



# MINUTES      Open - unconfirmed

## TARANAKI DISTRICT HEALTH BOARD

**9 August 2007**

**Corporate Meeting Room 1**

**Base Hospital**

**David Street**

**New Plymouth**

### **Present**

Hayden Wano (Chairman), Peter Catt (Deputy Chairman), Alex Ballantyne, Kura Denness, Dan Devadhar, Jan Dunlop, Flora Gilkison, Tom Mulholland, Tony Ruakere and John Young

### **In Attendance**

Tony Foulkes (CEO), George Thomas (GM Finance & Corporate Services), Joy Farley (General Manager Hospital Services), Brian Gubb (Senior Manager Performance and Contracts), Debbie Taylor (General Manager Human Resources), Pamela Hikuroa (PA to Board)

### **519.0 Declaration to Open Meeting**

The meeting was opened with a karakia.

### **520.0 Apologies**

Tom Mulholland for lateness.

### **521.0 Conflicts of Interest**

The following interests were removed from the register:

Hayden Wano                      Trustee Taranaki Community Arts Trust

The following interest was amended:

Hayden Wano                      CEO – Hauora Taranaki PHO Ltd (previously Co-CEO)

### **522.0 Public Comment**

Lynette Jo

Ms Jo advised that she was a resident in South Taranaki and had a son with medical problems and was therefore very interested in health care. She had attended last month's meeting when her mother (Mrs Nager) had presented a deputation and had found it difficult to sit quiet during the responses to the deputation and noted that the deputation was being presented on behalf of Dr Blayney.

Ms Jo referred to comments made by the Board around difficulty in recruiting doctors and asked questions around who was responsible for training of staff etc.

The Chairman advised that public comment was an opportunity for members of the public to make comments rather than a conversation between the public and the Board.

### **523.0 Minutes**

#### Resolution

*That the Minutes of the Taranaki District Health Board meeting held 5 July 2007 be confirmed as a true and correct record.*

*Gilkison/Catt  
Carried*

### **524.0 Board Committee Reports**

#### 524.1 Hospital Advisory Committee

#### Resolution

*That the Taranaki District Health Board receives the unconfirmed minutes of the Hospital Advisory Committee meeting held 31 July 2007 and notes recommendations contained therein.*

*Young/Devadhar  
Carried*

### **525.0 Management Reports**

#### 525.1 Chief Executive's Report

Mr Foulkes took report as read highlighting the following:

- Overall in terms of organisational performance for the last financial year the DHB had made good progress delivering on intentions through District Annual Plan.
- Positive from a financial perspective able to ensure the provision of services in line with or in excess of plan and within the budget set.
- Presentation to be provided later in the agenda on the Facilities Business Case. Overall progress on the development of the business case was going well and optimistic that the DHB will be able to justify and secure the resources to improve the facilities for the benefit of all the Taranaki community..
- Previous discussion through Board around issues associated with recruitment of staff and provision of services at Hawera Hospital. Pleased to report that attended July meeting of the Hawera Hospital Steering Committee where good discussion was held on a number of issues including those discussed at the Board meeting. Very positive feedback received from the committee around the approach that TDHB was taking to recruitment of medical staff and it was particularly pleasing to hear directly from the committee members.
- Preparation underway in terms of elections in October. Noted attached guidelines around conduct and behaviour associated with the lead up to the elections for members' information.

## Discussion

Reference was made to the comments in the Chief Executive's report around a study on attracting medical officers to rural hospitals and further information was requested.

Mr Foulkes advised that he did not have all the detail, but a study was undertaken by Dr Blayney, a member of the Hawera Hospital Steering Committee, where he had devised a mechanism himself to be able to assess and evaluate the approach different Health Boards took to recruitment of medical staff in a rural setting. The results of that methodology were that efforts used by Taranaki passed with flying colours and indeed in Dr Blayney's opinion he felt Taranaki would be the first port of call and choice compared to other DHBs and rural hospitals.

Board members extended congratulations to management on the results of their recruitment efforts for both Hawera Hospital and Taranaki Base Hospital, noting that there was a national shortage of doctors and Taranaki fared reasonably well in recruitment.

Questions were raised on the general thrust of the questions from the Health Select Committee, with the Chief Executive advising that they were wide and varied with the main theme being around financial performance and workforce numbers.

Clarification was sought around the family violence role and the programme in general, with the Chief Executive advising that it was a national initiative looking at broad issues around family violence and intervention.

Ms Farley gave an overview of the initiative which was to empower and give tools to health professionals to recognise symptoms and enable appropriate intervention.

Questions were raised on how the mental health sustainable acute home based treatment service would be implemented, with Ms Farley advising that progress was being made on the action plan with staff being engaged with the intention to implement the service in September. The service would be province wide, commencing gradually depending on caseload. The thrust of the service was to develop packages of care for individuals which meet their and their whanau's needs.

Discussion took place on the progress made on objectives in the 2006/07 DAP with questions being raised on the targets for smoking and whether these were set too low. It was noted that the targets were set nationally and DHB's reported against those targets.

## MoH Health Report

Board members were advised that the reports were now being provided more regularly by the Ministry and it was agreed that they be provided on a quarterly basis to the Board.

## 525.2 Finance and Corporate Services Report

Mr Thomas took report as read and highlighted

- Report for financial year 06/07 on a consolidated basis have met budget declaring a surplus of \$3.6m. The funder arm recorded a surplus, but there were deficits in hospital services and governance and funding administration. The results are subject to audit.

- The year end result is in line with forecast and as discussed in previous meetings.
- Hospital provider disclosed a \$2.17m deficit at year end. From contractual position the hospital provider exceeded contract throughput by 2% (\$800k), but does not receive additional revenue for the extra work.

#### Discussion

There was general discussion on the financial statements with board members being advised that the reports outlining staff stability showed that Taranaki DHB had a relatively stable workforce.

In discussing the hospital services deficit it was noted that the work in excess of contract contributed to the deficit but the costs associated with this work were not the sole cause of the cost overruns. If funding was provided for the additional work the deficit would reduce but not be eliminated. There are still underlying challenges of sustainability of services in the hospital provider.

Board members congratulated management on the favourable result achieved noting that the Board faced intense financial pressure, wage movements, increases in costs of supplies and increasing complexity of work being undertaken.

Board members also congratulated management on achieving the result without reducing services available.

#### 525.3 Workforce Development

Ms Taylor spoke to the report advising that Taranaki DHB was implementing policies to grow and develop health workforce in Taranaki which was vital for improving the health status of the population and felt that the DHB was doing very well in this area.

Ms Taylor noted that the report highlighted the significant progress made over the year towards the priorities outlined in the Workforce Action Plan and acknowledged the input and support of all health workers in the sector who had contributed to this work.

Highlighted a number of projects:

- GP Locum Project – this gave increased opportunity for general practitioners in Taranaki to take time for rest, recreation and continued medical education leave. Acknowledged the contribution by Brenda Rae in bringing together the PHOs for this project.
- Scholarship Programme relaunched. Pleased to report that now placing students in positions in secondary and primary services who had been awarded scholarships over past years.
- DHB and sector wide approach to learning was evidenced through the education centre.
- Director of Nursing had championed work around supported Aged Care Nurses and other Nursing Workforce groups over the past year.
- An indication had been received from the Royal College of General Practitioners of increased funding for placements for general practitioner training and looking at Taranaki DHB as a model region to roll out some of the places.

Ms Taylor advised that the impact of this activity assists in maintaining low rates of turnover of staff and also supported the recruitment activity of the DHB.

## Discussion

General discussion took place on the report with Board members congratulating management on progress with the initiatives.

The Chief Executive noted that workforce development had been identified as a key priority and an additional \$2.5m over and above operational expenditure had been approved by the Board for projects. This was a bold step by the DHB and it must be borne in mind that the manner in which we utilise established reserves in the future as there would be a continuing need for investment in this area.

Questions were raised regarding the Stargarden System and risks around lack of manuals. Mr Thomas advised that Stargarden was predominantly a payroll system and can be enhanced to take in other functions in the human resource area. With respect to the manuals, Mr Thomas advised that this was in hand to be corrected.

## Resolution

*That the Taranaki District Health Board receives and notes the Chief Executive's Report and management reports for June 2007.*

*Gilkison/Young  
Carried*

The Chairman advised that the Facility Presentation would take place at the end of the open section.

## **526.0 Other Business**

526.1 Notice of Motion – Dan Devadhar

Dr Devadhar read his notice of motion

'That the Board resolve that management be requested to investigate assess and analyse the attached submissions and report to the Board its findings and recommendations with its reasoning, for each of the numbered items in the submission as soon as possible.'

In clarification, he advised that the motion to vote upon was not the contents of the submissions but to ask management to investigate, assess and analyse and report back.

The motion was seconded by Mr Ballantyne.

## Discussion

Dr Devadhar in speaking to the motion stated that the motion was asking management to do specific things and for the Board to discuss them. The motion was to look into the possibility of upgrading services for South Taranaki and he did not feel it was sufficient for the Board to say doing well at recruiting when there are deficiencies and the DHB is required to employ locums at considerable expense.

Dr Devadhar referred to his historical experience working at Hawera hospital and he believed that an important factor for doctors to feel confident and satisfied in their work is for specialist support to be available. Doctors at Hawera presently are quite junior and only stay for one or two years and this may be due to no specialist support. Dr Devadhar did not consider that specialists visiting Hawera hospital once or twice a week gave the junior

doctors the support they required and as a result send patients to base hospital which he felt was a disservice to the people in South Taranaki. Dr Devadhar contended that if specialist support was provided to the doctors they would stay in the position and there would not be the necessity to send patients to New Plymouth.

The Chairman thanked Dr Devadhar for his comments but noted that a solution had been put forward rather than what the motion was outlining which was seeking management to look into various areas.

Mr Ballantyne in seconding the motion stated that he felt it was an opportunity to bring some clarity to the issue which had been raised on numerous occasions and would enable a clear way forward to be established.

The Chairman asked each individual Board member to speak.

Board members spoke for and against the motion with the following items being highlighted:

- Concern that the motion gave the impression of a lack of confidence in the Executives to carry out the functions of the Board to ensure that best possible health services were delivered to the whole of the region within the funding available.
- No intention to down grade services and this was clearly outlined in the Board's District Strategic Plan and District Annual Plan.
- Difficulty to recruit staff to rural hospitals, and in fact difficult to recruit to Taranaki Base Hospital. Recruitment was an international problem due to shortages of doctors and nurses worldwide.
- Management doing extremely well in keeping services in Hawera going as well as they were.
- Support for the vision of the motion but greater assistance from Governance in the area of funding for rural GPs and hospitals would be required if a difference was to be made.
- Patients are driving the shift to tertiary hospitals.
- Attracting younger generation of medical practitioners to rural areas will become increasingly difficult and more money would not necessarily solve the problem.
- The way the current motion and submission is worded results in trying to find solutions for the wrong problem, prefer to have a review where people work together for a longer term solution.
- Support the motion but view that would not provide any new solutions particularly around accessibility to health services for aging population.
- Opportunity to again provide answers to concerns raised by South Taranaki community and therefore could be used as an information sharing exercise.

The Chairman in summarising the discussion noted that Board members had some difficulty with the wording of the motion and he felt that the information requested had been supplied on a number of occasions which gave rise to the frustration the management team felt on this matter. Mr Wano also noted that the District Health Board had a regional responsibility and there were other areas where recruitment and retention was an on-going problem but was not included in this motion.

Dr Devadhar spoke in reply advising that he did not consider the motion showed a lack of confidence in management and was also happy for the resolution to be widened if members felt appropriate. He also felt that the suggestion for a resident specialist was completely new and worthy of investigation.

Mr Ballantyne reiterated that he did not believe there was any implication of lack of confidence in management or the executive team and felt that the motion would give support to management and staff by providing finite answers.

Further discussion took place with the suggestion that as a compromise an alternative motion be put forward to look at the Hawera Hospital as a facility for the future and to look at the drivers around the problems facing recruitment and retention.

The Chief Executive advised that the management team would be happy to provide whatever information the Board requested but noted that as many of the issues were of an operational nature, the Board may wish to instruct a different approach to be taken and perhaps there could be debate on what the Board may do with the answers to the operational issues. It was noted that the planning processes were in place to answer the strategic questions, for example the District Strategic Plan, which in its current form has had a lot of input from all sectors of the community and the DHB has delivered to that plan and could not see any radical change to the plan in the immediate future. The current District annual Plan supports the continuation of services located in Hawera but this was part and parcel of the total services provided to the people of south Taranaki, including those linked at Base Hospital.

Mr Foulkes requested a view on the relative priority for the issue as from a management point of view there was considerable work underway both operational and strategic particularly the preparation of the business case for the facility development and an indication of urgency or otherwise would be helpful to the management team in organising workflows.

Ms Farley advised always happy to answer the questions and felt that the development of a vision for Hawera outlining what is reasonable to provide in Hawera, what the community can expect and what the wider strategic view was for the DHB going forward, would be helpful for both the community, management and staff. However, answering the questions put forward in the submission would not provide the vision.

The Chairman closed discussion on the motion and took a vote by show of hands.

Result -                      5 For                      5 Against

The motion was not passed and would sit on the table. The motion could not be reconsidered for a further six month period.

The Chairman suggested as a way forward management bring forward a position paper outlining a vision for Hawera Hospital to give a better level of understanding and confidence in the services to be provided.

Mr Foulkes advised that it was important to note that just because of the discussion today it did not change previous commitments given around the provision of services in Hawera and stated that he would not like to see any misunderstandings from the public due to the equal vote on the issue. It was agreed that the paper would be targeted for the October meeting.

The Chairman thanked Dr Devadhar for bringing the resolution forward and Board members for their considered views.

## **526.2 Smokefree Hospitals**

Ms Kemp took report as read highlighting:

- Paper outlined work undertaken to date.
- At times still see patients and visitors smoking on site.
- Going forward looking to increase uptake of nicotine replacement therapy by patients
- In future looking at mental health services and what we can do to enhance smokefree environment
- SmokeFree Hospitals undergoing review with draft document looking to extend services further into the community, ie a full DHB focus which will align with our work with future Taranaki initiatives.

The Chief Executive spoke in support of the work undertaken around the hospital and felt that the approach of encouraging people not to take up smoking and giving support to those who were and may wish to cease smoking was proving successful.

It was interesting to note the discussions which had taken place at the New Plymouth District Council meeting on smokefree environments and encouraging to see the Council considering the issue and some concern had been expressed by Council of becoming 'smoke police'. Smoking has a huge impact on people's health and financial cost to the health sector as a consequence of their smoking and although accept people have the choice and right to smoke or not and the DHB's approach of encouragement to cease smoking has been deliberate rather than become the 'smoke police' which is counter productive. The Chief Executive therefore sought the support of the Board to take the opportunity to write to the NPDC encouraging them in their efforts to be able to work towards a more smokefree environment in the public places they provide and in doing so share with them some of the benefits of our experience in terms of our approach. The DHB would also encourage them to share experiences with their colleagues in South Taranaki District Council which took the bold step of encouraging people not to smoke in their facilities and environments.

### **Discussion**

Board members fully supported the Chief Executive in writing to the Council encouraging making public places smokefree.

Dr Mulholland expressed a contrary view and felt that a no smoking policy should be strictly enforced.

*Resolution*

*That the Taranaki District Health Board note and receive the Smokefree Hospitals Report.*

*Young/Gilkison  
Carried*

**527.0 Facilities Plan Presentation**

Overview to Board on approach to the development of the Facility Redevelopment Business Case was provided.

Outlined:

Key activities undertaken in developing the business case.

- Is around co-locations – footprint of what the facility will look like.
- Master Plan of the site for next 10-20 years taking into account services which may not currently provide.
- Does not provide exact detail of location of various services
- Detailed planning commences after approval of National Capital Committee and user groups will be involved in the detailed design.

Development of the process for the business case

- NCC interested in service design and what needs and drivers for TDHB which link to master plan
- NCC require management to have considered with clinical staff all options for service delivery
- Business as Usual Considered
- Very robust process around financial implications
- Note efficiencies derived from the redevelopment will not be sufficient to cover debt servicing issue.
- Business case developed in partnership with the Ministry of Health who also provided capital guidelines and took into account learnings from other projects.
- Timeframes for the project is out to 2014 which means have to have a vision and master plan of where going, what is affordable and what is not.
- Project broken up into stages which may require different approval processes and these will be outlined in the plan.

Key factors taken into account –

- Master planning and options developed
- Model of care and links to facility develop and tested
- Clinical services plan converted into an action plan around models of care, bed/chair requirements, theatre space – estimation based on clinical services plan.

Site visits –

- Number of site visits made
- Also worked through regional implications of development

Provision of New Facilities Provide

- More compact efficient site
- Co-located ambulatory services
- Processes developed around acute assessment which build on primary/secondary integration

- More Theatre capacity
- Drive operational efficiency of hospital
- Provision of accommodation 2015 and beyond

Next step is to finalise master plan, outline preferred options, stage implications and financial implications

Series of presentations to be made to stakeholders and staff

Final Board sign off end of August

The Chairman thanked Ms Farley for the presentation.

**528.0 Next Meeting**

The next meeting is scheduled to be held on Thursday 6 September in New Plymouth.

**529.0 Exclusion of Public**

**Resolution**

*That the Taranaki District Health Board exclude the public from the meeting on the basis of the following matters:*

1. *To present Taranaki District Health Board Minutes pursuant to an earlier resolution publicly excluding the item.*
2. *To present Committee minutes pursuant to an earlier resolution publicly excluding the item.*
3. *To present Update on Disposal Surplus Land in that the public conduct of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:*
  - (g) *enable the DHB, Board or Board Committee holding the information to carry out, without prejudice or disadvantage, commercial activities.*
  - (h) *enable the DHB, Board or Board Committee holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).*
4. *To present report on Allied Laundry Services Limited Proposed changes to Shareholders' Agreement in that the public conduct of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:*
  - (g) *Enable the DHB, Board or Board Committee holding the information to carry on, without prejudice or disadvantage, commercial activities.*

*Catt/Ballantyne  
Carried*

The meeting adjourned at 4.45pm to reconvene at 5.00pm.

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Chairman

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Date