

SOUTHERN DISTRICT HEALTH BOARD

HOSPITAL ADVISORY COMMITTEE

Wednesday, 30 January 2019, 9.30am

Board Room, Community Services Building,
Southland Hospital Campus, Invercargill

A G E N D A

Lead Director: Patrick Ng, Executive Director Specialist Services

Item

1. **Apologies**
2. **Presentation**
Combining Patient Care, Education and Research at the Invercargill Southland Campus
By: Clinical Associate Professor Konrad Richter, MD, PhD, FRACS, CSSANZ. Southland Consultant, General and Colorectal Surgeon and Surgical Oncologist, Associate Dean Southland
3. **Interests Register**
4. **Minutes of Previous Meeting**
5. **Matters Arising/Action Sheet**
6. **Specialist Services Monitoring and Performance Reports**
 - 6.1 Executive Director Specialist Services Report
 - 6.2 Key Performance Indicators
 - 6.3 Financial Performance Summary
7. **Resolution to Exclude Public**

Southern DHB Values

Kind <i>Manaakitanga</i>	Open <i>Pono</i>	Positive <i>Whaiwhakaaro</i>	Community <i>Whanaungatanga</i>
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APOLOGIES

No apologies noted at time of publishing the agenda.

SOUTHERN DISTRICT HEALTH BOARD

Title:	INTERESTS REGISTERS
Report to:	Hospital Advisory Committee
Date of Meeting:	30 January 2019
<p>Summary:</p> <p>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.</p> <p>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).</p> <p>Changes to Interests Registers over the last month:</p> <ul style="list-style-type: none"> ▪ Nil. 	
Specific implications for consideration (financial/workforce/risk/legal etc):	
Financial:	n/a
Workforce:	n/a
Other:	
<p>Prepared by:</p> <p>Jeanette Kloosterman Board Secretary</p> <p>Date: 21/01/2019</p>	
<p>RECOMMENDATION:</p> <p>1. That the Interests Registers be received and noted.</p>	

Hospital Advisory Committee - Public - Interests Register

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 (Commissioner)	25.06.2015	Chair, Otago Polytechnic	Southern DHB has agreements with Otago Polytechnic for clinical placements and clinical lecturer cover.	
	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		
Graham CROMBIE (Deputy Commissioner)	27.06.2015	Independent Director, Surf Life Saving New Zealand	Nil	
	25.06.2015	Chairman, Dunedin City Holdings Ltd	Nil	
	25.06.2015	Chairman, Otago Museum	Nil	
	25.06.2015	Chairman, New Zealand Genomics Ltd (Removed 24.07.2018)	Nil	

**SOUTHERN DISTRICT HEALTH BOARD
INTERESTS REGISTER
COMMISSIONER TEAM**

Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB	Management Approach
	25.06.2015	Independent Chairman, Action Engineering Ltd	Nil	
	25.06.2015	Trustee, Orokonui Foundation	Nil	
	25.06.2015	Chairman, Dunedin City Treasury Ltd	Nil	
	25.06.2015	Independent Chair, Innovative Health Technologies (NZ) Ltd	Possible conflict if Southern DHB purchased this company's product.	
	16.01.2017	Director, Dunedin Stadium Property Ltd (previously known as Dunedin Venues Ltd)	Nil	
	08.02.2017	Independent Chair, TANZ eCampus Ltd		
	13.03.2017	Chair, South Island Alliance Information Services		
	23.11.2017	Director, A G Foley Ltd	Possible conflict if Southern DHB contracts this company's services.	
	06.06.2018	WJ Investments Ltd	Trustee for lawyer's trust, which owns this company.	Will withdraw if any conflict arises.
	18.09.2016	Director and Shareholder, Innovatio Ltd	Vehicle for governance and consulting assignments. Clients listed above.	
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.	
	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.		

Hospital Advisory Committee - Public - Interests Register

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	6th Year Medical School Student	(Updated 20.10.2017)	
Donna MATAHAERE-ATARIKI (IGC Member)	27.02.2014	Trustee WellSouth	Possible conflict with PHO contract funding.	
	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, Ōtākou 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 Ōtākou Incorporated	Registered Charity - not contracting in Health.	
	07.06.2018	Director, Te Rūnanga Ōtākou 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.	

Hospital Advisory Committee - Public - Interests Register

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.	
Waihopai 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	

Hospital Advisory Committee - Public - Interests Register

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
		<i>Specified contractor for JER Limited in respect of:</i>	
	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, 21 November 2018, commencing at 10.35 am in the Board Room, Southland Hospital Campus, Invercargill

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

1.0 APOLOGIES

Apologies were received from Ms Odele Stehlin, Committee Member, Dr Nigel Millar, Chief Medical Officer, and Ms Gail Thomson, Executive Director Quality and Clinical Governance Solutions.

2.0 DECLARATION OF INTERESTS

The Interests Registers were circulated with the agenda and received at the preceding meeting of the Disability Support and Community & Public Health Advisory Committees.

3.0 PREVIOUS MINUTES

Recommendation:

"That the minutes of the meeting held on 27 September 2018 be approved and adopted as a true and correct record."

Agreed

4.0 MATTERS ARISING/REVIEW OF ACTION SHEET

The Committee reviewed the action sheet (tab 4).

Did Not Attend (DNA) Rate

The Executive Director Specialist Services (EDSS) presented an update on managing DNAs, highlighting the new outbound calling and texting initiatives.

5.0 PROVIDER ARM MONITORING AND PERFORMANCE REPORTS

Executive Director Specialist Services' Report (tab 5.1)

The Executive Director Specialist Services (EDSS)' monthly report was taken as read.

Elective Delivery

The EDSS outlined the challenges associated with achieving elective targets and the methodology that was being used to forecast delivery for the remainder of the year.

The Committee requested:

- That management give consideration to obtaining quotes for outsourcing to Australia to determine whether this would be more cost effective than sending patients to other centres in New Zealand;
- An update on the other initiatives mentioned by the EDSS, eg standby cases.

Radiology

The EDSS reported that:

- All MRT vacancies had been recruited to and weekend sessions would commence in late January 2019;
- A preliminary visit for IANZ reaccreditation was taking place on 23 November 2018;
- A workshop on the Southland MRI replacement was planned, following which a paper would be submitted to the Commissioner Team for consideration.

The Commissioner Team were pleased to note the positive progress being made in Radiology.

Radiation Oncology

The EDSS advised that, to improve radiation oncology waiting times, SMOs from Christchurch were running weekend clinics and a locum had been engaged from mid-December 2018 to March 2019. One of the Senior Medical Officers (SMOs) had resigned and would be leaving in February 2019, however it was believed a replacement would start in March 2019.

Cardiology Cath Lab

The Commissioner Team were advised that a business case for a new Cath Lab in Dunedin was being developed, with the intention of submitting it to the December Commissioner's meeting for approval.

Clerical and Administration Transformation

The EDSS reported that, in conjunction with the PSA, a consultation paper was being developed proposing that administration processes be standardised and improved, as a precursor to a new patient administration system. This would include centralising referral, waitlisting and pre-admission processes and transcription services.

Mental Health

It was agreed that consultation on the Mental Health facilities discussion paper should be widened.

Financial Performance Summary (tab 5.3)

The EDSS presented the financial report for October 2018, then took questions.

It was noted that some of the FTE numbers in the report were incorrect.

CONFIDENTIAL SESSION

At 11.10 am it was resolved that the Hospital Advisory Committee move into committee to consider the agenda items listed below.

<i>General subject:</i>	<i>Reason for passing this resolution:</i>	<i>Grounds for passing the resolution:</i>
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 21 January 2019

DATE	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
Nov 2018	Elective Delivery (Minute item 5.0)	<ul style="list-style-type: none"> ▪ 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	<p>Procurement are seeking information regarding this initiative.</p> <p>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.</p>	
Nov 2018	Mental Health (Minute item 5.0)	Consultation on the discussion paper on MH facilities to be widened.	EDSS		March 2019
Nov 2018	Finance Performance Summary (Minute item 5.0)	FTE numbers to be corrected.	EDSS		Complete

SOUTHERN DISTRICT HEALTH BOARD**5.1**

Title:	Executive Director of Specialist Services Report		
Report to:	Hospital Advisory Committee		
Date of Meeting:	30 January 2019		
Summary:	<p>Considered in these papers are:</p> <ul style="list-style-type: none"> ▪ December 2018 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: 11/01/2019	Presented by: Patrick Ng Executive Director of Specialist Services		
RECOMMENDATION:			
That the Hospital Advisory Committee receive the report.			

Executive Director of Specialist Services Report – December 2018

Recommendation

That the Hospital Advisory Committee notes this report.

1. Operational Overview Highlights

Elective Delivery

Elective delivery for the month of December was very positive and we moved from a year to date deficit of circa 383 case weights at the end of November to a year to date deficit of circa 243 case weights by the end of December.

A lot of hard work has been undertaken by the surgical and radiology service to maximise the use of elective lists in January. As at the end of December elective lists were very well booked (and we have subsequently seen a strong first week back in January). Unfortunately, the Resident Doctors Association (RDA) announced their intention to strike prior to Christmas, and the Anaesthetic Technicians in Southland went on strike on the first week back in January. However, unlike the previous RDA strike which occurred a couple of years ago, in this strike the alternative union (STONES) members continued to work and a number of RDA members also chose to work. Although January elective delivery will be more disrupted and impacted by the strike action in the middle and towards the end of January, we anticipate that when we report on January elective delivery we will be able to advise that we have preserved a reasonable proportion of elective lists on strike days (as opposed to having to cancel all elective delivery on those days).

Further planning has now occurred for the refurbishment required to enable the Dunedin day surgical units to continue to be suitable for day surgery. It is anticipated that this will occur over the Otago anniversary weekend in March in order to minimise lost elective lists whilst the refurbishment is completed. Once completed theatre 1 (DSU 1) will be able to continue to be used for general anaesthetic cases. Theatre 2 (DSU 2) will only be able to be used for local anaesthetic cases. However, the anaesthetists are prepared to continue to do general anaesthetic cases here in the short term whilst we undertake a separate project to make the 5th floor procedure room suitable for general anaesthetic cases. This separate project will also have the added advantage of providing additional internal elective capacity.

Elective Service Performance Indicator (ESPI) Delivery

In late December two data sets were extracted. The first data set provides all referrals received and accepted by the services with significant ESPI breaches. The second data set provides all appointments completed by service. By cross referencing the two data sets for each of the services with material breaches for the 2018 calendar year we have been able to ascertain how the volume accepted (demand) compares to the volume seen (supply) by service. We have completed this analysis for Urology and have drafted an overall recovery plan.

Further work will continue on General Surgery, Orthopaedics and ENT over the course of January.

The overall principals that will be included in our recovery plans for each of these services will include the following components:

- a. Reviewing thresholds in the context of our capacity to treat.
- b. Working clinics to a robust profile (e.g. x First Specialist Assessment (FSA's) to be seen in each clinic).
- c. For an anticipated y appointments accepted each month, and an anticipated x clinic slots available, how long it will take until the backlog in the service is cleared?
- d. Forecasting this and reviewing on a weekly basis (e.g. what course correction is required if a clinic is cancelled, e.g. due to illness?).
- e. Including the impact of known capacity changes in the forecast (e.g. 2 orthopaedic surgeons starting later this year will significantly boost Southland's capacity).
- f. Reviewing pending appointments each week (as part of weekly operational meetings) so that good decisions can be made in terms of slotting FSA's into appointment slots before they breach.
- g. Considering an acuity basis for booking appointments (but in accordance with a profile that ensures sufficient FSA's are seen as well as follow up appointments).

We believe the key to this is managing via weekly operational meetings and applying production planning capacity to the weekly forecasting activities required. We have been hampered by a lack of forecasting and planning resource, but we have recently been given production planning capacity. Half of this capacity is being used for elective forecasting, and we will apply the other half of the available resource to ESPI forecasting.

ICU Development

In late November we identified that the new ICU isolation rooms had unacceptable air leakage when smoke testing was performed prior to commissioning. Unfortunately this had delayed the move into the new ICU. As there is a lack of standards in New Zealand our ICU clinical leader developed proposed standards and we have had these peer reviewed by BECA, who are independent to the architects and engineers involved in the build to date. BECA has endorsed the proposed standards and we have submitted them to the architects and engineers who are due to comment on them in the week beginning 14 of January when they return from their holiday shut-down. In the meantime, we agreed with the architects, engineers and construction contractors prior to Christmas that irrespective of any other changes required to the isolation rooms in order to make them sufficiently leak proof to meet our standards, obvious changes need to include extending the interior walls out to the external walls and sealing electrical and light sockets. We have therefore instructed the contractors to get underway with this work in the week beginning 07 January in the first of the isolation rooms, in order to minimise the delays caused by the Christmas/New Year holiday period. We also identified that hermetically sealed doors will be required and have been working on sourcing these in parallel, again to minimise downtime from the holiday period. We are working with the architects, engineers and construction contractors to identify a work programme to get the rooms to an acceptable standard and to get this programme completed as soon as possible. It is likely that the area which will require the most focus /remediation will be the ceilings in the isolation rooms.

ICU Staffing

Approximately 30 additional intensive care nurses need to be employed in the ICU to meet CICM standards and recommendations to staff the 10 ICU and 8 HDU beds we will have when the second stage of the ICU is opened later this year. We have been given the go ahead to ramp up to these numbers. Ramping up involves a 'working in' campaign in the UK in March and a fairly significant social media campaign which is currently underway. We have had relatively good success already, with 5 additional nurses starting in January, and a total of 14 net additional starts confirmed by June.

Radiology

The radiology service are now fully recruited for MRT staff and have commenced planning/implementation of weekend MRI sessions from February onwards as well as the implementation of the evening CT shift (both in Dunedin). A recent visit from IANZ was very positive and we were congratulated on the progress we have made against the corrective action requests previously raised by IANZ. We are very pleased to have had the radiology information system replacement proposal approved by Commissioners and the IS SLA. On a separate note, IANZ did suggest that we should consider longer term planning in terms of hospital CT capacity, which the service is looking into.

We managed to gain regional capital approval for the Southland MRI machine, which enabled us to place the order pre-Christmas. Building and Property now need to develop a project plan for the workflow changes and implementation and we envisage working with them closely to get the machine installed and commissioned in the coming months.

Catheter Laboratory

Our catheter laboratory is now beyond end of life and needs to be replaced. A business case from the service and associated materials (summary paper from EDSS and GM, procurement plan, building and property endorsement and financials) have been included in Commissioner papers. Replacement now should mean we get full use of the new laboratory before the new Dunedin Hospital is completed (i.e. maximum use of the asset) and will also give us the benefit of modern, up to date image storage and retrieval.

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%	88%	We continue to look at patient flow through the Emergency Department and also across the whole hospital.
Colonoscopy Urgent – 85%	93%	83%	There are very few patients in urgent category – this represents three patients (15/18 had colonoscopy in correct timeframe).
Colonoscopy Non Urgent – 70%	91%	81%	
Colonoscopy Surveillance – 70%	77%	77% December to date	
Coronary Angiograms 95%		100%	
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		N/A	

interventions.			
Radiology Diagnostic indicator CT, 95% of patients referred for elective CT have report distributed within 42 days	July 2018 82.9% August 2018 84.8% September 2018 81.0%	October 2018 82% November 2018 78.2% December 2018 76.4%	This is a slight decrease on November's result. Invercargill continues to perform well against the target at c. 92%. The Dunedin site has struggled with complex acute demand.
Radiology Diagnostic indicator MRI, 85% of patients referred for elective MRI have report distributed within 42 days	July 2018 36% August 2018 41% Sept 2018 41%	October 2018 47.19% November 2018 57.1% December 2018 56.4%	A slight decrease on November 2018's result which was the best result since November 2016. As no additional sessions are planned at either site until February 2019, when new staff are on board, performance in January is expected to be slightly lower.
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).	Quarter 1 - 74%	Circa 80%	Radiotherapy has run additional sessions to ensure waiting times comply with recommended. Surgical waiting times are being monitored with additional sessions being allocated in January.

Elective Surgical Discharges - Annual target 13,190	6,793 Actual YTD vs 7,139 Plan YTD, as at December 2018
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Refer to page 7 - Caseweight and discharge volumes graph.

5.1 - 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 December 2018

Elective Surgical Discharge Activity - Southern DHB population

	December 2018				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	769	756	13	2%	5,273	5,860	(587)	(10%)	10,875
SDHB population treated by other DHBs	42	42	-	-	262	253	9	0%	506
SDHB population outsourced	43	50	(7)	(14%)	444	199	245	123%	552
SURGICAL ELECTIVE DISCHARGES	854	848	6	1%	5,979	6,312	(333)	(5%)	11,933
Surgical Arranged Admissions	68	63	5	8%	486	468	18	0%	893
Surgical Discharges from a Non-Surgical PUC - Elective	19	25	(6)	(24%)	190	186	4	0%	350
Surgical Discharges from a Non-Surgical PUC - Arranged	17	23	(6)	(26%)	138	173	(35)	(20%)	326
HEALTH TARGET DISCHARGES	958	959	(1)	(0%)	6,793	7,139	(346)	(5%)	13,502

Elective Surgical Caseweights October 2018

Elective Surgical Caseweights Activity - Southern DHB population

	December 2018				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	1,203.0	1,075.2	127.8	12%	7,962.3	8,514.2	(551.9)	(6%)	15,708.8
SDHB population treated by other DHBs	132.7	132.7	-	-	770.6	804.3	(33.7)	(4%)	1,012.2
SDHB population outsourced	62.4	92.3	(29.9)	(32%)	725.4	370.4	355.0	96%	1,589.7
SURGICAL ELECTIVE CWD	1,398.1	1,300.2	97.9	8%	9,458.3	9,688.9	(230.6)	(2%)	18,310.7

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

**Southern DHB
Hospital Advisory Committee - KPIs December 2018 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	970	958	959	-1 (-0.1%)	
3a - Improved access to elective surgical services ytd (population based) Discharges Health Target	6,580	6,793	7,139	-346 (-4.8%)	

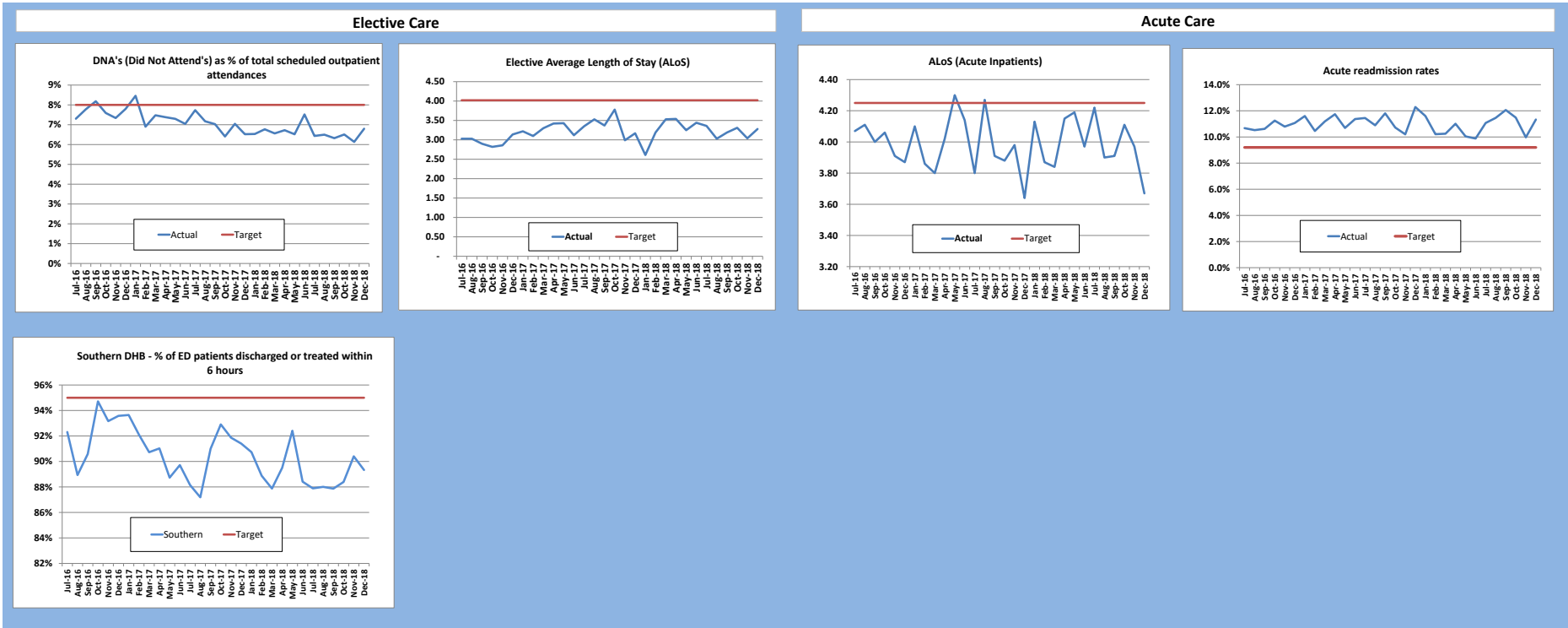
Patient Safety and Experience - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
Faster Cancer treatment; 90% of patients to receive their first cancer treatment within 62 days of being referred with a high suspicion of cancer seen within 2 weeks *Reported in arrears	90.0%	P	90.0%	NA	
11 - Reduced stay in ED	91.4%	89.3%	95.0%	-5.7%	
15 - Acute Readmission Rates (Note 1)	12.3%	11.3%	9.9%	-1.4%	

Cost/Productivity - Hospital Healthcheck					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/rating
1 - Waits >4 months for FSA (ESPI 2)	196	1162	0	-1162	
2 - Treatment >4 months from commitment to treat (ESPI 5)	337	421	0	-421	
% of accepted referrals for CT scans receiving procedures within 42 days	78.0%	66.0%	95.0%	-29.0%	
% of accepted referrals for MRI scans receiving procedures within 42 days	30.2%	58.7%	90.0%	-31.3%	
% accepted referrals for Coronary Angiography within 90 days	85.0%	0.0%	95.0%	-95.0%	
4a - All Elective caseweights versus contract (monthly provider arm delivered) (Note 4)	1,754	1,929	1,509	420 (27.8%)	
4b - All Elective caseweights versus contract (ytd provider arm delivered) (Note 4)	11,463	12,135	11,203	932 (8.3%)	
7a - Acute caseweights versus contract (monthly provider arm delivered) (Note 4)	2,631	2,444	2,583	-139 (-5.4%)	
7b - Acute caseweights versus contract (ytd provider arm delivered) (Note 4)	16,398	16,468	15,616	852 (5.5%)	

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	6.5%	6.8%	8.0%	1.2%	
9 - ALoS (elective) (Note 3)	3.17	3.28	4.02	0.74 (18.4%)	
ALoS (Acute inpatient) (Note 3)	3.64	3.67	4.25	0.58 (13.6%)	
DOSA (Note 2)	96.0%	93.5%	95.0%	-1.5%	

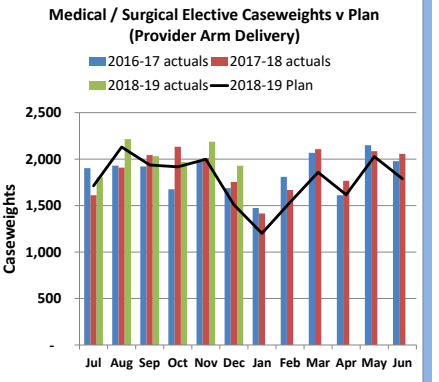
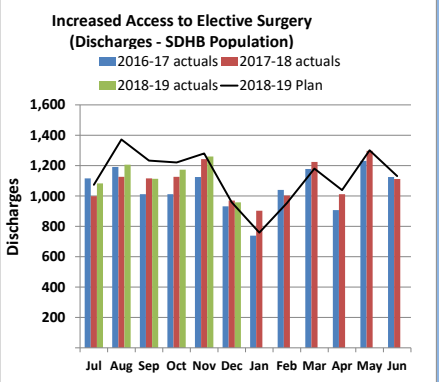
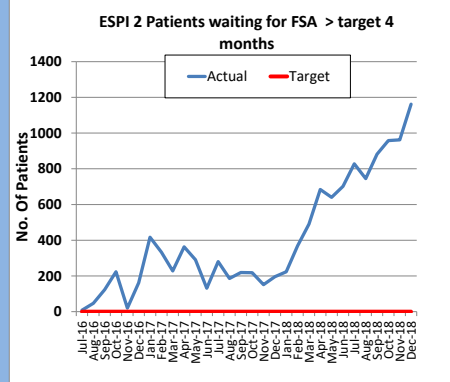
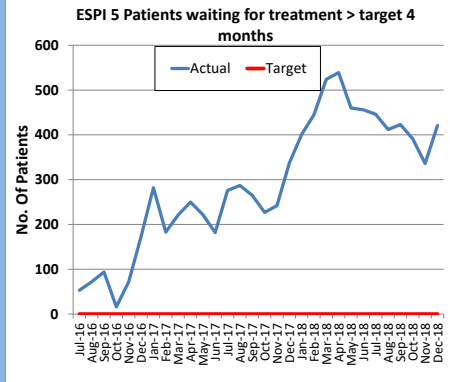
Southern DHB
Hospital Advisory Committee - Performance Report December 2018 Data



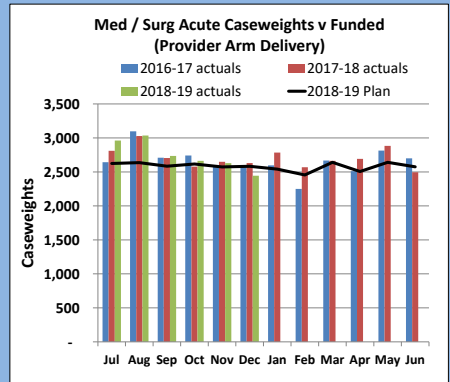
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Southern DHB
Hospital Advisory Committee - Healthcheck Report December 2018 Data

Elective Care



Acute Care



SOUTHERN DISTRICT HEALTH BOARD**5.1**

Title:	FINANCIAL REPORT	
Report to:	Hospital Advisory Committee	
Date of Meeting:	30 January 2019	
Summary:		
The issues considered in this paper are:		
<ul style="list-style-type: none"> ▪ December 2018 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: 11/01/2019	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: December 2018
Report Prepared by: Grant Paris, Management Accountant
Date: 21 January 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
52,198	50,443	1,755	Revenue	306,237	302,197	4,040
30,423	28,996	(1,427)	Less Personnel Costs	158,948	154,183	(4,765)
19,017	18,001	(1,016)	Less Other Costs	114,667	109,908	(4,759)
2,758	3,447	(689)	Net Surplus / (Deficit)	32,622	38,106	(5,484)

The December result for Specialist Services produced a surplus of \$2.76m, which was adverse to the budgeted surplus of \$3.4m. Year-to-date Specialist Services is reporting a \$32.62m surplus against a budgeted surplus of \$38.11m.

December Result:

Elective case weights, including inter-district flows, were higher than budget. Acute caseweights were lower than budget.

Dec-18					YTD 2018			
Actual	Budget	Variance	% Variance		Actual	Budget	Variance	% Variance
1,239	1,331	(92)	-7%	Medical Caseweights	8,783	8,117	666	8%
300	137	162	118%	Acute	1,867	1,266	601	47%
1,539	1,468	71	5%	Total Medical Caseweights	10,649	9,383	1,266	13%
1,102	1,084	18	2%	Surgical Caseweights	7,195	6,407	788	12%
1,279	1,140	139	12%	Acute	8,156	8,596	(439)	-5%
2,381	2,224	157	7%	Total Surgical Caseweights	15,351	15,003	349	2%
103	168	(64)	-38%	Maternity Caseweights	491	1,009	(518)	-51%
350	193	158	82%	Acute	2,112	1,341	771	57%
454	361	93	26%	Total Maternity Caseweights	2,603	2,350	253	11%
TOTALS								
2,444	2,583	(139)	-5%	Acute	16,468	15,533	935	6%
1,929	1,470	459	31%	Elective	12,135	11,203	932	8%
4,373	4,053	321	8%	Total Caseweights	28,603	26,736	1,867	7%
TOTALS excl. Maternity								
2,341	2,415	(74)	-3%	Acute	15,978	14,524	1,453	10%
1,578	1,277	301	24%	Elective	10,023	9,862	161	2%
3,919	3,692	227	6%	Total Caseweights excl. Maternity	26,001	24,386	1,615	7%

Statement of Financial Performance									
Actuals \$000s	Monthly			Variance FTE		Year to date			
	Budget \$000s	Variance \$000s	Variance FTE			Actuals \$000s	Budget \$000s	Variance \$000s	Variance FTE
REVENUE									
Government & Crown Agency Sourced									
8,667	8,492	175			MoH Revenue	52,254	50,951	1,303	
40	40	0			IDF Revenue	241	241	0	
955	747	208			Other Government	5,048	4,673	375	
9,662	9,279	383			Total Government & Crown	57,543	55,865	1,678	
Non Government & Crown Agency Revenue									
516	279	237			Patient related	1,399	1,042	357	
172	196	(24)			Other Income	1,050	1,177	(127)	
688	475	213			Total Non Government	2,449	2,219	230	
41,848	40,690	1,158			Internal Revenue	246,245	244,114	2,131	
52,198	50,443	1,755			TOTAL REVENUE	306,237	302,197	4,040	
EXPENSES									
Workforce									
Senior Medical Officers (SMO's)									
8,507	8,551	44	6		Direct	40,065	38,678	(1,387)	4
299	292	(7)			Indirect	1,702	1,853	151	
434	276	(158)			Outsourced	3,064	3,198	134	
9,241	9,119	(122)	6		Total SMO's	44,832	43,729	(1,103)	4
Registrars / House Officers (RMOs)									
4,962	4,691	(271)	(17)		Direct	21,947	21,382	(565)	(9)
202	247	45			Indirect	1,174	1,406	232	
94	23	(71)			Outsourced	942	157	(785)	
5,257	4,961	(296)	(17)		Total RMOs	24,063	22,944	(1,119)	(9)
14,498	14,079	(419)	(10)		Total Medical costs (incl outsourcing)	68,895	66,674	(2,221)	(5)
Nursing									
9,610	8,996	(614)	(87)		Direct	60,884	59,505	(1,379)	(24)
2	(98)	(100)			Indirect	15	(492)	(507)	
0	5	5			Outsourced	96	32	(64)	
9,613	8,903	(710)	(87)		Total Nursing	60,995	59,045	(1,950)	(24)
Allied Health									
3,655	3,474	(181)	18		Direct	16,561	16,556	(5)	11
37	36	(1)			Indirect	400	213	(187)	
93	1	(92)			Outsourced	502	5	(497)	
3,784	3,510	(274)	18		Total Allied Health	17,463	16,773	(690)	11
Support									
258	234	(24)	3		Direct	973	1,039	66	1
2	1	(1)			Indirect	7	7	0	
0	0	0			Outsourced	0	0	0	
260	235	(25)	3		Total Support	980	1,045	65	1
Management / Admin									
2,257	2,246	(11)	1		Direct	10,570	10,511	(59)	(6)
8	17	9			Indirect	21	103	82	
3	5	2			Outsourced	24	32	8	
2,268	2,268	0	1		Total Management / Admin	10,615	10,646	31	(6)
30,423	28,996	(1,427)	(77)		Total Workforce Expenses	158,948	154,183	(4,765)	(22)
Non Personnel Expenses									
2,460	2,653	193			Outsourced Clinical Services	16,419	15,696	(723)	
0	0	0			Outsourced Corporate / Governance Services	0	0	0	
0	0	0			Outsourced Funder Services	0	0	0	
6,937	5,847	(1,090)			Clinical Supplies	41,410	37,692	(3,718)	
1,288	1,036	(252)			Infrastructure & Non-Clinical Supplies	6,606	6,240	(366)	
Provider Payments									
7,587	7,602	15			Mental Health	45,783	45,488	(295)	
Non Operating Expenses									
745	863	118			Depreciation	4,449	4,793	344	
0	0	0			Capital charge	0	0	0	
0	0	0			Interest	0	0	0	
19,017	18,001	(1,016)			Total Non Personnel Expenses	114,667	109,908	(4,759)	
49,440	46,997	(2,443)			TOTAL EXPENSES	273,615	264,091	(9,524)	
2,758	3,447	(689)			Net Surplus / (Deficit)	32,622	38,106	(5,484)	

Internal Revenue was favourable in the month due to funding for the settlement of the Nursing MECA and higher than planned case weight delivery being recognised in elective case weight revenue.

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

December workforce expenses were unfavourable to budget by \$1.47m, driven by clinical staffing costs.

- SMO outsourcing was higher than planned due to vacancies, work required to catch up follow-ups in Ophthalmology in Southland and the use of a locum in order to be able to provide a dermatology service.
- RMO FTE was 17 over budget being a combination of additional overtime and successful recruitment for compliant rostering, which the budget had not anticipated.
- Nursing FTE was higher than budgeted due to a combination of leave being higher than budget (sick, ACC, annual leave), budgeted vacancies not eventuating and higher workload requirements.
- Allied Health costs exceeded budget despite FTE being favourable due to recognition of MECA increases that exceeded budget.

Non personnel costs were unfavourable to budget by \$1.02m. This was driven by clinical supplies and consultant costs. Clinical supplies was primarily driven by treatment disposables and pharmaceutical expenditure running higher than budget (partially offset with additional revenue). Outsourced clinical services included \$0.15m of outsourcing for ophthalmology follow up clinics with further clinics planned January to March 2019.

Revenue

Ministry of Health (MoH) Revenue

MoH revenue is favourable to budget both for the month and 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	53	205	Addition Nursing funding for FTE recruited to date
	Donor Liaison Coordinator	4	70	
	Organ donation	20	41	Organ Donation Link Nurses and Doctor
Devolved Funding – subcontracts	Mental Health Pay Equity	3	643	Funding for Pay Equity for eligible Mental Health workers at NGOs

	Sleepover settlement	69	69	Washup of prior year revenue
Disability Support Services	Fee for Service Beds	10	163	Mental Health usage of fee for service beds
Clinical Training		(8)	56	Reconciliation of eligible personnel to amounts billed
Other		26	5	
Total		177	1,302	

Other Government Revenue

Other Government revenue was \$0.21m favourable to budget, primarily due to higher than budgeted ACC billing. Year-to-date revenue is \$0.37m favourable, driven by ACC and other Government revenue. The \$0.18m favourable ytd variance in other government revenue is primarily driven by Haemophilia revenue offsetting the cost of the products and higher volumes of post mortems compared to budget.

Internal Revenue

Internal revenue was \$1.16m 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 \$2.13m favourable due to the Nursing MECA settlement and additional PCT and community pharmaceutical funding, partially offset by lower elective case weight delivery (\$1.30m unfavourable).

Workforce Costs

Workforce costs (personnel plus outsourcing) were \$1.42m unfavourable to budget in the month and \$4.76m unfavourable year-to-date. Operationally in December FTE were 77 unfavourable to budget. Year-to-date FTE are 22 unfavourable.

Senior Medical Officers (SMOs)

SMOs direct costs were \$0.04m favourable and 6 FTE favourable for the month.

We would have expected a larger variance in direct costs given the FTE variance however the favourable variance in ordinary time is partially offset by unbudgeted allowances (a result of actual allowances being increased during the year and some allowances being missed from the budget).

Outsourced costs were \$0.16m unfavourable to budget in the month driven by vacancies and service cover in Ophthalmology, Forensic Mental Health and Paediatrics. Year to date outsourcing costs remain favourable.

Registrars / House Officers (RMOs)

RMO direct costs were \$0.27m unfavourable and 17 FTE unfavourable for the month.

Direct costs were unfavourable due to the FTE variance which is driven by the 'negative churn factor' in the budget which did not anticipate the level of recruitment that was achieved.

Indirect costs were \$0.05m favourable in the month, driven by the timing of training and professional membership costs.

Outsourced costs were \$0.07m higher than budget in the month (\$0.79m ytd) due to the use of locums to cover roster requirements, vacant roles and workload.

Nursing

Nursing costs were \$0.71m unfavourable and 87FTE unfavourable to budget for the month.

The unfavourable monthly FTE variance was primarily driven by;

- the 'churn factor' in the budget which did not anticipate the level of recruitment that was achieved. (budget reduced by 17FTE in December)
- the recruitment of 9 nurses as part of the safer staffing initiative.(offset by funding)
- other leave (sick, ACC, long service, annual leave earned) over budget by 20FTE in the month and 15FTE ytd. the remaining 41FTE is still under investigation and while we can identify certain drivers (eg extension of winter flex roster to cope with workload requirements), we do not at this stage have a complete picture and further analysis is required.

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 \$0.61m unfavourable in the month, driven by the above FTE variance as well as higher than budgeted allowances and kiwisaver uptake. As stated above, half of this was offset by additional revenue.

Indirect costs were \$0.10m unfavourable being budgeted savings for patient flow savings.

Allied Health

Allied Health costs were \$0.27m unfavourable and 18 FTE favourable to budget for the month.

Direct costs were \$0.18m unfavourable, the impact of the favourable FTE being offset by the impact of the settled PSA Allied Health contract. The monthly impact of the settlement is estimated to be \$60k higher than budget.

Indirect costs were on budget.

Outsourced costs were \$0.09m unfavourable to budget, the majority of this incurred to fill vacant Anaesthetic Tech positions.

Support

Support costs were over budget for the month despite FTE being favourable due to backdated costs associated with the settled Security MECA. Settlement was over budget and backdated from June 2018.

Management / Administration

Management Admin staff were on budgeted dollars and 1 FTE favourable to budget.

Outsourced Clinical Services costs

Outsourced clinical services were \$0.19m favourable to budget in the month and \$0.72m unfavourable year-to-date. For the month of December outsourced elective work is favourable by \$0.33m (unfavourable by \$0.53m ytd). The outsourcing budget did not fully reflect the impact of the Xmas shut-down at Mercy. We therefore expect another favourable variance in this area in January reducing the ytd electing outsourcing overrun. The monthly variance was partially offset by unbudgeted outsourced Ophthalmology follow up appointments (unfavourable \$0.15m monthly and \$0.39m ytd).

Clinical Supplies (excluding depreciation)

Clinical supplies were unfavourable to budget by \$1.09m for the month and \$3.72m year-to-date. The monthly unfavourable variance is driven by;

- \$0.31m - Treatment disposables – these costs were in general higher than budget across the board reflecting the higher than budgeted level of activity in the hospitals, plus a level of stocking-up in wards to accommodate the Xmas closure.
- \$0.18m - Instruments and equipment driven by disposable instruments and minor purchases (combined variance of \$0.12m)
- \$0.15m – Implant costs are directly related to patient activity with higher expenditure in Hip and Knee prostheses as a result of elective volumes than budgeted.
- \$0.41m - Pharmaceuticals are driven primarily by the prescription of cancer drugs and of community drugs partially offset by a favourable variance in internal revenue of \$0.16m. The balance of the variance is driven by hospital patient needs and volumes. The drugs with the largest cost increases, year-on-year, are used in the treatment of bowel disease, haematology, cancer and HIV.

The year to date unfavourable variance of \$3.72m has similar drivers as the monthly variance however also includes an unfavourable variance of \$0.32m for Air Ambulance costs. YTD the unfavourable pharmaceutical variance of \$1.65m is offset by additional PCT and Community Pharmacy revenue in Internal Revenue (\$1.58m).

Infrastructure and Non-Clinical

These costs were \$0.25m unfavourable to budget in the month due primarily to the booking of ytd consulting costs relating to theatre and acute flow diagnostic work. These

costs had previously been transferred out in October as they were thought to relate to the valuing patient time project however further analysis showed this not to be the case. Year-to-date costs are \$0.37m unfavourable.

Provider Payments

These costs were on budget for the month.

Non-Operating Expenses

Depreciation was 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:

<i>General subject:</i>	<i>Reason for passing this resolution:</i>	<i>Grounds for passing the resolution:</i>
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.