SOUTHERN DISTRICT HEALTH BOARD

HOSPITAL ADVISORY COMMITTEE

Thursday, 27 July 2017, 9.30 am

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

A G E N D A

Lead Director: Lexie O'Shea, Chief Operating Officer

Item

1. **Apologies**
2. **Presentation: *Releasing Time to Care***
3. **Interests Register**
4. **Minutes of Previous Meeting**
5. **Matters Arising**
6. **Provider Arm Monitoring and Performance Reports**
   - 6.1 Chief Operating Officer Report
   - 6.2 Key Performance Indicators
   - 6.3 Financial Performance Summary

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

APOLOGIES

At the time of going to print, no apologies had been received.

Presentation – *Releasing Time to Care*

Presenters:

Jen Gow
Charge Nurse Manager
Releasing Time To Care

Sally O'Connor
Nurse Director, Medical Directorate

Kenneth Fleck
Nurse Manager

SOUTHERN DISTRICT HEALTH BOARD

Title:	**INTERESTS REGISTERS**
Report to:	Hospital Advisory Committee
Date of Meeting:	27 July 2017

Summary:

Commissioner 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: 14/07/2017

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	Dunedin Sinfonia Board	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.	
		Spouse:		
	25.06.2015	Consultant, Gallaway Cook Allan	Nil (Updated 8 June 2017)	
	25.06.2015	Chair, Slinkskins Limited	Nil	
	25.06.2015	Chair, Parkside Quarries 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	Board Member, Dunedin Diocesan Trust Board	Nil	
	25.06.2015	Director, Nominee companies associated with Gallaway Cook Allan	Nil	
	25.06.2015	Trustee of numerous private trusts	Nil	
	25.06.2015 (updated 22.04.2016)	President, Otago Racing Club Inc.	Nil	
Graham CROMBIE	27.06.2015	Independent Director, Surf Life Saving New Zealand	Nil	
(Deputy Commissioner)	25.06.2015	Chairman, Dunedin City Holdings Ltd	Nil	
	25.06.2015	Chairman, Otago Museum	Nil	
	25.06.2015	Chairman, New Zealand Genomics Ltd	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.	
	25.06.2015	Associate Member, Commerce Commission	Potential conflict if complaint made against Southern DHB.	
	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		
	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 CSB rebuild and its decisions may conflict with some positions agreed by the DHB and approved by the Commissioner team.	

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)	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.	
		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	West Otago Health Ltd & West Otago Health Trust	West Otago Health Ltd & West Otago Health Trust have 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.	
	21.08.2015	Director, Clutha Community Health Co. Ltd	Clutha Community Health Co. Ltd has a contract with Southern DHB.	
	26.09.2016	Director, Abacus ST companies.	Nil. Co-trustee in client trusts - no pecuniary interest.	
		Daughter:		
	21.08.2015	4th Year Medical School Student		
Suzanne CRENGLE	10.10.2016	General Practitioner, Invercargill Medical Centre		
(HAC Member)	10.10.2016	Member, Te Waipounamu Māori Leadership Group Cancer		
	10.10.2016	Executive Member, Ōraka Aparima Rūnaka		
	20.01.2017	Board Member, Royal NZ College of General Practitioners		
	20.01.2017	Member, Perinatal and Maternity Mortality Review Committee		
	20.01.2017	Two private trusts, with no interests in DHB matters		
	23.03.2017	Associate Professor, Department of Preventive and Social Medicine, University of Otago (from 1 May 2017)		
Donna MATAHAERE-ATARIKI	27.02.2014	Trustee WellSouth	Possible conflict with PHO contract funding.	
(CPHAC/DSAC and IGC Member)	27.02.2014	Trustee Whare Hauora Board	Possible conflict with SDHB contract funding.	
	27.02.2014	Deputy Chair, NGO Council, Ministry of Health	Nil	
	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	Possible conflict when contracts with Southern DHB come up for renewal.	

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
	05.09.2016	Board Member and Shareholder, Otākou Health Limited	Possible conflict when contracts with Southern DHB come up for renewal.	
	05.09.2016	Southern DHB, Iwi Governance Committee	Possible conflict with SDHB contract funding.	
	09.02.2017	Director and Shareholder, VIII(8) Limited	Nil	
	01.09.2016	Southern DHB, Disability and Support Advisory Committee	Possible conflict with SDHB contract funding.	
Odele STEHLIN	01.11.2010	Waihopai Runaka General Manager	Possible conflict when contracts with Southern DHB come up for renewal.	
Waihōpai Rūnaka – Chair IGC	01.11.2010	Waihopai Runaka 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	
Sumaria BEATON	27.04.2017	Southland Warm Homes Trust	Nil	
IGC - Awarua Rūnaka				
Taare BRADSHAW	17.03.2017	Director, Murihiku Holdings Ltd	Nil	
IGC - Hokonui Rūnaka				
Victoria BRYANT	06.05.2015	Charge Nurse Manager, Otago Public Health	Nil	
IGC - Puketeraki Rūnaka	06.05.2015	Member - College of Primary Nursing (NZNO)	Nil	
	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	Puketeraki representative for Te Kaika VLCA located in College Street	Possible conflict with funding in health setting.	
	24.05.2017	Member, South Island Alliance - Raising Healthy Kids	Nil	
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	
Ann WAKEFIELD	03.10.2012	Executive member of Ōraka Aparima Rūnaka Inc.	Nil	
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	
Pania COOTE	26.05.2016	Ngai Tahu registered.	Nil
	30.09.2011	Member, Southern Cancer Network	Nil
	30.09.2011	Member, Aotearoa New Zealand Association of Social Workers (ANZASW)	Nil
	30.09.2011	Member, SIT Social Work Committee	Nil
	29.06.2012	Member, Te Waipounamu Māori Cancer Leadership Group	Nil
	26.01.2015	National Māori Equity Group (National Screening Unit) – MEG.	Nil
	26.01.2015	SDHB Child and Youth Health Service Level Alliance Team	Nil
	19.09.2016	Shareholder (2%), Bluff Electrical 2005 Ltd	
Liz DISNEY	27.02.2017	Nil	
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	Lead Chief Executive South Island Child Health Workstream	

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
	25.09.2016	Deputy Chair, InterRAI NZ	
	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.
Lynda McCUTCHEON	22.06.2012	Member of the University of Otago, School of Physiotherapy, Admissions Committee	Lead contact for University of Otago undergraduate clinical placements (Allied Health, Scientific & Technical professions) in Southern DHB.
	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.
Nicola MUTCH	16.03.2016	Member, International Nominations Committee, Amnesty International	Nil
		Deputy Chair, Dunedin Fringe Trust	Nil
Lexie O'SHEA	01.07.2007	Trustee, Gilmour Trust	Southland Hospital Trust, no perceived conflict.
Dr Jim REID	22.01.2014	Director of both BPAC NZ and BPAC Inc	No conflict.
	22.01.2014	Director of the NZ Formulary	No conflict.

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
	22.01.2014	Trustee of the Waitaki District Health Trust	Possible conflict in negotiation of new contract.
	22.01.2014	Employed 2/10 by the University of Otago and am now Deputy Dean of the Dunedin School of Medicine	Possible conflict in any negotiations with Dunedin School of Medicine.
	22.01.2014	Partner at Caversham Medical Centre and a Director of RMC Medical Research Ltd.	No conflict.
	19.09.2016	Director, ProHealth Holdings Ltd	No conflict. Holding company for share of Caversham Health Centre.
Leanne SAMUEL	01.07.2007	Trustee, Southern Health Welfare Trust	Southland Hospital Trust
	01.07.2007	Member of Community Trust of Southland Health Scholarships Panel.	Nil
	16.04.2014	Member National Lead Directors of Nursing and Nurse Executives of New Zealand.	Nil
Clive SMITH	31.03.2016	Nil	

Southern District Health Board

Minutes of the Hospital Advisory Committee Meeting held on Wednesday, 24 May 2017, commencing at 9.30 am in the Board Room, Southland Hospital Campus, Invercargill

Present:	Mr Graham Crombie	Acting Commissioner
	Mr Richard Thomson	Deputy Commissioner
	Dr Sue Crengle	Committee Member
In Attendance:	Mr Chris Fleming	Chief Executive Officer
	Mrs Lexie O'Shea	Deputy CEO/Chief Operating Officer
	Ms Liz Disney	Acting Executive Director Planning & Funding
	Dr Nigel Millar	Chief Medical Officer
	Dr Nicola Mutch	Director of Strategic Communications
	Mrs Leanne Samuel	Executive Director Nursing & Midwifery
	Mr Clive Smith	Chief Financial Officer
	Mrs Jane Wilson	Implementation Manager, Commissioner's Office
	Ms Jeanette Kloosterman	Board Secretary (by videoconference)

1.0 WELCOME

The Acting Commissioner welcomed everyone to the meeting.

2.0 PRESENTATION - TELEHEALTH PROJECT

Mr Karl Metzler joined the meeting by videoconference and gave a presentation on the status of Telehealth in the Southern district, which included updates on the following aspects of the project.

Hardware

- A request for proposal (RFP) had been completed and Vidyo selected as the preferred vendor.
- A strategic plan was being drawn up to ensure Vidyo was installed in places with the greatest need.
- The system had 60 lines - SDHB 25 and WellSouth 35.

Clinical Delivery

- A commitment had been given to set up 12 formal telemedicine clinics over 12 months; seven had been established to date and the aim now was to set up 20 over 12 months.
- Tangible results were starting to be seen from the Southern Alliance work, with WellSouth, rural hospitals and the provider arm working closely on Telehealth.
- The response from the clinical teams had been very positive and in recent weeks initial meetings had been held with Urology, Mental Health, Oncology, Stomal and Anaesthetics, in addition to already established services of: Obstetrics, Cardiology, NICU (Neonatal Intensive Care Unit), Paediatric Diabetes, and

Serious Wound Care. New clinics had been established in the past week for: Psycho-Oncology and Older Persons Health (both into people's homes), along with Paediatric Thyroid.

- A meeting had also been held with Dr David Perez, Chair of the Clinical Leadership Group for the Dunedin Hospital rebuild.

Telemedicine Co-ordinator

- Sandra Brough had been appointed to the Telemedicine Co-ordinator role.

Challenges

- Discussions were required on how Telehealth services would be funded.
- Recording and counting Telehealth through iPM.

Following his presentation, Mr Metzler took questions. During discussion it was noted:

- That Vidyo could connect into patients' homes, with primary care and Vivid without any additional charges;
- To add another 10 lines would cost about $1,000 per annum but it was considered that 60 lines should be sufficient.

3.0 APOLOGIES

An apology was received from Mrs Kathy Grant, Commissioner.

4.0 DECLARATION OF INTERESTS

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

The Acting 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

5.0 PREVIOUS MINUTES

Recommendation*:*

"That the minutes of the meeting held on 23 March 2017 be approved and adopted as a true and correct record."

Agreed

6.0 MATTERS ARISING AND REVIEW OF ACTION SHEET

The Committee reviewed the action sheet (tab 6) and noted that Dr Crengle and the Chief Operating Officer had commenced a discussion about equity information.

7.0 PROVIDER ARM MONITORING AND PERFORMANCE REPORTS

Chief Operating Officer's Report (tab 7.1)

As a General Practitioner at the Invercargill Medical Centre, Dr Crengle declared an interest in the Prevocational Medical Training Community Based Attachment item.

In presenting her report, the Chief Operating Officer (COO) commented that:

- Challenges related to acute patient flow were affecting the Shorter Stays in Emergency Department Target;
- Performance against the Faster Cancer Treatment Target had dipped in quarter 3. The January/February situation was being reviewed, with a view to improving performance during that period in the following year;
- April data was not yet available for the CT and MRI Radiology diagnostic indicators. There had been high demand during the month, particularly on the Dunedin site;
- Elective surgical discharges had been affected by bed capacity and acute demand;
- Compliance with Elective Service Performance Indicators (ESPIs) remained a challenge;
- An operational overview of the Incubator Programme and Calderdale Framework was included in the report for information;
- Learnings from the FallsStop day held in April would be incorporated into SDHB's falls prevention programme;
- A group had been convened to progress the removal of artificial sweetened beverages and carbonated drinks from DHB facilities.

The Chief Executive Officer advised that information on the fiscal implications of failing to deliver the extra Orthopaedic volumes would be provided to the Finance, Audit & Risk Committee.

During discussion, it was noted that the prevocational medical training community based attachment had variable financial impacts on general practices, and the primary care business model may be creating challenges.

Key Performance Indicators (KPIs) (tab 7.2)

The KPI report was taken as read.

Financial Performance Summary (tab 7.3)

The Chief Operating Officer presented the financial report for April 2017, then took questions.

CONFIDENTIAL SESSION

At 10.30 am it was resolved 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.

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. MSP and Urgent Interim Works Programme	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

6.1

Title:	**Chief Operating Officer Report**		
Report to:	Hospital Advisory Committee		
Date of Meeting:	27 July 2017		
Summary: Considered in these papers are: ▪ June 2017 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 Commissioner agenda.	**Date:**	
Approved by:		**Date:**	
Prepared by: Chief Operating Officer/Deputy CEO **Date:** 14/07/2017		**Presented by:** Lexie O'Shea Chief Operating Officer/Deputy CEO	
RECOMMENDATION: **That the Hospital Advisory Committee receive the report.**			

Chief Operating Officer Report – June 2017

Recommendation

That the Hospital Advisory Committee notes this report.

1. Health Targets

Indicator	Last Quarter – MOH	Current Quarter To Date Estimate	Comment
Shorter Stays in Emergency Department – Target 95%	16/17 Q4 – 90%	88% (17/18 Q1)	Bed access has impacted in June affecting patient flow on the Dunedin site. Winter flex beds opened July providing 8 additional beds. We are progressing plans to pilot a Medical Assessment Unit (MAU) over winter, although not expected to be up and running until August. Hospital wide action plans are under development and expected to be confirmed by end July. In Southland there are constraints around beds and availability of medical registrars. The patient flow work continues.
Faster Cancer Treatment (FCT) – Target 85%	16/17 Q3 – 83%	16/17 Q4 – 84% based on internal information	Local FCT system shows we are tracking to 84% for quarter 4. **Change to Business Rules for Health Target** We have been notified by the Ministry of Health (MoH) that from 01 July 2017, patients who breach the 62-day FCT health target due to co-morbidity or patient choice reasons shall be excluded from the denominator in the published health target. The Ministry has indicated that they will be particularly interested in whether any particular groups are over-represented in the patient choice / co-morbidity categories, and whether any equity issues may need to be addressed. The Ministry has also indicated that they will be increasing the target from 85% to 90% from July 2017.

Indicator	Last Quarter – MOH	Current Quarter To Date Estimate	Comment
Immunisation **95 percent of eight-month-olds will have their primary course of immunisation (six weeks, three months and five month events) on time.**		95%	The Immunisation team has identified 100% of children eligible for immunisation. They understand the reasons why some children have not been immunised and the number of declines and opt offs. The MoH is aware that we are not missing children and that there are valid reasons why some children are not immunised.
Healthy Children **By December 2017, 95 percent 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.**	71%	87%	On track to achieve 95% by December 2017.
Colonoscopy **Urgent – 85%** **Non urgent – 70%** **Surveillance – 70%**	94% 79% 92%	91% 85% 91%	
Coronary Angiograms **Target 95%**	Quarter 3 - 99%	100 % (Quarter 4)	
Radiology **Diagnostic indicator CT, 95% of patients referred for elective CT have report distributed within 42 days**	January 2017 66.2% February 2017 67.98% March 2017 73%	April 2017 71.9% May 2017 72.28%	Performance improved slightly in May on April 2017. Continuing high levels of acute demand at Dunedin significantly impact upon our ability to provide elective appointments. Southland is performing at 90.33%. Utilisation of the CT equipment across the district is assisting with increasing timely access to scanning. A request to increase hours of operation at Dunedin has been prepared.

Indicator	Last Quarter – MOH	Current Quarter To Date Estimate	Comment
Radiology Diagnostic indicator MRI, 85% of patients referred for elective MRI have report distributed within 42 days	January 2017 35.85% February 2017 43.91% March 2017 41.78%	April 2017 35.8% May 2017 36.9%	A recovery plan for MRI has been prepared. Staffing continues to be an issue at Southland site although locum cover is provided when available with cover also provided form Dunedin. Additional sessions have taken place at Dunedin Hospital throughout May and June 2017 in an effort to improve performance prior to phase two of the replacement project. An additional 123 patients have been scanned during these sessions.

Elective Surgical Discharges - Annual target 12,921	12,707 Actual YTD vs 12,921 Plan YTD, as at June 2017.

Elective Surgical Discharges June 2017

Elective Surgical Discharge Activity - Southern DHB population

	June 2017				Year to Date				Annual
	Actual	Plan	Var	Var %	Actual	Plan	Var	Var %	Plan
SDHB population treated in-house	867	916	(49)	(5%)	10,011	10,783	(772)	(7%)	10,783
SDHB population treated by other DHB	25	46	(21)	(46%)	454	555	(101)	(18%)	555
SDHB population outsourced	75		75		570		570		-
ELECTIVE INITIATIVE	967	962	5	1%	11,035	11,338	(303)	(3%)	11,338
Surgical Arranged Admissions	95	74	21	28%	1,011	831	180	22%	831
Surgical Discharges from a Non-Surgical PUC - Elective	28	37	(9)	(24%)	341	392	(51)	(13%)	392
Surgical Discharges from a Non-Surgical PUC - Arranged	26	32	(6)	(19%)	320	360	(40)	(11%)	360
HEALTH TARGET	**1,116**	**1,105**	**11**	**1%**	**12,707**	**12,921**	**(214)**	**(2%)**	**12,921**

(1) IDF volumes are the latest available, being those reported to MoH , accessed 10/7/2017

(2) Clinical Records and Coding target is 95% of coding completed by end of 3rd working day (Dunedin) / 5th day (Southland) post month of discharge, which was achieved this month

2. Contract Performance

- Total elective case weights delivered by Southern DHB Provider Arm were 24 below plan in June 2017 (2%). Year to date elective case weights are 505 below plan (3%).
- Total acute case weights delivered by the Southern DHB Provider Arm were 282 above plan in June 2017 (10%). Year to date acute case weights are 2,320 above plan (7%).
- In comparison to actual year to date case weights delivered to June 2016, acute case weights delivered have increased by 775 case weights (2%) and elective case weights have decreased by 432 (3%).

3. Operational Performance

Elective Service Performance Indicators (ESPI):

- The final ESPI position for April 2017 show Southern DHB with a red status for both ESPI 2 (Patients waiting for First Specialist Assessment (FSA) and ESPI 5 (Inpatients).
- The preliminary ESPI graphs for May 2017 show Southern DHB with a red status for ESPI 2 and ESPI 5.
- Predicted results for June 2017 has SDHB with a red status for ESPI 2 and ESPI 5.

4. Operational Overview

Mental Health Directorate Mid-Winter Review

An informative presentation was held by the Directorate Leadership Team involving 80 – 90 staff at six video-conferencing sites. These reviews are held six-monthly to update staff on our performance during the past six months and our projections for the coming year.

Smoke Stop Programme Coordinator

The co-ordinator commenced a weekly maternity Smoke Stop clinic in Queen Mary maternity every Monday morning. This Coordinator will not only be able to see inpatients and their families who want to stop smoking, but will also be able to reinforce the ABC and stop smoking messages with staff. We anticipate an increased screening and increased uptake of stop smoking referrals as a result.

International Council of Nurses Congress in Barcelona Spain

Heather Casey, Nurse Director, Mental Health Addictions and Intellectual Disability Directorate, was an international invited speaker at the International Council of Nurses (ICN) congress in Barcelona Spain. This was also the first time in ICN history, established 1899 that mental health and addictions had ever been on the main agenda.

Audiology Unit

Southern DHB opened a new audiology unit in June 2017 with contemporary facilities that will improve service delivered to patients and their families/whanau.

The new unit at Wakari Hospital is larger than its predecessor at Dunedin Hospital, with three soundproof testing booths, new equipment and an additional clinical space. This means up to three clinics can be run concurrently, making appointments much more streamlined for patients.

As importantly, it is a very family friendly facility, with spacious waiting room and play area for its many young patients.

Audiology is one of the interim redevelopment projects being undertaken by the hospital to best meet the needs of staff, patients and their families while the new hospital is developed and built. Work will begin in mid-June on the new ICU/HDU and gastroenterology facilities.

A small audiology unit has been retained on the 2nd floor of Dunedin Hospital for in-hospital patients.

*Photograph left to right: Audiology Clinical Lead, Robyn McNeur, Audiology Project Leader and Executive Director for Allied Health Lynda McCutcheon and Commissioner Kathy Grant at the opening of the new audiology unit

Intensive Care Unit/ High Dependency Unit
Work has commenced on the new ICU/HDU and Gastroenterology facilities. The new ICU/HDU facility will be built in two stages, with completion of the 12-bed first stage expected in early 2018, while the new Gastroenterology facilities are expected to be in use on the 8th floor of the Ward block by the end of this year.

Extending Theatre/Day and Acute Theatre
Increased capacity has been provided on the Dunedin site by extending the theatre day and introducing a second acute session on Sundays. This will commence as soon as staff are recruited, with the first additional acute session expected August 2017.

Medical Assessment Unit
We are progressing plans to pilot a Medical Assessment Unit (MAU) over winter, expected to be up and running in August. Recruitment of nursing and doctors are underway. There are weekly meetings with a wide group of stakeholders as well as a governance group who are designing the initial process, measures and identifying where there will need to be flexibility.

High-Tech Imaging
Facilitated by the General Manager, the inaugural meeting of High-Tech Imaging Demand Management Work Group has been held to look for opportunities to reduce demand for high-tech imaging. This group will be of value as ideas are already being generated from both Radiologists and referring services.

Lexie O'Shea, Chief Operating Officer/Deputy CEO
Leanne Samuel, Executive Director of Nursing and Midwifery

Southern DHB
Hospital Advisory Committee - KPIs June 2017 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)	1,123	1,115	1,105	10 (0.9%)	
3a - Improved access to elective surgical services ytd (population based)	11,871	12,703	12,921	-218 (-1.7%)	

Patient Safety and Experience - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
Faster Cancer treatment; 85% of patients to receive their first cancer treatment within 62 days of being referred with a high suspicion of cancer seen within 2 weeks	81%	84%	85%	-1.0%	
11 - Reduced stay in ED	94%	90%	95%	-5.3%	
15 - Acute Readmission Rates (note 1)	11.0%	11.4%	9.9%	-1.5%	

Cost/Productivity - Hospital Healthcheck					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/rating
1 - Waits >4 months for FSA	89	135	0	-135	
2 - Treatment >4 months from commitment to treat	19	191	0	-191	
% of accepted referrals for CT scans receiving procedures within 42 days	77%	TBA	95%	NA	
% of accepted referrals for MRI scans receiving procedures within 42 days	68%	TBA	85%	NA	
% accepted referrals for Coronary Angiography within 90 days	85%	100%	95%	5.0%	
4a - Elective caseweights versus contract (monthly provider arm delivered)	1,193	1,297	1,321	-24 (-1.8%)	
4b - Elective caseweights versus contract (ytd provider arm delivered)	15,592	15,160	15,663	-503 (-3.2%)	
7a - Acute caseweights versus contract (monthly provider arm delivered)	2,896	3,052	2,770	282 (10.2%)	
7b - Acute caseweights versus contract (ytd provider arm delivered)	34,880	35,655	33,335	2320 (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

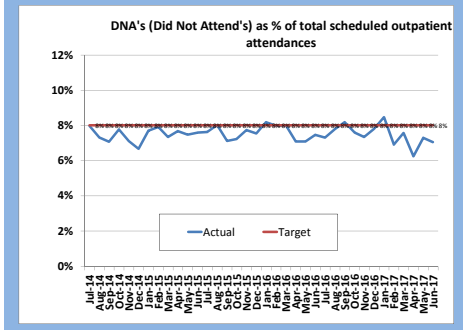
Note 3 Using SDHB historic definition not the one reported on by the MoH

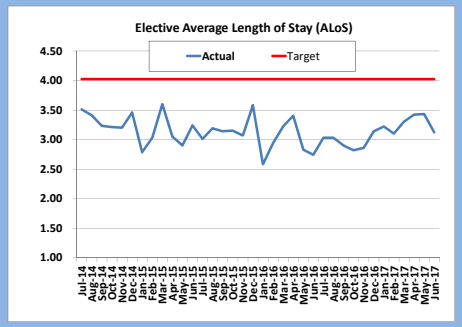
P = Pending

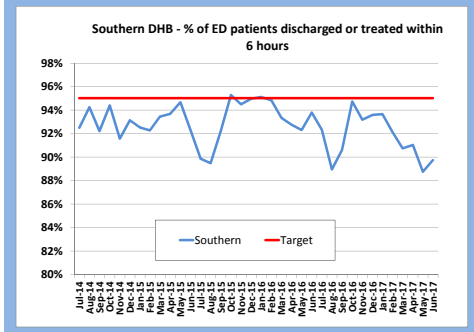
Cost/Productivity - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
5 - Reduction in DNA rates	7.5%	7.0%	8.0%	-1.0%	
9 - ALoS (elective) (Note 3)	2.74	3.12	4.02	0.9 (22.4%)	
ALoS (Acute inpatient) (Note 3)	3.99	4.14	4.25	0.11 (2.6%)	
DOSA (Note 2)	97%	94%	95%	-1.0%	

Southern DHB
Hospital Advisory Committee - Performance Report June 2017 Data

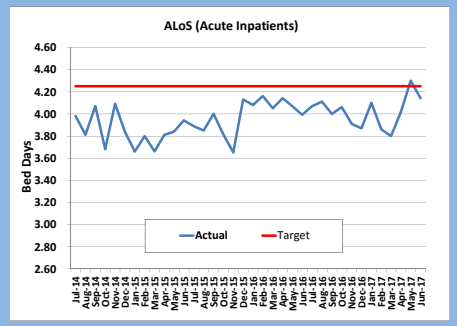
Elective Care

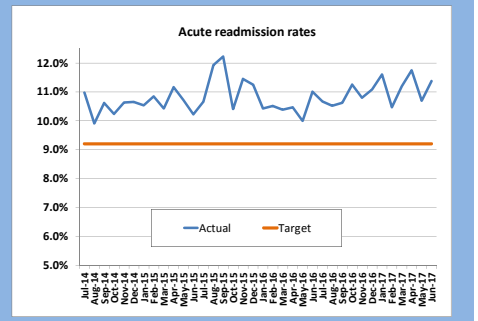






Acute Care

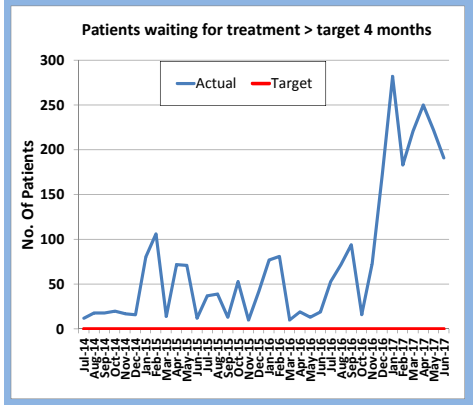


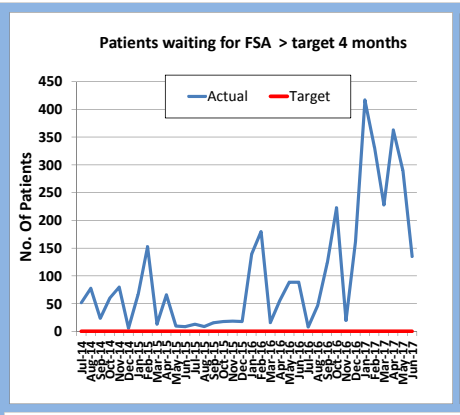


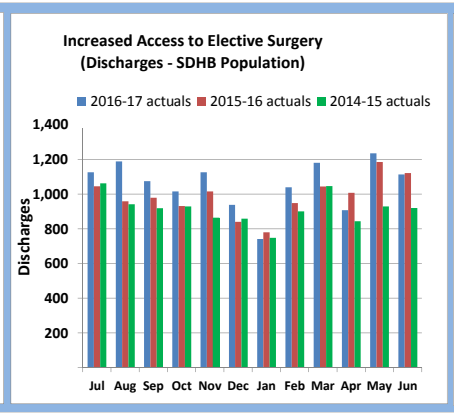
Southern DHB

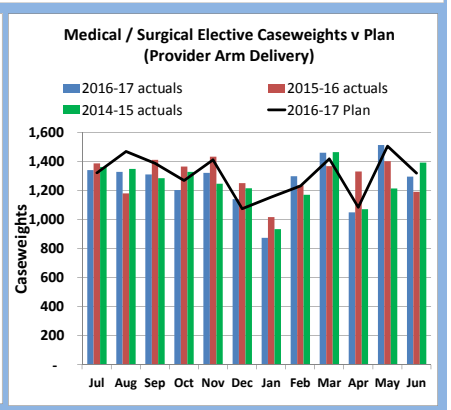
Hospital Advisory Committee - Healthcheck Report June 2017 Data

Elective Care

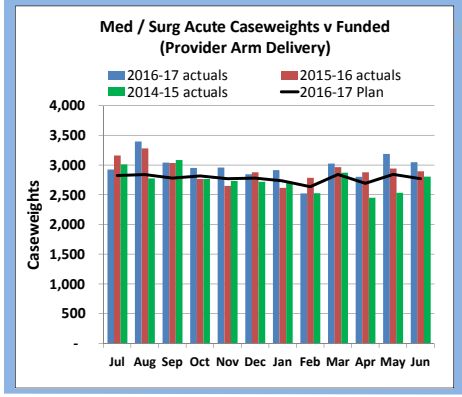




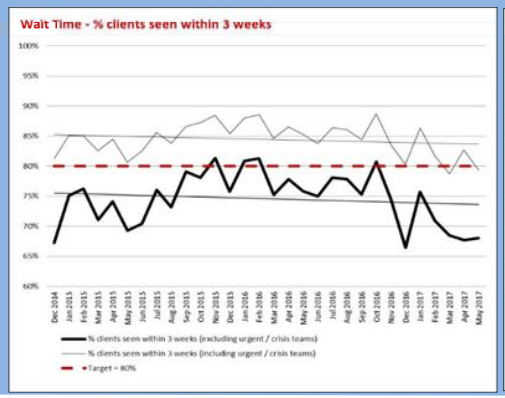


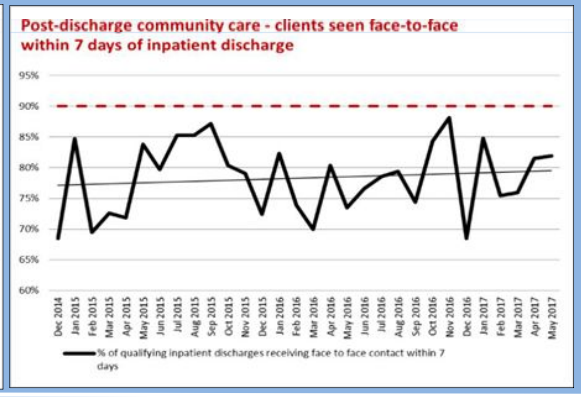


Acute Care



Mental Health and Addictions





SOUTHERN DISTRICT HEALTH BOARD

Title:	**FINANCIAL REPORT**		
Report to:	Hospital Advisory Committee		
Date of Meeting:	27 July2017		
Summary: The issues considered in this paper are: ▪ June 2017 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:	N/A	**Date:**	
Approved by Chief Executive Officer:		**Date:**	
Prepared by: Finance staff **Date:** 17/07/2017		**Presented by:** Lexie O'Shea Chief Operating Officer	
RECOMMENDATION: **That the report be noted.**			

SOUTHERN DHB FINANCIAL REPORT – Commissioners Summary for HAC

Financial Report for: **June 2017**
Report Prepared by: **Senior Business Analyst**
Date: **17 July 2017**

Overview

Results Summary

Month				Year To Date			Annual
Actual $000	Budget $000	Variance $000		Actual $000	Budget $000	Variance $000	Budget $000
44,884	44,031	853	Revenue	531,872	527,706	4,166	527,706
34,398	30,866	(3,532)	Less Personnel Costs	366,895	361,659	(5,236)	361,659
15,749	15,106	(643)	Less Other Costs	186,036	181,489	(4,547)	181,489
(5,263)	**(1,941)**	**(3,322)**	**Net Surplus / (Deficit)**	**(21,059)**	**(15,442)**	**(5,617)**	**(15,442)**

The June result was a deficit of $5.26m which was unfavourable to budget by $3.32m. Year to date (YTD) the consolidated deficit is $21.06m, being $5.62m unfavourable to budget.

June Result:
The favourable variance in revenue was due to non-resident patient income of $0.45m, recognition of funds for donated assets $0.13m, internal revenue $0.12m, year-end wash-ups for the sale of foodservice assets $0.09m and clinical training revenue $0.09m. This was partially offset by the phasing of personnel health $0.08m and disability support service revenue $0.05m.

June workforce expenses were unfavourable to budget by $3.53m. This was primarily due to year-end accounting provision requirements.

Non personnel costs were unfavourable to budget by $0.64m. This was primarily driven by volume related clinical supplies costs and outsourced clinical services, partially offset by the treatment of asbestos related costs, lower capital charge and interest costs.

Statement of Financial Performance

Monthly Actuals $000s	Monthly Budget $000s	Monthly Variance $000s	Monthly Variance FTE		Year to date Actuals $000s	Year to date Budget $000s	Year to date Variance $000s	Year to date Variance FTE	Annual Budget $000s
				REVENUE					
				Government & Crown Agency Sourced					
1,544	1,601	(57)		MoH Revenue	18,531	19,216	(685)		19,216
1,425	1,390	35		Other Government	15,548	15,429	119		15,429
2,969	**2,991**	**(22)**		**Total Government & Crown**	**34,079**	**34,645**	**(566)**		**34,645**
				Non Government & Crown Agency Revenue					
639	195	444		Patient related	3,939	2,848	1,091		2,848
956	647	309		Other Income	8,157	7,734	423		7,734
1,595	**842**	**753**		**Total Non Government**	**12,096**	**10,582**	**1,514**		**10,582**
40,320	40,198	122		Internal Revenue	485,697	482,479	3,218		482,479
44,884	**44,031**	**853**		**TOTAL REVENUE**	**531,872**	**527,706**	**4,166**		**527,706**
				EXPENSES					
				Workforce					
				Senior Medical Officers (SMO's)					
6,701	6,572	(129)	8	Direct	77,043	77,045	2	9	77,045
507	601	94		Indirect	4,956	5,517	561		5,517
434	323	(111)		Outsourced	5,328	3,815	(1,513)		3,815
7,642	**7,496**	**(146)**	**8**	**Total SMO's**	**87,327**	**86,377**	**(950)**	**9**	**86,377**
				Registrars / House Officers (RMOs)					
3,873	3,097	(776)	(8)	Direct	38,141	36,339	(1,802)	1	36,339
179	209	30		Indirect	2,449	2,622	173		2,622
36	46	10		Outsourced	913	540	(373)		540
4,088	**3,352**	**(736)**	**(8)**	**Total RMOs**	**41,503**	**39,501**	**(2,002)**	**1**	**39,501**
11,730	**10,848**	**(882)**	**0**	**Total Medical costs (incl outsourcing)**	**128,830**	**125,878**	**(2,952)**	**10**	**125,878**
				Nursing					
11,375	11,245	(130)	(11)	Direct	134,837	134,761	(76)	(5)	134,761
1,049	167	(882)		Indirect	2,851	2,462	(389)		2,462
19	5	(14)		Outsourced	153	55	(98)		55
12,443	**11,417**	**(1,026)**	**(11)**	**Total Nursing**	**137,841**	**137,278**	**(563)**	**(5)**	**137,278**
				Allied Health					
4,292	4,274	(18)	(20)	Direct	49,180	49,254	74	(7)	49,254
123	108	(15)		Indirect	1,335	1,294	(41)		1,294
71	66	(5)		Outsourced	914	796	(118)		796
4,486	**4,448**	**(38)**	**(20)**	**Total Allied Health**	**51,429**	**51,344**	**(85)**	**(7)**	**51,344**
				Support					
592	525	(67)	2	Direct	5,686	6,108	422	3	6,108
(16)	45	61		Indirect	95	83	(12)		83
66	44	(22)		Outsourced	826	522	(304)		522
642	**614**	**(28)**	**2**	**Total Support**	**6,607**	**6,713**	**106**	**3**	**6,713**
				Management / Admin					
3,520	3,436	(84)	4	Direct	39,524	39,872	348	11	39,872
1,545	101	(1,444)		Indirect	2,034	549	(1,485)		549
32	2	(30)		Outsourced	630	25	(605)		25
5,097	**3,539**	**(1,558)**	**4**	**Total Management / Admin**	**42,188**	**40,446**	**(1,742)**	**11**	**40,446**
34,398	**30,866**	**(3,532)**	**(25)**	**Total Workforce Expenses**	**366,895**	**361,659**	**(5,236)**	**12**	**361,659**
2,573	2,256	(317)		**Outsourced Clinical Services**	29,223	27,055	(2,168)		27,055
78	77	(1)		**Outsourced Corporate / Governance Service**	948	906	(42)		906
7,494	6,545	(949)		**Clinical Supplies**	80,509	77,313	(3,196)		77,313
3,141	3,464	323		**Infrastructure & Non-Clinical Supplies**	46,447	43,461	(2,986)		43,461
				Non Operating Expenses					
2,113	1,807	(306)		Depreciation	21,396	21,273	(123)		21,273
357	625	268		Capital charge	5,042	7,500	2,458		7,500
(7)	332	339		Interest	2,471	3,981	1,510		3,981
15,749	**15,106**	**(643)**		**Total Non Personnel Expenses**	**186,036**	**181,489**	**(4,547)**		**181,489**
50,147	**45,972**	**(4,175)**		**TOTAL EXPENSES**	**552,931**	**543,148**	**(9,783)**		**543,148**
(5,263)	**(1,941)**	**(3,322)**		**Net Surplus / (Deficit)**	**(21,059)**	**(15,442)**	**(5,617)**		**(15,442)**

Revenue

Ministry of Health (MoH) Revenue

MoH revenue is unfavourable to budget by $0.06m for the month and unfavourable by $0.69m at year end. The main items making this up are:

Category	Source	Monthly Variance $000s	YTD Variance $000s	Comment
MoH Revenue				
Personal Health	Colonoscopy Funding		168	Advised year-end target volumes were met therefore revenue booked in earlier in the year.
Public Health	Side Contracts	(7)	227	Timing variance
Disability Support	ISIS beds	(52)	(384)	Fewer ISIS beds used.
FCT Funding	Pharmac		114	Lump sum payment for Faster Cancer Treatment work
Health Workforce	Training revenue	86	(101)	Lower volumes invoiced as per contract, phasing of training programmes.
2015/16 Accrued Revenue Treatment	MOH		(629)	Additional electives revenue offset in Internal Revenue

Patient Related Revenue

Revenue relating to 2 patients has driven the favourable variance of $0.44m. The favourable ytd variance of $1.09m is also due to non-resident revenue. We have provided for an additional $0.4m of doubtful debts this month as the revenue booked this month is not covered by insurance.

Internal Revenue

Internal revenue was $0.12m favourable to budget for the month. YTD the favourable variance of $3.22m is driven by the receipt of accrued 2015/16 revenue $0.63m originally reported in MOH revenue (refer above) and additional revenue related to the final MOH allocation of revenue based on elective volumes $0.50m. Community Pharmaceutical's and PCT are also $1.64m higher than budget ytd.

Workforce Costs

Year to date workforce costs (personnel plus outsourcing) are unfavourable YTD by $5.23m with June being $3.53m unfavourable to budget.

The month unfavourable variance to budget is primarily due to year-end accounting treatments and provisions.

Operationally in June FTE were 25.0 over budget, 19.9 FTE in Allied Health reflecting hours worked and the graduate hire programme at the beginning of the year. The total numbers of FTE are expected to reduce over the coming months due to natural staff turnover.

Nursing FTE were higher than budgeted in June, reflecting hours worked as required by patient volumes.

Senior Medical Officers (SMOs)
SMOs had unfavourable direct costs for the month of $0.13m, primarily due to volume driven allowance payments and backpay. These were partially offset by fewer than budgeted FTE.

Indirect costs were favourable due to accounting for year-end provisions.

Outsourced costs were higher than budget due to the use of locums to cover leave and vacant roles. The monthly variance is driven by vacancies in

- Radiation Oncology
- Community Mental Health and Acute Mental health

Registrars / House Officers (RMOs)
RMOs direct costs for the month were unfavourable to budget by $0.78m, primarily driven by year-end accounting provisions and higher than budgeted FTE (recruited in November).

Indirect costs were favourable primarily due to the phasing of professional membership costs.

Nursing
Nursing costs were unfavourable to budget for the month by $1.03m.

FTE were 11 unfavourable for the month reflecting hours worked and high patient volumes.

Direct costs were unfavourable in June due to year-end accounting provisions and overtime. Indirect costs were unfavourable due to the phasing of training costs.

Allied Health
Allied Health costs were $0.03m unfavourable to budget for the month and unfavourable by $0.09m to budget ytd.

The monthly unfavourable variance reflects the hiring of graduates to roles in February, taking some roles above budgeted levels. This has been done as graduates are only available at that time of year. FTE numbers are expected to drop back to budgeted levels over the next few months due to normal staff turnover.

Support
Support costs were largely in-line with budget in the month.

Management / Administration
Management / Administration costs were $1.56m unfavourable to budget primarily due to year-end accounting provisions.

Outsourced costs
Outsourced clinical services are $0.32m over budget for the month and unfavourable by $2.17m ytd. The ytd variances are due to:

- Additional radiology outsourcing is unfavourable by $1.48m, partially offset by personnel vacancies. This variance also includes $0.14m of private MRI procedures to continue service when the MRI was being replaced in November-December.
- Outsourced clinical services are unfavourable by $1.39m ytd due to the outsourcing of Urology procedures, higher than usual presentation of breast cancer patients following more sensitive testing procedures, Ophthalmology (microscope failure), Cardiac and Orthopaedics cases.
- There is a favourable variance of $0.67m for research funds however this is offset in Clinical Supplies.

Clinical Supplies (excluding depreciation)
Clinical supplies were favourable to budget by $0.95m for the month and unfavourable by $3.20m ytd.

The ytd variance is due to:

- Pharmaceuticals are $1.93m unfavourable, due to an increase in high cost drugs over a number of services. This includes high cost antibiotics as well as new drug treatments for melanoma. It also reflects an increasing use of "mabs" (e.g. rituximab and infliximab).
- Research costs are $1.06m unfavourable to budget, however this is offset by additional revenue and unspent research costs budgeted in outsourcing.
- Implants and Prostheses are $0.50m unfavourable over budget, reflecting patient volumes and procedure mix. This variance incorporates cardiac implants $0.28m unfavourable and hip prostheses $0.29m unfavourable.
- Offsetting these is a favourable variance in treatment disposables of $0.68m, due mainly to lower blood usage than budgeted.

Infrastructure and Non-Clinical

These costs were $0.32m favourable to budget in the month, primarily due to the finalisation of the accounting treatment of asbestos related costs. Unfavourable variances to budget include savings targets of $0.63m recovered elsewhere in the P&L, IT Systems costs of $0.27 (outsourcing infrastructure services, minor hardware purchases and other operational costs) and doubtful debt provisions for non-resident patient income of $0.37m.

Non-Operating Expenses

This was favourable to budget by $0.30m in June due to the lower than budgeted interest costs, the reduction in capital charge to 6% partially offset by depreciation costs.

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. 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. MSP and Urgent Interim Works Programme	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.
4. Contract Approval: ACC Elective Services	To allow commercial activities to be carried on without prejudice or disadvantage.	Section 9(2)(i) of the OIA.