BOARD MEETING

Date: Wednesday 18 March 2020

Time: 1:30pm

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

Members:
Shayne Walker (Chair)
Hayley Anderson
Ana Apatu
Kevin Atkinson
David Davidson
Evan Davies
Peter Dunkerley
Joanne Edwards
Charlie Lambert
Anna Lorck
Heather Skipworth

Apologies:

In Attendance:
Craig Climo, Interim Chief Executive Officer
Ken Foote, Company Secretary
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: Kathy Shanaghan, EA to CEO

Public Agenda

Item	Section 1: Routine	Time (pm)
1.	Welcome and Apologies	1:30
2.	Interests Register	
3.	Minutes of Previous Meeting 25 February 2020	
4.	Matters Arising - Review of Actions	
5.	Board Workplan	
6.	Chair's Report (verbal)	

7.	Chief Executive Officer's Report	1.40
8.	Financial Performance Report - Carriann Hall, ED Financial Services	1.45
9.	Provider Services Report - John Burns, ED Provider Services	1.50
10.	Board Health & Safety Champion's Update (verbal) - Board Safety Champion	1.55
	Section 2: For Decision	
11.	Service Improvement - Ward A2 Priority Initiative – Dr David Gardner, Medical Head of Department / Anne Speden, ED Digital Enablement (Aaron Turpin/Ben Duffus)	2.00
12.	Trustee Appointments – Te Matau a Mauri Health Trust – Ken Foote, Company Secretary	2.30
	Section 3: Governance / Committee Reports	
13.	Hawke's Bay Clinical Council Report - Co-Chairs, Julie Arthur & Dr Robin Whyman	2.35
14.	Hawke's Bay Health Consumer Council Report - Chair, Rachel Ritchie	2.40
15.	Pasifika Health Leadership Group Report - Patrick Le Geyt, Acting ED, Health Improvement & Equity	2.45
	Section 4: For Information and Discussion	
16.	Service Improvement / Business Intelligence (Presentation) – Anne Speden	2.50
17.	2020/21 Annual Plan - Update – Chris Ash, ED Planning & Funding	3.20
18.	COVID-19 (Presentation) – Sandra Bee, Emergency Response Advisor / Dr Nicholas Jones, Medical Officer of Health	3.25
19.	**Section 5: Recommendation to Exclude the Public** Under Clause 32, New Zealand Public Health & Disability Act 2000	

Public Excluded Agenda

Item	Section 6: Routine	Time (pm)
20.	Minutes of Previous Meeting 18 December 2019 (public excluded)	3.55
21.	Matters Arising (public excluded) - Review of Actions	-
22.	Board Approval of Actions Exceeding Limits Delegated by CEO	-
23.	Chair's Update (verbal)	-
24.	Chief Executive Officer's Report (public excluded)	4.05
25.	Hawke's Bay Clinical Council (public excluded) - Co-Chairs, Julie Arthur & Dr Robin Whyman	4.20
	Section 7: For Information/Decision	
26.	Finance Risk and Audit Committee – Evan Davies	4.25
	Meeting concludes	

The next HBDHB Board Meeting will be held on
Wednesday 15 April 2020

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 18 February 2020

Board Member Name	Current Status	Conflict of Interest	Nature of Conflict	Mitigation / Resolution Actions	Mitigation / Resolution Actions Approved by	Date Conflict Declared
Shayne Walker	Active	Bank of New Zealand	Employer. BNZ provides banking services to HBDHB.	Potential conflict. Will abstain from all decisions related to financial banking services.		08.01.20
	Active	Dr Rachel Walker	Wife - is a contractor to HBDHB	Potential conflict. Will abstain from decisions related to perceived conflict.	Company Secretary	08.01.20
Kevin Atkinson	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
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 Whariki 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 Trust created a "HB Tamariki Health Housing fund" to ensure warm dry homes for Hawke's Bay whanau.	Will advise at the outset of any discussions on this topic, and will not take part in any decisions / or financial discussions relating to this arrangement.	The Chair	8.08.18
Anna Lorck	Active	Attn! Martketing & PR, owner & director	Owner & Director (Marketing & Comms, publishing)	Unlikely to be any conflict of Interest. If in doubt will discuss with the HBDHB Chair.	The Chair	09.12.19
	Active	Mother	Mother is an employee of the DHB at Central Hawke's Bay Health Centre	Will advise of any perceived or real conflict prior to discussion	The Chair	4.02.20
Hayley Anderson		Cranford Hospice Trust	Health Consultant - contracted with provider	Will advise of any conflict of interest. If in doubt, will discuss with HBDHB Chair	The Chair	09.12.19
David Davidson	Active	Weem Charitable Trust	Provides support services to Cancer sufferers eg Cranford & Cancer Society	Will advise of any perceived or real conflict prior to discussion	The Chair	09.12.19
Joanne Edwards	Active	KiwiGarden Ltd	Director/CEO	Potential conflict. Will abstain from all discussions/decisions that may have some direct relevance to this interest.	Company Secretary	08.01.20
Charlie Lambert						
Evan Davies	Active	Chair, Capital Investment Committee	DHB Capital Prioritisation	Potential conflict.		7/01/2020

MINUTES OF THE BOARD MEETING
HELD ON WEDNESDAY 25 FEBRUARY 2020, IN THE TE WAIORA ROOM,
DHB ADMINISTRATION BUILDING, MCLEOD STREET, HASTINGS
AT 1.30pm

PUBLIC

Present: Shayne Walker (Chair)
Evan Davies
Hayley Anderson
Ana Apatu
Kevin Atkinson
David Davidson
Peter Dunkerley
Joanne Edwards
Charlie Lambert
Anna Lorck
Heather Skipworth

Apologies: Nil.

In Attendance: Craig Climo (Interim Chief Executive Officer)
Ken Foote (Company Secretary)
Members of the Executive Management Team
Robin Whyman and Jules Arthur (Co-Chairs, Hawke's Bay Clinical Council)
Rachel Ritchie, Chair (Hawke's Bay Health Consumer Council)
Kathy Shanaghan (EA to CEO)
Members of the public and media

The Chair opened the meeting with a Karakia.

2. INTEREST REGISTER

No Board member advised of any interests in the items on the agenda. Hayley Anderson noted that her interest had been removed which needed to be re-added. **Action**

3. CONFIRMATION OF PREVIOUS MINUTES

The minutes of the Board meeting held on 18 December 2019 were confirmed as a correct record of the meeting subject to the following amendment:

- Hawke's Bay Health Consumer Council report regarding Disability Plan (page 5 of minutes). Minutes to record that the Board agreed to the Council's request that the Disability Plan be brought to the attention of the Executive Leadership Team, the implementation plan be acknowledged and actively integrated in planning and delivery, and the Executive Director (ED) role accountable for the delivery of the Plan is confirmed to Council. **Action**

Rachel Ritchie noted that the although the ED of Health Improvement & Equity had advised that an update would be provided to Consumer Council at their next meeting (February), this did not occur. The Board had also not received an update around the resourcing issues. **Action**

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

4. MATTERS ARISING FROM PREVIOUS MINUTES

Status updates for all actions were noted together with the following comments:

Item 1: **MRB recommendation from Te Ara Whakawaiora re ASH rates and whanau wellness.** Report will be provided to MRB in either March or April.

Item 9: **Disability Plan Implementation.** Lead has changed to Planning & Funding directorate.

Response to the Board on Social Issues:

This report was taken as read. The ED Provider Services advised that there didn't appear to be an issue around lack of whānau support as previously advised as there were only two patients where there had been an issue. He also advised that staff worked hard to get people back into their homes.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report.
Adopted

5. BOARD WORK PLAN

The Board Work Plan was noted. The Chair provided the following feedback from the Board only discussion earlier that day:

- That the workplan reflect issues identified/requested by the Board and for management to provide specific propositions
- That any actions coming out of governance meetings are included on the workplan or included as part of the planning process
- Sometime before the end of the financial year the Board would need to discuss issues and make decisions that are extinct from the planning process, i.e. financial sustainability, so it would be useful to know when that would be
- That the priorities be defined and added to the workplan.

The CEO advised that there were some big-ticket items being worked on which would all come to FRAC and/or Board and these would be added to the workplan once timeframes were confirmed. The ED Financial Services also advised that there were space holders on the FRAC workplan for each of the three phases of budget setting which would then be rolled up into the annual planning process. Seismic and Health & Safety would also be included on the workplan until such time as they were dealt with.

6. CHAIR'S REPORT

- Interviews for a CEO were being held on Monday 2 March
- A decision had been made to hold Board meetings across the district to maximise the opportunity to engage with the community. It was hoped to do that before the end of the calendar year
- The Chair was in Wairoa tomorrow for the final public hui and was also meeting with the Wairoa District Council and Tātou Tātou
- National Chairs meeting 12 March: Discussion around governance support and board performance. Presentations received from PHARMAC and Health Quality & Safety Commission.

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
Pamela Campbell	Care Associate	Communities Women & Children	19	11-Dec-19

Dorothy Ferguson	Clinical Nurse Specialist	Communities Women & Children	36	8-Jan-20
Jennifer Scoble	Registered Nurse	Medical Directorate	24	7-Feb-20
Valerie Duthie	Registered Nurse	Mental Health Directorate	12	22-Dec-19
Michele Bayley	Registered Nurse	Surgical Directorate	19	20-Dec-19
Armeda Credland	Associate Clinical Nurse	Communities Women & Children	33	31-Jan-20
Karen Sherwood	Registered Nurse	Surgical Directorate	18	22-Dec-19

7. CHIEF EXECUTIVE OFFICER'S REPORT

The CEO noted his report as read.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report.
Adopted

8. FINANCIAL PERFORMANCE REPORT

The Executive Director of Financial Services presented the Financial Report for January 2020, which showed the result for the month was $1.4m unfavourable to plan, taking the year-to-date result to $6.9m unfavourable.

RESOLUTION

That the HBDHB Board:

1. **Note** the contents of this report.
2. **Approve** the representation to the Minister of Health that Quarter 2 cost increases between the 2018/19 and 2019/20 financial years have only been approved where unavoidable.

Moved: Ana Apatu
Seconded: Joanne Edwards
Carried

9. PLANNING & FUNDING REPORT TO BOARD

The ED Planning & Funding presented this report highlighting the following:

- Annual planning process remains on schedule
- Consistent messages received from the community whakarongo hui were around the need for more person and whānau centred booking and scheduling processes
- There is a plan in place to ensure a similar process is undertaken in other parts of Hawke's Bay

Comments from Board members included:

- Thanks for providing copies of the Health Equity Report (copy available for each Board member). Anna Lorck referred to the Summary of Findings highlighting that these were the areas that needed to be monitored and reported on
- Disappointment that the list of priorities had not come back to the Board for discussion and input as requested. The ED Planning & Funding advised that although the intention was to provide that to the

Board in January (Planning Session), it was not in a state to bring it back as further work was being done to reshape the priorities. He apologised for not conveying that on the day.

- The Chair requested an assurance that the Board and Committees would be involved in the planning process and cycle moving forward. The ED Planning & Funding confirmed that that would happen.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report.
Adopted

10. PROVIDER SERVICES REPORT TO BOARD

The Executive Director of Provider Services spoke to this this report.

A member noted that some matters coming to Board had also been discussed at the FRAC meeting earlier in the day and questioned the reasoning behind this, given that some Executives were having to discuss their reports twice. The CEO advised that the Provider Services report had traditionally gone to FRAC and not the Board and therefore, for reasons of transparency, he requested a 'summary' from that report be included in the public Board agenda. The full report went to FRAC to enable free and frank discussion. In the past there was also no report from the Funder arm and this had recently been added to the Board agenda. The CEO acknowledged the member's viewpoint and advised that management would look to refine the reporting to balance it up.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report.
Adopted

11. HEALTH IMPROVEMENT & EQUITY DIRECTORATE QUARTERLY REPORT

The Acting ED of Health Improvement & Equity provided an overview of this report. Points noted during discussion included:

- There were areas within the DHB where cold chain accreditation had not been achieved. Board members requested an update on those areas, and the actions being taken, to be included in the next quarterly report. **Action**
- That delivery of services in the area of CVD risk assessments were below minimum standards. Board members asked that the next report provide an update on the actions being taken to increase CVD risk assessments. **Action**
- In response to a member's query if fluoride was being provided to high risk areas, the Chief Medical & Dental Officer advised that following the Havelock North drinking water issue and the need for Hastings District Council to chlorinate the water in late 2016, there was now no fluoride at all in Hawke's Bay, which was of concern to the DHB. The DHB had been asking for updates from the Council on progress but had yet to receive anything formal. While he didn't have the latest update regarding Wilson Road (Flaxmere), the Council's intent was to return fluoride to the water as part of a phased upgrade.
- The issue of sugary drinks was raised and whether there was an opportunity for the Board to put pressure on the Ministry regarding a sugar tax. It was noted there were other lobby groups focused on this.

- Two more areas were suggested for inclusion in the HIE quarterly report for tracking:
  1. Obesity - and whether there was an opportunity for the Board to take a leadership role in the region in respect to lunch in schools
  2. Sugar drinks and whether the DHB could advocate for more healthy options being available at sports grounds and being more visual in that space

     The Acting ED Health Improvement & Equity advised that the Best Start Healthy Activity Plan was under review with the aim to provide better support and guidance to ECEs and Kohanga, including B4 School Checks.
- It would be useful to see more emphasis on primary care smokefree. **Action**
- In respect to the Health Equity Report, a Board member said this was the number one area where the Board could take leadership on and asked where the public could see the report. Board members were advised that this was the third equity report produced which was well circulated and known throughout the sector. The report was also in the Board Induction Pack and on Our Health Website.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report
Adopted

12. BOARD HEALTH & SAFETY CHAMPION UPDATE

Heather Skipworth said it was pleasing to see other Board members confirmed as Health & Safety Champions.

REPORT FROM COMMITTEE CHAIRS

13. MĀORI RELATIONSHIP BOARD (MRB)

The Chair acknowledged Ana Apatu's appointment as MRB Chair. Anna provided an overview of the report from the MRB meeting on 12 February 2020.

RESOLUTION

That the HBDHB Board:

1. Notes the contents of this report.
2. Approves the recommendation to adopt an additional strategic priority of investment into primary care and Kaupapa Māori models of delivery.

MOVED: Heather Skipworth
SECONDED: David Davidson
Carried

14. HAWKE'S BAY CLINICAL COUNCIL

Co-Chair Jules Arthur presented the report from the Council's meeting held on 12 February 2020. The Chief Medical and Dental Officer provided an overview of the issues discussed which included:

1. Chief Pharmacist Responsibilities.
2. Clinical Governance Committees and agreement to design a template report format to provide a standardised approach to reporting.
3. Annual Planning process.

The Board Chair requested that the template include an equity component. **Action**

RECOMMENDATION
That the HBDHB Board: **Note** the contents of this report **Adopted**

15. HAWKE'S BAY HEALTH CONSUMER COUNCIL

The Chair of Consumer Council provided an overview of the matters discussed at the Consumer Council meeting on 13 February 2020, highlighting a concern with the 1737 mental health phone/text service, A request had been made to the provider for statistics around 'unanswered and long delays before answering'. The ED Planning & Funding advised that this was a national contract and he hoped to have an update in the next two weeks. A member expressed concern that calls were not being answered and suggested that this be followed up if the information was not received in the next fortnight. **Action**

Consumer Council also received a report from the End of Life Care Group and a Board member highlighted the need for staff and Board members to be as fully informed as possible given the referendum later in the year.

RECOMMENDATION
That the HBDHB Board: **Note** the contents of this report **Adopted**

16. PASIFIKA HEALTH LEADERSHIP GROUP

The Acting ED Health Improvement & Equity presented the report from the Pasifika Health Leadership Group (PHLG) meeting on 27 January 2020. Board members advised they would like to receive the outcomes of the recruitment and resignation issue when available. It was confirmed that the information would come through the PHLG report to the Board.

RECOMMENDATION
That the HBDHB Board: **Note** the contents of this report **Adopted**

FOR DECISION

17. GOVERNANCE APPOINTMENTS AND MEETING SCHEDULE FOR 2020

The Company Secretary advised of two amendments to the recommendations in this paper:

- Item 7: Ngāti Kahungunu had not yet provided nominations to the Māori Relationship Board so that would be deferred to next month

- An additional item relating to the appointment to Te Matau a Mauri Health Trust:
  - That the Board appoints Hine Flood as the general community representative 'ordinarily resident in the Wairoa District' to the Te Matau a Maui Health Trust, in accordance with Clause 9.5 of the Trust Deed.

RESOLUTION

That the HBDHB Board:

1. Notes the contents of this report and appendices.
2. Confirms the continuation of the Governance Structure set out in Appendix 1, and an extended meeting time for FRAC.
3. Approves all HBDHB Board Member Appointments as detailed in Appendix 2.
4. Notes the appointments of the three Health Hawkes Bay Ltd Board Members to the Te Pitau Health Alliance Governance Group.
5. Confirms the 2020 Annual Governance Calendar at Appendix 3.
6. Discuss/agree the HBDHB Board Health & Safety Champion Schedule for the next three years (refer Appendix 4).
7. Appoints Hine Flood as the general community representative 'ordinarily resident in the Wairoa District' to the Te Matau a Maui Health Trust, in accordance with Clause 9.5 of the Trust Deed.
8. Approves a six-month extension to the current appointment of Rachel Ritchie as Chair of the HB Health Consumer Council.
9. Endorse the appointments of Oliver Taylor and Angela Smith to Consumer Council.
10. Approve the continued appointment of Ken Foote as the HBDHB nominated Director on the Board of Allied Laundry Services Limited for the next 3 years, subject to the conditions set out in the report.

MOVED: Ana Apatu
SECONDED: Heather Skipworth
Carried

INFORMATON AND DISCUSSION

18. CORPORATE PERFORMANCE REPORT QUARTER TWO

The ED Planning & Funding provided an overview of this report. Discussion was held on the following points:

- The report was very much focused on the Provider arm
- The reasons why women do not access an LMC (Lead Maternity Carer)
- It would be useful to link this to the objectives and priorities in the Annual Plan
- Under the health system goal, it was difficult to see that they were person and whānau centred care goals
- There were no Māori statistics for Faster Cancer Treatment, Planned Care and Quicker Access to Diagnostics
- Board members requested the issue of equity be highlighted and addressed in all relevant indicators. **Action**

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report
Adopted

19. TE AWA WHAKAWAIORA – MENTAL HEALTH AND ADDICTIONS

David Warrington (Service Director), Peta Rowden (Nurse Director) and Anoek Dechering (Clinical Director) from the Mental Health and Addictions directorate, attended for this item.

The Acting ED Health Improvement & Equity introduced the report and for new Board members, advised that Te Ara Whakawaiora (TAW) was an accountability mechanism used by the DHB to monitor equity achievement against four priority health areas: Child Health; Māori Workforce Development and Cultural Competency; Ambulatory Sensitive Hospitalisations 45-64 Years; and Mental Health and Addictions.

David Warrington provided a detailed overview of this report which included three national and local indicators specific to mental health and addictions.

Board members congratulated the team for the excellent work they were doing in mental health and addictions including the national award around the work Peta Rowden and others did around seclusion.

The CEO referred to Dr John Crawshaw's visit to the DHB on 24 February 2020 (Dr Crawshaw is the Director of Mental Health and Addiction Services at the Ministry of Health). Of note, Dr Crawshaw did not have a single issue to raise and acknowledged how much progress the DHB had made and from how far back it had come. The CEO congratulated David, Peta and Anoek for their leadership and said Hawke's Bay had an outstandingly well led mental health service.

RECOMMENDATION

That the HBDHB Board:

Note the contents of this report.
Adopted

GENERAL BUSINESS

The Chair advised that the hui with the SMOs was now back in the Education Centre.

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

20. RECOMMENDATION TO EXCLUDE THE PUBLIC

RECOMMENDATION

That the Board

Exclude the public from the following items:

21. Confirmation of previous minutes 18 Decembber 2019 - Public Excluded
22. Matters Arising (Public Excluded)
23. Board Approval of Actions exceeding limits delegated by CEO (Public Excluded)
24. Chair's Update (Public Excluded)
25. Chief Executive Officer's Report (Public Excluded)
26. Hawke's Bay Clinical Council Report (Public Excluded)
27. Chief Medical Officer Verbal Report (Public Excluded)
28. Planning & Funding Report (Public Excluded)
29. Finance Risk and Audit Committee (Public Excluded

Moved: Shayne Walker
Seconded: Kevin Atkinson
Carried

The public section of the Board meeting closed at 3.20pm.

Signed: _____

Chair

Date: _____

BOARD MEETING - MATTERS ARISING
(Public)

Action	Date Entered	Action to be Taken	By Whom	Month	Status
1	27/11/19	**MRB Recommendation** October MRB report to Board contained recommendation from Te Ara Whakawaiora, which was not addressed. This endorsement of next steps to be brought back through to Board in December	Emma Foster	December 2019	Report will be provided to MRB and Board in April 2020 outlining actions being taken to address ASH rates for Māori 45-64 years.
2	18/12/19	**Emergency Q App** Suggested including emergency dentists phone numbers and addresses	Annes Speden	February 2020	See attached update.
3	18/12/19	**Disability Plan Implementation (Consumer Council request)** Disability Plan brought to the attention of ELT. Implementation Plan is acknowledged and actively integrated in planning and delivery. The ED role accountable for the delivery of the Plan to be confirmed to Council. Update to be provided to Consumer Council on how this is being implemented and reflected in planning activities An update on resourcing issues to be provided.	Emma Foster	Consumer Council in March 2020	It has been agreed and communicated with the Chair of Consumer Council that the ED Planning & Funding will take the executive lead in this area. A Planning & Commissioning Manager will be allocated to this portfolio to progress the implementation plan and any future strategy development.
4	25/2/20	**HIE Quarterly Report** Next report to include an update on the following: (a) Areas where cold chain accreditatioin has not been achieved and the actions being taken (b) Actions being undertaken to increase CVD risk assessments (c) More emphasis around primary care smokefree	Patrick Le Geyt	May 2020	

Action	Date Entered	Action to be Taken	By Whom	Month	Status
5	25/2/20	**1737 Mental Health Phone/ Text Service (Consumer Council request)** Statistics aroaund unanswered calls and long delays	Chris Ash	March 2020	The ED Planning & Funding has taken the executive lead for Consumer Council and as a consequence has picked up the query relating to 1737. The Mental Health & Addiction Planning & Commissioning Manager is communicating with the national contract holder of Homecare Medical to seek a response to the Consumer Council's concern.

'One Health Ecosystem'

Emergency Q™

Approximately one in three patients attending ED could have been seen in a primary care setting

The Why

Non-urgent patients being seen within the Emergency Department

Impact

- ED Congestion
- Clinical Outcomes
- High cost of Care
- Equity - Disproportionately utilised
- Adverse Staff and Patient Conditions

ED Screen displays wait times along with messages in seven different languages

Solution – EmergencyQ

- Cross Sector Clinically Led
- 6 month trial of a new model of care
- Visible wait time for ED and urgent care clinics
- Interactive customer application for availability and costs
- Non-urgent patients offered referral to urgent care clinic

Hastings Health Centre, City Medical and The Doctors Hastings

- Vouchers available to cover patient co-payment costs

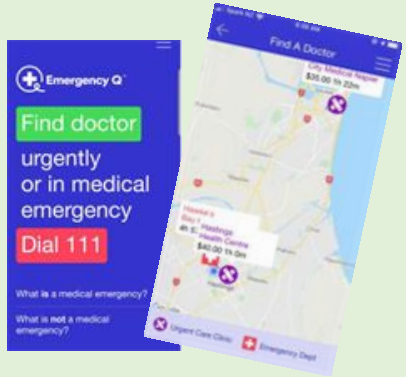
Key Benefits

- Supports patients to gain safe, expedient care in appropriate setting
- Reconnection with primary care
- Increased enrolments with GP
- Improved health literacy around 'GP or ED'
- Data shows decreased ED congestion and patient/staff satisfaction

ED Nurse generating a patient voucher

Next Steps

- Trial evaluation against agreed outcomes - *aim 9% of ED presentations estimated at 11 per day*
- Potential Enhancements
  - Dentist
  - Pharmacy
  - Enrolling Practices
  - Mental Health Helplines



The 'user' interface application

BOARD as at 10 March 2020	Destination Month	EMT Member	Lead/Author	MRB Meeting Date	Clinical Council Meeting Date	Consumer Council Meeting Date	F R A C Meeting date	BOARD Meeting date
Provider Services Monthly report	Mar-20	John Burns					18-Mar-20	18-Mar-20
Ward A2	Mar-20	Anne Speden						18-Mar-20
Service Improvement / Business Intelligence (presentation)	Mar-20	Anne Speden						18-Mar-20
Annual Planning Update	Mar-20	Chris Ash						18-Mar-20
Trustee Appointments - Te Matau a Mauri Health Trust	Mar-20	Ken Foote						18-Mar-20
Three Waters discussion - once received plan from Napier council (MA 24.04.19)	Apr-20	Patrick Le Geyt	Nick Jones					15-Apr-20
Provider Services Monthly report	Apr-20	Chris Ash					15-Apr-20	15-Apr-20
PHO Quarterly report to Board	Apr-20	Wayne Woolrich						15-Apr-20
Hawke's Bay Health Awards Event - REVIEW Alcohol at this event annually	Apr-20	Anna Kirk						15-Apr-20
Chief Medical & Dental Officer report to Board	Apr-20	Robin Whyman						15-Apr-20
Chief Nursing & Midwifery Officer report to board	Apr-20	Chris Mckenna						15-Apr-20
Chief Allied Health Professions Officer report to board	Apr-20	Andy Phillips						15-Apr-20
Health Pathways	Apr-20	Emma Foster	Robyn Richardson	1-Apr-20	1-Apr-20	2-Apr-20		15-Apr-20
Comms report to Board	Apr-20	Anna Kirk						15-Apr-20
Significant Service Changes - Skin Cancer Pathway	Apr-20	Emma Foster	Emma Foster	1-Apr-20	1-Apr-20	2-Apr-20		15-Apr-20
Provider Services Monthly report	May-20	Chris Ash					20-May-20	20-May-20
He Ngakau Aotea	May-20	Patrick Le Geyt						20-May-20
HIE & Pop Health Quarterly report to board	May-20	Patrick Le Geyt						20-May-20
Information Services & Service Improvement report to Board	May-20	Anne Speden						20-May-20
Corporate Performance Dashboard (quarterly)	May-20	Emma Foster		6-May-20	6-May-20	7-May-20		20-May-20
Provider Services Monthly report	Jun-20	Chris Ash					17-Jun-20	17-Jun-20
PHO Quarterly report to Board	Jun-20	Wayne Woolrich						17-Jun-20
Provider Services Monthly report	Jul-20	Chrish Ash					15-Jul-20	15-Jul-20
Chief Medical & Dental Officer report to Board	Jul-20	Robin Whyman						15-Jul-20
Chief Nursing & Midwifery Officer report to board	Jul-20	Chris Mckenna						15-Jul-20
Chief Allied Health Professions Officer report to board	Jul-20	Andy Phillips						15-Jul-20
Provider Services Monthly report	Aug-20	Chris Ash					19-Aug-20	19-Aug-20
Alcohol Harm Reduction Strategy (6 monthly update)	Aug-20	Patrick Le Geyt	Rachel Eyre	5-Aug-20	5-Aug-20	6-Aug-20		19-Aug-20
HB Health Awards - preparation for judging **2019**-2020	Aug-20	Anna Kirk	Anna Kirk		5-Aug-20	6-Aug-20		19-Aug-20
HIE & Pop Health Quarterly report to board	Aug-20	Patrick Le Geyt						19-Aug-20
Corporate Performance Dashboard (quarterly)	Aug-20	Chris Ash		5-Aug-20	5-Aug-20	6-Aug-20		19-Aug-20
Provider Services Monthly report	Sep-20	Chris Ash					16-Sep-20	16-Sep-20
PHO Quarterly report to Board	Sep-20	Wayne Woolrich						16-Sep-20
Information Services & Service Improvement report to Board	Sep-20	Anne Speden						16-Sep-20
Provider Services Monthly report	Oct-20	Chris Ash					21-Oct-20	21-Oct-20
Chief Medical & Dental Officer report to Board	Oct-20	Robin Whyman						28-Oct-20
Chief Nursing & Midwifery Officer report to board	Oct-20	Chris Mckenna						28-Oct-20
Chief Allied Health Professions Officer report to board	Oct-20	Andy Phillips						28-Oct-20
Comms report to Board	Oct-20	Anna Kirk						28-Oct-20
Provider Services Monthly report	Nov-20	Chris Ash					18-Nov-20	18-Nov-20
HIE & Pop Health Quarterly report to board	Nov-20	Patrick Le Geyt						25-Nov-20
Provider Services Monthly report	Dec-20	Chris Ash					16-Dec-20	16-Dec-20
PHO Quarterly report to Board	Dec-20	Wayne Woolrich						16-Dec-20

CHAIR'S REPORT

Verbal

HAWKE'S BAY District Health Board Whakawāteatia	**Chief Executive Officer's Report - Public**
	For the attention of: **HBDHB Board**
Document Owner:	Craig Climo, Interim Chief Executive Officer
Month as at	11 March 2020
Consideration:	For Information

RECOMMENDATION

That the Board receives this report and notes that:

1. Out-sourced surgery, in addition to plan and current forecast, has an uncertain cost due to at risk funding, but the actual expenditure may be up to $1.5M, which is necessary to get closer to plan and to mitigate a funding claw-back.
2. The opening of ward A2 as a full ward will have an estimated cost in addition to current forecast of about $0.3M in 2019/20, and about $1.9M in a full year.

INTRODUCTION

There has been just 10 working days between the last Board meeting and this agenda being finalised, however there are matters of substance on the agenda, including:

1. A decision sought on fully and permanently opening ward A2. This is the subject of a presentation and paper for decision. I strongly support it and there is a positivity about the ability to advance off it. Looking at the provider-arm, the actions to improve planned (elective) service information and breaches, additional surgery, as well as the expected impact of A2, should all significantly improve performance and, as importantly, the feel of the services from a patient and staff perspective. The financial impact this year is about $0.3M, with a full year increase of about $2M more than the forecast spend in 2019/20.

2. Anne Speden's, Digital Enablement unit, will be the subject of regular reporting to the Board. The frequency will be a function of the pace of change. Presenting to the Board will lift the profile on the important work this small unit undertakes and is of such consequence that the Board should be aware. It supports business-led initiatives by providing analyses, redesign and implementation of service improvements. At this stage this is predominantly within the provider-arm. The work is important to help understand our context and identify issues and opportunities, and the service improvement work will be essential to the future efficiency and effectiveness services.

3. A presentation on COVID-19 which is already increasing workloads, markedly so for some teams at this stage such as Communications, Public Health, and Emergency Planning.

Work in train and touched in elsewhere in the agenda are:

1. Output/outcome from 4 March hui, to be reflected in plans and feedback to participants.
2. The finding that the increased bed use over the summer and previous six months has been for older people with chronic conditions, most pronounced in 85+ years. This needs work to consider how the frail elderly may best be treated.

3. The incidents involving Home Care Support Service and the renal service are in working draft and I would like them to be at the April Board meeting.
4. Board meeting day scheduling - the Board Chair is thinking about this.
5. Broader reporting, rather than responding to specific questions scheduled in the work plan or action list, management is looking to provide broader perspectives of subject areas. This is even more relevant with new Board members. Current examples in train are:
    - Inequities
        - Access to planned care, ESPI breaches, and % spending on Māori, and rural communities, is targeted for the April meeting.
    - Seismic in the context of long-term facilities. Scheduled for April, FRAC
    - Health & Safety. Scheduled for May, FRAC
    - Financial sustainability. From April, FRAC, as we work through 2020/21 budgeting.

FINANCIAL PERFORMANCE
The February year-to -ate financial operating result is as follows:

- $1m unfavourable to plan. Our forecast had been $1.2M unfavourable to plan. February and March, for seasonal reasons, should see the lowest operating costs.
- The forecast to year end remains at $25.8M deficit. It excludes ward A2 and additional surgical out-sourcing/revenue loss as reported elsewhere in this agenda.
- The variations were in the usual areas, although lower; with additional out-sourced surgery and radiology appearing as expected. Details are in the Executive Director of Financial Services report.

COVID-19
The DHB has a standing pandemic plan which was last refreshed in October 2019. It is available to members on-line at https://hawkesbay.health.nz/about-us/emergency-response/pandemic-resources/.

We have been in the process of ensuring that we are ready to go, in terms of local arrangements, resourcing and roles, and have activated our Coordinated Incident Management System (CIMS), at this stage in scaled down form.

Our response need be sustainable for months or longer.

It also needs be consistent with the Ministry of Health (MoH) which has the lead on the response, and is providing policy, operational advice, and public messaging. Our role on messaging is to link to and amplify the MoH advice, with any local application of it at the appropriate time.

DHBs are also looking to be consistent with each other on matters that are more specific to DHBs, particularly staffing issues, such as international travel. Northern DHBs have taken the lead and are promulgating advice. We also have to be prepared to make rapid decisions locally.

Our priority is ensuring the response is effective, not costs, but in that regard the Crown Funding Agreement has a standard clause that costs beyond 0.1% of annual revenue will be compensated by the MoH.

Our Emergency Planner, Sandra Bee, and Clinical Director, Public Health, Dr Nick Jones, will attend the Board meeting to present and answer questions.

KEN FOOTE
Ken's last day employed by the DHB is 20 March, but he has been contracted as the Incident Controller for COVID-19. Ken performed the role well during the Campylobacter and H1N1 events and allows the Executive Director of Provider Services to focus more on business as usual.

Ken has been with the DHB in various roles, most latterly as Board Secretary, for 18 years, and I take the opportunity to thank Ken for all he has done.

NO PLANNING AND FUNDING REPORT

There is no substantive update to the report to the 25 February Board meeting. The financial report is within the Executive Director of Financial Services report and summarised above.

HAWKE'S BAY District Health Board Whakawāteatia	**Financial Performance Report February 2020** For the attention of: **HBDHB Board**
Document Owner	Carriann Hall, Executive Director Financial Services
Document Author	Phil Lomax, Financial and Systems Accountant
Reviewed by	Carriann Hall, Executive Director Financial Services
Month/Year	March, 2020
Purpose	For Information

RECOMMENDATION:

That the HBDHB Board:

Note the contents of this report

EXECUTIVE DIRECTOR FINANCIAL SERVICES COMMENTS

Financial Performance

The result for the month of February is $1m unfavourable to plan, which was $0.2m better than forecast. This takes the year-to-date (YTD) result to $7.9m unfavourable to plan. The main drivers of the adverse result for the month were largely continuations of issues we have seen in previous months.

	February				*Year to Date*				*Year End*	
$'000	*Actual*	*Budget*	*Variance*		*Actual*	*Budget*	*Variance*		*Forecast*	Refer Appendix
Income	50,521	50,839	(318)	-0.6%	408,770	408,489	281	0.1%	612,512	1
Less:										
Providing Health Services	23,715	22,899	(815)	-3.6%	205,359	200,247	(5,112)	-2.6%	307,150	2
Funding Other Providers	21,895	21,942	47	0.2%	178,917	175,981	(2,937)	-1.7%	269,503	3
Corporate Services	4,905	4,775	(130)	-2.7%	40,095	39,851	(245)	-0.6%	60,885	4
Reserves	(183)	16	198	1264.2%	207	341	133	39.2%	718	5
	189	**1,207**	(1,018)	-84.3%	**(15,809)**	**(7,930)**	(7,879)	-99.4%	**(25,744)**	

Key YTD Drivers

The detail of the variances are covered in the appendices to the report. The main areas driving adverse variances year to date are:

- Income (Appendix 1)

  Lower than expected Health Hawke's Bay (PHO) performance payment wash-up and pay equity wash-up from 2018/19, offset by revised pay equity funding and capital charge funding relating to the revaluation of land and buildings at the end of 2018/19.

- Providing Health Services (Appendix 2)

Demand continues to be the main underlying issue in Provider Services.

Sustainable solutions to significant patient demand are expected from the clinically led bed availability programme and further information will be discussed at Board this month.

- Funding Other Providers (Appendix 3)

  Ongoing overspend on pharmaceuticals, Aged Residential Care and capitation (bulk funding to GPs for enrolled patients) is driving the result.

Other Performance Measures

	February				Year to Date				Year End	Refer
	Actual	Budget	Variance		Actual	Budget	Variance		Forecast	Appendix
	$'000	$'000	$'000	%	$'000	$'000	$'000	%	$'000	
Capital spend	548	1,779	(1,230)	-69.2%	8,156	14,631	(6,475)	-44.3%	21,695	12
	FTE	FTE	FTE	%	FTE	FTE	FTE	%	FTE	
Employees	2,542	2,470	(72)	-2.9%	2,492	2,491	(1)	0.0%	2,526	2 & 4
	CWD	CWD	CWD	%	CWD	CWD	CWD	%	CWD	
Case weighted discharges	2,289	2,297	(8)	-0.3%	20,983	19,545	1,437	7.4%	29,239	2

- Capital spend (Appendix 12)

  Largely on plan for locally funded projects, but uncertainty around equity funding for strategic projects means we are underspent overall. Radiology Refurbishment and Surgical Services Expansion are the main projects affected. We are ensuring all local capital slippage is utilised.

- Cash (Appendices 11 & 13)

  We requested an $8m equity injection from the Ministers of Health and Finance to avoid a breach of the overdraft limit in the 2019/20 financial year, in line with the Operational Policy Framework.

  The cash low point in February was $28.8m overdrawn on 3 February immediately before funding for the month was received, in comparison to a forecast $29.1m overdrawn.

- Employees (Appendices 2 & 4)

  Employee numbers are unfavourable mainly reflecting the impact of patient watches and the activity in the wards on nursing staff.

- Activity (Appendix 2 and 7)

  Case weight discharges (CWDs) were close to plan, as high maternity and acute volumes offset low elective surgery numbers.

  The latest MoH report on Planned Care performance is provided at Appendix 11. Whilst we are overperforming on minor procedures, our Inpatient Caseweight Discharges (electives) performance is significantly behind plan and this represents a significant revenue risk discussed further in the forecast section.

Forecast

Our forecast remains unchanged at $25.8m deficit, against a plan of $12.9m. There continue to be a risks to achieving this forecast, including:

Planned Care Revenue – We have had a shortfall on Inpatient Caseweight Discharges (electives) throughout the year and our current forecast has us achieving 92.3% of plan. This may have a material impact on revenue, which has not been included in the forecast. We are working closely with MoH on our Planned Care recovery plan

Pharmaceutical Spend – We need to be prepared for further volatility, particularly around the uptake of newly released pharmaceuticals and will have a clearer picture of the net impact of these following receipt of the next PHARMAC forecast. We did expect to receive this in February, but should be available for March month end.

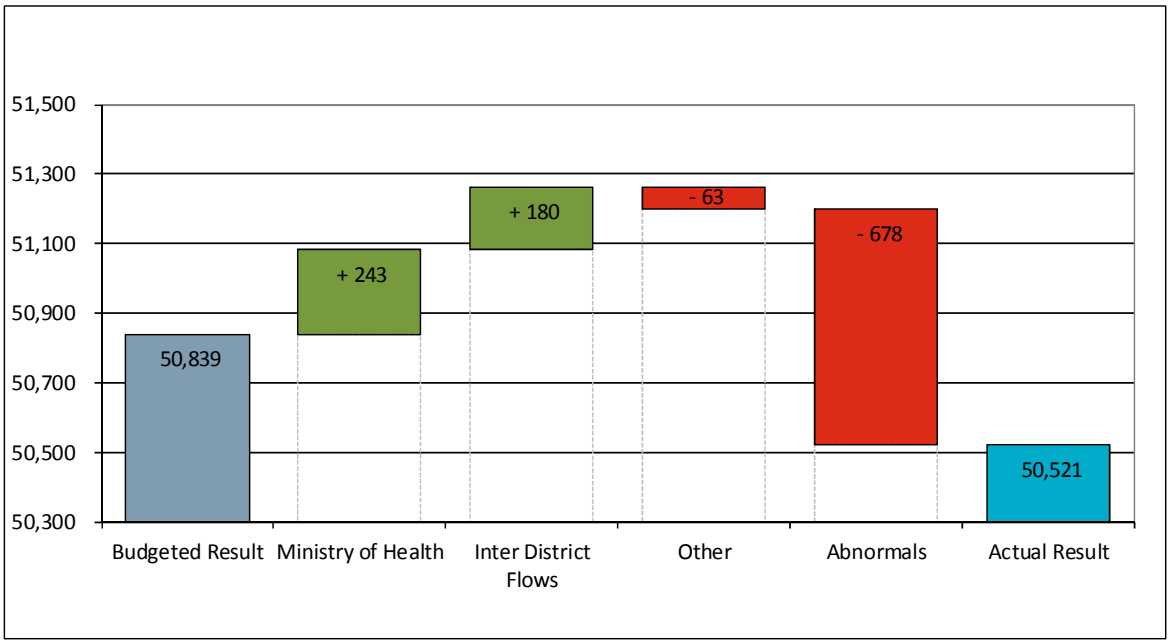
Exceptional Costs – We have made no assessment in our forecast of costs relating to exceptional issues such as COVID-19 and further strike action. We do capture actual costs directly relating to these items and advise the MoH accordingly.

APPENDICES

1. INCOME

$'000	February Actual	February Budget	February Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Ministry of Health	49,099	48,855	243	0.5%	392,268	391,898	370	0.1%	587,931
Inter District Flows	887	707	180	25.4%	5,801	5,660	141	2.5%	8,631
Other District Health Boards	309	366	(57)	-15.7%	2,812	2,929	(117)	-4.0%	4,247
Financing	(3)	7	(10)	-142.5%	94	56	38	67.7%	94
ACC	415	393	21	5.5%	3,533	3,253	280	8.6%	5,302
Other Government	20	27	(7)	-26.6%	328	332	(5)	-1.4%	460
Patient and Consumer Sourced	125	104	21	20.4%	1,005	830	175	21.2%	1,436
Other Income	348	379	(31)	-8.1%	4,185	3,532	653	18.5%	5,666
Abnormals	(678)	-	(678)	0.0%	(1,256)	-	(1,256)	0.0%	(1,256)
	50,521	**50,839**	**(318)**	**-0.6%**	**408,770**	**408,489**	**281**	**0.1%**	**612,512**

February



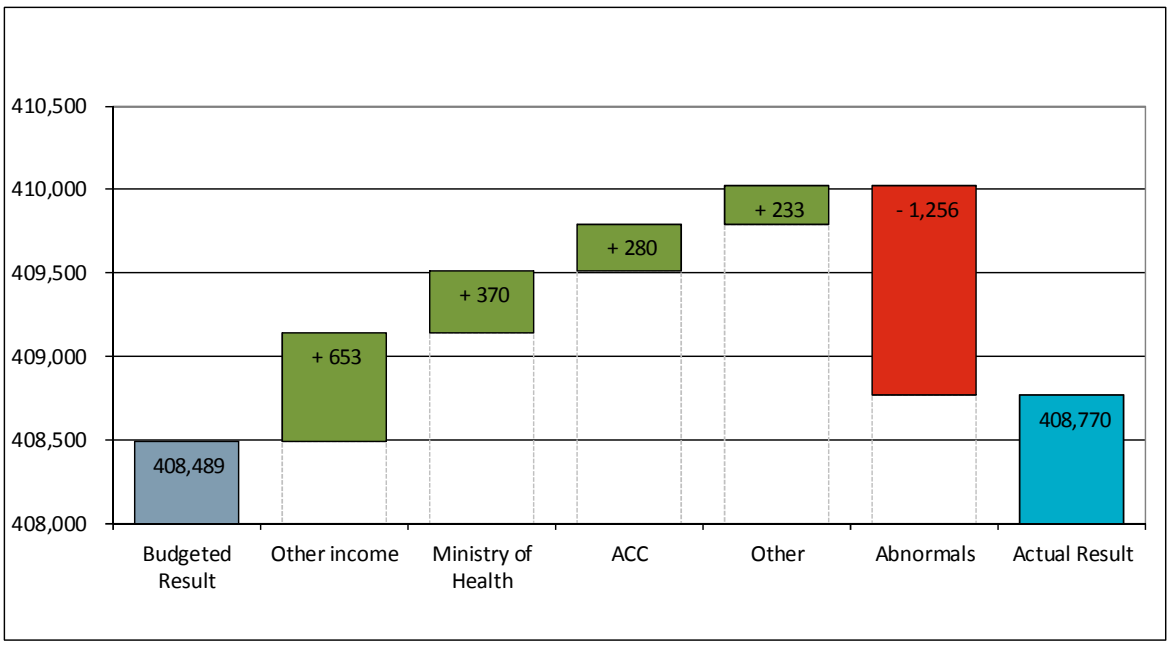
Note the scale does not begin at zero

Ministry of Health (favourable)
Pay equity funding, capital charge funding relating to the revaluation of land and buildings at the end of 2018/19, and additional funding for social work services.

Inter District Flows (favourable)
Seasonal variation reflecting visitors into Hawke's Bay, we do not seasonally adjust our plan.

Abnormals (unfavourable)
Lower than planned PHO performance payment washup, this was captured in our forecast.

Year-to-date



Note the scale does not begin at zero

Other income (favourable)
Donations and clinical trial revenue, food sales, GP Health Care income, accommodation and rent.

Ministry of Health (favourable)
Pay equity funding, capital charge funding relating to the revaluation of land and buildings at the end of 2018/19, and additional funding for social work services.

ACC (favourable)
Elective surgery and rehabilitation.

Abnormals (unfavourable)
Lower than expected PHO performance payment washup and pay equity wash-up from 2018/19.

2. PROVIDING HEALTH SERVICES

	February				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Expenditure by type $'000									
Medical personnel and locums	5,547	5,209	(338)	-6.5%	51,348	48,868	(2,480)	-5.1%	75,824
Nursing personnel	6,945	7,155	210	2.9%	63,090	62,376	(714)	-1.1%	95,354
Allied health personnel	3,124	3,156	32	1.0%	25,257	26,600	1,343	5.0%	37,904
Other personnel	2,000	1,960	(40)	-2.1%	17,289	17,099	(190)	-1.1%	26,181
Outsourced services	1,104	746	(358)	-47.9%	6,748	6,599	(149)	-2.3%	10,384
Clinical supplies	3,653	3,215	(438)	-13.6%	29,256	26,984	(2,272)	-8.4%	42,940
Infrastructure and non clinical	1,342	1,458	116	8.0%	12,372	11,721	(651)	-5.6%	18,563
	23,715	**22,899**	(815)	-3.6%	**205,359**	**200,247**	(5,112)	-2.6%	**307,150**
Expenditure by directorate $'000									
Medical	6,693	6,465	(228)	-3.5%	58,293	56,308	(1,986)	-3.5%	87,777
Surgical	5,498	5,300	(197)	-3.7%	47,170	46,354	(816)	-1.8%	71,275
Community, Women and Children	3,653	3,809	156	4.1%	33,306	33,373	67	0.2%	49,947
Mental Health and Addiction	1,767	1,660	(107)	-6.4%	15,315	14,604	(710)	-4.9%	22,878
Older Persons, NASC HB, and Allied H	1,313	1,331	17	1.3%	11,320	11,868	548	4.6%	17,251
Operations	3,768	3,629	(139)	-3.8%	31,676	30,036	(1,640)	-5.5%	47,645
Other	1,022	705	(317)	-45.0%	8,279	7,704	(576)	-7.5%	10,377
	23,715	**22,899**	(815)	-3.6%	**205,359**	**200,247**	(5,112)	-2.6%	**307,150**
Full Time Equivalents									
Medical personnel	368.0	363.3	(5)	-1.3%	363	374	10	2.8%	378.2
Nursing personnel	1,065.8	1,011.4	(54)	-5.4%	1,052	1,019	(33)	-3.3%	1,030.4
Allied health personnel	483.6	489.1	6	1.1%	470	490	20	4.0%	498.4
Support personnel	128.6	113.4	(15)	-13.4%	126	114	(12)	-10.8%	115.8
Management and administration	279.8	276.2	(4)	-1.3%	274	277	3	1.0%	281.5
	2,325.7	**2,253.4**	(72)	-3.2%	**2,286**	**2,273**	(13)	-0.6%	**2,304.1**
Case Weighted Discharges									
Acute	1,598	1,525	74	4.8%	15,331	13,402	1,929	14.4%	19,957
Elective	384	591	(207)	-35.0%	4,003	4,514	(511)	-11.3%	6,850
Maternity	275	147	128	87.5%	1,370	1,344	25	1.9%	2,000
IDF Inflows	32	35	(3)	-7.8%	279	285	(5)	-1.9%	432
	2,289	**2,297**	(8)	-0.3%	**20,983**	**19,545**	1,437	7.4%	**29,239**

Directorates YTD

The drivers and actions are covered in detail in the Provider Services report

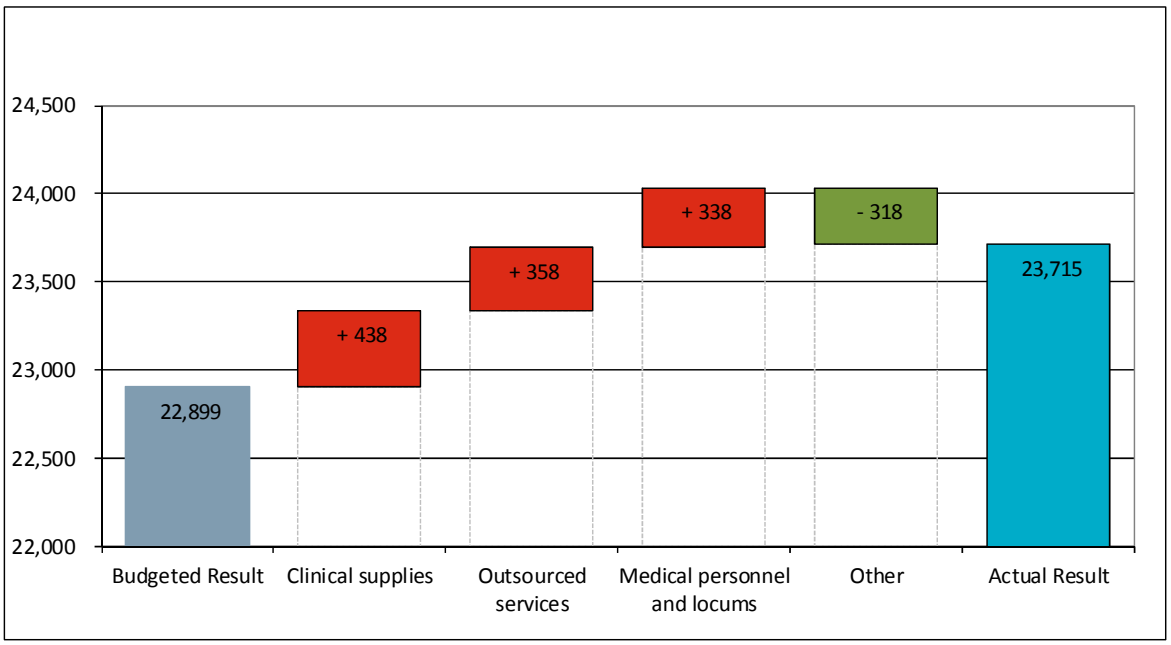
- Medical – medical staff vacancy and leave cover, outsourced radiology reads and nursing resource use.
- Operations – blood products and patient transport.
- Surgical - medical staff vacancy and leave cover, and nursing resource use, partly offset by lower than planned outsourced elective surgery
- Mental Health and Addiction – locum psychiatrist costs for vacancy and sick leave cover
- Older Persons et al – vacancies across medical, management and allied health staff, partly offset by medical staff vacancy and leave cover

Case Weighted Discharges (CWDs)

We did not see a continuation of the exceptional levels of acute CWDs seen last month, which would align with other data around improved activity levels in February. Overall (CWDs) are above plan by 7.4% year to date, attributable to acute patient volumes partly offset by low elective surgery.

Note that Elective CWD is only an indicator of performance against the Planned Care target as timing and elective IDF outflows means it is not the complete result. Actual data from MoH is provided in Appendix 11. This data does show that, as the Board is aware, February elective activity continues to run behind the activity required to achieve 100% of MoH target.

February



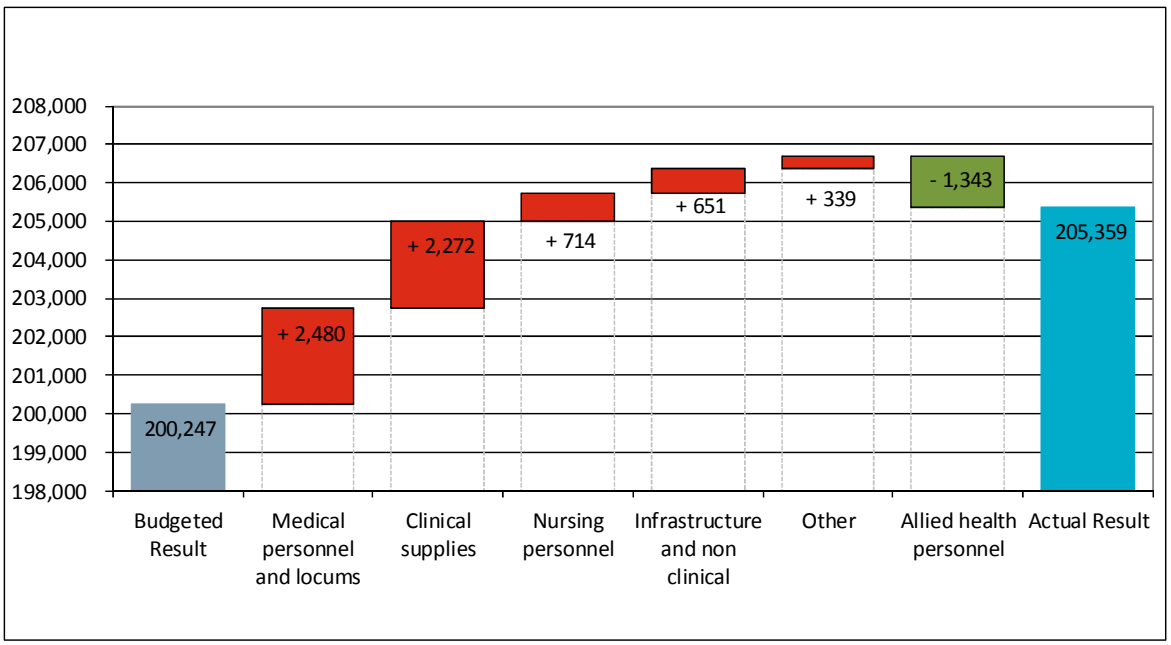
Note the scale does not begin at zero

Clinical supplies (unfavourable)
Planned efficiencies not achieved. Adverse blood products, implants and patient transport costs partly offset by favourable pharmaceutical reimbursements

Outsourced services (unfavourable)
Radiology reads and elective surgery

Medical personnel and locums (unfavourable)
Vacancy and leave cover

Year-to-date



Note the scale does not begin at zero

Medical personnel and locums (unfavourable)
Vacancies more than offset by locum vacancy and leave cover, and additional sessions to cope with volumes.

Clinical supplies (unfavourable)
Efficiencies not achieved, adverse blood product (mainly Intragam) costs, patient transport costs, and implants and prostheses, partly offset by pharmaceutical reimbursements.

Nursing personnel (unfavourable)
High casual and on-call allowances and overtime payments relating to patient volumes.

Infrastructure and non-clinical (unfavourable)
Security (patient watches), Māori workforce scholarships (offset in income), and food, laundry and cleaning costs relating to patient volumes.

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

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.

FTEs are 13 (-0.6%) favourable including:

Medical personnel (10 FTE / 2.8% favourable)

- Vacancies across a number of specialties including radiologists, obstetricians, and intensivists, more than offset by locums in outsourced medical.

Nursing personnel (-33 FTE / -3.3% unfavourable)

- Impact of patient watches and higher than planned levels of activity mainly in the wards.

Allied health personnel (20 FTE / 4.0% favourable)

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

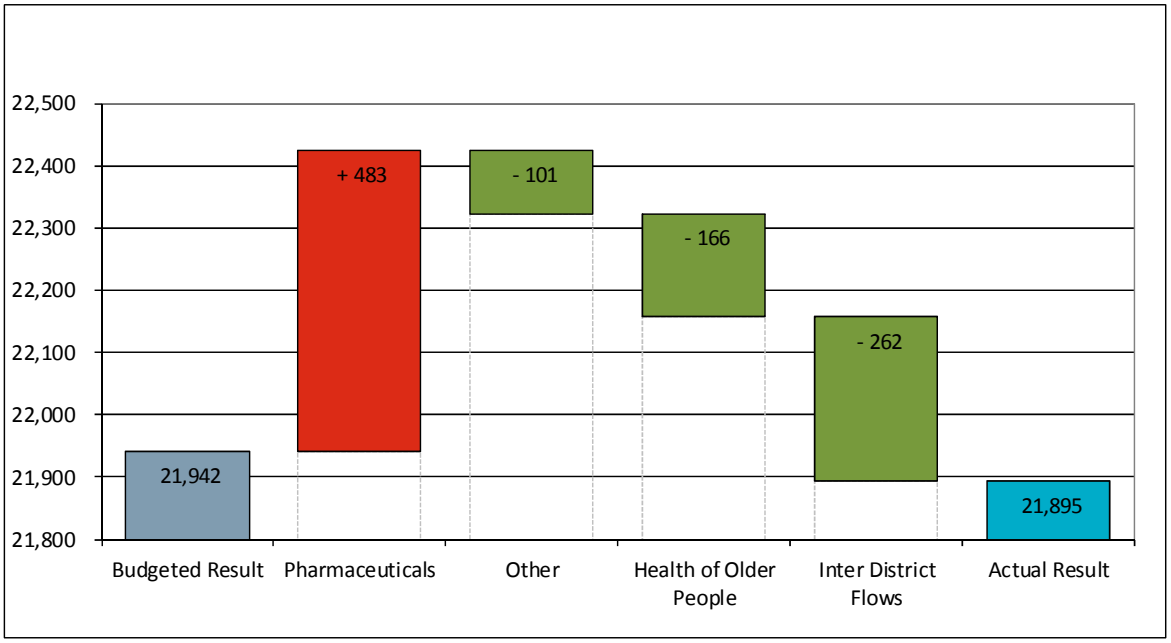
Support personnel (-12 FTE / -10.8% unfavourable)

- Pressure on kitchen staff, orderlies, and security (patient watches).

3. FUNDING OTHER PROVIDERS

$'000	February Actual	February Budget	February Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Payments to Other Providers									
Pharmaceuticals	4,207	3,725	(483)	-13.0%	31,823	29,799	(2,024)	-6.8%	48,308
Primary Health Organisations	3,524	3,551	26	0.7%	29,062	29,174	112	0.4%	43,593
Inter District Flows	4,780	5,043	262	5.2%	39,786	40,342	556	1.4%	59,657
Other Personal Health	1,922	2,069	147	7.1%	16,121	16,202	81	0.5%	24,865
Mental Health	1,060	1,083	23	2.1%	9,157	8,668	(490)	-5.6%	13,392
Health of Older People	5,965	6,131	166	2.7%	50,353	49,055	(1,298)	-2.6%	75,712
Other Funding Payments	435	340	(96)	-28.2%	2,616	2,742	126	4.6%	3,976
	21,895	21,942	47	0.2%	178,917	175,981	(2,937)	-1.7%	269,503
Payments by Portfolio									
Strategic Services									
Secondary Care	4,176	4,640	465	10.0%	36,205	37,124	918	2.5%	54,452
Primary Care	9,157	8,568	(589)	-6.9%	70,993	68,922	(2,071)	-3.0%	107,675
Mental Health	1,387	1,412	25	1.8%	11,776	11,300	(476)	-4.2%	17,468
Health of Older People	6,543	6,690	146	2.2%	54,846	53,528	(1,318)	-2.5%	82,283
Maori Health	503	502	(1)	-0.1%	4,083	4,075	(7)	-0.2%	6,094
Population Health	129	129	0	0.3%	1,014	1,032	18	1.7%	1,531
	21,895	21,942	47	0.2%	178,917	175,981	(2,937)	-1.7%	269,503

February

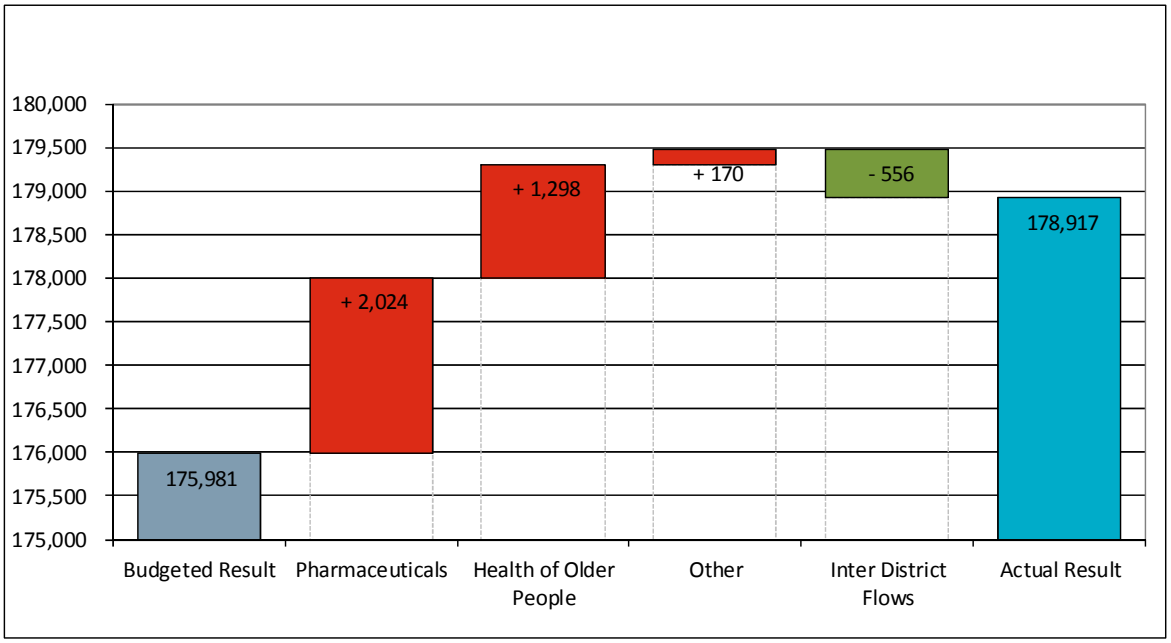


Note the scale does not begin at zero

Pharmaceuticals (unfavourable)
Community pharmaceuticals continue to be significantly overspent.

Health of Older People (favourable)
Timing around the receipt of historic claims.

Year-to-date



Note the scale does not begin at zero

Pharmaceuticals (unfavourable)
Drivers include faster than expected take up of new pharmaceuticals and over-representation of HBDHB in some classes of pharmaceuticals, notably Pharmaceutical Cancer Treatments.

Health of Older People (unfavourable)
Changes in mix of care to higher cost packages, pay equity and In-Between-Travel costs. Also affected by timing around processing of a number of historic claims.

4. CORPORATE SERVICES

$'000	February Actual	February Budget	February Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Operating Expenditure									
Personnel	1,560	1,569	9	0.6%	12,816	13,781	965	7.0%	19,497
Outsourced services	158	76	(82)	-108.4%	1,167	611	(556)	-91.0%	1,776
Clinical supplies	67	57	(10)	-16.7%	397	441	44	9.9%	624
Infrastructure and non clinical	1,322	1,339	17	1.3%	10,937	10,610	(328)	-3.1%	16,593
	3,107	3,041	(66)	-2.2%	25,318	25,443	125	0.5%	38,489
Capital servicing									
Depreciation and amortisation	1,078	1,119	40	3.6%	8,945	9,505	560	5.9%	13,686
Financing	13	3	(11)	-369.7%	179	6	(173)		230
Capital charge	707	612	(94)	-15.4%	5,654	4,897	(756)	-15.4%	8,480
	1,798	1,734	(65)	-3.7%	14,778	14,408	(370)	-2.6%	22,396
	4,905	**4,775**	(130)	-2.7%	**40,095**	**39,851**	(245)	-0.6%	**60,885**
Full Time Equivalents									
Medical personnel	1.2	0.3	(1)	-318.1%	0	0	(0)	-37.7%	0.3
Nursing personnel	23.7	16.7	(7)	-42.3%	15	17	1	8.5%	16.9
Allied health personnel	-	0.4	0	100.0%	0	0	0	97.8%	0.4
Support personnel	28.6	29.6	1	3.3%	29	30	0	1.6%	30.2
Management and administration	162.4	169.5	7	4.1%	161	171	10	5.6%	173.5
	216.0	**216.5**	0	0.2%	**206**	**218**	12	5.4%	**221.4**

Personnel is mainly executive staff vacancies offset by contracted executives in outsourced services.

Infrastructure includes data network costs relating to the new telephone system and outsourced and deferred maintenance costs relating to facilities. Some structural changes have been made between corporate and reserves that change the year to date figures without affecting the month of February.

Depreciation and amortisation reflects the extension of building lives assumed in the 30 June 2019 revaluation of land and buildings and slower than planned capital expenditure. Financing is bank overdraft interest, reflecting the cash position.

Capital charge is adverse due to the equity funding and property revaluations at the end of the last financial year. The impact from property revaluations is offset in revenue by MOH funding.

5. RESERVES

$'000	February Actual	February Budget	February Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Expenditure									
Contingency	-	105	105	100.0%	-	867	867	100.0%	333
Other	(183)	(89)	94	105.1%	207	(526)	(734)	-139.4%	385
	(183)	**16**	198	1264.2%	**207**	**341**	**133**	39.2%	**718**

The contingency budget reduces when use of reserves is approved. To date these 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 result.

The “Other” category includes prior year adjustments and loss on disposal of clinical equipment. Some structural changes have been made between corporate and reserves that change the year- to-date figures, without affecting the month of February.

6. FINANCIAL PERFORMANCE BY MOH CLASSIFICATION

	February			*Year to Date*			*End of Year*		
$'000	*Actual*	*Annual Plan*	*Variance*	*Actual*	*Annual Plan*	*Variance*	*Forecast*	*Annual Plan*	*Variance*
Funding									
Income	48,180	48,407	(228)	387,243	388,016	(773)	580,963	581,833	(871)
Less:									
Payments to Internal Providers	27,313	27,313	-	225,379	225,379	-	338,307	338,307	-
Payments to Other Providers	21,150	21,320	170	171,450	171,008	(442)	257,769	258,081	311
Contribution	**(284)**	**(226)**	**(58)**	**(9,586)**	**(8,371)**	**(1,215)**	**(15,114)**	**(14,554)**	**(559)**
Governance and Funding Admin.									
Funding	294	294	-	2,424	2,424	-	3,603	3,603	-
Other Income	3	3	-	18	20	(2)	28	30	(2)
Less:									
Expenditure	280	270	(10)	2,348	2,295	(53)	3,676	3,633	(43)
Contribution	**17**	**27**	**(10)**	**94**	**149**	**(55)**	**(45)**	**0**	**(45)**
Health Provision									
Funding	27,019	27,019	-	222,955	222,955	-	334,704	334,704	-
Other Income	2,241	2,333	(92)	20,721	19,685	1,036	30,339	29,551	788
Less:									
Expenditure	28,804	27,946	(857)	249,993	242,349	(7,644)	375,623	362,601	(13,023)
Contribution	**456**	**1,405**	**(950)**	**(6,317)**	**290**	**(6,608)**	**(10,580)**	**1,654**	**(12,235)**
Net Result	**189**	**1,207**	**(1,018)**	**(15,809)**	**(7,932)**	**(7,877)**	**(25,739)**	**(12,900)**	**(12,839)**

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.

	February			*Year to Date*			*End of Year*		
$'000	*Mgmt Budget*	*Annual Plan*	*Movement*	*Mgmt Budget*	*Annual Plan*	*Movement*	*Mgmt Budget*	*Annual Plan*	*Movement*
Funding									
Income	48,407	48,379	28	388,016	387,792	224	582,164	581,833	330
Less:									
Payments to Internal Providers	27,313	27,313	-	225,379	225,379	-	338,307	338,307	-
Payments to Other Providers	21,320	21,397	77	171,008	171,650	642	257,130	258,081	951
Contribution	**(226)**	**(331)**	**105**	**(8,371)**	**(9,237)**	**866**	**(13,273)**	**(14,554)**	**1,282**
Governance and Funding Admin.									
Funding	294	294	-	2,424	2,424	-	3,603	3,603	-
Other Income	3	3	-	20	20	-	30	30	-
Less:									
Expenditure	270	271	1	2,295	2,301	6	3,625	3,633	8
Contribution	**27**	**26**	**1**	**149**	**144**	**6**	**8**	**0**	**8**
Health Provision									
Funding	27,019	27,019	-	222,955	222,955	-	334,704	334,704	-
Other Income	2,333	2,369	(37)	19,685	19,699	(15)	29,314	29,551	(237)
Less:									
Expenditure	27,946	27,877	(70)	242,349	241,492	(857)	363,654	362,601	(1,053)
Contribution	**1,405**	**1,512**	**(106)**	**290**	**1,162**	**(872)**	**365**	**1,654**	**(1,289)**
Net Result	**1,207**	**1,207**	**(0)**	**(7,932)**	**(7,932)**	**0**	**(12,900)**	**(12,900)**	**0**

8. QUALITY AND FINANCIAL IMPROVEMENT PROGRAMME

Planned savings, including a vacancy factor, have been incorporated into operational budgets and are managed as part of the normal operational performance in 2019/20. Our focus is on sustainable changes that generate qualitative improvements that positively impact patient outcomes, such as the bed availability project. 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 over the longer-term.

9. FINANCIAL POSITION

		February				
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	174,697	14,046	695	174,339
(44,407)	Accumulated deficit	(60,216)	(24,303)	(35,913)	(15,810)	(29,271)
143,641		128,526	150,394	(21,868)	(15,115)	145,068
	Represented by:					
	Current Assets					
759	Bank	748	1,076	(328)	(12)	840
1,881	Bank deposits > 90 days	1,884	1,855	29	3	1,855
29,342	Prepayments and receivables	32,441	26,315	6,127	3,099	26,488
4,023	Inventory	4,188	3,882	306	165	3,933
-	Investment in NZHP	-	2,638	(2,638)	-	2,638
36,005		39,261	35,766	3,495	3,256	35,754
	Non Current Assets					
190,552	Property, plant and equipment	187,650	185,401	2,249	(2,902)	188,324
13,790	Intangible assets	15,848	3,004	12,844	2,058	3,412
1,189	Investments	1,120	9,002	(7,881)	(69)	9,002
205,532		204,618	197,407	7,211	(913)	200,737
241,537	**Total Assets**	**243,879**	**233,173**	**10,706**	**2,342**	**236,491**
	Liabilities					
	Current Liabilities					
10,208	Bank overdraft	26,343	-	(26,343)	(16,136)	1,828
31,318	Payables	32,684	42,576	9,892	(1,366)	47,228
53,370	Employee entitlements	53,325	37,443	(15,883)	44	39,576
94,895		112,353	80,018	(32,334)	(17,457)	88,633
	Non Current Liabilities					
3,001	Employee entitlements	3,001	2,761	(240)	-	2,790
3,001		3,001	2,761	(240)	-	2,790
97,896	**Total Liabilities**	**115,354**	**82,779**	**(32,574)**	**(17,457)**	**91,423**
143,641	**Net Assets**	**128,526**	**150,394**	**(21,868)**	**(15,115)**	**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, budgeted equity injections for 2019/20 phased to be received at the mid-point of the year due to uncertainty over timing, and the year to date result.

The current assets variance reflects differences between estimated and actual receipt of wash-up funding such as Planned Care (elective) surgery, and 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, partly offset by later than planned capital expenditure.

The movement in current liabilities mainly reflects Holidays Act remediation provisioning, and the impact of the operating result on the overdraft.

10. EMPLOYEE ENTITLEMENTS

30 June 2019	$'000	*February Actual*	*Budget*	*Variance from budget*	*Movement from 30 June 2019*	*Annual Budget*
7,755	Salaries & wages accrued	6,118	6,464	345	1,636	9,483
1,027	ACC levy provisions	1,556	1,090	(466)	(529)	1,174
5,530	Continuing medical education	6,803	6,605	(197)	(1,272)	5,656
37,303	Accrued leave	36,863	21,297	(15,566)	440	21,255
4,755	Long service leave & retirement grat.	4,987	4,748	(239)	(232)	4,798
56,371	**Total Employee Entitlements**	56,326	40,204	(16,123)	44	42,366

Accrued leave includes provisioning of $13m for the remediation of Holidays 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. PLANNED CARE

MoH data on Planned Care delivery is provided in the table below. Due to MoH timing this is only to January. This shows total Planned Care discharge performance, which is the term MoH uses for the sum of Inpatient Surgical Discharges, Minor Procedures and Non Surgical Interventions.

Whilst Minor Procedures significantly exceed plan, Inpatient (previously known as Electives) are significantly under plan both on a discharge and on a case weight basis. The material shortfall on case weight could have a significant impact on revenue, with the YTD shortfall equating to circa $4.4m. This has not been included in our financial position on the basis that we continue to work with MoH on our recovery plans.

2019/20 Year to Date Contracted Volume Summary

	Base YTD Planned Volume	Additional YTD Planned Volume	Total YTD Planned Volume	Actual Delivery	YTD Delivery %	2019/20 Total Planned Volume
Inpatient Caseweight Delivery	4,584.9	1,643.2	6,228.1	5,389.3	86.5%	10,490.0
Inpatient Surgical Discharges	3,154	1,176	4,330	3,812	88.0%	7,298
Minor Procedures	1,098	384	1,482	2,632	177.6%	2,481
Non Surgical interventions	0	15	15	0	0.0%	38

Figures are DHB of Domicile and include publicly funded, Elective and Arranged Surgical Discharges reported to NMDS, and selected Minor Procedure Purchase Units reported to NMDS and NNPAC

12. 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 February was a $27.2m overdraft.

The cash low point for each month is generally incurred immediately prior to receipt of MoH funding on the 4th of the month. February's low point was the $28.8m overdraft on 3 February. March's low point is projected to be $28.3m overdrawn on 3 March. Our statutory overdraft limit is currently $32m reflected approval of the 2019/20 Annual Plan.

HBDHB has applied for equity support as a result of the worsening financial position.

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 largely to plan on locally funded projects, but uncertainty around equity funding for strategic projects means we are underspending overall. A number of projects will not progress until the associated equity funding is confirmed, with the main projects affected being the Radiology Refurbishment and Surgical Services Expansion. Given the need for capital expenditure, other projects will be brought forward from next year to offset the delay

See table on the next page.

2020 Plan		*Year to Date*		
		Actual $'000	*Budget $'000*	*Variance $'000*
	Source of Funds			
	Operating Sources			
14,465	Depreciation	8,945	9,505	560
7,230	Equity Injection not approved	(1,604)	5,126	5,341
21,695		7,342	14,631	5,900
	Other Sources			
-	Special Funds and Clinical Trials	120	-	(120)
-	Equity Injection approved	695	-	695
-		815	-	574
21,695	**Total funds sourced**	**8,156**	**14,631**	**6,475**
	Application of Funds:			
	Block Allocations			
3,171	Facilities	1,640	2,137	497
2,729	Information Services	1,512	1,719	207
3,642	Clinical Plant & Equipment	2,318	2,474	156
9,542		5,470	6,330	860
	Local Strategic			
500	Replacement Generators	-	333	333
-	Endoscopy Building	(3)	-	3
2,550	Radiology Extension	285	1,699	1,414
700	High Voltage Electrical Supply	456	640	184
2,069	Seismic AAU Stage 2 and 3	282	1,585	1,304
1,500	Seismic Surgical Theatre HA37	225	1,000	775
200	Seismic Radiology HA27	80	133	53
982	MC2D Proc Rm3 Endoscopy HA57	-	583	583
2,681	Surgical Expansion	342	1,580	1,238
11,182		1,666	7,554	5,888
	Other			
-	Special Funds and Clinical Trials	120	-	(120)
-	Other	74	-	(74)
-		194	-	(194)
	Regional Strategic			
971	Regional Digital Health Services (formerly RHIP)	825	746	(79)
971		825	746	(79)
21,695	**Capital Spend**	**8,156**	**14,631**	**6,475**

13. ROLLING CASH FLOW

The cash flow forecast has been simplified from this month, and is based on the cash flow model used to inform NZ Health Partnerships of the cash needs of the DHB. No line-by-line comparison between forecast and actual is available as the model is new, however the DHB had a overdraft of $27.2m at the end of February compared to the $27.5m forecast, and a low point on 3 March of $28.3m in comparison to the $29.1m forecast.

	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21
	Forecast	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Cash Inflows												
Devolved MOH revenue	59,501	53,536	53,537	61,637	54,537	54,537	61,437	55,037	53,537	109,874	-	53,537
Other revenue	6,170	3,770	5,050	4,190	4,700	4,190	4,680	4,390	4,080	4,040	3,750	4,250
Total cash inflow	65,671	57,306	58,587	65,827	59,237	58,727	66,117	59,427	57,617	113,914	3,750	57,787
Cash Outflows												
Payroll	12,000	14,330	12,010	12,000	15,628	11,950	11,950	12,390	12,400	14,730	12,400	12,400
Taxes	8,600	8,300	8,700	8,700	8,300	8,700	8,600	9,200	8,800	5,600	8,800	8,800
Sector Services	25,500	24,084	28,200	26,665	26,960	26,600	26,200	27,400	28,050	26,145	15,350	26,755
Other expenditure	12,713	12,604	12,343	18,814	10,784	9,270	11,502	13,158	12,654	15,890	12,939	12,998
Total cash outflow	58,813	59,318	61,253	66,179	61,672	56,520	58,252	62,148	61,904	62,365	49,489	60,953
Total cash movement	6,859	-2,012	-2,666	-352	-2,435	2,207	7,865	-2,721	-4,287	51,549	-45,739	-3,166
Add: opening cash	-27,189	-20,330	-22,342	-25,008	-25,360	-27,795	-25,588	-17,723	-20,444	-24,731	26,818	-18,921
Closing cash	-20,330	-22,342	-25,008	-25,360	-27,795	-25,588	-17,723	-20,444	-24,731	26,818	-18,921	-22,087
Maximum cash overdraft	-28,771	-23,892	-25,008	-30,167	-29,104	-28,105	-28,891	-20,443	-24,730	-28,662	-18,920	-25,602

HAWKE'S BAY District Health Board Whakawāteatia	Provider Services Monthly Report
	For the attention of: Hawke's Bay District Health Board (HBDHB)
Document Owner	John Burns, Executive Director of Provider Services
Month/Year	March 2020
Reviewed By	
Purpose	Update HBDHB on Provider Services Performance
Previous Consideration/Discussions	Provider Services HBDHB February 2020

RECOMMENDATION:

It is recommended that the Board:

1. Note the content of the March 2020 report

Issues arising this month include:

Inpatient occupied beds analysis

As previously reported Hawke's Bay Hospital has experienced considerable and unexpected inpatient activity growth, especially in the Daily Average Occupied Beds (DAOBs). Whilst the DAOBs has increased significantly, there has only been a very minor increase in the number of admissions. In order to understand this change, the Business Intelligence Unit was requested to undertake a detailed analysis of the inpatient data.

This analysis showed that patients over 75 years and, significantly, those over 85 years are a major contributing factor in the growth in the DAOBs. Patients mainly affected were suffering from dementia, strokes, hip fractures and respiratory infections - all clinical conditions relating to the elderly.

These findings provide a clear focus to direct attention to when considering potential service improvement and/or the allocation of resources. They also provide an opportunity to determine whether there is potential to involve primary care and/or aged care providers.

Further analysis will be undertaken by the Business Intelligence Unit in the coming weeks and Dr Mike Park and Dr David Gardner are using this analysis to assist in their Bed Availability project.

Planned care

In recent months the forecasts to 30 June 2020 have indicated that the case weighted discharges would be in the order of 88.3 percent. A similar percentage was also forecast for surgical discharges. Using additional outsourcing, within our financial capacity we are targeting to reach 92.3 percent of the Ministry of Health's Planned Care target by 30 June 2020.

Naturally the Planned Care forecast is based on a “clear run” and not being impacted by factors such as Covid-19, staff shortage, sick leave and access to required available beds.

Renal update

Only two of the initial 398 renal patients remain to be seen by renal physicians. One of these patients is currently an inpatient in HB Hospital’s ICU (not related to missing outpatient follow-up) and the other patient has had a number of “did not attends” and is now not available for two months.

Financial Status

The Financial result for Provider Services was an adverse $836K. The hospital’s finances continue to be affected by increased patient demand, mainly driven by increased inpatient occupied beds and patient acuity. It is pleasing to see that despite the increased demands on nursing a favorable position of $213K for the month was achieved. A detailed report is contained in the Executive Director Financial Services’ Report.

10

BOARD HEALTH & SAFETY CHAMPION'S UPDATE

Verbal

HAWKE'S BAY District Health Board Whakawāteatia	**Bed Availability – A2**
	For the attention of: **HBDHB Board**
Document Owner:	Craig Climo
Document Author:	Service Improvement Team led by Dr Mike Park and Dr David Gardner
Month:	March 2020
Consideration:	For Decision

RECOMMENDATION

That the Board receives this report and:

1. **Approves** the permanent opening of Ward A2 as a full 24 bed ward at an estimated additional cost to current budget of $3.6M per year, being an additional cost to current forecast of about $0.3M in 2019/20, and about $1.9M in a full year.
2. **Notes** Service Improvement model will continue to enable prioritised initiatives that are clinically-led.

PROBLEM/CURRENT STATE

Winter of 2019 highlighted significant issues that led to an overwhelmed Hospital with absent flow and access problems for elective surgery, AAU and the ED. Absent hospital flow created significant negative impact on efficiencies, patient care and outcomes and staff working conditions and welfare. These negative impacts contributed to the large financial deficit seen this year and poor staff morale.

Peak numbers ranged from 10 to 36 **additional** acute medical patients each day beyond the medical wards' capacity. Patients were accommodated wherever there was a bed available, this included AT&R beds, surgical ward beds, ED beds overnight and at times paediatric beds. This placed excessive pressure on these areas hampering their ability to work as planned. For example, a large number of medical outliers in surgical wards affected their ability to complete planned elective work.

This resulted in multiple flow failures, with patients not being seen at the right time, nor the right place and therefore not receiving the right care. Inefficiencies were created by stretching nursing staff, allied health staff and medical staff beyond their ability to manage such large number of patients. Further inefficiencies were created by utilising all our casual pool staff to nurse these extra patients and thus not allowing the casual pool staff to cover any sick leave at a time when sick leaves rates can be high. Available nursing-staff were therefore stretched further to help care for the patients leading to low nurse to patient ratios and excessive negative variances in Trendcare. Senior medical staff were stretched to the point where they had to make a choice to either prioritise acute care at expense of out-patients or vice-versa. Not following up chronic disease patients will lead to their acute presentation via the ED.

Lack of resourced beds each morning created bed block for AAU, turning what is normally an efficient short stay acute medical unit into an expensive long stay medical ward. AAU's inability to function in turn created bed block for the Emergency Department that resulted in many patients waiting in the ED for a ward bed, or worse, waiting hours unseen the waiting room, causing significant delays in receiving the appropriate care they required.

In a nutshell the Hospital system became constipated with a bed blocked ED, AAU and at times ICU. This lack of Hospital flow will have led to higher Average Lengths Of Stay (ALOS), inability to provide optimal care, increased Hospital Acquired Complications (HAC), poor patient outcomes, increased readmission rates, increased staff stress and likely increased sick leave due to this. Thankfully, through goodwill, staff stepped up and did many extras shifts and hours to minimise the impact on patient outcomes.

Winter 2019 was reported by some as the worst winter they had seen in terms of flow failures and a gridlocked system. The cost in terms of patient harm, staff harm and wasted health dollars through compounded inefficiencies, has been the driving force to ensure that we plan well and not see another winter like it again.

PROPOSED SOLUTION

The proposed approach is comprised of 3 parts:

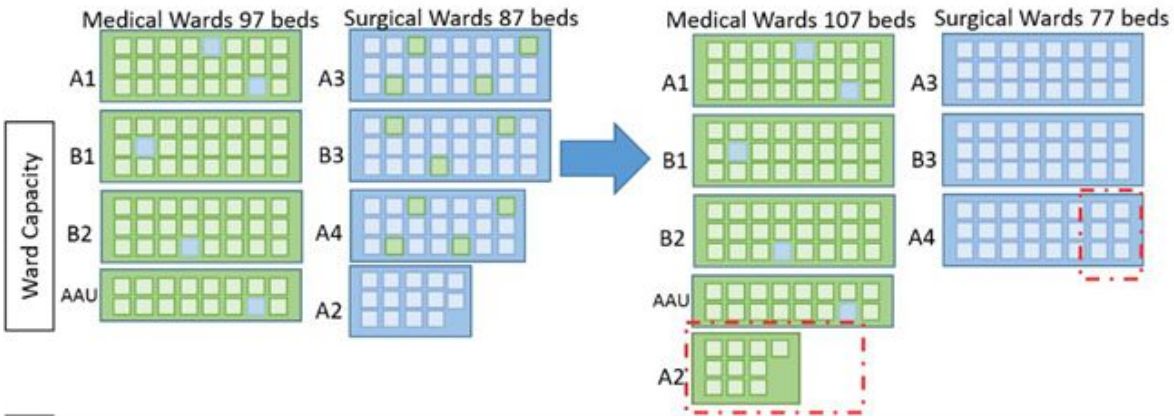
1. **Re-alignment:** Re-align beds to match the patient type being admitted (Change surgical beds to medical beds)
2. **Expansion:** Expand the number of permanent fully resourced beds available and develop an overflow plan for winter
3. **Improvement:** Engage in a series of improvement activities designed to improve flow, patient outcomes and staff well-being.

1. Re-alignment

There is a misalignment between medical demand and medical beds, meaning medical patients often stay in surgical beds. On an average day there are 12 medical patients in surgical beds.

To remedy, we turn A2 from a 14 bed surgical ward into a 10 bed medical ward and increase A4 surgical by 4 beds. The medical bed base is increased by 10 beds, and the surgical bed base is decreased by 10. The total number of resourced beds in the hospital remains the same.

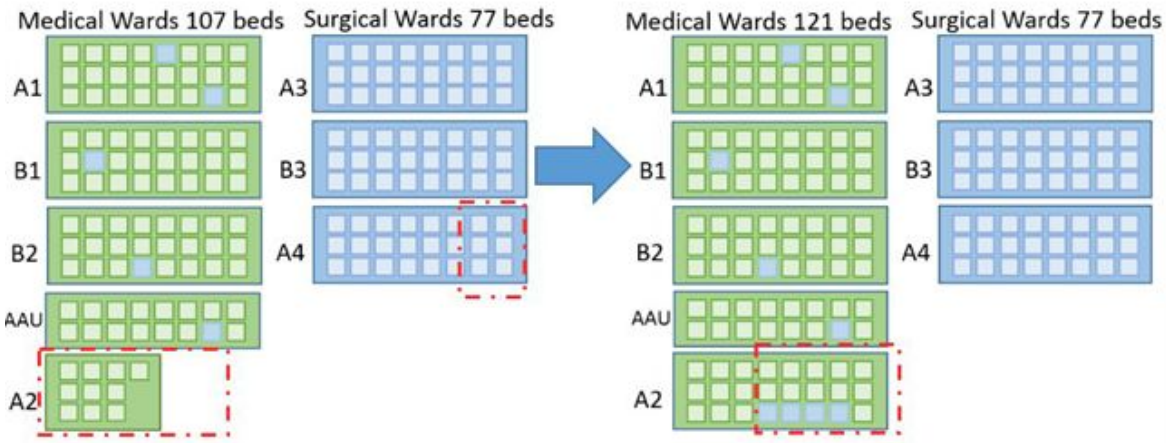
No investment is needed for this change which was carried out at the end of February. Benefits of this stage are that medical and surgical teams are able to see patients in the correct area, and length of stay is reduced. The diagram below depicts the steps in this change. We underprovide in medical ward capacity (green) resulting in medical patients occupying surgical spaces (green in the blue). Re-configuration of A2 and A4 allows us to reduce the number of patients in the wrong ward.



Costs:
Zero investment required

2. Expansion

Increase A2 capacity turning it into an efficient and effective ward, which is fully resourced to enable appropriate care and discharge. The cost is in full staffing, rather than spreading particularly medical and allied staff across additional beds. A2 can accommodate up to 24 beds when works can be completed to move the discharge lounge. The diagram below depicts the expansion of A2:



Benefits

The benefit is in an efficient and effective ward, which is fully resourced to enable appropriate care and discharge. The cost is in full staffing, rather than spreading particularly medical and allied staff across additional beds. This will be evidenced by:

- Improved length of hospital stay for medical patients
- Fewer medical patients in surgical wards
- Reduction in re-admission rates
- Fewer on the day cancellations of elective surgery
- Improvement to ED 6hr target
- Planned approach to meeting demand less costly than ah-hoc reactive method and results in less patient harm and staff stress

Equity

The A2 proposal would have a distinct and direct equity benefit in access to in-patient beds for Māori. Over the last 12 months, Māori adult in-patient bed occupancy (21%) and the percentage of Māori patients in adult beds (24%) is higher than the adult Hawke's Bay Māori population (16% 2013 census). Therefore the A2 proposal would create additional bed capacity which Māori directly would benefit from.

There would also be expected consequential benefits of increased system capacity for Māori and Pacific patients across the system, as touched on elsewhere in this report; for example in ED waiting times and admission rates, and access to elective surgery.

Overflow strategy

The hospital will still require overflow beds during peak periods of winter demand. The plan is to introduce 10 overflow beds in the AT&R ward for these periods. Nursing support will be put in place, but medical and allied health teams will need to cover using existing resources. This remains the only viable option for overflowing during peak demand.

3. Improvement

Funding beds is not the 'silver bullet' to solving bed capacity issues. It is laying the foundation for allowing clinically-led service improvement initiatives to take hold. With the hospital in crisis and staff scrambling to cover extra workloads, the environment for delivering improvement is often not suitable. Some progress has been made, but the benefits will not be realised until clinical staff have the breathing space to tackle these complex issues. Examples of initiatives that will be clinically-led and supported by the service improvement team are:

- ED Process map/physical revamp
- Target patient cohorts for LOS improvements
- Better functioning AAU to support ED and hospital flow
- Using latent Endoscopy space to increase theatre throughput.
- Re-vamping discharge summaries to streamline day of discharge process
- Phasing elective theatre schedules to minimise disruption and maximise production
- Being precise about how beds are used (for example, ring-fenced elective beds, 23hour stay beds, intermediate care beds)

FINANCIAL STATUS

$1.9m is required to increase capacity on A2 and turn it into a fully functioning medical ward with all the required support. The table in Appendix 1 provides the detail on these costs.

A2 at 24 beds would require a budget of $4.9m to run for the year, of which $1.3m is covered by budget already provided in 2019/20. However the majority of these patients already exist in our hospital system and whilst they are being managed ineffectively, some of the cost is already captured in our forecast deficit.

In 2019/20 we forecast we will spend $31.2m on the ward areas that manage these patients, an overspend of $1.7m by the end of the financial year ($1.1m actual YTD February). The majority of the forecast overspend ($1.6m) is in nursing costs, which we can assume is directly related to activity. This will get captured by the annual Capacity Demand Management (CCDM) process and whilst we cannot give the definitive figure at present, the likelihood is that least $1.6m will be built into 2020/21 budgets in any event.

Therefore of the $4.9m budget required, $1.3m is currently covered by existing budget, a further $1.7m is captured in our forecast deficit which will likely have to have budget provided. The remaining $1.9m represents the cost over and above current costs, required to run A2 as recommended.

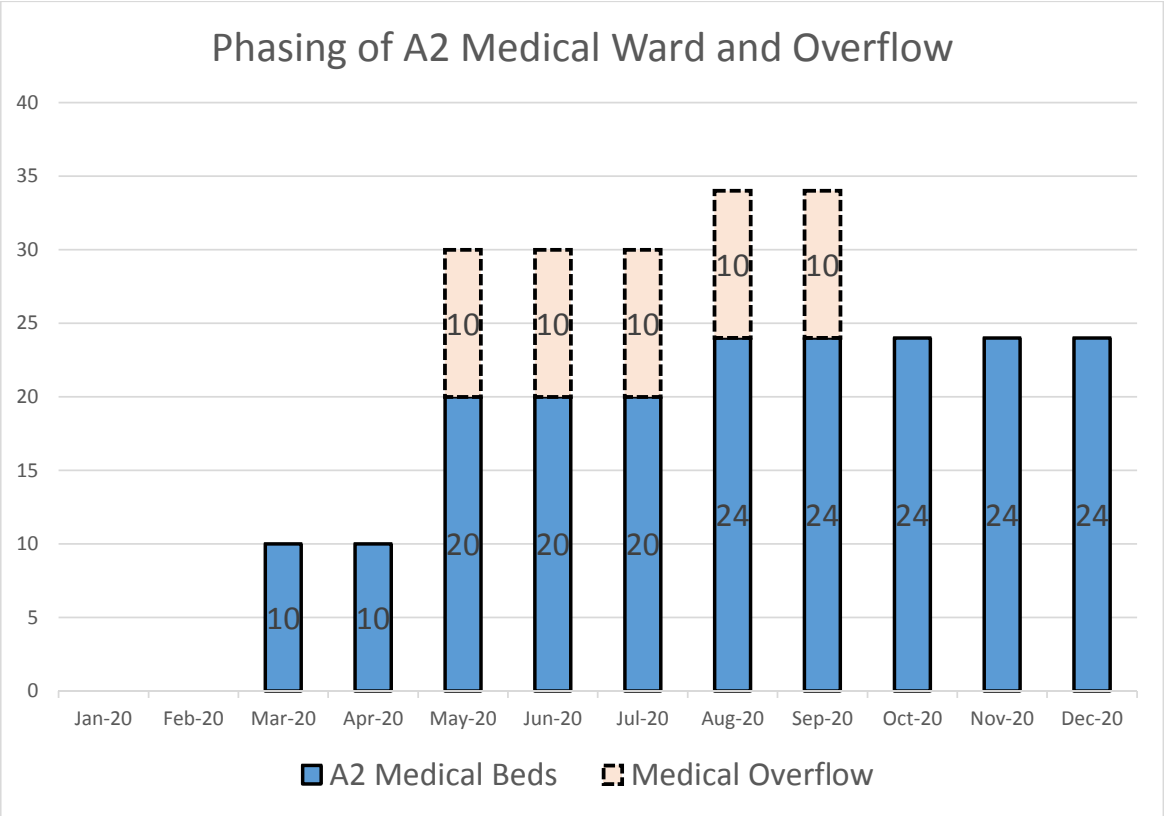
From a financial perspective, this additional $1.9m supports our actions to reduce cancellation of elective procedures and the potential revenue loss resulting from this. It is also expected to deliver a more cost effective model in the long term as we reduce the risk of unplanned costs such as locum support. Front footing growth in our permanent nursing resource gives us more flexibility to manage the leave liability, which we have done well on in 2019/20 when we can, but is impacted when the hospital is under pressure.

Note, that given the lead time on recruitment and anticipation of increased costs during May / June already built into the forecast, we expect the impact on 2019/20 result to be less than $300k, although unknown factors like COVID-19 could have a significant impact on this.

TIMELINES

The implementation plan would need to start immediately to ensure A2 can become a fully functioning ward by May 1st. Recruitment is continuous for nursing and allied health staff (we have significant gaps already) but we need to recruit for medical staff very soon to have them in place for winter. Further, the facilities changes needed to upgrade from 20 to 24 will need to be commenced in parallel. So although the

plan is to have A2 at 24 beds with full staff support, this will need to be phased in to match our ability to fill positions and create the bed space. The following graph shows how the A2 24 bed ward will be phased and how when overflow beds will be used as support:



MEASURES

Metrics need be identified and put in place to monitor the efficiency and effectiveness of A2 at 24 beds.

These include:

- Average length of stay for medical patients
- Outlier status (e.g. average number of days medical patients stay in surgical wards and vice versa)
- ED 6 hour target and admission rates from ED[1]
- Re-admission rates
- On the day cancellations of elective surgery
- Staff sickness rates

[1] ED believe that the general work pressure from bed block is causing more patients to be admitted from ED.

APPENDIX A – Financial Summary A2 at 24 beds

	A2 at 24 beds
Medical	$962,031
Nursing	$2936,499
Allied Health	$422,489
Administration	$57,150
Clinical Supplies and Support	$549,485
Total	**$4,927,654**

Bed Availability Initiative – Transformation of A2 Ward

Increasing bed capacity and efficiency

Current State

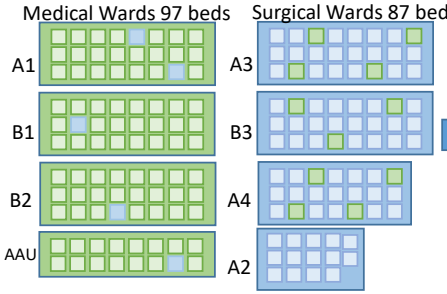
Poor alignment/Lack of flex

A2 is a 14 bed surgical ward.

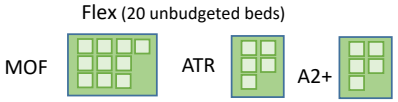
Summary

- Medical patients occupying Surgical beds (outliers)
- Medical and Surgical teams less efficient due to placement of patients (i.e. Medical teams walk around Surgical wards to see patients)
- Additional capacity purchased not planned and switched on and off
- Variance to budget unpredictable (increase in casual staff hours)
- Unplanned and reactive approach is costly with unclear process

Ward Capacity



Overflow



Risks

- Patients not seen at the right time or right place leads to higher morbidity and mortality
- Inefficient and unplanned staffing models lead to higher costs
- Poor staff working conditions and welfare affecting morale.
- High use of casual pool staff
- Patients queuing in ED waiting for beds

Value

- Medical patients spend longer in hospital if they have a stay in a surgical ward. average 2.94 days in Surgical wards – 12.4 beds per day
- No flex for unplanned 'spike' in activity
- High re-admission rates
- High number of on the day cancellations of elective surgery

February

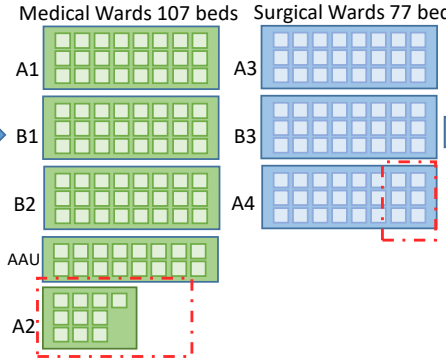
Re-alignment

A2 10: Turn A2 from a 14 bed surgical ward into a 10 bed medical ward. Increase A4 surgical by 4 beds

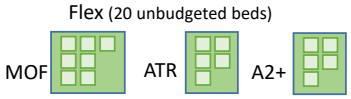
Summary

- Medical and Surgical teams able to see patients in correct area, improvement in rounding and length of stay
- Reduction in Medical length of stay for patients that were previously in the wrong ward
- **<u>Zero</u> investment required**
- **More capacity required for Winter activity**

Ward Capacity



Overflow



Risks

- Change management with staff
- Ensuring correct placement of medical patients delivers length of stay savings.

Value

- Patients in the right bed, seen by the right team
- Decreased length of hospital stay for medical patients
- Decreased time for doctors to see all their patients (patients in the correct location)

March

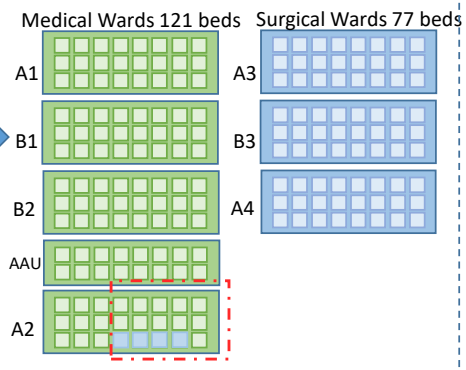
Expansion

A2 24: Increase A2 to 24 beds to manage winter demand and cater to elective surgery requirements

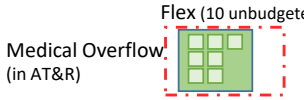
Summary

- Increase Medical capacity- from covering 23.7% to 65% of forecasted peak demand
- Elective activity can increase with additional beds when not required for Winter
- Flexible Medical Overflow (MOF) 10 beds required for Winter activity – flex beds that are proactively managed to match acute peaks
- An additional $1.9m is required to turn A2 into a fully functioning medical ward with increased capacity and all the required support

Ward Capacity



Overflow



Risks

- Ability to manage variance in demand
- Ability to recruit staff
- Maintaining flexibility

Value

- Improved length of hospital stay for medical patients
- Less medical patients in surgical wards
- Reduction in re-admission rates
- Less on the day cancellations of elective surgery
- Improvement to ED 6hr target
- Planned approach to meeting demand less costly than ah-hoc reactive method

April

Key enabled initiatives

Funding beds is not the 'silver bullet' to solving bed capacity issues. It is laying the foundation for allowing clinically-led service improvement initiatives to take hold.

Focus areas include:

- ED Process map/physical revamp
- Target patient cohorts for length of stay, and re-admission rate improvements with a focus on equity
- Better functioning AAU supports ED and hospital flow
- Using latent Endoscopy space to increase theatre throughput.
- Re-vamping discharge summaries to streamline day of discharge process
- HDU capacity

Aim is to commence these activities prior to winter, but benefits may not be realised until after.

TRUSTEE APPOINTMENTS
TE MATA A MAURI HEALTH TRUST

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Cover page

HAWKE'S BAY CLINICAL COUNCIL REPORT

Cover page

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HAWKE'S BAY HEALTH CONSUMER COUNCIL REPORT

Cover page

HAWKE'S BAY District Health Board Whakawāteatia	**Pasifika Health Leadership Group – Chairs Report**
	For the attention of: **HBDHB Board**
Document Owner:	Traci Tuimaseve, Chair of PHLG
Reviewed by:	Talalelei Taufale, Pacific Health Development Manager Patrick Le Geyt, Acting Executive Director, Health Improvement & Equity Directorate
Month:	March 2020
Consideration:	For Information

RECOMMENDATION

That the HBDHB Board

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

The Pasifika Health Leadership Group (PHLG) met on 9 March 2020. An overview of the issues discussed and/or agreed at the meeting is provided below.

HB PASIFIKA YOUTH HEALTH AND WELLBEING 2019 PRESENTATION

Diane Mara (Project Researcher) and Amataga Iuli (HBDHB Pacific Health Promoter) were in attendance to present the journey of the Pacific Health Wellbeing survey undertaken with Pacific youth throughout secondary schools in Hawke's Bay wherein 400 out of 600 Pacific youth were surveyed.

- A report will be available that will provide more detail that will include individual reports for each of the schools involved
- The survey will continue every 2-3years
- An evaluation framework will form part of future work

PACIFIC HEALTH UPDATE REPORT

The report was noted.

DNA focus remains a priority. Some anomalies affected the ability to achieve target and this is being investigated by IT.

Pacific recruitment was discussed and members sought the following information to ensure Pacific are well-represented throughout the DHB employment process:

- PHLG would like to view the policy that states Pacific applicants who meet the criteria for positions applied for will be interviewed
- Pacific recruitment approach was queried regarding advertising and reaching out to Pacifica communities outside of normal DHB recruitment methods.

- How does the HR system include the values and cultural expertise that Pacific people bring with them alongside other core competencies? PHLG would like to understand how these are being developed and how they will be applied. Equity is an important part of understanding the communities you service; shape our competencies based on meeting those competencies, are they equal value *vs* technical *vs* other qualifications
- What measures are in place to guage to remove unconscious bias across recruitment for Pacific

PHLG WORK PLAN

The PHLG's focus is to support and drive key priorities as identified in the Work Plan over the next six months to 30 June 2020. These priorities include:

Priority 1 - Engaged Pacific Communities

- 4 April – Pasifika Polyfest Secondary School Festival Flaxmere. Organisers have been made aware of COVID-19 to include a plan in the event of cancellation
- 13 April – Event confirmed for RSE workers and the community
- Pasifika Youth Survey data – a report is pending and will inform the Rangatahi review. HB Secondary School Pasifika student leadership groups as well as a teachers group responsible for Pasifika students that meets x2 every term to support wellbeing.

Priority 2 – Enhancing DHB and health services understanding of Pacific people

- Engaging with Pasifika training has now been included in the orientation programme

Priority 3 – Promoting the value of the Pacific health workforce

- To review HR Policy that states Pacific applicants who meet the criteria for positions applied for will be interviewed
- Examine the understanding, acknowledgement and inclusiveness of Pacific attributes in HBDHB recruitment

Priority 4 – Targeted initiatives to positively improve Pacific health outcomes

- A greater liaison with other providers and community on how we can connect with upcoming events and sharing of information
- Health promotion: COVID-19 issue and flu immunisation for over 65+ years
- Members requested a Pasifika focussed dashboard
- PHLG requested that key Pacific indicators be pulled out from the exceptions report from which they can shape their focus (these would include; Children, Women & Youth; Mental Health/Youth Health; Long Term Conditions; Workforce)
- Pilot Pacific immunisation for 65+ in Flaxmere for Cook Island elders
- Intersector meeting of service is planned for April to iron out operational systems for agencies to improve support for vulnerable Pacific families during winter.

Equity

- PHLG requested a face to face with the DHB Board to reach a consensus around equity. It was apparent to members who attended the HB Health Leadership Forum that the understanding of equity/equity for Pacific is not consistent amongst leadership members.
- PHLG requested that a Pasifika Health Forum be convened between PHLG members, the Pacific Health Team and other health workers to discuss the journey of Pacific health and actions to better improve equity for Pacific.

Pasifika Health Forum be convened and include a facilitator, HBDHB Pacific Health Team and other health workers.

Visibility

- It was requested that in the context of visibility that PHLG reporting be made available on Diligent
- PHLG were also requested to attend alongside CPHAC Chair to deliver the Chairs Report at Board

SERVICE IMPROVEMENT / BUSINESS INTELLIGENCE

Presentation

HAWKE'S BAY District Health Board Whakawāteatia	**2020/21 Annual Plan – Update**
	For the attention of: **HBDHB Board**
Document Owner	Chris Ash, Executive Director, Planning & Funding
Document Author(s)	Kate Rawstron, Head of Planning & Strategic Projects
Reviewed by	
Month/Year	March 2020
Purpose	For Information/Monitoring
Previous Consideration Discussions	Not applicable
Summary	Progress update on the development of the 2020/21 Annual Plan
Contribution to Goals and Strategic Implications	2020/21 actions across the HB health system aligned to the HB Health Strategy goals and Minister of Health's planning priorities.
Impact on Reducing Inequities/Disparities	Improving quality, safety and experience of care; improving health and equity for all populations; improving Value from public health system resources are all essential to our Annual Plan. Actions identified as Equity Outcome Actions (EOA) are designed to help reduce health outcome equity gaps.
Consumer Engagement	Consumer engagement activity is an essential part of activities within this plan.
Other Consultation /Involvement	Planning and Funding Directorate, Health Improvement & Equity Directorate, Corporate Services, Provider Services, Health Hawke's Bay and sector NGOs have been involved with the development of this plan.
Financial/Budget Impact	Alignment with budget planned for April/ May 2020
Timing Issues	Not applicable
Announcements/ Communications	Not applicable

RECOMMENDATION:

It is recommended that **HBDHB Board**:

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

HAWKE'S BAY
District Health Board
Whakawāteatia

2020/21 Annual Plan – Update

Author:	**Kate Rawstron**
Designation:	**Head of Planning & Strategic Projects**
Date:	**6 March 2020**

OVERVIEW
All DHBs must produce and Annual Plan under section 38 of the NZPHD Act that sets out the DHB"s planned performance for the financial year providing accountability directly to the Minister of Health.

Timeline for 20/21:

Activity	Date: 2020
DHB strategic conversations	From February
DHBs submit draft Annual Plans to the Ministry.	2 March
Feedback to DHBs on first draft Plans	9 April
Final Plans due to the Ministry	TBC
DHB Board signed SPE to be published on DHB websites	Before end of June

PROGRESS UPDATE
The 20/21 annual plan process is well underway with the following key activity undertaken:

- A series of facilitated workshops were held during February; the purpose being to identify and agree actions for inclusion in the draft plan
- A review of Equitable Outcome Actions in the draft plan completed with Māori Health (and a similar activity planned to take place with Pasifika team)
- A draft plan was submitted on 2nd March as per the required deadline.

Next steps:
- Continue to populate incomplete areas of the plan in preparation for next submission
- Complete 'Equity' review
- Align activity and financial resource.

RECOMMENDATION:

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

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

HAWKE'S BAY
District Health Board
Whakawāteatia

COVID-19

Presentation

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:

20. Confirmation of previous minutes 25 February 2020 (Public Excluded)
21. Matters Arising (Public Excluded)
22. Board Approval of Actions Exceeding Limits Delegated by CEO
23. Chair's Update (Public Excluded)
24. Chief Executive Officer's Report (Public Excluded)
25. Hawke's Bay Clinical Council Report (Public Excluded)
26. Finance Risk and Audit Committee (Public Excluded)

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).