BOARD MEETING

Date: Wednesday 25 September 2019

Time: 1:30pm

Venue: Te Waiora Room, DHB Administration Building,
Corner Omahu Road and McLeod Street, Hastings

Members:
Kevin Atkinson
Ngahiwi Tomoana
Dan Druzianic
Barbara Arnott (Chair)
Peter Dunkerley
Dr Helen Francis (via videoconferencing)
Diana Kirton
Heather Skipworth
Ana Apatu
Jacoby Poulain
Hine Flood

Apologies: Ngahiwi Tomoana, Barbara Arnott

In Attendance:
Craig Climo, Interim Chief Executive Officer
Executive Leadership Team members
Robin Whyman and Jules Arthur, Co-Chairs of Clinical Council
Rachel Ritchie, Chair HB Health Consumer Council
Members of the public and media

Minute Taker: Jacqui Sanders-Jones, Board Administrator

Public Agenda

Item	Section 1: Routine	Ref #	Time (pm)
1.	Welcome and Apologies		1:30
2.	Interests Register		
3.	Minutes of Previous Meeting 28 August 2019		
4.	Matters Arising - Review of Actions		
5.	Board Workplan		
6.	Chair's Report (verbal)		
7.	Chief Executive Officer's Report		

8.	Financial Performance Report – Carriann Hall, ED Financial Services		
9.	Board Health & Safety Champion's Update (verbal) - Board Safety Champion		2.00
	Section 2: Governance / Committee Reports		
10.	Te Pitau Health Alliance HB Update – Ana Apatu/Hine Flood		2:10
11.	Māori Relationship Board report– Chair, Heather Skipworth		2:20
12.	HB Clinical Council report– Chair, Julie Arthur		2:30
13.	HB Health Consumer Council report– Chair, Rachel Ritchie		2:40
	Section 4: For Information & Discussion		
14.	HB Foundation Health Fund		2.50
15.	Matariki HB Development Strategy & Social Inclusion Strategy update– Bernard Te Paa		3:10
16.	Zero Seclusion (Mental Health) report – John Burns		3.20
17.	**Section 5: Recommendation to Exclude the Public** Under Clause 32, New Zealand Public Health & Disability Act 2000		

Public Excluded Agenda

Item	Section 6: Routine	Ref #	Time (pm)
18.	Minutes of Previous Meeting 28 August 2019 (public excluded)		3:35
19.	Matters Arising (public excluded) – Review of Actions		-
20.	Board Approval of Actions exceeding limits delegated by CEO		-
21.	Chair's Update (verbal)		
22.	CEO report to Board – public excluded		3.40
23.	Patient air transfer (fixed wing) - CEO		3.50
24.	HB Clinical Council (public excluded)		4.00
25.	HB Health Consumer Council (public excluded)		4.10
26.	NZ Health Partnership– Ken Foote		4.20
	Section 7: For Information/Decision		
27.	Finance Risk and Audit Committee – Chair, Dan Druzianic		4.30
	Meeting concludes		**4.40**

The next HBDHB Board Meeting will be held at
1.30pm on Wednesday 30 October 2019

Our shared values and behaviours

HE KAUANUANU RESPECT
ĀKINA IMPROVEMENT
RARANGA TE TIRA PARTNERSHIP
TAUWHIRO CARE

HE KAUANUANU RESPECT

*Showing **respect** for each other, our staff, patients and consumers*

	✔	✘
Welcoming	Is polite, welcoming, friendly, smiles, introduce self Acknowledges people, makes eye contact, smiles	Is closed, cold, makes people feel a nuisance Ignore people, doesn't look up, rolls their eyes
Respectful	Values people as individuals; is culturally aware / safe Respects and protects privacy and dignity	Lacks respect or discriminates against people Lacks privacy, gossips, talks behind other people's backs
Kind	Shows kindness, empathy and compassion for others Enhances peoples mana	Is rude, aggressive, shouts, snaps, intimidates, bullies Is abrupt, belittling, or creates stress and anxiety
Helpful	Attentive to people's needs, will go the extra mile Reliable, keeps their promises; advocates for others	Unhelpful, begrudging, lazy, 'not my job' attitude Doesn't keep promises, unresponsive

ĀKINA IMPROVEMENT

*Continuous **improvement** in everything we do*

	✔	✘
Positive	Has a positive attitude, optimistic, happy Encourages and enables others; looks for solutions	Grumpy, moaning, moody, has a negative attitude Complains but doesn't act to change things
Learning	Always learning and developing themselves or others Seeks out training and development; 'growth mindset'	Not interested in learning or development; apathy "Fixed mindset, 'that's just how I am', OK with just OK
Innovating	Always looking for better ways to do things Is curious and courageous, embracing change	Resistant to change, new ideas; 'we've always done it this way'; looks for reasons why things can't be done
Appreciative	Shares and celebrates success and achievements Says 'thank you', recognises people's contributions	Nit picks, criticises, undermines or passes blame Makes people feel undervalued or inadequate

RARANGA TE TIRA PARTNERSHIP

*Working together in **partnership** across the community*

	✔	✘
Listens	Listens to people, hears and values their views Takes time to answer questions and to clarify	'Tells', dictates to others and dismisses their views Judgmental, assumes, ignores people's views
Communicates	Explains clearly in ways people can understand Shares information, is open, honest and transparent	Uses language / jargon people don't understand Leaves people in the dark
Involves	Involves colleagues, partners, patients and whanau Trusts people; helps people play an active part	Excludes people, withholds info, micromanages Makes people feel excluded or isolated
Connects	Pro-actively joins up services, teams, communities Builds understanding and teamwork	Promotes or maintains silo-working 'Us and them' attitude, shows favouritism

TAUWHIRO CARE

*Delivering high quality **care** to patients and consumers*

	✔	✘
Professional	Calm, patient, reassuring, makes people feel safe Has high standards, takes responsibility, is accountable	Rushes, 'too busy', looks / sounds unprofessional Unrealistic expectations, takes on too much
Safe	Consistently follows agreed safe practice Knows the safest care is supporting people to stay well	Inconsistent practice, slow to follow latest evidence Not thinking about health of our whole community
Efficient	Makes best use of resources and time Respects the value of other people's time, prompt	Not interested in effective user of resources Keeps people waiting unnecessarily, often late
Speaks up	Seeks out, welcomes and give feedback to others Speaks up whenever they have a concern	Rejects feedback from others, give a 'telling off' 'Walks past' safety concerns or poor behaviour

Board "Interest Register" - as at 19 August 2019

Board Member Name	Current Status	Conflict of Interest	Nature of Conflict	Mitigation / Resolution Actions	Mitigation / Resolution Actions Approved by	Date Conflict Declared
Kevin Atkinson (Chair)	Active	Trustee of Te Matau a Maui Health Trust	The shares in Health Hawke's Bay (PHO) are owned by the Te Matau a Maui Health Trust, representing health and community stakeholders.	Will not take part in any decisions or discussion in relation to the Trust	The Chair of FRAC	Mar-11
	Active	Board Member of NZ Health Partnership Limited, *effective from 20 March 2017*	Lead, supported and owned by the 20 DHBs, NZ Health Partnerships creates efficiencies in the health sector that allow more to be spent on frontline services.	Will not take part in any decisions in relation to NZ Health Partnerships Limited where specific legal or fiduciary conflict identified.	The Chair of FRAC	22.02.17
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair of FRAC	26.10.17
Ngahiwi Tomoana (Deputy Chair)	Active	Chair, Ngati Kahungunu Iwi Incorporated (NKII)	Actual Conflict of Interest. Non-Pecuniary interest. Chair of NKII. NKII is titular head of 6 Taiwhenua. 2 NKII Taiwhenua have contracts for health services with HBDHB: (i) Te Taiwhenua Heretaunga is HBDHB's 5th largest health services contractor. The contracts are administered by HBDHB's Planning, Funding and Performance department. (ii) Ngati Kahungunu Ki Wanganui a Orutu has a contract with HBDHB to provide mental health services. This contract is administered by HBDHB's Planning, Funding and Performance department.	Will not take part in any decisions in relation to the service contracts between the NKII Taiwhenua and HBDHB.	The Chair	01.05.08
	Active	Uncle of Tiwai Tomoana	Perceived Conflict of Interest. Non-Pecuniary interest. Tiwai Tomoana is employed by HBDHB and is a Kitchen Assistant in the Food and Nutrition Department at Hawke's Bay Hospital.	All employment matters in relation to Tiwai Tomoana are the responsibility of the CEO.	The Chair	01.05.08
	Active	Uncle of Iralee Tomoana	Iralee Tomoana is employed by HBDHB and works in the Radiology Department as a clerical assistant.	All employment matters in relation to Iralee Tomoana are the responsibility of the CEO.	The Chair	01.05.08
	Active	Brother of Numia Tomoana	Perceived Conflict of Interest. Non-Pecuniary interest. Numia Tomoana is employed by Cranford Hospice and works as a palliative care assistant and, in this role, works with chaplains at Hawke's Bay Hospital.	Will not take part in any decisions in relation to the Chaplain service at Hawke's Bay Hospital.	The Chair	01.05.08
	Active	Involved with Waitangi Claim #2687 (involving Napier Hospital land) sold by the Government	Requested that this be noted on the Interest Register	Unlikely to be any conflict of Interest.	The Chair	28.03.18
	Active	Iwi Chairs involved with Treaty of Waitangi Health Claim #2575	Requested that this be noted on the Interest Register	Unlikely to be any conflict of Interest.	The Chair	19.12.18
Barbara Arnott	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	26.10.17
Dr Helen Francis	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	03.10.11

Board Member Name	Current Status	Conflict of Interest	Nature of Conflict	Mitigation / Resolution Actions	Mitigation / Resolution Actions Approved by	Date Conflict Declared
	Active	HB Medical Research Foundation	Trustee	Declare this interest prior to any discussion in relation to the Foundation, and an appropirate mitigation action is decided on.	The Chair	20.08.14
	Active	Senior Advisor Primary Care	Health system improvement & innovation, Ministry of Health	Declare interest as and when required	The Chair	13.03.19
Diana Kirton	Active	Brother, John Fleischl, is a Senior Medical Officer (surgeon) employed by HBDHB.	Perceived Conflict of Interest. Non-Pecuniary interest.	Will not take part in any decisions in relation to surgical services provided by or contracted by HBDHB. All employment matters in relation to John Fleischl are the responsibility of the CEO	The Chair	18.02.09
	Active	Employee of Eastern Institute of Technology (EIT), Practicum Manager, School Health and Sports Science from 3 Feb 2014	Non-pecuniary interest: Organises student practicum placements with some HBDHB funded health providers.	Declare this prior to any discussion in relation to EIT in the area of interest, and an appropirate mitigation action is decided on.	The Chair	16.01.14
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	03.10.14
	Active	RENEW Counselling Services	Counsellor	No conflict perceived	The Chair	17.07.17
Dan Druzianic	Active	Director of Markhams Hawke's Bay Limited	Potential Conflict of Interest. Some clients may from time to time be employed by or have contracts with HBDHB	Declare an interest at any time an issue arises concerning a client, and take no further part in any decision or discussion on this matter.	The Chair	7.12.10
Jacoby Poulain	Active	Board Member of Eastern Institute of Technology (EIT)	Perceived conflict - HBDHB has a Memorandum of Understanding (MOU) with EIT relating to training and development in health related occupations.	Will not take part in any decisions or discussions in relation to the MOU between HBDHB and EIT	The Chair	14.1.14
	Active	Councillor Hastings District Council	Potential conflict as potential advocate for Hastings District population whereas HBDHB coveres whole of Hawke's Bay	Declare this interest prior to any discussion on the specific provision of services in Hastings and Chair decides on appropriate mitigation action.	The Chair	14.1.14
Heather Skipworth	Active	Daughter of Tanira Te Au	Kaumatua - Kaupapa Maori HBDHB	All employment matters are the responsibility of the CEO	The Chair	04.02.14
	Active	Trustee of Te Timatanga Ararau Trust (aligned to Iron Maori Limited)	The Trust has contracts with HBDHB including the Green Prescription Contract; and the Mobility Action Plan (Muscular Skeletal)	Will not take part in any discussions or decisions relating to any actions or contracts with the Trust or aligned to Iron Maori Limited.	The Chair	04.02.14 25.03.15 29.03.17
	Active	Director of Kahungunu Asset Holding Company Ltd	The asset portfolio of the company in no way relates to health, therefore there is no perceived conflict of interest.	Unlikely to be any conflict of Interest. If in doubt will discuss with the HBDHB Chair.	The Chair	26.10.16
Peter Dunkerley	Active	Shareholder Need a Nerd	IT support for home or business	No conflict perceived	The Chair	13.12.17
	Active	Shareholder of NZ Technologies	Technology and innovative support for businesses to grow	No conflict perceived	The Chair	13.12.17
Ana Apatu	Active	CEO of Whararíki Trust (a member of Takitimu Ora Whanau Collective)	A relationship which may be contractural from time to time	Will advise of any perceived or real conflict prior to discussion	PCDP Chair	5.12.16
	Active	Whakaraki Trust "HB Tamariki Health Housing fund"	Formed a relationship and MoU with HBDHB Child Health Team Community Women and Children's Directorate. The	Will advise at the outset of any discussions on this topic, and will not take part in any decisions / or financial discussions relating	The Chair	8.08.18
	Active	Member, Health Hawkes Bay Priority Population Committee	Pecuniary interest - Oversight and advise on service delivery to HBH priority populations.	Will not take part in any conflict of interest that may arise or in relation to any contract or financial arrangement with the PPC and HBDHB	The Chair	14.02.17
Hine Flood	Active	Councillor for the Wairoa District Council	Perceived Conflict - advocate for the Wairoa District population and HBDHB covers the whole of the Hawkes Bay region.	Declare this interest prior to any discussion on the specific provision of services in Wairoa and Chair decides on appropriate mitigation action.	The Chair	14.02.17
	Active	Member, Health Hawkes Bay Priority Population Committee	Pecuniary interest - Oversight and advise on service delivery to HBH priority populations.	Will not take part in any conflict of interest that may arise or in relation to any contract or financial arrangement with the PPC and HBDHB	The Chair	23.02.17

MINUTES OF THE BOARD MEETING
HELD ON WEDNESDAY 28 AUGUST 2019, IN THE TE WAIORA ROOM, DHB ADMINISTRATION BUILDING, MCLEOD STREET, HASTINGS AT 1.35PM

PUBLIC

Present: Barbara Arnott (Acting Chair)
Dan Druzianic
Peter Dunkerley
Diana Kirton
Heather Skipworth
Ana Apatu
Hine Flood

Apology: Kevin Atkinson (Chair), Ngahiwi Tomoana (Deputy Chair), Dr Helen Francis

Absent: Jacoby Poulain

In Attendance: Craig Climo (Interim Chief Executive Officer)
Members of the Executive Management Team
Jules Arthur (as co-Chair, HB Clinical Council)
Rachel Ritchie (Chair, HB Health Consumer Council)
Members of the public and media
Jacqui Sanders-Jones, Board Administrator

1. APOLOGY

Kevin Atkinson (Chair), Ngahiwi Tomoana (Deputy Chair), Dr Helen Francis

Welcome to Craig Climo as Interim CEO HBDHB

2. INTEREST REGISTER

No changes to the interests register were advised

No board member advised of any interest in the items on the Agenda.

3. CONFIRMATION OF PREVIOUS MINUTES

The minutes of the Board meeting held on 31 July 2019, were confirmed as a correct record of the meeting.

Moved: **Peter Dunkerley**
Seconded: **Ana Apatu**
Carried

4. MATTERS ARISING FROM PREVIOUS MINUTES

Item 1: **Three Waters discussion –** to be addressed in early 2020. Add to Workplan March 2020

Item 2: **Fluoridation of water supply –** letter sent to HDC and shared with Board. Complete

Item 3: **Person & Whanau Centered Care –** Workplan September/October

Item 4: **He Ngākau Aotea –** September Workplan

Item 5: **Mental Health Zero Seclusion –** September Workplan

Item 6: **Consumer Council presentation from CMDO –** September Workplan for consumer council.

Item 7: **Board Safety & Wellbeing Champion actions –** to be reported at FRAC. Complete.

5. BOARD WORK PLAN

The Board Work Plan was noted.

6. CHAIR'S REPORT

Retirements

The Chair advised the following retirements, with a letter being sent conveying the Board's best wishes and thanks for their extended years of devoted service.

Name	Role	Service	Years of Service	Retired
Anita Madden	**Registered Nurse**	**Older Persons, Allied &NASC HB**	**13**	**30-Jun-19**

Annual Plan for 20/21

Chair noted that there are several pieces of work which require resourcing for 20/21, including PWCC and He Ngākau Aotea, and suggested a Workshop be held between Board and management to focus on these projects in preparation for the next year's funding round. This gives Board more ownership of the Annual Plan. This is an opportunity to review ongoing services/projects and any new projects which will lead to the best results for communities of Hawke's Bay.

Workshop is an opportunity to consider what is current/working and prioritising the projects in line with the Strategic Plan, Clinical Services Plan, He Ngākau Aotea, People Plan and Annual Plan.
This is intentionally for the Board and management team as they have a full understanding of current issues at HBDHB.

RESOLUTION

That HBDHB Board

Endorse a joint Workshop between Board members and HBDHB senior management to consider the basis of the 20/21 Annual Plan including all current and new projects for that year.

Request CEO to identify the timeframe for this Workshop.

Moved: **Barbara Arnott**
Seconded**:** **Hine Flood**

Carried

Suggestion made that CEO KPIs are also aligned to the Annual Plan 20/21, and this was agreed as a positive action by members of the Board and the Interim CEO.

7. INTERIM CHIEF EXECUTIVE OFFICER'S REPORT

The Interim CEO provided an overview of his report with comments noted in addition to the report including:

- Focusing on processes at HBDHB. This is a capable organisation which has processes which seemingly cause restriction on making progress.
- Keen to use this capability and willingness to make significant changes to the way we do things at a systems level.
- Confirmed John Burns remaining in role of Executive Director of Provider Services (EDPS) until April 2020.
- Financial results for this month builds a feeling for closely monitoring spend with management team.

RECOMMENDATION

That the HBDHB Board:

1. **Note** the contents of this report.

Adopted

8. FINANCIAL PERFORMANCE REPORT

Carriann Hall (Executive Director of Financial Services) spoke to the Financial Report for July 2019, which showed a $1.2m deficit ($105k averse variance to budget) driven by:

- seasonal activity not captured in the phasing of the plan such as patient transport, surgical Implants and linen & laundry (partially offset by contingency), and
- Costs at a higher run rate than planned such as blood products and medical vacancy cover.

Comments noted in addition to the report included:

- Annual bed plan being worked through with EDPS to review flexing of beds/wards through seasonal variations in demand.
- Ongoing dialogue between MoH and management of DHB, has resulted in proposal of reduction of annual plan deficit to $12.9m for HBDHB, with the following recommendation to Board:

2019/20 ANNUAL PLAN

RESOLUTION

It is recommended that the **HBDHB Board:**

1. **Approves** a change to the 2019/20 Annual Plan to reduce the planned deficit to $12.9m

2. **Notes** the context and risks resulting from this change

Moved: **Dan Druzianic**

Seconded: **Ana Apatu**

Carried

RECOMMENDATION

That the HBDHB Board:

1. **Note** the contents of the Financial Performance report

Adopted

9. HEALTH & SAFETY BOARD CHAMPION'S UPDATE

Board H&S Champion, Heather Skipworth provided an update.

- Tour scheduled for next week with Patient Records.
- H&S Schedule for new board will be set in place for new Board Induction.

REPORT FROM COMMITTEE CHAIRS

10. HAWKE'S BAY CLINICAL COUNCIL

Chair, Jules Arthur spoke to the report from the Clinical Council meeting held on 14 August 2019, beginning with confirmation to Board that Clinical Safety and Management risk reports both verbal and written are received by Clinical Council.

This month, Clinical Council endorsed HB Health Strategy, (recognising the need for a 'plain language' version) and agreed with the outcomes and intent of the WAI2575 Treaty health claim.

Chair spoke of success with the Pre Testie Bestie campaign, which was a social media campaign well received by the community and with particular positive response from young women. There is to be further funding provided for continuation of this project in Hawkes Bay.

Success of the 5 Important Top Points in Pregnancy campaign was also highlighted.

RECOMMENDATION

That the HBDHB Board:

1. **Notes** the contents of this report.

Adopted

11. HAWKE'S BAY HEALTH CONSUMER COUNCIL

Rachel Ritchie, Chair of Consumer Council advised the outcomes of the Consumer Council meeting held on 15 August 2019

There was good discussion around last year's goals and objectives and looking ahead to 19/20, highlighting the importance of having good representation from Consumer Council at different groups and committees. Great to see Consumer Council involvement with shortlisting process for HB Health Awards and recruitment process of new Needs Assessor for NASC service.

RECOMMENDATION

That the **HBDHB Board:**

1. **Note** the content of the report.

Adopted

11.1 HB Clinical Council & HB Health Consumer Council membership changes

RESOLUTION

That the HBDHB Board:

Endorse the new appointments to HB Clinical Council & HB Health Consumer Council, as detailed in this report

Moved: **Hine Flood**
Seconded: **Peter Dunkerley**

Carried

12. MĀORI RELATIONSHIP BOARD (MRB)

Heather Skipworth as Chair of MRB spoke to the meeting held 14 August 2019.

- Highlighted topic of Maori recruitment and retention at HDBHB. There is good progress being made but need the workforce to represent the population being served by HBDHB.
- It was felt that understanding the trends of people leaving the organisation needs to be a priority focus, with suggestion that staff exiting the organisation could have the option of talking to NKII as a third party representative. Interim CEO supported this suggestion.

Interim CEO commented that staff are offered other options than just exit interviews with line managers, such as Human Resources, Maori Health. CEO felt we need to know what the experiences of people leaving has been during their time at HBDHB, rather than just reason as to why they left. Need to understand what the trends are and if there are imposed expectations which we are unaware of, including knowing where staff are experiencing negative attitudes.

RECOMMENDATION

That the **HBDHB Board:**

1. **Note** the content of the report.

Adopted

13. TE PĪTAU HEALTH ALLIANCE (HAWKE'S BAY)

Hine Flood as Deputy Chair of the Health Alliance spoke on matters discussed at their meeting held 14 August 2019, including welcoming Heather Skipworth to the Te Pìtau Health Alliance Governance Group.

Te Pìtau is undergoing a refresh to better align their work with the Terms of Reference. Important to ensure the relationship between PHO & DHB is visible 'at the table' and to ensure strategy development for both

parties is evident, understanding the priorities of the two organisation and how they are going to be working together to achieve these. This was felt to be particularly important from a consumer perspective.

Recommendation

That the HBDHB Board:

1. **Note** the contents of this report.

Adopted

FOR DECISION

14. HB HEALTH STRATEGY FOR APPROVAL

Chris Ash, Executive Director of Primary Care, was joined by Kate Rawstron Head of Planning and Strategic Projects, and Hayley Turner, Corporate Portfolio Manager to request approval from Board on the final version of HB Health Strategy. Strategy team has been working with various governance groups to create a document which has been endorsed by all the governance committees, Pasifika Health Leadership Group & Te Pìtau Health Alliance Governance Group.

A reconciliation of gathered perspectives has resulted in a 'plain language' version of this document being developed with the Communications team. Chair asked why this wasn't a key requirement for developing the strategy initially, with response that every group wanted to see obvious representation and their key messages echoed strongly within the document. This would have resulted in a large scale document. However, the Strategy Team agreed developing 'plain language' documents should be a method of working for future documents.

A library of information and Strategy documents would now be available for public access.

The Strategy team were commended and thanked for their work.

RESOLUTION

That HBDHB Board:

1. **Approve** the new HB Health Strategy - Whānau Ora, Hāpori Ora
2. **Note** the intention to move the strategy content to a 'plain English' document for ratification by the incoming Board
3. **Note** the intention to develop supporting 'summary' materials and library of related information

Moved: **Dan Druzianic**

Seconded: **Diana Kirton**

Carried

FOR DISCUSSION / INFORMATION

15. WAI2575 TREATY HEALTH CLAIM

Patrick le Geyt, GM Maori Health, gave an overview of the Stage 1 report from the Waitangi Tribunal, with particular concern of the design and delivery of Primary Care services for Maori, specifically in regards to how it's been delivered, monitored and distributed under current legislation. This has resulted in a set of recommendations for the government to review.
Strong focus on legislation not being specific enough as to the responsibility of the government in order to address Maori health needs and health inequities, with a future view to a Maori Health Care Authority being established.

It was noted that claimants submitted their claims back to the early 2000s and it's taken 15 years to get to this set of Stage 1 recommendation.

Significance of the findings shows that momentum is building nationally with pressure to ensure a response from DHBs as to whanau need. Ties in locally with He Ngākau Aotea in ensuring quality improvement and a responsive approach to whanau health.

16. HBDHB ALCOHOL HARM REDUCTION STRATEGY 2017-22 Progress update

Bernard Te Paa, Executive Director of Health Improvement & Equity outlined the key opportunities and challenges from the Alcohol Harm Reduction Strategy team. Briefly spoke to:

- Working with councils to develop robust licencing approach and process as currently 30 – 50 licensing reviews each month. Takes a lot of time and resource, so team are reviewing which applications would be the most successfully challenged, with suggestion of only realistic challenges being made to new licences in areas of deprivation.
- Working with the National Team for Foetal Alcohol Syndrome in order to develop an Action Plan locally.
- Pre Testie Bestie campaign success with further funding secured for continuation of project in Hawke's Bay.
- Reviewing space in Emergency Department to enable the offer of intervention and support for alcohol related injuries coming in through the front door.
- Streamlining some systems in Primary Care area of alcohol harm and health.

CEO noted the man hours and resource associated locally and nationally with licence application challenges. Meeting being held at HBDHB later this year with other DHBs to discuss how applications can be addressed with a blanket challenge in regard to alcohol harm. Chair agreed with CEO and added that residents and police challenges should be seen as the select applications for opposition, jointly with the DHB.

Member spoke of the power of community voice in opposing applications and successfully implementing restrictions on those applications granted. HBDHB should support community voice with action.

RECOMMENDATION

That the HBDHB Board:

1. **Notes** the contents of the report.
2. **Note** the challenges and opportunities.

Adopted

17. PEOPLE, SAFETY & WELLBEING DASHBOARD

Provided for information only, with no further discussion.

GENERAL BUSINESS

There being no further discussion, the Chair accepted a motion to move into Public Excluded.

18. RECOMMENDATION TO EXCLUDE THE PUBLIC

RESOLUTION

That the HBDHB Board:

Exclude the public from the following items:

19. Confirmation of Minutes of Board Meeting
20. Matters Arising from the Minutes of Board Meeting
21. Board Approval of Actions exceeding limits delegated by CEO
22. Chair's Update
23. Hawke's Bay Clinical Council report to Board (Public Excluded)
24. NZ Health Partnerships
25. Finance Risk and Audit Committee Report

Moved: **Peter Dunkerley**
Seconded: **Diana Kirton**

Carried

The public section of the Board Meeting closed 3.25pm

Signed: _____

Chair

Date: _____

BOARD MEETING - MATTERS ARISING
(Public)

Action	Date Entered	Action to be Taken	By Whom	Month	Status
1	26/06/19	**Person & Whanau Centred Care** • Review the report and proposed new 2 x FTE roles as to how they can be developed to more widely link with He Ngakau Aotea. • Report on progress	Bernard Te Paa/Kate Coley	Update in September 2019 Workplan October 2019	A further discussion between Bernard Te Paa, Kate Coley, and the chairs of MRB and Consumer Council has been undertaken. There is still further discussion and work to be undertaken in conjunction with both the committees in regards to this key strategic goal and further updates will be provided to Board.
2	26/06/19	**He Ngakau Aotea** • Consider how these recommendations will be actioned and resourced • Regular updates requested as to costs and progress	Bernard Te Paa	September 2019	Verbal update to be given in September
3	26/06/19	**Mental Health Zero Seclusion** Report on seclusion rates and assaults on staff	John Burns	September	Workplan for September
4	28/08/19	**Annual Plan 20/21** CEO to identify timeframes for Workshop between Board & management	CEO	TBC	In progress

GOVERNANCE WORKPLAN PAPERS

05.09.19

BOARD MEETING 25 SEPTEMBER 2019	Emailed	EMT Member	Lead/Author	EMT Meeting Date	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Finance Report (Aug)		Carriann Hall	Chris	17-Sep-19				25-Sep-19	25-Sep-19
Matariki HB Regional Development Strategy and Social Inclusion Strategy update (6 mthly) **Sept**-Mar	E	Bernard TePaa	Shari Tidswell	27-Aug-19	11-Sep-19	11-Sep-19	12-Sep-19		25-Sep-19
Zero Seclusion & Staff Assaults MH Report		John Burns	David Warrington/Peta Rowden						25-Sep-19
Health Fund agreement signing (10mins, Comms/PR)		Ken Foote							25-Sep-19

BOARD MEETING 30 OCTOBER 2019	Emailed	EMT Member	Lead/Author	EMT Meeting Date	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Finance Report (Sept)		Carriann Hall	Chris	15-Oct-19				30-Oct-19	30-Oct-19
After Hours Urgent Care Service Update 6mthly (Sept-Mar-Sept) last one in cycle	E	Wayne Woolrich	Jill Garrett		9-Oct-19	9-Oct-19	9-Oct-19		30-Oct-19
Shareholder representatives for Allied Laundry and TAS meetings each year		Ken Foote		15-Oct-19					30-Oct-19
Quarterly Report to the Minister of Health (July 19-Sept 19) October 19 Board		Carriann Hall							30-Oct-19
Te Ara Whakawaiora - Access Rates 45 -64 years (local indicators) ADULT HEALTH		Chris Ash	Kate Rawstron		10-Oct-19				30-Oct-19

BOARD MEETING 27 NOVEMBER 2019	Emailed	EMT Member	Lead/Author	EMT Meeting Date	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Finance Report (Oct)		Carriann Hall	Chris	19-Nov-19				27-Nov-19	27-Nov-19
Management Workplan		Craig Climo							27-Nov-19
2020/21 Planning Process & Timetable		Craig Climo							27-Nov-19
Cost Savings		Craig Climo							27-Nov-19
HBDHB Non-Financial Performance Framework Dashboard Q1 - **EMT/Board**	E	Chris Ash	Peter MacKenzie	19-Nov-19					27-Nov-19
HBDHB Performance Framework Exceptions Q1 Feb19 /May/Aug/**Nov** (Just in time for MRB Mtg then to EMT)	E	Chris Ash	Peter McKenzie	12-Nov-19					27-Nov-19
People Safety & Wellbeing report	E	Kate Coley						27-Nov-19	27-Nov-19

BOARD MEETING 18 DECEMBER 2019	Emailed	EMT Member	Lead/Author	EMT Meeting Date	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Finance Report (Nov)		Carriann Hall	Chris	10-Dec-19				18-Dec-19	18-Dec-19
Electives - Status to public and referrers		Craig Climo							18-Dec-19
Laboratory Negotiations update		Chris Ash	Di Vicary						18-Dec-19
VIP/Family Harm report		Bernard Te Paa	Patrick le Geyt	3-Dec-19	11-Dec-19				18-Dec-19

BOARD MEETING 26 FEBRUARY 2019	Emailed	EMT Member	Lead/Author	EMT Meeting Date	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Alcohol Harm Reduction Strategy (6 monthly update) **Feb -** Aug		Bernard TePaa	Rachel Eyre		12-Feb-20	12-Feb-20	13-Feb-20		26-Feb-20
Finance Report (Dec)		Carriann Hall	Chris	18-Feb-20				26-Feb-20	26-Feb-20
HBDHB Non-Financial Performance Framework Dashboard Q2 - **EMT/Board**	E	Chris Ash	Peter MacKenzie	18-Feb-20					26-Feb-20
HBDHB Performance Framework Exceptions Q2 Nov 18 Feb 19 /May/Aug 19 (just in time for MRB mtg then to EMT)	E	Chris Ash	Peter McKenzie	11-Feb-20					26-Feb-20
Ngatahi Vulnerable Children's Workforce Development - annual progress **Feb 20** (annual update)		John Burns	Russell / Bernice Gabriel		8-Apr-20	8-Apr-20	9-Apr-20		26-Feb-20
People Safety & Wellbeing report	E	Kate Coley						26-Feb-20	26-Feb-20
Quarterly Report to the Minister of Health (Oct 19-Dec 19) Feb 20 Board		Carriann Hall							26-Feb-20

CHAIR'S REPORT

Verbal

HAWKE'S BAY District Health Board Whakawāteatia	**Chief Executive Officer's Report**
	For the attention of: **HBDHB Board**
Document Owner:	Craig Climo, Interim Chief Executive Officer
Month as at	25 September 2019
Consideration:	For Information

RECOMMENDATION

That the Board

1. **Note** the contents of this report.

The **Overview** this month is that:

1. The planning process for 2020/21 has commenced.
2. We are in the process of rationalising change/project activity in this current year – albeit 2 ½ months into the year.
3. Looking for opportunities to reduce waste or low value spending to shore up our financial position.
4. Operationally in the hospital staff and management are grappling with high demand for beds, mainly for frail older medical patients, which is a bit later here than usual in the winter season.

The agenda overview is that items outside this report are mainly periodic updates with no decision papers.

AUGUST AND YEAR TO DATE FINANCIAL RESULT, AND FORECAST

The August result was $492k unfavourable to plan. This makes the result for the two months of this year $601k unfavourable to plan. The provider-arm was $78k U for the month and $655 U YTD where locum medical expenses, patient air transfer, and a blood product – Intragram – were significantly over budget. The Funder arm was over budget in August but more one-off or short term in nature.

Management has started forecasting earlier than usual and the bottom up/top down forecast for year-end, if nothing changes, is a $2.5M unfavourable variance against the $12.9M planned deficit.

Management response

Although the forecast is early in the year the size of the variance means we need to intervene and look at what we are compiling, quantifying, and prioritising options. Actions will be selected based on a range of expected criteria, including impact on equity, acceptability/consequence. Targeting waste, unnecessary, or low value expenditure will be preferred. Some of this work was already underway as it should be every year regardless of financial circumstances. In terms of the level of sign-off, I contemplate that some will be in the business as usual category of just "getting on with it", others will be for executive management, and others for the Board. This will be available to the October meeting.

HOSPITAL OVER CAPACITY

On numerous days in the last month Hawke's Bay Hospital bed occupancy has been over establishment. Emergency Department has been busy but exacerbated by difficulty in moving mainly medical patients into hospital beds.

The situation puts a lot of additional pressure on staff – it is not practicable to have a large pool of staff to call on – and is far from ideal for patients.

On a day to day basis we have frustratingly few options to effectively manage the situation beyond relying on the goodwill of staff. We have had staff working additional shifts for which we are very grateful, but it should not be necessary.

We should only tap into goodwill in this way in exceptional circumstances, such as a major incident. Seasonal variation in demand is foreseeable and we need to act to avoid or mitigate the same issue next year. That's easier said than done and I'm aware has been said before.

We have facility and staffing constraints but also need to look at our processes around patient flow - this work has started. It includes a different response when we are in an overload situation.

Beyond that we need to look at ways of avoiding the need for admission to hospital. This includes looking at treatment or care that is currently hospital based and asking if it could be provided in the community/home - this process has started.

DHBs always seem to be on the cusp on the next investment in ED/hospital facilities and resources, and we should ask ourselves if it might be more effectively spent elsewhere. We are also thinking about the mix of after-hours primary services. They are not well utilised and are relatively expensive for the public and DHB.

PLANNING

We are revamping our planning purpose, process and timeframe.

We need to ensure that our planning:

- Is in synch – the plan is prepared before much of the planning is complete in terms of funding proposals or other initiatives i.e. cart before the horse
- Not fragmented – our plans for the year cannot be found in one or more documents
- Ensure horizontal and vertical nexus – plans need overall focus and cohesiveness
- Ensure we capture multi-year activity
- Has focus and delivers on promsies – we tend to try to be all things to all people and in doing so generally under deliver, and significantly so in areas that we should be focused on.

This is about the implementing of basic process rather than more process, for which we already have most of the tools.

The annual plan should in effect be an implementation or action plan. It can serve both MoH purposes and ours - while it's a MoH template we can add to it.

Only by exception should proposals that are not in the plan come forward. We organise and resource to deliver the plan and our mantra should be that "if it's not in the plan it doesn't happen."

For planning purposes, Chris Ash, Executive Director Primary Care, will lead the process and now has a whole of DHB perspective, not just primary care.

Suggested process and timeframe will be presented to the Board at its October meeting.

The planning team and Carriann Hall, Executive Director Financial Services, are looking at the following initial pieces of work. In the interim the rest of the executive is thinking about change/action/funding areas for 2020/21.

Engagement
Planning and its outputs need to be integrated horizontally and vertically. The DHB, PHO and other key organisations should be engaged. Within the DHB, in addition to the governance type groups, all staff through the management structure should have the opportunity to input. The information flow should be up and down. It needs to be within a given context, as an unconstrained wish list is unhelpful and frustrating for all involved.

It is envisaged that sitting under the annual plan will be service plans, and under them will be unit plans, which at the unit level may be as simple as four or five bullet pointed actions, together with outcomes and timeframe.

A Board workshop will be planned to inform the working draft stage of the plan. The timing is to be at a point in the process where there is some sense of the possibilities, including proposals to hand, but prior to the working draft plan being more widely available.

Format
We call it the annual plan because that's what the document is known as nationally. For us it should be an action or implementation plan, and it should contain a graphical representation of the key activities that flow through to years two and three - not all things can be completed in year one and not all things can commence in year one.

It should record all our commitments for change, including metrics, and in so doing will record what will change, how, the outcome, outcome measure, resourcing including funds required, timing, and who is responsible.

Review current strategy and plans to extract and prioritise for implementation
Locally we have the strategy and a variety of plans. The goals and objectives in these plans need to be prioritised and actioned via the annual plan.

Decision making principles to inform funding decisions
A set of principles such as pro-equity should guide decisions as to what we are going to do and where funding should go. A simple form of intervention logic should be applied.

Compiling funding or service change requests
Requests for additional funding including capital requests need be to hand and processed for inclusion, or not, in the plan.

The Board at its August meeting informally suggested that this list would be useful for the current Board to see and discuss i.e. by October. It is a product from a planning process over months and early next calendar year is as early as it can fit within the planning cycle.

Modelling
Modelling should be used to produce a hospital production plan based on planned activity, from which operating theatre, bed, outpatient, staffing rosters and leave should flow. It should help identify key constraints and therefore identify where investment or change is best directed. The modelling may be a work in progress as to the breadth of inputs and the level to which it is available e.g. radiology throughput.

Financial budget including capital
Our current annual plan sets an $8M deficit for 2020/21, being a $5M reduction on the current budget (if approved by the Minister). An iterative process, initially with assumptions and updated as national information becomes to hand, and our own plans, needs to show how we will achieve $8M.

2019/20 PLAN

The current year plan has two aspects of interest at this time:

1. It has not been approved by the Minister - I am unaware that any DHBs have. The Ministry is having ongoing discussion with us and other DHBs regarding reducing the planned deficit.
2. Management is looking to rationalise the work that would flow from the plan and the various other plans the DHB has. Currently it appears to be too much and not sufficiently focused.

The planned activity needs to be achievable and focused to best advantage when viewed against our longer term goals including health equity, and shorter term imperatives, and resourcing. Where formed into projects they need be well organised with clear outcomes and accountability.

We are in the process now of refining the activity for the remainder of this year and beyond, and will present next month to the Board the revised work plan on which implementation should have started.

GOVERNANCE PROCESS

I mentioned at last month's Board meeting that I would come back with some thoughts regarding what I see as extended processes. It takes a minimum of four months for decision papers to get to the Board. Practice appears to be that it's not limited to major decisions.

Each proposal goes through three "governance" type groups, being the Māori Relationship Board, Consumer Council, and Clinical Council. The steps in each are conception (discussing the idea), first draft, final draft, and Board.

I have suggested to the chairs of the three groups that we might look to streamline and that the greatest value for the groups and management is at the concept/development stage and the draft that emanates from it, whereas it seems less useful at the final draft stage. Another aspect is that the chairs of the three groups attend the Board meetings.

STRIKE ACTION

It's a hand wringing statement rather than of practical value, but the national industrial relations scene is grim with strikes a ready option in the sector, with the clinical risk, the lost opportunity to see and treat patients, disruption, and relationship damage it brings.

Psychologists
The sector is currently in the middle of a month long period of strike action whereby psychologists refuse to participate in group work with patients or to take no patients.

Notice has just come to hand of further national strike action, for 1 October to 1 November, with the action being limiting patient face to face time to two hours per day.

Medical Imaging Technologists (radiographers)
The first of a number of national strike notices is to hand which is expected to be for a total of six days of full withdrawal of services for 24 hours, the days being Monday 30 September, Wednesday 2 October, Monday 14 October, Wednesday 16 October, Wednesday 30 October and Friday 1 November.

These strikes will be very disruptive to services, impacting significantly on electives, outpatients and acute services. The operational impact is 12 days of reduced/lost services, as the priority for the day after the strike is catch-up on acute cases, not outpatient work.

It is expected to lead to delays in ED and longer hospital stays. The potential loss of surgery and outpatient attendances is yet to be quantified.

We are looking to use local private radiography providers to the maximum extent possible and our own staff will be offered weekend work, despite it appearing a bit perverse.

The multiple days, although broken, increases risk and we have pushed harder and obtained satisfactory Life Preserving Service coverage from MITs, particularly in Wairoa.

Naturally the focus here is on services, although we are awaiting advice as to what is happening in negotiations.

FUNDER-ARM & PROVIDER-ARM REPORT

A Funder arm report in the Board agenda is planned for the October meeting going forward, however I do feel there is need to discuss the nature of these reports to the Board.

HAWKE'S BAY District Health Board Whakawāteatia	**Financial Performance Report August 2019** For the attention of: **HBDHB Board**
Document Owner	Carriann Hall, Executive Director Financial Services
Document Author	Phil Lomax, Financial and Systems Accountant
Reviewed by	Executive Leadership Team
Month/Year	September, 2019
Purpose	For Information

RECOMMENDATION:

That the HBDHB Board:

Note the contents of this report

EXECUTIVE DIRECTOR FINANCIAL SERVICES COMMENTS

Financial Performance

The plan has been adjusted to a planned deficit of $12.9m. The result for the month of August is $0.5m unfavourable to this, taking the year-to-date (YTD) result to $0.6m unfavourable to plan. The forecast to the end of June 2020 is included below and indicates a $2.5m adverse result. We have provided the forecast earlier than the Ministry of Health (MoH) requires to indicate direction and to give us the next month to review the assumptions before submission to MoH.

These results are not unexpected. Overall we are experiencing high activity, due partly to seasonal factors which are not built into the plan, driving the YTD result. Furthermore, in responding to the MoH request to reduce our planned deficit, we highlighted that we would have to back-end savings into the latter half of the year. Where a cost reducing change is not fully formed, we have not included it in the forecast and this forecast affirms that we need to deliver effectively and quickly on the activities underway.

Broadly, the August result has been driven by:

- higher levels of activity not allowed for in the plan across patient transport, mental health residential and home support costs due to seasonal and underlying demand factors
- costs at a higher run rate than planned such as blood products and medical vacancy cover

	August				*Year to Date*				*Year End*	
$'000	*Actual*	*Budget*	*Variance*		*Actual*	*Budget*	*Variance*		*Forecast*	Refer Appendix
Income	50,319	50,812	(494)	-1.0%	102,221	102,084	137	0.1%	612,203	1
Less:										
Providing Health Services	25,192	25,121	(71)	-0.3%	51,254	50,220	(1,034)	-2.1%	305,164	2
Funding Other Providers	21,583	21,759	177	0.8%	43,528	43,787	259	0.6%	263,141	3
Corporate Services	4,928	5,002	74	1.5%	9,995	10,124	129	1.3%	59,798	4
Reserves	296	117	(179)	-152.5%	365	273	(92)	-33.7%	(498)	5
	(1,680)	**(1,187)**	(492)	-41.4%	**(2,922)**	**(2,321)**	(601)	-25.9%	**(15,402)**	

Key Drivers

The detail of the variances are covered in the appendices to the report. The key drivers of financial performance are:

- Income (Appendix 1)

  Pay equity and In-Between-Travel funding reduced to reflect costs.

- Providing Health Services (Appendix 2)

  Patient transport, blood products, and medical vacancy cover, mostly offset by lower than budgeted nursing resource use and allied health vacancies.

- Funding Other Providers (Appendix 3)

  Mental health residential and home support costs, and community pharmaceuticals. These costs are obscured by lower than budgeted pay equity and In-Between-Travel costs, that are offset in income (see above).

- Corporate Services (Appendix 4)

  Reduced depreciation expense as building lives have been extended. Personnel savings have been offset by deferred maintenance timing, software charges, and affiliation fees.

- Reserves (Appendix 5)

  Prior year adjustments and loss on disposal of clinical equipment.

Other Performance Measures

	August				Year to Date				Year End	Refer
	Actual	Budget	Variance		Actual	Budget	Variance		Forecast	Appendix
	$'000	$'000	$'000	%	$'000	$'000	$'000	%	$'000	
Capital spend	636	1,769	(1,133)	-64.0%	834	3,538	(2,704)	-76.4%	21,695	12
	FTE	FTE	FTE	%	FTE	FTE	FTE	%	FTE	
Employees	2,462	2,521	59	2.3%	2,437	2,486	49	2.0%	2,516	2 & 4
	CWD	CWD	CWD	%	CWD	CWD	CWD	%	CWD	
Case weighted discharges	2,461	2,765	(304)	-11.0%	4,826	5,162	(336)	-6.5%	29,239	2

- Capital spend (Appendix 12)

  Continued slippage against the phased capital budget as we take a risk-based approach to spending commitments whilst we await the outcome of our Radiology Refurishment Project proposal. Advice from MoH is that an announcement is imminent. Thereafter, if successful, we will look to rephase the budget.

- Cash (Appendices 11 & 13)

  We continue to run into cash overdraft, with the cash low point being $18.2m overdrawn in August and $18.4m overdrawn in September. Our statutory limit is $29m and we expect to stay within this for normal operations.

  The Holidays Act review and remediation will likely have further impact on cash, which is not built into our forecast and we have requested a Letter of Comfort from the joint Ministers of Health and Finance in respect of this.

- Employees (Appendices 2 & 4)

Employee numbers are favourable reflecting vacancies in medical and allied staff partly offset by higher than budgeted use of nursing resources and support personnel – security and patient watches.

- Activity (Appendix 2)
  Case Weighted Discharges (CWD) have fallen behind plan. However, there is a time lag on CWD which impacts the in-month result and this is particularly relevant in August given increased pressure toward the end of the month. This is expected to be captured within the September result.

Forecast

A new table has been presented to FRAC and will be brought into Board once refinements have been made following FRAC feedback.

The forecast indicates a $2.5m adverse result at the end of June 2020. Drivers include:

- Clinical costs above plan incurred to improve patient outcomes including the wider use of intragam (blood product), patient transport, implants and prostheses and disposable instruments.
- Significant issues with staff vacancies across medical, nursing and allied health professionals, as the tight health labour market makes recruitment difficult. While this reduces costs, mainly in allied health, the cost of locum cover for medical staff significantly offsets the reductions across all employment groups.
- Infrastructure and non clinical costs including security (site safety and patient watches) and staff training to improve staffing levels.
- Adjusting for the known issues, this forecast indicates we will overspend against plan in September and October with our position starting to improve from November.
- The forecast does not anticipate cost reductions that are not fully formed. It also does not include impacts of strikes, on the assumption that marginal costs will be considered separately to operational performance. There is also further work being done on the latest PHARMAC forecast.

Actions

The Executive Leadership Team (ELT) has considered the forecast and the actions being taking in respect of this. It affirms that swift and effective delivery of actions is required. As communicated in the DHB's letter to MoH, we need to ensure change is sustainable and does not adversely impact patient access, staff engagement, clinical quality and equity.

A review of services to identify opportunities for improvement is expected to highlight cost release or savings opportunities. These workstreams capture the majority of the outliers identified in the Appendices. In some cases, it maybe that an appropriate change in clinical practice is driving the cost and the right response maybe to provide budget so we are not focussing on the variance. However there are also cost-saving opportunities. An example of success was a clinically-led change in respect of test reporting which reduced complexity, and cost, by circa $20k a month. These reviews are ELT sponsored and have clinical engagement, where appropriate.

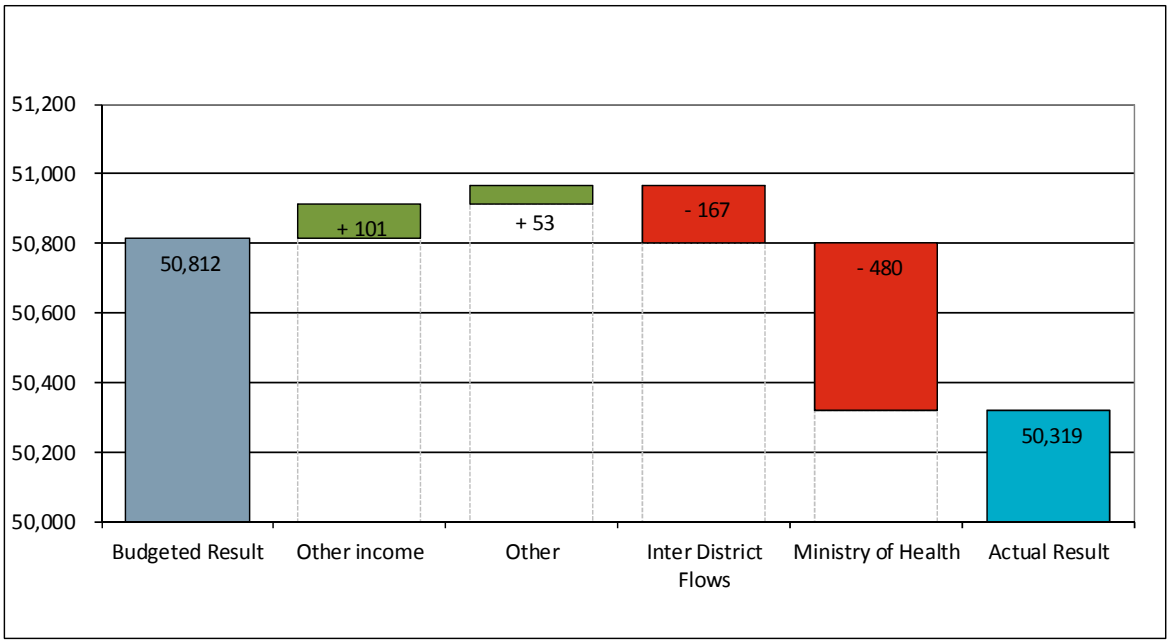
Driving benefits out of Matching Capacity to Demand continues to be critical and the current priority is delivery of the Annual Bed Plan, to inform the summer rosters. A similar approach is being taken with the current locum spend situation, with a structured approach to planning of sabbaticals etc.

APPENDICES

1. INCOME

$'000	August Actual	August Budget	August Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Ministry of Health	48,278	48,758	(480)	-1.0%	97,675	97,938	(263)	-0.3%	586,606
Inter District Flows	541	707	(167)	-23.6%	1,371	1,415	(44)	-3.1%	8,446
Other District Health Boards	358	349	9	2.6%	854	697	157	22.6%	4,317
Financing	1	7	(6)	-88.6%	26	14	12	87.5%	96
ACC	407	367	40	10.8%	807	735	72	9.8%	5,101
Other Government	5	43	(38)	-87.5%	84	125	(41)	-32.7%	454
Patient and Consumer Sourced	152	104	48	46.1%	264	207	57	27.3%	1,280
Other Income	577	476	101	21.1%	1,139	953	186	19.5%	5,902
Abnormals	1	-	1	0.0%	1	-	1	0.0%	1
	50,319	**50,812**	**(494)**	**-1.0%**	**102,221**	**102,084**	**137**	**0.1%**	**612,203**

August



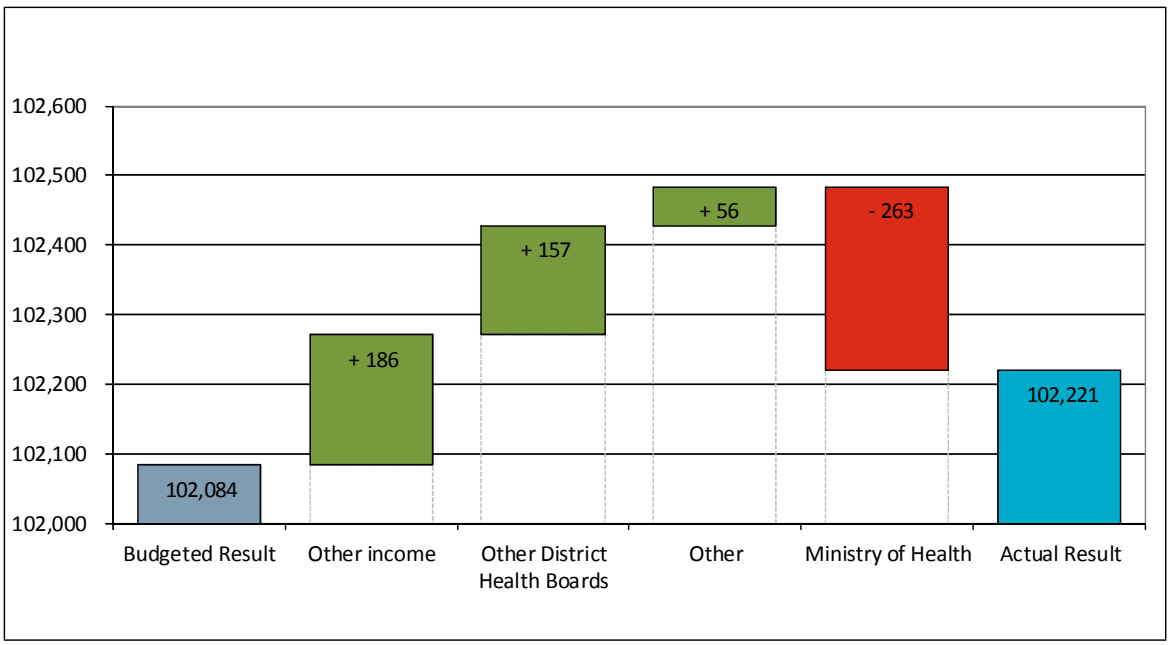
Note the scale does not begin at zero

Other income (favourable)
Donations and clinical trial revenue, Ngatahi income and patient transport recoveries.

Inter District Flows (unfavourable)
Lower inflows than budgeted towards the end of winter.

Ministry of Health (unfavourable)
Pay equity and In-Between-Travel funding reduced to reflect costs.

Year-to-date



Note the scale does not begin at zero

Other income (favourable)
Donations and clinical trial revenue, cafeteria sales, Ngatahi income and patient transport recoveries.

Other District Health Boards (favourable)
Mainly income from Mid Central Health for oncology clinics which is expected to be ongoing.

Ministry of Health (unfavourable)
Pay equity and In-Between-Travel funding reduced to reflect costs, partly offset by clinical training income from Health Workforce NZ to reimburse costs incurred.

2. PROVIDING HEALTH SERVICES

	August				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Expenditure by type $'000									
Medical personnel and locums	5,945	5,880	(65)	-1.1%	12,317	11,876	(441)	-3.7%	74,936
Nursing personnel	7,690	7,872	183	2.3%	15,387	15,537	150	1.0%	93,548
Allied health personnel	3,150	3,367	217	6.4%	6,434	6,835	401	5.9%	39,701
Other personnel	2,250	2,188	(62)	-2.8%	4,474	4,352	(122)	-2.8%	26,084
Outsourced services	874	804	(70)	-8.8%	1,748	1,771	23	1.3%	10,545
Clinical supplies	3,744	3,522	(222)	-6.3%	7,563	6,939	(623)	-9.0%	42,639
Infrastructure and non clinical	1,538	1,488	(50)	-3.4%	3,332	2,911	(421)	-14.5%	17,711
	25,192	**25,121**	**(71)**	**-0.3%**	**51,254**	**50,220**	**(1,034)**	**-2.1%**	**305,164**
Expenditure by directorate $'000									
Medical	6,830	6,947	117	1.7%	13,951	13,854	(97)	-0.7%	83,773
Surgical	5,741	5,728	(13)	-0.2%	11,632	11,440	(192)	-1.7%	70,123
Community, Women and Children	4,074	4,167	93	2.2%	8,338	8,331	(6)	-0.1%	50,164
Mental Health and Addiction	1,912	1,773	(139)	-7.8%	3,824	3,575	(249)	-7.0%	23,075
Older Persons, NASC HB, and Allied H	1,350	1,544	194	12.6%	2,778	3,129	351	11.2%	18,198
Operations	4,013	3,767	(246)	-6.5%	8,112	7,477	(635)	-8.5%	46,626
Other	1,273	1,195	(78)	-6.5%	2,620	2,413	(207)	-8.6%	13,205
	25,192	**25,121**	**(71)**	**-0.3%**	**51,254**	**50,220**	**(1,034)**	**-2.1%**	**305,164**
Full Time Equivalents									
Medical personnel	322.6	368.7	46	12.5%	327	367	40	10.9%	377.6
Nursing personnel	1,035.4	1,042.3	7	0.7%	1,029	1,016	(14)	-1.3%	1,029.7
Allied health personnel	477.3	501.8	25	4.9%	473	498	26	5.1%	498.6
Support personnel	122.0	113.8	(8)	-7.3%	122	113	(9)	-7.7%	115.8
Management and administration	281.9	273.5	(8)	-3.1%	273	271	(2)	-0.7%	272.6
	2,239.2	**2,300.2**	**61**	**2.6%**	**2,224**	**2,266**	**41**	**1.8%**	**2,294.2**
Case Weighted Discharges									
Acute	1,783	1,922	(139)	-7.3%	3,481	3,612	(131)	-3.6%	19,957
Elective	566	626	(60)	-9.6%	1,010	1,122	(112)	-10.0%	6,850
Maternity	82	181	(99)	-54.5%	284	355	(71)	-20.1%	2,000
IDF Inflows	30	37	(6)	-17.5%	51	72	(22)	-30.0%	432
	2,461	**2,765**	**(304)**	**-11.0%**	**4,826**	**5,162**	**(336)**	**-6.5%**	**29,239**

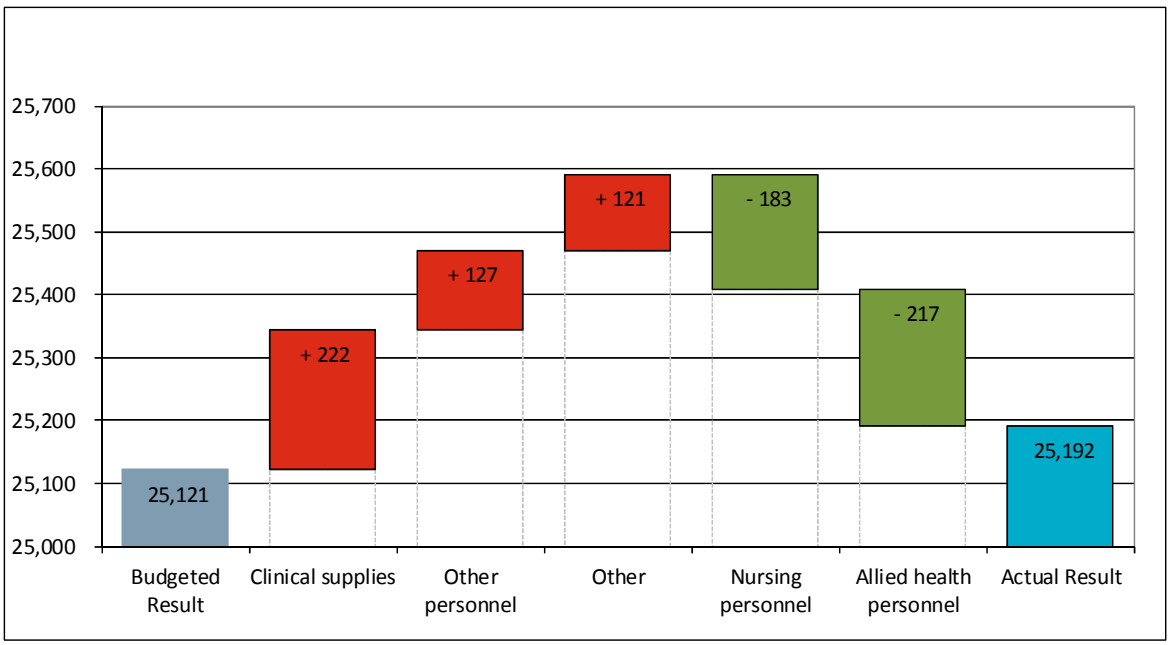
Directorates YTD

- Mental Health and Addiction – locum psychiatrist costs for vacancy and sick leave cover
- Older Persons et al – vacancies, especially allied health
- Operations– blood products, patient transport, and laboratory reagents;
- Other – SMO leave cover. Maori workforce scholarships, offset in income.

Case Weighted Discharges

Case weighted discharges (CWD) have fallen behind plan in orthopaedic surgery, maternity, general surgery, internal medicine and ophthalmic elective surgery, partly offset by high acute neonatal and general medicine, as well as elective gynaecology volumes. There is a time lag on CWD which impacts the in-month result, this is particularly relevant in August as the significantly increased pressure towards the end of the month is expected to be captured in the September result.

August



Note the scale does not begin at zero

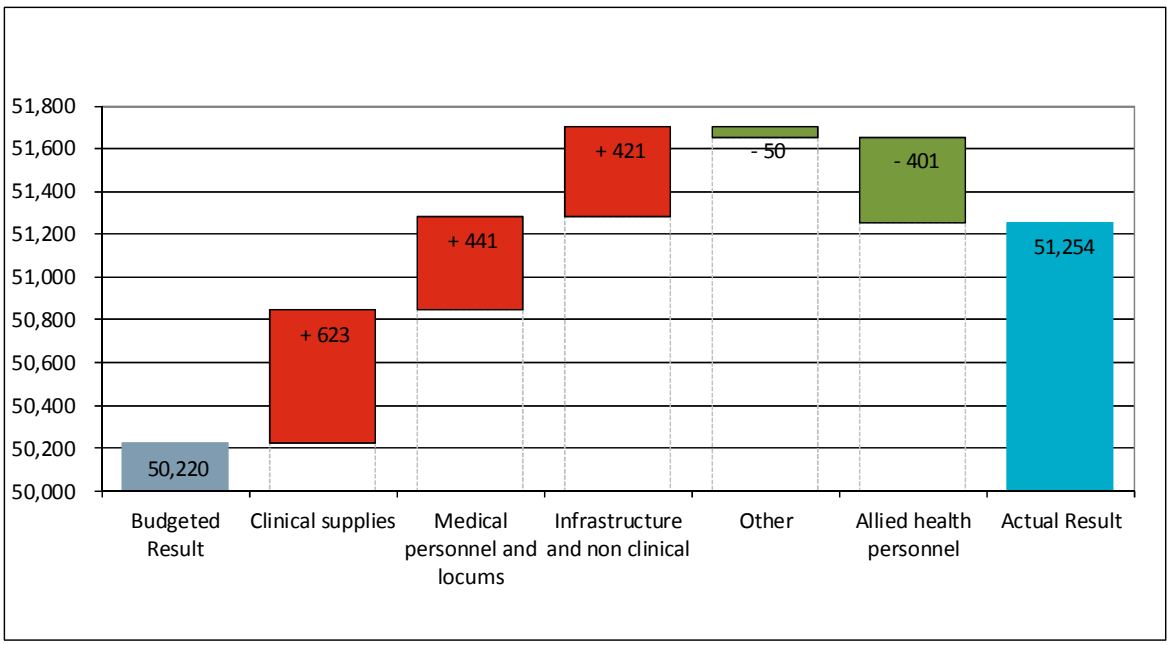
Clinical supplies (unfavourable)
Patient transport costs, blood products (mainly Intragam), disposable instruments, diagnostic supplies, partially offset by pharmaceuticals.

Other personnel including medical personnel and locums (unfavourable)
Medical vacancy cover. Higher than budgeted orderlies, security, sterile supply staff and operations staff, partly driven by seasonal variation in activity.

Nursing personnel (favourable)
Whilst we are experiencing high levels of activity overall, funding for the opening of beds in A2 and AT&R to support winter pressures and maximising opportunities to flex down earlier in August have supported the favourable variance in month. The unprecendented activity towards the end of the month will be reflected in September's result.

Allied health personnel (favourable)
Vacancies mainly in social workers, laboratory technicians, psychologists and occupational therapists.

Year-to-date



Note the scale does not begin at zero

Clinical supplies (unfavourable)
Patient transport costs, blood products (mainly Intragam), surgical implants, diagnostic supplies and disposable instruments, partly offset by pharmaceuticals and renal fluids.

Medical personnel and locums (unfavourable)
Difficulty filling medical positions has high cost locum cover significantly offsetting reduced personnel costs.

Infrastructure and non clinical (unfavourable)
Maori workforce scholarships (offset in income), food and laundry costs, security and maintenance.

Allied health personnel (favourable)
Vacancies mainly in social workers, laboratory technicians, occupational therapists, medical radiation technologists (MRTs), cultural workers, and psychologists.

Full Time Equivalents (FTE)

FTE numbers are volatile reflecting the human resource needs of the DHB and the availability of staff, factors that change significantly from month to month. Consequently FTEs are reported on a year-to-date (YTD) basis to improve understanding of underlying trends. However, in the first few months of the year, the dampening effect of YTD reporting is limited.

FTEs are 41 (1.8%) favourable including:

Medical personnel (40 FTE / 10.9% favourable)

- Vacancies across emergency medicine, radiologists, house surgeons and obstetricians. Small favourable variances across a number of specialties, partly offset by unfavourable variances in anaesthetics.

Nursing personnel (-14 FTE / -1.3% unfavourable)

- Pressure mainly on the relief team and staff bureau, coronary care and the medical wards.

Allied health personnel (26 FTE / 5.1% favourable)

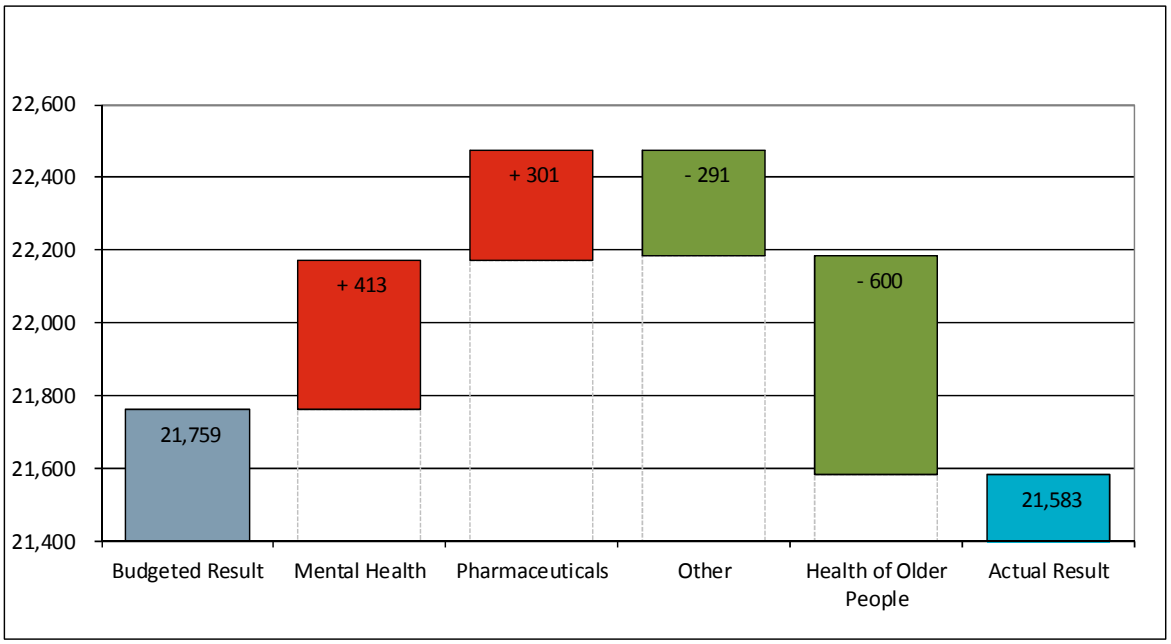
- Ongoing vacancies in social workers, laboratory technicians, psychologists, and occupational therapists.

The Monthly Elective Surgical Discharges Report is not available this month. The way the Ministry measures electiveactivity has changed to a new planned care approach, to ensure activity such as outpatient procedures are also recognised. The targets for 2019/20 have not been approved by MOH.

3. FUNDING OTHER PROVIDERS

	August				*Year to Date*				*Year End*
$'000	*Actual*	*Budget*	*Variance*		*Actual*	*Budget*	*Variance*		*Forecast*
Payments to Other Providers									
Pharmaceuticals	3,962	3,661	(301)	-8.2%	7,327	7,322	(5)	-0.1%	43,953
Primary Health Organisations	3,371	3,551	180	5.1%	7,188	7,342	154	2.1%	43,527
Inter District Flows	5,033	5,043	10	0.2%	10,076	10,085	10	0.1%	60,503
Other Personal Health	1,981	2,048	67	3.3%	4,089	3,967	(122)	-3.1%	24,725
Mental Health	1,457	1,045	(413)	-39.5%	2,514	2,115	(399)	-18.9%	12,943
Health of Older People	5,469	6,069	600	9.9%	11,792	12,269	476	3.9%	73,533
Other Funding Payments	310	344	34	9.8%	542	688	145	21.1%	3,957
	21,583	21,759	177	0.8%	**43,528**	**43,787**	259	0.6%	263,141
Payments by Portfolio									
Strategic Services									
Secondary Care	4,588	4,638	50	1.1%	9,299	9,276	(22)	-0.2%	55,682
Primary Care	8,457	8,504	47	0.6%	16,888	17,121	233	1.4%	102,995
Mental Health	1,713	1,374	(339)	-24.7%	3,016	2,773	(243)	-8.8%	16,887
Health of Older People	6,181	6,602	422	6.4%	13,099	13,336	237	1.8%	79,995
Maori Health	518	512	(6)	-1.2%	992	1,023	31	3.0%	6,056
Population Health	125	129	4	2.8%	236	258	23	8.7%	1,526
	21,583	21,759	177	0.8%	**43,528**	**43,787**	259	0.6%	263,141

August



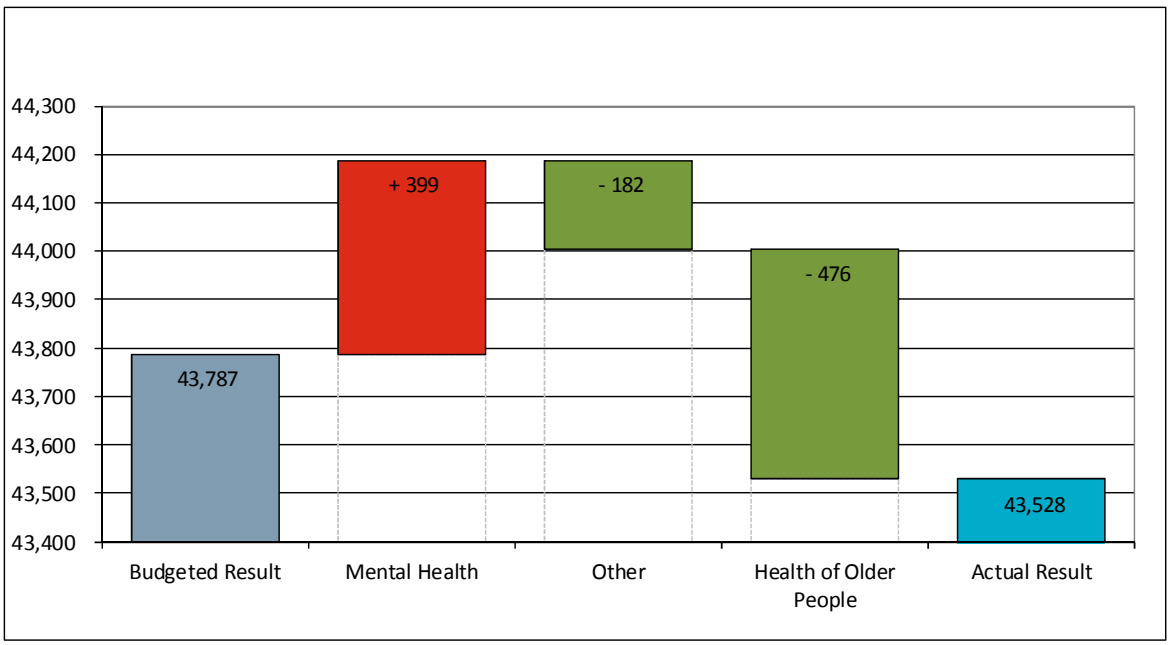
Note the scale does not begin at zero

Mental Health (unfavourable)
Home based support, community residential costs, and adult planned respite.

Pharmaceuticals (unfavourable)
Higher community pharmaceuticals.

Health of Older People (unfavourable)
Lower home support, pay equity and In-Between-Travel costs.

Year-to-date



Note the scale does not begin at zero

Mental Health (unfavourable)
Home based support, community residential costs, and adult planned respite.

Health of Older People (favourable)
Lower home support, pay equity and In-Between-Travel costs.

4. CORPORATE SERVICES

$'000	August Actual	August Budget	August Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Operating Expenditure									
Personnel	1,478	1,731	254	14.7%	3,248	3,498	249	7.1%	20,122
Outsourced services	164	76	(88)	-114.9%	282	153	(129)	-84.3%	1,045
Clinical supplies	51	47	(4)	-7.7%	80	94	14	15.0%	559
Infrastructure and non clinical	1,498	1,339	(159)	-11.9%	2,909	2,756	(153)	-5.6%	16,390
	3,190	3,194	4	0.1%	6,520	6,501	(19)	-0.3%	38,117
Capital servicing									
Depreciation and amortisation	1,122	1,196	74	6.2%	2,234	2,399	165	6.9%	14,300
Financing	3	-	(3)	0.0%	17	-	(17)	0.0%	34
Capital charge	612	612	-	0.0%	1,224	1,224	-	0.0%	7,346
	1,737	1,808	71	3.9%	3,476	3,624	148	4.1%	21,680
	4,928	**5,002**	**74**	**1.5%**	**9,995**	**10,124**	**129**	**1.3%**	**59,798**
Full Time Equivalents									
Medical personnel	0.3	0.3	(0)	-15.2%	0	0	0	11.0%	0.3
Nursing personnel	14.1	17.1	3	17.4%	13	17	4	21.1%	16.9
Allied health personnel	(0.0)	0.4	0	112.3%	0	0	0	91.4%	0.4
Support personnel	32.1	30.1	(2)	-6.4%	30	30	(0)	-0.8%	30.2
Management and administration	176.1	172.6	(3)	-2.0%	169	173	4	2.1%	173.5
	222.6	**220.6**	**(2)**	**-0.9%**	**213**	**220**	**7**	**3.4%**	**221.4**

Personnel is mainly executive staff partly offset in outsourced services, and information services staff whose time has been capitalised to capital projects.

Infrastructure includes deferred maintenance, software charges and affiliation fees relating to the Health Round Table and TAS. The adverse deferred maintenance result is timing and is likely to be offset later in the year.

Depreciation and amortisation reflects the extention of building lives assumed in the 30 June 2019 revaluation of land and buildings and slower than planned capital expenditure.

5. RESERVES

$'000	August Actual	August Budget	August Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Expenditure									
Contingency	167	122	(45)	-36.5%	167	275	108	39.4%	1,138
Efficiencies	-	-	-	0.0%	-	-	-	0.0%	(1,617)
Other	129	(5)	(134)	-2686%	199	(2)	(200)	-11313%	(19)
	296	**117**	**(179)**	**-152.5%**	**365**	**273**	**(92)**	**-33.7%**	**(498)**

The contingency budget reduces when ELT approves use of reserves, which have been largely allocated against specific initiatives expected to drive improvements in patient outcome and access. The YTD favourable variance shows the release of contingency into the position.

The “Other” category includes prior year adjustments and loss on disposal of clinical equipment.

6. FINANCIAL PERFORMANCE BY MOH CLASSIFICATION

	August			*Year to Date*			*End of Year*		
$'000	*Actual*	*Annual Plan*	*Variance*	*Actual*	*Annual Plan*	*Variance*	*Forecast*	*Annual Plan*	*Variance*
Funding									
Income	47,826	48,332	(506)	96,545	96,895	(350)	580,959	581,833	(874)
Less:									
Payments to Internal Providers	30,439	30,439	-	58,643	58,643	-	338,307	338,307	-
Payments to Other Providers	20,681	21,138	457	41,738	42,544	806	255,131	258,081	2,950
Contribution	**(3,294)**	**(3,244)**	**(50)**	**(3,836)**	**(4,292)**	**456**	**(12,479)**	**(14,554)**	**2,075**
Governance and Funding Admin.									
Funding	308	308	-	617	617	-	3,603	3,603	-
Other Income	3	3	-	4	5	(1)	29	30	(1)
Less:									
Expenditure	331	292	(39)	628	587	(41)	3,639	3,633	(6)
Contribution	**(20)**	**19**	**(39)**	**(7)**	**34**	**(41)**	**(7)**	**0**	**(7)**
Health Provision									
Funding	30,131	30,131	-	58,026	58,026	-	334,704	334,704	-
Other Income	2,391	2,381	10	5,475	4,992	483	30,056	29,551	505
Less:									
Expenditure	30,888	30,474	(413)	62,580	61,082	(1,499)	367,676	362,601	(5,075)
Contribution	**1,634**	**2,038**	**(403)**	**920**	**1,936**	**(1,016)**	**(2,916)**	**1,654**	**(4,570)**
Net Result	**(1,680)**	**(1,188)**	**(492)**	**(2,922)**	**(2,321)**	**(601)**	**(15,402)**	**(12,900)**	**(2,502)**

The table above reports the result in the classifications used by the Ministry of Health and against the projections in the Annual Plan. Those projections differ from the budgets used elsewhere in this report as outlined in the table below.

7. MANAGEMENT BUDGET MOVEMENTS

Changes are made to Annual Plan projections so that managers are accountable for budgets that are relevant and up-to-date. The Management Budget is used for internal reporting and the annual plan is used for MoH and statutory reporting. The net result is the same in both budgets.

The major changes between revenue and expense lines are usually due to health provision savings programmes, or unbudgeted new funding received during the year and the associated expenditure.

	August			*Year to Date*			*End of Year*		
$'000	*Mgmt Budget*	*Annual Plan*	*Movement*	*Mgmt Budget*	*Annual Plan*	*Movement*	*Mgmt Budget*	*Annual Plan*	*Movement*
Funding									
Income	48,332	48,294	39	96,895	96,975	(80)	581,350	581,833	(484)
Less:									
Payments to Internal Providers	30,439	30,439	-	58,643	58,643	-	338,307	338,307	-
Payments to Other Providers	21,138	21,335	197	42,544	42,942	397	255,722	258,081	2,358
Contribution	**(3,244)**	**(3,481)**	**236**	**(4,292)**	**(4,610)**	**318**	**(12,680)**	**(14,554)**	**1,875**
Governance and Funding Admin.									
Funding	308	308	-	617	617	-	3,603	3,603	-
Other Income	3	3	-	5	5	-	30	30	-
Less:									
Expenditure	292	294	2	587	593	6	3,598	3,633	34
Contribution	**19**	**17**	**2**	**34**	**28**	**6**	**34**	**0**	**34**
Health Provision									
Funding	30,131	30,131	-	58,026	58,026	-	334,704	334,704	-
Other Income	2,381	2,369	12	4,992	4,959	33	29,876	29,551	325
Less:									
Expenditure	30,474	30,224	(250)	61,082	60,725	(356)	364,835	362,601	(2,234)
Contribution	**2,038**	**2,276**	**(238)**	**1,936**	**2,260**	**(323)**	**(255)**	**1,654**	**(1,909)**
Net Result	**(1,188)**	**(1,188)**	**-**	**(2,321)**	**(2,321)**	**-**	**(12,900)**	**(12,900)**	**-**

8. QUALITY AND FINANCIAL IMPROVEMENT PROGRAMME

Planned savings, including a vacancy factor, have been incorporated into operational budgets and will be managed as part of the normal operational performance reviews in 2019/20. Our focus will be on sustainable changes that generate qualitative improvements that positively impact patient outcomes. It is anticipated that in many cases these will also impact the drivers of cost, such as length of stay and therefore will have a positive impact on the financial position.

9. FINANCIAL POSITION

		August				
30 June 2019	$'000	*Actual*	*Budget*	*Variance from budget*	*Movement from 30 June 2019*	*Annual Budget*
	Equity					
188,048	Crown equity and reserves	188,742	164,706	24,037	695	174,339
(44,407)	Accumulated deficit	(47,329)	(18,693)	(28,637)	(2,922)	(29,271)
143,641		141,413	146,013	(4,600)	(2,228)	145,068
	Represented by:					
	Current Assets					
759	Bank	798	840	(42)	39	840
1,881	Bank deposits > 90 days	1,889	1,855	34	8	1,855
29,342	Prepayments and receivables	31,338	26,070	5,268	1,996	26,488
4,023	Inventory	4,417	3,862	555	395	3,933
-	Investment in NZHP	-	2,638	(2,638)	-	2,638
36,005		38,443	35,265	3,178	2,437	35,754
	Non Current Assets					
190,552	Property, plant and equipment	189,087	180,743	8,344	(1,465)	188,324
13,790	Intangible assets	13,830	2,333	11,497	40	3,412
1,189	Investments	1,189	9,002	(7,812)	-	9,002
205,532		204,107	192,078	12,029	(1,425)	200,737
241,537	**Total Assets**	**242,549**	**227,343**	**15,207**	**1,012**	**236,491**
	Liabilities					
	Current Liabilities					
10,208	Bank overdraft	14,923	7,869	(7,054)	(4,715)	1,828
31,318	Payables	29,729	34,617	4,888	1,589	47,228
53,370	Employee entitlements	53,484	36,126	(17,358)	(114)	39,576
94,895		98,135	78,612	(19,523)	(3,240)	88,633
	Non Current Liabilities					
3,001	Employee entitlements	3,001	2,718	(284)	-	2,790
3,001		3,001	2,718	(284)	-	2,790
97,896	**Total Liabilities**	**101,136**	**81,330**	**(19,807)**	**(3,240)**	**91,423**
143,641	**Net Assets**	**141,413**	**146,013**	**(4,600)**	**(2,228)**	**145,068**

Crown equity and reserves variance from budget includes changes in the 2018/19 result subsequent to the preparation of the 2019/20 budget including land and building revaluations, the equity injection for cash flow purposes and Holidays Act remediation provisioning.

The current assets variance reflects differences between estimated and actual receipt of wash-up funding such as elective surgery, partly offset by the write-off of the investment in New Zealand Health Partnerships (NZHP) at the end of last year.

Higher than budgeted non-current assets results from the revaluation of land and buildings at 30 June 2019.

The movement in current liabilities mainly reflects Holidays Act remediation provisioning.

10. EMPLOYEE ENTITLEMENTS

			August				
30 June	*2019*	$'000	*Actual*	*Budget*	*Variance from budget*	*Movement from 30 June 2019*	*Annual Budget*
	7,755	Salaries & wages accrued	8,656	6,467	(2,189)	(901)	9,483
	1,027	ACC levy provisions	988	948	(40)	39	1,174
	5,530	Continuing medical education	5,113	5,158	45	417	5,656
	37,303	Accrued leave	36,919	21,599	(15,320)	385	21,255
	4,755	Long service leave & retirement grat.	4,809	4,672	(137)	(54)	4,798
	56,371	**Total Employee Entitlements**	56,485	38,844	(17,641)	(114)	42,366

Accrued leave includes provisioning for the remediation of Holiday's Act non-compliance, in accordance with the memorandum of understanding with health sector employee representatives and the Ministry of Business, Innovation and Employment (MBIE).

11. TREASURY

Liquidity Management

The surplus cash of all DHBs is managed by NZHP under a sweep arrangement facilitated by BNZ. The DHB provides forecast cash flow information to NZHP to allow it to invest the funds at the most advantageous rates and uses the same information to ensure the DHB has the funds to meet its obligations as they fall due. The cash balance at the end of August was a $17.3m overdraft.

The cash low point for each month is generally incurred immediately prior to receipt of MoH funding on the 4th of the month. August's low point however was the $18.4m overdraft on 29 August. September's low point is likely to be the $18.4m overdrawn on 3 September. Our statutory overdraft limit is $29m.

NZ Health Partnerships is introducing an internal line fee for secured overdrafts which is expected to cost an additional $36k per year. This is to recognise the pressure the 'borrowing' DHBs are placing on the 'funding' DHBs, through mimicking market charges.

Debt Management

The DHB has no interest rate exposure relating to debt.

Foreign Exchange Risk Management

No material transactions occurred during the month. No transactions met the criteria that would trigger the requirement to arrange foreign exchange rate cover.

12. CAPITAL EXPENDITURE

Capital spend is lower than plan as a number of projects will not progress until equity funding for the radiology extension is confirmed. The plan phasing will be reviewed once confirmation on the radiology business case is received. If the equity funding is declined, the capital plan will be reviewed and options presented to FRAC and Board.

See table on the next page.

2020 Plan		*Actual $'000*	*Year to Date Budget $'000*	*Variance $'000*
	Source of Funds			
	Operating Sources			
14,465	Depreciation	2,234	2,399	165
7,230	Equity Injection not approved	(2,135)	1,139	1,884
21,695		99	3,538	2,050
	Other Sources			
-	Special Funds and Clinical Trials	33	-	(33)
-	Equity Injection approved	695	-	695
-		728	-	661
21,695	**Total funds sourced**	**827**	**3,538**	**2,711**
	Application of Funds:			
	Block Allocations			
3,100	Facilities	157	516	360
3,027	Information Services	190	504	314
3,500	Clinical Plant & Equipment	463	583	120
9,627		809	1,604	795
	Local Strategic			
500	Replacement Generators	-	83	83
-	Endoscopy Building	(3)	-	3
2,550	Radiology Extension	52	425	373
700	High Voltage Electrical Supply	6	40	34
1,450	Seismic AAU Stage 2 and 3	8	242	234
1,500	Seismic Surgical Theatre HA37	28	250	222
200	Seismic Radiology HA27	-	33	33
1,195	MC2D Proc Rm3 Endoscopy HA57	-	199	199
3,300	Surgical Expansion	34	550	516
11,395		125	1,822	1,697
	Other			
-	Special Funds and Clinical Trials	33	-	(33)
-	Other	(98)	-	98
-		(65)	-	65
	Regional Strategic			
673	Regional Digital Health Services (formerly RHIP)	(43)	112	155
673		(43)	112	155
21,695	**Capital Spend**	**827**	**3,538**	**2,711**

13. ROLLING CASH FLOW

The cash flow is based on the August forecast result. The DHB does not anticipate breaching its statutory overdraft limit of $29m in year on normal operations.

The cash flow assumes wash-up revenue from MOH volume-based funding will be received quarterly. However, both the volume provided and timing of receipt are uncertain and the impact on cash inflow can be significant.

The approved equity injections for seismic remediation have been included, although the timing is uncertain. Unapproved equity injections for the radiology expansion have also been included to match the associated expenditure. No allowance has been made for Holidays Act remediation costs nor any associated equity support from MoH.

It should be noted that the recent changes to the capital charge regime means that HBDHB will receive revenue to offset capital charges arising from the investment related equity injections.

	Actual	August Forecast	Variance	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast	Jul Forecast	Aug Forecast
Cash flows from operating activities															
Cash receipts from Crown agencies	50,133	49,550	583	48,848	61,701	49,215	48,783	52,652	48,703	48,972	53,526	48,703	49,060	53,030	48,669
Cash receipts from donations, bequests and clinical trials	116	-	116	-	-	-	-	-	-	-	-	-	-	-	-
Cash receipts from other sources	331	461	(130)	3,209	208	209	214	206	209	209	208	209	209	211	211
Cash paid to suppliers	(30,779)	(24,947)	(5,832)	(29,608)	(28,495)	(29,716)	(28,527)	(31,070)	(25,771)	(28,825)	(29,438)	(28,580)	(29,755)	(29,533)	(28,919)
Cash paid to employees	(18,079)	(18,556)	477	(18,999)	(22,453)	(19,345)	(19,120)	(22,969)	(18,987)	(19,153)	(22,652)	(19,262)	(19,474)	(23,715)	(18,572)
Cash generated from operations	**1,721**	**6,507**	**(4,786)**	**3,450**	**10,960**	**363**	**1,350**	**(1,181)**	**4,154**	**1,203**	**1,644**	**1,069**	**40**	**(6)**	**1,389**
Interest received	1	16	(15)	7	7	7	7	7	7	7	7	7	7	7	7
Interest paid	(3)	(14)	11	(28)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Capital charge paid	(0)	(0)	-	(0)	(0)	(0)	(4,264)	(0)	(0)	(0)	(0)	(0)	(4,264)	(0)	(0)
Net cash inflow/(outflow) from operating activities	**1,719**	**6,509**	**(4,790)**	**3,429**	**10,964**	**367**	**(2,910)**	**(1,177)**	**4,158**	**1,207**	**1,648**	**1,073**	**(4,220)**	**(2)**	**1,393**
Cash flows from investing activities															
Proceeds from sale of property, plant and equipment	0	(5)	6	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Acquisition of property, plant and equipment	(528)	(1,899)	1,371	(926)	(1,146)	(1,515)	(1,836)	(2,041)	(2,631)	(2,107)	(1,871)	(1,751)	(1,580)	(1,899)	(1,899)
Acquisition of intangible assets	(108)	(173)	65	(173)	(173)	(173)	(173)	(173)	(173)	(173)	(173)	(173)	(173)	(173)	(173)
Acquisition of investments	69	-	69	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow/(outflow) from investing activities	**(567)**	**(2,078)**	**1,511**	**(1,100)**	**(1,320)**	**(1,689)**	**(2,010)**	**(2,215)**	**(2,805)**	**(2,281)**	**(2,045)**	**(1,925)**	**(1,754)**	**(2,073)**	**(2,073)**
Cash flows from financing activities															
Proceeds from equity injection	695	-	695	-	-	-	-	5,700	-	-	-	-	-	-	-
Proceeds from finance leases	-	-	-	-	-	-	-	580	-	-	-	-	-	-	-
Equity repayment to the Crown	-	-	-	-	-	-	-	-	-	-	-	-	(357)	-	-
Net cash inflow/(outflow) from financing activities	**695**	**-**	**695**	**-**	**-**	**-**	**-**	**6,280**	**-**	**-**	**-**	**-**	**(357)**	**-**	**-**
Net increase/(decrease) in cash or cash equivalents	1,847	4,431	(2,585)	2,329	9,644	(1,323)	(4,921)	2,888	1,353	(1,074)	(397)	(852)	(6,332)	(2,076)	(681)
Add:Opening cash	(14,082)	(14,082)	(0)	(12,235)	(9,907)	(263)	(1,586)	(6,506)	(3,618)	(2,266)	(3,340)	(3,737)	(4,589)	(10,921)	(12,996)
Cash and cash equivalents at end of period	**(12,235)**	**(9,651)**	**(2,585)**	**(9,907)**	**(263)**	**(1,586)**	**(6,506)**	**(3,618)**	**(2,266)**	**(3,340)**	**(3,737)**	**(4,589)**	**(10,921)**	**(12,996)**	**(13,677)**
Cash and cash equivalents															
Cash	4	4	-	-	-	-	-	-	-	-	-	-	-	4	4
Short term investments (excl. special funds/clinical trials)	(17,292)	(12,346)	(4,946)	(12,205)	(2,547)	(3,882)	(9,145)	(6,643)	(5,786)	(7,224)	(8,011)	(9,057)	(15,564)	(15,866)	(16,722)
Short term investments (special funds/clinical trials)	2,683	2,690	(8)	47	47	47	47	47	47	47	47	47	47	2,690	2,690
Bank overdraft	2,369	-	2,369	2,251	2,237	2,250	2,592	2,977	3,473	3,837	4,227	4,420	4,597	175	350
	(12,235)	**(9,651)**	**(2,584)**	**(9,906)**	**(263)**	**(1,585)**	**(6,506)**	**(3,619)**	**(2,266)**	**(3,340)**	**(3,737)**	**(4,590)**	**(10,920)**	**(12,996)**	**(13,677)**
Cash Low Point (before the 4th of the following month)	(18,443)	(12,686)	(5,757)	(15,918)	(2,727)	(4,352)	(9,145)	(7,003)	(7,368)	(10,886)	(8,291)	(15,262)	(25,458)	(13,306)	(23,730)

BOARD HEALTH & SAFETY CHAMPION'S UPDATE

Verbal

	Te Pītau Health Alliance (Hawke's Bay) Governance Group
	For the attention of: **HBDHB and Health Hawke's Bay Ltd Boards**
Document Owner:	Bayden Barber, Chair
Author:	Janine Jensen, Senior Commissioning Manager (Te Pītau Health Alliance (Hawke's Bay) Governance Group delegate for Chris Ash, Executive Director of Primary Care
Month:	September, 2019
Consideration:	For Information

Recommendation

That the Boards:

1. **Note** the contents of this report
2. **Review** HBDHB's Remuneration Policy in relation to current non-financial recognition of time and valuable contributions and expertise being received from Rangatahi stakeholder groups.

The Te Pītau Health Alliance (Hawke's Bay) Governance Group met on Wednesday 11 September 2019.

Significant issues discussed and agreed included:

Communications Plan
Deferred until October 2019 Te Pītau Governance Group meeting due to upcoming Elections, and new Comms staff commencing employment week commencing 16/09/10.

Rangatahi Services Redesign

Resolution

Te Pītau Health Alliance (Hawke's Bay) Governance Group members:

1. Endorsed the Kaupapa Plan
2. Agreed with the purpose, values, approach, rangatahi, working and stakeholder groups, and timeline of the project
3. Agreed to receive a proposed model in November 2019 (previously scheduled for December 2019)
4. Agreed to recommend to HBDHB Board that, in relation to current non-financial recognition of valuable contributions, advice and expertise being received from rangatahi stakeholder groups, that a review of HBDHB's remuneration policy be undertaken.

Three projects groups have been established, and stakeholder meetings held in August and September 2019, with Kaumatua involvement. The proposed model will be presented to the Te Pītau Governance Group by rangatahi roopu in November 2019.

Mental Health & Addiction (MH&A) Redesign
P&B workshops with representation from all stakeholders have been undertaken.

The purchase of professional services from Davanti Consulting Ltd to assist with facilitation and the design process.

Additional MH&A portfolio workload, i.e: Addictions, RFP (for mild to moderate clients), and a Crisis pilot with Counties Manukau, to be raised with the Executive Leadership Team (ELT) on 17/09/19.

Workforce development video-conference at MRB on 11/09/19 with Dr Diana Kopua (from Hauora Tairawhiti) – Director, Te Kurahuna Ltd was discussed, and the possibility of co-investment.

Health Care Home
On track with projected programme timelines with three GP practices, namely: Te Mata Peak Practice; TToH; and, Totara Health.

HAWKE'S BAY District Health Board Whakawāteatia	**Māori Relationship Board (MRB)**
	For the attention of: **HBDHB Board**
Document Owner:	Heather Skipworth (Chair)
Month:	September 2019
Consideration:	For Information

MRB met on 11 September 2019. An overview of issues discussed and recommendations at the meeting are provided below.

RANGATAHI REDESIGN

The Resdesign of Rangatahi Services, is a piece of work requested through the Te Pìtau Health Alliance Governance Group, which is looking at how services to rangatahi (young people) are best delivered, and the team came to MRB to update on the progress of this project.

Currently, use of services by Rangatahi is low, and it is recognised that there is a strong need for engagement with this demographic so as to ensure healthy futures for whānau. The project team are working closely with kaumatua for cultural guidance and to ensure that their work in alignment with the principles of being kaupapa Māori, Rangatahi centric, wellbeing focused and wrapped in the four values of the HBDHB. Three project groups have been developed:

- Rangatahi roopu – with representatives/experience of mental health, disability, young Parenting, LGBT
- Internal HBDHB/HHB Working group – a partnership of Health HB & HBDHB, PHO, Māori & Public Health and clinical representation; to provide support and advice to the other groups.
- Stakeholder Group

A Workshop for these groups is being held in September to identify challenges and barriers, and to result in a recommendation to Te Pìtau which ensures a trusted future service which truly serves Rangatahi needs.

Going forward, it was recommended to approach the Rangatahi working group to gauge what equity looks like to young people, as it's important to keep asking questions of our Rangatahi and understand how problems arise and continue, identifying solutions rather than just the problems.
MRB members were pleased that such a connection with consumers has been made.

RESOLUTION
It is recommended that Māori Relationship Board:

1. Endorse the Rangatahi plan
2. Agree with the purpose, values and approach; the three project groups; and the timeline of the project

Move: **Na Raihania**
Seconded: **Hine Flood**
Carried

MAHI A ATUA

Diana Kopua, the clinical lead for a new service to create significant shifts in the way mental health needs are addressed with Māori, especially in regards to child & adolescent mental health joined MRB via videoconference

Mahi a Atua is an approach used which draws from Māori creation stories known as pūrakau to explore culturally relevant ways of assessing and treating mental health problems. Mahi a Atua intention of reinstating Māori psychology into the work carried out in indigenous services. These pūrakau provide a space to explore culturally relevant meaning to the patient's experiences that have brought them to the service.
Those well versed in traditional knowledge (both patients and staff) can feel more connected to the approach being used, while those who are disconnected from their indigenous identity can develop a stronger sense of cultural connection.

This programme is for professionals to understand the 'story' of the patient, which is the foundation to treat the problem, made up of 5 days of training.

MRB agreed that Diana be invited to facilitate a Mahi a Atua session here at HDBHB, being taken forward as an action through the Māori Health team.

MATARIKI HB REGIONAL ECONOMIC DEVELOPMENT AND SOCIAL INCLUSION STRATEGY UPDATE

A summary update on this work was provided and continues with NKII engagement and other intersectoral/government departments.

Over 12 month period, 44 Rangatahi went into work placement, with 28 completing their placements. 6 are still with placement agencies.
45% went into paid employment outside the scheme. Those who did not are still connected with and continue to be supported for re-engagement if required.
Ministry of Social Development have extended this funding again for another 25 placements, which means they are on target for creating 1000 new jobs specifically for Rangatahi (defined as 18 – 24 year olds).
Noted that this scheme is led by Hastings District Council, so doesn't cover Central Hawke's Bay and Wairoa.

	Hawke's Bay Clinical Council
	For the attention of: **HBDHB Board**
Document Owner:	Jules Arthur (Chair)
Month:	September 2019
Consideration:	For Information

RECOMMENDATION

That the HBDHB Board:

1. **Notes** the contents of this report

HB Clinical Council met on 11th September 2019. A summary of matters discussed is provided below:

COMMITTEES & REPRESENTATIVES REPORTS TO COUNCIL

Reports were received from:

- Te Pitau Health Alliance Governance Group
- Clinical Advisory and Governance Group (PHO)
- Consumer Experience Committee

REVIEW OF CURRENT ACTIONS

- Screening for Harms – this item has been discussed in relation to improving and combining screening tools for a number of social harms i.e. smoking, alcohol, family harm, addictions. Dr Wills provided an update on a first draft document reviewing the Violence Intervention Programme. This will only progress with iwi input.
- Health Certification Audit Findings – quarterly progress on clinical actions identified will be provided, this is currently in progress with clinical leads being identified.

MATARIKI HB REGIONAL DEVELOPMENT STRATEGY & SOCIAL INCLUSION STRATEGY UPDATE

A 6 monthly update was provided on the direction of this work and ensuring whānau/community input. It was also noted with regards to the synergies in relation to the social determinants of health and provision of care

ANNUAL MEETING

It was noted that during the Annual Meeting the TOR, Workplan and Membership would be reviewed and discussed

OURHEALTH HAWKE'S BAY Whakawateatia	**Hawke's Bay Health Consumer Council**
	For the attention of: **HBDHB Board**
Document Owner:	Rachel Ritchie (Chair)
Month:	September 2019
Consideration:	For Information

RECOMMENDATION

That the **HBDHB Board:**

1. **Note** the content of the report.

Council met on Thursday 12 September 2019. An overview of matters discussed is provided below:

1737 MENTAL HEALTH SUPPORT LINE

Council agreed to continued support for the issue raised by Hastings District Council (HDC) Youth Council of the continued poor response received from the 1737 service, and inadequate explanation provided for such an important service. There was decision to draft a collaborative response letter between HB Health Consumer Council and the HDC Youth Council and present to the 1737 service for their response and actions to the concerns raised.

2019/2020 PLAN

Following the Workshop at the previous meeting, the draft Consumer Council Annual Plan for 19/20 was agreed. Eight objectives have been agreed with a rolling monthly bring up to ensure each objective gets addressed throughout the year.

- Actively promote and participate in co-design processes for Mental Health & Youth
- Actively promote and participate in co-design processes for Primary care and Urgent Care
- Actively participate in agreeing and implementing priority actions from the Strategic Plan (Whānau Ora Hāpori ora)
- Monitor and assist initiatives that make health easy to understand within the health sector and community
- Facilitate and promote the implementation of a 'person and whanau centered care' approach and culture to the delivery of health services in partnership with other group where appropriate
- Monitor all 'Consumer Experience' performance measures/indicators/feedback etc., to ensure 'changes on the ground' are visible to the Council and that consumer experience and health outcomes are improving.
- Support and monitor the implementation of the Consumer Collaboration (previously Engagement) Strategy and principles in Hawke's Bay
- Raise awareness of the work of Consumer Council

REPORTS RECEIVED & DISCUSSED

- **Consumer Experience Committee** signed off health literacy charter and feedback forms
- **Consumer Experience Facilitators** report noted the Health Quality & Safety Commission survey is seen as providing little useful feedback but DHB are required to administer.
- **Pharmacy Services Advisory Group c**onsidered the cost to consumers of Warfarin and are conducting a problem definition workshop next month. There was discussion about co-payments, the cost of prescriptions, variations in charges between pharmacies, and the 20 script maximum subsidy.

  Council noted consumer knowledge of eligblity for the prescription subsidy was poorly understood and Consumer Council have requested that this concern be taken back to the Pharmacy Services Advisory Group for action.
- **Te Pitau Health Alliance Governance Group**

HAWKE'S BAY
District Health Board
Whakawāteatia

HB FOUNDATION HEALTH FUND

Agreement signing

14

Agreement between the Hawke's Bay Foundation ("HBF"), Hawke's Bay District Health Board ("HBDHB")

The parties agree to the following on a binding basis:

A. HBDHB Obligations

1. HBDHB will establish a Fund with HBF
2. HBDHB agrees that HBF will receive 1% of the average value of the Fund each year as a donation for administering the Fund and distributions ("Fees") to be calculated on the same basis HBF calculates fees for its other funds.
3. HBDHB will promote the Fund to those wishing to make donations to support the health sector in Hawke's Bay

B. HBF Obligations

1. HBF will establish and administer the Fund.
2. HBF acknowledges that within the Fund will likely consist of different types of donations as set out in Schedule A. Fees will not apply to Type C Funds.
3. A Health Fund Distribution Committee ("HFDC") will be established comprising one HBF trustee, one HBDHB representative. This Committee will co-opt up to a further six members with varied background and experience from across the Hawke's Bay health sector
4. The HFDC will meet at least annually
5. The HFDC will review and make recommendations to HBF for distributions from the Fund based on applications received and / or donor wishes. All distributions proposed to HBF must be to registered charities or to HBDHB or other Hawke's Bay based health providers, to be used for publicly funded or charitable purposes.
6. HBF will invest the funds based on its SIPO and this will reflect the extent to which the capital portion of funds may need to be distributed
7. Any investment income that the Fund makes in excess of the sums attributed to administration and distribution will be reinvested into the Fund each year. Similarly any capital losses will be deducted from the Fund
8. At the end of each financial year HBF will provide an annual summary of all, investment income and disbursements to HBDHB if requested.

C. Obligations of both parties

1. To promote the Fund to those wishing to make donations to support the health sector in Hawke's Bay
2. To ensure the Fund works collaboratively and does not compete with the Hawke's Bay Medical Research Foundation
3. This Agreement to be reviewed after 18 months to determine what changes might be required.

D. General

1. This MoU may only be varied by both parties entering into a written variation.

ARW-017427-1-66-V1

2. Both parties agree to act in good faith and use their best endeavours to meet their respective obligations set out in this MoU, in the spirit within which the MoU is entered.

3. Both parties acknowledge the need to promote the Fund. Either party may use the name and logo of the other party on their websites and other material in support of the Fund after obtaining approval from the other party.

Signed on behalf of the Hawke's Bay Foundation

_____ Date _____

Name:_____

Position:_____

Signed on behalf of HBDHB

_____ Date _____

Name:_____

Position:_____

Schedule A

Type A

FUTURE FUND

- Tagged and Untagged monies where only Fund income is distributed each year. To be invested under terms of HBF SIPO together with other HBF monies

Type B

GENERAL FUND

'Untagged' Funds where capital is available for distribution

- HBDHB and HBF agree to maintain a minimum balance in this fund of $20k
- Capital and income available for distribution on application as agreed between HBF and HBDHB

Type C

SPECIAL PURPOSE FUNDS

'Tagged' Funds where capital is available for distribution

- Expected these monies will mostly short term and/or pass through

ARW-017427-1-66-V1

HAWKE'S BAY District Health Board Whakawāteatia	**Matariki HB Regional Economic Development and Social Inclusion Strategy**
	For the attention of: **HBDHB Board**
Document Owner:	Bernard Te Paa, Executive Director, Health Improvement & Equity
Document Author:	Henry Heke, Head of Intersector and Special Project Shari Tidswell, Intersector Development Manager
Month:	September 2019
Consideration:	For Information
RECOMMENDATION **That the HBDHB Board:** 1. **Notes** the contents of this report.	

15

OVERVIEW

Matariki combines a regional strategic approach for economic development and social inclusion by utilising a Treaty partnership and intersectoral delivery through projects which deliver planned actions. Matariki supports the economic vision:

> *"Every household and every whānau has activity engaged in, contributing to and benefiting from a thriving Hawke's Bay economy."*

and the social inclusion vision:

> *"Hawke's Bay is a vibrant, cohesive, diverse and safe community, where every child is given the best start in life and everyone has the opportunities that result in equity of outcomes."*

Underpinning the visions is an understanding that regional economic growth and supporting equitable opportunities for individuals, whānau and community go hand in hand.

This report provides an update on progress for the Matariki Development Strategies (https://www.hbreds.nz/) and the HBDHB's contribution to these. In the last six months, Matariki partners have focused on:

- Reviewing the Actions
- Re-establishing meeting protocols
- Completed the Provincial Growth Fund application and launch
- Continuing to support the current projects

This paper also responds to the Māori Relationship Board's request for information on youth employment by providing data on youth employment outcomes.

ACTIONS REVIEW

The appointment of a Matariki Programme Coordinator at the beginning of the year provided the resource to complete the actions review. HBDHB reviewed the current actions for potential impact on equity. We noted the specific actions for Māori development as a strength and recommended developing an equity framework monitor as progress toward equity.

The proposed new structure has five pillars (previously there were 7).

1) Whānau wellbeing
2) Employment, skill and capacity
3) Resilient infrastructure
4) Economic gardening
5) Promoting Hawke's Bay

There are 19 actions which is a significant reduction, achieved by removing completed actions and combining closely associated actions. There is a placeholder for health – "responding to the Equity Report".

HBDHB have provided the following feedback:

- Support the new structure for the actions – this reduces the pillars from seven to five
- Agree with the reduction in actions - we note that socially responsible employers and reducing barriers to employment are now implied rather than stated
- The action for the "responding to the Health Equity Report" placeholder, should include the Equity Report recommendation - "invest in whānau ora approaches to community needs"[1]
- To gain health equity outcomes there is also potential for intersector support to reduce smoking, increase healthy eating and address family violence

CURRENT ACTIONS

The HBDHB leads or partner to:

Regional Economic Development

- Partner - Project 1,000 (placing 1,000 youth into work)
  HBDHB are on the working group for Rangatahi Mā Kia Eke which supports youth with health and disability issues to gain work experience and employment. We have developed relationships with our recruitment team and Work and Income.
- Partner - coordinating infrastructure
  Facilitated workshops for the infrastructure leads and partners, to support the actions review process. Contributed our planed infrastructure project to the infrastructure stocktake, for the employment pipeline planning.

Social Inclusion

- Lead agency – Socially Responsible Employers
  There has been work to link employers to socially responsible employer resources and practice. HBDHB have been working with a range of employers to be Healthy Workplaces.
- Partner – Housing

[1] HBDHB Health Equity Report 2018. http://www.ourhealthhb.nz/news-and-events/latest-news/hawkes-bay-dhb-releases-third-health-equity-report/

HBDHB has stepped down as chair and Hastings District Council have picked this up. HBDHB are no longer co-lead for this action. HBDHB contributed to the proposal to the Ministry of Housing and Urban Design led by Hastings District Council. This will support healthy homes.

- Partner– Whānau centric places connected to the community
  This links to the place-based activity HBDHB is engaged in – including Camberley, Ahuriri and Wairoa. Government has signalled whānau responsiveness as a priority for a number of government agencies which will support further work towards this action.
- Partner – Develop a new sustainable operating system
  This also aligns to the place-based work with community driven service design and funding system e.g. Wairoa.

YOUTH EMPLOYMENT OUTCOMES

The following data responds to the question raised by the Māori Relationship Board who requested data on youth employment. The data is from Rangatahi Mā Kia Eke – work experience leading to employment or training for youth with health and disability issues and benefit dependence. In the 12 month period 1 January to 31 December 2018, Ministry of Social Development were funded for 50 places with the follow outcomes:

- 44 youth had work placement contracts
- 28 completed their placement (with 6 still on placement)
- 45% are in employment (11% in training and 14% are still on placement)
- 34% are Māori and Pasifika

The youth not able to move to a placement contract and those not completing placement (10) were provided with other support and are able to re-enter the programme at a later time. The advisory group are currently working on an evaluation with EIT.

This is an intensive support programme that provides benefits to youth and community/not for profit organisations.

GENERAL BUSINESS

The Terms of Reference and attendees were reviewed and refreshed. This has provided clarity and supports Business Hawke's Bay in effectively administering both the Executive and Governance groups.

The Hawke's Bay Provincial Growth Fund launch occurred on 10 June at the HB Community Fitness Trust, Hastings. This supports local business development and employment through improved infrastructure, business innovation and growth.

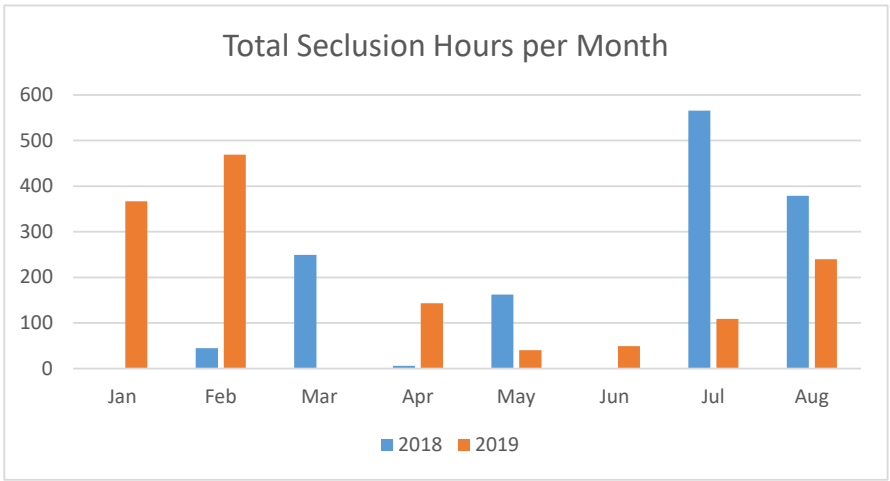
CONCLUSION

The review of Matariki actions has allowed for updating, increasing the health focus and streamlining. We support the direction as it responds to Board feedback including there are too many actions and the need to maintain whānau/community input. The proposed review is to be endorsed by Executive and Governance groups.

The introduction of the Provincial Growth Fund has taken the focus for the 12 month up to June and with the funding now in place there is a renewed focus on updating the actions and delivering projects.

HBDHB continues to be involved in the delivery of actions via projects, and providing governance and management for the Strategy. HBDHB has a key role in ensuring social and economic development remains as key partners to achieve growth in Hawke's Bay; with equity a key feature of Matariki delivery.

HAWKE'S BAY District Health Board Whakawāteatia	**Mental Health & Addiction Service:** **Seclusion and Staff Assault Update Report**
	For the attention of: **Executive Management Team** **Finance, Risk and Audit Committee**
Document Author(s):	Peta Rowden, Nurse Director – Mental Health & Addictions Directorate
Reviewed by:	John Burns, Executive Director Provider Services
Month:	September 2019
Purpose:	For information and Monitoring
Previous Consideration Discussions	Nil
Summary	***Anei ra te whanau, O te Whare oranga,*** ***E tutahi tatou, Kia kaha ra*** *Here is the family of HBDHB.* *We stand united and strive for excellence.* **Seclusion** Seclusion is a major focus as aligned with the COTA report and the Health Quality Safety Commission (HQSC) Mental Health Improvement Initiative. We are continuing to progress well with the reduction of restrictive practice including the use of seclusion. The target for reducing seclusion is to achieve less than 134 hours per month for 2019. Between January and August 2019, 4 out of 8 months have achieved this target.



Graph 1: Seclusion Hours

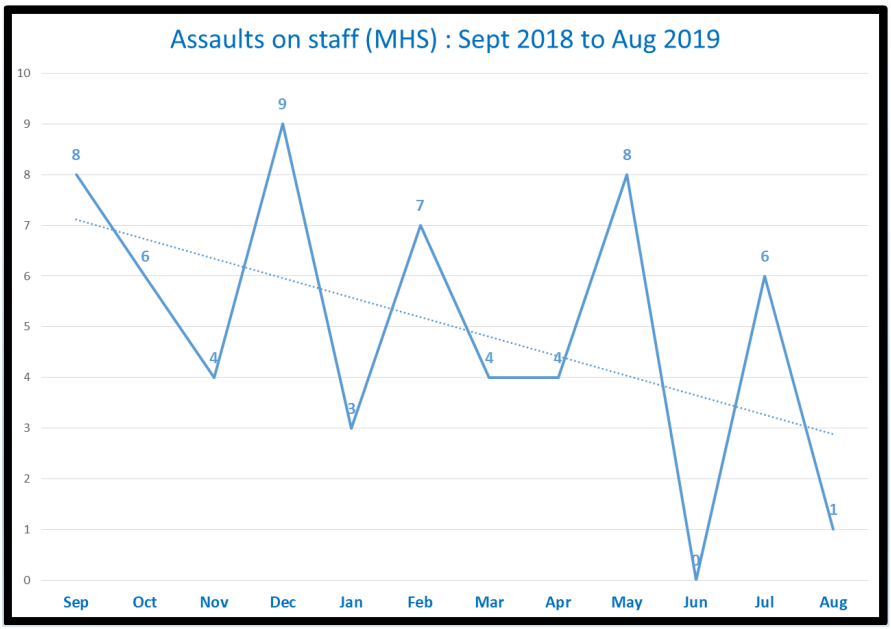
16

Staff Assaults

There have been 7 reported events of assault on staff in July and August 2019. Classified as:

- 2 near miss (verbal)
- 2 minimal (physical)
- 3 minor (physical)
- 6 of the events (including the near miss) were evented in July
- Injuries occurring in 1 event, all in July.
- 3 events noted to involved the same staff member
- 6 events occurring in the inpatient unit, 1 in the community
- All but 1 event have been reviewed and closed.
- 1 event were reclassified from minimal to near miss.

The following graph show a decrease in assaults over the past 12 months. It is important with regards to seclusion elemination, that our use of restraint and staff being assaulted is not increasing.



Graph 2: Staff Assaults

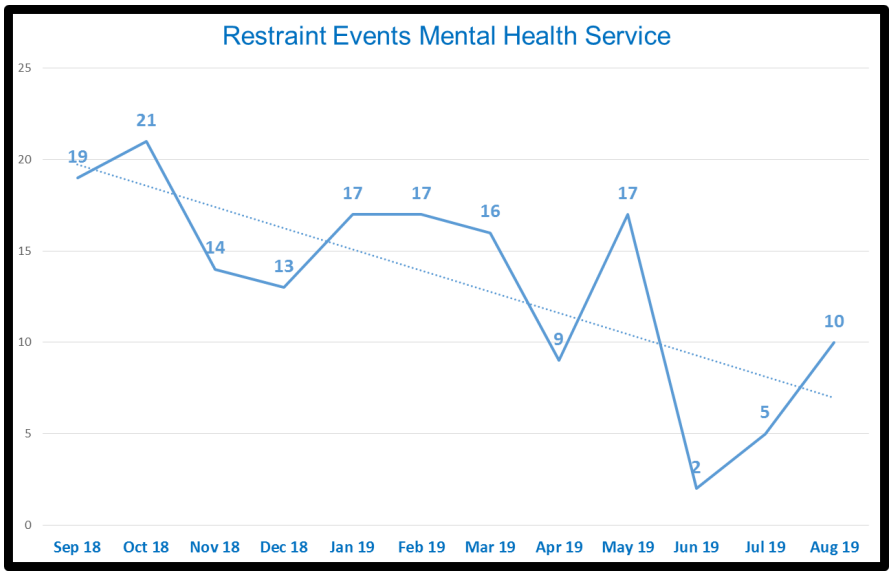
Restraints:

There have been 10 reported restraint events in August; 3 events involving the same patient.

<u>Rationale for restraints</u>:

- All patients very acutely unwell.
- To administer medication by injection due to acute presentation and aggression;
- 3 of the events required time in seclusion secondary to risk of harm to others;
- 2 patients required seclusion on admission
- 3 events were with security and police present

The following graph shows a decrease in assaults over the past 12 months.



Graph 3: Restraints

Safe Practice, Effective Communication Training (SPEC)
The MH Nurse Educator and Senior Nursing Leaders for Nga Rau Rakau are working well to ensure that all staff are completed the SPEC. Approximately, 98% staff have completed the full SPEC training and 50% have completed the annual refreshers (2 refresher training provided).

There are 2 staff booked to attend the SPEC Train the Trainer Training in October/November – one Security and a Registered Nurse. This will take our total number of trainers in Hawke's Bay to 7.

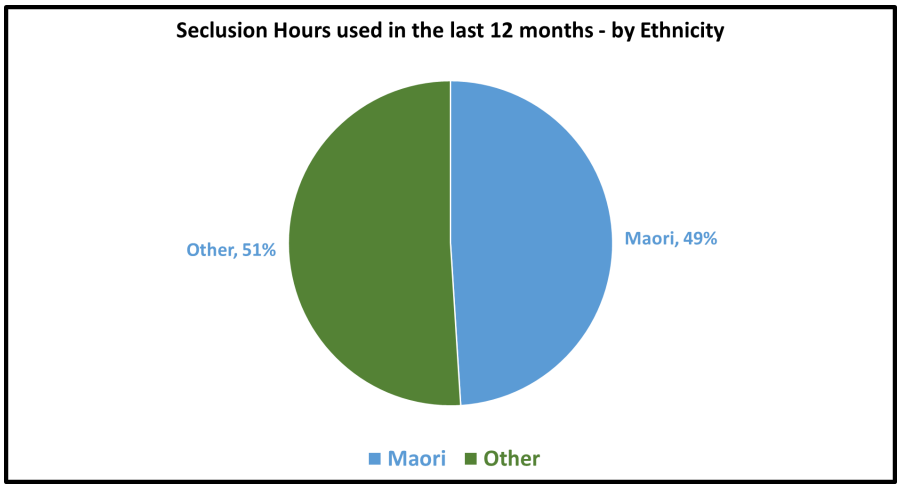
Engaging Effectively with Maori Training
Training and development of all staff including nursing, allied health and medical staff will be a primary focus which has started with an Engaging Effectively With Māori Workshop, specifically provided for Ngā Rau Rākau staff. This workshop occurred on 4 September at Mihiroa Whare and the staff have provided positive feedback. The workshop was part of a planning day which included how the team would utilise the EEWM training in their practice. By having a focus on attitudes and behaviour aligning with the organisational values, will support a change in the culture of how the team functions as a collective; to provide better outcomes for consumers, their whanau / family and staff.

Contribution to Goals and Strategic Implications

There are five priorities for the Mental Health and Addiction 2019-20 Service Plan; all priorities will assist in the reduction of seclusion and assaults on staff, whilst improving the experience for whaiora / consumers and their family who are receiving input from MHS.

These priorities are:

- Maintaining Workforce capability and wellbeing;
- Achieve Safety for All;
- Reduce inequity and improve mental health wellbeing (including suicide prevention);
- Workplace partnership to improve integration across systems;

	• Implementation of the Clinical Services Plan and He Ara Oranga Mental Health inquiry recommentations.
Impact on Reducing Inequeties / Disparities	The Zero Selusion Project team has not focused on eliminating seclusion entirely by 2020. The project's focus for Hawke's Bay is to ensure equity for Maori, hence the aim being "To reduce by Maori who are secluded on admission to the inpatient unit by 50%". • In the last 12 months, 49% of persons secluded are Maori, 51% non-Maori (Graph 4) • In July and August 2019: Maori were in seclusion for a total of 159 hours, 189 hours for non-Maori.  Graph 4: September 2018- August 2019 For interest, appedix 1 from the HQSC Dashboard, shows percentage of Maori admitted to inpatient mental health and were secluded at least once in Hawke's Bay.
Consumer Engagement	Consumers and their family / whanau have been engaged in this project. Our project leads and Consumer Advisor have lead individual meetings (hui) with those who have experienced / been affected by the use of seclusion. The stories gathered would then highlight themes and provide opportunities for change, upskilling of staff through training/education and reduce the use of restrictive practices in our clinical settings.
Other Consultation / Involvement	• Inpatient Staff • Police Liaison Clinical Nurse Specialist • Eastern Districts Police • Community Mental Health Teams • Director of Area Mental Health Service (DAMHS)
Financial / Budget Impact	The reduction in the number of seclusions has a positive financial impact. When a patient is in seclusion it requires an additional RN to "watch" in addition to staff required for wards. Moving forward however, to successfully achieve zero seclusion, it is likely to mean requiring more staff to manage consumers with challenging behaviours, that would have otherwise potentially been secluded.
Timing issues	The MHS is now in the implementation phase of the project and is ongoing. The seclusion events however, are reviewed regularly with a report is provided monthly to the Directorate Leaders. This imformation is also

	captured through PRIMHD which feeds through to HQSC who also reports quarterly on Seclusion for every DHB.
Announcements / Communications	N/A
Recommendations for MH&A actions	• To improve partnerships / collaboration between between inpatient and community teams and police to reduce the number of seclusions on admission for Maori. • Ongoing reviews of whaiora / consumers who are secluded on admission with a view to identifying improvements in their quality of care in the community. • Ongoing review of care plans of whaiora / consumers with high rates of admissions to the inpatient unit. • To reduce the incidents of assaults on staff • To reduce the use of restraint (including sedation) as a means to minimise use of seclusion.

Appendix 1

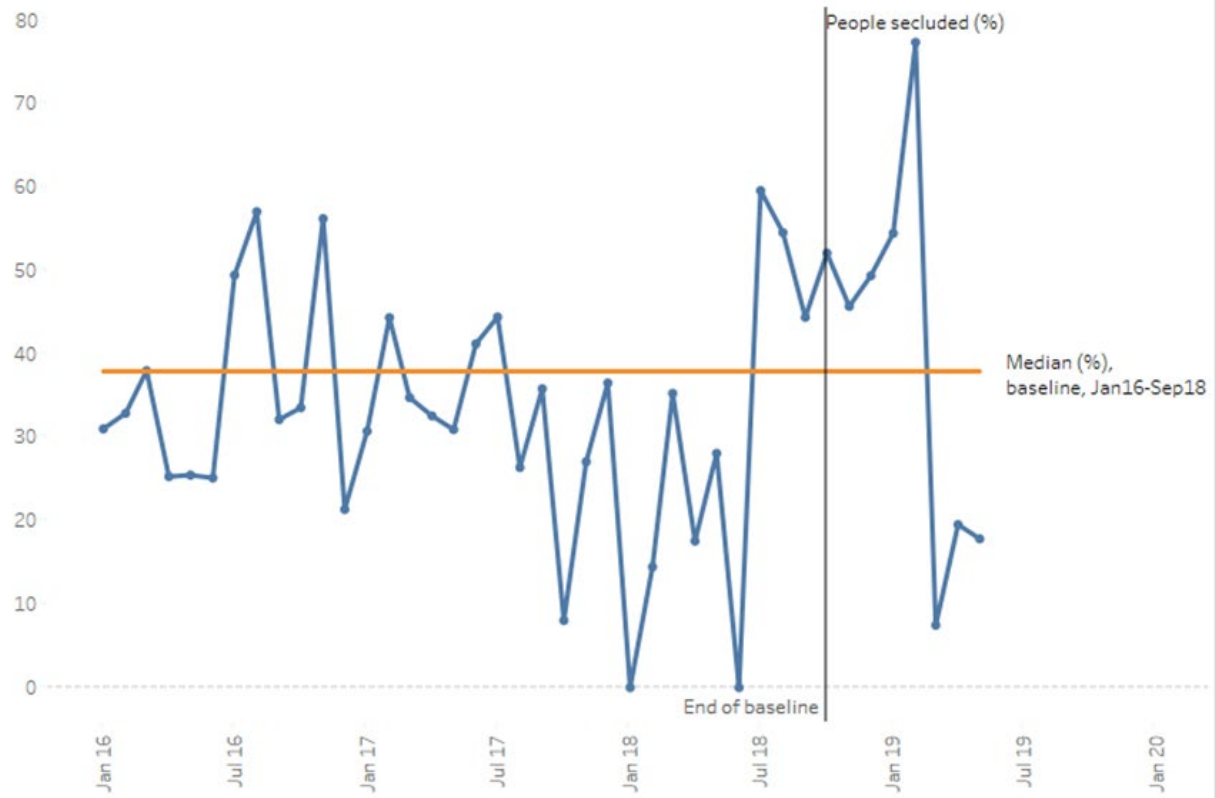
Improvement dashboard - National Mental Health and Addiction Quality Improvement Programme (DRAFT)

Zero seclusion outcome measures (draft dashboard)

Filters: Ethnicity Māori DHB Hawkes Bay

Measure 1 - Seclusion rate

Percentage of people admitted to inpatient mental health who were secluded at least once.



DHBs can only be included in national aggregate measures when their source data is complete in PRIMHD (as advised by the Ministry of Health). Currenly, national charts do not include data from Southern, Nelson Marlborough, Whanganui, MidCentral or Lakes (as at 22 July 2019)

HAWKE'S BAY
District Health Board
Whakawāteatia

Recommendation to Exclude the Public

Clause 32, New Zealand Public Health and Disability Act 2000

That the public now be excluded from the following parts of the meeting, namely:

18. Confirmation of previous minutes 31 July 2019 - Public Excluded
19. Matters Arising (public excluded)
20. Board Approval of Actions exceeding limits delegated by CEO
21. Chair's Update
22. CEO report to Board (Public excluded)
23. Patient Air Transfer (fixed wing) - CEO
24. HB Clinical Council report to Board (public excluded)
25. HB Health Consumer Council report to Board (public excluded)
26. NZ Health Partnerships
27. Finance Risk and Audit Committee

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation to the matter and the specific grounds under Clause 32(a) of the New Zealand Public Health and Disability Act 2000 for the passing of this resolution are as follows:

- Official Information Act 1982 9(2)(ba) to protect information which is subject to an obligation of confidence.
- Official Information Act 1982 9(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions between the organisation, board and officers of the Minister of the Crown.
- NZPHD Act 2000, schedule 3, clause 32(a), that the public conduct of the whole or relevant part of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under any of sections 6, 7 or 9 (except section 9(2)(g)(i) of the Official Information Act 1982).