



BOARD MEETING

Date: Tuesday 29 June 2021

Time: 2.00pm

Venue: Te Waioira Room, DHB Administration Building,
Corner Omaha Road and McLeod Street, Hastings
(livestreamed for public meeting)

Members: Shayne Walker (Chair)
Evan Davies (Deputy Chair)
Hayley Anderson
Ana Apatu
Kevin Atkinson
David Davidson
Peter Dunkerley
Joanne Edwards
Charlie Lambert
Heather Skipworth
Renee Brown (Board Observer)
Panu Te Whaiti (Board Observer)

In Attendance: Keriana Brooking, Chief Executive Officer
Members of the Executive Leadership Team
Dr Robin Whyman and Julie Arthur, co-Chairs, Hawke's Bay Clinical Council

Minute Taker: Brenda Crene, Governance

Public Agenda

Item	Section 1: Routine	Time (pm)
1.	Karakia	-
2.	Welcome and Apologies	-
3.	Interests Register	
4.	Minutes of Previous Meeting held 1 June 2021	
5.	Matters Arising - Review of Actions	
6.	Board Workplan	

	Section 2: Standing Management Reports	
7.	Chair's Report (verbal)	2.10
8.	Chief Executive Officer's Report	2.15
9.	Financial Performance Report – Carriann Hall, Executive Director of Financial Services	2.20
	Section 3: Strategic Delivery	
10.	Ākina (Continuous Improvement) Presentation: Maternity – Actionable Insights Anne Speden, Executive Director of Digital Enablement, Aaron Turpin (Head of Business Information), Peter MacKenzie (BI Team leader) and Jules Arthur (Midwifery Director)	2.25
	Section 4: Other Governance Reports	
11.	Board Health and Safety Champions' Report (verbal)	2.35
12.	HB Health Consumer Council tenure extensions – Chair, Emma Foster (Executive Lead)	2.40
	Section 5: Noting Reports	
13.	Māori Relationship Board Report – Chair, Ana Apatu	-
-	HB Clinical Council (no meeting held in June)	-
14.	Section 6: Recommendation to Exclude the Public Under Clause 33, New Zealand Public Health & Disability Act 2000	2.50

Public Excluded Agenda

Item	Section 7: Routine	Time
15.	Minutes of Previous Meeting held 1 June 2021 (public excluded)	
16.	Matters Arising – Review of Actions (public excluded)	
	Section 8: Standing Management Reports	
17.	Chair's Report - verbal (public excluded)	3.00
	Section 9: Strategic Delivery	
18.	Health & Disability Service Review (HDSR) Transition Update – Keriana Brooking, CEO	3.05
19.	Balanced Scorecard – Emma Foster, Executive Director Planning, Funding & Performance; and Lisa Jones System Lead Planning, Funding & Performance	3.20
20.	Ministry of Health/DHB Benchmarking Report June 2021 (for noting) – Emma Foster	-
	Section 10: Other Governance Reports	
21.	Finance, Risk and Audit Committee Meeting – 16 June 2021 (public excluded) – Chair, Evan Davies	3.35
	Section 11: Noting Reports	
22.	Board Approval of Actions Exceeding Limits Delegated by CEO – discuss by exception (public excluded) – Emma Foster	-
23.	Māori Relationship Board Report (public excluded) – Chair, Ana Apatu	-
24.	Safety & Wellbeing Report – 17 June 2021 (public excluded) – Martin Price, Executive Director of People & Culture	3.40
25.	Karakia Whakamutunga	3.45
	Meeting concludes	

**The next HBDHB Board Meeting will be held on
Tuesday 3 August 2021**

Our shared values and behaviours



1 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 people's 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

1 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

1 RARANGATE 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

1 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

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Karakia

Hei Aratākina te Hui (to start)

E lo i runga i te Rangi Whakarongo mai titiro iho mai E lo i runga i te Waitai, i te Wai Moana, i te Wai Maori Whakapiri mai whakatata mai E lo i runga i a Papatuānuku Nau mai haere mai Nōu e lo te aō nei Whakatakina te mauri ki runga ki tēna taura ki tēna tauira Kia eke tārewa tu ki te Rangi Haumie Hui E tāiki e.	The waters of life connect us to all nations of this world. Sharing skills of one another and an understanding that throughout the hui we are courageous in our decisions that set and implement decisions.
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Karakia whakamutunga (to finish) Unuhia

Unuhia, unuhia te uru tapu nui o Tāne Kia wātea, kia māmā te ngākau, te wairua, Te tinana, te hinengaro i te ara takatū. Koia rā e rongo, whakairia ki runga Kia wātea, kia wātea, āe rā, kua wātea!	Release, release the sacred knowledge of Tāne To clear and to relieve the heart, the spirit, The body and the mind of the bustling path. Tis Rongo that suspends it up above To be cleared of obstructions, yes, tis cleared.
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Board "Interest Register" - as at 4 May 2021

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	Dr Rachel Walker	Wife - is a contractor to HBDHB	Potential conflict. Will abstain from decisions related to perceived conflict.	CEO	08.01.20
	Active	Daughter	Employed with Kahungunu Executive	Will abstain from all funding decisions related to Kahungunu Executive. Work with CEO and Deputy Chair regarding any contract delegations	CEO / Deputy Chair	23/11/2020
Kevin Atkinson	Active	No interests to declare				
Heather Skipworth	Active	Daughter of Tanira Te Au	Kaumtua - Kaupapa Maori HBDHB	All employment matters are the responsibility of the CEO	The Chair	04.02.14
	Active	Iron Māori Events Ltd	Director. Company has two lifestyle contracts with HBDHB.	Potential conflict. Will abstain from all discussions/decisions that may have some direct relevance to this interest.	The Chair	21.10.20
	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
Ana Apatu	Active	CEO of Wharariki Trust (a member of Takitimu Ora Whanau Collective)	A relationship which may be contractual from time to time	Will advise of any perceived or real conflict prior to discussion	The Chair	5.12.16
	Active	Whakariki 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
Hayley Anderson	Active	Hawke's Bay District Health Board	Contracted as Incident Controller	Potential conflict. Will advise of any conflict of interest.	The Chair	16.09.20
		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	Hastings Rotary Club	President	Unlikely to be any conflict of interest. If in doubt, will discuss with HBDHB Chair	The Chair	11.09.20
	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.	The Chair	08.01.20
Charlie Lambert	Active	Centre for Women's Health Research Centre, Victoria University	Part-time Researcher	Potential conflict. Will not take part in any decisions that may have some relevance to this interest and will stand down from any interaction with staff.	The Chair	15.07.20
	Active	Hawke's Bay Regional Council	Council Member	Unlikely to be any conflict of interest. If in doubt will discuss with the HBDHB Chair.	The Chair	06.04.20
Evan Davies	Active	Chair, Executive Steering Group, Dunedin Hospital		No conflict perceived	The Chair	17.02.21
	Active	Chair, Capital Investment Committee	DHB Capital Prioritisation	Potential conflict.	The Chair	07.01.20
Renee Brown Board Observer	Active	Mother	Board member of Te Roopu a Iwi Trust and employee of Maraenui Medical Centre	Will advise of any perceived or real conflict prior to discussion	The Chair	01.10.20
	Active	Napier City Council	Member, Māori Committee	Unlikely to be any conflict of interest. In in doubt, will discuss with the HBDHB Chair.	The Chair	04.05.21
	Active	Sister	Employee of Maraenui Medical Centre	Will advise of any perceived or real conflict prior to discussion	The Chair	01.10.20
	Active	Uncle	Board member of Te Roopu a Iwi Trust and employee of Te Taiwhenua o Heretaunga	Will advise of any perceived or real conflict prior to discussion	The Chair	01.10.20
Panu Te Whaiti Board Observer	Active	Hawke's Bay DHB	Employed as Portfolio Manager, Planning Funding & Performance	Unlikely to be any conflict of interest. If in doubt will discuss with the HBDHB Chair.	The Chair	07.12.20
	Active	Pasifika Health Leadership Group	Member / Deputy Chair	Advisory Committee to HBDHB Board. Unlikely to be any conflict.	The Chair	13.10.20

**MINUTES OF THE HBDHB BOARD MEETING
HELD ON TUESDAY 1 JUNE 2021
TE WAIORA ROOM, DHB ADMINISTRATION BUILDING
MCLEOD STREET, HASTINGS
AT 2.00 PM
(LIVESTREAMED)**

PUBLIC

Present: Shayne Walker (Chair)
Evan Davies (Deputy Chair) – via Zoom
Hayley Anderson
Ana Apatu
Kevin Atkinson
David Davidson
Peter Dunkerley
Joanne Edwards
Charlie Lambert
Heather Skipworth
Renee Brown (Board Observer)
Panu Te Whaiti (Board Observer)

In Attendance: Keriana Brooking, Chief Executive Officer
Members of the Executive Leadership Team
Members of the Public and Media (via livestream)
Brenda Crene, Governance Administrator

1. The Chair provided a mihi to the Board and the staff and also the members of the public who were viewing the meeting via Facebook livestream.

2. APOLOGIES

An apology was received from Jules Arthur, Midwifery Director and co-Chair, Hawke's Bay Clinical Council. The Chair welcomed Brenda Crene into her Governance role.

3. INTEREST REGISTER

No amendments to the interest register were noted. No Board member advised of any interests in the items on the agenda.

4. CONFIRMATION OF PREVIOUS MINUTES

The minutes of the Board meeting held on 4 May 2021 were confirmed as a correct record of the meeting subject to correcting Charlie Lambert's name.

Moved: David Davidson

Seconded: Kevin Atkinson

Carried

5. MATTERS ARISING FROM PREVIOUS MINUTES

Status updates for all actions were noted.

6. BOARD WORK PLAN

The governance workplan was noted.

- The CEO advised she would follow up as to when Health Hawke's Bay ¹ (PHO) would next present to the Board. **Action**
- The Chair advised the Board should look at how to incorporate forecasted absence(s) from future FRAC or Board meetings. **Action**

STANDING MANAGEMENT REPORTS

7. CHAIR'S REPORT (VERBAL)

- The Chair advised of the following retirement, 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
Janet Vokes	Therapy Assistant	Communities Women & Children	19	16/5/2021

The Chair thanked Janet and her family for her dedication and years of service to this DHB and the community and wished them all the best in their next journey.

- Advised that Health Reform updates were being received, with expressions of interest sought for the Māori Health Authority and Health New Zealand, noting anyone in the community can express interest. The reforms are moving quickly with the final structure planned to be in place by 1 July 2022.

8. CHIEF EXECUTIVE OFFICER'S REPORT

The CEO's report was taken as read with the following comments provided:

- Attended NETP Nursing Graduation, a lovely and very heartfelt event. Very proud, especially to advise that of the eleven graduates have all secured nursing roles within this DHB. MSD and DHB will continue to support this initiative.
- Met with Zac's Kitchen and Café staff who advised this was the first time a CEO had visited their area. A great group of dedicated people. Hawke's Bay continue to be one of the few DHBs in New Zealand to retain their in-house kitchen staff.
- The CEO advised she would be spending four days in June based out of Wairoa, for important meet and greets. She will also be spending time in Gisborne to discuss synergies/opportunities that may exist between Hawke's Bay and Tarawhiti DHB's. She advised it was worthwhile and important to bring information back to the Board (and community) of areas we may not have general sight of.

Comment from Chris Ash, Chief Operating Officer regarding Elective Surgery delivery:

Advised that a record number of elective surgeries had been delivered, even though we have experienced increased demand on services. Outsourcing electives have remained on the planned trajectory by working with our partners. We expect to have completed between 1200-1300 more elective procedures by the end of the current financial year ending, 30 June 2021. Last year electives were down due to the impact of COVID.

Following discussion comments included:

- Board members and the community have greatly appreciated our CEO's immersion into many areas within our community and regionally.
- Following mounting pressure to contract Hawke's Bay DHBs kitchen services out in the past, several board members voiced they were hopeful the status quo would remain in Hawke's Bay.

RECOMMENDATION

That the HBDHB Board:

1. **Note** and acknowledge this report.

Adopted

¹ Primary Health Organisation (PHO)

9. FINANCIAL PERFORMANCE REPORT

The Executive Director of Financial Services took the report as read but did provide a brief overview. It was noted the report had been discussed in detail at the Finance Risk and Audit Committee (FRAC) meeting on 19 May 2021. With no further comments or questions the recommendation to note the report was adopted.

RECOMMENDATION

That the HBDHB Board:

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

Adopted

STRATEGIC DELIVERY

10. AKINA (Continuous Improvement) - COMMUNITY DENTAL (0-12 YEARS)

Anne Speden (Executive Director of Digital Engagement), Claire Caddie (Service Director, Community, Women & Children), Wietske Cloo (Deputy Service Director, Community Women & Children) were in attendance for this item.

An overview of Community Dental services to HB localities was provided, with the focus on enhancing community dental outcomes for tamariki (0-12 years) through modern “see and treat services”.

This will result in a significant change in the delivery of dental services, providing seamless access to services through a new “model of care”, providing measurable and improved outcomes and more complete clinical history. Cost and access are the focus which removes the old-world approach.

This was a hot topic area in Hawke’s Bay and thanks were conveyed to the team for their work. The vans were set up for children/young adults. It was noted that board members raised fluoride and the importance of ensuring there was a trained workforce available in the dental area.

11. HBDHB QUARTER THREE HEALTH SYSTEM PERFORMANCE DASHBOARD

The Board received the dashboard on performance reporting across HBDHB’s five system priorities: First 1000 days (FTD); Mental health and addiction (MHA); Long term conditions (LTC); Frail and older people (FOP); and Responsive health system (RHS).

Comments from discussion included:

- Will be great to receive detail from the PHO to better understand the big picture.
- The high number of unenrolled Māori was of concern. No specific detail on location, as an estimated calculation is used, based on population at the time. Was confirmed these estimates were coming through correctly.
- Can ask PHO, of those people who were enrolled or who came up for re-enrolment this year, may mean they have left district or still remain in district, or maybe have not been to general practice in past three years. We may get some of this detail on who and where they live but won’t capture all.
- Check whether the PHO have undertaken a study on enrolments. Some may be enrolled and not able to secure an appointment. The roll-on effect has consequences for ED.
- We keep a record in ED regarding those not enrolled however there would be a trade off on where to place resources if we were to continue capturing this.
- Keen to better understand cluster detail.
- Technology is utilised when communicating with patients? Often specialties differ and associated non-attendance differs, for a variety of reasons.
- More clinics in the community may improve attendance.
- Seek a breakdown of Maori and Pasifika in the report.
- The Chair asked whether a report from the PHO quarterly was enough? Suggested the Board should consider requesting bi-monthly reporting to gain traction. **Action**

RECOMMENDATION

That the HBDHB Board:

1. **Note** and acknowledge the Quarter three health System Performance Dashboard.

Adopted

OTHER GOVERNANCE REPORTS**12. BOARD HEALTH AND SAFETY CHAMPIONS' REPORT**

The Board Health and Safety representative advised there was no report but a tour has been booked.

NOTING REPORTS**13. MĀORI RELATIONSHIP BOARD REPORT**

MRB Chair, Ana Apatu, provided an overview of the matters discussed at the meeting on 5 May 2021 including: Health and Disability System Reforms; Health System Priorities – Child Health; and a draft Unplanned/Acute Care Demand Plan.

MRB received a very good presentation regarding Mental Health Addictions and locality Planning. Emerging themes relating to ASH (preventable if better community care). Decline may be due to COVID.

When Co-designing health services, some whanau were reporting their preference to go to the Hospital for care because of cost.

Received a presentation on adult unplanned and acute care demand. Included Māori presenting, co-designing and looking at real live data that the Systems Lead Hospital, had been collecting. Delighted to see some very good work going on behind the scenes.

RECOMMENDATION

That the HBDHB Board:

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

Adopted

14. HAWKE'S BAY CLINICAL COUNCIL REPORT

This report was taken as read and included the following items: COVID-19 Vaccine and Immunisation rollout progress; Clinical Council Representatives and Committee Reports; System Performance Measures; the Adverse Events Policy; and DAA Corrective Actions Report.

Advised there had been some discussion around the adverse event policy by Council. It was felt there was a need to look at cross-system learnings, as some events have relevance within other parts of the sector. Some are quite technical and Council were asked to review and strengthen learnings and review the policy.

The report was received and Dr Robyn Whyman thanked for his efforts.

RECOMMENDATION

That the HBDHB Board:

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

Adopted

17. RECOMMENDATION TO EXCLUDE THE PUBLIC

RESOLUTION

That the Board:

Exclude the public from the following items:

16. Confirmation of Previous Minutes 4 May 2021 - Public Excluded
17. Matters Arising (Public Excluded)
18. Chair's Report (Public Excluded)
19. Annual Budget (Public Excluded)
20. Funding Options to Make an Impact on Health Inequities (Public Excluded)
21. Strategic Planning and Budgeting over a Multi-Year Timeframe – Prudent use of Resources Update (Public Excluded)
22. HBDHB Seismic Structural Status Report (Public Excluded)
23. Update on PriceWaterhouse Coopers Capital Projects Review (Public Excluded)
24. Finance Risk and Audit Committee Meeting – 19 May 2021 (Public Excluded)
25. COVID-19 Vaccine and Immunisation Programme Rollout (Public Excluded)
26. Board Approval of Actions Exceeding Limits Delegated by CEO (Public Excluded)
27. Māori Relationship Board Report (Public Excluded)
28. Hawke's Bay Clinical Council Report (Public Excluded)
29. Safety and Wellbeing Committee Report – 20 May 2021 (Public Excluded)
30. Karakia Whakamutunga – meeting concludes

MOVED: Shayne Walker

SECONDED: Peter Dunkerley

The Chair thanked members of the public for viewing the meeting via Facebook.

The public section of the Board meeting concluded at 2.50 pm

Signed:

Chair

Date:

**BOARD MEETING - MATTERS ARISING
(Public)**

5

Action	Date Entered	Action to be Taken	By Whom	Month	Status
1	1/6/21	Board Workplan Health HB (PHO): When next to present to the HBDHB Board. Consider requesting bi-monthly reporting to gain traction.	CEO	June	Confirmed for 3 August Board Meeting
2	1/6/21	Forecasted Board attendance For discussion when next meet.	Board Chair	June	

Board Meeting 29 June 2021 - Board Workplan

FINANCE RISK AND AUDIT COMMITTEE				BOARD				
ELT	FINANCE	SRR	Frequency	ELT	STANDING MANAGEMENT PAPERS	SRR	Public/Public Excluded	Frequency
EDFS	Financial Performance Report	18	Monthly		Chairs Report		Public / Public Excluded	Monthly
EDFS	Annual Plan Budget (Feb-June)	12, 18	Monthly	CEO	Chief Executive Officers Report	ALL	Public / Public Excluded	Monthly
EDFS	Capital Plan Financials (April/June/Sept/Dec)	15, 16, 18	Quarterly	EDPFP	Balanced Scorecard	8, 11, 12, 13, 18	Public Excluded	Monthly
EDFS	Insurance	14	Annually	EDFS	Financial Performance Report	18	Public	Monthly
	OUTPUT PERFORMANCE				STRATEGIC DELIVERY			
EDPS	Provider Services Performance (Mar/June/Sept/Dec) (HAC)	1, 2, 3, 4, 13	Quarterly	Bd reps	Health and Safety Committee Report		Public/Public Excluded	Monthly
EDHIE	Public Health Performance (April/July/October/Jan) (CPHAC / DSAC)	7, 8	Quarterly	EDPFP	Strategic Workplan	8, 11, 12, 13, 18	Public Excluded	Monthly
EDPFP	Funded Services Performance (May/August/Nov/Feb) (CPHAC / DSAC)	7, 8, 11, 12	Quarterly	EDPFP	Hawke's Bay DHB Quarterly Health System Performance Dashboard" (March/June/Sept/Dec) (CPHAC / DSAC)	8, 11, 12, 13, 18	Public	Quarterly
EDPFP	Annual Plan (May)	8, 11, 12, 13, 18	Annually	EDDE	Ākina	ANY	Public	As required
EDPFP	Annual Report (Oct)	8, 11, 12, 13, 18	EDPFP	PHO CE	PHO Quarterly Report (March/June/Sept/Dec)		Public	Quarterly
EDPFP	Strategic Capital Projects (execution)			EDPFP	Annual Plan (May)	8, 11, 12, 13, 18	Public	Annually
				EDPFP	Annual Report (October)	8, 11, 12, 13, 18	Public	Annually
	CLINICAL QUALITY AND PATIENT SAFETY				CAPITAL PROJECTS			
ECL	Quality and Patient Safety incl. Standard Dashboard (May/August/Nov/Jan) (HAC)	1, 2, 3, 4, 13	Quarterly	EDPFP	Capital Investment / Business Cases	15, 16	Public Excluded	As required
	PEOPLE HEALTH AND SAFETY				OTHER GOVERNANCE PAPERS			
EDP&C	People & Staff Safety and Standard Dashboard (May/Aug/Nov/Feb)	5, 6, 13	Quarterly		Health & Safety Champions	5, 6	Public/Public Excluded	Monthly
	RISK MANAGEMENT			EDFS	Annual Reports: Allied Laundry/NZHP/TAS		Public	Annually
EDFS	Risk Management Report and Exceptions (Feb/May/Aug/Nov))	ALL	Quarterly	EDFS	External Audit		Public/Public Excluded	As required
				CEO	Health & Disability Service Review (HDSR) Transition Update		Public/Public Excluded	Monthly
	AUDIT AND COMPLIANCE							
EDFS	External Audits		As per schedule		NOTING PAPERS (Discuss by exception)			
EDFS	Internal Audit	4, 12, 17, 13, 14	Agreed timetable		Māori Relationship Board		Public/Public Excluded	Monthly
EDPFP	External Provider Audits (April/July/Oct/Jan) (CPHAC / DSAC)		Quarterly		Clinical Council		Public/Public Excluded	Monthly
EDFS	Audit Actions Update (May/August/Nov/Jan)		Quarterly		Consumer Council		Public/Public Excluded	Monthly
					Pasifika Health Leadership Group		Public/Public Excluded	Bi-Monthly
					Te Pitau		Public/Public Excluded	Monthly
				EDPFP	Board approval of actions exceeding limits delegated by CEO	14, 17	Public Excluded	Monthly


External Audits			Internal Audits		Significant Risk Register (SRR) Description			
Month	Detail	ELT	Month	Detail	Register #	Description	Register #	Description
Mar 21	Audit NZ – Final Audit Letter	EDFS	Mar 21	Health and Safety – Enforceable Undertaking	Patient Care and Clinical Quality			
	DAA Group	CMDO	May 21	Risk Management	1	Vulnerable Services	10	Strategic Outcomes
	ICU Accreditation	COO	June 21	Legislative Compliance	2	Service Capacity	11	Significant Event
			July 21	Outpatient Data/Booking Process	3	Clinical Governance Processes	12	Consumer Engagement
			Sept 21	Staff Engagement Monitoring and Organisational Culture	4	Patient Administration and Contact Process	13	National Priorities
					Health, Safety & Wellbeing			
					5	Health & Safety	14	Workforce
					Health of the Population			
					6	Abuse & Assault	15	Legislative Compliance (including Treaty of Waitangi)
					Financial			
					7	Family Harm	16	Property & Information Systems
					8	Equity of Outcomes	17	Disaster Recovery
Aug 22	Audit NZ – Interim Audit Letter	EDFS			9	BLANK < was Cold Chain >	18	Infrastructure Assets
								Financial Sustainability

Updated 16/6/21



CHAIR'S REPORT

Verbal

 <p>HAWKE'S BAY District Health Board Whakawāteatia</p>	29 JUNE 2021 DHB CEO BOARD GOVERNANCE REPORT
	For the attention of: HBDHB Board
Document Author(s)	Keriana Brooking
Date	23 June 2021
Purpose/Summary of the Aim of the Paper	To provide a monthly strategic and operational update to the Board of Hawke's Bay District Health Board (HBDHB).
Health Equity Framework	The penultimate version of the revised Equity Plan will be presented to all governance advisory groups over the coming month.
Principles of the Treaty of Waitangi that this report addresses	Post Finance Risk and Audit Committee (FRAC) meeting feedback, a process has been established by the Executive Leadership Team (ELT) to group review this section of ELT produced papers to ensure all elements of the principles of Te Tiriti are explored and documented in this section for each paper.
Risk Assessment	HBDHB continues to carry a high degree of clinical, financial and equity risk with ongoing service demand risks in primary care, aged residential care facilities, acute services and inpatient services. From the staff to the executive, daily decisions are being made to keep our people and services safe. Strategic improvements and investment decisions (including disinvestment) will feature as Board decision papers over the coming months.
Financial/Legal Impact	Nothing for noting.
Stakeholder Consultation and Impact	I have had the following interactions in this period: <ul style="list-style-type: none"> • Met with Simon Greening, CEO Inter Church Council for Hospital Chaplaincy • Attended the monthly Medical Heads of Department • Attended the local Bi-partite meeting • Met with Drs Tim Frendin and Rachel Leigh – Dependency, the older adult and health demand • Met with Community Methamphetamine Programme leads • Met the trustees of the Oliver Smales Memorial Trust • Attended the thank you lunch for the staff who work in the DHB COVID-19 Vaccination clinics • Attended the Māori Minister's Post Budget breakfast • Attended Te Aho o te Kahu (NZ Cancer Control Agency) Advisory Council meeting • Along with Emma Foster, met with the Board of City Medical • Volunteered in the Emergency Department during the 9 June, Nursing strike

	<ul style="list-style-type: none"> • Attended the opening of Te Ara Mahi Māori (the Māori Employment Action Plan Reference Group) • Attended a zoom meeting with University of Otago and HBDHB staff on Inter Professional Education • Attended the Kaweka Health Centre Roof Shout • Attended the meet and greet for the evaluation team for capacity care demand management (CCDM) and safe staffing health and wellbeing (SSHW) visit to HBDHB • Attended the meeting with Government Transition Unit: Health System Transition on the role and establishment of the Māori Health Authority • Attended the National DHB CEOs meeting and then the National CEOs and Chairs meeting • Attended training: Family Violence - Support Managers to Support Teams • Along with Patrick Le Geyt and Shayne Walker, visited Ngāti Kahungunu Iwi Incorporated to discuss Treaty Governance • Attended the Safety and Wellbeing Committee meeting • Along with Chris Ash and Shayne Walker, met with the directors of Kaweka Health and Westside Healthcare • Attended the Matariki Executive Steering Group Meeting • Visit to Wairoa
Strategic Impact	None to note
Previous Consideration / Interdependent Papers	None to note
RECOMMENDATION: <i>It is recommended that the Board:</i> 1. <i>Note and acknowledge this report</i>	

HOSPITAL SERVICES UPDATE

Unplanned Care

HBDHB recorded a health target result of 73.2 percent of patients being seen, admitted or treated and discharged from the Emergency Department within six hours of arrival in May. This was down from 77.8 percent in April, reflective of ongoing demand and capacity constraints. The average proportion of funded inpatient beds occupied at 8am was 107.8 percent (up from 102.4 percent in April).

Planned Care

In respect of outpatient first specialist assessments:

- A net total of 2,523 referrals were received in May. This is an increase of 304 compared with the previous month, typically low due to the cluster of public holidays which commonly fall in April. It is, however, 108 fewer than received in March.
- In total, 1,993 patients were provided with first specialist assessments in May – this is 299 more than April, and increases on both May 2020 and May 2019 (827 and 351 more patients respectively). The combined effect of these movements saw the overall waiting list end the month down 166 patients at 5,018 – the lowest it has been for 16 months.


- The number of patients overdue against the ESPI2 measure (patients waiting greater than four months for a first specialist assessment), dropped by 283 patients from April. The proportion waiting for four months or more for their appointment also reduced month-on-month dropping to 21.8 percent - down from 26.8 percent in April 2021 and 43.4 percent in with May 2020.
- This result is also reflected in overall trajectory numbers, with HBDHB only just slightly behind the month-end target for the Ministry of Health Improvement Action Plan. However, performance against the target is more variable at a specialty level.

In respect of elective surgery, HBDHB delivered 107 percent of Ministry of Health production planning discharge target in May. Overall year-to-date delivery sits at 98.4 percent, and 97.9 percent on case-weights, with full-year forecasting showing a marginal under-delivery against these targets at year end:

- Inter District Flow activity remains constant at 89.7 percent of plan (78 discharges vs 87 plan), down from 90.3 percent in April
- On-site activity achieved 114.3 percent of plan (481 discharges vs 421 plan)
- Outsourced achieved 94.4 percent of plan (117 discharges vs 124) in May. Year-to-date 795 of the planned 935 have been delivered so far leaving 140 remaining in the last month for the year. The full-year forecast is 97.9 percent (915/935) of planned discharges.
- Overall the waiting list for surgery decreased by 134 patients, ending the month at 2,192. Of these, 36.6 percent of patients have now waited more than the ESPI5 measure of four months (up from 36.0 percent in April) – equating to a further 35 patients now overdue.

COVID-19 UPDATE

We will shortly offer extended COVID-19 testing in Central Hawke's Bay and Wairoa by contracting with General Practice or individual providers. A mass testing plan is in final draft, with the final plan expected to be completed by the end of June. In the event of an outbreak, our first option will be to look after people with COVID-19 in their own homes, or transfer to an existing managed isolation facility out of region. The third option is a managed isolation facility in Hawke's Bay. This detail will be outlined in the final plan.

	Financial Performance Report
	For the attention of: HBDHB Board
Document Owner	Carriann Hall, Executive Director Financial Services
Document Author	Phil Lomax, Financial and Systems Accountant
Date	June 2021
Purpose	To provide a monthly update on the key financial metrics
Health Equity Framework	As a part of the suite of consolidated reporting, provide financial information to support decision making around health equity
Principles of the Treaty of Waitangi that this report addresses	Through providing information on the overall financials, supports debate around the Treaty Principle of 'Options: Providing for and properly resourcing kaupapa Māori health and disability services'
Risk Assessment	The report provides summary information on the risks
Financial/Legal Impact	As per the report
Stakeholder Impact	None identified
Strategic Impact	Achieving a sustainable underlying financial position will support the DHB to achieve its strategic objectives
Previous Consideration / Interdependent Papers	Interdependency with papers on the Strategic Planning and Budgeting over a multiyear timeframe
RECOMMENDATION It is recommended that the HBDHB Board: Note the contents of this report	

EXECUTIVE DIRECTOR FINANCIAL SERVICES COMMENTS

Financial Performance

The Operating Result for May was \$440k adverse to plan, taking year-to-date (YTD) to \$815k adverse to plan and on-track for the \$1.2m overspend approved.

Acknowledging Providing Health Services is incurring some expenditure now, which is approved overspend and/or is captured in 21/22 budgeting and investment cases. In May, the main drivers were increased Medical Personnel FTE without a corresponding drop in locums, capacity pressures and strong in-house and outsourced planned care delivery, impacting consumables and outsourcing costs.

However, this strong local performance and recent Ministry of Health (MoH) information has allowed the release of accruals against Inter District Flow (IDF) risks, which are partially offsetting these overspends.

It is expected the 21/22 budget setting process, including Board agreed investment cases (such as ICU Accreditation), coupled with review of the medical model of care (enabled in part by targeted growth funding) and the Planned Care production plan address these issues going forward.

The net result including COVID-19 and Holidays Act is \$6.2m (\$5.4m last month) adverse YTD.

\$'000	May				Year to Date				Year End Forecast	Refer Appendix
	Actual	Budget	Variance		Actual	Budget	Variance			
Operating Revenue	55,925	54,853	1,072	2.0%	613,182	607,729	5,453	0.9%	668,552	1
Less:										
Providing Health Services	28,150	26,379	(1,771)	-6.7%	304,573	295,605	(8,967)	-3.0%	332,243	2
Funding Other Providers	23,874	23,918	44	0.2%	262,818	262,834	16	0.0%	287,226	3
Corporate Services	5,301	5,494	194	3.5%	56,123	58,498	2,375	4.1%	61,500	4
Reserves	(130)	(108)	22	20.8%	2,667	2,976	309	10.4%	3,257	5
Operating Result	(1,270)	(830)	(440)	-53.0%	(12,998)	(12,184)	(815)	-6.7%	(15,673)	
Plus:										
Emergency Response (COVID-19)	(85)	-	(85)	0.0%	(2,573)	2	(2,576)		(2,605)	
Holidays Act Remediation	(246)	-	(246)	0.0%	(2,761)	-	(2,761)	0.0%	(3,007)	
	(1,601)	(830)	(771)	-92.9%	(18,333)	(12,181)	(6,152)	-50.5%	(21,286)	

The Covid-19 budget is non-zero because part of the revenue budget has been transferred to capital expenditure, where the cost will be incurred.

Risks, Opportunities & Issues

The target landing is \$1.2m adverse to plan on Operating Result, which will give an Operating Result deficit of \$15.7m. The main risk to this is offsetting Providing Health Services overspend in the final month of the year. Furthermore, at this point we believe we have prudent assumptions on PHARMAC, but experience says it could move materially as the final advice is received.

Although not impacting the Operating Result, the year-end revaluation of the Holidays Act may have an impact in the final month. The current provision is based on the 2019/20 EY review of a sample of payroll records and has been increased in-year to reflect the growth in liability.

As a part of the Holidays Act Compliance Project, a draft model has been created which allows for an estimate across more payroll records and consideration is being given to whether this will materially impact the provision or not.

Other Performance Measures

	May				Year to Date				Year End	Refer Appendix
	Actual	Budget	Variance		Actual	Budget	Variance		Forecast	
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%	\$'000	
Capital spend	2,412	5,420	(3,008)	-55.5%	17,063	37,670	(20,608)	-54.7%	22,977	12
	FTE	FTE	FTE	%	FTE	FTE	FTE	%	FTE	
Employees	2,772	2,627	(145) ▼	-5.5%	2,673	2,633	(40) ▼	-1.5%	2,648	2 & 4

- Capital spend (Appendix 10)

Strategic projects are the main driver of the underspend to date, mainly due to slippage. Also, COVID-19 continues to have impacts on international supply chains and we have seen delays in equipment delivery across the board.

Note: majority of expected underspend is MoH funded and will be carried forward to future years. On DHB funded capital, part of the driver of the underspend is realisation of the anticipated slippage built in

at the beginning of the financial year. The recently approved five year Capital Plan reflected the latest view of anticipated spend in 20/21, the risk being that expenditure slips further and creates pressure on the 21/22 plan.

One factor in this is international impacts on supply chain and although not formally approved, MoH has indicated capital slippage related to COVID can be carried forward to the following year, without being considered in breach of the Operating Policy Framework.

- Cash (Appendices 9 & 11)

The cash low point for the month was \$22.4m overdrawn on 31 May, within the \$35m statutory limit.

Approval to a \$25m equity injection was received from the Minister of Health on 9th June and has now been received.

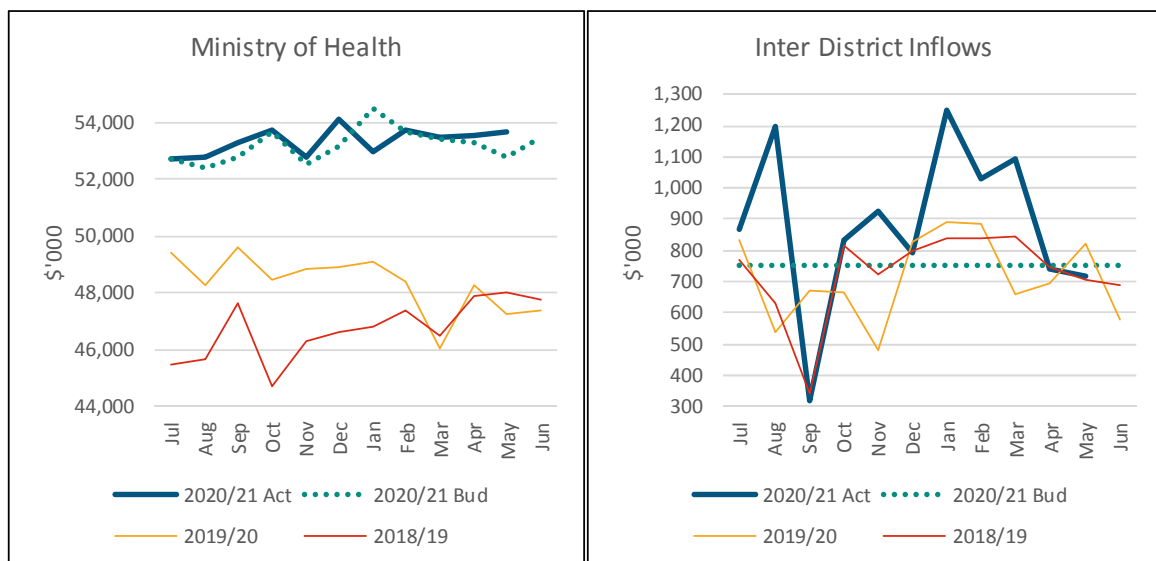
- Employees (Appendices 2 & 4)

Higher than planned nursing and support numbers reflect the acute delivery issues in Providing Health Services. These were partly offset by vacancies across allied health, and management and administration. Vacancies in medical personnel are covered, if available, by locums that are not counted as FTEs. While this has a net favourable impact on FTE, it also causes a net adverse variance on cost.

APPENDICES

1. OPERATING REVENUE

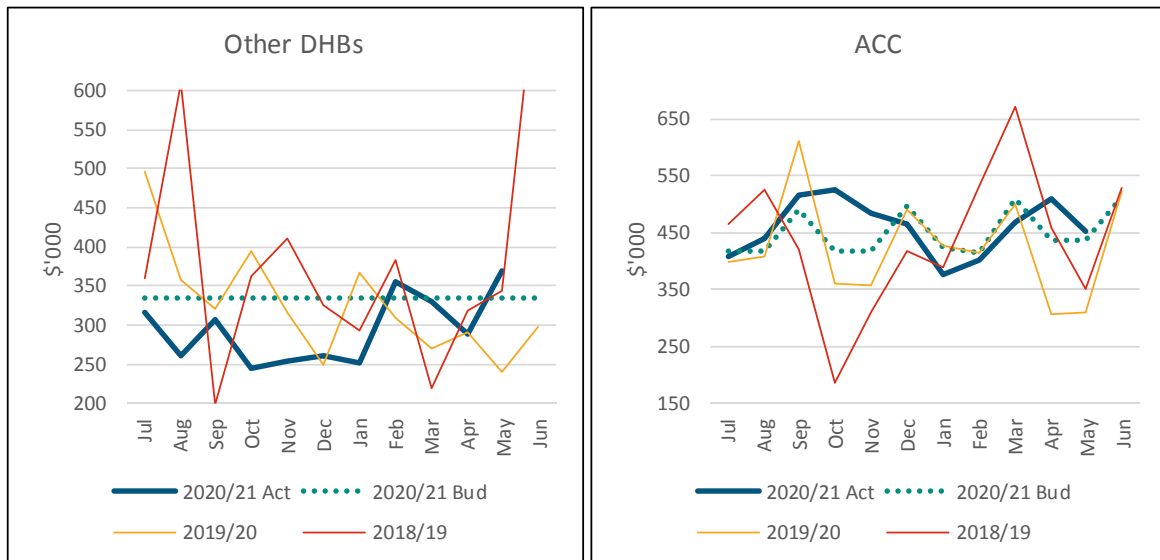
Excludes revenue for COVID-19 \$'000	May				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Ministry of Health	53,682	52,818	864	1.6%	586,900	585,053	1,848	0.3%	640,348
Inter District Flows	720	752	(33)	-4.3%	9,761	8,275	1,486	18.0%	10,546
Other District Health Boards	369	334	35	10.5%	3,237	3,675	(438)	-11.9%	3,466
Financing	10	4	6	148.5%	82	40	42	106.0%	80
ACC	453	436	17	3.9%	5,052	4,884	168	3.4%	5,554
Other Government	31	22	10	44.3%	391	451	(60)	-13.4%	403
Abnormals	20	-	20	0.0%	300	-	300	0.0%	280
Patient and Consumer Sourced	123	108	14	13.4%	1,382	1,189	193	16.2%	1,496
Other Income	516	379	138	36.4%	6,076	4,162	1,913	46.0%	6,379
	55,925	54,853	1,072	2.0%	613,182	607,729	5,453	0.9%	668,552

**Ministry of Health (\$1.8m favourable YTD)**

Funding for In-Between Travel and a number of additional services all offset in expenditure.

Inter District Flows (\$1.5m favourable YTD)

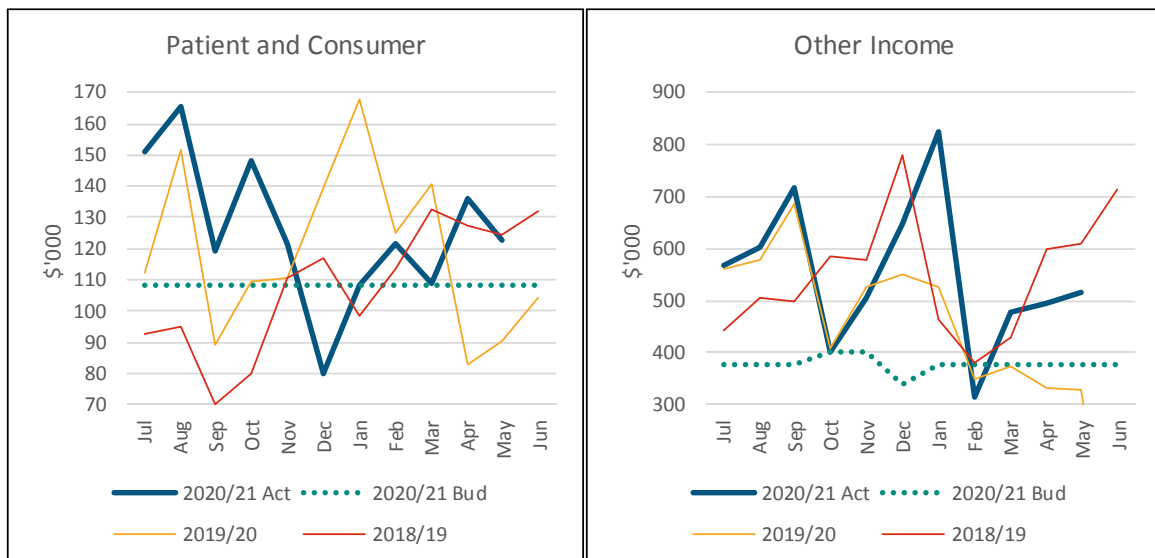
Inter District Flows are inherently volatile due to the small volume and high cost. Increased revenue may reflect higher visitor numbers to Hawke's Bay due to restrictions on overseas travel.

**Other District Health Boards (\$0.4m adverse YTD)**

Reduced revenue YTD from Tairāwhiti DHB for pharmaceutical cancer treatments (PCTs), partly offset by increased revenue from Mid Central DHB for oncology clinics.

ACC (\$0.2m favourable YTD)

Higher than planned surgical and rehabilitation services.

**Patient and Consumer (\$0.2m favourable YTD)**

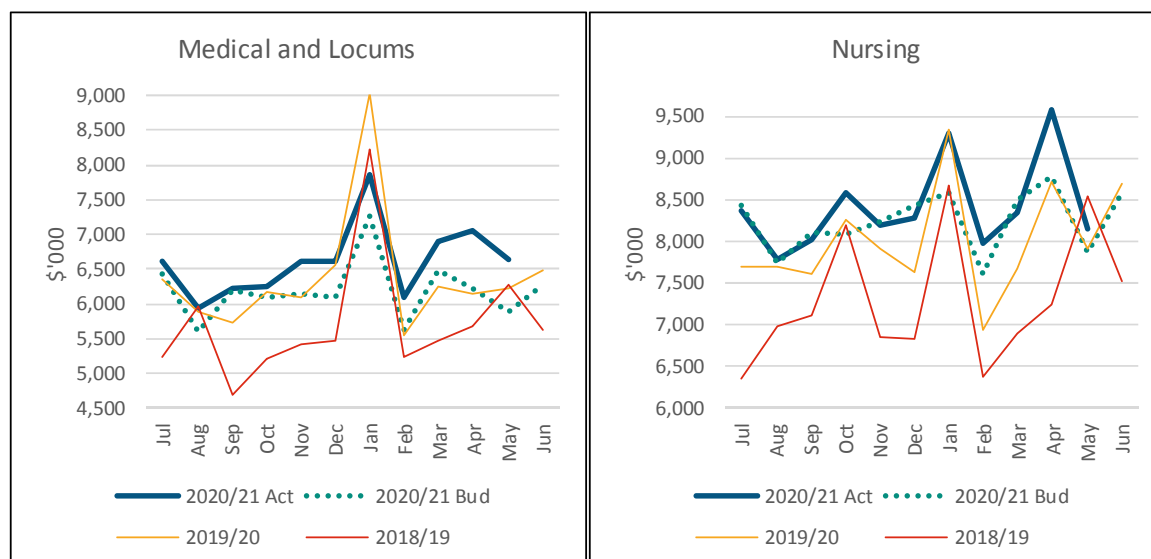
Non-resident charges, and meals on wheels, partly offset by reduced audiology income (hearing aids).

Other income (\$1.9m favourable YTD)

Clinical equipment relating to COVID-19 transferred by MOH to HBDHB contributes more than 40 percent of the favourable result. The year-to-date numbers include the return on investment in Allied Laundry Services, residential accommodation (Springhill), provision of nurse training services to EIT, unbudgeted donations and clinical trial income, and a wide range of income items across the DHB. The diversity and volatility of income sources and a conservative approach to budgeting, means this has traditionally tracked favourably and we expect that to continue.

2. PROVIDING HEALTH SERVICES

	May				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Expenditure by type \$'000									
Medical personnel and locums	6,637	5,888	(748)	-12.7%	72,809	68,050	(4,759)	-7.0%	78,996
Nursing personnel	8,153	7,866	(287)	-3.7%	92,633	90,388	(2,246)	-2.5%	101,038
Allied health personnel	3,440	3,595	156	4.3%	38,204	39,631	1,427	3.6%	41,997
Other personnel	2,301	2,311	9	0.4%	25,669	25,883	214	0.8%	28,076
Outsourced services	1,537	1,357	(181)	-13.3%	13,113	13,600	487	3.6%	15,029
Clinical supplies	4,173	3,748	(425)	-11.3%	44,426	41,345	(3,082)	-7.5%	48,011
Infrastructure and non clinical	1,908	1,614	(295)	-18.3%	17,717	16,708	(1,009)	-6.0%	19,096
	28,150	26,379	(1,771)	-6.7%	304,573	295,605	(8,967)	-3.0%	332,243
Expenditure by directorate \$'000									
Medical	8,095	7,283	(812)	-11.1%	89,584	82,753	(6,831)	-8.3%	97,122
Surgical	6,870	6,348	(523)	-8.2%	72,340	70,220	(2,120)	-3.0%	79,215
Community, Women and Children	4,252	4,124	(129)	-3.1%	46,542	47,111	569	1.2%	50,920
Mental Health and Addiction	2,018	1,885	(133)	-7.0%	21,996	21,398	(599)	-2.8%	23,818
Older Persons, NASC HB, and Allied H	1,401	1,448	47	3.3%	15,867	16,225	358	2.2%	17,584
Operations	4,306	4,100	(206)	-5.0%	46,947	45,345	(1,602)	-3.5%	51,031
Other	1,207	1,190	(17)	-1.4%	11,297	12,554	1,257	10.0%	12,553
	28,150	26,379	(1,771)	-6.7%	304,573	295,605	(8,967)	-3.0%	332,243
Full Time Equivalents									
Medical personnel	415.0	395.5	(20)	-4.9%	391	397	6	1.4%	398.4
Nursing personnel	1,167.3	1,041.2	(126)	-12.1%	1,128	1,065	(63)	-5.9%	1,071.6
Allied health personnel	524.3	530.7	6	1.2%	502	520	18	3.5%	523.5
Support personnel	136.4	121.9	(14)	-11.9%	134	121	(13)	-10.9%	121.4
Management and administration	288.5	300.3	12	4.0%	290	298	8	2.7%	299.5
	2,531.4	2,389.7	(142)	-5.9%	2,445	2,401	(44)	-1.8%	2,414.4

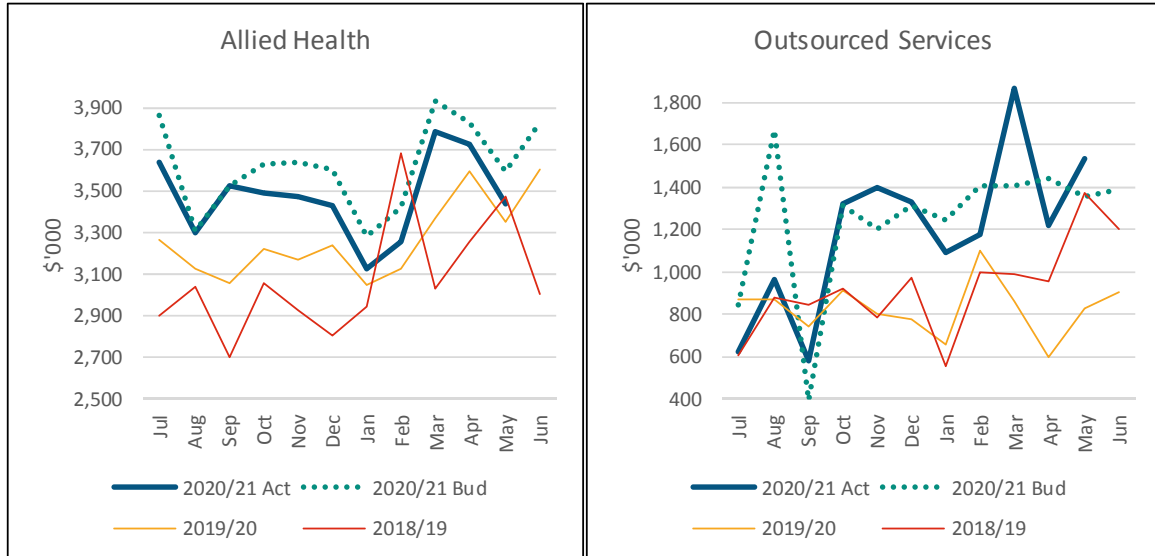


Medical personnel and locums (\$4.8m adverse YTD)

The cost of locums covering vacancies and medical staff on leave, exceeds the savings from vacancies. Acute occupancy and in-house elective activity (offset in Outsourced Services) also contribute to cost pressures.

Nursing (\$2.2m adverse YTD)

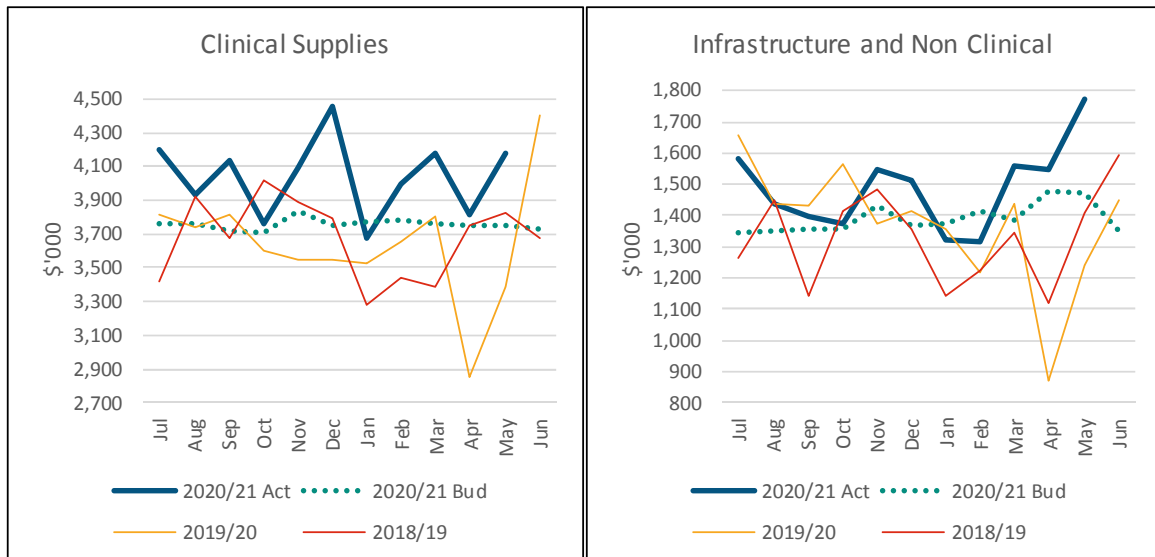
Additional staffing to manage occupancy/additional bed capacity and length of stay issues, along with high numbers of patient watches. The spikes in October, January and April reflect the impact of public holidays, with April also affected by provisioning for salary inflation on annual leave balances.

**Allied Health (\$1.4m favourable YTD)**

Vacancies in therapies, technicians, social workers, health promotion workers, and pharmacists.

Outsourced services (\$0.5m favourable YTD)

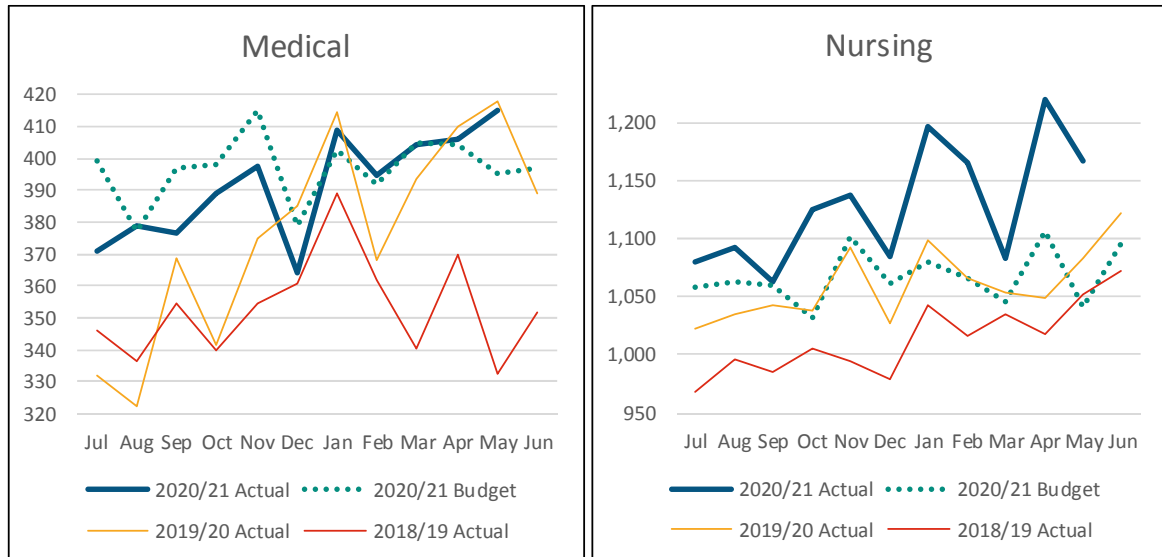
Elective providers self manage when they will provide services to meet agreed volumes and higher levels of activity in the close of the year was anticipated.

**Clinical supplies (\$3.1m adverse YTD)**

Underlying drivers of costs are planned care volumes provided in house (partly offset in outsourced services), patient transport costs, and cost impacts on manufacturing and international supply chains caused by COVID issues.

Infrastructure and non clinical supplies (\$1.0m adverse YTD)

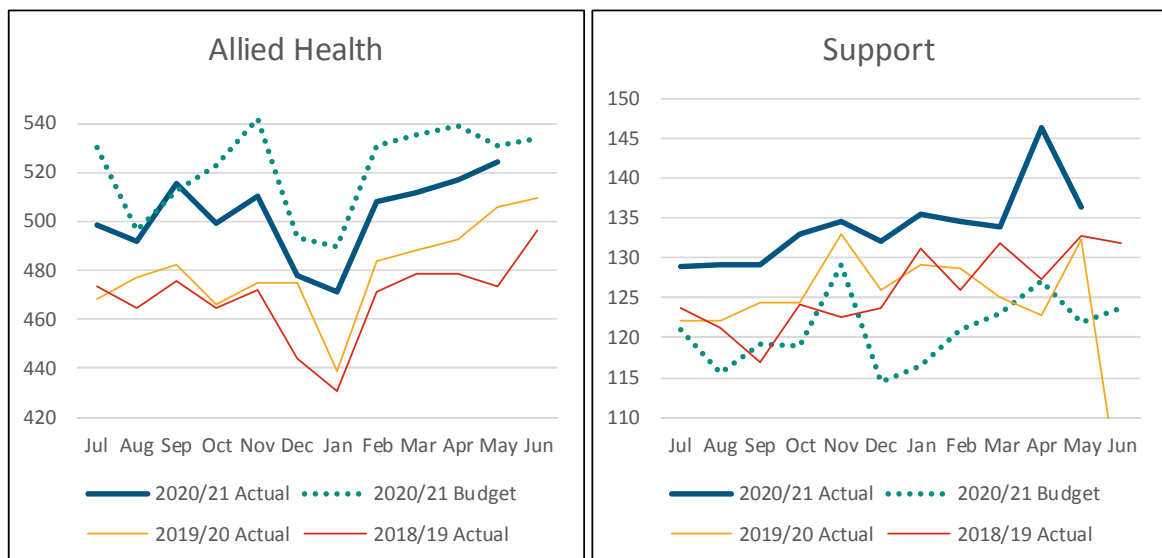
External security, laundry, and cleaning reflect patient throughput year-to-date, and were especially high in May. Adverse minor hardware costs, stocktake adjustments and postage also contribute. Favourable domestic travel costs, reduced provisioning for doubtful debts, and utilities partly offset.

Full Time Equivalents (FTE)*Medical personnel (6 FTE / 1.4% favourable)*

Specialist vacancies covered by locums where available.

Nursing personnel (-63 FTE / -5.9% adverse)

Additional staffing to manage occupancy/additional bed capacity and length of stay issues, along with high numbers of patient watches. The spikes in October, January and April reflect the impact of public holidays.



Allied health personnel (18 FTE / 3.5% favourable)

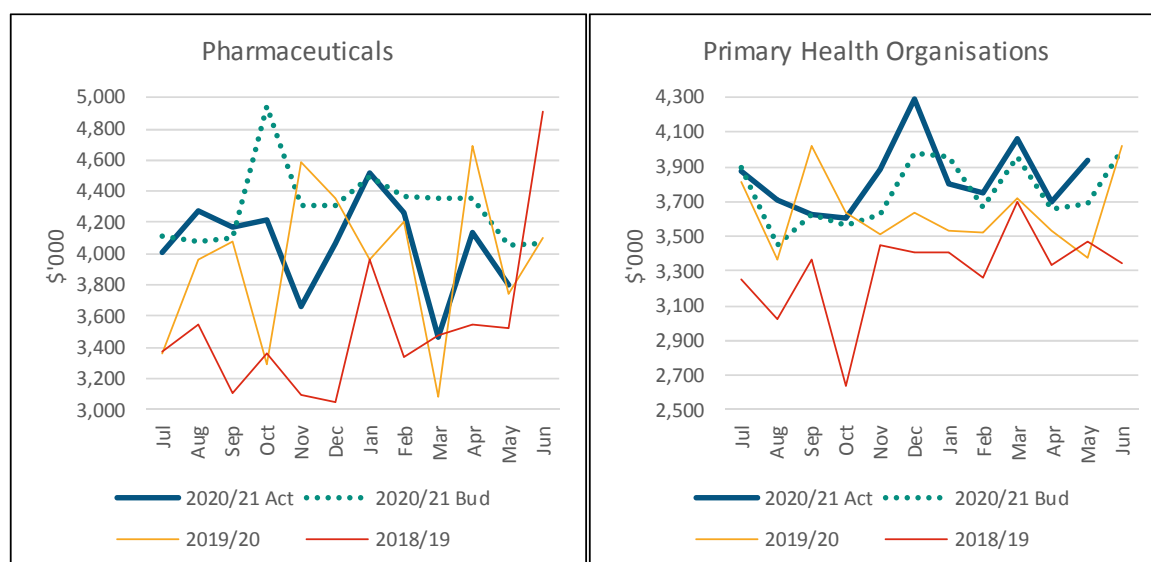
Ongoing vacancies including technicians, cultural workers, health promotion workers, social workers psychologists, pharmacists, and physiotherapists.

Support personnel (-13 FTE / -10.9% unfavourable)

High patient activity and dependency drive higher orderly and kitchen assistant numbers.

3. FUNDING OTHER PROVIDERS

	May				Year to Date				Year
\$'000	Actual	Budget	Variance		Actual	Budget	Variance		End Forecast
Payments to Other Providers									
Pharmaceuticals	3,805	4,049	245	6.0%	44,584	47,474	2,890	6.1%	48,831
Primary Health Organisations	3,939	3,686	(252)	-6.8%	42,253	41,081	(1,172)	-2.9%	46,023
Inter District Flows	4,753	5,411	658	12.2%	58,838	59,522	685	1.2%	64,257
Other Personal Health	2,766	2,498	(267)	-10.7%	25,496	24,432	(1,063)	-4.4%	27,712
Mental Health	1,666	1,298	(367)	-28.3%	14,780	13,461	(1,319)	-9.8%	15,725
Health of Older People	6,466	6,605	139	2.1%	72,382	72,664	282	0.4%	79,941
Other Funding Payments	480	369	(111)	-30.2%	4,486	4,199	(287)	-6.8%	4,737
	23,874	23,918	44	0.2%	262,818	262,834	16	0.0%	287,226
Payments by Portfolio									
Strategic Services									
Secondary Care	4,405	5,113	708	13.8%	55,309	55,625	317	0.6%	60,355
Primary Care	9,611	9,352	(259)	-2.8%	103,054	104,032	978	0.9%	112,507
Mental Health	1,830	1,629	(201)	-12.3%	18,166	17,050	(1,115)	-6.5%	19,589
Health of Older People	7,163	7,174	11	0.2%	78,759	78,929	170	0.2%	86,777
Maori Health	727	531	(196)	-36.8%	6,011	5,850	(162)	-2.8%	6,361
Population Health	139	118	(20)	-17.3%	1,519	1,347	(172)	-12.7%	1,638
	23,874	23,918	44	0.2%	262,818	262,834	16	0.0%	287,226

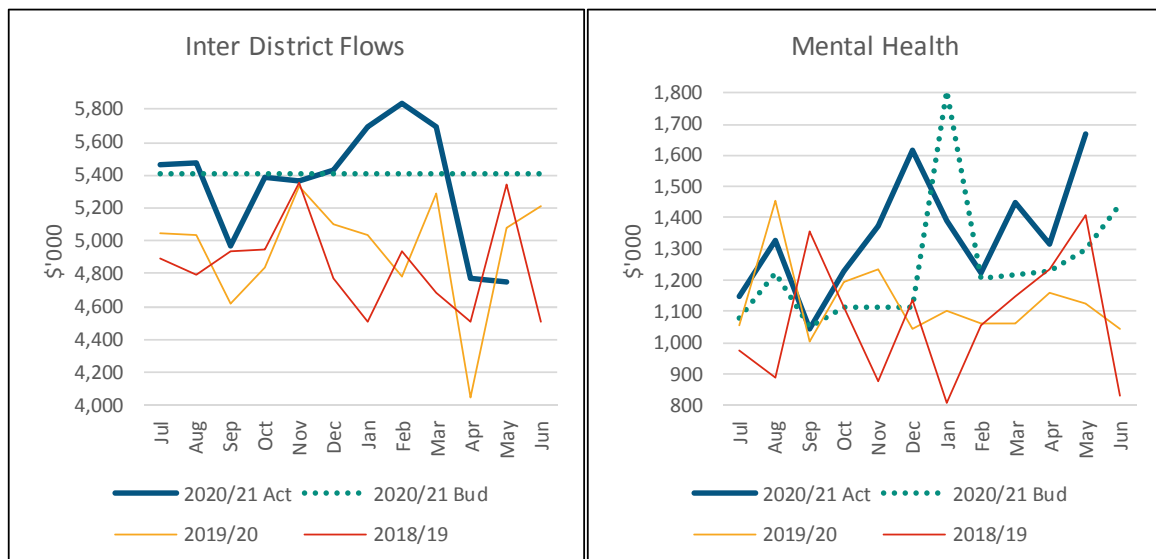


Pharmaceuticals (\$2.9m favourable YTD)

Reflects the latest PHARMAC projections. Community prescribing costs relating to the pandemic were transferred to COVID-19 costs in March.

Primary Health Organisations (\$1.2m adverse YTD)

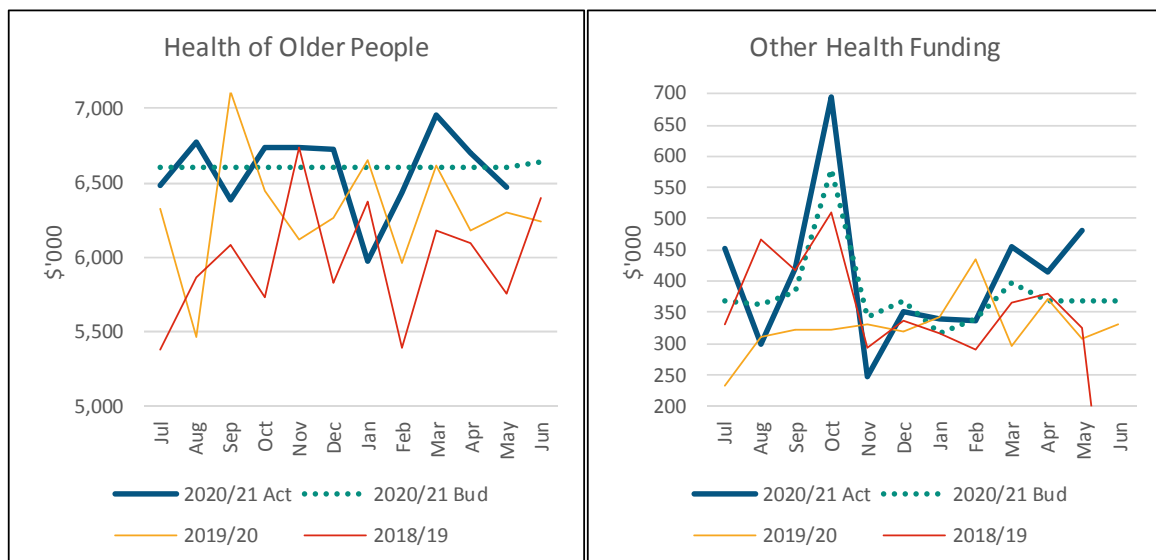
Increasing activity in primary care services relating to patient subsidies, mostly offset by a monthly wash-up of activity by MOH resulting in additional funding included under revenue.

**Inter District Flows (\$0.7m favourable YTD)**

Inter District Flows are inherently volatile due to the small volume and high cost. Information available from the other DHBs in April and May allowed an improvement to the result from that month as estimates were replaced with actual data.

Mental Health (\$1.3m adverse YTD)

Child and youth services, home-based support, and service improvements, all offset by additional MOH revenue. Primary integrated staffing costs have been caught up to the end of May.

**Health of Older People (\$0.3m favourable YTD)**

Higher than budgeted home support costs are offset by lower costs in respite care and day programmes relief.

Other Health Funding (\$0.3m adverse YTD)

Minor variances YTD with increased Whanau Ora costs from March.

4. CORPORATE SERVICES

\$'000	May			Year to Date			Year End Forecast
	Actual	Budget	Variance	Actual	Budget	Variance	
Operating Expenditure							
Personnel	1,956	1,835	(122) -6.6%	19,657	20,017	360 1.8%	21,401
Outsourced services	117	65	(52) -79.6%	653	718	66 9.1%	666
Clinical supplies	96	57	(40) -70.4%	643	628	(15) -2.4%	661
Infrastructure and non clinical	1,419	1,604	185 11.5%	16,621	16,456	(166) -1.0%	18,381
	3,589	3,560	(29) -0.8%	37,574	37,819	245 0.6%	41,109
Capital servicing							
Depreciation and amortisation	1,358	1,329	(29) -2.2%	14,139	13,908	(230) -1.7%	15,457
Financing	20	25	5 21.9%	176	264	88 33.4%	206
Capital charge	334	580	246 42.4%	4,234	6,506	2,272 34.9%	4,728
	1,712	1,934	222 11.5%	18,549	20,678	2,130 10.3%	20,390
	5,301	5,494	194 3.5%	56,123	58,498	2,375 4.1%	61,500
Full Time Equivalents							
Medical personnel	1.2	1.1	(0) -15.7%	1	1	(0) -4.0%	1.1
Nursing personnel	18.9	21.0	2 10.0%	19	20	1 4.0%	20.0
Allied health personnel	1.7	1.6	(0) -7.7%	1	2	0 27.4%	1.6
Support personnel	27.5	30.8	3 10.8%	28	31	2 6.9%	30.7
Management and administration	191.2	183.1	(8) -4.4%	179	179	1 0.3%	180.5
	240.6	237.6	(3) -1.3%	229	232	4 1.7%	233.9

Capital charge continues to be the driver of the favourable performance and reflects the lower equity balance than projected in the plan. The recruitment budget for medical staff was increased in March to reflect expected costs, that have not yet eventuated. Feasibility costs relating to capital projects drives more than the YTD variance for Infrastructure and non clinical costs, being partly offset by lower than budgeted corporate training costs.

5. RESERVES

\$'000	May			Year to Date			Year End Forecast
	Actual	Budget	Variance	Actual	Budget	Variance	
Expenditure							
Investment reserves	(240)	156	395 253.9%	300	2,229	1,929 86.5%	300
Efficiencies	-	(125)	(125) -100.0%	-	(1,374)	(1,374) -100.0%	-
Other	109	(139)	(248) -178.9%	2,367	2,121	(246) -11.6%	2,957
	(130)	(108)	22 -20.8%	2,667	2,976	309 10.4%	3,257

Investment reserves includes provisions for annual plan investment, the digital enablement reserve and aged residential care growth. Reserves have been reduced to \$0.3m recognising the proximity to the end of the year.

The majority of the \$4.1m planned efficiencies for the year are already embedded in budgets. Of the remaining \$1.4m, there are some areas where progress is still being made, but any benefit is unlikely to be material this year.

Taking a prudent approach, investment reserves are only being released as expenditure is incurred or slippage formally released, whilst planned efficiencies are being fully reflected in the result.

6. FINANCIAL POSITION

30 June 2020	\$'000	May				Annual Budget
		Actual	Budget	Variance from budget	Movement from 30 June 2020	
	Equity					
208,983	Crown equity and reserves	213,659	248,313	(34,654)	4,676	254,399
(107,310)	Accumulated deficit	(125,643)	(98,029)	(27,613)	(18,333)	(101,147)
101,673		88,016	150,283	(62,267)	(13,657)	153,252
	Represented by:					
	<u>Current Assets</u>					
1,198	Bank	593	759	(166)	(605)	759
1,449	Bank deposits > 90 days	1,451	1,881	(430)	2	1,881
20,896	Prepayments and receivables	20,198	22,679	(2,481)	(698)	22,725
4,626	Inventory	4,620	5,030	(410)	(6)	5,040
28,168		26,861	30,349	(3,487)	(1,307)	30,405
	<u>Non Current Assets</u>					
190,156	Property, plant and equipment	191,500	225,928	(34,428)	1,344	228,349
15,978	Intangible assets	17,043	5,185	11,858	1,065	5,258
1,341	Investments	1,567	1,120	447	225	1,120
207,475		210,110	232,233	(22,123)	2,634	234,727
235,644	Total Assets	236,971	262,582	(25,611)	1,327	265,132
	Liabilities					
	<u>Current Liabilities</u>					
14,430	Bank overdraft	22,340	11,452	(10,888)	(7,910)	10,159
36,438	Payables	36,423	39,809	3,386	16	40,697
79,814	Employee entitlements	86,903	54,751	(32,152)	(7,090)	54,784
-	Current portion of borrowings	-	3,223	3,223	-	3,172
130,682		145,666	109,236	(36,430)	(14,984)	108,812
	<u>Non Current Liabilities</u>					
3,289	Employee entitlements	3,289	3,063	(226)	-	3,068
3,289		3,289	3,063	(226)	-	3,068
133,971	Total Liabilities	148,955	112,299	(36,656)	(14,984)	111,880
101,673	Net Assets	88,016	150,283	(62,267)	(13,657)	153,252

Variances from budget:

Crown equity and reserves reflects the capital spend against plan, and its effect on equity drawdowns, as does non-current assets and bank overdraft.

The accumulated deficit reflects the difference between the 2019/20 final result and that projected in the 2020/21 plan, including re-estimation of the Holidays Act remediation provision at 30 June 2020. Employee entitlements are similarly impacted.

7. EMPLOYEE ENTITLEMENTS

30 June 2020	\$'000	May				Annual Budget	
		Actual	Budget	Variance from budget	Movement from 30 June 2020		
8,709	Salaries & wages accrued	10,629	4,267	(6,362)	(1,921)	4,267	
1,058	ACC levy provisions	1,816	1,944	128	(758)	1,948	
6,493	Continuing medical education	7,237	-	(7,237)	(744)	-	
61,594	Accrued leave	65,327	46,411	(18,916)	(3,734)	46,436	
5,249	Long service leave & retirement grat.	5,183	5,191	8	66	5,201	
83,103	Total Employee Entitlements	90,192	57,814	(32,378)	(7,090)	57,852	

Accrued leave includes provisioning for remediation of Holidays Act non-compliance, not allowed for when the plan was prepared. The budget for continuing medical education leave is included in accrued leave. As a result of COVID-19 impact, CME which would have ordinarily been forfeited in January 21, will be held over until the 2021/22 financial year.

8. PLANNED CARE

MoH data to April is provided below. Funding is largely determined on performance against Inpatient Caseweight Delivery and this report shows 97.1percent of plan was achieved to the end of April. The financial forecast and YTD result continues to assume achievement of the delivery targets by the end of the year, supported by advice from MoH that a multi-year approach will be taken to volumes.

2020/21 Year to Date Contracted Volume Summary

	Base YTD Planned Volume	Additional YTD Planned Volume	Total YTD Planned Volume	Actual Delivery	YTD Delivery %	2020/21 Total Planned Volume
Inpatient Caseweight Delivery	6,790.6	2,342.9	9,133.5	8,872.9	97.1%	10,899.8
Inpatient Surgical Discharges	4,506	1,714	6,220	6,085	97.8%	7,427
Minor Procedures	1,761	747	2,508	4,805	191.6%	2,984
Non Surgical interventions	33	66	99	0	0.0%	118

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 NNPA.

NMDS Refresh Date: 7/06/2021 NNPA Refresh Date: 7/06/2021
Data up to: Apr 2021 Report Run Date: 7/06/2021

9. 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 May was a \$22.4m overdrawn (April was \$15.5m overdrawn).

The cash low point for each month is generally incurred immediately prior to receipt of MoH funding on the 4th of the month. However June's low point is projected to be the \$34.0m overdrawn on 31 May (excluding any deficit funding equity injection in June). The DHBs statutory overdraft limit is \$35m and the forecast indicates high likelihood of breach over the coming months without an equity injection. This has now been approved and receipted and will be reflected in the cashflow forecast from next month. has now been approved and is expected to be received mid-June.

The main cash risks are the remediation of the Holidays Act, the net impact of COVID-19 and timing on MoH capital.

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.

10. CAPITAL EXPENDITURE

Two thirds of the block allocations have been spent to the end of May, and while a high level of deliveries are expected in June, there will be some carry over in to next year due to supply chain issues. MoH have indicated that capital slippage related to COVID can be carried forward to the following year, without being considered in breach of the Operating Policy Framework. This recognises the supply chain impact on strategic projects, and the effect of delayed funding processes and project slippage, that were not unexpected.

See table on the next page.

	----- Year to Date -----			--- End of Year Forecast ---		
	Actual	Budget	Variance	Forecast	Budget	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Source of Funds						
Operating Sources						
Depreciation	14,139	13,908	230	14,139	15,255	(1,117)
	14,139	13,908	230	14,139	15,255	(1,117)
Other Sources						
Special Funds and Clinical Trials	53	-	53	53	-	53
Sale of Assets	614	415	199	614	415	199
Equity Injection Received	738	-	738	4,676	24,772	(20,096)
Equity Injection forecast	-	-	-	512	-	512
Source to be determined	-	-	-	1,698	4,617	(2,919)
	1,890	415	1,475	7,068	29,804	(22,736)
Total funds sourced	15,544	14,323	1,220	21,692	45,059	(23,367)
Application of Funds:						
Block Allocations						
Facilities	1,725	2,830	1,105	2,941	3,088	147
Information Services	2,689	3,436	747	3,078	3,755	677
Clinical Equipment	2,788	3,548	761	3,872	3,872	0
	7,202	9,814	2,612	9,891	10,715	824
MOH funded Strategic						
Seismic Radiology HA27	88	92	3	88	100	12
Surgical Expansion	1,547	4,200	2,653	2,955	4,200	1,245
Main Electrical Switchboard Upgrade	867	3,499	2,633	943	4,000	3,057
Mobile Dental Unit	386	1,400	1,014	386	1,600	1,214
Angiography Suite	443	2,500	2,057	643	3,000	2,357
Replacement Generators	(12)	-	12	138	-	(138)
Endoscopy Building (Procedure Rooms)	151	2,500	2,349	251	3,000	2,749
Radiology Extension	1,570	3,873	2,303	1,640	4,559	2,919
Seismic AAU Stage 2	1,231	1,890	659	1,231	2,063	832
Seismic Surgical Theatre HA37	719	1,837	1,118	1,156	2,100	944
Linear Accelerator	-	150	150	-	250	250
	6,990	21,940	14,950	9,431	24,872	15,441
DHB funded Strategic						
Surgical Expansion	-	1,183	1,183	-	1,953	1,953
Main Electrical Switchboard Upgrade	-	-	-	-	200	200
Cardiology PCI	7	-	(7)	7	1,000	993
Interim Asset Plan	1,214	4,676	3,462	1,649	5,390	3,741
Digital Transformation	418	-	(418)	573	870	297
	1,639	5,859	4,220	2,229	9,413	7,184
Other						
Special Funds and Clinical Trials	53	-	(53)	53	-	(53)
Other	87	58	(29)	87	58	(29)
	141	58	(83)	141	58	(83)
Capital Spend	15,971	37,670	21,699	21,692	45,058	23,366

Covid-19 equipment transferred from MOH with a fair value of \$1.091m is excluded from the table above.

11. ROLLING CASH FLOW

	May-21			Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
	Actual	Forecast	Variance	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Inflows															
Devolved MOH revenue	58,187	58,187	0	58,503	72,484	61,397	65,497	65,514	60,397	123,061	3,616	59,664	59,664	59,668	59,664
Other revenue	7,756	8,145	389	6,854	6,400	6,450	6,450	6,300	6,300	5,440	5,800	6,650	6,650	6,350	6,600
Total cash inflow	65,942	76,566	390	65,357	78,884	67,847	71,947	71,814	66,697	128,501	9,416	66,314	66,314	66,018	66,264
Cash Outflows															
Payroll	14,254	13,741	513	17,973	13,750	13,680	16,230	13,700	13,680	17,950	13,680	13,680	16,230	13,700	13,680
Taxes	13,249	12,972	277	9,200	9,200	9,200	9,200	9,200	9,200	6,000	12,400	9,200	9,200	9,200	9,200
Sector Services	28,265	29,715	-1,450	26,501	28,278	27,967	27,646	29,512	27,288	26,802	25,950	26,855	27,050	24,450	27,350
Capital expenditure	1,553	3,230	-1,677	3,660	5,601	1,895	1,895	1,895	1,895	1,895	1,895	1,895	1,895	1,895	1,895
Other expenditure	16,015	13,781	2,234	18,511	20,302	16,402	16,402	14,346	17,802	21,800	12,748	14,508	14,514	14,537	14,569
Total cash outflow	73,336	72,764	-103	75,845	77,131	69,144	71,373	68,653	69,864	74,447	66,673	66,139	68,889	63,782	66,694
Total cash movement	-7,394	-7,106	492	-10,488	1,753	-1,297	574	3,161	-3,167	54,054	-57,257	175	-2,575	2,236	-430
Add: opening cash	-16,099	-16,099	0	-23,493	-33,980	-32,227	-33,524	-32,950	-29,790	-32,957	21,097	-36,161	-35,985	-38,560	-36,324
Closing cash	-23,493	-23,205	492	-33,980	-32,227	-33,524	-32,950	-29,790	-32,957	21,097	-36,161	-35,985	-38,560	-36,324	-36,754
Maximum cash overdraft (in month)	-22,407	-23,205	798	-33,980	-36,791	-33,524	-38,439	-34,117	-34,421	-40,825	-36,161	-44,092	-43,267	-38,890	-36,754

Deficit funding of \$25m received in June will be incorporated in the forecast from next month, now it has been approved and received.




ĀKINA (Continuous Improvement)

Presentation



BOARD HEALTH & SAFETY CHAMPIONS' REPORT

Verbal

	HB Health Consumer Council – tenure extensions
	For the attention of: HBDHB Board and Health Hawke's Bay Limited Board
Document Owner:	Emma Foster, Executive Support – Hawke's Bay Health Consumer Council; and Executive Director of Planning, Funding & Performance
Reviewed by:	Keriana Brooking, CEO HB District Health Board and Phillipa Blakey, CEO Health Hawke's Bay Limited
Month:	June 2021
Consideration:	For endorsement
RECOMMENDATION: That the Board endorse the Chief Executives approval to extend the appointment of the following Hawke's Bay Health Consumer Council members (HBHCC) from the end of June 2021 until the end of December 2021. Angela Smith Oliver Taylor Deborah Grace Sarah Hansen	

The attached memo to the Chief Executives of HBDHB and Health Hawke's Bay Ltd has been prepared and submitted in accordance with the Terms of Reference of the HBHCC. The memo provides some background to the recommendation, and the CEO's approval.

It is now recommended that both Boards endorse the extension.



MEMO

To: Keriana Brooking, CEO HB District Health Board
Phillipa Blakey, CEO Health Hawke's Bay Limited

From: Emma Foster, Executive Support – HBHC and Executive Director of Planning, Funding and Performance

Subject: **Tenure Extension to Hawke's Bay Health Consumer Council (HBHCC)**

Date: 18 June, 2021

1. The HBHCC membership schedule shows members terms which are up for extension in June 2021, having fulfilled the tenure allowable under the terms of reference. An extension of tenure until the end of December 2021 is sought for the following members:

	<i>Having completed</i>
Angela Smith	One term
Oliver Taylor	One term
Deborah Grace	One term
Sarah Hansen	Three terms

This extension will enable time to re-form HBHCC in line with the Health and Disability System Reforms and Whānau Ora, Hāpori Ora. All four have advised they are willing to continue as members for the extension period recommended up until the end of December 2021.

Recommendation


That the following members of HBHCC be granted a tenure extension until the end of December 2021: Angela Smith, Oliver Taylor, Deborah Grace and Sarah Hansen.

Approval

We approve the above recommendations for tenure extension:



Keriana Brooking, CEO HB District Health Board

21/6/21
Date


Phillipa Blakey, CEO Health Hawke's Bay Limited

21/6/21
Date

Following your approval, the extension recommendations will be forwarded to the Boards of HBDHB and Health Hawke's Bay Ltd for endorsement.

	Māori Relationship Board (MRB)
	For the attention of: HBDHB Board
Document Owner:	Ana Apatu (MRB Chair)
Month:	June 2021
Consideration:	For Information
Recommendation: That HBDHB Board: 1. Note the content of this report.	

The Māori Relationship Board met on 2 June 2021. An overview of issues discussed at the meeting are provided below.

FOR INFORMATION AND DISCUSSION

- Item 1: **Maternity Uplift Internal Review**

Significant concern on the delay of this review was expressed.

It is recommended that the HBDHB Board discuss and consider how best to expedite the completion of the Maternity Uplift Internal Review.

1. TREATY PARTNERSHIP IN DEVELOPING HOKI KI TE KĀINGA

A presentation and workshop on Hoki ki te Kāinga: Support to Return Home was delivered by the Allied Health team. This is a rehabilitation/supported discharge service that provides support for whānau returning home from hospital. This programme is primarily targeted towards older clients (Māori/Pasifika over 55, Pākehā over 65). Younger clients are considered if LOS is reduced by more than a week.

Feedback to the workshop noted:

- Correct and safe infrastructure in place to ensure homes are ready for whānau to return
- Project leaders to commence in rural communities to support kaumātua
- Dispense with the referral service instead invite Māori to opt in if they are over a certain age
- Opportunity for Māori workforce development
- Liaise and meet with kaumātua support groups as to what services would work best for them
- This service must support whānau living the lives they want to live

MRB members acknowledged the work that has been completed to date and expressed their on going interest towards this service. They look forward to seeing the completed paper.



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:

15. Confirmation of Previous Minutes – 1 June 2021 (Public Excluded)
16. Matters Arising – Review of Actions (Public Excluded)
17. Chair's Report (Public Excluded)
18. Health & Disability Service Review (HDSR) Transition Update (Public Excluded)
19. Balanced Scorecard (Public Excluded)
20. Ministry of Health/DHB Performance Report June 2021 (Public Excluded)
21. Finance, Risk and Audit Committee Meeting – 16 June 2021 (Public Excluded)
22. Safety & Wellbeing Report (Public Excluded)
23. Board Approval of Actions Exceeding Limits Delegated by CEO (Public Excluded)
24. Māori Relationship Board Report (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).