MidCentral District Health Board

Te Pae Hauora o Ruahine o Tararua

Part One Board Papers

10 May 2022

Printed from Stellar by
Margaret Bell <margaret.bell@midcentraldhb.govt.nz>

Contents

Agenda and karakia

MidCentral District Health Board

Board Meeting

Venue: Board Room, Gate 2 Heretaunga Street, Palmerston North

When: Tuesday 10 May 2022, from 9.00am

PART ONE

Members

Brendan Duffy (Board Chair), Heather Browning, Vaughan Dennison, Lew Findlay, Norman Gray, Muriel Hancock, Materoa Mar, Karen Naylor, Oriana Paewai, John Waldon, Jenny Warren.

Apologies

In attendance

Kathryn Cook, Chief Executive; Kelvin Billinghurst, Chief Medical Officer; Debbie Davies, Interim General Manager, Strategy, Planning and Performance; Celina Eves, Executive Director, Nursing and Midwifery; Gabrielle Scott, Executive Director, Allied Health and Interim General Manager, Quality and Innovation; Tracee Te Huia, General Manager, Māori Health; Shivarn Stewart, Communications Team Leader; Margaret Bell, Board Secretary.

In attendance (part meeting)

Items 4.2 and 4.3	Neil Wanden, General Manager, Finance and Corporate Services; Darryl Ratana, Deputy Chief Financial Officer
Items 4.5 and 4.6	Keyur Anjaria, General Manager, People and Culture
Item 4.7	Scott Ambridge, Operations Executive, Te Uru Rauhī, Mental Health and Addiction Services; Tracy Haddon, Operations Director, Pai Ora Paiaka Whaiora, Māori Health Directorate
Item 6.3	Sarah Fenwick, Operations Executive, Te Uru Pā Harakeke, Healthy Women, Children and Youth

Please contact the Board Secretary if you require a print copy – email boardsupport@midcentraldhb.govt.nz before noon on the working day prior to the meeting

1. KARAKIA 9.00

He Karakia Timata

Kia hora te marino	May peace be widespread
Kia whakapapa pounamu te moana	May the sea be smooth like greenstone
He huarahi ma tātou I te rangi nei	A pathway for us all this day
Aroha atu, aroha mai	Give love, receive love
Tātou I a tātou I ngā wa katoa	Let us show respect for each other
Hui e taiki e	

2. ADMINISTRATIVE MATTERS 9.05

2.1. Apologies

2.2. Late items

2.3. Register of Interests Update

2.4. Minutes of Board meeting held on 29 March 2022, Part One

2.5. Minutes of Special Board meeting held on 5 April 2022, Part One

2.6. Matters arising

2.7. Verbal report from Board Chair

2.8. Finance, Risk and Audit Committee – Verbal report from Chair and Minutes of meeting held on 26 April 2022, Part One

2.9. Manawhenua Hauora – Verbal report from Manawhenua Hauora Chair

3. STRATEGIC FOCUS

3.1 No items

4. PERFORMANCE REPORTING 9.20

4.1. Chief Executive's Report

4.2. Finance Report – March 2022

4.3. Finance Report – February 2022

4.4. Sustainability Plan
4.5. Health, Safety and Wellbeing
4.6. Workforce Update
4.7. Te Mātāpuna o te Ora Service Review

REFRESHMENT BREAK 10.20

5. DISCUSSION/DECISION PAPERS

5.1. No items

6. INFORMATION PAPERS 10.35

Information papers for the Board to note

6.1. CMS and Executive Action Plan Update
6.2. Nursing Workforce Update
6.3. Midwifery Workforce Update
6.4. MDHB and Manawhenua Hauora Combined Work Plan – six-monthly review
6.5. Board Work Programme

7. GLOSSARY OF TERMS

8. LATE ITEMS

9. DATE OF NEXT MEETING – Tuesday 28 June 2022

10. EXCLUSION OF THE PUBLIC

Recommendation

That the public be **excluded** from this meeting in accordance with the Official Information Act 1982, section 9 for the following items for the reasons stated.

Item	Reason	Reference
'In committee' minutes of the previous Board meetings	For reasons set out in the agenda of 29 March 2022 and 5 April 2022, including ratification of resolutions	
Replacement of Mammography Machine	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
MAPU/EDOA Construction Project Update	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
SPIRE Project Update	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Transfer to Enable New Zealand Limited	To protect information which is subject to an obligation of confidence To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(ba) 9(2)(f)(iv)
Te Awa – Clinical Digital and Technology Modernisation	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)
Health Sector Reforms – Transition Plan for MDHB	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)
Board only time	No decision sought	
'In committee' minutes of the previous Finance, Risk and Audit Committee meeting	**For reasons set out in the agenda of the 26 April 2022 meeting**	

Administrative matters

Apologies

Any apologies to be recorded?

Late items

Opportunity to advise any late items to be discussed at the meeting

Register of Interests: Summary, 26 April 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
Board Members		
Name	**Date**	**Nature of Interest / Company/Organisation**
Browning, Heather	4.11.19	Director – HB Partners Limited
		Member – MidCentral Governance Group Mana Whaikaha
		Board Member and Chair, HR Committee – Workbridge
	26.7.20	Director and Shareholder – Mana Whaikaha Ltd
	23.10.20	Member – Te Aho o Te Kahu (Cancer Control Agency) Consumer Reference Group
	9.2.21	Project Manager to lead Mana Whaikaha out of the Ministry of Health; stood down from appointed role of Deputy Chair of the MidCentral Governance Group for the MidCentral prototype
		Resigned as Director of Mana Whaikaha Ltd – effective from December 2020
	12.7.21	Appointed to the Support and Consultation for End of Life Choice in New Zealand (SCENZ) Group – a statutory part-time role within the Ministry of Health.
	27.3.22	Project manager role with the Ministry of Health ended late 2021.
		Resumed role as Director of Mana Whaikaha Ltd in August 2021 (temporary).
Duffy, Brendan	3.8.17	Chair and Commissioner – Local Government Commission
		Member – Representation Commission
		Chairperson – Business Kapiti Horowhenua Inc (BKH)
	17.8.21	Trustee – Eastern and Central Community Trust
	16.12.21	Chairperson – Horowhenua Health and Wellbeing Hub Stakeholder Advisory Group
Dennison, Vaughan	4.2.20	Councillor – Palmerston North City Council
	9.2.21	Member of Palmerston North City Council Infrastructure Committee
	14.9.21	Employee – Homes for People, Kaitiaki, Public Relations
		Director – Social Impact Property, Property and Support Services
		Partner – Dennison Rogers-Dennison, Accommodation Services
		Trustee – Manawatū Whanganui Disaster Relief Fund
		Chair – Camp Rangi Woods Trust
		Board Member – Softball New Zealand
		Patron – Manawatū Softball Association
		Wife is a Partner – Dennison Rogers-Dennison, Accommodation Services
		Wife is an employee – Homes for People, Kaitiaki, Support Worker
		Wife is an employee – HealthCare NZ, Community Support Worker
		Father is Managing Director, Exclusive Cleaning Services
	26.4.22	Wife ceased employment with HealthCare NZ in January 2022
Findlay, Lew	1.11.19	President, Manawatu Branch and Director Central District - Grey Power
		Councillor – Palmerston North City Council
		Member – Abbeyfield
	16.2.21	Vice President Manawatū Branch and Board Member of Grey Power New Zealand

Register of Interests: Summary, 26 April 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
Gray, Norman	10.12.19	Employee – Wairarapa DHB Branch Representative – Association of Salaried Medical Specialists
Hancock, Muriel	4.11.19	Sister is casual employee (Registered Nurse, ICU) – MidCentral DHB Volunteer, MidCentral DHB Medical Museum
	30.9.20	Sister-in-law is employed as a registered nurse at Whakapai Hauora
	19.11.21	Sister-in-law works as a COVID-19 vaccinator for MidCentral DHB
	1.2.22	Sister-in-law no longer works for Whakapai Hauora
Mar, Materoa	16.12.19	Upoko Whakarae Te Tihi O Ruahine Whānau Ora Alliance Chair – EMERGE Aotearoa Matanga Mauri Ora Ministry of Health Mental Health and Addiction Chair, 'A Better Start – E Tipu Rea', National Science Challenge, Liggins Institute, University of Auckland
	11.2.20	Member of MDHB Cluster Member of local Child and Youth Mortality Review Group (CYMRG)
	5.8.20	Member of MDHB's Māori Alliance Leadership Team (MALT)
	13.7.21	Member – Te Ahu Whenua Māori Land Trust
	17.8.21	Member, Māori Provider Expert Reference Group for Transitional Health Unit
Naylor, Karen	6.12.10	Employee – MidCentral DHB Member and Workplace Delegate – NZ Nurses Organisation
	9.10.16	Councillor – Palmerston North City Council
Paewai, Oriana	1.5.10	Member – Te Runanga o Raukawa Governance Group Chair – Manawhenua Hauora
	13.6.17	Co-ordinating Chair – Te Whiti ki te Uru (Central Region DHB MRBs) Member Nga Manu Taiko, a standing committee of the Council – Manawatū District Council Member – Te Tihi o Ruahine Whānau Ora Alliance Board Member – Cancer Society Manawatū
	30.8.18	Appointed Member – Massey University Council
	13.4.21	Trustee – Manawatū/Whanganui Children's Health Charitable Trust Board
	27.7.21	Member – Governance Board, Mana Whaikaha
	9.11.21	No longer a Board Member – Cancer Society Manawatū No longer a member of Nga Manu Taiko, a standing committee of the Manawatū District Council
	9.2.22	Co-Chair, Regional Skills Leadership Group, Manawatū-Whanganui
Waldon, John	22.11.18	Co-director and co-owner – Churchyard Physiotherapy Ltd Co-director and researcher – 2 Tama Limited Manawatu District President – Cancer Society Executive Committee Central Districts (rep for Manawatu, 1 of 2) – Cancer Society
	9.2.21	Has a contract with UCOL
	14.12.21	No longer contracted to UCOL

Register of Interests: Summary, 26 April 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
		Appointed as Research Advisor Māori to Massey University (commencing 17 January 2022)
Warren, Jenny	6.11.19	Team Leader Bumps to Babies – Barnardos New Zealand
		Consumer Representatives National Executive Committee – National On Track Network
		Pregnancy and Parenting Education Contractor – Palmerston North Parents' Centre
	12.2.21	Member of Locality Advisory Group for both Tararua and Ōtaki/Horowhenua for the Primary Maternity Project
	1.7.21	Enhancing NZ Clinical Trials – member of Consumer Focus Group (run by the Liggins Institute with funding from the Ministry of Health and Health Research Council)
		No longer Team Leader Bumps to Babies – Barnados New Zealand
	15.10.21	No longer Pregnancy and Parenting Education Contractor – Palmerston North Parents' Centre
	4.11.21	No longer a member of the Locality Advisory Group for Tararua and Ōtaki/Horowhenua for the Primary Maternity Project
	9.11.21	Contract with Horowhenua Life to the Max
	19.11.21	Contract with The Horowhenua Company
Committee Members		
Allan, Simon (FRAC)	2.6.20	Deputy Chair – Manawatu Branch of Cancer Society
		MDHB Rep – THINK Hauora
		Palliative Care Advisory Panel (Ministry of Health advisory body)
		Director of Palliative Care – Arohanui Hospice
		Chair of Board – Manawatu Badminton Association
Hartevelt, Tony (FRAC)	14.8.16	Independent Director – Otaki Family Medicine Ltd
	14.8.16	Elder son is Director, Global Oncology Policy based at Head Office, USA – Merck Sharpe & Dohme (Merck) (NZ operations for Global Pharmaceutical Company)
	14.8.16	Younger son is news director for Stuff.co.nz – Fairfax Media
	7.10.19	Independent Chair, PSAAP's Primary Care Caucus – Primary Health Organisational Service Agreement Amendment Protocol
	14.10.21	Resigned as Independent Chair of the Primary Care Caucus for PSAAP negotiations
Paewai, Stephen (HDAC)	24.11.21	Trustee – THINK Hauora
		Member of MDHB's Consumer Council (Interim Chair from November 2021)
		Member of THINK Hauora's Clinical and Digital Governance Committee
		Beneficiary of Rangitane o Tamaka nui a Rua Inc Society
		Trustee – Te Tahua Trust
		Trustee – Te Ohu Tiaki o Rangitane Te Ika a Maui Trust
		Director – Rangitane o Te Ika a Maui
		Board member – Tararua REAP
		Member – Lottery Community Manawatū/Whanganui
		Wife is an employee of MCI and Associates, accounting practice
		Brother-in-law is a senior manager, ACC

Register of Interests: Summary, 26 April 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
Management		
Cook, Kathryn	13.4.21	Nil
Ambridge, Scott	20.8.10	Nil
Amoore, Anne	23.8.04	Nil
Anjaria, Keyur	17.7.17	Wife is a user of the Needs Assessment and Service Co-ordination Service – MDHB
Bell, Margaret	28.7.20	Nil
Billinghurst, Kelvin	6.8.20	Fellow of the Royal College of Medical Administration (RACMA) Coordinator for the Indigenous Health Programme – RACMA Member of the Rural Policy Advisory Group – RACMA Fellow of the Australasian College of Health Service Managers (ACHSM)
Brogden, Greg	16.2.16	Nil
Brown, Jeff	1.3.22	Nil
Davies, Deborah	18.5.18	Member, Alliance Leadership Team – Central PHO Daughter is an employee and works within hospital services – MidCentral DHB
Eves, Celina	20.4.20	Trustee – Palmerston North Medical Trust
Fenwick, Sarah	13.8.18	Nil
Hansen, Chiquita	9.2.16 3.3.21	Employed by MDHB and seconded to Central PHO 8/10ths – MidCentral DHB CEO – Central PHO Employed by THINK Hauora as Chief Executive and seconded to MidCentral DHB as Interim General Manager, Strategy, Planning and Performance 6/10ths *(until 30 September 2021)* Husband is employed by MidCentral DHB Executive member of General Practice New Zealand (GPNZ) Executive member of Health Care Home Collaborative
Hardie, Claire	13.8.18 13.8.18 13.8.18	Member – Royal Australian & NZ College of Radiologists Trustee – Palmerston North Hospital Regional Cancer Treatment Trust Inc Member, Medical Advisory Committee – NZ Breast Cancer Foundation
Horgan, Lyn	1.5.17 18.5.18	Sister is Coroner based in Wellington – Coronial Services Member, Alliance Leadership Team – Central PHO
Miller, Steve	18.4.17 26.2.19 6.3.19 1.10.19	Director. Farming business – Puriri Trust and Puriri Farm Partnerships Board Member, Member, Conporto Health Board Patient's First trading arm – Patients First Member, Alliance Leadership Team, Member, Information Governance Group – Central PHO Chair – National DHB Digital Investment Board
Ratana, Darryl	29.5.19	Nil
Russell, Greig	3.10.16	Minority shareholder – City Doctors Member, Education Committee – NZ Medical Council

Register of Interests: Summary, 26 April 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
Scott, Gabrielle	Dec 2019	Son is a permanent MDHB employee and works within Digital Services
Tanner, Steve	16.2.16	Nil
Te Huia, Tracee	13.7.21	Member of the No Ngā Hau e whā branch of the Māori Women's Welfare League
Wanden, Neil	February 2019	Nil
Williamson, Nicki	March 2020	Nil
Zaman, Syed	1.5.18	Nil

Resolution

That the Part One minutes of the 29 March 2022 Board meeting be approved as a true and correct record.

MidCentral District Health Board

Board Minutes

Meeting held on 29 March 2022 from 9.00am

Via Zoom (due to COVID-19 restrictions)

PART ONE

Members

Brendan Duffy (Board Chair), Heather Browning, Vaughan Dennison, Lew Findlay, Norman Gray, Muriel Hancock, Materoa Mar, Karen Naylor, Oriana Paewai, John Waldon, Jenny Warren.

Apologies

Materoa Mar for lateness

In attendance

Kathryn Cook, Chief Executive; Shivarn Stewart, Communications Team Leader; Margaret Bell, Board Secretary.

Note: Due to workload pressures related to the COVID-19 response, the Chief Executive would present papers on behalf of some of the executive team; other members of the executive team would only join the meeting to present their paper.

In attendance (part meeting)

Celina Eves, Executive Director, Nursing and Midwifery; Sarah Fenwick, Operations Executive, Te Uru Pā Harakeke; Darryl Ratana, Deputy Chief Financial Officer; Gabrielle Scott, Executive Director, Allied Health (and Interim General Manager, Quality and Innovation); Neil Wanden, General Manager, Finance and Corporate Services.

Media – 1

1. KARAKIA

The meeting opened with the organisational karakia.

2. ADMINISTRATIVE MATTERS

2.1. Apologies

An apology was accepted from Materoa Mar for lateness.

2.2. Late items

No items

2.3. Register of Interests Update

Heather Browning

- Role with the Ministry of Health as Project Manager for Mana Whaikaha ended late 2021.
- Resumed role as Director of Mana Whaikaha in August 2021 (temporary role).

In relation to agenda items for this meeting

- Item 6.2 – Materoa Mar had previously declared her interest as Upoko Whakarae Te Tihi O Ruahine Whānau Ora Alliance

2.4. Minutes of the Board meeting held on 15 February 2022, Part One

It was resolved that:

the Part One minutes of the 15 February 2022 Board meeting be approved as a true and correct record.

(Moved John Waldon; seconded Vaughan Dennison)

2.5. Matters arising from previous minutes

No discussion.

2.6. Verbal report from the Board Chair

The Board Chair acknowledged the pressure the organisation was under in providing services during the COVID-19 pandemic. He had been embarrassed to observe some members of the public abusing staff who were monitoring people entering the front door. Their role was to ensure contact tracing and social distancing measures were observed in order to keep patients and staff safe.

He noted there were only two more Board meetings scheduled before the transition to Health New Zealand on 1 July 2022.

In response to a question, the Chief Executive advised that management followed guidance from the Ministry of Health regarding staff members who either had COVID-19 or were household contacts being at work. This included some circumstances where a person who had tested positive for COVID-19 could still work, but no MidCentral District Health Board (MDHB) staff were in that category.

2.7. Minutes of the Health and Disability Advisory Committee meeting held on 1 March 2022, Part One

It was resolved that the Board:

note the unconfirmed Part One minutes of the Health and Disability Advisory Committee meeting held on 1 March 2022.

(Moved Muriel Hancock; seconded Heather Browning)

2.8. Minutes of the Finance, Risk and Audit Committee meeting held on 15 March 2022, Part One

It was resolved that the Board:

note the unconfirmed Part One minutes of the Finance, Risk and Audit Committee meeting held on 15 March 2022.

(Moved Oriana Paewai; seconded Vaughan Dennison)

2.9. Manawhenua Hauora Chair's Report

Oriana Paewai, Manawhenua Hauora Chair provided a verbal update on the Manawhenua Hauora hui held on 21 March 2022, which was focused on the transition to Health New Zealand and the Māori Health Authority. Members of the Iwi Māori Partnership Board (IMPB) were being appointed. The IMPB would replace Manawhenua Hauora and include iwi from outside the MDHB rohe, so a new name would be used.

The final hui of Manawhenua Hauora would be held on 16 May 2022, followed by a Board to Board hui that afternoon.

It was resolved to:

note the Manawhenua Hauora Chair's report.

(Moved Oriana Paewai; seconded Brendan Duffy)

3. STRATEGIC FOCUS

No items.

4. PERFORMANCE REPORTING

4.1. Chief Executive's Report

The Chief Executive presented this report, which was taken as read. She noted that the number of COVID-19 deaths reported was increasing. The change in reporting method meant that many of these people died with COVID-19, rather than from COVID-19. A significant number of staff were absent either because they had tested positive for COVID-19 or were a household contact. Business continuity plans had been enacted to support safe patient care and safe staffing. It was not clear whether MDHB had reached the peak number of cases yet and it was possible the peak would be in a few weeks' time.

In response to a question, the Chief Executive noted that governance of the Health New Zealand and Māori Health Authority would be at a national level. Community engagement and advocacy was likely to be through localities.

It was resolved that the Board:

note the update of key local, regional and national matters.

(Moved Vaughan Dennison; seconded Lew Findlay)

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer joined the meeting.

4.2. Financial Update – February 2022

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer presented a verbal report, which had also been presented to the Finance, Risk and Audit Committee meeting held on 15 March 2022.

The February result was $2.341 million favourable to budget, mostly due to additional ACC revenue following a price review of Non-Acute Rehabilitation (NAR) contracts. The new prices were effective from December 2020 and resulted in $1.7 million of revenue that had not been included in the budget.

Year-to-date revenue was ahead of budget, with overall expenditure close to budget.

In response to a question, the General Manager, Finance and Corporate Services advised that any delays to building projects would not have an impact in the current financial year.

It was resolved that the Board:

note the verbal update provided on the February 2022 financial result.

(Moved Oriana Paewai; seconded John Waldon)

4.3. Finance Report – January 2022

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer presented this report, which was taken as read.

It was resolved that the Board:

note that at its March meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration

note that the month operating result for January 2022 is a surplus before one-off items of $1.359m, which is $1.162m favourable to budget

note that the year to date result for January 2022 is a deficit before one-off items of $3.319m, which is $0.284m adverse to budget

note that year to date for January 2022 COVID-19 related contribution of $0.146m and Holidays Act costs of $3.194m have been incurred. Including these results in a year to date deficit after exceptional items of $6.367m, which is $0.751m favourable to budget

note that the total available cash and equivalents of $31.558m as of 31 January 2022 is sufficient to support liquidity requirements

approve the January 2022 financial report.

(Moved Oriana Paewai; seconded John Waldon)

The General Manager, Finance and Corporate Services left the meeting.

Board member, Materoa Mar, joined the meeting.

4.4. Health System Indicators Dashboard – Quarter One 2021/22

The Chief Executive presented this report, which was taken as read. In response to a question, she advised that the childhood immunisation team was working with the primary health organisation and iwi providers to look at opportunities to offer vaccinations in different ways. This included using the non-regulated vaccinator workforce, pharmacies and linking the regular vaccination schedule with COVID-19 vaccinations for tamariki and whānau.

A Board member noted that the MDHB website didn't reflect the longer waiting times – and still showed incorrect wait times. The Chief Executive undertook to ensure the website was updated and that letters to the public explained the likely delay in wait times.

The Chief Executive advised that details of unmet need and declined referrals for ESPI 2 and ESPI 5 would be included in the Te Uru Arotau, Acute and Elective Specialist Services report to the next Health and Disability Advisory Committee meeting.

In response to a question about funding of water and power services in kohanga reo to support connections to mobile dental units, the Chief Executive explained that MDHB was not permitted to spend its capital on external providers. However mobile units were being upgraded so they could be self-contained. She suggested that the broader issue be raised through the Regional Interagency Network (RIN).

A Board member noted that cellulitis is on the pathway for Primary Options for Acute Care (POAC) and asked that further discussion be held with THINK Hauora around privileging for Māori and POAC.

It was resolved that the Board:

note the performance for the first quarter of 2021/22 of the Health System Indicators (HSI) as highlighted in the HSI dashboard.

(Moved Heather Browning; seconded Lew Findlay)

4.5. Non-Financial Performance Measures – Quarter Two 2021/22

The Chief Executive presented this report, which was taken as read. She noted that details of the length of stay in the Emergency Department were included in reports to the Health and Disability Advisory Committee. The length of stay was affected by lack of hospital beds, which would be improved through the building programme. The additional all-day theatre lists on Saturdays and the Ministry of Health's pilot discharge programme had also helped to improve patient flow.

A Board member spoke of recent personal experience of a family member being diagnosed with cancer. Despite pressures on the hospital due to COVID-19, the response, treatment and support to the patient and whānau from the haematology and oncology teams was amazing.

It was resolved that the Board:

note the progress and performance for the second quarter of 2021/22 against its commitments and accountabilities to Government as identified in the 2021/22 Annual Plan and the Non-Financial Monitoring Framework and Performance Measures for DHBs

note the Ministry of Health's summary report for Quarter Two 2021/22 is available on the Stellar platform

endorse the mitigation activities in place for those performance measures or deliverables that were not meeting expectations for Quarter Two 2021/22.

(Moved John Waldon; seconded Vaughan Dennison)

The Interim General Manager, Quality and Innovation joined the meeting.

4.6. Sustainability Plan Report

The Interim General Manager, Quality and Innovation and the Deputy Chief Financial Officer presented this report, which was taken as read.

It was resolved that the Board:

note that at its March meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration

note the progress in the implementation of the Sustainability Plan

note the Sustainability Plan benefits monitoring dashboard and trend analysis

note the January 2022 report indicates savings of $323,961 year to date

approve the 2022 Sustainability Plan report.

(Moved Muriel Hancock; seconded Heather Browning)

The Interim General Manager, Quality and Innovation and the Deputy Chief Financial Officer left the meeting.

5. DISCUSSION/DECISION PAPERS

5.1. Combined Medical Staff Association and Executive Action Plan

The Chief Executive presented this report, which was taken as read. She noted that the March Medical Reference Group meeting did not take place as attendance was affected by the response to COVID-19 and there were no significant items for discussion.

It was resolved that the Board:

note the Combined Medical Staff Association (CMS) and Executive Action Plan.

(Moved John Waldon; seconded Lew Findlay)

The Executive Director, Nursing and Midwifery joined the meeting.

5.2. Nursing Workforce Update

The Executive Director, Nursing and Midwifery presented this report, which was taken as read. She outlined the staff wellbeing programme in place to support staff who are responding to COVID-19 pressures, particularly nurses. The Chief Executive explained that a wellbeing programme for all staff was in place, including leadership support, psychosocial support and access to counselling. Other initiatives were being rolled out, including access to refreshments once per shift (staff would be provided with a voucher). Food was already being provided to staff working on COVID-19 wards. A targeted payment was in place for hard-to-fill shifts.

It was resolved that the Board:

note the Nursing Workforce Report.

(Moved Oriana Paewai; seconded John Waldon)

The meeting agreed to reorder some agenda items. The original agenda item numbers are used in these minutes.

6. INFORMATION PAPERS

6.2 COVID-19 Vaccinator Working Under Supervision

The Executive Director Nursing and Midwifery presented this report, which was taken as read. It was noted that costs for staff welcoming visitors and screening at the hospital's front entrance were included on the COVID-19 expenditure tracker which was reported to the Ministry each month.

It was resolved that the Board:

note the briefing.

(Moved Brendan Duffy; seconded Heather Browning)

5. DISCUSSION/DECISION PAPERS *(continued)*

The Operations Executive, Te Uru Pā Harakeke, Healthy Women, Children and Youth joined the meeting.

5.3 Midwifery Workforce Update

The Operations Executive, Te Uru Pā Harakeke presented this report, which was taken as read. She noted that the Te Papaoiea Birthing Centre was expected to reopen during May, Monday to Friday for 24 hours a day.

It was resolved that the Board:

note the current midwifery workforce position

note the key updates to the Midwifery Action Plan.

(Moved Jenny Warren; seconded Muriel Hancock)

The Operations Executive, Te Uru Pā Harakeke and the Executive Director, Nursing and Midwifery left the meeting.

6. INFORMATION PAPERS *(continued)*

6.1. NZ Health Partnerships – Quarterly Update

The Chief Executive presented this report, which was taken as read.

It was resolved that the Board:

note the update on the activities of New Zealand Health Partnerships Limited.

(Moved Materoa Mar; seconded Lew Findlay)

6.3 Use of the Official Information Act 1982 to exclude the public from meetings

The Chief Executive presented this report, which was taken as read.

It was resolved that the Board:

note the report on the use of the Official Information Act 1982 to exclude the public from meetings.

(Moved Jenny Warren; seconded John Waldon)

6.4 Board's Work Programme

The report was taken as read. It was noted that the Psychosocial Wellbeing Plan had been presented to Manawhenua Hauora.

Several Board members expressed concern that representatives from professional work groups would not have the opportunity to meet with the Board before the end of its term.

It was resolved that the Board:

note the Board's annual work programme.

(Moved Vaughan Dennison; seconded Norman Gray. Karen Naylor voted against this resolution)

7. GLOSSARY OF TERMS

8. LATE ITEMS

No discussion.

9. DATE OF NEXT MEETING

Tuesday, 10 May 2022 – Board Room, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North *(subject to any COVID-19 restrictions)*.

10. EXCLUSION OF PUBLIC

It was resolved:

that the public be excluded from this meeting in accordance with the Official Information Act 1982, section 9 for the following items for the reasons stated:

Item	***Reason***	***Ref***
'In Committee' minutes of the previous Board meeting	For reasons set out in the agenda of 15 February 2022	
Electrical Substation Replacement	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Generator Replacement	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Replacement of CT Scanner and Building Works	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Post-Acute Community Rehabilitation Business Case	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Transfer to Enable New Zealand Limited – progress report	To protect information which is subject to an obligation of confidence	9(2)(ba)
Te Awa – Clinical Digital and Technology Modernisation Programmes	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)
Health Sector Reforms – Transition Plan for MDHB	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)
Board only time	No decision sought	
'In Committee' minutes of the previous Health and Disability Advisory Committee meeting	**For reasons set out in the agenda of the 1 March 2022 meeting held with the public present**	
Serious Adverse Events (SAC 1) Report	To protect patient privacy	9(2)(a)

'In Committee' minutes of the previous Finance, Risk and Audit Committee meeting	**For reasons set out in the agenda of the meeting held on 15 March 2022**	
Workshop		
Acute Mental Health Unit – progress report	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)

(Moved Vaughan Dennison; seconded John Waldon)

Part One of the meeting closed at 10.55am

Confirmed this 10th day of May 2022

……..

Board Chair

Resolution

That the Part One minutes of the Special Board meeting held on 5 April 2022 be approved as a true and correct record.

MidCentral District Health Board

Board Minutes

Special Meeting held on 5 April 2022 from 8.05am

Via Zoom (due to COVID-19 restrictions)

PART ONE

Members

Brendan Duffy (Board Chair), Heather Browning, Vaughan Dennison, Lew Findlay, Norman Gray, Muriel Hancock, Materoa Mar, Karen Naylor, Oriana Paewai, John Waldon, Jenny Warren.

Apologies

Nil

In attendance

Kathryn Cook, Chief Executive; Michelle Riwai, General Manager, Enable New Zealand; Neil Wanden, General Manager, Finance and Corporate Services; Margaret Bell, Board Secretary.

1. REFLECTION AND KARAKIA

Oriana Paewai offered a reflection on the recent passing of former Board member, Barbara Cameron. A karakia was followed by a minute's silence and the organisational karakia.

2. ADMINISTRATIVE MATTERS

2.1. Apologies

Nil.

2.2. Register of Interests Update

No updates.

3. DATE OF NEXT MEETING

Tuesday, 10 May 2022 – Board Room, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North *(subject to any COVID-19 restrictions)*.

4. EXCLUSION OF PUBLIC

A Board member noted there was public interest in the Enable New Zealand matter scheduled to be discussed in Part Two and asked if there was a mechanism to relay any decisions made back into the public arena. It was noted that the Board needed to make decisions without the pressure of public disclosure and that at the end of Part Two, the Board could pass a resolution for items discussed 'In committee' to be made available to the public.

It was resolved:

> *that the public be excluded from this meeting in accordance with the Official Information Act 1982, section 9 for the following items for the reasons stated:*

Item	*Reason*	***Ref***
Transfer to Enable New Zealand Limited	To protect information which is subject to an obligation of confidence To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(ba) 9(2)(j)

Data and Digital – Capability Uplift Portfolio Fund	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(f)(iv) 9(2)(j)

(Moved Muriel Hancock; seconded Brendan Duffy; against Karen Naylor; abstention Lew Findlay)

Part One of the meeting closed at 8.17am

Confirmed this 10th day of May 2022

……..

Board Chair

MidCentral District Health Board

- Schedule of Matters Arising, 2021/22 as at 13 April 2022

Matter	Raised	Scheduled	Responsibility	Form	Status
Future Quality and Safety Walk-round reports to include details of actions and any themes	May 21	May 22	G Scott	Report	Scheduled
Review of car parking arrangements PNH, including readdressing all carpark feedback and suggestions (Dec 21: traffic engineering review will be carried out after detailed building plans completed for acute mental health unit and Acute Services Block)	April 17	Ongoing	N Wanden	Report	Scheduled
COMPLETED					
Update website to show correct wait times for surgery	March 22	May 22	D Davies	Update at end of this schedule	Completed
Ensure letters to patients explain the reasons for any expected delays for surgery	March 22	May 22	G Scott	Update at end of this schedule	Completed
Provide further details of CAFS/Youthline service, including consideration of the needs of Māori	Dec 21	Feb 22	S Ambridge	Report	Completed
Provide an update on Allied Laundry's water usage, mitigation strategies and impacts of the proposed Three Waters Reform	Nov 21	~~Dec 21~~ Feb 22	N Wanden	Report	Completed
Future Non-financial Monitoring Performance quarterly reports on adolescent oral health to show how the inequity was being addressed and whether it had improved	Sept 21	Dec 21	D Davies J Long	Report	Completed
Provide an update on colonoscopy wait times for the next quarter, particularly for non-urgent and surveillance colonoscopies	Sept 21	Dec 21	D Davies J Long	Report	Scheduled – March 2022 HDAC
Advise what percentage of Māori responded to maternity consumer surveys completed in October	Nov 21	Dec 21	S Fenwick	Report	Completed
Discuss process for receiving reports from CMS	Sept 21	Nov 21	B Duffy	Board only	Completed
Advise Board members of the process for conducting annual Board evaluation (on work programme for November 2021)	Sept 21	Nov 21	B Duffy	Board only	Completed
Key findings of maternity services culture survey to be loaded to Stellar (under 2021 documents)	Nov 21	Nov 21	S Fenwick M Bell	Report	Completed
Include updates on MDHB's plan to transition to Health New Zealand on the work programme	Sept 21	Nov 21	M Bell	Report	Completed

Matter	Raised	Scheduled	Responsibility	Form	Status
Internal audit report – Māori Health Equity Review to be included on the agenda for a future MDHB and Manawhenua Hauora Board hui	April 21	~~Aug 21~~	T Te Huia	Report to Manawhenua Hauora	Superseded
Prepare new costings for Horowhenua Respite Facility – email to Board members for approval	Aug 21	Sept 21	V Caldwell S Ambridge	Email	Completed
Report on process for calculating fees for Council members in line with Cabinet Fees Framework	Aug 21	Sept 21	J Catherwood M Bell	Report	Completed
Write to the Ministry of Health to highlight issues faced by migrant GPs in gaining residency	Aug 21	Sept 21	C Hansen	Letter	Completed – response received
Report on options for Enable New Zealand in the health reforms – FRAC meeting then Board	July 21	Sept 21	M Riwai	Report	Completed – 7 Sept FRAC; Sept Board
Summary of discussion from Medical Workforce Workshop held 6 July 2021 to be loaded on Stellar	Aug 21	Aug 21	M Bell	Upload Stellar	Completed
Discuss recruitment of a person with lived experience of disability to become a member of HDAC with the Consumer Council chair	Dec 20	~~Feb 21~~ ~~May 21~~ Aug 21	B Duffy	Report	Not proceeding – impact of health system reforms
Present a draft health sector reforms transition plan for MDHB	July 21	Aug 21	V Caldwell	Report	Completed
Provide more detailed commentary about incidents in Health, Safety and Wellbeing dashboard reports, including how they are being addressed	May 21	Aug 21	K Anjaria	Report	Completed
Include details on workforce shortages in the Health, Safety and Wellbeing report if data is available	May 21	Aug 21	K Anjaria	Report	Completed
Provide breakdown by service area for incidents of staff shortages, including location, what was being recorded, why it was being recorded and what was being done to address the issue	Feb 21	~~May 21~~ Aug 21	K Anjaria	Report	Completed
Write letter of congratulations to former Board member, Barbara Cameron, on receiving QSM in Queen's Birthday Honours	July 21	July 21	B Duffy	Letter	Completed
Check on wheelchair access for Alcohol and Other Drug services – from walk-round March 2020	May 21	July 21	J Catherwood	Verbal update	Completed
Send calendar invitations for long service awards ceremonies to Board members	May 21	June 21	M Bell	Meeting invite	Completed

Updates from March meeting

Update website to show correct wait times for surgery

The wait times shown on the MDHB website reflect the Ministry of Health's expectations of a four-month wait time for ESPI 2 and ESPI 5. Current surgical wait times are not shown, as these fluctuate on a weekly basis. Patients are kept informed of any delays to their planned surgery.

Ensure letters to patients explain the reasons for any expected delays for surgery

Letters to patients were developed with guidance from the Ministry of Health and are templated across all services and sit within webPAS. To change them would be difficult and would not reflect the needs of each service, as the urgent referrals for some services are able to be seen in a few days, while urgent referrals for other services may be months. This is not a piece of work that can be addressed at present.

Patients who have had surgery cancelled by the DHB for reasons related to COVID-19 have been telephoned and the reasons explained to them.

Verbal report from the Board Chair

The Board Chair will provide an update on recent activities

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the Finance, Risk and Audit Committee meeting
held via Zoom *(due to COVID-19 restrictions)*
on 26 April 2022 from 9.00am

PART ONE

COMMITTEE MEMBERS
Oriana Paewai, Committee Chair
Tony Hartevelt, Deputy Committee Chair, Independent
Brendan Duffy, Board Chair
Heather Browning
Vaughan Dennison
John Waldon

APOLOGIES
Simon Allan, Independent

IN ATTENDANCE

Board members (observers)
Materoa Mar
Karen Naylor

Management
Kathryn Cook, Chief Executive
Neil Wanden, General Manager, Finance and Corporate Services
Darryl Ratana, Deputy Chief Financial Officer
Jared McGillicuddy, Internal Audit Manager, Technical Advisory Services
Tracee Te Huia, General Manager, Māori Health
Margaret Bell, Board Secretary

IN ATTENDANCE (part meeting)
Keyur Anjaria, General Manager, People and Culture
Daygan Eagar, Sustainability Officer
Gabrielle Scott, Interim General Manager, Quality and Innovation

1. KARAKIA

The Chair opened the meeting with a karakia. She noted the passing of Chiquita Hansen's mother; and acknowledged yesterday's Anzac Day commemorations to remember those who fought for our freedoms.

This was followed by the organisational karakia.

2. ADMINISTRATIVE MATTERS

2.1 Apologies

An apology was noted from Simon Allan.

2.2 Late items

There were no late items.

2.3 Register of Interests Update

Update to register
Vaughan Dennison – wife ceased employment with HealthCare NZ in January 2022.

2.4 Minutes of the previous meeting

It was resolved:

> *that the Part One minutes of the Finance, Risk and Audit Committee meeting held on 15 March 2022 be approved as a true and correct record. (Moved Vaughan Dennison; seconded John Waldon)*

2.5 Matters arising from the previous minutes

There were no matters arising from the previous minutes.

3. PERFORMANCE REPORTING

3.1 Finance Report – March 2022

The General Manager, Finance and Corporate Services and the Deputy Chief Financial Officer presented this report, which was taken as read. They noted that the year-end forecast was better than budget, with the only risk related to the potential impairment of webPAS. Expenditure on digital initiatives approved at the end of 2021 was starting to appear, although some spending will occur in the 2022/23 financial year. It was expected that recruitment difficulties would continue into the next year.

A Committee member noted that nursing costs for the month of March were close to budget, but there was a significant variance in actual and budgeted costs for the year to date. Management explained this was due to pay equity and recruitment issues. Although pay equity would be fully funded by the Government, each District Health Board (DHB) made its own assumptions regarding the outcomes of current industrial negotiations. The calculations made by MidCentral DHB (MDHB) were 'prudently conservative' and were believed to be realistic.

It was resolved that the Committee:

> *note that the month operating result for March 2022 is a deficit before one-off items of $2.190m, which is $1.601m favourable to budget*
>
> *note that the year to date result for March 2022 is a deficit before one-off items of $3.772m, which is $3.601m favourable to budget*
>
> *note that year to date for March 2022, a COVID-19 related contribution of $0.066m and Holidays Act compliance costs of $4.527m have been incurred. Including these results in a year to date deficit after exceptional items of $8.234m, which is $4.389m favourable to budget*
>
> *note that the year-end forecast is for an outturn $1.41m better than budget*
>
> *note that the total available cash and equivalents of $36.911m as of 31 March 2022 is sufficient to support liquidity requirements*

endorse the March 2022 financial report for the Board's consideration. (Moved Tony Hartevelt; seconded John Waldon)

3.2 Finance Report – February 2022

The Deputy Chief Financial Officer presented this report, which was taken as read. He noted

It was resolved that the Committee:

note that the month operating result for February 2022 is a surplus before one-off items of $1.737m, which is $2.283m favourable to budget

note that the year to date operating result for February 2022 is a deficit before one-off items of $1.582m, which is $1.999m favourable to budget

note that year to date for February 2022 COVID-19 related contribution of $0.066m and Holidays Act costs of $3.639m have been incurred. Including these results in a year to date deficit after exceptional items of $5.156m, which is $3.092m favourable to budget

note that the total available cash and equivalents of $35.537m as of 28 February 2022 is sufficient to support liquidity requirements

endorse the February 2022 financial report for the Board's approval. (Moved Tony Hartevelt; seconded John Waldon)

The Interim General Manager, Quality and Innovation joined the meeting.

3.3 Sustainability Plan

The Interim General Manager, Quality and Innovation presented this report, which was taken as read. She advised that incremental savings were being achieved and some timelines had been extended. The skill mix project had been completed in all services and was now on hold until details of the Health New Zealand (Health NZ) structure were known. The skill set required to deliver safe care was always considered as part of recruitment efforts.

A Committee member noted that PSA negotiations had left clinical therapy staff unwilling to volunteer to take part in the OPAL community service project. The Interim General Manager, Quality and Innovation noted that planned strike action had made the therapy team less willing to undertake extra duties such as planned weekend working and explained that strike planning had begun. There had been a good response to the request to recruit OPAL therapy assistants.

It was resolved that the Committee:

note the progress in the implementation of the Sustainability Plan

note the Sustainability Plan benefits monitoring dashboard and trend analysis

note the February 2022 report indicates savings of $374,868 year to date

endorse the approach and progress made to date on the Sustainability Plan 2020-2023, for the Board's consideration. (Moved John Waldon; seconded Vaughan Dennison)

3.4 Implementation of Clinical Audit Review Findings

The Interim General Manager, Quality and Innovation presented this report, which was taken as read.

In response to a question, the General Manager, Māori Health advised that discussions were taking place to ensure that people recruited to work in public health understand tikanga values. A formal arrangement was being developed to ensure that the STEM (Science, Technology, Engineering and Mathematics) programme was being built into education for rangatahi interested in a health career.

A Board member noted the recommendation from the College of Emergency Nursing's visit in February 2021 was to establish TrendCare within three months. This had been extended due to the impact of COVID-19, but FTE calculations would not be completed until December 2023. The General Manager, Finance and Corporate Services advised that 12 months of continuous TrendCare data was needed before analysis could be carried out. The Interim General Manager, Quality and Innovation gave reassurance that a lot of strategies were in place to support staff in this department.

It was resolved that the Committee:

> *endorse the progress of the clinical audit recommendations. (Moved Vaughan Dennison; seconded Brendan Duffy)*

The Interim General Manager, Quality and Innovation left the meeting.

The Sustainability Officer joined the meeting.

4. STRATEGY AND PLANNING

4.1 Environmental Sustainability Strategy

The Sustainability Officer presented this report. In response to questions, he explained that:

- The volume of cytotoxic waste generated was small and was processed centrally by two providers. As this could not be reprocessed, it was incinerated.
- The $110 million investment required to achieve the minimum carbon decarbonisation target over the next three years was a national figure. This had been calculated from assessments conducted by the Energy Efficiency Conservation Authority (EECA) and the Ministry of Health's Infrastructure Unit.
- Regular meetings were held between MDHB, Palmerston North City Council and Horizons Regional Council to consider opportunities to work together and align strategies for infrastructure, active transport, resilience to climate change etc.
- Sustainability is broader than climate change, affordable energy and sustainable use. It must also work to reduce inequalities and improve health, as noted in the United Nations' Sustainability Goals. The Māori Health Authority was involved in developing a Sustainability Plan for Health New Zealand to ensure it was Treaty-led.

It was resolved that the Committee:

> *note the future strategic direction of MidCentral District Health Board's Environmental Sustainability Strategy. (Moved Oriana Paewai; seconded John Waldon)*

The Sustainability Officer left the meeting.

The General Manager, People and Culture joined the meeting.

5 DISCUSSION/DECISION PAPERS

No items.

6 INFORMATION PAPERS

It was agreed to re-order the remaining agenda items. The original numbering is used in these minutes.

6.2 Holidays Act Compliance Project Update

The General Manager, People and Culture presented the report, which was taken as read.

It was resolved that the Committee:

note the update on the Holidays Act Compliance Project, and the ongoing work being carried out to resolve non-compliance. (Moved Tony Hartevelt; seconded John Waldon)

6.3 Health, Safety and Wellbeing

The General Manager, People and Culture presented the report, which was taken as read.

- An increase in staff absences was noted. The Committee sought assurance on processes in place to ensure that staff did not work excessive hours to cover shifts due to unplanned absences which led to burnout.
- While recruitment activities for nursing has resulted in providing adequate replacements, ongoing work was being done to reduce the turnover of this group. Further information would be provided in the Workforce Report at the May Board meeting.
- Concerns were raised that industrial action may result in further stress on staff and on patient outcomes. Assurance was provided that service would be maintained in accordance with Life Preserving Services arrangements which have been used effectively during previous industrial action.
- A detailed report on matters related to bullying and harassment in the workplace was requested, including processes in place to identify and investigate or respond to such instances. Management agreed to provide a separate report to the next Committee meeting.

It was resolved that the Committee:

note the quarterly Health, Safety and Wellbeing report

endorse the quarterly Health, Safety and Wellbeing report for submission to the Board. (Moved John Waldon; seconded Vaughan Dennison)

6.1 Internal Audit Programme Update p132

The General Manager, Finance and Corporate Services and Internal Auditor presented the report, which was taken as read.

A Board member noted that the staff engagement survey should be carried out every two years and the last one was in 2020. Management noted that this had been impacted by COVID-19 and the transition to Health New Zealand and offered to provide an update to the next Committee meeting.

It was resolved that the Committee:

note the update on the internal audit programme status report. (Moved Vaughan Dennison; seconded John Waldon)

6.4 Enterprise Risk Update

The General Manager, Finance and Corporate Services presented the report, which was taken as read.

It was resolved that the Committee:

note there has been no change in residual risk rating for Risk ID:728 Infrastructure

note that Enable New Zealand risk is not due for review in this cycle. (Moved Vaughan Dennison; seconded Brendan Duffy)

6.5 Enable New Zealand Enablement Programme Update

The Chief Executive presented this report, which was taken as read.

It was resolved that the Committee:

note the Enablement Programme update to 31 March 2022. (Moved John Waldon; seconded Vaughan Dennison)

6.6 Committee's Work Programme

The General Manager, Finance and Corporate Services presented the report, which was taken as read.

It was resolved that the Committee:

note the update on the work programme. (Moved Brendan Duffy; seconded John Waldon)

7. GLOSSARY OF TERMS

No discussion required.

8. LATE ITEMS

There were no late items for Part One.

9. DATE OF NEXT MEETING

Tuesday, 14 June 2022 – Board Room, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North *(subject to any COVID-19 restrictions)*

The Committee Chair noted that she would like all Board members to attend the final meeting of the Finance, Risk and Audit Committee.

10. EXCLUSION OF PUBLIC

It was resolved:

> *that the public be excluded from this meeting in accordance with the Official Information Act 1982, section 9 for the following items for the reasons stated:*

Item	***Reason***	***Ref***
'In committee' minutes of the previous meeting	For reasons set out in the meeting agenda of 15 March 2022	
MAPU/EDOA Construction Project Update	To protect negotiations, including commercial and industrial	9(2)(j)
SPIRE Project Update	To protect negotiations, including commercial and industrial	9(2)(j)
Replacement of Mammography Machines	To protect negotiations, including commercial and industrial	9(2)(j)
Health Sector Reforms – Transition Plan for MDHB	To maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials	9(2)(f)(iv)

Moved from the Chair and carried

Part One of the meeting closed at 10.23am

Confirmed this 14th day of June 2022

……
Chairperson

Manawhenua Hauora Chair’s report

The Manawhenua Hauora Chair will provide a verbal update

Strategic focus

Strategic focus

No items for discussion at this meeting

Performance reporting

Printed from Stellar by
Margaret Bell <margaret.bell@midcentraldhb.govt.nz>

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Does the report provide a useful update on local, regional and national matters?
- Are there any additional matters that should be included as routine items in future updates?

To	Board
Author	Kelsey Tanner, Executive Assistant to the Chief Executive
Endorsed by	Kathryn Cook, Chief Executive
Date	29 April 2022
Subject	**Chief Executive's Report**

RECOMMENDATION

It is recommended that the Board:

- **note** the update of key local, regional and national matters.

Strategic Alignment

This report is aligned to the DHB's strategy and key enabler, 'Stewardship'.

1. PURPOSE

To provide the Board with an update of key local, regional and national matters. No decision is required.

2. LOCAL MATTERS

2.1 Managing COVID-19 in the Community

COVID-19 reached a peak daily case rate of 954 on 21 March 2022, occurring 60 days from the first reported early cases in the rohe. Since then, cases have shown a consistent pattern of fall. Higher case numbers are regularly reported on Monday morning with lower weekend reporting (Graph One). The number of cases not reported is unknown but suspected to be 20 percent or more. The trend of cases however has been consistently downwards. This is seen across all localities and all ethnicities and reflects what is seen in other districts and nationally.

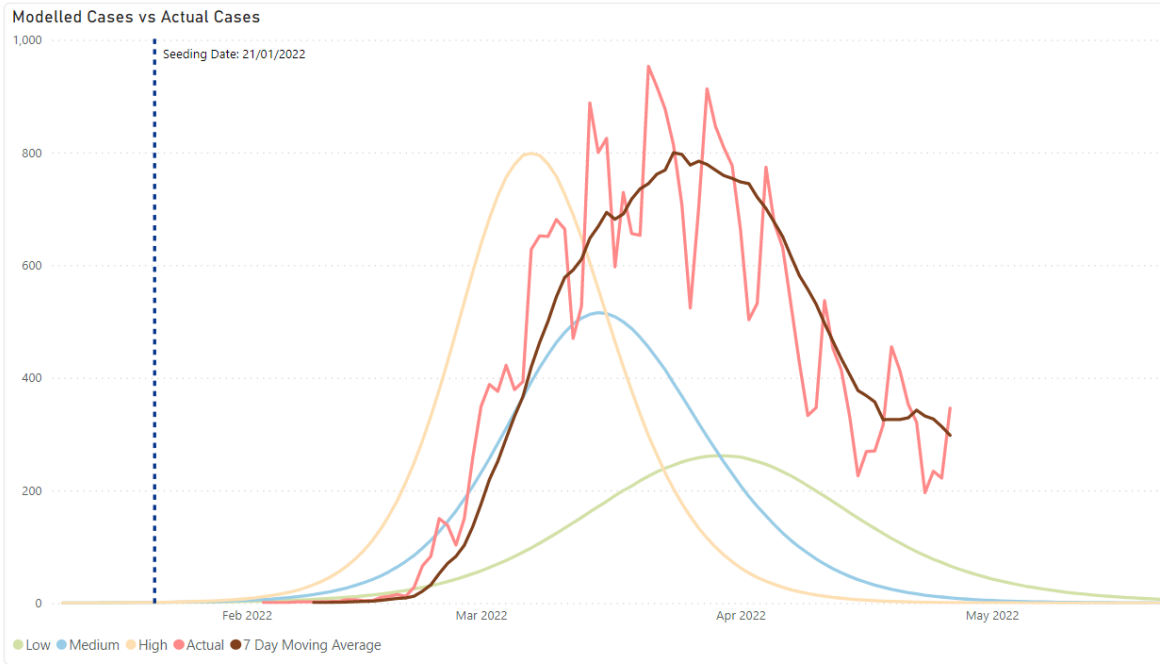
Parallel to this is the drop in cases within Palmerston North Hospital. The peak number of hospital admissions reached 35 for inpatients and day stays. Cases at the time of writing are consistently under 10 per day.

Cases are expected to rise following recent long weekends associated with Easter and ANZAC holidays, and with the return of students to schools and universities. This however is not expected to be substantial. Cases are likely to settle in below one hundred cases per day, with three to four hospital admissions per week within MidCentral District Health Board (MDHB).

The district and locality hubs continue to function although the frequency of meetings and issues needing to be addressed has reduced. The public health team remains focused on higher risk environments for COVID-19 cases such as Aged Residental Care (ARC) facilities and residential care along with large exposure events (faith-based organisations and places of employment).

Attention is now being directed to the risks of winter illnesses, especially influenza.

COVID-19 Resilience – Omicron: National Scaled Modelled Cases vs Actual Cases at 26 April 2022



2.1.1 2.1.1COVID-19 Testing

Testing continues to make an important contribution to the management and understanding of COVID-19. Over 95 percent of tests are conducted by Rapid Antigen Tests (RAT)s outside of the formal testing sites many of which now includes community organisations. The roll-out of RATs in mid-February 2022 saw a shift in the way the public access testing and required the team to be agile to meet the demand. PCR tests are still offered where clinically indicated. As and when required MDHB continues to provide pop up testing sites to meet public demand.

To date, approximately 32,000 or 17 percent of the total MDHB population have reported being COVID-19 positive.

As we move to a new phase of COVID-19 the Ministry of Health (MoH) is working with providers to understand and design ongoing management plans. Testing access in the localities continues to be supported through the GP, pharmacy and iwi provider networks. These providers have continued to make significant contributions to testing while also delivering vaccinations and care in the community services for those who are unwell at home.

2.1.2 Vaccination

Vaccination remains a core focus of the mahi to continue to minimise the effects of Omicron across the rohe.
Key initiatives include the following:

- comprehensive communication plan, inspiring the public to act
- providing incentives to support public action
- working with key community partners to increase the visibility of the CVIP in the community
- building, and more actively supporting the community network of vaccine providers.

Underlying these objectives are additional points of focus to ensure the programme continues to deliver value for the consumer, provider and funders. These foci include:

- provide a supportive environment that allows for discussion regarding vaccination
- provide a choice of vaccinations for both COVID-19 vaccinations, Flu and childhood vaccinations
- evolving the programme resourcing to keep in sync with the volume of work available, whilst also maintaining the ability to surge as required.
- remain responsive and agile to change.

The capacity available across general practice and iwi providers was significantly reduced during the Omicron surge. This is beginning to return to previous capacity levels.

2.1.3 Equity

With the introduction of the first COVID-19 antiviral medicine, locality hubs are working collaboratively to support equitable prescribing of this medicine. Monitoring is being developed to track use and ensure equitable prescribing. This will have importance in future outbreak management.

As COVID-19 vaccination rates have reduced, iwi and Māori providers are being supported to offer incentives of their choosing to encourage vaccination uptake through the school holidays and beyond. This is resulting in a whole whānau vaccination approach being promoted, including extensions to include influenza and childhood immunisations. This has iwi and Māori providers working with the MoH and the Ministry of Education (MoE), supported by Te Puni Kōkiri (TPK) and schools as a means to increase vaccination uptake amongst tamariki and whānau.

Several work activities are underway for future planning or management. This includes understanding the impact on the vaccination programme for those already infected with COVID (less than 90 days since infection) and therefore ineligible for vaccination. Strategies and approaches are also being considered for the longer-term use of the existing workforce, particularly extending kaimahi can administer additional vaccines. The increased primary health care options across localities through the increased

provision of services being provided by iwi and Māori providers will further support access to essential health care services for communities, therefore supporting equity of health outcomes across communities.

2.1.4 COVID-19 Vaccination Order

DHBs have been provided with extensions to these deadlines by the MoH. MDHB continues to encourage all their workers to take their booster vaccinations in line with the timeline applicable to them. The last set of exemptions are until 27 April, by which time staff need to get their boosters. MDHB continues to work with staff to ensure that they remain compliant with the order.

2.1.5 Respirator Fit testing

The DHB continues to offer fit testing to its staff, contractors and tenants as well as Primary Health Organisation staff, iwi and other community providers and ARC staff at no cost. The fit testing programme for iwi and Māori providers who have frontline staff was completed in March. Over 120 staff were fit tested across Manawatū, Horowhenua, Ōtaki and Tararua.

2.2 **Financial Update**

The MDHB result for March 2022 is a deficit before one-off items of $2.190m and is $1.601m favourable to budget. Both net revenue and expenditure are favourable to budget for the month by $0.997m and $0.582m, respectively. The year to date result is a deficit of $3.772m, which is $3.601m favourable to the budget.

A year to date COVID-19 related contribution of $0.066m and Holidays Act costs of $4.527m have been incurred. This results in a year to date deficit of $8.234m when these one-off items are included. Both omicron and information technology implementations will negatively impact the year-end result. Despite this, there is confidence that the annual budget is achievable, as indicated by the year-end forecast of $24.785m which is $1.410m favourable to budget.

2.3 **Te Mātāpuna o te Ora / The source of wellbeing**

Te Matapuna o te Ora went live at the Tararua locality on Monday 4 April. The change included a refresh of the current building to make it a more welcoming place for patients, friends and whānau to support loved ones who may be suffering with mental health. A review of progress toward Te Mātāpuna o te Ora will be provided at the May Board meeting.

2.4 **Collaboration between Te Uru Ruahi and the Ministry of Social Development**

Recruitment of healthcare assistants has been a significant challenge for Mental Health and Addiction Services (MH&AS) for some years. Currently, there are 10 vacancies and to address this ongoing challenge, Te Uru Ruahi is working with the Ministry of Social Development (MSD) on a collaboration to identify people who might be suitable for these positions.

Individuals would be supported through experiential learning and on the job training to be able to fulfil the role of a healthcare assistant within MH&AS. Some of the specific details around funding arrangements and employment agreements are being worked through. However, MSD has identified seven candidates who have now submitted to MH&AS to review their suitability before commencing the training programme.

2.5 OPCAT report

The final report has been received, following the unannounced Ombudsman inspection of Ward 21 under the Crimes of Torture Act (1989) in May 2021. There are a number of recommendations, and the team are developing an action plan to address these.

There was an overarching positivity regarding the views of tangata whaiora and whānau about the care received on the ward. There were areas for improvement identified around the physical environment. This further supports the need for a new facility that is designed appropriately but does highlight some areas that can be improved in the current facility whilst the new build is underway. There was a theme for improvement around documentation and paperwork, it is anticipated the new digital care record will resolve this.

2.6 Thank you to MDHB staff

MDHB acknowledge and thank staff with meal vouchers in April. With increased staff absences, many staff have taken on additional work to ensure we maintain a high level of patient care and kept things running since COVID-19 has come into our communities. The vouchers have been well received by staff and MDHB has received numerous messages of positive feedback.

2.7 Thank you to the COVID ward

On Friday 8 April, the Heartland Lions Club, Palmerston North donated a number of gift bags to thank the Nurses, Doctors, Administration Staff and Health Care Assistants who are working on our dedicated COVID-19 ward at Palmerston North Hospital. The Charge Nurse, Associate Charge Nurse and Nurse Educator met with Lions Club President to receive the gifts. It was wonderful to acknowledge the hard work of the staff on the ward.

2.8 Localities announcement for Horowhenua

On Thursday 21 April, Health Minister Andrew Little visited Levin to announce a new national approach to how healthcare is delivered. This new plan focuses on localities and ensures iwi and community work together, in partnership with local health providers to influence the priorities for their locality. Horowhenua has been named as one of the first localities, with eight prototypes announced nationally. It is estimated that around 80 locality networks will be in place across Aotearoa New Zealand as the health reforms are implemented.

MDHB has been focussing efforts over the past few years on a locality approach to healthcare with positive outcomes. The Horowhenua locality initiative will ensure a continued focus on partnerships and in particular will ensure that Te Tiriti o Waitangi underpins the prototype arrangements with iwi leadership of this prototype, it also supports the establishment of the backbone arrangements for the new approach to the new iwi-Māori partnership Board which will replace the current Manawhenua Hauora governance group.

2.9 **Summerset by the Ranges residential care facility**

MDHB was notified on Sunday 24 April of a fire in the plant room at Summerset by the Ranges residential care facility in Levin that occurred overnight. This facility is contracted for hospital level of care, rest home care and dementia care residents and is home to 47 residents. Residents and staff are all safe and they implemented their emergency plans and received support at a local and national level. Summerset can connect one generator to provide power to the Dementia unit (20 residents). As of Wednesday 4 May, 27 residents (15 rest home level and 13 hospital level care), have been relocated to other ARC facilities in Levin. MDHB has been advised that the repairs will take between six to eight 8 weeks.

2.10 **Ministerial visit to Public Health Unit**

The Hon Dr Ayesha Verrall, Associate Minister of Health was accompanied by local MP Tangi Utikere to the Public Health Unit on Tuesday 26 April 2022. The Minister wanted to meet with frontline team leaders responsible for the ongoing COVID-19 response, alongside the health promotion and protection portfolios. Interactive kōrero was shared regarding key focus areas such as the future of immunisation, ongoing pandemic preparedness, and the role of the national Public Health Service moving forward. Minister Verrall provided very positive feedback regarding the integrated approach.

2.11 **Living our Values Awards**

The Living our Values Awards for 2021 were held on Tuesday 3 May. These awards are normally a part of the staff BBQ in December, however due to COVID-19 restrictions the awards were postponed. Recipients were invited to receive their awards in person and friends, colleagues and whānau joined via Zoom.

2.12 **Pūhoro & MDHB partnership celebration**

On Thursday 5 May a celebration and the formal signing of the Pūhoro & MDHB partnership was held in the MDHB Board room. Pūhoro STEMM (Science, technology, engineering, mathematics and medicine) Academy and MDHB have signed a partnership agreement to ensure the success of students in science that will then provide them with more career opportunities in health.

MDHB is the first DHB in the motu to enter into an agreement with Pūhoro, which currently serves 1,074 rangatahi who affiliate with 83 iwi, across 36 schools and 7 regions. The partnership will see a two year funding agreement in place to resource the relationship and programme of activity using rangatahi centric approach. A Rangatahi Hauora Council is to be established to ensure the rangatahi voice is heard within the health system, with a clear intention to ensure there is co-design and development of rangatahi pathway for employment in the health sector.

2.13 Major Capital Building Projects

2.13.1 SPIRE (Surgical Procedural Interventional Recovery Expansion)

Stage 1 construction is over 30 percent complete and involves the establishment of a new Day of Surgery Admission and Recovery area, and the expansion of the Endoscopy Unit on the first floor of Block A. Stage 2 construction contract is in place.

COVID and remedial works required is impacting both the project programme and cost. The remedial works relate to issues found within the ceiling and walls once the demolition work had been completed. While issues of this nature were expected, the extent exceeds what was envisaged based on the due diligence undertaken.

2.13.2 Acute Mental Health Unit

The Developed Design for this new facility is completed. Work on the Detailed design will commence following the programme, budget and procurement review. COVID has seen a significant change in the construction industry and supply chain, necessitating the need to look at how we procure the main contractor and supplies.

2.13.3 Medical Assessment Planning Unit (MAPU)/Emergency Department Observation Area (EDOA) Unit

Stage 1 (foundations and civil works) is progressing. The foundation, which is being created in three slabs, is on track for completion in May. To date, two slabs have been poured. Work on the foundations for the connecting walkway to the hospital has begun.

3 REGIONAL MATTERS

3.1 Central Regional (CR) Chief Executives (CE) meeting

The CR CEs met in person on Monday 2 May. Updates on the following items were discussed.

3.1.1 Central Region Health Emergency Response Planning Programme

The CR CEs continue to monitor the workstreams under the Health Emergency Response Planning Programme. These include the Central Regional Health Emergency Plan, the Central Region Coordination Centre (CRCC) and the Resilience Plan. An update on the current status of the resilience programme and planned next steps were presented. A key areas of focus for the programme is around how to progress with the regional resilience programme against the Blueprint for Regional Coordination Centres, in relation to outbreak management.

3.1.2 Regional programme updates

The CR CEs were provided with an update on the Regional Digital Health Services and the Regional Cardiac Programme. Both programmes are on track with minor constraints.

3.1.3 Regional Partnership Group

The Central Region Partnership Group (RPG) has been reinstated after being stood down in November 2021 due to the focus on COVID resilience response and planning. The RPG was established in February 2021 to work on the co-design and delivery of regional priority programmes. An update was provided to the CR CEs on the key areas of their discussion and recommendations arising from this meeting.
The key areas included:

- Terms of Reference for RPG
- Future Cardiac System of Care
- Winter Surge Preparedness.

3. NATIONAL MATTERS

3.1. Health New Zealand and Māori Health Authority update

On Wednesday 11 April the National CEs meeting was held in Wellington. A key agenda item was a workshop on the organisational design of Health New Zealand (HNZ) facilitated by Fepulea'i Margie Apa, Chief Executive of interim HNZ. Riana Manuel, Chief Executive of interim Māori Health Authority (MHA) also joined and updated CEs on the proposed organisational design for the MHA.

On Monday 2 May, interim HNZ and interim MHA released the operating model and high-level structure. An information pack was provided in order to support the communication and conversations with staff. On Wednesday 10 May, an online briefing will be held to discuss the operating model and high-level organisational structure. DHB tier two and other senior leaders have been invited and Margie and Riana will respond to questions and set out the next steps. MDHB is working through a communications plan to effectively communicate with staff and stakeholders.

3.2. Multi-Employer Collective Agreement Bargaining and pay Equity updates

3.1.4 FIRST Union

The DHB has a Single Employer Collective Agreement (SECA) with the FIRST Union covering pharmacists. The offer made by the DHB, which aligned with guidelines from the MoH has been rejected by the union. MDHB's offer was similar to that offered to the PSA for their members covered by the Allied Health, Technical and Scientific Officers, as that MECA covers Pharmacist roles across a number of other DHBs. The Union is waiting for the Allied Health, Technical and Scientific Officers MECA to settle before reconvening negotiations.

3.1.5 Medical Physicists

Six DHBs, including MDHB, employ Medical Physicists within their Cancer Treatment Services. An offer to settle this MECA was made at the end of October 2021 to the Association of Professional and Executive Employees (APEX), the Union representing these employees. The offer made by the DHB has been rejected and mediation to resolve matters has been unsuccessful. APEX had issued notices of strike action to all six DHBs covering various periods and dates. MDHB had received notice of partial strike action for a month from 1 March to 1 April 2022 during which, Medical Physicists would not provide Quality Assurance each Wednesday on one of the three DHB's LINAC machines.

Contingency plans were in place to minimise the impact on service delivery. However, on 10 March 2022 APEX has withdrawn all notices of strike action given the increasing impact of Omicron on DHBs. DHBs are continuing to explore options to settle this MECA, which includes a revised offer being made to APEX who are seeking feedback from their members.

3.1.6 Association of Salaried Medical Specialists (ASMS)

Mediated bargaining continued in December 2021 with the ASMS union (which covers Senior Medical Officers). Both parties are still some distance away in terms of settling any substantial claims. The DHB bargaining team is preparing a third offer and is currently going through its approval process before this offer is made to ASMS.

3.1.7 Allied Health, Public Health & Scientific Officers

Negotiations with the Public Service Association (PSA) over this MECA have been underway since last year. The DHBs recent offer was rejected by PSA members, and the PSA issued a strike notice across all DHBs for 4 March and 18 March 2022. Contingency plans were put in place and Life Preserving Services (for 4 March 2022) were agreed with the PSA. The DHBs sought an injunction to call off the strike action on the basis that the strike was unlawful, as it essentially related to pay equity bargaining, which was not a core component of the MECA bargaining. The DHBs injunction application was successful, and the strikes will now not go ahead. Negotiations are continuing using a facilitated process, with the final two days of facilitation held on 21/22 March. Facilitation did not achieve a settlement. The PSA is currently balloting their members for industrial action which is likely to occur in mid May.

3.1.8 Pay Equity Bargaining – Nurses and Midwives (NZNO)

Negotiations over pay equity for Nurses and Midwives has concluded with an agreement being reached between NZNO and the DHBs over a proposed settlement. As soon as the settlement has been ratified the new pay rates will be implemented as soon as possible.

3.1.9 Admin and Clerical (PSA) Pay Equity Claims

Negotiations over pay equity for Admin and Clerical staff has concluded with an agreement being reached between the PSA and the DHBs over a proposed settlement. As soon as the settlement has been ratified the new pay rates will be implemented as soon as possible.

Pay equity work continues with the MERAS (Midwives) APEX, PSA (Allied and Scientific, roles) with the parties continuing to engage, and detailed information about the many professional groups covered by this claim is being sought from DHBs and staff in the roles.

4. ORGANISATIONAL LEADERSHIP TEAM AND STAFFING MATTERS

4.1.1. Leadership role changes

Given that many Executive and management roles have not been replaced over the last 12 months or so, the DHB is considering minor structural and functional adjustments to some executive roles to ensure that MDHB has a strong, coherent and consistent leadership model which provides for a smooth transition to HNZ. The aim is to minimise significant structural change and to ensure that there is sufficient and strong leadership to support all DHB functions. Any proposed changes will be consulted and due process will be followed.
Key changes are likely to be:

- Creating a Chief Operating Officer function (not a new role)
- Sustained leadership of the Quality and Innovation functions
- Reorganisation and strengthening of the Acute and Elective Services directorate's third tier leadership structure.

It has been confirmed that Dr Jeff Brown will be stepping into the role of CE on 1 July with the transition into HNZ and MHA.

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

To	Board
Author	Darryl Ratana, Deputy Chief Financial Officer
Endorsed by	Neil Wanden, General Manager, Finance and Corporate Services
Date	27 April 2022
Subject	**Finance Report – March 2022**

Key questions the Board should consider in reviewing this paper:

- Is the current financial performance and trend in performance sustainable?
- Are the variations from budget sufficiently well explained and reasonable?
- Is there key financial information that you need for governance not included in this report?
- Is the DHB able to trade solvently?

RECOMMENDATION

It is recommended that the Board:

- **note** that at its April meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** that the month operating result for March 2022 is a deficit before one-off items of $2.190m, which is $1.601m favourable to budget
- **note** that the year to date result for March 2022 is a deficit before one-off items of $3.772m, which is $3.601m favourable to budget
- **note** that year to date March 2022, a COVID-19 related contribution of $0.066m and Holidays Act compliance project costs of $4.527m have been incurred. Including these, results in a year to date deficit after exceptional items of $8.234m, which is $4.389m favourable to budget
- **note** that the year-end forecast is for an outturn $1.41m better than budget.
- **note** that the total available cash and equivalents of $36.911m as of 31 March 2022 is sufficient to support liquidity requirements
- **approve** the March 2022 financial report.

Strategic Alignment This report is aligned to the DHB's strategy and key enabler, 'Stewardship'.

BOARD REPORT

1. REPORT AT A GLANCE

The operating result for March 2022 is a deficit before one-off items of $2.190m, which is $1.601m favourable to budget.

Favourable to Budget | Close to, or on Budget | Adverse to Budget

Month to Date

Surplus/(Deficit)
($2.2m)
Budget Variance
$1.601m
42.2%

FTEs
2,378
Budget Variance
144
5.7%

Capex
$6.0m
Budget Variance
$2.0m
25.2%

Cash & Deposits Movement
$4.2m
Budget Variance
$2.3m
(123.9%)

Favourable unplanned care more than offsets displaced planned care funding leading to an overall favourable revenue variance.

FTEs remain below budget with a 24 FTE decrease since last month across all job types.

Nursing costs and locum costs continue to be over budget. Locums are due to the use of locums in Mental Health and Addiction Services. Nursing includes pay equity components offset by related revenue.

Capital approvals during the month were not significant, expenditure on approved items maintained pace.

Year to Date

Surplus/(Deficit)
($3.8m)
Budget Variance
$3.60m
48.8%

FTEs
2,397
Budget Variance
64
2.6%

Capex
$26.8m
Budget Variance
$32.3m
54.7%

Cash & Deposits
$36.9m
Budget Variance
$23.4m
172.5%

Current Ratio
1.02
Budget Variance
0.21

Lower than expected Planned care has been topped up by the Ministry of Health (first quarter) or offset by Unplanned Care.

One-off ACC funding for Non Acute Rehabilitation has boosted revenue.

FTEs are below budget with little growth across the year.

Pay equity payments have been offset by revenue.

Heavy reliance noticeable in outsourced staff and services.

Capital expenditure is lagging behind budget YTD.

Potential Budget Risks

Seven Risks in Total.

- **Four** Low Risks
- **Nil** Medium (on watch) Risks
- **Two** Medium (Concern) Risk
- **One** High Risk

Year End

Surplus/(Deficit)
($18.8m)
Budget Variance
$0.4m
0.0%

FTEs
2,446
Budget Variance
30
0.0%

Capex
$85.8m
Budget Variance
($12.1m)
0.0%

Cash & Deposits
$10.8m
Budget Variance
$10.0m
0.0%

Current Ratio
1.00
Budget Variance
0.19

The forecast operating deficit before one-off items is close to budget.

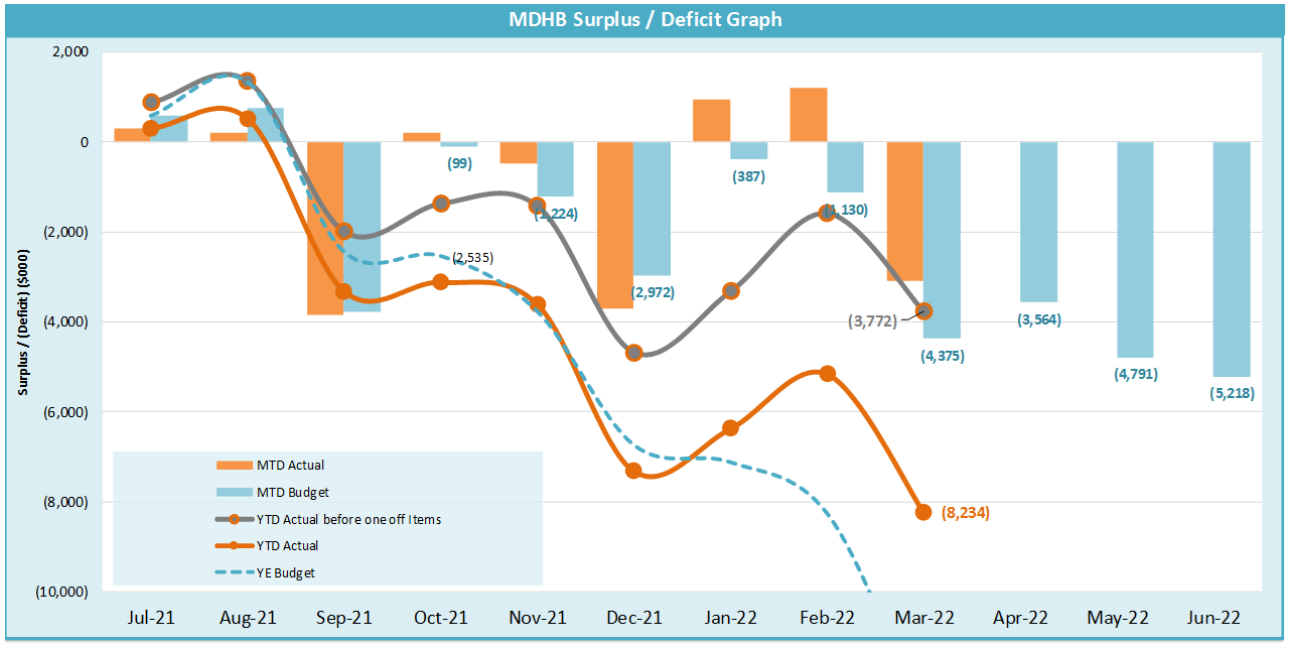
Including one-off items, forecast indicates a year-end deficit that is $1.4m favourable to budget.

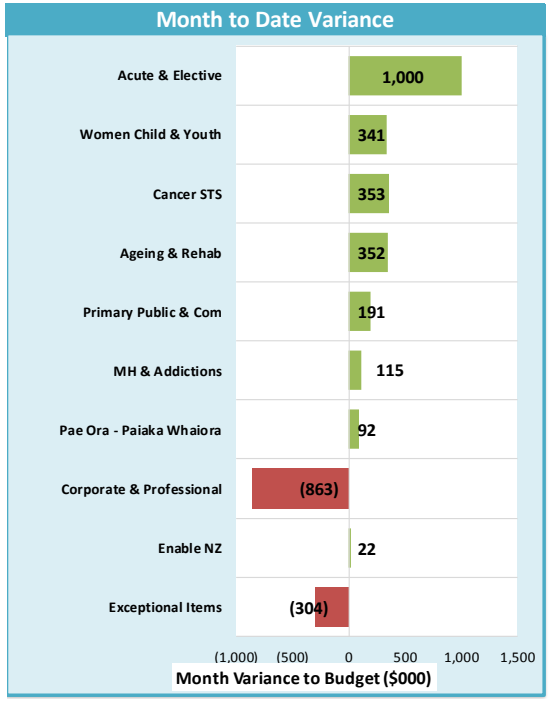
There is increasing confidence that the actual result will outperform the budget.

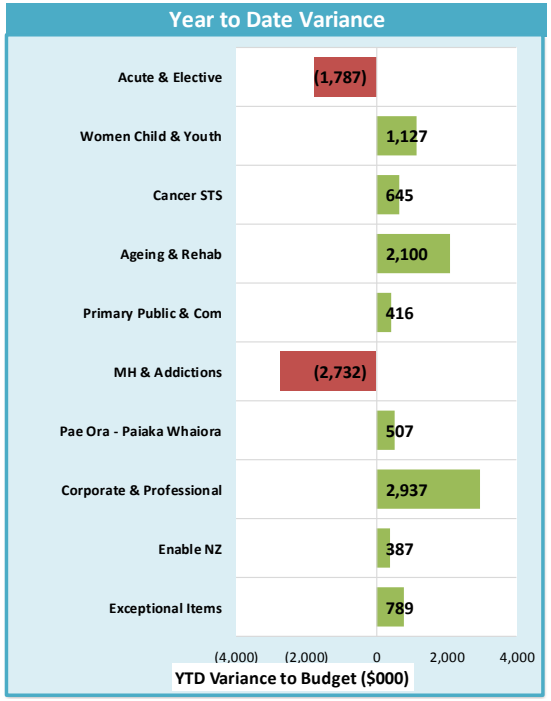
Vacancies are proving difficult to fill and timing of SaaS implementations are likely to be delayed.

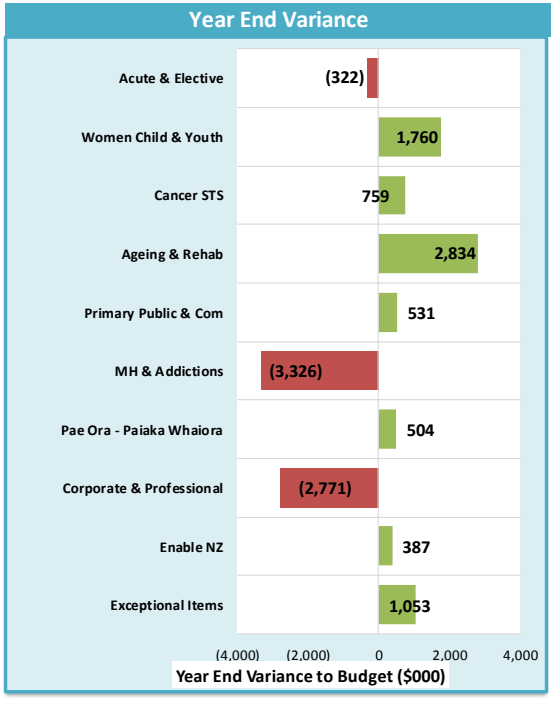
The adverse capital expenditure variance to budget is due to approved items that attract additional and unbudgeted Ministry of Health funding.

BOARD REPORT









2. FINANCIAL COMMENTARY

Adverse variances are in brackets unless stated otherwise.

2.1 Financial Performance

The MidCentral District Health Board (MDHB) result for March 2022 is a deficit before one-off items of $2.190m and is $1.601m favourable to budget. Both net revenue and expenditure are favourable to budget for the month by $0.997m and $0.582m, respectively. The year to date result is a deficit of $3.772m, which is $3.601m favourable to the budget.

A year to date COVID-19 related contribution of $0.066m and Holidays Act costs of $4.527m have been incurred. This results in a year to date deficit of $8.234m when these one-off items are included.

Both Omicron and information technology implementations will negatively impact the year-end result. Despite this, there is confidence that the annual budget is achievable, as indicated by the year-end forecast of $24.785m.

The Statement of Financial Performance is shown in the following table.

BOARD REPORT

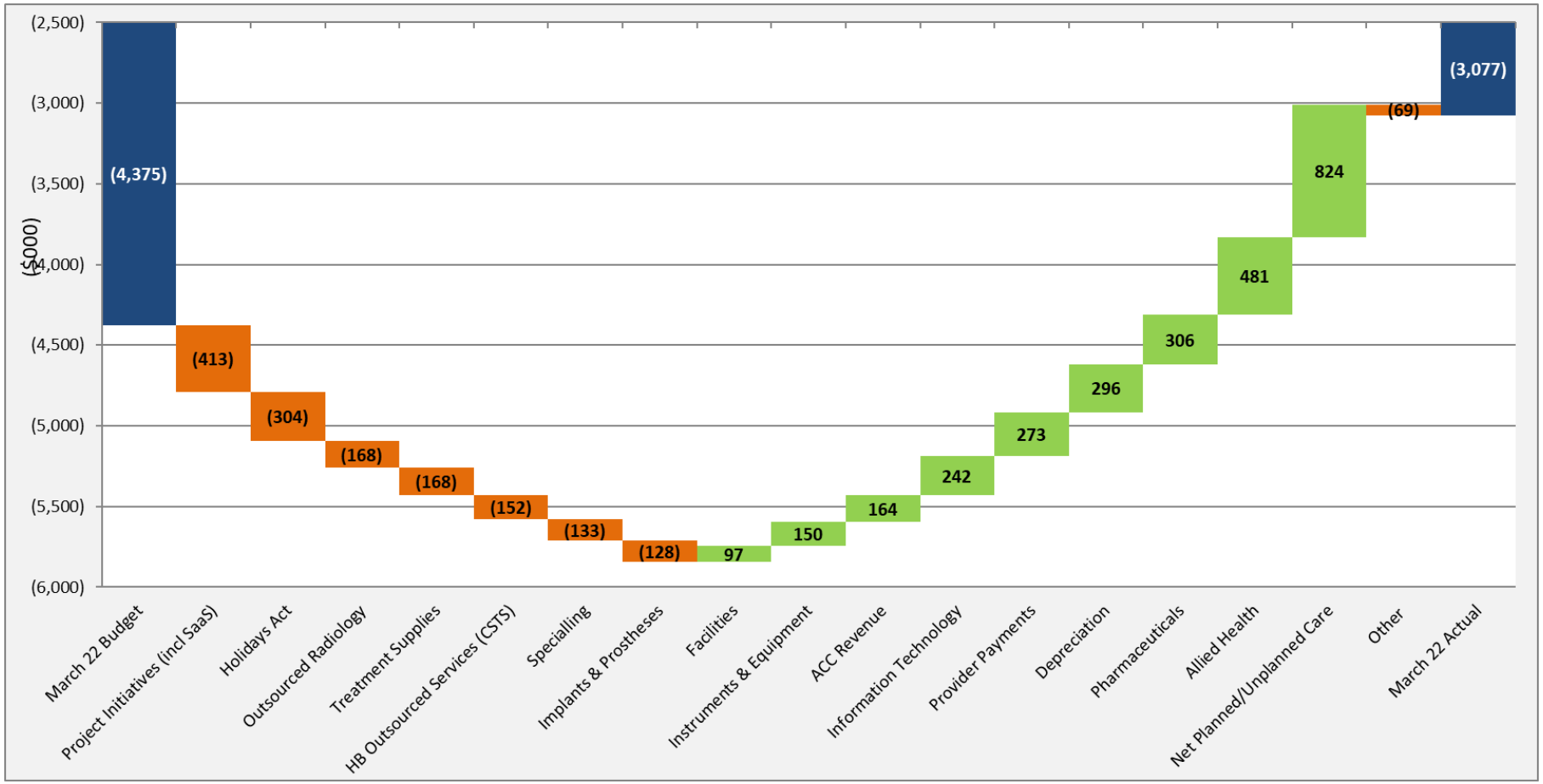
$000	March 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Net Revenue	**65,529**	**64,532**	**997** ✓	**596,013**	**579,536**	**16,476** ✓	**787,839**	**772,680**	**15,160** ✓
Expenditure									
Medical	7,267	7,720	452 ✓	61,554	62,446	892 ✓	82,523	85,338	2,815 ✓
Nursing	9,350	9,405	55 ✓	92,014	81,158	(10,856) ✗	122,028	110,673	(11,355) ✗
Allied Health	3,266	3,766	500 ✓	27,943	30,068	2,125 ✓	37,943	40,912	2,969 ✓
Support	157	181	24 ✓	1,335	1,517	182 ✓	1,950	2,044	94 ✓
Management / Admin	3,298	3,534	236 ✓	28,273	28,768	495 ✓	38,476	39,094	618 ✓
Personnel	23,338	24,606	1,268 ✓	211,120	203,957	(7,163) !	282,919	278,061	(4,858) !
Outsourced Personnel	1,317	387	(930) ✗	9,037	3,232	(5,805) ✗	13,256	4,685	(8,571) ✗
Sub -Total Personnel	24,656	24,993	338 ✓	220,157	207,188	(12,968) ✗	296,175	282,746	(13,430) !
Other Outsourced Services	2,795	2,365	(430) ✗	22,287	20,206	(2,081) ✗	29,659	27,066	(2,593) ✗
Clinical Supplies	5,888	6,049	161 ✓	48,462	48,678	216 ✓	65,305	65,534	229 ✓
Infrastructure & Non-Clinical	7,679	7,920	241 ✓	63,408	66,616	3,208 ✓	87,884	91,009	3,125 ✓
Provider Payments	27,030	27,303	273 ✓	248,017	246,379	(1,638) !	330,809	328,288	(2,521) !
Total Operating Expenditure	**68,049**	**68,631**	**582** ✓	**602,331**	**589,068**	**(13,263)** !	**809,832**	**794,643**	**(15,190)** !
Operating Surplus/(Deficit)	**(2,519)**	**(4,099)**	**1,579** ✓	**(6,318)**	**(9,531)**	**3,213** ✓	**(21,993)**	**(21,963)**	**(30)** !
Enable NZ Contribution	330	307	22 ✓	2,546	2,159	387 ✓	3,155	2,768	387 ✓
Surplus/(Deficit) Before One-Off Items	**(2,190)**	**(3,791)**	**1,601** ✓	**(3,772)**	**(7,373)**	**3,601** ✓	**(18,838)**	**(19,195)**	**357** ✓
Holidays Act	(888)	(583)	(304) ✗	(4,527)	(5,250)	723 ✓	(6,034)	(7,000)	966 ✓
Covid-19	(0)	(0)	(0) ✗	66	(0)	66 ✓	87	(0)	87 ✓
Surplus/(Deficit)	**(3,077)**	**(4,375)**	**1,297** ✓	**(8,234)**	**(12,623)**	**4,389** ✓	**(24,785)**	**(26,195)**	**1,410** ✓

FTE									
Medical	364.2	388.1	23.9 ↓	362.7	377.6	14.9 ↓	365.8	380.4	14.6 ↓
Nursing	1,110.5	1,160.0	49.5 ↓	1,117.2	1,125.5	8.3 ↓	1,147.5	1,138.1	(9.4) →
Allied Health	416.8	446.2	29.5 ↓	421.9	440.9	19.1 ↓	430.1	442.7	12.6 ↓
Support	28.0	33.5	5.5 ↓	29.3	33.4	4.0 ↓	29.4	33.4	4.0 ↓
Management / Admin	458.4	494.4	36.0 ↓	465.9	483.7	17.9 ↓	472.9	487.0	14.1 ↓
Operating FTE	**2,377.8**	**2,522.2**	**144.4** ↓	**2,396.9**	**2,461.1**	**64.2** ↓	**2,445.6**	**2,481.5**	**35.9** ↓
Enable NZ	135.1	115.4	(19.7) ↑	120.4	115.4	(5.0) →	119.1	115.4	(3.7) →
Holidays Act	3.1	5.0	1.9 ↓	3.7	5.0	1.3 ↓	4.8	5.0	0.2 ↓
Covid-19	84.5	62.2	(22.3) ↑	82.7	75.9	(6.8) ↑	93.6	66.1	(27.6) ↑
Total FTE	**2,600.4**	**2,704.8**	**104.4** ↓	**2,603.6**	**2,657.4**	**53.7** ↓	**2,663.2**	**2,668.0**	**4.8** ↓

✓ Favourable to Budget
! Unfavourable to Budget but within 5%
✗ Unfavourable to Budget outside 5%
↓ FTE Below Budget
→ FTE Higher than Budget but within 5%
↑ FTE Higher than Budget

Major variances to budget for the month drove the result as indicated in the graph below.

MAJOR VARIANCES TO BUDGET FOR THE MONTH



The favourable revenue relates to a number of positive outcomes across the DHB. The most notable include:

- Unplanned (acute) activity and minor procedures in Te Uru Arotau – Acute and Elective Specialist Services is $1.486m favourable to budget. This is partially offset by planned care revenue that is $0.662m adverse to budget. The Omicron outbreak is impacting planned care, leading to a lower level of activity.
- ACC revenue in Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services of $0.202m reflecting increased contract prices for non-acute inpatient rehabilitation activity

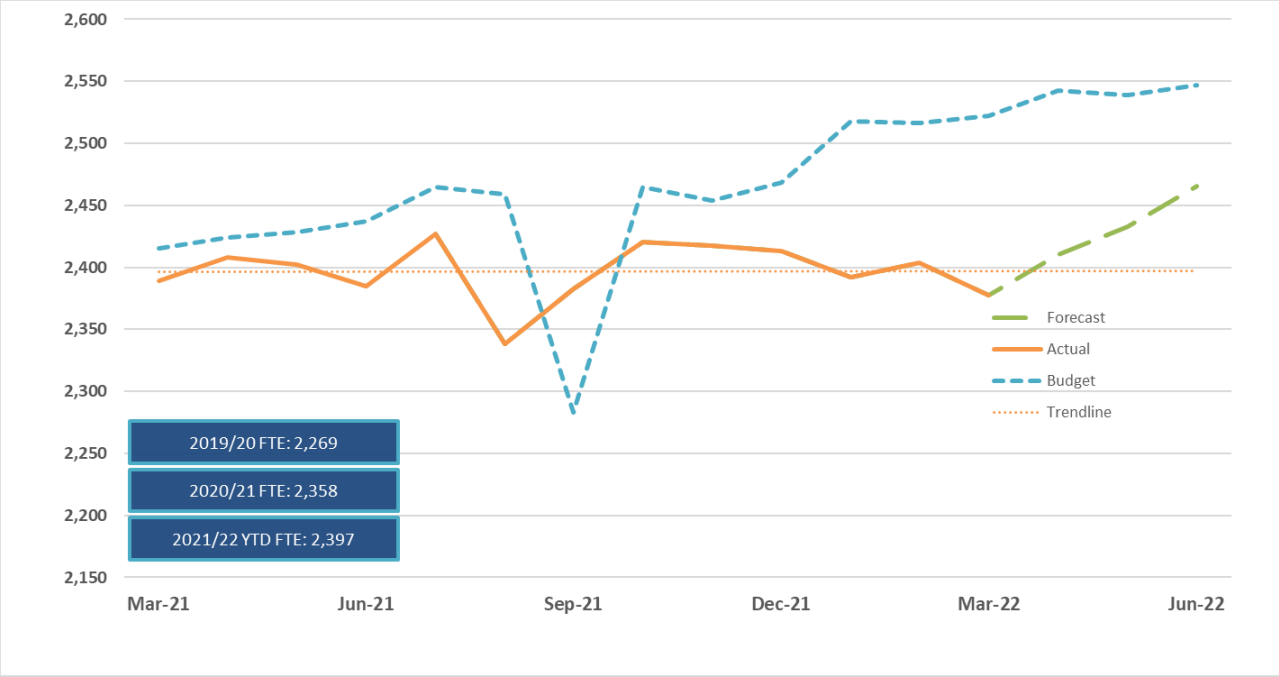
- Unbudgeted funding received for nursing and midwifery pay equity settlements of $0.366m. Funding continues to offset the ongoing additional cost of pay equity.

Full-Time Equivalent staffing (FTE) for the month is as follows:

- FTEs are 104 below budget for the month and 54 below budget year to date. Except for medical staff, COVID-19, and Enable New Zealand, FTEs are below or unchanged from levels experienced in July 2021. The change in this group is a net decrease of 57 FTE, with the most noticeable decline seen in nursing staff (35 FTE).

- The following FTE graph excludes COVID-19 activities and Enable New Zealand. It highlights the increasing gap between budget and actual FTE over the past 12 months. It also shows that FTE levels are largely stagnant during this period despite the desire to recruit additional staff. As a comparison, the annual increase in staff for the two years preceding March 2021 was 85 FTE.

TOTAL EMPLOYED FTES BY MONTH



- The budget acknowledged both the desire to increase and the difficulty in finding suitably skilled staff. Consistent with previous years, the budget assumed staff would gradually increase as the year progressed. In hindsight, 2021/22 FTE targets have proven to be ambitious. The forecast anticipates an increase in staffing before the end of the year. However, given the current labour shortages across New Zealand, FTE growth is likely to be subdued.

- Medical staff numbers have increased since July 2021; however, they remain below budget by 15 FTE for the year. Te Uru Arotau – Acute and Elective Specialist Services are eight below budget due to radiologist vacancies. A further six vacancies exist in Te Uru Rauhī – Mental Health and Addiction Services and are being covered by locums.

- While COVID-19 staff levels are above budget by 22 FTE, these are funded with revenue that is also unbudgeted. The variance reinforces the difficulty in planning for the uncertainties of pandemic impacts when the budget was constructed. Staff have increased throughout the year and are now 35 FTE more than at the start of the year. The majority of these are nursing roles (21 FTE), with the remainder mainly being administrative.

- Enable New Zealand staffing is 20 FTE above budget and is driven by unbudgeted ACC contracts secured in the second quarter of this year.

Significant variances in operating expenditure for the month are highlighted below.

- Personnel expenditure (excluding Outsourced Personnel) is favourable by $1.268m for the month. The majority relates to medical, allied health and, to a lesser degree, to administration staff. Vacancies play a significant part for medical staff, radiology and psychiatry. Favourable allied health variances run across all Clusters except for Te Uru Rauhī – Mental Health and Addiction Services, which are close to budget. Favourable administration staff expenditure is primarily attributed to the Professional and Executive Enabler.
- Outsourced Personnel expenditure is adverse by $0.930m, with $0.491m related to the use of locums. As with previous months, adverse locum costs reside in Te Uru Rauhī – Mental Health and Addiction Services and total $0.241m. They also feature in Rheumatology and Internal Medicine.

  The remaining variance in Outsourced Personnel is attributable to nurse specialing and administration staff which are $0.133m and $0.276m adverse to budget. Nurse specialing incurred $0.205m for the month, aligning with the average monthly spend during 2021/22. Outsourced administration staff feature in Digital Services and various software implementation projects.
- Other Outsourced Services are $0.430m adverse to budget for March. Adverse radiology costs ($0.224m) in Te Uru Arotau and Hawke's Bay DHB costs ($0.152m) in Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services related to cancer treatment are the leading causes.
- Favourable Clinical Supplies was impacted by pharmaceuticals ($0.306m), depreciation ($0.119m) and instruments and equipment costs ($0.150m). A significant portion of these variances are in Te Uru Mātai Matengau, which had lower cancer treatment drug usage and lower equipment maintenance costs for the month. Favourable pharmaceuticals also resulted from less than anticipated use of infliximab in Te Uru Arotau.

  Some adverse Clinical Supply expenditure partially offset the overall favourable month variance. Implants and Prostheses costs within Theatre were higher than budget ($0.128m). Also, the increased use of air ambulance services led to an adverse variance for the month ($0.116m). The use of perfusion materials in Clinical Haematology was higher than expected ($0.153m).

- Infrastructure and Non-Clinical expenditure was $0.241m favourable to the budget for the month. Depreciation for facilities and information technology was responsible for $0.179m of this variance. Furthermore, operational information technology costs were $0.334m favourable for the month, with most of this being software maintenance. This is offset by unbudgeted Software as a Service (SaaS) initiatives that are at various stages of implementation.

  The 2021/22 budget had a 30 percent increase in information technology operating expenditure. While costs have increased since last year, they have not reached levels anticipated in the budget, resulting in significant favourable variances. This has provided 'budget cover' for technology projects originally conceived as capital expenditure but implemented as SaaS. The cost of SaaS projects for the month was $0.367m, which included $0.261m of information system costs and $0.106m of contracted professional services.

One-off items include the Holidays Act compliance project and COVID-19 expenditure.

- Holidays Act expenditure for the month includes a $0.835m increase in the provision, with the remainder being project costs. Project costs are lower than anticipated in the budget leading to a favourable variance for the month and year.
- COVID-19 expenditure for the month includes $8.512m of costs largely offset by funding received for immunisation, surveillance, and isolation. Both revenue and expenditure are close to budget.

2.2 Financial Performance by Service

The statement of 'Net Revenue and Expenditure by Service' is shown in the table below.

$000	March 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Acute & Elective Specialist Services	(14,993)	(15,993)	1,000 ✓	(133,658)	(131,872)	(1,787) !	(178,798)	(178,476)	(322) !
Healthy Women, Children and Youth	(3,196)	(3,537)	341 ✓	(29,229)	(30,357)	1,127 ✓	(39,419)	(41,179)	1,760 ✓
Cancer Screening, Treatment & Support	(3,788)	(4,140)	353 ✓	(34,397)	(35,043)	645 ✓	(46,524)	(47,282)	759 ✓
Healthy Ageing & Rehabiliation	(9,281)	(9,633)	352 ✓	(83,468)	(85,568)	2,100 ✓	(111,690)	(114,524)	2,834 ✓
Primary, Public & Community	(5,474)	(5,665)	191 ✓	(49,907)	(50,323)	416 ✓	(66,628)	(67,160)	531 ✓
Mental Health & Addictions	(3,896)	(4,010)	115 ✓	(37,154)	(34,422)	(2,732) ✗	(49,633)	(46,307)	(3,326) ✗
Pae Ora - Paiaka Whaiora	(911)	(1,003)	92 ✓	(8,400)	(8,907)	507 ✓	(11,382)	(11,886)	504 ✓
Corporate & Professional Services	39,070	39,932	(863) !	370,346	367,409	2,937 ✓	482,681	485,452	(2,771) !
Enable NZ	280	257	22 ✓	2,096	1,709	387 ✓	2,555	2,168	387 ✓
Surplus/(Deficit) Before One-Off Items	**(2,190)**	**(3,791)**	**1,601** ✓	**(3,772)**	**(7,373)**	**3,601** ✓	**(18,838)**	**(19,195)**	**357** ✓
Exceptional Items	(888)	(583)	(304) ✗	(4,461)	(5,250)	789 ✓	(5,947)	(7,000)	1,053 ✓
Surplus/(Deficit)	**(3,077)**	**(4,375)**	**1,297** ✓	**(8,234)**	**(12,623)**	**4,389** ✓	**(24,785)**	**(26,195)**	**1,410** ✓

Items of note which impacted service financial performance for the month are outlined below. Further details are provided in Appendix One – Financial Performance by Service.

- Te Uru Arotau – Acute and Elective Specialist Services was $1.000m favourable to budget for the month with favourable revenue of $1.282m partially offset by adverse expenditure ($0.282m). Unplanned care and minor procedures that were $1.486m favourable were partially offset by planned care revenue which was $0.662m adverse to budget. Favourable revenue also resulted from pay equity funding ($0.220m), offset by associated nursing costs. Despite pay equity payments, personnel costs were favourable to budget due to continued vacancies in radiology staff. Outsourced Radiology continues to be adverse, being $0.218m and $1.040m over budget for the month and year to date, respectively. The year-end forecast suggests that the adverse year to date variance will reduce.
- Te Uru Pā Harakeke – Healthy Women, Children and Youth Services was favourable to budget for the month due to clinical FTEs that continue to be lower than that planned, particularly for midwives and nurses. Cleaning costs, meals and maintenance costs contributed to the favourable month variance. The year-end forecast suggests that the favourable year to date variance will increase.
- Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services was favourable to budget for the month. The favourable variance is largely driven by medical staff, depreciation, and maintenance costs. The year-end forecast is favourable to budget.
- Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services was $0.352m favourable to budget for the month. ACC revenue was $0.202m higher than anticipated, largely due to contract prices changes. The year-end forecast is now significantly favourable to budget due to the impact of backdated ACC price changes.
- Te Uru Kiriora – Primary, Public and Community Services was on budget for the month. Adverse nursing costs for early pay equity payments and offset by revenue. In addition, lower transport costs impact positively on the month result. The year-end forecast is favourable to budget.
- Te Uru Rauhī – Mental Health and Addiction Services was favourable to budget by $0.115m for the month. This is primarily the result of a reconfiguration of Community Provider contracts that resulted in a saving for the month. The cost of locum cover for March ($0.241m adverse) is offset by medical staff vacancies. Ward 21 nursing costs continue to be higher than expected. The year-end forecast suggests that the adverse year to date variance will increase.
- Corporate and Professional Services comprises all executive and enabler functions. The March result is $0.863m adverse to budget for the month, with much of it being adverse revenue. This is the result of an internal transfer of funding previously held by the Funding Division to the Provider Division for COVID-19 related expenditure (refer to section 2.4 COVID-19). Excluding this, Corporate and Professional Services is close to budget.

  The cost of unbudgeted SaaS initiatives is held in Corporate and Professional Services and is beginning to have an adverse, albeit anticipated, impact on the budget. These initiatives are $0.413m adverse for the month and $0.630m adverse year to date. The year-end forecast includes the costs for implementing SaaS initiatives.

- Exceptional Items contains organisation-wide costs for COVID-19 and the Holidays Act. Refer to sections 2.3 and 2.4 below.
- The March 2022 result for Enable New Zealand is due to favourable income from trading activities and procurement rebates. Trading activities include direct sales, equipment hire, equipment refurbishment and freighting of complex equipment.

A Statement of Net Revenue and Expenditure by Division is shown in the table below.

$000	March 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Funding Division	3,187	3,544	(357) ✖	28,748	30,609	(1,861) ✖	34,947	41,236	(6,289) ✖
MidCentral Provider	(7,003)	(8,175)	1,173 ✔	(41,858)	(44,941)	3,083 ✔	(65,849)	(69,599)	3,750 ✔
Enable NZ	280	257	22 ✔	2,096	1,709	387 ✔	2,555	2,168	387 ✔
Governance	459	(0)	459 ✔	2,780	(0)	2,780 ✔	3,562	0	3,562 ✔
Surplus/(Deficit)	**(3,077)**	**(4,375)**	**1,297** ✔	**(8,234)**	**(12,623)**	**4,389** ✔	**(24,785)**	**(26,195)**	**1,410** ✔

2.3 Holidays Act

Holidays Act related costs of $0.888m are $0.304m adverse to the budget for the month. The majority of this ($0.835m) is an increase to the Holidays Act provision. The remainder relates to project costs. The Holidays Act is a national issue faced by all DHBs, and the expectation is that this will require separate funding to remediate. The Government has signalled that it will provide this funding once all DHBs are in a position to rectify it.

The value of the Holidays Act provision as of February 2022 was $51.213m and is held in the balance sheet. A significant increase in the provision was recognised last year to reflect the estimate undertaken by Ernst & Young. A further $4.835m has been accrued this year. The 2020/21 estimate has been subject to the year-end audit process. However, the adequacy or otherwise of these provisions will not be confirmed until the individual remediation calculations are substantially complete.

2.4 COVID-19

Net expenditure during March was nil and on budget for the month. Revenue received was $8.512m and was offset by operating expenditure. This was much higher than the average monthly spend due to rapid antigen tests and personal protective equipment. In addition, the increase was due to high surveillance and isolation costs.

2.5 Year-end forecast

The year-end forecast projects a deficit of $24.785m, which is a $1.410m improvement on the budget. There is a confidence that the annual budget will be exceeded with the following points to note:

- The forecast excludes the impact of potential impairments due to the approved webPAS SaaS business case. The business case assumed an impairment as high as $7.176m. However, it is likely to be less than this as delays in project implementation will extend the useful life of the existing webPAS instance. The approach to impairment is currently being clarified and includes a discussion with our auditors.
- Also excluded is the financial impact of the current Omicron outbreak. From a financial perspective, this will have both favourable and adverse effects. Previous COVID-19 events resulted in reduced services in some areas and increased activities elsewhere. Much will also depend on the willingness of the Ministry of Health (the Ministry) to fund planned care that is disrupted by Omicron.
- The forecast is optimistic in regard to the filling of staff vacancies. In reality, this will remain a significant challenge in the current environment.
- The year to date adverse variances in Te Uru Arotau and Te Uru Rauhī are unrecoverable. The best outcome is that expenditure decreases so that the variance growth rate slows or partially reverses. Except for Corporate and Professionals Services, all other services are forecast to be ahead of budget.
- Several recently approved information system implementations will impact the Corporate and Professionals Services budget. These projects were initially envisioned as asset purchases and therefore budgeted as capex. However, a SaaS preference will result in unbudgeted operational expenditure.

  Business case implementation costs for 2021/22 were circa $4.5 million. In all likelihood, implementation will be over a much longer timeframe, and therefore, expenditure attributed to this year will be reduced. An additional $3.4m of expenditure is included in the forecast for unbudgeted SaaS implementation. Achieving this level of expenditure prior to year-end will be another challenge for the DHB.

2.6 Budget risks

The majority of risks identified last year remain relevant for this financial year. The Holidays Act project has been removed as a risk. While this remains a significant project, the Ministry is funding all costs and therefore, this risk is offset. In addition, the webPas SaaS risk has been incorporated into a general cloud technology budget risk. As information technology increasingly turns away from on-premise to cloud solutions, this transfers the financial burden from capital to operating costs.

A summary of 2021/22 budget risks is outlined below. It is most likely that actual financial performance (excluding impairment issues) will improve on the budget. However, the risks below can affect MDHB and the degree to which the budget is outperformed.

Risk	Low	Medium (Watch)	Medium (Concern)	High
Indicator				

Risk	Comment	Status
Achieving Sustainability and Saving Plan Objectives		
Sustainability initiatives of $2.050m are included in the budget. These must be achieved to help absorb any unexpected shocks to the DHB.	Sustainability initiatives are behind target on a year to date basis. However, savings elsewhere with the DHB and additional revenue are offsetting any impact this will have on the budget.	
Ongoing Impacts of COVID-19		
The recent outbreak confirms that this is far from over. The impact of further episodes is disruptive to the DHB and its budget.	At the beginning of the year, the lockdown had a noticeable impact on hospital activity and financial performance in the first quarter. DHB business as usual activities is being impacted by the current Omicron outbreak. Management has built strategies to best deal with this and limit the impact.	
Timing of staff recruitment		
The budget reflects average vacancy levels based on the assumption that not all positions will be recruited. It also includes phasing adjustments because the need to fill positions will occur gradually throughout the year.	The variance between budgeted and actual FTEs suggests a high number of vacancies. Given this, the timing of recruitment appears as a low risk at this point. However, FTEs have been reduced in the revised budget to reflect the difficulty in recruiting staff, and the gap between target and actual is now closing.	

Future MECA settlements		
The budget assumption is for a modest 1.5 percent increase in wage settlements based on the Government's expectations. Recent nursing strikes suggest not all employee groups will necessarily accept this.	While settlements for some groups have been higher than the budget expectation, the impact has been muted by lower than budgeted FTEs. To date, additional funding support for the Pay Equity settlements has offset any adverse impact.	
Achieving Planned Care targets		
The Ministry proposed targets require an increase in output to achieve similar revenue levels as in 2020/21. This will need to be carefully managed given the potential disruption due to SPIRE construction.	Refer to '**Ongoing Impacts of COVID-19**' as this is the main risk to planned care targets. Comprehensive planning for the SPIRE project is in place - refer to '**Hospital Capacity**'. While planned care activity was down on budget during the first quarter COVID-19 lockdown period, the Ministry has agreed to fund planned care at the level of budget; thereby alleviating some financial pressure.	
Hospital Capacity		
Hospital bed capacity was very high during 2020/21 due to growing demand. In addition, the SPIRE and EDOA/MAPU PODS project construction activity will increase this year.	Hospital bed occupancy remains high. Surgical leads have endorsed a comprehensive SPIRE transition plan to ensure ongoing theatre capacity during construction. This includes access to Crest facilities and other contingency arrangements if required. MAPU-EDOA is currently in the design phase.	
Cloud Technology		
Many proposed information technology solutions favour software as a Service (SaaS) and Platform as a Service (PaaS). This moves away from on-premise solutions and will transfer the financial burden from capital to operating costs.	Recent business cases such as e-referrals, e-triage and the digitisation of outpatient communication were planned as capital projects but will be implemented as SaaS and therefore become an operating expense. Other projects will likely favour a SaaS approach. The degree to which this impacts this year's financial performance will depend on the timing of implementation.	

2.7 **Financial position**

The main variances in the Balance Sheet as of 31 March 2022 relate to the timing of capital expenditure being later than anticipated, resulting in lower than budgeted non-current assets. Higher cash and deposit balances and Ministry invoicing have resulted in higher than budgeted current assets. As of 31 March 2022, the total available cash and deposit balances were $36.911m. Significant capital expenditure is budgeted for the 2021/22 year. While the timing of this expenditure is currently running later than planned, the projected year-end cash and deposits balance remains close to budget with any significant change in this deriving from the timing of capital projects.

$000	Jun-21	Mar-22		
	Actual	Actual	Budget	Variance
TOTAL ASSETS				
Non Current Assets	293,387	298,921	328,234	(29,313)
Current Assets	68,877	98,503	46,824	51,679
Total Assets	**362,264**	**397,424**	**375,058**	**22,366**
TOTAL EQUITY AND LIABILITIES				
Equity	207,943	207,366	216,651	9,285
Non Current Liabilities	6,278	6,232	6,203	(29)
Current Liabilities	148,043	183,826	152,205	(31,621)
Total Equity and Liabilities	**362,264**	**397,424**	**375,058**	**(22,366)**

2.8 **Cash flows**

Overall net cash flows reflect a favourable variance to budget of $23.368m. Operating cash flows are unfavourable due to the timing of COVID-19 related activities and the net impact of working capital movements. Investing cash flows are favourable due to the timing of capital expenditure being later than budgeted. Financing activities are unfavourable due to equity injections for the SPIRE and mental health projects being later than budgeted.

$000	Jun-21	Mar-22		
	Actual	Actual	Budget	Variance
Net Cash Flow from Operating Activities	24,384	18,506	16,382	2,124
Net Cash Flows from Investing Activities	(20,859)	(25,195)	(44,705)	19,510
Net Cash Flows from Financing Activities	5,980	7,112	15,219	(8,107)
Net increase / (decrease) in cash	**9,505**	**423**	**(13,104)**	**13,527**
Cash at beginning of year	26,984	36,489	26,648	9,841
Closing cash	**36,489**	**36,912**	**13,544**	**23,368**

2.9 Cash, Investments and Debt

Cash and Investments

Trust and Special Funds are held in a separate BNZ account. These fall outside the shared banking arrangement with the BNZ that NZ Health Partnerships Limited sweeps daily. Surplus liquidity from the Enable New Zealand operating account is channelled through the main DHB accounts to obtain those benefits.

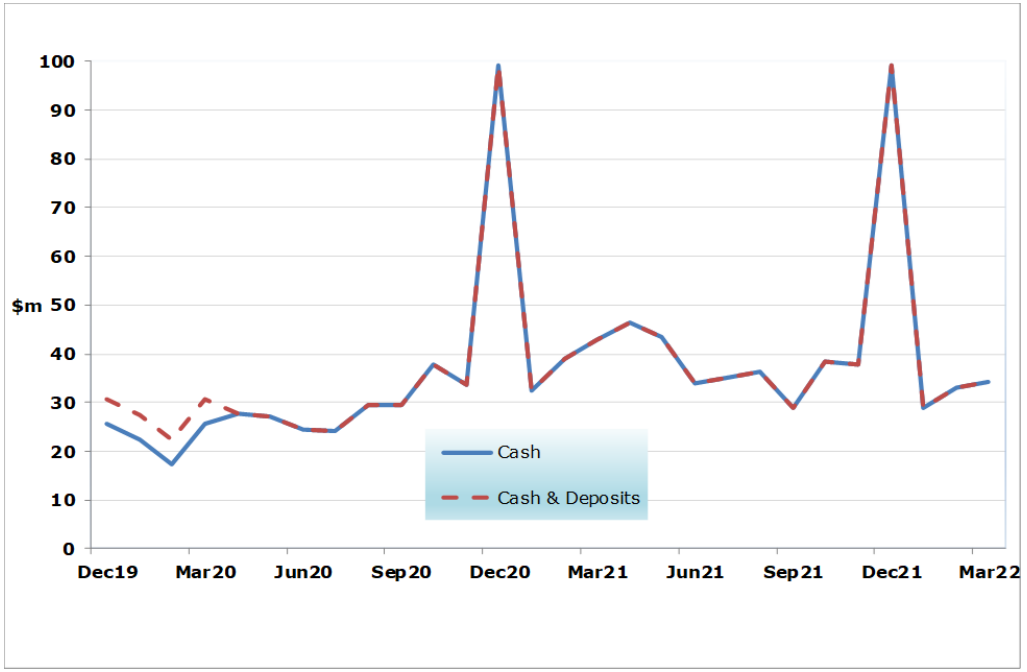
Mar-22	Rate	Value $000
NZHP Sweep Balance	0.97%	31,541
Cash in Hand and at Bank		2
Trust Accounts		2,668
Enable New Zealand		2,700
Cash Balances		36,911
Total Cash Balance		**36,911**

The cash reconciliation table below shows how cash has moved during the month.

Cash Reconciliation	Mar-22 $000	Year to Date $000
Cash at February 2022	35,537	36,489
Surplus / (Deficit) for mth	(3,077)	(8,234)
Depreciation/Amortisation	2,320	20,584
Non Cash Donations	6,304	7,080
Sale of Fixed Assets	0	23
Working capital movement	(1,994)	(564)
Capital Expenditure	(5,640)	(25,830)
Loan / finance lease repayments	(17)	(152)
Trusts movement	58	206
Equity injections - capital	3,420	7,309
Cash balance at month end	**36,911**	**36,911**

The chart below indicates the DHB's cash balance, excluding investment and Trust Accounts. The spike in the December 2021 cash balance reflects the early payment of January revenue by the Ministry due to the timing of the Christmas holiday period.

CASH BALANCES



The DHB sector as a whole has been experiencing liquidity pressure for some time due to the continuation of operating deficits. On behalf of all DHBs, New Zealand Health Partnerships maintains ongoing discussions with the Ministry and Treasury on ways to resolve liquidity issues and the need for deficit support equity injections to those DHBs who are insolvent. These pressures have not affected MDHB operations to date.

The Ministry has reassured the sector of the liquidity impacts of COVID-19 and that the cost of Holidays Act remediation will be funded when payments to remediate impacted employees (past and present) are eventually made. Despite this, these issues will likely influence the ability to support other sector initiatives in the near term.

Net MDHB liquidity continues to be sufficient in the near term with steady levels. However, continuing operating deficits and planned capital investments will reduce overall liquidity.

The Treasury and the Ministry will provide a funding allocation of $30m towards the $35m budget for the Mental Health Unit replacement and $27.5m for an expanded perioperative suite (SPIRE programme). Expenditure against these projects will need to be tightly managed due to rising construction costs. Drawdowns are underway for these projects, with the bulk occurring over the

remainder of this and next year as construction activity increases. In addition, funding support from the Ministry to purchase a replacement Linear Accelerator has been confirmed.

Treasury Policy and Ratios

There are currently no arrangements that necessitate monitoring against Treasury Policy parameters.

Debt and Leases

The MRI finance lease is held with MCL Capital which is a New Zealand owned and operated company offering leasing solutions to New Zealand public sector organisations.

Finance Leases	Start Date	Maturity	$'000	Equipment
MCL Capital	Jun-19	May-26	967	MRI Scanner

The finance lease allows the DHB to spread the cost of an asset over the lease term and preserves capital, minimises the draw on cash reserves and provides budget certainty with ownership at the lease expiry.

2.10 Statement of Capital Expenditure

Total approvals as of March are $97.625m against both the annual capex plan of $85.761m and unbudgeted capital of $12.097m. Unbudgeted capital relates to $8.000m of the Rapid Hospital Improvement programme, $2.480m of Data and Digital Projects and $1.617 of COVID-19 expenditure, all of which are Ministry funded. Total approvals include $6.901m of software projects, initially planned as capital but approved as SaaS solutions and therefore considered an operating expense. For completeness, SaaS approvals continue to be included in this section.

Approvals during the month of March amounted to $16.577m. The most significant included the Data and Digital Projects noted above, Medical Imaging Equipment that includes Computerised Tomography (CT) Scanner and electrical infrastructure.

Capital Approvals ($000)	YTD
Approvals	90,724
SaaS Approvals	6,901
Items Yet to be Approved	233
Total	**97,858**
Capital Budget	85,761
MoH funded Capital	12,097
Total	**97,858**

Capital expenditure for the month was $5.960m, bringing total spending for the year to $26.750m. The majority was spent on SPIRE ($2.063m), Anaesthetic Machine and Monitor Replacements ($0.724m), EDOA/MAPU PODS ($0.663m) and Monitoring System Replacements ($0.546m).

Capital Expenditure & SaaS ($000)	Mar-22	YTD
Prior Year Capex	467	4,670
Current Year Capex	5,425	20,967
Current Year SaaS	68	1,113
Total	**5,960**	**26,750**

Year to date expenditure on items approved in the prior year is $4.670m and reflects the usual lag between project approval and project expenditure across financial periods.

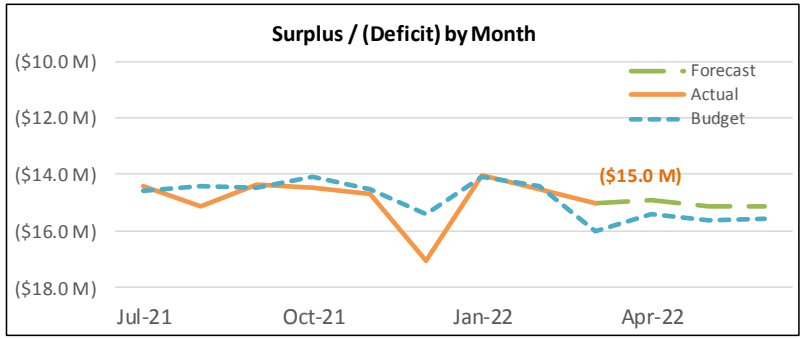
Further detail is provided in Appendix Two – Capital Expenditure. Several proposed information technology items, identified as capital when compiling the 2021/22 capex plan, are being undertaken as SaaS. Under this model, the service provider is offering a subscription to use the Software while retaining ownership. From an accounting perspective, this becomes an operating expense. For completeness, these items continue to be reported on the Capital Expenditure Report. However, they have now been separated within the report to assess their impact.

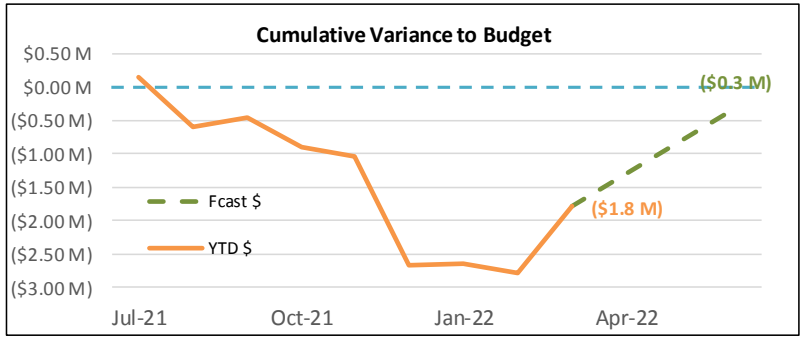
APPENDIX ONE – FINANCIAL PERFORMANCE BY SERVICE

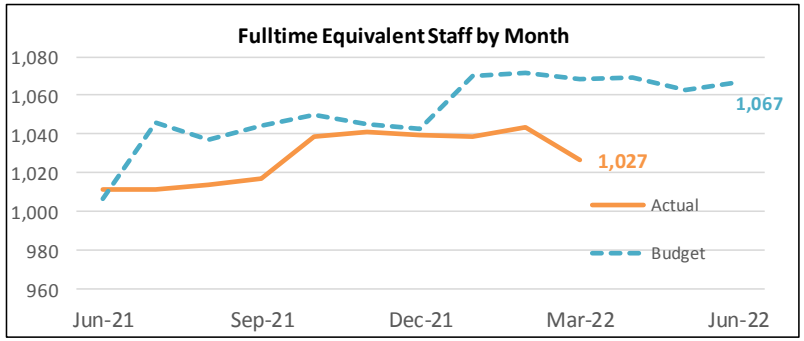
Te Uru Arotau – Acute and Elective Specialist Services

$000	March 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**3,202**	**1,282**	**22,175**	**5,803**	**28,967**	**7,130**
Expenditure						
Personnel	10,708	199	96,881	(5,367)	128,796	(4,905)
Outsourced Personnel	288	(243)	1,084	(695)	1,381	(864)
Sub -Total Personnel	10,996	(44)	97,964	(6,062)	130,176	(5,769)
Other Outsourced Services	1,652	(263)	12,534	(1,178)	16,559	(1,258)
Clinical Supplies	3,879	(37)	30,545	(713)	40,976	(575)
Infrastructure & Non-Clinical	771	56	6,665	351	9,088	272
Total Operating Expenditure	**17,298**	**(287)**	**147,707**	**(7,602)**	**196,799**	**(7,331)**
Provider Payments	14	5	181	12	373	(122)
Corporate Services	883	0	7,945	0	10,593	0
Surplus/(Deficit)	**(14,993)**	**1,000**	**(133,658)**	**(1,787)**	**(178,798)**	**(322)**

FTE						
Medical	237.9	6.2	232.7	8.2	235.4	6.4
Nursing	521.2	12.1	521.3	2.3	528.9	(3.4)
Allied Health	130.3	9.3	132.1	6.2	134.7	3.9
Support	15.6	3.5	16.6	2.4	16.6	2.4
Management / Admin	121.9	10.2	127.3	3.6	128.0	3.2
Total FTE	**1,026.8**	**41.4**	**1,030.0**	**22.8**	**1,043.6**	**12.5**

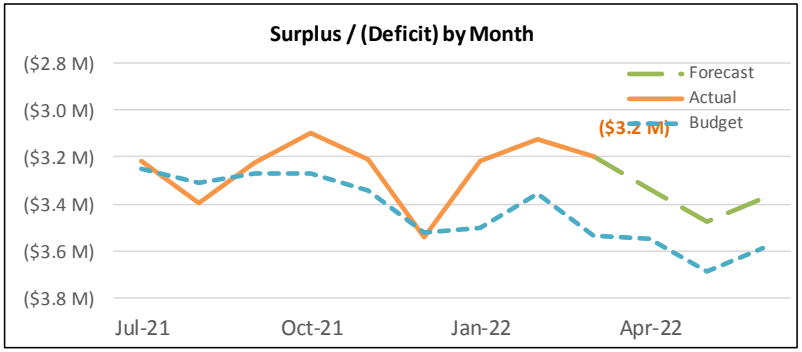


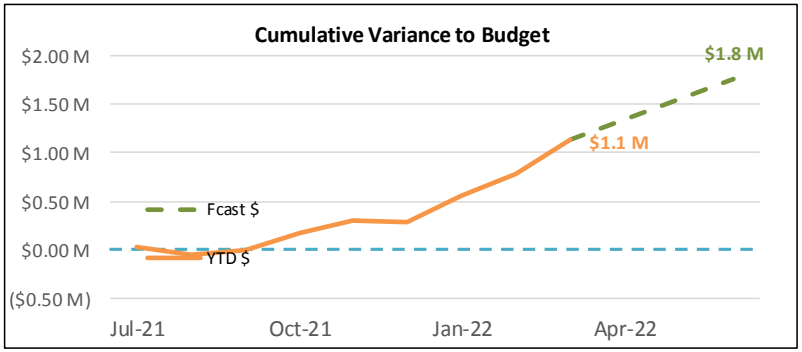




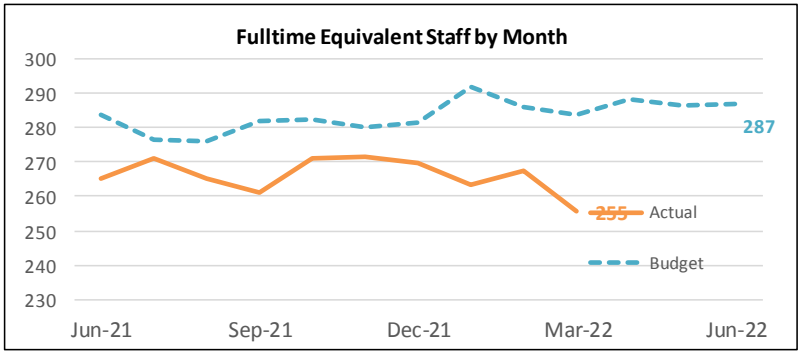
Te Uru Pā Harakeke – Healthy Women, Children and Youth Services

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**473**	**8**	**5,091**	**946**	**6,455**	**934**
Expenditure						
Personnel	2,579	236	24,034	76	31,950	873
Outsourced Personnel	19	(2)	324	(172)	438	(237)
Sub -Total Personnel	2,598	235	24,358	(96)	32,387	636
Other Outsourced Services	114	(28)	976	(306)	1,449	(522)
Clinical Supplies	369	11	2,986	249	4,012	301
Infrastructure & Non-Clinical	157	77	1,812	289	2,431	366
Total Operating Expenditure	**3,238**	**295**	**30,132**	**135**	**40,279**	**780**
Provider Payments	418	37	4,067	46	5,433	46
Corporate Services	14	0	122	0	162	0
Surplus/(Deficit)	**(3,196)**	**341**	**(29,229)**	**1,127**	**(39,419)**	**1,760**





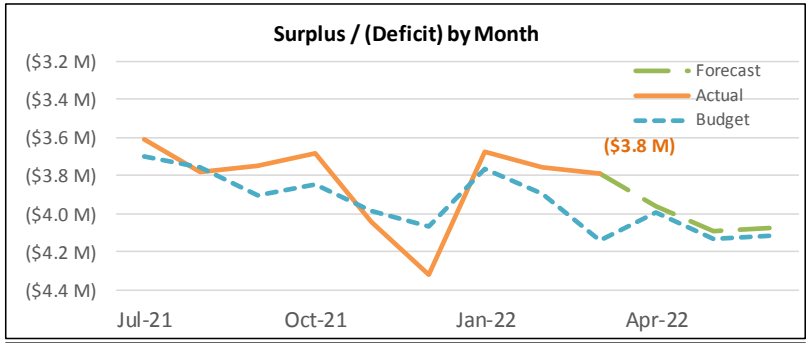
FTE						
Medical	41.2	5.8	43.9	1.2	43.9	1.5
Nursing	113.3	7.3	116.6	5.3	117.9	4.5
Midwives	28.1	6.6	30.3	4.5	32.3	2.3
Allied Health	49.0	8.0	52.6	3.6	52.8	3.9
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	23.9	0.3	22.9	1.3	23.0	1.2
Total FTE	**255.5**	**28.0**	**266.2**	**15.9**	**269.9**	**13.4**

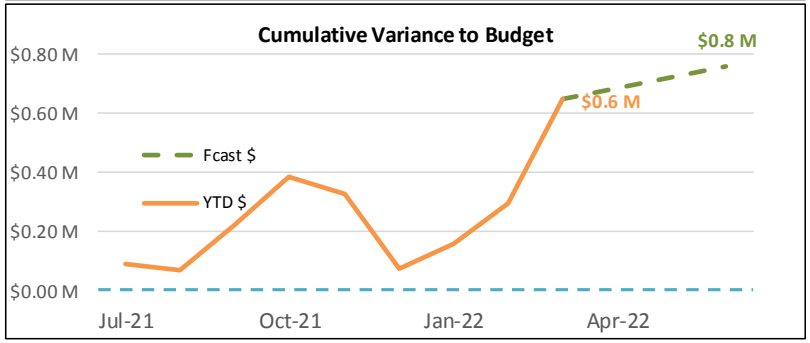


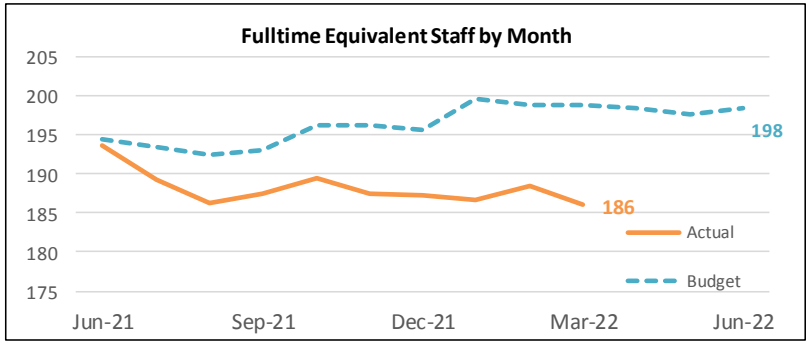
Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**859**	**102**	**7,155**	**393**	**9,961**	**1,095**
Expenditure						
Personnel	2,090	91	17,934	(48)	23,757	511
Outsourced Personnel	10	(6)	50	50	65	49
Sub -Total Personnel	2,101	85	17,984	2	23,822	560
Other Outsourced Services	702	(92)	5,949	(458)	7,917	(596)
Clinical Supplies	1,072	250	10,764	557	15,609	(501)
Infrastructure & Non-Clinical	138	19	1,258	162	1,677	211
Total Operating Expenditure	**4,013**	**263**	**35,956**	**262**	**49,025**	**(326)**
Provider Payments	414	(12)	3,625	(9)	4,831	(9)
Corporate Services	219	0	1,972	0	2,629	0
Surplus/(Deficit)	**(3,788)**	**353**	**(34,397)**	**645**	**(46,524)**	**759**

FTE						
Medical	37.8	5.0	39.2	2.0	39.3	2.3
Nursing	55.2	5.2	55.0	5.5	56.0	4.4
Allied Health	59.2	6.1	61.6	2.7	62.1	2.4
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	33.8	(3.5)	31.8	(1.8)	32.3	(2.2)
Total FTE	**186.0**	**12.8**	**187.6**	**8.4**	**189.7**	**6.9**



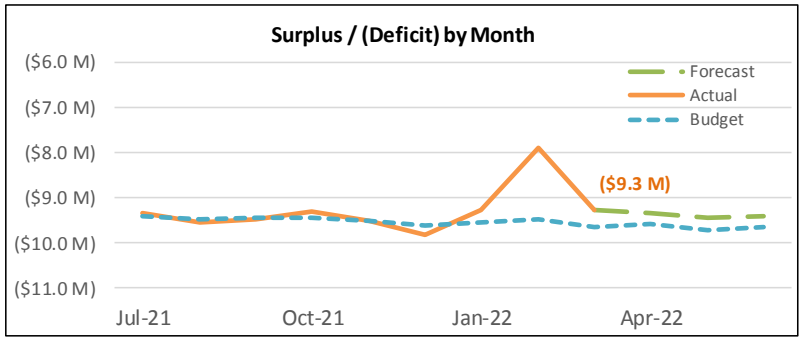


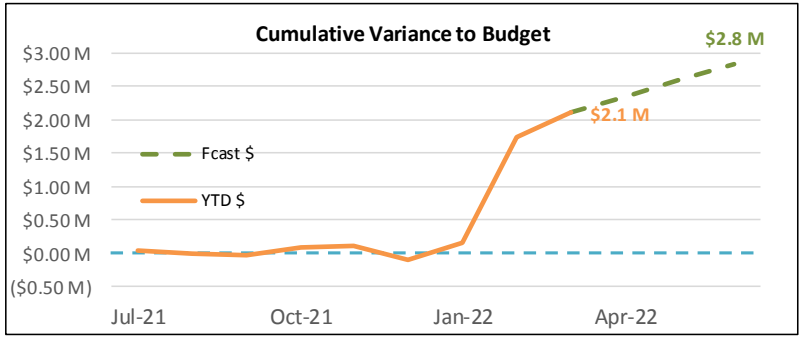


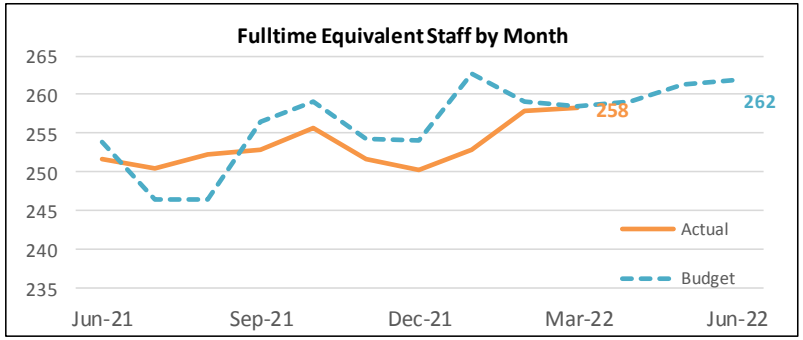
Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services

$000	March 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**744**	**291**	**7,431**	**3,571**	**9,634**	**4,509**
Expenditure						
Personnel	2,079	103	18,952	(673)	25,448	(640)
Outsourced Personnel	31	(31)	176	(175)	230	(229)
Sub -Total Personnel	2,110	73	19,128	(848)	25,678	(868)
Other Outsourced Services	57	8	571	(9)	763	(14)
Clinical Supplies	203	(46)	1,568	(182)	2,076	(231)
Infrastructure & Non-Clinical	177	(25)	1,572	(218)	2,151	(347)
Total Operating Expenditure	**2,546**	**9**	**22,839**	**(1,256)**	**30,669**	**(1,460)**
Provider Payments	7,390	52	67,261	(215)	89,589	(215)
Corporate Services	89	0	799	0	1,066	0
Surplus/(Deficit)	**(9,281)**	**352**	**(83,468)**	**2,100**	**(111,690)**	**2,834**

FTE						
Medical	15.3	2.0	15.5	0.5	15.6	0.8
Nursing	130.6	(4.6)	129.0	(3.4)	128.9	(3.1)
Allied Health	96.0	3.0	92.8	4.8	96.7	1.6
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	16.2	(0.1)	16.2	(0.3)	16.9	(0.9)
Total FTE	**258.2**	**0.2**	**253.5**	**1.7**	**258.2**	**(1.6)**



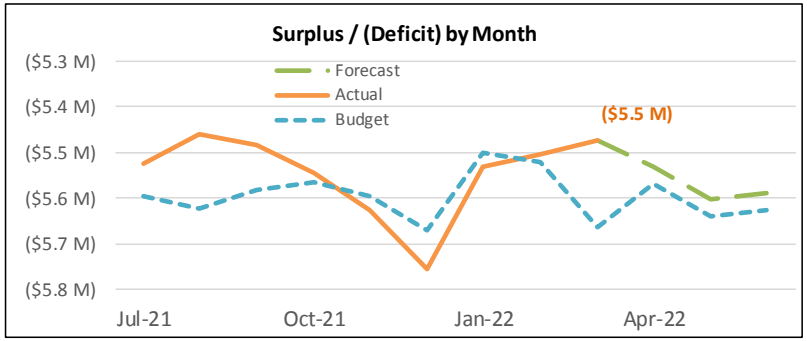


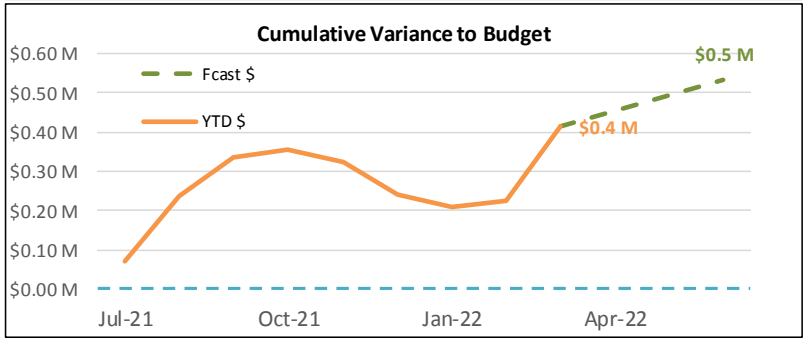


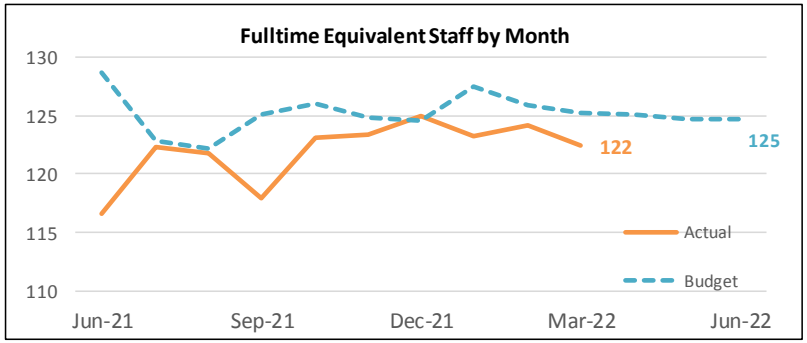
Te Uru Kiriora – Primary, Public and Community Services

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**807**	**58**	**7,399**	**733**	**9,691**	**778**
Expenditure						
Personnel	987	47	9,392	(611)	12,373	(573)
Outsourced Personnel	0	(0)	0	(0)	0	(0)
Sub -Total Personnel	987	46	9,392	(611)	12,373	(573)
Other Outsourced Services	(4)	18	27	99	69	99
Clinical Supplies	215	17	1,814	64	2,406	94
Infrastructure & Non-Clinical	58	50	847	128	1,169	131
Total Operating Expenditure	**1,256**	**132**	**12,080**	**(320)**	**16,016**	**(250)**
Provider Payments	4,921	0	44,290	3	59,055	3
Corporate Services	104	0	936	0	1,248	0
Surplus/(Deficit)	**(5,474)**	**191**	**(49,907)**	**416**	**(66,628)**	**531**

FTE						
Medical	1.8	0.3	1.6	0.4	1.6	0.4
Nursing	77.0	3.1	77.7	2.4	78.6	1.4
Allied Health	26.0	1.3	25.6	1.2	25.7	1.2
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	17.7	(1.8)	17.6	(1.6)	18.0	(2.0)
Total FTE	**122.4**	**2.9**	**122.6**	**2.3**	**123.9**	**1.0**



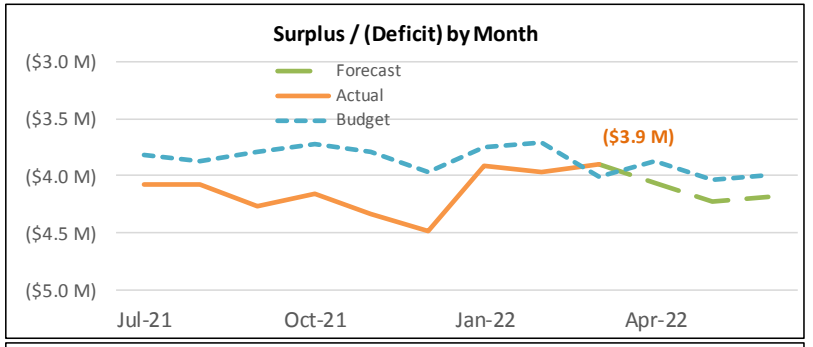


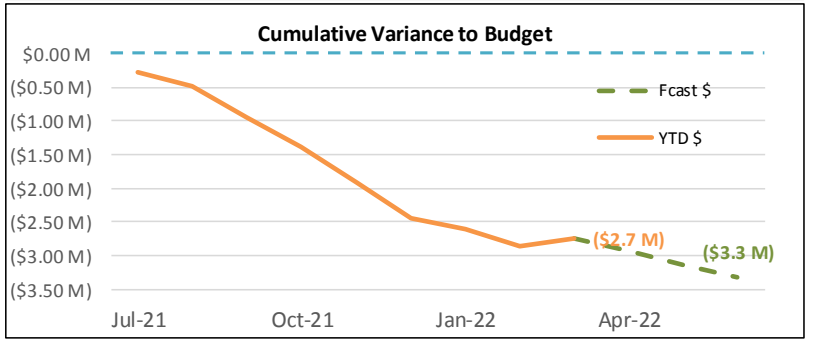


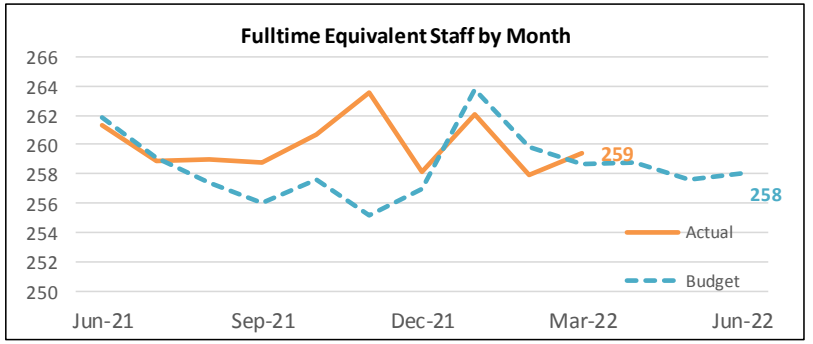
Te Uru Rauhī – Mental Health and Addiction Services

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**165**	**102**	**1,817**	**1,260**	**2,196**	**1,451**
Expenditure						
Personnel	2,328	97	21,618	(1,086)	28,474	(788)
Outsourced Personnel	401	(295)	3,817	(2,789)	5,095	(3,760)
Sub -Total Personnel	2,729	(198)	25,435	(3,875)	33,568	(4,548)
Other Outsourced Services	88	(68)	547	(168)	718	(280)
Clinical Supplies	68	(50)	258	(101)	329	(120)
Infrastructure & Non-Clinical	183	68	1,719	(113)	2,442	(92)
Total Operating Expenditure	**3,068**	**(248)**	**27,958**	**(4,257)**	**37,058**	**(5,041)**
Provider Payments	979	260	10,890	264	14,608	264
Corporate Services	14	0	123	0	164	0
Surplus/(Deficit)	**(3,896)**	**115**	**(37,154)**	**(2,732)**	**(49,633)**	**(3,326)**

FTE						
Medical	18.5	6.3	19.0	5.8	19.2	5.6
Nursing	156.1	(1.3)	158.8	(3.5)	159.9	(4.9)
Allied Health	45.2	(4.6)	44.0	(3.6)	44.0	(3.5)
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	39.7	(1.1)	38.0	(0.2)	38.9	(0.9)
Total FTE	**259.4**	**(0.8)**	**259.8**	**(1.5)**	**262.0**	**(3.8)**

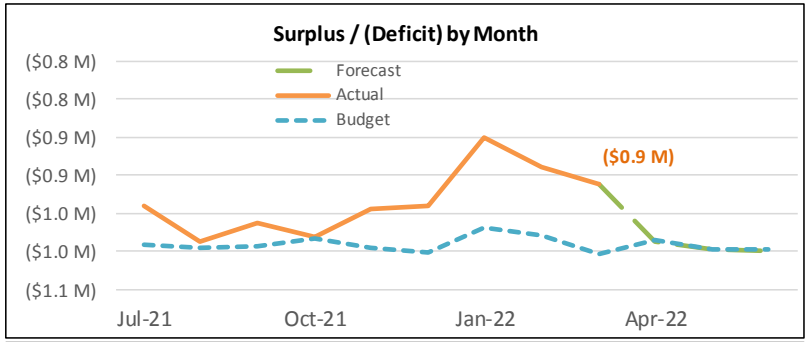


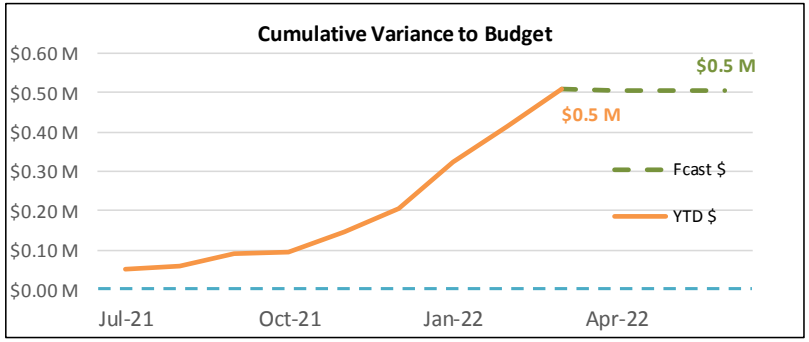




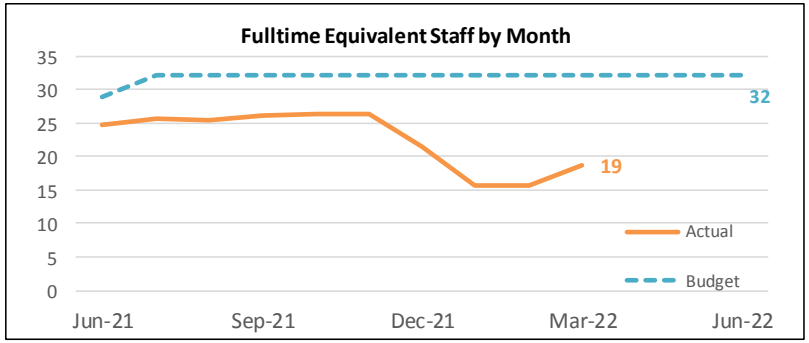
Pae Ora – Paiaka Whaiora Directorate

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**128**	**12**	**1,032**	**58**	**1,365**	**58**
Expenditure						
Personnel	180	87	1,584	634	2,346	631
Outsourced Personnel	0	(0)	1	(1)	1	(1)
Sub -Total Personnel	181	87	1,585	632	2,347	629
Other Outsourced Services	70	(68)	226	(209)	231	(209)
Clinical Supplies	9	(8)	11	(8)	12	(8)
Infrastructure & Non-Clinical	(51)	69	132	30	185	30
Total Operating Expenditure	**209**	**79**	**1,953**	**445**	**2,775**	**442**
Provider Payments	831	1	7,478	3	9,972	3
Corporate Services	0	0	0	0	0	0
Surplus/(Deficit)	**(911)**	**92**	**(8,400)**	**507**	**(11,382)**	**504**





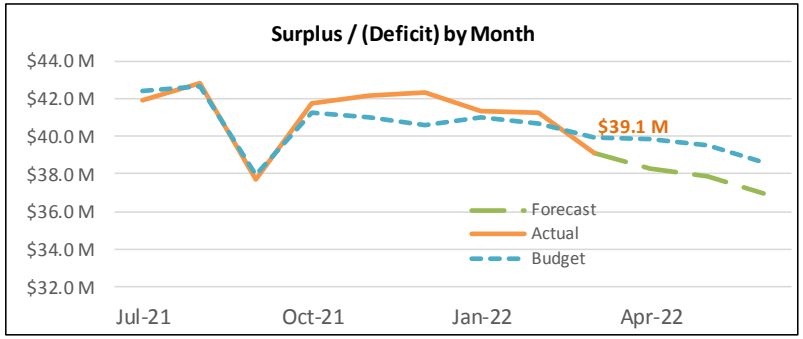
FTE						
Medical	0.0	0.0	0.0	0.0	0.0	0.0
Nursing	4.3	4.4	5.8	2.9	6.5	2.2
Allied Health	4.4	6.4	6.3	4.4	7.4	3.3
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	10.2	2.6	10.3	2.5	10.9	1.8
Total FTE	**18.8**	**13.4**	**22.4**	**9.8**	**24.9**	**7.4**

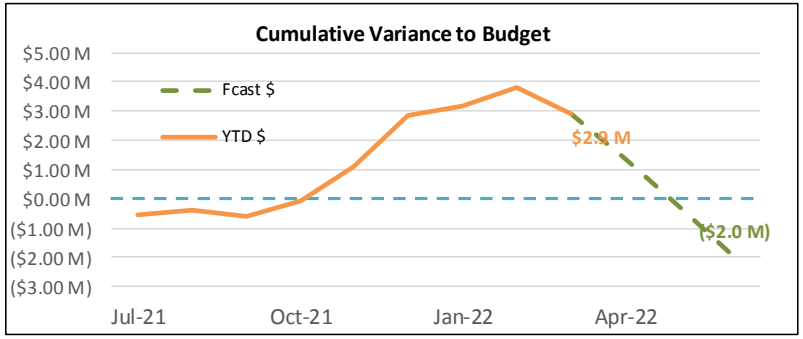


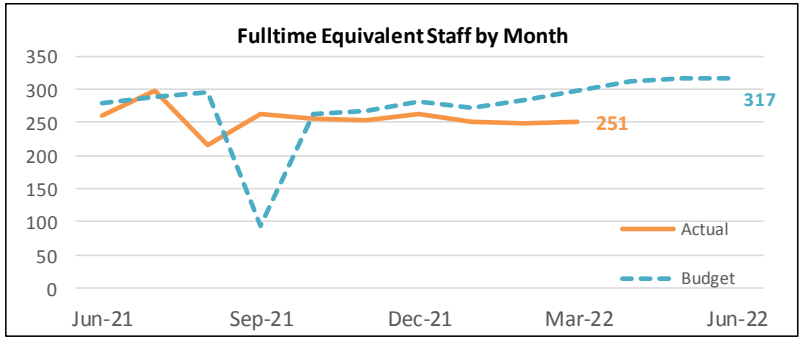
Corporate and Professional Services

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**59,151**	**(858)**	**543,911**	**3,712**	**720,506**	**139**
Expenditure						
Personnel	2,387	407	20,724	(88)	29,777	33
Outsourced Personnel	568	(353)	3,585	(2,023)	6,047	(3,528)
Sub -Total Personnel	2,954	54	24,309	(2,110)	35,824	(3,495)
Other Outsourced Services	117	62	1,457	149	1,953	187
Clinical Supplies	73	24	517	350	699	456
Infrastructure & Non-Clinical	6,247	(74)	49,404	2,579	68,862	2,434
Total Operating Expenditure	**9,391**	**66**	**75,687**	**968**	**107,338**	**(419)**
Provider Payments	12,062	(70)	110,224	(1,742)	146,153	(1,696)
Corporate Services	(1,372)	0	(12,346)	0	(16,462)	0
Surplus/(Deficit)	**39,070**	**(863)**	**370,346**	**2,937**	**483,476**	**(1,976)**

FTE						
Medical	11.8	(1.6)	10.8	(3.1)	10.8	(2.5)
Nursing	24.8	16.7	22.8	(7.7)	38.3	(12.8)
Allied Health	6.8	0.0	6.8	(0.4)	6.8	(0.1)
Support	12.4	2.0	12.7	1.6	12.7	1.6
Management / Admin	195.0	29.4	201.8	14.3	204.8	13.9
Total FTE	**250.8**	**46.6**	**254.8**	**4.8**	**273.4**	**0.1**



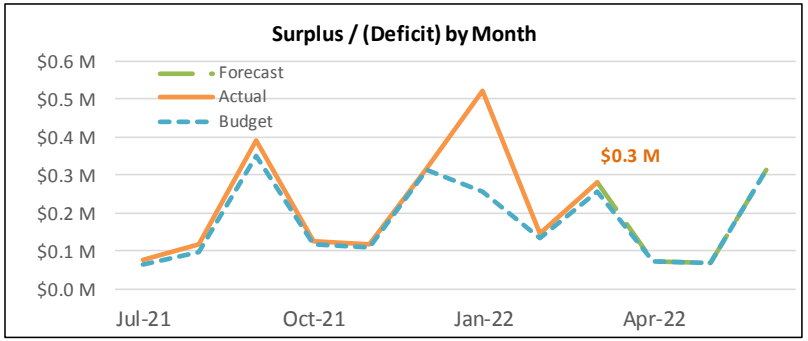


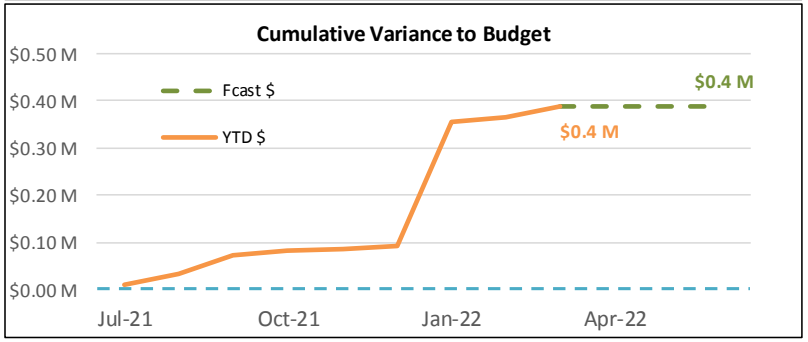


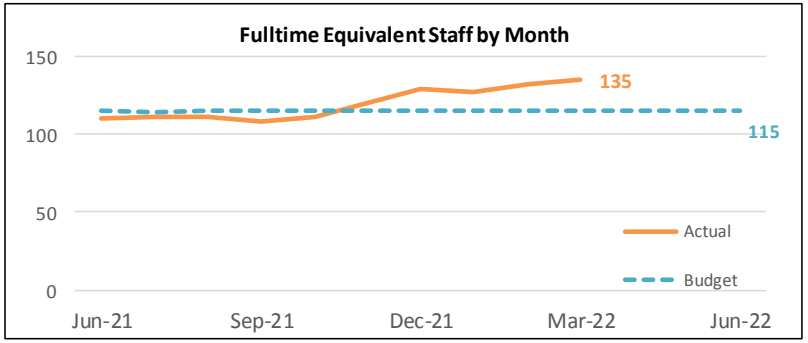
Enable New Zealand

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**9,959**	**6,608**	**44,753**	**15,865**	**54,327**	**15,865**
Expenditure						
Personnel	916	(91)	7,181	(143)	9,522	(143)
Outsourced Personnel	64	(35)	419	(164)	503	(164)
Sub -Total Personnel	980	(125)	7,600	(307)	10,026	(307)
Other Outsourced Services	0	0	48	(48)	48	(48)
Clinical Supplies	5	0	46	2	59	2
Infrastructure & Non-Clinical	8,644	(6,460)	34,513	(15,123)	41,039	(15,123)
Total Operating Expenditure	**9,629**	**(6,585)**	**42,207**	**(15,477)**	**51,172**	**(15,477)**
Provider Payments	0	0	0	0	0	0
Corporate Services	50	0	450	0	600	0
Surplus/(Deficit)	**280**	**22**	**2,096**	**387**	**2,555**	**387**

FTE						
Medical	0.0	0.0	0.0	0.0	0.0	0.0
Nursing	0.0	0.0	0.0	0.0	0.0	0.0
Allied Health	24.5	6.6	22.7	8.4	24.8	6.3
Support	27.8	(11.8)	22.9	(6.9)	21.1	(5.1)
Management / Admin	82.8	(14.5)	74.8	(6.5)	73.2	(4.9)
Total FTE	**135.1**	**(19.7)**	**120.4**	**(5.0)**	**119.1**	**(3.7)**







Holidays Act

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget	Life to date Actual Since May 2010
Expenditure							
Personnel	860	(443)	4,069	(316)	5,414	(411)	51,484
Outsourced Personnel	5	43	203	224	278	292	770
Sub -Total Personnel	864	(400)	4,272	(93)	5,692	(120)	52,254
Infrastructure & Non-Clinical	23	96	255	816	342	1,086	1,578
Total Operating Expenditure	**888**	**(304)**	**4,527**	**723**	**6,034**	**966**	**53,832**
Surplus/(Deficit)	**(888)**	**(304)**	**(4,527)**	**723**	**(6,034)**	**966**	**(53,832)**

COVID-19

$000	March 2022 Actual	March 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget	Life to date Actual Since March 2020
Net Revenue	**8,512**	**7,398**	**25,432**	**7,144**	**32,078**	**12,149**	**28,472**
Expenditure							
Personnel	711	(237)	6,035	142	8,506	(1,484)	18,065
Outsourced Personnel	133	(133)	675	(392)	878	(595)	809
Sub -Total Personnel	844	(371)	6,710	(250)	9,384	(2,079)	18,874
Other Outsourced Services	2,969	(2,329)	10,893	(1,855)	13,694	(3,860)	12,355
Clinical Supplies	4,459	(4,459)	4,911	(4,645)	5,081	(4,815)	5,004
Infrastructure & Non-Clinical	240	(240)	2,853	(328)	3,833	(1,308)	4,059
Total Operating Expenditure	**8,512**	**(7,398)**	**25,366**	**(7,079)**	**31,991**	**(12,062)**	**40,291**
Surplus/(Deficit)	**0**	**(0)**	**66**	**66**	**87**	**87**	**(11,819)**

APPENDIX TWO – CAPITAL EXPENDITURE

($000)	Budget	Approved Budget	Unapproved Budget	Expenditure against this years approvals	Unspent against this years approvals	Expenditure against prior year approvals	Year End Forecast of Approved Expenditure
Externally Funded Items							
SPIRE Project	12,019	15,377	(3,358)	5,753	9,624	0	15,377
Mental Health Redevelopment	14,503	14,503	0	1,304	13,199	0	14,503
Acute Services Block	1,400	0	1,400	0	0	0	0
MOH Rapid Hospital Improvement	0	8,000	0	141	7,859	0	8,000
Linear Accelerator Replacement programme	4,330	4,500	(170)	3,888	612	364	4,864
MOH Data & Digital Project Funding	0	2,480	(2,480)		2,480		2,480
Planned Care Production Planning	150	150	0	27	123	0	150
SCoPE (Theatre Audit)	600	600	0	0	600	0	600
TOTAL Externally Funded Items	**33,002**	**45,610**	**(4,608)**	**11,113**	**34,497**	**364**	**45,974**
Major Items							
EDOA / MAPU PODS	5,900	7,000	(1,100)	1,722	5,278	0	7,000
Telemetry & Monitoring System Replacements	3,278	4,000	(722)	1,090	2,910	0	4,000
Medical Imaging Equipment (incl DSA machine)	3,190	4,460	(1,270)	0	4,460	0	4,460
Programme of Change Mental Health (FACT)	516	516	0	230	286	0	516
Anaesthetic Machine & Monitor Replacements	2,430	2,800	(370)	1,847	953	0	2,800
End User Compute Replacement Programme	1,650	3,540	(1,890)	0	3,540	0	3,540
End User Compute Break Fix	350	233	117	191	0	0	191
Computerized tomography (CT) Scanner	1,740	1,740	0	0	1,740	0	1,740
Regional Health Informatics Programme (RHIP)	1,465	1,465	0	664	801	0	1,465
Workstations for Cancer Service	1,357	0	1,357	0	0	0	0
Structural & Seismic Upgrades	1,184	310	874	38	272	0	310
Fluoroscopy Machine	1,140	1,640	0	1,488	152	0	1,640
Bed Replacement Programme	1,000	89	911	0	89	0	89
Water Services	1,000	1,800	(800)	0	1,800	0	1,800
Enable NZ IT Programme	800	97	703	97	0	0	97
Chiller Replacements	700	1,315	(615)	42	1,273	23	1,338
Certificate of Public Use Upgrades	500	232	268	229	3	0	232
Fire System Upgrades	500	0	500	0	0	0	0
Covid BAU	0	1,617	(1,617)	1,329	288	134	0
Mammography Machines	500	0	500	0	0	0	0
Substation Project	300	2,200	(1,900)	0	2,200	0	2,200
Generator Replacement	300	2,000	(1,700)	0	2,000	0	2,000
TOTAL Major Items	**29,800**	**37,055**	**(6,755)**	**8,967**	**28,045**	**157**	**35,418**
Infrastructure Items							
Medical Air Upgrade & Vacuum Distribution Upgrade	500	650	0	4	646	0	650
Motor Control Centre Level A	400	1,350	(950)	4	1,346	0	1,350
Pressure Rooms (Ward 28 & Children's Ward)	350	0	350	0	0	0	0
Lighting and Egress Upgrades	350	150	200	67	83	0	150
Asset Management & Individual Items less than 251K	2,230	894	1,336	79	815	674	1,568
TOTAL Infrastructure Items	**3,830**	**3,044**	**936**	**154**	**2,890**	**674**	**3,718**

BOARD REPORT

($000)	Budget	Approved Budget	Unapproved Budget	Expenditure against this years approvals	Unspent against this years approvals	Expenditure agaist prior year approvals	Year End Forecast of Approved Expenditure
Clinical Equipment Items							
Medical Dispense (Rest of Hospital) & Upgrades	804	321	483	0	321	0	321
Echocardiograph	504	0	504	0	0	0	0
Pendants	500	0	500	0	0	0	0
Laparoscopic Tower Replacement Programme	500	500	0	20	480	645	1,145
Defibrillators	407	0	407	0	0	0	0
SSU Medivators & Washers Replacement	400	935	(535)	0	935	0	935
Endoscopy & Theatre Scopes	350	182	168	170	12	0	182
Orthovoltage (RCTS Skin Cancer)	300	0	300	0	0	0	0
Urology Ultrasound	300	0	300	0	0	0	0
Clinical Engineering Equipment	300	0	300	0	0	0	0
Patient Simulation Programme	300	231	69	0	231	0	231
Asset Management & Individual Items less than 251K	4,910	2,227	2,683	485	1,742	1,878	4,105
TOTAL Clinical Equipment Items	**9,575**	**4,396**	**5,179**	**675**	**3,721**	**2,523**	**6,919**
Information Technology Items							
SAN Rebuild	800	0	800	0	0	0	0
Minor Works (Network, Firewalls, Servers, UPS)	600	60	540	0	60	0	60
Network Switch Upgrade	500	500	0	0	500	0	500
CITRIX Rebuild (Server Rationalisation)	300	0	300	0	0	0	0
Miya Upgrade	270	0	270	0	0	0	0
Asset Management & Individual Items less than 251K	667	59	608	58	1	952	1,011
TOTAL Information Technology Items	**3,137**	**619**	**2,518**	**58**	**561**	**952**	**1,571**
TOTAL CAPITAL EXPENDITURE	**79,344**	**90,724**	**(2,730)**	**20,967**	**69,715**	**4,670**	**93,600**
Software as a Service Items & Others							
Programme of Change Mental Health (FACT)	2,142	2,142	0	266	1,876	0	2,142
Health System Catalogue (NZHP)	1,515	1,515	0	600	915	0	1,515
Echo Image Vault SaaS	700	700	0	43	657	0	700
ePrescribing and Administration Planning (Medchart)	800	972	(172)	0	972	0	972
External Referrals (eTriage, eReferrals)	460	0	460	11	(11)	0	0
WebPASaaS Implementation	400	1,240	(840)	0	1,240	0	1,240
Clinical Records Management	400	332	68	193	139	0	332
TOTAL Software as a Service and other Items	**6,417**	**6,901**	**(484)**	**1,113**	**5,788**	**0**	**6,901**
TOTAL CAPITAL EXPENDITURE & SaaS	**85,761**	**97,625**	**(3,214)**	**22,080**	**75,502**	**4,670**	**100,501**

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

To	Board
Author	Darryl Ratana, Deputy Chief Financial Officer
Endorsed by	Neil Wanden, General Manager, Finance and Corporate Services
Date	27 April 2022
Subject	**Finance Report – February 2022**

Key questions the Board should consider in reviewing this paper:

- Is the current financial performance and trend in performance sustainable?
- Are the variations from budget sufficiently well explained and reasonable?
- Is there key financial information that needed for governance that has not been included in this report?
- Is the DHB able to trade solvently?

RECOMMENDATION

It is recommended that the Board:

- **note** that at its April meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** that the month operating result for February 2022 is a surplus before one-off items of $1.737m, which is $2.283m favourable to budget
- **note** that the year to date result for February 2022 is a deficit before one-off items of $1.582m, which is $1.999m favourable to budget
- **note** that year to date for February 2022 COVID-19 related contribution of $0.066m and Holidays Act costs of $3.639m have been incurred. Including these results in a year to date deficit after exceptional items of $5.156m, which is $3.092m favourable to budget
- **note** that the total available cash and equivalents of $35.537m as of 28 February 2022 is sufficient to support liquidity requirements
- **approve** the February financial report.

Strategic Alignment This report is aligned to the DHB's strategy and key enabler, 'Stewardship'.

BOARD REPORT

1. REPORT AT A GLANCE

The operating result for February 2022 is a surplus before one-off items of $1.737m, which is $2.283m favourable to budget.

Favourable to Budget | Close to, or on Budget | Adverse to Budget

Month to Date

Surplus/(Deficit)
$1.7m
Budget Variance
$2.283m
418.0%

FTEs
2,404
Budget Variance
112
4.5%

Capex
$2.3m
Budget Variance
$4.3m
65.2%

Cash & Deposits Movement
$4.2m
Budget Variance
$1.6m
(60.8%)

Favourable ACC revenue due to a backdated price increase to non-acute rehabilitation contracts.

Unplanned care displaced planned care leading to offsetting variances.

FTEs remain below budget with a 12 FTE increase since last month all in nursing

Nursing costs and locum costs continue to be over budget. Locums are due to the use of locums in MHAS. Nursing includes pay equity components offset by related revenue.

Capital approvals during the month were not significant, expenditure on approved items maintained pace.

Year to Date

Surplus/(Deficit)
($1.6m)
Budget Variance
$2.00m
55.8%

FTEs
2,399
Budget Variance
54
2.2%

Capex
$20.8m
Budget Variance
$32.3m
60.8%

Cash & Deposits
$35.5m
Budget Variance
$22.0m
162.4%

Current Ratio
1.03
Budget Variance
0.22

Reduced Planned Care funding due to COVID impacts has been compensated for by the Ministry.

FTEs are below budget across medical, allied health and administration roles.

Locums for MHAS are a significant adverse variance to budget. Mitigations are being identified to reduce this variance.

Capital expenditure is lagging behind budget YTD. However, this has picked up during the last 4 months

Potential Budget Risks

Seven Risks in Total.

- **Four** Low Risks
- **Nil** Medium (on watch) Risks
- **Two** Medium (Concern) Risk
- **One** High Risk

Year End

Surplus/(Deficit)
($20.5m)
Budget Variance
($1.3m)
0.0%

FTEs
2,462
Budget Variance
30
0.0%

Capex
$85.8m
Budget Variance
($9.6m)
0.0%

Cash & Deposits
$15.8m
Budget Variance
$15.0m
0.0%

Current Ratio
1.01
Budget Variance
0.20

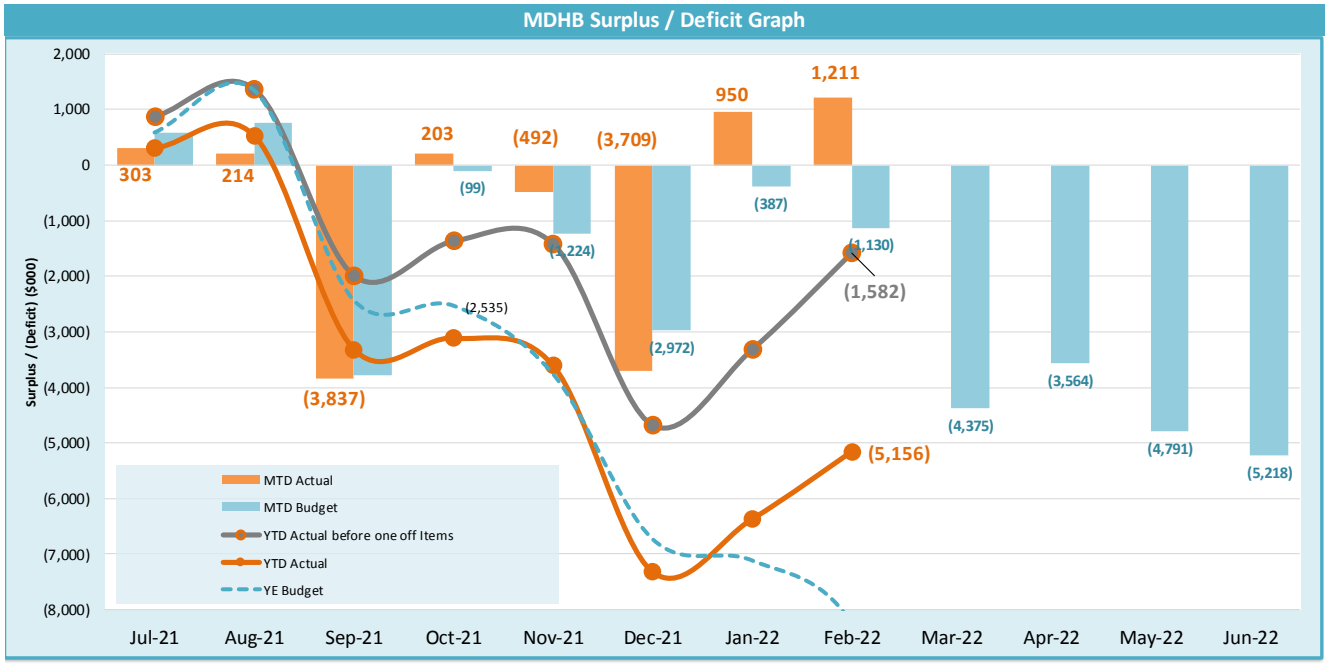
The forecast operating deficit before one off items is $1.04m adverse to budget.

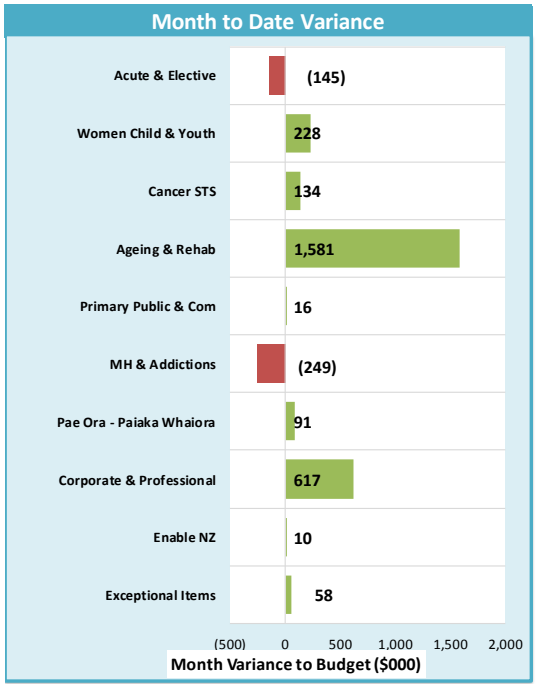
Including one-off items, forecast indicates a year-end deficit that is in line with the budget.

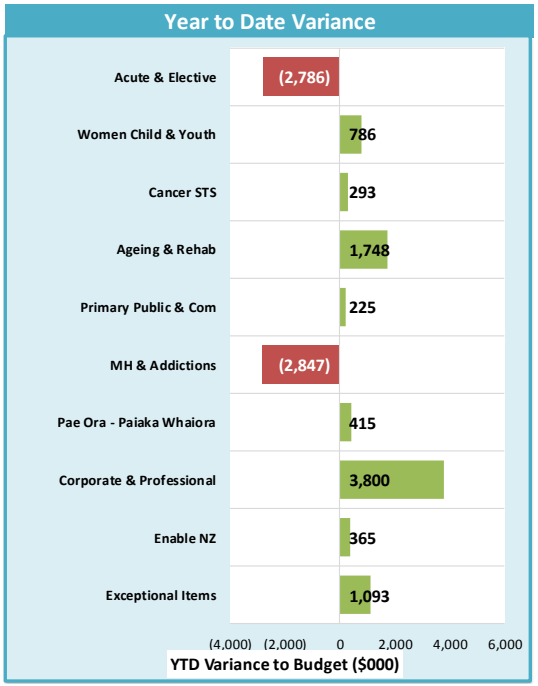
Confidence is increasing in this outcome given vacancies are proofing difficult to fill and timing of SaaS implementations.

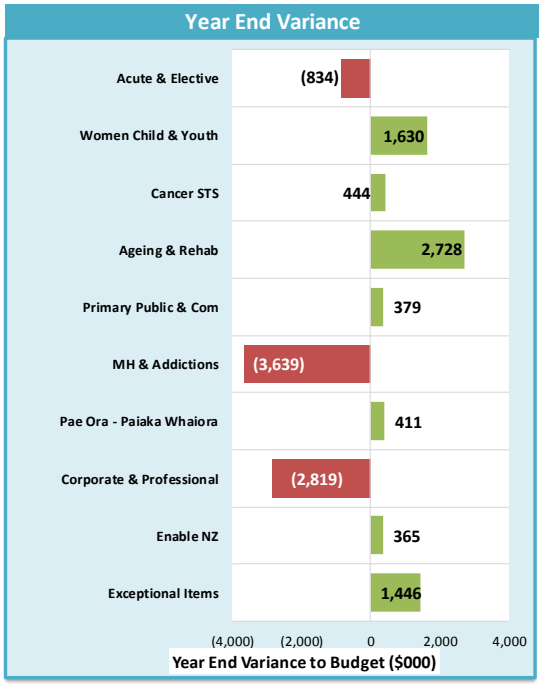
The adverse capital expenditure variance is offset by additional Ministry funding

BOARD REPORT









2. FINANCIAL COMMENTARY

Adverse variances are in brackets unless stated otherwise.

2.1 Financial Performance

The MidCentral District Health Board (MDHB) result for February 2022 is a surplus before one-off items of $1.737m, which is $2.283m favourable to budget.

Net revenue for the month is $2.238m favourable to budget, while expenditure is close to budget for the month. A significant portion of the favourable revenue was due to a backdated price increase for ACC Non-Acute Rehabilitation (NAR) contracts.

The year to date result is a deficit of $1.582m, which is $1.999m adverse to budget. A year to date COVID-19 related contribution of $0.066m and Holidays Act costs of $3.639m have been incurred. This results in a year to date deficit of $5.156m when these one-off items are included.

While the Omicron variant of COVID-19 will continue to impact operationally, confidence is increasing that the year-end result will achieve budget.

The Statement of Financial Performance is shown in the following table.

BOARD REPORT

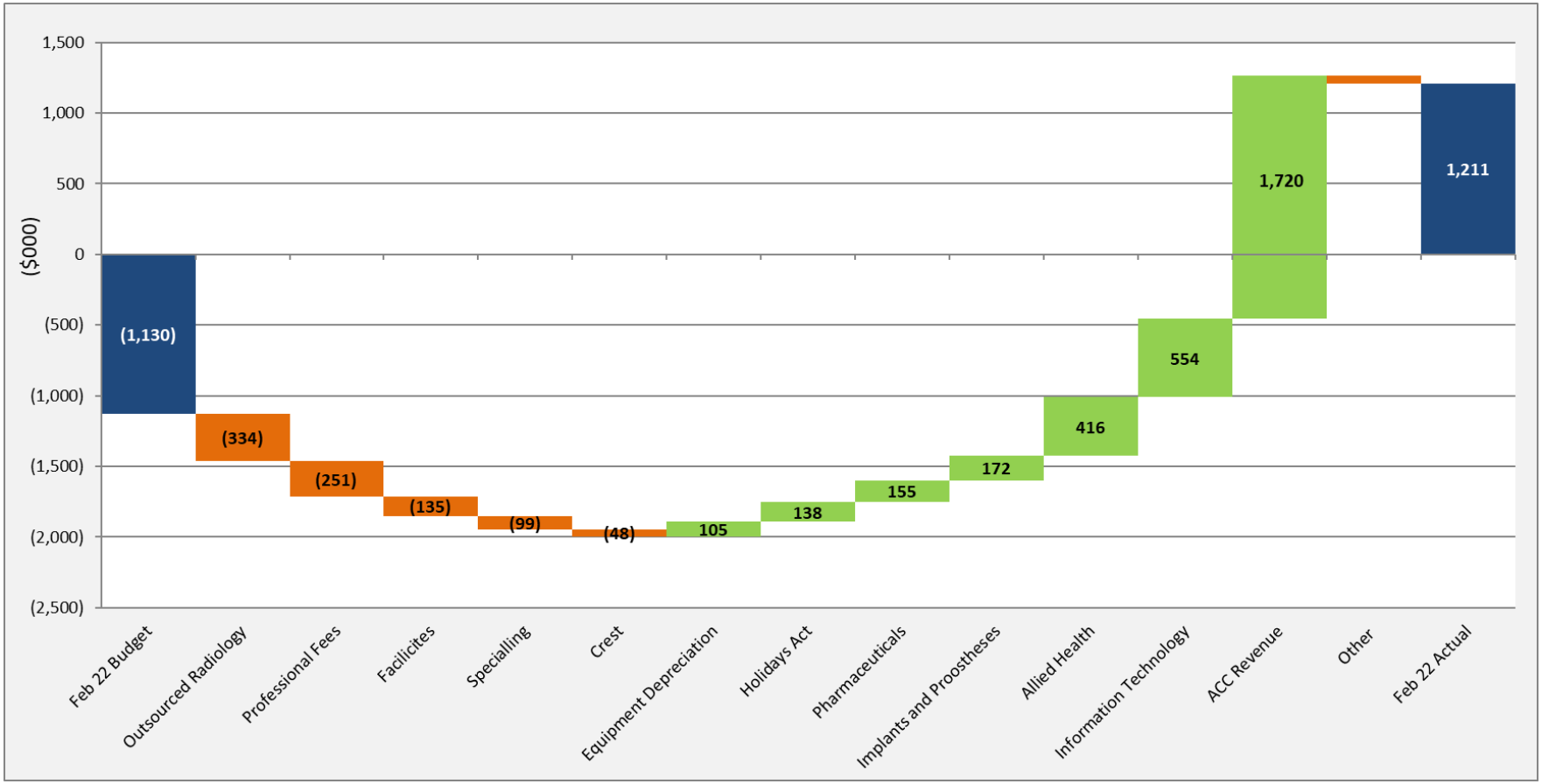
$000	Feburary 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Net Revenue	**66,509**	**64,271**	**2,238** ✓	**530,483**	**515,004**	**15,480** ✓	**786,335**	**772,680**	**13,655** ✓
Expenditure									
Medical	6,605	6,812	207 ✓	54,287	54,726	439 ✓	82,335	85,338	3,004 ✓
Nursing	9,262	8,829	(433) !	82,664	71,753	(10,911) ✗	122,249	110,673	(11,576) ✗
Allied Health	2,861	3,277	416 ✓	24,677	26,302	1,625 ✓	38,161	40,912	2,750 ✓
Support	130	154	24 ✓	1,179	1,336	158 ✓	2,003	2,044	41 ✓
Management / Admin	2,914	3,040	125 ✓	24,976	25,234	258 ✓	38,671	39,094	423 ✓
Personnel	21,772	22,111	339 ✓	187,781	179,351	(8,431) !	283,419	278,061	(5,358) !
Outsourced Personnel	918	313	(606) ✗	7,720	2,845	(4,875) ✗	13,248	4,685	(8,563) ✗
Sub -Total Personnel	22,690	22,423	(267) !	195,501	182,195	(13,306) ✗	296,667	282,746	(13,921) !
Other Outsourced Services	2,648	2,173	(475) ✗	19,491	17,841	(1,651) ✗	29,400	27,066	(2,334) ✗
Clinical Supplies	4,678	5,357	680 ✓	42,574	42,629	55 ✓	65,462	65,534	72 ✓
Infrastructure & Non-Clinical	7,460	7,747	287 ✓	55,729	58,696	2,967 ✓	88,152	91,009	2,857 ✓
Provider Payments	27,492	27,303	(189) !	220,987	219,076	(1,911) !	330,316	328,288	(2,028) !
Total Operating Expenditure	**64,968**	**65,003**	**35** ✓	**534,282**	**520,437**	**(13,845)** !	**809,997**	**794,643**	**(15,354)** !
Operating Surplus/(Deficit)	**1,540**	**(732)**	**2,273** ✓	**(3,799)**	**(5,433)**	**1,634** ✓	**(23,662)**	**(21,963)**	**(1,699)** ✗
Enable NZ Contribution	196	186	10 ✓	2,216	1,851	365 ✓	3,133	2,768	365 ✓
Surplus/(Deficit) Before One-Off Items	**1,737**	**(546)**	**2,283** ✓	**(1,582)**	**(3,581)**	**1,999** ✓	**(20,529)**	**(19,195)**	**(1,334)** ✗
Holidays Act	(446)	(583)	138 ✓	(3,639)	(4,667)	1,027 ✓	(5,649)	(7,000)	1,351 ✓
Covid-19	(80)	(0)	(80) ✗	66	(0)	66 ✓	95	(0)	95 ✓
Surplus/(Deficit)	**1,211**	**(1,130)**	**2,341** ✓	**(5,156)**	**(8,248)**	**3,092** ✓	**(26,083)**	**(26,195)**	**112** ✓

FTE									
Medical	371.9	385.9	14.0 ↓	362.5	376.3	13.8 ↓	366.6	380.4	13.8 ↓
Nursing	1,128.9	1,158.1	29.2 ↓	1,118.0	1,121.1	3.1 ↓	1,156.8	1,138.1	(18.8) →
Allied Health	418.4	445.2	26.8 ↓	422.5	440.3	17.8 ↓	433.1	442.7	9.6 ↓
Support	27.6	33.3	5.8 ↓	29.5	33.4	3.9 ↓	29.5	33.4	3.9 ↓
Management / Admin	456.9	493.6	36.6 ↓	466.8	482.4	15.6 ↓	475.6	487.0	11.3 ↓
Operating FTE	**2,403.8**	**2,516.2**	**112.4** ↓	**2,399.3**	**2,453.4**	**54.1** ↓	**2,461.7**	**2,481.5**	**19.8** ↓
Enable NZ	131.6	115.4	(16.2) ↑	118.5	115.4	(3.1) →	117.5	115.4	(2.1) →
Holidays Act	2.8	5.0	2.2 ↓	3.8	5.0	1.2 ↓	5.3	5.0	(0.3) ↑
Covid-19	85.8	66.1	(19.7) ↑	82.4	77.6	(4.8) ↑	99.3	66.1	(33.2) ↑
Total FTE	**2,623.9**	**2,702.7**	**78.8** ↓	**2,604.0**	**2,651.5**	**47.4** ↓	**2,683.7**	**2,668.0**	**(15.7)** →

✓ Favourable to Budget
! Unfavourable to Budget but within 5%
✗ Unfavourable to Budget outside 5%
↓ FTE Below Budget
→ FTE Higher than Budget but within 5%
↑ FTE Higher than Budget

Major variances to budget for the month drove the result as indicated in the graph below.

MAJOR VARIANCES TO BUDGET FOR THE MONTH



Favourable revenue is primarily due to backdated price increases to ACC NAR contracts. Contract pricing was raised as an issue by DHBs in late 2020, based on increasing labour costs. An agreement was reached in January 2022, paving the way for the DHB to revise amounts previously invoiced back to December 2020. This resulted in an additional $1.720m of unbudgeted revenue recognised up to February 2022.

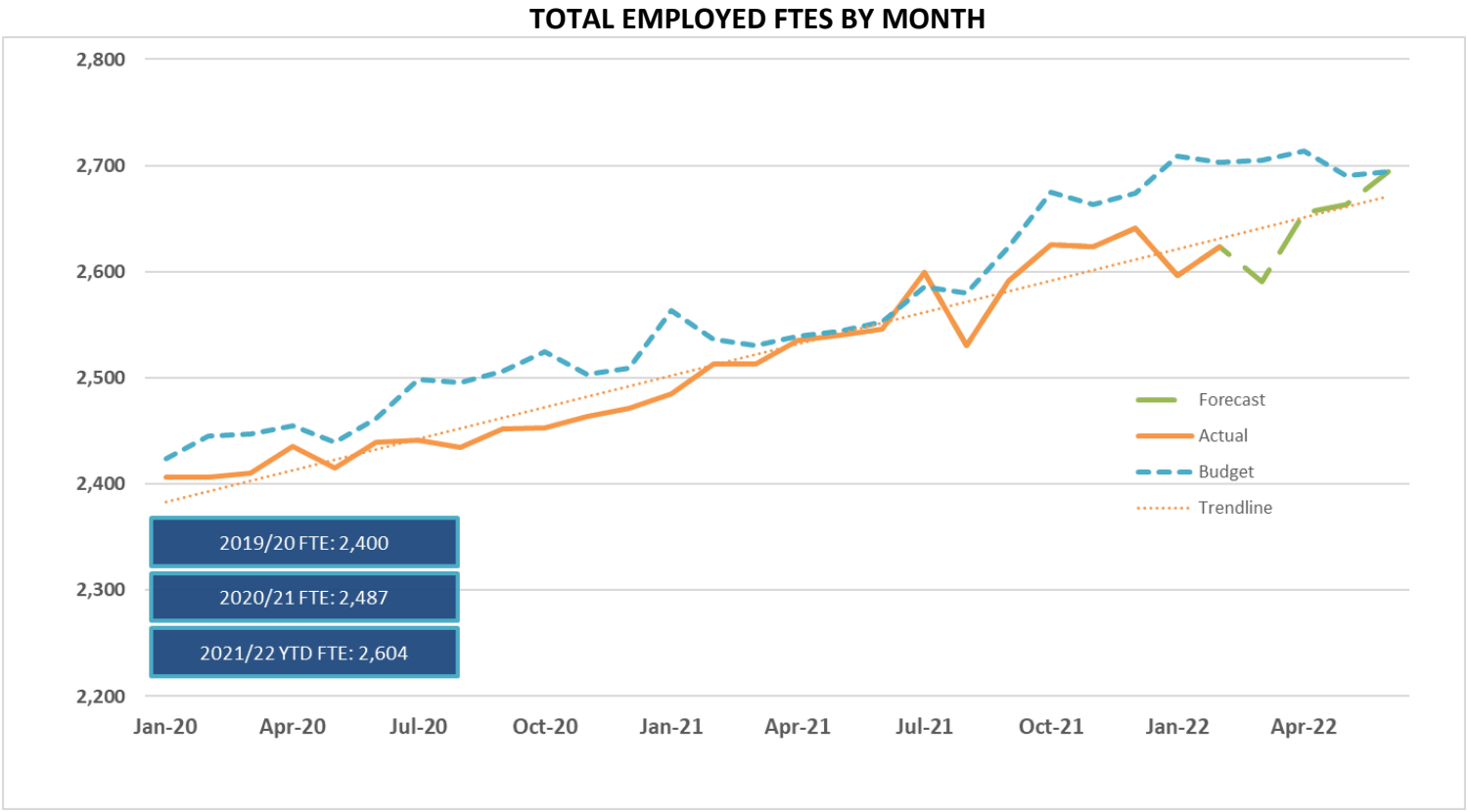
In addition, this new ACC pricing will result in an increased revenue expectation of *circa* $0.350m for the remainder of the year.

Other revenue variances include:

- Adverse planned care revenue of $0.845m in Te Uru Arotau, Acute and Elective Specialist Services. This is offset by unplanned (acute) activity and minor procedures that are $0.931m and $0.151m favourable to budget, respectively.
- Inter-District Flow (IDF) revenue was $0.585m favourable to the budget for the month.
- Further funding for nursing and midwifery pay equity settlements were paid during the month, albeit at a much-reduced level when compared to last month. Funding will continue monthly to offset the ongoing additional cost of pay equity.

Full-Time Equivalent staffing (FTE) for the month is as follows:

- FTEs were well below budget for the month by 79 FTE, bringing the year to date result to 47 FTE below budget. A combination of dropping FTEs and increasing expectations of recruitment in the budget has created this variance. Since last month, there has been a 12 FTE increase due to nursing roles spread across the Clusters. Nursing staff FTEs are close to budget for the year to date.
- While COVID-19 staff levels are above budget by 20 FTE, these are all funded by unbudgeted revenue. The variance reinforces the difficulty in planning for the uncertainties of pandemic impacts at the time the budget was constructed.
- Medical staff remain below budget by 13 FTE for the year. Te Uru Arotau are seven below budget due to radiologist vacancies. A further six vacancies exist in Te Uru Rauhī, Mental Health and Addiction Services. These are being covered by locums.
- Allied Health staff are 30 FTE favourable for the month and 23 FTE favourable year to date. There has been minimal movement in the overall Allied Health FTE level since the beginning of the year.

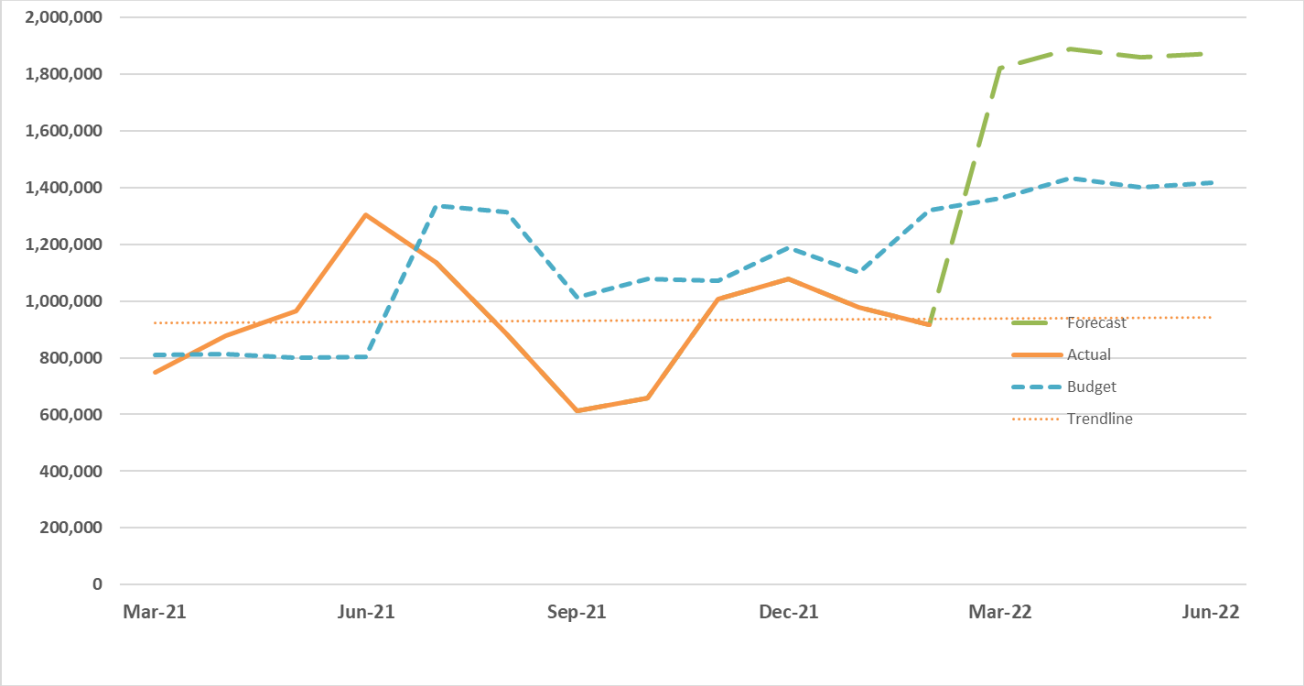


Significant variances in operating expenditure for the month are highlighted below.

- While FTEs are below budget for the month, personnel costs (excluding Outsourced Personnel) are close to budget. Nursing costs were $0.597m adverse, with pay equity settlements accounting for $0.345m of this variance. It is expected that further payments will be forthcoming as the adjustments are completed. Adverse nursing costs were offset by medical, allied health and administration personnel costs, which are below budget from an FTE perspective.
- Outsourced locum costs were also adverse. As with previous months, adverse locum costs reside in Te Uru Rauhī. Nursing was also a factor in the adverse Outsourced Personnel result in February.
- Other Outsourced Services were favourable to budget due to radiology costs ($0.334m) and Crest ($0.048m) in Te Uru Arotau and Te Uru Mātai Matengau, Cancer Treatment, Screening and Support.

- Clinical supply costs were $0.499m favourable to budget overall due to implants and prostheses ($0.172m), pharmaceuticals ($0.154m) and lower than expected depreciation on clinical equipment ($0.105m) being the main drivers. Favourable pharmaceuticals costs are due to the lower use of infliximab and cancer treatment drugs (PCTs). Depreciation is $0.741m favourable for the year, with half of this related to the timing of Linear Accelerator replacement.
- Infrastructure and Non-Clinical costs are $0.307m favourable to the budget for the month. The causes of this variance are facilities depreciation ($0.197m), information system depreciation ($0.129m) and information system costs ($0.392m). These are offset by professional fees that are $0.220m adverse. Professional fees relate to consultancy costs in Te Uru Rauhī that are $0.140m adverse, largely due to the Te Mātāpuna o te Ora (Adult Integrated Model of Care) initiative. The remainder is for consulting on both information technology and facilities, legal expenses. The forecast for information system expenditure is planned to increase significantly for the remainder of the year as Software as a Service (SaaS) implementations progress.

TOTAL INFORMATION SYSTEM COSTS BY MONTH



One-off items include the Holidays Act and COVID-19 expenditure.

- Holidays Act expenditure for the month includes a $0.375m increase in the provision, with the remainder being project costs. Project costs are lower than anticipated in the budget, leading to a favourable variance for the month and year.
- COVID-19 expenditure for the month includes $2.680m of costs, largely offset by funding received for immunisation, surveillance, and isolation. Both revenue and expenditure are close to budget.

2.2 Financial Performance by Service

The statement of 'Net Revenue and Expenditure by Service' is shown in the table below.

$000	Feburary 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Acute & Elective Specialist Services	(14,544)	(14,399)	(145) !	(118,665)	(115,879)	(2,786) !	(179,310)	(178,476)	(834) !
Healthy Women, Children and Youth	(3,127)	(3,356)	228 ✓	(26,034)	(26,820)	786 ✓	(39,549)	(41,179)	1,630 ✓
Cancer Screening, Treatment & Support	(3,757)	(3,891)	134 ✓	(30,610)	(30,903)	293 ✓	(46,838)	(47,282)	444 ✓
Healthy Ageing & Rehabiliation	(7,892)	(9,473)	1,581 ✓	(74,187)	(75,935)	1,748 ✓	(111,797)	(114,524)	2,728 ✓
Primary, Public & Community	(5,505)	(5,521)	16 ✓	(44,433)	(44,658)	225 ✓	(66,780)	(67,160)	379 ✓
Mental Health & Addictions	(3,960)	(3,711)	(249) ✗	(33,258)	(30,411)	(2,847) ✗	(49,946)	(46,307)	(3,639) ✗
Pae Ora - Paiaka Whaiora	(888)	(980)	91 ✓	(7,488)	(7,904)	415 ✓	(11,475)	(11,886)	411 ✓
Corporate & Professional Services	41,266	40,649	617 ✓	331,277	327,477	3,800 ✓	482,633	485,452	(2,819) !
Enable NZ	146	136	10 ✓	1,816	1,451	365 ✓	2,533	2,168	365 ✓
Surplus/(Deficit) Before One-Off Items	**1,737**	**(546)**	**2,283** ✓	**(1,582)**	**(3,581)**	**1,999** ✓	**(20,529)**	**(19,195)**	**(1,334)** ✗
Exceptional Items	(526)	(583)	58 ✓	(3,574)	(4,667)	1,093 ✓	(5,554)	(7,000)	1,446 ✓
Surplus/(Deficit)	**1,211**	**(1,130)**	**2,341** ✓	**(5,156)**	**(8,248)**	**3,092** ✓	**(26,083)**	**(26,195)**	**112** ✓

✓ Favourable to Budget ! Unfavourable to Budget but within 5% ✗ Unfavourable to Budget outside 5%

Items of note which impacted service financial performance for the month are outlined below. Further details are provided in Appendix One – Financial Performance by Service.

- Te Uru Arotau – Acute and Elective Specialist Services was adverse to budget for the month with favourable revenue of $0.153m offset by adverse expenditure ($0.298m). Favourable revenue resulted from further pay equity funding ($0.226m) that was offset by associated nursing costs. While planned care revenue was adverse to budget, unplanned care and minor procedures offset this. The lower planned care activity had an impact on outsourced expenditure. In addition, to pay equity payments, personnel costs were adversely affected by a higher than expected overtime and penal for nursing and medical staff. The year-end forecast suggests that the adverse year to date variance is unlikely to reverse significantly.
- Te Uru Pā Harakeke – Healthy Women, Children and Youth Services was favourable to budget for the month due primarily to clinical FTEs that are lower than that planned, particularly midwives and nursing. Treatment supplies (blood) and pharmaceuticals also contributed to the favourable month variance. The year-end forecast suggests that the favourable year to date variance will increase.

- Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services is slightly favourable to budget for the month. The favourable variance is largely driven by medical staff, depreciation and maintenance costs. The year-end forecast is favourable to budget.
- Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services is $1.581m favourable to budget for the month. ACC revenue was $1.738m higher than anticipated due to the back billing of ACC for contract prices changes. The year-end forecast is now favourable to budget including the impact of ACC price changes.
- Te Uru Kiriora – Primary, Public and Community Health Services is on budget for the month. Adverse nursing costs for early pay equity payments and offset by revenue. The year-end forecast is favourable to budget.
- Due to adverse personnel costs and professional fees, Te Uru Rauhī – Mental Health and Addiction Services is adverse to budget by $0.249m for the month. The cost of locum cover for the month is offset by medical staff vacancies. However, nursing costs, largely in Ward 21, were higher than expected. Adverse infrastructure and non-clinical costs related to consultancy costs for Te Mātāpuna o te Ora. The year-end forecast suggests that the adverse year to date variance will increase.
- Corporate and Professional Services comprises all executive and enabler functions. The favourable month result is mainly due to facilities depreciation ($0.197m), information system depreciation ($0.124m) and information system expenses ($0.355m). The year-end forecast includes unbudgeted costs for implementing several approved Software as a Service initiatives that are underway or about to commence.
- Exceptional Items contains organisation-wide costs for COVID-19 and the Holidays Act. Refer to sections 2.3 and 2.4 below.
- The February 2022 result for Enable New Zealand is due to favourable income from trading activities and procurement rebates. Trading activities include direct sales, equipment hire, equipment refurbishment and freighting of complex equipment.

A Statement of Net Revenue and Expenditure by Division is shown in the table below.

$000	Feburary 2022			Year to date			Year End		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Funding Division	5,347	5,831	(484) ✖	25,561	27,066	(1,504) ✖	33,759	41,236	(7,477) ✖
MidCentral Provider	(5,019)	(7,097)	2,077 ✔	(34,855)	(36,765)	1,910 ✔	(65,738)	(69,599)	3,860 ✔
Enable NZ	146	136	10 ✔	1,816	1,451	365 ✔	2,533	2,168	365 ✔
Governance	737	0	737 ✔	2,321	(0)	2,321 ✔	3,364	0	3,364 ✔
Surplus/(Deficit)	**1,211**	**(1,130)**	**2,341** ✔	**(5,156)**	**(8,248)**	**3,092** ✔	**(26,083)**	**(26,195)**	**112** ✔

✔ Favourable to Budget ! Unfavourable to Budget but within 5% ✖ Unfavourable to Budget outside 5%

2.3 Holidays Act

Holidays Act related costs of $0.446m are $0.138m favourable to the budget for the month. Of this, $0.375m is an increase to the Holidays Act provision. The remainder relates to project costs. Holidays Act compliance is a national issue faced by all DHBs, and the expectation is that this will require separate funding to remediate. The Government has signalled that it will provide this funding once all DHBs are in a position to rectify.

The value of the Holidays Act provision as of February 2022 was $50.398m and is held in the balance sheet. A significant increase in the provision was recognised last year to reflect the estimate undertaken by Ernst & Young. A further $4.000m has been accrued this year. The 2020/21 estimate has been subject to the year-end audit process. However, the adequacy or otherwise of these provisions will not be confirmed until the individual remediation calculations are substantially complete.

2.4 COVID-19

Net expenditure during February was $0.080m adverse to budget for the month. Revenue received was $2.600m and was offset by operating expenditure. This was for immunisation activity, surveillance, and isolation facilities. The positive year to date result reflects revenue used to fund equipment purchases in support of immunisation activity. The equipment is recognised as an asset and held on the balance sheet rather than an operating expense.

2.5 Year-end Forecast

The year-end budgeted deficit of $26.195m remains achievable with the following points noted:

- The forecast excludes the impact of potential impairments due to the approved webPAS SaaS business case, which is awaiting approval from the Ministry of Health (the Ministry). The business case assumed an impairment as high as $7.176m. However, it is likely to be less than this, as delays in project implementation will extend the useful life of the existing webPAS instance.
- Also excluded is the financial impact of the current Omicron outbreak. From a financial perspective, this will have both favourable and adverse effects. Previous COVID-19 events resulted in reduced services in some areas and increased activities elsewhere. Much will also depend on the willingness of the Ministry to fund planned care that is disrupted by Omicron.
- The year to date adverse variances in Te Uru Arotau and Te Uru Rauhī are mainly unrecoverable. The best outcome is that expenditure decreases so that the variance growth rate slows. All other services are forecast to be ahead of budget, helping to offset these two.
- The forecast is optimistic in respect of the filling of staff vacancies. In reality, this will remain a significant challenge in the current environment.
- Several recently approved information system business cases will impact the budget. These were originally envisioned as asset purchases and therefore budgeted as Capex. However, the preference for SaaS will result in unbudgeted operational expenditure. 2021/22 business case implementation costs were *circa* $4.5 million. It is likely that implementation will be over a much longer timeframe, and therefore, expenditure attributed to this year will be reduced. For this year, $3.4m of additional

expenditure is included in the forecast for unbudgeted SaaS implementation. Achieving this level of expenditure prior to year-end will be another challenge for the DHB.

2.6 Budget Risks

The majority of risks identified last year remain relevant for this financial year. The Holidays Act project has been removed as a risk. While this remains a significant project, the Ministry is funding all costs and therefore, this risk is offset. In addition, the webPas SaaS risk has been incorporated into a general cloud technology budget risk. As information technology increasingly turns away from on-premise to cloud solutions, this transfers the financial burden from capital to operating costs.

A summary of 2021/22 budget risks is outlined below. These can potentially affect MDHB's ability to achieve budget significantly if realised.

Risk	Low	Medium (Watch)	Medium (Concern)	High
Indicator				

Risk	Comment	Status
Achieving Sustainability and Saving Plan Objectives		
Sustainability initiatives of $2.050m are included in the budget. These must be achieved to help absorb any unexpected shocks to the DHB.	Sustainability initiatives are behind target on a year to date basis. However, savings elsewhere with the DHB and additional revenue are offsetting any impact this will have on the budget.	
Ongoing Impacts of COVID-19		
The recent outbreak confirms that this is far from over. The impact of further episodes is disruptive to the DHB and its budget.	At the beginning of the year, the lockdown had a noticeable impact on hospital activity and financial performance in the first quarter. DHB business as usual activities is being impacted by the current Omicron outbreak. Management has built strategies to best deal with this and limit the impact.	
Timing of staff recruitment		
The budget reflects average vacancy levels based on the assumption that not all positions will be recruited. It also includes phasing adjustments because the need to fill positions will occur gradually throughout the year.	The variance between budgeted and actual FTEs suggests a high number of vacancies. Given this, the timing of recruitment appears as a low risk at this point. However, FTEs have been reduced in the revised budget to reflect the difficulty in recruiting staff, and the gap between target and actual is now closing.	

Future MECA settlements		
The budget assumption is for a modest 1.5 percent increase in wage settlements based on the Government's expectation. Recent nursing strikes suggest not all employee groups will necessarily accept this.	While settlements for some groups have been higher than the budget expectation, the impact has been muted by lower than budgeted FTEs. To date, additional funding support for the Pay Equity settlements has offset any adverse impact.	
Achieving Planned Care targets		
The Ministry proposed targets require an increase in output to achieve similar revenue levels as in 2020/21. This will need to be carefully managed given the potential disruption due to SPIRE construction.	Refer to '**Ongoing Impacts of COVID-19**' as this is the main risk to planned care targets. Comprehensive planning for the SPIRE project is in place - refer to '**Hospital Capacity**'. While planned care activity was down on budget during the first quarter COVID-19 lockdown period, the MoH has agreed to fund planned care at the level of budget; thereby alleviating some financial pressure.	
Hospital Capacity		
Hospital bed capacity was very high during 2020/21 due to growing demand. In addition, the SPIRE and EDOA/MAPU PODS project construction activity will increase this year.	Hospital bed occupancy remains high. Surgical leads have endorsed a comprehensive SPIRE transition plan to ensure ongoing theatre capacity during construction. This includes access to Crest facilities and other contingency arrangements if required. MAPU-EDOA is currently in the design phase. An emerging side effect of managing COVID-19 positive patients is that adjacent ward space is unusable for COVID-19 negative patients. This effectively reduces hospital capacity.	
Cloud Technology		
Many proposed information technology solutions favour software as a Service (SaaS) and Platform as a Service (PaaS). This moves away from on-premise solutions and will transfer the financial burden from capital to operating costs.	Recent business cases such as e-referrals, e-triage and the digitisation of outpatient communication were planned as capital projects but will be implemented as SaaS and therefore become an operating expense. Other projects will likely favour a SaaS approach. The degree to which this impacts this year's financial performance will depend on the timing of implementation.	

2.7 Financial Position

The main variances in the Balance Sheet as of 31 February 2022 relate to the timing of capital expenditure being later than anticipated, resulting in lower than budgeted non-current assets. Higher cash and deposit balances and Ministry invoicing have resulted in higher than budgeted current assets.

As of 31 February 2022, the total available cash and deposit balances were $35.537m. Significant capital expenditure is budgeted for the 2021/22 year. While the timing of this expenditure is currently running later than planned, the projected year-end cash and deposits balance remains as budgeted at $0.256m, with any significant change in this deriving from the timing of capital projects.

$000	Jun-21	Feb-22		
	Actual	Actual	Budget	Variance
TOTAL ASSETS				
Non Current Assets	293,387	295,282	328,234	(32,952)
Current Assets	68,877	83,283	46,824	36,459
Total Assets	**362,264**	**378,565**	**375,058**	**3,507**
TOTAL EQUITY AND LIABILITIES				
Equity	207,943	210,444	216,651	6,207
Non Current Liabilities	6,278	6,191	6,203	12
Current Liabilities	148,043	161,928	152,205	(9,723)
Total Equity and Liabilities	**362,264**	**378,563**	**375,058**	**(3,505)**

2.8 Cash Flows

Overall net cash flows reflect a favourable variance to budget of $12.152m. Operating cash flows are unfavourable due to the timing of COVID-19 related activities and the net impact of working capital movements. Investing cash flows are favourable due to the timing of capital expenditure being later than budgeted. Financing activities are unfavourable due to equity injections for the SPIRE (Surgical Procedural Interventional Recovery Expansion) and mental health projects being later than budgeted.

$000	Jun-21 Actual	Feb-22 Actual	Feb-22 Budget	Feb-22 Variance
Net Cash Flow from Operating Activities	24,384	15,011	16,382	(1,371)
Net Cash Flows from Investing Activities	(20,859)	(19,677)	(44,705)	25,028
Net Cash Flows from Financing Activities	5,980	3,714	15,219	(11,505)
Net increase / (decrease) in cash	**9,505**	**(952)**	**(13,104)**	**12,152**
Cash at beginning of year	26,984	36,489	26,648	9,841
Closing cash	**36,489**	**35,537**	**13,544**	**21,993**

2.9 Cash, Investments and Debt

Cash and Investments

Trust and Special Funds are held in a separate BNZ account. These fall outside the shared banking arrangement with the BNZ that NZ Health Partnerships Limited sweeps daily. Surplus liquidity from the Enable New Zealand operating account is channelled through the main DHB accounts to obtain those benefits.

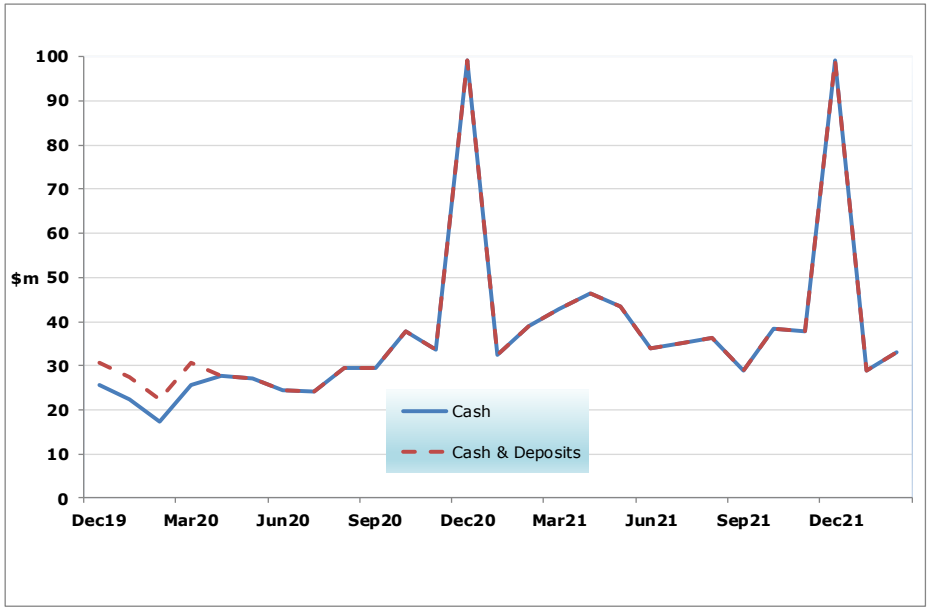
Feb-22	Rate	Value $000
NZHP Sweep Balance	0.97%	29,707
Cash in Hand and at Bank		2
Trust Accounts		2,512
Enable New Zealand		3,316
Cash Balances		35,537
Total Cash Balance		**35,537**

The cash reconciliation table below shows how cash has moved during the month.

Cash Reconciliation	Jan-22 $000	Year to date $000
Cash at December 2021	101,653	36,489
Surplus / (Deficit) for mth	950	(6,367)
Depreciation / Amortisation	2,330	16,079
Non-cash donations	(129)	(776)
Sale of fixed assets	16	23
Working capital movement	(70,919)	(1,742)
Capital expenditure	(2,303)	(17,853)
Loan/finance lease repayments	(17)	(118)
Trusts movement	(23)	50
Equity injections - capital	-	5,773
Cash Balance at month end	**31,558**	**31,558**

The chart below indicates the DHB's cash balance, excluding investment and Trust Accounts. The spike in the December 2021 cash balance reflects the early payment of February revenue by the Ministry due to the timing of the Christmas holiday period.

CASH BALANCES



The DHB sector as a whole has been experiencing liquidity pressure for some time due to the continuation of operating deficits. On behalf of all DHBs, New Zealand Health Partnerships maintains ongoing discussion with the Ministry and Treasury on ways to resolve liquidity issues and the need for deficit support equity injections to those DHBs who are insolvent. These pressures have not affected MDHB operations to date.

The Ministry has reassured the sector on the liquidity impacts of COVID-19 and that the cost of Holidays Act remediation will be funded when payments to remediate impacted employees (past and present) are eventually made. Despite this, these issues will likely influence the ability to fund other sector initiatives in the near term.

Net MDHB liquidity continues to be sufficient in the near term with steady levels. However, continuing operating deficits and planned capital investments will reduce overall liquidity.

The Treasury and the Ministry will provide a funding allocation of $30m towards the $35m budget for the Mental Health Unit replacement and $27.5m for an expanded perioperative suite (SPIRE programme). Expenditure against these projects will need to be tightly managed due to rising construction costs. Drawdowns are underway for these projects, with the bulk occurring over the remainder of this and next year as construction activity increases. In addition, funding support from the Ministry to purchase a replacement Linear Accelerator has been confirmed.

Treasury Policy and Ratios

There are currently no arrangements that necessitate monitoring against Treasury Policy parameters.

Debt and Leases

The MRI finance lease is held with MCL Capital which is a New Zealand owned and operated company offering leasing solutions to New Zealand public sector organisations.

Finance Leases	Start Date	Maturity	$'000	Equipment
MCL Capital	Jun-19	May-26	985	MRI Scanner

The finance lease allows the DHB to spread the cost of an asset over the lease term and preserves capital, minimises the draw on cash reserves and provides budget certainty with ownership at the lease expiry.

2.10 Statement of Capital Expenditure

Total approvals as of February are $81.048m against both the annual capex plan of $85.761m and unbudgeted capital of $9.617m. Unbudgeted capital relates to $8.000m of the Rapid Hospital Improvement programme and $1.617 of COVID-19 expenditure, both of which are Ministry funded. Total approvals include $6.201m of software projects, initially planned as capital but approved as SaaS solutions and therefore considered an operating expense. For completeness, SaaS approvals continue to be included in this section.

Approvals during the month of February amounted to $8.451m with the most significant being the Rapid Hospital Improvement programme noted above.

Capital Approvals ($000)

	Feb-22	YTD
Approvals	8,451	74,847
SaaS Approvals	0	6,201
Items Yet to ve Approved	(451)	14,330
Total	**8,000**	**95,378**
Capital Budget	0	85,761
Capex unbudgeted	8,000	9,617
Total	**8,000**	**95,378**

Capital expenditure for the month was $2.338m, bringing total spending for the year to $20.790m. The majority was spent on SPIRE ($0.926m), Mental Health Redevelopment ($0.398m), Emergency Department Observation Area/Medical Assessment and Planning Unit ($0.250m) and Fluoroscopy ($0.201m).

Capital Expenditure & SaaS ($000)

	Feb-22	YTD
Prior Year Capex	(47)	4,203
Current Year Capex	2,271	15,542
Current Year SaaS	114	1,045
Total	**2,338**	**20,790**

Year to date expenditure on items approved in the prior year is $4.203m and reflects the usual lag between project approval and project expenditure across financial periods.

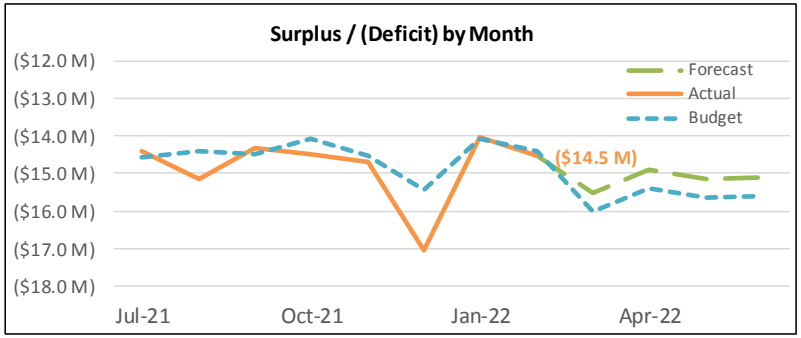
Further detail is provided in Appendix Two – Capital Expenditure. Several proposed information technology items, identified as capital when compiling the 2021/22 capex plan, are being undertaken as SaaS. Under this model, the service provider is offering a subscription to use the software while retaining ownership. From an accounting perspective, this becomes an operating expense. For completeness, these items continue to be reported on the Capital Expenditure Report. However, they have now been separated within the report to assess their impact.

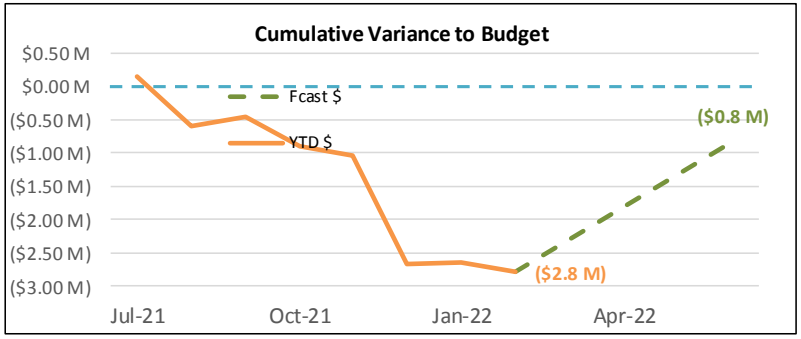
APPENDIX ONE – FINANCIAL PERFORMANCE BY SERVICE

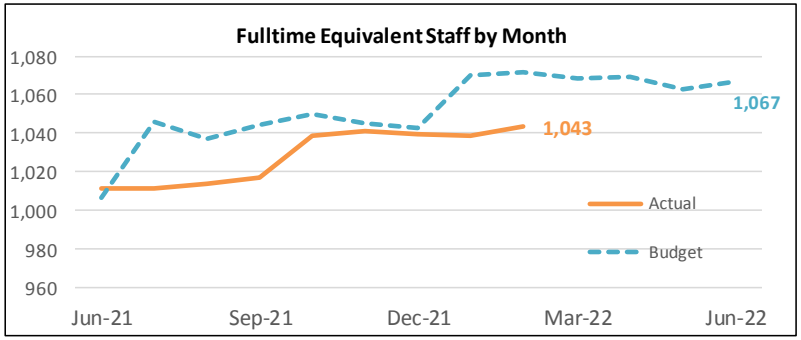
Te Uru Arotau – Acute and Elective Specialist Services

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**1,906**	**153**	**18,973**	**4,521**	**28,140**	**6,303**
Expenditure						
Personnel	10,197	(294)	86,173	(5,566)	128,841	(4,950)
Outsourced Personnel	233	(193)	796	(453)	1,194	(678)
Sub -Total Personnel	10,431	(487)	86,969	(6,018)	130,035	(5,628)
Other Outsourced Services	1,458	(247)	10,881	(915)	16,322	(1,021)
Clinical Supplies	2,853	487	26,666	(676)	40,906	(505)
Infrastructure & Non-Clinical	807	(51)	5,894	295	9,170	189
Total Operating Expenditure	**15,548**	**(298)**	**130,409**	**(7,315)**	**196,434**	**(6,966)**
Provider Payments	19	0	167	7	423	(171)
Corporate Services	883	0	7,062	0	10,593	0
Surplus/(Deficit)	**(14,544)**	**(145)**	**(118,665)**	**(2,786)**	**(179,310)**	**(834)**

FTE						
Medical	239.4	3.7	232.1	8.4	235.8	6.0
Nursing	532.9	4.6	521.3	1.1	531.6	(6.1)
Allied Health	132.1	7.5	132.3	5.8	135.7	2.8
Support	15.4	3.7	16.7	2.3	16.7	2.3
Management / Admin	123.7	8.7	127.9	2.8	128.7	2.5
Total FTE	**1,043.4**	**28.3**	**1,030.4**	**20.4**	**1,048.6**	**7.5**

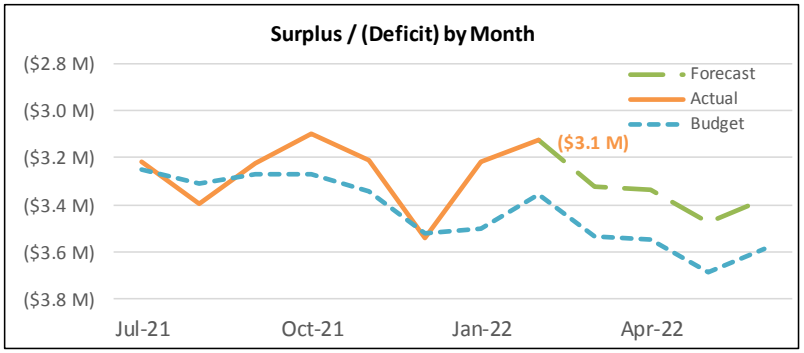


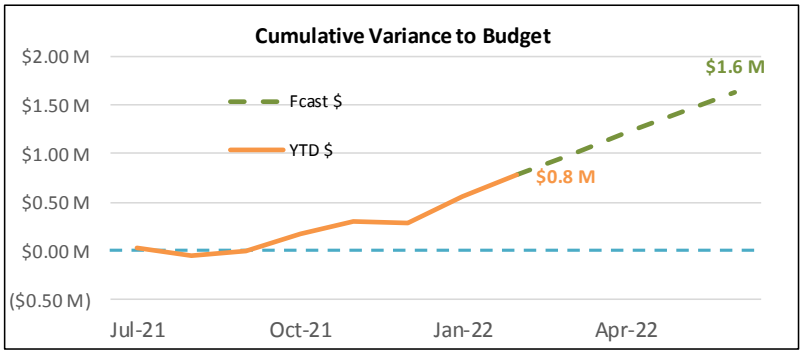




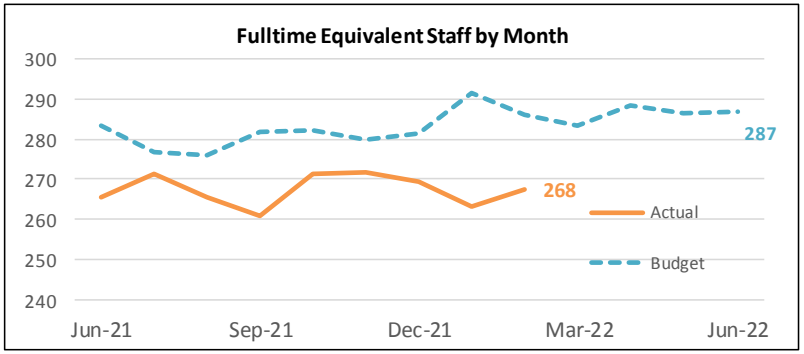
Te Uru Pā Harakeke – Healthy Women, Children and Youth Services

$000	Feburary 2022 Actual	Feburary 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**484**	**36**	**4,618**	**938**	**6,443**	**922**
Expenditure						
Personnel	2,514	139	21,455	(160)	31,920	902
Outsourced Personnel	33	(18)	305	(171)	458	(257)
Sub -Total Personnel	2,547	121	21,760	(331)	32,378	645
Other Outsourced Services	175	(94)	862	(279)	1,493	(567)
Clinical Supplies	262	97	2,617	238	4,006	307
Infrastructure & Non-Clinical	161	66	1,655	212	2,483	315
Total Operating Expenditure	**3,144**	**190**	**26,895**	**(160)**	**40,359**	**700**
Provider Payments	453	2	3,649	8	5,470	8
Corporate Services	14	0	108	0	162	0
Surplus/(Deficit)	**(3,127)**	**228**	**(26,034)**	**786**	**(39,549)**	**1,630**





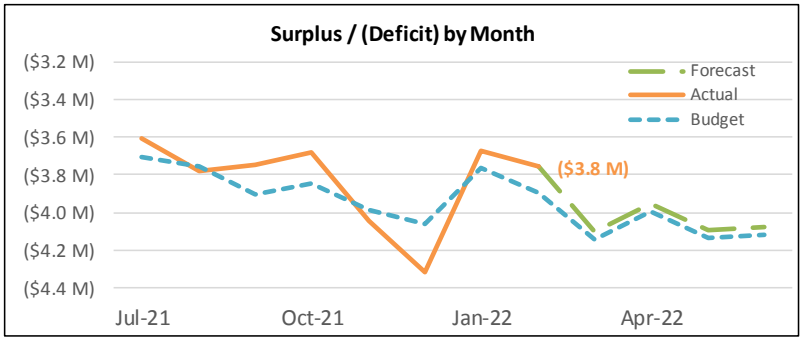
FTE	Feburary 2022 Actual	Feburary 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Medical	44.2	2.0	44.2	0.7	44.2	1.3
Nursing	117.9	5.4	117.0	5.0	119.0	3.3
Midwives	29.4	5.6	30.6	4.2	32.5	2.2
Allied Health	52.8	4.2	53.0	3.1	53.1	3.6
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	23.2	1.3	22.8	1.4	23.0	1.3
Total FTE	**267.5**	**18.5**	**267.6**	**14.4**	**271.8**	**11.6**

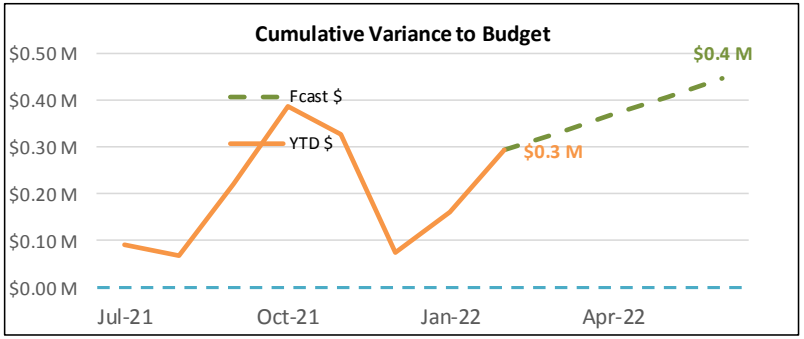


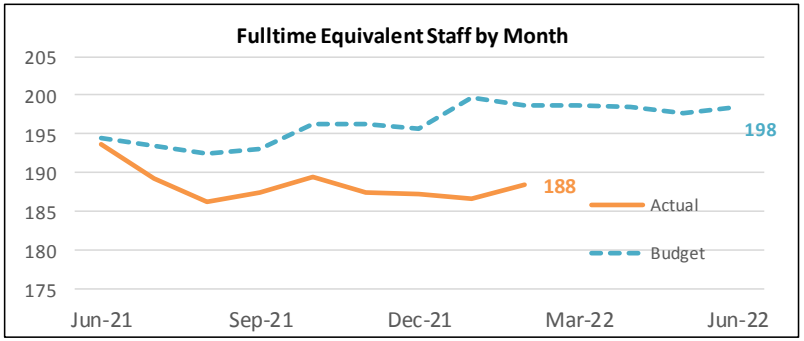
Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**612**	**(26)**	**6,297**	**291**	**9,694**	**828**
Expenditure						
Personnel	1,779	168	15,844	(139)	23,662	606
Outsourced Personnel	1	3	40	56	59	54
Sub -Total Personnel	1,780	172	15,884	(83)	23,721	661
Other Outsourced Services	715	(105)	5,247	(367)	7,871	(550)
Clinical Supplies	1,127	68	9,692	306	15,813	(706)
Infrastructure & Non-Clinical	124	28	1,120	142	1,680	208
Total Operating Expenditure	**3,745**	**163**	**31,943**	**(1)**	**49,085**	**(387)**
Provider Payments	405	(3)	3,211	3	4,818	3
Corporate Services	219	0	1,752	0	2,629	0
Surplus/(Deficit)	**(3,757)**	**134**	**(30,610)**	**293**	**(46,838)**	**444**

FTE						
Medical	39.1	3.4	39.4	1.6	39.4	2.1
Nursing	57.9	2.7	55.0	5.6	56.4	4.0
Allied Health	58.5	6.8	61.9	2.3	62.4	2.0
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	32.9	(2.6)	31.6	(1.6)	32.3	(2.2)
Total FTE	**188.5**	**10.3**	**187.8**	**7.9**	**190.5**	**6.0**



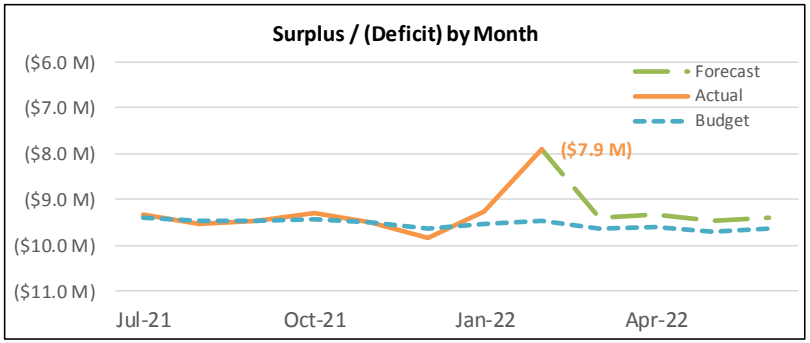


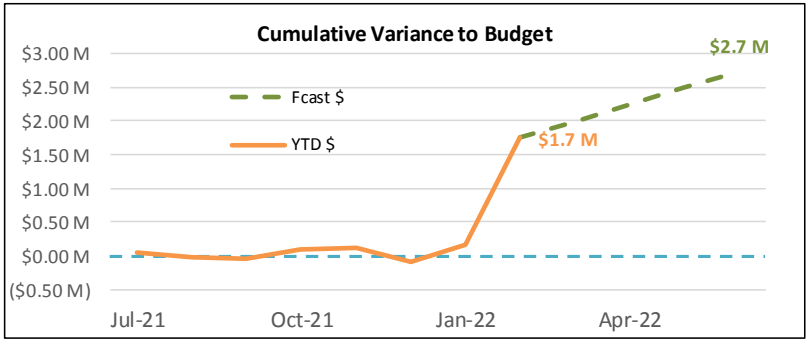


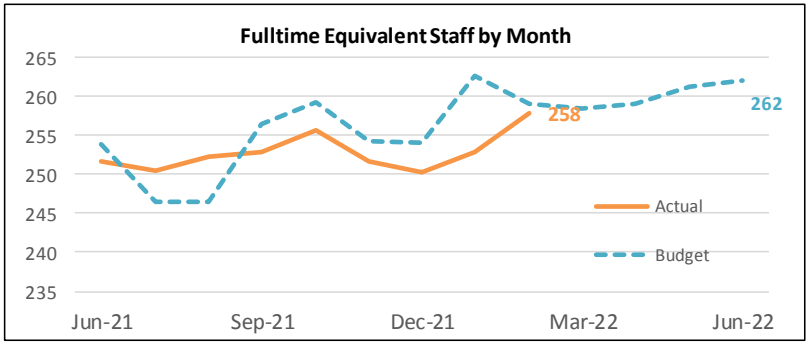
Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**2,197**	**1,811**	**6,687**	**3,280**	**9,656**	**4,531**
Expenditure						
Personnel	1,897	73	16,873	(777)	25,540	(732)
Outsourced Personnel	19	(19)	145	(144)	218	(216)
Sub -Total Personnel	1,916	54	17,018	(921)	25,758	(948)
Other Outsourced Services	40	20	515	(16)	772	(24)
Clinical Supplies	146	4	1,365	(135)	2,046	(200)
Infrastructure & Non-Clinical	178	(30)	1,396	(192)	2,169	(364)
Total Operating Expenditure	**2,280**	**48**	**20,293**	**(1,265)**	**30,745**	**(1,536)**
Provider Payments	7,721	(278)	59,870	(268)	89,642	(268)
Corporate Services	89	0	711	0	1,066	0
Surplus/(Deficit)	**(7,892)**	**1,581**	**(74,187)**	**1,748**	**(111,797)**	**2,728**

FTE						
Medical	15.2	1.9	15.5	0.3	15.6	0.8
Nursing	132.4	(4.9)	128.8	(3.2)	128.8	(2.9)
Allied Health	94.3	4.0	92.4	5.1	97.6	0.6
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	16.0	0.2	16.2	(0.3)	17.1	(1.1)
Total FTE	**257.8**	**1.2**	**253.0**	**1.9**	**259.1**	**(2.5)**



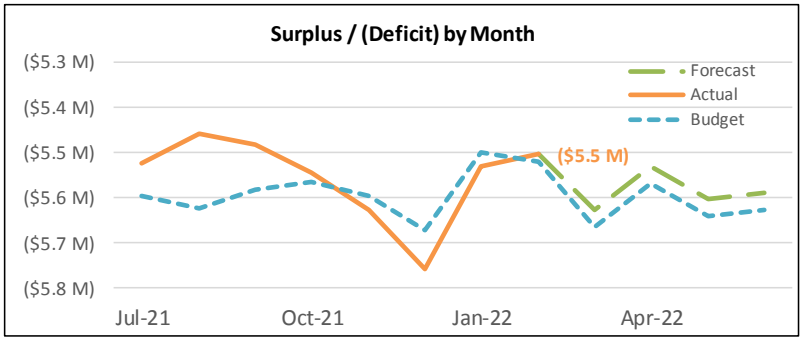


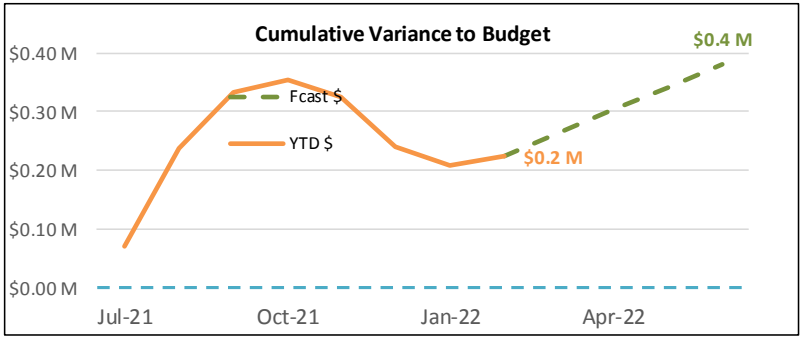


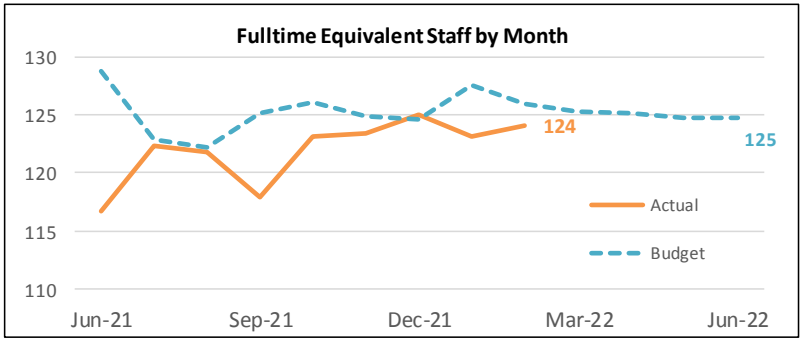
Te Uru Kiriora – Primary, Public and Community Services

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**772**	**23**	**6,592**	**675**	**9,648**	**735**
Expenditure						
Personnel	960	(39)	8,405	(658)	12,407	(607)
Outsourced Personnel	(0)	0	(0)	0	(0)	0
Sub -Total Personnel	959	(39)	8,405	(658)	12,407	(607)
Other Outsourced Services	(4)	17	31	81	86	82
Clinical Supplies	198	6	1,599	46	2,413	86
Infrastructure & Non-Clinical	98	8	789	78	1,218	81
Total Operating Expenditure	**1,252**	**(7)**	**10,824**	**(453)**	**16,124**	**(358)**
Provider Payments	4,921	0	39,369	3	59,055	3
Corporate Services	104	0	832	0	1,248	0
Surplus/(Deficit)	**(5,505)**	**16**	**(44,433)**	**225**	**(66,780)**	**379**

FTE						
Medical	1.8	0.2	1.6	0.4	1.6	0.4
Nursing	77.8	2.9	77.8	2.3	79.0	1.0
Allied Health	26.5	0.7	25.6	1.1	25.7	1.2
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	18.0	(2.0)	17.6	(1.6)	18.1	(2.2)
Total FTE	**124.1**	**1.8**	**122.6**	**2.3**	**124.4**	**0.4**



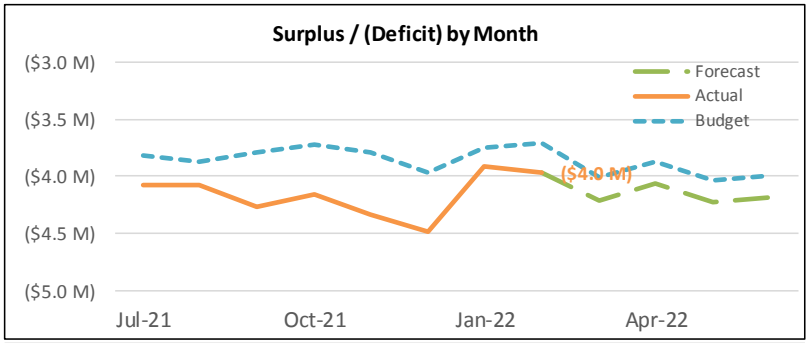


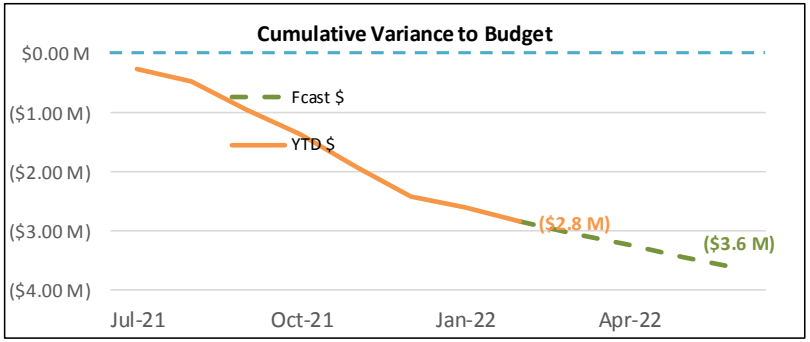


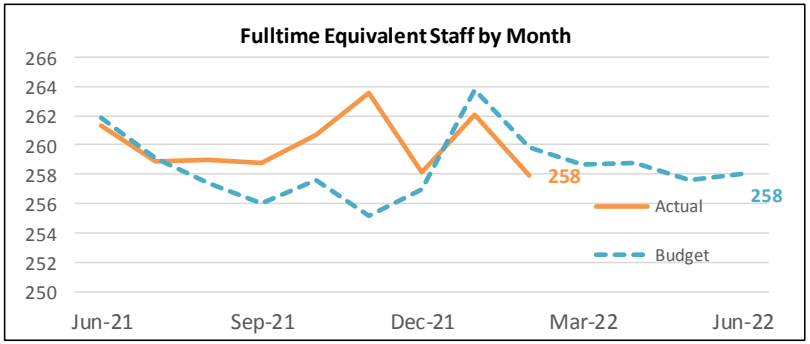
Te Uru Rauhī – Mental Health and Addiction Services

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**119**	**56**	**1,652**	**1,158**	**2,158**	**1,412**
Expenditure						
Personnel	2,193	(13)	19,290	(1,183)	28,471	(786)
Outsourced Personnel	247	(156)	3,415	(2,494)	5,123	(3,789)
Sub -Total Personnel	2,440	(169)	22,706	(3,676)	33,594	(4,574)
Other Outsourced Services	56	(37)	459	(100)	688	(250)
Clinical Supplies	36	(20)	190	(51)	285	(77)
Infrastructure & Non-Clinical	296	(81)	1,536	(181)	2,504	(154)
Total Operating Expenditure	**2,828**	**(307)**	**24,890**	**(4,009)**	**37,071**	**(5,055)**
Provider Payments	1,238	2	9,911	4	14,868	4
Corporate Services	14	0	109	0	164	0
Surplus/(Deficit)	**(3,960)**	**(249)**	**(33,258)**	**(2,847)**	**(49,946)**	**(3,639)**

FTE						
Medical	19.2	5.6	19.1	5.7	19.3	5.5
Nursing	155.2	0.5	159.1	(3.8)	160.5	(5.6)
Allied Health	44.2	(3.8)	43.9	(3.4)	43.9	(3.4)
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	39.3	(0.4)	37.7	(0.1)	39.0	(1.1)
Total FTE	**257.9**	**1.9**	**259.9**	**(1.6)**	**262.8**	**(4.6)**

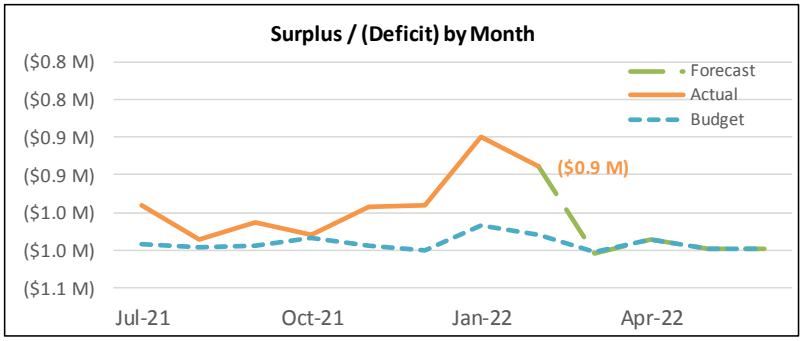


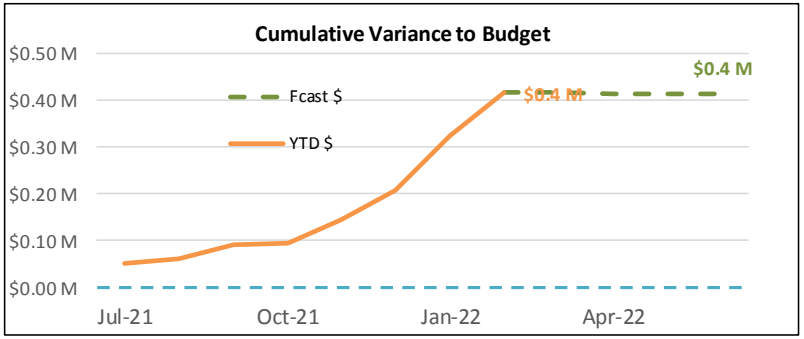




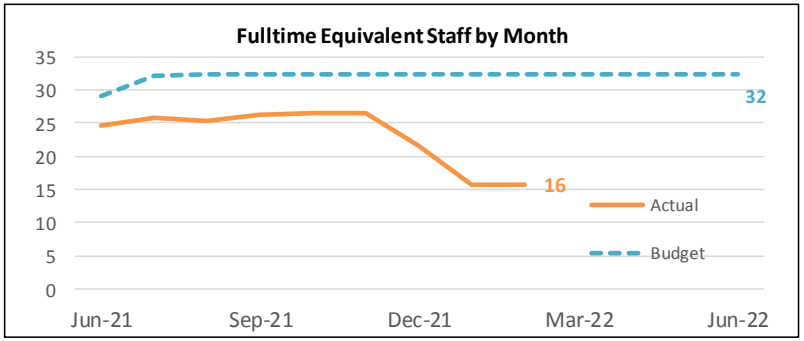
Pae Ora – Paiaka Whaiora Directorate

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**105**	**3**	**904**	**47**	**1,353**	**47**
Expenditure						
Personnel	125	106	1,404	546	2,434	542
Outsourced Personnel	0	0	1	(1)	1	(1)
Sub -Total Personnel	125	106	1,404	545	2,435	541
Other Outsourced Services	70	(68)	156	(141)	163	(141)
Clinical Supplies	0	(0)	2	1	4	1
Infrastructure & Non-Clinical	(32)	50	182	(39)	254	(39)
Total Operating Expenditure	**163**	**88**	**1,745**	**366**	**2,856**	**362**
Provider Payments	830	1	6,647	3	9,972	3
Corporate Services	0	0	0	0	0	0
Surplus/(Deficit)	**(888)**	**91**	**(7,488)**	**415**	**(11,475)**	**411**





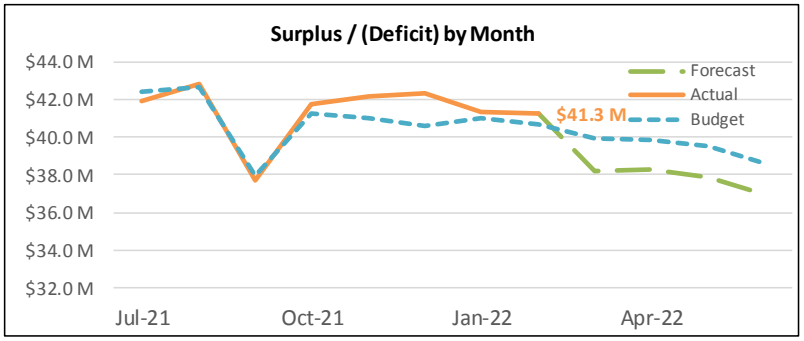
FTE						
Medical	0.0	0.0	0.0	0.0	0.0	0.0
Nursing	4.0	4.7	6.0	2.7	6.9	1.8
Allied Health	3.3	7.4	6.6	4.2	8.0	2.8
Support	0.0	0.0	0.0	0.0	0.0	0.0
Management / Admin	8.5	4.3	10.3	2.4	11.2	1.6
Total FTE	**15.8**	**16.4**	**22.9**	**9.4**	**26.0**	**6.2**

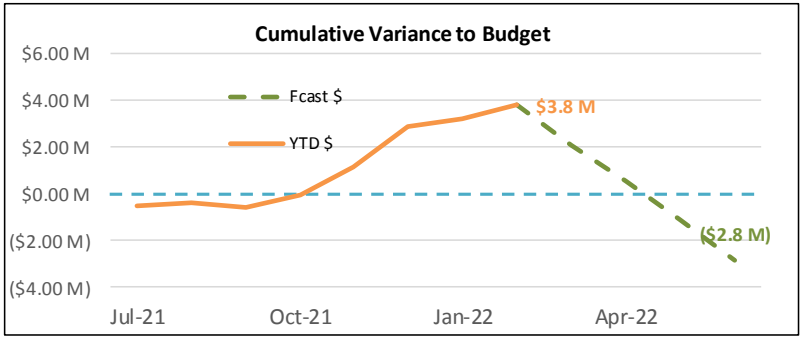


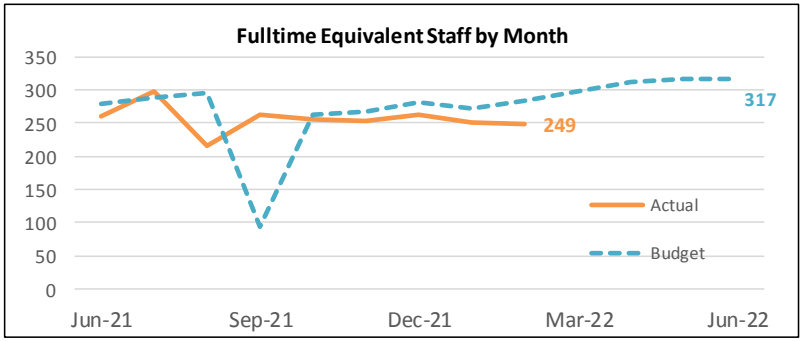
Corporate and Professional Services

$000	Feburary 2022 Actual	Feburary 2022 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Forecast	Year End Variance to Budget
Net Revenue	**60,314**	**181**	**484,760**	**4,570**	**719,996**	**(370)**
Expenditure						
Personnel	2,107	198	18,338	(495)	30,144	(334)
Outsourced Personnel	386	(223)	3,017	(1,669)	6,195	(3,677)
Sub -Total Personnel	2,493	(25)	21,355	(2,164)	36,339	(4,011)
Other Outsourced Services	138	39	1,340	87	2,003	137
Clinical Supplies	57	38	444	326	688	467
Infrastructure & Non-Clinical	5,827	297	43,157	2,653	68,727	2,568
Total Operating Expenditure	**8,515**	**349**	**66,296**	**902**	**107,758**	**(838)**
Provider Payments	11,905	87	98,162	(1,672)	146,068	(1,611)
Corporate Services	(1,372)	0	(10,975)	0	(16,462)	0
Surplus/(Deficit)	**41,266**	**617**	**331,277**	**3,800**	**482,633**	**(2,819)**

FTE						
Medical	13.0	(2.8)	10.6	(3.3)	10.7	(2.4)
Nursing	21.4	7.6	22.5	(10.8)	42.1	(16.6)
Allied Health	6.8	(0.1)	6.8	(0.4)	6.7	(0.0)
Support	12.2	2.1	12.7	1.6	12.7	1.6
Management / Admin	195.4	27.2	202.7	12.4	206.2	12.5
Total FTE	**248.8**	**34.0**	**255.3**	**(0.5)**	**278.4**	**(4.9)**

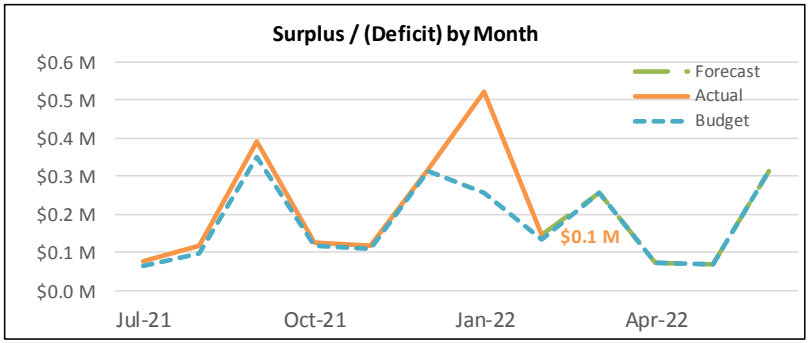


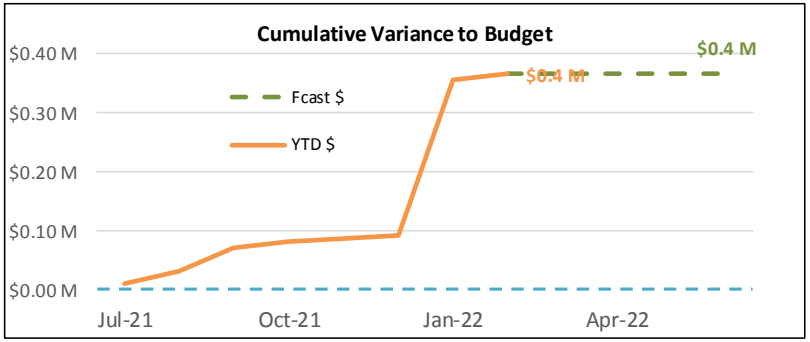




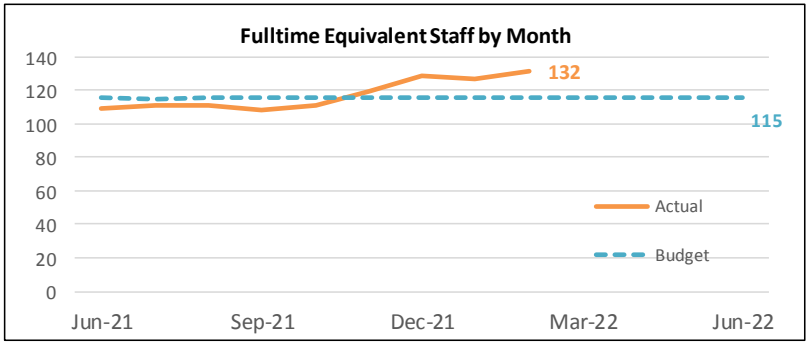
Enable New Zealand

$000	Feburary 2022		Year to date		Year End	
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget
Net Revenue	**6,777**	**3,666**	**34,794**	**9,257**	**47,719**	**9,257**
Expenditure						
Personnel	777	(58)	6,265	(52)	9,431	(52)
Outsourced Personnel	57	(31)	354	(129)	469	(129)
Sub -Total Personnel	834	(89)	6,620	(182)	9,900	(182)
Other Outsourced Services	6	(6)	48	(48)	48	(48)
Clinical Supplies	5	0	41	2	59	2
Infrastructure & Non-Clinical	5,736	(3,560)	25,869	(8,664)	34,579	(8,664)
Total Operating Expenditure	**6,581**	**(3,656)**	**32,578**	**(8,892)**	**44,587**	**(8,892)**
Provider Payments	0	0	0	0	0	0
Corporate Services	50	0	400	0	600	0
Surplus/(Deficit)	**146**	**10**	**1,816**	**365**	**2,533**	**365**





FTE						
Medical	0.0	0.0	0.0	0.0	0.0	0.0
Nursing	0.0	0.0	0.0	0.0	0.0	0.0
Allied Health	23.0	8.1	22.5	8.6	25.4	5.7
Support	26.5	(10.5)	22.2	(6.2)	20.2	(4.2)
Management / Admin	82.1	(13.8)	73.8	(5.5)	72.0	(3.7)
Total FTE	**131.6**	**(16.2)**	**118.5**	**(3.1)**	**117.5**	**(2.1)**



Holidays Act

$000	Feburary 2022		Year to date		Year End		Life to date
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget	Actual Since May 2010
Expenditure							
Personnel	395	22	3,209	126	5,003	(0)	50,624
Outsourced Personnel	15	32	199	181	298	271	766
Sub -Total Personnel	410	54	3,408	307	5,301	271	51,390
Infrastructure & Non-Clinical	36	83	232	720	348	1,080	1,555
Total Operating Expenditure	**446**	**138**	**3,639**	**1,027**	**5,649**	**1,351**	**52,944**
Surplus/(Deficit)	**(446)**	**138**	**(3,639)**	**1,027**	**(5,649)**	**1,351**	**(52,944)**

COVID-19

$000	Feburary 2022		Year to date		Year End		Life to date
	Actual	Variance to Budget	Actual	Variance to Budget	Forecast	Variance to Budget	Actual Since March 2020
Net Revenue	**2,600**	**1,387**	**16,919**	**(254)**	**26,200**	**6,271**	**19,959**
Expenditure							
Personnel	704	(203)	5,324	379	8,810	(1,788)	17,354
Outsourced Personnel	141	(141)	542	(259)	812	(530)	676
Sub -Total Personnel	845	(344)	5,865	120	9,623	(2,318)	18,029
Other Outsourced Services	1,031	(319)	7,924	473	11,885	(2,052)	9,386
Clinical Supplies	181	(181)	452	(186)	678	(412)	545
Infrastructure & Non-Clinical	623	(623)	2,613	(88)	3,919	(1,395)	3,819
Total Operating Expenditure	**2,680**	**(1,467)**	**16,854**	**319**	**26,106**	**(6,177)**	**31,779**
Surplus/(Deficit)	**(80)**	**(80)**	**66**	**66**	**95**	**95**	**(11,819)**

APPENDIX TWO – CAPITAL EXPENDITURE

($000)	Budget	Approved Budget	Unapproved Budget	Expenditure against this years approvals	Unspent against this years approvals	Expenditure against prior year approvals	Year End Forecast of Approved Expenditure
Externally Funded Items							
SPIRE Project	12,019	15,377	(3,358)	3,690	11,687	0	15,377
Mental Health Redevelopment	14,503	14,503	0	1,257	13,246	0	14,503
Acute Services Block	1,400	0	1,400	0	0	0	0
MOH Rapid Hospital Improvement	0	8,000	0	3	7,997	0	8,000
Linear Accelerator Replacement programme	4,330	4,500	(170)	3,888	612	364	4,864
Planned Care Production Planning	150	150	0	27	123	0	150
SCoPE (Theatre Audit)	600	600	0	0	600	0	600
TOTAL Externally Funded Items	**33,002**	**43,130**	**(2,128)**	**8,865**	**34,265**	**364**	**43,494**
Major Items							
EDOA / MAPU PODS	5,900	7,000	(1,100)	1,059	5,941	0	7,000
Telemetry & Monitoring System Replacements	3,278	4,000	(722)	544	3,456	0	4,000
Medical Imaging Equipment (incl DSA machine)	3,190	0	3,190	0	0	0	0
Programme of Change Mental Health (FACT)	516	516	0	96	420	0	516
Anaesthetic Machine & Monitor Replacements	2,430	2,800	(370)	1,123	1,677	0	2,800
End User Compute Replacement Programme	1,650	3,540	(1,890)	0	3,540	0	3,540
End User Compute Break Fix	350	233	117	187	0	0	187
Computerized tomography (CT) Scanner	1,740	0	1,740	0	0	0	0
Regional Health Informatics Programme (RHIP)	1,465	1,465	0	578	887	0	1,465
Workstations for Cancer Service	1,357	0	1,357	0	0	0	0
Structural & Seismic Upgrades	1,184	310	874	38	272	0	310
Fluoroscopy Machine	1,140	1,640	0	1,044	596	0	1,640
Bed Replacement Programme	1,000	89	911	0	89	0	89
Water Services	1,000	1,800	(800)	0	1,800	0	1,800
Enable NZ IT Programme	800	89	711	89	0	0	89
Chiller Replacements	700	365	335	0	365	23	388
Certificate of Public Use Upgrades	500	232	268	0	232	0	232
Fire System Upgrades	500	0	500	0	0	0	0
Covid BAU	0	1,617	(1,617)	1,008	609	134	0
Mammography Machines	500	0	500	0	0	0	0
Substation Project	300	0	300	0	0	0	0
Generator Replacement	300	0	300	0	0	0	0
TOTAL Major Items	**29,800**	**25,697**	**4,603**	**5,766**	**19,884**	**157**	**24,056**
Infrastructure Items							
Medical Air Upgrade & Vacuum Distribution Upgrade	500	650	0	0	650	0	650
Motor Control Centre Level A	400	0	400	0	0	0	0
Pressure Rooms (Ward 28 & Children's Ward)	350	0	350	0	0	0	0
Lighting and Egress Upgrades	350	150	200	0	150	0	150
Asset Management & Individual Items less than 251K	2,230	893	1,337	135	758	674	1,567
TOTAL Infrastructure Items	**3,830**	**1,693**	**2,287**	**135**	**1,558**	**674**	**2,367**

BOARD REPORT

($000)	Budget	Approved Budget	Unapproved Budget	Expenditure against this years approvals	Unspent against this years approvals	Expenditure against prior year approvals	Year End Forecast of Approved Expenditure
Clinical Equipment Items							
Medical Dispense (Rest of Hospital) & Upgrades	804	0	804	0	0	0	0
Echocardiograph	504	0	504	0	0	0	0
Pendants	500	0	500	0	0	0	0
Laparoscopic Tower Replacement Programme	500	500	0	20	480	645	1,145
Defibrillators	407	0	407	0	0	0	0
SSU Medivators & Washers Replacement	400	935	(535)	0	935	0	935
Endoscopy & Theatre Scopes	350	171	179	170	1	0	171
Orthovoltage (RCTS Skin Cancer)	300	0	300	0	0	0	0
Urology Ultrasound	300	0	300	0	0	0	0
Clinical Engineering Equipment	300	0	300	0	0	0	0
Patient Simulation Programme	300	111	189	0	111	0	111
Asset Management & Individual Items less than 251K	4,910	1,291	3,619	485	806	1,611	2,902
TOTAL Clinical Equipment Items	**9,575**	**3,008**	**6,567**	**675**	**2,333**	**2,256**	**5,264**
Information Technology Items							
SAN Rebuild	800	0	800	0	0	0	0
Echo Image Vault	700	700	0	43	657	0	700
Minor Works (Network, Firewalls, Servers, UPS)	600	60	540	0	60	0	60
Network Switch Upgrade	500	500	0	0	500	0	500
CITRIX Rebuild (Server Rationalisation)	300	0	300	0	0	0	0
Miya Upgrade	270	0	270	0	0	0	0
Asset Management & Individual Items less than 251K	667	59	608	58	1	752	811
TOTAL Information Technology Items	**3,837**	**1,319**	**2,518**	**101**	**1,218**	**752**	**2,071**
TOTAL CAPITAL EXPENDITURE	**80,044**	**74,847**	**13,847**	**15,542**	**59,258**	**4,203**	**77,252**
Software as a Service Items & Others							
Programme of Change Mental Health (FACT)	2,142	2,142	0	241	1,901	0	2,142
Health System Catalogue (NZHP)	1,515	1,515	0	600	915	0	1,515
ePrescribing and Administration Planning (Medchart)	800	972	(172)	0	972	0	972
External Referrals (eTriage, eReferrals)	460	0	460	11	(11)	0	0
WebPASaaS Implementation	400	1,240	(840)	0	1,240	0	1,240
Clinical Records Management	400	332	68	193	139	0	332
TOTAL Software as a Service and other Items	**5,717**	**6,201**	**(484)**	**1,045**	**5,156**	**0**	**6,201**
TOTAL CAPITAL EXPENDITURE & SaaS	**85,761**	**81,048**	**13,363**	**16,587**	**64,414**	**4,203**	**83,453**

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

Key questions the Board should consider in reviewing this paper:

- Is the progress with the Sustainability Plan satisfactory?

To	Board
Author	Gabrielle Scott, Interim General Manager, Quality and Innovation
Endorsed by	Kathryn Cook, Chief Executive
Date	27 April 2022
Subject	**Sustainability Plan**

RECOMMENDATION

It is recommended that the Board:

- **note** that at its April meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** the progress in the implementation of the Sustainability Plan
- **note** the Sustainability Plan benefits monitoring dashboard and trend analysis
- **note** the February 2022 report indicates savings of $374,868 year to date
- **approve** the Sustainability Plan report.

Strategic Alignment

The report supports the MidCentral District Health Board's (MDHB) strategy and key enablers 'Stewardship' and 'Innovation'. The Sustainability Plan supports MDHB to become more sustainable through changes to models of care, systems and processes. This ensures best use of resources to meet the healthcare needs and wellbeing of the population in the MDHB region.

1. PURPOSE

To outline progress in the delivery of the Sustainability Plan for 2020-2023 which was originally approved by the Board in August 2020. A refreshed plan for 2021-23 was approved by the Finance, Risk and Audit Committee at its April meeting.

2. SUSTAINABILITY PLAN STATUS UPDATE

The Sustainability Plan is a three-year plan which outlines the approach MDHB will take to ensure the delivery of enhanced services and financial sustainability. The plan is aligned to the sustainability component of MDHB's Annual Plan. The Sustainability Plan, including a summary of progress is included as Appendix One.

In addition to the core Sustainability Plan, there are several initiatives with dedicated funding from the Ministry of Health (the Ministry) and these are included in the report for monitoring purposes only. Reports on these initiatives are also provided to the Ministry.

MDHB resources are targeted at the core initiatives. This is consistent with the plan approved by the Board.

A Sustainability Plan Benefits Framework has been developed and approved by the Board. This is contained in Appendix Two. The collective benefits across all the initiatives in the plan will be tracked via a Sustainability Plan dashboard. The Sustainability Plan dashboard is in Appendix Three. The dashboard is in development. Trend analysis in the form of line graphs have been added where data is available. Target trajectories remain in development for some measures. Work has also commenced to define the measurement of benefits of the Older People's Assessment and Liaison (OPAL) Community Service. These measures will be added to the dashboard in the next report as they become identified and agreed by the clinical teams.

Whilst there are several initiatives reporting a change with their RAG (red/amber/green) status moving to amber, due to timeframes needing extending some other initiatives have now been completed.

The specialing cost containment and improvement project is in the final stages, however over the past four weeks little progress has occurred due to the impact COVID-19 is having on staff and patients. There is a clear assessment and decision-making framework in place for the clinical teams. This has been optimised this with the use of Mahi Tahi in the clinical areas, which has been critical to support patients over this period. Two areas of work which are progressing are the environment improvements to enable and promote most effective prevention of close behavioural observation. This has commenced on Ward 29. The Healthcare Assistant auditing process and tool is work in progress and the upgrade to the Miya journey board is also underway to capture specialing centrally, eliminating manual data collection. The Miya upgrade is dependent on the vendor's timing and support.

The community infusion service has successfully commenced and has now moved to business as usual and will sit under the leadership of Ambulatory Care, with plans to extend into Horowhenua and Feilding as resources allow.

Progress on the equipment library project has slowed as the recruitment is associated with a realignment of resources across several teams. Those changes are in progress and will facilitate the improved delivery of clinical asset management services once complete. This project will remain in red RAG status. A further update will be given in Quarter Four.

The PICQ (Performance Indicators for Coding Quality) tool has been purchased and is now in use with early insights being provided to support clinical documentation and coding. Savings will gradually be seen over the third and fourth quarters as sufficient data is required to identify any clinical documentation improvements which in turn can be coded more appropriately.

Skill mix meetings were scheduled last month with Healthy Women, Children and Youth, and Youth and Cancer. Both clusters have already undertaken considerable work with skill mix across their areas. Professional leads support their work and no further skill mix meetings are scheduled. Service sizing is ongoing and is key and is being led out by the Chief Medical Officer and Human Resources. Until the model of care is established with Health New Zealand, this project is on hold. Overall, the skill mix project has not released any cash savings. Inability to collect easily the difference between incumbent and replacement salaries has impacted on the visibility of savings, so this is one area which will be further explored.

Short term loan equipment shows no measurable cash release savings when looking at cost of the equipment rental. Previously, equipment rental costs were assigned to the ward of the patient being discharged. In this financial year, all equipment rental costs have been centralised to the loan store. Over time, this will provide clarity on the actual costs to provided equipment to support timely discharges. The average monthly costs for rental equipment is approximately $10,000 per month which is paid to Enable New Zealand and is credited to the DHB’s bottom line.

Workforce Wellbeing project is slowly progressing but due to COVID-19 related sick leave and the number of vacancies, no savings have been released at this time.

The Organisational Leadership Team (OLT) will review the plan every month. OLT will consider any risk to delivery including the capacity to deliver the range of activities currently in plan. At the present time, OLT consider the plan remains deliverable.

3. BENEFITS AND SAVINGS

The 2021/22 year to date savings are shown in Appendix Four. These will be added to the 2020/21 savings to create a recurrent report on the overall savings plan across the three years. Additional savings being released from the existing and future initiatives will be in the plan over the next two years.

The benefits and savings include cash and non-cash releasing savings. The benefit monitoring dashboard will be reviewed continuously, on a month-to-month basis, and reported to the OLT, Finance, Risk and Audit Committee and the Board.

There have been delays in implementing several initiatives over the 2020/21 year, which have impacted the delivery of benefits and savings. COVID-19 resurgence and resilience planning has had an impact on progress in some initiatives as resources have had to be redeployed. This has led to a number of project timelines being extended.

The Sustainability Plan is expected to achieve $4.7 million in cash releasing savings over the three years to 2023. Initiatives that are behind schedule at present will be delivered in the 2021-2023 period. Cash releasing benefits once delivered will result in a cumulative accrual on a recurrent basis. Additional non-cash releasing benefits are also expected each year. Year Two savings are forecast to be $2.1 million. When Year One savings are added to this forecast, MDHB expects to save $2.65 million over the course of 2021/22. Year Three savings are forecast to be an additional $2.15 million, acknowledging this will be challenging in the current environment.

Appendices

Appendix One	Sustainability Plan 2020-2023
Appendix Two	Sustainability Plan Benefits Framework
Appendix Three	Sustainability Plan Dashboard
Appendix Four	Sustainability Plan Savings

Appendix One – Sustainability Plan 2020-2023

Service Improvement

Initiative	Overview	Owner	Stage	MoH funded	RAG	Key Progress / updates	Plan over next reporting period	Expected Benefits	Target Completion
Mental Health – community model of care (Te Matapuna o te Ora)	Design and implement a new community model of care as our response to the Inquiry	Scott Ambridge	Implementation			Recruitment to new roles is nearing completion, partnering with Iwi in Horowhenua to co-design service model, professional development programme in development, digital enablers/phone system design underway	Completed recruitment processes, development of staff engagement plan, finalise policies and procedures, continue connected care record development	Improved access, safety, experience, choice, staff wellbeing, self-cares / resilience, reduced inequity for Māori, whanau focused models	Q4 2021/22
OPAL community service	Implement the OPAL community service across the district	Syed Zaman	Implementation			OPAL community planning underway. Therapy services model of delivery planning underway. Current PSA negotiations have left clinical therapy staff unwilling to volunteer to take part in the project at this point. The model of delivery will still be worked up with the therapies leadership team with a possible start date later in the year to be negotiated.	Confirm benefits measurement plan. Complete community rehabilitation proposal. Commence project implementation	Reduced LOS, bed occupancy, re-presentations, improved experience	Q4 2021/22
Horowhenua clinical service plan	Design and plan future clinical services for the locality	Deborah Davies	Implementation	✓		Clinical and consumer engagement underway with options being considered during engagement process	Engagement completed by end of 2021. Draft report will be shared at workshop in February. Project close February 2022	Plan to support increasing community health needs in place	Q3 2021/22
Outpatient admin redesign	Review and redesign outpatient administration service model	Gabrielle Scott	Implementation	✓		Standard booking letters have been redesigned and launched. Consumer experience education programme in development. Organisational training is on hold due to current COVID Omicron outbreak.	Cultural responsiveness and consumer experience education delivery, finalise access and booking policy for consultation and implementation	Improved experience, safety, reduced services not engaged	Q4 2021/22
Outpatient e-referral/triage	Implement electronic referrals and triage across the enterprise	Lyn Horgan	Implementation			Procurement plan completed. Request for proposal in progress. Business process analysis underway. Completed project plan.	Evaluation of proposals and selection of vendor	Improved ESPI compliance, improved patient safety, improved clinician satisfaction	Q4 2021/22
Outpatient e – transcription and digital mail	Implement voice recognition tools and digital mailhouse	Lyn Horgan	Implementation			Procurement plan completed. Request for proposal in progress. Business process analysis underway. Digital Health Correspondence business case approved to proceed in 2022. Financial analysis is in progress, however was not available for this report period, therefore financial status cannot be ascertained.	Evaluation of proposals and selection of vendor	Reduced expenditure and FTE, rapid electronic communications, improved clinician satisfaction	Q4 2021/22
Outpatient Navigation co-design	Co-design a model of navigation support to enable improved access to outpatient services	Gabrielle Scott	Implementation	✓		Co-design process ongoing. Consumer engagement underway	Conclude focus groups and in-depth interviews. Complete report and insights.	Improved access, safety, outcomes, reduced inequity for Māori and others, reduced services not engaged	Q3 2021/22
Telehealth	Implement telehealth models of care across speciality services	Claire Hardie	Implementation	✓		Procurement plan for new equipment underway. Evaluation framework underway. Site visits completed. Communication plan completed.	Procurement new hardware. Complete consumer experience survey. Identify administration champions	Improved access, experience, convenience, safety and reduced travel for consumers	Q4 2021/22
Community infusion service	Develop a model of care to support our community in receiving services closer to home	Lyn Horgan	Procurement	✓		COVID-19 has impacted project delivery. Three community sites have been contracted to provide the service. Training of staff underway.	Progress service evaluation framework	Improved access to services, improved experience, improved facility utilisation	Q3 2021/22
Production planning	Enhance production planning expertise and capacity to support service delivery and budgeting approach	Darryl Ratana	Implementation	✓		Production planning underway across a range of services.	Purchase production planning software to support enterprise activities	Improved accuracy of budget planning to support effective service delivery in elective and acute services	Q3 2021/22
First 1000 days (new)	Development of an intersectorial strategy to support the first 1000 days for tamariki across the district	Sarah Fenwick	Scoping	✓		Tender evaluation completed.	Tender to be awarded, steering group to be established.	Quality strategy and implementation plan, Iwi and whanau satisfaction, long term outcomes for tamariki improve	Q4 2021/22
Clinical Services Plan for Medical Imaging Diagnostics (new)	Review medical imaging services across the MDHB district/Kapiti coast and improve value and accessibility for Maori and other populations	Lyn Horgan	Scoping	✓		Tender awarded. Project plan agreed. Data requirements being considered. Progress been made on clinical engagement, iwi and other stakeholder engagement, impact modelling and facility discussions have been held	Confirm data requirements and progress project plan	Strategy and business case developed to support enhanced imaging services, long term improved consumer experience, access to imaging services, reduced services not engaged	Q4 2021/22

RAG Key: **RED:** Significant Issues – the timelines and budget will be impacted

AMBER: Some Issues – chance of impact on timelines and budget

GREEN: On Track – no issues expected to impact on timelines or budget

Workforce

Initiative	Overview	Owner	Stage	MoH funded	RAG	Key Progress / updates	Plan over next reporting period	Expected Benefits	Target Completion
Skill Mix	Review clinical workforce mix across all clinical services **Project on hold.**	Celina Eves	Implementation			Review of allied health Skill Mix is progressing. Te Uru Whakamauora review about to commence. Measurement of Skill Mix change is focussed on future shape of the workforce. This project is now on hold until the model of care is established with Health NZ.	Analysis of Skill Mix change delivered and benefits to be completed. **Project on hold.**	Reduced cost per bed day, reduced cost per CWD and reduced cost per FTE	Q4 2021/22
Reduce dependency on one to one nurse specialing	Improving ordering and clinical practices to support quality care and reduction in use of specialing	Celina Eves	Implementation			Project review underway. Detailed analysis of nursing costs, workforce deployment and trendcare data underway, including benchmarking to further assess options for improvement. Digital tool is being tested. Governance meeting scheduled for April.	Complete benefits tracking system and approval process. Complete detailed analysis on workforce use and triangulate results to inform next steps. Finalise project review and confirm next steps.	Reduced use of outsourced specialing expenditure	Q3 2021/22
Workforce Wellbeing	Implement workforce wellbeing initiatives to support all workforce groups	Keyur Anjaria	Implementation			Bradford score reporting underway. Wellbeing Index implementation plan in progress. Education for pilot group completed. Enterprise-wide plan in development. Training sessions planned for early May.	Complete enterprise wide implementation plan	Improved workforce wellbeing, reduced sick leave, improved engagement	Q4 2021/22

Savings and Revenue

Initiative	Overview	Owner	Stage	MoH funded	RAG	Key Progress / updates	Plan over next reporting period	Expected Benefits	Target Completion
Equipment Library	Implement a central hospital equipment library	Neil Wanden	Implementation			Equipment inventory for priority items in progress. Resourcing this project is a challenge due to other priorities and demands. Project has slowed as the recruitment is associated with the realignment of resources across several teams.	Recruitment following a change management process. Asset list to be verified.	Reduce expenditure, improved access to equipment, improved space utilisation	Q3 2021/22
Short-term loan equipment	Implement new procurement and distribution pathways for community equipment	Gabrielle Scott	Implementation			Financial analysis has been completed indicating current cost neutral impact. Non-financial benefits include improved delivery and installation leading to improved consumer experience	Monitor financial and non-financial benefits and consumer experience. Plan for phase two in 2022/23	Reduced expenditure, improved consumer and staff experience	Q4 2022/23
Clinical documentation and coding	Clinical documentation, coding and CWD capture	Lyn Horgan	Implementation			PICQ deployment and user acceptance testing underway. Review of e-discharge tool with clinical leads.	Complete PICQ tool implementation. Evaluate benefits and plan any further steps to support improvement	Increased revenue, improved documentation and patient safety, improved relative stay index	Q3 2021/22

Digital

Initiative	Overview	Owner	Stage	MoH funded	RAG	Key Progress / updates	Plan over next reporting period	Expected Benefits	Target Completion
Digitisation of Clinical Records	Implement a digital scanned clinical record	Neil Wanden	Implementation			Recruitment to roles and purchase of equipment to support scanning is in progress	Establish the scanning bureaux	Reduced FTE and expenditure on storage Improved clinical and administrative team satisfaction	Q4 2021/22
E – leave management	Implement an electronic leave approval and capture system	Keyur Anjaria	Scoping			User acceptance testing underway. Development completed based on HR feedback and user stories, released for user testing. Pilot will be rolled out within weeks. Staff shortages are impacting the roll out and continuity of progress of this initiative.	People and Culture to complete testing. Business change plan to be agreed. Reporting requirements to be agreed.	Improve leave capture, reduced paper	Q3 2021/22
E - Recruitment System	Implement electronic recruitment system for all workforce groups	Keyur Anjaria	Implementation			Lite version of e-recruitment tool being used. User acceptance testing underway.	Complete business change plan to extend use across enterprise	Reduction in time to recruit, reduction in paper, improved onboarding, improved productivity of people leaders	Q3 2021/22
ScOPe	Audit and theatre management tool	Lyn Horgan	Scoping	✓		Build is complete. Co-dependency on clinical portal integration has created a challenge which has delayed implemented to Q3	Implementation plan continues	Improved clinician satisfaction, improved theatre utilisation, improved safety and clinical outcomes	Q3 2021/22

RAG Key: **RED**: Significant Issues – the timelines and budget will be impacted

AMBER: Some Issues – chance of impact on timelines and budget

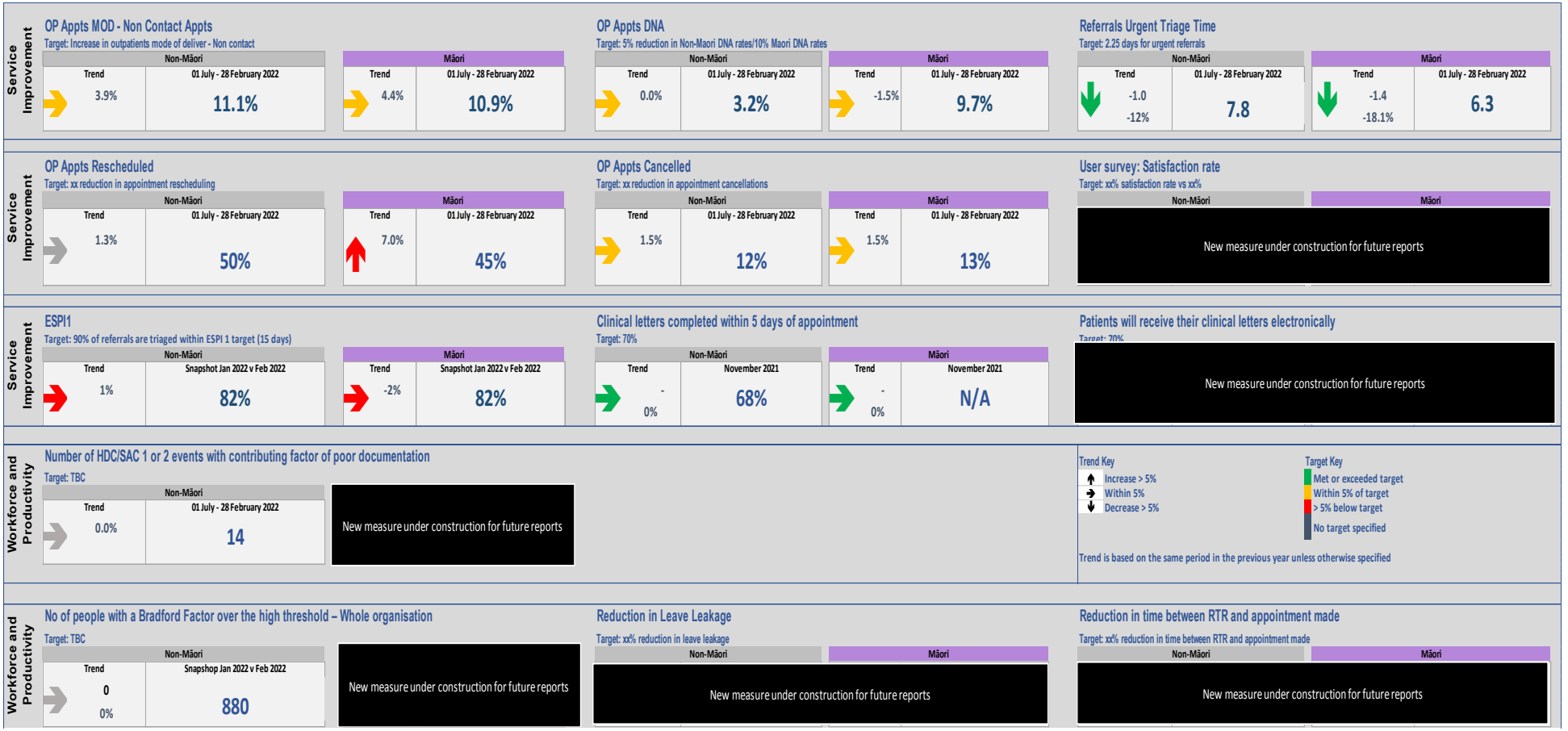
GREEN: On Track – no issues expected to impact on timelines or budget

Appendix Two Sustainability Plan Benefits Framework

Sustainability Plan 2020/23 Benefits Framework

Quality Domains	Supporting the Delivery of The Quality Agenda						Quality Domains
	Programme Purpose	Better Outcomes	Improved Consumer Experience	Improved Workforce Experience	Affordable Healthcare	Savings	
		Sustainability Plan Benefits					
Safe Haumaru	**Service Improvement** – improving services for our community	Improved access to Kaupapa Maori MH&A services	Improved consumer experience survey results	Timely delivery of clinical correspondence via digital technology	Reduced LOS and readmission rates (OPAL and STAR)	$2.05M	Timely Wā tōtika
Effective Whaihua	**Workforce** – improving workforce wellbeing and engagement	Improved workforce utilisation (administration and clinical)	Reduced DNA rates and inequity for Māori	Improved wellbeing index rates	Reduced sick leave	$1.8M	Efficient Māia
	Savings and Revenue – improving efficiency	Reduced utilisation of outsourced nursing	Reduced rescheduling/ cancellation rates and inequity for Māori	Skill mix changes to establishment	Reduced expenditure (equipment, blood wastage, fleet)	$0.35M	
Consumer-centred Arotahi ki te kiritaki	**Digital** – improving accessibility, visualisation, productivity and collaboration	Improved compliance with ESPI 1 – faster clinical triage and response	Faster access to clinical advice	Improved speed to recruit	Reduced paper, postage and consumables	$0.5M Total $4.7M	Equitable Kia tōkeke ai
		Equity for Māori	**Digital**		**Workforce**		

Appendix Three – Sustainability Plan Dashboard



Appendix Four - Sustainability Plan Savings

					Feb 22 YTD $				
Activity	Project name	Measure	Cash Releasing	RAG	Target Savings YTD	Actual Savings YTD	% to YTD Target	Annual Target	2020/21 Savings
Service Improvement	Mental Health Community Models of Care - STAR PN Realignment	Cost of Star 1 & 2	✓		$133,333	$132,000	99%	$200,000	$181,500
	Mental Health Community Models of Care	FACT implementation	✓		$0	$0	0%	$300,000	$0
	Outpatients – transcription and e communications	Paper consumables and postage spend	✓		$75,000	$0	0%	$300,000	$0
	Long Term Conditions Transformation	Contract changes	✓		$200,000	$200,000	100%	$300,000	$0
	Enhanced Stewardship of Blood	Units of Blood Wastage	✓		$66,667	$13,912	21%	$100,000	-$18,965
Workforce and Productivity Improvement	Reducing dependency on one to one nurse specialing	Outsourced Specialing Hours	✓		$125,000	$0	0%	$500,000	-$149,746
	Skillmix	Position changes	✓		$115,000	$0	0%	$300,000	$0
	Workforce wellbeing	Sick leave FTE on rostered wards	✓		$115,000	$0	0%	$300,000	$0
Savings and Revenue	Fleet Consolidation and management	No fleet vehicles replaced	✓		$18,000	$28,956	161%	$50,000	$0
	Clinical Equiptment Library	Equipment spend	✓		$60,000	$0	0%	$100,000	$0
	Short Term Loan Equipment Management	Equipment spend	✓		$60,000	$0	0%	$100,000	$0
	Clinical documentation, coding and case weight capture	CWD per discharge	✓		$60,000	$0	0%	$100,000	$0
				Total	**$1,028,000**	**$374,868**	**36%**	**$2,650,000**	**$12,789**

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

To	Board
Author	Keyur Anjaria, General Manager, People and Culture
Endorsed by	Kathryn Cook, Chief Executive Finance, Risk and Audit Committee
Date	26 April 2022
Subject	**Health, Safety and Wellbeing**

Key questions the Board should consider in reviewing this paper:

- Is the information sufficient to enable the Board to discharge governance responsibilities regarding Health and Safety?
- Does the report identify any areas of non-compliance, or concern that need active intervention or monitoring?
- Does the DHB have adequate mechanisms to engage its workers effectively?
- Does the DHB have wellness and wellbeing initiatives to promote a healthy workplace culture?

RECOMMENDATION

It is recommended that the Committee:

- **note** the quarterly Health, Safety and Wellbeing report
- **note** that the Health, Safety and Wellbeing report was endorsed by the Finance, Risk and Audit Committee (FRAC) at its meeting on 26 April 2022 for consideration by the Board, on the understanding that a report focused on bullying and harassment in the workplace be provided at the next FRAC meeting.

Strategic Alignment

This report is aligned to the Organisational Strategy and legislative requirements related to governance of health and safety responsibilities for Officers and Directors of a Person Conducting a Business or Undertaking.

1. PURPOSE

To update the Board on activities related to health, safety and wellbeing for the quarter covering from 1 January to 31 March 2022. The report was endorsed by the Finance, Risk and Audit Committee at its meeting on 26 April, for consideration by the Board. At the meeting, the Committee provided the following comments:

- An increase in staff absences was noted and the Committee sought assurance on processes being in place to ensure that staff do not work excessive hours leading to their burnout, in covering shifts due to unplanned absences. Assurance about the current processes and support to mitigate this risk was provided to the Committee.
- It was noted that while recruitment activities for nurses have resulted in providing adequate replacement, further investigation should be undertaken to reduce the turnover of this workforce group. More information about turnover and vacancy levels is being provided in the workforce report due at the next Board meeting, which will provide further insight into this aspect.
- Concerns were raised that industrial action may result in further stress on staff and patient outcomes. Assurance was provided that continuation of service would be maintained in accordance with 'Life Preserving Services' arrangements which have been managed affectively in the past.
- A detailed report on matters related to bullying and harassment in the workplace was sought along with processes that were in place to identify and investigate/respond to such instances. A separate report will be provided at the next Committee meeting.

2. BACKGROUND

The Health and Safety at Work Act 2015 sets expectations and defines duties of various roles within every Person Conducting a Business or Undertaking (PCBU). One of these duties requires 'officers' within the PCBU, such as Board members, the Chief Executive and other senior managers who fall within this definition, to exercise due diligence on health and safety (H&S) matters. This includes having a good understanding of key H&S metrics, the key risks of the organisation, and controls which are in place to mitigate such risks. Monitoring these metrics allows officers to ensure that the controls in place are achieving the desired impact.

The DHB's Health, Safety and Wellbeing report is developed on eight key dimensions of a good H&S system as identified in the "*Health and Safety Guide: Good Governance for Directors"*. These dimensions are:

1. Hazard and risk management
2. Incident management
3. Emergency management
4. Injury management
5. Worker engagement
6. Worker participation
7. Working with other organisations
8. Continuous improvement.

The dashboard below provides a visual display of key measures across all these dimensions, commentary following the dashboard provides further information and analysis on some of these dimensions.

Health and Safety Dashboard - Qtr 3 21/22 (1 January - 31 March 22)

Notifiable Incidents
Total reported to WorkSafe

Trend	
0	0

Qtrly Trend

Risks
Proportion reviewed on time

Trend	
0%	100%

Sick Leave Rate
Sick leave hours compared with paid hours

Non - Māori Staff		Māori Staff	
Trend		Trend	
0%	3.1%	-1%	3.3%

Reported Staff Incidents

Non - Māori Staff		Māori Staff	
Trend		Trend	
N/A	264	N/A	8

Nursing Overtime

All staff	
Trend	
43%	21.2

Qtrly Trend: 11.04, 15.9, 13.7, 14.8, 21.2

Workplace Inspections
Percentage of scheduled

Trend	
5%	86%

Accepted Workplace Claims

Non - Māori Staff		Māori Staff	
Trend		Trend	
-25 -51%	24	-3 -43%	4

Top 5 Incident categories

Total Incidents	222	246	271	277	272
Exposure	27	35	35	36	22
Impact	11	18	16	12	10
Behaviour	24	40	57	35	28
Musculo-Skeletal	31	35	48	33	19
Falls	9	18	16	16	21

Training attendance rate
Percentage of scheduled

All staff	
Trend	
-7%	91%

Qtrly Trend

Health & Safety Committees
Percentage of scheduled

All staff	
Trend	
1%	88%

Cost of Accepted Claims
($000)

Non - Māori Staff		Māori Staff	
Trend		Trend	
-28 -45%	34.11	-3 -40%	4.30

Contracts/Tenants Inteface Meetings Held

Yes

Emergency Events/ Response

No

Trend Key

- Increase > 5%
- Within 5%
- Decrease > 5%

Trend is based on the same period in the previous quarter unless otherwise specified.

Description of Staff Incidents:

Exposure/Contact with: either exposure to, or contact with, hand sanitiser, blood, body fluid, radiation, smoke or needle stick injuries.

Impact/Caught/Struck/Hit by: hit by a patient or other staff, struck by an object or a motor vehicle accident.

Behaviour Related - From Patient/Visitor: Behaviour by a Patient or Visitor towards staff/contractors that may include threatening behaviour, abuse, and harassment

Musculo-skeletal - Material/Equipment: lifting, ergonomics, cramped awkward work environment or heavy load.

Trip, Slip, Fall: Fall From height, slippery surface, stairs, poor lighting, or obstruction etc

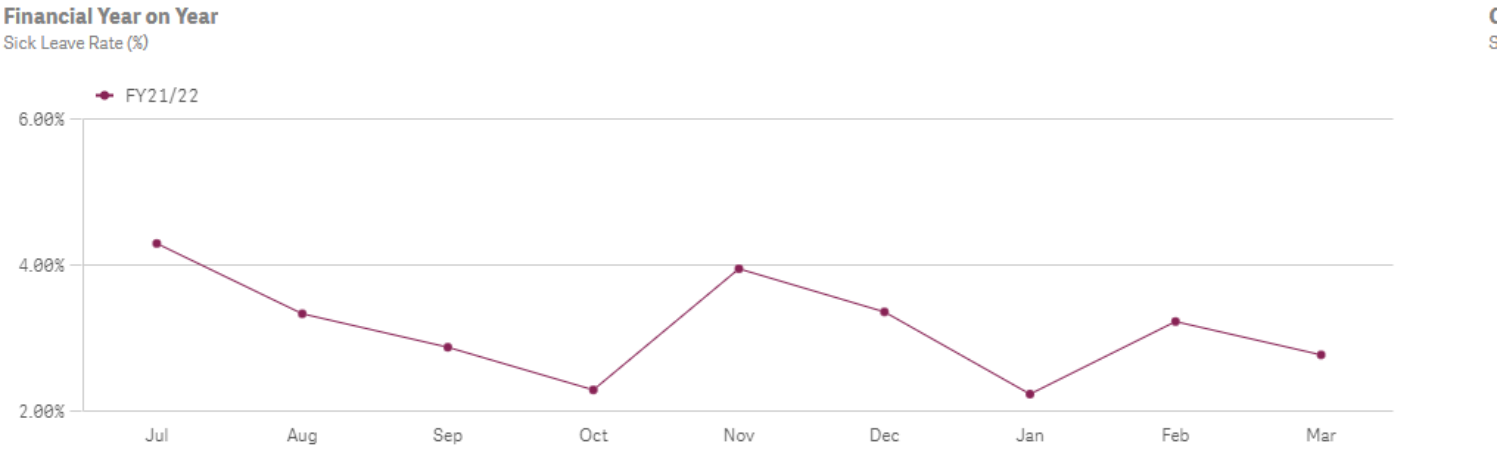
INSIGHTS AND COMMENTARY

2.1. Update on activities

This report provides information to members of the Board about health, safety and wellbeing activities which have been undertaken within the District Health Board (DHB) during the reported period. Commentary on key aspects of the report is provided below.

- There were no notifiable incidents during the reporting period.
- The number of incidents reported during the quarter have remained similar to the previous quarter (272 in this quarter compared to 277 in the last quarter). While most injury types have reduced in this quarter, it is encouraging to note the continued reduction of patient related musculoskeletal injuries. These are now down to 19 compared to 33 reported in the previous quarter. Of these, only 10 reported injuries were assigned to patient related moving and handling. The Occupational Health team continues to work with a moving and handling champion to provide ward-based moving and handling training to staff. This training is well received by staff and serves as a useful hand-on refresher.
- There were 28 workplace injury claims in the quarter, which is significantly lower than the 56 reported in the previous quarter. Consequently, the costs associated with these claims also decreased to $38.41k.
- The percentage of staff taking 'sick leave' decreased slightly during the reported quarter to 3.1 percent (averaged) across this reported quarter as compared to the averaged sick leave of 3.4 percent in the previous quarter. While sick leave has decreased slightly, the DHB experienced a significant increase in unplanned absences across all staff groups. This increase was as a result of either the staff member getting COVID-19 or caring for children and/or dependents who got COVID-19. In accordance with national guidelines on this, this leave of absence was recorded as special leave and therefore has not been included as sick leave. A graph displaying the trend of sick leave taken by staff between July 2021 to March 2022 is provided below.

Feb-2022	Jan-2022	Current Selection
3.24%	2.24%	3.11%



- H&S Committees continued to meet as scheduled this quarter and the percentage of these meetings continues to increase. The Contractors and Tenants H&S Committee also met during the quarter.
- The number of completed workplace inspections remained high, despite staff shortages and distractions related to the COVID-19 resurgence. Workplace inspections are an important measure to assess existing hazards and risks relevant to a particular work area and identify any new hazards in the workplace. Activities to manage existing hazards are verified and any exceptions are reported to the manager of that work area for rectification.
- All H&S risks which were due to be reviewed during the reported quarter were reviewed. Details of risks, along with any changes to their risk ratings, are provided as a separate report to the Board.
- During January and February, the DHB continued to deliver education and training to ensure all staff maintain high levels of competence in managing issues related to clinical practice and H&S. In February and March as COVID-19 started peaking in the community, only core training which allowed clinical staff to practice safely was delivered. Most training was via Zoom, with a very small number of face-to-face sessions.

2.2. Staff protection during COVID-19

In addition to supporting staff in managing anxieties related to the resurgence of COVID-19, the key focus remains on protecting staff to prevent them from contracting COVID-19. The paragraph below provides an update on two key activities which were significant during the reported period.

- Respirator (mask) fit-testing – the DHB continued to offer mask fit-testing to staff, contracted staff (Ventia, Compass, Allied Laundry, Duty Calls, Medlab etc), iwi providers, aged residential care staff and students. A total of over 1000 tests were undertaken. At the time of writing this report, over 95 percent of the DHB's frontline staff have been successfully fit tested. Fit testing for non-frontline staff also continues to enable these staff to be safely assigned to non-clinical duties during acute staff shortages.
- Staff vaccination status – in accordance with the requirements of the COVID-19 Vaccination Order, the DHB continues to monitor staff COVID-19 booster vaccination status. The timeline for staff to have their booster vaccination has been deferred as DHBs experience staff shortages resulting from the COVID-19 resurgence. While the Government has relaxed COVID-19 related mandates across other agencies, the mandates applicable to the health workforce remain unchanged. The current exemption provided by the Ministry allows un-boosted staff to continue working until 27 April 2022. The indication from the Ministry is that it is highly unlikely that DHBs will receive any further extension to this timeline. MDHB currently has two staff (one Registered Nurse and one Administrator) who need to get boosted before this deadline. However, after 27 April, the timelines outlined in the order will apply and MDHB will continue to work with staff and encourage them to remain compliant with these guidelines.

2.3. Staff wellbeing and support

To support staff during the resurgence of COVID-19, the DHB has a group of qualified staff who can provide dedicated wellbeing support. This includes offering counselling support, wellbeing resources and a dedicated person with whom staff can raise matters confidentially. During the reported quarter there were over 45 enquiries from staff seeking help and support. These enquiries were related to staff anxieties, enquiries about their personal protective equipment, personal support, clarification or guidance on national guidelines and suggestions for improvement. Staff have responded very positively to the frequent communication being sent out by the DHB regarding COVID-19 and other general matters.

The DHB acknowledges that staff have been working long and hard to continue to support the DHB and to try and maintain a safe workplace, especially over the last few weeks. In appreciation, a thank you initiative for staff has been planned. The initiative will provide staff with a booklet which contains 10 vouchers. Each voucher will allow the staff member to a hot or cold drink of their choice and a food item (scone/muffin/fruit/cookie/slice). These vouchers will be able to be redeemed not only at the DHB's staff cafeterias but also some local outlets and cafeterias in Feilding, Ōtaki, Dannevirke and Pahiatua. Vouchers will also be redeemable at Streetwise coffee carts in Palmerston North and Sanson. The vouchers will be valid until the end of April, allowing staff sufficient opportunity to redeem them. Vouchers cannot be exchanged for cash.

A thank-you initiative has also been planned for contracted providers with each receiving a thank-you hamper of Easter goodies.

2.4. Staff shortages and overtime

The later part of the reporting period has resulted in a high number of unplanned absences, mostly related to the resurgence of COVID-19 in the community. The overtime FTEs for the nursing workforce has increased significantly in the quarter from 14.8 to 21.0 FTE. This increase is related to staff undertaking an increased number of shifts to meet unplanned absences within the nursing workforce. Normally the periods of absence of a staff member after they have reported positive for COVID-19, ranges from between five and ten days, depending on their individual recovery rates. MDHB normally has lower than average nursing overtime when compared nationally. A graph showing this comparison as at 31 December 2021 (for nursing staff) is attached as Appendix One to this report.

Activity to continue to recruit staff to existing vacancies at MDHB continues at pace. Key recruitment activity undertaken in this quarter, along with activity scheduled over the next few months, is provided below.

Despite losing staff to the impact of the timelines associated with the vaccination order (as some terminations occurred after 1 January 2022), the overall variance of recruitment for the nursing workforce was positive. A table outlining resignations and new starts related to Registered Nurses (RN), Midwives, Enrolled nurses (EN) and Healthcare Assistants (HCA) over the reported quarter is provided below.

	Workgroup			
	RN	**Midwifery**	**HCA**	**EN**
Resignations*	71	5	8	2
Recruitments	74	2	21	2
Variance	+3	-3	+13	0

*includes terminations resulting from the COVID vaccination order.

Traditionally, MDHB has not had high nursing vacancies. A graph comparing MDHB's nursing vacancies against the 20 DHBs as at 31 December 2021 (latest HWIP data) is provided as Appendix Two.

In the reported quarter, the following key recruitment activities were undertaken:

- Participation in a national Critical Care recruitment campaign which commenced in February 2022. So far, MDHB has had four nursing candidates apply through this campaign (two Intensive Care Unit, one Emergency Department, one Cardiac Care).
- Along with other DHBs in the central region, MDHB is participating in an international campaign to attract nurses from the United Kingdom and Ireland. Seminars for this campaign have been held in Dublin (12 March), London (26 March), with upcoming seminars in Manchester (9 April) and Glasgow (23 April). MDHB is working with over 300 interested applicants (across all professional groups) and will be supporting them through this recruitment campaign.

In addition to this recruitment campaign, MDHB is working with 14 overseas nursing applicants, including one midwife, who have progressed through the recruitment process and are expected to take up positions through 2022.

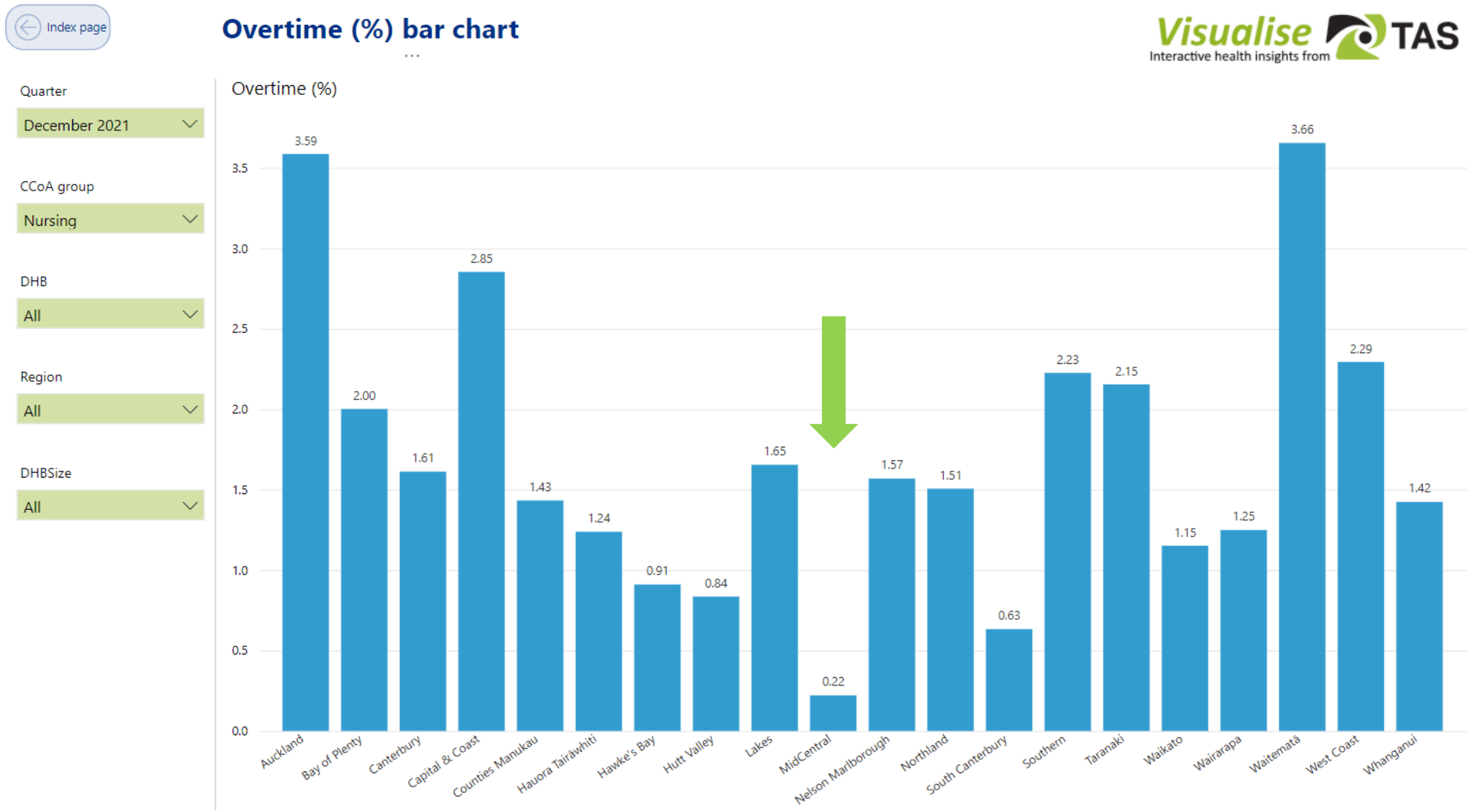
2.5. Health and safety activities planned for the following quarter

The following key H&S activities are being planned for the next quarter:

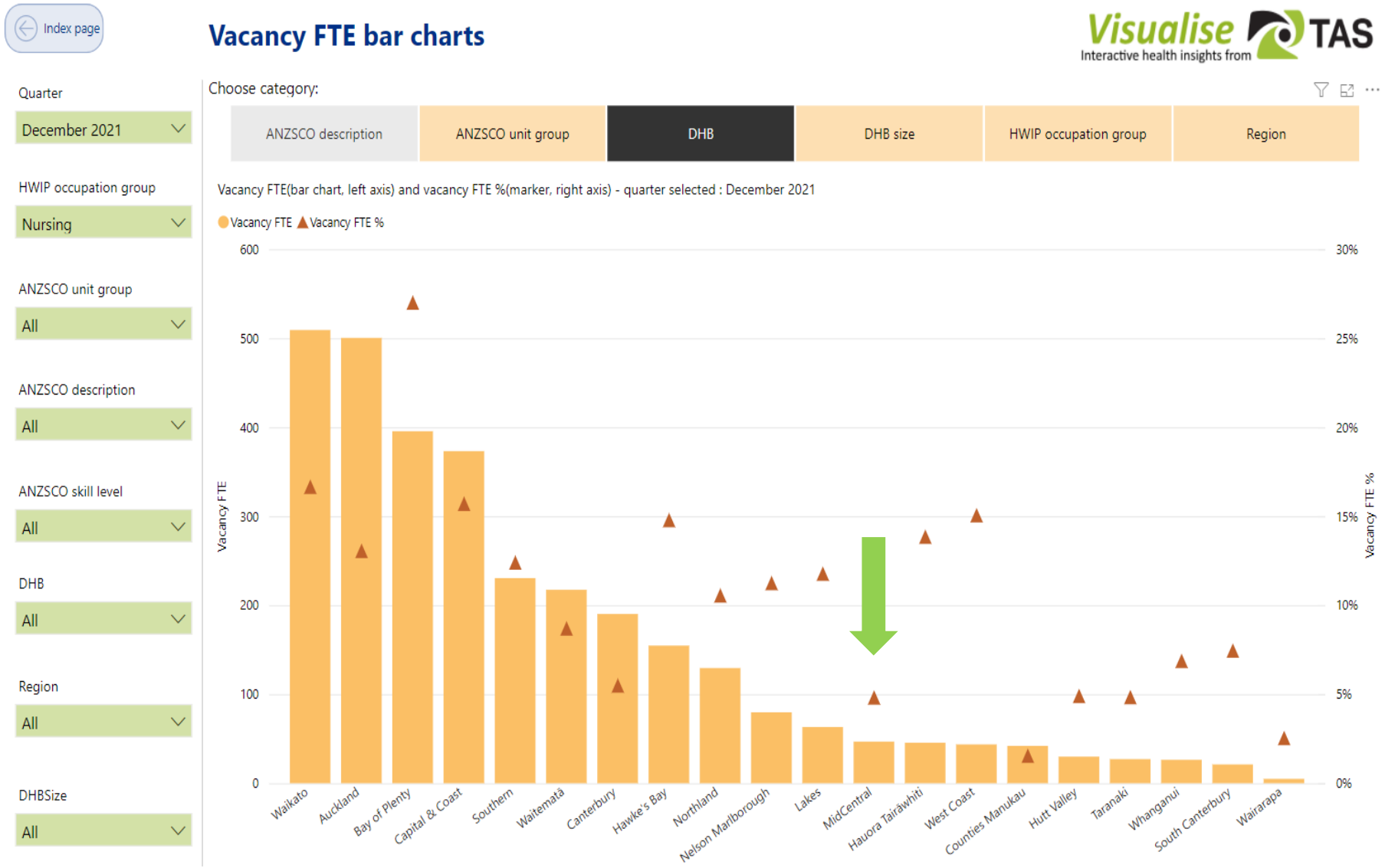
- Continue ward-based musculoskeletal education and training
- Continue with staff protection activities
- Work on recommendations from the DHB's annual ACC audit
- Continue to roll-out wellbeing initiatives
- Recruitment activities as outlined in this report.

Appendix One

National comparisons of nursing overtime and vacancy levels for nurses



Appendix Two



BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Does the report provide the Board with sufficient and relevant 'workforce' data?
- Does the report raise immediate or long-term risks or concerns which the Board need to note or monitor?
- Do the challenges and opportunities outlined in the report address any workforce concerns?

To	Board
Author	Anne Amoore, Manager, Human Resources
Endorsed by	Keyur Anjaria, General Manager, People and Culture
Date	27 April 2022
Subject	**Workforce Update**

RECOMMENDATION

It is recommended that the Board:

- **note** the Workforce Update
- **note** the challenges and opportunities being undertaken to address workforce concerns identified within the report.

Strategic Alignment

This report aligns to MidCentral District Health Board's (MDHB's) Strategy, and to the People Plan which is one of the five key enablers to support the achievement of our strategic imperatives.

1. PURPOSE

To provide the Board with a six-monthly update on key workforce measures based on nationally available data. The report is provided for the Board's information and discussion.

2. REPORTING PERIOD

2.1. Reporting period

Comparative workforce measures are reported using the District Health Board's (DHB's) Health Workforce Information Programme data. This data, which compares MDHB's workforce metrics against other DHBs nationally, is as at 31 December 2021 and contains data and commentary for the period from 1 July to 31 December 2021.

2.2. Introduction and alignment with the People Plan (He kura te Tangata)

This report provides information on core workforce measures and provides comparisons nationally, where available.

2.3. Summary

- No significant matters of concern are evident from the trends evident in the reporting period.
- Some key measures such as annual leave (AL) and overtime rates, have increased slightly.
- Full-Time Equivalents (FTEs) and head counts have increased marginally compared to the last previous period. Turnover and recruitment remain an area of focus for the DHB.
- Average sick leave (SL) has reduced over the reported period, with increases visible during November and December 2021. More information about this has been provided in the report.

Detailed analysis on workforce metrics is provided below.

Organisational Delevopment Dashboard - as at 31 December 21

Engagement Action Planning Complete

All staff

Trend: 1% → 100%

Qtrly Trend

Speaking Up for Safety

All staff

Trend: 13% ↑ 17

Reasons for exit (Exit Interview)

Numbers

Health Related	6, 2, 3, 5, 11
Anxiety (Personal reasons)	0, 0, 1, 1, 19
Career Development Advancements	2, 4, 6, 9, 11
Retirement	3, 10, 4, 2, 3
Study or Training	3, 4, 1, 5, 4

EAP Access

Total number of EAP sessions attended

All staff

Trend: 35% ↑ 246

Annual Trend

Turnover

Proportion of total headcount that have voluntarily left the DHB

All staff

Trend: 2% → 12.6%

Vacancies

Number of open vacancies

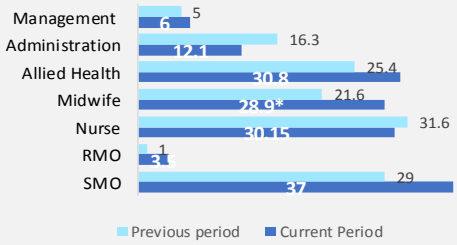
All staff

Trend: 19% ↑ 124

Qtrly Trend

Vacancies by Professional Group

Number of open vacancies by profession

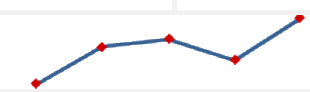


*Currently 18.8 FTE Nurses are employed to cover Midwifery vacancies

Annual Leave >2 Years

Proportion of staff with annual leave of >2 years accrued

Non - Māori Staff	Māori Staff
Trend: 1% → 14%	Trend: 0% → 13%



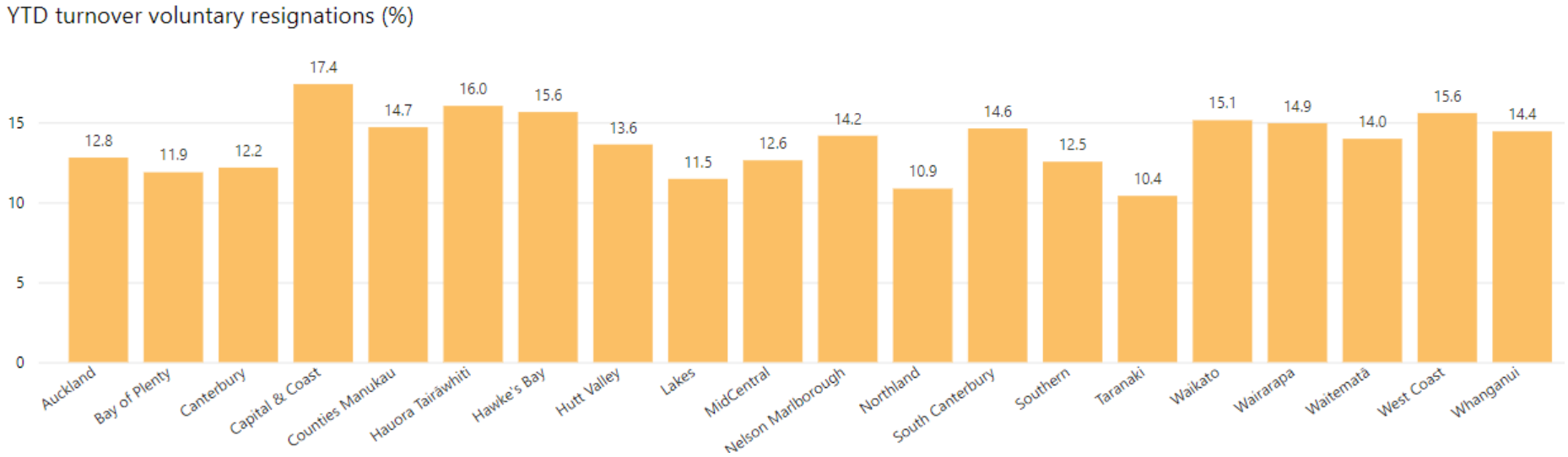
Trend Key: ↑ Increase > 5% → Within 5% ↓ Decrease > 5% Trend is based on the same period in the previous year unless otherwise specified.

3. COMMENTARY ON THE DASHBOARD

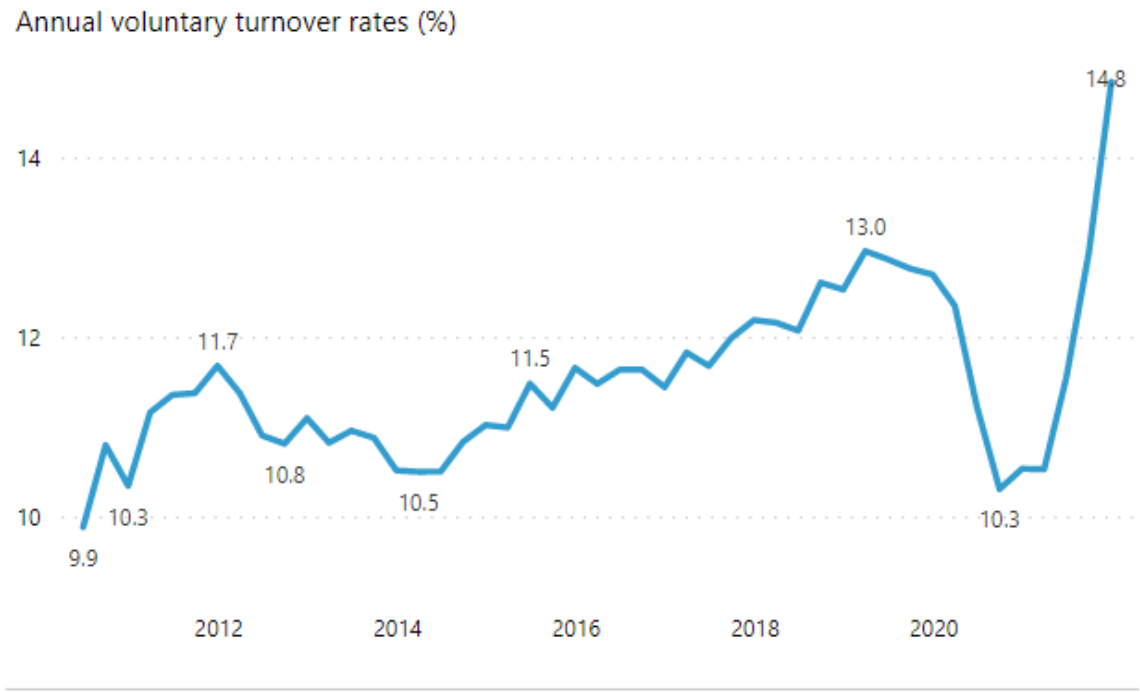
As previously reported, following the completion of the staff survey in 2020, all teams and professional groups were provided with a report specific to their team based on which action plans to address the areas of improvement and increase engagement, had been completed. Progress against these action plans is monitored to ensure that initiatives which are important to the team, are systematically implemented. The next staff survey is scheduled in July/August 2022.

The Speaking Up for Safety programme continues to function effectively within MDHB and provides staff with an opportunity to confidentially report incidents which compromise their own, or patient, safety. Seventeen incidents were reported in the current period, compared to 15 in the previously reported period. The number of incidents being reported in MDHB, is similar to numbers reported across other DHBs who subscribe to this programme. Most of the reported incidents relate to inappropriate behaviour demonstrated between peers.

Employee turnover for the period ended 31 December increased from 10.7 percent to 12.6 percent. Most of this turnover resulted from staff losses which occurred as a result of staff not meeting the requirements of the vaccination mandate. For MDHB, the increase of staff losses was just over one percent, which explains the increase experienced in the turnover rate. As the decision to not get vaccinated was voluntary (dependent upon the staff member), this loss of staff has been counted within the annual turnover metrics. A graph comparing average turnover across 20 DHBs, as at December 2021 follows.



While turnover dropped significantly since the onset of COVID-19 and closure of borders internationally (and local travel restrictions), this has been increasing steadily since 2020. Over 2021 and the early part of 2022, this increase has become more pronounced, especially among management and corporate staff (14.8 percent). A comparative graph of turnover across all DHBs, and a graph indicating turnover amongst the management and corporate workgroup, is provided below.



While not many of these (management) staff participate in exit interviews, discussions across the 20 DHB General Managers, Human Resources group indicate increased levels of uncertainty and anxiety amongst this workforce group could be attributed to the impending transition of DHBs to Health New Zealand as the main reason cited for this turnover.

The DHB lost about 156 staff (headcount across all staff groups) over the reported period. Of these, about 40 percent participated in exit interviews. The top five reasons attributed to turnover, as outlined by staff departing the DHB remain career development, team dynamics, relocating with family or health reasons. However, within the reported period, staff departing the DHB have cited increased levels of anxiety as being the reason for their departure. While it is not possible to track and identify respondents, the number of these instances suggest that these were staff who left the DHB as a result of non-compliance with the COVID-19 vaccination order.

The average vacancies for the reported period was 124, compared to 105 in the previous quarter. This increase correlates to staff losses associated with the vaccination mandates and adds to the normal turnover. As outlined earlier, with increased turnover within the corporate areas, the DHB is finding it increasingly difficult to attract and recruit staff who work within these areas (Human Resources, Communications, Finance, Digital Services, Payroll etc). However, traditionally, MDHB has had lower than average vacancies, when compared to other DHBs. A graph comparing MDHB's vacancy levels with other DHBs, as at 31 December is provided as Appendix One.

To progress clinical recruitment, a dedicated nurse recruiter role has been appointed and has been in place since late August 2021. This has resulted in a steady and focused support to bring in new nurses to the DHB.

Phased opening of the country's borders will be welcomed by many existing staff as it will allow them to return to their parent countries on leave; and for overseas staff who come into the country, who will now be able to skip quarantine and isolation requirements. The Human Resources team continues to work with other Government agencies to ensure that visa applications for health workers get processed on priority. In addition, the DHB has been actively participating in local, national, and international recruitment campaigns. Whilst not covered within the reported period, some of these activities include:

- Participation in a national Critical Care Recruitment campaign which commenced in February 2022. So far, MDHB has had four nursing candidates apply through this campaign (two Intensive Care Unit, one Emergency Department, one Cardiac Care).
- Along with other DHBs in the central region, MDHB is participating in an international campaign to attract nurses from the United Kingdom and Ireland. Virtual careers fairs for this campaign have been held in Dublin (12 March), London (26 March), Manchester (9 April) and Glasgow (23 April). MDHB is working with over 300 interested applicants (across all professional groups) and will be supporting them through this recruitment campaign.

In addition to this international recruitment campaign, MDHB is working with 14 overseas nursing applicants, including one midwife, who have progressed through the recruitment process and are expected to take up positions through 2022.

MDHB continues to offer support to staff by way of free counselling. Between 1 July and 31 December 2021, 246 staff accessed Employee Assistance Programme (EAP) services. This number represents an increase to the previous reported period (182). Much of this increase has been over the months from October to December 2021 and is related to the number of staff requiring support while they made their personal decisions related to the COVID-19 vaccination mandates. This increase is also reflected in the number of staff who presented to EAP with high levels of work related and personal anxieties. Over the reported period, 687 EAP counselling sessions were used (by the 246 staff who accessed EAP services). This amounts to almost 2.8 sessions per staff member. While most staff use about three sessions to resolve the matter they sought support for, there are instances when staff require more than the average number of sessions. These sessions are approved and paid for by the DHB at no additional cost to the employee.

The proportion of staff with AL balances greater than two years continued to increase in the reported period. The percentage increased from 13.2 percent from the last period to 14 percent as at 31 December 2021. Travel restrictions, coupled with the recent resurgence of COVID-19 in New Zealand, continues to prevent staff taking AL for overseas travel. At a national level, all but one DHB has indicated an increase to the percentage of staff having over two years' AL balances. A comparative graph is provided below.

Accrued annual leave > 2 years (%) - Dashboard

National accrued annual leave > 2 years (%)

11.2 !

Comparison period: 11.0

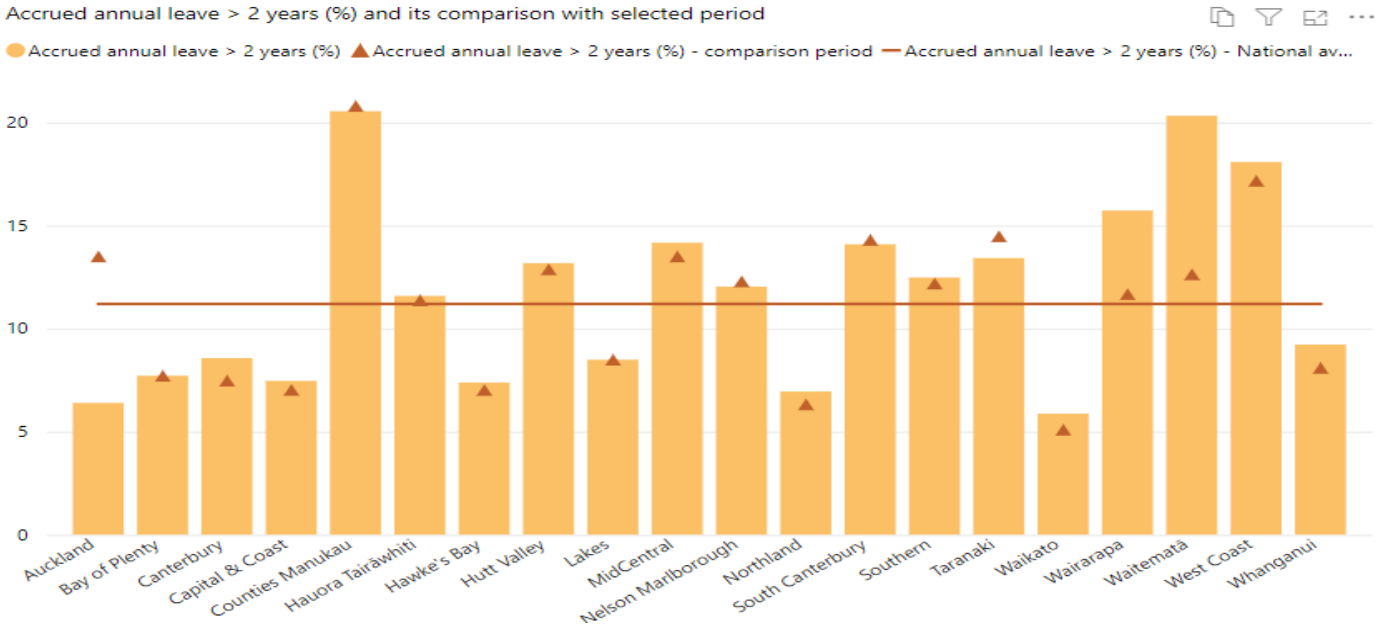
Highest

20.5 ✓

Comparison period: 20.8

Large text shows data for the selected quarter and small text shows data for the comparison period

Note : Some DHBs fail to provide data.



Performance Dashboard as at 31 December 21

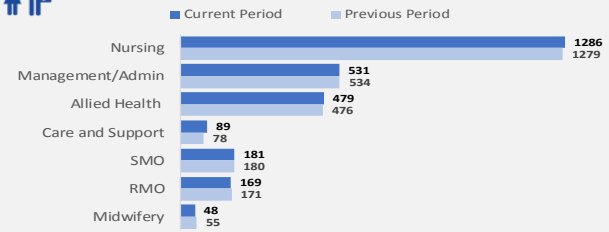
Headcount

Headcount number (Māori and Non-Māori)

Non - Māori Staff		Māori Staff	
Trend		Trend	
-4	2523	14	260
0%		6%	

Qtrly Trend

Headcount by Profession



Headcount Comparison against Medium size DHBs

	6 Monthly Growth		Medium size DHBs
Total FTE Count	0.4%	2783 (10)	0.7%
Nursing	0.5%		0.4%
Management and Admin	-0.6%		2.4%
Allied and Scientific	0.6%		1.5%
Care and Support*	14.0%		3.9%
SMO	0.6%		0.5%
RMO	-1.2%		-1.1%
Midwifery	-12.7%		-8.0%

Contractor Workforce Headcount

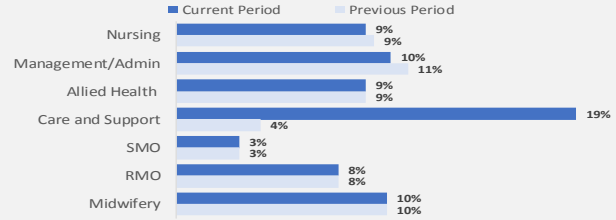
Contractor Workforce Headcount number

Non - Māori Staff		Māori Staff	
Trend		Trend	
N/A	251	N/A	71
-9%		6%	
Data not available		Data not available	

Qtrly Trend

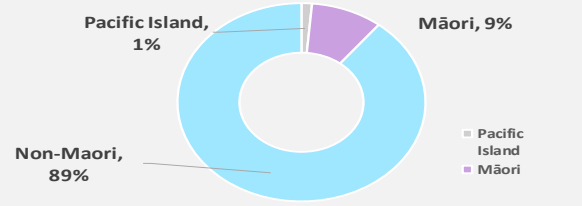
Māori Workforce

Proportion of total workforce that identify as Māori



Diversity - Headcount Ethnicity

Percentage of total headcount by ethnicity



Sick Leave Rate

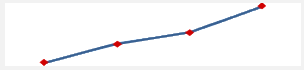
Sick leave hours compared with paid hours

Non - Māori Staff		Māori Staff	
Trend		Trend	
0%	3.1%	-1%	3.5%

Performance appraisals completed %

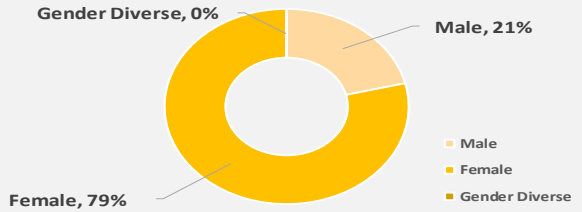
Proportion of required appraisals completed

All staff	
Trend	
	74%



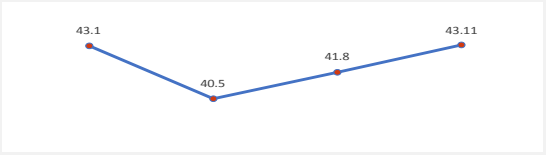
Diversity - Headcount Gender

Percentage of total headcount by gender



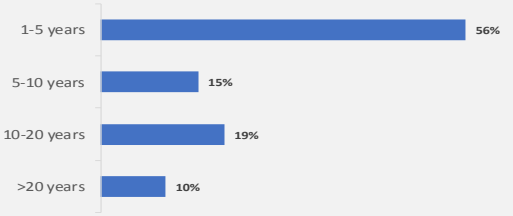
Overtime

(FTEs)



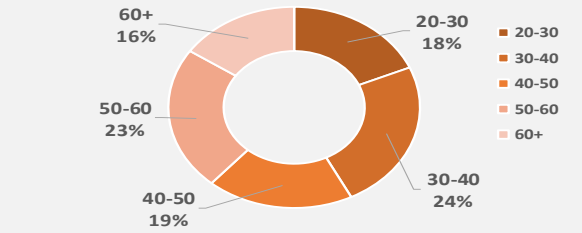
Trend over the last reporting periods (averaged)

Length of Service



Diversity - Headcount Age

Percentage of total headcount by age

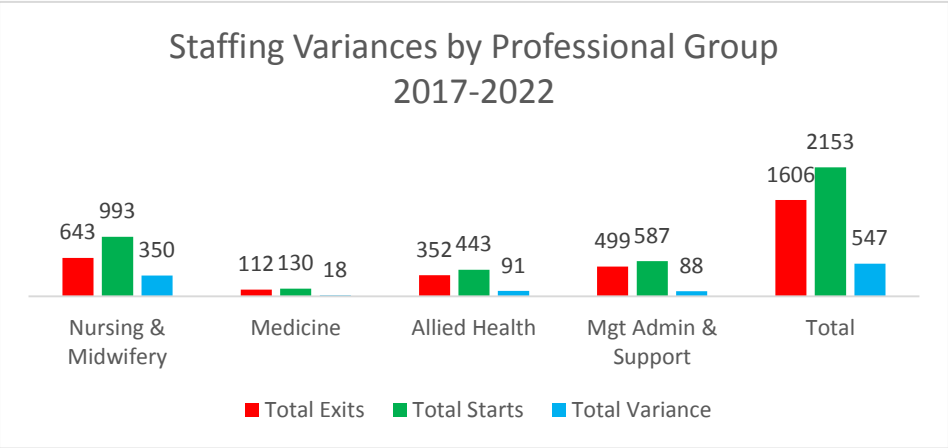


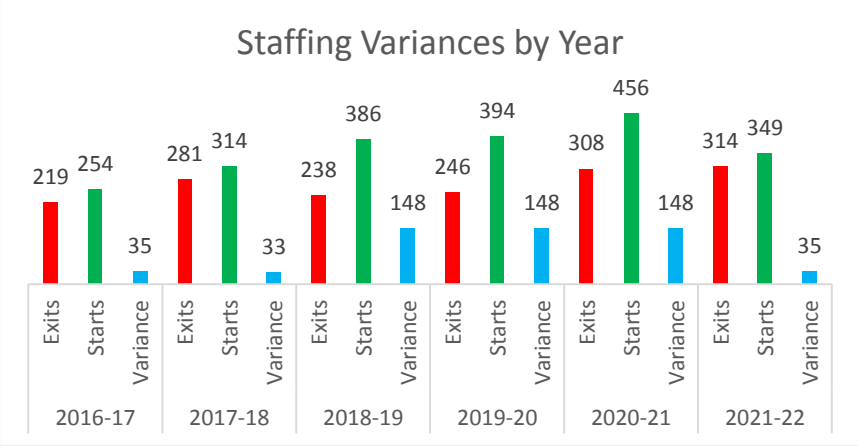
Trend Key: ↑ Increase > 5% → Within 5% ↓ Decrease > 5% Trend is based on the same period in the previous year unless otherwise specified.

4. COMMENTARY ON THE DASHBOARD

The overall headcount for the DHB has increased marginally by 10, from 2773 in the previous reported period, to 2783 as at 31 December 2021. Increases to headcounts have occurred in the Nursing, Allied Health, Care and Support and Senior Medical professional groups. Headcounts reduced across the Management and Admin, RMO and Midwifery professional groups. Of concern is the reduction in the headcount for midwives, where the DHB lost seven midwives during the reported quarter. Of these, two left to relocate closer to their homes, one has taken up a Lead Maternity Carer role, one has retired, two have gone on long-term unpaid leave and one midwife was lost as a result of non-compliance with the Vaccination Order. Recruiting and retaining midwives has been challenging across all DHBs in NZ. Some of the strategies which MDHB is undertaking to attract, recruit and retain midwives is mentioned at the end of this report.

Over the last five years or so, MDHB has increased its overall FTEs and has been working hard to ensure that its recruitment activities continue to keep up and support this FTE growth. A graph indicating the consolidated total of staff terminations vs new starts from 2017 until 31 March 2022 is provided below. The graph indicates positive variances across all professional groups. While this graph provides some context to the quantum of recruitment activity undertaken to support FTE growth, recruitment to clinical roles continues to remain an area of priority. Challenges and commentary about actions currently underway have been provided previously in this report.





The number of staff who identify as Māori increased from 246 to 260 in the reported quarter. These staff numbers are inclusive of casual staff, but excludes Māori workforce employed by contractors such as Ventia, Compass, Allied Laundry etc. The continued increase of Māori staff is a positive sign given current employment market conditions with low employment

rates, competition for Māori kaimahi, mandated vaccination orders, and a skill shortage across the sector, coupled with the pandemic and the health reforms which have created a layer of uncertainty across the sector. A breakdown of Māori staff by professional group is provided in the dashboard. Of significance is the marked increase of staff in the care and support professional group, where the DHB was able to recruit 11 Healthcare Assistants into the workforce.

Other key steps which have been undertaken and supported an increase of Māori kaimahi into the sector include:

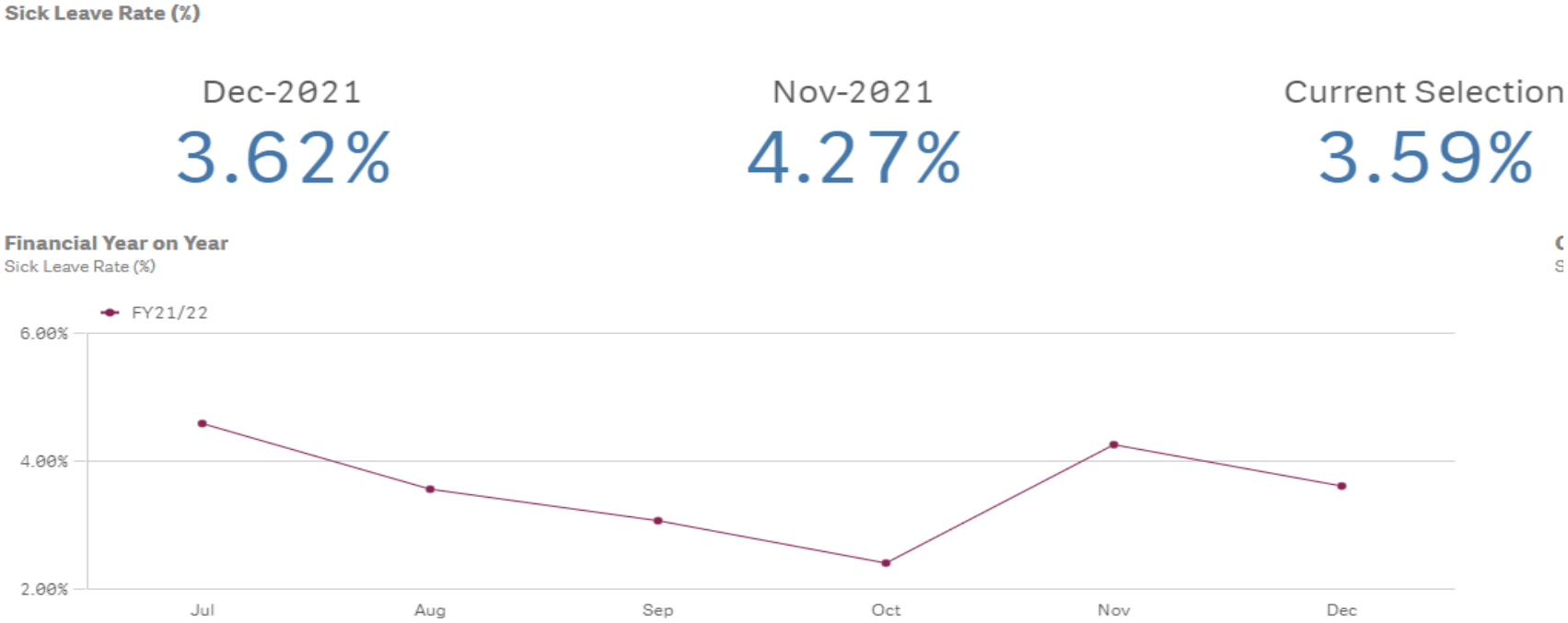
- Appointment of the Senior Māori Workforce Development Manager in August 2021, and a Māori Workforce Advisor from April 2022.
- Affirmative action statement incorporated into all advertisements.
- All Māori identified kaimahi are interviewed for roles applied for, provided they meet the requirements of the position competencies.
- Recruitment metrics are trackable, enabling trend analysis from attraction to offer.
- Recruitment review undertaken across various roles and services, with recommendations provided to People and Culture for enactment.

The recent Nursing Entry to Practice and Nursing Entry to Specialist Pratice recruitment process has resulted in recruitment of 14 Māori staff. These staff commenced employment in February 2022.

MDHB contracts out food and facilities management services, unlike some DHBs who employ staff to provide these services. Details of staff numbers by ethnicity for Compass (food services) and Ventia (facilities management, cleaning and orderly services) are provided in the report. There are no significant variances across this staffing group.

The number of staff within MDHB who have current performance appraisals is 74 percent. This has increased from 67 percent as reported in the last period. While this is a healthy increase, managers continue to work with staff within their areas of responsibility to ensure that they complete a performance appraisal annually. The Allied Health workforce have developed a performance template in consultation with HR, Health and Safety and Pae Ora Paiaka Whaiora directorates where they can expand performance assessments wider than their professional scopes.

The percentage of staff taking SL continued to show a decline across most of the reported period. Average SL over the reporting period was 3.3 percent, down from 3.9 percent reported in the previous quarter. While SL reduced over the first part of the reported period, SL rates spiked over November and December 2021. The increase in SL in November correlates with leave taken by staff who chose not to be vaccinated. These staff reported high levels of stress and anxiety, and many of them did not attend work for significant periods of time over November and December. As there is no provision to record stress related leave in employment legislation, this leave was recorded as SL. A graph displaying the consumption of sick leave between July to December 2021 is provided below.



The overtime consumption across all staff groups increased marginally from 41.8 FTE (averaged) to 43.11 FTE, in this reported period, but MDHB continues to have the lowest overtime usage when compared with other DHBs. The increase followed a similar trend to sick leave where overtime rates reduced over the initial four months of the reporting period and then increased over November and December 2021, resulting from staff losses due to increased SL and eventually termination of unvaccinated staff. Overtime for nursing staff has decreased marginally from an average of 14.8 FTE in the previous reported period, to 14.48 for this reported period. Overall overtime rates for MDHB continue to remain low, when compared nationally. A graph comparing overtime for all staff as of 31 December 2021 is provided as Appendix Two.

Around 43 percent of the DHB's staff are over the age of 50. The physical space and workstation requirements of this work group is going to be very important when designing and developing new infrastructure projects.

4.1. Key workforce opportunities and challenges

Some key workforce opportunities and challenges for the future are outlined below:

- Progress is continuing with recruitment to the FTEs required for the Surgical Procedural Interventional Recovery Expansion (SPIRE) programme. In addition to recruitment initiatives, a number of offers have been made to overseas applicants.

- A national shortage of midwives across New Zealand is affecting most DHBs. MDHB's midwifery vacancy levels continue to be of concern and are being actively recruited to. In order to attract, recruit and retain midwives, MDHB is undertaking the following activities:
  - Providing financial incentives
  - Clinical coaching and professional supervision
  - Culture and team building activities within the midwifery workforce
  - Local, national, and international recruitment
  - Family friendly and flexible work conditions
  - Leadership training for applicable staff.

  MDHB will continue to work on these, and other initiatives, as part of the culture reset work, which is currently being undertaken.

- Restrictions on domestic and international travel and the response to resurgence of COVID-19 in the community, is continuing to pose challenges for staff to take their AL. The number and percentage of staff with high AL is increasing. Management of AL amongst all professional groups within the DHB will continue to be challenging as the DHB wants to decrease leave accruals but on the other hand, continues to face shortages resulting from responses to COVID-19.

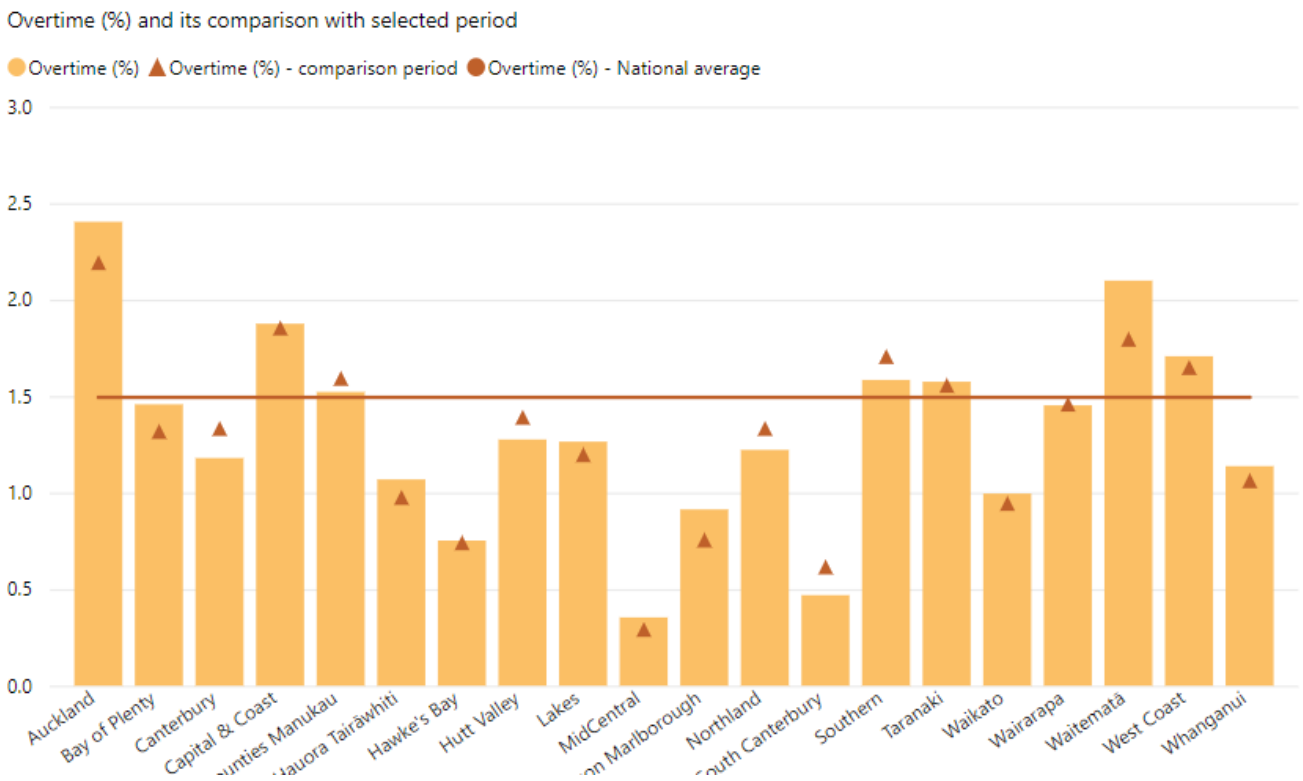
- Early in March 2022, the Government indicated that all mandates relating to COVID-19, including the Vaccination Order would remain in force for health workers. While this will require regular monitoring of staff vaccination information, there remains a risk of the DHB continuously losing a small number of staff due to non-compliance of these mandates, and staff not willing to have the booster vaccination.

Appendix One

Comparison of overtime by DHB (percentage)

Large text shows data for the selected quarter and small text shows data for the comparison period

Note : Some DHBs fail to provide data.



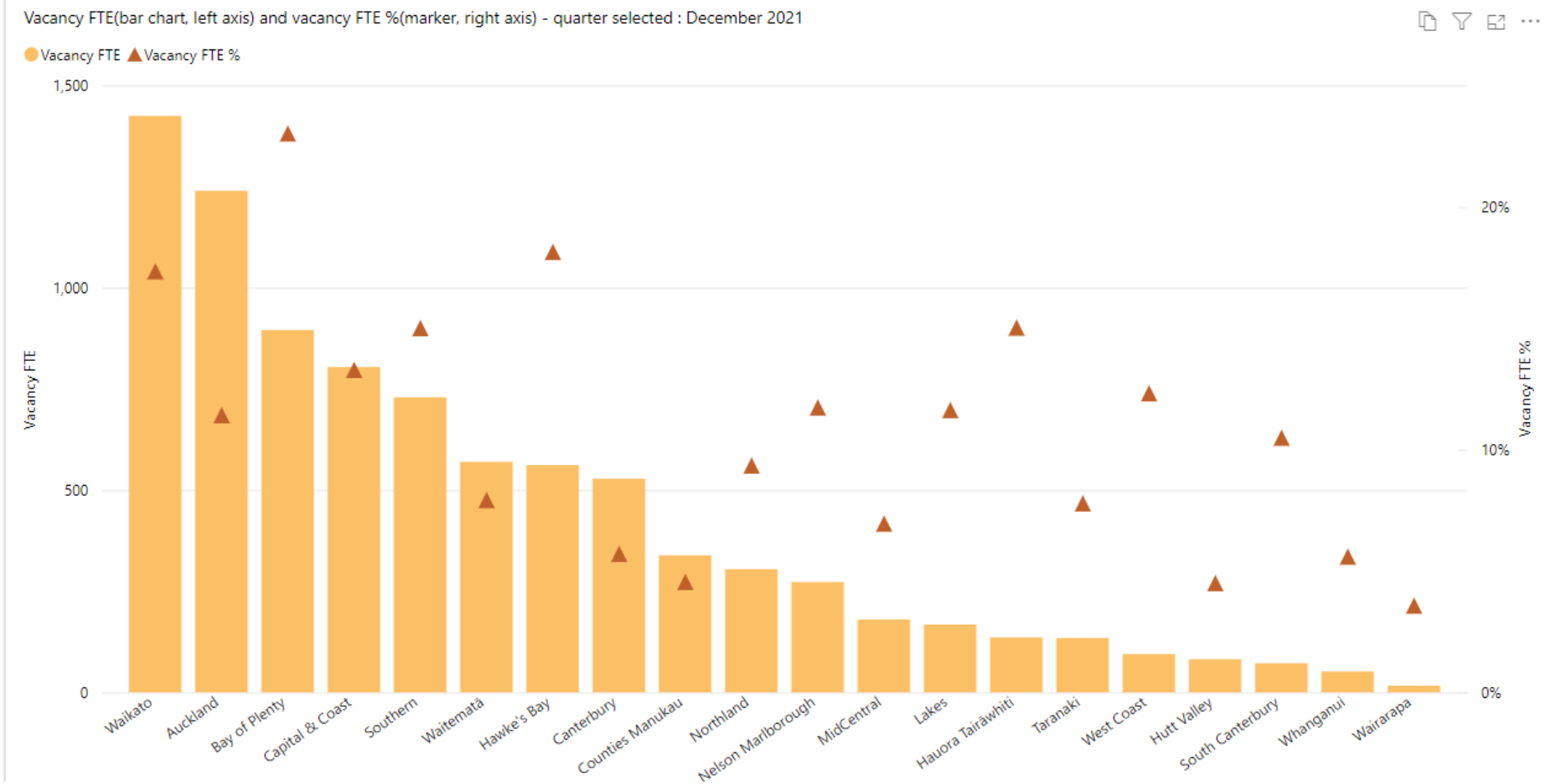
Appendix Two

Vacancy FTE bar charts

Visualise TAS
Interactive health insights from

Choose category:

ANZSCO description | ANZSCO unit group | DHB | DHB size | HWIP occupation group | Region



BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

Key questions the Board should consider in reviewing this paper:

- Does the Board require a further update on any elements of Te Mātāpuna o te Ora for its 28 June meeting?

To	Board
Author	Scott Ambridge, Operations Executive, Te Uru Rauhī
Endorsed by	Kathryn Cook, Chief Executive
Date	2 May 2022
Subject	**Te Mātāpuna o te Ora Service Review**

RECOMMENDATION

It is recommended that the Board:

- **note** the first year's progress towards realising Te Mātāpuna o te Ora
- **note** the updated risk register and programme plan for the next 12 months
- **note** the updated financial analysis
- **approve** the increased funding of $1.569m (made up of 8.80 DHB FTE) and Non-Government Organisation provider funding (targeting iwi and peer-led services)
- **note** that all financial and FTE changes have been incorporated into the 2022/2023 budget (subject to approval by Health New Zealand)
- **note** the change in treatment of digital software development.
- **approve** the Chief Executive to enter commercial lease arrangements for the Horowhenua and Palmerston North hubs (subject to completion of due diligence).

Strategic Alignment

This report is aligned to the DHB's vision, strategy and four strategic imperatives, to the direction set in Ka Ao, Ka Awatea and to the Te Uru Rauhī Health and Wellbeing Plan. In particular:

1. *Achieve equity of outcomes across communities with a particular focus on Māori inequity* – is particularly relevant for people facing mental illness and their whānau who face significant barriers to independence, participation, and citizenship
2. *Achieve quality and excellence by design* – by applying evidence-based solutions to meet identified community needs
3. *partnering with people and whānau to support health and wellbeing* – through genuine co-creation of solutions which involve our service users and their whānau
4. *connect and transform primary, community and specialist care* – using a technology approach which ensures systems/ applications are able to integrate, thus creating an environment that supports information sharing and reduction of silos across the system.

The table below identifies alignment of Te Mātāpuna o te Ora with MDHB's strategic enablers.

People	Partners	Information	Stewardship	Innovation
Transitioning to a person-centred service with trans-disciplinary teams working across the continuum of care.	Taking an authentic partnering approach with the sector that builds capability and capacity where needed so the system can respond to a greater range of needs and kaupapa Māori options.	A digitally enabled environment and technically competent workforce that support effective and efficient clinical practice.	An agile, organisational structure based on the 'teams of teams' approach where leaders work to cultivate leadership and drive collaboration and innovation.	Implementing evidence-based models of care and approaches and applying learnings that support the broader DHB's Integrated Service Model.

1. PURPOSE

To provide an update on progress towards Te Mātāpuna o te Ora. The review focuses on the first year of implementation as part of a five-year transformational programme of change. It is for discussion and approval.

2. BACKGROUND

The business case programme of change 'An Integrated Model of Clinical and Kaupapa Māori Service Delivery, Adult Secondary Mental Health Services' was approved by the Board at its December 2020 meeting.

The business case provided details of a multi-year programme of transformational change which sees a fundamental shift in the way mental health and addiction services will be delivered across the rohe. The changes are informed by He Ara Oranga and sees services move towards a wellness and recovery-focused approach, with care taking place in the community that increases access and choices available to whānau whaiora.

The commencement of Te Mātāpuna o te Ora was triggered by the formal consultation process that commenced on 15 April 2021. Tranche One concluded on 4 April 2022 when the staged implementation commenced.

3. SUMMARY

The Integrated Service Model (ISM) that established the directorate structure in 2018 has been the key to the current successes of Te Mātāpuna o te Ora. It has enabled the commissioning of community services to align with the development of primary and secondary services, ensuring the changes are synchronised and coordinated across the continuum of care.

The complexity and scale of the change has been challenging but has enabled the Te Uru Rauhī and Pae Ora Paiaka Whaiora Hauora Māori Health Directorates to reorient and repivot resources towards the priorities outlined in the business case. Overall, it has been a successful first year with the foundational structures and systems established that will enable the aspirations of whānau whaiora to be realised. We had a strong focus on supporting our kaimahi through several change management initiatives that have focused on providing our staff with the confidence to operate in the new model. We are seeing the early signs of bicultural practice emerge and this focus will continue. There are several challenges facing Te Mātāpuna o te Ora such as the health reforms and we are mindful that there is still much work to do.

The table below provides a key summary against each key area of focus and should be read in conjunction with the detailed Service Review paper that is available on Stellar *(MDHB/Board/Reports and Documents/2022 documents/Service Review – Te Mātāpuna o te Ora).*

Area	Progress (achievements)	Next Steps
Engagement with whānau whaiora *Taking a whānau centred approach for design and delivery of services.* *Amplify the voice of people with lived experience as a key feature of Te Mātāpuna o te Ora.* *Increased choices and options are available across the continuum of care.*	• Established a multi-faceted approach to whānau whaiora engagement throughout the design phase • Provided regular updates to whānau whaiora, both formal and informal • Established whānau Kaitautoko positions to ensure the voices of Māori as consumers of the services are heard • The voice of whānau whaiora included as part of the monitoring and evaluation process • Created funding (8.0 FTE) to increase the contribution of people with lived experience through the development of an intentional peer support programme • Established a peer navigator role to support gender diverse people within Te Mātāpuna o te Ora	• Continue with a multi-faceted approach to whānau whaiora engagement • Implement the Intentional Peer Support programme (Request for Proposal underway) • Establish responsive feedback loops for whānau whaiora to inform improvement • Expand peer-led services (Safe Haven café)

Status	Summary
	Engagement with whānau whaiora has been positive and productive during the first phase towards implementation. Over the next 12 months we will integrate peer support across services and will focus intentionally on developing peer-led services across our rohe.

Kaupapa Māori – Equity for Māori *Increased investment in Māori models of care.* *Expanding kaupapa Māori services, increasing resourced te ao Māori treatment choices and options (rongoā, mirimiri) and increased kaupapa Māori service options across the localities.*	• Idiom Te Mātāpuna o te Ora gifted by Pae Ora Paiaka Whaiora Hauora Māori Health Directorate • Bicultural leadership of Te Mātāpuna o te Ora between Te Uru Rauhī and Pae Ora Paiaka Whaiora Hauora Māori Health Directorates to assure a pro-equity Te Tiriti led approach for Māori is at the forefront of this change programme • Increased Māori leadership with the inclusion of three management positions • Established resources for a second Kaupapa service based in Horowhenua to compliment Oranga Hinengaro, an overall increase from 13 to 35 FTE • Commenced collaborative design process in the Horowhenua region in partnership with iwi and Māori providers • Continued investment in iwi and kaupapa services that has seen spend increase from $1.9m in 2019 to $8.9m planned for the 2022/23 year	• Continue to work in partnership with Te Roopu WAIORA towards the devolution of kaupapa services to iwi • Establish a whānau ora outcomes measurement framework relevant to Te Mātāpuna o te Ora • Further develop, test and refine the team functions and pathways within Oranga Hinengaro. • Continue with targeted, culturally appropriate recruitment approaches • Progress current community developments with iwi and kaupapa providers to expand access to locality-based services

	Status	Summary
		Strong co-leadership of Te Mātāpuna o te Ora has started to see positive signs of bicultural practice emerging. Investment into kaupapa services has been achieved and work will continue with Te Roopu WAIORA towards the devolution of services to iwi. Workforce recruitment and the impending health reforms are likely to place pressure on existing resources and may slow implementation.

The Model of Care *A bicultural locality based integrated model of care across primary, secondary and community is established.* *The model provides more options and choices for whānau whaiora long term in the community.* *There is a shift away from services competing to a model of partnership and collaboration.*	• Achieved strong engagement with staff, unions and providers • Confirmed the final model of care with an overall increase of 11.6 FTE (8.80 DHB, 2.80 NGO) against the proposed FTE in the business case • Reorientated resources towards cultural and therapeutic interventions and increased resources into Tararua and Horowhenua (30 to 55 FTE) • Reorientated resource into NGO, iwi and kaupapa providers, when compared against the 2020/21 year • Confirmed the structural elements of the model of care, that employs a 'team of teams' approach and is inclusive of primary and secondary services • Incorporated Alcohol and Addictions services into the model of care creating a single point of access for whānau whaiora • Established locality based long term, time limited and unplanned care services and specialist programmes that are delivered across the continuum of care • Established a decentralised crisis resolution service • Established the Specialist Primary service to provide out-reach liaison, consultation, assessment and treatment services into general practice and NGOs	• Track implementation progress, review performance, adjust and fine tune • Establish operating rhythm and bed down new ways of working • Implement full FACT (Flexible Assertive Community Assessment Team) fidelity across all services • Implement shared care/GP consultation liaison programme (Specialist Primary) • Further development and refinement of speciality pathways, such as OST (Opioid Substitution Treatment) and addictions • Establish acute alternative in Horowhenua • Complete six-month evaluation against baseline • Ongoing review of policies, procedures, and clinical forms to align with bicultural practice
	Status	**Summary**
		We achieved strong engagement with staff, unions and the community throughout the management of change process. The final design is strongly grounded in a locality-based approach offering a range of long term, time limited and unplanned care services. Resources have been reorientated to support the locality-based approach and to provide increased choices and options for whānau whaiora. Implementation will focus on monitoring and

		adjusting performance, bedding down key clinical programmes and pathways, inclusive of primary and community options.

Workforce *A responsive and resilient workforce that works from a person and whānau centred approach.* *A workforce where the skills and experiences are valued and used across the continuum of care.* *A workforce that feels more supported and there is a reduced feeling of being in 'crisis'.*	• Established a decentralised leadership structure with strengthened leadership at Tier three • Grew internal talent – three appointments to Service Manager positions were from emerging leaders from within the current service • Increased diversity of skills and experiences – the leadership team has a broad range of skills and experience, inclusive of all professional groups • Broadened the skill mix of each locality-based service to provide a more holistic, whanau whaiora centred approach to care, inclusive of peer support, cultural support and increasing resources for addictions and therapeutic and recovery orientated interventions • Established dedicated implementation resources, in particular dedicated change management resources to work with the teams to support the change • Implementation of a professional and team development training programme including a three-day retreat to learn about the integrated model of care • All services established a 'game plan' for new ways of working • All staff underwent values-based practice training in partnership with our service user provider • Commenced recruitment for vacant positions across all professional groups	• Team development will focus on teamwork, partnership, and collaboration – the 'softer skills' • Continue professional development programme for kaimahi, inclusive of increasing knowledge and understanding of Māori worldview across all service delivery • Leadership development and coaching/mentoring programmes to support our emerging leaders • Review and update individual performance plans for all kaimahi • Continued workforce recruitment to build capability and capacity • Continue with staff engagement and communication programme, inclusive of feedback loops are in place for kaimahi • Establish an onboarding process for all new staff that set vision, values, and purpose of Te Mātāpuna o te Ora for new kaimahi.

Status	Summary
	Managing complex change on a large scale provided scope to allow for resources to be reorientated and repivoted to align with Te Mātāpuna o te Ora. New leadership structures were established, growing internal talent and broadening the skill mix. There was an overt focus on change management to help staff develop confidence and knowledge in the new ways of working. Team and individual professional, cultural and clinical development will continue as a key feature moving forward whilst maintaining ongoing kaimahi engagement and communication.

Facilities *Establish a network of community based Mental Health and Wellbeing Hubs to form an integrated network providing a holistic approach to care.* *Provide an accessible and responsive 'first port of call' for whānau whaiora suffering from mental health distress and illness.*	• Confirmed hub and spoke model under an integrated network across Tararua, Palmerston North and Horowhenua with smaller satellites in Ōtaki, Feilding and Pahiatua • Completed procurement process (via the All of Government panel) for furniture and fixtures • Refurbished the Tararua hub to incorporate flexible desking arrangements, telehealth capability and new clinic and consultation rooms • Identified preferred locations at Horowhenua and Palmerston North and commenced due diligence	• Reach agreement on the plans, specifications, and commercial terms for Horowhenua and Palmerston North • Work with staff to establish new practices and ways of working (such as telehealth) • Explore opportunities for co-working with NGOs and other government agencies • Complete detailed design and commence refurbishment and fitout

Status	Summary
	Progressing work in this space has been challenging as the COVID-19 pandemic understandably took priority. It is particularly pleasing to see the Tararua hub refurbished and positive feedback by both staff and whānau whaiora. Inevitably these time delays will have increased costs, therefore the focus over the coming 12 months will be to progress the design, refurbishment, and fitout of the Palmerston North and Horowhenua hubs.

Digital Enablement *Equip the workforce with the tools to do the job.* *Improve effectiveness and efficiency by creating a 'single source of truth' to connect our kaimahi with whānau whaiora.*	• Completed procurement process that confirmed Whānau Tahi as the preferred product for the connected care record • Established dedicated project management and subject matter expertise • Completed design phase and commenced development of the foundational first phase (90 percent complete) • Commenced hardware rollout for all staff (currently 70 percent of the workforce are mobile enabled) • Agreed project resources, project approach and delivery plan for the next 12 months with Whānau Tahi • Commenced implementation of cloud-based soft phone technology, including the introduction of new ways of working for our kaimahi	• Complete Whānau Tahi foundation phase of work and implement delivery plan for the next 12 months • Progressively introduce new functionality via an interactive process of development, testing and deployment • Complete hardware rollout for all staff • Transition to cloud-based soft phone technology

	Status	Summary
		The commencement of work with Whānau Tahi was initially hampered by the COVID-19 pandemic which caused rework and delayed the implementation. Over the past three months development has accelerated and the foundational phase will be completed in June. Development of Whānau Tahi will continue over the next 12 months in conjunction with other cloud-based technology and hardware to further improve our workforce effectiveness.

G	On track	A	Behind plan – will achieve outcomes	R	Behind plan – major risks of not achieving outcomes

Workforce implications – Te Mātāpuna o te Ora impacted 150 staff across adult MDHB community mental health and addiction teams *(Child, Adolescent and Family Service (CAFS) and inpatient services are not impacted directly)*. The outcome of the management of change process was that six staff (4.5 FTE) opted to take redundancy which was a very pleasing outcome overall. A provision of $1.908m was made in the 2021/22 and to date $494k has been expensed. There may be further workforce implications, such as proposed changes to addictions and opioid substitution treatment programmes which sees these services delivered by NGOs in partnership with the DHB.

Funding and affordability – the financial modelling from the original business case has been updated by the Business Advisory Team and Te Uru Rauhī. The overall change against the original business case is an increase of $1.569m (5.0 percent of against the business case) across two key changes, an increase in DHB FTE of 8.80 ($744k) and increased funding in the provider contracts ($825k). All changes have been included in the current draft of the 2022/23 budget (yet to be approved).

Implementation and monitoring – with the health reforms there is uncertainty moving forward on how reporting and monitoring will occur. Monitoring overall progress will continue via already established Steering Group and Clinical Governance Group. Looking forward to the first baseline evaluation is due in October 2022 and discussions are underway with Auckland University of Technology (AUT) to carry out a formal research project on Te Mātāpuna o te Ora.

Programme risks – the programme risks have been updated. Of note is the uncertainty related to the health reforms that might disrupt or impede progress and workforce recruitment and retention challenges that have further been exacerbated by the COVID-19 pandemic.

Discussion/Decision papers

Discussion/Decision Papers

No items

Information papers

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Does the Board have confidence that that the work plan will address the concerns previously raised by the Combined Medical Staff Association?

To	Board
Author	Kelsey Tanner, Executive Assistant to the Chief Executive
Endorsed by	Kathryn Cook, Chief Executive
Date	27 April 2022
Subject	**Combined Medical Staff Association and Executive Action Plan**

RECOMMENDATION

It is recommended that the Board:

- **note** the Combined Medical Staff Association and Executive Action Plan.

Strategic Alignment

This report is aligned to the DHB's strategy and key enabler, 'Stewardship'.

1. PURPOSE

To provide an update on the action plan developed following the Combined Medical Staff Association (CMS) engagement with the Board at the workshop held on 6 July 2021 and subsequent meeting with MidCentral District Health Board (MDHB) Executive Team members.

2. BACKGROUND

As part of the Board's work programme, each of the four clinical professional groups (medical, nursing, midwifery and allied health) meet annually with the Board. This allows each group to provide direct feedback to Board members about their professions and the challenges currently faced.

Correspondence over a period of time and engagement with the CMS escalated a number of issues requiring resolution. Members of the CMS Executive gave a presentation at a Board workshop on 6 July 2021. From this, a CMS and Executive Action Plan was agreed upon.

3. THE ACTION PLAN

There is no further update as all items are complete, with the exception of two ongoing items. These ongoing items will be monitored by MRG.

Combined Medical Staff and Executive Action Plan

LEADERSHIP – Action	Responsibility	Timeframe	Progress
1. Open and honest conversations – call each other out if that isn't happening.	Everyone	Ongoing	
2. Consider Te Uru Arotau clinical leadership – consult at future MRG meeting	Executives	24 August	Complete
3. Better preparation for MRG meetings, including agenda, having the right people attending, maintaining work plan	CMO, Chair CMS	Discussed and approach agreed at MRG on 27 September	Complete
4. Update and strengthen Terms of Reference for MRG meeting	CMO, Chair CMS	16 November	Complete
COMMUNICATIONS – Action			
1. Monthly meeting with medical leads and executive	CEO	17 August	Complete
2. Prepare a list of current meetings and level of engagement – discussion on purpose and effectiveness	CMO, Ops Exec Te Uru Arotau	Review meeting engagement no less than annually	Complete
3. Joint presentation to the Board	CEO, Chair CMS	17 August	Complete
4. CMS to advise if the group needs to meet again	CMS	Ongoing	
5. Chief Executive to attend CMS AGM and acknowledge the impact of prior decisions on clinicians	CEO	10 August	Complete
SPIRE – Action			
1. Facilitated session with larger group of surgeons and anaesthetists – attendees to be agreed, facilitator to be arranged. Mitigations to be addressed.	CEO	14 September	Complete
STRATEGIC CAPITAL INVESTMENT GROUP (SCIG) – Action			
1. Dr Thompson to attend SCIG; papers to be shared with CMS	CEO		Complete
DIGITAL – Action			
1. Digital programme to be reviewed at MRG, including confirmation of SMO representatives on priority programmes of work	CMO, CDO	24 August	Complete

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Are Board members sufficiently informed by this paper on the update of the current nursing workforce issues?
- Are Board members sufficiently informed by this paper about the actions to address these issues?

To	Board
Author	Celina Eves, Executive Director of Nursing and Midwifery
Endorsed by	Kathryn Cook, Chief Executive
Date	19 April 2022
Subject	**Nursing Workforce Update**

RECOMMENDATION

It is recommended that the Board:

- **note** the Nursing Workforce Report.

Strategic Alignment

This report is aligned primarily to MidCentral District Health Board's (MDHB) strategy.

1. PURPOSE

To provide the Board with an update regarding the nursing workforce issues raised at the April 2021 Board meeting.

2. BACKGROUND

March 2022 continued to be very challenging for nursing, with nursing sickness rising. Planning for COVID-19 outbreaks in our region escalated to ensure workforce preparedness. Sixty-four one-hour COVID-19 Surge Workforce training sessions were provided in the February to March period. Twelve sessions were provided to Horowhenua staff and were fully subscribed. In April, the Nurse Educator COVID-19 Resurgence will provide in-service training to teams and services across the organisation.

3. CLINICAL RISK

The action plan to mitigate the clinical workforce risk is included in Appendix One and covers the following areas:

- Workforce recruitment
- Workforce retention
- Clinical safety
- Professional support
- Staff wellbeing.

The following narrative provides updates on all key areas since the last reporting period. The Clinical Safety/Care Capacity Demand Management (CCDM) has been further expanded to delineate each measure and more clearly identify the changes that have occurred since in response.

3.1 Workforce Recruitment

Recruitment activity across Nursing, Midwifery and Healthcare Assistants (HCAs) workforce has continued with intensity.

A table outlining recruitment activity over the months of January to March is provided below.

March 2022	In	Out	Variance	January – March 2022 Totals	In	Out	Variance
Registered Nurses	18	22	-4	**Registered Nurses**	74	71	+3
Registered Midwives	1	1	0	**Registered Midwives**	3	5	-2
EN	1	1	0	**EN**	2	2	0
HCA	8	6	+2	**HCA**	21	8	+13
Total Staff	28	30	-2	**Total Staff**	100	86	+14

Table includes terminations resulting from COVID Vaccination Order

3.1.1. *Campaigns*

Recruitment and retention of nurses is problematic across all New Zealand DHBs which is particularly exacerbated currently by international recruitment efforts for the same nursing specialities ie. Intensive Care, Emergency Department, Operating Theatre and Surgical Nursing.

Compounding this is an increasing nursing turnover as New Zealand nurses again look for greener pastures with a perceived workload change. We are currently experiencing a steady number of MDHB nurses relocating to Australia.

There are four campaigns (International, National and Local) currently in place:

International – Healthcare Job Fair UK

In conjunction with Capital and Coast DHB, Whanganui DHB, Hawke's Bay DHB, Wairarapa DHB, Hutt Valley DHB and MDHB. Four events include the following nursing and midwifery enrolments. All Allied Health applicants have been channelled to the appropriate MDHB teams for follow up:

- Dublin 12 March, attracted 124 applicants, one has accepted employment with MDHB, we are following three other applicants.
- London 26 March, attracted 104 applicants, following four applicants currently.
- Manchester 9 April, attracted 144 applicants, following 16 candidates currently.
- Glasgow 23rd April, numbers to be advised.

International – Critical Care Campaign (organised by Technical Advisory Services) Shared by all DHBs

A focused $300,000 five-month critical care campaign that began in February 2022, to actively target and attract critical care nurses working overseas to consider both long and short-term opportunities in New Zealand. As of 15 April, 93 applications had been received, 22 of these had been referred to DHBs for follow up and three nurses have successfully been employed. To date MDHB has had five candidates apply – two Intensive Care, one Emergency Department, two Surgical candidates. Applicant interviews are taking place.

National – 'Are You Ready' Mental Health Campaign

This is a major recruitment drive to attract mental health nurses. It aims to encourage more nursing graduates into mental health and addiction roles, increase the number of Māori and Pacific people working in this area, and bring former nurses back into the profession.

This campaign will run for two years and is part of a comprehensive mental health and addiction workforce development programme. Commenced 27 March 2022, MDHB has an active focus group organising local awareness and events in place throughout 2022 which involves MDHB employees, local tertiary providers, local schools and the community.

Manawatu Careers Fair

Will be held on 17 June 2022 and planning is underway for this event.

Apart from the above events we currently have 14 overseas applicants being processed to take up nursing and midwifery positions throughout 2022.

While the overall staffing variance for the quarter was negative, employment processes for the Nurse Entry to Practice (NETP)and the New Entry to Specialist Practice (NESP) was undertaken during the quarter. Thirty-eight candidates (including 14 Māori nursing students) were offered and have accepted employment with MDHB.

Unfortunately, the HCA workforce has also decreased (many taking on casual work due to study or family commitments). This creates skill mix imbalances and challenges for the nursing workforce as HCAs support the personal care for patients in so many different ways. A mini pilot project is underway to assist with this.

Suitable HCA applicants who would normally not be considered (no prior experience or qualifications), are being offered an enhanced training and development programme with a workplace mentor which includes assistance with literacy and numeracy, and links to NZQA qualifications. Ten HCAs have commenced in this project recently.

3.1.2 *Careerforce Gateway Programme*

Careerforce has developed a suite of gateway packages to allow students to experience the diverse opportunities available to them in the health and wellbeing sectors, and potentially forge their career. It is available to Year 11 to 13 students. We have 32 high school students registered this year which is a significant growth on previous years. Students started at MDHB with a powhiri on 2 March 2022. We have two streams, with Year 11/12 who complete Level 2 NZQA papers with us and the Year 12/13 stream who have an option of completing five NZQA papers.

Four of the Māori students are interested in pursuing a career in nursing and another two Māori students are interested in midwifery.

3.2 Workforce Retention

The overarching aim is that the DHB workforce reflects community demographics, is sustainable, highly qualified, appropriately credentialed, and culturally responsive to the changing needs of our communities. The Nurse Midwife Recruitment Consultant continues to make good progress supporting staff and streamlining the employment process.

In addition to the number of vacancies, each month the number of nursing staff onboarding, and resignations, with themes, are being captured centrally. This will provide a clearer picture over time of the progress being made with recruitment and retention initiatives.

Between January and March 2022, 100 staff were recruited and 86 resignations received. A higher number than usual resignations from RNs was seen during January. These figures are being validated and is partly due to the COVID-19 Vaccination Order mandating that unvaccinated health workers are not allowed to work in healthcare. Departing RNs are reporting COVID-19 anxiety, increasing workloads, and taking up international employment.

3.3 Clinical Safety

The CCDM implementation self-assessment has been completed and the Safe Staffing Healthy Workplaces Unit have confirmed that MDHB has achieved full implementation. The final report includes some recommendations for the DHB to continue to work on.

The CCDM Core Data Set for February 2022 (Appendix Two), measures quality patient care, quality work environment and best use of health resources. The data reinforces the need for increased nursing FTE and ongoing work of CCDM.

3.3.1 Patient Incidents

A patient incident is any event that could have or did cause harm to a patient. Patient incidents are an indicator of the quality of care provided to patients, the quality of the work environment and staffing. Lower nursing staff levels are associated with increased patient mortality, medication errors, falls and missed care.

In February, 192 patient incidents were reported. This is an improvement from December 2021.

3.3.2 Shifts Below Target

Shifts below target are the percentage of shifts by AM, PM, N where the difference in the care hours provided and the care hours required was greater than negative 8.5 percent, or 40 minutes per FTE.

Twenty-one percent of shifts were below target in February; a slight improvement from 22 percent in December 2021. The Integrated Operations Centre (IOC) continues with its ongoing mitigation strategies, to manage day-to-day nursing hours variance that contribute to shifts below target.

3.3.3 Care Rationing

Care rationing is all care reported by staff that was missed, delayed, sub-optimally delivered or inappropriately delegated. Care rationing impacts on the quality of care provided to patients, patient experience and staff satisfaction/engagement. Lower levels of staffing are associated with missed care. Care rationing impacts on nurse satisfaction and causes moral distress.

Care rationing incidences were 292 for February, decreasing from 331 in December and significantly lower than the 487 seen in July.

3.3.4 Bed Utilisation

Bed utilisation reflects the throughput of patients, accounting for all discharges, deceased patients, admissions, and transfers for the shift on which the patient received care. The process of admitting or discharging a patient requires nursing hours in addition to those hours required to care for a patient. Increased patient turnover is associated with diminishing nursing hours.

Ward bed utilisation was 128 to 149 percent in six clinical service areas.

3.3.5 Staff Unplanned Leave

Staff unplanned leave is the total unplanned or short notice leave hours taken by staff, for example sick, domestic, bereavement and Accident Compensation Corporation (ACC) leave. Sick leave is one indicator of the health of the workplace, with burnout and job stress increasing staff absenteeism.

Staff unplanned leave for February was at seven percent, up from six percent in January.

3.3.6 Staff Incidents

A staff incident is any event that is reported and could have or did cause harm to a staff member and includes accidents, needle sticks, back injuries, slips and verbal abuse. Staff incidents are more likely to occur when staff are under time pressure, tired or inexperienced or in the presence of increased workplace hazards (hours, complexity, and workload).

Seven clinical areas noted five or more staff incidents, with the highest being in Star 4 (N=12). The Associate Director of Nursing together with the Charge Nurse for each area reviews these incidents, noting the trends and themes, and putting remedial actions in place. Each clinical area contributes to the overall Health and Safety Plan which is reviewed with the operational teams.

3.3.7 Community Nursing Services

District Nursing Service

Included in Appendix Three is the March VRM (Variance Response Management) data for the District Nursing Service (DNS). It demonstrates the ongoing challenges of balancing FTE and high patient acuity across a community nursing team. Work is underway to reinvestigate the establishment FTE, as well as to implement a comprehensive workforce plan to explore all options for supporting safe staffing.

A 'timely discharge' project was commenced to proactively manage the increasing total patient numbers. At the start of the project, total patient numbers enrolled in the service were 1122. This project has been successful with continued progress towards balancing referral and discharge numbers, which in turn supports safe staffing.

3.4 Professional Support

The Resus Quality Improvement (RQI) carts arrive on site on the 20 April 2022. The marketing campaign continues to showcase these across teams, with positive feedback.

Supervision and coaching support were offered to nursing, midwifery staff as well as HCAs and new graduate nurses.

- New graduate NETP Nurses (N=50) are attending group professional supervision sessions, which is paid time, outside their rostered shifts.
- NESP nurses are booked into monthly group supervision with senior nurses from Mental Health and Addiction Services (MHAS). This runs concurrently with monthly individual supervision, so that NESP nurses receive fortnightly supervision as a minimum.
- We also offered RNs and Enrolled Nurses (ENs) access to supervision (via Zoom) to address stress, anxiety and moral distress associated with the COVID-19 surge. We secured six professional supervisors to assist with this and will fund through NEED (the Nursing External Education and Development Committee).

3.5 Staff Wellbeing

From the MDHB staff engagement survey of 2020, nursing identified three key actions of leadership, connectedness with communication that is positive and respectful, and supporting at work, where nurses can work within a blame-free culture and feel

confident at work. Several measures are now in place and these actions are discussed regularly at key weekly and monthly meetings within MDHB's nursing shared governance model.

3.5.1 Leadership

The Transformational Leadership Programme and LEO Nightingale Challenge are fully subscribed for 2022 but were re-scheduled due to COVID-19 surge.

The Advisory Group established with our Tertiary Education Programme Providers (Nursing, Midwifery and Allied Health) continues to meet weekly with the remit of ensuring students can complete their practice placements in a timely and safe manner in a COVID-19 environment. This has been successful to date, with students now identified as critical health care workers.

3.5.2 Connectedness

The Kaiwhakaako Tapuhi Nurse Educator and Kaiwhakaako Kaiwhakawhānau Midwifery Educators are in clinical practice settings, working alongside staff to improve safety and quality of care, support new staff in their transition to practice, enable experienced staff to continue to advance their practice, improve recruitment and decrease turnover. But whilst patient complexity continues to increase in our rohe, service delivery models evolve and FTE increases, the Kaiwhakaako Nurse and Kaiwhakawhānau Midwifery Educator establishment has remained relatively unchanged over the last 10 years. In addition, significant RN and Registered Midwife turnover is affecting staffing and skill mix across all specialities.

To support the clinical areas, we are exploring the option/business case for establishing clinical coach roles, which would be funded via FTE from unfilled vacancies. The Registered Nurse Clinical Coach works within the clinical care interface and on rostered shifts to maximise educational and coaching opportunities. They are responsible for promoting and providing targeted planned clinical education and coaching along with the Nurse Educator and Senior Nurses of the area for an identified individual nurse, nursing cohort or team.

3.5.3 Supporting at Work

In April, we had the inaugural launch of the Registered Nurses Prescribing in Community Health programme. The preparation required to become a Registered Nurse Prescriber includes education, clinical supervision, and credentialing of competence to prescribe in preparation for Nursing Council of New Zealand approval. Ten participants are enrolled, from the MidCentral and Whanganui districts.

The programme will be completed in six-months. Face-to-face training has been replaced by virtual/Zoom sessions and are being well received.

Appendix One
Nursing Workforce Action Plan – September 2021

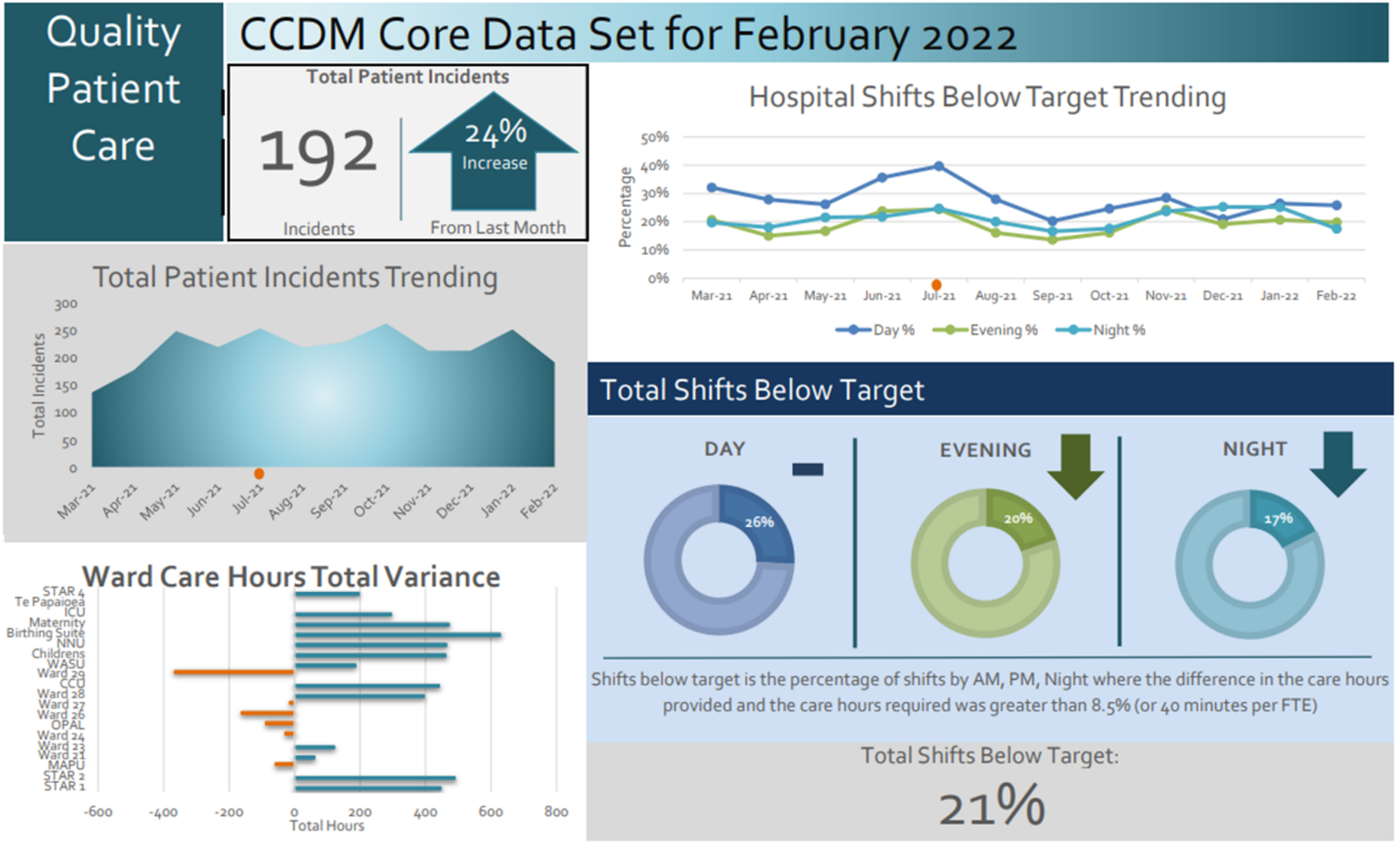
Not Started	Completed	On Track	Overdue	High Risk

	Target Date	Owner	Update	Status
Recruitment				
Deep dive work on FTE establishment, initially targeting MH&A (Ward 21) and HAR (OPAL).	Completed	Scott Ambridge Operational Executives	Work continues, gaining a better understanding of FTE figures, including clarity on headcount, overtime, penal rates, call backs and on call. This work is reported to the Board within each directorates' finance reports.	
Complete establishment FTE by directorate and move to BAU ready for budget setting.	Ongoing	Operational Executives	Work continues with MHAS ward 21, OPAL, STAR wards 1/2 and 4.	
Make any relevant CCDM adjustments for 21/22 budget.	Completed	Darryl Ratana Scott Ambridge		
Include Specialing in baseline budgets in high use areas. i.e., Ward 21, OPAL, Star 1&2.	Ongoing	Darryl Ratana Scott Ambridge, Lyn Horgan	Awaiting ward 21 and OPAL, Star1&2 CCDM FTE calculations.	
Review long term vacancies.	Ongoing	Professional Leads Nursing Recruitment Consultant Operations Executives People and Culture GM Q& I		
Ensure all Māori and Pasifika are shortlisted and recruited to vacant positions.	Completed	EDNM ADoNs People and Culture Senior Nurse leads Senior Midwife leads	Ensure equity within recruitment of Māori and Pasifika nurses into the workforce.	
Ensure all new graduate nurses are supported through the recruitment process especially Māori and Pasifika students.	Completed	ADON Education NE NETP	NETP/NESP Māori and Pacifica nurses prioritised for interview. Nurse Educator Māori supports candidates with interview preparation. Eleven Māori and Pacifica nurses employed in NETP/NESP.	

Establish nursing post to oversee nursing recruitment (Senior Nurse / Nurse Consultant).	Completed	EDNM People and Culture N&M Consultant Clinical Executives	Recruited and appointed. Confirmed positions are not being held.	
Review current recruitment process (current 12 weeks) – remove duplication, increase flexibility.	Due December 2021 New date August 2022	People and Culture N&M Consultant	Improve timeliness of recruitment process. Current project in progress February 2022. Current Recruitment process remains under review. There have been some minor adjustments made but due to time restraints a systemic approach is still to occur.	
Review orientation and onboarding processes.	Due December 2021 New date August 2022	People and Culture N&M Consultant	Consider establishment of nursing recruitment office, workforce unit, centralised roster. Current Recruitment process remains under review. There have been some minor adjustments made but due to time restraints a systemic approach is still to occur.	
Nursing Bureau and nursing centralised roster.	Due December 2021 Date to be announced	N&M Consultant IOC Lead IOC Team	The project is in the beginning stages with the CCDM working on a proposal for CCDM council to confirm. Some delays due to current Covid Omicron surge.	
Review current arrangements for nursing bureau.	Ongoing – Date to be announced	N&M Consultant IOC Lead ADONs N&M Leadership	FTE has been reviewed with the ward FTE calculation processes. Delayed due to the current Covid Omicron workload.	
Retention				
Optimising training: offer external training opportunities funded by NEED, HWNZ and Medical Trust.	Ongoing	ADON Education NEED Committee Education & Practice Council	Expression of Interest released in September for 2022 HWNZ funding applications and fully utilised. Eleven Nurse Practitioner Candidates being funded.	
New Manager training programme developed and rolling out in 2022	Ongoing	ADON Education OD Business Partner	Progress delayed.	
Six-weekly union partnership meetings to be commenced.	Ongoing	EDNM People and Culture	Six-weekly meetings occurring/BAG.	
Clinical Safety				
CCDM process to be completed.	December 2021	EDNM CCDM Governance Group	On track. SSH work assessment completed 9/10 November and achieved.	

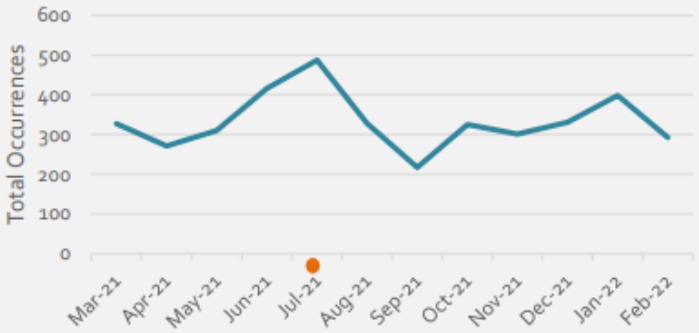
Clinical Nurse Educator support for all nurses: expand nursing educational team.	July 2021	EDNM ADON Education	Business case developed for 21/22 year – shared with Ops Execs. Not endorsed. Further conversations regarding clinical coaching in progress with directorates.	
Confirm educational components in each clinical area.	August 2021	ADON Education	Essentials Skills revision with Education and Practice Council Completed.	
Professional				
Confirm delineation of professional roles – operational v professional.	Ongoing	EDNM Clinical Executives	Clarify roles and responsibilities for professional accountability.	
Senior nurses advanced practice plan.	Ongoing	EDNM Clinical Executives	Ensure Professional Leads are holding Ops Execs to account for delivering workforce needs.	
Consider other roles working at top of scope – HCAs and Enrolled Nurses (career progression).	Ongoing	EDNM ADON Education	Improve use of enrolled nurses and HCAs, all areas reviewing skill mix. Discussions held with UCOL re ENs. Central Region DoNs supporting EN training with UCOL.	
Staff Wellbeing				
Review current quarterly plans – top three priority areas identified in staff survey.	September 2021	EDNM GM People and Culture OD Business Partner	Health and Wellbeing strategy in place.	
Pilot in place for Bradford scoring for monitoring/assessing staff absence.	Pilot commenced	GM People and Culture	Project commencing Feb 2022 may be delayed due to Covid Omicron resurgence	
Commitment to timely annual leave and rostering processes.	Ongoing	EDNM ADONs Operations Leads Charge Nurses	Difficulty allocating annual leave due to staffing levels – work in progress to ensure all specialities have a plan in place for all staff with more than a two-year A/L balance.	
Increase support for staff through access to Supervision, peer-to-peer Coaching, and cultural supervision.	Ongoing	ADON Education Supervision Project Group	Peer-to-peer coaching for Charge Nurses/Midwives commencing 21 March 2022. NETP Group supervision being offered for one hour per week for 12 weeks. All RNs/ENs offered one-to-one supervision of two hours each, with external supervisors. HCAs being offered 2 x 1 hour coaching session over six weeks. The purpose of these initiatives is to reduce stress and anxiety in staff as they face the current COVID surge and retain them in the workforce.	

APPENDIX TWO – CCDM Dashboard February 2022



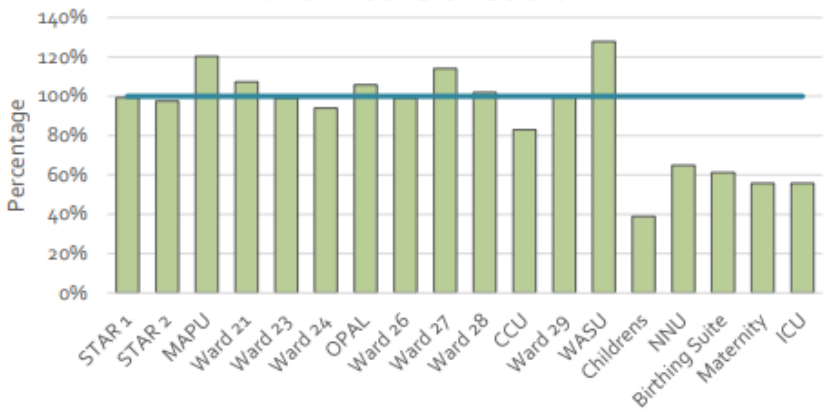
Quality Patient Care

Anticipated Care Rationing Occurrences Trending



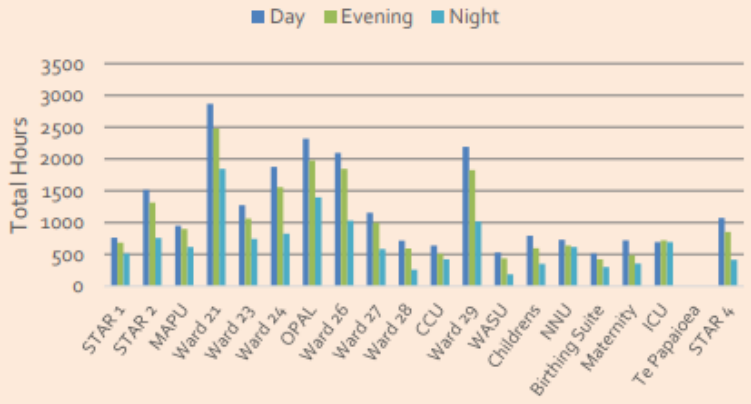
All care that was missed, delayed, sub optimally delivered or inappropriately delegated, as reported by staff. Also defined as 'care left undone' due to lack of time, material resource, poor communication or teamwork.

Ward Bed Utilisation



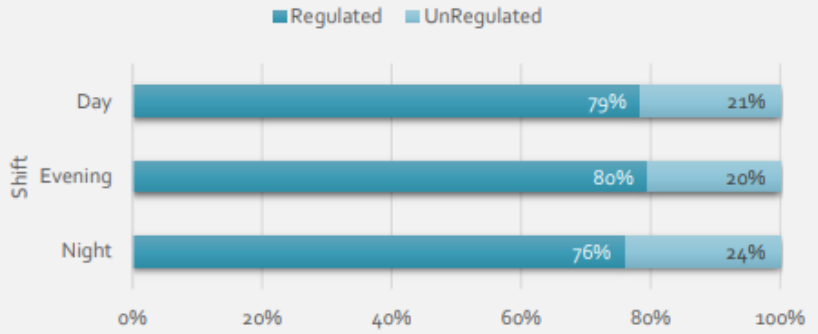
Bed utilisation reflects the throughput of patients during a calendar day – accounting for all discharges, deceased patients, admissions and transfers for the shift on which the patient received care.

Ward Total Patient Acuity



Patient acuity is the patient's level of dependence on nursing staff due to their care requirements. This is described as nursing hours required by patient acuity.

Staff Mix



The number of regulated staff (RN, RM and EN) that worked, compared with all staff that worked expressed as a percentage for AM, PM and N

Quality Work Environ-ment

CCDM Core Data Set for February 2022

Unplanned Leave

6011.7

Total Hours

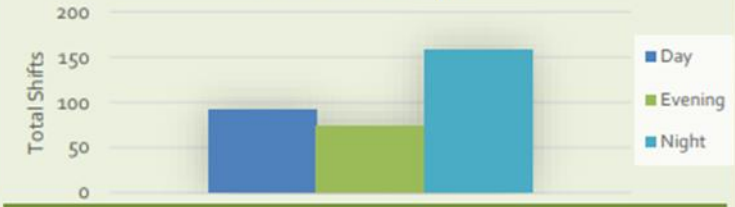
7%

Percentage

From Last Month

The total unplanned or short notice leave hours taken by staff e.g. sick, domestic, bereavement, ACC. This includes sick leave hours paid, unpaid or paid as annual leave. Includes staff on permanent contracts only.

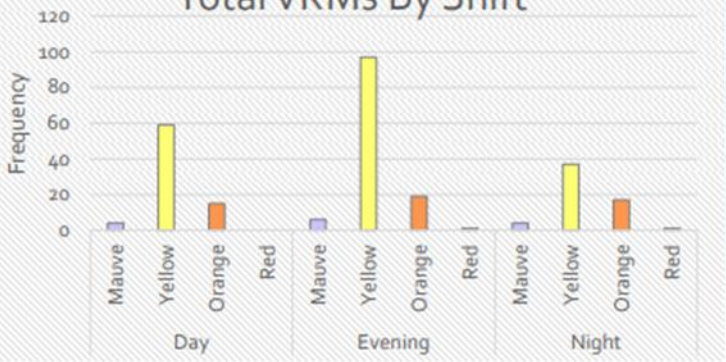
Roster Gaps



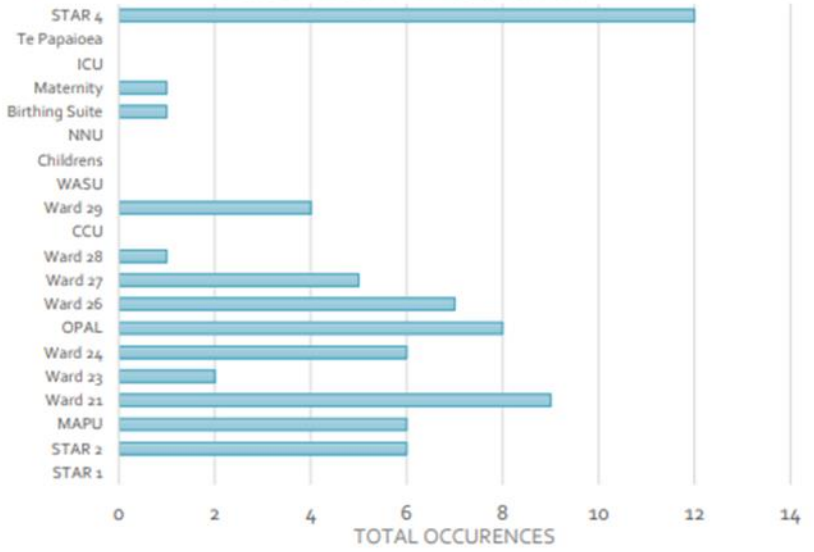
Roster gaps are the degree to which the posted/planned roster matches the roster model.

Staff Unplanned Leave Trending

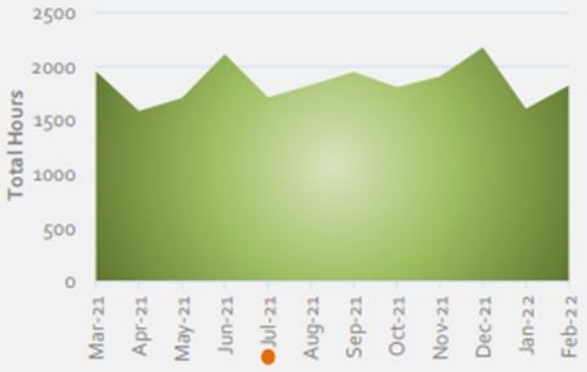
Total VRMs By Shift



Total Staff Incidents



Total Staff Overtime



Overtime includes any extra paid hours that a nurse is required to work beyond their contracted hours at either end of their shift.

Total Professional Development Hours for the Month

1,441

Best Use of Health Resources

CCDM Core Data Set for February 2022

Staff Hours

4,439

Total Casual Staff Hours

5%

Casual Staff Percentage

82,269

Total Nursing Staff Hours

The total hours includes all productive (clinical and other productive hours) and non-productive (annual, sick, bereavement) hours .

ED Length of Stay Percentage

The ED Length of Stay Target is the 'Shorter Stays in Emergency Department (ED)' i.e. Patients admitted, discharged, or transferred from the ED within six hours. The target is 95%.

Excess Accrued Leave

17%

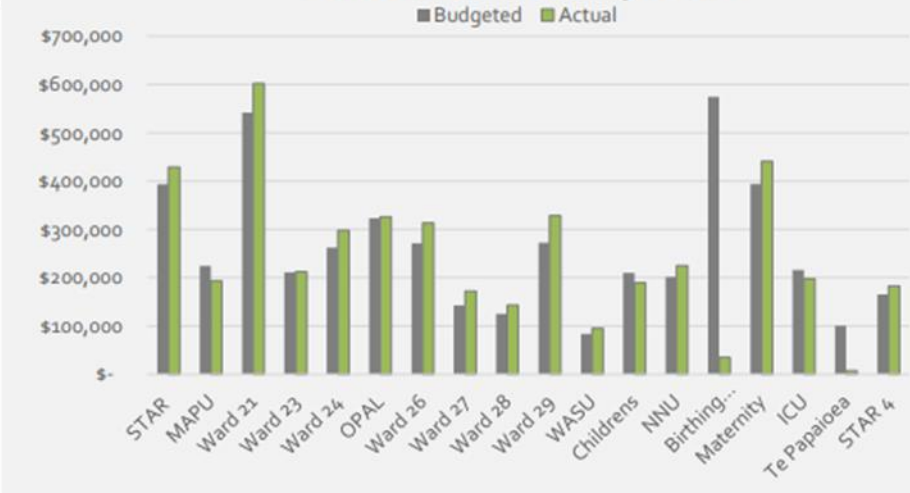
Percentage of Discharges Before 11am

256

Total Number of Patients Discharged Before 11am

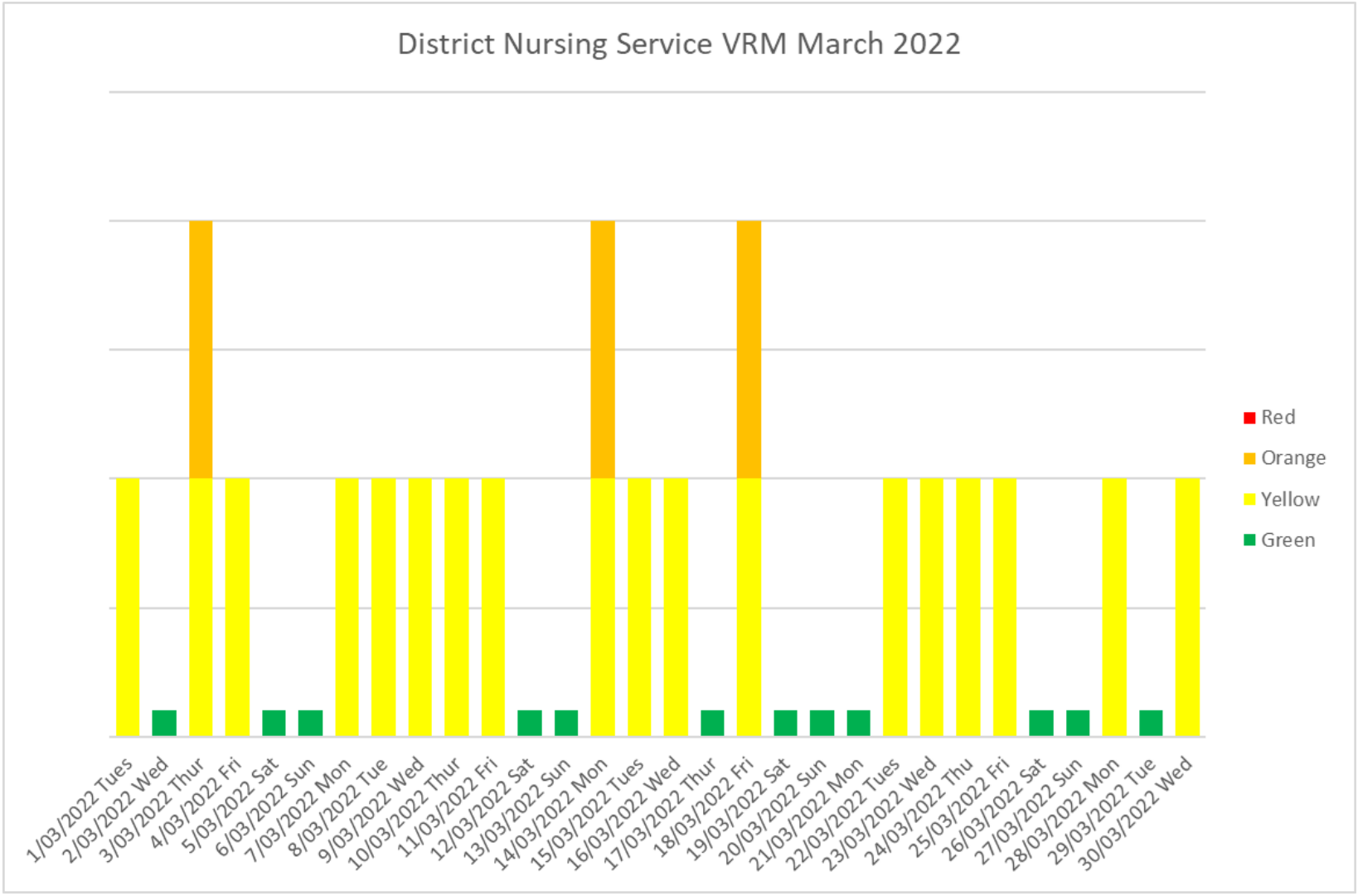
Wards Percentage of Discharges Before 11am Trending

Personnel Costs By Ward



Appendix Three - District Nursing Information

VRM Scoring for the District Nurse Service, March 2022



BOARD REPORT

For:

	Approval
	Endorsement
x	Noting

Key questions the Board should consider in reviewing this paper:

- Are Board members sufficiently informed by this paper about the current midwifery workforce issues and the actions in place to address them?

To	Board
Authors	Sarah Fenwick, Operations Executive, Te Uru Pā Harakeke Dr Jeff Brown, Clinical Executive, Te Uru Pā Harakeke Celina Eves, Executive Director of Nursing and Midwifery
Endorsed by	Kathryn Cook, Chief Executive
Date	21 April 2022
Subject	**Midwifery Workforce Report**

RECOMMENDATION

It is recommended that the Board:

- **note** the current midwifery workforce position
- **note** the key updates to the Midwifery Action Plan.

Strategic Alignment

This report is aligned primarily to MidCentral District Health Board's (MDHB) strategy.

1. PURPOSE

To provide the Board with an update on the agreed Midwifery Action Plan.

2. BACKGROUND

As highlighted in previous papers, a shortage of midwives across New Zealand continues to affect most District Health Boards (DHBs). Despite local, national and international recruitment campaigns, midwifery recruitment and retention remain a significant documented risk for MDHB (risk 830). The number of midwives being trained, the career opportunities locally, nationally, and internationally, alongside increasing acuity and handover of care, mean that recruiting and retaining midwives is increasingly complex.

3. CLINICAL RISK

An action plan is in place to mitigate the clinical workforce risk. This is included as Appendix One and covers the following areas:

- Workforce recruitment
- Workforce retention
- Clinical safety
- Primary/secondary/obstetric interface
- Senior Midwifery/Leadership
- Communication.

Actions from an external Director of Midwifery's visit have been incorporated into the overarching action plan. The following narrative provides updates on all key areas since the last reporting period.

3.1 Workforce Recruitment

Palmerston North Hospital's Maternity Unit has an established midwifery budget of 49.95 full time equivalent (FTE) (comprising 42.48 FTE core midwives and 7.47 FTE senior midwives), with an additional 8.89 core midwifery FTE confirmed as part of the Care Capacity Demand Management (CCDM) programme.

The staffing position has not significantly improved in this reporting period as expected, with two midwives remaining on leave without pay (LWOP), one Midwife resigning due to relocation and an additional Midwife resigning following Parental Leave.

The midwifery shortfall is mitigated by 11.8 FTE nurses, a reduction from the previous reporting period, however recruitment is underway with 2.8 FTE nurses commencing in April 2022 and 1.5 FTE nurses commencing in May 2022. The overall vacancy has increased to 16.78 FTE (excluding CCDM). This shortfall is expected to improve in May 2022 with 2.4 FTE midwives recruited for Te Papaioea Birthing Centre and further interviewing and offers of employment in progress.

Also, the new graduate midwives who commenced on 31 January 2022 will complete their supernumerary orientation in May 2022 and be full staff members. Additional healthcare assistants and midwifery care assistants have commenced duties with a mixture of FTE from casual to 0.8 FTE to augment care and increase to two assistants per shift.

Two external recruitment companies are engaged to recruit midwives internationally. Recruitment has been confirmed for one overseas midwife, with a tentative start date delayed to June 2022 due to Midwifery Council processes. Some interest at international recruitment has been received, however, to date they have not resulted in any applications progressing.

Auckland University of Technology has advised that they have not been able to progress their Nurse to Midwifery Transition Programme for Semester Two as originally hoped, and there is no date for commencement confirmed at this stage. Otago Polytechnic has also not confirmed a start date for their Nurse to Midwifery Transition Programme, however February 2023 has previously been indicated.

3.2 **Workforce Retention**

Retention payments were paid to all permanently employed midwives in December 2021 and will continue to be paid on a six-monthly basis until midwifery staffing improves. The next payment is scheduled for June 2022.

The Antenatal Clinic will relocate to premises previously occupied by the Salt Rooms (below Te Papaioea Birthing Centre) following the signing of a lease agreement in December 2021. Some building work required prior to the relocation has been delayed due to supply and contractor availability.

3.3 **Clinical Safety**

To ensure clinical safety, changes to operational hours at Te Papaioea Birthing Centre that commenced on 10 May 2021 remain in place. The changes have significantly reduced roster gaps at Palmerston North Hospital, which is evident in improved TrendCare data and reduced care deficit hours. Despite the significant staffing difficulties, work has been ongoing for several months to reopen Te Papaioea Birthing Centre. Four midwives have confirmed that they will work at Te Papaioea Birthing Centre, which has facilitated a plan to reopen the centre in May 2022. Exact hours of operation are yet to be finalised and are subject to not impacting staffing at Palmerston North Hospital's Maternity Unit.

A draft workforce escalation plan has been developed, with union partnership. This has been shared with the midwifery team, LMC colleagues and the Ministry of Health for feedback. The final document has been confirmed, and work is underway with unions to agree acuity payments.

There have been no Severity Assessment Code (SAC) 1 incidents and one formal complaint in the reporting period. The complaint relates to induction processes. The February 2022 Maternity Survey received 25 responses, which is an increase compared to the previous reporting period. The majority of wāhine indicated that they were happy or very happy with the support they received, along with the ability to have a support person stay with them. The limitations of shared rooms and COVID-19 Omicron outbreak continues to impact their experience both in the Birthing Suite and Maternity Ward. The reopening of Te Papaioea Birthing Centre may mitigate this.

Despite staffing challenges, the Maternity Ward continues to achieve a high rate of fully breastfed babies at discharge; 88.8 percent in March 2022 which is to be commended.

As part of the COVID-19 Omicron response, significant planning, preparation and pathway development was undertaken to ensure safe care delivery across all aspects of the service. These continue to be updated as information and circumstances change.

3.3 Primary/Secondary and Obstetric Interface

The local primary/secondary interface group has released the draft MidCentral District Health Board (MDHB) Primary/Secondary Interface document, and the draft Local Implementation of the Maternity Referral Guidelines – Resource Document for consultation to all staff in the maternity environment.

Further discussions between MDHB and private providers regarding maternal ultrasound continue to occur as issues arise. Focus groups are being planned for May 2022, to discuss the issue as part of the MDHB district wide Radiology Clinical Services Plan work.

As part of MDHB's commitment to Te Tiriti and equity of outcomes for Māori, the successful candidate for the Kaiaraara Tu Ora – Midwife Specialist role has commenced. This multidisciplinary role is working closely with Pae Ora Paiaka Whaiora Hauora Māori to enhance the experience and outcomes for wāhine and whānau Māori across the rohe.

3.4 Senior Midwifery/Leadership

The decision document regarding the change proposal to strengthen midwifery leadership was released on 23 June 2021 and confirmed the following changes:

- The Director of Midwifery role moves to professional leadership only, to ensure clinical safety and quality is prioritised.
- Two Midwifery Managers, one for secondary care and one for primary care.

- 24-hour Clinical Midwifery Manager (Associate Charge Midwife) cover for the Birthing Suite to ensure clinical safety on every shift.
- 24-hour Clinical Midwife Coordinator for the Maternity Ward to ensure midwifery leadership on the Maternity Ward on every shift.
- An Equity Lead position for Te Uru Pā Harakeke to strengthen the equity response.

The current position regarding implementation of the decision is as follows:

No appointment has been made following the Director of Midwifery recruitment process. This role was readvertised as an Associate Director of Midwifery to attract more candidates; however, no appointment was made. The Executive Director of Midwifery maintains professional responsibility for the service at the current time.

Recruitment to the Secondary Care Midwifery Manager (previously known as Charge Midwife) post is complete.

The CMM (previously known as Associate Charge Midwife) posts were fully recruited to, with a graduated transition into the role agreed as core staffing levels improve.

The plan to progress Midwifery Coordinators for the Maternity Ward, 24 hours a day had not progressed due to a lack of applications. An alternative approach for a Clinical Midwife Manager was advertised, however this did not attract any applications. Pleasingly, since the previous reporting period two Midwife Coordinators are now in place, Monday to Friday mornings and weekday evenings (alternate weeks). These roles will be reviewed after six months to assess to the effectiveness of the roles.

Whilst no successful candidate has been found for the Equity Lead role to date, further interviews are scheduled for April 2022, as Te Uru Pā Harakeke remain committed to working with Pae Ora Paiaka Whaiora Hauora Māori to fill this post with an appropriate candidate.

Leadership training for senior staff was in place, however the course has been cancelled due to the COVID-19 Omicron outbreak. Staff will be reprioritised as soon as this course becomes available, and staffing allows.

3.5 **Communications**

The staff weekly newsletter has recommenced, along with regular email communication from executive leaders.

The Francis Health culture work was paused due to the COVID-19 Omicron outbreak and staffing shortages. Discussions recommenced with Francis Health in April 2022, with leadership workshops in planning.

Appendix One: Midwifery Action Plan – June 2021, updated April 2022

Key

Not Started	Completed	On Track	Overdue	High Risk

Action	Target Date	Owner	Update	Status
Recruitment				
Work with Undergraduate Midwifery training providers and RN Bridging course providers to increase number of local graduates	August 2021	Director of Midwifery	***Emma Farmer recommendation*** Executive Director Nursing and Midwifery and Operations Executive in discussions with AUT, and Otago now 2023, AUT course not progressed	
Midwifery recruitment campaign running constantly on MDHB website, social media, Kiwi Health Jobs and SEEK, including international recruitment (via agency)	Ongoing	Director of Midwifery Operations Executive Operational Lead	Ongoing.	
Work with Otago or AUT to fund local wāhine Māori to become midwives	September 2021	Executive Director Nursing and Midwifery/Operations Executive	***Emma Farmer recommendation*** Work in progress.	
Retention				
Optimising training: offer training opportunities over and above minimal Midwifery Council requirements (funded by MEED)	Ongoing	Director of Midwifery Midwifery Educator	To reset educational and training to ensure mandated requirements.	
24/7 Midwifery Manager/Clinical Midwifery Manager (Birthing Suite)/Clinical Midwifery Coordinator (Maternity Ward) to provide senior midwifery supervision, minimising clinical risk	Ongoing	Operations Executive	Leadership model to enhance clinical safety in development. Decision released April 2021.Recruitment underway, however lack of applications means that this is still ongoing.	
Leadership development for midwifery team, including shift coordinator training	Ongoing	Midwifery Manager	Midwives to access LEO course and MDHB leadership courses to prepare for leadership roles. Shift coordinator training to be completed for all midwifery staff was up to date in 2020, however due to new staff a further cohort of training needs to be undertaken. LEO course cancelled due	

Action	Target Date	Owner	Update	Status
			to hospital wide cancelling of study leave.	
Ensure timely rostering processes, annual leave, and no roster breaches	Ongoing	Midwifery Manager	Revised roster template initiative This initiative is to ensure that the roster first covers the after-hours shift and any midwifery shortages during the day can be covered with midwives in other roles. Difficulty allocating annual leave due to staffing levels. Roster to be checked by Midwifery Manager. 11.10.21 MERAS reporting less concerns being raised. 21.4.22 Rosters delivered in timely manner, however, leave impacted by staffing position	
Escalation plan for 'no midwife on maternity ward'	June 2021	Director of Midwifery	The plan was published 2020 and was due for review June 2021. This has been delayed due to no Director of Midwifery being in post.	
Primary/Secondary interface				
Engage with LMCs regarding primary/secondary interface	Ongoing	Executive Director of Nursing and Midwifery Medical Lead	All access agreement applications to include discussion with Executive Director of Nursing and Midwifery. Policy/procedure regarding primary/secondary interface in draft and out for consultation.	
Establish improved communication between antenatal clinic and LMCs	August 2021	Executive Director Nursing and Midwifery Operations Executive	***Emma Farmer recommendation*** Discussions held with Medical Lead – discussions occurring through primary secondary interface work.	
Continue to source alternative location for antenatal clinic	May 2021	Operations Executive Director of Midwifery	***Emma Farmer recommendation*** Urgent requirement to relocate antenatal clinic to ensure GDU opening. Continuing to try and source alternative	

Action	Target Date	Owner	Update	Status
			location to current option, however no other option available at current time. Clinic to re relocated from 22 November 2021 for one month due to facility work. A permanent solution has been found with a move in date yet to be confirmed due to some building alterations required and delayed due to supplies and contractor	
Clinical Safety				
Revisit option for on-call senior midwife at weekends	February 2022	Director of Midwifery	Discussions regarding all senior midwives being on call being discussed with leadership team, no support for this from team.	
Ensure use of MEWS charts/education	July 2021	Midwifery Manager	Educator to commence work to strengthen the use of MEWS in July 2021.	
Increase HCA support midwives during staffing shortage	June 2021	Director of Midwifery Operational Lead	***Emma Farmer recommendation*** In progress increased to 2 per shift, impacted by vaccine mandate, recommenced recruitment.	
Increase ward clerk support	June 2021	Director of Midwifery Operational Lead	***Emma Farmer recommendation*** in progress plan to increase to 12 hours per day June 2021. In place by end of January 2022.	
Complete staffing escalation plan	February 2022	Operations Executive	Draft complete shared with all relevant staff and stakeholders.	
Senior Midwifery				
Recruit to vacant senior midwife roles	December 2021	Operations Executive Director of Midwifery	Ongoing	

Action	Target Date	Owner	Update	Status
Senior midwives to release time from roles to work on floor as and when required	Ongoing	Director of Midwifery	Ongoing to the detriment of quality and operations. Resignations so far not recruited to leave gaps in these roles with limited options to fill clinical shifts.	
Leadership development and support for Senior Midwifery team	May 2021	Operations Executive Executive Director Nursing and Midwifery	Francis Health work to commence March 2021. Initial meeting held 23 May 2021. Paused February 2022 due to staffing and COVID-19.	
Implement pulse checks (staff morale)	June 2021	Operations Executive Executive Director Nursing and Midwifery	Complete. Current state/desired state work underway.	
Retrain staff re speaking up for safety	September 2021	Director of Midwifery	Information has gone to all staff re speaking for safety encouraging to use etc	
ACM development programme to compliment leadership styles	June 2021	Operations Executive Operational Lead	Francis Health work to commence March 2021.	
Communications				
Regular written communication from management team	Ongoing	Operations Executive Executive Director Nursing and Midwifery	Continues as indicated.	
To improve culture across Maternity Services		Operations Executive Clinical Executive Director of Nursing/Midwifery	Work with Francis Health on paused February 2022.	

Completed				
Recruitment				
Support for midwives to return to practice: • Midwifery Council fees paid, and APC paid • Up to 12 weeks paid supernumerary support across variety of clinical areas • 20 hours Professional Support to help navigate the Midwifery Council process	August 2020	Director of Midwifery	Social media campaign ongoing. **Recruited to this far:** 3 x RM - Return to practice support, one since withdrawn. Return to Practice open day, conjunction with nursing, was held on 10 October 2020 and 6 November 2021 with little interest. Continued interest with support offered to continue from Cheryl Benn.	
Reapply for the Ministry of Health Voluntary Bonding Scheme	December 2019	Planning and Integration Lead	Bond approved by Ministry of Health January 2020.	
Transfer of Te Papaioea to MDHB management April 2020, offering midwives the opportunity to work across both primary and secondary areas as an employed midwife	April 2020	Planning and Integration Lead / Operations Executive	Complete May 2021, decision made to staff Te Papaioea Birthing Unit between 8am-4pm and remaining staff deployed to PN site due to staffing shortages.	
Refresh graduate programme to offer rotation to primary birthing and extend into other areas: clinic/community	January 2020	Planning and Integration Lead	Complete	
Fixed term (6-12 month) 0.4 contracts advertised in an effort to attract those midwives who cannot currently commit to 0.6 minimum	September 2020	Director of Midwifery	Recruited to: 1 x existing staff member 1 x additional RTP staff member (note this initiative has resulted in a loss of 0.8FTE)	
Ongoing midwifery recruitment with casual and fixed term contract options/family friendly hours/flexible working.	Ongoing	Director of Midwifery/ Operational Lead	New increased interest and follow up processes now in place.	
Expression of Interest for midwives to work 'Family Friendly hours' as an extra (Part timers, Maternity leave, LMCs)	August 2020	Planning and Integration Lead	Advertised through social media and email 17 August 2020.	

Raise the profile of MDHB Midwifery nationally and locally: • New pamphlet and midwifery banner to be created • Senior midwives engage with undergraduate programme providers (bi-monthly meetings) and visiting students on location to promote MDHB midwifery Midwifery presence at 'Sorted' Careers Expo Manawatu and 'Careers and Health' Day MDHB annually	Ongoing	Director of Midwifery/ Operational Lead	Meeting with Third Year students scheduled w/c 22 March 2021 to discuss incentives for core graduate employment. Letters sent to Graduates outlining what MDHB can offer. Attending the national virtual midwifery expo for all student midwives in September.	
Registered Nurse recruitment to Birthing Suite to complement midwives	Ongoing	Director of Midwifery/ Operational Lead	First 1.4 FTE now orientating February/March 2021. 0.9 FTE commencing in Sept 2021.	
Recruit to Kaiaraara Tu Ora, Midwife Specialist role	October 2021	Operations Executive	Position accepted by preferred candidate. Commenced on transition January 2022.	
CCDM				
TrendCare optimisation to prepare for CCDM calculations Midwifery FTE increase gained August 2019 to maintain service quality and safety (as per TrendCare report 18/19 released August 2019)	August 2019	Director of Midwifery	Completed to CCDM Governance June 2021. Unable to fully recruit to extra midwifery FTE, so RNs temporarily appointed to midwifery FTE on maternity ward. (Note this was also an Emma Farmer recommendation)	
Retention				
Retention incentive consideration	May 2021	Operations Executive	Initial conversations agreed initial retention payment for all midwives pro rata. Retention payments announced to midwifery staff, payment to occur in June 2021. Next due in December 2021. Additional payment for increase to FTE. (Note this was also an Emma Farmer recommendation)	
Twelve weeks supernumerary orientation for each new graduate midwife employed	Ongoing	Director of Midwifery	Ongoing and in-place	

Instituted 12 hour shifts as a choice as part of a composite eight- and 12-hour roster	Ongoing	Director of Midwifery	In place and this can change each roster.	
Direction and Delegation Policy updated with input from Unions and Midwifery Council	May 2021	Director of Midwifery	Completed	
"Sole midwife" payment instituted by Midwifery Director this month	Ongoing	Director of Midwifery	Additional duties payment for any shift worked as sole Midwife on Maternity.	
Community Midwifery team has been reconfigured to be case loading to improve experience for the women and job satisfaction for the midwife	August 2020	Operations Executive / Director of Midwifery	Completed with further initiatives planned.	
Dedicated Antenatal Day Unit (ADU) midwife	July 2021	Director of Midwifery	Antenatal Day Unit rostered Monday to Friday from 9am to 5pm.	
Plan to increase pastoral care for staff by developing 'professional supervision'	October 2021	Operations Lead	First cohort of midwives are enrolled in Peer-to-Peer supervision training from October 2020.	
MQSP Projects (Funded) Part of the MQSP Plan is to create different opportunities for midwives to enhanced career satisfaction and expose staff to other functions within midwifery and project manage specific projects.	Ongoing	Director of Midwifery Operations Lead	MQSP Coordinator facilitating the process. Recruitment of new MQSP Coordinator due for completion in April 2021. New MQSP coordinator commenced in May 2021.	
Case Review Midwife	March 2021	Director of Midwifery Operations Lead	Expression of interested to be sent out in February 2021. Position to be advertised January 2021 Now a combined role with MQSP due to resignation. Case review midwife commenced May 2021 combined.	
Six-weekly union partnership meetings to be commenced	Ongoing	Director of Midwifery	Six-weekly meetings occurring with MERAS and NZNO commenced 24 June 2019.	
Antenatal Clinic midwife to move to Birthing Suite Monday-Thursday mornings to support Antenatal Day Unit (ADU) patients. This will support acuity on Birthing Suite. RM has resigned from this position	September 2020	Operations Executive Executive Director of Midwifery	Antenatal day unit now operating from Birthing Suite, new person now in post June 2021.	

Ensure staff are paid overtime in line with MECA if work without break or beyond hours	June 2021	Charge Midwives Operations Lead	***Emma Farmer Recommendation*** Process in place for claiming overtime. All problems reported to ops lead. Emma Farmer recommendation.	
Complete survey re where staff would prefer to work	June 2021	Operations Lead	Survey released to staff May 2021 ***Emma Farmer recommendation***	
Midwifery workforce meeting	Ongoing	Operations Executive	Commenced January 2021	
Midwifery Clinical Coach recruitment	October 2021	Operations Lead	Candidate commenced January 2022	
Primary/Secondary interface				
Liaise with the other DHB's regarding LMC relationships/communications etc	February 2021	Operations Executive / Executive Director Nursing and Midwifery / Director of Midwifery	Celina working with DOMs nationally.	
Meet with Medical Lead to discuss differing medical opinions and not complying with policy	Ongoing	Operation Executive Medical Lead	Meeting held. Medical lead to discuss with staff to encourage three-way conversations with LMCs with transfer of care. Work ongoing to update guidelines and policies.	
Regular LMC Forums	July 2021	Operations Executive	***Emma Farmer recommendation*** Discussion with regional chairs re how to progress with recommendation and implement regular LMC forums, monthly access holders meeting also in progress.	
Medical Interface				
Advise staff to discuss with Medical Lead if any further concerns regarding compliance.	February 2021	Director of Midwifery	Staff notified	
Clinical Safety				
Utilise return to work midwife to complement Charge Midwife with upskilling maternity staff	February 2021	Director of Midwifery	Unable to progress RTW. New 6-month project role initiated to support Nursing professionals – recruitment underway.	

			Clinical shift co-ordinators placed on Maternity six AM shifts per week on maternity.	
Project regarding term baby clinical care delivery	February 2021	Associate Director of Nursing	Recruitment process for temporary post to be commenced March 2021 Commences 17 May 2021.	
Work to release a member of staff from neonates to upskill team in clinical care of babies	February 2021	Associate Director of Nursing / Operations Executive	Off track due to staffing levels in neonates. Recruitment of clinical specialty nurse currently underway – completed May 2021.	
Consider structure of Induction bookings with no day 1 IOL on Fridays but adding low risk IOL to Sunday – discuss with Medical Lead	February 2021	Director of Midwifery	Agreed and actioned.	
CCDM process to be completed	June 2021	Director of Midwifery	Complete June 2021.	
Educator to work clinically to educate nurses and midwives	Ongoing	Executive Director Nursing and Midwifery	Increased presence of educator and also temporary Specialty Clinical Nurse.	
Discuss with Director of Midwifery and Medical Lead re impact of c section on Friday	Ongoing	Operations Executive	Theatre structure and low risk features of this cohort rationalise Friday as most appropriate allocation.	
Introduce low-risk caesarean wellness focus to mobilise early and discharge early	April 2021	Director of Midwifery	Initiated early mobilisation and TROC.	
Ensure adequate supervision for mother and babies two hours post caesarean	March 2021	Director of Midwifery	***Emma Farmer recommendation*** Confirmed now in place.	
Increase lactation support	June 2021	Director of Midwifery Operational Lead	***Emma Farmer recommendation*** in progress plan to increase to 12 hours per day by June 2021.	

Senior Midwifery				
Consideration of leadership roles required to support a clinically safe and effect service	April 2021	Operations Executive / Executive Director Nursing and Midwifery / Director of Midwifery	Leadership paper and Job Descriptions sent out for consultation May 2021. Decision expected June 2021.	
Ensure ACM team are fully briefed on roster changes etc	February 2021	Director of Midwifery	Complete	
ACM attendance compliance at Senior Midwifery Meetings	February 2021	Director of Midwifery / Charge Midwives	Currently 100% attendance at fortnightly meetings increased from monthly.	
No leave to be given on Friday to senior staff unless adequate cover in place	Ongoing	Operations Executive / Director of Midwifery	Complete	
Increase Associate Director of Midwifery Role to 1.0FTE	January 2021	Operations Executive	Complete	
Consult on Midwifery Director role	May 2021	Operations Executive / Executive Director Nursing and Midwifery	JD sent out for consultation in April/May 2021. Job out to recruit May 2021. Interviewed but not appointed to.	
Concern re-rostering				
Provide roster specific training	March 2021	Director of Midwifery	Referrals for ACM to access training and support from MERAS to support.	
Move roster to alternative person	January 2021	Director of Midwifery	First roster released to commence Feb 2022.	
Communication				
Weekly newsletter	Ongoing		Commenced with positive feedback to date.	
Action plan made available	Ongoing	Operations Executive Executive Director Nursing and Midwifery	Made available on both wards Added to Te Uru Pā Harakeke SharePoint page. Available to LMC colleagues.	
Staff forums	Ongoing	Operations Executive Executive Director Nursing and Midwifery	Weekly for two months - week commencing 8 March 2021 Limited engagement from staff	

			Monthly meetings commencing May 2021.	

BOARD REPORT

For:

	Approval
	Endorsement
x	Noting

To	Board
Author	Tracee Te Huia, General Manager, Māori Health
Endorsed by	Kathryn Cook, Chief Executive
Date	20 April 2022
Subject	**MidCentral District Health Board and Manawhenua Hauora Combined Work Plan Update**

Key questions the Board should consider in reviewing this paper:

- Does the Board have a view on the progress MDHB and Manawhenua Hauora have made against the Combined Work Plan 2021/22?
- Is the Board satisfied that we are focusing on the right pieces of work to improve equity for Māori?
- Does the Board have a view on how this work might continue from 1 July 2022 following the health sector reforms?

RECOMMENDATION

It is recommended that the Board:

- **note** the progress made against the MidCentral District Health Board (MDHB) and Manawhenua Hauora Combined Work Plan 2021/22
- **note** this is the final report to the Board on the Combined Work Plan between Manawhenua Hauora and MDHB.

Strategic Alignment

This report is aligned to MDHB's 10-year and Ka Ao Ka Awatea strategies and is aligned to MDHB's Tiriti o Waitangi Policy.

1. PURPOSE

To provide a six-monthly update on the MidCentral District Health Board (MDHB) and Manawhenua Hauora Combined Work Plan 2021/22, covering the period from October 2021 to March 2022.

2. BACKGROUND

Following shared endorsement of the MDHB and Manawhenua Hauora Combined Work Plan 2021/22 ('the plan'), there has been excellent progress made toward the agreed action points by both parties. The plan was developed from the successes of last year's work plan, with deliberate effort being made by both Boards to further enable the organisation to keep the Māori health equity agenda at front and centre; to monitor the effectiveness of the Tiriti partnership; and most importantly to provide an ongoing reporting mechanism for monitoring Māori health gains across the organisation. While health improvement is yet to be fully evidenced through indicators of reporting for Te Ara Angitū, both Pae Ora and Manawhenua Hauora are satisfied with the focus being made in these areas. Pae Ora and Strategy, Planning and Performance are currently reviewing the entire set of indicators with the quarterly annual plan reporting and will be using the information to refresh Te Ara Angitū's indicators for focus for the next 12 months heading into the health sector reform. This will provide the services with a good equity programme of work while the system beds down.

3. REPORT STRUCTURE

Appendix One provides is a copy of the 2021/22 plan which was approved by both Boards. It has been written to support achieving the aspirations of Pae Ora Healthy Futures for Māori. Both the principles and articles have been incorporated into the plan to ensure alignment with the changes of WAI 2575 and MDHB's refreshed Tiriti o Waitangi Policy. This tabled report has been structured to highlight MDHB's responsibilities and progress in each of the key strategic accountability areas with Manawhenua Hauora's directly after.

4. SUMMARY OF PROGRESS AGAINST THE PLAN – OCTOBER 2021 TO MARCH 2022

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Protection: Measures The status of Manawhenua Hauora is elevated to its rightful place in the system as an equal Tiriti o Waitangi partner. Equity of funding across iwi and kaupapa contracts is achieved. Nga Pou o te Oranga summary audits reported Quarter 2 and Quarter 4 to Manawhenua Hauora		
Tuatahi: Manawhakahaere – Good Governance	All kaupapa contracts have been revised and transitioned to the new commissioning for outcomes template. Revised contracts have been submitted to the Transition Unit and Sector Services Four new rongoa contracts have been funded in four localities. The new Iwi Māori Partnership Board (IMPB) funding for rongoa is looking to ensure end-to-end services for rongoa exists. Key pieces of work pertaining to iwi have been included into the DHB's transition plan reported to the Finance, Risk and Audit Committee (FRAC) with the first report due 26 April.	Manawhenua Hauora is working to transition to the new IMPB by 1 July 2022. Iwi are on track with other DHB districts and have established a backbone organisation 'Mauri Ora' to ensure the operational functions for the IMPB are in place once funding is awarded. Representatives for seven iwi have been appointed and two mataawaka representatives and one disability representative are due to be appointed by the end of April.
Tuarua: Mana Motuhake – Unique and Indigenous	MDHB iwi and Māori providers have led a unique model for delivering its COVID-19 response in this district for the last two years. While we continue to struggle with reaching our tamariki vaccination rates, we excel in supporting whānau with welfare and care in the community. This has been acknowledged by the Health Select Committee and the Ministry of Health.	Led by Manawhenua Hauora and partnered by MDHB and THINK Hauora, a prototype proposal was submitted to the Transition Unit for Horowhenua. This has been approved and will be funded. An official announcement will be given by the Associate Minister of Health on Thursday 21 April in Horowhenua. This is a huge accomplishment given only nine prototypes have been approved out of 17 proposals submitted.

Tuatoru: Fairness and Justice	An equity health dashboard has been developed by MDHB and is reported to Manawhenua Hauora by population cluster six-monthly. Reports are deep dives, comprehensive on the issues identified and the actions to be taken to improve performance. The indicators are currently being refreshed to ensure inequity is well monitored through the transition to Health NZ and the Māori Health Authority. The Māori Workforce Plan implementation is surging ahead with inaugural scholarships awarded, new education relationships established, and increased Māori workforce employed. MDHB has partnered aboriginals in Western Australia to establish their workforce plan with the newly announced funding from Federal Government last month. All strategic development proposals and business cases are now being submitted to Manawhenua Hauora for feedback and endorsement.	Manawhenua have provided feedback on the reporting on equity six-weekly as the reports come through. Iwi and Māori providers are now engaged in the Kaimahi Ora Whānau Ora implementation with representation throughout the programmes including scholarships.
Whakapuakitanga Cultural Identity and integrity	Four rongoa contracts have been established in the district from 1 October 2021. These contracted services align with the national service specification and are supported by the providers. Recent discussions have included one of the rongoa providers in the mental health inpatient unit build. This has progressed the thinking on holistic and Kaupapa-led services within mental health. This is viewed as a positive model approach for future learning by other services.	Iwi support the establishment of rongoa services in the district largely led by iwi providers. This has been well received and long coming. New funding is being awarded to the new IMPB to increase rongoa services in the district. This will allow for end-to-end services to be delivered across the entire district.

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Advance: Measures Equity Dashboard reports are presented quarterly to Manawhenua Hauora and the Health and Disability Advisory Committee (HDAC). Progress against Ka Ao, Ka Awatea is reported to Manawhenua Hauora and HDAC in Q1 and Q3		
Tuatahi: Manawhakahaere – Good Governance	The DHB's Outcomes Commissioning Framework has been developed and endorsed by Manawhenua Hauora in September. The framework incorporates the Whānau Ora outcomes. This framework has now been incorporated into all MDHB contracting which was completed at the end of February 2022. The Māori Alliance Leadership Team (MALT) is advancing its agenda with key pieces of work being consulted on. One project underway is the Digital and Data readiness project where Spark Health will be commissioned to assess all iwi and Māori providers to ensure providers are future-proofed and ready heading into the transition. Both Margie Apa and Riana Manuel, Interim Chief Executives for Health NZ and the MHA stated this was forward-thinking and revolutionary for the providers.	Ongoing iwi and Māori health planning is occurring at the provider level following health plans of providers being completed. Service assessments are carried out as required once needs are identified. Approximately 10.1 new FTE is being allocated to iwi and Māori providers to assist with the implementation of the Flexible Assertive Community Assessment Team (FACT) model. Providers are being partnered by Te Uru Rauhī to ensure recruitment and systems are being established to support the providers with increased services and capacity.
Tuarua: Mana Motuhake – Unique and Indigenous	All kaupapa contracts have been renewed with a three percent equity increase for two years to 2023 to protect services moving into the transition to either Health NZ or the MHA. There has been a total of $11.810m increase to kaupapa contracting and Pae	Manawhenua Hauora were supportive of the equity increased investment for kaupapa providers and Pae Ora. There are still many gaps related to services, workforce, and readiness for the reforms, however the increase has allowed wage

	Ora services for 2021/22 and 2022/23. Total investment for Māori health across the district, including Pae Ora services, is currently $23.232m. All contracts are now revised, rolled over for two years and have been submitted to the Transition Unit and Sector Services. We are working with the Mental Health Cluster on additional Māori mental health focused funding.	parity, improved resourcing of positions and programmes. Rangitāne o Manawatū's new way of commissioning for services has been acknowledged and more particularly the reporting framework which includes a whanau ora approach. The DHB is now working to support the provider to align its reporting system to the new way of contracting.
Tuatoru: Fairness and Justice	Throughout every Directorate in MDHB there is strong planning and partnership with iwi on significant work being developed by the services. This is due to consultation through the MALT and the Cluster Alliance Groups (CAGs). Te Ara Angitū reporting is provided to Manawhenua Hauora six-monthly and is currently being refreshed with an expectation for it to be endorsed by iwi at the 16 May meeting.	Iwi resourcing to enable them to engage in DHB matters has become an issue particularly for Muaūpoko Tribal Authority. While the DHB has initiated investment into this organisation there is no specific funding for iwi consultation. This is something that will need to be considered for all iwi from 1 July. Manawhenua Hauora has requested that Te Ara Angitū be continued after 30 June. Pae Ora is refreshing the dashboard currently with an expectation that iwi will endorse the refreshed indicators for equity reporting at its last meeting on 16 May.
Whakapuakitanga Cultural Identity and integrity	All key initiatives are presented to Manawhenua Hauora for feedback and endorsement.	Manawhenua Hauora have provided good feedback on those initiatives and developments submitted to them. The capital plan has been presented to MWH with the expectation that we will ensure representation by iwi on each of the significant projects established.

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Equity for Maori: Measures Racism and discrimination incident reporting established by Quality and Risk. Reports presented to Manawhenua Hauora six-monthly with resolutions. Annual Plan Non-Financial reporting Q2 and Q4.		
Tuatahi: Manawhakahaere – Good Governance	All equity outcome actions are listed in the annual plan and reported on quarterly to the Ministry and MDHB Board. Any non-performance is highlighted by Pae Ora with the specific Directorate and partnered on to improve the performance. This process has worked well alongside the final equity audit report by Technical Advisory Services (TAS) being submitted to FRAC on 26 April. Equity leads are being recruited for the Uru Arotau (ED) and Uru Paharakeke Directorates.	All equity reporting is provided to Manawhenua Hauora for feedback and monitoring purposes. A senior performance analyst is being recruited for Pae Ora in April to improve the reporting throughout services and to iwi.
Tuarua: Mana Motuhake – Unique and Indigenous	A joint process was used between iwi and Maori providers to ensure identified service needs were considered in the budget round. All budgeted services for 21/22 are now contracted for except the rongoa services. A review of the smokefree service has meant an improvement effectively from the outset of implementing the new service. The new outcomes commissioning framework including the Whānau Ora outcomes reporting template was well received by the providers.	Iwi have worked to ensure their iwi health planning has been incorporated into DHB planning in a timely fashion. Revised iwi plans were due by December however providers have been heavily engaged in the COVID-19 response.

Tuatoru: Fairness and Justice	The work to actively challenge racism and discrimination in the system is yet to be completed with new staff only just recruited into the tikanga team. This provides us with more capacity to deliver. New training and te reo packages will be delivered to staff from 1 June. We are awaiting a response on when we resume Treaty o Waitangi and Cultural Competency training. The Wall Walk training by Dr Simone Bull was cancelled due to COVID-19.	Manawhenua Hauora agreed to the training plan for the board i.e., Treaty training 101 and then the Wall Walk which is to be delivered early 2022. This set the governance scene for ensuring the rest of the organisation take seriously the training programme delivered through Pae Ora. Attendance numbers to specific trainings will be reported to board and to Manawhenua Hauora six-monthly. The Wall Walk training did not progress due to COVID-19.
Whakapuakitanga Cultural Identity and integrity	Four new rongoa contracts funded across localities, started on 1 October 2021 with further discussions occurring for how services will be provided in the newly built mental health inpatient unit and hospital services.	Iwi have been delivering rongoa services unfunded for decades. The services currently funded are a good start. The newly established IMPB is due to receive increased resources for services. Rongoa services will be the priority for this funding.

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Opportunities: Measures Regular updates between Manawhenua Hauora and MDHB Board ensure clear communication and opportunities for influence as the reforms are implemented. MDHB updates are provided as required. Manawhenua Hauora updates are provided as required.		
Tuatahi: Manawhakahaere – Good Governance	MDHB has been actively preparing for the transition to Health NZ including contract clean up and roll overs, outcomes commissioning, discovery information and strategic developments including the new mental health inpatient unit build, SPIRE,	Manawhenua Hauora has now set up a Trust to receive funds as the new IMPB with offices now leased at 35 Victoria Ave. A self-assessment as prescribed by the transition unit for IMPBs has been

	and digital projects all assisting to improve Māori health. A prototype for Horowhenua was agreed by DHB iwi and the primary health organisation (PHO). It has been approved and will be officially announced by the Associate Minister of Health on 21 April in Horowhenua. No detail has been provided as to what exactly has been approved other than the prototype itself. A repository is being established to keep all taonga and te reo safe during the transition. This will be kept by Pae Ora and within Facilities. Research is being completed on all taonga to ensure we have the whakapapa and history behind these. This will be updated as required in partnership between Facilities and Pae Ora.	completed and submitted by Manawhenua Hauora alongside an establishment plan. An interim GM was appointed to develop the terms of reference and to assist in the appointment process for membership. All iwi members have now been appointed and we are awaiting the appointment of two mataawaka (people who are not affiliated to local iwi but reside here) representatives and a disability representative. Funding has been allocated to the new IMPB which will support services to Māori. Manawhenua Hauora has begun its planning for its last meeting to be held on 16 May. A taonga booklet is being compiled and celebratory arrangements are being made. Papa Mason Durie has been asked to consider a name for the IMPB and Papa Hare has been asked to consider how we retire the name Manawhenua Hauora.
Tuarua: Mana Motuhake – Unique and Indigenous	Te Whiti ki te Uru has not met since November 2019.	Following iwi chairs not meeting since November 2019, the Manawhenua Hauora chair met one-on-one with chairs to understand their issues. Key issues are that the group is not resourced and is not supported by TAS to operate well. Until such time as it is better resourced and iwi are better resourced to engage, it will struggle to operate effectively.
Tuatoru: Fairness and Justice	General Managers Māori Health in the central region continue to deliver against its programme of work as agreed by Tumu Whakarae. Priority projects for the central region are being advised by GMs	All significant projects are reported through to Manawhenua Hauora for feedback and endorsement

	Māori Health. All projects have a strong equity focus using the approved central regions equity framework	
Whakapuakitanga Cultural Identity and integrity	New investment has been identified throughout the year for community services, mental health, and child health.	Manawhenua Hauora supported the increase in equity payments for existing contracts and the new equity investment for 2021/22.

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Resilience: Measures MDHB overall budget for 2021/22 is consulted on with Manawhenua Hauora before it is submitted to the Ministry of Health at its July meeting. Prioritised investment demonstrates building of resilience and infrastructure for iwi and Māori providers. MALT is further formalised as the mechanism to administer and advance iwi and Māori provider service delivery and performance.		
Tuatahi: Manawhakahaere – Good Governance	MDHB supports Manawhenua Hauora with their preparation for the reforms by 1 July 2022. MDHB increased the funding into Manawhenua Hauora to provide more capacity to complete analysis, planning, and research to prepare them as an IMPB into the future. Additional funding has since been provided by the transition unit to further fund the IMPBs to prepare for the reforms. The refreshed plan Kaimahi Ora Whānau Ora was endorsed by Manawhenua Hauora with implementation started in October 2021. Since then, progress has been comprehensively reported to HDAC and Manawhenua Hauora.	Manawhenua Hauora is well placed for the reforms in 2022. A capability assessment has been completed by the board for the Transition Unit with further funding being allocated to support key functions and service needs. Manawhenua Hauora endorsed the Māori workforce plan Kaimahi Ora Whānau Ora at its September 2021 meeting.

Tuarua: Mana Motuhake – Unique and Indigenous	Investment figures have been provided in this report. Outcomes Commissioning has begun starting with Rangitāne o Manawatū completed in March 2022 with the learnings ready to be rolled out to other providers. Data and digital systems have not specifically been funded for providers however new investment has been provided to support infrastructure and operational costs. A digital readiness assessment programme has been endorsed by Manawhenua Hauora to for all iwi and Māori providers. This is an exercise expected to support providers to be fit for purpose, future-proofed and ready for the transition.	Outcomes commissioning for all kaupapa providers was completed in February 2022. Endorsement was given by iwi for the digital and data assessment programme to commence with Rangitāne o Manawatū and then all other iwi and Māori providers contracted by DHB. This work will be undertaken by Spark Health and sponsored by Data and Digital Services and Pae Ora Directorate.
Tuatoru: Mana Motuhake – Unique and Indigenous	Kaupapa contracts have been rolled for two years with an increase of three percent equity funding.	Contracts have been rolled over for the next two years with additional equity funding increases for existing contracts by three perecent.
Whakapuakitanga Cultural Identity and integrity	Four new rongoa services have been funded from 1 October 2021 will additional services being funded from the Interim Māori Health Authority.	Manawhenua Hauora supports the establishment of four new rongoa services in the district with the expectation for end-to-end services to be funded across the entire district supported by the Interim Māori Health Authority.

Focus	Progress responsibility	
	MidCentral DHB	**Manawhenua Hauora**
Awhi – Care and Support: Measures A joint communications strategy is developed and resourced for Manawhenua Hauora and MDHB Board to ensure a cohesive approach to communications over the next 12 months.		
Tuatahi: Manawhakahaere – Good Governance	A DHB transition plan has been developed and reported to the DHB Board for approval. More recently a section to support the needs related to transition for iwi and Māori providers has been included with the first report due to FRAC in April.	Quarterly combined board meetings provides the platform for discussions on the reforms and other governance matters pertaining to the expectations of iwi. This report is the follow up six-monthly report since October 2021
Tuarua: Mana Motuhake – Unique and Indigenous	Provider relationships continue to improve with the management of kaupapa services by Pae Ora. Quarterly meetings ensures the DHB is up to date with any issues for the providers. In addition, the MALT provides another platform for providers to raise issues. Having a COVID-19 Māori response team has also assisted relationships and provider response.	Manawhenua Hauora is satisfied with the level of support Pae Ora provides their services.
Tuatoru: Fairness and Justice	Providing community communications on the transition to Health NZ and the MHA has not progressed well. DHBs are required to notify communities on national health sector matters only as and when requested. As we understand more the changes pending, we will communicate these through our normal channels ensuring our community groups are well informed.	The interim Māori Health Authority is keeping Manawhenua Hauora well informed on any changes relating to them and are funding Manawhenua Hauora to prepare for the transition and to deliver some services from 1 July 2022.
Whakapuakitanga Cultural Identity and integrity	As above	As above

Appendix One: The Combined Board Plan approved in May 2021

FOCUS	Tuatahi Manawhakahaere - Good Governance	Tuarua Mana Motuhake – Unique and Indigenous	Tuatoru Fairness and Justice	Whakapuakitanga Cultural Identity and integrity	Measures
P Protection	We will provide clear and cohesive governance leadership for iwi and Māori health across the district with a clear strategy for protecting the gains made in Māori health over the last five years during the reform ensuring we do not lose any services from the current baseline.	We will provide leadership and direction, investment priorities and focus areas across hospital and community services on iwi and Māori health needs and priorities protecting kaupapa services through the reform.	We will challenge inequity at every opportunity equity of outcomes for Māori including pay equity and equity of access to kaupapa services across the district.	We will advance acknowledgement of matauranga Māori including Rongoa as a legitimate evidential base across the hospital and health system.	The status of Manawhenua Hauora is elevated to its rightful place in the system as an equal Tiriti o Waitangi partner. Equity of funding across Iwi and Kaupapa contracts is achieved Ngā Pou o te Oranga summary audits reported Q2 and Q4 to Manawhenua Hauora.

A Advance	We will continue to advance the Whānau Ora Commissioning approach as a sustainable commissioning framework for iwi and Māori providers Advance the role of the MALT to elevate operational accountability across services to Māori whānau needs.	We will actively advance the spread and breadth of kaupapa services across the district in alignment with Ka Ao Ka Awatea through meaningful investment and commissioning strategies. Advance the Whānau Ora Commissioning model with Rangitāne o Manawatu and be open to pathways with remaining iwi in this district.	Provide direction on equity needs from iwi and Māori perspectives, identifying key issues for consideration in determining local Māori health priorities. Monitor performance quarterly using the Māori health equity dashboard Te Ara Angitū and the non-financial quarterly performance monitoring reports.	Key initiatives across Hospital and Community Health services are presented to Manawhenua Hauora for endorsement. Initiative reporting is included in Q2 and A4 reporting	Equity Dashboard Reports are presented quarterly to Manawhenua Hauora and HDAC. Progress against Ka Ao Ka Awatea is reported to Manawhenua Hauora and HDAC in Q1 and Q3.

E Equity for Māori	All parts of the hospital and health system have Māori equity actions as part of their annual plans and report against progress in the non-financial reporting of the 2021-2022 annual plan. All Equity Outcome Actions demonstrate an improvement quarterly.	Affirmative actions and shared decision making with MDHB and MWH on investments and priorities are evident in Annual and Operational Plans across the district to advance access and spread of kaupapa services.	Racism, discrimination, and stigma is actively challenged across the hospital and community services to advance social inclusion and equity of access. Incidents of racism and discrimination are recorded and reported against twice yearly.	Access to rongoa Māori and traditional healing is invested in across the district to create further opportunities for Māori to access Māori healing and therapeutic options. Matauranga Māori is promoted, supported, and invested in across the district.	Racism and Discrimination incident reporting established by Quality and Risk. Reports presented to Manawhenua Hauora six monthly with resolutions. Non-financial Reporting Q2 and Q4.

O Opportunities	The Boards will actively seek opportunities to influence and participate in the national and regional developments as the reform is implemented, focusing on stewardship of the district and Māori Health developments.	Whiti ki te Uru is invigorated and resourced to actively advance kaupapa Māori service developments across the Central Region. Manawhenua Hauora will be active participants in developments as Iwi representing the interests of the district	Central Regions GMs Māori will actively advocate and participate to ensure advancements in Māori health are protected and advanced across the Central Region, elevating regional inequity of service access, provision, and outcomes.	Opportunities to advocate and expand access to kaupapa Māori services across the health and disability system are identified and invested in, for greater choice, access and supports for Māori whānau.	Regular updates between Manawhenua Hauora and MDHB Board ensure clear communication and opportunities for influence as the reform is implemented. MDHB updates are provided as required. Manawhenua Hauora updates are provided as required.

R Resilience	Manawhenua Hauora and MDHB Board will provide consistent and courageous stewardship to build the resilience of the organisation and Iwi and Māori providers to withstand and adjust to the implementation of the reforms. MDHB will provide supports and resourcing to iwi during the transition to the new structure, ensuring iwi are prepared and ready for any change.	Iwi and Māori providers are invested in to ensure resilience during the reform implementation. Prioritisation and investment approaches are focused on building infrastructure and resilience across iwi and Māori providers. Data and Digital system of iwi and Maori providers are strengthened to properly engage in the reform.	Iwi and Māori providers have access to sustainable investment and security of contracts to ensure sustainable service delivery and development. Iwi and Māori provider contracts are secured for 2 years to support the sustainable delivery of services to Māori whānau.	New investment in rongoa and kaupapa Māori service models of delivery are prioritised and implemented.	MDHB overall budget for 21/22 is consulted on with Manawhenua Hauora before it is submitted to the Ministry of health at its July meeting. Prioritised investment demonstrates building of resilience and infrastructure for iwi and Māori providers. MALT is further formalised as the mechanism to administer and advance iwi and Māori provider service delivery and performance.

A Awhi -Care and Support	Manawhenua Hauora and MDHB governance boards will work in partnership to ensure that all parts of the organisation are cared for and supported through the pending changes.	Manawhenua Hauora and MDHB will work in active partnership to ensure that the iwi and Kaupapa Māori providers receive the care and support they require to achieve excellence through the pending changes.	MDHB and Manawhenua Hauora Boards will provide clear communication to community to ensure whānau are kept informed of any changes to services that may differ as a result of the pending changes.	Iwi and Māori providers and their whānau whaiora have access to information about the changes in a range of formats and platforms to ensure Māori communities are well informed on any potential changes to service delivery.	A joint communications strategy is developed and resourced for Manawhenua Hauora and MDHB Board to ensure a cohesive approach to communications over the next 12 months.

Acknowledgement: This plan has been written by Wayne Blissett, 2021.

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Does the work programme include the topics needed to confidently govern?

To	Board
Author	Margaret Bell, Board Secretary
Endorsed by	Kathryn Cook, Chief Executive
Date	27 April 2022
Subject	**Board's Work Programme**

RECOMMENDATION

It is recommended that the Board:

- **note** the Board's annual work programme.

Strategic Alignment

This report is aligned to the DHB's strategy and key enabler 'Stewardship'. It discusses an aspect of effective governance.

1. PURPOSE

To provide an update on the Board's work programme.

2. BOARD WORK PROGRAMME

The Board's work programme for 2021 was approved in December 2020. At its meeting in May 2021, the Board agreed that this work programme would be 'rolled over' for the period from 1 January to 30 June 2022. A number of items on the work programme are due after the disestablishment of the Board on 30 June 2022. These are still shown on the work programme for information only.

Quality and Safety Walk-rounds
An annual summary of walk-rounds over the last 12 months is due to be reported at this meeting. The schedule of walk-rounds was severely impacted by COVID-19 lockdowns and restrictions. Only four walk-rounds were held over the past year, including one virtual walk-round.

Chief Executive's Performance Review
The annual review will not take place as the Chief Executive has given notice and terms have been agreed by the Board.

Psychosocial Wellbeing Strategy
This has been developed into a plan, which has been presented to Manawhenua Hauora for feedback. It will be provided to the Board for information only at the June meeting.

Health System Indicators Dashboard
The Ministry of Health extended the deadline for Quarter Two reporting and verified data will not be available until 13 May. The Quarter Two dashboard will be presented at the June Board meeting.

Non-Financial Performance Measures
The confirmed ratings for Quarter Three will not be available until after 18 May. This report will be presented at the June Board meeting.

Enable New Zealand Limited Annual Reporting Arrangements
Due to the proposal to reactivate Enable New Zealand Limited as a wholly owned subsidiary company of MDHB, this report will now be presented at the June meeting.

All other reporting is occurring in line with the work programme.

MidCentral District Health Board Work Programme	Frequency	Feb	Mar	May	June	Responsibility
Key updates						
Chief Executive's Report to provide an update on key progress of the DHB	Each meeting	**X**	**X**	**X**	**X**	**CEO**
FRAC Minutes and verbal update from the FRAC Chair to update the Board on key Committee discussions	Each meeting	**X** Nov/Feb	**X** Mar	**X** Apr	**X** June	**FRAC Chair**
HDAC Minutes and verbal update from the HDAC Chair to update the Board on key Committee discussions	Following HDAC mtg		**X** Mar		**X** May	**HDAC Chair**
Strategy and Planning						
Health Sector Reforms – Transition Plan for MDHB to update the Board on planning and priorities to support the smooth transition to Health New Zealand and the Māori Health Authority	Each meeting	**X**	**X**	**X**	**X**	**GM SPP**
DHB Strategy to review/refresh the DHB's strategy to ensure it remains relevant, and to consider how it has been advanced and priorities for the future	Triennial (due Dec 2023)					**GM SPP**
Annual Plan and Budget to determine the draft and final budget and priorities for the next three years, including Capex plan	Part of Transition Plan report					**GM SPP and GM F&CS**
Workforce Strategy to establish/review the strategy, based on national framework	Triennial (due 2023)					**GM P&C**
Organisational Development Plan to review/refresh (relevant and supports the execution of the DHB's Strategy)	Triennial (due Nov 2022)					**GM P&C**
Quality improvement						
Quality Account to determine the Quality Account for the financial year (via HDAC)	Annual (due Dec)					**GM Q&I**
Quality and Safety Walk-rounds to provide the Board with a summary of the walk-rounds over the last 12 months	Annual			**X**		**GM Q&I**
Workforce						
Health, Safety and Wellbeing to monitor the implementation of the H&S Strategy, mitigations required, priorities for the future, including investment	Quarterly	**X**		**X**		**GM P&C**
Workforce and Organisational Development to monitor the health of the DHB's workforce, including trends and performance against workforce dashboard and adequacy of any mitigations; to monitor the implementation of the OD strategy, what's changed, priorities for the future (three to five years), investment and resources required, and the adequacy of any mitigations	Six-monthly			**X**		**GM P&C**
Psychosocial Wellbeing Strategy to monitor the implementation of the DHB's health and wellbeing plans	Annual				**X**	**GM P&C**
Care Capacity Demand Management to monitor the implementation of the National Accord and local CCDM decisions	Six-monthly	**X**				**ED N&M**
IEA Remuneration Parameters to consider the remuneration parameters for annual changes to staff on IEA agreements (following Remuneration Committee)	Annual		**X**			**GM P&C**

MidCentral District Health Board Work Programme	Frequency	Feb	Mar	May	June	Responsibility
Remuneration Policy to consider the Remuneration Policy as recommended by the Remuneration Committee	Triennial (Nov 22)					**GM P&C**
IEA Remuneration Strategy to consider the Remuneration Strategy (IEAs) as recommended by the Remuneration Committee	Triennial (March 23)					**GM P&C**
Health and Safety Workshop	Annual (Nov)					**GM P&C**
Preventing Occupational Violence Strategy to monitor the implementation, priorities, investment and adequacy of any mitigations	Part of H&S report					**GM P&C**
Performance						
Financial Performance to monitor DHB's financial performance against budget, including trends, forecasts, the impact of business improvement initiatives and opportunities and challenges, confirm adequacy of any mitigations	Each meeting	**X**	**X**	**X**	**X**	**GM F&CS**
DHB Performance Metrics (aka Board KPI/HSI Dashboard) to monitor high level KPIs/Hospital System Indicators across the DHB	Quarterly		**X** Q1		**X** Q2	**GM SPP**
Digital Strategy – implementation of roadmap to monitor implementation, challenges and opportunities, priorities and initiatives/investments for the future, and confirm the appropriateness of any mitigations	Each meeting	**X**	**X**	**X**	**X**	**CDO**
Sustainability Plan to monitor the implementation of the performance improvement programme	Each meeting	**X**	**X**	**X**	**X**	**GM Q&I**
Non-Financial Performance Measures to monitor the overall performance of the DHB	Quarterly		**X** Q2		**X** Q3	**GM SPP**
Audit						
Enable New Zealand Limited Annual Reporting Arrangements to determine annual reporting requirements of this paper company	Annual				**X**	**GM F&CS**
Annual Accounts to determine the annual accounts for the financial year and to determine Enable NZ Limited annual reporting requirements	Annual (due Sept)					**GM F&CS**
Year-end Audit Process (Government) to determine year-end financial result for inclusion in Government accounts	Annual (due July)					**GM F&CS**
Iwi Partnerships						
Manawhenua Hauora Update to update the Board on the Manawhenua Hauora discussions	Each meeting	**X**	**X**	**X**	**X**	**MWH Chair**
Board to Board Hui to monitor progress against shared work programme, including opportunities and challenges	Quarterly	**X**		**X**		**GM M**
Memorandum of Understanding to review the Memorandum of Understanding	Triennial – not required					**GM M**
MDHB and Manawhenua Hauora Joint Work Programme to monitor progress against shared work programme, including opportunities and challenges	Six-monthly			**X**		**GM M**
Partnership						
Clinical Council to consider the work, findings and recommendations, provide endorsement or support as required	Six-monthly	**X**				**GM Q&I**
Consumer Council to consider the work, findings and recommendations, provide endorsement or support as required	Six-monthly	**X**				**GM Q&I**

MidCentral District Health Board Work Programme	Frequency	Feb	Mar	May	June	Responsibility
Professional Work Groups Professional group to meet with Board	Four-monthly		**ED N&M**			**Prof Leads**
Governance of Shareholding Companies						
to monitor the annual results and plans of shareholding companies and determine actions in respect of AGM recommendations						
NZ Health Partnerships Limited	Quarterly		**X**			**GM F&CS**
Allied Laundry Services Limited	Annual (Nov)					**GM F&CS**
Technical Advisory Services Limited AGM (DHB Shared Services)	Annual (Nov)					**GM SPP**
Regional Services Plan – to approve the draft and final regional budget and priorities	Annual (July)					**GM SPP**
Board Governance Arrangements						
Board Governance arrangements and Committee Terms of Reference	Triennial or as required					**Chair**
Annual Reporting Framework (Work Programme)	Annual (Nov)					**CEO**
Annual Board Evaluation	Annual (Nov)					**GM P&C**
Annual Meeting Schedule	Annual (Aug)					**CEO**
Committee Membership	Triennial					**Chair**
External Committee Membership and Appointments	Triennial					**Chair**
Te Tiriti o Waitangi	Triennial					**GM M**
Review of Board policies	As required					**CEO**

Key:

CEO	Chief Executive Officer
ED N&M	Executive Director, Nursing and Midwifery
GM F&CS	General Manager, Finance and Corporate
GM M	General Manager, Māori Health
CMO	Chief Medical Officer
FRAC Chair	Chair of the Finance, Risk and Audit Committee
Chair	Board Chair of the MidCentral District Health Board
GM P&C	General Manager, People and Culture
GM Q&I	General Manager, Quality and innovation
GM SPP	General Manager, Strategy, Planning and Performance
ED AH	Executive Director, Allied Health
Prof Leads	CMO, ED N&M, ED AH
HDAC Chair	Chair of the Health and Disability Audit Committee
CDO	Chief Digital Officer

Workshop Schedule

As at 17 March 2022

Date	Time	Topic
15 February 2022	Following Board meeting	Manawhenua Hauora Board to Board hui *(cancelled due to COVID-19 restrictions)*
1 March 2022	Following HDAC meeting	Consumer Story *(postponed due to COVID-19 restrictions)*
29 March 2022	Following Board meeting	Acute Mental Health Unit
16 May 2022	Following Manawhenua Hauora hui	Manawhenua Hauora Board to Board hui
TBA	TBA – half day	Wall Walk *(postponed from 28 January 2022 due to COVID-19 restrictions)*

Glossary of terms

Glossary of Terms

AC	**Assessment Centre**
ACC	**Accident Compensation Corporation** The New Zealand Crown entity responsible for administering the country's no fault accidental injury compensation scheme.
ACCPP	**Accident Compensation Corporation Partnership Plan**
ACE	**Advanced Choice of Employment**
ACT	**Acute Crisis Team**
ADL	**Activities of Daily Living**
ADON	**Associate Director of Nursing**
AESS	**Te Uru Arotau Acute and Elective Specialist Services**
ALOS	**Average Length of Stay**
AMHU	**Acute Mental Health Unit**
Anti- VEGF	**Anti-Vascular Endothelial Growth Factor**
AoG	**All of Government**
AP	**Annual Plan** The organisation's plan for the year.
APEX	**Association of Professional and Executive Employees**
API	**Application Programming Interfaces**
ARC	**Aged Residential Care**
ASH	**Ambulatory Sensitive Hospitalisations**
AS/NZS ISO 31000	**2018 Risk Management Principles and Guidelines**
AWS	**Amazon Web Services**
B Block	**Wards, Laboratory, Admin and Outpatients**
BAG	**Bipartite Action Group**

BAPSF	**Bereavement leave, Alternative days, Public holidays, Sick leave, Family Violence leave**
BAU	**Business as Usual**
BN	**Bachelor of Nursing**
BSCC	**Breast Screen Coast to Coast**
BYOD	**Bring Your Own Device**
CAG	**Cluster Alliance Group** A group or 10-12 members from across the health and wider sector supporting the Cluster Leadership Team to identify population health needs, planning, commissioning and evaluating services and developing models of care. Members include consumer and Māori representatives.
CAPEX	**Capital Expenditure**
CBAC(s)	**Community Based Assesment Centre(s)**
CCDHB	**Capital and Coast District Health Board**
CCDM	**Care Capacity Demand Management** A programme that helps the organisation better match the capacity to care with patient demand.
CCTV	**Closed Circuit Television**
CCU	**Critical Care Unit**
CDO	**Chief Digital Officer**
CDS	**Core Data Set**
CE	**Clinical Executive** (of a service)
CE Act	**Crown Entities Act**
CEO	**Chief Executive Officer**
CFIS	**Crown Financial Information System**
CHF	**Congestive Heart Failure**
CIMS	**Coordinated Incident Management System**
CIO	**Chief Information Officer**

CLAB	**Central Line Associated Bacteraemia**
CME	**Continuing Medical Education**
CMO	**Chief Medical Officer**
CN	**Charge Nurse(s)**
CNGP	**Carbon Neutral Government Programme**
CNM	**Clinical Nurse Manager**
CNS	**Clinical Nurse Specialist**
COI	**Committee of Inquiry**
ComM	**Communications Manager**
COPD	**Chronic Obstructive Pulmonary Disease** A common lung disease which makes breathing difficult. There are two main forms, Chronic bronchitis - a long term cough with mucus. Emphysema - which involves damage to the lungs over time.
COVID-19	**Novel Coronavirus**
CPAC	**Prioritisation scoring system code table**
CPB	**Combined Pharmaceutical Budget**
CPHO	**Central Primary Health Organisation**
CPI	**Consumer Price Index**
CPOE	**Computer Physician Order Entry**
CRM	**Cyber Risk Monitoring**
CSB	**Clinical Services Block**
CT	**Computed Tomography** A CT scan combines a series of X-ray images taken from different angles around your body and uses computer processing to create cross-sectional images of the bones, blood vessels and soft tissues inside your body.
CTAS	**Central Technical Advisory Services** (also TAS)

CTCA	**Computed Tomography Coronary Angiography** A CT scan that looks at the arteries that supply blood to the heart. Can be used to diagnose the cause of chest pain or other symptoms.
CVAD	**Central Venous Access Device**
CWDs	**Case Weighted Discharges** Case weights measure the relative complexity of the treatment given to each patient. For example, a cataract operation will receive a case weight of approximately 0.5, while a hip replacement will receive 4 case weights. This difference reflects the resources needed for each operation, in terms of theatre time, number of days in hospital, etc.
DCFO	**Deputy Chief Financial Officer**
DDIGG	**Digital and Data Informatics Governance Group**
DHB	**District Health Board**
DIVA	**Difficult Intravenous Access**
DNA	**Did Not Attend**
DNW	**Did Not Wait**
DoN	**Director of Nursing**
DS	**Digital Services**
DSA	**Detailed Seismic Assessment**
DSA	**Digital Subtraction Angiography**
DWP	**Digital Workplace Programme**
DX	**Data Exchange** A data exchange software mechanism developed with the Social Investment Agency (SIA) to support encrypted data sharing between public services.
EAP	**Employee Assistance Programme**
EBITA	**Earnings Before Interest, Taxes and Amortisation**
ECM	**Enterprise Content Management**
ED	**Emergency Department**

EDAH	**Executive Director Allied Health**
EDG-VPSR	**Electrocadiograph – Visual Positioning System Rhythm**
EDN&M	**Executive Director, Nursing & Midwifery**
EDOA	**Emergency Department Observation Area**
EDON	**Executive Director of Nursing**
EECA	**Energy and Efficiency Conservation Authority**
ELT	**Executive Leadership Team**
EMERGO	**Emergo Train System**
EMR	**Electronic Medical Record**
EN	**Enrolled Nurse**
ENT	**Ear Nose and Throat**
ENZ	**Enable New Zealand**
EOC	**Emergency Operations Centre**
EP	**Efficiency Priority**
EPA	**Electronic Prescribing and Administration**
EPMO	**Enterprise Project Management Office**
ERCP	**Endoscopic Retrograde Cholangio Pancreatography**
ERM	**Enterprise Risk Management**
ESPI	**Elective Services Patient Flow Indicator** Performance measures that provide information on how well the District Health Board is managing key steps in the electives patient journey.
ETA	**Energy Transition Accelerator**
EV	**Electric Vehicle**
EWS	**Early Warning System**
EY	**Ernst & Young**

FACT	**Flexible Assertive Community Assessment Team**
FHC	**Feilding Health Care**
FHIR	**Fast Healthcare Interoperability Resources**
FIT	**Faecal Immunochemical Test**
FM	**Facilities Management**
FM Services	**Facilities maintenance and hotel services required by the DHBs**
FPIM	**Finance and Procurement Information Management System**
FPM	**Financial Planning Manager**
FRAC	**Finance, Risk and Audit Committee**
FSA	**First Specialist Appointment**
FSL	**Fire Service Levies**
FTE	**Full Time Equivalent** The hours worked by one employee on a full-time basis.
FU	**Follow Up**
Gap	**Analysis used to examine current performance with desired, expected performance**
GETS	**Government Electronic Tenders Service**
GHG	**Greenhouse Gases**
GM	**General Manager**
GMFCS	**General Manager, Finance and Corporate Services**
GMM	**General Manager, Māori Health**
GMPC	**General Manager, People and Culture**
GMQI	**General Manager, Quality and Innovation**
GMSPP	**General Manager, Strategy, Planning and Performance**
GP	**General Practitioner**
GST	**Goods and Services Tax**

H&S	**Health and Safety**
HaaG	**Hospital at a Glance**
HAI	**Healthcare Associated Infection**
HAR	**Te Uru Whakamauora, Healthy Ageing and Rehabilitation**
HBDHB	**Hawke's Bay District Health Board**
HCA(s)	**Health Care Assistant(s)**
HCSS	**Home and Community Support Services**
HDAC	**Health and Disability Advisory Committee**
HDU	**High Dependency Unit**
HEAT	**Health Equity Assessment Tool**
HEEADSSS	**Home, education/employment, eating, activities, drugs, sexuality, suicide and depression, safety (wellness assessment)**
HIP	**Health Infrastructure Programme**
Hira	**National Health Information Platform**
HISO	**Heath Information Security Framework**
HQSC	**Health, Quality and Safety Commission**
HR	**Human Resources**
HRC	**Health Research Council**
HRIS	**Human Resources Information System**
HROD	**Human Resources and Organisational Development**
HSWA	**Health and Safety at Work Act**
Hui	**Formal meeting**
HV	**High Voltage**
HVAC	**Heating, Ventilation and Air Conditioning**
HVDHB	**Hutt Valley District Health Board**

HWIP	**Health Workforce Information Programme**
HWNZ	**Health Workforce New Zealand**
IA	**Internal Audit**
IAAS	**Infrastructure as a Service**
IAP	**Incident Action Plans**
ICNet	**Infection Control Surveillance**
ICPs	**Incident Control Points**
ICPSA	**Integrated Community Pharmacy Services Agreement**
ICT	**Information and Communications Technology**
ICU	**Intensive Care Unit**
IDF	**Inter-district Flow** The default way that funding follows a patient around the health system irrespective of where the are treated.
IEA	**Individual Employment Agreement**
IFHC	**Integrated Family Health Centre** General practice teams with the patient at the centre, providing quality health care when, where and how patients need it.
IFM / IFM20	**Integrated Facilities Management**
IL	**Importance Level** Seismic assessment rating
IMAC	**Immunisation Advisory Centre**
IMT	**Incident Management Team**
Insourced	**Delivered directly by the DHBs via its staff**
IOC	**Integrated Operations Centre**
IOL	**Intraocular Lens**
IOT	**Internet of Things**

IPSAS	**International Public Sector Accounting Standards**
IS	**Information Systems**
ISM	**Integrated Service Model**
ISP	**Internet Service Provider**
IT	**Information Technology/Digital Services**
ITSM	**Integrated Service Module**
IV	**Intravenous**
IVP	**Improving Value Programme**
JDE	**JD Edwards** Name of software package
Ka Ao Ka Awatea	**Māori Health Strategy for the MDHB District**
KPI(s)	**Key Performance Indicator(s)** A measurable value that demonstrates how effectively an objective is being achieved.
LAN	**Local Area Network**
LDC	**Local Data Council**
LED	**Light Emitting Diode**
LEO	**Leading an Empowered Organisation**
LMC	**Lead Maternity Carer**
LOS	**Length of Stay**
LSP	**Leadership Success Profile**
LTC	**Long Term Condition(s)**
LV	**Low Voltage**
MALT	**Māori Alliance Leadership Team**
MAPU	**Medical Assessment and Planning Unit**
MBIE	**Ministry of Business, Innovation and Employment**

MCH	**MidCentral Health**
MCIS	**Maternity Clinical Information Service**
MDBI	**Material Damage and Business Interruption**
MDHB	**MidCentral District Health Board**
MDM	**Master Data Management**
MDT	**Multi-disciplinary Team**
MECAs	**Multi Employer Collective Agreements**
MEED	**Midwifery External Education and Development Committee**
MERAS	**Midwifery Employee Representation and Advisory Service**
MFA	**Multi-Factor Authentication**
MIT	**Medical Imaging Technologist** A radiographer who works with technology to produce X-rays, CT scans, MRI scans and other medical images.
MIYA	**MIYA Precision Platform**
MoH	**Ministry of Health**
MOU	**Memorandum of Understanding**
MRES	**Managed Rehabilitation Equipment Service** An ACC contract (Enable NZ)
MRI	**Magnetic Resonance Imaging** A medical imaging technique used in radiology to form pictures of the anatomy using strong magnetic fields and radio waves.
MRSO	**Medical Radiation Officer**
MRT	**Medical Radiation Therapist(s)**
MSD	**Ministry of Social Development**
MWH	**Manawhenua Hauora**
MYFP	**Midwifery First Year of Practice Programme**

NAMD	**Neovascular Age-Related Macular Degeneration**
NARP	**Non-Acute Rehabilitation Programme**
NBSP	**National Bowel Screening Programme**
NCAMP19	**National Collections Annual Maintenance Programme 2019**
NCEA	**National Certificate of Educational Achievement**
NCNZ	**Nursing Council of New Zealand**
NEAC	**National Ethics Advisory Committee**
NEED	**Nursing External Education and Development Committee**
NESP	**Nurse Entry to Specialty Practice Programme (Mental Health)**
NETP	**Nurse Entry to Practice**
NFSA	**National Food Services Agreement**
NGO	**Non Government Organisation**
NHAWG	**National Holidays Act Working Group**
NNU	**Neo Natal Unit**
NOS	**National Oracle Solution**
NP	**Nurse Practitioner**
NPC	**Nurse Practitioner Candidate**
NPTP	**Nurse Practitioner Training Programme**
NZ	**New Zealand**
NZCOM	**New Zealand College of Midwives**
NZCPHCN	**New Zealand College of Primary Health Care Nurses**
NZCRMP	**New Zealand Code of Radiology Management Practice**
NZD	**New Zealand Dollar**
NZHP	**New Zealand Health Partnerships**

NZHRS	**New Zealand Health Research Strategy**
NZNO	**New Zealand Nurses Organisation**
NZPHD Act	**New Zealand Public Health and Disability Act**
O&G	**Obstetrics and Gynaecology**
OAG	**Office of the Auditor-General**
OD	**Organisational Development**
ODP	**Organisational Development Plan**
OE	**Operations Executive** (of a service)
OHS	**Occupational Health and Safety**
OLT	**Organisational Leadership Team** OLT comprises all General Managers, Chief Medical Officer, Executive Directors - Nursing & Midwifery and Allied Health, General Manager of Enable NZ, all Operations Executives and Clinical Executives.
OPAL	**Older People's Acute Assessment and Liaison Unit**
OPERA	**Older People's Rapid Assessment**
OPF	**Operational Policy Framework**
Outsourced	**Contracted to a third-party provider to deliver**
PaaS	**Platform as a Service**
Pae Ora Paiaka Whaiora	**(Base/Platform of health) Healthy Futures (DHB Māori Directorate)**
PACS	**Picture Archiving Communication System**
PANE	**Proactive, Advocacy, Navigation and Education Team**
PAS	**Patient Administration System**
PBE	**Public Sector Benefit Entity**
PCBU	**Person Conducting a Business or Undertaking**
PCCL	**Patient Complexity Clinical Level**

PCT	**Pharmacy Cancer Treatment**
PDRP	**Professional Development and Recognition Programme**
PDSA	**Plan Do Study Act**
PEDAL	**Post Emergency Department Assessment Liaison**
PET	**Positron Emission Tomography**
PHC	**Primary Health Care**
PHO	**Primary Health Organisation (THINK Hauora)**
PHU	**Public Health Unit**
PICC	**Peripherally Inserted Central Catheter**
PICU	**Paediatric Intensive Care Unit**
PIN	**Provisional Improvement Notice** (section 36.2 Health and Safety at Work Act 2015)
PIP	**Performance Improvement Plan** This plan is designed to support the OLT in the prioritisation and optimisation of system wide efforts to achieve our vision. The plan was presented to the MoH as part of MDHB's 2019/20 strategic discussion.
PNCC	**Palmerston North City Council**
POAC	**Primary Options for Acute Care**
POCT	**Point of Care Testing**
PPE	**Personal Protective Equipment**
Powhiri	**Formal Māori Welcome**
PPA	**Promoting Professional Accountability**
PPC	**Public, Primary and Community**
PP&CH	**Public, Primary and Community Health**
PPPR	**Protection of Personal and Property Rights**
PR&RO	**Principal Risk and Resilience Officer**

PSA	**Public Service Association**
PSe	**PS Enterprise**
PSR	**Protective Security Requirements**
PVC	**Poly Vinyl Chloride**
QEAC	**Quality & Excellence Advisory Committee**
QHP	**Qualified Health Plan**
Qlik	**Qlik Sense Data Visualisation Software (Dashboard Analytics)**
Q&SM	**Quality and Safety Markers**
RACMA	**Royal Australasian College of Medical Administrators**
RDHS	**Regional Digital Health Services**
RFP	**Request for Proposal**
RHIP	**Regional Health Infometrics Programme** Provides a centralised platform to improve access to patient data in the central region.
Risk ID	**Risk Identifer**
RM	**Registered Midwife**
RMO	**Resident Medical Officer**
RN	**Registered Nurse(s)**
RP	**Risk Priority**
RSI	**Relative Stay Index**
RSO	**Research Support Officer**
RSP	**Regional Service Plan**
RTL	**Round Trip Logistics** A technology platform.
Rules	**Government Procurement Rules (4th Edition 2019)**
SaaS	**Software as a Service**

SAC	**Severity Assessment Code**
SAN	**Storage Area Network**
SBA	**Smoking Brief Advice (Smoking Cessation)**
SCIG	**Strategic Capital Investment Group**
SFIA	**Skills Framework for the Information Age**
SGOC	**Shared Goals of Care**
SIEM	**Security Information Event Monitoring**
SLA	**Service Level Agreement**
SLMs	**System Level Measures**
SME	**Subject Matter Expert(s)**
SMO	**Senior Medical Officer**
SNE	**Services Not Engaged**
SOI	**Statement of Intent**
SOR	**Standard Operating Responses**
SPE	**Statement of Performance Expectations**
SPIRE	**Surgical Procedural Interventional Recovery Expansion** A project to establish additional procedural, interventional and surgical resources within MDHB.
Spotless	**Spotless Services (NZ) Limited**
SRG	**Shareholder's Review Group**
SSC	**State Services Commission** (from 2020 - Te Kawa Mataaho Public Service Commission)
SSDF	**State Sector Decarbonisation Fund**
SSHW	**Safe Staffing, Healthy Workplaces**
SSIED	**Shorter Stays in Emergency Department**
SSP	**Statement of Service Performance**

SSU	**Sterile Supply Unit**
SUDI	**Sudden Unexpected Death in Infancy**
SUG	**Space Utilisation Group**
STAR	**Services for Treatment, Assessment and Rehabiliation**
TAS	**Technical Advisory Services** (also CTAS)
TCO	**Total Cost of Ownership**
tC02e	**tons of carbon dioxide equivalent**
TCU	**Transitional Care Unit**
THG	**Tararua Health Group Limited**
TKMPSC	**Te Kawa Maataho Public Service Commission** (formerly State Services Commission)
TLP	**Transformational Leadership Programme**
Trendly	A national database capture tool and dashboard that focuses on the measurement of DHBs to the National Māori Health Measures
TTOR	**Te Tihi o Ruahine Whānau Ora Alliance**
UCOL	**Universal College of Learning**
VBS	**Voluntary Bonding Scheme**
VRM	**Variance Response Management**
WDHB	**Whanganui District Health Board**
WebPAS	**Web Based Patient Administration System**
WebPASaas	**Web Based Patient Administration System as a Service**
WHEI	**Whole Hospital Escalation Indicators**
Y	**Yes**
YD	**Yes and delegable**
YOSS	**Youth One Stop Shop**

YTD	**Year To Date**

Late items

Late items

Discussion on any late items advised at the start of the meeting

Date of next meeting

Date of next meeting

Tuesday, 28 June 2022

Exclusion of the public

Exclusion of public

Resolution:

That the public be excluded from this meeting in accordance with the Official Information Act 1982, section 9 for the following items for the reasons outlined in the agenda.