

**MIDCENTRAL DISTRICT HEALTH BOARD**

Minutes of the MidCentral District Health Board meeting held on 16 June 2009 at 10.00 am at MidCentral District Health Board Offices, Board Room, Gate 2B, Heretaunga Street, Palmerston North

**PRESENT**

Ian Wilson (Chair)  
Lindsay Burnell  
Graeme Campbell  
Ann Chapman  
Jack Drummond

Dennis Emery  
Jim Jefferies  
Stephen Paewai  
Barbara Robson  
Ormond Stock

**IN ATTENDANCE**

Murray Georgel, Chief Executive Officer  
Stuart Wilson, General Manager, Corporate Services  
Lareen Cooper, General Manager, MidCentral Health  
Mike Grant, General Manager, Funding Division  
Jill Matthews, Principal Administration Officer  
Jeff Small, Group Manager, Commercial Services

Public (7)  
Media (1)

The meeting opened with a karakia.

**1. APOLOGIES**

An apology was received from Diane Anderson, Board Member. An apology for lateness was received from Lindsay Burnell, Board Member.

**2. LATE ITEMS**

There were no late items.

**3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE****3.1 Amendments to the Register of Interests**

Ian Wilson advised his interest in Polybatics Trading Limited and Polybatics Limited had ended.

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

The following interests were declared:

- Agenda item 8.1, CEO's Report, Appendix E, Regional Clinical Services Plan – Barbara Robson, consumer representative, RCSP Steering Committee

- Agenda item 14.3, Hospital Advisory Committee “in committee” Minutes, section 15, Serious & Sentinel Events – Stephen Paewai, knowledge of person concerned, and, Barbara Robson, Consumer Representative, Health & Disability Commissioner’s Consumer Advisory Group

#### **4. PUBLIC FORUM**

##### **4.1 Questions from the Public**

The following matters were raised by the public:

- a. Perceived system failures within Palmerston North Hospital, including:
- a lack of holistic systems, particularly patients who had multiple conditions
  - a lack of basic nursing care, including assistance with eating, oral hygiene, and toileting
  - non-involvement of palliative care services at an early stage
  - the complaint service being too rigid and impersonal

Potential solutions for these issues were put forward.

A written copy of this presentation was tabled.

The CEO advised he would refer the issues raised to MidCentral Health’s Clinical Board, and other professional advisory groups for investigation. A response would be provided to the member of the public concerned.

- b. Representatives from the Tararua community, including Mayor Maureen Reynolds, expressed concern regarding the loss of three outpatient clinics in Dannevirke, and asked whether this matter had been reviewed. If so, would the clinics be reinstated. The impact of clinic closures for the local community, particularly the elderly, were highlighted. The poor communication around the original decision was raised, and a request made that this not be repeated.

The CEO advised that the General Manager, MidCentral Health would be formally reviewing this matter over the next 4-6 weeks, and the outcome would be communicated to the Mayor, Tararua District Council.

- c. The number of signs within Palmerston North Hospital was considered to be too many and confusing to visitors.
- d. Palmerston North City Council appreciated MidCentral DHB’s role within the community, and work it did.
- e. MidCentral Health could improve service and reduce costs by following action taken within specific states of America to ensure mental health clients complied with their medication regime. It was suggested this could be achieved in two ways:
- a. long term achievement through legislative change. It was noted that this was outside MCH’s control, but could be something we may advocate for.
  - b. MCH’s clinicians taking a more aggressive interpretation of the Mental Health Act.

The CEO undertook to refer this matter to the Clinical Director, Mental Health.

The CEO provided an update on the Swine flu.

The General Manager, MidCentral Health left the meeting.

**5. MINUTES OF PREVIOUS MEETING**

**5.1 Minutes**

It was resolved:  
*that the minutes of the previous meeting held on 19 May 2009 be confirmed as a true and correct record.*

**5.2 Matters Arising from the Minutes**

There were no matters arising from the minutes.

**6. BOARD COMMITTEES**

**6.1 Funding Audit Sub-Committee**

It was resolved:  
*that the unconfirmed minutes of the meeting of the Funding Audit Sub-Committee held on 19 May 2009 be received and the recommendations contained therein approved.*

**6.2 Matters Arising**

There were no matters arising from the minutes.

**6.3 Community & Public Health Advisory Committee**

It was resolved:  
*that the unconfirmed minutes of the meeting of the Community and Public Health Advisory Committee held on 2 June 2009 be received and the recommendations contained therein approved.*

**6.4 Matters Arising**

There were no matters arising from the minutes.

**6.5 Hospital Advisory Committee**

It was resolved:  
*that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 2 June 2009 be received and the recommendations contained therein approved.*

**6.6 Matters Arising**

There were no matters arising from the minutes.

**7. STRATEGIC ISSUES**

**7.1 2009/10 Capital Expenditure Plan**

Discussion took place regarding the affordability of the capital expenditure programme, and members sought clarification regarding the “cash” available. A reconciliation of the capital expenditure funding to the Statement of Financial Position was sought.

It was noted that some capital expenditure items may generate cost savings or revenue which could sustain their purchase.

Questions were asked regarding the use of loan funding for capital purchases, and whether the associated cost of borrowing had been incorporated into the budget.

The proxy used for determining the appropriate level of capital expenditure was discussed, such as depreciation and debt:equity ratios.

Lindsay Burnell entered the meeting.

Management undertook to re-present the paper to the Board in August, together with the additional information sought. This would be aligned to the scheduled Cash Workshop.

It was resolved:

*that the report be received.*

## **7.2 2008/09 District Annual Plan: Update re Implementation Plan Governance/Corporate Initiatives**

The establishment of a clinical records building was raised, and a member noted that Whanganui DHB had surplus storage space. Management was requested to consider this option.

It was resolved:

*that the report be received.*

## **7.3 Asset Management Plan**

The term “retained earnings” was questioned, and the General Manager, Corporate Services advised this meant funds held within the DHB’s Treasury Division. It was agreed this matter be included in the paper on capital expenditure which was to be revised in line with the Board’s earlier discussion.

It was resolved:

*that the report be received.*

## **7.4 Public Records Act**

Management advised that it was collaborating with several DHBs who had more experience with the Public Records Act. It was suggested that Whanganui DHB be invited to join this initiative in line with the centralAlliance agreement.

It was noted that a small provision for this project had been included in the 2009/10 budget.

It was resolved:

*that MidCentral District Health Board proceeds to comply with the requirements of the Public Records Act.*

## **7.5 Data Quality Programme**

It was resolved:

*that the report be received.*

## **7.6 Manawhenua Hauora**

### *7.6.1 Minutes*

It was resolved:

*that the minutes be received.*

### *7.6.2 Memorandum of Understanding*

It was noted that under the centralAlliance, each DHB would retain its relationship with local Iwi, eg Manawhenua Hauora. However, as the alliance progressed a combined arrangement could be pursued if there was consensus for this.

It was resolved:

*that the Memorandum of Understanding between MidCentral DHB and Manawhenua Hauora be re-signed for a further three-year period commencing 21 July 2009.*

## **8. OPERATIONS REPORTS**

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

#### *8.1.1 Financial Position*

The CEO advised that the non-achievement of the DHB's financial target for the first time since 2001 was very disappointing. Actions were underway to ensure this does not occur again.

The Minister and Ministry of Health had been advised.

#### *8.1.2 National DHB Financial Performance*

The collective financial performance of all DHBs was noted. The sector was close to budget, although a number of provider arms were not meeting budget results.

Lareen Cooper re-entered the meeting.

It was noted that the comparative information regarding DHBs was provided to the Board at mid year and year end. Between time, it was available on request. The Chair, Hospital Advisory Committee sought a copy of the latest information.

#### *8.1.3 Health Targets*

The new national health targets were noted.

#### *8.1.4 Regional Clinical Services Plan*

The implementation plan for the Regional Clinical Services Plan was presented by the General Manager, Funding Division. He advised that a lot of development work was currently underway and would come together around September/October 2009. At that time discussion regarding clinical leadership, affordability, and service location would occur.

The establishment of clinical networks was discussed and the General Manager, Funding Division advised a planned approach was being taken to ensure each network could be fully supported. However, there was room for limited flexibility should a particular service wish to proceed earlier than scheduled.

The use of the term “tahuhu” (ridgepole) to describe the three centre network was questioned by Dennis Emery. He considered that it was inappropriate given the geographical line of the network was bent. Literal translation was a “bent ridgepole”. The General Manager, Funding Division undertook to refer this to the Project’s cultural advisors.

#### *8.1.5 2009/10 District Annual Plan*

Management advised that the Ministry of Health had requested further changes to the draft Plan.

#### *8.1.6 Statement of Intent 2009/10*

The CEO advised that the Minister of Health’s comments regarding MidCentral DHB’s Statement of Intent had just been received. These would be formally submitted to the Board next month.

The Minister required the document to reflect the new national health targets. He also recommended that any actions or activities proposed by the DHB which were outside the health targets be reviewed in terms of their future sustainability given the financial position.

#### *8.1.7 Ministerial Advisory Group*

Members noted that the report of the Ministerial Advisory Group was expected in late July.

The CEO advised that the reports of the SMO and RMO working parties were to be issued by end June, and not July as reported.

It was resolved:

*that the report be received.*

## **9. GOVERNANCE ISSUES**

### **9.1 Annual Reporting Requirement for Enable New Zealand Limited**

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 2009 shall incorporate the financial statements and auditor’s report thereon and exclude information specified in any of the paragraphs (a) and (d) to (j) of subsection (1) of that section.*

### **9.2 2008/09 Work Programme**

It was resolved:

*that the updated work programme for 2008/09 be noted.*

### **9.3 2009/10 Reporting Framework**

It was resolved:

*that the reporting framework for 2009/10 as contained in the CEO's report dated 6 June 2009, be approved.*

**10. LATE ITEMS**

There were no late items.

**11. DATE OF NEXT MEETING**

Tuesday, 21 July 2009, MidCentral District Health Board Offices, Board Room, Gate 2B, Heretaunga Street, Palmerston North.

Jim Jefferies recorded his apologies for the July meetings.

**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:*

Item	Reason	Ref
"In Committee" Minutes of the Previous Meeting	For reasons stated in the previous agenda	
"In Committee" Minutes of Committee Meetings <ul style="list-style-type: none"> <li>Community &amp; Public Health Advisory Committee, 2 June 2009</li> <li>Hospital Advisory Committee, 2 June 2009</li> <li>Remuneration Committee's Report of 9 June 2009 re CEO's Performance Review</li> </ul>	For the reasons set out in the Committee's order paper of 2.6.09 meeting held with the public present For the reasons set out in the Committee's order paper of 2.6.09 meeting held with the public present To protect personal privacy	9(2)(a)
Bates Estate	Under negotiation	9(2)(j)

Confirmed this 21<sup>st</sup> day of July 2009.

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Chairman