



MidCentral District Health Board

Board Minutes

Meeting held on 25 May 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.

In attendance

Kathryn Cook, Chief Executive; Kelvin Billinghamurst, Chief Medical Officer; Celina Eves, Executive Director, Nursing and Midwifery; Rory Matthews, Interim Director, Office of the Chief Executive; Gabrielle Scott, Executive Director, Allied Health; Tracee Te Huia, General Manager, Māori Health; Margaret Bell, Board Secretary.

In attendance (part meeting)

Scott Ambridge, Operations Executive, Te Uru Rauhi; Keyur Anjaria, General Manager, People and Culture; Wayne Blissett, Operations Executive, Pae Ora Paiaka Whaiora; Jeff Brown, Clinical Executive, Te Uru Pā Harakeke; Judith Catherwood, General Manager, Quality and Innovation; Debbie Davies, Operations Executive, Te Uru Kiriora; Di Feck, Quality Facilitator, Quality and Innovation; Sarah Fenwick, Operations Executive, Te Uru Pā Harakeke; Claire Hardie, Clinical Executive, Te Uru Mātai Matengau; Lyn Horgan, Operations Executive, Te Uru Arotau; Jonathon Howe, Communications Manager; Kelly Isles, Director of Strategy; Sam Kilmister, Communications and Social Media Advisor; Clive Martis, Director Digital Services; Steve Miller, Chief Digital Officer; Andrew Nwosu, Operations Executive, Te Uru Whakamauora; Darryl Ratana, Deputy Chief Financial Officer; Neil Wanden, General Manager, Finance and Corporate Services.

Unconfirmed minutes

Public – 41 (including 40 midwives)

1. KARAKIA

The meeting opened with the organisational karakia.

2. ADMINISTRATIVE MATTERS

2.1. Apologies

Nil.

2.2. Late items

There were no late items.

2.3. Register of Interests Update

There were no amendments to the register.

2.4. Minutes of the 13 April 2021 meeting, Part One

It was resolved that:

the Part One minutes of the 13 April 2021 Board meeting be approved as a true and correct record.

(Moved Vaughan Dennison; seconded Muriel Hancock)

2.5. Matters arising from previous minutes

No discussion.

2.6. Verbal report from the Board Chair

Following the Government's Budget announcement on Thursday 20 May 2021, the funding envelope had been received from the Ministry of Health. Details of the impact on MidCentral District Health Board's (MDHB) budget for 2021/22 would be provided in Part Two of the meeting.

The workload for senior leaders and management staff was significant, including preparations for the disestablishment of District Health Boards (DHBs) at the end of June 2022 and the COVID-19 vaccination programme.

The cyber attack on the Waikato District Health Board was impacting on the whole health sector. This was a timely reminder to all Government departments to be aware of IT security.

Board members noted that a number of midwives were in attendance and asked that a spokesperson be given an opportunity to address the Board.

The Chair advised that upon learning the midwives planned to picket the Board meeting, he and the Chief Executive offered to speak with midwives to hear their concerns. That offer had been declined. The Board's Standing Orders outlined the processes for the conduct of formal meetings, including hearing from the public and receiving deputations. The group of midwives had not advised they would be attending the meeting or requested an opportunity to address the Board. Therefore, the Chair ruled that the meeting would follow the published agenda. The Chair again noted that he and the Chief Executive were happy to meet with the midwives at any time.

2.7. Minutes of the Health and Disability Advisory Committee meeting held on 27 April 2021, Part One

The Chair of the Health and Disability Advisory Committee (HDAC) provided a verbal update on the meeting.

It was resolved to:

*note the unconfirmed Part One minutes of the Health and Disability Advisory Committee meeting held on 27 April 2021.
(Moved John Waldon; seconded Brendan Duffy; abstention Vaughan Dennison)*

2.8. Minutes of the Finance, Risk and Audit Committee meeting held on 4 May 2021, Part One

The Chair of the Finance, Risk and Audit Committee (FRAC) provided a verbal update on the meeting.

It was resolved to:

*note the unconfirmed Part One minutes of the Finance, Risk and Audit Committee (FRAC) meeting held on 4 May 2021.
(Moved Oriana Paewai; seconded John Waldon; abstention Lew Findlay)*

2.9. Manawhenua Hauora Chair's Report

The report was taken as read.

It was resolved to:

*note the report from the Manawhenua Hauora Chair on the Manawhenua Hauora meeting held in April 2021
note the General Manager, Māori Health's response to the Chair's report.*

(Moved Oriana Paewai; seconded Norman Gray)

The General Manager, Finance and Corporate Services, Chief Digital Officer and Director Digital Services joined the meeting.

3. STRATEGIC FOCUS

Discussion to be held in Part Two of the meeting.

4. PERFORMANCE REPORTING

4.1. Chief Executive's Report

The Chief Executive presented this report, which was taken as read. In response to a question, she advised that Technical Advisory Services (TAS) is a subsidiary owned by DHBs and would transition to Health NZ as part of the health system reforms next year.

A Board member observed that there were enough midwives in the district, but they didn't want to work for MDHB and were looking for an improved culture. She asked that the reputational risk be noted, along with mitigations. The Executive Director, Nursing and Midwifery acknowledged there was a lot more work to be done, but positive steps had begun with the report from Emma Farmer of Waitemata DHB and a workshop facilitated by Francis Health.

In response to questions, management advised that contingency planning was in place for the proposed strike by NZ Nurses Organisation members on Wednesday 9 June. Life Preserving Services had been agreed which meant nurses would be available in the event of an emergency. The midwifery service roster was covered for that day.

It was resolved that the Board:

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

(Moved Vaughan Dennison; seconded Muriel Hancock)

The General Manager, People and Culture joined the meeting.

4.2. Board KPI Dashboard

The Director of Strategy presented this report, which was taken as read.

It was resolved that the Board:

note the areas highlighted in the KPI dashboard and associated commentary.

(Moved Jenny Warren; seconded Norman Gray)

A Board member asked that the meeting adjourn for morning tea to allow Board members to speak to the midwives present at the meeting. The Chair repeated his earlier ruling that the meeting agenda be followed.

4.3. Finance Update – April 2021

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

The Operations Executive and Clinical Executive, Te Uru Pā Harakeke; General Manager, Quality and Innovation; and Quality Facilitator joined the meeting.

Options for outsourcing elective surgery were discussed and it was agreed this would be a focus for the next HDAC report from Te Uru Arotau.

It was resolved that the Board:

note that the month operating result for April 2021 is a deficit before one-off items of \$0.793m, which is \$0.452m favourable to budget

note that the year to date result for April 2021 is a surplus before one-off items of \$0.179m, which is \$3.122m favourable to budget

note that year to date for April 2021 COVID-19 related net costs of \$0.100m and unbudgeted Holidays Act related costs of \$2.616m have been incurred. Including these one-off costs results in a year to date deficit after exceptional items of \$2.537m, which is \$0.406m favourable to budget

note that total available cash and equivalents of \$48.7m as at 30 April 2021 is sufficient to support liquidity requirements

note that this is an interim finance report and that a full report will come to the Board for consideration at its July meeting.

(Moved Oriana Paewai; seconded Vaughan Dennison)

4.4. Finance Report – March 2021

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

It was resolved that the Board:

note that the Finance, Risk and Audit Committee endorsed this report at their May meeting for Board consideration

note that the month operating result for March 2021 is a deficit before one-off items of \$1.841m, which is \$0.67m adverse to budget

note that the year to date operating result for March 2021 is a surplus before one-off items of \$0.972m, which is \$2.670m favourable to budget

note that year to date for March 2021 COVID-19 related net costs of \$0.094m and unbudgeted Holidays Act related costs of \$2.268m have been incurred. Including these one-off costs results in a year to date deficit after exceptional items of \$1.390m, which is favourable to budget by \$0.307m

note that the total available cash and equivalents of \$45.4m as at 31 March 2021 is sufficient to support liquidity requirements

approve the March 2021 financial report.

(Moved Oriana Paewai; seconded Vaughan Dennison)

4.5. Finance Report – February 2021

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

It was resolved that the Board:

note that the Finance, Risk and Audit Committee endorsed this report at their May meeting for Board consideration

note that the month operating result for February 2021 is a surplus before one-off items of \$1.545m, which is \$0.245m favourable to budget

note that the year to date operating result for February 2021 is a surplus before one-off items of \$2.813m, which is \$2.737m favourable to budget

note that year to date for February 2021 COVID-19 related net costs of \$0.036m and unbudgeted Holidays Act related costs of \$2.009m have been incurred. Including these one-off costs results in a year to date surplus after exceptional items of \$0.769m

note that the total available cash and equivalents of \$41.6m as at 28 February 2021 is sufficient to support liquidity requirements

approve the February 2021 financial report.

(Moved Oriana Paewai; seconded Vaughan Dennison)

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

The Operations Executive, Pae Ora Paiaka Whaiora joined the meeting.

4.6. Sustainability Plan Report

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

A Board member asked that due to budget constraints, management consider reprioritising the Sustainability Plan and reduce the number of projects. She also commented that a focus on equity appeared to be lacking. Management advised that as requested by the governors, all individual projects which impacted on the MDHB's community, had an equity focus.

The Older People's Acute Assessment and Liaison Service (OPAL) community services business case had been supported by the Operational Leadership Team in May 2021 and would progress into budget planning for 2021/22.

It was resolved that the Board:

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

note the emerging risks and mitigation plans

note the 2020/21 benefits realisation reconciliation is being progressed

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

(Moved Vaughan Dennison; seconded Materoa Mar)

4.7. Quality and Safety Walk-rounds

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

The importance of frontline staff being able to engage directly with Board members was discussed and it was suggested that less executives attend the walk-round. Board members noted the report currently provided information about the percentage of actions that had been completed, were in progress, were deferred or were not achievable. They asked that future reports provide details of these actions and any themes that arose.

A Board member noted that during a walk-round of Alcohol and Other Drug services in March 2020, staff raised an issue regarding access for wheelchair users. No action plan was submitted for this walk-round. The General Manager, Quality and Innovation noted this walk-round took place just before the COVID-19 Level 4 lockdown and may not have been recorded in the system. She offered to check with the Directorate's leadership team to ensure the action was being followed up. The General Manager, Quality and Innovation advised she would ensure that a member of the Quality and Innovation team was involved in each walk-round to provide quality assurance of the process. This would help to ensure Board members received an action plan following each walk-round they attended.

It was resolved that the Board:

note the progress to date with the Quality and Safety Walk-rounds

endorse that future walk-rounds include locations and teams from within the Directorates with Enabler functions.

Unconfirmed minutes

(Moved Vaughan Dennison; seconded Norman Gray)

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

The Board Chair acknowledged the public in attendance and thanked them for the courtesy and respect they had shown at the meeting. He noted that the Board's role was to support management and to hold them accountable for finding solutions. The Board Chair and Chief Executive were willing to meet with midwives to listen to concerns and try to find a constructive solution. He advised the meeting would adjourn to allow the midwives present to speak with Board members.

The meeting adjourned from 10.10 to 10.40am. Five members of the public remained (including four midwives).

The Communications Manager and the Director Digital Services left the meeting.

The General Manager, Finance and Corporate Services and the Communications and Social Media Advisor joined the meeting.

4.8. Health, Safety and Wellbeing

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

A Board member acknowledged the work that had been done to present the report in a dashboard format. She felt the report no longer gave sufficient detail in some areas. As an example, the Healthy Workforce Dashboard showed the number of incidents closed in 30 days was at 100 percent. Governors were interested in knowing what the incidents were and whether they were being addressed appropriately, rather than whether they were open or closed.

Board members noted that workforce shortages, including in midwifery, were a health and safety issue and should be included in this report.

The General Manager, People and Culture agreed to include commentary to support the dashboard in future reports. More details on workforce shortages would also be included if possible.

The Chief Executive advised that management would look at information that is reported through dashboards to FRAC, HDAC and the Board and try to map it out for the next Board meeting.

It was resolved that the Board:

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

note the quarterly Health, Safety and Wellbeing report

endorse the quarterly Health, Safety and Wellbeing report.

(Moved Materoa Mar; seconded Vaughan Dennison)

4.9. **Workforce**

The General Manager, People and Culture presented this report, which was taken as read. He noted that around 70 percent of staff who accessed Employee Assistance Programme (EAP) services did so for personal reasons, with only 30 percent for work-related reasons.

All staff who resigned were offered an exit interview. Over the January to March 2021 reporting period, 40 percent of staff had taken up the offer. Confidentiality was assured and any significant themes were provided to managers. A Board member conveyed feedback from staff who said they don't attend an exit interview or are not completely honest about their reason for leaving because they may want to work for MDHB again.

The General Manager, People and Culture noted the positive feedback from staff who had been recognised for their loyal service as part of the long service award ceremony. Board members would receive calendar invitations for future ceremonies and were welcome to attend.

It was resolved that the Board:

note the May 2021 workforce update

note the challenges and opportunities being undertaken to address workforce concerns identified within the report.

(Moved Heather Browning; seconded Vaughan Dennison)

The General Manager, People and Culture left the meeting. Four members of the public (midwives) left the meeting.

The Deputy Chief Financial Officer; the Operations Executive, Te Uru Arotau; the Operations and Clinical Executives, Te Uru Rauhi; the Clinical Executive, Te Uru Mātai Matengau; the Operations Executive, Te Uru Whakamauora; and the General Manager, Quality and Innovation joined the meeting.

4.10. **Te Awa Update – Digital Services Work Programme**

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

Board members noted the cyber attack currently impacting Waikato District Health Board's information technology (IT) services. The Chief Digital Officer noted that MDHB's investments in IT security meant there were a lot of firewalls and network protections in place. Waikato DHB was not yet sure how big the threat to their systems was, so had been proactive in shutting their systems down while investigations were carried out. After the Waikato DHB's issues had been resolved, they would share information and recommendations with other DHBs, including business continuity plans.

The Ministry of Health's Deputy Director-General, Data and Digital had told Chief Digital Officers to carry on with their agreed work programmes. The Chief Executive noted that Board Chairs and Chief Executives had been advised to be prudent, but not to stop work programmes because the organisations would need to continue to function from 1 July 2022 even though the DHB would be disestablished. Management were taking a prudent approach to digital services projects to ensure clinicians were in the best possible space at the time of the transition. There was considerable stress in the sector as a result of differing messages being provided to individual groups such as Chief Executives, Chairs, Chief Financial Officers and primary care.

It was resolved that the Board:

note that due to the Government announcement on health system reforms, no new discretionary initiatives from the Te Awa Digital Health Strategy (Te Awa) roadmap will be started, apart from core legacy technology and infrastructure priorities

note the draft work programme from now until 30 June 2021 and planned work for the 2021/22 financial year

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

(Moved Oriana Paewai; seconded Muriel Hancock)

The Chief Digital Officer left the meeting.

5. DISCUSSION/DECISION PAPERS

5.1. General Approach to Contract Review and Renewal for 2021/22

The Director of Strategy presented this report, which was taken as read.

It was resolved that the Board:

note the approach to the review and renewal of contracts

note that this report was endorsed by the Finance, Risk and Audit Committee at its May meeting.

(Moved John Waldon; seconded Materoa Mar)

5.2. Enable New Zealand Limited – Annual Reporting Requirements

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

It was resolved that the Board:

approve that pursuant to section 211(3) of the Companies Act 1993, the annual report of Enable New Zealand Limited for the year ended 30 June 2021 shall incorporate the financial statements and auditor's report thereon and exclude information specified in any of the paragraphs (a) and (e) to (j) of subsection (1) of that section.

Unconfirmed minutes

(Moved Materoa Mar; seconded Vaughan Dennison)

5.3. **External Audit – Engagement Letter and Audit Plan**

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

A Board member referred to Annex 1 of the Deloitte audit letter, 'Responsibilities for compliance with laws and regulations'. She suggested that reference to legislation applying to Te Tiriti o Waitangi in respect of settled iwi and their relationship with the Crown be included. The Chief Executive noted that the DHB could not edit the Office of the Auditor-General's audit requirements. As a member of the Central Government Advisory Group which advises the Office of the Auditor-General on health issues, she offered to put that suggestion forward for discussion.

It was resolved that the Board:

note that the Finance, Risk and Audit Committee endorsed this report for Board consideration at their May meeting

note the audit planning report

approve the Board Chair signing the audit engagement letter.

(Moved Jenny Warren; seconded Vaughan Dennison)

6. **INFORMATION PAPERS**

6.1. **Board's Work Programme**

This report was taken as read. It was agreed that the Board's Standing Orders, which included the process for members of the public to address the Board, either as an individual or a deputation, would be loaded on to the Stellar platform. The Standing Orders were currently on the SharedNet portal and the MDHB website.

It was resolved that the Board:

note the Board's annual work programme for 2021

endorse that the Board's work programme for 2021 be extended to 30 June 2022.

(Moved Vaughan Dennison; seconded Norman Gray)

7. **GLOSSARY OF TERMS**

BOARD MINUTES

8. LATE ITEMS

There were no late items.

9. DATE OF NEXT MEETING

Tuesday, 6 July 2021 – 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 Board meeting	For reasons set out in the agenda of the 13 April 2021 meeting.	
Government's Budget 2021	To maintain the effective conduct of public affairs through free and frank expression of opinions	9(2)(g)(i)
Midwifery Workforce Update	To maintain the effective conduct of public affairs through free and frank expression of opinions	9(2)(g)(i)
Nursing Workforce Update	To maintain the effective conduct of public affairs through free and frank expression of opinions	9(2)(g)(i)
Replacement Echocardiography Image Vault	To protect negotiations, including commercial and industrial	9(2)(j)
2021/22 Annual Plan and Budget	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)
Fleet Replacement	To protect negotiations, including commercial and industrial	9(2)(j)
Health and Disability System Review	To maintain the effective conduct of public affairs through free and frank expression of opinions	9(2)(g)(i)
Board only time	No decision sought	
'In Committee' minutes of the previous HDAC meeting	For reasons set out in the agenda of the 27 April 2021 meeting held with the public present	
Serious Adverse Events (SAC 1)	To protect patient privacy	9(2)(a)

Unconfirmed minutes

BOARD MINUTES

Item	Reason	Ref
Consumer Story	To protect patient privacy	9(2)(a)
'In Committee' minutes of the previous FRAC meeting	For reasons set out in the agenda of the FRAC meeting held on 4 May 2021	

(Moved Norman Gray; seconded Vaughan Dennison)

Part One of the meeting closed at 11.30am

Confirmed this 6th day of July 2021

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Board Chair

Unconfirmed minutes