

# Te Whatu Ora | Health New Zealand Board

## NGĀ MINITI A POARI O TE WHATU ORA

### Meeting Minutes 26 May 2023

<b>Date</b>	26 May 2023
<b>Chair for the meeting</b> Te Kaihautū mō te hui	Naomi Ferguson (Interim Chair)
<b>Board attendees</b> Ngā mema o te Poari	Tipa Mahuta (online via Zoom) Dame Dr Karen Poutasi Dr Curtis Walker (online via Zoom) Dr Jeff Lowe Vanessa Stoddart (online via Zoom)
<b>In Attendance</b> Ngā manuhiri	<b>Management:</b> Margie Apa (Chief Executive) (online via Zoom)  <b>Board Secretariat:</b> Catherine Foster (Board Secretary)
<b>In attendance for specific items:</b> Ngā manuhiri	<b>In attendance for specific items:</b> Dale Bramley (National Director Improvement & Innovation), <i>(Item 6)</i> Vince Galvin (Chief Methodologist Statistics New Zealand), <i>(Item 6)</i> Rosalie Percival (Chief Financial Officer), <i>(Item 7 &amp; 14)</i> Carolyn Palmer (Lead System, Accountability & Performance), <i>(Item 7 &amp; 15)</i> Stephen Crombie (Director System Reforms Oversight), <i>(Item 8 &amp; 9)</i> Sue Gordon (Interim Lead, Health, Safety and Organisational Resilience), <i>(Item 10 &amp; 10.1)</i> Andrew Slater (Chief People Officer), <i>(Item 10.1)</i> Jack Carroll (National Managing Partner, Advisory, KPMG), <i>(Item 10.2)</i> Nick Chamberlain (National Director, National Public Health Service), <i>(Item 13.1)</i> Abbe Anderson (National Director, Commissioning), <i>(Item 13.2 &amp; 3)</i> Marc Rivers (Independent Chair, Finance & Audit Committee), <i>(Item 14)</i> Bruce Northey (Interim Chief Legal Counsel), <i>(Item 16)</i>
<b>Apologies</b> Ngā tamōnga	Hon. Amy Adams.

#### 1. Apologies and interests:

Apologies were received from Hon. Amy Adams.

The Register of Interests was noted.

There were no potential conflicts declared or changes to the Interest Register.

## 2. Board only time

The Board met in closed Board only session.

## 3. CE Public Report:

The Board met in open session.

## 4. Karakia and mihi mihi:

The meeting began at 9.25am with Karakia, led by Dr. C. Walker.

In attendance:

Te Whatu Ora Board

Margie Apa, (Chief Executive)

Peter Alsop (Chief of Staff)

Peter Watson (Interim National Director - Medical).

Catherine Foster (Board Secretary).


### Key discussion points included:

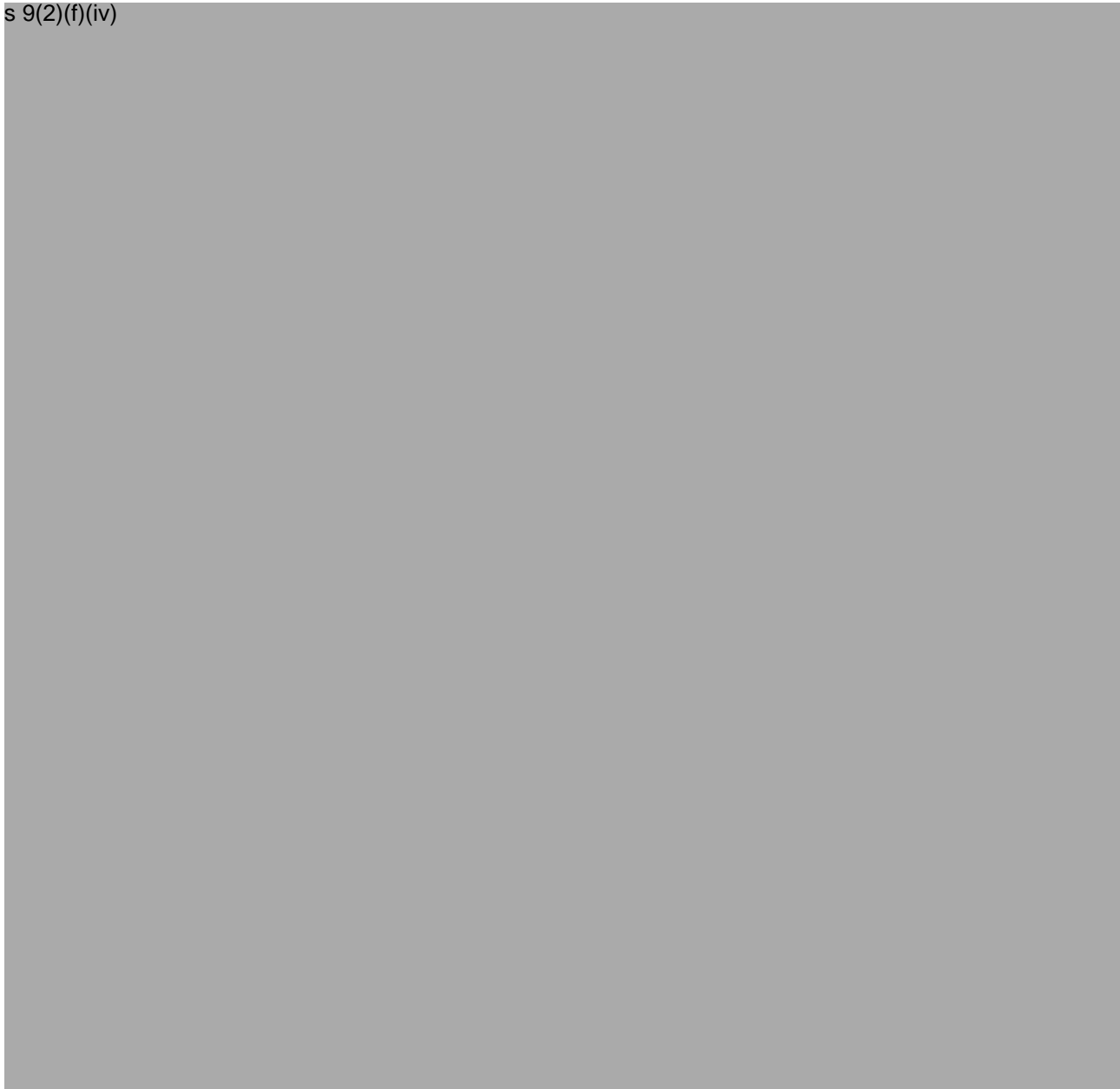
- Positive to see Management out and about in sector, including recent visits to Dunedin and Christchurch.
- Recent highlights include Te Whatu Ora welcomes the State Sector Decarbonisation Fund (SSDF) \$61.7 million investment into the sustainability of the country's health infrastructure and improved health outcomes for Kiwis.

**\*\*\*OPEN SESSION CLOSED at 10.15am.**

## 5. CE Closed Report

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## 6. Service Improvement & Innovation update

D. Bramley Penny Andrews, Vince Galvin (Chief Methodologist, Stats NZ) joined at 11.05am.

### **Key discussion points from the Data Review included:**

- Management confirmed the development of an Implementation Plan to give effect to Report's recommendations. Dr D Bramley, as SRO is providing coordination and leadership as recommendations cut across different functions within Te Whatu Ora.
- Report has been discussed by Clinical Quality Assurance Committee which supported the Report's recommendation.
- Recommendations acknowledge that some issues are inherited, and some relate to pace of change and Te Whatu Ora's complexity. The recommendations highlight the importance of training and the performance reporting framework.

- Board acknowledged the multi-agency approach and support from Stats NZ to identify the issues to resolve effectively.
- The Report and board acknowledged the importance of identifying the different audiences for data and performance reporting. The information that the public needs is different to what Governance and Management require and we must cater accordingly.
- Board noted the importance of governance discussion on risk tolerance in reporting data. There may be a different threshold for different data and affirmed importance of accurate reporting. HQSC has a high threshold for Public Reporting which we should also adopt. Public trust and confidence in the data is critical.
- The Board noted that there is opportunity to learn and build a strong platform going forward. National automated platform will set a standard, but we are not yet mature enough to implement.
- s 9(2)(f)(iv)
- **Action:** Keep Board updated on progress on this, reporting regularly to board on the implementation of the recommendations.
- **Action:** Board requested visibility of Service Improvement and Innovation work programme and governance engagement.

D. Bramley Penny Andrews, Vince Galvin (Chief Methodologist, Stats NZ) left at 11.35am.

R Percival and C Palmer joined at 11.35am.

## 7. Budget

### Budget 2023/24 & Operational Planning Update

#### Key discussion points included:

- Operational Plan 23/24: This plan will give effect to year 2 of Te Pae Tata. The Board will have more opportunity to engage with the draft plan at its June meeting.
- Roadmap: Board noted that discussion on output classes remain ongoing. CFO discussing directly with Treasury and Manatū Hauora.
- Board noted the importance of Workforce and importance of prioritizing investment.
- s 9(2)(g)(i)

- Board wants to see progress on workforce labour spend as it is not comprehensive. Board highlighted the importance of alignment between Budget and workforce plans. Management confirmed that budget reflects the workforce plan.
- Board noted that we must have processes and systems to give effect to our plans including payroll and HR processes.

### Report Back to Joint Ministers on Budget 2024 Progress: Roadmap for Reporting Improvements

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C. Palmer and R. Percival left the meeting at 11.45am.

## 8. Reform Implementation

S. Crombie joined the meeting at 12.00pm.

Key discussion points included:

- S. Crombie outlined the role of the System Reform Implementation office. Key focus included identifying system strengths to execute the reforms, aspects of monitoring and identifying how we move from current state to next.
- Organisational design and Implementation Roadmap is a key tool as well as clarification of roles and responsibilities. There needs to be assurance pieces in this to Boards, Director- General of Health and Minister.
- Developing a collaborative culture is important, as well as recognising the need to change and the behaviours and mindset that underpins this.
- Opportunity for reset expectations must be realistic. Within the transformation there are issues we have inherited, and issues that have emerged because of the reform. Each require a different response and need to be understood in context.
- The Board noted the use of the horizon framework, it is critical that is used correctly to realise expected benefits and ensure there is a common language and understanding amongst the different entities. Board supports simplicity.
- Discussion ensued regarding the need for whole of government to be invested in the success of the health reforms. Options include developing KPIs across public sector for CEs to ensure success of Health Reform

- Leadership is critical; important to foster leaders who have mindsets and behaviours to lead transformation. Develop, lead, empower others to do their job differently.
- Important the system understands the role of a Board and its leadership role. Board has an assurance, facilitation and coordination role in the system. Coordination can harness different parts of the system.
- Maturity model: the reforms are still young; we need to be doing things differently. Must articulate expectations, what good looks like and be realistic about our maturity and capability.

Next steps:

- Roadmap and Comms is a priority and will continue to evolve. Te Whatu Ora knows that it needs to improve communications and tell the reform story, including current and future state. This must be agreed with partners.
- Board encouraged currently using examples which we can collectively learn from as a system. Learning can foster system level discussion needed on transformation.
- Board value the time and discussion and would like this to be a regular item to maintain open dialogue and encourage progress.

**Action:** Add System reform as a standing item on Board agenda.

S. Crombie left the meeting at 1.00pm.

*The Board broke for lunch.*

## 9. Risk Deep Dive

J. Carroll, S. Gordon and A. Slater joined the meeting at 1.10pm

### **Risk Deep Dive – Significant Event Management**

#### **Key discussion points included:**

- The board emphasised the importance of understanding the Board's role in Significant Event management for National and Regional responses.
- Te Whatu Ora has inherited Emergency Response Plans from DHBs, but Board needs assurance that they are effective for Te Whatu Ora. Many provide effective site response but may not provide a national view.
- Board supported developing consistent ways of working, resourced locally and reported nationally.
- Cyclone Gabrielle highlighted our ability to work locally, across three regions impacted and how we responded quickly. Lessons must be learnt from this and inform future planning.

- Board encouraged working with other agencies, notwithstanding the need to understand Te Whatu Ora's scope and responsibilities. Manatū Hauora will have a role to play from a system and Policy perspective.
- Board highlighted the importance of reflections and learning as well as sharing then with other agencies and Joint Leadership Group.
- Board noted that some Civil Defence Planning and Councils have not engaged effectively with Māori, and we want to learn from this and ensure we are engaging with Māori communities effectively. IMPBs will be a vehicle for local engagement.
- Board encouraged practicing live scenarios to test processes and roles; this includes testing in middle of the night to ensure we are prepared for different situations. Must document lessons learnt to ensure response is appropriate in a real event.
- Test different scenarios, those that are international, national and regional to ensure different responses are appropriate. Furthermore, learning from event such as Whakaari eruption which required a multi-disciplinary response from medical teams. Lessons learnt there included awareness that our system did not have large capacity to respond easily to patients who needed multi-disciplinary care. Clinical service plans must align with response plans.
- Action: Management to ensure that they there are annual planned simulations to test health sector readiness. The role of the Board should be covered in any simulation exercise.

## 10. Risk Deep Dive – Reporting Template for Delivering Pae Ora

### Key discussion points included:

- Board noted Equity needs further development
- Board did not support reducing the risk of delivery Pae Ora from extreme to high, because we are still a young organisation and there are still significant risks to be managed.
- The Board provided feedback that it did not see enough focus on outcomes.
- Board noted the difference to owning system reform risks as they relate to Te Whatu Ora vs those that are for wider system.
- Artifacts of reform need to be shared so all parties have visibility.
- Highlights need to invest in transformation to mitigate and respond to risks.

### Other risk topics discussed included:

- Risk deep dive on localities scheduled and tabled at Board, via HSC..
- Deep dive on stakeholders, this includes the New Zealand public.
- Deep dive on the review of Primary Care funding
- Holidays Act payment and payroll needs to be it's own risk with specific mitigations at both enterprise and operational level.

- The Board encouraged management to bring these discussions through Committees.


#### The Board

- discussed the deep dive packs outlining risks relating to Significant Event Management and Delivering Pae Ora.
- noted the schedule for upcoming risk deep dives.
- noted the strategic and enterprise risk registers.

S. Gordon, A. Slater and J. Carroll left the meeting at 1.50pm

### Workforce Plan

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T. O'Brian left the meeting at 2.15pm.

## Charter

Mana Williams-Eade joined the meeting at 2.19pm.

- Important to focus on legislative timeframe and deliver what is prescribed in legislation.
- Board supported the Charter being our North Star.
- Board discussed funded sector. Te Whatu Ora can set expectations in Charter but cannot set the values of another organisation. There will be commissioning leavers that can be utilised.
- Board noted it's important to get stakeholder support, then develop culture implementation plan for Te Whatu Ora.
- Board requested that we ensure there is appropriate imagery and Māori visuals which are culturally appropriate.
- Final version coming through in June, management taking on feedback.

**Action:** Board Secretary to look at timings of these Committee meetings as they are late in the month and often result in late papers coming to board. Work with Chief People Officer and Committee Chair to confirm schedule.

## 11. Health, Safety & Wellbeing Committee

### Key discussion points included:

#### Monthly Report

- Focused on Transport
- Committee made clear the expectation on quality data, underscoring the importance of this in all system reporting.
- Committee had discussed role of Worksafe in the context of health.

Health, Safety & Wellbeing Meeting Notes.


Notes were noted.

A. Slater left the meeting at 2.35pm.

## 12. Capital & Infrastructure Committee

### Key discussion points included:

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### Discussion with Treasury:


- Chair reported that Treasury had attended CIC meeting. Key discussion points were on the size and scale of Te Whatu Ora and impact on Crown Accounts as well as the importance of Te Whatu Ora feeding into all of Government plans for develop a longer-term requirement.
- Discussion also highlights importance of good governance, due diligence and robust planning and reporting.
- We are operating in a capital constrained environment; critical we develop capital priorities.

## 13. Health Services Committee


N. Chamberlain and A. Anderson joined the meeting at 2.40pm

### Key discussion points included:

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### **Primary & Community – Early Action Programme Budget 2022 Funding Disbursement**

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### **Determination of Locality Boundaries – Preliminary Considerations**

#### **Key discussion points included:**

- Important to have the Ministry involved to ensure consistency of language.
- Board discussed that Localities is a plan for people in a place.
- Long form definition: must ensure that definition is not straying from legislative intent.

- Comms plan is critical element to help explain Localities to different groups in different places.
- Next iteration of maps will come to Board next month to discuss principles that will apply to the boundaries. Next month will bring forward next 22 boundary recommendation.
- The level of resource required is unclear and needs further development with the Board.
- Important to maintain strong relationships with local government.

BD-24-36: The Board approved the following recommendations with consensus:

- **noted** that the Boards have previously endorsed and approved a five-step process when determining a locality [Te Whatu Ora Board Meeting 26 August 2022, Te Aka Whai Ora Board Meeting 21 September 2022].
- **noted** the proposed wording for the localities short and long form definitions developed by the joint Boards' working group.
- **noted** the progress made to date in consultation with Iwi Maori Partnership Boards (IMPBs) and local authorities.
- **discussed** the locality boundary considerations outlined in the paper.
- **noted** that a decision paper will come to Boards in June regarding the next wave of locality boundaries, based on recommendations from IMPBs and local authorities.


## 14. Finance and Audit

R. Perceval and M. Rivers joined the meeting at 3.00pm.


### CHG-Meridian Finance Lease Paper

**Key discussion points included:**


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### Finance & Audit Committee Meeting notes.

The Board noted the meeting notes.

## 15. Performance & Finance Reporting

C. Palmer arrived at the meeting at 3.35pm

### Key discussion items included:

- The Board noted that data remained incomplete. Board sought assurance that actions are being taken to ensure data is reported up to Board. Important to get the culture of reporting right and ensure Board is supporting this.
- There is an internal process to follow up directly with team that are not providing timely data. Non- reporting is being escalated to ELT. Exploring with internal audit if there are themes that are emerging to do deep dives to understand this better. Non delivery is not acceptable, this includes non-delivery of metrics and non-delivery of outcomes. Must have both.
- Trends are not included; reporting should include expected trends. Need to also include 'go to green' actions for areas that are reporting red. Use Committees to understand the areas of red better and build into their forward plans.
- **Action:** take back into ELT the direction from the Board that nil data reporting will not be tolerated. It is critical ELT own the issue and build and trust and confidence in our data.
- There remains variation between regions, need to understand their reporting needs and ensure there is appropriate training and education.
- Board encourages storytelling to tell our performance story. Need a comms plan that thinks about doing things differently and ensure there is consistent language used in our artifacts and at National, regional and local level.
- Board approval, once missing information is included, and context and narrative are added to explain performance story.

C. Palmer left the meeting at 3.29pm.

C. Walker left the meeting at 3.30pm.

## May Financial and Non-Financial Report.

### Key discussion points:

- Board enquired about planning assumptions and can they be challenged. Keep talking to Manatū and Treasury on it on Vote discussions.

R. Percival left the meeting at 3.32pm.

## 16. Legal Update

B. Northey joined the meeting at 3.32pm.

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B. Northey left the meeting at 3.38pm.

## 17. Te Aka Whai Ora Update

### Key discussion points included:

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- Te Aka Whai Ora role in monitoring continues to be developed. Have established subcommittee to focus on this and will invite Te Whatu Ora to participate in due course.
- National IMPB hui on 30 June/1 July.
- Noted the Importance of getting joint work plans, as well as the separate work plans for the Boards to ensure there is clear accountabilities and areas of joint focus.
- Welcome and share with new board members at next joint hui as we will have new board
- Hopeful to have new Board members appointed by 30 June 2023.

## 18. GOVERNANCE / BOARD ADMINISTRATION

### Updates from Board Committees

The following items were noted by the Board.

#### Capital and Infrastructure Committee

Draft Notes – 11 May 2023

Monthly Report – May 2023

#### Finance and Audit Committee

Draft Notes – 12 May 2023

Monthly Report – May 2023

#### Data and Digital Committee

Appointing Committee

Board approved Marcus to DD&I Committee.

Draft Notes – 12 May 2023

Monthly report - April 2023.

#### Health Services Committee

Draft Notes – 11 May 2023

#### Clinical Quality Assurance

Draft Notes – 4 May 2023

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## 15. Board administration

### Board Administration

Register of Interests, Noted.

### Confirmation of Minutes

The minutes were accepted as a true and accurate reflection of the meeting.

### Action Register

The Board's actions were noted without discussion.

**Action:** Board requested due dates are added.



Time with Di – schedule it

**Meeting Schedule, Noted.**

- Meeting location: Board's steer is to alternate meeting location between Auckland, Wellington and Christchurch with the next meeting being in Auckland. Virtual meeting options for Board members who are unable to travel.
- Action: Board also requested longer session with Director-General of Health.

**The meeting closed at 4.00pm with Karakia.**