SOUTHERN DISTRICT HEALTH BOARD

HOSPITAL ADVISORY COMMITTEE

Wednesday, 27 March 2019

HAC – commencing at the conclusion of the public DSAC/CPHAC meeting

Board Room, Level 2, Main Block,
Wakari Hospital Campus, 371 Taieri Road, Dunedin

A G E N D A

Lead Director: Patrick Ng, Executive Director Specialist Services

Item

1. **Apologies**
2. **Interests Register**
3. **Minutes of Previous Meeting**
4. **Matters Arising/Action Sheet**
5. **Specialist Services Monitoring and Performance Reports**
   - 5.1 Executive Director Specialist Services Report
   - 5.2 Key Performance Indicators
   - 5.3 Financial Performance Summary
6. **Resolution to Exclude Public**

Southern DHB Values			
Kind *Manaakitanga*	Open *Pono*	Positive *Whaiwhakaaro*	Community *Whanaungatanga*

No apologies received at time of publishing the HAC agenda.

SOUTHERN DISTRICT HEALTH BOARD

Title:	**INTERESTS REGISTERS**
Report to:	Hospital Advisory Committee
Date of Meeting:	27 March 2019

Summary:

Commissioner, Committee and Executive Team members are required to declare any potential conflicts (pecuniary or non-pecuniary) and agree how these will be managed. A member who makes a disclosure must not take part in any decision relating to their declared interest.

Interests declarations, and how they are to be managed, are required to be recorded in the minutes and separate interests register (s36, Schedule 3, NZ Public Health and Disability Act 2000).

Changes to Interests Registers over the last month:

- Nil.

Specific implications for consideration (financial/workforce/risk/legal etc):

Financial:	n/a
Workforce:	n/a
Other:	

Prepared by:

Jeanette Kloosterman
Board Secretary

Date: 15/03/2019

RECOMMENDATION:

1. That the Interests Registers be received and noted.

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
COMMISSIONER TEAM

Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
Kathy GRANT	25.06.2015	Chair, Otago Polytechnic	Southern DHB has agreements with Otago Polytechnic for clinical placements and clinical lecturer cover.	
(Commissioner)	25.06.2015	Director, Dunedin City Holdings Limited	Nil	
	25.06.2015	Trustee of numerous private trusts	Nil	
	25.06.2015	Consultant, Gallaway Cook Allan	Nil	
	25.06.2015	Director, Dunedin City Treasury Limited	Nil	
	18.09.2016	Food Safety Specialists Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	18.09.2016	Director, Warrington Estate Ltd	Nil - no pecuniary interest; provide legal services to the company.	
	18.09.2016	Tall Poppy Ideas Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	18.09.2016	Rangiora Lineside Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	18.09.2016	Otaki Three Limited	Nil. Co-trustee in client trusts - no pecuniary interest.	
	21.09.2018	Dunedin Stadium Property Ltd (from 1 July 2018)		
		Spouse:		
	25.06.2015	Consultant, Gallaway Cook Allan	Nil (Updated 8 June 2017)	
	25.06.2015	Chair, Slinkskins Limited	Nil	
	25.06.2015	Director, South Link Health Services Limited	A SLH entity, Southern Clinical Network, has applied for PHO status.	Step aside from decision-making (refer Commissioner's meeting minutes 02.09.2015).
	25.06.2015	Board Member, Warbirds Over Wanaka Community Trust	Nil	
	25.06.2015	Director, Warbirds Over Wanaka Limited	Nil	
	25.06.2015	Director, Warbirds Over Wanaka International Airshows Limited	Nil	
	25.06.2015	Board Member, Leslie Groves Home & Hospital	Leslie Groves has a contract with Southern DHB for aged care services.	
	25.06.2015	Chair Dunedin Diocesan Trust Board	Nil (Updated 16 April 2018)	
	25.06.2015	Trustee of numerous private trusts	Nil	
	25.06.2015 (updated 22.04.2016)	President, Otago Racing Club Inc.	Nil	
Richard THOMSON (Deputy Commissioner)	13.12.2001	Managing Director, Thomson & Cessford Ltd	Thomson & Cessford Ltd is the company name for the Acquisitions Retail Chain. Southern DHB staff occasionally purchase goods for their departments from it.	
	13.12.2002	Chairperson and Trustee, Hawksbury Community Living Trust	Hawksbury Trust runs residential homes for intellectually disabled adults in Otago and Canterbury. It does not have contracts with Southern DHB.	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
COMMISSIONER TEAM

Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
	23.09.2003	Trustee, HealthCare Otago Charitable Trust	Health Care Otago Charitable Trust regularly receives grant applications from staff and departments of Southern DHB, as well as other community organisations.	
	05.02.2015	One immediate family member is an employee of Dunedin Hospital (Anaesthetic Technician)		
	07.10.2015	Southern Partnership Group	The Southern Partnership Group will have governance oversight of the Dunedin Hospital rebuild and its decisions may conflict with some positions agreed by the DHB and approved by the Commissioner team.	
	24.07.2018	Son's partner works for Southern DHB, Ophthalmology Service.		

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
ADVISORY COMMITTEE MEMBERS

Committee Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
Susie JOHNSTONE	21.08.2015	Independent Chair, Audit & Risk Committee, Dunedin City Council	Nil	
(Consultant, Finance Audit & Risk Committee)	~~21.08.2015~~	~~Board Member, REANNZ (Research & Education Advanced Network New Zealand)~~ (Retired 30 June 2018)	~~REANNZ is the provider of Eduroam (education roaming) wireless network. SDHB has an agreement allowing the University to deploy access points in SDHB facilities.~~	
	21.08.2015	Advisor to a number of primary health provider clients in rural Otago	All of the primary health provider clients in rural Otago are likely to have a contract through Southern DHB and/or the WellSouth Primary Care Network.	
	18.01.2016	Audit and Risk Committee member, Office of the Auditor-General	Audit NZ, the DHB's auditor, is a business unit of the Office of the Auditor General.	
	16.09.2016	Director, Shand Thomson Ltd	Nil	
	16.09.2016	Director, Harrison Nominees Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	16.09.2016	Director, Abacus ST companies.	Nil. Co-trustee in client trusts - no pecuniary interest.	
	16.09.2016	Director, Shand Thomson Nominees Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	16.09.2016	Director, Johnstone Afforestation Co Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	16.09.2016	Director, Shand Thomson Nominees (2005) Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	16.09.2016	Director, McCrostie Nominees Ltd	Nil. Co-trustee in client trusts - no pecuniary interest.	
	28.05.2018	Clutha Community Health Company Co Ltd	Client of Shand Thomson. Two retired Shand Thomson partners are on the board, one is a long standing Chair.	
	23.07.2018	Trustee, Clutha Community Foundation (appointed June 2018)		
		Spouse is Consultant/Advisor to:		
	21.08.2015	Tuapeka Community Health Co Ltd & Tuapeka Health Incorporated	Tuapeka Community Health Co Ltd & Tuapeka Health Incorporated have a contract with Southern DHB.	
	21.08.2015	Wyndham & Districts Community Rest Home Inc	Wyndham & Districts Community Rest Home Inc has a contract with Southern DHB.	
	21.08.2015	Roxburgh District Medical Services Trust	Roxburgh District Medical Services Trust has a contract with Southern DHB.	
	21.08.2015	A number of primary health care providers in rural Otago	All of the primary health provider clients in rural Otago are likely to have a contract through Southern DHB and/or the WellSouth Primary Care Network.	
	26.09.2016	Director, Abacus ST companies.	Nil. Co-trustee in client trusts - no pecuniary interest.	
		Daughter:		
	21.08.2015	Junior Doctor, Nelson Marlborough DHB	(Updated 25.01.2019)	
Donna MATAHAERE-ATARIKI	27.02.2014	Trustee WellSouth	Possible conflict with PHO contract funding.	
(IGC Member)	27.02.2014	Trustee Whare Hauora Board	Possible conflict with SDHB contract funding.	
	27.02.2014	Council Member, University of Otago	Possible conflict between SDHB and University of Otago.	
	27.02.2014	Chair, Ōtākou Rūnanga	Nil	
	17.06.2014	Gambling Commissioner	Nil	
	05.09.2016	Board Member and Shareholder, Arai Te Uru Whare Hauora Limited	Nil - charitable entity.	
	21.03.2018	Board Member, Otākou Health Limited	Registered Charity not contracting in Health.	
	05.09.2016	Southern DHB, Iwi Governance Committee	Possible conflict with SDHB contract funding.	
	09.02.2017	Director and Shareholder, VIII(8) Limited	Nil	
	21.03.2018	Chair, NGO Council	Nil	
	07.06.2018	Chairperson, Te Rūnanga o Otākou Incorporated	Registered Charity - not contracting in Health.	
	07.06.2018	Director, Te Rūnanga Otākou Ltd	Nil does not contract in health.	Update to nature of interest 2 July 2018
	07.06.2018	Trustee, Kaupapa Taiao	Registered Charity - not contracting in Health.	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
ADVISORY COMMITTEE MEMBERS

Committee Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
	02.07.2018	Otakou Health Ltd - Shareholder of Te Kaika and its subsidiaries Mataora Health and Forbury Cnr Medical Centres	Possible conflict with SDHB contract funding.	Interest advised 2 July 2018
Odele STEHLIN	01.11.2010	Waihopai Rūnaka General Manager	Possible conflict with contract funding.	
Waihōpai Rūnaka – Chair IGC	01.11.2010	Waihopai Rūnaka Social Services Manager	Possible conflict with contract funding.	
	01.11.2010	WellSouth Iwi Governance Group	Nil	
	01.11.2010	Recognised Whānau Ora site	Nil	
	24.05.2016	Healthy Families Leadership Group member	Nil	
	23.02.2017	Te Rūnanga alternative representative for Waihopai Rūnaka on Ngai Tahu.	Nil	
	09.06.2017	Director, Waihopai Runaka Holdings Ltd	Possible conflict with contract funding.	
	07.06.2018	Director of Waihopai Hauora.	Possible conflict with contract funding.	
Sumaria BEATON	27.04.2017	Southland Warm Homes Trust	Nil	
IGC - Awarua Rūnaka	09.06.2017	Director and Shareholder, Sumaria Consultancy Ltd	Nil	
	09.06.2017	Director and Shareholder, Monkey Magic 8 Ltd	Nil	
	07.06.2018	Treasurer, Community Energy Network Incorporated	Nil	
Taare BRADSHAW	17.03.2017	Director, Murihiku Holdings Ltd	Nil	
IGC - Hokonui Rūnaka	07.06.2018	Trustee, Hokonui Rūnanga Health & Social Services Trust	Possible conflict with contract funding.	
	07.06.2018	Vice Chairman, Hokonui Rūnanga Incorporated	Possible conflict with contract funding.	
Victoria BRYANT	06.05.2015	Member - College of Primary Nursing (NZNO)	Nil	
IGC - Puketeraki Rūnaka	06.05.2015	Member - Te Rūnanga o Ōtākou	Nil	
	06.05.2015	Member Kati Huirapa Rūnaka ki Puketeraki	Nil	
	06.05.2015	President Fire in Ice Outrigger Canoe Club	Nil	
	24.05.2017	Member, South Island Alliance - Raising Healthy Kids	Nil	
	06.03.2018	SDHB, Te Punaka Oraka, Public Health Nursing, Charge Nurse Manager	Nil	
	06.03.2018	Member of the New Zealand Nurses Organisation	Possible conflict when negotiations are taking place.	
	06.03.2018	Member of the Public Service Association (PSA)	Possible conflict when negotiations are taking place.	
Justine CAMP	31.01.2017	Research Fellow - Dunedin School of Medicine - Better Start National Science Challenge	Nil	
IGC - Moeraki Rūnaka		Member - University of Otago (UoO) Treaty of Waitangi Committee and UoO Ngai Tahu Research Consultation Committee	Nil	
		Member - Dunedin City Council - Creative Partnership Dunedin	Nil	
		Moana Moko - Māori Art Gallery/Ta Moko Studio - looking at Whānau Ora funding and other funding in health setting	Possible conflict with funding in health setting.	
		Daughter is a member of the Community Health Council	Nil	
Terry NICHOLAS	06.05.2015	Treasurer, Hokonui Rūnanga Inc.	Nil	
IGC - Hokonui Rūnaka	06.05.2015	Member, TRoNT Audit and Risk Committee	Nil	
	06.05.2015	Director, Te Waipounamu Māori Cultural Heritage Centre	Nil	
	06.05.2015	Trustee, Hokonui Rūnanga Health & Social Services Trust	Possible conflict when contracts with Southern DHB come up for renewal.	
	06.05.2015	Trustee, Ancillary Claim Trust	Nil	
	06.05.2015	Director, Hokonui Rūnanga Research and Development Ltd	Nil	
	06.05.2015	Director, Rangimanuka Ltd	Nil	
	06.05.2015	Member, Te Here Komiti	Nil	
	06.05.2015	Member, Arahua Holdings Ltd	Nil	
	06.05.2015	Member, Liquid Media Patents Ltd	Nil	
	06.05.2015	Member, Liquid Media Operations Ltd	Nil	
	09.06.2017	Director, Murihiku Holdings Ltd	Nil	
	09.06.2017	Director and Shareholder, Real McCoy Owner Ltd	Nil	
	09.06.2017	Director and Shareholder, Real McCoy Operator Ltd	Nil	
Ann WAKEFIELD	03.10.2012	Executive member of Ōraka Aparima Rūnaka Inc.	Nil	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
ADVISORY COMMITTEE MEMBERS

Committee Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
IGC - Ōraka Aparima Rūnaka	09.02.2011	Member of Māori Advisory Committee, Southern Cross	Nil	
	03.10.2012	Te Rūnanga representative for Ōraka-Aparima Rūnaka Inc. on Ngai Tahu.	Nil	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
EXECUTIVE LEADERSHIP TEAM

Management of staff conflicts of interest is covered by SDHB's Conflict of Interest Policy and Guidelines.

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
Mike COLLINS	15.09.2016	Wife, NICU Nurse	
Matapura ELLISON	12.02.2018	Director, Otākou Health Services Ltd	Possible conflict when contracts with Southern DHB come up for renewal.
	12.02.2018	Director, Otākou Health Ltd	Nil
	12.02.2018	Deputy Kaiwhakahaere, Te Rūnanga o Ngai Tahu	Nil
	12.02.2018	Chairperson, Kati Huirapa Rūnaka ki Puketeraki	Nil
	12.02.2018	Trustee, Araiteuru Kōkiri Trust	Nil
	12.02.2018	Otago Museum Māori Advisory Committee	Nil
	12.02.2018	National Māori Equity Group (National Screening Unit) – MEG.	Nil
	12.02.2018	SDHB Child and Youth Health Service Level Alliance Team	Nil
	12.02.2018	Trustee, Section 20, BLK 12 Church & Hall Trust	Nil
	12.02.2018	Trustee, Waikouaiti Maori Foreshore Reserve Trust	Nil
	29.05.2018	Director & Shareholder (jointly held) - Arai Te Uru Whare Hauora Ltd	Possible conflict when contracts with Southern DHB come up for renewal.
Chris FLEMING	25.09.2016	Lead Chief Executive for Health of Older People, both nationally and for the South Island	
	25.09.2016	Chair, South Island Alliance Leadership Team	
	25.09.2016	Lead Chief Executive South Island Palliative Care Workstream	
	25.09.2016	Deputy Chair, InterRAI NZ	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
EXECUTIVE LEADERSHIP TEAM

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
	10.02.2017	Director, South Island Shared Service Agency	Shelf company owned by South Island DHBs
	10.02.2017	Director & Shareholder, Carlisle Hobson Properties Ltd	Nil
	26.10.2017	Nephew, Tax Advisor, Treasury	
	18.12.2017	Ex-officio Member, Southern Partnership Group	
	30.01.2018	CostPro (costing tool)	Developer is a personal friend.
	30.01.2018	Francis Group	Sister is a consultant with the Francis Group.
Lisa GESTRO	06.06.2018	Lead GM National Travel and Accommodation Programme	
Lynda McCUTCHEON	19.08.2015	Member of the National Directors of Allied Health	Nil
	04.07.2016	NZ Physiotherapy Board: Professional Conduct Committee (PCC) member	No perceived conflict. If complaint involves SDHB staff member or contractor, will not sit on PCC.
	18.09.2016	Shareholder, Marketing Business Ltd	Nil
Nigel MILLAR	04.07.2016	Member of South Island IS Alliance group	This group works on behalf of all the SI DHBs and may not align with the SDHB on occasions.
	04.07.2016	Fellow of the Royal Australasian College of Physicians	Obligations to the College may conflict on occasion where the college for example reviews training in services.
	04.07.2016	Fellow of the Royal Australasian College of Medical Administrators	Obligations to the College may conflict on occasion where the college for example reviews training in services.
	04.07.2016	NZ InterRAI Fellow	InterRAI supplies the protocols for aged care assessment in SDHB via a licence with the MoH.
	04.07.2016	Son - employed by Orion Health	Orion Health supplies Health Connect South.
	04.07.2016	Clinical Lead for HQSC Atlas of Healthcare variation	HQSC conclusions or content in the Atlas may adversely affect the SDHB.
	29.05.2018	Council Member of Otago Medical Research Foundation Incorporated	

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
EXECUTIVE LEADERSHIP TEAM

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
Nicola MUTCH		Deputy Chair, Dunedin Fringe Trust	Nil
Patrick NG	17.11.2017	Member, SI IS SLA	Nil
	17.11.2017	Wife works for key technology supplier CCL	Nil
	18.12.2017	Daughter, medical student at Auckland University and undertaking Otago research project over summer 2017/18.	
Julie RICKMAN	31.10.2017	Director, JER Limited	Nil, own consulting company
	31.10.2017	Director, Joyce & Mervyn Leach Trust Trustee Company Limited	Nil, Trustee
	31.10.2017	Trustee, The Julie Rickman Trust	Nil, own trust
	31.10.2017	Trustee, M R & S L Burnell Trust	Nil, sister's family trust
	23.10.2018	Shareholder and Director, Barr Burgess & Stewart Limited	Accounting services
		Specified contractor for JER Limited in respect of:	
	31.10.2017	H G Leach Company Limited to termination	Nil, Quarry and Contracting.
Gilbert TAURUA	05.12.2018	Prostate Cancer Outcomes Registry (New Zealand) - Steering Committee	Nil
Gail THOMSON	19.10.2018	Member Chartered Management Institute UK	Nil
Jane WILSON	16.08.2017	Member of New Zealand Nurses Organisation (NZNO)	No perceived conflict. Member for the purposes of indemnity cover.
	16.08.2017	Member of College of Nurses Aotearoa (NZ) Inc.	Professional membership.
	16.08.2017	Husband - Consultant Radiologist employed fulltime by Southern DHB and currently Clinical Leader Radiology, Otago site.	Possible conflict with any negotiations regarding new or existing radiology service contracts. Possible conflict between Southern DHB and SMO employment issues.

SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
EXECUTIVE LEADERSHIP TEAM

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
	16.08.2017	Member National Lead Directors of Nursing and Nurse Executives of New Zealand.	Nil

Southern District Health Board

Minutes of the Hospital Advisory Committee Meeting held on Wednesday, 30 January 2019, commencing at 9.30 am in the Board Room, Southland Hospital Campus, Invercargill

Present:	Mrs Kathy Grant	Commissioner
	Mr Graham Crombie	Deputy Commissioner
	Mr Richard Thomson	Deputy Commissioner
In Attendance:	Mr Chris Fleming	Chief Executive Officer
	Mr Patrick Ng	Executive Director Specialist Services
	Mrs Lisa Gestro	Executive Director Strategy, Primary & Community
	Dr Nicola Mutch	Executive Director Communications
	Mr Gilbert Taurua	Chief Māori Health Strategy & Improvement Officer
	Mrs Jane Wilson	Chief Nursing Officer
	Ms Jeanette Kloosterman	Board Secretary (by videoconference)

1.0 APOLOGIES

Apologies were received from Ms Odele Stehlin, Committee Member, and Dr Nigel Millar, Chief Medical Officer.

2.0 PRESENTATION

Combining Patient Care, Education and Research at the Southland Campus

Clinical Associate Professor Konrad Richter, MD, PhD, FRACS, CSSANZ, Southland Consultant, General and Colorectal Surgeon and Surgical Oncologist, and Associate Dean, Southland, joined the meeting and gave a presentation on combining patient care, education and research at the Southland Hospital campus.

Professor Richter's presentation included an overview of: Southland Hospital as a rural teaching hospital, the Southland Education Centre and the University's building work on the Southland campus, research carried out in Southland, the collaboration between Southern DHB and the School of Medicine, University of Otago, and related activities, workshops and public lectures.

In conclusion Professor Richer advised that:

- The Southland Hospital campus has great potential;
- Besides aiming to provide excellent patient care, the University and DHB have a responsibility to teach and train the next generation of health professionals;
- There is no innovation without research and no progress without innovation;
- The successful collaboration between Southern DHB and the University of Otago has helped create a unique environment in the region.

3.0 DECLARATION OF INTERESTS

The Interests Registers were circulated with the agenda (tab 3).

The Commissioner reminded everyone of their obligation to advise the meeting should any potential conflict arise during discussions.

Recommendation:

"That the Interests Registers be received and noted."

Agreed

4.0 PREVIOUS MINUTES

Recommendation:

"That the minutes of the meeting held on 21 November 2018 be approved and adopted as a true and correct record."

Agreed

5.0 MATTERS ARISING/REVIEW OF ACTION SHEET

The Committee reviewed the action sheet (tab 4) and:

- Noted that the expected completion date of March 2019 for wider consultation on the Mental Health facilities discussion paper was unrealistic;
- Requested that the clerical and administration transformation project be added to the action sheet.

6.0 PROVIDER ARM MONITORING AND PERFORMANCE REPORTS

Executive Director Specialist Services' Report (tab 6.1)

The Executive Director Specialist Services (EDSS)' monthly report was taken as read and the EDSS highlighted the following items.

- *Elective Delivery* - Despite strike action by Anaesthetic Technicians and members of the Resident Doctors' Association, a reasonable proportion of elective lists and been preserved.
- *Elective Service Performance Indicator (ESPI) Delivery* - A lot of work had gone into developing recovery plans for those services challenged to comply with ESPI targets. This had resulted in an overall quantitative plan to achieve compliance over the next 5-10 months.
- *Cardiothoracic* - a campaign to recruit additional intensive care nurses and a monthly cardiothoracic list at Mercy Hospital should improve cardiothoracic surgery flow during the next quarter.
- *Radiology* - The radiology information system replacement approved by the Commissioner was in the process of being signed off by the Ministry of Health.

The EDSS answered questions on surgical capacity in Southland, production planning, and CT capacity.

Financial Performance Summary (tab 6.3)

In presenting the December 2018 financial report for Specialist Services, the EDSS noted that revenue was favourable to budget but this was offset by various workforce expenses. RMO, nursing and allied health workforce cost variances were being further analysed.

CONFIDENTIAL SESSION

At 10.35 am it was resolved that the Hospital Advisory Committee reconvene at the conclusion of the public excluded section of the Disability Support and Community and Public Health Advisory Committees meeting and move into committee to consider the agenda items listed below.

General subject:	*Reason for passing this resolution:*	*Grounds for passing the resolution:*
1. Previous Public Excluded Meeting Minutes	As set out in previous agenda.	As set out in previous agenda.
2. Serious Adverse Events	To protect information where the making available of the information would be likely to prejudice the supply of similar information and it is in the public interest that such information continue to be supplied.	Section 9(2)(ba) of the Official Information Act (OIA).
3. Dunedin Hospital Redevelopment	To allow activities and negotiations (including commercial negotiations) to be carried on without prejudice or disadvantage.	Sections 9(2)(i) and 9(2)(j) of the OIA.

Confirmed as a true and correct record:

Commissioner: _____

Date: _____

Southern District Health Board
HOSPITAL ADVISORY COMMITTEE
ACTION SHEET

As at 30 January 2019

DATE	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
Nov 2018	**Elective Delivery** (Minute item 5.0)	▪ Consideration to be given to obtaining quotes for outsourcing to Australia, to determine whether this would be more cost effective than sending patients to other NZ centres; ▪ Updates to be provided on other initiatives, eg standby cases.	EDSS	Procurement are seeking information regarding this initiative. Two standby cases were completed in November. More are available during December but acute theatre is likely to be a priority due to Christmas and New Year. Many departments have short notice lists. All departments have been asked to design a system where short notice cases can be completed. Elective Service provision now well under control and as such sending offshore less of a priority	
Nov 2018	**Mental Health** (Minute item 5.0)	Consultation on the discussion paper on MH facilities to be widened.	EDSS	Still awaiting draft.	
Jan 2019	**Clerical and Administration Transformation** (Minute item 5.0)	Progress reports to be provided.	EDSS	With other competing priorities this initiative is yet to get underway fully.	

SOUTHERN DISTRICT HEALTH BOARD

Title:	**Executive Director of Specialist Services Report**
Report to:	Hospital Advisory Committee
Date of Meeting:	27 March 2019

Summary:

Considered in these papers are:

- February 2019 DHB activity.

Specific implications for consideration (financial/workforce/risk/legal etc):

Financial:	Yes
Workforce:	Yes
Other:	No

Document previously submitted to:	Not applicable, report only provided for the Hospital Advisory agenda.	**Date:**
Approved by:		**Date:**

Prepared by: Executive Director of Specialist Services **Date:** 14/03/2019	**Presented by:** Patrick Ng Executive Director of Specialist Services

RECOMMENDATION:

That the Hospital Advisory Committee receive the report.

Executive Director of Specialist Services (EDSS) Report – February 2019

Recommendation

That the Hospital Advisory Committee notes this report.

1. Operational Overview Highlights

Linear Accelerator Machines

Initial delays when the first of two Elektra machines were installed in the latter part of 2018 were related to the electricity supply into the machine, where a 'ripple' effect due to the consistency of the power supply had the potential to impact on the accuracy and consistency of the beams produced by the machine. This issue was addressed in the latter part of 2018 with a solution that involved uninterruptable power supply (UPS) batteries. However, there have been subsequent issues associated with physics input into the commissioning of the machine. Further commissioning of the machine, so as not have patients waiting for their treatment has been completed, and this risk has been addressed. However, there still remains work to be done to finalise the commissioning of the machine and not completing this work in a timely manner will lead to delays in the installation of the second machine. The timeline currently provided is not acceptable, and urgent work is underway to develop a more acceptable timeframe and finalise the commissioning of this, first machine.

Emergency Department (Dunedin)

The Emergency Department has been thinking about their future requirements in terms of short-term capacity, a medium-term ideal of having a proximate assessment unit and a longer term plan to utilise the day surgical space when this becomes available (once the ambulatory block is constructed). We are currently looking at short-term options/initiatives. These initiatives then need to be tied specifically into the work being undertaken with Francis Health under 'valuing patient time' to demonstrate that they will improve the flow of patients through our hospital systems and ultimately lead to measurable efficiency.

ESPI (Elective Service Performance Indicator) Recovery

The draft 'planned care recovery programme' has been discussed with relevant members of the elective planning team at the Ministry of Health. Quite a bit of activity has been initiated, as follows:

- Meetings with the Senior Medical Officers' for each of the services in the recovery plan have occurred with the exception of General Surgery (where we met with the Clinical Leader and are scheduling a meeting with the wider team).

- We then scheduled meetings with these same groups to discuss a proposed prioritisation tool from the Ministry with our Ministry colleagues. The EDSS, relevant General Manager and relevant service managers spent a day with key members of the Ministry's elective team who came down to demonstrate the tool and discuss the practicalities of implementing it. The tool will allow patients to be clearly prioritised, which will be key to our plan of accepting patients based on the capacity that exists in our clinics.

- We are keen to implement the Ministry tool and we have written to the Ministry seeking programme management assistance to implement the tool successfully.

We have developed forecasting and we are meeting on a weekly basis to review progress. We have been set back by the RDA strikes, which have led to large numbers of First Specialist Assessment's being cancelled.

ICU

In partnership with our contractors (Naylor Love), we have successfully lifted the air leak rates in our isolation rooms to an acceptable standard and the move into the new ICU was successfully completed on 05 March. Work will now commence on the construction of the second stage of the ICU.

Recruitment into critical care nursing roles is continuing, and a 'working in' campaign in the UK is about to get underway.

Elective Delivery

Successfully filling most elective lists in January meant that January was effectively a normal month. However, as we phased January in our forecast based on historic performance this meant that our delivery in January was higher than our forecast. This has set us up well for the remainder of the planning year. Despite significant acute pressures in the latter part of February and into early March we have ended February still in surplus with a year to date surplus of circa 280 case weights, despite the continuation of RDA strikes (two in January, two in February). We were able to maintain approximately 80% of our lists through these strikes as a little less than half of the RMO's either chose not to strike or had already joined the alternative STONZ union.

Assisting our elective performance since January has been consistent cardiothoracic delivery. The most recent report suggests that we were only 6 cases short of our full year target on a year to date basis. This is relatively good compared to the other DHBs, with the other tertiary DHBs some way off their year to date targets. We were also back to within the Ministry indicated wait list (25 on the wait list versus the Ministry target which is 10% of the full year target, or 27).

Planning work has occurred in terms of the refurbishment of the day surgical unit (DSU) over the anniversary weekend. The longer term solution is the Ambulatory Block which is slated for 2023, and a solution was agreed between all parties of undertaking minor refurbishment in the DSU in the meantime. As the refurbishment work will extend beyond the long weekend, work has been undertaken to ensure that the lists lost in the DSU are made up elsewhere.

Radiology

The radiology re-accreditation visit has now been booked for early May. In respect of the 3 corrective actions (CARS):

- CAR 1 (building). We have a disaster recovery contract in place with our local provider, PRG. All building services have been dropped below ceiling height. A set of procedures for requesting maintenance for services has been developed and is available on the MIDAS system. Indications are that this CAR is fully met.
- CAR 2 (end of life radiology information system). All approvals are now in place and we have asked our IS colleagues to raise the CAPEX and purchase the software. We envisage that this will have occurred pre-IANZ visit and that initial implementation planning will have occurred. We anticipate this CAR also being fully met.
- CAR 3 (CT performance and staff pressures. MRI performance). We have successfully implemented the CT evening shift as of late January. CT performance is currently circa 76% against the Ministry target. We have successfully implemented the weekend MRI sessions. MRI performance is currently circa 57% and we envisage with regular weekend sessions we will lift performance to the Ministry target of 85% within 42 days within the next 6 months. We believe the actions taken and performance achieved in both cases meet CAR expectations.

Based on the pre-visit, we anticipate questions (which were not related to the CARS we are required to address) concerning our inpatient CT capacity. Although this shouldn't impact on accreditation, we are in the process of developing a position statement in terms of CT capacity which covers short-medium and long-term requirements and how we might address them.

PICS (South Island Patient Management System) Pre-Work

We are keen to promote the following as pre-work projects prior to the implementation of South Island PICS:

- A data transformation project should kick off at least 12 months prior to the implementation of PICS. The data transformation project needs to ensure that the 3 years of history which is migrated into PICS is cleansed, transformed and prepared for PICS as 'clean' data.
- The centralisation and improvement of our referral processes is essential. With the successful recruitment of a business support manager to replace the previous programme/ projects manager we will utilise the additional capacity to resume the thinking about how

we improve referral management processes ahead of PICS implementation and this will translate into a proposed pre-PICS CAPEX project.

- There appears to be good support for utilising 'SCOPE' as the South Island theatre module, with Canterbury DHB, the West Coast and South Canterbury all planning to adopt it and Nelson Marlborough DHB also showing some enthusiasm. Once this is confirmed by the South Island Alliance we are in a position to implement SCOPE ahead of PICS and our clinical teams are indicting that they would gain significant audit and theatre management benefits that don't exist with our current systems. SCOPE is on the IS CAPEX list and we will work with our IS colleagues to work up a case for implementing this as a pre-PICS project.

2. Health Targets

Indicator	**Last Quarter – MOH**	**Current Quarter** **To Date** **Estimate**	**Actions if falling short of target**
Shorter Stays in Emergency Department – Target 95%	90%	89%	Continuing to look at patient flow through the Emergency Department and also across the whole hospital.
Colonoscopy Urgent – 85% **Colonoscopy Non Urgent – 70%** **Colonoscopy Surveillance – 70%**	93% 91% 77%	100% 86% 62%	The impact of the Christmas close down has continued to negatively affect the surveillance figures. Additional weekend sessions are being utilised to continue to recover this number in next two months.
Coronary Angiograms **95%**		98.1%	
Immunisation **95% of eight-month-olds will have their primary course of immunisation (six weeks, three months and five month events) on time.**		N/A	

Healthy Children **By December 2017, 95% of obese children identified in the Before School Check (B4SC) programme will be offered a referral to a health professional for clinical assessment and family based nutrition, activity and lifestyle interventions.**		N/A	
Radiology **Diagnostic indicator CT, 95% of patients referred for elective CT have report distributed within 42 days**	November 2018 78.2% December 2018 76.4%	January 2019 Circa 76.4% Unconfirmed	A problem has been identified this week regarding the data in January and February. We are urgently verifying this data but this will take the reporting team at least a week to identify problems, adjust the report and then verify the report for submission to the Ministry on 20 March. There is an increase in planned CT resourcing to cover evening shifts (for acutes). It is anticipated that this assists with acute flow from the Emergency Department and delays on the ward as well as reduce postponements for planned patients during the day. Overall, this is an increase in CT resourcing.
Radiology **Diagnostic indicator MRI, 85% of patients referred for elective MRI have report distributed within 42 days**	November 2018 57.1% December 2018 56.4%	January 2019 Circa 56.4% Unconfirmed	A problem has been identified this week regarding the data in January and February. We are urgently verifying this data but this will take the reporting team at least a week to identify problems, adjust the report and then verify the report for submission to the Ministry on 20 March. Evening MRI session have commenced so continued improvements are expected.

Faster Cancer Treatment (FCT) – Target 90% of patients referred with a high suspicion of cancer and triaged as urgent receive their first definitive cancer treatment within 62 days of the date of receipt of referral (as of July 2017).	79%	Data for Quarter 3 not available until 1 May 2019	We are currently looking at options to improve the surgical treatment waiting times.

Elective Surgical Discharges - Annual target 13,190	8,887 Actual YTD vs 8,851 Plan YTD, as at February 2019

Refer to page 8 - Caseweight and discharge volumes graph.

5.2 - KPI Summary, Discharges and CWD volumes

Patrick Ng, Executive Director of Specialist Services

Hospital Advisory Committee KPI Summary - Discharges and CWD Volumes

Elective Surgical Discharges February 2019

Elective Surgical Discharge Activity - Southern DHB population

	February 2019				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	725	776	(51)	(7%)	6,894	7,124	(230)	(3%)	10,875
SDHB population treated by other DHBs	42	42	-	-	317	336	(19)	-6%	506
SDHB population outsourced	82	39	43	110%	570	366	204	56%	552
SURGICAL ELECTIVE DISCHARGES	**849**	**857**	**(8)**	**(1%)**	**7,781**	**7,826**	**(45)**	**(1%)**	**11,933**
Surgical Arranged Admissions	79	62	17	27%	672	580	92	16%	893
Surgical Discharges from a Non-Surgical PUC - Elective	19	25	(6)	(24%)	233	231	2	05	350
Surgical Discharges from a Non-Surgical PUC - Arranged	21	23	(2)	(9%)	201	214	(13)	(6%)	326
HEALTH TARGET DISTCHARGES	**968**	**967**	**1**	**0%**	**8,887**	**8,851**	**36**	**05**	**13,502**

Elective Surgical Caseweights December 2018

Elective Surgical Caseweights Activity - Southern DHB population

	February 2019				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	1,093.3	1,067.5	25.8	2%	10,331.6	10,580.9	(249.3)	(2%)	15,708.8
SDHB population treated by other DHBs	131.8	131.8	-	-	904.5	1,059.6	(155.1)	(15%)	1,589.7
SDHB population outsourced	96.4	92.3	4.1	4%	879.6	370.4	509.2	137%	1,012.2
SURGICAL ELECTIVE CWD	**1,321.5**	**1,291.6**	**29.9**	**2%**	**12,115.7**	**12,010.9**	**104.8**	**05**	**18,310.7**

(1) IDF Outflow volumes are the latest available for July-January. February IDF Outflows are based on the planned numbers.

Southern DHB
Hospital Advisory Committee - KPIs February 2019 Data

Patient Safety and Experience - Hospital Healthcheck					
	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/rating
3 - Improved access to Elective Surgical Services monthly (population based) Discharges Health Target	1,003	968	953	15 (1.6%)	
3a - Improved access to elective surgical services ytd (population based) Discharges Health Target	8,486	8,887	8,851	36 (0.4%)	

Patient Safety and Experience - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
Faster Cancer treatment; 90% of patients to receive their first cancer treatment within 62 days of being referred with a high suspicion of cancer seen within 2 weeks *Reported in arrears	96.4%	P	90.0%	NA	
11 - Reduced stay in ED	88.9%	88.8%	95.0%	-6.2%	
15 - Acute Readmission Rates (Note 1)	10.2%	11.6%	9.9%	-1.7%	

Cost/Productivity - Hospital Healthcheck					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/rating
1 - Waits >4 months for FSA (ESPI 2)	368	1449	0	-1449	
2 - Treatment >4 months from commitment to treat (ESPI 5)	445	469	0	-469	
% of accepted referrals for CT scans receiving procedures within 42 days	86.9%	59.2%	95.0%	-35.8%	
% of accepted referrals for MRI scans receiving procedures within 42 days	33.2%	44.3%	90.0%	-45.7%	
% accepted referrals for Coronary Angiography within 90 days	85.0%	100.0%	95.0%	5.0%	
4a - All Elective caseweights versus contract (monthly provider arm delivered) (Note 4)	1,668	1,769	1,535	234 (15.2%)	
4b - All Elective caseweights versus contract (ytd provider arm delivered) (Note 4)	14,546	15,758	13,940	1818 (13%)	
7a - Acute caseweights versus contract (monthly provider arm delivered) (Note 4)	2,569	2,546	2,455	91 (3.7%)	
7b - Acute caseweights versus contract (ytd provider arm delivered) (Note 4)	21,751	21,797	20,612	1184 (5.7%)	

Key -

- Meeting target or plan
- Underperforming against target or plan but within thresholds or underperforming but delivering against agreed recovery plan
- Underperforming and exception report required with recovery plan

Note 1 Awaiting new definition from Ministry

Note 2 DOSA rates excludes Cardiac/Cardiology

Note 3 Using SDHB historic definition not the one reported on by the MoH

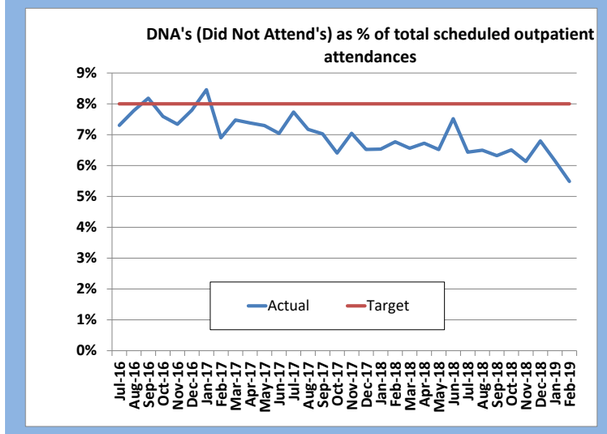
Note 4 Prior year figures restated to include Arranged admissions in Elective data rather than Acute

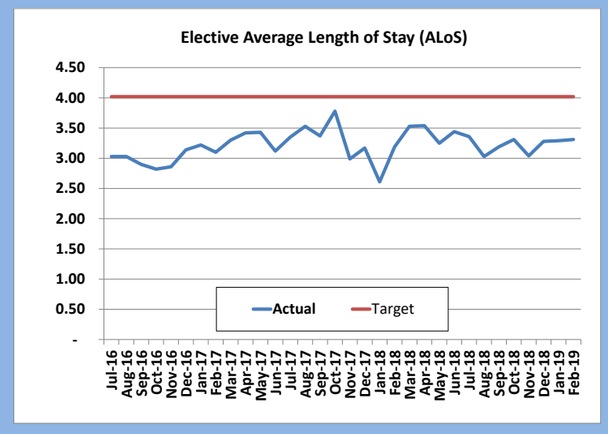
P = Pending

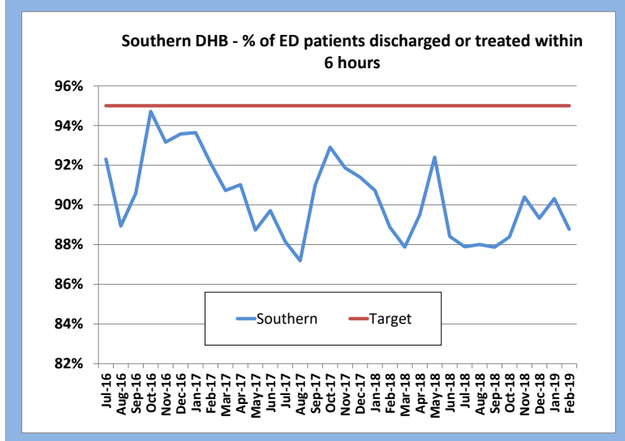
Cost/Productivity - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
5 - Reduction in DNA rates	6.8%	5.5%	8.0%	2.5%	
9 - ALoS (elective) (Note 3)	3.19	3.31	4.02	0.71 (17.7%)	
ALoS (Acute inpatient) (Note 3)	3.87	4.01	4.25	0.24 (5.6%)	
DOSA (Note 2)	92.8%	93.4%	95.0%	-1.6%	

Southern DHB
Hospital Advisory Committee - Performance Report February 2019 Data

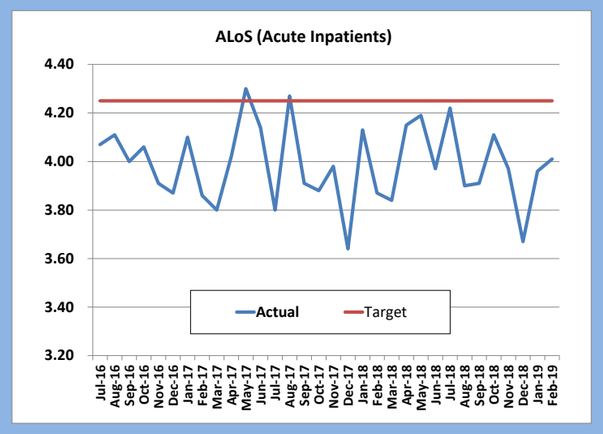
Elective Care

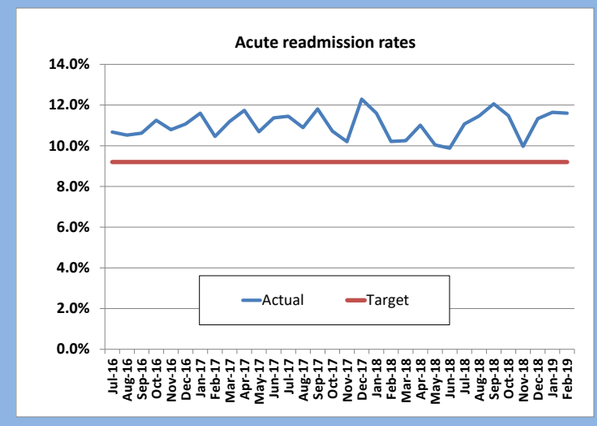






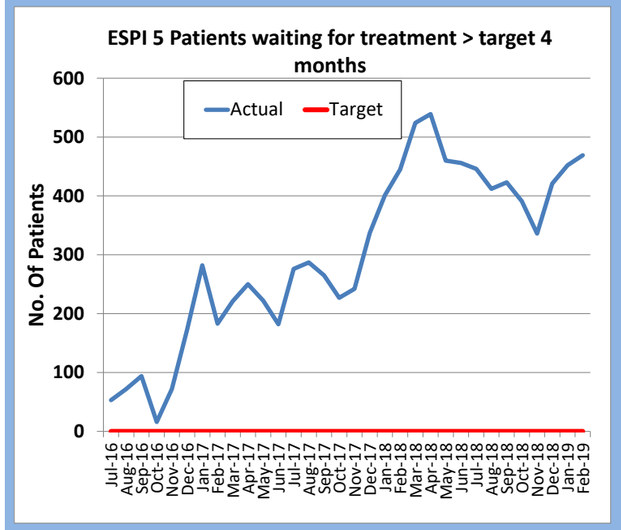
Acute Care

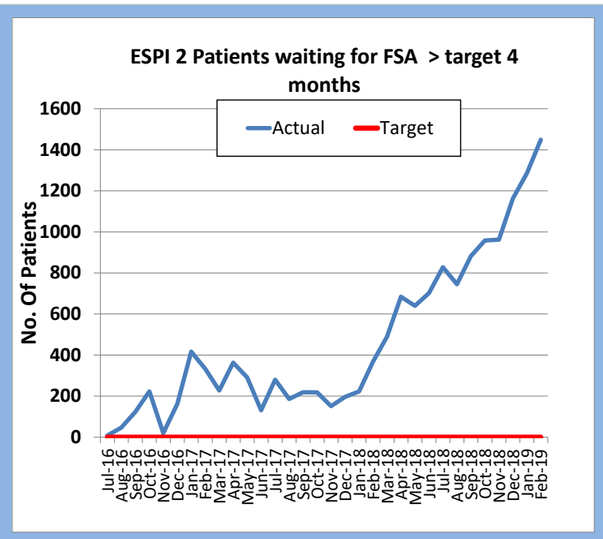


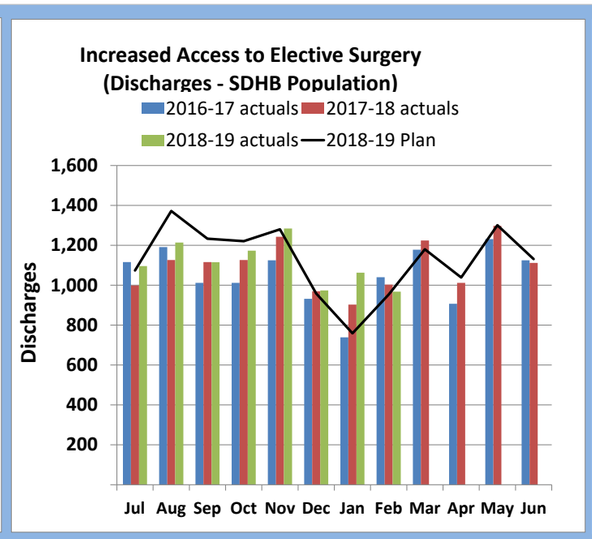


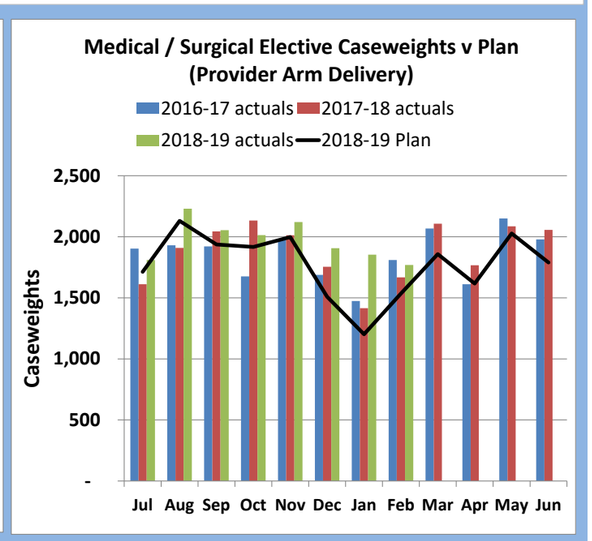
Southern DHB
Hospital Advisory Committee - Healthcheck Report February 2019 Data

Elective Care

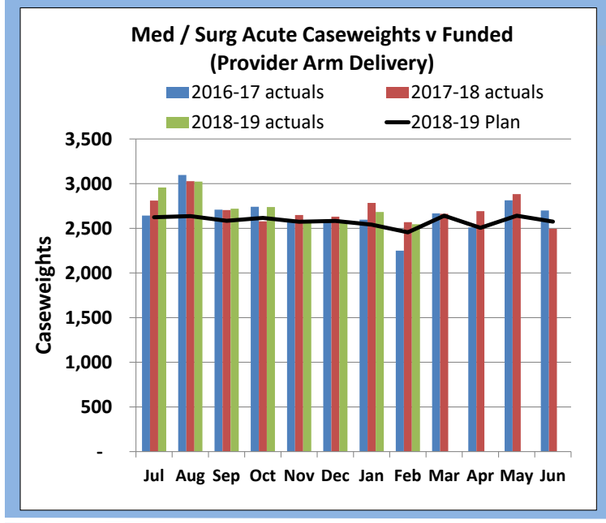








Acute Care



SOUTHERN DISTRICT HEALTH BOARD

Title:	**FINANCIAL REPORT**
Report to:	Hospital Advisory Committee
Date of Meeting:	27 March 2019

Summary:

The issues considered in this paper are:

- February 2019 financial position.

Specific implications for consideration (financial/workforce/risk/legal etc):

Financial:	As set out in report
Workforce:	No specific implications
Other:	n/a

Document previously submitted to:	Not applicable, report submitted directly to Hospital Advisory Committee.	**Date:**
Approved by Chief Executive Officer:		**Date:**

Prepared by: Grant Paris Management Account – Clinical Analysis **Date:** 11/03/2019	**Presented by:** Patrick Ng Executive Director of Specialist Services

RECOMMENDATION:

That the Hospital Advisory Committee note the report.

SOUTHERN DHB FINANCIAL REPORT – Commissioners Summary for HAC

Financial Report for: February 2019
Report Prepared by: Grant Paris
Management Accountant

Date: 14 March 2019

Overview

Results Summary for Specialist Services

Specialist Services encompasses the delivery of services across Mental Health, Surgical and Radiology, Medicine, Women's and Children's and Operations at SDHB at Dunedin, Wakari and Invercargill Hospitals. It excludes support services such as building and property, Information Technology, Finance and SDHB Management.

Month				Year To Date		
Actual $000	Budget $000	Variance $000		Actual $000	Budget $000	Variance $000
51,738	50,570	1,168	Revenue	410,165	403,238	6,927
25,663	23,005	(2,658)	Less Personnel Costs	209,532	200,331	(9,201)
18,600	17,888	(712)	Less Other Costs	151,424	144,741	(6,683)
7,475	**9,677**	**(2,202)**	**Net Surplus / (Deficit)**	**49,209**	**58,165**	**(8,956)**

The February result for Specialist Services produced a surplus of $7.48m, which was adverse to the budgeted surplus of $9.68m. Year-to-date Specialist Services is reporting a $49.21m surplus against a budgeted surplus of $58.16m.

February Result:
Elective & acute case weights, including inter-district flows, were higher than budget.

This analysis includes any Inter District Flow activity delivered within our facilities for people who are domiciled in other DHBs, however it excludes services delivered by other DHBs for our population. This view represents whether the provider arm is delivering to the expected / budgeted volumes.

Please note that the 'elective surgical' case weights in this chart do not reconcile to the elective initiative production plan as cardiology and dental case weights (which are captured in the initiative) are recorded as medical case weights.

Feb-19					YTD 2018/19			
Actual	Budget	Variance	% Variance		Actual	Budget	Variance	% Variance
				Medical Caseweights				
1,216	1,292	(76)	-6%	Acute	11,390	10,751	640	6%
253	134	119	89%	Elective	2,373	1,586	787	50%
1,469	**1,426**	**43**	**3%**	**Total Medical Caseweights**	**13,763**	**12,336**	**1,426**	**12%**
				Surgical Caseweights				
1,231	993	237	24%	Acute	9,711	8,511	1,200	14%
1,211	1,132	79	7%	Elective	10,550	10,616	(66)	-1%
2,442	**2,125**	**316**	**15%**	**Total Surgical Caseweights**	**20,261**	**19,127**	**1,134**	**6%**
				Maternity Caseweights				
99	169	(70)	-42%	Acute	696	1,350	(655)	-48%
305	230	75	33%	Elective	2,836	1,738	1,098	63%
404	**399**	**5**	**1%**	**Total Maternity Caseweights**	**3,531**	**3,088**	**443**	**14%**
				TOTALS				
2,546	**2,455**	**91**	4%	**Acute**	**21,797**	**20,612**	**1,185**	6%
1,769	**1,495**	**273**	18%	**Elective**	**15,758**	**13,940**	**1,818**	13%
4,315	**3,950**	**364**	**9%**	**Total Caseweights**	**37,555**	**34,552**	**3,004**	**9%**

				TOTALS excl. Maternity				
2,447	**2,286**	**162**	7%	**Acute**	**21,102**	**19,262**	**1,840**	10%
1,464	**1,266**	**198**	16%	**Elective**	**12,922**	**12,202**	**721**	6%
3,911	**3,551**	**360**	**10%**	**Total Caseweights excl. Maternity**	**34,024**	**31,463**	**2,560**	**8%**

Statement of Financial Performance

Monthly					Year to date			
Actuals $000s	Budget $000s	Variance $000s	Variance FTE		Actuals $000s	Budget $000s	Variance $000s	Variance FTE
				REVENUE				
				Government & Crown Agency Sourced				
8,626	8,492	134		MoH Revenue	69,445	67,935	1,510	
40	40	0		IDF Revenue	321	321	0	
415	724	(309)		Other Government	5,831	6,044	(213)	
9,080	**9,256**	**(176)**		**Total Government & Crown**	**75,597**	**74,300**	**1,297**	
				Non Government & Crown Agency Revenue				
650	384	266		Patient related	2,542	1,784	758	
149	196	(47)		Other Income	1,386	1,570	(184)	
799	**580**	**219**		**Total Non Government**	**3,928**	**3,354**	**574**	
41,858	40,734	1,124		Internal Revenue	330,640	325,584	5,056	
51,738	**50,570**	**1,168**		**TOTAL REVENUE**	**410,165**	**403,238**	**6,927**	
				EXPENSES				
				Workforce				
				Senior Medical Officers (SMO's)				
6,663	5,714	(949)	(2)	Direct	52,604	49,785	(2,819)	3
466	292	(174)		Indirect	2,484	2,537	53	
367	286	(81)		Outsourced	3,804	3,797	(7)	
7,496	**6,292**	**(1,204)**	**(2)**	**Total SMO's**	**58,892**	**56,119**	**(2,773)**	**3**
				Registrars / House Officers (RMOs)				
3,359	3,240	(119)	(1)	Direct	28,691	27,903	(788)	(7)
395	252	(143)		Indirect	1,879	1,909	30	
39	23	(16)		Outsourced	1,045	206	(839)	
3,794	**3,515**	**(279)**	**(1)**	**Total RMOs**	**31,615**	**30,018**	**(1,597)**	**(7)**
11,289	**9,808**	**(1,481)**	**(3)**	**Total Medical costs (incl outsourcing)**	**90,508**	**86,137**	**(4,371)**	**(4)**
				Nursing				
9,988	9,150	(838)	(53)	Direct	81,491	78,507	(2,984)	(21)
0	(98)	(98)		Indirect	16	(589)	(605)	
1	5	4		Outsourced	100	42	(58)	
9,990	**9,057**	**(933)**	**(53)**	**Total Nursing**	**81,607**	**77,960**	**(3,647)**	**(21)**
				Allied Health				
2,521	2,417	(104)	(11)	Direct	21,313	21,072	(241)	4
83	36	(47)		Indirect	517	285	(232)	
(10)	1	11		Outsourced	627	6	(621)	
2,594	**2,453**	**(141)**	**(11)**	**Total Allied Health**	**22,457**	**21,363**	**(1,094)**	**4**
				Support				
156	159	3	2	Direct	1,286	1,351	65	2
0	1	1		Indirect	7	9	2	
0	0	0		Outsourced	0	0	0	
156	**160**	**4**	**2**	**Total Support**	**1,294**	**1,360**	**66**	**2**
				Management / Admin				
1,609	1,506	(103)	(13)	Direct	13,593	13,332	(261)	(9)
20	17	(3)		Indirect	42	138	96	
4	5	1		Outsourced	32	42	10	
1,633	**1,528**	**(105)**	**(13)**	**Total Management / Admin**	**13,667**	**13,512**	**(155)**	**(9)**
25,663	**23,005**	**(2,658)**	**(78)**	**Total Workforce Expenses**	**209,532**	**200,331**	**(9,201)**	**(27)**
2,621	2,434	(187)		**Outsourced Clinical Services**	21,578	20,211	(1,367)	
0	0	0		**Outsourced Corporate / Governance Services**	0	0	0	
0	0	0		**Outsourced Funder Services**	0	0	0	
6,394	5,988	(406)		**Clinical Supplies**	54,410	49,024	(5,386)	
988	969	(19)		**Infrastructure & Non-Clinical Supplies**	8,595	8,257	(338)	
				Provider Payments				
7,822	7,575	(247)		Mental Health	60,847	60,642	(205)	
				Non Operating Expenses				
775	922	147		Depreciation	5,993	6,607	614	
0	0	0		Capital charge	0	0	0	
0	0	0		Interest	0	0	0	
18,600	**17,888**	**(712)**		**Total Non Personnel Expenses**	**151,424**	**144,741**	**(6,683)**	
44,263	**40,894**	**(3,369)**		**TOTAL EXPENSES**	**360,956**	**345,073**	**(15,883)**	
7,475	**9,677**	**(2,202)**		**Net Surplus / (Deficit)**	**49,209**	**58,165**	**(8,956)**	

Internal Revenue was favourable in the month by $1.12m due to;

- $0.30m funding for the settlement of the Nursing MECA
- $0.68m higher than planned case weight delivery being recognised in elective case weight revenue.
- $0.15m of PCT funding offsetting costs.

Other Government revenue was lower than budget due primarily to ACC revenue being $0.32m less than budget. This was driven by;

- Lower than budgeted Orthopaedic revenue due to the reversal of prior months over accruals in the fracture clinics, and lower than budgeted elective ACC revenue.
- Continued lower demand in Mental Health for specialist beds where the demand is less than budget.

Patient Related Revenue was higher than budgeted due to income received from non-resident patients.

February workforce expenses were unfavourable to budget by $2.66m, driven by Medical and Nursing costs.

- SMO direct costs were $0.95m over budget and indirect costs $0.17m unfavourable. (driven by payments for strike cover)

- RMO costs were $0.28m unfavourable to budget (1FTE unfavourable) being a combination of additional overtime and training costs. Further analysis was requested to better understand why the impact of the strikes did not translate into a more favourable variance and this is provided further on.

- Nursing FTE was 53 higher than budgeted ($0.93m unfavourable) due mainly due to a combination of leave being higher than budget (sick, ACC, annual leave) and higher workload requirements.

- Allied Health direct costs were $0.10m over budget driven by FTE which was 11FTE unfavourable. This was driven by MRTs that were 10.5FTE over budget being a combination of;
    - Additional FTE for extending CT, MRI shifts and theatre resource for the image intensifier.
    - Less annual leave taken compared to budget (in staff types that generally aren't covered, we can assume that if the staff aren't on annual leave, it will result in an increase in ordinary time as they're working)

Non personnel costs were unfavourable to budget by $0.71m. This was driven by outsourced services, clinical supplies and mental health costs.

- Outsourced services were driven primarily by Ophthalmology follow up clinics planned through to March 2019.

- Clinical supplies exceeded budget across the majority of categories reflecting the increased volumes achieved. The major overruns were blood, implants, pharmaceutical expenditure and air ambulance, which have been running higher than budget since nationally agreed price changes came into place (partially offset with additional revenue).

Revenue

Ministry of Health (MoH) Revenue

MoH revenue is $0.13m favourable to budget for the month and $1.51m favourable year-to-date. The main items making this up are:

Category	Source	Monthly Variance $000s	YTD Variance $000s	Comment
MoH Revenue				
Personal Health	Bowel Screening	0	50	Phasing of funding for service establishment & operation
	Safe staffing	78	451	Addition Nursing funding for FTE recruited to date
	Donor Liaison Coordinator	8	87	
	Organ donation	0	41	Organ Donation Link Nurses and Doctor
Devolved Funding – subcontracts	Mental Health Pay Equity	103	700	Funding for Pay Equity for eligible Mental Health workers at NGOs
	Sleepover settlement	0	(69)	Wash-up of prior year revenue
Disability Support Services	Fee for Service Beds	(20)	154	Mental Health usage of fee for service beds
Clinical Training		(7)	45	Reconciliation of eligible personnel to amounts billed
Other		(28)	52	
Total		**134**	**1,511**	

Other Government Revenue

Other Government revenue was $0.31m unfavourable to budget in February, primarily due to lower ACC & Dental revenue as shown below. This was partially offset by higher revenue due to the haemophilia rebate booked. Year-to-date revenue is $0.21m unfavourable driven by lower than budgeted ACC revenue.

Cost Centre	Monthly Variance $000s	YTD Variance $000s	Comment
3019 General Surgery	(8)	(71)	
3030 Orthopaedic Medical Staff	(285)	65	Monthly Variance due to the reversal of overaccruals plus low elective ACC revenue
3505 Gastroenterology 8th Floor	10	50	Hep C program greater than budgeted
5030 Haemophiliac	108	109	Haemophilia rebate revenue offsetting the cost of the products.
8043 Mental Health & Addictions and	(16)	(61)	Lower demand for specialist
8110 Operations		66	Repatriation costs for overseas patient invoiced to ACC
8122 Emergency Department And Inte	(7)	(51)	
8136 Service Manager Specialist Surgical Services Dunedin	(62)	(331)	Lower than budgeted ACC ($216 ytd) and Dental School revenue

Internal Revenue

Internal revenue was $1.12m favourable to budget for the month, driven by higher elective case weight delivery, additional funding provided for the Nursing MECA settlement above the rate budgeted, additional PCT (pharmaceutical cancer treatments) funding (offset in expenditure).

Year-to-date revenue is $6.93m favourable driven by the same areas as the monthly variance.

Workforce Costs

Workforce costs (personnel plus outsourcing) were $2.66m unfavourable to budget in the month and $9.20m unfavourable year-to-date. Operationally in February FTE were 78 unfavourable to budget. Year-to-date FTE are 27 unfavourable.

Senior Medical Officers (SMOs)

SMOs direct costs were $0.95m unfavourable and 2 FTE unfavourable for the month.

The drivers of this variance were;

- Overtime costs $0.65m over budget driven by the costs of strike cover.
- Allowances over budget by $0.15m driven by a combination of budgets incorrectly calculated in the 18/19 budget plus an increase in allowances paid (over and above the flow on affect from MECA increases) such as additional call hours and additional sessions;
- Penal payments not budgeted of $0.04m due to night rates not budgeted in error mainly in ICU, ED and Anaesthesia
- Kiwisaver and Super $0.05m unfavourable due to budget assumption being understated.
- Annual leave taken was 9FTE less than budget, however due to vacancies, this has had no impact on the monthly FTE variance.

Outsourced costs were $0.08m unfavourable to budget in the month driven by vacancies and service cover in Ophthalmology, General Surgery and Radiation Oncology. Year to date outsourcing costs remain close to budget.

Registrars / House Officers (RMOs)

RMO direct costs were $0.12m unfavourable and 1 FTE over budget for the month.

Expectations were that due to the RMO strike, we would see a decrease in FTE as 20FTE were booked as unpaid due to strike.

This decrease did not eventuate. A review of actual RMO FTE by month this year as per the table below highlights the increasing level of FTE up to Dec18 due to successful recruitment, Jan and Feb reflecting the decrease on the RMO rotation. Despite Operations decreasing in February by 9FTE due to the strike, this was largely offset by increases in Surgical (Orthopaedics, General Surgery, Anaesthetics and Radiology).

Directorate	Jul18	Aug18	Sep18	Oct18	Nov18	Dec18	Jan19	Feb19
Mental Health & Addictions	14.63	12.65	12.96	12.58	11.25	13.43	12.84	11.8
Medicine Womens and Children	56.96	25.9	42.3	44.69	43.4	39.33	41.25	41.71
Operations	123.28	176.22	154.46	157.82	160.11	171.97	161.36	152.83
Surgical and Radiology	94.59	79.99	87.88	90.57	94.72	94.82	97.1	104.41
Grand Total	**289.46**	**294.76**	**297.6**	**305.66**	**309.48**	**319.55**	**312.55**	**310.75**

Indirect costs were $0.14m unfavourable in the month, driven by the timing of training and relocation costs. YTD, indirect costs were under budget due to professional membership fees being $0.17m favourable however we do not expect this variance to continue as traditionally the spend on courses for RMOs ramps up over the coming months.

Outsourced costs were $0.02m higher than budget in the month ($0.84m ytd) due to the use of locums to cover roster requirements, vacant roles and workload.

Nursing

Nursing costs were $0.94m and 53FTE unfavourable to budget for the month.

The unfavourable monthly FTE variance was primarily driven by;

- The recruitment of 18.8 nurses as part of the safer staffing initiative.(offset by funding)
- Net increase of 19FTE in annual leave and stat leave due mainly to the difference in budgeting of the lieu day compared to actuals.
- Other leave (sick, ACC, long service, annual leave earned) over budget by 23FTE in the month

As well as the safe staffing funding, we also receive approx. $0.3m monthly from the Ministry to offset the impact of the NZNO MECA settlement (difference between amount budgeted and amount settled)

Direct costs were $0.84m unfavourable in the month, driven by the above FTE variances as well as higher than budgeted allowances, kiwisaver uptake and penal payments. As stated above, half of this was offset by additional revenue.

Indirect costs were $0.10m unfavourable ($0.61m ytd) being budgeted savings for patient flow savings not met.

Allied Health

Allied Health costs were $0.14m unfavourable and 11 FTE unfavourable to budget for the month.

The Allied Health direct cost variance is largely with MRTs $91k unfavourable (YTD $395k unfavourable), with additional costs for extending CT and MRI shifts and resource required for theatre image intensifier.

Outsourced costs were on budget for the month however $0.62m unfavourable ytd, the majority of this incurred to fill vacant Anaesthetic Tech positions.

Support

Support costs are on budget both for the month and ytd, both $'s and FTE.

Management / Administration

Management Admin staff were over budget for the month by $0.11m and 13FTE. The main driver of the FTE was;

- Annual leave not taken to budgeted levels – 5.6FTE
- Surgical Services admin being 6.25FTE over budget driven by Ophthalmology additional admin to clear the backlog plus additional FTE for the General Surgery booking coordinator.

Outsourced Clinical Services costs

Outsourced services were $0.08m unfavourable to budget in the month and $1.37m ytd driven by additional outsourced Urology ($0.08m over budget for the month and $0.31m ytd) and Ophthalmology cases ($0.20m over budget for the month and $0.73m ytd) to meet ESPI5 long wait cases for TURPs (Transurethral resection of the prostate) and cataracts. Orthopaedics outsourcing is also over budget however a large proportion of the outsourcing budget ($1.85m ytd) has not been allocated out at speciality level.

Clinical Supplies (excluding depreciation)

Clinical supplies were unfavourable to budget by $0.41m for the month and $5.39m year-to-date. The monthly unfavourable variance is driven by;

- $0.04m - Treatment disposables – blood costs were $0.13m unfavourable for the month ($0.41m ytd) offset partially by continued savings in renal costs resulting from contracted volume savings.

- $0.06m - Instruments and equipment, the largest single variance being an overrun in service contracts of $0.05m driven by the expected reduction in the budget due to the service contract holiday on the new LINAC. As the commissioning of the new equipment has been delayed we have had to continue paying for the contract on the old machine.

- $0.07m – Implant costs are directly related to patient activity with higher expenditure in Screws nails and plates ($0.13m over budget for the month). This was driven by higher than budgeted acute activity.

- $0.10m - Pharmaceuticals are driven primarily by the prescription of cancer drugs via the Oncology Outpatient Service.

- $0.16m – Other Clinical Supplies, being continued higher than budgeted costs for Air Ambulance charges ($0.92m ytd)

The year to date unfavourable variance of $5.39m has similar drivers as the monthly variance with minor clinical equipment and disposable equipment purchases also being significant variations from budget. YTD the unfavourable pharmaceutical variance of $2.19m is offset by additional PCT and Community Pharmacy revenue in Internal Revenue ($1.89m).

Infrastructure and Non-Clinical

These costs were $0.02m unfavourable to budget in the month and $0.34m unfavourable ytd. The ytd variance is due primarily to consulting costs relating to theatre and acute flow diagnostic work.

Provider Payments

These costs were $0.25m unfavourable for the month and $0.21m ytd.

- Mental Health Workforce Development unfavourable $10k, YTD $534k unfavourable. This is offset by Mental Health Pay Equity funding in revenue.

- Community Residential Beds and Services unfavourable $135k due to settlement of the signed Lindsay Creek contract, under accrued year to date.

- Minor Mental Health Expenditure unfavourable $29k, YTD $209k unfavourable. The Quality Improvement Programme (QIPM) for Mental Health was unbudgeted.

Non-Operating Expenses

Depreciation continues to be favourable to budget in the month and year-to-date.

Closed Session:

RESOLUTION:
That the Hospital Advisory Committee reconvene at the conclusion of the public Disability Support and Community & Public Health Advisory Committees meeting and move into committee to consider the agenda items listed below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 34, Schedule 4 of the NZ Public Health and Disability Act (NZPHDA) 2000 for the passing of this resolution are as follows:

General subject:	*Reason for passing this resolution:*	*Grounds for passing the resolution:*
1. Previous Public Excluded Meeting Minutes	As set out in previous agenda.	As set out in previous agenda.
2. Dunedin Hospital Redevelopment	To allow activities and negotiations (including commercial negotiations) to be carried on without prejudice or disadvantage.	Sections 9(2)(i) and 9(2)(j) of the OIA.