seconded Diane Anderson)

8.2 Remuneration Committee Terms of Reference

It was agreed that the Remuneration Committee was advisory to the Board and this should be reflected in the terms of reference.

It was resolved:

that the Remuneration Committee's amended Terms of Reference be approved and that they be reviewed in 12 months, subject to an additional clause being included within Section 3, Delegations - "for all other matters, the Remuneration Committee is to provide its advice and recommendations to the Board". (Moved Brendan Duffy/ seconded Karen Naylor)

8.3 Election Protocols for MDHB Staff and Members Policy

It was resolved:

that the Board's Election Protocols for MDHB Staff and Members Policy be approved, and that the policy be reviewed in 36 months. (Moved Brendan Duffy; seconded Karen Naylor)

8.4 MDHB Board Members' Expense Policy

It was noted that the time of travel commenced from the point the individual left on DHB duties to their next destination. This could be from the member's place of business or residence.

The Policy's provision for an annual report to the Finance, Risk & Audit Committee regarding discretionary decisions made by the Board's Chairperson was noted.

It was resolved:

that the amended DHB's Expense Policy be approved to enable independent members to be paid travel time where this exceeds three hours during business hours, with effect from 1 July 2019, and that the Policy be reviewed in three years' time. (Moved Barbara Robson; seconded Brendan Duffy)

9. LATE ITEMS

There were no late items.

10. DATE OF NEXT MEETING:

It was agreed that the date of the next meeting be rescheduled to accommodate leave arrangements, and that the meeting be held on Tuesday, 30 July 2019 at 1pm.

Member Diane Anderson was granted leave to take the DHB-owned iPad on overseas leave to enable her to access the Board meeting papers.

The Managers, Facilities & Estate Management and DHB Planning & Accountability entered the meeting.

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: It was resolved:

<i>Item</i>	<i>Reason</i>	
<i>"In committee" and "board only" minutes of the previous meeting</i>	<i>For the reasons set out in the order paper of the 9.4.19 meeting held with the public present</i>	
<i>Strategy & Planning</i>		
<ul style="list-style-type: none"> • <i>Draft 2019/10 Annual Plan, Statement of Intent and Statement of Performance Expectations</i> 	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<ul style="list-style-type: none"> • <i>Contract Review and Renewal for 2019/20 - Phase 1</i> 	<i>Negotiating strategy</i>	<i>9(2)(j)</i>
<ul style="list-style-type: none"> • <i>Low Voltage Sub-Station & 11kV Network Upgrade</i> 	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
<i>Governance</i>		
<ul style="list-style-type: none"> • <i>Health Partnerships Limited Update</i> 	<i>Under negotiation, and, subject to an obligation of confidence</i>	<i>9(2)(j) 9(2)(ba)</i>
<i>Committee Minutes</i>		
<ul style="list-style-type: none"> • <i>Finance, Risk & Audit Committee, 23.4.19</i> <ul style="list-style-type: none"> ○ <i>Contract Review & Renewal for 2019/20 - Phase 1</i> ○ <i>2019/20 Annual Planning & Budgeting Update</i> ○ <i>Low Voltage Sub-Station & 11kV Network Upgrade</i> 	<i>Negotiating strategy</i>	<i>9(2)(j)</i>
	<i>Subject of negotiation</i>	<i>9(2)(j)</i>
	<i>Subject of negotiation</i>	<i>9(2)(j)</i>

<ul style="list-style-type: none"> • <i>Health & Disability Advisory Committee, 30.4.19</i> 	<i>For the reasons set out in the Order Paper of 30.4.19 meeting held with the public present</i>	
<i>Board only time</i>		
<ul style="list-style-type: none"> • <i>General</i> 	<i>No decision</i>	
<ul style="list-style-type: none"> • <i>Chief Executive's 360 Degree Feedback</i> 	<i>Contains competitive pricing information, and subject of negotiation</i>	<i>9(2)(b)(ii) 9(2)(j)</i>
<ul style="list-style-type: none"> • <i>Governance evaluation</i> 	<i>To protect personal privacy</i>	<i>9(2)(a)</i>

(Moved Karen Naylor; seconded Brendan Duffy)

Confirmed this day 30th day of July 2019.

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Chairperson