

Te Whatu Ora | Health New Zealand Board

NGĀ MINITI A POARI O TE WHATU ORA

Te Whatu Ora | Health New Zealand Board – Meeting Minutes February 2023

Date	24 February 2023
Chair for the meeting Te Kaihautū mō te hui	R. Campbell
Board attendees Ngā mema o te Poari	Hon. Amy Adams Tipa Mahuta Dame Dr Karen Poutasi Dr Curtis Walker Naomi Ferguson Vanessa Stoddart
In Attendance Ngā manuhiri	Management: M. Apa (CE) P. Alsop (Chief of Staff) Board Secretariat: C. Foster (Board Secretariat)
In attendance for specific items: Ngā manuhiri	-
Apologies Ngā tamōnga	J. Lowe

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1. Karakia and mihi

The meeting began at 8.45am with Karakia, led by the Chair.

2. Apologies and interests

The Register of Interests was noted.

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

There were apologies from J. Lowe

3. Chair's update

The Chair's report was noted. Key discussion points raised by the Board members included:

- **Public Meetings:** The Board was supportive of continuing with public sessions within meetings. The Board will continue to review based on workload and consider if joint meetings with Te Aka Whai Ora should be open.
- Chair discussed extending Board meetings to enable the Board to spend more time on broader strategic items. The Board was supportive of the proposal.
- Board noted that improvements can be made on efficiency of papers and being clear on Committee endorsements.
- The Board members recognised the importance in finding meeting time, also including meeting in different locations. **Action:** Board Secretariat to come back with meeting schedule and re-presenting papers from Committees to make decision making more efficient.
- **Hospital Committee:** Focus will be on Hospital efficiency, performance and enhancement programme. Important to have a link with Planned Care and acute flow. The Board supported the establishment of this Committee but requested language that it is about integration, improvement of system.
- The Board is conscious of Te Aka Whai Ora's workload and increase in Te Whatu Ora workload impacts Te Aka Whai Ora. Important to continue to work in close partnership.
- Board noted board hours and discussing this with Minister.
- Board highlighted the importance of the Board being focused on the whole system integration and maintaining long-term focus.

4. Chief Executive's update

M. Apa gave a verbal update. Key discussion points included:

- Noting Cyclone Gabrielle, the Board sought assurance that costs were being tracked and we will be funded for expense incurred. Management confirmed there are appropriate processes in place.
- **Mana Aki programme:** Board sought assurance that we are using evaluation data to drive reinvestment decisions. **Action:** Management to come back and confirm.
- **Deep Dive** highlighting the role of Manatū Hauora and role of our team, more work to be done of framing roles and responsibilities.
- **Planned Care:** The Board did not want to assume that all inflow of planned care numbers is related to Covid. Covid has exacerbated existing trends and Board wants to understand what

solutions are being put in place. Board encouraged management to focus on innovation alongside action and delivery

- The Board noted the importance of developing a Board governance policy on Crisis Management and Crisis response. Board Secretary to action. Te Aka Whai Ora keen to develop a Crisis response and ensure there is a support for Marae and community organisations.
- Budget 22: Primary Care equity adjustment and service integration piece has not emerged to Board. Board highlighted the importance of getting issues resolved and sent noting paper to FAC on Budget 22 initiatives.
- Te Mauri a Rongo: Recognising consultation has been done, the Board supported taking a truncated approach to not revisit what has already been done.
- Royal Commission on Covid19: noting the ToR and desire to influence this to ensure appropriate and proportionate representation of the whole of system. Board welcomed opportunity to meet directly with the oversight group.
- Board highlighted the importance of our role as a Crown Entity and advocating for system change.
- Planned Care: Board discussed narrative and being realistic about delivery and targets. Board encourages Management to be highly targeted on how we do it and what will be achieved. Criticality is important, not only numbers of cases being seen.
- **Action:** At March Board meeting the Board requested visibility of action and targets on Planned care. Board wants both inflow and outflow and include ENT which has high waitlists.

ITEMS FOR DECISION

5. Data Digital and Innovation

S. Bloomfield and K. Browne joined the meeting at 10.30am.

Key discussion points included:

- Board requested change in wording in paragraph 8 of the briefing to change from 'maintain' to 'enhancement'
- The Board noted that the paper appeared to reduce the role of Te Aka Whai Ora. Board encouraged strong relationships and involvement with Te Aka Whai Ora at all levels whilst recognising the differing roles and accountabilities of each organisation.
- Board noted the importance of articulating roles clearly with respect to Manatū Hauora also, recognising that at points we will be engaging with them as a monitor.

BD-23-07: The Board endorsed the following recommendations with consensus:

- a) **noted** the details of the request (as detailed at Appendix 1).
- b) **noted** the request is supported by the Data & Digital Innovation Sub-Committee of the Board.
- c) **endorsed** the request to the Joint Ministers for this funding to be released.
- d) **noted** this paper will not be proactively released.

6. Capital and Infrastructure

Tranche two of Regional Hospital Redevelopment Programme (RHRP)

J. Holman, M. Fowler and A. Matthews joined the meeting at 10.40am

Key discussion points included:

- Important to continue to develop a portfolio view. This is a contained programme.
- Board does not want to lose the balance between national, regional and local view.
- This proposal is a way to manage the projects at a regional level with National support for the programme as a whole and individual projects.
- Overtime, Board may reprioritise projects as national portfolio view develops.

BD-23-08: The Board endorsed the following recommendation with consensus:

- a) approve that the Regional Hospital Redevelopment Programme (RHRP) – Tranche 2 continues to be a priority for enhanced planning and management to support the robustness of future investment proposals, within the context of the wider infrastructure investment plan.
- b) approve that the Infrastructure and Investment Group establishes greater oversight of the RHRP given the Joint Ministers' previous approval of programme and the work currently in progress.
- c) note that the priority of the current Tranche 2 investments and other hospital redevelopments will be assessed in terms of overall priorities for Te Whatu Ora to ensure the right investments are progressed within the programme.
- d) note the Infrastructure and Investment Group are establishing greater national oversight and control of delivery levels through implementing the Investment Delivery Framework, guidance documents, as well as Governance and Charter arrangements.
- e) note this paper has been shared with Te Aka Whai Ora.
- f) Agreed not proactively release this paper as much of the content is still under active consideration.

9(2)(h)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

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■ 9(2)(h) [Redacted]

■ [Redacted]

■ [Redacted]

Decisions for Hutt Valley Mental Health Unit Replacement

S9(2)(j) [Redacted]

7. Public Health

Nick Chamberlain and M. Hannant joined the meeting at 10.45am.

Covid19 Funding

Key discussion points included:

- Board noted the importance of all papers, including financial considerations, and making clear links between agreed and new funding.
- The Board saw this paper as an opportunity to provide free and frank advice about what proposal includes and excludes in terms of service delivery.
- Important to articulate what this means for Te Whatu Ora and what constraints there will be.

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- S9(2)(f)(iv)
- [Redacted]
- Important that the paper presents the model of care Te Whatu Ora wants, including care in the Community.
- Board confirmed papers does not need to come back to Board and that K. Poutasi as Chair of Public Health, Community and Primary Care Committee is kept informed.

BD-23-11: The Board endorsed the following recommendations with consensus:

- a) Noted Te Whatu Ora ELT and the Public Health, Community and Primary Care (PHCPC) Committee endorsed this paper and recommendations on 31 January, and 9 February 2023 for provision to the Board.
- b) Noted the following comments from the PHCPC Committee:
 - i) supported pandemic resilience and the transition to a ‘new business as usual (BAU)’
 - ii) pandemic resilience includes community resilience, particularly maintaining resilience across our Māori and Pacific community providers
 - iii) [Redacted]
 - iv) noted importance of having visibility of the medium to long term view on strategic public health measures e.g., isolation, provision of free care and RATs, as these carry significant operational and fiscal impacts for Te Whatu Ora
 - v) need a strategy for PPE and supplies and what the new normal for this looks like, this advice will be prepared over the next few months
 - vi) opportunities to build future models from covid, virtual, outreach etc. and combine with other non-covid services; and
 - vii) COVID-19 tech investment is important to leverage and maintain for resilience.
- c) [Redacted]
- d) Noted the Minister of Health has requested the development of three papers for consideration by Cabinet on 3 April 2023 on:
 - i) The Strategic Framework for Managing COVID-19
 - ii) The COVID-19 Plan 2023/24
 - iii) Funding the COVID-19 Plan 2023/24.
- e) [Redacted]
- f) Noted the areas of focus for policy considerations include a transition from COVID-19 into a more pandemic resilient state and includes the ‘7 Core Enablers’.
- g) Noted for operational purposes in contracting certainty we need Cabinet decisions by April 2023.

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- h) Noted the consultation and decisions that will be taken by the Minister to Cabinet will require the Boards input and endorsement and a process has been considered to support that.
- i) Endorsed the strategic and operational COVID-19 response and transition considerations outlined in Appendix 1 for inclusion in the Manatū Hauora led Cabinet papers and Treasury discussions.

S9(2)(f)(iv)



Transfer of Responsibility of NZ Future Quarantine and Isolation Capability to the Health System

BD-23-12 The Board endorsed the following recommendations with consensus:

- a) noted that Te Whatu Ora ELT and the Public Health, Community and Primary Care (PHCPC) Committee endorsed this paper and recommendations on 31 January, and 9 February 2023 for provision to Te Whatu Ora Board.
- b) received update on the transfer of responsibility of New Zealand's future quarantine and isolation capability to the health system following the Board's endorsement of Option Two¹ of the programme business case (PBC) on 23 December 2022, and Cabinet's agreement on 19 December 2022 to fund the progression of Option Two and that responsibility for New Zealand's future quarantine and isolation capability be transferred from Ministry of Business, Innovation and Employment (MBIE) to the health system by no later than 30 June 2023.

c)

S9(2)(f)(iv)



- d) noted that Cabinet directed MBIE, Manatū Hauora, and Te Whatu Ora to provide the Minister of Finance, Minister of Health, and Minister for COVID-19 Response, in March 2023 with a detailed transition roadmap for the transfer of responsibility and, as MBIE are currently

¹ Option Two supports the QIC Readiness Plan, COVID-19 Care in the Community framework and existing self-isolation capability. It also provides long-term strategic planning for managed, community and self-quarantine and isolation responses.

accountable and funded for quarantine and isolation, they will lead the transition of functions to the health system and the Cabinet report back with support from Te Whatu Ora, Te Aka Whai Ora and Manatū Hauora.

- e) noted that Te Whatu Ora has been working with MBIE, Manatū Hauora and Te Aka Whai Ora to develop a draft transition roadmap for the transfer of functions (see Appendix 1).
- f) approved the establishment of a governance group with Tier 2 leaders, and other leadership as relevant, across agencies to oversee the transition to the health system (including protocols and criteria for acceptance), development of the long-term strategy and initial investment proposals.
- g) approved the final transition roadmap for the transfer of functions by the governance group for submission to Ministers in March 2023, with a report back to ELT, PHCPCC and Te Whatu Ora Board for information. As part of this work Te Whatu Ora has developed an internal timeline (see Appendix 2) for the transfer of functions to the health system to ensure Te Whatu Ora governance has appropriate input and oversight as they progress.
- h) noted that the National Public Health Service (NPHS) will continue to keep ELT, PHCPCC and the Board informed of this work as it progresses.

Immunisation Management Plan

Key discussion points included:

- Māori and Pacific providers continue to be funded through COVID-19 funding pathways. However, this funding is finite and therefore not sustainable. The Programme is working with Te Aka Whai Ora and the Pacific team within Te Whatu Ora to understand further funding models for Māori and Pacific providers, and to ensure funding is equitable. These are critical issues for the Board and Management to solve.
- The board expressed concern about the approach of funding for crisis and the need to advocate for a sustainable way forward for Māori and Pacific providers to build capacity over the longer-term.
- Board noted the link between building capability and capacity in the system and linking with Covid19 funding and Winter Preparedness.
- Management currently looking at the integration of service and developing core capability to deliver at scale and surge
- Management confirmed the scope of the proposal is Childhood immunisation.
- Te Whatu Ora will communicate the immunisation taskforce report including that what the implementation plan covers to be clear about what the Board has approved and that further prioritisation discussion will continue to take place.
- Management confirmed that the level of investment proposed is expected to meet our target
- Board requested the paper makes clear that this proposal is contingent on Covid funding
- The Board approves the proposal subject to ensuring there is adequate funding for Māori and Pacific providers that deliver outreach services.

BD-23-13 The Board approved the following recommendation with consensus:

- a) Approved the Interim Management Plan.

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- b) Noted that an implementation oversight group will oversee and monitor the Plan. The oversight group includes representation from Te Aka Whai Ora | Māori Health Authority and reports to the National Director of the National Public Health Service and the Deputy Chief Executive Public Health, Te Aka Whai Ora. The Group is establishing an escalation pathway to address risks and issues should they emerge to threaten the success of the Plan.
- c) Noted that as a priority, the Taskforce recognises new investment for targeting 95% of tamariki aged 2 years to be fully vaccinated by June 2024 will lift Māori and Pacific tamariki vaccination rates to meet the Te Pae Tata action.
- d) Noted some recommendations will be implemented through existing baseline funding and structures; for example, lifting MMR immunisations by leveraging COVID-19 resources and lessons learned, this work is being progressed with urgency.
- e) Noted to achieve 4 years of prioritised change and lift childhood immunisation rates to 95%, investment is required now for new one-off activity and ongoing costs. We have estimated the costs to be approximately:

s 9(2)(f)(iv)



s 9(2)(f)(iv)



- j) Noted this investment will be specifically allocated for additional and enhanced immunisation activity and system change that is required to uplift and sustain childhood immunisation rates at 95%.

s 9(2)(f)(iv)



- l) Noted that the Plan has been agreed by Te Aka Whai Ora management team and their initial feedback is incorporated.
- m) Noted that this paper will be shared with Te Aka Whai Ora Board and Committees.
- n) Do not proactively release this paper since the Immunisation Taskforce report is yet to be published.

M. Hannant left the meeting at 10.50am.

Winter Preparedness Cabinet Paper

J. Gibbs and N. Foster joined.

Key discussion points included:

- The Board requested the paper makes the current state clear, to include impact of Cyclone Gabrielle on Health system and impact delivery.
- Board noted that the pressure on our system is intense and ongoing. It is not just Winter, we need to build the narrative we are doing what we can given the circumstances.
- Board noted this is demand management and demand is ever increasing. Important to communicate what is realistic noting that this is a system wide issue.
- Board discussed information flow and what papers need to come via the Board. The board emphasises that a risk lens to papers is important to apply.
- The Board encouraged management to be flexible in their solution and not try to take a one-size-fits-all approach.

BD-23-14The Board adopted the following recommendation with consensus:

- a) **note** that the Cabinet Social Wellbeing Committee requested the Minister of Health provide a report on how the health system is preparing for Winter 2023.
- b) **review** the Cabinet Paper Health System Preparedness for Winter 2023 prepared by Te Whatu Ora on behalf of the Minister of Health.
- c) **note** that Te Whatu Ora Executive Leadership Team has agreed to use the actions described in this paper as the basis of an integrated Winter 2023 Preparedness Plan.
- d) **note** that on 9 February 2023 the Public Health, Community and Primary Care Committee recommended this paper for your approval.
- e) **agree** to this paper being delivered to the Minister of Health's office for review, Ministerial Consultation, and submission to Cabinet.
- f) **note** that the Minister of Health may request changes to this paper after it is delivered on 28 February 2023.
- g) **note** that this paper will be shared with Te Aka Whai Ora ELT and Board.
- h) do not **proactively release** this paper; this Cabinet paper is the responsibility of the Minister of Health who determines release.

N. Chamberlain, J. Gibbs and N. Foster left the meeting at 11.25am.

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8. Primary and Community Care

A. Anderson joined the meeting at 11.27am.

Key discussion points included:

- The board confirmed that the money should be paid out in accordance with the appropriation. It should not be used to cover other elements of operations.
- Discussion ensued that funding is based on averages in the sector, a sector will get level of payment depending on their volumes.
- The board underscored the importance of money flowing through to nurses pockets this financial year. Board cannot predetermine funding for next year.
- The board encouraged management to take a simple approach to what can be complex funding arrangements.
- Primary Care nurses: There is a gap between September 2021 rate and March 2022 rates and Te Whatu Ora is working with primary care to address. Are not funded to top up rates back to September 2021.
- Whai Kaha nurses are included and Te Whatu Ora has a comprehensive list of providers.
- There has been data quality issues from sector is a challenge and has delayed the money getting out the door. Data quality is improving and will inform choices going forward.
- Te Whatu Ora's goal is to get the funding into baseline and not drive inequities in the sector further.
- The Board supported the recommendation but requested a set of principles are developed at a high level to guide the delegations to the National Commissioner. **Action:** Management to develop the principles and bring back through Board for endorsement. Also provide visibility of Comms strategy and clear link with appropriation to provide assurance of how the funds are being allocated.

BD-23-15 The Board adopted the following recommendations with consensus:

- a) **noted** that Cabinet established a tagged contingency of up to \$40 million in 2022/23 and up to \$200 million from 2023/24 to close the gap between funded sector nurses and some kaiāwhina pay rates and Te Whatu Ora pay rates.
- b) **noted** that Cabinet authorised the Minister of Health and Minister of Finance to jointly draw down the tagged contingency, subject to their satisfaction with work done on finalising operational arrangements, including contractual mechanisms to support higher pay rates and stakeholder consultation.
- c) **noted** the actions taken to finalise operational arrangements and contractual mechanisms.
- d) **noted** that Te Whatu Ora People, Culture, Development and Remuneration Committee noted the establishment of the governance group, the project management structure and principles to guide decision making and that Te Aka Whai Ora Board delegated funding decisions for their services to the Board Chair (on 9 and 7 December 2022 respectively).
- e) **noted** the conservative approach to calculating the funding allocations in 2022/23, that the balance of the 2022/23 contingency will be allocated once estimates of the total cost for

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2023/24 are finalised, the internal quality assurance process and the external review by KPMG.

- f) **noted** that the project governance group advises that the funding allocations across the five sectors in the initial April 2022/23 allocation (aged-care facilities, hospices, home and community support and Māori and Pacific healthcare providers) are sustainable within the tagged contingency.
- g) **approved** engaging with Treasury to jointly seek the approval of the Minister of Health and Minister of Finance to draw down the tagged contingency of up to \$40 million in 2022/23 to allocate in the initial April 2023 allocation.
- h) **noted** that the New Zealand Aged Care Association has rejected the offer and estimates that it must be increased to \$195 million per annum inclusive of \$54 million of funding from client contributions to achieve parity with Te Whatu Ora pay rates, including penal rates and shift allowances.
- i) **noted** that Te Whatu Ora will continue to progress discussions in good faith with the New Zealand Aged Care Association.
- j) **noted** that should the Board not approve engaging with Treasury to seek the approval of Ministers to draw down in g) above, there is no ability to make the payment to the five sectors for the 2022/23 allocation before 1 July 2023.
- k) **Requested** set of delegation principles are developed for this appropriation, for the Board to endorse. Once agreed, these principles will be applied by the National Director Commissioning, when approving payments for providers in the 2022/23 allocation, and for payments to be made in alignment with the intent of Cabinet's direction once Ministers approve the drawdown of funds.
- l) **Once set of principles are agreed to:**
 - i) delegate seeking approval of future draw down requests to the Minister of Health and Minister of Finance (from the \$200 million tagged contingency for 2023/24) to the National Director Commissioning, in consultation with Te Aka Whai Ora; and
 - ii) delegate to authorise expenditure and contracting associated with the pay disparity initiative, to the National Director Commissioning, in consultation with Te Aka Whai Ora.
 - iii) note that this paper will be shared with Te Aka Whai Ora Board Chair for joint approval.
 - iv) Agreed not to proactively release this paper.

9. Finance and Audit

R. Percival arrived 12.15pm.

Key discussion points included

- It was confirmed the proposal addressed medical locums which was not explicit in the paper.
- The Board also noted that this model of work was favoured by some members of our workforce and provides benefit to the system. Model provides some flexibility which is not common in medical workforce.
- Board supported this model being stood up at national scale and reduce Te Whatu Ora's reliance on agencies.

s 9(2)(i)



R. Percival left the room at 12.20pm.

Items for discussion:

10. GP ownership models and capitation

Key discussion points included:

- The Board requested Management prepare a current state assessment to inform Board discussion.
- The Board noted the importance of understanding the Primary Care sector and determining a model which is most appropriate to New Zealand's context, including what funding model will incentivise the level of care New Zealander's require.
- The Board encouraged urgency on these discussions noting the speed in which the landscape has changed in a 24month period.

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- **Action:** National Director Commissioning to develop a current state analysis and run through Primary Health, Community and Primary Care Committee.

A. Anderson left the room, and the Board broke for lunch at 12.30pm and reconvened at 1.00pm.

11. Pae Ora Delivery Unit

M. Apa provided a verbal update.

Key discussion points included:

- The Board requested a more aggressive target in horizon 1 for the reduction of back office positions.
- The Committee and Board need assurance management can execute this well and have engaged appropriately with unions, staff etc. **Action:** Management to provide People and Culture Committee with a project execution plan.
- Clarifying the scope of back office is important, criteria should consider back office that touch patient's vs back office servicing the system.
- Board encouraged a clear view on what positions are affected and why. Board needs assurance that management has explored and tested this robustly.
- Board noted we are working on a large scale and therefore, must consider top down and bottom up approaches.
- Board discussed the importance of focusing on capability not solely headcount. capability. We are hiring for a new system and in some areas will require a different set of capabilities from our workforce.
- Contingency workforce: need to be more scoped up for review.
- Board requested clarity on the number of roles affected which is not clear when looking at this through a \$\$ lens. Overall, the Board did support viewing Unify to Simply project through cost-savings lens.
- Board stated the importance of developing a clear set of principles such as stating that we aren't rehiring into specific roles and force/voluntary redundancy arrangements. This is why the contingency work piece needs to be done in parallel so mitigate risk that people are hired back as contractors.
- Board requested direct and clear language with clear targets. The level of detail in the execution plans is important.
- The Board clarified that proposal does not require Ministerial approval, but Minister will be appropriately briefed.
- The Board state that savings generated as a result of this project will go back to the Board to determine the reallocation and not remain within the ELT business units.
- Board highlighted the importance of working with the unions and bringing them on the journey that there is opportunity to create system efficiencies for workforce and the focus on investing in front line.
- Board highlighted the importance of data driven decisions and using data and analytics robustly.

Actions: Schedule an out of cycle session for Board to consider execution of project plan and unify to Simplify Roadmap, evidence of consultation plan with unions and staff.

Actions: Develop the principles we are working to eg. Voluntary redundancies etc

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BD-23-17 The Board endorsed the following recommendation with consensus:

- a) **Note** that workstream 1 initiatives are in the work programme of People & Culture Committee and will be reported there;
- b) **Note** that workstream 2 Organising for Change is aiming to schedule consultation processes to commence following Board approval. Noted the need for Ministerial engagement. ;
- c) **note** that in workstream 2, the Chief Executive has set a target for operating models aim to achieve minimum \$500m in operating savings in 23/24 year to contribute to the reinvestment programme;
- d) **Note** that in workstream 3 ELT are confirming the proposed list of 'change initiatives' as part of the Pae Ora Delivery Roadmap (many of which are underway already) in context of Budget 23.

PERFORMANCE | FINANCE | RISK REPORTING

12. Risk

S. Gordon joined the meeting at 1.35pm.

Key discussion points include

- The Board requested that Payroll system is added to the enterprise risk register.
- Board requested management look at learning of Cyclone Gabrielle from a risk perspective and if anything needs to be reviewed such as access to generators and business continuity planning. The Board noted the need to develop its own Crisis Management governance policy.
- The Board discussed the schedule of deep dives and localities and execution of Unify to Simplify needed to be held earlier than June. Action: Management to relook at the schedule of Deep dives.
- The Board discussed the process and purpose of developing a risk register and that Board must discuss all risks and not only what appears on register and what is driven by deep dives.
- Board discussed that it is not clear that the Board is actively managing risks, outside of receiving the risk register. Board noted the importance of calibrating our risk reporting processes to ensure appropriate governance oversight and monitoring of system risks.
- Clinical Risk deep dive: The Board discussed that it would like a system view of clinical risks, not just Covid. Discussion ensued that Covid did have a system wide impact and that it is a critical lens on which to analyse system vulnerability.
- Noting the next area for deep dive is infrastructure the Board requested that this takes a broad system view too.
- The Board reiterated the importance of clarifying the Board's risk appetite to inform risk escalation and reporting.
- Board noted the importance of being proactive and reactive to risk management and that the material presented to Board needed to better facilitate a discussion on this
- The Board noted Committee's role in monitoring risks delegated by it from the board. Board encouraged ELT leads and Committee chairs to develop processes for risk discussions at Committees.

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BD-23-18 The board endorsed the following recommendations with consensus

The Board is asked to:

- a) **note** there has been no change to the risk profile or ratings of Te Whatu Ora's key strategic and enterprise risks since December 2022 (see the summarised risk registers for the Board attached as Appendix 1)
- b) **note** our phased approach to the early implementation of the new risk management framework across Te Whatu Ora to 30 June 2023
- c) **agree** the schedule and approach to the Board's future risk deep dive engagement need to be reviewed based on the Board's feedback.
- d) **note** the clinical practice quality risk deep dive information for your engagement with the Interim Chief Medical Officer (attached as Appendix 3).

13. Finance Report

R. Perceval and M. Rivers joined the meeting at 2.20pm.

DHB Audit update

- Chair gave a verbal update on process, including developing Representation Letters and Statement of Responsibility.
- 9(2)(h) [REDACTED]
- 9(2)(g)(i) [REDACTED]
- Rob and Amy must assure themselves of both the financial statements and service performance of the DHBs.
- The Board thanked management for their work as these issues are navigated.

BD-23-19 The Board endorsed the following recommendation with consensus:

- a) **noted** that Te Whatu Ora has responsibility for providing the final reports of the District Health Boards;
- b) **noted** that there is a legal requirement for two Board members to sign statements of responsibility for the DHB Final Reports;
- c) **authorised** Rob Campbell and Amy Adams to sign off the DHB Final Reports on behalf of the Board including the statement of responsibility;
- d) **noted** that the Auditor-General must audit each District Health Board's financial statements;
- e) **noted** that the Auditor-General's Auditing Standards require certain written representations to be sought from those charged with governance with appropriate responsibilities for the financial and performance information;

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- f) **noted** that the Board of Te Whatu Ora is not in a position to make those representations in respect of the affairs of District Health Boards;
- g) **noted** that this is likely to result in a negative audit opinion;
- h) **noted** that within their approval given at the Board meeting of 20 January 2023, Rob Campbell and Amy Adams will make such written representations as they consider reasonable on behalf of the Board;
- i) **agreed** that any significant issues arising from the written representation may be managed by Rob and Amy and will only be referred back to the Board at their discretion;
- j) **noted** that this paper will not be shared with Te Aka Whai Ora | Māori Health Authority Board because it relates to completion of an historic process for District Health Boards.

S9(2)(f)(iv)

15. Director- General of Health Update

Dr Diana Sarfati and Maree Roberts joined at 2.30pm.

Key discussion points included.

S9(2)(f)(iv)

- Priorities for Manatū Hauora include supporting Minister and Te Whatu Ora for multi-year funding.
- Ministerial Advisory Committee: Director-General highlighted the importance of working together as a system. The more Director-General can be involved and have oversight she can be aware of risks and issues emerging.

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- Board discussed that it is important to understand the monitoring principles between Manatū Haoura and Te Aka Whai Ora. A group is forming, including CEs to ensure there is alignment and not tripping over roles and responsibilities.
- Director-General mentioned the tight timeline on system strategy development and importance of working with the Board on these.
- The Board noted that they also have a monitoring role of Te Whatu Ora as the governance Board. There continues to need to be clarify processes and expectations with different monitoring assurance processes. Te Whatu Ora Board welcomed monitoring on outcomes.


16. Financial Reports Continued

February monthly report

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

Key discussion points included

S9(2)(f)(iv)



Finance and Audit Committee Minutes

- The board noted the Committees focus on completing the DHB Year-end Audits.

17. People and Culture: Te Mauri Rongo – The Charter Development

D. Gellar and J. Green joined at 3.20pm.

- The Board noted the importance of finding opportunities for consultation, but not to repeat work that was done during the initial wave of consultation.
- Board recognised that on the ground people don't see change, and people aren't clear on what to do due to the change in structures and leadership.
- Board discussed that Charter was aspirational, and we need to close the gap on everyday reality.
- Must engage meaningfully with Staff. There is energy for reform we must use.
- Board discussed that Comms need to be more strategic, regular and consistent to gain support and understanding for change.

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- Complexity of work is not understated. There are lots of initiatives which need to be undertaken in a measured and ordered way.
- The Board requested more information on what the initiatives are doing to drive difference.
- Charter, pulse survey and change programme all linked and staff need to see the links.
- Unions, we need to organise them to help. Unions have signalled they want to engage on the implementation of the Charter. Board expects union involvement, in partnership with Te Aka Whai Ora and IMPBs
- Intranet: need to give teams simple tools, make it easy, link the things are happening.

D. Gellar and J. Green left at 3.45pm.

18. Performance Reporting

- **Quarter two report**

Key discussion points included:

- The Board felt the report contained too much detail and did not focus on building Te Whatu Ora's performance narrative. It is difficult to assess what is different from this quarter to the previous.
- Management agreed to rework and resubmit based on the Board's feedback.

- **February monthly performance report**

Key discussion points included:

- Trend information difficult to pick up.

BD-23-16 The Board endorsed the following recommendation with consensus:

- a) Noted the Summary of Key Performance Metrics – January 2023. (Appendix 1), and Public Data – January 2023 (Appendix 2) for Te Whatu Ora.
- b) Agreed Summary of Key Performance Metrics – January 2023. (Appendix 1), and Public Data – January 2023 (Appendix 2) be provided to Manatū Hauora, Te Aka Whai Ora | Māori Health Authority ("Te Aka Whai Ora") in their monitoring capacities, and the Minister of Health as a part of fulfilling the Board's responsibility to provide clear and effective performance information.
- c) Agreed that the Summary of Key Performance Metrics – January 2023. (Appendix 1), and Public Data – January 2023 (Appendix 2) be published on the Te Whatu Ora website.
- d) Note that this paper will be shared with the Te Aka Whai Ora | Māori Health Authority Board.
- e) Not proactively release this paper.

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Te Pae Tata (2024-27): Overview of design process and milestones paper

Key discussion points included;

- There needs to be a focus on services and delivery.
- Board supporting developing content through Committees not content developed in a siloed approach. Wants to see interagency collaboration with Te Whatu Ora and Te Aka Whai Ora ownership.
- Board supporting developing a mock-up of what the Plan will look like. Start in 2027 and look back and articulate what has happened to reach the destination.
- Board emphasised the importance of scheduling appropriate time with joint Boards and ensure a joint approach. Look to schedule out of cycle sessions if required.

BD-23-16 The Board endorsed the following recommendation with consensus:

- a) **noted** the proposed collaborative approach, design principles, and key milestones in the development of Te Pae Tata (2024-27).
- b) **provided advice** on the preferred governance arrangements for the development and approval of Te Pae Tata (2024-27) noting three suggested options
- c) **approved** the approach to community and iwi engagement, partnering with Manatū Hauora and leveraging off the planned NZ Health Strategy engagement activity.
- d) **noted** that the project to develop Te Pae Tata (2024-27) is being jointly managed and sponsored by Te Aka Whai Ora and Te Whatu Ora, and that this paper has been developed in partnership.
- e) **noted** that this paper is being shared with both the Te Whatu Ora and Te Aka Whai Ora Boards.
- f) Did not **proactively release** this paper.

Annual Report Narrative discussion

Due to time restraints at the meeting the Board agreed to share ideas for Annual Report narrative via email and Board Secretariat.

Legal Update

The Board received the report.

Health and Safety

The Board received the report.

ITEMS FOR INFORMATION/NOTING AND VERBAL UPDATES

19. Standing Items

Te Aka Whai Ora Update

T. Mahuta provided a verbal update. Key discussion points included:

- Therapeutics submission going to Select Committee. Bill has impact on Rongoa Māori and medical software which will all need consideration.
- Treaty Settlements: Te Aka Whai Ora has mapped responsibilities and a briefing paper will be coming to Te Whatu Ora to better inform ways of working.

GOVERNANCE / BOARD ADMINISTRATION

20. Updates from Board Committees

The minutes for the following Committee meetings were received without discussion.

- Capital and Infrastructure Committee
- Finance and Audit Committee
- Data and Digital Committee
- Public Health, Community and Primary Care Committee
- People and Culture Committee
- Health and Safety Committee
- Clinical Quality Assurance
- Environmental Sustainability Committee

21. Board administration

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.

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Register of Interests

The Board noted the Register of Interests.

Meeting and engagements schedules

Noted.

General business

There were no items for discussion.

The meeting closed at 4.30pm with Karakia.