MidCentral District Health Board

Te Pae Hauora o Ruahine o Tararua

Part One Board Papers

15 February 2022

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Margaret Bell <margaret.bell@midcentraldhb.govt.nz>

Contents

Agenda

15 February 2022

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MidCentral District Health Board

Board Meeting

Venue: via Zoom (due to COVID-19 restrictions)

When: Tuesday 15 February 2022, from 9.00am

PART ONE

Members

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

Apologies

Norman Gray

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; Emma Horsley, Communications Manager; Margaret Bell, Board Secretary.

In attendance (part meeting)

Items 4.2, 4.3, 4.4	Neil Wanden, General Manager, Finance and Corporate Services; Darryl Ratana, Deputy Chief Financial Officer
Item 4.6	Keyur Anjaria, General Manager, People and Culture
Item 5.5	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 14 December 2021, Part One

2.5. Matters arising

2.6. Verbal report from Board Chair

2.7. Finance, Risk and Audit Committee – Verbal report from Chair and Minutes of meeting held on 1 February 2022, Part One

2.8. Manawhenua Hauora – Verbal report from Manawhenua Hauora Chair

3. STRATEGIC FOCUS 9.15

3.1 COVID-19 Planning

4. PERFORMANCE REPORTING 9.35

4.1. Chief Executive's Report

4.2. Finance Report – December 2021

4.3. Finance Report – November 2021

4.4. Finance Report – October 2021

4.5. Sustainability Plan

4.6. Health, Safety and Wellbeing – quarterly report

REFRESHMENT BREAK 10.10

5. DISCUSSION/DECISION PAPERS 10.20

5.1. Clinical Council – six-monthly report

5.2. Consumer Council – six-monthly report

5.3. Combined Medical Staff Association and Executive Action Plan

5.4. Nursing Workforce Update

5.5. Midwifery Workforce Update

6. INFORMATION PAPERS 10.50

Information papers for the Board to note

6.1. Board Work Programme

7. GLOSSARY OF TERMS

8. LATE ITEMS

9. DATE OF NEXT MEETING – Tuesday 29 March 2022

10. EXCLUSION OF THE PUBLIC

Recommendation

That the public be **excluded** from this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reasons stated.

Item	Reason	Reference
'In committee' minutes of the previous Board meeting	For reasons set out in the agenda of 14 December 2021	
Replacement of Motor Control Centre	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Increasing Chilled Water Capacity	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Annual Remuneration Parameters for IEA Staff	To carry out without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	9(2)(j)
Te Awa – Digital Services Work Programme Update	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 1 February 2022 meeting**	

Administrative matters

15 February 2022

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Apologies

Apology received from Norman Gray

Late items

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

Register of Interests: Summary, 1 February 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.
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
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
Gray, Norman	10.12.19	Employee – Wairarapa DHB
		Branch Representative – Association of Salaried Medical Specialists

Register of Interests: Summary, 1 February 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
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
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
		Appointed as Research Advisor Māori to Massey University (commencing 17 January 2022)

Register of Interests: Summary, 1 February 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
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 (PSAAP)
	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, 1 February 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		TBA
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
Free, Jennifer	6.8.20	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 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
Horsley, Emma	6.9.21	Husband is employed by MDHB
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

Register of Interests: Summary, 1 February 2022 (Full Register of Interests available on Stellar Platform/Board/Board Reference Documents)		
Ratana, Darryl	29.5.19	Nil
Russell, Greig	3.10.16	Minority shareholder – City Doctors Member, Education Committee – NZ Medical Council
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 14 December 2021 Board meeting be approved as a true and correct record.

MidCentral District Health Board

Board Minutes

Meeting held on 14 December 2021 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

Nil

In attendance

Kathryn Cook, Chief Executive; Kelvin Billinghurst, Chief Medical Officer (and Clinical Executive, Te Uru Kiriora); Debbie Davies, Interim General Manager, Strategy, Planning and Performance (and Operations Executive, Te Uru Kiriora); Celina Eves, Executive Director, Nursing and Midwifery; Emma Horsley, Communications Manager; Gabrielle Scott, Executive Director, Allied Health; Margaret Bell, Board Secretary.

In attendance (part meeting)

Jeff Brown, Clinical Executive, Te Uru Pā Harakeke; Judith Catherwood, General Manager, Quality and Innovation; Sarah Fenwick, Operations Executive, Te Uru Pā Harakeke; Jess Long, Advisor, Planning and Accountability; Steve Miller, Chief Digital Officer; Darryl Ratana, Deputy Chief Financial Officer; 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

Nil.

2.2. Late items

COVID-19 Response – Air Purification Systems

Late paper related to COVID-19 response. To be discussed in Part Two under the Official Information Act section 9(2)(j) – to protect negotiations, including commercial and industrial.

2.3. Register of Interests Update

John Waldon

- No longer contracted to UCOL.
- Appointed as Research Advisor Māori to Massey University, commencing 17 January 2022.

2.4. Minutes of the Board meeting held on 9 November 2021, Part One

It was resolved that:

the Part One minutes of the 9 November 2021 Board meeting be approved as a true and correct record.

(Moved Muriel Hancock; seconded John Waldon)

2.5. Matters arising from previous minutes

It was noted that planning for long-term car parking arrangements at Palmerston North Hospital was dependent on several planned areas of redevelopment, including the acute mental health unit and Acute Services Block. A traffic engineering review would be carried out in conjunction with delivery of these projects and car parking plans would be developed to ensure access was available for patients as close as possible to where they needed to attend for treatment.

2.6. Verbal report from the Board Chair

The Board Chair acknowledged the effort made by the Chief Executive and her team over the past year, which had been particularly challenging for the health sector. He noted the extraordinary level of collaboration with other health providers to implement the COVID-19 vaccination programme to the community.

2.7. Minutes of the Health and Disability Advisory Committee meeting held on 23 November 2021, Part One

The Health and Disability Advisory Committee Chair noted that although the meeting had welcomed Stephen Paewai as the interim chair of the Consumer Council, he also wished to acknowledge the contribution made by the outgoing chair, Gail Munro.

It was resolved that the Board:

note the unconfirmed Part One minutes of the Health and Disability Advisory Committee meeting held on 23 November 2021.

(Moved John Waldon; seconded Vaughan Dennison)

2.8. Minutes of the Finance, Risk and Audit Committee meeting held on 30 November 2021, Part One

It was resolved that the Board:

note the unconfirmed Part One minutes of the Finance, Risk and Audit Committee meeting held on 30 November 2021.

(Moved Oriana Paewai; seconded Vaughan Dennison)

2.9. Manawhenua Hauora Chair's Report

The Manawhenua Hauora Chair advised that the second part of Te Tiriti o Waitaingi training, 'Wall Walk', was being planned for Friday 28 January 2022. As a minimum of 30 attendees was required, invitations would be sent to members of the Board, Committees and Manawhenua Hauora. Participants would be allocated into groups before the training and there would be some preparation work to be completed. Board members advised that due to existing commitments, they would prefer the session to be held in the afternoon.

It was resolved to:

note the report from the Manawhenua Hauora Chair on the Manawhenua Hauora hui held on 15 November 2021

note the General Manager, Māori Health's response to the Chair's report.

(Moved Oriana Paewai; seconded Materoa Mar)

3. STRATEGIC FOCUS

No discussion at this meeting.

4. PERFORMANCE REPORTING

4.1. Chief Executive's Report

The Chief Executive presented this report, which was taken as read. She provided an update on the impact of the COVID-19 Vaccination Order, which required all health and disability sector employees to have received their first COVID-19 vaccination by 11.59pm on 15 November 2021. As at today's date, the employment of 31 staff was expected to be terminated, comprising 14 who were definitely not going to be immunised and 17 who were undecided.

A Board member asked about the organisation's readiness to have patients with COVID-19 admitted to hospital. The Chief Executive explained that a recent Ministry of Health (the Ministry) audit of COVID-19 resilience found that MidCentral District Health Board's (MDHB) plan was an exemplar. The strength of relationships and partnerships with THINK Hauora, Manawhenua Hauora and the Ministry of Social Development were vital in developing and implementing the COVID-19 resilience plan. The public health response was to ensure people with COVID-19 were supported by primary care providers to isolate in their own home. A range of pathways was in place for patients who may need hospital care, including those who needed dialysis or cancer care. More than 300 nurses have completed an online intensive care module. Infrastructure issues were being addressed, including the quality and flow of air throughout the hospital. Even though there were no cases of COVID-19 in the community at present, the COVID-19 Coordination Centre had been 'stood up' yesterday. As 'Living with COVID-19' was not an emergency situation, there was no need to set up an Incident Management Team.

The General Manager, Finance and Corporate Services responded to a comment regarding traffic build up on Ruahine Street with cars unable to access the Emergency Department (ED) area. As part of the Emergency Department Observation Area/Medical Assessment and Planning Unit (EDOA/MAPU) project, the disability parks at the front of ED had been relocated and were expected to be in place again by 24 December. The traffic flow and some parking arrangements around that part of the site would be changed. As for other hospitals in the country, the area in front of ED should be for drop offs only.

A Board member asked whether the Youthline service to support young people and their whānau who are being supported by Child and Adolescent Family Services had taken the Māori population into consideration. It was agreed to provide further details of the new service at the February 2022 Board meeting.

It was resolved that the Board:

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

(Moved Muriel Hancock; seconded Jenny Warren)

4.2. Financial Update – October 2021

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

The General Manager, Finance and Corporate Services noted that the November 2021 result showed a positive variance of $593k against budget, reflecting additional revenue from the Ministry. The year to date operating result was $574k adverse to budget. Although there was likely to be some minor disruption over December 2021/January 2022, it was expected that the year-end budget would be achieved.

The Deputy Chief Financial Officer outlined the trends relating to provider community payments, nursing costs, locum costs, clinical supplies and infrastructure. Planned care was adverse to budget in August and September due to the COVID-19 lockdown and Ministry funding received to offset this would appear in the November financials. The favourable variance in Corporate and Professional Services included facilities, hotel costs and software maintenance. Costs relating to software projects recently approved by the Board were not yet showing in the accounts.

It was resolved that the Board:

note that the month operating result for October 2021 is a surplus before one-off items of $0.622m, which is $0.137m favourable to budget

note that the year to date result for October 2021 is a deficit before one-off items of $1.370m, which is $1.167m adverse to budget

note that year to date for October 2021 COVID-19 related contribution of $0.148m and Holidays Act costs of $1.895m are $1.148m and $0.438m favourable to budget, respectively. Including these results in a year to date deficit after exceptional items of $3.117m, which is $0.581m adverse to budget

note that the total available cash and equivalents of $40.968m as at 31 October 2021 is sufficient to support liquidity requirements

note this is an interim finance report and that a full report will be provided to the February 2022 meeting for the Board's consideration.

(Moved Oriana Paewai; seconded Karen Naylor)

4.3. Finance Report – September 2021

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 this report was endorsed by the Finance, Risk and Audit Committee at their November meeting for Board consideration

note that the month operating result for September 2021 is a deficit before one-off items of $3.351m, which is $0.162m adverse to budget

note that the year to date operating result for September 2021 is a deficit before one-off items of $1.992m, which is $1.304m adverse to budget

note that year to date for September 2021 COVID-19 related contribution of $0.150m and Holidays Act costs of $1.478m have been incurred. Including these, the year to date deficit after exceptional items is $3.320m, which is $0.883m adverse to budget

note that the total available cash and equivalents of $31.454m as at 30 September 2021 is sufficient to support liquidity requirements

note that the revised budget is being reported against from September 2021

approve the September financial report.

(Moved Oriana Paewai; seconded Karen Naylor)

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

The General Manager, Quality and Innovation joined the meeting.

4.4. **Sustainability Plan Report**

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

It was resolved that the Board:

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

note the Sustainability Plan benefits baseline and monitoring dashboard and trend analysis

note October 2021 indicates savings of $293,897 year to date

approve the approach and progress made to date on the Sustainability Plan 2020-2023.

(Moved Lew Findlay; seconded Heather Browning)

The General Manager, Quality and Innovation left the meeting.

The Chief Digital Officer joined the meeting.

4.5. Te Awa Update – Digital Services Work Programme

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

It was resolved that the Board:

note the Digital Services work programme covering planned work for the 2021/22 financial year

note the progress since the last reporting period

note the national and regional activity that may impact on the planned work programme.

(Moved Muriel Hancock; seconded Vaughan Dennison)

The Chief Digital Officer left the meeting.

The Advisor, Planning and Accountability joined the meeting.

4.6. Non-Financial Performance Measures – Quarter One, 2021/22

The Interim General Manager, Strategy, Planning and Performance and the Advisor, Planning and Accountability presented this report, which was taken as read. It was agreed that an update on child oral health and immunisations would be provided to the next Health and Disability Advisory Committee meeting in March 2022.

A Board member asked what was being done to address issues relating to Shorter Stays in the Emergency Department (ED). The Chief Executive noted that the length of stays in ED were often due to lack of hospital beds and the EDOA and MAPU projects would improve hospital capacity. A weekend discharge pilot sponsored by the Ministry had commenced. An update on the development of a flexible acute flow unit at Palmerston North Hospital would be provided by the Operations Executive, Te Uru Arotau, Acute and Elective Specialist Services later in the meeting.

It was resolved that the Board:

note the progress and performance for the first 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 One 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 One.

(Moved Oriana Paewai; seconded Karen Naylor)

The Advisor, Planning and Accountability 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 the report had been provided to the Chair of the Combined Medical Staff Association (CMS) for feedback. In response to questions about ongoing actions, the Chief Executive advised that the action to 'Prepare a list of current meetings and level of engagement' would be discussed at the next Medical Reference Group meeting; and that CMS had not asked that the Executive and CMS meet again.

It was resolved that the Board:

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

(Moved Muriel Hancock; seconded Vaughan Dennison)

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

5.2. Midwifery Workforce Update

The Clinical and Operations Executives, Te Uru Pā Harakeke presented this report, which was taken as read. They advised that a trigger escalation plan was in development to address the shortage of midwives through to the end of January 2022. This included considering other supports to ease the pressure on the midwifery workforce. Due to shortages, it was increasingly difficult to enable staff to take annual leave.

The Board Chair thanked management for their efforts in addressing the midwifery shortage, including having senior executives working alongside staff in clinical areas. Significant incentives had been provided for people to work in midwifery, but recruitment was a challenge nationally.

A Board member noted that under health and safety legislation, the Board was responsible for ensuring that all practical steps were being taken to address the situation. This included having confidence in reports provided by management and that appropriate mitigation plans were in place.

It was resolved that the Board:

note the current midwifery workforce position

note the key updates to the Midwifery Action Plan.

(Moved Heather Browning; seconded Muriel Hancock)

The Clinical and Operations Executives Te Uru Pā Harakeke left the meeting.

5.3. Nursing Workforce Update

The Executive Director, Nursing and Midwifery presented this report, which was taken as read. She noted that the Nightingale Challenge had been established globally as part of the International Year of the Nurse in 2020. This was an initiative to develop and celebrate nurses aged under 35 years. It was postponed due to the COVID-19 resurgence and had now taken place. Those nominated within MDHB completed the Leading an Empowered Organisation programme, which is an investment in them as young leaders.

It was resolved that the Board:

note the Nursing Workforce Report.

(Moved Muriel Hancock; seconded John Waldon)

The General Manager, Quality and Innovation joined the meeting.

5.4. Consumer and Clinical Councils – Terms of Reference

The General Manager, Quality and Innovation presented this report, which was taken as read. She noted that the Councils were participating in national work around the health sector reforms to ensure that the consumer voice continued to be heard.

The following amendments suggested by Board members would be included in the revised Terms of Reference:

Clinical Council

Add: The Clinical Council Chair will be a member of the Finance, Risk and Audit Committee.

Clinical Council and Consumer Council

Amend: The Chair will be appointed on the recommendation of the Chief Executives of MDHB and THINK Hauora, *in consultation with Manawhenua Hauora.*

The General Manager, Quality and Innovation advised that details of the eight Enterprise Clinical Governance Groups would be available on the Stellar platform.

It was resolved that the Board:

approve the changes made to the Terms of Reference for the Consumer and Clinical Councils.

(Moved Jenny Warren; seconded Norman Gray)

The General Manager, Quality and Innovation left the meeting.

5.5. MidCentral DHB's Alcohol Position Statement

The Clinical Executive, Te Uru Kiriora, Primary, Public and Community Health presented this report, which was taken as read.

It was resolved that the Board:

note the Position Statement on Alcohol was endorsed by the Health and Disability Advisory Committee at its November meeting

approve the MidCentral District Health Board's Position Statement on Alcohol.

(Moved Lew Findlay; seconded Karen Naylor)

6. INFORMATION PAPERS

6.1. Board's Work Programme

The report was taken as read.

It was resolved that the Board:

note the Board's annual work programme.

(Moved Heather Browning; seconded Lew Findlay)

7. GLOSSARY OF TERMS

No discussion.

8. LATE ITEMS

No discussion.

9. DATE OF NEXT MEETING

Tuesday, 15 February 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 1992, 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 9 November 2021	
Replacement of Instrument Washers in Sterile Services Unit	To protect negotiations, including commercial and industrial	9(2)(j)
Patient Transfer Services Contract Renewal	To protect negotiations, including commercial and industrial	9(2)(j)
Mosaiq as a Service Business Case	To protect negotiations, including commercial and industrial	9(2)(j)
Next Generation Computing Business Case	To protect negotiations, including commercial and industrial	9(2)(j)
COVID-19 Response – Air Purification Systems	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)
Workshop – Allied Health	To maintain the effective conduct of public affairs through free and frank expression of opinions	9(2)(g)(i)
Minutes of Remuneration Committee meeting held on 9 December 2021	To protect personal privacy	9(2)(a)
Chief Executive's Employment	To protect personal privacy	9(2)(a)
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 23 November 2021 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 30 November 2021**	

(Moved Vaughan Dennison; seconded John Waldon)

Part One of the meeting closed at 11am

Confirmed this 15th day of February 2022

……..

Board Chair

MidCentral District Health Board

- Schedule of Matters Arising, 2021/22 as at 4 February 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					
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 – **attached**	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
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

Matter	Raised	Scheduled	Responsibility	Form	Status
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

Update from Allied Laundry Services

(In response to issue raised at November 2021 Board meeting on water usage, impacts, risks and mitigation strategies of the Three Waters Reform)

Allied Laundry Services (ALSCO) is a significant user and discharger of water, with consumption averaging around 5200 cubic metres per month and is one of the top 10 water users in Palmerston North. ALSCO has undertaken a number of mechanical and processing initiatives to reduce water usage, including water economisers on plant equipment and utilisation of batch washers rather than washer extractors. ALSCO works with the Palmerston North City Council (PNCC) to manage wastewater discharge and regular monitoring is carried out. The wastewater discharge is seen as relatively benign as it contains very low BODs (Biochemical Oxygen Demand)[1] and is alkaline rather than acidic. ALSCO has attended user meetings for the PNCC 'Nature Calls' wastewater management and infrastructure project. ALSCO has proactively worked with PNCC wastewater officers to reduce the impact of wastewater from the linen processing plant by filtering wastewater down to 60 microns and installing a carbon dioxide dosing process to reduce wastewater discharge below the requested 10pH for PNCC.

ALSCO has participated in a review of microplastics in wastewater discharge, sponsored by New South Wales Healthshare Linen. The review analysed microplastics in laundry wastewater discharge and sought to find commercial solutions to remove microplastics. ALSCO's Chief Executive travelled to Newcastle in November 2020 to participate in the review and plan forward processes. The COVID-19 response in NSW meant the project work has ceased. ALSCO will also cease work on the project as microplastic discharge from home washing machines is greater than ALSCO's discharge and the 'Nature Calls' programme will assist in alleviating microplastic discharge.

Water usage/Cubic metres		Volume of linen	Cubic metres/tonne
2015	38802	3195 tonnes	12.144
2018	50772	4404 tonnes	11.52
2021	63838	4694 tonnes	13.6

PNCC has advised they are waiting on further direction from the Government's reform process to understand the impacts on the Three Waters service delivery, including for trade waste customers. In the meantime, Council's current requirements remain in place.

Allied Laundry has not made a submission on the Three Waters Reform.

[1] Biochemical oxygen demand is the amount of dissolved oxygen needed by aerobic biological organisms to break down organic material present in a given water sample at certain temperature over a specific time period.

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 on 1 February 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
Simon Allan, Independent

APOLOGIES

IN ATTENDANCE
Kathryn Cook, Chief Executive
Neil Wanden, General Manager, Finance and Corporate Services
Darryl Ratana, Deputy Chief Financial Officer
Tracee Te Huia, General Manager, Māori Health
Jared McGillicuddy, Internal Audit Manager
Nicki Williamson, Committee Secretary

IN ATTENDANCE (part meeting)
Gabrielle Scott, Interim General Manager, Quality & Innovation
Keyur Anjaria, General Manager, People and Culture
Louise Bishop, Director, Facilities & Estate Management

1. KARAKIA

The Chair opened the meeting with a karakia.

2. ADMINISTRATIVE MATTERS

2.1 Apologies

There were no apologies for the meeting but it was noted that Dr Simon Allen and John Waldon would be late arrivals. Vaughan Dennison noted that he had to leave the meeting at 11.00am and Brendan Duffy would be leaving at 11.30am

2.2 Late items

There were no late items.

2.3 Register of Interests Update

There were no updates to the register of interests.

2.4 Minutes of the previous meeting

It was resolved:

> *that the Part One minutes of the meeting held on 30 November 2021 be approved as a true and correct record. (Moved Vaughan Dennison; seconded Heather Browning)*

2.5 Matters arising from the previous minutes

There were no matters arising from the previous minutes.

3. PERFORMANCE REPORTING

3.1 Financial Update – December 2021

The Deputy Chief Financial Officer presented the report, which was taken as read. He noted the satisfactory result for December which was now halfway through the financial year. Currently $1.446m adverse to budget, overall, adverse to year-to-date budget by $585k which was only slightly behind target.

The biggest impact was the nurses and midwives pay settlement. Equity had been fully funded and therefore had no impact on the budget. The backpay for these workers went back to August and September 2021 which had impacted the budget.

Locum costs in Mental Health continued and would continue throughout the year.

Te Uru Arotau, Acute & Elective Services planned care was behind budget, a continuing trend, but unplanned care was off-setting some of the deficit.

The bank balance looked healthy due to the early funding. CAPEX was starting to ramp up.

It was noted that Page 15 of the report, and the appendices referred to December 2020 instead of 2021. This would be corrected for the Board reports.

Allied Health variances due to staff shortages was an ongoing issue. This was a national problem as there wasn't enough workforce to meet the needs across all professions.

John Waldon joined the meeting.

CAPEX against budgets for the various projects was going well. There were no significant risks or concerns. Mental Health was out to second design phase, the PODs project was moving forward despite repeated surprises with ground conditions and SPIRE had encountered a slight delay, but nothing major.

Although equity injections for the major projects tended to be a month behind, the cash balance was sufficient.

It was resolved that the Committee:

> *note that the month operating result for December 2021 is a deficit before one-off items of $3.260m, which is $0.872m adverse to budget*

note that the year to date result for December 2021 is a deficit before one-off items of $4.678m, which is $1.446m adverse to budget

note that year to date for December 2021 COVID-19 related contribution of $0.135m and Holidays Act costs of $2.775m have been incurred. Including these results in a year to date deficit after exceptional items of $7.317m, which is $0.585m adverse to budget

note that the total available cash and equivalents of $101.653m as of 31 December 2021 is sufficient to support liquidity requirements

endorse the December financial report.

(Moved Brendan Duffy; seconded Vaughan Dennison)

3.2 Finance Report – November 2021

The Deputy Chief Financial Officer presented the report, which was taken as read.

It was resolved that the Committee:

note that the month operating result for November 2021 is a deficit before one-off items of $0.048m, which is $0.593m favourable to budget

note that the year to date result for November 2021 is a deficit before one-off items of $1.417m, which is $0.574m adverse to budget

note that year to date for November 2021 COVID-19 related contribution of $0.148m and Holidays Act costs of $2.339m have been incurred. Including these results in a year to date deficit after exceptional items of $3.608m, which is $0.151m favourable to budget

note that the total available cash and equivalents of $40.392m as of 31 November 2021 is sufficient to support liquidity requirements

endorse the November financial report.

(Moved Brendan Duffy; seconded Vaughan Dennison)

3.3 Finance Report – October 2021

The Deputy Chief Financial Officer presented the report, which was taken as read.

It was resolved that the Committee:

note that the month operating result for October 2021 is a surplus before one-off items of $0.622m, which is $0.137m favourable to budget

note that the year to date result for October 2021 is a deficit before one-off items of $1.370m, which is $1.167m adverse to budget

note that year to date for October 2021 COVID-19 related contribution of $0.148m and Holidays Act costs of $1.895m have been incurred. Including these results in a year to date deficit after exceptional items of $3.117m, which is $0.581m adverse to budget

note that the total available cash and equivalents of $40.968m as of 31 October 2021 is sufficient to support liquidity requirements

endorse the October financial report.

(Moved Brendan Duffy; seconded Vaughan Dennison)

3.4 Sustainability Plan

The Interim General Manager, Quality & Innovation joined the meeting to speak to this report. The report was taken as read.

An apology was made to the Committee, appendix four was a draft appendix and did not reflect the correct figures. The target savings showed as 29 percent and was actually 55 percent year-to-date. The year-to-date actual savings was $260k against a target of $476k.

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 November 2021 report indicates savings of $237,460 year to date*
> *endorse the approach and progress made to date on the Sustainability Plan 2020-2023, for the Board's consideration.*
> *(Moved Brendan Duffy; seconded John Waldon)*

3.5 Clinical Audits Review Findings Update – February 2022

The Interim General Manager, Quality & Innovation presented the report, which was taken as read. Since this paper had been written, significant progress had been made which would be reflected in the next report.

On 31 January 33 new registrars had started at MidCentral of which 27 were new to the DHB. This would be shared on the DHB's social media.

It was resolved that the Committee:

> *endorse the progress of the clinical audit recommendations.*
> *(Moved John Waldon; seconded Tony Hartevelt)*

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

4. STRATEGY AND PLANNING

No items.

5 DISCUSSION/DECISION PAPERS

No items.

6 INFORMATION PAPERS

6.1 Internal Audit Update

The Internal Auditor presented the report, which was taken as read. There were ongoing challenges due to COVID around being able to access people due to their availability and work pressures.

The compliments and complaints audit would look at the code of conduct and review how the DHB engaged with complaints, if it was timely and in a positive way.

It was resolved that the Committee:

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

6.2 2020/21 Annual Report and Deloitte Report to the Finance, Risk and Audit Committee

The General Manager, Finance & Corporate Services presented the report, which was taken as read. The majority of the report had already been through the Committee. The accounts were signed 22 December.

There was a query regarding the senior leadership team and Board remuneration. It was advised that the majority of salaries reported at over $100k were clinicians salaries. The bracket of salaries hadn't been adjusted since the 1990's or inflation taken into account, as the average nurses salary was now between $90-$95k, it wouldn't be long until nearly all staff would be in that bracket!

It was noted that the Annual Plan had some typing errors in it and asked that they were corrected.

Consideration would be given to the website messaging relating to the Ministry target of first specialist appointment within four months.

It was resolved that the Committee:

note the 2020/21 MidCentral DHB Annual Report and Financial Statements were signed on 22 December 2021
note the 2020/21 Enable NZ Limited Annual Report and Financial Statements were signed on 22 December 2021
note the Deloitte final report.
(Moved Tony Hartevelt; seconded John Waldon)

6.3 Health, Safety and Wellbeing

The General Manager, People & Culture presented the report, which was taken as read. There were no notifiable incidents to report. The dashboard showed a reduction in muscular skeletal injuries which could be attributed to a small project led by the Occupational Health team focussing on patient moving and handling related injuries. Reduction in injuries was a priority and once the outcome of the pilot was investigated it would be extended across the hospital.

Sick leave was trending downwards. The majority of sick leave over the quarter had been stress related. Work had been put into identifying individuals with high sick leave and individual programmes put in place to support any underlying issues.

The December end of year staff BBQ had been cancelled due to uncertainties on gatherings related to COVID restrictions. Food parcels were provided to staff. Feedback from the initiative had been positive.

Three additional staff were being trained to assist with fit testing. This would happen during February and March 2022. 86 percent of frontline staff had been fit tested. Approximately 350 frontline staff still needed to be fit tested. The Committee advised that there was concern in some Māori providers who had staff that were frontline workers that hadn't been fit tested and were therefore reluctant to work. It would help equity if Māori providers fit testing could be prioritised.

Vaccination rates – two unvaccinated staff were still employed by MDHB. Neither were on site. One was a senior clinician with a longer notice period that was being worked through and the other was a nurse who was already on long term unpaid leave prior to the vaccine mandate.

The Committee asked what the plan was for if / when a staff member tested positive for COVID and had other close contact with work colleagues around them. The General Manager, People & Culture advised that yesterday the Ministry had released a guidance document. Key messages and information from it would be released to staff.

It was resolved that the Committee:

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

Dr Simon Allan joined the meeting.

The General Manager, People & Culture left the meeting.

6.4 Enable New Zealand Enablement Programme

The General Manager, Enable New Zealand, joined the meeting and presented this report. The report was taken as read. It had been a couple of tough months standing up the MRES solution but were now back on track with most things. The MRES solution had received very positive feedback and would become the primary solution over the next ten years. The IP to MRES belonged to MDHB.

A Māori Services Advisor had been appointed to help improve access to services and promote Enable New Zealand services to the Māori community.

It was resolved that the Committee:

note the Enablement Programme update to 31 December 2021.
(Moved Heather Browning; seconded John Waldon)

The General Manager, Enable New Zealand left the meeting.

6.5 Enterprise Risk Update

The General Manager, Finance and Corporate Services presented the report, which was taken as read. The workforce pressures risk was expected to increase due to the multitude of factors impacting it. The senior executive team were monitoring this.

There was discussion about the transition update and if any messaging could be given to staff yet, but so far there was very little that could be messaged, other than the reassurance that all 80,000 staff would transition from their respective DHBs to Health New Zealand 1 July 2022.

It was resolved that the Committee:

note the escalation in residual risk for Risk ID:729 Workforce pressures..
(Moved John Waldon; seconded Brendan Duffy)

6.6 Environmental Sustainability Programme

The Director, Facilities & Estate Management joined the meeting and presented the report, which was taken as read. Environmental sustainability was progressing well in a number of areas eg the fleet electric and hybrid vehicles, the adult mental health project had sustainability built in and the photocopier/printer roll out had started and improvements and savings would soon be made.

The requirements of mitigating greenhouse gases had long term goals to meet. MDHB's Sustainability Officer was working with the national sustainability group to feed into the transition unit and Health New Zealand from 1 July 2022.

The Committee commended the in-depth report and focus on areas of improvement.

It was resolved that the Committee:

note the progress made on the MidCentral District Health Board environmental sustainability programme.
(Moved Heather Browning; seconded Vaughan Dennison)

The Director, Facilities & Estate Management left the meeting.

6.7 Committee's Work Programme

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

The Foundation Trust was progressing well. All technical formalities were complete and a pamphlet was being prepared.

It was resolved that the Committee:

endorse the Committee's revised work programme.
(Moved John Waldon; seconded Vaughan Dennison)

7. GLOSSARY OF TERMS

No discussion required.

8. LATE ITEMS

There were no late items for Part One.

9. DATE OF NEXT MEETING

Tuesday, 15 March 2022 – Board Room, MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North

10. EXCLUSION OF PUBLIC

It was resolved:

that the public be excluded from this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reasons stated:

Item	***Reason***	***Ref***
'In committee' minutes of the previous meeting	For reasons set out in the meeting agenda of 30 November 2021	
Replacement of Motor Control Centre	To protect negotiations, including commercial and industrial	9(2)(j)
Increasing Chilled Water Capacity to meet Demand	To protect negotiations, including commercial and industrial	9(2)(j)
Health Reform Transition Progress	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 Vaughan Dennison; seconded John Waldon.

Part One of the meeting closed at 10.35am

Confirmed this 15th day of March 2022

……
Chairperson

Manawhenua Hauora Chair’s report

The Manawhenua Hauora Chair will provide a verbal update

Strategic focus

15 February 2022

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

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Committee should consider in reviewing this paper:

- N/A

To	Board
Author	Deborah Davies, Interim General Manager, Strategy, Planning and Performance and Operations Executive, Te Uru Kiriora, Primary, Public and Community Health
Endorsed by	Kathryn Cook, CEO
Date	8 February 2022
Subject	**COVID-19 Planning Update**

RECOMMENDATION

It is recommended that the Committee:

- **note** the planning update to be presented to the Board at the February 2022 meeting

Strategic Alignment

This report is aligned to the District Health Boards (DHBs) strategy and the strategic imperatives within it. It is particularly aligned with 'Partner with people, whānau and communities to support health and wellbeing'.

1. PURPOSE

To provide an update on the progress with MidCentral District Health Board's (MDHB) COVID-19 preparedness and activation approach in the District. No decision is required.

2. SUMMARY

Focussed planning is in place at both the local and regional level as we move into the response of managing Omicron in the community. Detailed planning in the latter part of December 2021 positioned the MDHB to move into the response phase of increasing cases in the rohe.

Locally the Central Coordination Hub (CCH) has been activated in partnership with local iwi providers and the Ministry of Social Development (MSD). This CCH is being tested and adjusted to comply with the government's phases of response to Omicron (stamp out, flatten the curve, and manage it). With small case numbers to date this further supports the ability to confirm processes across health and social care services. In January 2022 the MDHB resilience checklist was refreshed to incorporate the additional requirements to respond to Omicron. This is being supported by regional level planning as Omicron cases increase, with a focus on identifying known risks and issues related to the primary care, public health and welfare responses. Strong partnerships are in place at the leadership and operational interface with MDHB as an active member of the Regional Leadership Group, and operational relationships are well established to support the CCH and localities.

The board will be provided with an update and overview of the COVID-19 Care in the Community planning at the February 2022 Board meeting.

Performance reporting

15 February 2022

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	8 February 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. COVID-19 Vaccination Planning and Delivery

The COVID-19 vaccination programme has been subject to several changes in to the start of the new year. The first major change has been the inclusion of children from ages five to 11, commencing mid-January.

The second vaccination change has been in response to Omicron with a strong emphasis on booster vaccinations. Changing from the original sequencing framework targeting frontline health care workers and border workers the booster has been extended to all those 18 years and older. Recent modelling tools provided by the Ministry of Health (the Ministry) indicates that with COVID-19 – Omicron, the total number of cases will be substantially higher than indicated with earlier Delta estimates. The level of booster vaccinations will impact the total cases expected and the number of these that will require hospital and ICU admissions. Increasing the booster rates remains pivotal to reducing severe cases and admissions to hospital. This understanding has led to a reduction of the waiting period between the second dose to the third booster dose from four months to three months. This has resulted in an additional 30,000 people requiring vaccination ahead of schedule, bringing the current eligible cohort to over 107,000. The Ministry has mandated the booster for all healthcare workers and providers.

Further private providers are still engaging in the vaccination programme. From late 2021 until now, a further six pharmacies have been registered as vaccination sites. This brings the total within the district to 52. Pharmacies are collectively contributing to 40 percent of vaccinations, General Practitioners (GP)s and private clinics 20 percent and MidCentral District Health Board (MDHB) and Māori/Iwi sites are providing the remaining 40 percent of vaccinations. First time vaccinations continue to be seen across the district at around 160 to 200 per week.

Additional vaccination sites were established at the Arena in Palmerston North using both drive-in and walk-in options over Waitangi weekend. That week just under 10,000 vaccinations were delivered with 1000 (10 percent) given to children (5 to 11 year-olds). Walk-in clinics, as well as booked appointments, continue to be well utilised.

Multiple communications both locally and nationally have been used to communicate these changes to the health workforce and community at large.

The following tables provide an update of doses delivered as of 7 February 2022.

Table One: MDHB vaccinations for 12 plus ages according to ethnicity (7 February 2022)

		All (12+)	Māori (12+)	Pacifica (12+)
MDHB residents	**1st Dose**	146,116 (96%)	22,654 (94%)	4,449 (100%)
	2nd Dose	142,860 (94%)	21,478 (89%)	4,302 (97%)
MDHB delivered	**1st Dose**	139,199	21,321	4,228
	2nd Dose	136,189	20,277	4,100
Total doses		**355,913**	**51,051**	**10,147**
Against target		**94%**	**89%**	**97%**

Table Two: MDHB and national ethnicity vs vaccination coverage (5 plus)

Ethnicity	**MidCentral Partially (5+)** Percent	**MidCentral Fully (5+)** Percent	**MidCentral Booster** Percent	**National Partially (5+)** Percent	**National Fully (5+)** Percent	**National Booster** Percent
Māori	8	73	46	8	71	44
Pacific Peoples	7	81	41	7	81	41
Asian	8	97	41	8	93	41
European	5	86	59	5	86	56
Total	6	85	55	6	85	51

2.1.1 Equity

The uptake rates continue to increase since last reported with the largest percentage increase for Māori whānau.

Vaccination delivery has continued across the iwi and Māori partnered sites for the new year with the addition of vaccinations for 5 to 11 year olds being available at all sites. Iwi and Māori providers are offering a whānau approach to vaccinations with paediatric doses being administered alongside adult doses. Robust planning was undertaken ahead of introducing paediatric vaccines across these clinics to ensure safety and quality, whilst ensuring equity of access for Māori communities. Providers continue to offer regular clinics at their physical offices and are also continuing with targeted bespoke approaches.

Iwi and Māori providers continue to receive data insight reports produced by Te Tihi. These reports provide oversight of vaccination uptake, including dose type and age band, across the region. This data is supporting iwi and Māori providers to target approaches accordingly. Pfizer is the only vaccine available at iwi and Māori partnered clinics with the booster dose now being the dose most administered. With the reduction of the interval between primary course vaccinations and booster doses to three months, more Māori are now eligible for their booster. This interval reduction will allow for greater protection for Māori communities.

The four existing iwi owned mobile vehicles are becoming widely utilised and the addition of a further three vehicles is expected in the near future. One additional vehicle is currently being fitted out and a further two are expected to arrive in due course. The Tararua based vehicle is regularly used to service mobile clinics across the various towns while the Palmerston North vehicle has been of particular use at Te Ahu a Tūranga, the new roading project. The Horowhenua based vehicle is utilised several times a week for the mobile vaccination approaches of both iwi, while planning is underway to mobilise the Manawatū based vehicle to service smaller, more bespoke approaches across their rural and urban areas.

Workforce continues to be a limiting factor to expand and scale iwi and Māori vaccination approaches. The COVID-19 Vaccinator Working Under Supervision (CVWUS) workforce is routinely utilised across iwi and Māori clinics and is proving to be a very useful way of increasing vaccination capacity. This workforce is also drawing in some individuals who would not otherwise present for vaccinations. Iwi and Māori partnered clinics are also being supported by the DHB and Primary Health Organisation (PHO) to ensure staffing requirements are met. Continuing to support capacity and capability building across iwi and Māori providers will support Māori led responses to health care, particularly as we prepare to have increased COVID-19 transmission across communities.

2.1.2 Managing COVID-19 in the Community

Managing COVID-19 in the community planning is continuing at both district and locality levels. The low number of COVID-19 cases in the district from the beginning of the year has allowed the Central Coordinating Hub (CCH) to test its activities and ensure cases are well connected across the four clinical care response pillars of public health, primary health care, secondary and community care services, alongside key enablers of welfare and workforce, logistics, communications and infrastructure.

Recent modelling tools provided by the Ministry indicates that with COVID-19 – Omicron the total number of cases will be substantially higher than indicated with earlier Delta estimates.

In the current 'Stamp it Out' phase, there have been nine cases to date (8 February 2022) with none of these requiring hospitalisations. An update on the COVID-19 planning will be provided to the Board at the February 2022 meeting.

2.1.3 COVID-19 Vaccination Order

In accordance with the requirements of the COVID-19 Vaccination Order, staff employed by the DHB were required to have their first dose of the approved COVID-19 vaccination by 5 November 2021 and their second dose by 1 January 2022. A total of 31 DHB staff chose not to get the first dose of their vaccination by 5 November and consequently lost their employment with the DHB following the mandatory four-week notice period.

The DHB has lost three more staff (two registered nurses and one Allied Health staff member) who are partially vaccinated and have chosen not to receive the second dose of their vaccination by 1 January 2022. The DHB continues to manage these staff under the terms of their employment agreements.

The Vaccination Order mandates the COVID-19 booster vaccination for the health and disability workforce. In accordance with the Order, the first of these deadlines require that staff eligible for their COVID-19 booster vaccination must have their booster vaccination by 15 February 2022. Any worker who does not comply with these vaccination deadlines must not work in a role that requires them to be vaccinated under this Order. The Order applies to all MDHB employees.

MDHB has been communicating with employees and contractors to encourage them to get their booster vaccinations within the eligibility timeline. MDHB will continue to work on nationally consistent guidelines to ensure the provisions of the Order are met.

MDHB managers have access to reports, which are updated each day, to show each employee's vaccination, mask fit-testing and vulnerability status.

2.1.4 Respirator Fit-testing

The purpose of mask fit testing is to ensure that respiratory protection equipment (RPE), worn by healthcare staff to prevent respiratory transmission of COVID-19, is effective to the maximum extent as is reasonably practicable. The DHB offers an array of approved RPE, including disposable P2 type N95 face masks, respirator masks and half-hood masks. The DHB is resourced to provide fit testing to staff on a regular basis and has scheduled daily clinics until all staff are fully fit tested. In discharging its obligations as a responsible Person Conducting a Business or Undertaking (PCBU), the DHB has also been fit testing its contracted staff (Rescue Helicopter pilots, Ventia and Compass) as well as Primary Health Organisation staff, community providers and the

Hospice at no additional cost to them. The DHB is also increasing its fit testing capacity to meet the increased demand for fit testing for providers in the community.

A fit testing programme for Māori providers who have frontline staff is being agreed with clinics scheduled on 8, 11 and 16 February, in Horowhenua, Ōtaki and Tararua respectively. Providers who have staff in Feilding and Palmerston North will be fit tested on the DHB campus.

2.2. Closure of the Gardenview Dementia Unit

MDHB received formal notice of the closure of the Gardenview Dementia Unit in Levin on 6 March 2022. The Needs Assessment and Service Coordination (NASC) teams are working with the management team at Gardenview on the transition of the 25 residents to other providers. MDHB has 26 beds currently available across the district and some residents will transfer to a BUPA facility in Kapiti. The transfer of the residents will be done in a staged approach.

2.3. Staff Values Awards

Almost 40 nominations were received for the staff Living Our Values Awards 2021 and the judging panel made recommendations to the Chief Executive for each of the four categories. As a result of the COVID-19 restrictions on gathering numbers, the awards ceremony planned for 22 February has been postponed. Board members will be advised when a new date has been scheduled.

2.4. Antenatal Clinic Moving

The Antenatal Clinic is scheduled to move to a permanent new location in May. An agreement has been signed to lease and fit-out the Salt Rooms on the ground floor below Te Papaioea Birthing Centre. This move will enable the Gynaecology Assessment Unit to be open for women 24 hours a day, adjacent to the Women’s Assessment and Surgical Unit.

2.5. Wall Walk Training

COVID-19 restrictions meant that the Wall Walk training for Board and Committee members, iwi partners and the Organisational Leadership Team was postponed and will be rescheduled as soon as possible.

2.6. Integrated Essential Systems Test

An integrated essential systems test of the emergency generators at the Palmerston North Hospital campus is required annually. This test simulates a genuine power cut, with PowerCo turning the main power supply to the hospital campus in a controlled manner. This allows MDHB to observe the performance of the emergency generators as they take up the essential service loads at the hospital during a power outage.

Ventia, MDHB's facilities and maintenance contractor, led this test on 21 January. Support and coordination of the power outage was provided by the MDHB's Integrated Operations Centre and Facilities Team. The test went smoothly and the hospital performed as expected, with only a few minor operational observations. A debrief was held after power had been fully restored to the hospital campus and nothing of significance was noted. We are confident that the hospital's essential systems will be able to deal with any emergency situation.

2.7. Major Capital Building Projects

2.7.1. SPIRE (Surgical Procedural Interventional Recovery Expansion)

Stage 1 construction is underway 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 1 also includes the upgrade and expansion of the Staff Change area within the theatre suite and the development of the shell of a Procedure Room within the current theatre staff room. These two pieces of work had to be done over the Christmas/New Year period and are now largely complete. As expected, some issues were encountered when the walls and ceilings were opened up. The theatre suite is within Block B which is an older building. The issues identified are being rectified but due to their nature have caused delays. The work is now expected to be completed by mid-February, and not 31 January as originally scheduled.

Similar issues have been identified in the Block A component of work and the potential impact on the programme is being explored. The detailed design for Stage 2 is on track for completion of documentation in February 2022. The design has been issued to MDHB for review and this is underway.

2.7.2. Acute Mental Health Unit

The project moved to Developed Design Phase in December 2021 and this is on track for completion by the end of February. Stakeholder workshops are being held to support this process. Once the Developed Design is complete, costings will be reviewed. Cost escalation and extended timelines due to changes in the Aotearoa economy and construction industry related to COVID-19, together with other issues and aspirations which have emerged since the business case was approved, are creating significant budget pressures. Options are being explored in conjunction with the Ministry and will be discussed with the Finance, Risk and Audit Committee. MDHB has gone to market to seek a main contractor for the construction of this facility.

At the December meeting, a question was raised about whether the Youthline Service to support young people and their whānau who are being supported by CAFS had taken the Māori population into consideration. While this service is not specifically for Māori, service users identifying as Māori are able to access the service.

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

Construction work is underway and includes the building foundation and the establishment of disability car parks. The delays experienced are challenging the target of completing the facility this year.

A water pipe and fibre optic cables have been re-routed away from the building site and work on excavating the foundation and establishing foundation walls and beams is now occurring.

New accessibility parks are being created, replacing those previously located in Car Park C. Meantime, temporary accessibility parks have been created. New signage and temporary walkways have been established to support public and staff access to the hospital from Car Park C and the southern end of the campus.

From a service perspective, planning continues to ensure everything is ready and in place to enable a smooth commissioning process, including pre-order of equipment.

2.7.4. Fluoroscopy

The new fluoroscopy machine has been installed and is now undergoing final commissioning testing.

3. REGIONAL MATTERS

3.1. Central Region Health Emergency Response Planning Programme

The Central Regional Chief Executives (CE)s 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. A workshop was held on 3 February to identify areas of focus as we strengthen the regional approach.

3.2. Draft Terms of Reference: DHB Regional Governance Groups

On 11 January 2022, the MoH wrote to the DHB Chairs outlining expectations of regions for the coming months. Subsequently the Ministry provided a draft Terms of Reference, in reference to the Minister's letter (Appendix One). Regional Chairs have provided feedback on the draft Terms of Reference (Appendix Two). The current regional work plan, on the whole, will support the Minister's expectations. CEs are currently strengthening activities where needed.

4. NATIONAL MATTERS

4.1. National Chief Executive COVID-19 Oversight Group

In response to the Omicron variant, the National Chief Executive COVID-19 Oversight group was stood up 25 January to coordinate and align national, regional and local responses to service coverage and delivery risks, that will arise from COVID-19 – Omicron with:

- DHB national and regional groups
- community service providers
- enablers (Workforce and supply chain).

This group meets twice per week.

4.2. Transition Unit Update

In the coming months, Health New Zealand and the Māori Health Authority will be undertaking further work on the New Zealand Health Plan – this will help determine 'what' the sector will do – and continuing our work to develop a Health Charter to establish a shared vision and culture across the sector, or 'how' the sector will work. Interim Health New Zealand and the interim Māori Health Authority will also confirm where we will prototype the localities approach to planning, commissioning, and delivering health services.

4.3. Multi-Employer Collective Agreement Bargaining

4.3.1. NZ Nurses Organisation (NZNO) and Midwifery Employee Representation and Advisory Services (MERAS)

The NZNO Nursing and Midwifery Multi-Employer Collective Agreement (MECA) and Midwifery Employee Representation and Advisory Services (MERAS) MECA were ratified in late December 2021. MECA related payments that included some agreed pay equity payments were made to staff before the Christmas break. NZNO MECA ratified in October; MERAS in September.

4.3.2 Specialty Trainees of New Zealand (STONZ)

The STONZ Union, which includes junior and trainee medical officers, settled their MECA in late December 2021. Changes agreed as part of the negotiations including payments are currently being implemented.

4.3.3 FIRST Union

The DHB has a Single Employer Collective Agreement (SECA) with the FIRST Union, covering pharmacists. The offer made by the DHB, that aligned with guidelines from MoH has been rejected by the union. We are now awaiting further dates for bargaining with this union to consider other alternate options before another offer is made.

4.3.4 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 to the Association of Professional and Executive Employees (APEX) the Union representing these employees. APEX has advised that their members have rejected the DHBs offer with APEX asserting its view that a substantial pay increase was necessary. Mediation has been unsuccessful, and APEX has issued notices of strike action to all six DHBs covering various periods and dates. In addition to strike action in December, the DHB has received notice of strike action from 0001 hours on 16 February 2022, until 2359 hours on 17 February 2022 (24 hour period). Contingency plans are in place to minimise the impact on service delivery. Cover for life-preserving services over the period of strike action is being agreed with APEX.

4.3.5 Association of Salaried Medical Specialists (ASMS) FIRST Union

Mediated bargaining continued in December with the ASMS union (that 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.

4.3.6 Pay Equity Bargaining – Nurses and Midwives (NZNO) and Midwives (MERAS)

MECA settlements for both NZNO and MERAS members included interim pay equity base salary adjustments and pay equity lump sum payments as an interim measure. These were in anticipation of the pay equity claim for these unions would be settled by 30 November 2021. In acknowledgement that this settlement was not reached in time, MDHB (along with the other 19 DHBs) paid a $1,000 lump sum payment as agreed in the terms of settlement with these unions.

Agreement in principle has been reached with the NZNO and the outcomes of the settlement will be implemented in accordance with national guidelines.

Discussions around pay equity settlements continue and are likely to conclude soon.

4.3.7 Admin and Clerical (PSA) Pay Equity Claims

The agreement reached between DHBs and the Public Service Association (PSA) in November 2021has been confirmed and an agreement in principle has been confirmed with the PSA on pay equity matters. The agreement will be implemented in accordance with national timelines and processes.

Pay equity work continues with the APEX, PSA (Allied and Scientific roles) with the parties continuing to engage.

5 ORGANISATIONAL LEADERSHIP TEAM AND STAFFING MATTERS

5.1 Changes to Medical Leadership within Te Uru Rahuī, Mental Health and Addictions Services Directorate

A change proposal to strengthen the medical leadership within Te Uru Rahuī directorate was confirmed following consultation with unions and medical staff in December 2021. The key changes proposed were:

- Reinstatement of the 0.5 FTE Clinical Executive role.
- Creating 2 Medical Lead roles – (Medical Lead Acute and Specialist Services and Medical Lead Specialist Community and Primary services).
- Disestablishment of the current Medical Director role (once recruitment to the Clinical Executive role has been completed).
- Changes agreed within the final decision document will now be implemented.

5.2 Changes to Clinical Executive Leadership in Te Uru Arotau, Acute and Elective Specialist Services directorate

A paper proposing changes to the Clinical Executive roles within the Acute and Elective Specialist Services Cluster was finalised following consultation and input from medical staff.

The key changes within the document were the disestablishment of the Clinical Lead roles and the establishment of two Clinical Executive positions. Agreed changes have been implemented and recruitment to the two Clinical Executive roles was completed before the Christmas break. These two Clinical Executives are now part of the Organisational Leadership Team.

5.3 Changes to the Quality and Innovation Functions

The General Manager of Quality and Innovation, Judith Catherwood resigned from her role and left MDHB on 24 December 2021. Gabrielle Scott, the Executive Director of Allied Health is currently providing leadership oversight to the team. A change proposal to realign functions within the Quality and Innovation team is currently being developed and will be implemented following due consultation.

5.4 MidCentral's Newest Member of the New Zealand Order of Merit

Cheryl MacDonald was made a Member of the New Zealand Order of Merit in the New Zealand New Year Honours List 2022 for services to oncology nursing, through her work as a clinical nurse specialist in breast care. We are very proud to have Cheryl on the team at MidCentral.

A letter of congratulations has been sent by the Board Chair, on behalf of all Board members.

DRAFT TERMS OF REFERENCE: DHB REGIONAL GOVERNANCE GROUPS

Purpose

This document sets out the Terms of Reference for the DHB Regional Governance Groups that will be established from 1 January 2022.

Mandate

The Ministers of Health and Finance agreed in December 2021 to enhance existing regional governance arrangements to: support the growing need for regional solutions to the pandemic response; to maintain the focus on DHB performance; and in anticipation of new arrangements that will shortly be stood up in the new health system structures. The objectives and functions of DHBs under section 23 of the Public Health and Disability Act 2000 include the need to collaborate on planning and co-ordination of health services to support the effective and efficient delivery at local regional and national levels. Consistent with this, expectations were confirmed by the Minister of Health in his letter of expectations to DHB leaders on 16 December 2021 'Governance expectations for regional work'.

Role and functions of the DHB Regional Governance Group

The Regional Governance Group will provide a coordinated, consistent, and collective DHB regional governance and strategic response across health system issues and initiatives. This will help strengthen trust and confidence in the performance of the health system through the health reform transition period, and to the COVID-19 response.

The Regional Governance Group will provide consistent and responsible direction, co-ordination, decision-making and risk and issues management for regional health system initiatives including new ways of working.

The Regional Governance Group will:

- Agree actions and guide regional implementation activity related to regional preparedness for COVID-19, including management of identified specific regional risks.
- Advise on the direction of COVID-19 regional-hub health activity to ensure that consistent approaches underpin the roll out of the COVID-19 Care in the Community programme.
- Support regional ways of working to improve performance and preparation for transition to Health NZ.
- Drive collective efforts to respond in a consistent and coordinated way on Ministerial priorities, such as prudent financial management through transition and preparation for transition to Health NZ from 1 July.
- Problem solve and agree on how to best manage significant regional issues and risks.

Areas of priority will include in addition to improving financial performance:

Priority	**Desired change**
COVID-19	Delivery of Regional Resilience plans and any necessary regional collaboration to meet vaccination priorities and implement the COVID-19 Care in the Community programme
Planned care	Support for regional approaches to reducing waiting times (including cancer related assessment and treatment), and to support winter planning
Acute demand	
Mental Health	Regional approaches to reducing waiting times for assessment for under 25-year-olds
Child wellbeing (including child immunisations and maternity)	Tamariki aged 5 – 11 COVID-19 vaccination programme; regional approaches to support increasing immunisation rates for under 24-month-olds; and improving access to community-based midwifery services, ultrasound scanning, pregnancy and parenting education and Well Child Tamariki Ora services

Expected deliverables are:

- Regional resilience plans are implemented, including management of identified specific regional risks.
- Consistent regional approaches underpin the roll-out of COVID-19 Care in the Community programme.
- Delivery of two agreed regional priority initiatives aligned to the regional integration of planned and acute care.
- Delivery of a regional priority initiative that supports improved mental health or child wellbeing.
- Support DHBs regionally to transition to HNZ.

Alignment with existing local level DHB governance

Current accountability arrangements for DHB Boards and Chairs remain in place. These terms of reference provide additional responsibilities and clarity of priorities for regional collaboration as part of existing regional governance arrangements and work programmes.

In line with legislative responsibilities, and as agreed with the Minister, the Ministry will continue with usual assurance activity for DHB specific performance matters. Existing local DHB level performance engagements will continue as usual, with the Ministry and Crown Monitors engaged as appropriate and in line with the Operational Policy Framework and in relation to the Top Challenges agreed with Ministers.

To support the additional regional functions, DHB Chairs must:

- Ensure that robust regional models of care are followed to support roll out of the COVID-19 Care in the Community programme and progress against the deliverables outlined.
- Implement Ministerial priorities to ensure that collective regional effort and response is targeted appropriately.
- Ensure regular reports are received from the DHB Chief Executive on both local and regional resilience efforts.
- Provide assurance that DHBs are making decisions which are financially responsible and appropriately support the transition to the new health systems structure.
- Support DHBs to work together in preparation for transition to Health NZ from 1 July.

Regional governance membership

Permanent membership for the Regional Governance Group will be comprised of the following:

- DHB Board Chairs
- Commissioner or Crown Monitors from DHBs in the region which have these appointments
- Ministry of Health DDG, DHB Performance and Support (ex-officio)
- Ministry of Health, Relationship Manager, DHB Performance and Support (ex-officio).

Other representatives from DHBs and Ministry may be invited to attend meetings when items of particular interest to them are being considered. The Regional Governance Group may invite other Ministry staff with relevant skills, expertise or responsibilities (e.g. the Chief Privacy Officer) to also attend meetings.

The meeting will be chaired by the nominated Regional Lead Chair.

Each region will establish appropriate secretariat resourcing to support the Regional Governance Group.

Meeting frequency

Formal assurance meetings for the Regional Governance Group members will be held monthly for one hour. Further meetings of the group, or subgroups, may be held more regularly to progress agreement on specific initiatives or issues.

Reporting

The DHB Regional Lead Chair will report into the Ministry (DHB-Performance Support directorate) and share insights and challenges related to these objectives. They will also work alongside Crown Monitors to ensure transfer of knowledge around regional challenges and the focus of work underway.

A monthly written report will be provided to the regional membership with information of progress against priorities identified in these terms of reference, and outlining challenges needing to be managed and solutions being implemented. This will be provided five working days prior to the monthly regional meetings.

Support

The Regional Governance Group will be supported by regional networks and/or working groups, such as the COVID-19 regional coordination teams. The Ministry of Health will provide additional funding of up to $1 million per region to support achievement of agreed regional priority initiatives. Administrative support can be provided by the Ministry (DHB Performance and Support directorate) as required.

Where individual DHBs require specific support or expert advice to support regional activities the Ministry will work 1:1 with them as part of usual performance processes and approaches.

Review

The Ministry will review the enhanced regional governance arrangements at three monthly intervals and seek internal and external input about its effectiveness in achieving its key goals. Any recommendations for change will be reviewed by the Director-General before implementation and discussed with the Minister of Health as required.

All District Health Boards

1 February 2022

Robyn Shearer

Deputy Director-General, DHB Performance and Support

Robyn.Shearer@health.govt.nz

Tēnā koe Robyn

Draft Terms of Reference: DHB Regional Governance Groups

Thank you for the opportunity to provide feedback on the draft Terms of Reference: DHB Regional Governance Groups.

As Regional DHB Chair Leads our expectation is there will be a single consistent Terms of Reference, therefore we recommend to you some amendments to the draft provided.

There is an absence of any reference to equity, a commitment to implementing Te Tiriti o Waitangi, or to a priority focus on Maōri health and this requires urgent attention.

There is the opportunity to make prominent within the terms of reference a commitment to further establish behaviours and practice values aligned to the new health system.

Workforce is not prominent in the terms of reference, yet pre-existing regional capacity and workforce constraints are a critical issue, and are exacerbated by COVID-19 requirements, the coming Omicron outbreak, strike disruption and winter pressures.

In respect to the 'Role and Functions of the DHB Regional Governance Group' a commitment to progressing equity and Maōri health should be at the forefront. Additional clarity is sought on roles, authority and accountabilities. In particular the Chairs do not believe they have a mandate/ role in managing financial prudence of other regional DHBs; they will work together where it makes sense to have collective/ collaborative investments.

Confirming ministerial support for prioritisation amongst the focus areas when pressure on capacity is critical, requires attention within the terms of reference as the range and diversity of focus areas is wide.

The section on 'Regional Governance Membership' is silent on representation from Health New Zealand, the Transition Unit and the Maōri Health Authority. Given the collective efforts required to manage through and prepare for transition into Health New Zealand this needs to be addressed. Likewise there is an absence of a requirement to engage with our Te Tiriti partners, therefore we recommend extending membership to include Iwi – Māori Partnership Board Chairs and Regional Māori Relationship Boards. Lastly the role of DHB Chief Executives should be conveyed given their current executive mandate and could be considered ex officio. Alignment with existing regional alliance / shared service boards and regional governance arrangements needs thought.

The 'Reporting' process should acknowledge the role of Chairs as governors responsible to the Minister. In 2022 providing a realistic view on matters of key importance to the Government is

occurring through a period of significant transition against a challenging operational backdrop. Reporting requirements for DHBs are onerous at present and consume significant resourcing at a time where the health workforce is depleted, there is a necessary focus on planning for Omicron, whilst delivering quality health services to our population as and when they need them. An assurance from the Ministry of Health, expressed in the terms of reference, is sought that regular monthly reporting will leverage off existing reporting requirements.

The terms of reference must reflect how the information provided in reports will be used and to whom it will be circulated. We anticipate reporting will be circulated to the four regions; the Minister's Office; Health NZ; Māori Health Authority, Transition Unit and the Ministry of Health. A statement outlining the reporting arrangement for decisions and minutes back to each DHB is required. Once the terms of reference have been finalised, we the Chairs, anticipate that the reporting template will be aligned to the terms of reference and will be consistent across the four regions. There is a desire to ensure these reports focus on what really matters to the Minister.

The terms of reference 'Support' section indicates financial assistance (up to $1 million per region) could be allocated to support agreed regional priority initiatives. Further advice is required on how to operationalise this financial assistance.

As Chairs we are committed to using and strengthening our shared services agencies (Northern Regional Alliance, Health Share, TAS and SIAPO) and reinforcing the expectation that they work together to deliver on our decisions. These agencies have verified they will be principal providers of regional secretariat and/or analytical support for the DHB Regional Governance Groups.

We look forward to receiving a revised terms of reference.

Ngā mihi nui,

Harry Burkhart	Kim Ngarimu	David Smol	Sir John Hansen
Regional DHB Lead Chair	Regional DHB Lead Chair	Regional DHB Lead Chair	Regional DHB Lead Chair
Northern Region	**Te Manawa Taki**	**Central Region**	**Southern Region**

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

To	Board
Author	Darryl Ratana, Deputy Chief Financial Officer
Endorsed by	Finance, Risk and Audit Committee Neil Wanden, General Manager, Finance & Corporate Services
Date	3 February 2022
Subject	**Finance Report – December 2021**

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 February meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** that the month operating result for December 2021 is a deficit before one-off items of $3.260m, which is $0.872m adverse to budget
- **note** that the year to date result for December 2021 is a deficit before one-off items of $4.678m, which is $1.446m adverse to budget
- **note** that year to date for December 2021 COVID-19 related contribution of $0.135m and Holidays Act costs of $2.775m have been incurred. Including these results in a year to date deficit after exceptional items of $7.317m, which is $0.585m adverse to budget
- **note** that the total available cash and equivalents of $101.653m as of 31 December 2021 is sufficient to support liquidity requirements
- **approve** the December 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 December 2021 is a deficit before one-off items of $3.260m, which is $0.872m adverse to budget.

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

Month to Date

Surplus/(Deficit)
($3.3m)
Budget Variance
($0.872m)
(36.5%)

FTEs
2,413
Budget Variance
55
2.2%

Capex
$3.6m
Budget Variance
$3.5m
49.3%

Cash & Deposits Movement
$61.3m
Budget Variance
$70.5m
766.3%

The timing of community provider payments impacts revenue recognition with significant but offsetting variances.

Positive planned care included additional payments to compensate for the loss of activity during the first quarter due to COVID-19 restrictions.

FTEs remain below budget with little overall change during the month.

Nursing costs and locum costs continue to be over budget. Locums are due to the use of locums in MHAS.

A significant number of capital items were approved during the month.

Year to Date

Surplus/(Deficit)
($4.7m)
Budget Variance
($1.446m)
(44.7%)

FTEs
2,400
Budget Variance
32
1.3%

Capex
$16.2m
Budget Variance
$21.5m
57.0%

Cash & Deposits
$101.7m
Budget Variance
$79.6m
360.2%

Current Ratio
1.11
Budget Variance
0.32

Reduced Planned Care funding due to the lockdown has been compensated for by the MoH.

FTEs are slightly below budge with nursing FTE now above budget.

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

Capital expenditure is lagging behind budget YTD. However, this will pick up during the year

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)
($19.2m)
Budget Variance
$0.00m
0.0%

FTEs
2,482
Budget Variance
0
0.0%

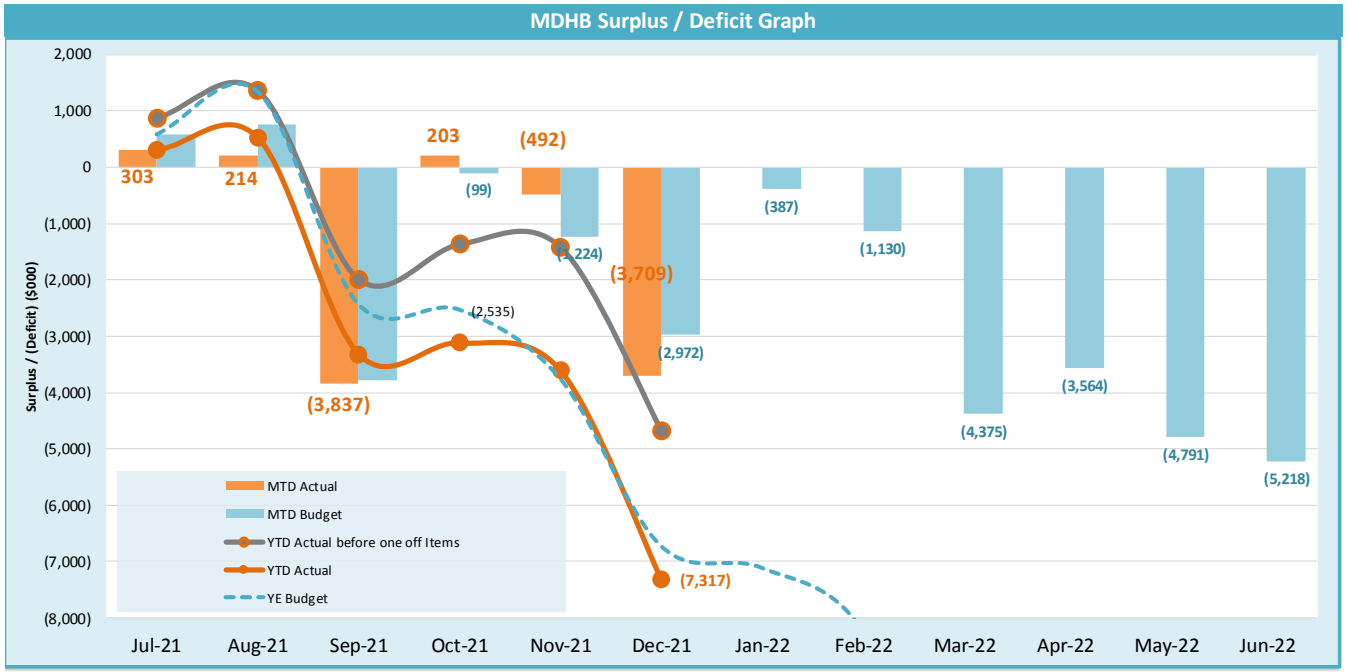
Capex
$85.8m
Budget Variance
$0.0m
0.0%

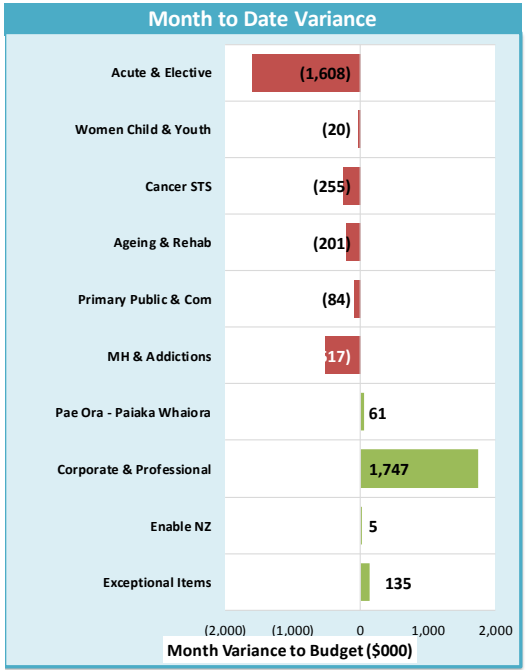
Cash & Deposits
$36.5m
Budget Variance
$0.0m
0.0%

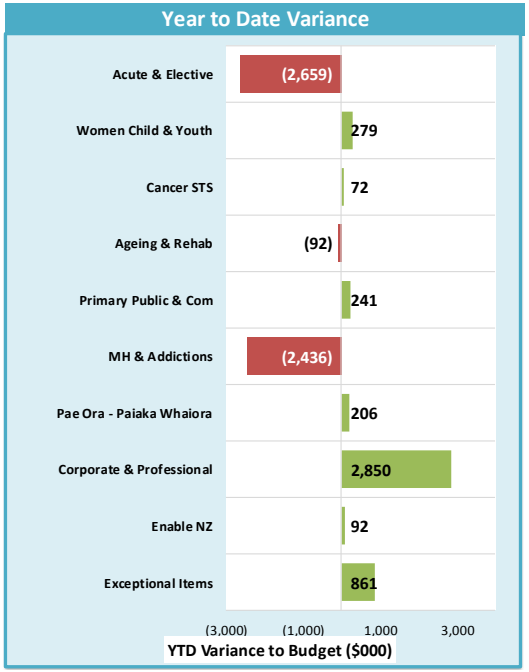
Current Ratio
1.01
Budget Variance
0.20

At this point of the year, the DHB is committed to achieving the planned budget deficit. The forecast provided to the MoH reflects this.

Risks to achieving the budget relate to the move to Software as a Service and the ongoing risk that COVID-19 creates.


MDHB Surplus / Deficit Graph
Surplus / (Deficit) ($000)
2,000
1,000
0
(1,000)
(2,000)
(3,000)
(4,000)
(5,000)
(6,000)
(7,000)
(8,000)
303
214
(3,837)
203
(99)
(492)
(2,535)
(3,709)
(2,972)
(387)
(1,130)
(4,375)
(3,564)
(4,791)
(5,218)
(7,317)
MTD Actual
MTD Budget
YTD Actual before one off Items
YTD Actual
YE Budget
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22
May-22
Jun-22


Month to Date Variance
Acute & Elective
(1,608)
Women Child & Youth
(20)
Cancer STS
(255)
Ageing & Rehab
(201)
Primary Public & Com
(84)
MH & Addictions
Pae Ora - Paiaka Whaiora
61
Corporate & Professional
1,747
Enable NZ
5
Exceptional Items
135
(2,000)
(1,000)
0
1,000
2,000
Month Variance to Budget ($000)


Year to Date Variance
Acute & Elective
(2,659)
Women Child & Youth
279
Cancer STS
72
Ageing & Rehab
(92)
Primary Public & Com
241
MH & Addictions
(2,436)
Pae Ora - Paiaka Whaiora
206
Corporate & Professional
2,850
Enable NZ
92
Exceptional Items
861
(3,000)
(1,000)
1,000
3,000
YTD Variance to Budget ($000)

2. FINANCIAL COMMENTARY

Adverse variances are in brackets unless stated otherwise.

2.1 Financial Performance

The MidCentral District Health Board (MDHB) result for December 2021 is a deficit before one-off items of $3.260m and is $0.872m adverse to budget. Net revenue for the month is $6.309m favourable to budget, and this is more than offset by expenditure which is $7.186m adverse to budget. The majority of both variances relate to nursing and midwifery pay one-off funded pay equity payments negotiated in advance of these settlements.. In addition, backdated MECA settlements for nursing and midwifery were paid during the month. These impacts will be ongoing as not all staff have received their payments as of December.

The year to date result is $4.678m, which is $1.446m adverse to budget. A year to date COVID-19 related contribution of $0.135m and Holidays Act costs of $2.775m have been incurred. This results in a year to date deficit of $7.317m when these one-off items are included.

The Statement of Financial Performance is shown in the following table. Costs relating to the Holidays Act and COVID-19 are disclosed separately to view the underlying performance. While the financial performance to date is behind budget, the forecast presented to the Ministry of Health (the Ministry) indicates a year-end deficit in line with the revised budget.

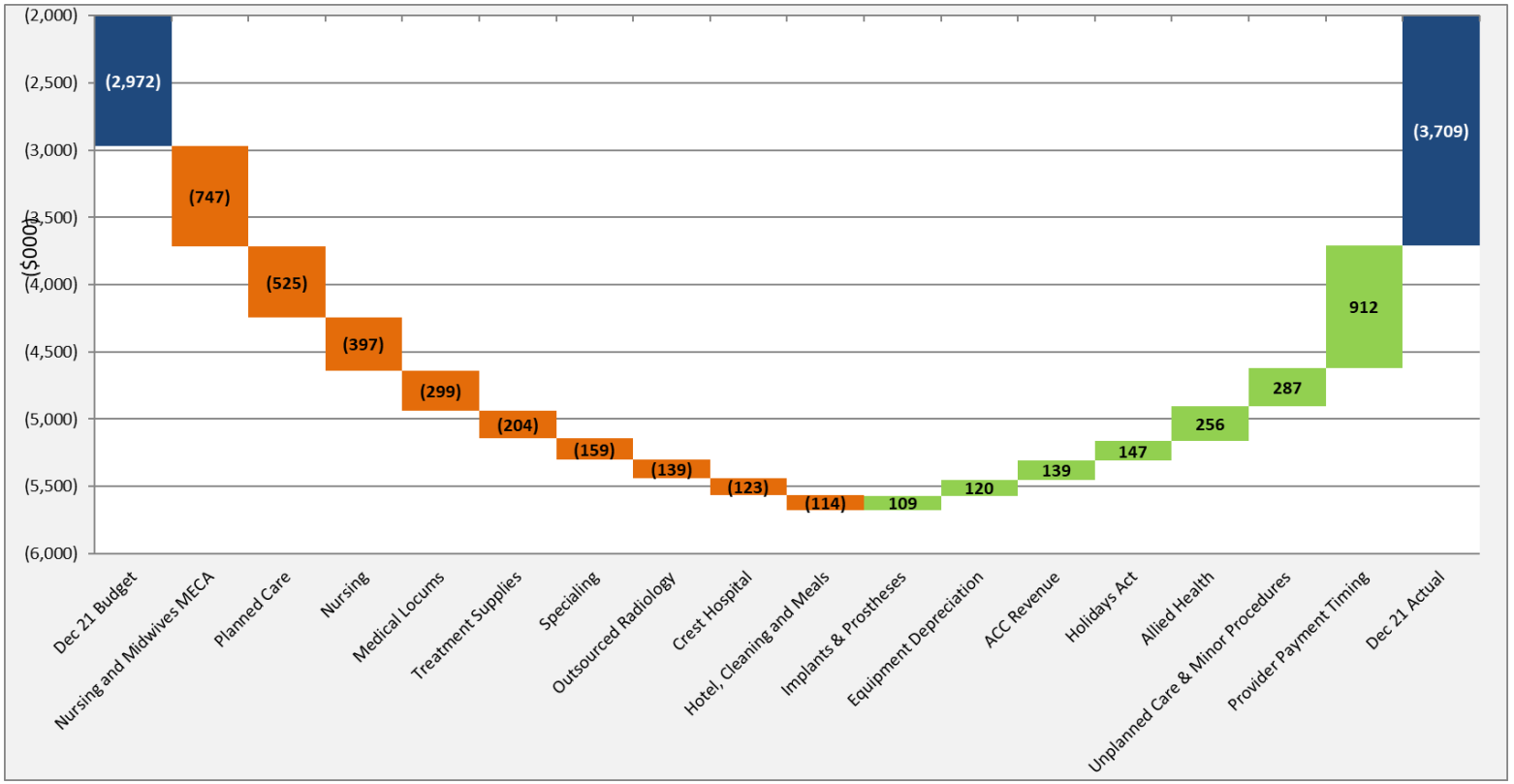
BOARD REPORT

$000	December 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Net Revenue	**70,691**	**64,382**	**6,309** ✓	**397,997**	**386,476**	**11,520** ✓	**772,680**
Expenditure							
Medical	7,175	7,342	167 ✓	40,526	41,138	612 ✓	85,338
Nursing	17,056	9,751	(7,304) ✗	62,408	53,419	(8,989) ✗	110,673
Allied Health	3,343	3,599	256 ✓	19,123	20,149	1,025 ✓	40,912
Support	173	181	8 ✓	917	1,026	110 ✓	2,044
Management / Admin	3,182	3,459	277 ✓	19,338	19,405	67 ✓	39,094
Personnel	30,929	24,332	(6,596) ✗	142,313	135,137	(7,175) ✗	278,061
Outsourced Personnel	888	351	(537) ✗	5,894	2,190	(3,704) ✗	4,685
Sub -Total Personnel	31,816	24,683	(7,133) ✗	148,207	137,328	(10,879) ✗	282,746
Other Outsourced Services	2,710	2,281	(428) ✗	15,096	13,528	(1,568) ✗	27,066
Clinical Supplies	5,568	5,580	12 ✓	33,068	32,328	(740) !	65,534
Infrastructure & Non-Clinical	7,839	7,287	(552) ✗	41,412	43,413	2,001 ✓	91,009
Provider Payments	26,388	27,303	915 ✓	166,342	164,470	(1,872) !	328,288
Total Operating Expenditure	**74,320**	**67,134**	**(7,186)** ✗	**404,124**	**391,065**	**(13,058)** !	**794,643**
Operating Surplus/(Deficit)	**(3,630)**	**(2,753)**	**(877)** ✗	**(6,127)**	**(4,589)**	**(1,538)** ✗	**(21,963)**
Enable NZ Contribution	369	364	5 ✓	1,449	1,357	92 ✓	2,768
Surplus/(Deficit) Before One-Off Items	**(3,260)**	**(2,389)**	**(872)** ✗	**(4,678)**	**(3,232)**	**(1,446)** ✗	**(19,195)**
Holidays Act	(436)	(583)	147 ✓	(2,775)	(3,500)	725 ✓	(7,000)
Covid-19	(13)	0	(13) ✗	135	0	135 ✓	(0)
Surplus/(Deficit)	**(3,709)**	**(2,972)**	**(737)** ✗	**(7,317)**	**(6,732)**	**(585)** ✗	**(26,195)**

FTE							
Medical	365.5	378.9	13.5 ↓	360.3	373.1	12.8 ↓	380.4
Nursing	1,115.4	1,125.6	10.2 ↓	1,116.4	1,108.9	(7.5) →	1,138.1
Allied Health	422.2	442.6	20.4 ↓	423.7	438.8	15.1 ↓	442.7
Support	30.9	33.4	2.5 ↓	29.9	33.4	3.4 ↓	33.4
Management / Admin	478.8	487.6	8.8 ↓	469.3	478.0	8.7 ↓	487.0
Operating FTE	**2,412.8**	**2,468.1**	**55.3** ↓	**2,399.7**	**2,432.2**	**32.5** ↓	**2,481.5**
Enable NZ	129.1	115.4	(13.7) ↑	115.0	115.4	0.4 ↓	115.4
Holidays Act	3.8	5.0	1.2 ↓	4.1	5.0	0.9 ↓	5.0
Covid-19	95.0	85.4	(9.5) ↑	83.2	80.8	(2.4) →	66.1
Total FTE	**2,640.6**	**2,673.9**	**33.3** ↓	**2,602.0**	**2,633.4**	**31.4** ↓	**2,668.0**

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 largely due to funding for nursing and midwifery pay equity settlements that were paid during the month. Funding will continue monthly to offset the ongoing additional cost of pay equity. While not all staff have received payments, this will occur over the coming months and has been well provided for.

Adjustments to recognise clinical supplies distributed by the Ministry at no charge ($0.653m) also impact on revenue. This is to ensure the supplies are appropriately valued as inventory items with a compensating amount recognised as revenue. Other revenue variances include:

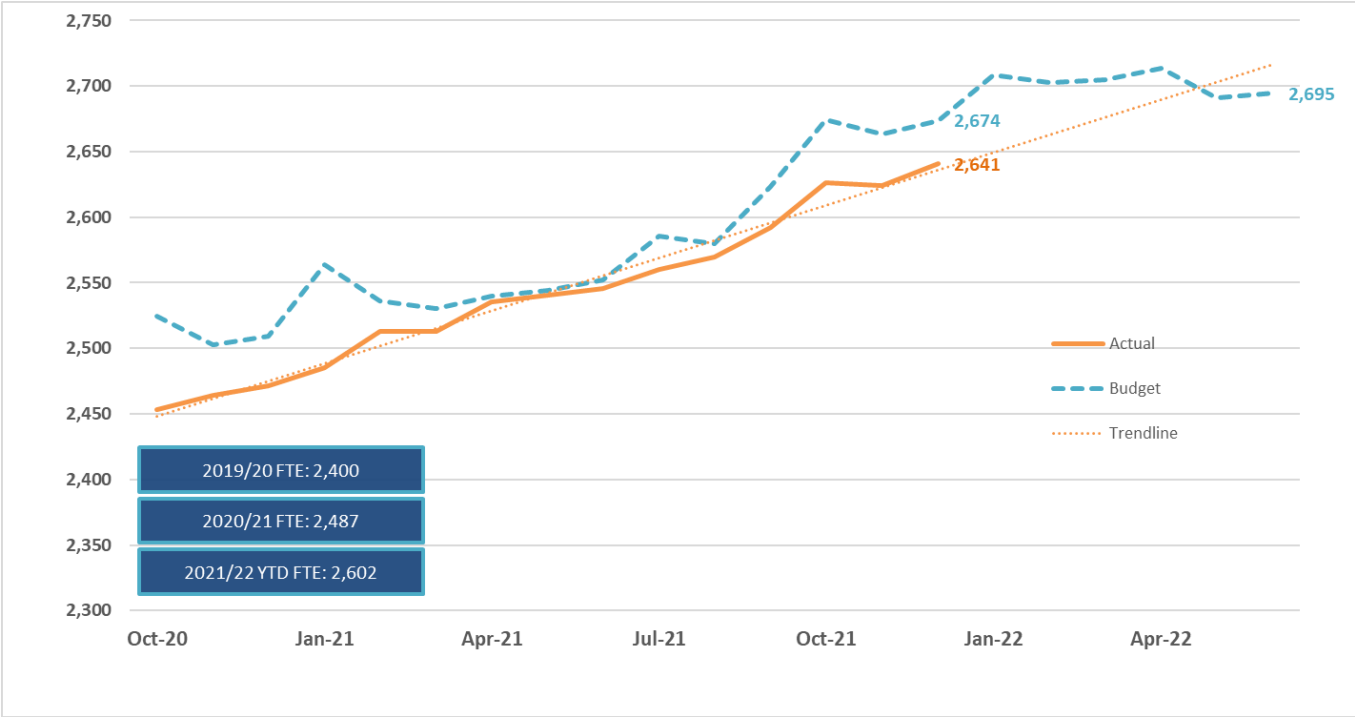
- Adverse planned care revenue of $0.525m in Te Uru Arotau - Acute and Elective Specialist Services. This was partially offset by unplanned (acute) activity and minor procedures that are $0.287m favourable to budget.
- ACC revenue that was $0.172m higher than anticipated in the budget. ACC revenue is now $0.345m favourable to budget year to date.

Full-time Equivalent staffing (FTE) for the month are as follows:

- FTEs remain below budget by 33 for the month and 31 FTE year to date. Changes in FTEs since November have been an increase in the Covid-19 workforce (13 FTE) and Enable NZ (9 FTE). The majority of other categories remain unchanged from last month.

- Medical staff remain below budget by 13 FTE for the year. Te Uru Arotau – Acute and Elective Specialist Services are eight below budget due to radiologist vacancies. A further six exist in Te Uru Rauhī – Mental Health and Addiction Services. These are being covered by locums. Nursing staff are 7 FTE above budget for the year. Allied Health FTEs are 9 FTE below budget for the year with seven vacancies relating to Medical Radiation Technicians in medical imaging (Te Uru Arotau – Acute and Elective Specialist Services). The table below shows the total FTEs by month for this year.

TOTAL EMPLOYED FTES BY MONTH



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 adverse by $7.304m. Nursing and midwifery pay equity settlements were paid during the month and accounted for $5.884m of this variance. It is expected that further payments will be forthcoming as some staff still require payments.
- A further $0.748m of the adverse personnel costs relates to MECA settlements that are greater than anticipated, with the majority of the impact seen in Te Uru Arotau - Acute and Elective Specialist Services. MECA settlement included backpay to September 2021 and included the impact of pay equity which was not accounted for in the budget.
- Outsourced locum costs were also adverse. As with previous months, adverse locum costs reside in Te Uru Rauhī – Mental Health and Addictions. Nursing was equally responsible for the adverse Outsourced personnel result in December
- Other Outsourced Services were significantly adverse to budget due to radiology costs ($0.139m) and Crest ($0.123m) in Te Uru Arotau and Te Uru Mātai Matengau.
- Clinical supply costs were close to budget overall with adverse treatment supply costs for the use of blood products offset by instruments and surgical implants $0.196m, and lower than expected depreciation on the clinical equipment.
- Infrastructure and Non-Clinical costs are $0.552m adverse to budget, with the fundamental cause of this variance being contracted hotel, cleaning and meal costs ($0.138m), transport costs ($0.102m) and professional fees ($0.209m).

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 $2.313m of costs offset by funding received for immunisation, surveillance and isolation. Both revenue and expenditure are close to that budgeted.

2.2 Financial Performance by Service

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

$000	December 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Acute & Elective Specialist Services	(17,029)	(15,421)	(1,608) ✖	(90,069)	(87,410)	(2,659) !	(178,476)
Healthy Women, Children and Youth	(3,541)	(3,521)	(20) !	(19,686)	(19,966)	279 ✓	(41,179)
Cancer Screening, Treatment & Support	(4,318)	(4,063)	(255) ✖	(23,176)	(23,249)	72 ✓	(47,282)
Healthy Ageing & Rehabiliation	(9,829)	(9,628)	(201) !	(57,017)	(56,925)	(92) !	(114,524)
Primary, Public & Community	(5,756)	(5,673)	(84) !	(33,395)	(33,635)	241 ✓	(67,160)
Mental Health & Addictions	(4,477)	(3,961)	(517) ✖	(25,385)	(22,949)	(2,436) ✖	(46,307)
Pae Ora - Paiaka Whaiora	(939)	(1,000)	61 ✓	(5,750)	(5,956)	206 ✓	(11,886)
Corporate & Professional Services	42,311	40,564	1,747 ✓	248,652	245,802	2,850 ✓	485,452
Enable NZ	319	314	5 ✓	1,149	1,057	92 ✓	2,168
Surplus/(Deficit) Before One-Off Items	**(3,260)**	**(2,389)**	**(872)** ✖	**(4,678)**	**(3,232)**	**(1,446)** ✖	**(19,195)**
Exceptional Items	(448)	(583)	135 ✓	(2,639)	(3,500)	861 ✓	(7,000)
Surplus/(Deficit)	**(3,709)**	**(2,972)**	**(737)** ✖	**(7,317)**	**(6,732)**	**(585)** ✖	**(26,195)**

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 $1.608m adverse to budget for the month. Revenue was favourable due to funding for nurse pay equity ($2.703m), minor procedures ($0.194m) and IDFs ($0.167m). These favourable revenue variances were partially offset by adverse planned care revenue ($0.525m) and adverse pharmaceutical (PCT) revenue ($0.173m). Adverse nursing costs more than offset revenue largely due to pay equity payments. Nursing MECA payments for backpay that were greater than anticipated ($0.310m) and nursing FTEs that were 10 FTE adverse to budget adversely impacted the overall month result. In addition, outsourced service costs also contributed to unfavourable expenditure due to Crest Hospital ($0.123m) and outsourced radiology ($0.130m).

- Te Uru Pā Harakeke – Healthy Women, Children and Youth Services was close to budget for the month with favourable pay equity funding for nurses ($0.781m), that were slightly less than the related nursing payments.
- Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services was $0.255m adverse for the month. This was driven by outsourced radiology costs ($0.113m) and the high use of blood products ($0.120m). Pay equity payments for nursing staff ($0.313m) were offset by associated funding.
- Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services is $0.201m adverse to budget for the month. ACC revenue was $0.172m higher than anticipated and is now $0.345m favourable to budget year to date. The cause of the adverse month variance related to nursing MECA payments for backpay that were greater than anticipated ($0.128m). Pay equity payments for nursing staff ($0.619m) were offset by associated funding.
- Te Uru Kiriora – Primary, Public and Community Services is close to budget for the month. Adverse nursing costs was for early pay equity payments and offset by revenue. Pay equity funding received for nursing staff ($0.433m) was slightly $0.036m less than the related nursing payments. The remainder of the adverse variance related to nursing backpay for MECA settlements that was greater than anticipated.
- Due to adverse personnel costs, Te Uru Rauhī – Mental Health and Addiction Services is adverse to budget by $0.517m for the month and $2.436m adverse for the year. The cost of locum cover is partially offset medical staff vacancies. However, the net result is leading to an average monthly adverse variance that is circa $0.420m. This continues the trend that has occurred throughout the year. Pay equity payments for nursing staff ($0.742m) were offset by associated funding. However, nursing MECA payments for backpay were greater than anticipated by $0.089m.
- Corporate and Professional Services comprises all executive and enabler functions. The favourable month result is mainly due to favourable net revenue variance relating to the timing of community provider payments and adjustments for the recognition of stock previously distributed by the Ministsry at no charge ($0.653m). Other favourable variances include personnel costs ($0.337m) and facilities costs ($0.215m).
- Exceptional Items contains organisation-wide costs for COVID-19 and Holidays Act. Refer to sections 2.3 and 2.4 below.
- The December 2021 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 following table.

$000	December 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Funding Division	5,725	4,736	989 ✓	14,092	14,062	30 ✓	41,236
MidCentral Provider	(9,875)	(8,022)	(1,852) ✗	(23,824)	(21,851)	(1,973) ✗	(69,599)
Enable NZ	319	314	5 ✓	1,149	1,057	92 ✓	2,168
Governance	121	0	121 ✓	1,266	0	1,266 ✓	0
Surplus/(Deficit)	**(3,709)**	**(2,972)**	**(737)** ✗	**(7,317)**	**(6,732)**	**(585)** ✗	**(26,195)**

2.3 Holidays Act

Holidays Act related costs of $0.436m are $0.147m 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. 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 December 2021 was $49.648m 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 $2.250m 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 December was close to budget for the month. Revenue received was $2.313m and offset operating expenditure of the same quantum. 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 in the balance sheet rather than an operating expense.

2.5 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 appear to be close to target on a year to date basis, albeit some savings targets are weighted toward the second half of the year.	
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. The expectation of widespread Omicron infection affecting a high proportion of workforce availability would result in substantive costs for covering sick leave. Management is building strategies to best deal with this.	
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.	Negotiations with the NZNO and MERAS are near completion. The additional funding support for the settlement is currently being assessed.	
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 1st 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.	
Cloud Technology		
Many proposed information technology solutions favour software as a Service (SaaS) and Platform as a Service (PaaS). This move away from on-premise solutions 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 impact this year's financial performance will depend on the timing of implementation.	

2.6 Financial Position

The main budget variances in the Balance Sheet at 31 December 2021 relates to the early receipt of January 2022 Ministry funding resulting in higher than budgeted current liabilities and capital expenditure that is behind plan leading to lower than budgeted non-current assets. Overall, this has resulted in higher cash and deposit balances in current assets. As of 31 December 2021, the total available cash and deposit balances were $101.653m. Of this, $61.983m relates to the early receipt of January 2022 Ministry funding due to the timing of statutory holidays. Significant capital expenditure is budgeted this year, and 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.

$000	Jun-21	Dec-21		
	Actual	Actual	Budget	Variance
TOTAL ASSETS				
Non Current Assets	293,387	295,181	323,804	(28,623)
Current Assets	68,877	146,504	54,719	91,785
Total Assets	**362,264**	**441,685**	**378,523**	**63,162**
TOTAL EQUITY AND LIABILITIES				
Equity	207,943	206,398	214,528	8,130
Non Current Liabilities	6,278	6,176	6,240	64
Current Liabilities	148,043	229,111	157,756	(71,355)
Total Equity and Liabilities	**362,264**	**441,685**	**378,523**	**(63,162)**

2.7 Cash Flows

Overall cash flows reflect a favourable variance to budget of $70.274m. Operating cash flows are favourable due to the early receipt of January 2022 Ministry funding, offset by 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	Dec-21			
	Actual	Actual	Budget	Variance	
Net Cash Flow from Operating Activities	24,384	74,740	19,836	54,904	✓
Net Cash Flows from Investing Activities	(20,859)	(15,218)	(37,677)	22,459	✓
Net Cash Flows from Financing Activities	5,980	5,642	12,731	(7,089)	✗
Net increase / (decrease) in cash	**9,505**	**65,164**	**(5,110)**	**70,274**	✓
Cash at beginning of year	26,984	36,489	26,648	9,841	✓
Closing cash	**36,489**	**101,653**	**21,538**	**80,115**	✓

2.8 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.

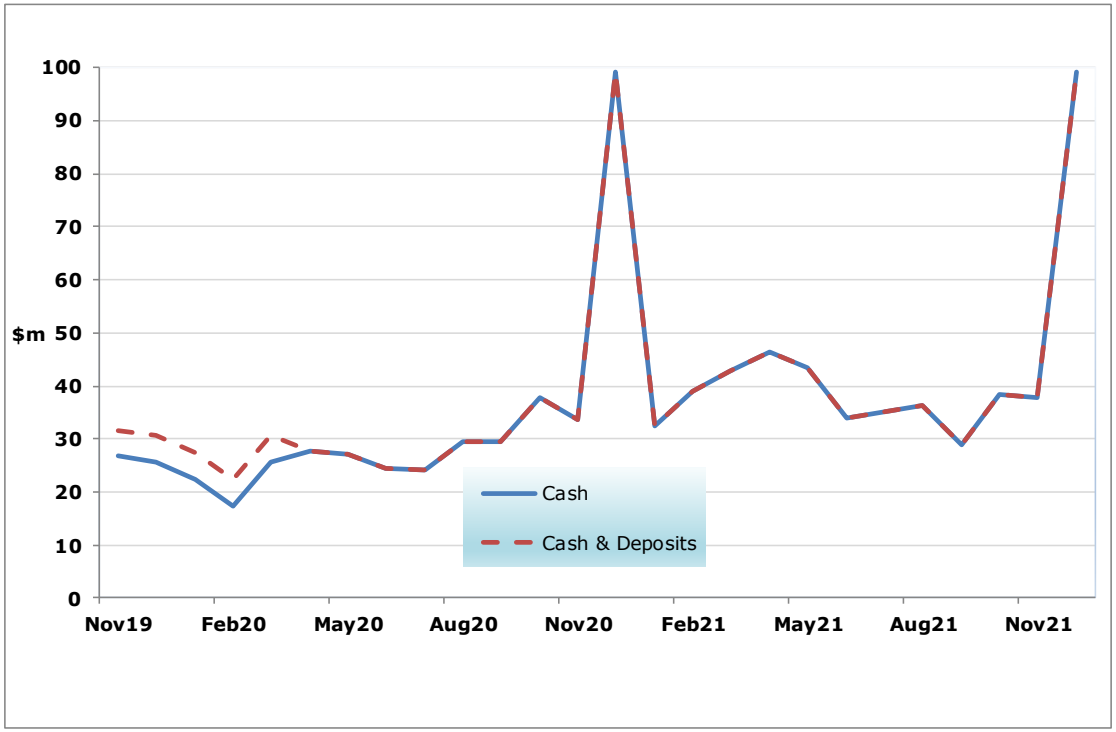
Dec-21	Rate	Value $000
NZHP Sweep Balance	1.00%	95,412
Cash in Hand and at Bank		2
Trust Accounts		2,535
Enable New Zealand		3,704
Cash Balances		101,653
Total Cash Balance		**101,653**

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

Cash Reconciliation	Dec-21 $000	Year to date $000
Cash at November 2021	40,392	36,489
Surplus / (Deficit) for mth	(3,709)	(7,317)
Depreciation / Amortisation	2,319	13,748
Non-cash donations	(647)	(647)
Sale of fixed assets	-	7
Working capital movement	66,164	69,178
Share of associate net surplus/deficit	-	-
Capital expenditure	(3,449)	(15,550)
Loan/finance lease repayments	(17)	(101)
Trusts movement	(59)	73
Equity injections - capital	659	5,773
Cash Balance at month end	**101,653**	**101,653**

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. This will reoccur in 2021.

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	1,019	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.

2.9 Statement of Capital Expenditure

A total of $1.635m was approved during December, with the majority related to plant and equipment in preparation for further Covid-19 outbreaks, specifically omicron. Lighting and egress upgrades ($0.153m) and a patient simulation programme for staff training ($0.150m) were the other significant items approved.

Total approvals as of December are $70.686m against the annual capex plan of $85.761m and unbudgeted capital of $1.617m. Unbudgeted capital relates to Covid-19 expenditure, which is MoH funded. Total approvals include $6.201m of software projects, initially planned as capital but approved as Software as a Service (SaaS) solutions and therefore considered an operating expense. For completeness, SaaS approvals continue to be included in this section.

Capital Approvals ($000)	Dec-21	YTD
Capital Approvals	(4,566)	66,120
SaaS Aprovals	0	6,201
Items Yet to ve Approved	5,463	15,057
Total	**897**	**87,378**
Capital Budget	0	85,761
Capex unbudgeted	897	1,617
Total	**897**	**87,378**

Capital expenditure for the month was $3.562m, bringing total spending for the year to $16.162m. December expenditure against 2021/22 approved capital items totalled $2.929m with the majority spend on SPIRE, Anaesthetic Machine & Monitor Replacements, Linear Accelerator Replacement and Increased Emergency and Acute Care Capacity (EDOA/MAPU).

Capital Expenditure & SaaS ($000)	Dec-21	YTD
Prior Year Capex	401	3,997
Current Year Capex	2,929	11,237
Current Year SaaS	233	928
Total	**3,562**	**16,162**

Year to date expenditure on items approved in the prior year is $3.997m and reflects the lag between project approval and project expenditure across financial periods is typical.

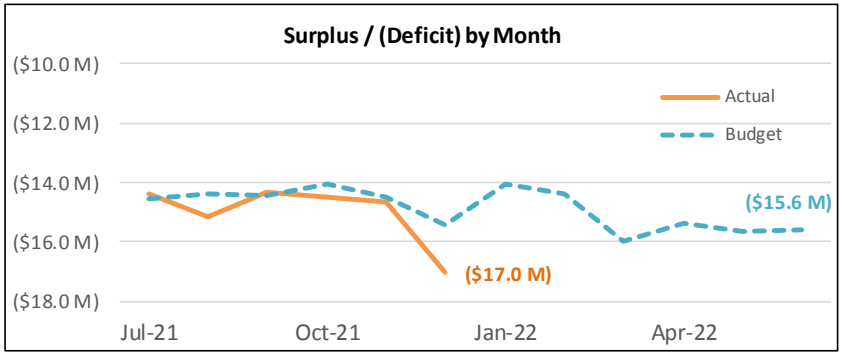
Further detail is provided in Appendix Two – Capital Expenditure. Several proposed information technology items, identified as capital when compiling the 2021/22 capex plan, are being undertaken as SaaS. Under this model, the service provider is offering a subscription to use the Software while retaining 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.

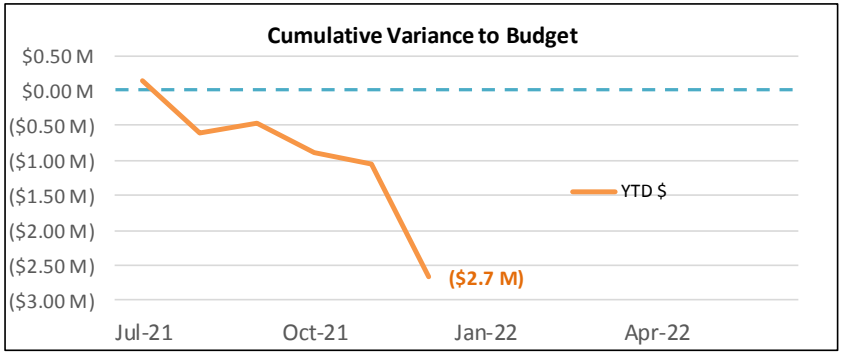
APPENDIX ONE – FINANCIAL PERFORMANCE BY SERVICE

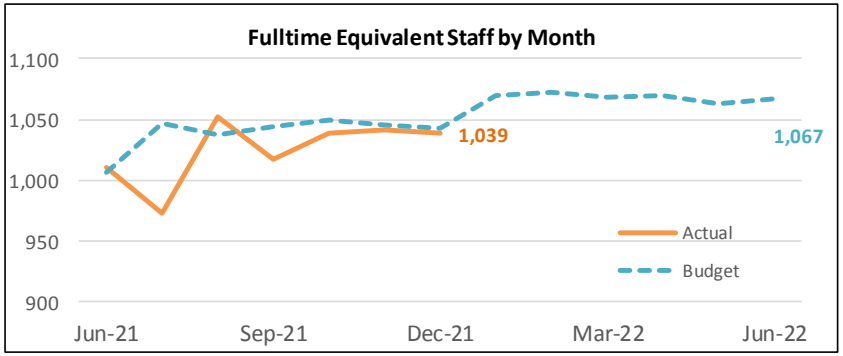
Te Uru Arotau – Acute and Elective Specialist Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**4,289**	**2,475**	**14,366**	**3,448**	**21,837**
Expenditure					
Personnel	14,523	(3,748)	64,633	(3,923)	123,891
Outsourced Personnel	83	(40)	523	(260)	516
Sub -Total Personnel	14,605	(3,788)	65,156	(4,183)	124,407
Other Outsourced Services	1,497	(201)	8,492	(932)	15,301
Clinical Supplies	3,398	89	20,876	(1,212)	40,401
Infrastructure & Non-Clinical	916	(183)	4,485	212	9,359
Total Operating Expenditure	**20,416**	**(4,083)**	**99,010**	**(6,114)**	**189,468**
Provider Payments	19	0	129	7	252
Corporate Services	883	0	5,297	0	10,593
Surplus/(Deficit)	**(17,029)**	**(1,608)**	**(90,069)**	**(2,659)**	**(178,476)**

FTE					
Medical	231.3	8.9	230.7	8.7	241.8
Nursing	525.0	(10.3)	518.3	(0.6)	525.5
Allied Health	132.7	5.1	132.1	5.9	138.6
Support	17.9	1.2	17.1	1.9	19.0
Management / Admin	132.3	(1.3)	128.7	1.4	131.2
Total FTE	**1,039.1**	**3.7**	**1,026.8**	**17.3**	**1,056.2**



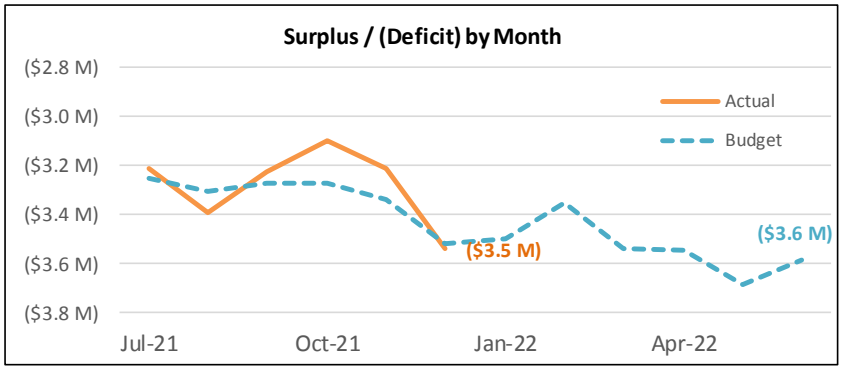


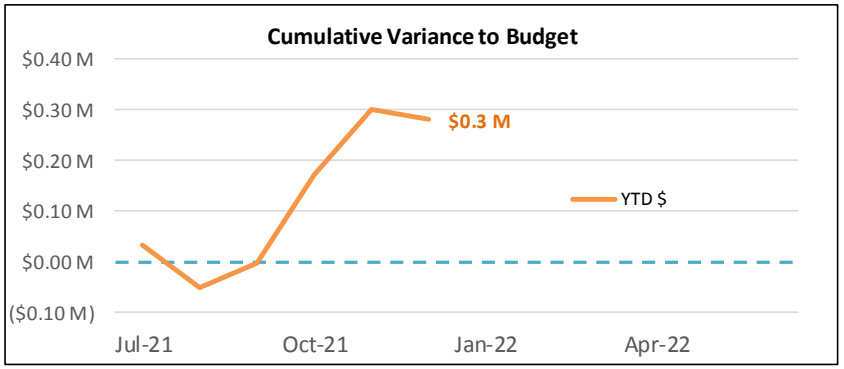


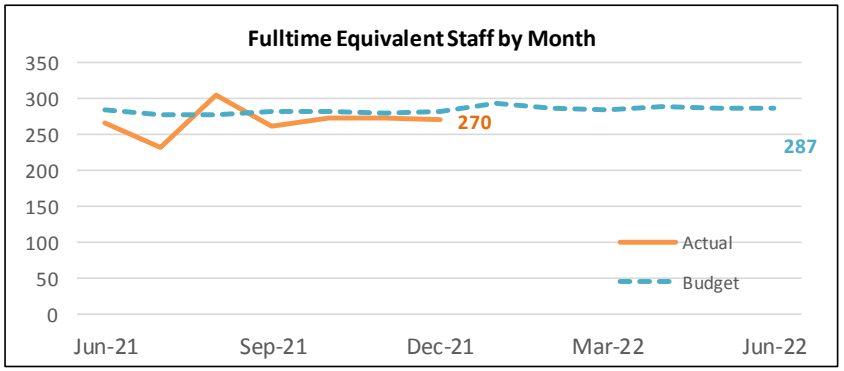
Te Uru Pā Harakeke – Healthy Women, Children and Youth Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**1,133**	**675**	**3,552**	**775**	**5,521**
Expenditure					
Personnel	3,455	(616)	16,177	(368)	32,822
Outsourced Personnel	10	7	263	(159)	201
Sub -Total Personnel	3,465	(609)	16,440	(527)	33,023
Other Outsourced Services	128	(62)	616	(177)	927
Clinical Supplies	362	(6)	2,016	139	4,312
Infrastructure & Non-Clinical	251	(19)	1,342	67	2,798
Total Operating Expenditure	**4,206**	**(696)**	**20,413**	**(498)**	**41,059**
Provider Payments	455	1	2,744	3	5,479
Corporate Services	14	0	81	0	162
Surplus/(Deficit)	**(3,541)**	**(20)**	**(19,686)**	**279**	**(41,179)**

FTE					
Medical	45.6	(0.9)	44.1	0.3	45.5
Nursing	117.0	4.4	117.8	3.3	122.4
Midwives	30.0	4.3	30.6	4.0	34.7
Allied Health	53.2	3.8	53.2	2.5	56.6
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	23.7	0.5	22.6	1.2	24.2
Total FTE	**269.5**	**12.1**	**268.3**	**11.4**	**283.4**



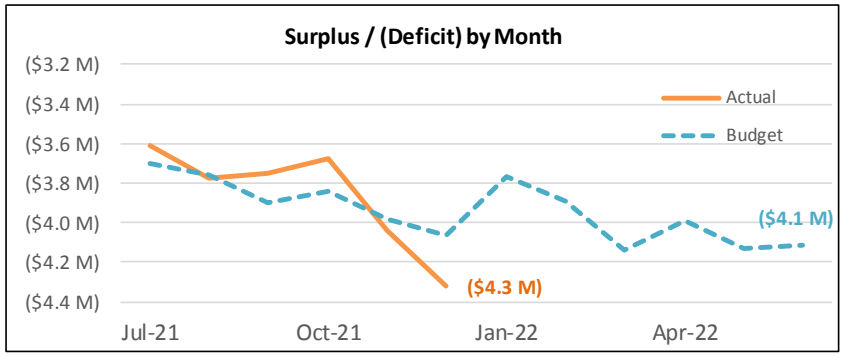


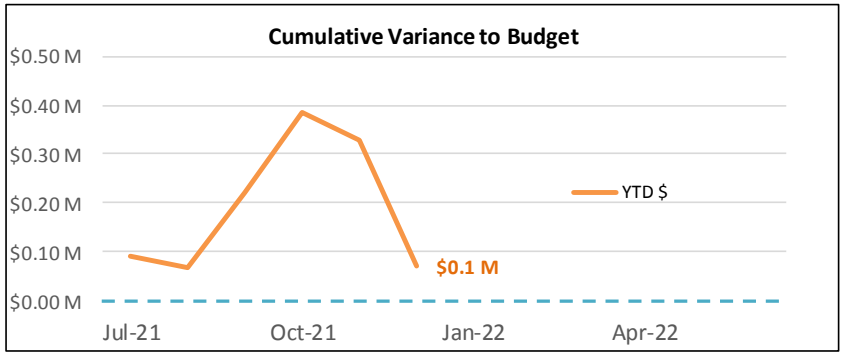


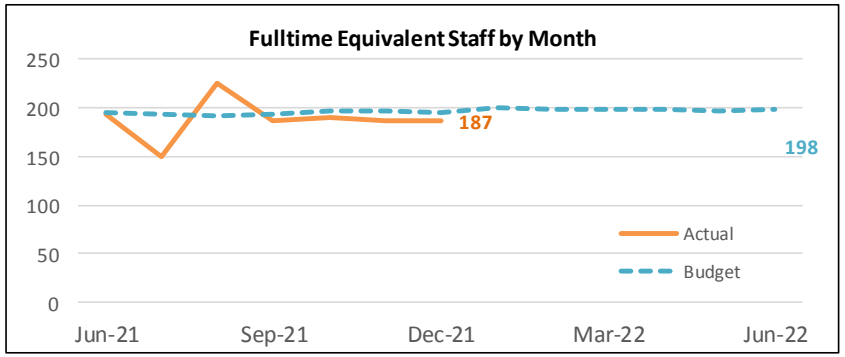
Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**1,058**	**349**	**5,032**	**304**	**8,866**
Expenditure					
Personnel	2,568	(435)	12,144	(218)	24,268
Outsourced Personnel	8	(3)	30	57	114
Sub -Total Personnel	2,576	(439)	12,174	(162)	24,381
Other Outsourced Services	749	(139)	3,990	(329)	7,321
Clinical Supplies	1,268	(16)	7,447	180	15,108
Infrastructure & Non-Clinical	164	(11)	876	75	1,888
Total Operating Expenditure	**4,757**	**(605)**	**24,488**	**(236)**	**48,698**
Provider Payments	401	1	2,406	5	4,821
Corporate Services	219	0	1,314	0	2,629
Surplus/(Deficit)	**(4,318)**	**(255)**	**(23,176)**	**72**	**(47,282)**

FTE					
Medical	40.7	1.0	39.5	0.9	41.5
Nursing	53.6	6.4	54.5	5.9	60.4
Allied Health	62.0	1.7	62.6	1.2	64.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	31.1	(0.8)	31.3	(1.4)	30.1
Total FTE	**187.3**	**8.3**	**187.9**	**6.7**	**196.5**



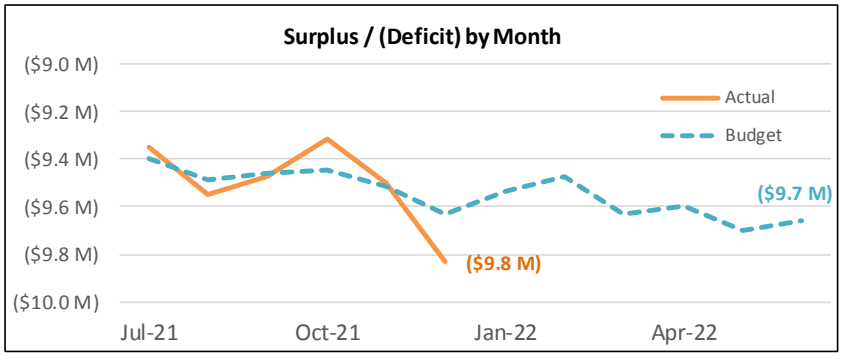


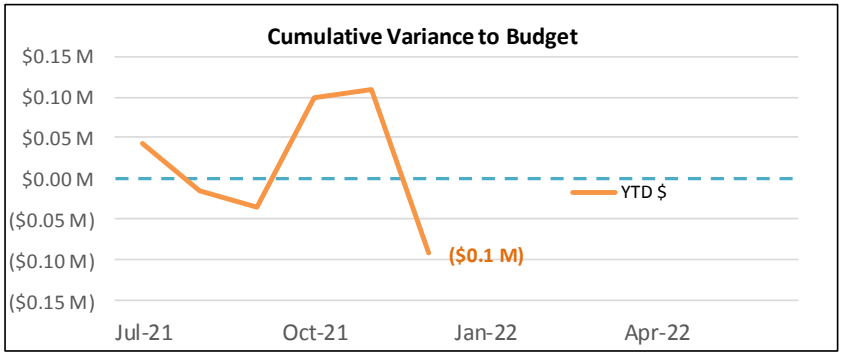


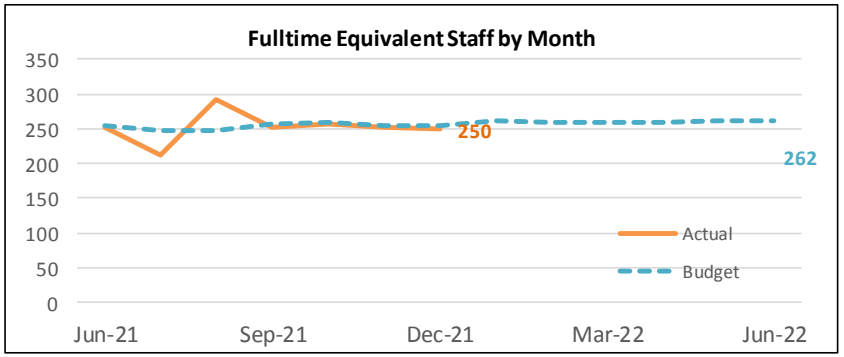
Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**1,229**	**803**	**3,601**	**966**	**5,124**
Expenditure					
Personnel	2,957	(799)	12,762	(669)	24,808
Outsourced Personnel	49	(49)	116	(115)	2
Sub -Total Personnel	3,006	(848)	12,878	(784)	24,810
Other Outsourced Services	82	(20)	427	(48)	749
Clinical Supplies	216	(63)	1,036	(106)	1,846
Infrastructure & Non-Clinical	223	(74)	1,037	(129)	1,804
Total Operating Expenditure	**3,528**	**(1,004)**	**15,378**	**(1,068)**	**29,209**
Provider Payments	7,442	1	44,707	10	89,374
Corporate Services	89	0	533	0	1,066
Surplus/(Deficit)	**(9,829)**	**(201)**	**(57,017)**	**(92)**	**(114,524)**

FTE					
Medical	16.1	0.2	15.7	(0.2)	16.4
Nursing	125.3	(2.4)	128.2	(3.9)	125.8
Allied Health	92.3	6.9	92.0	5.2	98.2
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	16.5	(0.8)	16.3	(0.5)	16.1
Total FTE	**250.2**	**3.9**	**252.2**	**0.6**	**256.6**



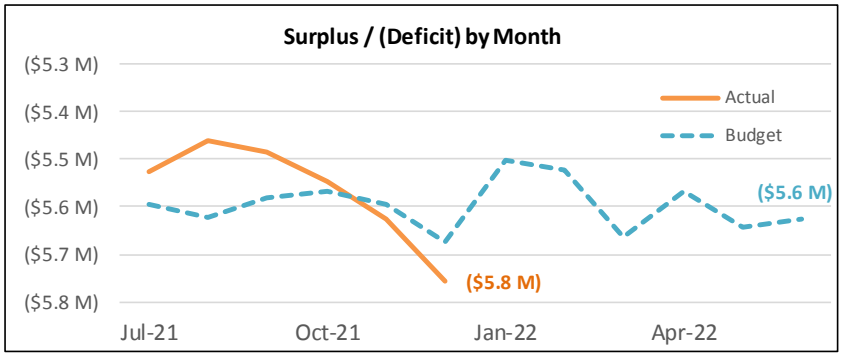


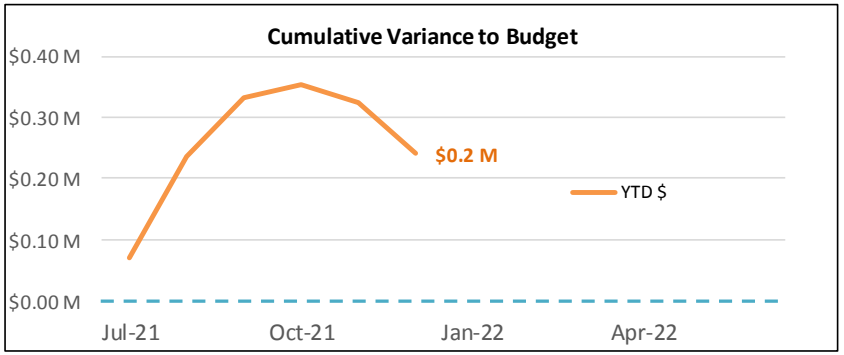


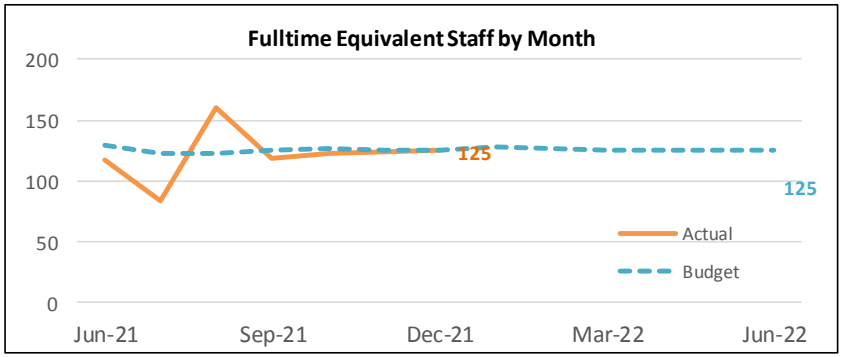
Te Uru Kiriora – Primary, Public and Community Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**1,123**	**375**	**4,991**	**571**	**8,913**
Expenditure					
Personnel	1,504	(447)	6,418	(516)	11,800
Outsourced Personnel	0	0	0	0	0
Sub -Total Personnel	1,504	(447)	6,418	(516)	11,800
Other Outsourced Services	(3)	17	30	55	168
Clinical Supplies	246	(27)	1,197	65	2,499
Infrastructure & Non-Clinical	108	(1)	589	64	1,299
Total Operating Expenditure	**1,854**	**(458)**	**8,234**	**(332)**	**15,766**
Provider Payments	4,921	0	29,527	2	59,058
Corporate Services	104	0	624	0	1,248
Surplus/(Deficit)	**(5,756)**	**(84)**	**(33,395)**	**241**	**(67,160)**

FTE					
Medical	1.8	0.3	1.5	0.5	2.0
Nursing	79.3	0.2	77.8	1.9	80.0
Allied Health	25.7	1.5	25.5	1.1	26.9
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	18.3	(2.4)	17.4	(1.5)	16.0
Total FTE	**125.0**	**(0.4)**	**122.3**	**2.0**	**124.9**



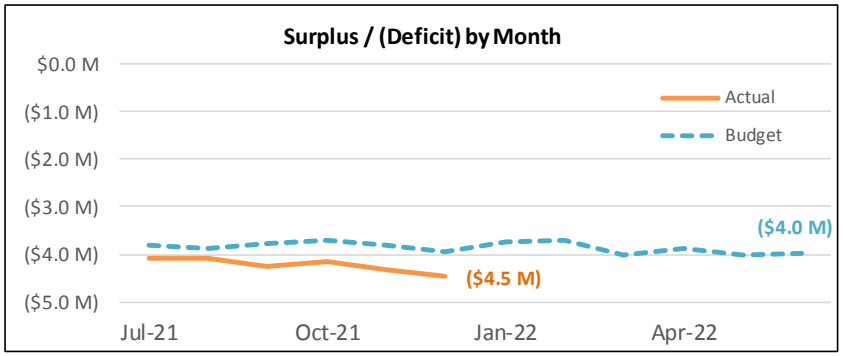


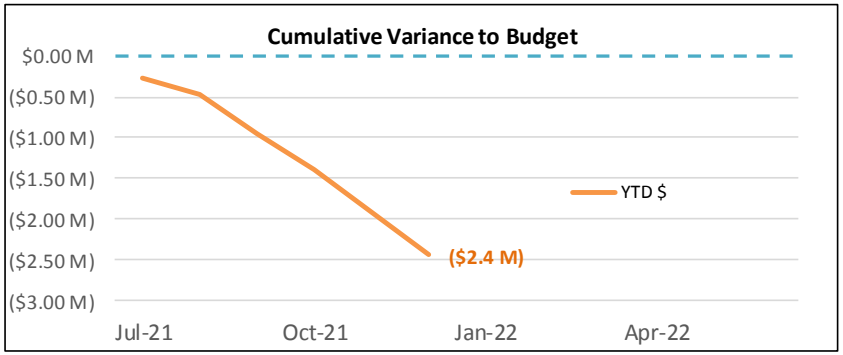


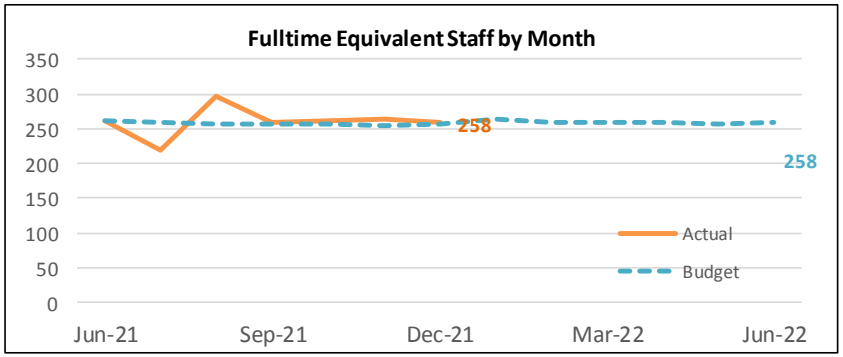
Te Uru Rauhī – Mental Health and Addiction Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**809**	**746**	**1,274**	**906**	**746**
Expenditure					
Personnel	3,361	(914)	14,742	(1,019)	27,686
Outsourced Personnel	361	(253)	2,805	(2,078)	1,335
Sub -Total Personnel	3,722	(1,166)	17,547	(3,097)	29,020
Other Outsourced Services	54	(1)	341	(21)	438
Clinical Supplies	19	(1)	135	(28)	208
Infrastructure & Non-Clinical	239	(94)	1,119	(197)	2,350
Total Operating Expenditure	**4,033**	**(1,263)**	**19,143**	**(3,343)**	**32,017**
Provider Payments	1,239	0	7,435	2	14,872
Corporate Services	14	0	82	0	164
Surplus/(Deficit)	**(4,477)**	**(517)**	**(25,385)**	**(2,436)**	**(46,307)**

FTE					
Medical	20.0	4.9	18.9	5.9	24.8
Nursing	156.7	(3.2)	159.9	(5.1)	155.0
Allied Health	43.8	(3.4)	44.0	(3.5)	40.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	37.6	0.6	37.0	(0.1)	37.9
Total FTE	**258.1**	**(1.2)**	**259.8**	**(2.8)**	**258.2**



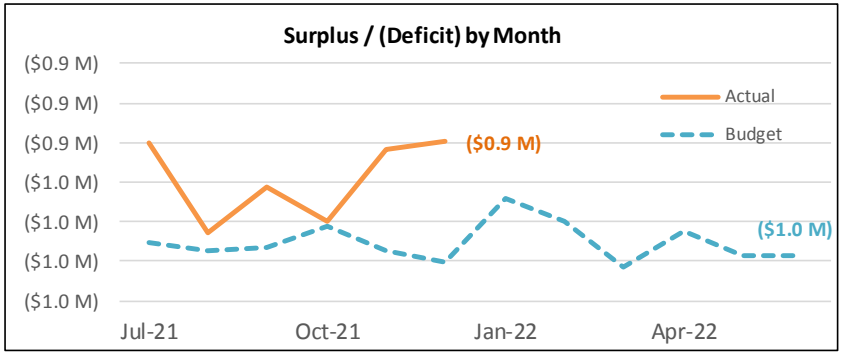


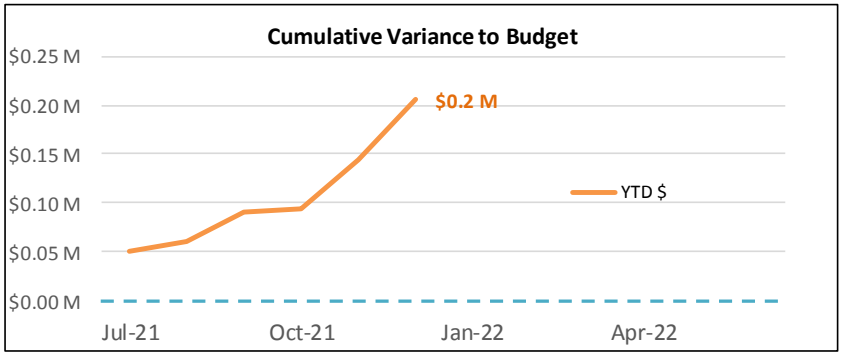


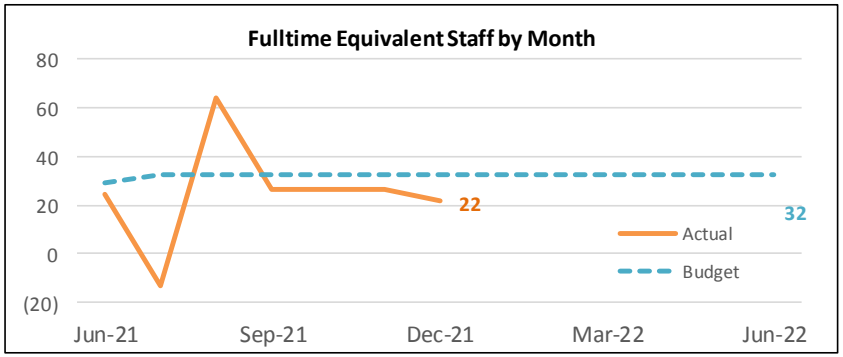
Pae Ora – Paiaka Whaiora Directorate

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**151**	**34**	**695**	**35**	**1,306**
Expenditure					
Personnel	211	54	1,214	292	2,976
Outsourced Personnel	0	0	1	(1)	0
Sub -Total Personnel	211	54	1,215	291	2,976
Other Outsourced Services	0	2	85	(75)	21
Clinical Supplies	0	0	2	1	5
Infrastructure & Non-Clinical	48	(30)	157	(48)	215
Total Operating Expenditure	**260**	**26**	**1,459**	**169**	**3,218**
Provider Payments	830	1	4,986	2	9,975
Corporate Services	0	0	0	0	0
Surplus/(Deficit)	**(939)**	**61**	**(5,750)**	**206**	**(11,886)**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	5.3	3.5	6.7	2.0	8.7
Allied Health	5.8	5.0	7.6	3.2	10.8
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	10.6	2.2	11.0	1.8	12.8
Total FTE	**21.6**	**10.7**	**25.3**	**7.0**	**32.2**



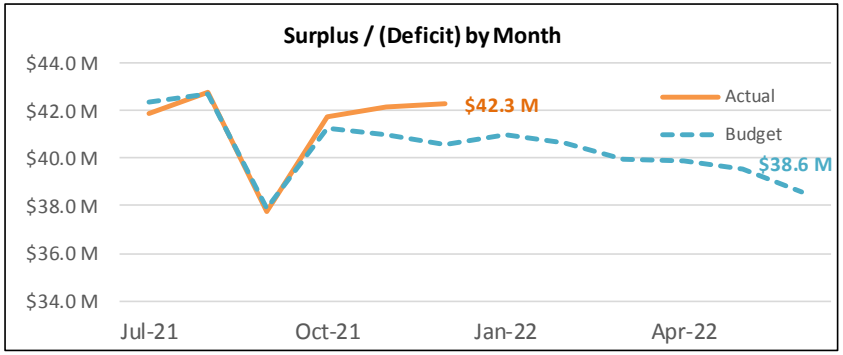


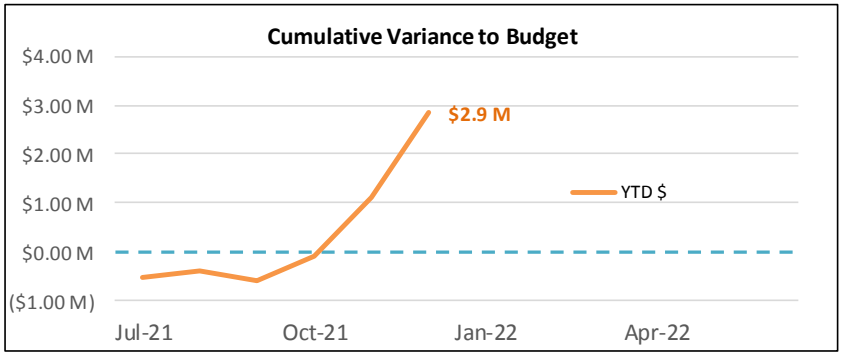


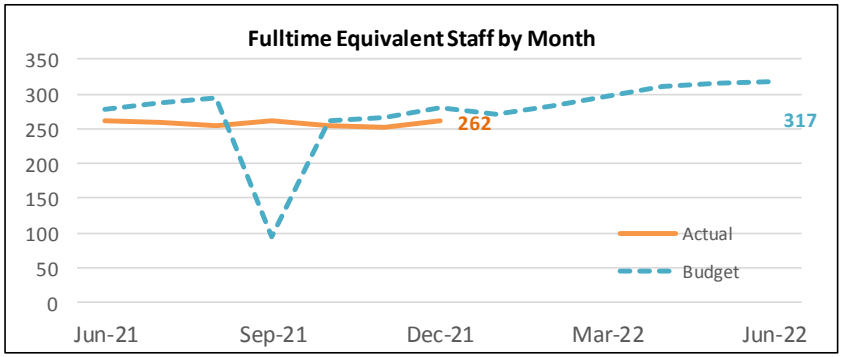
Corporate and Professional Services

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**60,898**	**852**	**364,487**	**4,516**	**720,367**
Expenditure					
Personnel	2,351	308	14,222	(754)	29,810
Outsourced Personnel	377	(199)	2,156	(1,148)	2,518
Sub -Total Personnel	2,728	109	16,378	(1,902)	32,328
Other Outsourced Services	202	(23)	1,114	(41)	2,141
Clinical Supplies	59	37	359	221	1,155
Infrastructure & Non-Clinical	5,889	(139)	31,807	1,958	71,295
Total Operating Expenditure	**8,878**	**(16)**	**49,657**	**236**	**106,919**
Provider Payments	11,081	911	74,408	(1,902)	144,457
Corporate Services	(1,372)	0	(8,231)	0	(16,462)
Surplus/(Deficit)	**42,311**	**1,747**	**248,652**	**2,850**	**485,452**

FTE					
Medical	10.1	(0.8)	9.9	(3.5)	8.3
Nursing	23.3	7.3	22.7	(15.0)	25.5
Allied Health	6.9	(0.2)	6.8	(0.5)	6.7
Support	13.1	1.3	12.8	1.5	14.3
Management / Admin	208.8	10.8	205.1	7.7	218.7
Total FTE	**262.0**	**18.3**	**257.2**	**(9.7)**	**273.5**



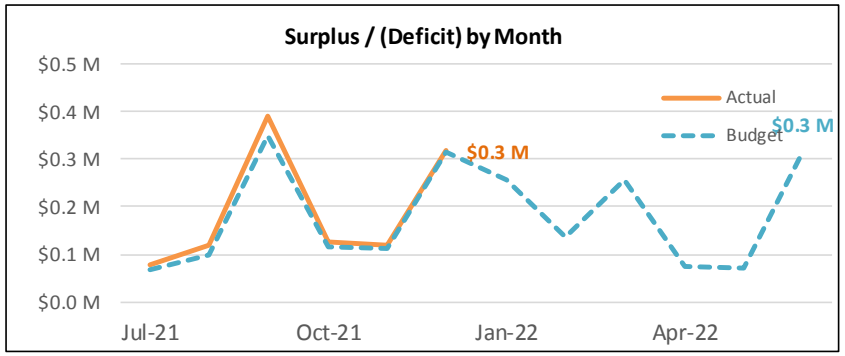


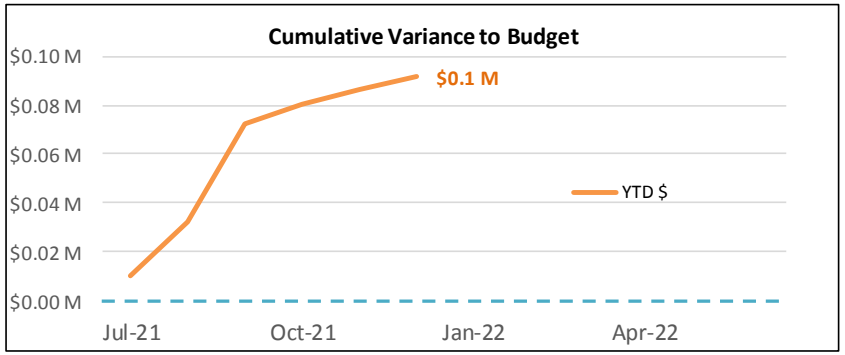


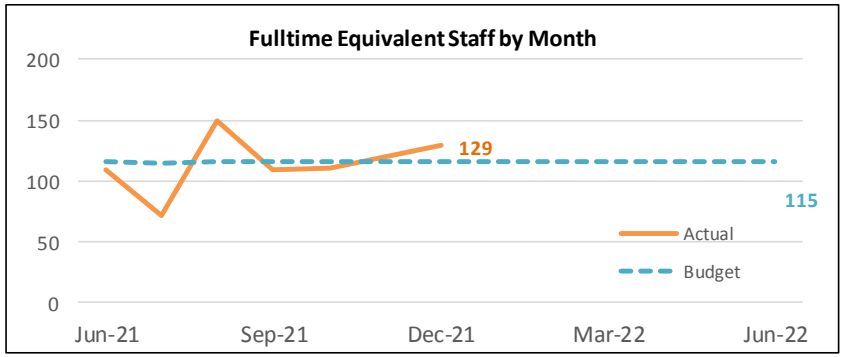
Enable New Zealand

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**5,068**	**1,717**	**21,404**	**2,257**	**38,462**
Expenditure					
Personnel	884	(59)	4,736	4	9,379
Outsourced Personnel	63	(33)	273	(101)	340
Sub -Total Personnel	947	(92)	5,009	(97)	9,719
Other Outsourced Services	0	0	31	(31)	0
Clinical Supplies	5	0	31	1	61
Infrastructure & Non-Clinical	3,747	(1,620)	14,884	(2,038)	25,915
Total Operating Expenditure	**4,699**	**(1,711)**	**19,955**	**(2,165)**	**35,695**
Provider Payments	0	0	0	0	0
Corporate Services	50	0	300	0	600
Surplus/(Deficit)	**319**	**5**	**1,149**	**92**	**2,168**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	0.0	0.0	0.0	0.0	0.0
Allied Health	22.7	8.4	22.4	8.7	31.1
Support	27.0	(11.0)	20.7	(4.7)	16.0
Management / Admin	79.4	(11.1)	71.8	(3.5)	68.3
Total FTE	**129.1**	**(13.7)**	**115.0**	**0.4**	**115.4**







Holidays Act

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since May 2010
Expenditure						
Personnel	403	14	2,426	76	5,003	49,841
Outsourced Personnel	14	33	171	113	569	738
Sub -Total Personnel	417	47	2,597	189	5,572	50,579
Infrastructure & Non-Clinical	19	100	178	536	1,428	1,501
Total Operating Expenditure	**436**	**147**	**2,775**	**725**	**7,000**	**52,080**
Surplus/(Deficit)	**(436)**	**147**	**(2,775)**	**725**	**(7,000)**	**(52,080)**

COVID-19

$000	December 2021 Actual	December 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since March 2020
Net Revenue	**2,313**	**204**	**11,968**	**(2,582)**	**19,929**	**15,008**
Expenditure						
Personnel	853	(207)	4,048	626	7,022	16,078
Outsourced Personnel	103	(56)	348	(66)	283	482
Sub -Total Personnel	956	(263)	4,396	560	7,305	16,560
Other Outsourced Services	942	9	5,326	1,476	9,833	6,788
Clinical Supplies	17	27	211	55	266	304
Infrastructure & Non-Clinical	410	11	1,900	625	2,525	3,106
Total Operating Expenditure	**2,325**	**(216)**	**11,832**	**2,717**	**19,929**	**26,757**
Surplus/(Deficit)	**(13)**	**(13)**	**135**	**135**	**0**	**(11,750)**

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)	1,898	13,479	0	15,377
Mental Health Redevelopment	14,503	14,503	0	741	13,762	0	14,503
Acute Services Block	1,400	0	1,400	0	0	0	0
Linear Accelerator Replacement programme	4,330	4,257	73	3,897	360	355	4,612
Planned Care Production Planning	150	150	0	25	125	0	150
SCoPE (Theatre Audit)	600	600	0	0	600	0	600
TOTAL Externally Funded Items	**33,002**	**34,887**	**(1,885)**	**6,561**	**28,326**	**355**	**35,242**
Major Items							
EDOA / MAPU PODS	5,900	7,000	(1,100)	780	6,220	0	7,000
Telemetry & Monitoring System Replacements	3,278	4,370	(1,092)	544	3,826	0	4,370
Medical Imaging Equipment (incl DSA machine)	3,190	0	3,190	0	0	0	0
Programme of Change Mental Health (FACT)	516	516	0	86	430	0	516
Anaesthetic Machine & Monitor Replacements	2,430	2,430	0	1,085	1,345	0	2,430
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	0	0	0	0
Computerized tomography (CT) Scanner	1,740	0	1,740	0	0	0	0
Regional Health Informatics Programme (RHIP)	1,465	1,465	0	433	1,032	0	1,465
Workstations for Cancer Service	1,357	0	1,357	0	0	0	0
Structural & Seismic Upgrades	1,184	310	874	0	310	0	310
Fluoroscopy Machine	1,140	1,640	0	631	1,009	0	1,640
Bed Replacement Programme	1,000	0	1,000	0	0	0	0
Water Services	1,000	1,800	(800)	0	1,800	0	1,800
Enable NZ IT Programme	800	153	647	153	0	0	153
Chiller Replacements	700	365	335	0	365	16	381
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)	464	1,153	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**	**25,671**	**4,629**	**4,176**	**21,262**	**150**	**23,837**
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	807	1,423	92	715	544	1,351
TOTAL Infrastructure Items	**3,830**	**1,607**	**2,373**	**92**	**1,515**	**544**	**2,151**

($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	624	1,124
Defibrillators	407	0	407	0	0	0	0
SSU Medivators & Washers Replacement	400	935	(535)	0	935	0	935
Endoscopy & Theatre Scopes	350	75	275	75	0	0	75
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	1,038	3,872	290	748	1,464	2,502
TOTAL Clinical Equipment Items	**9,575**	**2,659**	**6,916**	**385**	**2,274**	**2,088**	**4,747**
Information Technology Items							
SAN Rebuild	800	0	800	0	0	0	0
Echo Image Vault	700	700	0	22	678	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	36	631	0	36	860	896
TOTAL Information Technology Items	**3,837**	**1,296**	**2,541**	**22**	**1,274**	**860**	**2,156**
TOTAL CAPITAL EXPENDITURE	**80,044**	**66,120**	**14,574**	**11,236**	**54,651**	**3,997**	**68,133**
Software as a Service Items & Others							
Programme of Change Mental Health (FACT)	2,142	2,142	0	152	1,990	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	165	167	0	332
TOTAL Software as a Service and other Items	**5,717**	**6,201**	**(484)**	**928**	**5,273**	**0**	**6,201**
TOTAL CAPITAL EXPENDITURE & SaaS	**85,761**	**72,321**	**14,090**	**12,165**	**59,923**	**3,997**	**74,334**

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

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?

To	Board
Author	Darryl Ratana, Deputy Chief Financial Officer
Endorsed by	Finance, Risk and Audit Committee Neil Wanden, General Manager, Finance & Corporate Services
Date	3 February 2022
Subject	**Finance Report – November 2021**

RECOMMENDATION

It is recommended that the Board:

- **note** that at its February meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** that the month operating result for November 2021 is a deficit before one-off items of $0.048m, which is $0.593m favourable to budget
- **note** that the year to date result for November 2021 is a deficit before one-off items of $1.417m, which is $0.574m adverse to budget
- **note** that year to date for November 2021 COVID-19 related contribution of $0.148m and Holidays Act costs of $2.339m have been incurred. Including these results in a year to date deficit after exceptional items of $3.608m, which is $0.151m favourable to budget
- **note** that the total available cash and equivalents of $40.392m as of 31 November 2021 is sufficient to support liquidity requirements
- **approve** the November 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 November 2021 is a deficit before one-off items of $0.048m, which is $0.593m favourable to budget.

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

Month to Date

Surplus/(Deficit)
($0.0m)
Budget Variance
$0.593m
92.5%

FTEs
2,417
Budget Variance
37
1.5%

Capex
$2.6m
Budget Variance
$5.9m
69.4%

Cash & Deposits Movement
($0.5m)
Budget Variance
$6.2m
92.5%

The timing of community provider payments impacts revenue recognition with significant but offsetting variances.

Positive planned care included additional payments to compensate for the loss of activity during the first quarter due to Covid-19 restrictions.

FTEs remain below budget with little overall change during the month.

Nursing costs and locum costs continue to be over budget. Locums are due to the use of locums in MHAS.

A significant number of capital items were approved during the month.

Year to Date

Surplus/(Deficit)
($1.4m)
Budget Variance
($0.574m)
(68.1%)

FTEs
2,397
Budget Variance
28
1.2%

Capex
$12.6m
Budget Variance
$18.0m
58.8%

Cash & Deposits
$40.4m
Budget Variance
$9.1m
29.0%

Current Ratio
1.03
Budget Variance
0.22

Reduced Planned Care funding due to the lockdown has been compensated for by the MoH.

FTEs are slightly below budge with nursing FTE now above budget.

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

Capital expenditure is lagging behind budget YTD. However, this will pick up during the year

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)
($19.2m)
Budget Variance
$0.00m
0.0%

FTEs
2,482
Budget Variance
0
0.0%

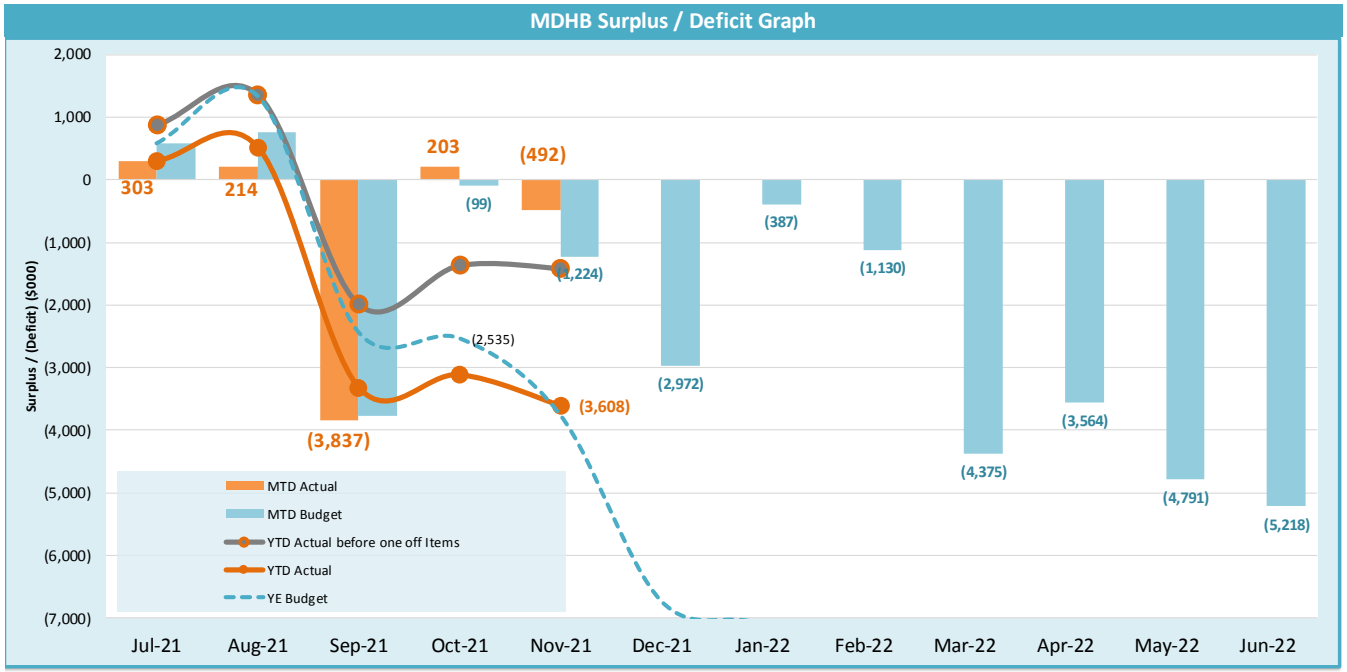
Capex
$85.8m
Budget Variance
$0.0m
0.0%

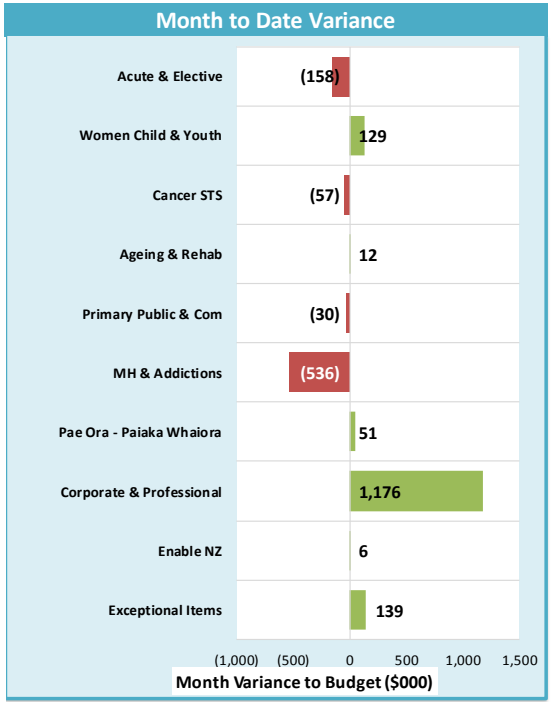
Cash & Deposits
$36.5m
Budget Variance
$0.0m
0.0%

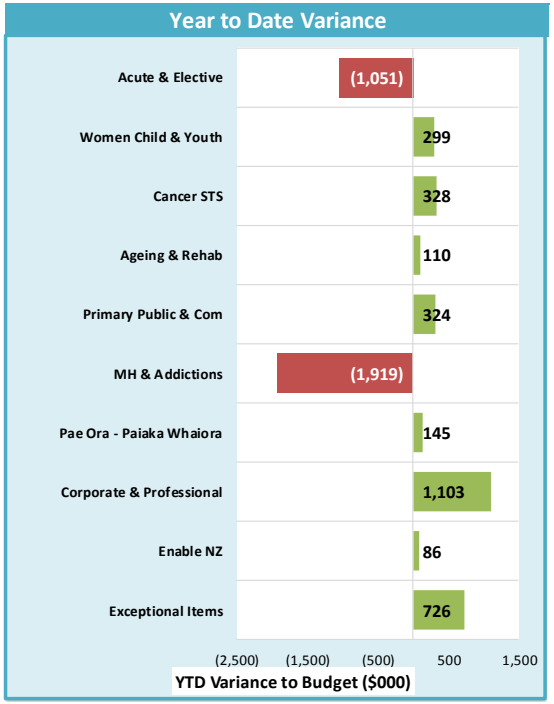
Current Ratio
1.01
Budget Variance
0.20

At this point of the year, the DHB is committed to achieving the planned budget deficit. The forecast provided to the MoH reflects this.

Risks to achieving the budget relate to the move to Software as a Service and the ongoing risk that COVID-19 creates.


MDHB Surplus / Deficit Graph
Surplus / (Deficit) ($000)
2,000
1,000
0
(1,000)
(2,000)
(3,000)
(4,000)
(5,000)
(6,000)
(7,000)
303
214
(3,837)
203
(99)
(492)
(1,224)
(2,535)
(3,608)
(2,972)
(387)
(1,130)
(4,375)
(3,564)
(4,791)
(5,218)
MTD Actual
MTD Budget
YTD Actual before one off Items
YTD Actual
YE Budget
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22
May-22
Jun-22


Month to Date Variance
Acute & Elective (158)
Women Child & Youth 129
Cancer STS (57)
Ageing & Rehab 12
Primary Public & Com (30)
MH & Addictions (536)
Pae Ora - Paiaka Whaiora 51
Corporate & Professional 1,176
Enable NZ 6
Exceptional Items 139
(1,000) (500) 0 500 1,000 1,500
Month Variance to Budget ($000)


Year to Date Variance
Acute & Elective (1,051)
Women Child & Youth 299
Cancer STS 328
Ageing & Rehab 110
Primary Public & Com 324
MH & Addictions (1,919)
Pae Ora - Paiaka Whaiora 145
Corporate & Professional 1,103
Enable NZ 86
Exceptional Items 726
(2,500) (1,500) (500) 500 1,500
YTD Variance to Budget ($000)

2. FINANCIAL COMMENTARY

Adverse variances are in brackets unless stated otherwise.

2.1 Financial Performance

The MidCentral District Health Board (MDHB) result for November 2021 is a deficit before one-off items of $0.048m and is $0.593m favourable to budget. Net revenue for the month is $5.242m favourable to budget, and this is primarily offset by expenditure which is $4.654m adverse to budget. The year to date result is $1.417m, which is $0.574m adverse to budget.

A year to date COVID-19 related contribution of $0.148m and Holidays Act costs of $2.339m have been incurred. This results in a year to date deficit of $3.608m when these one-off items are included.

The Statement of Financial Performance is shown in the following table. Costs relating to the Holidays Act and COVID-19 are disclosed separately to view the underlying performance. While the financial performance to date is behind budget, the forecast presented to the Ministry of Health indicates a year-end deficit in line with the revised budget.

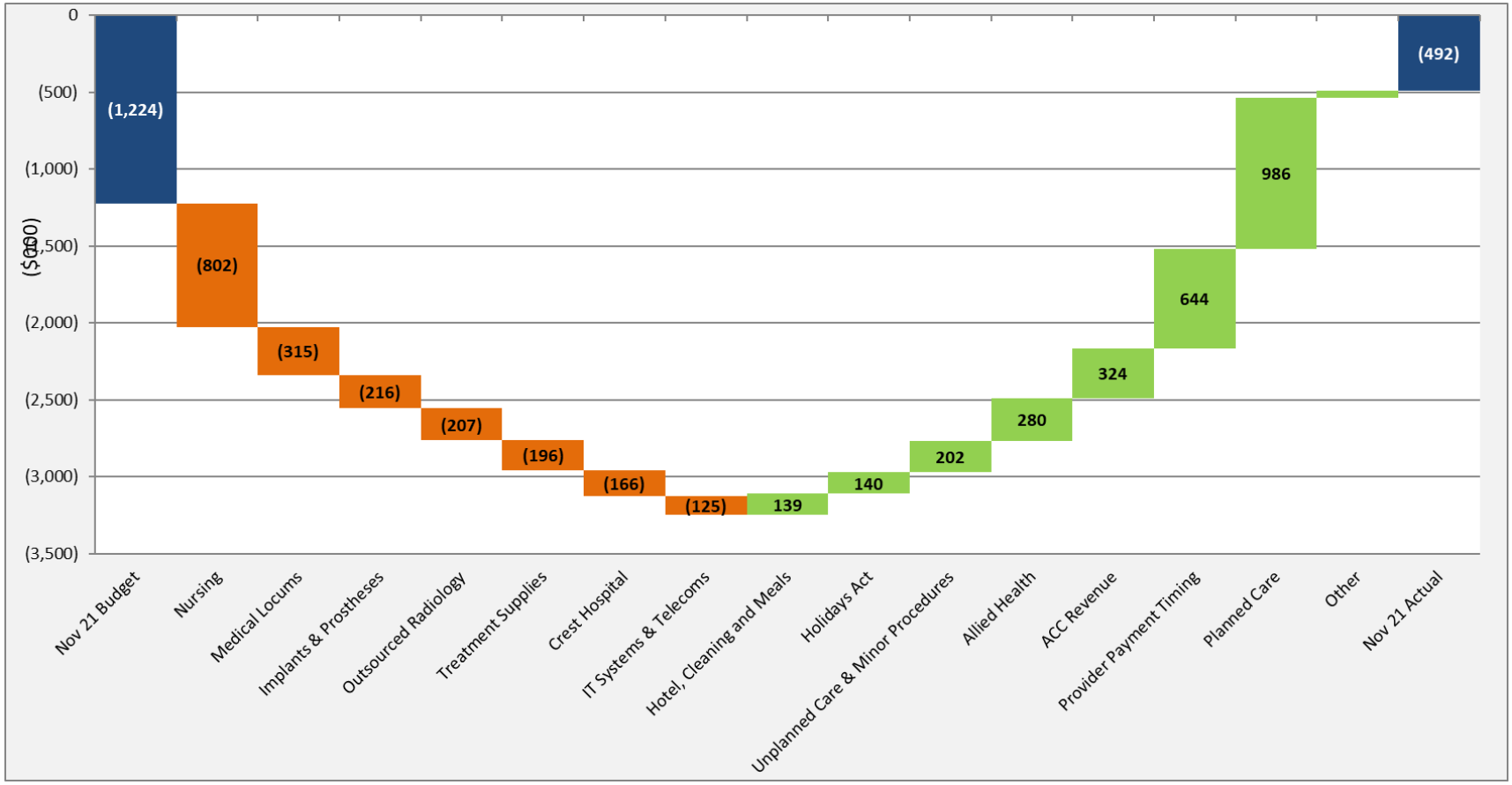
BOARD REPORT

$000	November 2021 Actual	November 2021 Budget	November 2021 Variance	Year to date Actual	Year to date Budget	Year to date Variance	Year End Budget
Net Revenue	**69,624**	**64,383**	**5,242** ✓	**327,306**	**322,095**	**5,211** ✓	**772,680**
Expenditure							
Medical	6,986	7,006	20 ✓	33,351	33,796	445 ✓	85,338
Nursing	9,555	8,753	(802) ✗	45,353	43,668	(1,684) !	110,673
Allied Health	3,206	3,465	259 ✓	15,780	16,550	770 ✓	40,912
Support	148	174	26 ✓	744	845	101 ✓	2,044
Management / Admin	3,277	3,302	25 ✓	16,157	15,946	(210) !	39,094
Personnel	23,173	22,699	(474) !	111,384	110,805	(579) !	278,061
Outsourced Personnel	1,095	354	(742) ✗	5,007	1,839	(3,168) ✗	4,685
Sub -Total Personnel	24,268	23,053	(1,215) ✗	116,391	112,644	(3,746) !	282,746
Other Outsourced Services	3,021	2,318	(704) ✗	12,386	11,246	(1,140) ✗	27,066
Clinical Supplies	5,752	5,337	(415) ✗	27,500	26,748	(752) !	65,534
Infrastructure & Non-Clinical	6,955	7,175	220 ✓	33,573	36,126	2,553 ✓	91,009
Provider Payments	29,844	27,303	(2,540) ✗	139,953	137,167	(2,787) !	328,288
Total Operating Expenditure	**69,839**	**65,185**	**(4,654)** ✗	**329,803**	**323,931**	**(5,872)** !	**794,643**
Operating Surplus/(Deficit)	**(215)**	**(802)**	**587** ✓	**(2,497)**	**(1,836)**	**(661)** ✗	**(21,963)**
Enable NZ Contribution	167	161	6 ✓	1,080	993	86 ✓	2,768
Surplus/(Deficit) Before One-Off Items	**(48)**	**(641)**	**593** ✓	**(1,417)**	**(843)**	**(574)** ✗	**(19,195)**
Holidays Act	(444)	(583)	140 ✓	(2,339)	(2,917)	578 ✓	(7,000)
Covid-19	(0)	0	(0) ✗	148	0	148 ✓	(0)
Surplus/(Deficit)	**(492)**	**(1,224)**	**732** ✓	**(3,608)**	**(3,760)**	**151** ✓	**(26,195)**

FTE							
Medical	370.9	377.9	7.0 ↓	359.3	371.9	12.6 ↓	380.4
Nursing	1,126.5	1,114.6	(11.9) →	1,116.6	1,105.6	(11.0) →	1,138.1
Allied Health	424.7	444.0	19.3 ↓	424.0	438.1	14.0 ↓	442.7
Support	29.0	33.4	4.4 ↓	29.7	33.4	3.6 ↓	33.4
Management / Admin	466.2	484.0	17.7 ↓	467.5	476.1	8.7 ↓	487.0
Operating FTE	**2,417.3**	**2,453.9**	**36.6** ↓	**2,397.1**	**2,425.0**	**27.9** ↓	**2,481.5**
Enable NZ	119.7	115.4	(4.3) →	112.1	115.4	3.2 ↓	115.4
Holidays Act	4.0	5.0	1.0 ↓	4.2	5.0	0.8 ↓	5.0
Covid-19	82.8	89.2	6.4 ↓	80.9	79.9	(1.0) →	66.1
Total FTE	**2,623.8**	**2,663.5**	**39.7** ↓	**2,594.3**	**2,625.3**	**31.0** ↓	**2,668.0**

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

MAJOR VARIANCES TO BUDGET FOR THE MONTH



Revenue that is favourable to budget continues to be impacted by the timing of community provider payments. These payments are $2.540m adverse to budget and are offset by favourable revenue to fund the payments. The remaining favourable revenue relates to positive outcomes across the DHB. These include:

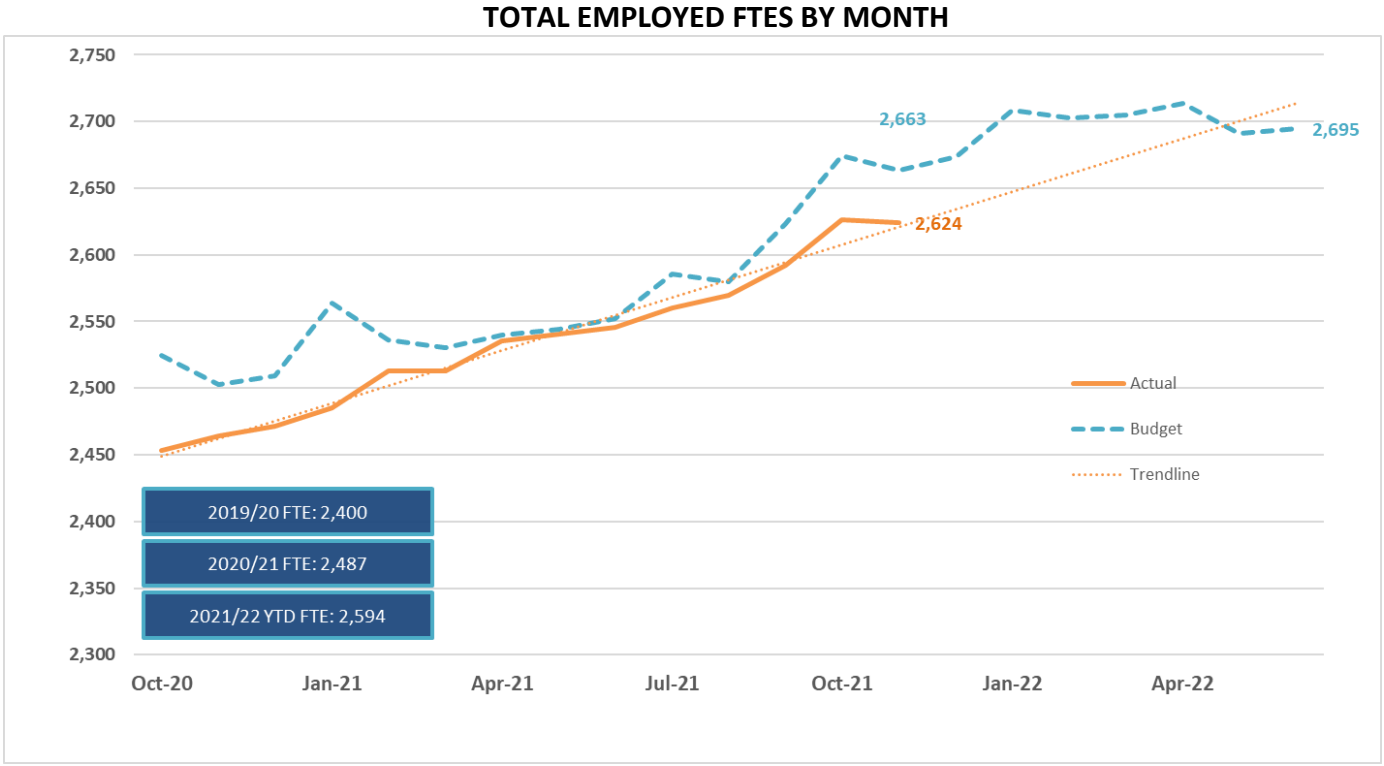
- Planned (elective), Unplanned (acute) activity and minor procedures in Te Uru Arotau - Acute and Elective Specialist Services ($1.080m). Planned care included additional payments to compensate for the loss of activity during the first quarter due to Covid-19 restrictions.
- Planned (elective), in Te Uru Pā Harakeke – Healthy Women, Children and Youth Services ($0.118m). This also included an element of compensation for lost activity in the first quarter of the year.

- Pay Equity funding of $0.299m to reimburse for payments to nursing staff in Te Uru Pā Harakeke and Te Uru Kiriora – Primary, Public and Community Services. This will be followed by further pay equity funding during the following months as staff in other Directorates are paid.

Full-time Equivalent staffing (FTE) for the month are as follows:

- FTEs remain below budget by 40 for the month and 31 FTE year to date. Overall FTE numbers are unchanged from last month, which had an increase of 34, mainly in nursing.

- Medical staff are below budget by 13 FTE for the year. Te Uru Arotau – Acute and Elective Specialist Services are eight below budget. Due to radiologist vacancies. A further six exist in Te Uru Rauhī – Mental Health and Addiction Services. These are being covered by locums. Nursing staff are 13 FTE above budget for the year. Allied Health FTEs are 22 FTE below budget for the year with seven vacancies relating to Medical Radiation Technician's in medical imaging (Te Uru Arotau – Acute and Elective Specialist Services). The table below shows the total FTEs by month for this 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 adverse by $0.474m. Recruitment & relocation costs for medical staff account for $0.122m of this variance and are spread across Clusters. The largest variance relates to nursing personnel. This is $0.802m adverse for the month and $1.684m adverse year to date. It is where budget reductions have had the most significant impact.
- Outsourced locum costs were also adverse. As with previous months, adverse locum costs reside in Te Uru Rauhī – Mental Health and Addictions. Nursing was equally responsible for the adverse Outsourced personnel result in November
- Other Outsourced Services were significantly adverse to budget due to radiology costs ($0.207m) and Crest ($0.166m) in Te Uru Arotau and Te Uru Mātai Matengau.
- Treatment supply costs impacted adverse Clinical Supplies, instruments and surgical implants were above budget by $0.196m, $0.154m and $0.216m, respectively.
- Infrastructure and Non-Clinical costs are $0.220m favourable to budget, with the fundamental cause of this variance being contracted hotel, cleaning and meal costs ($0.138m) and professional fees ($0.071m).

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 $2.335m of costs offset by funding received for immunisation, surveillance and isolation. Both revenue and expenditure are close to that budgeted.

2.2 Financial Performance by Service

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

$000	November 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Acute & Elective Specialist Services	(14,672)	(14,515)	(158) !	(73,040)	(71,990)	(1,051) !	(178,476)
Healthy Women, Children and Youth	(3,210)	(3,340)	129 ✓	(16,145)	(16,445)	299 ✓	(41,179)
Cancer Screening, Treatment & Support	(4,039)	(3,982)	(57) !	(18,858)	(19,186)	328 ✓	(47,282)
Healthy Ageing & Rehabiliation	(9,500)	(9,511)	12 ✓	(47,188)	(47,297)	110 ✓	(114,524)
Primary, Public & Community	(5,626)	(5,596)	(30) !	(27,639)	(27,963)	324 ✓	(67,160)
Mental Health & Addictions	(4,331)	(3,795)	(536) ✗	(20,908)	(18,989)	(1,919) ✗	(46,307)
Pae Ora - Paiaka Whaiora	(943)	(995)	51 ✓	(4,811)	(4,956)	145 ✓	(11,886)
Corporate & Professional Services	42,156	40,980	1,176 ✓	206,341	205,238	1,103 ✓	485,452
Enable NZ	117	111	6 ✓	830	743	86 ✓	2,168
Surplus/(Deficit) Before One-Off Items	**(48)**	**(641)**	**593** ✓	**(1,417)**	**(843)**	**(574)** ✗	**(19,195)**
Exceptional Items	(444)	(583)	139 ✓	(2,191)	(2,917)	726 ✓	(7,000)
Surplus/(Deficit)	**(492)**	**(1,224)**	**732** ✓	**(3,608)**	**(3,760)**	**151** ✓	**(26,195)**

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 had an adverse month variance despite favourable revenue. Revenue was boosted by additional planned care funding. The MoH agreed to compensate DHBs for the loss of activity during the first quarter due to COVID-19 restrictions by making an up to target payment for that period. The impact on this Directorate was $0.878m. Funding for unplanned care and minor procedures also contributed to favourable revenue. However, several adverse expenditure items more than offset revenue. This included staff overtime ($0.115m), outsourced expenses for Crest ($0.166m) and radiology services ($0.207m) and clinical supply costs.

- Te Uru Pā Harakeke – Healthy Women, Children and Youth Services is favourable to budget by $0.129m with favourable planned care funding of $0.108m playing a significant role. While personnel costs were adverse to budget for the month, this was for early pay equity payments and offset by revenue.
- The month result for Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services was close, albeit adverse to budget. This is largely due to outsourced radiology costs and partially offset by positive breast screening revenue.
- Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services is close to budget for the month. ACC revenue had another good month and was $0.050m higher than anticipated.
- Te Uru Kiriora – Primary, Public and Community Services is close to budget for the month. Adverse nursing costs was for early pay equity payments and offset by revenue.
- Due to adverse personnel costs, Te Uru Rauhī – Mental Health and Addiction Services is adverse to budget by $0.536m for the month and $1.919m adverse for the year. The cost of locum cover is partially offset medical staff vacancies. However, the net result is leading to an average monthly adverse variance that is circa $0.420m.
- Corporate and Professional Services comprises all executive and enabler functions. The favourable month result is mainly due to favourable net revenue variance relating to the timing of community provider payments. Other favourable variances include contracted hotel, cleaning, and meal costs ($0.188m) and professional fees ($0.054m).
- Exceptional Items contains organisation-wide costs for COVID-19 and Holidays Act. Refer to sections 2.3 and 2.4 below.
- The November 2021 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	November 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Funding Division	2,252	2,211	41 ✔	8,367	9,326	(959) ✖	41,236
MidCentral Provider	(2,958)	(3,547)	589 ✔	(13,949)	(13,829)	(120) !	(69,599)
Enable NZ	117	111	6 ✔	830	743	86 ✔	2,168
Governance	97	(0)	97 ✔	1,144	(0)	1,144 ✔	0
Surplus/(Deficit)	**(492)**	**(1,224)**	**732** ✔	**(3,608)**	**(3,760)**	**151** ✔	**(26,195)**

2.3 Holidays Act

Holidays Act related costs of $0.444m are $0.140m 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. 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 November 2021 was $49.273m 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 $1.875m 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 November was close to budget for the month. Revenue received was $2.335m and offset operating expenditure of the same quantum. 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 in the balance sheet rather than an operating expense.

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 appear to be close to target on a year to date basis, albeit some savings targets are weighted toward the second half of the year.	
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. COVID-19 outbreaks and periodic lockdowns will likely become commonplace. The expectation of widespread Omicron infection affecting a high proportion of workforce availability would result in substantive costs for covering sick leave. Management is building strategies to best deal with this.	
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.	Negotiations with the NZNO and MERAS are coming to a conclusion near completion. The additional funding support for the settlement is currently being assessed.	
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 1st 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.	
Cloud Technology		
Many proposed information technology solutions favour software as a Service (SaaS) and Platform as a Service (PaaS). This move away from on-premise solutions 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 impact this year's financial performance will depend on the timing of implementation.	

2.7 **Financial Position**

The main Balance Sheet budget variances as of 30 November 2021 are related to the timing of capital expenditure which is later than anticipated and results in lower than budgeted non-current assets. Higher cash and deposit balances of $54.950m and Ministry of Health invoicing have resulted in higher than budgeted current assets. Significant capital expenditure is budgeted for the 2021/22 year, and the projected year-end cash and deposits balance remains as budgeted.

$000	Jun-21	Nov-21		
	Actual	Actual	Budget	Variance
TOTAL ASSETS				
Non Current Assets	293,387	294,051	319,213	(25,162)
Current Assets	68,877	79,718	65,410	14,308
Total Assets	**362,264**	**373,769**	**384,623**	**(10,854)**
TOTAL EQUITY AND LIABILITIES				
Equity	207,943	210,107	214,700	4,593
Non Current Liabilities	6,278	6,312	6,277	(35)
Current Liabilities	148,043	157,350	163,647	6,297
Total Equity and Liabilities	**362,264**	**373,769**	**384,623**	**10,854**

2.8 Cash Flows

While total available cash and deposit balances are favourable to budget by $9,074m, overall cash flows reflect an unfavourable variance to the budget of $0.767m. Operating cash flows are unfavourable due to the timing of revenue received for Covid-19 related activities and provider contracts 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.

	Jun-21	Nov-21		
$000	Actual	Actual	Budget	Variance
Net Cash Flow from Operating Activities	24,384	10,668	25,312	(14,644) ✖
Net Cash Flows from Investing Activities	(20,859)	(11,770)	(30,595)	18,825 ✔
Net Cash Flows from Financing Activities	5,980	5,005	9,953	(4,948) ✖
Net increase / (decrease) in cash	**9,505**	**3,903**	**4,670**	**(767)** ✖
Cash at beginning of year	26,984	36,489	26,648	9,841 ✔
Closing cash	**36,489**	**40,392**	**31,318**	**9,074** ✔

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.

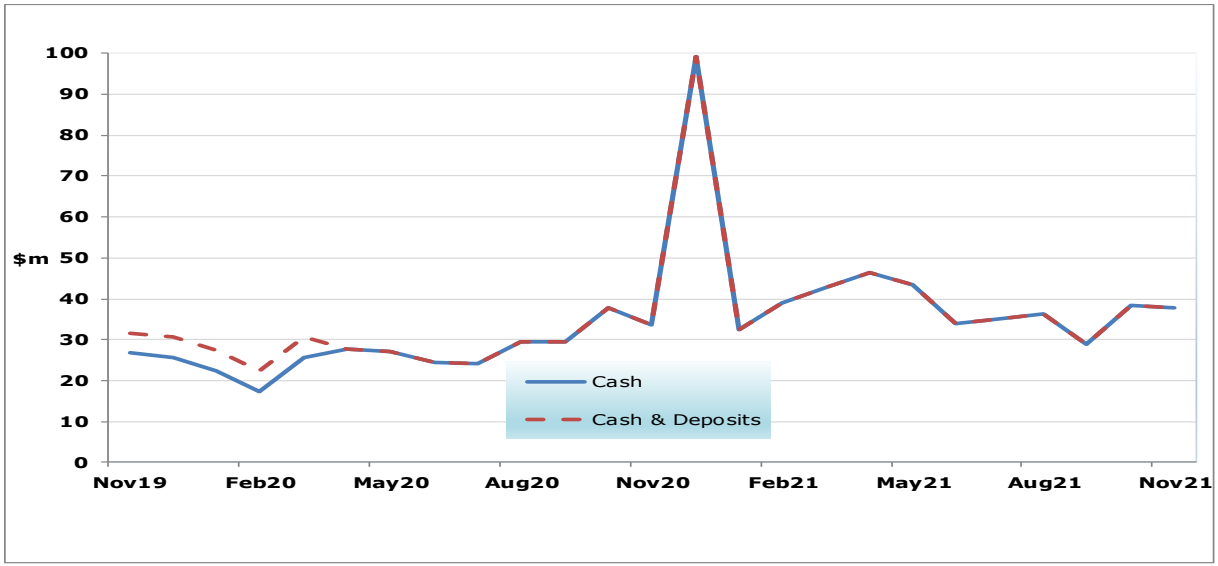
Nov-21	Rate	Value $000
NZHP Sweep Balance	0.84%	37,369
Cash in Hand and at Bank		2
Trust Accounts		2,594
Enable New Zealand Cash Balances		427
		40,392
Total Cash Balance		**40,392**

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

Cash Reconciliation	Nov-21 $000	Year to date $000
Cash at October 2021	40,968	36,489
Surplus / (Deficit) for mth	(492)	(3,608)
Depreciation / Amortisation	2,267	11,429
Sale of fixed assets	5	7
Working capital movement	(165)	3,013
Share of associate net surplus/deficit	-	-
Capital expenditure	(2,535)	(12,100)
Loan/finance lease repayments	(17)	(84)
Trusts movement	(18)	132
Equity injections - capital	379	5,114
Cash Balance at month end	**40,392**	**40,392**

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. This will reoccur in 2021.

CASH BALANCES



The DHB sector as a whole is experiencing liquidity pressure due to the continuation of operating deficits. On behalf of all DHBs, New Zealand Health Partnerships has been in ongoing discussion with the Ministry and Treasury on ways to resolve this and the need for urgent 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). Funding for these projects commenced in the previous financial year. The bulk of the drawdowns will occur 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	1,036	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

A total of $11.826m was approved during November, bringing total approvals to $70.686m against the annual capex plan of $85.761m. Significant approvals included the Telemetry & Monitoring System Replacements ($4.000m), end user compute replacement programme ($3.540m), SSU Medivators & Washers Replacement ($0.935m) and network switch upgrades ($0.500m). Approvals also included a Software as a Service Solution for WebPAS ($1.240m), originally planned as a capital spend.

Capital Approvals ($000)		
	Nov-21	**YTD**
Approvals	11,826	70,686
Remaining Budget	(11,416)	15,795
Total	**410**	**86,481**
Capital Budget	0	85,761
Unbudgeted Capital	410	720
Total	**410**	**86,481**

Capital expenditure for the month was $2.635m, bringing total spending for the year to $12.600m. November expenditure against 2021/22 approved capital items totalled $0.1533m and with the majority spend on SPIRE, Anaesthetic Machine & Monitor Replacements.

Capital Expenditure & SaaS ($000)		
	Nov-21	**YTD**
Prior Year Capex	1,102	3,596
Current Year Capex	1,352	8,308
Current Year SaaS	180	695
Total	**2,635**	**12,600**

Year to date expenditure on items approved in the prior year is $1.102m. This leaves $0.513m of prior-year approvals that are yet to be spent. Note that the lag between project approval and project expenditure across financial periods is typical.

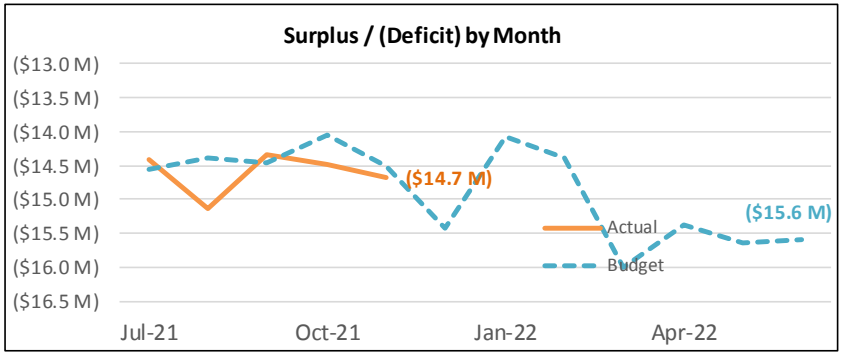
Further detail is provided in Appendix Two – Capital Expenditure. Several proposed information technology items, identified as capital when compiling the 2021/22 capex plan, are being undertaken as Software as a Service (SaaS). Under this model, the service provider is offering a subscription to use 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.

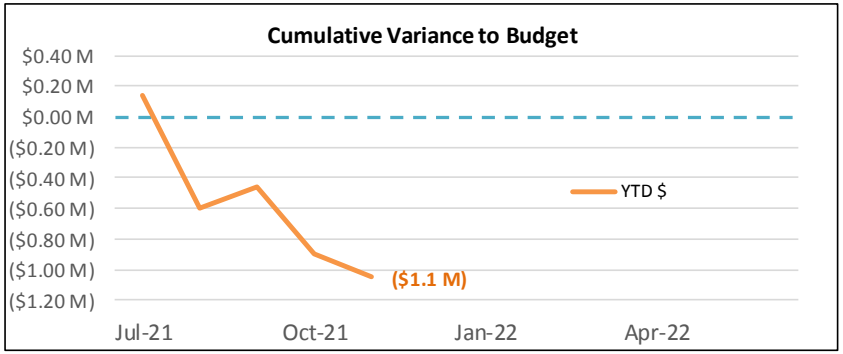
APPENDIX ONE – FINANCIAL PERFORMANCE BY SERVICE

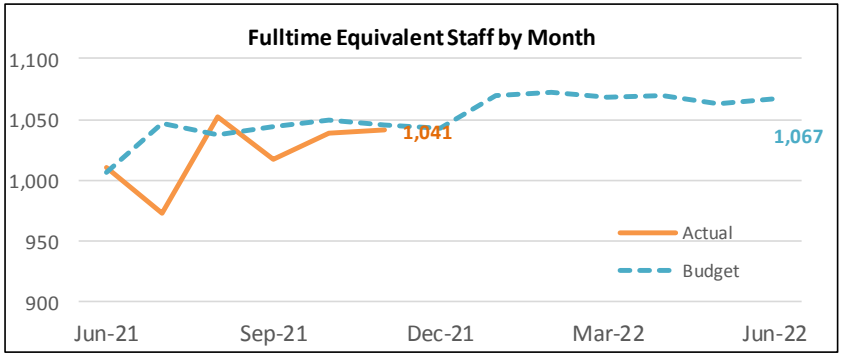
Te Uru Arotau – Acute and Elective Specialist Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**2,872**	**1,024**	**10,077**	**973**	**21,837**
Expenditure					
Personnel	10,244	(190)	50,110	(175)	123,891
Outsourced Personnel	98	(55)	441	(220)	516
Sub -Total Personnel	10,341	(245)	50,551	(395)	124,407
Other Outsourced Services	1,700	(386)	6,996	(730)	15,301
Clinical Supplies	3,736	(467)	17,478	(1,301)	40,401
Infrastructure & Non-Clinical	865	(85)	3,569	395	9,359
Total Operating Expenditure	**16,642**	**(1,182)**	**78,594**	**(2,031)**	**189,468**
Provider Payments	19	0	109	7	252
Corporate Services	883	0	4,414	0	10,593
Surplus/(Deficit)	**(14,672)**	**(158)**	**(73,040)**	**(1,051)**	**(178,476)**

FTE					
Medical	235.5	4.9	230.6	8.7	241.8
Nursing	526.0	(10.3)	516.9	1.3	525.5
Allied Health	132.9	5.9	132.0	6.0	138.6
Support	16.7	2.3	16.9	2.1	19.0
Management / Admin	130.0	0.9	128.0	1.9	131.2
Total FTE	**1,041.1**	**3.7**	**1,024.4**	**20.1**	**1,056.2**



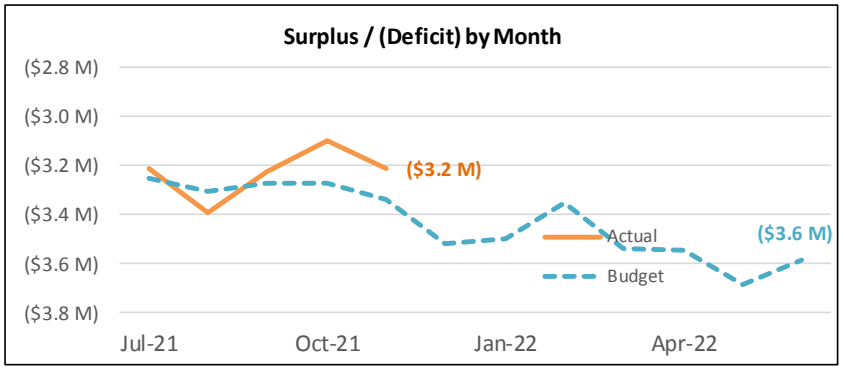


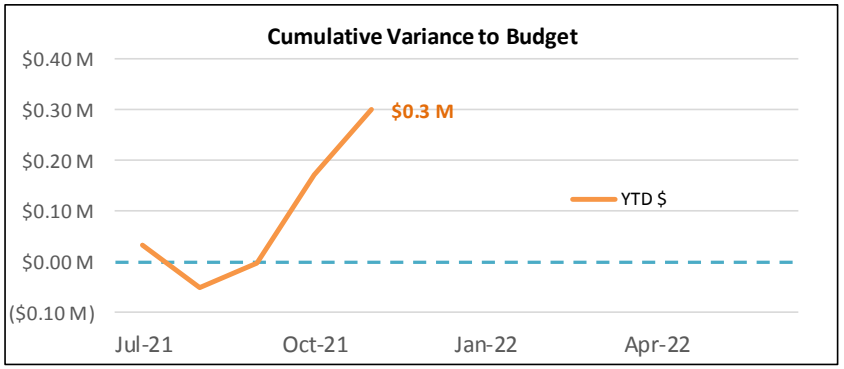


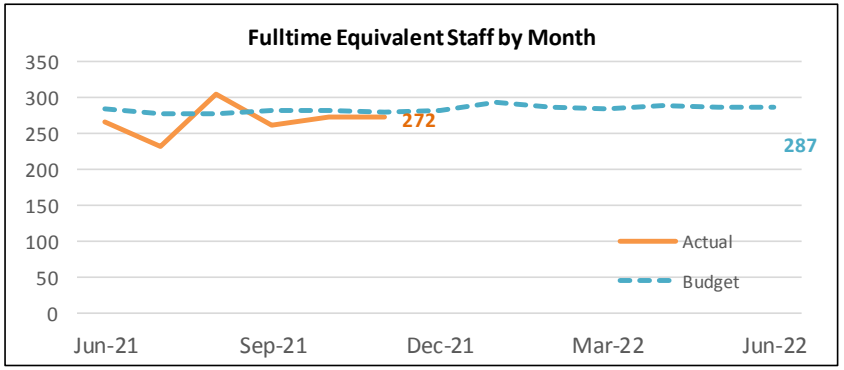
Te Uru Pā Harakeke – Healthy Women, Children and Youth Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**736**	**277**	**2,419**	**99**	**5,521**
Expenditure					
Personnel	2,826	(193)	12,721	247	32,822
Outsourced Personnel	5	11	254	(166)	201
Sub -Total Personnel	2,831	(182)	12,975	81	33,023
Other Outsourced Services	99	(15)	488	(115)	927
Clinical Supplies	327	35	1,654	145	4,312
Infrastructure & Non-Clinical	220	13	1,091	86	2,798
Total Operating Expenditure	**3,477**	**(148)**	**16,207**	**198**	**41,059**
Provider Payments	455	0	2,289	2	5,479
Corporate Services	14	0	68	0	162
Surplus/(Deficit)	**(3,210)**	**129**	**(16,145)**	**299**	**(41,179)**

FTE					
Medical	46.1	(1.4)	43.8	0.5	45.5
Nursing	117.9	1.8	118.0	3.2	122.4
Midwives	31.5	2.8	30.7	3.9	34.7
Allied Health	53.8	3.2	53.2	2.3	56.6
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	22.3	2.0	22.4	1.4	24.2
Total FTE	**271.5**	**8.4**	**268.1**	**11.2**	**283.4**



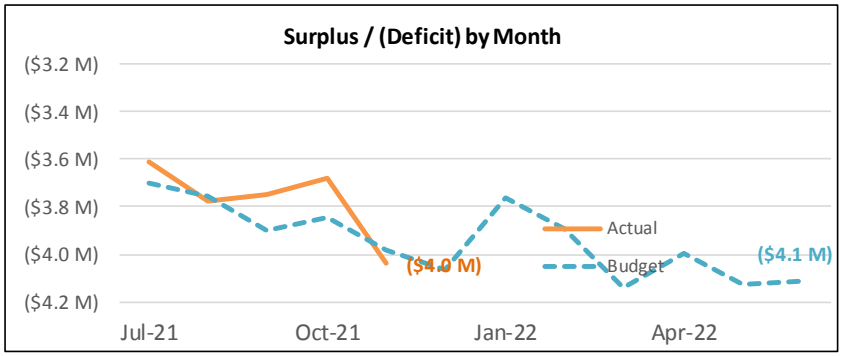


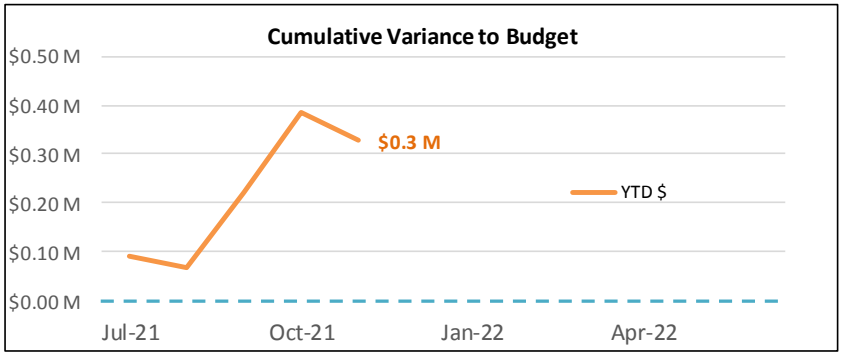


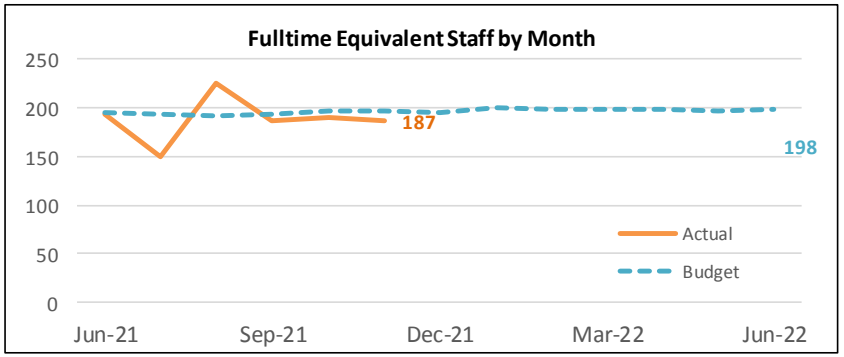
Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**723**	**21**	**3,973**	**(45)**	**8,866**
Expenditure					
Personnel	1,949	84	9,576	217	24,268
Outsourced Personnel	(3)	26	22	60	114
Sub -Total Personnel	1,946	110	9,598	277	24,381
Other Outsourced Services	848	(238)	3,241	(190)	7,321
Clinical Supplies	1,193	46	6,180	196	15,108
Infrastructure & Non-Clinical	154	5	712	86	1,888
Total Operating Expenditure	**4,141**	**(77)**	**19,731**	**369**	**48,698**
Provider Payments	402	0	2,005	4	4,821
Corporate Services	219	0	1,095	0	2,629
Surplus/(Deficit)	**(4,039)**	**(57)**	**(18,858)**	**328**	**(47,282)**

FTE					
Medical	40.2	1.6	39.3	0.9	41.5
Nursing	54.2	5.9	54.6	5.8	60.4
Allied Health	62.1	2.1	62.8	1.0	64.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	31.0	(0.7)	31.3	(1.5)	30.1
Total FTE	**187.5**	**8.7**	**188.0**	**6.3**	**196.5**



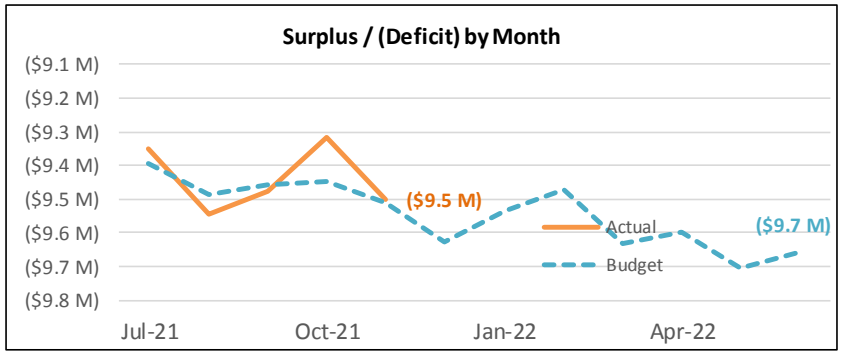


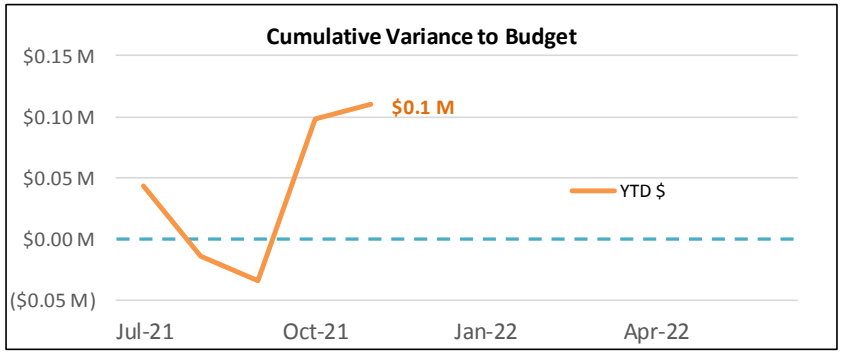


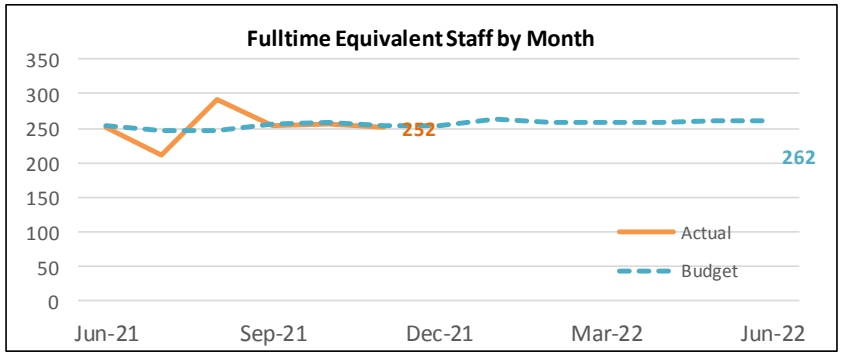
Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**477**	**55**	**2,372**	**163**	**5,124**
Expenditure					
Personnel	2,003	32	9,806	129	24,808
Outsourced Personnel	38	(38)	66	(66)	2
Sub -Total Personnel	2,041	(6)	9,872	63	24,810
Other Outsourced Services	93	(31)	345	(28)	749
Clinical Supplies	167	(13)	819	(43)	1,846
Infrastructure & Non-Clinical	158	(7)	814	(55)	1,804
Total Operating Expenditure	**2,458**	**(57)**	**11,850**	**(63)**	**29,209**
Provider Payments	7,430	13	37,265	9	89,374
Corporate Services	89	0	444	0	1,066
Surplus/(Deficit)	**(9,500)**	**12**	**(47,188)**	**110**	**(114,524)**

FTE					
Medical	15.3	0.8	15.6	(0.2)	16.4
Nursing	128.2	(5.1)	128.8	(4.2)	125.8
Allied Health	92.4	7.1	91.9	4.8	98.2
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	15.8	(0.2)	16.3	(0.5)	16.1
Total FTE	**251.7**	**2.6**	**252.6**	**(0.0)**	**256.6**



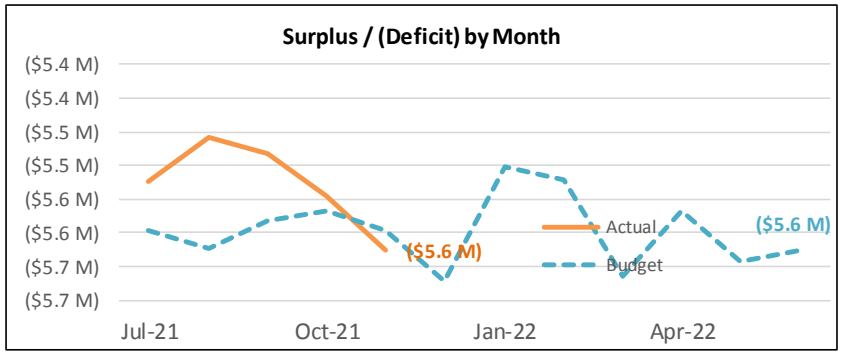


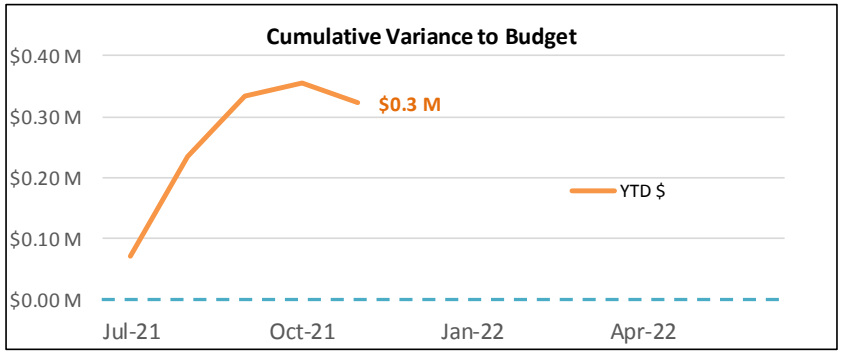


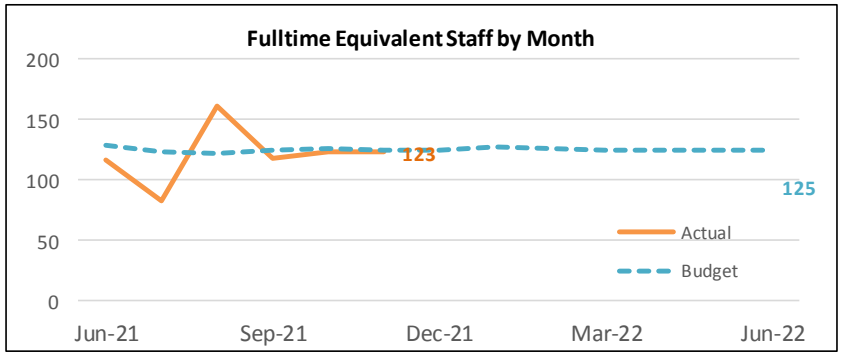
Te Uru Kiriora – Primary, Public and Community Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**863**	**114**	**3,867**	**196**	**8,913**
Expenditure					
Personnel	1,145	(148)	4,915	(68)	11,800
Outsourced Personnel	0	0	0	0	0
Sub -Total Personnel	1,145	(148)	4,915	(68)	11,800
Other Outsourced Services	1	13	33	38	168
Clinical Supplies	221	(21)	952	92	2,499
Infrastructure & Non-Clinical	96	12	481	65	1,299
Total Operating Expenditure	**1,463**	**(144)**	**6,380**	**127**	**15,766**
Provider Payments	4,922	(0)	24,606	2	59,058
Corporate Services	104	0	520	0	1,248
Surplus/(Deficit)	**(5,626)**	**(30)**	**(27,639)**	**324**	**(67,160)**

FTE					
Medical	1.8	0.3	1.5	0.5	2.0
Nursing	77.3	2.4	77.5	2.2	80.0
Allied Health	26.5	0.7	25.4	1.1	26.9
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	17.8	(1.9)	17.2	(1.3)	16.0
Total FTE	**123.4**	**1.4**	**121.7**	**2.5**	**124.9**



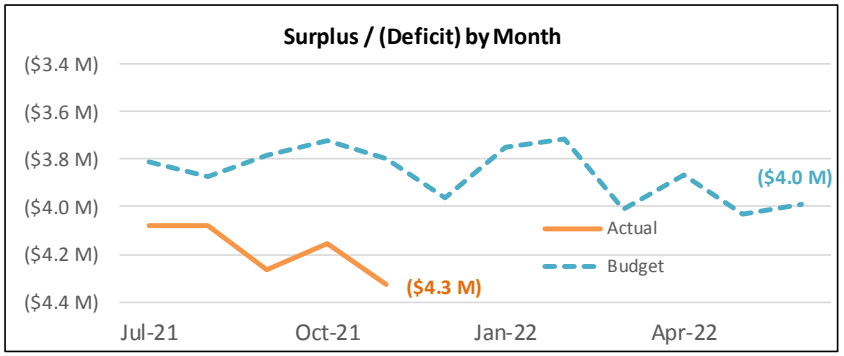


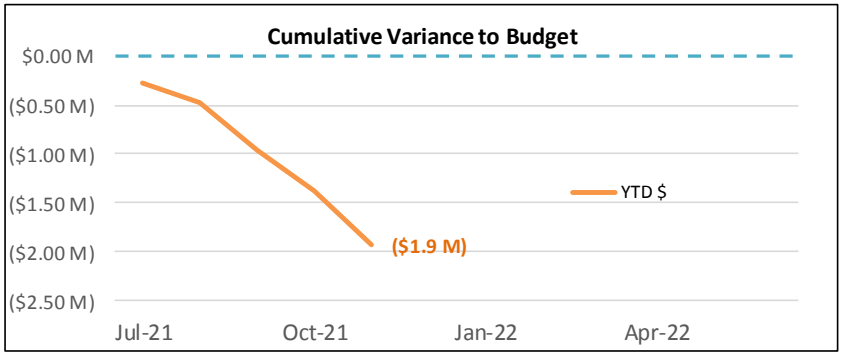


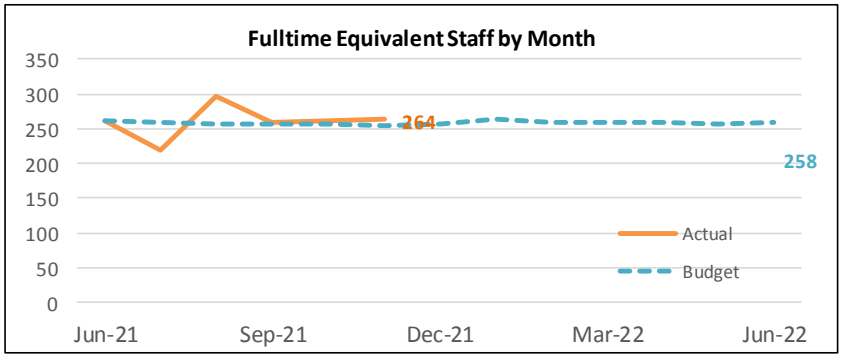
Te Uru Rauhī – Mental Health and Addiction Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**69**	**6**	**465**	**160**	**746**
Expenditure					
Personnel	2,420	(146)	11,381	(106)	27,686
Outsourced Personnel	417	(310)	2,444	(1,825)	1,335
Sub -Total Personnel	2,837	(456)	13,825	(1,931)	29,020
Other Outsourced Services	87	(34)	287	(20)	438
Clinical Supplies	19	(2)	116	(27)	208
Infrastructure & Non-Clinical	204	(50)	881	(103)	2,350
Total Operating Expenditure	**3,147**	**(543)**	**15,109**	**(2,080)**	**32,017**
Provider Payments	1,239	0	6,195	1	14,872
Corporate Services	14	0	68	0	164
Surplus/(Deficit)	**(4,331)**	**(536)**	**(20,908)**	**(1,919)**	**(46,307)**

FTE					
Medical	22.0	2.9	18.7	6.1	24.8
Nursing	160.6	(7.3)	160.5	(5.5)	155.0
Allied Health	42.5	(2.0)	44.0	(3.6)	40.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	38.5	(1.9)	36.9	(0.2)	37.9
Total FTE	**263.6**	**(8.4)**	**260.2**	**(3.1)**	**258.2**



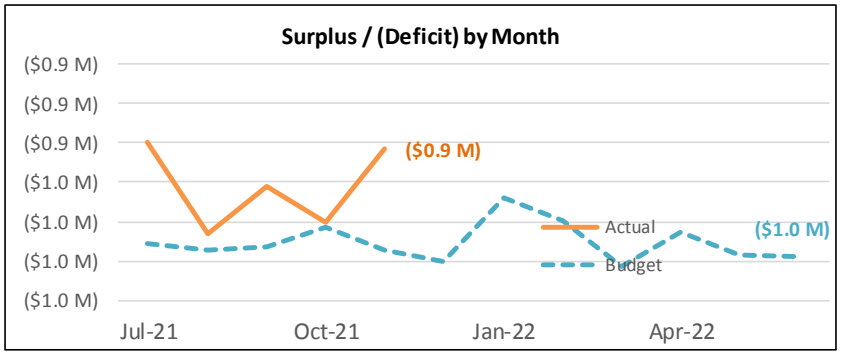


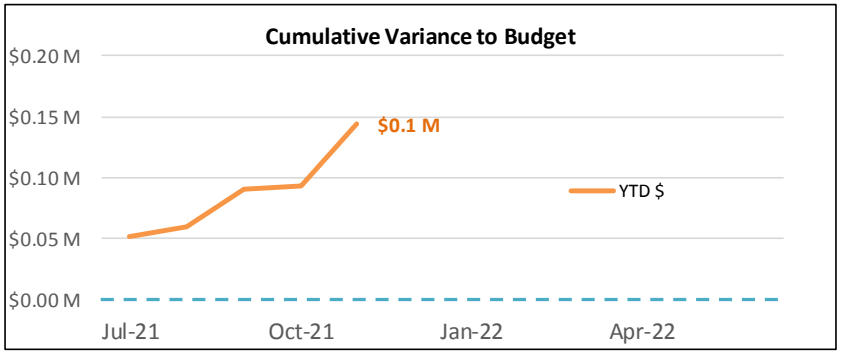


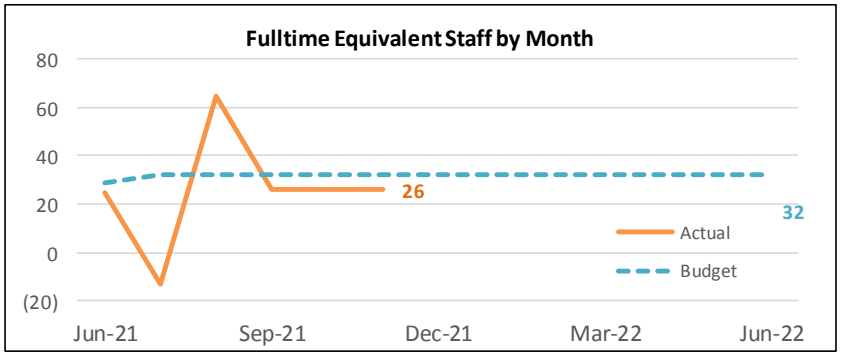
Pae Ora – Paiaka Whaiora Directorate

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**110**	**(1)**	**544**	**1**	**1,306**
Expenditure					
Personnel	208	47	1,004	238	2,976
Outsourced Personnel	0	(0)	1	(1)	0
Sub -Total Personnel	208	46	1,004	237	2,976
Other Outsourced Services	0	2	85	(76)	21
Clinical Supplies	0	0	1	1	5
Infrastructure & Non-Clinical	13	5	108	(18)	215
Total Operating Expenditure	**222**	**53**	**1,200**	**143**	**3,218**
Provider Payments	831	0	4,155	1	9,975
Corporate Services	0	0	0	0	0
Surplus/(Deficit)	**(943)**	**51**	**(4,811)**	**145**	**(11,886)**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	7.4	1.3	7.0	1.7	8.7
Allied Health	7.8	3.0	8.0	2.8	10.8
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	11.2	1.6	11.0	1.7	12.8
Total FTE	**26.4**	**5.9**	**26.0**	**6.2**	**32.2**



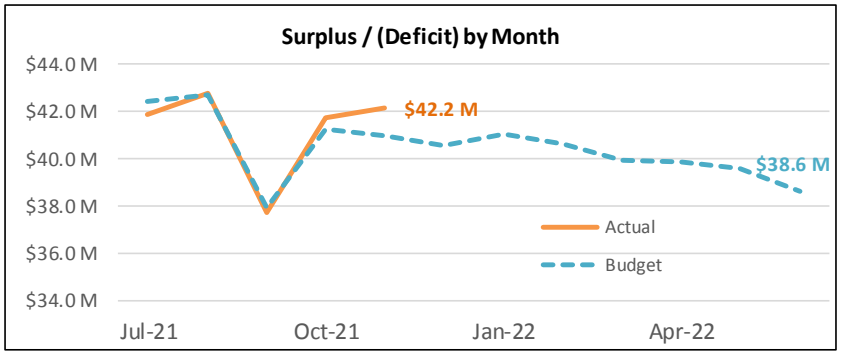


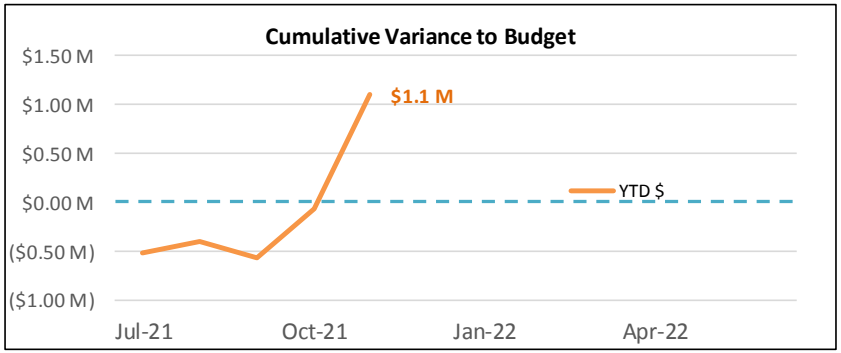


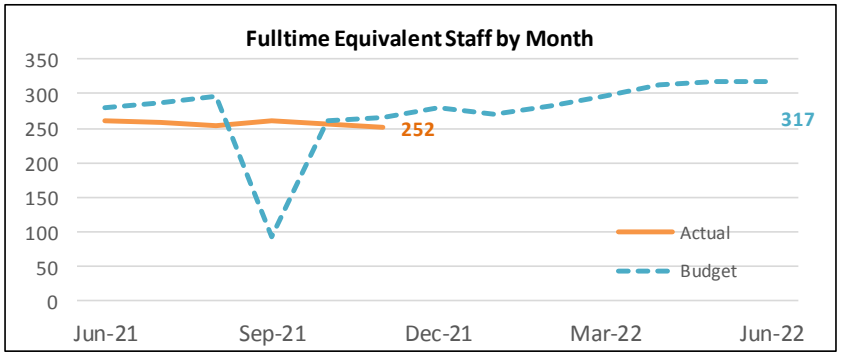
Corporate and Professional Services

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**63,774**	**3,745**	**303,589**	**3,664**	**720,367**
Expenditure					
Personnel	2,377	42	11,871	(1,062)	29,810
Outsourced Personnel	540	(377)	1,779	(950)	2,518
Sub -Total Personnel	2,918	(335)	13,650	(2,011)	32,328
Other Outsourced Services	193	(15)	912	(18)	2,141
Clinical Supplies	89	7	299	185	1,155
Infrastructure & Non-Clinical	5,245	327	25,918	2,097	71,295
Total Operating Expenditure	**8,445**	**(16)**	**40,779**	**252**	**106,919**
Provider Payments	14,545	(2,554)	63,328	(2,813)	144,457
Corporate Services	(1,372)	0	(6,859)	0	(16,462)
Surplus/(Deficit)	**42,156**	**1,176**	**206,341**	**1,103**	**485,452**

FTE					
Medical	10.2	(2.0)	9.8	(4.0)	8.3
Nursing	23.4	(3.3)	22.6	(19.4)	25.5
Allied Health	6.8	(0.5)	6.7	(0.5)	6.7
Support	12.3	2.1	12.8	1.5	14.3
Management / Admin	199.5	18.0	204.4	7.1	218.7
Total FTE	**252.2**	**14.3**	**256.3**	**(15.3)**	**273.5**



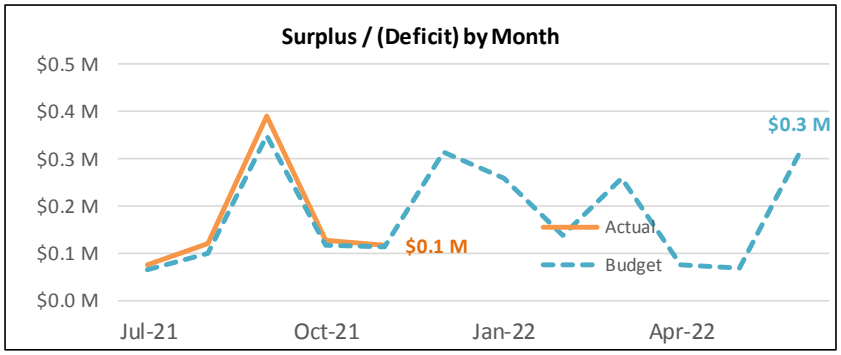


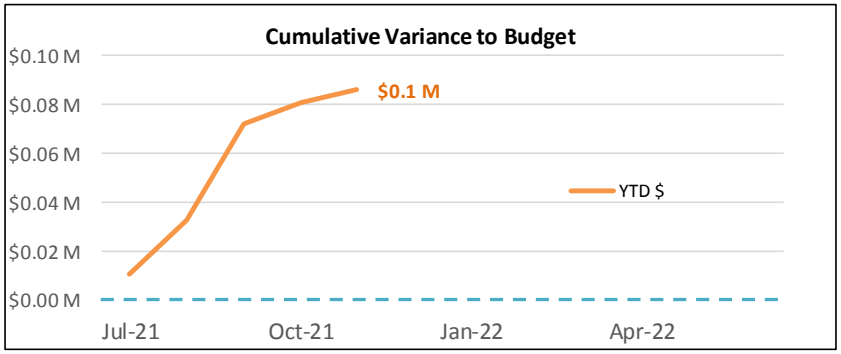


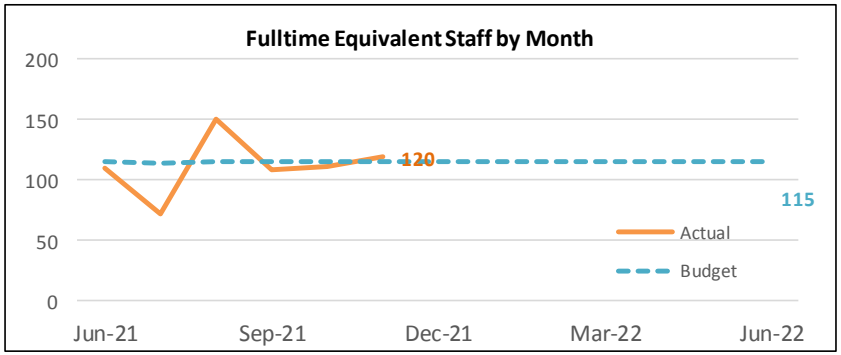
Enable New Zealand

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**3,848**	**737**	**16,336**	**540**	**38,462**
Expenditure					
Personnel	785	4	3,852	63	9,379
Outsourced Personnel	36	(7)	210	(68)	340
Sub -Total Personnel	821	(3)	4,062	(5)	9,719
Other Outsourced Services	11	(11)	31	(31)	0
Clinical Supplies	5	0	26	1	61
Infrastructure & Non-Clinical	2,843	(717)	11,137	(418)	25,915
Total Operating Expenditure	**3,681**	**(731)**	**15,256**	**(453)**	**35,695**
Provider Payments	0	0	0	0	0
Corporate Services	50	0	250	0	600
Surplus/(Deficit)	**117**	**6**	**830**	**86**	**2,168**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	0.0	0.0	0.0	0.0	0.0
Allied Health	21.5	9.5	22.4	8.7	31.1
Support	23.7	(7.7)	19.5	(3.5)	16.0
Management / Admin	74.4	(6.1)	70.3	(2.0)	68.3
Total FTE	**119.7**	**(4.3)**	**112.1**	**3.2**	**115.4**







Holidays Act

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since May 2010
Expenditure						
Personnel	404	13	2,023	62	5,003	49,438
Outsourced Personnel	17	30	157	80	569	724
Sub -Total Personnel	421	43	2,180	142	5,572	50,162
Infrastructure & Non-Clinical	22	97	159	436	1,428	1,482
Total Operating Expenditure	**444**	**140**	**2,339**	**578**	**7,000**	**51,644**
Surplus/(Deficit)	**(444)**	**140**	**(2,339)**	**578**	**(7,000)**	**(51,644)**

COVID-19

$000	November 2021 Actual	November 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since March 2020
Net Revenue	**2,335**	**27**	**9,655**	**(2,786)**	**19,929**	**12,695**
Expenditure						
Personnel	671	3	3,194	834	7,022	15,224
Outsourced Personnel	52	(5)	246	(10)	283	380
Sub -Total Personnel	723	(2)	3,440	823	7,305	15,604
Other Outsourced Services	979	143	4,384	1,467	9,833	5,846
Clinical Supplies	114	(70)	193	28	266	286
Infrastructure & Non-Clinical	519	(98)	1,490	614	2,525	2,696
Total Operating Expenditure	**2,335**	**(27)**	**9,507**	**2,933**	**19,929**	**24,432**
Surplus/(Deficit)	**(0)**	**(0)**	**148**	**148**	**0**	**(11,737)**

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)	1,278	14,099	0	15,377
Mental Health Redevelopment	14,503	14,503	0	509	13,994	0	14,503
Acute Services Block	1,400	0	1,400	0	0	0	0
Linear Accelerator Replacement programme	4,330	4,257	73	3,531	726	355	4,612
Planned Care Production Planning	150	150	0	3	147	0	150
SCoPE (Theatre Audit)	600	600	0	0	600	0	600
TOTAL Externally Funded Items	**33,002**	**34,887**	**(1,885)**	**5,321**	**29,566**	**355**	**35,242**
Major Items							
EDOA / MAPU PODS	5,900	6,900	(1,000)	397	6,503	0	6,900
Telemetry & Monitoring System Replacements	3,278	4,370	(1,092)	0	4,370	0	4,370
Medical Imaging Equipment (incl DSA machine)	3,190	0	3,190	0	0	0	0
Programme of Change Mental Health (FACT)	516	516	0	114	402	0	516
Anaesthetic Machine & Monitor Replacements	2,430	2,430	0	535	1,895	0	2,430
End User Compute Replacement Programme	1,650	3,540	(1,890)	1	3,539	0	3,540
End User Compute Break Fix	350	233	117	0	0	0	0
Computerized tomography (CT) Scanner	1,740	0	1,740	0	0	0	0
Regional Health Informatics Programme (RHIP)	1,465	1,465	0	371	1,094	0	1,465
Workstations for Cancer Service	1,357	0	1,357	0	0	0	0
Structural & Seismic Upgrades	1,184	260	924	0	260	0	260
Fluoroscopy Machine	1,140	1,640	0	417	1,223	0	1,640
Bed Replacement Programme	1,000	0	1,000	0	0	0	0
Water Services	1,000	1,800	(800)	0	1,800	0	1,800
Enable NZ IT Programme	800	0	800	111	(111)	0	0
Chiller Replacements	700	325	375	19	306	70	395
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	410	(410)	0	410	1	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**	**24,121**	**6,179**	**1,965**	**21,923**	**71**	**23,548**
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	0	350	0	0	0	0
Asset Management & Individual Items less than 251K	2,230	904	1,326	**70**	834	**236**	1,140
TOTAL Infrastructure Items	**3,830**	**1,554**	**2,426**	**70**	**1,484**	**236**	**1,790**

($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	624	1,124
Defibrillators	407	0	407	0	0	0	0
SSU Medivators & Washers Replacement	400	935	(535)	0	935	0	935
Endoscopy & Theatre Scopes	350	94	256	94	0	0	94
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
Covid Expenditure-MOH Funded	0	310	0	455	(145)	134	444
Patient Simulation Programme	300	0	300	0	0	0	0
Asset Management & Individual Items less than 251K	4,910	788	4,122	361	427	1,465	2,253
TOTAL Clinical Equipment Items	**9,575**	**2,627**	**7,258**	**930**	**1,697**	**2,223**	**4,850**
Information Technology Items							
SAN Rebuild	800	0	800	0	0	0	0
Echo Image Vault	700	700	0	22	678	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	36	631	0	36	711	747
TOTAL Information Technology Items	**3,837**	**1,296**	**2,541**	**22**	**1,274**	**711**	**2,007**
TOTAL CAPITAL EXPENDITURE	**80,044**	**64,485**	**16,519**	**8,308**	**55,944**	**3,596**	**67,437**
Software as a Service Items & Others							
Programme of Change Mental Health (FACT)	2,142	2,142	0	70	2,072	0	2,142
Health System Catalogue (NZHP)	1,515	1,515	0	500	1,015	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	114	218	0	332
TOTAL Software as a Service and other Items	**5,717**	**6,201**	**(484)**	**695**	**5,506**	**0**	**6,201**
TOTAL CAPITAL EXPENDITURE & SaaS	**85,761**	**70,686**	**16,035**	**9,004**	**61,449**	**3,596**	**73,638**

BOARD REPORT

For:

X	Approval
	Endorsement
	Noting

To	Board
Author	Darryl Ratana, Deputy Chief Financial Officer
Endorsed by	Finance, Risk and Audit Committee Neil Wanden, General Manager, Finance & Corporate Services
Date	3 February 2022
Subject	**Finance Report – October 2021**

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 February meeting, the Finance, Risk and Audit Committee endorsed this report for the Board's consideration
- **note** that the month operating result for October 2021 is a surplus before one-off items of $0.622m, which is $0.137m favourable to budget
- **note** that the year to date result for October 2021 is a deficit before one-off items of $1.370m, which is $1.167m adverse to budget
- **note** that year to date for October 2021 COVID-19 related contribution of $0.148m and Holidays Act costs of $1.895m have been incurred. Including these results in a year to date deficit after exceptional items of $3.117m, which is $0.581m adverse to budget
- **note** that the total available cash and equivalents of $40.968m as of 31 October 2021 is sufficient to support liquidity requirements
- **approve** the October 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 October 2021 is a surplus before one-off items of $0.622m, which is $0.137m favourable to budget.

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

Month to Date

Surplus/(Deficit)
$0.6m
Budget Variance
$0.137m
28.3%

FTEs
2,420
Budget Variance
45
1.8%

Capex
$1.6m
Budget Variance
$2.8m
64.4%

Cash & Deposits Movement
$9.5m
Budget Variance
($3.4m)
26.4%

The timing of community provider payments impacts revenue recognition with significant but offseting variances.

Unplanned care, ACC and drug trial revenue contributed to a favourable revenue variance.

FTEs remain below budget however, they have increased by 34 since last month with the majority of this in nursing.

Outsourced Personnel variance is mainly due to the use of locums in MHAS.

Despite being below budget, Capex spending and approvals are increasing.

Year to Date

Surplus/(Deficit)
($1.4m)
Budget Variance
($1.167m)
(577.6%)

FTEs
2,392
Budget Variance
26
1.1%

Capex
$10.0m
Budget Variance
$12.1m
54.8%

Cash & Deposits
$41.0m
Budget Variance
$3.0m
7.9%

Current Ratio
1.01
Budget Variance
0.20

Reduced Planned Care funding due to the lockdown has had an impact on the YTD result.

FTEs are slightly below budget with nursing FTE now above budget.

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

Capital expenditure is lagging behind budget YTD. However, we believe this will pick up during the year

Potential Budget Risks

Seven Risks in Total.

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

Year End

Surplus/(Deficit)
($19.2m)
Budget Variance
$0.00m
0.0%

FTEs
2,482
Budget Variance
0
0.0%

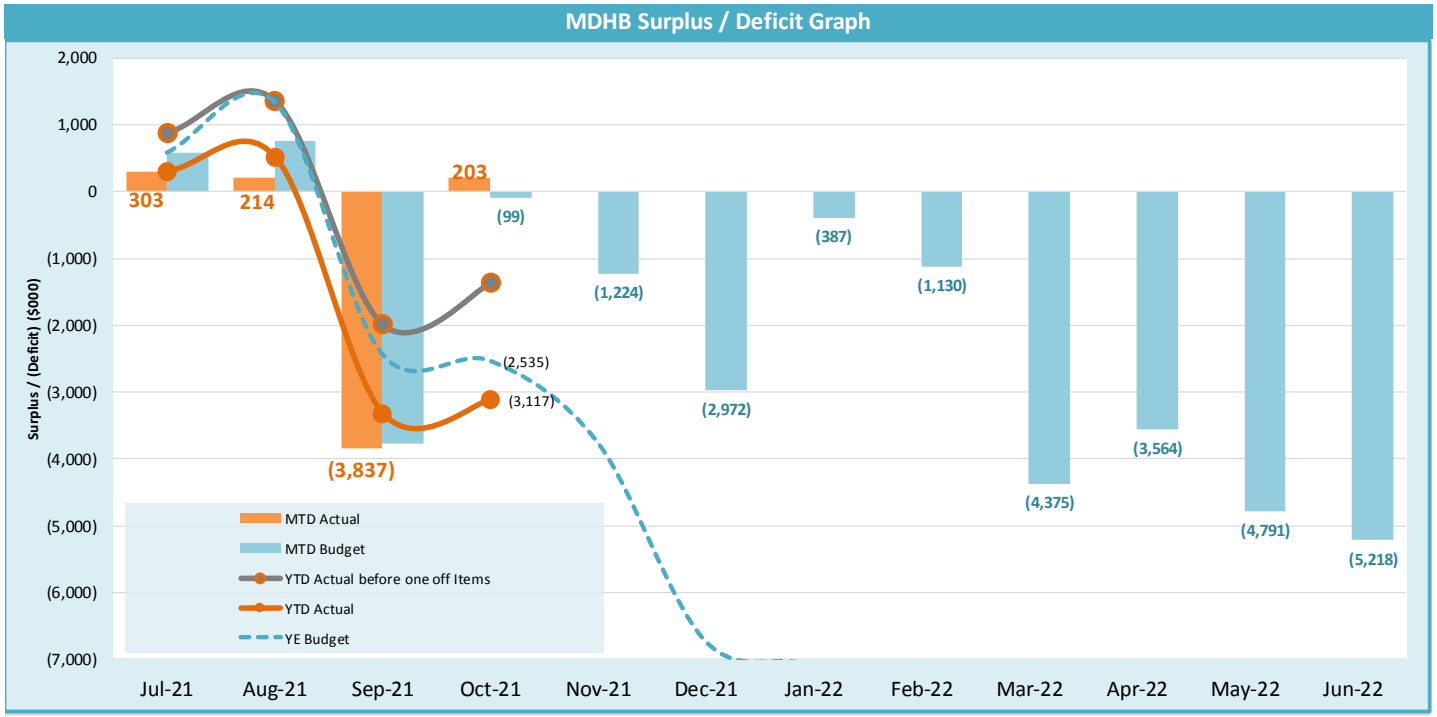
Capex
$85.8m
Budget Variance
$0.0m
0.0%

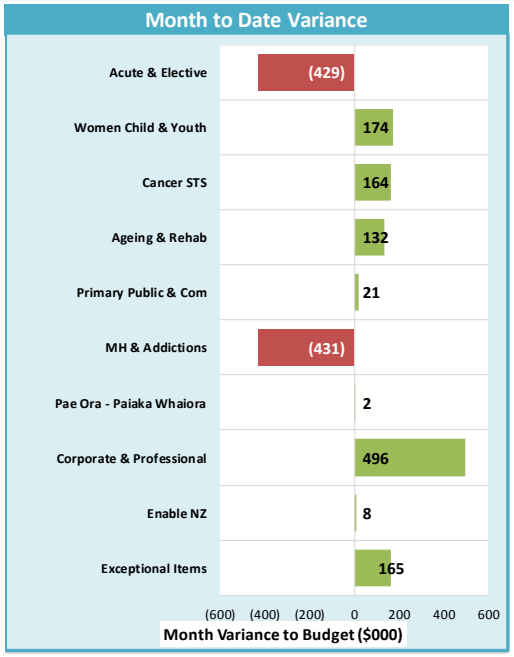
Cash & Deposits
$36.5m
Budget Variance
$0.0m
0.0%

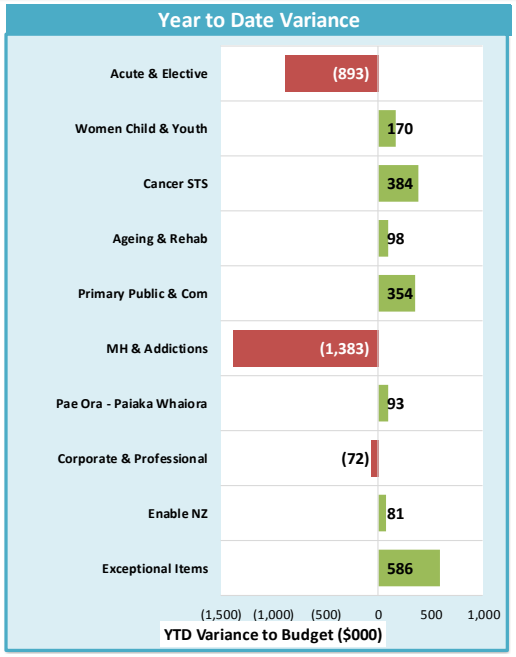
Current Ratio
1.01
Budget Variance
0.20

At this point of the year, the DHB is committed to achieving the planned budget deficit. The forecast provided to the MoH reflects this.

Risks to achieving the budget relate to the move to Software as a Service and the ongoing risk that Covid-19 creates.


MDHB Surplus / Deficit Graph
Surplus / (Deficit) ($000)
2,000
1,000
0
(1,000)
(2,000)
(3,000)
(4,000)
(5,000)
(6,000)
(7,000)
303
214
(3,837)
203
(99)
(1,224)
(2,972)
(387)
(1,130)
(4,375)
(3,564)
(4,791)
(5,218)
(2,535)
(3,117)
MTD Actual
MTD Budget
YTD Actual before one off Items
YTD Actual
YE Budget
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22
May-22
Jun-22


Month to Date Variance
Acute & Elective (429)
Women Child & Youth 174
Cancer STS 164
Ageing & Rehab 132
Primary Public & Com 21
MH & Addictions (431)
Pae Ora - Paiaka Whaiora 2
Corporate & Professional 496
Enable NZ 8
Exceptional Items 165
(600) (400) (200) 0 200 400 600
Month Variance to Budget ($000)


Year to Date Variance
Acute & Elective (893)
Women Child & Youth 170
Cancer STS 384
Ageing & Rehab 98
Primary Public & Com 354
MH & Addictions (1,383)
Pae Ora - Paiaka Whaiora 93
Corporate & Professional (72)
Enable NZ 81
Exceptional Items 586
(1,500) (1,000) (500) 0 500 1,000
YTD Variance to Budget ($000)

2. FINANCIAL COMMENTARY

Adverse variances are in brackets unless stated otherwise.

2.1 Financial Performance

The MidCentral District Health Board (MDHB) result for October 2021 is a surplus before one-off items of $0.622m and is $0.137m favourable to budget. Net revenue for the month is $2.204m favourable to budget, and this is primarily offset by expenditure which is $2.075m adverse to budget. The year to date result is a deficit of $1.370m, which is $1.167m adverse to budget.

A year to date COVID-19 related contribution of $0.148m and Holidays Act costs of $1.895m have been incurred. This results in a year to date deficit of $3.117m when these one-off items are included.

The Statement of Financial Performance is shown in the following table. Costs relating to the Holidays Act and COVID-19 are disclosed separately to view the underlying performance. While the financial performance to date is behind budget, the forecast presented to the Ministry of Health indicates a year-end deficit in line with the revised budget.

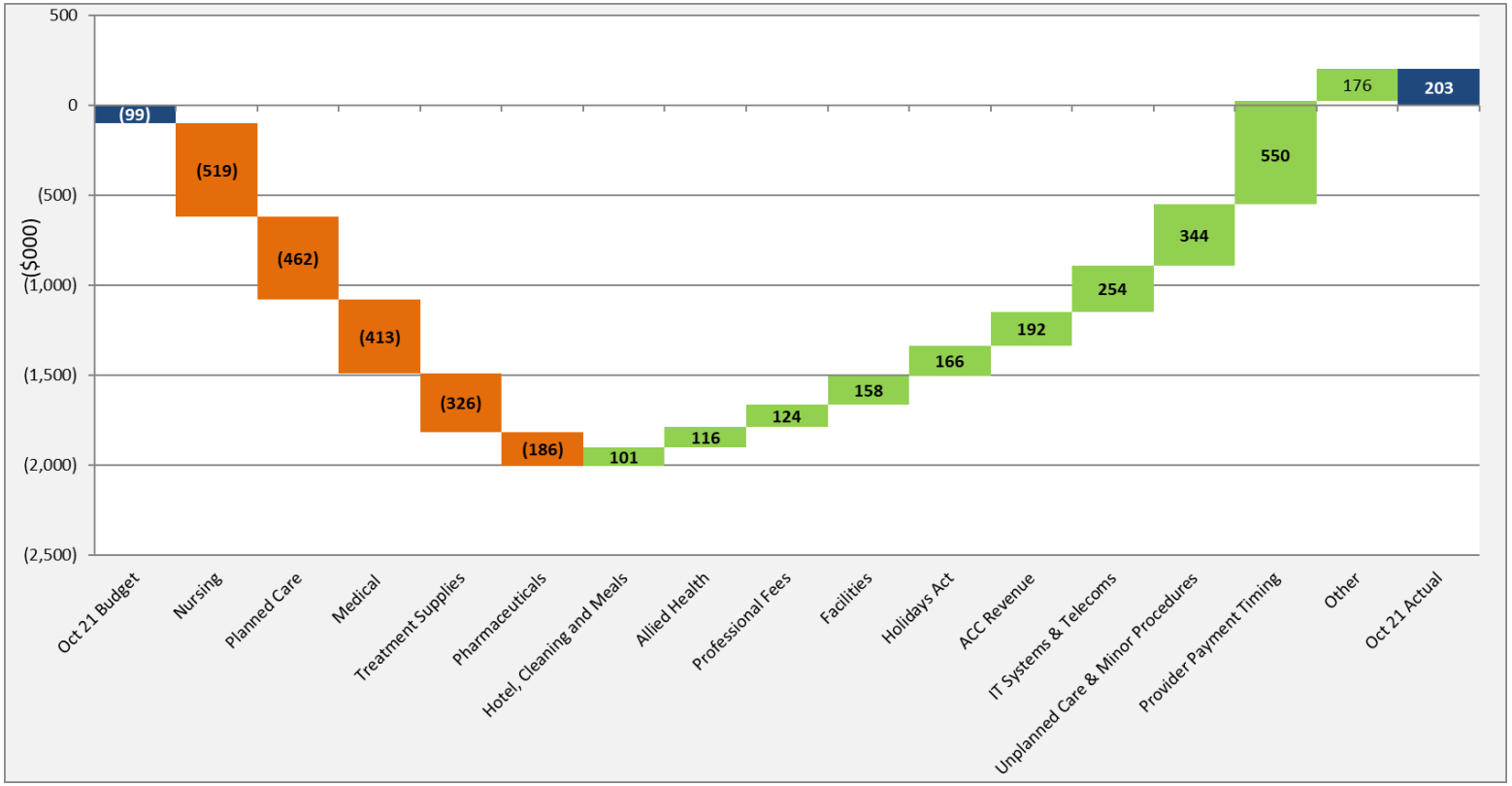
BOARD REPORT

$000	October 2021 Actual	October 2021 Budget	October 2021 Variance	Year to date Actual	Year to date Budget	Year to date Variance	Year End Budget
Net Revenue	**66,584**	**64,380**	**2,204** ✓	**257,682**	**257,712**	**(30)** !	**772,680**
Expenditure							
Medical	6,482	6,429	(53) !	26,365	26,790	425 ✓	85,338
Nursing	9,500	9,019	(481) ✗	35,797	34,915	(882) !	110,673
Allied Health	3,007	3,141	134 ✓	12,573	13,085	511 ✓	40,912
Support	143	161	18 ✓	596	671	75 ✓	2,044
Management / Admin	2,970	3,097	127 ✓	12,880	12,645	(235) !	39,094
Personnel	22,101	21,846	(255) !	88,211	88,106	(105) !	278,061
Outsourced Personnel	934	373	(561) ✗	3,911	1,485	(2,426) ✗	4,685
Sub -Total Personnel	23,035	22,219	(816) !	92,123	89,592	(2,531) !	282,746
Other Outsourced Services	2,263	2,241	(23) !	9,365	8,929	(436) !	27,066
Clinical Supplies	5,751	5,238	(512) ✗	21,748	21,411	(337) !	65,534
Infrastructure & Non-Clinical	6,238	7,087	849 ✓	26,618	28,951	2,332 ✓	91,009
Provider Payments	28,850	27,277	(1,573) ✗	110,110	109,864	(246) !	328,288
Total Operating Expenditure	**66,138**	**64,063**	**(2,075)** !	**259,964**	**258,746**	**(1,218)** !	**794,643**
Operating Surplus/(Deficit)	**446**	**317**	**129** ✓	**(2,282)**	**(1,034)**	**(1,248)** ✗	**(21,963)**
Enable NZ Contribution	176	167	8 ✓	912	832	81 ✓	2,768
Surplus/(Deficit) Before One-Off Items	**622**	**485**	**137** ✓	**(1,370)**	**(202)**	**(1,167)** ✗	**(19,195)**
Holidays Act	(417)	(583)	166 ✓	(1,895)	(2,333)	438 ✓	(7,000)
Covid-19	(2)	0	(2) ✗	148	0	148 ✓	(0)
Surplus/(Deficit)	**203**	**(99)**	**302** ✓	**(3,117)**	**(2,535)**	**(581)** ✗	**(26,195)**

FTE							
Medical	362.0	373.6	11.5 ↓	356.4	370.4	14.0 ↓	380.4
Nursing	1,134.1	1,131.4	(2.8) →	1,114.1	1,103.3	(10.8) →	1,138.1
Allied Health	426.6	441.2	14.7 ↓	423.9	436.6	12.7 ↓	442.7
Support	29.0	33.3	4.3 ↓	29.9	33.3	3.4 ↓	33.4
Management / Admin	468.7	485.6	16.8 ↓	467.8	474.2	6.4 ↓	487.0
Operating FTE	**2,420.4**	**2,465.1**	**44.6** ↓	**2,392.1**	**2,417.8**	**25.7** ↓	**2,481.5**
Enable NZ	110.9	115.4	4.5 ↓	110.2	115.4	5.1 ↓	115.4
Holidays Act	4.3	5.0	0.7 ↓	4.2	5.0	0.8 ↓	5.0
Covid-19	90.3	89.2	(1.1) →	80.4	77.6	(2.8) →	66.1
Total FTE	**2,626.0**	**2,674.6**	**48.7** ↓	**2,586.9**	**2,615.8**	**28.8** ↓	**2,668.0**

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

MAJOR VARIANCES TO BUDGET FOR THE MONTH



As with last month, a large portion of the favourable revenue variance relates to the timing of community provider payments. These payments are $1.573m adverse to budget and are offset by favourable revenue to fund the payments. The remaining favourable revenue relates to positive outcomes across the DHB. These include:

- Unplanned (acute) activity and minor procedures in Te Uru Arotau - Acute and Elective Specialist Services ($0.344m),
- ACC revenue for activity in Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services ($0.192m)
- Drug trial and Haemophilia revenue in Te Uru Mātai Matengau - Cancer Screening, Treatment and Support Services ($0.166m)

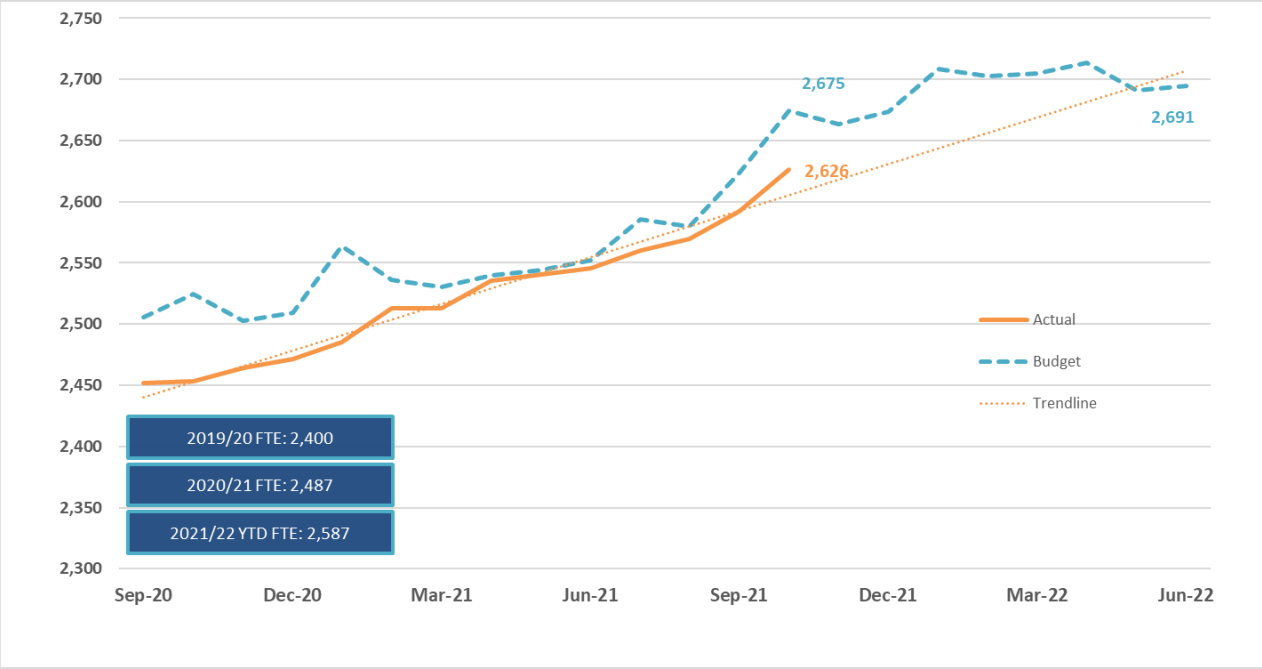
These favourable revenue variances were partially offset by planned care. Planned Care was $0.462m adverse for the month due to displacement by the acute work noted above.

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

- FTEs remain below budget by 49 for the month and 29 FTE year to date. However, they have increased by 34 since last month. The majority of the increase is in nursing (24 FTE), with the remainder in medical (6 FTE) and allied Health (4 FTE). Te Uru Arotau - Acute and Elective Specialist Services is the primary beneficiary of the increase (22 FTE).

- Medical staff are below budget by 14 FTE for the year. Te Uru Arotau – Acute and Elective Specialist Services are ten below budget. Due to radiologist vacancies. A further seven exist in Te Uru Rauhī – Mental Health and Addiction Services. These are being covered by locums.
- Nursing staff are 11 FTE above budget for the year. October saw a significant increase in nursing when compared to the previous four months.
- Allied Health FTEs are 13 FTE below budget for the year with seven vacancies relating to Medical Radiation Technician's in medical imaging (Te Uru Arotau – Acute and Elective Specialist Services).
- The table below shows the total FTEs by month for this year.

TOTAL EMPLOYED FTES BY MONTH



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 adverse by $0.255m. The variance primarily relates to nursing, which is $0.481m adverse for the month and $0.882m adverse year to date. This is where budget reductions have had the most significant impact.
- Medical staff costs were adverse for the month by $0.053m. Outsourced locum costs were also adverse and primarily responsible for the adverse Outsourced personnel result. As with previous months, adverse locum costs reside in Te Uru Rauhī – Mental Health and Addictions.
- Other Outsourced Services are close to budget with favourable radiology costs offset by expenditure with Crest in Te Uru Arotau - Acute and Elective Specialist Services and Te Uru Mātai Matengau - Cancer Screening, Treatment and Support Services.
- Adverse Clinical Supplies were impacted by pharmaceuticals and treatment supply costs above budget by $0.186m and $377m, respectively. Higher than anticipated pharmaceuticals were driven by the use of infliximab and repertory drugs. Adverse treatment supplies was a result of blood products.
- Infrastructure and Non-Clinical costs are $0.849m favourable to budget, with the fundamental cause of this variance being contracted hotel, cleaning and meal costs ($0.101m), facilities ($0.158m), software maintenance costs ($0.254m) and professional fees ($0.124m).

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 $2.457m of costs offset by funding received for immunisation, surveillance and isolation. The favourable revenue variance of $0.150m and offsetting expenditure variance are timing in nature.

2.2 Financial Performance by Service

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

$000	October 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Acute & Elective Specialist Services	(14,488)	(14,059)	(429) !	(58,368)	(57,475)	(893) !	(178,476)
Healthy Women, Children and Youth	(3,098)	(3,272)	174 ✓	(12,935)	(13,105)	170 ✓	(41,179)
Cancer Screening, Treatment & Support	(3,679)	(3,843)	164 ✓	(14,819)	(15,203)	384 ✓	(47,282)
Healthy Ageing & Rehabiliation	(9,315)	(9,447)	132 ✓	(37,688)	(37,786)	98 ✓	(114,524)
Primary, Public & Community	(5,546)	(5,566)	21 ✓	(22,013)	(22,367)	354 ✓	(67,160)
Mental Health & Addictions	(4,153)	(3,722)	(431) ✗	(16,577)	(15,194)	(1,383) ✗	(46,307)
Pae Ora - Paiaka Whaiora	(980)	(982)	2 ✓	(3,868)	(3,961)	93 ✓	(11,886)
Corporate & Professional Services	41,755	41,259	496 ✓	164,186	164,258	(72) !	485,452
Enable NZ	126	117	8 ✓	712	632	81 ✓	2,168
Surplus/(Deficit) Before One-Off Items	**622**	**485**	**137** ✓	**(1,370)**	**(202)**	**(1,167)** ✗	**(19,195)**
Exceptional Items	(419)	(583)	165 ✓	(1,747)	(2,333)	586 ✓	(7,000)
Surplus/(Deficit)	**203**	**(99)**	**302** ✓	**(3,117)**	**(2,535)**	**(581)** ✗	**(26,195)**

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 adverse result for the month of $0.429m is due to adverse nursing costs and clinical supplies. Within clinical supplies, treatment supplies (blood) and pharmaceuticals (infliximab) were the main drivers of this unfavourable variance.

- Te Uru Pā Harakeke – Healthy Women, Children and Youth Services is favourable to budget by $0.174m for the month largely as a result of favourable clinical personnel costs. Year to date, this directorate is ahead of budget by $0.170m.
- The month result for Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services is favourable to budget by $0.164m. This is the result of favourable Inter-District Flow (IDF) funding and breast screening income.

- Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services is close, albeit adverse, to budget for the month. ACC revenue was good for the month and higher than anticipated ($0.185m).
- Te Uru Kiriora – Primary, Public and Community Services is close to budget for the month with adverse ACC revenue ($0.022m) more than offset by other operating costs.
- Due to adverse personnel costs, Te Uru Rauhī – Mental Health and Addiction Services is adverse to budget by $0.431m for the month and $1.383m adverse for the year. The cost of locum cover is partially offset by medical staff vacancies. However, the net result is leading to an average monthly adverse variance of circa $0.200m. Negative nursing FTE and overtime also contributed to the monthly result.
- Corporate and Professional Services comprises all executive and enabler functions. The month result was due to favourable personnel costs (including outsourced personnel), IT depreciation and software maintenance costs ($0.206m), facilities and maintenance ($0.128m) and contracted hotel, cleaning, and meal costs ($0.0102m).
- Exceptional Items contains organisation-wide costs for COVID-19 and Holidays Act. Refer to sections 2.3 and 2.4 below.
- The October 2021 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	October 2021			Year to date			Year End
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Funding Division	1,693	2,392	(699) ✖	6,115	7,115	(1,000) ✖	41,236
MidCentral Provider	(1,858)	(2,607)	749 ✔	(10,991)	(10,283)	(709) ✖	(69,599)
Enable NZ	126	117	8 ✔	712	632	81 ✔	2,168
Governance	243	(0)	243 ✔	1,047	(0)	1,047 ✔	0
Surplus/(Deficit)	**203**	**(99)**	**302** ✔	**(3,117)**	**(2,535)**	**(581)** ✖	**(26,195)**

2.3 Holidays Act

Holidays Act related costs of $0.417m are $0.166m 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. 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 October 2021 was $48.523m 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 $1.125m has been accrued this year. 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 October was close to budget for the month. Revenue received was $2.457m and offset operating expenditure of the same quantum. 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 in the balance sheet rather than an operating expense.

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. If realised, these can potentially affect MDHB's ability to achieve budget significantly.

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.	It is too early in the year to assess progress toward achieving sustainability and saving plan targets.	
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.	The most recent lockdown had a noticeable impact on hospital activity and financial performance in the first quarter. COVID-19 outbreaks and periodic lockdowns will likely become commonplace. Management is building strategies to best deal with this.	
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.	
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.	Negotiations with the NZNO and MERAS are near completion. It is too early to assess the likely impact of settlement arrangements, including any additional funding support for the settlement.	
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 1st 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.	
Cloud Technology		

Many proposed information technology solutions favour software as a Service (SaaS) and Platform as a Service (PaaS). This move away from on-premise solutions 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 impact this year's financial performance will depend on the timing of implementation.	

2.7 **Financial Position**

The main Balance Sheet budget variances as of 30 October 2021 are related to the timing of capital expenditure which is later than anticipated and results in lower than budgeted non-current assets. Higher cash and deposit balances of $40.968m and Ministry of Health invoicing has resulted in higher than budgeted current assets. Significant capital expenditure is budgeted for the 2021/22 year, and the projected year-end cash and deposits balance remains as budgeted.

$000	Jun-21	Oct-21		
	Actual	Actual	Budget *(Draft)*	Variance
TOTAL ASSETS				
Non Current Assets	293,387	293,787	313,096	(19,309)
Current Assets	68,877	80,510	68,580	11,930
Total Assets	**362,264**	**374,297**	**381,676**	**(7,379)**
TOTAL EQUITY AND LIABILITIES				
Equity	207,943	210,599	214,936	4,337
Non Current Liabilities	6,278	6,348	6,314	(34)
Current Liabilities	148,043	157,350	160,426	3,076
Total Equity and Liabilities	**362,264**	**374,297**	**381,676**	**7,379**

2.8 **Cash Flows**

While total available cash and deposit balances are favourable to budget by $2.968m, overall cash flows reflect an unfavourable variance to budget of $6.873m. Operating cash flows are unfavourable due to the timing of revenue received for COVID-19 related activities and provider contracts, 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 Actual	Oct-21 Actual	Oct-21 Budget *(Draft)*	Oct-21 Variance
Net Cash Flow from Operating Activities	24,384	9,100	24,439	(15,339) ✗
Net Cash Flows from Investing Activities	(20,859)	(9,268)	(22,074)	12,806 ✓
Net Cash Flows from Financing Activities	5,980	4,647	8,987	(4,340) ✗
Net increase / (decrease) in cash	**9,505**	**4,479**	**11,352**	**(6,873)** ✗
Cash at beginning of year	26,984	36,489	26,648	9,841 ✓
Closing cash	**36,489**	**40,968**	**38,000**	**2,968** ✓

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.

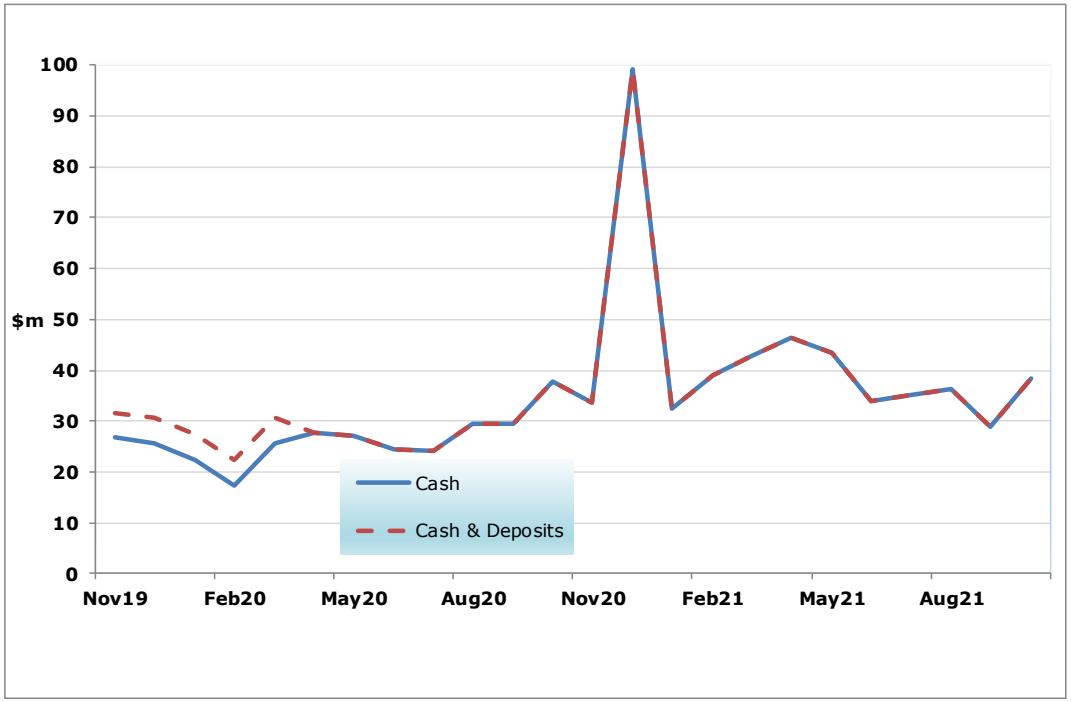
Oct-21	Rate	Value $000
NZHP Sweep Balance	0.72%	37,522
Cash in Hand and at Bank		2
Trust Accounts		2,613
Enable New Zealand Cash Balances		831
		40,968
Total Cash Balance		**40,968**

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

Cash Reconciliation	Oct-21 $000	Year to date $000
Cash at September 2021	31,454	36,489
Surplus / (Deficit) for mth	203	(3,117)
Depreciation / Amortisation	2,362	9,163
Sale of fixed assets	-	2
Working capital movement	5,192	3,179
Share of associate net surplus/deficit	-	-
Capital expenditure	(1,810)	(9,565)
Loan/finance lease repayments	(17)	(67)
Trusts movement	(9)	150
Equity injections - capital	3,593	4,734
Cash Balance at month end	**40,968**	**40,968**

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 is experiencing liquidity pressure due to the continuation of operating deficits. On behalf of all DHBs, New Zealand Health Partnerships has been in ongoing discussion with the Ministry and Treasury on ways to resolve this and the need for urgent 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). Funding for these projects commenced in the previous financial year. The bulk of the drawdowns will occur 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	1,053	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

A total of $5. 623m was approved during October, bringing total approvals to $58.860m against the annual capex plan of $85.761m. Significant approvals included the SPIRE (EDOA/MAPU ($1.0m), e-Prescribing ($0.972m) and e-Laboratory ($0.324m).

Capital Approvals ($000)

	Oct-21	YTD
Approvals	5,623	58,860
Remaining Budget	(5,620)	27,211
Total	**3**	**86,071**
Capital Budget	0	85,761
Unbudgeted Capital	3	310
Total	**3**	**86,071**

Capital expenditure for the month was $1.550m, bringing total spending for the year to $9.965m. October expenditure against 2021/22 approved capital items totalled $0.731m with the majority spent on Fluroscopy, SPIRE and EDOA/MAPU projects.

Capital Expenditure & SaaS ($000)

	Oct-21	YTD
Prior Year Capex	664	2,494
Current Year Capex	731	6,956
Current Year SaaS	155	515
Total	**1,550**	**9,965**

Year to date expenditure on items approved in the prior year is $0.664m. This leaves $1.615m of prior-year approvals that are yet to be spent. Note that the lag between project approval and project expenditure across financial periods is typical.

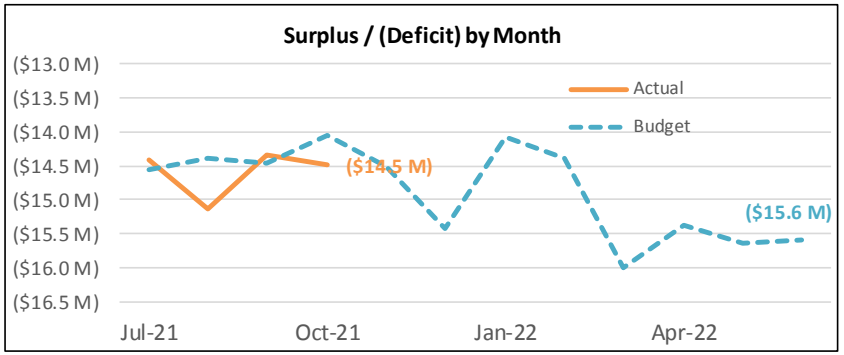
Further detail is provided in Appendix Two – Capital Expenditure. Several proposed information technology items, identified as capital when compiling the 2021/22 capex plan, are being undertaken as Software as a Service (SaaS). Under this model, the service provider is offering a subscription to use 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.

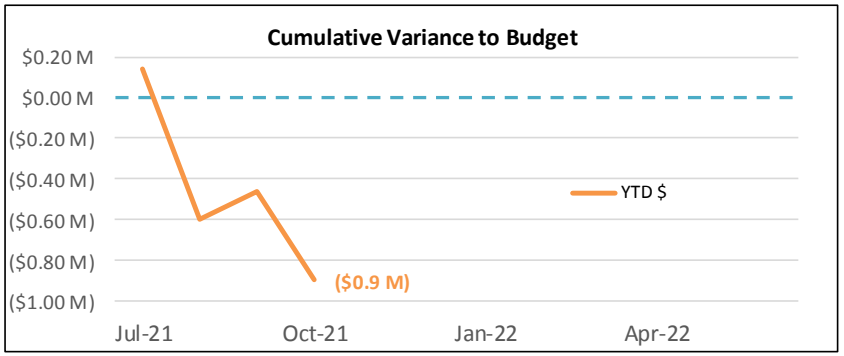
APPENDIX ONE – FINANCIAL PERFORMANCE BY SERVICE

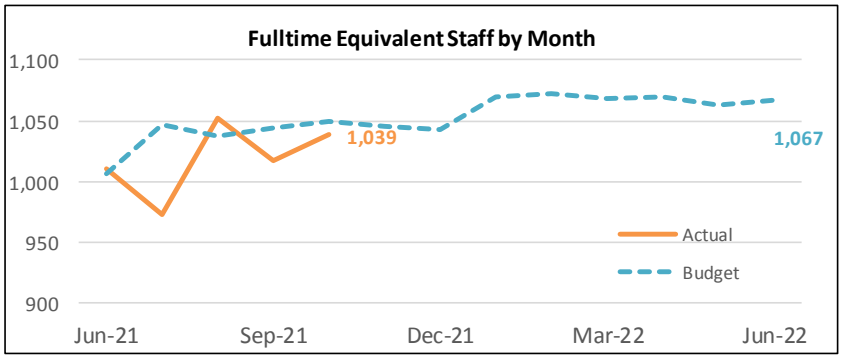
Te Uru Arotau – Acute and Elective Specialist Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**2,121**	**250**	**7,205**	**(51)**	**21,837**
Expenditure					
Personnel	10,146	(341)	39,867	15	123,891
Outsourced Personnel	73	(30)	343	(165)	516
Sub -Total Personnel	10,219	(370)	40,210	(151)	124,407
Other Outsourced Services	1,169	71	5,295	(345)	15,301
Clinical Supplies	3,785	(631)	13,742	(834)	40,401
Infrastructure & Non-Clinical	540	244	2,704	480	9,359
Total Operating Expenditure	**15,713**	**(686)**	**61,952**	**(849)**	**189,468**
Provider Payments	13	7	90	7	252
Corporate Services	883	0	3,531	0	10,593
Surplus/(Deficit)	**(14,488)**	**(429)**	**(58,368)**	**(893)**	**(178,476)**

FTE					
Medical	230.4	8.3	229.3	9.7	241.8
Nursing	530.2	(7.0)	514.7	4.3	525.5
Allied Health	132.7	4.9	131.8	6.1	138.6
Support	16.7	2.2	17.0	2.0	19.0
Management / Admin	128.8	2.9	127.5	2.1	131.2
Total FTE	**1,038.8**	**11.3**	**1,020.2**	**24.2**	**1,056.2**



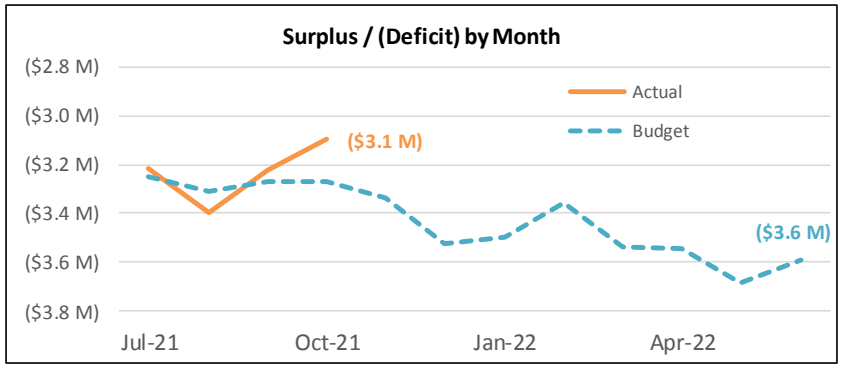


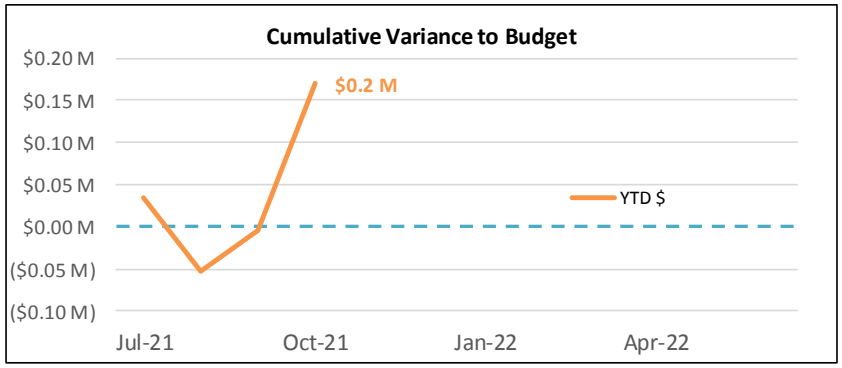


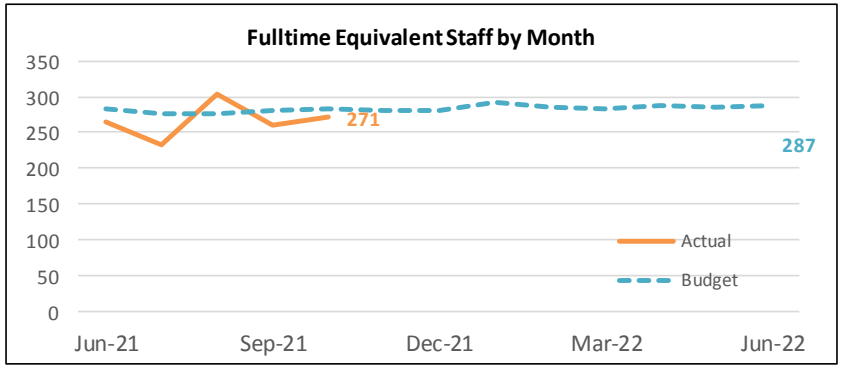
Te Uru Pā Harakeke – Healthy Women, Children and Youth Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**483**	**21**	**1,683**	**(178)**	**5,521**
Expenditure					
Personnel	2,474	107	9,895	440	32,822
Outsourced Personnel	27	(11)	249	(177)	201
Sub -Total Personnel	2,501	96	10,144	263	33,023
Other Outsourced Services	118	(37)	389	(100)	927
Clinical Supplies	309	49	1,327	110	4,312
Infrastructure & Non-Clinical	186	43	870	72	2,798
Total Operating Expenditure	**3,114**	**151**	**12,730**	**346**	**41,059**
Provider Payments	453	2	1,834	2	5,479
Corporate Services	14	0	54	0	162
Surplus/(Deficit)	**(3,098)**	**174**	**(12,935)**	**170**	**(41,179)**

FTE					
Medical	43.5	0.4	43.2	1.0	45.5
Nursing	121.2	2.0	118.3	3.3	122.4
Midwives	29.3	5.3	30.2	4.4	34.7
Allied Health	54.8	1.3	53.1	2.1	56.6
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	22.5	2.1	22.4	1.2	24.2
Total FTE	**271.2**	**11.0**	**267.2**	**11.9**	**283.4**



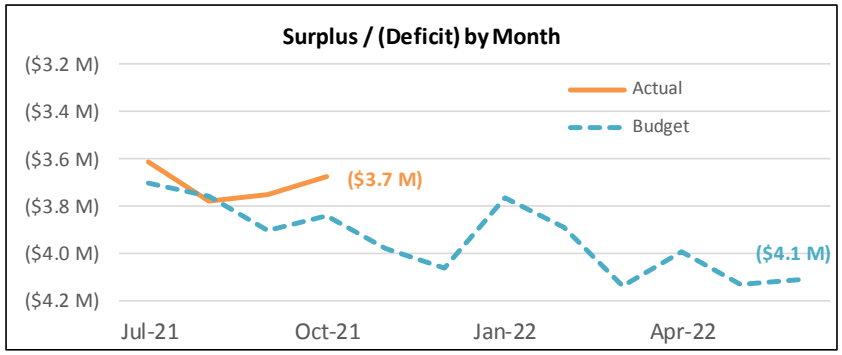


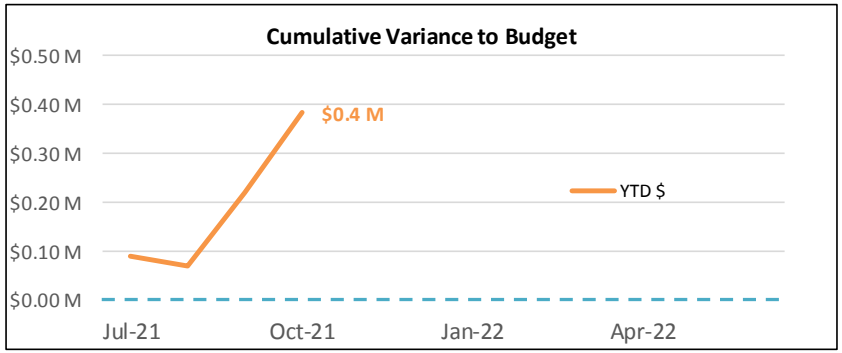


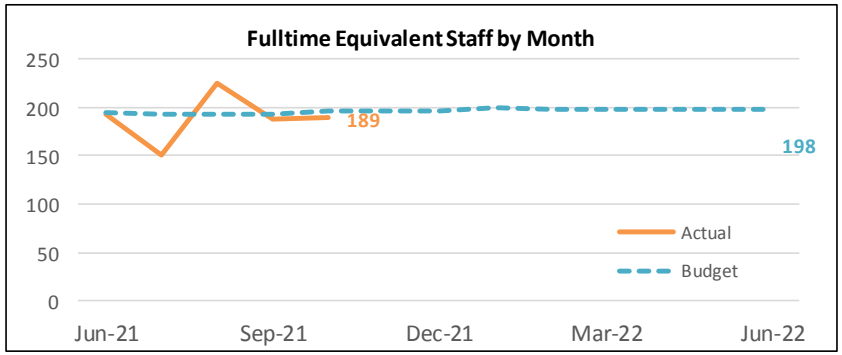
Te Uru Mātai Matengau – Cancer Screening, Treatment and Support Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**852**	**142**	**3,251**	**(66)**	**8,866**
Expenditure					
Personnel	1,914	(22)	7,627	133	24,268
Outsourced Personnel	3	21	25	33	114
Sub -Total Personnel	1,917	(1)	7,652	167	24,381
Other Outsourced Services	575	35	2,392	48	7,321
Clinical Supplies	1,282	(36)	4,987	151	15,108
Infrastructure & Non-Clinical	139	20	559	81	1,888
Total Operating Expenditure	**3,914**	**19**	**15,590**	**447**	**48,698**
Provider Payments	399	3	1,604	3	4,821
Corporate Services	219	0	876	0	2,629
Surplus/(Deficit)	**(3,679)**	**164**	**(14,819)**	**384**	**(47,282)**

FTE					
Medical	40.9	0.7	39.1	0.8	41.5
Nursing	53.9	7.0	54.7	5.8	60.4
Allied Health	63.4	0.0	62.9	0.8	64.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	31.2	(0.8)	31.4	(1.7)	30.1
Total FTE	**189.4**	**6.9**	**188.1**	**5.7**	**196.5**



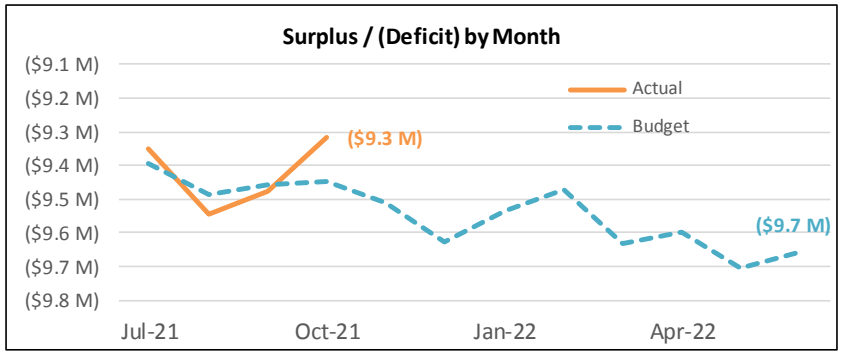


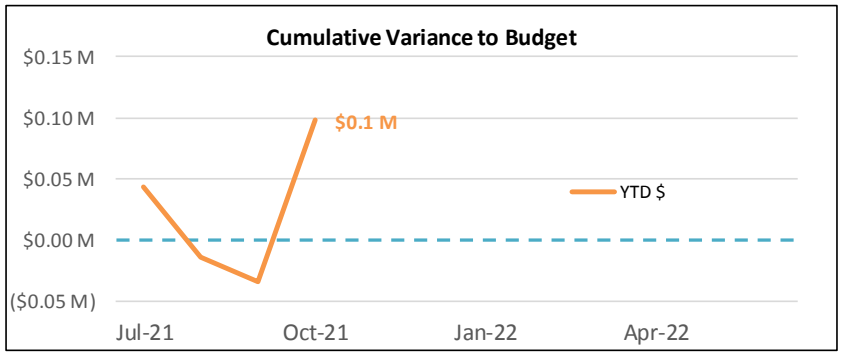


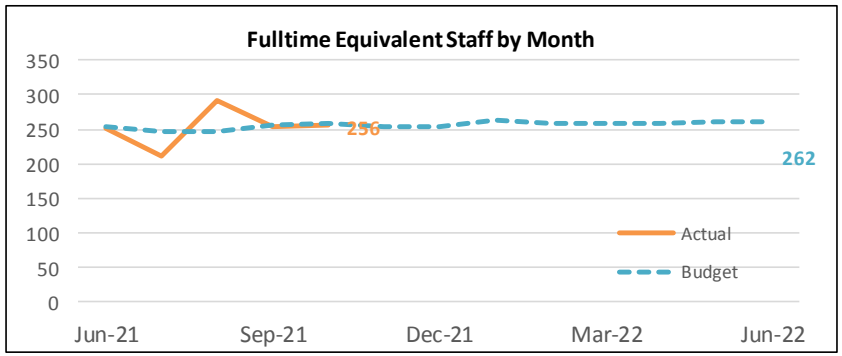
Te Uru Whakamauora – Healthy Ageing and Rehabilitation Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**618**	**192**	**1,894**	**108**	**5,124**
Expenditure					
Personnel	1,975	(0)	7,802	97	24,808
Outsourced Personnel	18	(18)	29	(28)	2
Sub -Total Personnel	1,993	(18)	7,831	69	24,810
Other Outsourced Services	83	(21)	252	2	749
Clinical Supplies	176	(23)	653	(30)	1,846
Infrastructure & Non-Clinical	146	5	656	(48)	1,804
Total Operating Expenditure	**2,398**	**(56)**	**9,392**	**(6)**	**29,209**
Provider Payments	7,447	(4)	29,835	(3)	89,374
Corporate Services	89	0	355	0	1,066
Surplus/(Deficit)	**(9,315)**	**132**	**(37,688)**	**98**	**(114,524)**

FTE					
Medical	15.8	(0.4)	15.7	(0.5)	16.4
Nursing	130.7	(2.5)	129.0	(4.0)	125.8
Allied Health	92.8	6.8	91.8	4.3	98.2
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	16.3	(0.5)	16.4	(0.5)	16.1
Total FTE	**255.7**	**3.4**	**252.8**	**(0.7)**	**256.6**



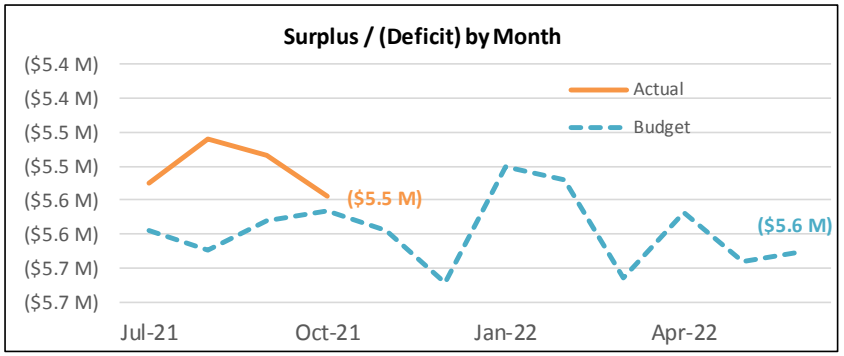


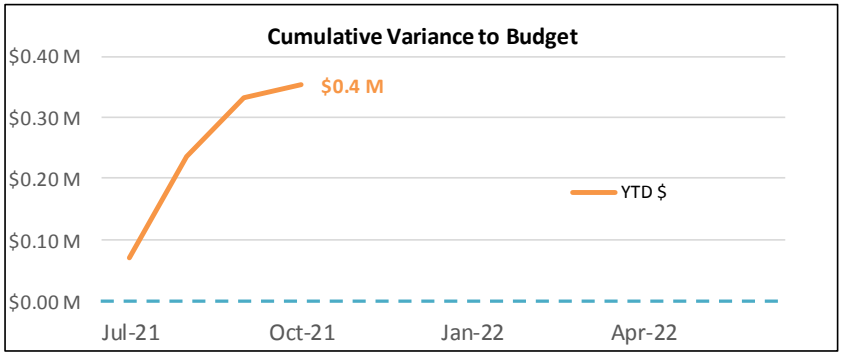


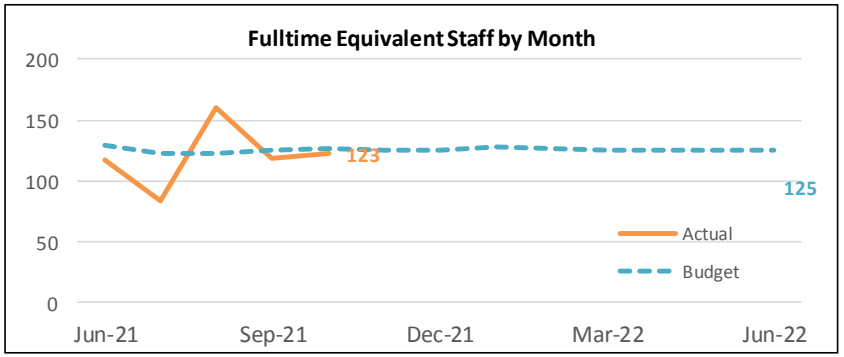
Te Uru Kiriora – Primary, Public and Community Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**726**	**(23)**	**3,004**	**82**	**8,913**
Expenditure					
Personnel	955	(1)	3,770	80	11,800
Outsourced Personnel	0	0	0	0	0
Sub -Total Personnel	955	(1)	3,770	80	11,800
Other Outsourced Services	(8)	22	32	25	168
Clinical Supplies	209	2	731	113	2,499
Infrastructure & Non-Clinical	90	20	384	53	1,299
Total Operating Expenditure	**1,246**	**43**	**4,917**	**271**	**15,766**
Provider Payments	4,921	1	19,684	2	59,058
Corporate Services	104	0	416	0	1,248
Surplus/(Deficit)	**(5,546)**	**21**	**(22,013)**	**354**	**(67,160)**

FTE					
Medical	1.8	0.3	1.4	0.6	2.0
Nursing	78.2	2.6	77.6	2.1	80.0
Allied Health	25.6	1.5	25.2	1.2	26.9
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	17.6	(1.6)	17.1	(1.1)	16.0
Total FTE	**123.1**	**2.9**	**121.3**	**2.8**	**124.9**



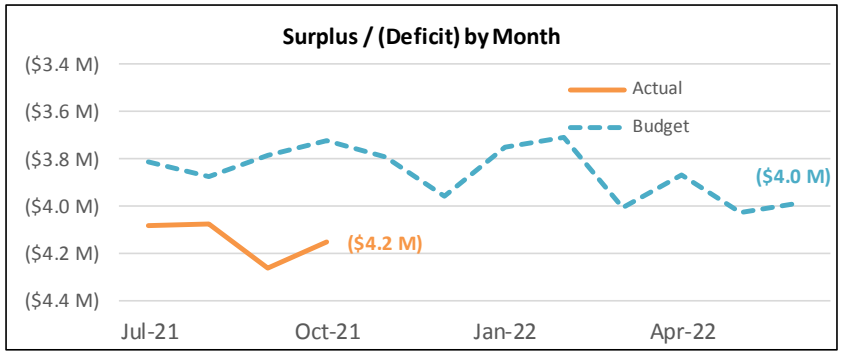


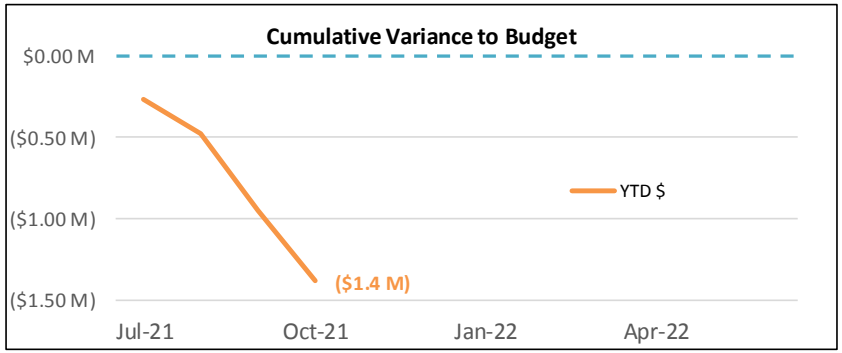


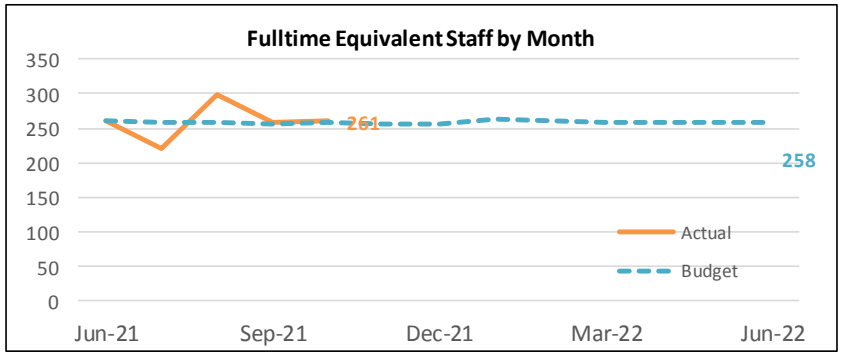
Te Uru Rauhī – Mental Health and Addiction Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**67**	**4**	**396**	**154**	**746**
Expenditure					
Personnel	2,291	(109)	8,961	41	27,686
Outsourced Personnel	512	(386)	2,027	(1,515)	1,335
Sub -Total Personnel	2,803	(495)	10,988	(1,474)	29,020
Other Outsourced Services	17	36	200	14	438
Clinical Supplies	16	1	97	(25)	208
Infrastructure & Non-Clinical	132	21	677	(53)	2,350
Total Operating Expenditure	**2,968**	**(436)**	**11,962**	**(1,538)**	**32,017**
Provider Payments	1,238	1	4,956	1	14,872
Corporate Services	14	0	55	0	164
Surplus/(Deficit)	**(4,153)**	**(431)**	**(16,577)**	**(1,383)**	**(46,307)**

FTE					
Medical	19.0	5.8	17.9	6.9	24.8
Nursing	160.8	(5.5)	160.5	(5.0)	155.0
Allied Health	42.6	(2.0)	44.4	(4.0)	40.5
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	38.3	(1.3)	36.5	0.2	37.9
Total FTE	**260.7**	**(3.1)**	**259.3**	**(1.8)**	**258.2**



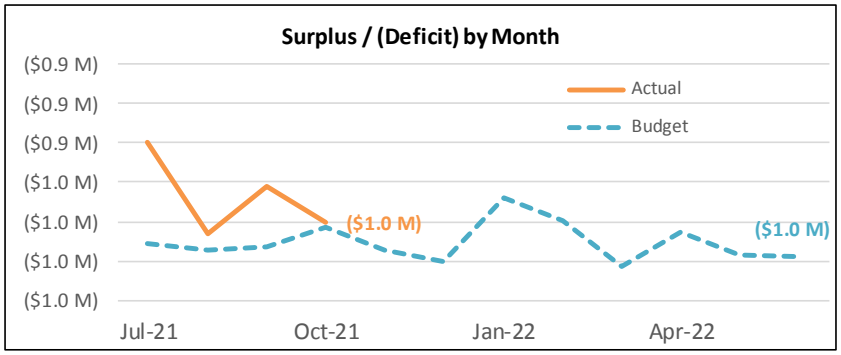


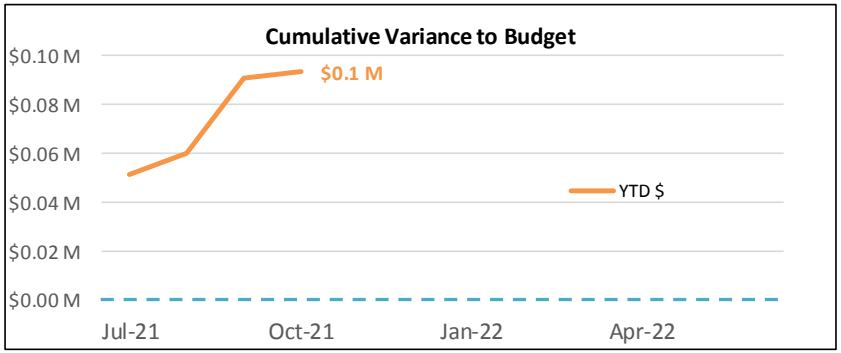


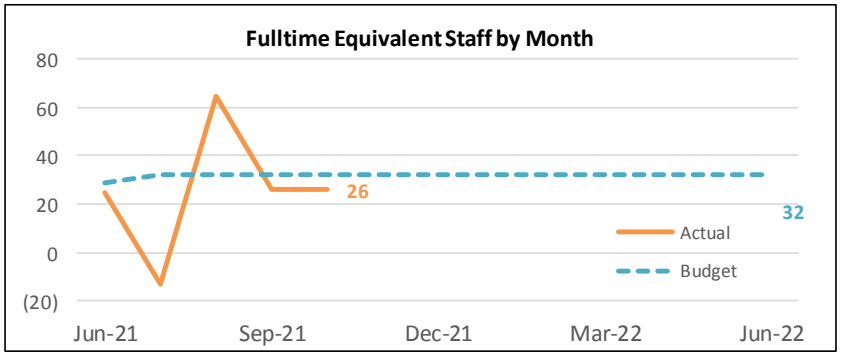
Pae Ora – Paiaka Whaiora Directorate

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**104**	**1**	**434**	**2**	**1,306**
Expenditure					
Personnel	191	43	795	192	2,976
Outsourced Personnel	0	(0)	1	(1)	0
Sub -Total Personnel	192	43	796	191	2,976
Other Outsourced Services	73	(71)	85	(78)	21
Clinical Supplies	0	0	1	1	5
Infrastructure & Non-Clinical	(11)	29	95	(23)	215
Total Operating Expenditure	**254**	**1**	**978**	**91**	**3,218**
Provider Payments	831	0	3,324	1	9,975
Corporate Services	0	0	0	0	0
Surplus/(Deficit)	**(980)**	**2**	**(3,868)**	**93**	**(11,886)**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	7.4	1.3	6.9	1.8	8.7
Allied Health	7.9	2.9	8.0	2.8	10.8
Support	0.0	0.0	0.0	0.0	0.0
Management / Admin	11.1	1.6	11.0	1.8	12.8
Total FTE	**26.4**	**5.8**	**25.9**	**6.3**	**32.2**



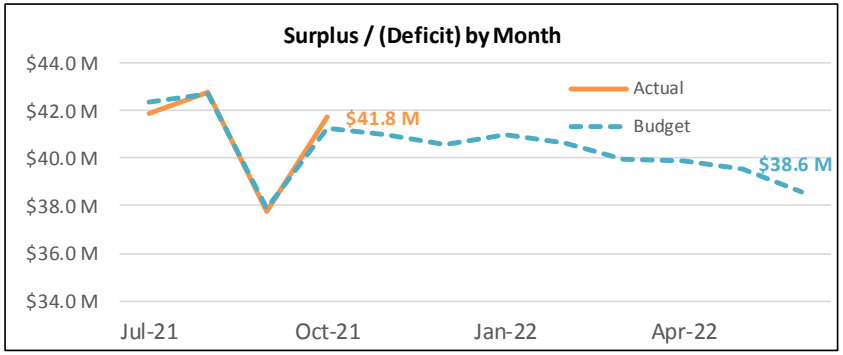


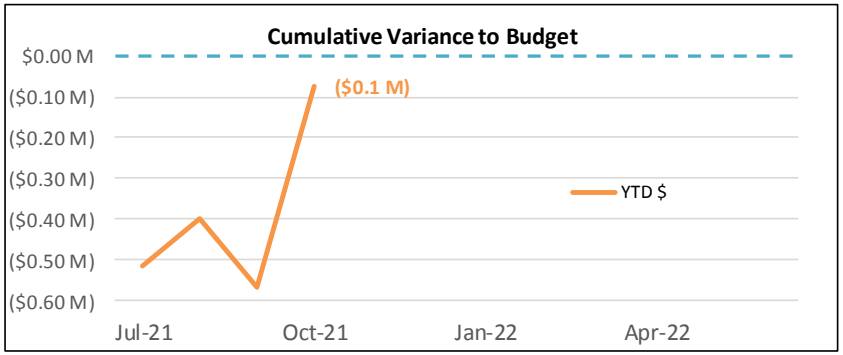


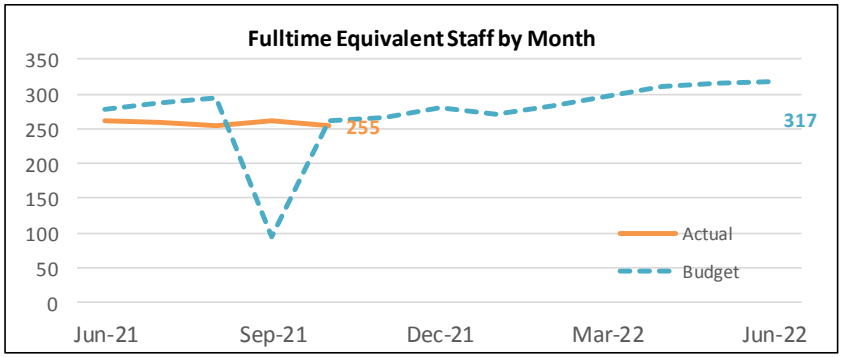
Corporate and Professional Services

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**61,614**	**1,617**	**239,815**	**(81)**	**720,367**
Expenditure					
Personnel	2,154	67	9,494	(1,103)	29,810
Outsourced Personnel	301	(138)	1,239	(573)	2,518
Sub -Total Personnel	2,456	(71)	10,732	(1,676)	32,328
Other Outsourced Services	236	(58)	719	(3)	2,141
Clinical Supplies	(27)	123	210	177	1,155
Infrastructure & Non-Clinical	5,016	467	20,672	1,770	71,295
Total Operating Expenditure	**7,681**	**462**	**32,334**	**268**	**106,919**
Provider Payments	13,549	(1,583)	48,783	(259)	144,457
Corporate Services	(1,372)	0	(5,487)	0	(16,462)
Surplus/(Deficit)	**41,755**	**496**	**164,186**	**(72)**	**485,452**

FTE					
Medical	10.6	(3.4)	9.8	(4.5)	8.3
Nursing	22.4	(6.0)	22.3	(23.4)	25.5
Allied Health	6.8	(0.7)	6.7	(0.5)	6.7
Support	12.3	2.1	12.9	1.4	14.3
Management / Admin	203.1	14.4	205.6	4.4	218.7
Total FTE	**255.1**	**6.4**	**257.3**	**(22.7)**	**273.5**



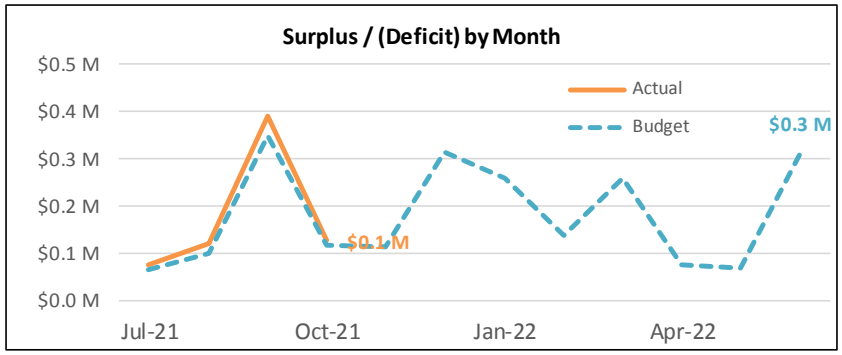


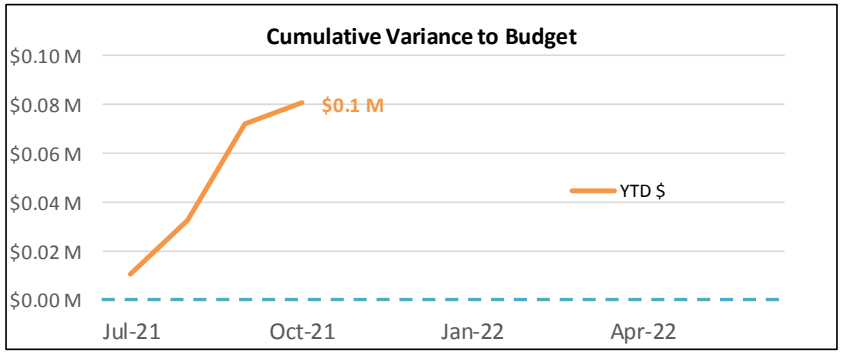


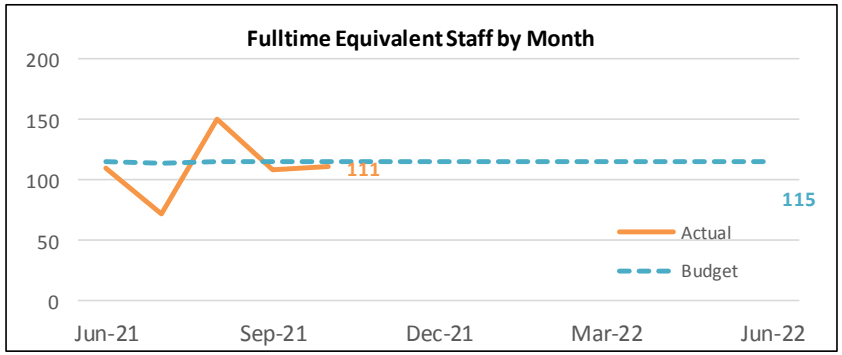
Enable New Zealand

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget
Net Revenue	**3,076**	**(35)**	**12,488**	**(197)**	**38,462**
Expenditure					
Personnel	796	(42)	3,067	59	9,379
Outsourced Personnel	64	(37)	174	(61)	340
Sub -Total Personnel	860	(79)	3,241	(2)	9,719
Other Outsourced Services	0	0	20	(20)	0
Clinical Supplies	5	0	21	1	61
Infrastructure & Non-Clinical	2,035	122	8,294	299	25,915
Total Operating Expenditure	**2,901**	**43**	**11,575**	**277**	**35,695**
Provider Payments	0	0	0	0	0
Corporate Services	50	0	200	0	600
Surplus/(Deficit)	**126**	**8**	**712**	**81**	**2,168**

FTE					
Medical	0.0	0.0	0.0	0.0	0.0
Nursing	0.0	0.0	0.0	0.0	0.0
Allied Health	22.7	8.4	22.6	8.5	31.1
Support	19.2	(3.2)	18.4	(2.4)	16.0
Management / Admin	69.0	(0.7)	69.2	(0.9)	68.3
Total FTE	**110.9**	**4.5**	**110.2**	**5.1**	**115.4**







Holidays Act

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since May 2010
Expenditure						
Personnel	404	13	1,619	49	5,003	49,034
Outsourced Personnel	(5)	52	140	50	569	707
Sub -Total Personnel	399	65	1,759	99	5,572	49,741
Infrastructure & Non-Clinical	18	101	137	339	1,428	1,460
Total Operating Expenditure	**417**	**166**	**1,895**	**438**	**7,000**	**51,200**
Surplus/(Deficit)	**(417)**	**166**	**(1,895)**	**438**	**(7,000)**	**(51,200)**

COVID-19

$000	October 2021 Actual	October 2021 Variance to Budget	Year to date Actual	Year to date Variance to Budget	Year End Budget	Life to date Actual Since March 2020
Net Revenue	**2,457**	**150**	**7,320**	**(2,812)**	**19,929**	**10,360**
Expenditure						
Personnel	682	(9)	2,523	831	7,022	14,553
Outsourced Personnel	72	(25)	193	(5)	283	327
Sub -Total Personnel	754	(34)	2,717	826	7,305	14,881
Other Outsourced Services	1,348	(226)	3,404	1,325	9,833	4,866
Clinical Supplies	9	36	79	98	266	172
Infrastructure & Non-Clinical	348	73	971	712	2,525	2,177
Total Operating Expenditure	**2,459**	**(152)**	**7,172**	**2,960**	**19,929**	**22,097**
Surplus/(Deficit)	**(2)**	**(2)**	**148**	**148**	**0**	**(11,737)**

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)	815	14,562	0	15,377
Mental Health Redevelopment	14,503	14,503	0	458	14,045	0	14,503
Acute Services Block	1,400	0	1,400	0	0	0	0
Linear Accelerator Replacement	4,330	4,257	73	3,558	699	2	4,259
Planned Care Production Planning	150	150	0	3	147	0	150
SCoPE (Theatre Audit)	600	600	0	0	600	0	600
TOTAL Externally Funded Items	**33,002**	**34,887**	**(1,885)**	**4,834**	**30,053**	**2**	**34,889**
Major Items							
EDOA / MAPU PODS	5,900	6,900	(1,000)	332	6,568	0	6,900
Telemetry & Monitoring System Replacements	3,278	370	2,908	0	370	0	370
Medical Imaging Equipment (incl DSA machine)	3,190	0	3,190	0	0	0	0
Programme of Change Mental Health (FACT)	516	516	0	89	427	0	516
Anaesthetic Machine & Monitor Replacements	2,430	2,430	0	0	2,430	0	2,430
End User Compute Replacement Programme	1,650	0	1,650	0	0	0	0
End User Compute Break Fix	350	233	117	0	0	0	0
Computerized tomography (CT) Scanner	1,740	0	1,740	0	0	0	0
Regional Health Informatics Programme (RHIP)	1,465	1,465	0	338	1,127	0	1,465
Workstations for Cancer Service	1,357	0	1,357	0	0	0	0
Structural & Seismic Upgrades	1,184	0	1,184	0	0	0	0
Fluoroscopy Machine	1,140	1,640	0	408	1,232	0	1,640
Bed Replacement Programme	1,000	0	1,000	0	0	0	0
Water Services	1,000	1,800	(800)	0	1,800	0	1,800
Enable NZ IT Programme	800	0	800	23	(23)	0	0
Chiller Replacements	700	225	475	0	225	70	295
Certificate of Public Use Upgrades	500	32	468	0	32	0	32
Fire System Upgrades	500	0	500	0	0	0	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**	**15,611**	**14,689**	**1,190**	**14,188**	**70**	**15,448**
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	0	350	0	0	0	0
Asset Management & Individual Items less than 251K	2,230	569	1,661	35	534	271	840
TOTAL Infrastructure Items	**3,830**	**1,219**	**2,761**	**35**	**1,184**	**271**	**1,490**

($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	328	172	315	815
Defibrillators	407	0	407	0	0	0	0
SSU Medivators & Washers Replacement	400	0	400	0	0	0	0
Endoscopy & Theatre Scopes	350	94	256	94	0	0	94
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
Covid Expenditure-MOH Funded	0	310	0	310	0	134	444
Patient Simulation Programme	300	0	300	0	0	0	0
Asset Management & Individual Items less than 251K	4,910	578	4,332	152	426	1,013	1,591
TOTAL Clinical Equipment Items	**9,575**	**1,482**	**8,403**	**884**	**598**	**1,462**	**2,944**
Information Technology Items							
SAN Rebuild	800	0	800	0	0	0	0
Echo Image Vault	700	700	0	13	687	0	700
Minor Works (Network, Firewalls, Servers, UPS)	600	0	600	0	0	0	0
Network Switch Upgrade	500	0	500	0	0	0	0
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	0	667	0	0	689	689
TOTAL Information Technology Items	**3,837**	**700**	**3,137**	**13**	**687**	**689**	**1,389**
TOTAL CAPITAL EXPENDITURE	**80,044**	**53,899**	**27,105**	**6,956**	**46,710**	**2,494**	**56,160**
Software as a Service Items & Others							
Programme of Change Mental Health (FACT)	2,142	2,142	0	54	2,088	0	2,142
Health System Catalogue (NZHP)	1,515	1,515	0	400	1,115	0	1,515
ePrescribing and Administration Planning (Medchart)	800	972	(172)	0	972	0	972
External Referrals (eTriage, eReferrals)	460	0	460	4	(4)	0	0
WebPASaaS Implementation	400	0	400	0	0	0	0
Clinical Records Management	400	332	68	57	275	0	332
TOTAL Software as a Service and other Items	**5,717**	**4,961**	**756**	**515**	**4,446**	**0**	**4,961**
TOTAL CAPITAL EXPENDITURE & SaaS	**85,761**	**58,860**	**27,861**	**7,471**	**51,156**	**2,494**	**61,121**

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	Finance, Risk and Audit Committee
Date	3 February 2022
Subject	**Sustainability Plan**

RECOMMENDATION

It is recommended that the Board:

- **note** that at its February 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 November 2021 report indicates savings of $**262,460** year to date
- **endorse** the approach and progress made to date on the Sustainability Plan 2020-2023, for the Board's consideration.
- **approve** the February 2022 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 Board in July 2021.

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.

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 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.

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	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	Judith Catherwood	Implementation	✓		Standard booking letters have been redesigned and launched. Consumer experience education programme in development	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	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	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	Judith Catherwood	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	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	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.	Analysis of skill mix change delivered and benefits to be completed	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	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	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	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	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

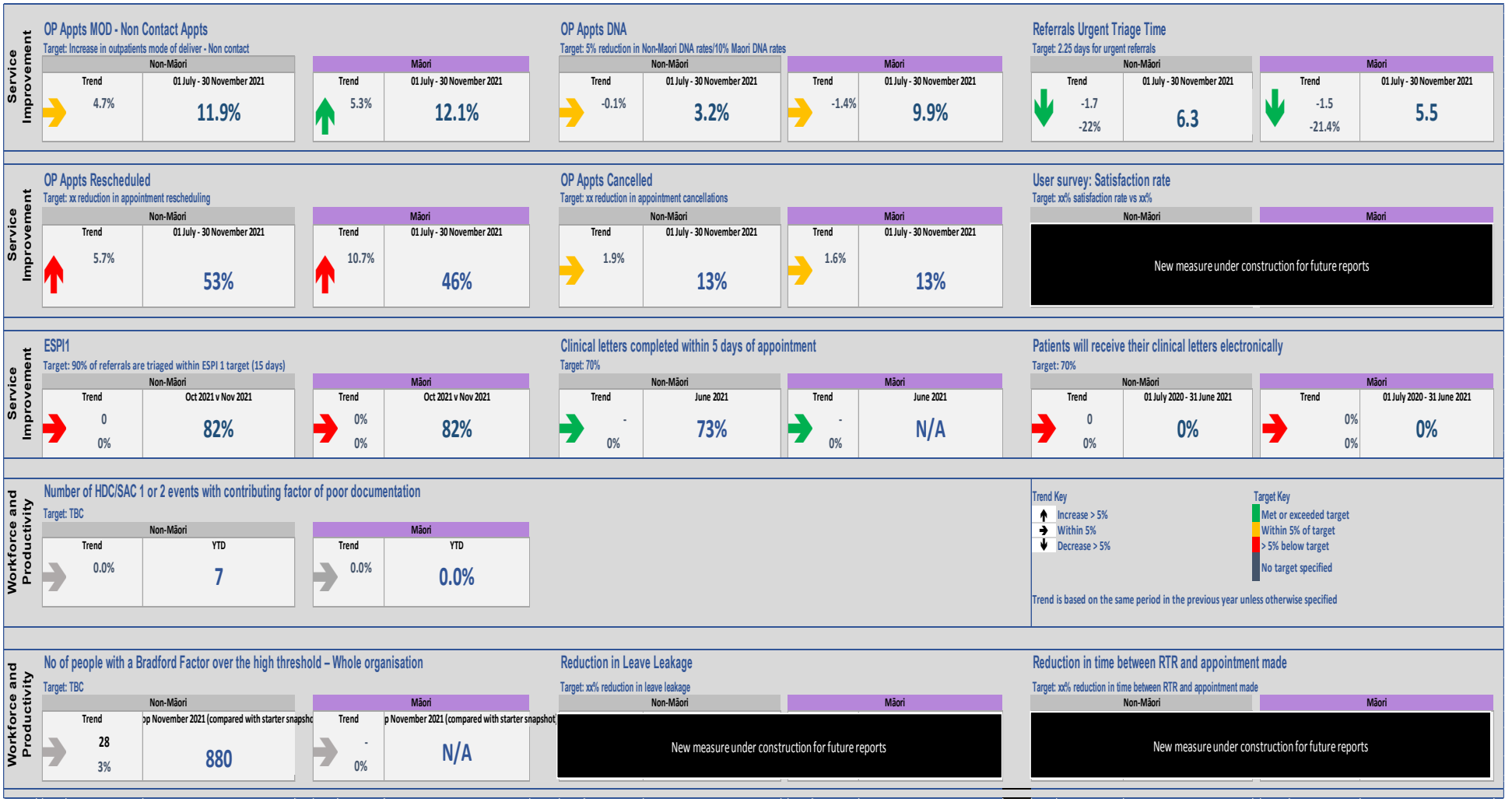
GREEN: On Track – no issues expected to impact on timelines or budget

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

					Nov 21 YTD $			
Activity	Project name	Measure	Cash Releasing	RAG	Target Savings YTD	Actual Savings YTD	% to YTD Target	Annual Target
Service Improvement	Mental Health Community Models of Care - STAR PN Realignment	Cost of Star 1 & 2	✓		$83,333	$82,500	99%	$200,000
	Mental Health Community Models of Care	FACT implementation	✓		$0	$0	0%	$300,000
	Outpatients – transcription and e communications	Paper consumables and postage spend	✓		$0	$0	0%	$300,000
	Long Term Conditions Transformation	Contract changes	✓		$125,000	$125,000	100%	$300,000
	Enhanced Stewardship of Blood	Units of Blood Wastage	✓		$41,667	$8,695	21%	$100,000
Workforce and Productivity Improvement	Reducing dependency on one to one nurse specialing	Outsourced Specialing Hours	✓		$50,000	$38,657	77%	$500,000
	Skillmix	Position changes	✓		$40,000	$0	0%	$300,000
	Workforce wellbeing	Sick leave FTE on rostered wards	✓		$40,000	$0	0%	$300,000
Savings and Revenue	Fleet Consolidation and management	No fleet vehicles replaced	✓		$6,379	$7,607	119%	$50,000
	Clinical Equiptment Library	Equipment spend	✓		$30,000	$0	0%	$100,000
	Short Term Loan Equipment Management	Equipment spend	✓		$30,000	$0	0%	$100,000
	Clinical documentation, coding and case weight capture	CWD per discharge	✓		$30,000	$0	0%	$100,000
				Total	**$476,379**	**$262,460**	**55%**	**$2,650,000**

BOARD REPORT

1. 

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Is the information sufficient to enable the Board to discharge governance responsibilities?
- 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?

To	Board
Author	Keyur Anjaria, General Manager, People and Culture
Endorsed by	Kathryn Cook, Chief Executive Finance, Risk and Audit Committee
Date	1 February 2022
Subject	**Health, Safety and Wellbeing**

RECOMMENDATION

It is recommended that the Board:

- **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 at its meeting on 1 February 2022 for consideration by the Board.

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 from 1 October to 31 December 2021. The report was endorsed by the Finance, Risk and Audit Committee (FRAC) at its meeting on 1 February, for consideration by the Board.

The Committee acknowledged the pressure on respirator fit testing for frontline DHB staff. The Committee requested that the testing be extended to Māori providers, who may be at risk of exposure. The Committee enquired about the DHB's position on what to do if staff get exposed to a COVID-19 positive case, are a close contact, or contact COVID-19 while in the community. National guidance on this matter has been received and while these guidelines will be made available to staff on the DHB's intranet page, key messages will be communicated to staff as part of regular updates. Details on the fit testing support for Māori providers has been provided under section 3.3 of this report.

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, showing comparisons against previous periods. Some aspects of the report, especially those relating to the breakdown of information by ethnicity, will provide greater insights as the report matures over the next few quarters. Commentary following the dashboard provides further information and analysis on some of these dimensions.

BOARD REPORT

Health and Safety Dashboard - Qtr 2 21/22 (1 October 21 - 31 December 21)

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	-1%	0%
	3.2%	3.8%

Reported Staff Incidents

	Non - Māori Staff	Māori Staff
Trend	N/A	N/A
	268	9
	Data not available	Data not available

Nursing Overtime

	All staff
Trend	8%
	14.8

Qtrly Trend: 9.96, 11.04, 15.9, 13.7, 14.8

Workplace Inspections
Percentage of scheduled

Trend	
1%	81%

Accepted Workplace Claims

	Non - Māori Staff	Māori Staff
Trend	6	1
	14%	17%
	49	7

Top 5 Incident categories

	1	2	3	4	5
Total Incidents	221	222	246	271	277
Exposure	34	27	35	35	36
Impact	11	11	18	16	12
Behaviour	43	24	40	57	35
Musculo-Skeletal	25	31	35	48	33
Falls	18	9	18	16	16

Training attendance rate
Percentage of scheduled

	All staff
Trend	1%
	98%

Qtrly Trend

Health & Safety Committees
Percentage of scheduled

	All staff
Trend	20%
	87%

Cost of Accepted Claims
($000)

	Non - Māori Staff	Māori Staff
Trend	-35	1
	-36%	7%
	62.44	7.20

Contracts/Tenants Inteface Meetings Held

Yes

Emergency Events/ Response

Yes

Trend Key

- ↑ Increase > 5%
- → Within 5%
- ↓ Decrease > 5%

Trend is based on the same period in the previous year 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.

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

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

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

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

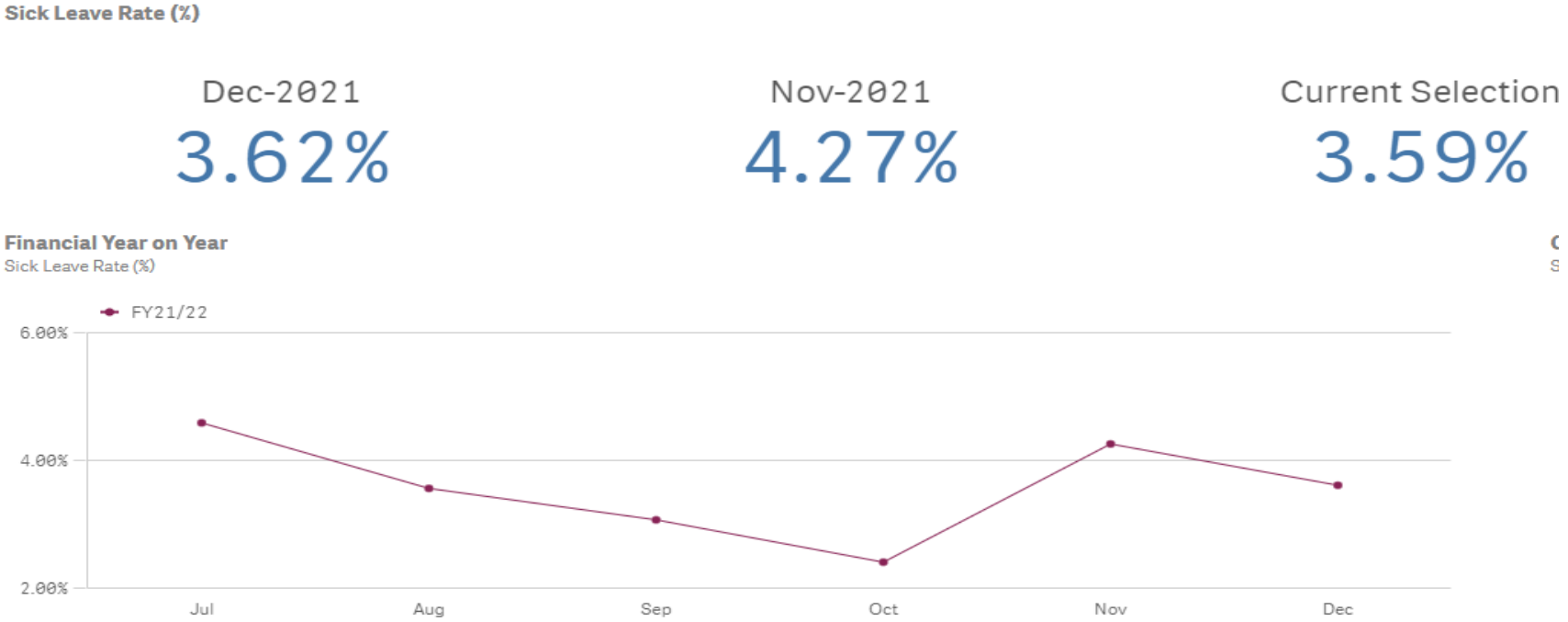
3. INSIGHTS AND COMMENTARY

3.1. 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 (277 in this quarter compared to 271 in the last quarter). While most injury types have reduced in this quarter, there were increased notifications of stress lodged by staff. Most of these incidents were lodged by staff who were experiencing anxiety associated with the Governments COVID vaccination mandate. The number of musculoskeletal injuries has decreased slightly from 48 in the previous quarter to 33 in this quarter. As informed to the Board in the last report, a team comprising two nurses and one physiotherapist are currently working on a project for two days a fortnight, focused on educating and training ward-based staff on patient moving and handling techniques. This project should result in a further decline to patient related musculoskeletal injuries.
- There were 56 workplace injury claims in the quarter. This number is similar to the previous quarter (54). However, the cost of these claims has decreased from $104.5k in the previous quarter, to $69.64k in the reported quarter.

  The percentage of staff taking sick leave has decreased slightly from an average of 3.7 percent in the previous quarter to an average of 3.4 percent in the current reported period. Sick leave was particularly high in November at 4.27 percent but reduced to 3.62 percent for the month of December. The increase to sick leave consumption in November correlates with staff who chose not to be vaccinated, reported high levels of stress and anxiety, many of whom did not attend work for four weeks between 5 November and 6 December. As there is no provision to record stress-related leave in any legislation, this is recorded as sick leave. A graph displaying the consumption of sick leave between July 2021 to December 2021 is provided below.



- 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 reported quarter.
- The number of completed workplace inspections remains high despite distractions related to COVID-19 in the community. 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, is provided as a separate report to the Board.
- MDHB has recently undertaken an eight-week trial of a lone worker duress alarm/monitoring system focussed on staff who access remote (out of cellphone coverage) localities. The trial was undertaken by community-based health workers and initial feedback has been very positive. Findings and feedback from this trial will inform procurement of mobile devices for these staff.
- 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. Over the reported quarter, 273 staff attended various training courses. The attendance levels at training courses remained high at 98 percent. The table below outlines the training courses which were delivered to

staff during the reported quarter. The table also provides information about the delivery mechanism of these courses (face-to-face or online).

Course	Attended	Delivery
Introduction to Health and Safety	111	Online
Laundry Safety	3	Online
Workplace wellness	2	Online
Critical incident Management	8	Face to Face
Basic Critical Incident Management	7	Face to Face
Fire and Building Warden	12	Face to Face
Orientation Safe Moving and Handling (clinical)	21	Face to Face
Safe moving and handling champions refresher	11	Face to Face
New staff day related training	98	Face to Face
Total	**273**	

- The DHB continued to provide the following wellness programmes for staff during the reported quarter.
  - Tai Chi classes weekly
  - Pilates weekly
  - Loan bikes, free of charge
  - Meditation (moved to online from August)
  - Discounted e-bike schemes.
- The DHB recognises staff contribution through many channels. One of these is via a series of end of year events which include barbecue lunches for DHB sites which have larger staff numbers (Palmerston North and Horowhenua) and morning tea for district sites (Feilding, Dannevirke and Pahiatua). However, due to restrictions and uncertainties surrounding COVID-19, this year, these gatherings were cancelled. The barbecue lunch was replaced by individual food boxes for staff which were provided to them at our sites. These organised food boxes allowed staff to celebrate the end of year in their own 'bubble' safely. The effort was well received and commended by staff.

3.2. Annual Accident Compensation Corporation (ACC) Audit

As advised in the last quarterly report, the DHB was audited against requirements of the ACC accreditation programme in September last year. The audit had required the DHB to prepare an action plan on a technical finding of the audit, in order to fully

meet the requirements of the audit programme. This action plan was prepared and submitted to ACC and has been accepted. The DHB is deemed to have fully met the requirements of the ACC accreditation programme.

3.3. Staff protection during COVID-19

In addition to supporting our staff in managing anxieties related to the resurgence of COVID-19, the key focus remains in protecting our 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 purpose of mask fit testing is to ensure that respiratory protection equipment (RPE), worn by healthcare staff to prevent respiratory transmission of COVID-19, is effective to the maximum extent as is reasonably practicable. The DHB offers an array of approved RPE, including disposable P2 type N95 face masks, respirator masks and half-hood masks. The DHB is resourced to provide fit testing to staff on a regular basis and has scheduled daily clinics until all staff are fully fit tested. In discharging its obligations as a responsible PCBU, the DHB has also been fit testing its contracted staff (Rescue Helicopter pilots, Ventia and Compass) as well as Primary Health Organisation staff, community providers and the Hospice at no additional cost to them. During the reported period, the DHB's fit testing team conducted close to 1200 tests which included staff, contractors, and providers. The DHB has now also procured a second fit testing machine from the Ministry of Health which enables quicker testing for its staff.

  Fit testing for Māori providers who have frontline staff, is being agreed with iwi (through the Pae Ora Paiaka Whaiora Hauora – Māori Health Directorate), with clinics scheduled on 8, 11 and 16 February, in Horowhenua, Ōtaki and Tararua respectively. Providers who have staff in Feilding and Palmerston North, will be fit tested on the DHB campus in Palmerston North.

- Staff vaccination status – in accordance with the requirements of the COVID-19 Vaccination Order, staff employed by the DHB were required to have their first dose of the approved COVID-19 vaccination by 5 November 2021 and their second dose by 1 January 2022. A total of 31 DHB staff chose not to get the first dose of their vaccination by 5 November and consequently lost their employment with the DHB following the mandatory four-week notice period. Of these 28 staff, eight were nurses, four HCAs, one Midwife, six Allied Health staff and nine administration, clerical and management staff. The DHB continues to have four unvaccinated staff still in employment (one Senior Medical Officer (SMO), one Registered Nurse (RN) and two Administrative staff members). Of these unvaccinated staff, one (SMO) has a three-month notice period, two staff are on long-term leave and one has a vaccination exemption certificate, duly approved by the Director-General of Health. The employment of these staff will be managed in accordance with their employment agreements. An occupational health risk assessment has been undertaken for the staff member with medical exemption so as to safely deploy them in the event of a COVID-19 resurgence.

  The DHB is likely to lose up to four more staff (three RNs and one Allied Health) as a result of them not receiving the second dose of the vaccination by 1 January 2022. The DHB continues to manage these staff in accordance with the terms of their employment agreements.

3.4. Staff shortages and overtime

While the reporting period has resulted in some unplanned vacancies, the DHB has been actively recruiting to ensure that service delivery is not compromised, and overtime rates are managed so that our staff remain safe. Overtime rates for nursing remain low in MDHB, as compared to other DHBs. However, during the reported period, nursing overtime increased slightly from 13.7 to 14.8 (Full Time Equivalent). This was mainly due to the fact that most of the staff who were unvaccinated, reported sick (stress) during their notice periods and remained away from work. Not only did this absence result in a spike in sick leave during November, it also resulted in increased unplanned absence and overtime for other staff.

Overtime in Ward 21 remained high mainly due to the ward being at full capacity. Recruiting to inpatient mental health services (nursing and HCA), remains challenging; however, the vacancies within the ward have been slowly declining. Care Capacity Demand Management calculations for the ward have been completed and approved roles will be recruited to, following due process.

Recruitment activity across nursing and midwifery (and HCAs) workforce continued with intensity. A table outlining recruitment activity related to nurses, midwives and HCAs over the months of October to December is provided below.

	Workgroup		
	Nursing	**Midwifery**	**Health Care Assistants**
Resignations	63*	9*	9*
Recruitments	45	3	12
Variance	-18	-6	+3

*includes terminations resulting from COVID vaccination order

While the overall staffing variance for the quarter was negative, employment processes for the Nurse Entry to Practice and the New Entry to Specialist Practice was undertaken during the quarter. Thirty-eight candidates (including 14 Māori nursing students) were offered (and have accepted) employment with MDHB. These employees will commence employment between January and February 2022. A table outlining nursing vacancies as reported in the Health Workforce Information Portal for MDHB, compared to vacancies across other DHBs is provided in Appendix One.

3.5. Health and safety activities planned for the following quarter

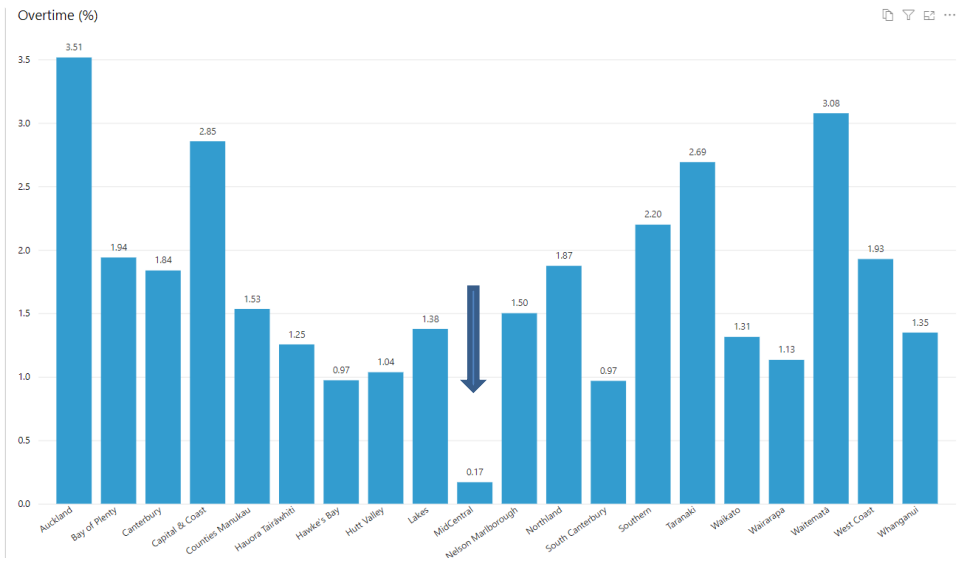
The following key H&S activities are being planned for the next quarter:

- Continue patient related musculoskeletal education and training
- Continue elections for H&S committee representatives
- 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 above.

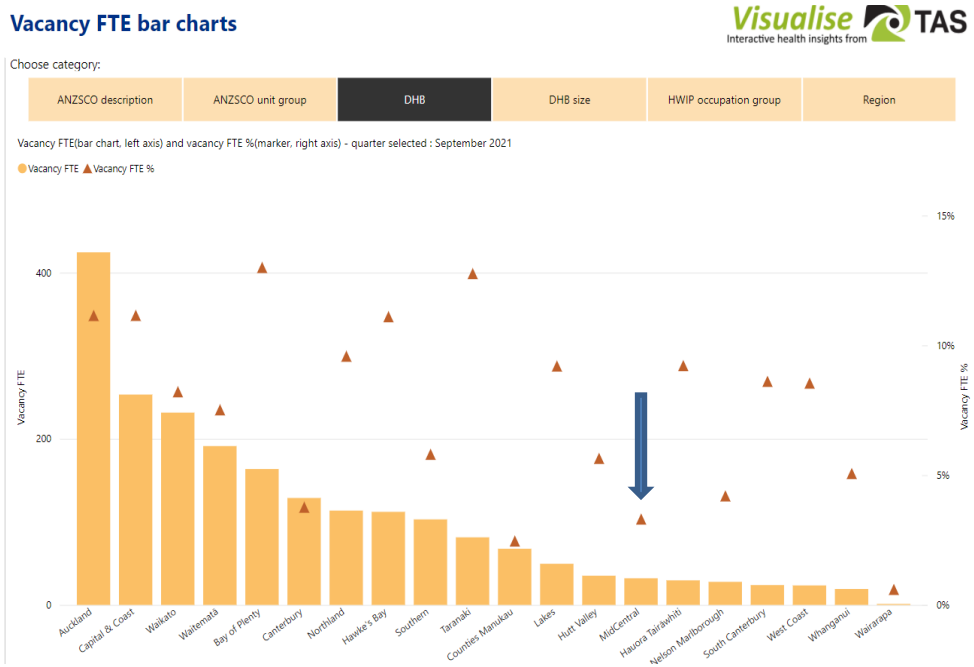
Appendix One

National Comparisons of Nursing Overtime and Vacancy levels for Nurses

Overtime (%) bar chart



Vacancy FTE bar charts



Discussion/Decision papers

15 February 2022

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:

- Is the Board satisfied with the progress of the Clinical Council? If not what further advice does it want to provide to the Clinical Council Chair and members?

To	Board
Author	Gabrielle Scott, Interim General Manager, Quality and Innovation
Endorsed by	Kathryn Cook, Chief Executive
Date	1 February 2022
Subject	**Clinical Council Board Report**

RECOMMENDATION

It is recommended the Board:

- **note** the contents of the Clinical Council report.

Strategic Alignment

This report aligns to all four of the strategic imperatives and provides an overview of progress made to date by the Clinical Council.

Introduction

The Clinical Council was formed in 2017 and reports to the Board. It provides independent strategic advice on district-wide clinical matters to the Board, the Organisational Leadership Team (OLT) and has a role across the District Health Board (DHB) and THINK Hauora. The Chair of the Clinical Council will present the report and take questions from the Board.

Kaunihera Haumanu
Clinical Council

Summary

Clinical Council has continued its focus on equity, mental health, the Te Awa Strategy, facilities and population and workforce wellbeing.

Equity

The Clinical Council continues to work with the General Manager Māori Health and the Consumer Council on the Māori health indicators. Members were supportive of the different strategies and operational plans presented at their meeting in September 2021, which seek to deliver the health outcome changes, so desperately needed. The greater investment in Māori health is lauded. The Clinical Council members observe that there is a greater understanding and acceptance of Te Tiriti o Waitangi amongst clinical staff. Karakia and use of limited Te Reo is much more evident throughout clinical areas. MDHB's approach to the COVID-19 vaccination programme has also demonstrated a supported approach to equity. Dr Phillip Suisted, Gynaecologist and also Māori, has joined Council and is a strong proponent of equity.

COVID-19 response

The Clinical Council has monitored, supported and been encouraged at the magnificent response of our surveillance teams, our vaccination teams and the governance groups and operational coordination all of which has contributed to a safer outcome for all. The Clinical Council has tried to stand with these groups and although we heard from them and provided some advice, we tried not to be intrusive on their time.

Midwifery

We heard about the local issues, the work being done to address the issues and are aware that the MidCentral District Health Board (MDHB) midwifery problem is set within a very similar national context. Attempts by the Clinical Council to stimulate a national consumer view on the state of midwifery have not progressed because the national body is so tied up in their role in the health sector reforms.

Elective Orthopedic Surgery

The Clinical Council has listened to the issues raised by Dr Geoff Anderson regarding the difficulty in ability to perform elective joint surgery at MDHB. The Operations Executive for Te Uru Arotau, Acute and Elective Specialist Services affirmed that difficulty and the several reasons behind it, with theatre space and orthopedic surgeon shortages being significant issues. When addressed in a national context, MDHB is probably middle of the pack and the issues assailing MDHB were agreed to be national issues and not specific to MDHB. It was also agreed that the SPIRE project was as good as we could achieve at present.

Combined Medical Staff/MDHB Relationships

Further discussions and ongoing liaison have not helped a difficult relationship problem but the Clinical Council continues to liaise with the Chair of the Combined Medical Staff Association (CMS). The appointment of Dr Suisted to the Clinical Council indicates our need for a secondary sector Senior Medical Officer on Council. The deployment of CMS members within the Clinical Governance model and the placement of CMS members on the Capital and Investment Group should start to pay dividends. We note as a Council the need for nursing and allied health members deployment too and this is happening.

MDHB Investments

The Clinical Council is pleased about the digital investments recently made and look forward to the huge benefit improved digital support will bring to our clinical community. The progress on facilities management both interim and the long-term business case for the new acute block gives much relief. Members have expressed interest in the organisational readiness assessment for COVID-19 reappearing in our community. The Clinical Council has received presentations about this from members of the Organisational Leadership Team and although the hospital facilities are constrained, members were supportive of the plans in place to mitigate risks. The projected modelling on likely case numbers inspire confidence that the district can cope, although the concept of also achieving 'business as usual' may be far-fetched.

Mental Health

The Clinical Council has been very much informed about the future of mental health services at MDHB. This includes the work associated with the new model of care 'Te Matapuna o te Ora' which the Clinical Council believe is excellent and the new inpatient unit build. It is recognised that staffing across the ropu is challenged but the exciting new directions will hopefully attract engaged clinicians who will lead us forward.

Clinical Governance – Future Models

The Clinical Council is engaging key clinical leaders in a questionnaire seeking to determine the way in which MDHB can best align its clinical advice and governance structures during transition with Health New Zealand and keep excellence in clinical leadership throughout what could be a long period of transition.

Dr Simon Allan
Clinical Council Chair

BOARD REPORT

For:

	Approval
	Endorsement
X	Noting

Key questions the Board should consider in reviewing this paper:

- Is the Board satisfied with the progress of the Consumer Council? If not what further advice does it want to provide to the Consumer Council Chair and members?

To	Board
Author	Gabrielle Scott, Interim General Manager, Quality & Innovation
Endorsed by	Kathryn Cook, Chief Executive
Date	3 February 2022
Subject	**Consumer Council Board Report**

RECOMMENDATION

It is recommended the Board:

- **note** the contents of the Consumer Council report.

Strategic Alignment

This report supports the Consumer Council's strategic imperative to partner with people and whānau to support health and wellbeing.

Introduction

The Consumer Council was formed in 2017 in line with the District Health Board's (DHB) newly developed strategy and to assist the DHB in achieving their purpose of Quality Living, Healthy Lives and Well Communities.

In 2020 MidCentral District Health Board (MDHB) reaffirmed its commitment to resource strategic priorities which address the improvement of health outcomes for Māori, and to implement equitable strategies for other population groups with poor health outcomes. The Consumer Council has aligned its work programme to these strategic priorities.

Comings and Goings

Towards the end of 2021 Gail Munro, the Chair of the Consumer Council tendered her resignation. Gail was totally committed to her role and was passionate about consumer representation and equity in health. Her inclusive leadership and work ethic kept the Consumer Council on task during her tenure.

Cam Bardell one of the original members of the Consumer Council resigned in September and he was a willingly contributor to our monthly meetings.

Judith Catherwood, the General Manager Quality and Innovation resigned in December. Judith has supported the Consumer and Clinical Councils for the past three years and Council members acknowledge her role supporting the Council and providing the information and resources to ensure the work programme was met.

On a positive note, Josh Kurene joined the Consumer Council in September. The recruitment process is underway, and the aim is to have a full complement of members by the end of February.

Continuing to build consumer networks is still very much a focus for the Consumer Council during 2022.

Health Reforms

The Health Quality and Safety Commission (HQSC) has been contracted to develop a framework for Consumer Engagement and consumer voices as part of the health and disability reform process. HQSC regularly communicate with the Consumer Councils and will be consulting with the MDHB's Consumer Council as this work progresses.

Consumer Engagement QSM

Members of the Consumer Council are part of the Quality Safety Marker working group. The group meets monthly and is currently developing a work plan that will be used to improve on the current measures submitted by MDHB in March 2021.

Consumer Council Work Plan 2021-2022

The 2021/2022 draft work plan is currently being developed. The foci are likely to include:

- Consumer Engagement Quality and Safety Marker
- Health and Disability Reform and implications for consumers and Consumer Councils
- A focus on localities – building connections and understanding the health needs expressed by consumers
- Māori Health and Inequity
- Accessibility Charter – progress towards adoption
- Consumer feedback and themes (compliments and complaints)
- Mental health – implementing the revised model of care
- Facility developments – the new mental health and acute services facilities.

Stephen Paewai
Consumer Council Chair

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
Endorsed by	Kathryn Cook, Chief Executive
Date	8 February 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

A paper for the proposed 'meetings and level of engagement' has been prepared and will be tabled for discussion at the next Medical Reference Group (MRG) meeting on 9 February.

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	Further engagement planned	To be discussed at MRG 9 February
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	26 January 2021
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

November and December 2021 continued to be challenging for nursing, with high unplanned staff sick leave and a hospital working at full capacity. COVID-19 resilience planning, particularly in the areas of workforce and infrastructure preparedness has continued.

Over this time, ten medical and four nursing students/graduates were employed on short term contracts, receiving training in, and providing, COVID-19 contact tracing and testing and swabbing support. Thirty-two hours of training was provided, and most students worked full-time (40-hours per week) on a seven-day roster.

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

Mental Health and Addiction Services and Maternity Services continue to experience recruitment challenges due to the unavailability and pipeline of nurses and midwives to recruit.

New graduate nursing recruitment commenced in October 2021. Sixty-eight nursing students were interviewed, and 40 accepted positions as follows:

MDHB Nurse Entry into Practice (NETP)	34	Māori N=7 Pacifica N= 1
MDHB Nurse Entry into Specialist Practice (NESP) (Mental Health)	5	Māori N=1
Primary, Community and Aged Care	6 (includes 2 x RNs from COVID workforce)	Māori N=2
MDHB COVID Surge Workforce	2	

Additionally, four registered nurses (RNs) were employed to support the COVID surge workforce, with two subsequently appointed to NETP positions in Aged Care. The employment of the Nursing and Midwifery Recruitment Coordinator has significantly improved the timeliness of the NETP employment processes.

3.2 **Workforce retention**

The overarching aim is that the DHB's 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 is making good progress supporting staff and streamlining the employment process.

3.2.1 Māori Nurse Recruitment and Retention: NETP Nurses

The Nurse Educators: Māori are making great connections with Māori and Pacifica students, facilitating interview preparedness workshops for them to ensure they are well placed to be successful at interview. Te Ao Māori, karakia and whakawhanaungatanga are embedded in the interview process. In 2021, cultural supervision was offered and accepted by four Māori and Pacifica NETP nurses, supported by Ministry of Health funding. This will be made available again in 2022.

In addition to the number of vacancies, each month the number of nursing and midwifery staff onboarding, and resignations is being captured. This will provide a clearer picture over time of the progress being made with recruitment and retention initiatives. During October-December, 60 staff were recruited, and 84 resignations received. Most were a result of the Covid 19 Public Health Response (Vaccinations) Order 2021.

	October 2021 New Staff Onboarding	October 2021 Resignations	Variance	November 2021 New Staff Onboarding	November 2021 Resignations	Variance
Nursing	15	15	**0**	15	19	**-4**
Midwifery	0	0	**0**	0	5	**-5**
Health Care Assistants	4	1	**+3**	6	3	**+3**
Enrolled Nurses	0	0	**0**	0	3	**-3**
	December 2021 New Staff Onboarding	**December 2021 Resignations**	**Variance**	**TOTAL Onboarding Oct-Dec**	**TOTAL Resignations Oct-Dec**	**Variance**
Nursing	15	29	**-14**	45	63	**-18**
Midwifery	3	4	**-1**	3	9	**-6**
Health Care Assistants	2	5	**-3**	12	9	**+3**
Enrolled Nurses	0	0	**0**	0	3	**-3**

Casual Staff	October 2021 New Staff Onboarding	October 2021 Resignations	Variance	November 2021 New Staff Onboarding	November 2021 Resignations	Variance
Nursing	2	5	**-3**	2	6	**-4**
Midwifery	0	0	**0**	0	3	**-3**
Health Care Assistants	4	1	**+3**	2	3	**-1**
Enrolled Nurses	0	0	**0**	0	0	**0**
	December 2021 New Staff Onboarding	**December 2021 Resignations**	**Variance**	**TOTAL IN Oct-Dec**	**TOTAL OUT Oct-Dec**	**Variance**
Nursing	5	4	**+1**	9	15	**-6**
Midwifery	2	1	**+1**	2	4	**-2**
Health Care Assistants	1	0	**+1**	7	4	**+3**
Enrolled Nurses	0	0	**0**	0	0	**0**

During October-December, 18 casual staff were recruited, and 23 resignations received. Again, most were a result of the Covid 19 Public Health Response (Vaccinations) Order 2021.

3.3 Clinical safety

The CCDM implementation self-assessment has been completed and the review by the Safe Staffing Healthy Workplaces Unit (SSHW) occurred in November 2021. The DHB has been informed that they have in principle achieved full implementation, the confirmation will come from the SSHW Governance Group in quarter three, early 2022, along with some further recommendations.

This now puts the business as usual (BAU) component of CCDM into the operational planning and budget of each directorate, and reporting will be through their normal reporting processes. Monthly reporting of the core data set will continue through the nursing workforce report rather than through previous quarterly CCDM reporting to Board.

The CCDM Core Data set for November 2021 (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 November, 213 patient incidents were reported, this is the lowest patient incidents have been since April 2021 and a 19 percent decrease from October.

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 six percent of shifts were below target in November; this is increased from nineteen percent in October. The 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 301 for November down from 325 in October 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 100 to 130 percent in eight clinical service areas, down from ten areas in July.

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 increased by two percent in November. A pilot of the Bradford scoring tool was undertaken last year and following consideration, planning is underway to roll out to the other ward areas. This is being led by the GM for People and Culture and Associate Director of Nursing for Acute & Elective Specialist Services cluster. The pilot showed a reduction in staff unplanned leave.

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 Ward 26 (N=16). The Associate Director of Nursing together with the Charge Nurse for each area review these incidents, note the trends and themes, and put remedial actions in place. Each clinical area contributes to the overall Health and Safety plan which is reviewed with the operational teams.

3.4 **Professional support**

The purchase of the high-fidelity training equipment and RQI carts was approved this month. A marketing campaign has commenced, and resources are being socialised across teams, with positive feedback received to date. The plan is to deliver training at the point of care, in inter-professional teams. This will help mitigate the impact of future education cancellations.

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 Nightingale Challenge for emerging nurse leaders were rescheduled in December 2021, with a total of 38 staff participating.

The Advisory Group established with our Tertiary Education Programme Providers (Nursing, Midwifery and Allied Health) continues to meet with the remit of developing a shared approach to ensuring students can complete their practice placements in a timely manner in a COVID-19 environment.

3.5.2 Connectedness

Over December and January, all Charge Nurses and Charge Midwives were offered access to free and confidential on-line coaching by Proven Performance, in recognition of the multiple challenges they faced daily in 2021 with the added pressure of COVID-19 resurgence and the Covid-19 Public Health Response (Vaccinations) Order 2021. In 2022, we will deliver small group coaching to this group, evaluating the impact of this new initiative.

3.5.3 Supporting at work

In November, Māori Nurse Educator Chey Ratima was gifted a Family Resuscitation Simulation Training pack by the Māori Women's Welfare League. She was also funded by them to attend instructor training so that she could upskill iwi/Māori providers in resuscitation and award them a recognised qualification.

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.	Ongoing	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.	Ongoing	ADON Education NE NETP	NETP/NESP Māori and Pasifika 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 Nurse 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	People and Culture Nurse Consultant	Improve timeliness of recruitment process.	
Review orientation and onboarding processes.	Due December 2021	People and Culture Nurse Consultant	Consider establishment of nursing recruitment office, workforce unit, centralised roster.	
Nursing Bureau and nursing centralised roster.	Due December 2021	Nurse Consultant IOC Lead IOC Team	Consider establishment of nursing recruitment office, workforce unit, centralised roster.	
Review current arrangements for nursing bureau.	August/September 2021	Nurse Consultant IOC Lead ADONs N&M Leadership	Review proposed model and FTE allocation. Review onboarding process for bureau staff and Duty Calls staff.	
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.	
New Manager training programme developed and rolling out in 2022	Ongoing	ADON Education OD Business Partner	In progress.	
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.	
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.	
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; discussions held with UCOL re ENs.	
Staff Wellbeing				
Review current quarterly plans – top three priority areas identified in staff survey.	September 2021	EDNM GM People and Culture OD Business Partner		
Pilot in place for Bradford scoring for monitoring/assessing staff absence.	Pilot commenced	GM People and Culture		
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 leave.	
Increase support for staff through access to Supervision, peer-to-peer Coaching, and cultural supervision.	Ongoing	ADON Education Supervision Project Group	Stock take training and access to/uptake of supervision and coaching. Working group established to progress. Charge Nurses to undertake Pilot Programme.	

APPENDIX TWO – CCDM Dashboard November 2021

Quality Patient Care

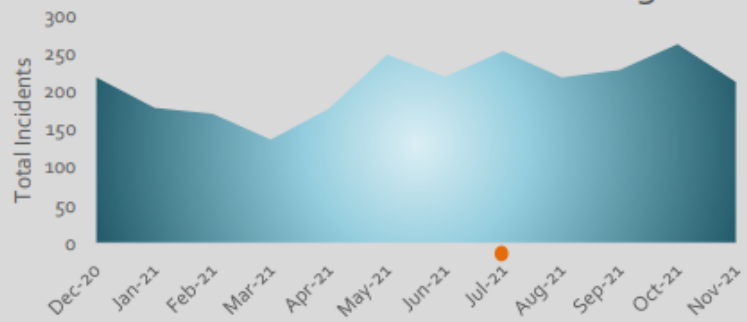
CCDM Core Data Set for November 2021

Total Patient Incidents

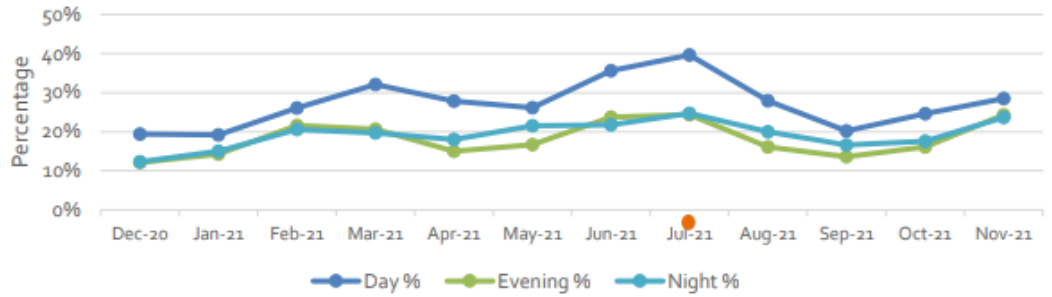
213 Incidents

19% Decrease From Last Month

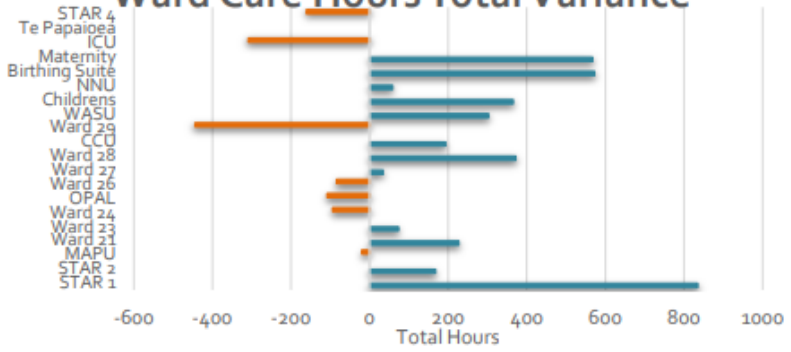
Total Patient Incidents Trending



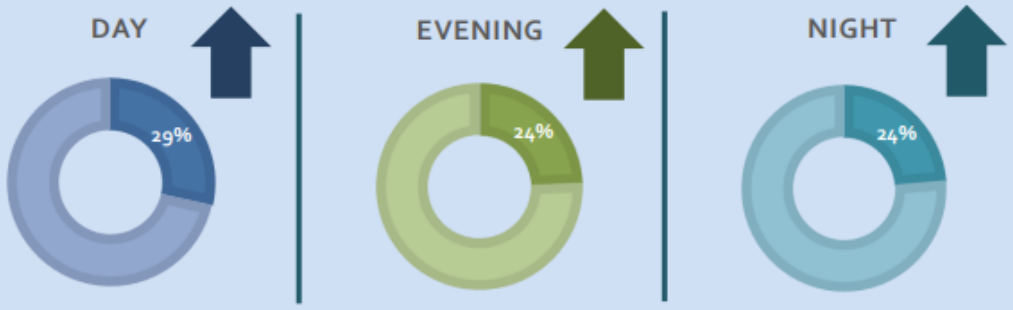
Hospital Shifts Below Target Trending



Ward Care Hours Total Variance



Total Shifts Below Target



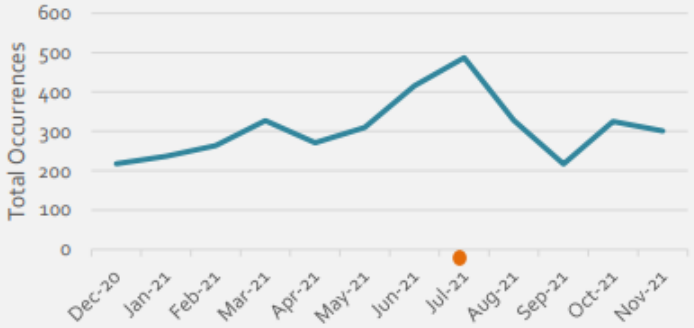
Shifts below target is the percentage of shifts by AM, PM, Night where the difference in the care hours provided and the care hours required was greater than 8.5% (or 40 minutes per FTE)

Total Shifts Below Target:

26%

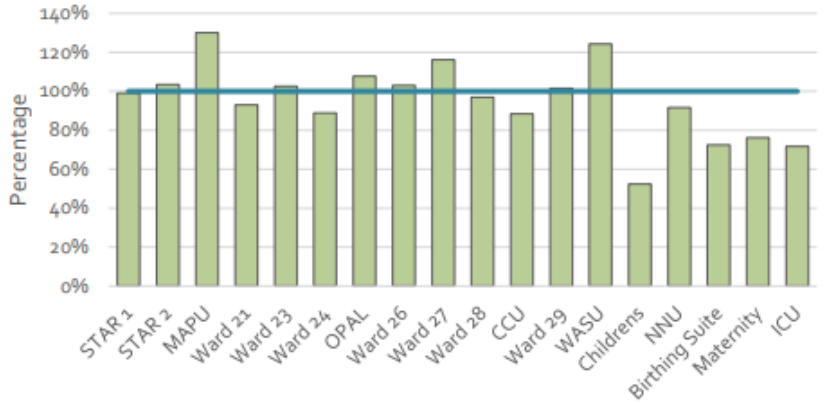
Quality Patient Care

Anticipated Care Rationing Occurrences Trending



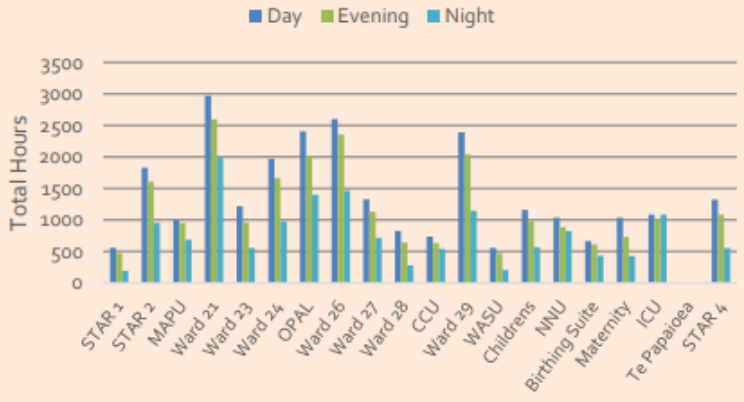
All care that was missed, delayed, sub optimally delivered or inappropriately delegated, as reported by staff. Also defined as 'care left undone' due to lack of time, material resource, poor communication or teamwork.

Ward Bed Utilisation



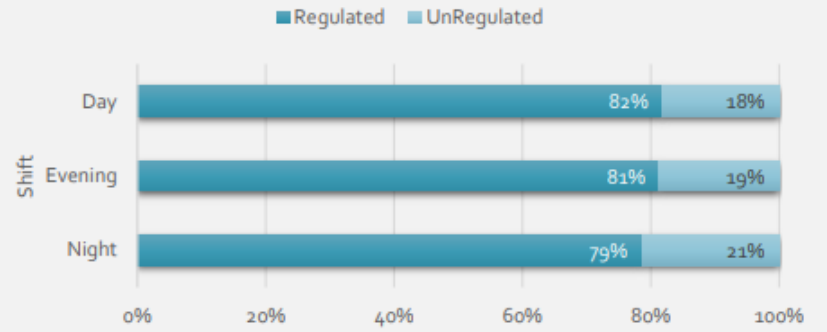
Bed utilisation reflects the throughput of patients during a calendar day – accounting for all discharges, deceased patients, admissions and transfers for the shift on which the patient received care.

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 November 2021

Unplanned Leave

6820.5

Total Hours

7%

Percentage

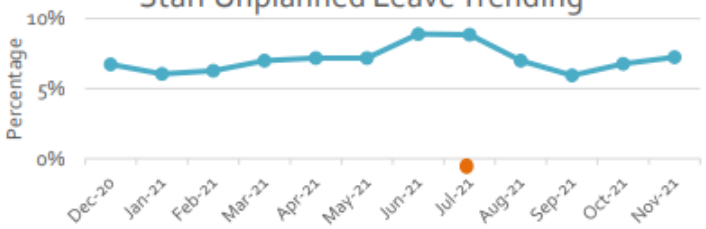
From Last Month

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.

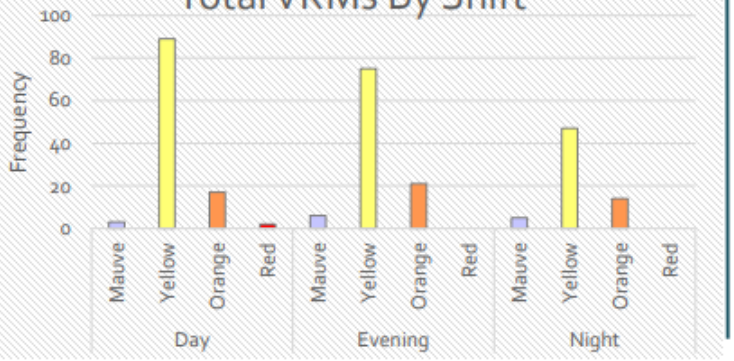
Roster Gaps

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

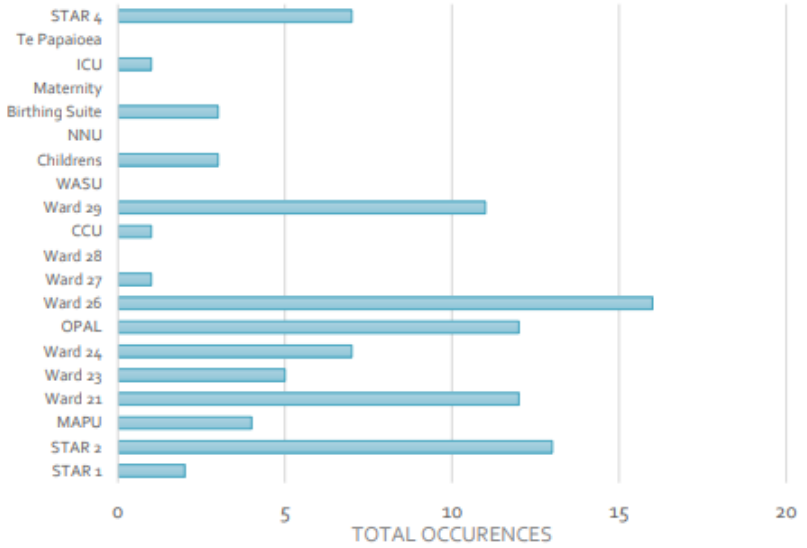
Staff Unplanned Leave Trending



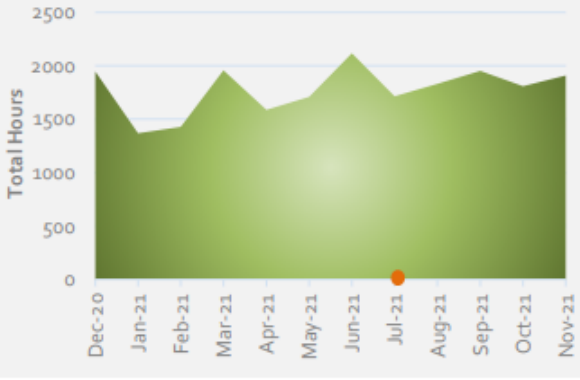
Total VRMs By Shift



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

2,611

Best Use of Health Resources

CCDM Core Data Set for November 2021

Staff Hours

4,728

Total Casual Staff Hours

5%

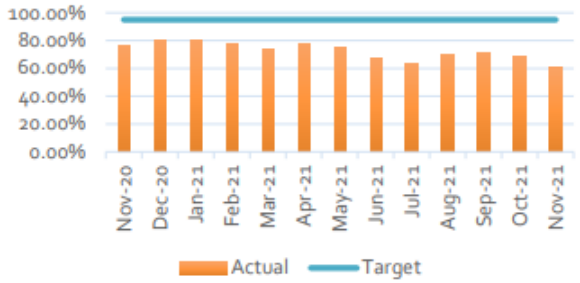
Casual Staff Percentage

94,309

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%.

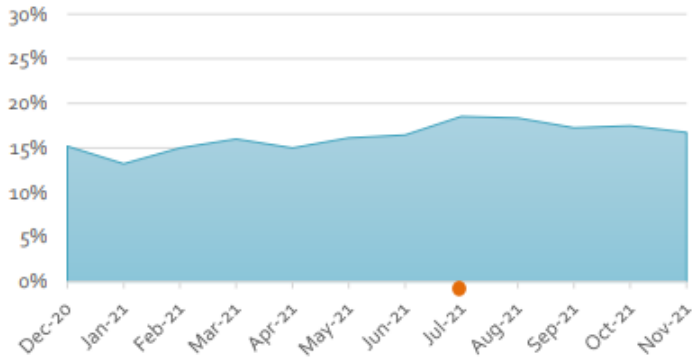
17%

Percentage of Discharges Before 11am

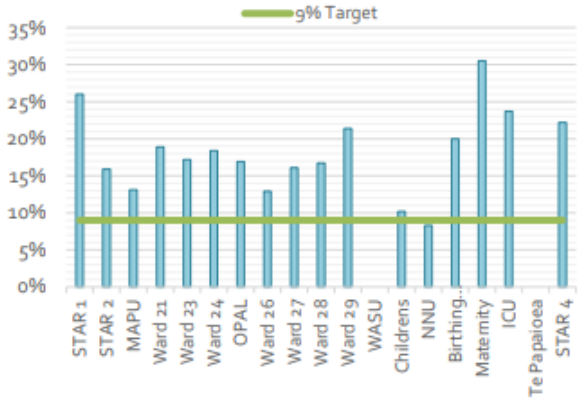
332

Total Number of Patients Discharged Before 11am

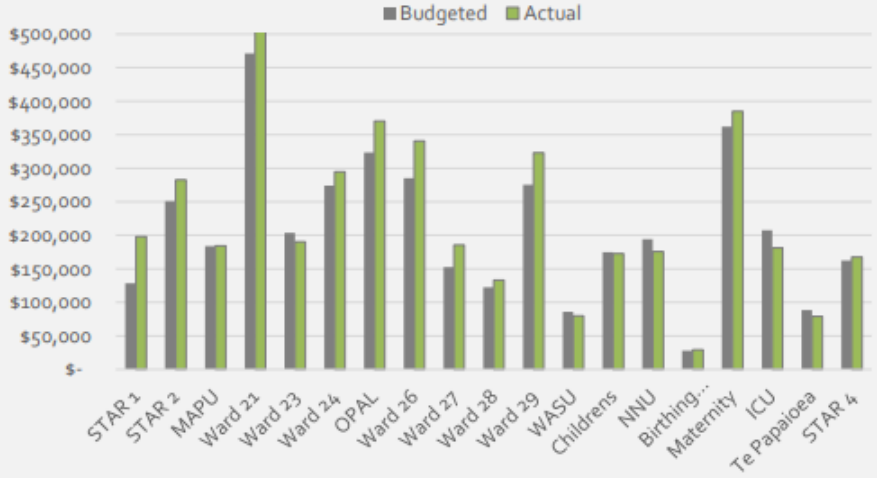
Wards Percentage of Discharges Before 11am Trending



Excess Accrued Leave



Personnel Costs By Ward



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	27 January 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 remains 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.

As expected, the staffing position has deteriorated, with two midwives having commenced leave without pay (LWOP) and two midwives on non-work related Accident Compensation Corporation (ACC). One senior midwife has moved to a Lead Maternity Carer

(LMC) practice; two midwives have reduced their hours by 0.2 FTE each; one midwife has moved from the core team into an equity based senior midwifery role; and one midwife has left due to the vaccine mandate. These reductions total 4.5 FTE and whilst some changes are temporary, they have had a significant impact on staffing. The midwifery shortfall is mitigated by 15 FTE nurses. However the overall vacancy has increased to 11.3 FTE (excluding CCDM).

Local recruitment continues with three new graduates commencing on 31 January 2022. The Clinical Coach to support new graduates and return to practice midwives commenced on 10 January 2022. Health Care Assistants and Midwifery Care Assistants have been recruited and commenced duties. Clinical Midwifery Managers roles have been recruited to ensure leadership 24 hours a day, seven days a week.

Two external recruitment companies are engaged to recruit midwives internationally. Recruitment has been confirmed for one overseas midwife, with a start date to be agreed.

Despite escalation, there is no further update on the Otago Polytechnic Nurse to Midwifery Transition Programme. Auckland University of Technology has advised they are hoping to commence a programme in Semester Two of 2022.

3.2 **Workforce retention**

Retention payments were paid to all permanently employed midwives in December 2021.

A lease agreement has been signed for the Antenatal Clinic to relocate to premises previously occupied by the Salt Rooms (below Te Papaioea Birthing Centre). Some physical work is required for the clinic to operate out of this site and work will commence in February 2022. The clinic will remain at Te Papaioea Birthing Centre until the building work is complete.

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. Following a meeting with LMCs on 24 September 2021, interest has been received about working at the Centre, with planning in progress to increase operational hours in April/May 2022. Two midwives have contracts to work in the primary unit once it is operational. Regular situation updates to core and LMC staff reiterate MDHB's commitment to resuming a 24-hour service at the Birthing Centre when staffing permits.

In line with the external Director of Midwifery's recommendations, health care assistant (HCA) and lactation consultant hours were increased to support midwifery shortages. However, four HCAs and one lactation consultant left due to the COVID-19 vaccination mandate. The recruitment process to fill these positions has commenced.

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 is expected to be confirmed in February 2022.

One formal complaint has been received since the last reporting period regarding decision making during delivery. This is currently being responded to. Twelve survey responses were received to the Maternity Survey carried out in December, which is a decrease compared to the previous reporting period. The majority of wāhine indicated that they were happy or very happy with the breastfeeding support they received, along with the ability to have a support person stay with them. For others, the limitations of shared rooms and COVID-19 responses continues to impact their experience.

There has been one Severity Assessment Code (SAC) 2 incident concerning a fourth-degree tear in the report period. This will be investigated as part of the normal process.

Despite staffing challenges, the Maternity Ward achieved the highest ever rate of fully breastfed babies at discharge for the month of December 2021 at 89.7 percent, which is to be commended.

As part of the COVID-19 response, significant planning, preparation and pathway development has been 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 paused over the holiday period and will continue in February 2022.

A meeting between MDHB and private providers to discuss maternal ultrasound took place on 12 November 2021, with a plan agreed and shared with the LMC and core midwifery workforce.

As part of MDHB's commitment to Te Tiriti and equity of outcomes for Māori, recruitment to the Kaiaraara Tu Ora –Midwife Specialist role has been appointed, with a planned transition occurring from January 2022. This multidisciplinary role will work 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 Pä 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 has been readvertised as an Associate Director of Midwifery, with interviews planned for the first week of February. 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 now complete.

The Clinical Midwifery Manager (previously known as Associate Charge Midwife) has been appointed, and a graduated transition into the role is occurring as core staffing levels improve.

The plan to progress Midwifery Coordinators for the Maternity Ward 24 hours a day has not progressed due to a lack of applications. As an alternative strategy, one Clinical Midwifery Manager role working from Monday to Friday has been advertised.

The Equity Lead role has not been appointed, following two unsuccessful recruitment rounds. This role is being readvertised.

3.5 **Communications**

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

The Francis Health culture work continues across the service, with the current focus on developing the leadership team. Weekly meetings with the leadership team are in progress. Workshops with the wider Women's Health Team are planned for the week commencing 14 March 2022, with engagement with the senior leadership team prior to this.

Appendix One: Midwifery Action Plan – June 2021, updated January 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 yet approved.	
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.	

Action	Target Date	Owner	Update	Status
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.	
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 being worked on.	
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.	
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.	

Action	Target Date	Owner	Update	Status
			Continuing to try and source alternative 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.	
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.	
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.	
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	To be completed September 2021.	
ACM development programme to compliment leadership styles	June 2021	Operations Executive Operational Lead	Francis Health work to commence March 2021.	
Communications				
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.	
Staff meetings	Ongoing	Director of Midwifery Charge Midwife	Sarah Fenwick and Celina Eves invited. (Monthly staff appreciation award initiated). Work in conjunction with organisational awards and recognition scheme.	
Regular written communication from management team	Ongoing	Operations Executive Executive Director Nursing and Midwifery	Continues as indicated.	

Action	Target Date	Owner	Update	Status
To improve culture across Maternity Services		Operations Executive Clinical Executive Director of Nursing/Midwifery	Work with Francis Health on track.	

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	September 2020	Operations Executive Executive Director of Midwifery	Antenatal day unit now operating from Birthing Suite, new person now in post June 2021.	

Unit (ADU) patients. This will support acuity on Birthing Suite. RM has resigned from this position				
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.	
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	Leadership paper and Job Descriptions sent out for consultation May 2021. Decision expected June 2021.	

		Nursing and Midwifery / Director of Midwifery		
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.	

Information papers

15 February 2022

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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	4 February 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.

The work programme has been adjusted to reflect the correct months for meetings in 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.

Health System Indicators (formerly KPI dashboard)
The Ministry of Health extended the timeframe for Quarter Two reporting and as a result, the data is not available in time to prepare a report for the February Board meeting. The Health System Indicators dashboard will be presented at the March Board meeting.

Preventing Occupational Violence Strategy
As agreed by the Board, this is now included as part of the Health, Safety and Wellbeing quarterly reports.

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**
Contract Renewal and Planning Outcomes Framework to update Board on review of planning outcomes achieved and general approach to contracting for the year ahead	Annual			**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 the national framework (support the execution of the DHB's Strategy)	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**

MidCentral District Health Board Work Programme	Frequency	Feb	Mar	May	June	Responsibility
IEA Remuneration Parameters to consider the remuneration parameters for annual changes to staff on IEA agreements (following Remuneration Committee)	Annual		**X**			**GM P&C**
Remuneration Policy to consider the Remuneration Policy as recommended by the Remuneration Committee	Triennial (due Nov 2022)					**GM P&C**
IEA Remuneration Strategy to consider the Remuneration Strategy (IEAs) as recommended by the Remuneration Committee	Triennial (due March 2023)					**GM P&C**
Health and Safety Workshop	Annual (due 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, and confirm the 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**		**X**		**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			**GM SPP**
CEO's Performance Review	Annual			**X**		**Chair**
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**

MidCentral District Health Board Work Programme	Frequency	Feb	Mar	May	June	Responsibility
Partnership						
Clinical Council to consider the work, findings and recommendations from the Clinical Council, provide endorsement or support as required	Six-monthly	**X**				**GM Q&I**
Consumer Council to consider the work, findings and recommendations from the Consumer Council, provide endorsement or support as required	Six-monthly	**X**				**GM Q&I**
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 Review of policies related to the Board or those requiring Board approval	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 4 February 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
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

15 February 2022

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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**
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

15 February 2022

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Late items

Discussion on any late items advised at the start of the meeting

Date of next meeting

15 February 2022

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Date of next meeting

Tuesday, 29 March 2022

Exclusion of the public

15 February 2022

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Exclusion of public

Resolution:

That the public be excluded from this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reasons outlined in the agenda.