SOUTHERN DISTRICT HEALTH BOARD

HOSPITAL ADVISORY COMMITTEE

Wednesday, 21 March 2018, 9.30 am

**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. **Interests Register**
3. **Minutes of Previous Meeting**
4. **Matters Arising/Review of Action Sheet**
5. **Provider Arm Monitoring and Performance Reports**
   - 5.1 Executive Director Specialist Services Report
   - 5.2 Key Performance Indicators
   - 5.3 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.

SOUTHERN DISTRICT HEALTH BOARD

Title:	**INTERESTS REGISTERS**
Report to:	Hospital Advisory Committee
Date of Meeting:	21 March 2018

Summary:

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

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

Changes to Interests Registers over the last month:

- Nil

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

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

Prepared by:

Jeanette Kloosterman
Board Secretary

Date: 09/03/2018

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	

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	Chairman, New Zealand Genomics Ltd	Nil	
	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.~~	Removed 18.12.2017
	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.	
	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.	

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	6th Year Medical School Student	(Updated 20.10.2017)	
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~~	~~Ahuru Mowai National Māori Leadership Group Cancer~~	~~Nil~~ REMOVED 23 February 2017	
	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.	
	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	

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
	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	
	09.06.2017	Director, Waihopai Runaka Holdings Ltd	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	
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	
	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	
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~~
	08.12.2017	Ngāi Tahu, Ngāti Kauwhata and Ngāti Porou registered.	Nil
	30.09.2011	Member, South Island Alliance 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	Nil
	08.12.2017	South Island Alliance, Strategic Planning and Integration Team (SPaIT)	Nil
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

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
	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	Trustee, Section 20, BLK 12 Church & Hall Trust	Nil
	12/02/2018	Trustee, Waikouaiti Maori Foreshore Reserve Trust	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	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
	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	06/09/2017	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.

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
	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	Nil
		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 CCCL	Nil
	18.12.2017	Daughter, medical student at Auckland University and undertaking Otago research project over summer 2017/18.	
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.
Julie RICKMAN	31.10.2017	Director, JER Limited	Nil, own consulting company

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
	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
		Specified contractor for JER Limited in respect of:	
	31.10.2017	PWC New Zealand Limited to 31 December 2017	Nil
	31.10.2017	Ministry for Primary Industries to 31 December 2017	Nil
	31.10.2017	H G Leach Company Limited to termination	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.
	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 Thursday, 25 January 2018, commencing at 9.25 am in the Board Room, Wakari Hospital Campus, Dunedin

Present:	Mrs Kathy Grant	Commissioner
	Mr Graham Crombie	Deputy Commissioner
	Mr Richard Thomson	Deputy Commissioner
In Attendance:	Mr Chris Fleming	Chief Executive Officer
	Mrs Lisa Gestro	Executive Director Strategy, Primary & Community
	Mr Nigel Millar	Chief Medical Officer
	Mr Patrick Ng	Executive Director Specialist Services
	Mrs Jane Wilson	Chief Nursing & Midwifery Officer
	Ms Jeanette Kloosterman	Board Secretary

1.0 WELCOME

The Commissioner welcomed everyone to the meeting, including members of the public.

2.0 APOLOGIES

Apologies were received from the Executive Director Communications and the Executive Director Finance, Procurement and Facilities.

3.0 DECLARATION OF INTERESTS

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

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

Recommendation:

"That the Interests Registers be received and noted."

Agreed

4.0 PREVIOUS MINUTES

Recommendation*:*

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

Agreed

5.0 MATTERS ARISING

Committee Membership

The Commissioner reported that she was continuing to progress Māori representation on the Hospital Advisory Committee and was awaiting a recommendation from the Chair of the Iwi Governance Committee.

Cardiac Waiting List

The Chief Executive Officer (CEO) reported that the cardiac waiting list appeared to have moved to a sustainable position.

6.0 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 and the Acting EDSS took questions.

Elective Recovery Planning

The EDSS reported that plans were being finalised to commence orthopaedic day cases at Oamaru Hospital in early February. Discussions were also being held with South Canterbury DHB regarding their undertaking more complex cases.

Mercy Hospital had signed an outplacement contract, which would commence early February.

Radiology Performance Improvement

The CEO reported that he had asked the EDSS team to review the supply and demand for elective MRIs and a response should be available for the next Commissioner's meeting.

The improved performance against the elective CT scan target was noted.

Elective Surgical Discharges

The EDSS advised that he would report back on the drop in discharge numbers in December 2017.

It was noted that there had been a shift in caseweights from elective to acute.

Colonoscopy

The Committee requested further information on the hump of patients due for re-screening and how that would impact on capacity.

Faster Cancer Treatment

The Committee asked that the reported performance against the Faster Cancer Treatment target be checked.

Financial Performance Summary (tab 5.3)

The financial report for December 2017 was taken as read. The EDSS reported that the key drivers of the adverse variance were:

- Additional outsourcing costs, including extra urology clinics;
- Pharmaceuticals, which appeared to be due to advance ordering prior to Christmas;
- Clinical supplies, due to higher acute volumes and demand for blood products being higher than budget.

The Committee requested an explanation for telecommunication cost savings not being delivered to expected results.

CONFIDENTIAL SESSION

At 9.50 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.
4. Contracts	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 25 January 2018

DATE	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
Jan 2018	**Elective Surgical Discharges** (Minute item 6.0)	Report to be provided on the drop in discharge numbers in December 2017.	EDSS	Analysis being undertaken. This report will also cover an overview of system issues identified regarding the clerical processing of patients who receive elective treatment. Report to be provided for the May meeting.	24/05/2018
Jan 2018	**Colonoscopy** (Minute item 6.0)	Further information to be provided on the hump of patients due for re-screening and how that will impact on capacity.	EDSS	Report included in the HAC agenda. Appendix to the EDSS report.	Complete
Jan 2018	**Faster Cancer Treatment** (Minute item 6.0)	Performance against the Faster Cancer Treatment target to be checked (reported as 90% in the EDSS report table and 78% in the KPI report for December 2017).	EDSS	The data in the EDSS report noted December 90% (incomplete). The KPI report will now note "reported in arrears". This is due to the data not being confirmed by the Ministry at time of reporting.	Complete
Jan 2018	**Telecommunications** (Minute item 6.0)	Explanation to be provided for telecommunication cost savings not being delivered to expected results.	EDPC&T	1. Staff being provided with their accounts to increase their awareness of the costs and implications. 2. Education and communication re using the wifi not data and default setting to connect to SDHB when	

DATE	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
				its available. 3. Proactive fortnight meeting with SPARK our provider re managing our account and actions they can provide to manage costs 4. Change the settings for those that consume their monthly data usage as currently its rolled over. 5. Review and standardization of Mobile handsets to ensure people are getting the most value out of the mobile device they purchase.	

SOUTHERN DISTRICT HEALTH BOARD

5.1

Title:	**Executive Director of Specialist Services Report**
Report to:	Hospital Advisory Committee
Date of Meeting:	21 March 2018

Summary:

Considered in these papers are:

- February 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:** 07/03/2018	**Presented by:** Patrick Ng Executive Director of Specialist Services

RECOMMENDATION:

That the Hospital Advisory Committee receive the report.

Executive Director of Specialist Services Report – February 2018

Recommendation

That the Hospital Advisory Committee notes this report.

1. Operational Overview Highlights

Radiology
The (Dunedin) Radiology Service was visited by IANZ (an accreditation organisation) on 07 February, who had previously raised 'corrective action requests' (CARS) against the service.

IANZ heard and acknowledged the work that has been completed on these CARS, but ultimately denied us accreditation. They did note that we may contest their decision and get it independently assessed, and we have written to IANZ requesting the independent assessment.

Elective Delivery
Challenges with elective delivery continued into February. In late January we established daily meetings to review how well elective sessions were being utilised and to take corrective action where this was possible. From late February we have commenced additional outsourcing to catch up the case weights we will fall short by. We continue to monitor the actions required to catch up the case weights at our daily meetings but continue to face ongoing challenges with acute demand. Overall, elective delivery remains challenging, but the teams are very focused on recovery. In our daily meetings we are now finding that elective sessions are consistently being assigned and we are focusing our attention on managing the impact of acute demand on elective capacity. In particular, we are planning to look into elective theatre and bed capacity in Southland in detail. We are in the process of confirming the engagement of external consultants who will help us to achieve efficiency improvement in our theatres which will lead to more elective cases going through theatre and less needing to be achieved via outsource delivery.

Compliant Rostering
Compliant rostering for our junior doctors has been a challenge during late February. Our Resident Medical Office (RMO Office) has been working closely with the junior doctors union (RDA) to get agreement on compliant rosters and a number of rosters were finalised and agreed to in December. Recruitment is underway for the agreed rosters.

Ophthalmology
We have confirmed that the additional accommodation has been completed for the Ophthalmology team by facilities and a locum has been employed from March. An update was provided to the Ministry of Health on the short-term Ophthalmology recovery plan and they seemed satisfied with the short-term plan.

Emergency Department
The Emergency Department in Dunedin continues to periodically see high levels of demand, with the Clinical Leader concerned about how winter demand will be accommodated with the constraints on existing accommodation. Once additional space is available the Clinical Leader is keen to make changes to the service model, e.g. by assessing patients immediately rather than triaging and then assessing the highest priority patients first. The speed with which specialist services are able to come to the ED to review patients and then admit them / move them on to the next stage of their care appears to be the single largest contributor to breaches of the ED 6 hour target. Improving acute flow will directly and positively impacting on the ED 6 hour KPI and the external consultants who are helping us with electives have signalled this (in addition to elective surgery) as an area they can provide advice and support on.

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%	92%	90%	Continuing to look at patient flow through the emergency department and also across the whole hospital. The GM Medicine, Women and Children has been tasked with leading an improvement programme for Dunedin and connecting with the improvement work in Southland. We will also connect the external consultants to this work as they have signalled they can provide expert guidance and support on acute patient flow.
Faster Cancer Treatment (FCT) – Target 90%(as of July 2017)	Q3 2017/18 89.9%	February 2018 94% (***incomplete***)	Note, this data is yet to be validated.
Colonoscopy Urgent – 85% **Colonoscopy non- urgent – 70%** **Colonoscopy Surveillance – 70%**	Quarter 4 16/17 – 90% Quarter 4 16/17 – 85% Quarter 4 16/17 – 93%	Q3 17/18 91% (***incomplete***) 62% 73%	It is anticipated that in March we will be compliant across the non-urgent indicator, thus making us complaint with all three indicators.
Coronary Angiograms Target 95%	Quarter 2- 100% Q3 - 100% January	91%	Electives were affected by the Cath Lab which was decommissioned to undertake work in the ceiling space for the Gastro rebuild.

Radiology Diagnostic indicator CT, 95% of patients referred for elective CT have report distributed within 42 days	November 2017 79.15% December 2017 85% January 2018 85.4%	87% February 2018	Improvement in performance against target continues to improve.
Radiology Diagnostic indicator MRI, 85% of patients referred for elective MRI have report distributed within 42 days	November 2017 37.3% December 2017 33.2% January 2018 25.96%	33% February 2018	MRI performance has increased marginally for February 2018. A workshop is planned for March to determine how we should systematically improve MRI turnaround via extended hours of operation.
Immunisation 95% of eight-month-olds will have their primary course of immunisation (six weeks, three months and five month events) on time.	95%	N/A	
Healthy Children By December 2017, 95% of obese children identified in the Before School Check (B4SC) programme will be offered a referral to a health professional for clinical assessment and family based nutrition, activity and lifestyle interventions.	97%	N/A	

Elective Surgical Discharges - Annual target 13,190	8,564 Actual YTD vs 8,646 Plan YTD, as at February 2018

Colonoscopy Volumes has been provided as requested, "Further information to be provided on the hump of patients due for re-screening and how that will impact on capacity" Refer to Appendix A.

Refer to page five for the caseweight and discharge volumes graph.

Refer to appendix B, KPI Summary, Discharges and CWD volumes.

3. Contract Performance with hospital provider

- Total elective case weights delivered by Southern DHB Provider Arm were 6 below plan in February 2018 (less than 1%). Year to date elective case weights are 603.9 below plan (6%).
- Total acute case weights delivered by the Southern DHB Provider Arm were 80 lower than plan in February 2018 (3%). Year to date acute case weights are 2,095 above plan (9%).
- In comparison to actual year to date case weights delivered to February 2017, acute case weights delivered have increased by 979 case weights (4%) and elective case weights have decreased by 441 (4%).

Please note that the 603.9 year to date elective case weight deficit reflects the service provision view of case weight delivery. The 536 elective deficit in the financial reports reflects the overall organisational view including IDF's.

4. Operational Performance

Elective services Performance

- The final ESPI position for December 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 December 2017 show Southern DHB with a red status for ESPI 2, ESPI 5. Predicted results for January 2017 has Southern DHB with a red status for ESPI 2 and ESPI 5.

Patrick Ng, Executive Director of Specialist Services

Hospital Advisory Committee KPI Summary - Discharges and CWD Volumes

Elective Surgical Discharges February 2018

	Elective Surgical Discharge Activity - Southern DHB population								
	February 2018				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	814	902	(88)	(10%)	6,910	7,239	(329)	(5%)	11,055
SDHB population treated by other DHBs	41	41	-	-	287	318	(31)	(10%)	484
SDHB population outsourced	67	-	67	-	296	-	296	-	-
SURGICAL ELECTIVE DISCHARGES	**922**	**943**	**(21)**	**(2%)**	**7,493**	**7,558**	**(64)**	**(1%)**	**11,539**
Surgical Arranged Admissions	57	67	(10)	(15%)	662	649	13	2%	975.0
Surgical Discharges from a Non-Surgical PUC - Elective	10	26	(16)	(61%)	197	220	(23)	(10%)	350.0
Surgical Discharges from a Non-Surgical PUC - Arranged	21	21		1%	211	220	(9)	(4%)	325.9
HEALTH TARGET DISTCHARGES	**88**	**1,057**	**(969)**	**(92%)**	**1,070**	**8,646**	**(7,576)**	**(88%)**	**13,190.0**
Additional Orthopaedic and General Surgery Discharges	**4**	**3**	**1**	**33%**	**4**	**24**	**(20)**	**(83%)**	**39**

Elective Surgical Caseweights February 2018

	Elective Surgical Caseweights Activity - Southern DHB population								
	February 2018				Year to Date				Annual
	Actual	Plan	Variance	Var %	Actual	Plan	Variance	Var %	Plan
SDHB population treated in-house	1,098.5	1,203.2	(104.7)	(9%)	8,694.6	9,657.3	(962.7)	(10%)	14,747.8
SDHB population treated by other DHBs	109.8	109.8	-	-	860.7	878.2	(17.5)	(2%)	1,342.0
SDHB population outsourced	98.7	-	98.7	-	376.3	-	376.3	-	-
SURGICAL ELECTIVE CWD	**1,307.0**	**1,313.0**	**(6.0)**	**(0%)**	**9,931.6**	**10,535.5**	**(603.9)**	**(6%)**	**16,089.8**
Additional Orthopaedic and General Surgery CWD	**14.0**	**10.5**	**3.5**	**33%**	**14.0**	**84.3**	**(70.3)**	**(83%)**	**137.0**

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

(2) Currently 7 uncoded discharges for February 2018 have estimated CWD values.

(3) Clinical Records and Coding target is 95% of coding completed by end of third working day post discharge, 99.2% achieved this month.

(4) Total YTD Major Joints are 20 unfavourable to Additional Orthopaedic Initiative target due to Usual Expected Delivery being 0 discharges unfavourable to target.

Note:
This table represents the Population View of case weight delivery, which equates to case weights delivered in our own DHB, plus case weights purchased by us for our population purchased from other DHBs (IDF outflows). This is what the Health Target is based on. The other view found elsewhere in our reporting is the Service Provider view, which represents the case weights delivered within our DHB both to our own population and to members of other DHB populations purchased from us as IDF inflows.

HAC action – From the 25 January 2017 meeting

Further information to be provided on the hump of patients due for re-screening and how that will impact on capacity.

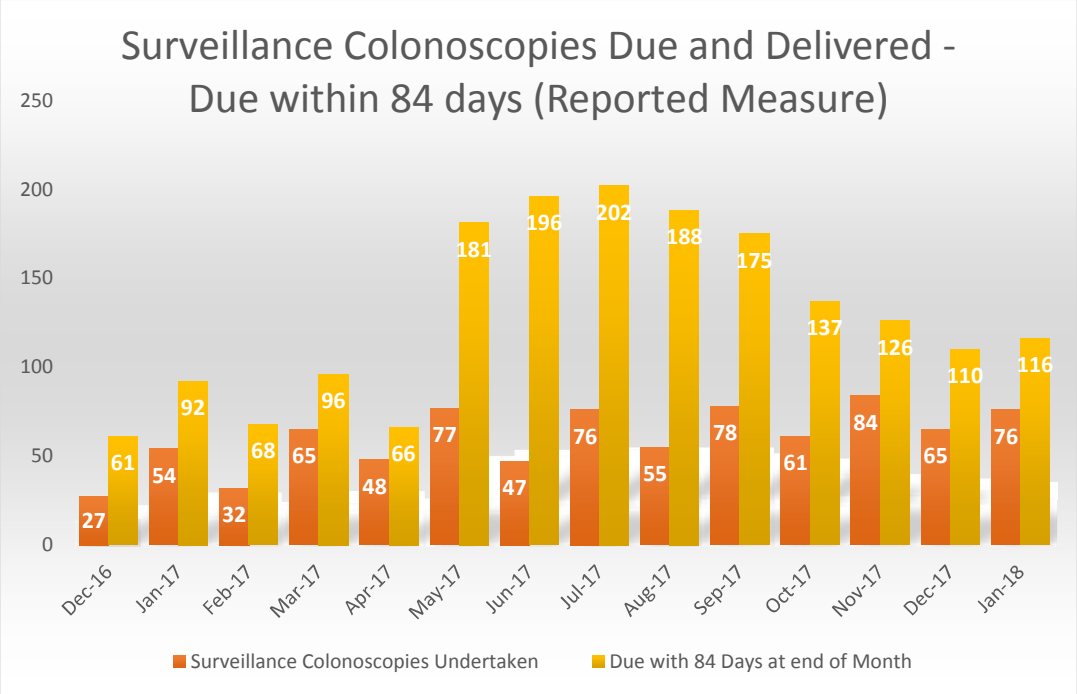
Colonoscopy Volumes

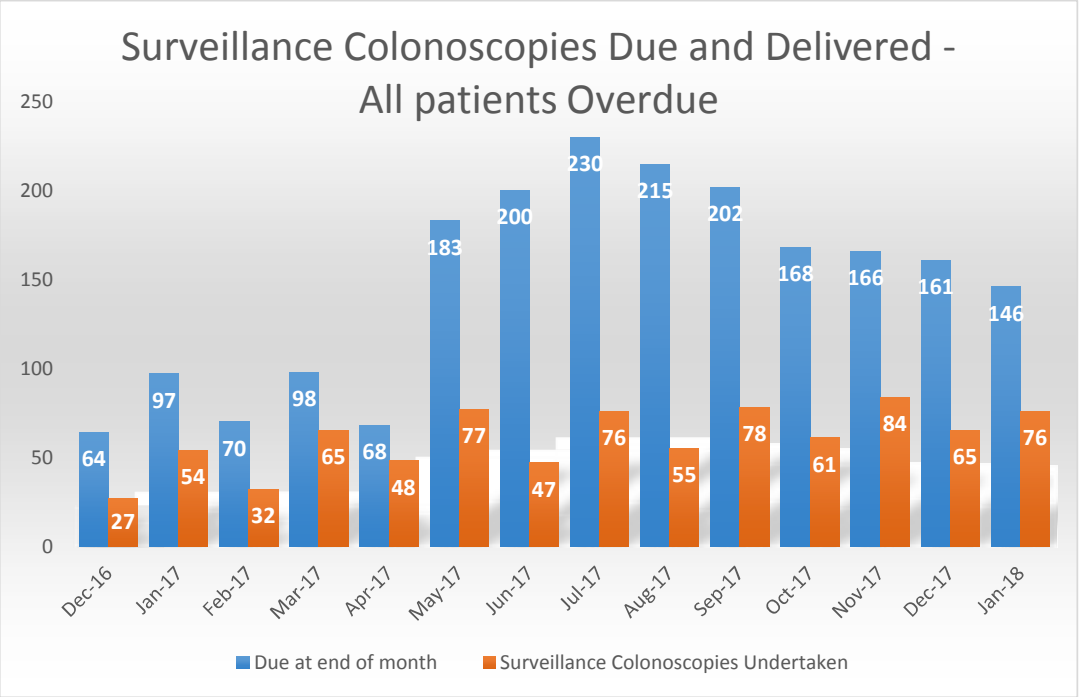
1. How has demand (volumes) changed from 01 July until now, and what are we projecting for the rest of the financial year?

Significant extra work undertaken five years ago to bring the surveillance colonoscopy waiting lists to an acceptable timeframe (and to bring patients into line with working party surveillance interval guidance) has meant that there is a hump of patients that are now due again to be seen at their five year surveillance interval.

The graph below shows the clear increase in number of patients that became due in May 2017 and despite providing additional volumes in this area the number continued to increase through June and July. The additional volumes provided in the subsequent months has steadily reduced this "hump" of patients to a level that is now more comparable to the figures prior to May 2017 and accordingly performance in this indicator has improved for January 2018.

There is no significant spikes in demand akin to that seen in May 2017 before the end of the financial year but natural variation does occur. We are confident that with strategies employed and additional flexibility a second room in Dunedin will bring that we will continue to recover from this position.



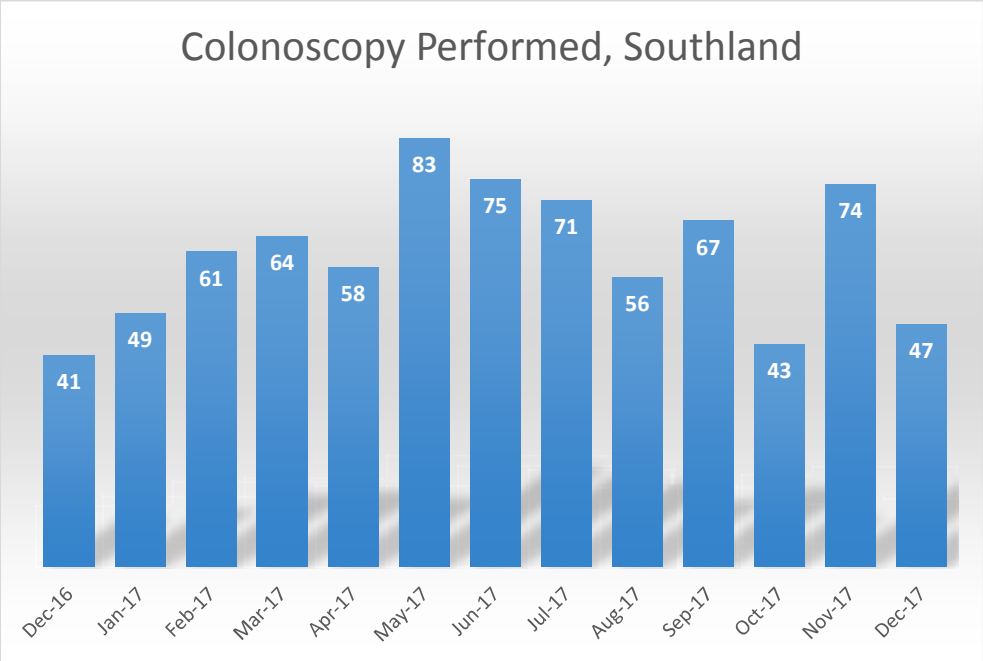


2. Have we had issues with supply (comments below indicate that we have had SMO and nursing issues). When did they start to impact, will performance improve in February now they are on board?

   The impact was seen mainly in October and December (with a similar issue in December 2016 and January 2017). When the lists were extensively filled (November) priority was given to colonoscopy as opposed to gastroscopy and the throughput was significantly improved.

   The nursing shortage has now been resolved and all seven lists are again available (that staffing five is enough to meet demand) and the recent acquisition of a new surgeon has improved the ability for lists to be covered. February only has two lists unfilled which is the best list utilisation for over 12 months.

   A similar issue was seen at the end of 2016 into 2017. Staffing of the endoscopy suite in Invercargill is now more robust and the increased resource that will be provided by the bowel screening programme will further assist with this.



3. In terms of our projected volumes, what opportunities do we have to smooth demand (e.g. by booking follow up surveillance bookings out a bit further?

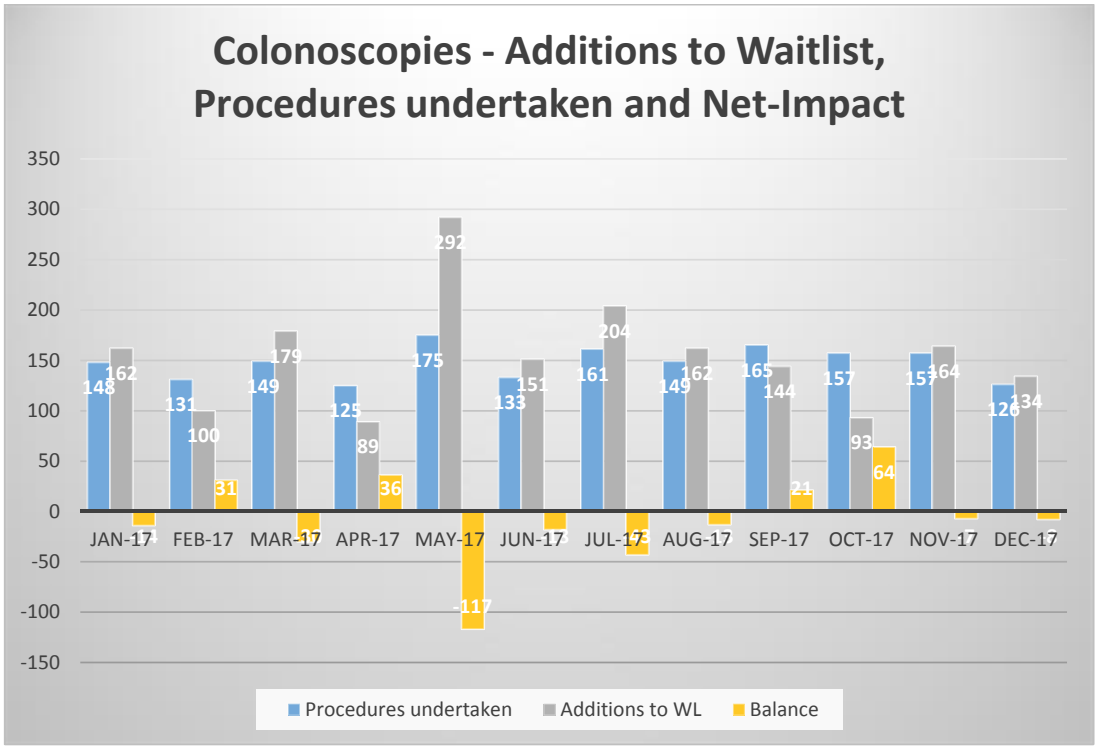
As surveillance colonoscopies do not occur routinely after the age of 75 due to the risk of the procedure outweighing the benefit NZ Guidelines Group (NZGG) the impact in five years is likely to be diminished, however not eliminated.

Smoothing of this anticipated demand would be best achieved by shortening the surveillance interval of these patients. This would result in a small over-delivery of colonoscopy in the next five years but remains the best strategy for smoothing the demand whilst maintaining the clinically appropriate surveillance interval.

The graph below shows the net month by month impact of additions to the waiting list (including those surveillance patients becoming due), the number of procedures completed in the corresponding months and the net impact that this has had. With the exception of the May to July period supply and demand have matched with small monthly variations. Excluding these three month and excluding the fifty extra colonoscopies undertaken in this time period the average number of additions per month is 137 and the average delivery is 143 indicating a sustainable model. The resourcing of the Invercargill site will make the model more robust but the impact of the drop in resource is under represented in the figures due to prioritisation being given to colonoscopy procedures over other procedures undertaken (gastroscopy and the smaller numbers of procedures in Invercargill.

With two rooms being resourced in May this year and a third planned to be operational for 2018/19 the ability to smooth peak demands will be substantially increased.

5.1



Simon Donlevy
Acting General Manager, Medicine, Women's and Children's Health

Southern DHB
Hospital Advisory Committee - KPIs February 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	743	1,011	1,057	-46 (-4.4%)	
3a - Improved access to elective surgical services ytd (population based) Discharges Health Target	7,203	8,564	8,646	-82 (-0.9%)	

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	83%	P	90%	NA	
11 - Reduced stay in ED	94%	89%	95%	-6.1%	
15 - Acute Readmission Rates (note 1)	11.6%	10.3%	9.9%	-0.4%	

Cost/Productivity - Hospital Healthcheck					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/rating
1 - Waits >4 months for FSA (ESPI 2)	417	368	0	-368	
2 - Treatment >4 months from commitment to treat (ESPI 5)	282	445	0	-445	
% of accepted referrals for CT scans receiving procedures within 42 days	66%	87%	95%	-8.3%	
% of accepted referrals for MRI scans receiving procedures within 42 days	36%	33%	85%	-52.1%	
% accepted referrals for Coronary Angiography within 90 days	85%	91%	95%	-3.9%	
4a - All Elective caseweights versus contract (monthly provider arm delivered)	960	1,302	1,321	-19 (-1.4%)	
4b - All Elective caseweights versus contract (ytd provider arm delivered)	9,135	10,078	10,614	-536 (-5.1%)	
7a - Acute caseweights versus contract (monthly provider arm delivered)	3,116	2,800	2,881	-80 (-2.8%)	
7b - Acute caseweights versus contract (ytd provider arm delivered)	22,440	26,113	24,018	2095 (8.7%)	

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

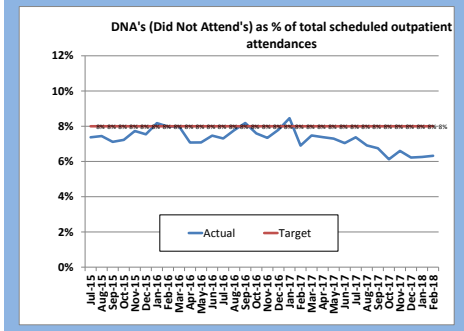
Note 3 Using SDHB historic definition not the one reported on by the MoH

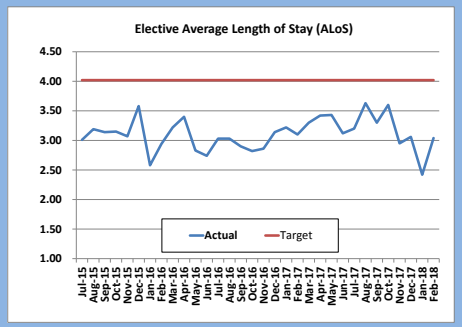
P = Pending

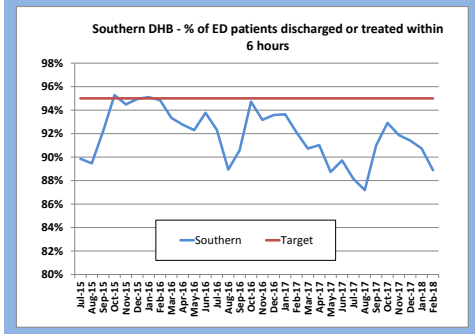
Cost/Productivity - Performance Report					
Monthly	Prior year	Actual	Plan / Target	Variance 'v Plan /Target	Trend/ rating
5 - Reduction in DNA rates	8.5%	6.3%	8.0%	1.7%	
9 - ALoS (elective) (Note 3)	3.22	3.04	4.02	0.98 (24.4%)	
ALoS (Acute inpatient) (Note 3)	4.10	3.89	4.25	0.36 (8.5%)	
DOSA (Note 2)	93%	89%	95%	-6.4%	

Southern DHB
Hospital Advisory Committee - Performance Report February 2018 Data

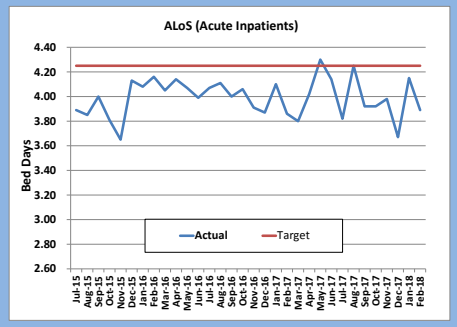
Elective Care

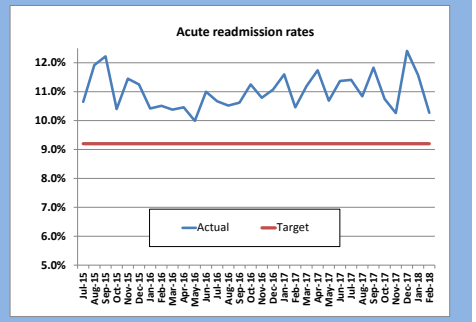






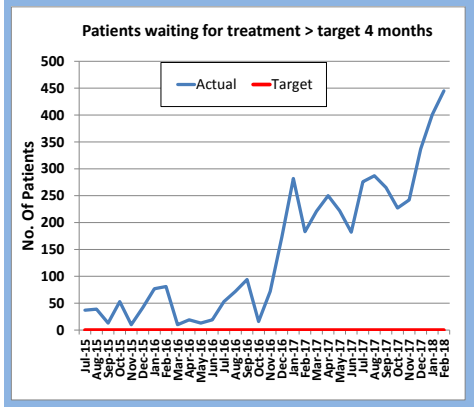
Acute Care

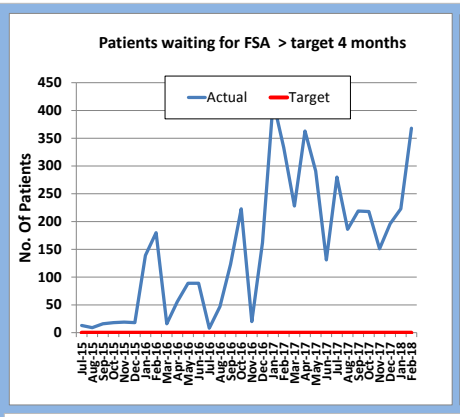


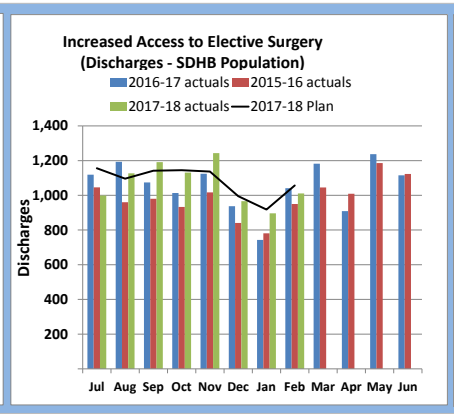


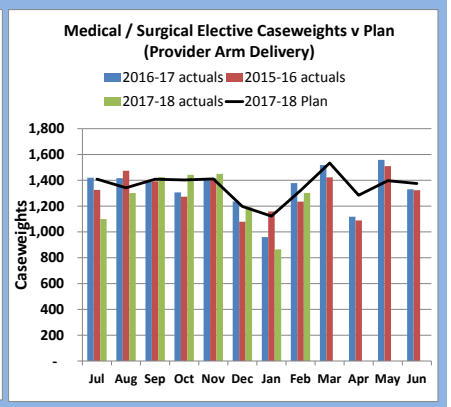
Southern DHB
Hospital Advisory Committee - Healthcheck Report February 2018 Data

Elective Care

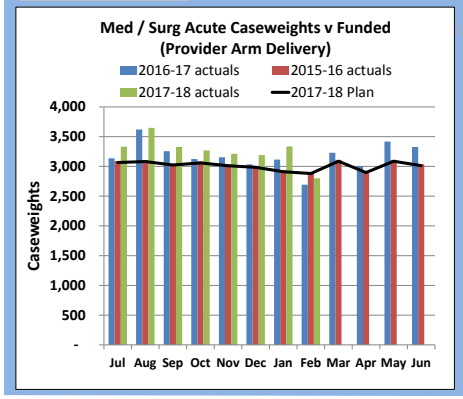




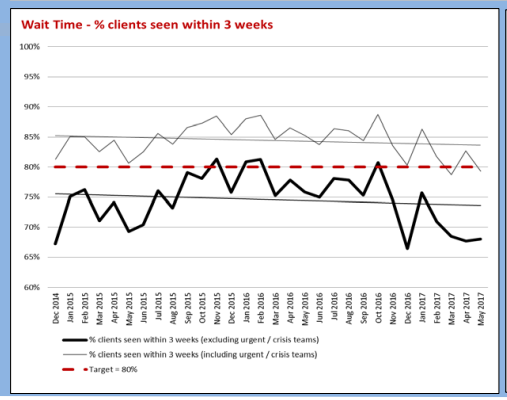


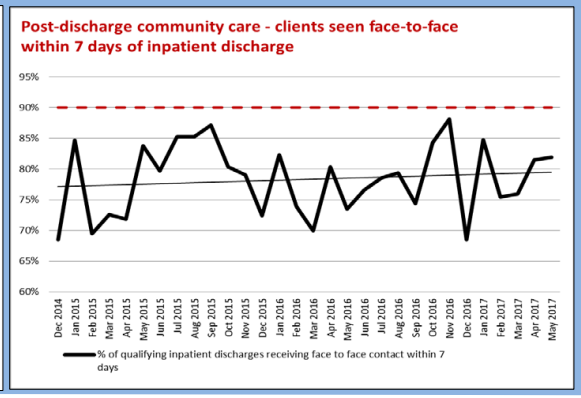


Acute Care



Mental Health and Addictions *due to staff turnover these graphs have not been updated since June 2017





SOUTHERN DISTRICT HEALTH BOARD

5.3

Title:	**FINANCIAL REPORT**		
Report to:	Hospital Advisory Committee		
Date of Meeting:	21 March 2018		
Summary: The issues considered in this paper are: ▪ February 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: Murray Baker Management Account – Clinical Analysis **Date:** 14 March 2018		**Presented by:** Patrick Ng Executive Director of Specialist Services	
RECOMMENDATION: **1. That the report be noted.**			

SOUTHERN DHB FINANCIAL REPORT – Commissioners Summary for HAC

Financial Report for: **February 2018**
Report Prepared by: **Management Accountant - Clinical**
Date: **12 March 2018**

Overview

Results Summary

Month Actual $000	Month Budget $000	Month Variance $000		Year To Date Actual $000	Year To Date Budget $000	Year To Date Variance $000	Annual Budget $000
46,465	46,134	331	Revenue	368,438	368,247	191	552,818
29,192	29,068	(124)	Less Personnel Costs	244,351	245,453	1,102	374,362
15,680	15,110	(570)	Less Other Costs	128,865	123,505	(5,360)	186,456
1,592	**1,955**	**(363)**	**Net Surplus / (Deficit)**	**(4,779)**	**(710)**	**(4,069)**	**(8,000)**

The February result was a surplus of $1.59m, which was unfavourable to budget by $0.36m.

February Result:
Both Elective and Acute caseweights were lower than budget in February. Total caseweights for February were 99 lower than budget. Year-to-date caseweights are 1,559 higher than budget and 538 higher than last year. Acute volumes have impacted elective caseweights delivery, electives are 536 behind budget.

Month Actual	Month Budget	Month Variance		Year To Date Actual	Year To Date Budget	Year To Date Variance	Annual Budget	YTD February 2017 Actual	YTD February 2017 Variance
			Medical Caseweights						
1,413	1,398	16	Acute	12,336	11,629	707	17,478	12,405	(70)
98	98	(1)	Elective	1,257	803	453	1,220	1,134	123
1,511	**1,496**	**15**	**Total Medical Caseweights**	**13,592**	**12,432**	**1,160**	**18,698**	**13,539**	**53**
			Surgical Caseweights						
970	1,113	(143)	Acute	10,449	9,535	913	14,328	10,006	443
1,200	1,193	7	Elective	8,740	9,577	(837)	14,634	8,736	4
2,170	**2,306**	**(136)**	**Total Surgical Caseweights**	**19,188**	**19,112**	**76**	**28,961**	**18,741**	**447**
			Maternity Caseweights						
417	370	47	Acute	3,329	2,854	475	4,296	2,723	606
4	29	(25)	Elective	81	234	(153)	351	649	(568)
421	**399**	**22**	**Total Maternity Caseweights**	**3,410**	**3,088**	**322**	**4,647**	**3,372**	**38**
			TOTALS						
2,800	**2,881**	**(80)**	**Acute**	**26,113**	**24,018**	**2,095**	**36,102**	**25,134**	**979**
1,302	**1,321**	**(19)**	**Elective**	**10,078**	**10,614**	**(536)**	**16,205**	**10,519**	**(441)**
4,102	**4,201**	**(99)**	**Total Caseweights**	**36,191**	**34,632**	**1,559**	**52,306**	**35,653**	**538**

			TOTALS excl. Maternity						
2,384	**2,511**	**(127)**	**Acute**	**22,784**	**21,164**	**1,620**	**31,806**	**22,411**	**373**
1,298	**1,292**	**6**	**Elective**	**9,996**	**10,380**	**(384)**	**15,854**	**9,870**	**127**
3,681	**3,802**	**(121)**	**Total Caseweights excl. Maternity**	**32,780**	**31,544**	**1,237**	**47,659**	**32,280**	**500**

Revenue was favourable in the month due to recognition of estimated elective caseweight revenue from waitlisted patients coded as acute. MOH revenue was unfavourable due to the continuing lower than budgeted fee for services Mental Health beds and phasing of clinical training income. This was partially offset by ACC and other government revenue.

February workforce expenses were unfavourable to budget. FTE numbers were favourable in all personnel types and is reflected in the direct payroll costs for SMOs, RMOs and Support. Nursing and Allied Health Direct costs were unfavourable due to overtime and provisions for back-pay which more than offset the effect of the favourable FTE. Locum

usage was unfavourable to budget due to the number of vacant FTE, particularly in the SMO and RMO groups.

Non personnel costs were unfavourable to budget by $0.57m. This was primarily driven by outsourced clinical services, and clinical supplies.

Statement of Financial Performance

Monthly					Year to date			
Actuals $000s	Budget $000s	Variance $000s	Variance FTE		Actuals $000s	Budget $000s	Variance $000s	Variance FTE
				REVENUE				
				Government & Crown Agency Sourced				
1,421	1,635	(214)		MoH Revenue	13,895	13,081	814	
0	0	0		IDF Revenue	0	0	0	
1,324	1,214	110		Other Government	11,681	10,169	1,512	
2,745	**2,849**	**(104)**		**Total Government & Crown**	**25,577**	**23,250**	**2,327**	
				Non Government & Crown Agency Revenue				
387	368	19		Patient related	2,249	1,791	458	
545	618	(73)		Other Income	4,997	5,115	(118)	
932	**986**	**(54)**		**Total Non Government**	**7,247**	**6,906**	**341**	
42,789	42,299	490		Internal Revenue	335,614	338,091	(2,477)	
46,465	**46,134**	**331**		**TOTAL REVENUE**	**368,438**	**368,247**	**191**	
				EXPENSES				
				Workforce				
				Senior Medical Officers (SMO's)				
5,955	6,390	435	18	Direct	50,317	53,358	3,041	13
500	465	(35)		Indirect	3,360	3,807	447	
534	198	(336)		Outsourced	3,640	2,151	(1,489)	
6,989	**7,054**	**65**	**18**	**Total SMO's**	**57,317**	**59,316**	**1,999**	**13**
				Registrars / House Officers (RMOs)				
3,013	3,194	181	35	Direct	26,540	26,685	145	15
235	291	56		Indirect	1,705	1,772	67	
85	15	(70)		Outsourced	492	140	(352)	
3,332	**3,500**	**168**	**35**	**Total RMOs**	**28,737**	**28,598**	**(139)**	**15**
10,321	**10,554**	**233**	**53**	**Total Medical costs (incl outsourcing)**	**86,054**	**87,914**	**1,860**	**28**
				Nursing				
10,973	10,697	(276)	16	Direct	91,525	91,322	(203)	9
81	165	84		Indirect	1,114	1,371	257	
22	3	(19)		Outsourced	58	30	(28)	
11,076	**10,865**	**(211)**	**16**	**Total Nursing**	**92,697**	**92,723**	**26**	**9**
				Allied Health				
3,872	3,776	(96)	9	Direct	32,650	31,893	(757)	(9)
112	120	8		Indirect	796	960	164	
58	28	(30)		Outsourced	585	245	(340)	
4,042	**3,924**	**(118)**	**9**	**Total Allied Health**	**34,032**	**33,098**	**(934)**	**(9)**
				Support				
429	478	49	7	Direct	3,754	4,099	345	4
7	7	0		Indirect	61	55	(6)	
59	48	(11)		Outsourced	465	421	(44)	
494	**533**	**39**	**7**	**Total Support**	**4,280**	**4,575**	**295**	**4**
				Management / Admin				
3,186	3,140	(45)	5	Direct	26,726	26,710	(16)	4
44	49	6		Indirect	325	414	89	
29	2	(27)		Outsourced	237	19	(218)	
3,258	**3,192**	**(66)**	**5**	**Total Management / Admin**	**27,288**	**27,143**	**(145)**	**4**
29,192	**29,068**	**(124)**	**90**	**Total Workforce Expenses**	**244,351**	**245,453**	**1,102**	**36**
2,824	2,194	(630)		**Outsourced Clinical Services**	18,980	18,168	(812)	
79	80	1		**Outsourced Corporate / Governance Services**	635	645	10	
0	0	0		**Outsourced Funder Services**	0	0	0	
6,771	6,234	(537)		**Clinical Supplies**	56,646	51,000	(5,646)	
3,494	3,764	270		**Infrastructure & Non-Clinical Supplies**	31,971	31,543	(428)	
				Non Operating Expenses				
1,782	1,916	134		Depreciation	14,428	15,012	584	
731	922	191		Capital charge	6,196	7,137	941	
0	0	0		Interest	10	0	(10)	
15,680	**15,110**	**(570)**		**Total Non Personnel Expenses**	**128,865**	**123,505**	**(5,360)**	
44,872	**44,178**	**(694)**		**TOTAL EXPENSES**	**373,216**	**368,958**	**(4,258)**	
1,592	**1,955**	**(363)**		**Net Surplus / (Deficit)**	**(4,779)**	**(710)**	**(4,069)**	

Revenue

Ministry of Health (MoH) Revenue

MoH revenue is unfavourable to budget by $0.21m for the month and favourable to budget by $0.81m year-to-date. The main items making this up are:

Category	Source	Monthly Variance $000s	YTD Variance $000s	Comment
MoH Revenue				
Personal Health	Ophthalmology	15	234	Funding for reducing patient waiting lists
	Colonoscopy	0	272	
	Bowel Screening	(58)	673	Funding for service establishment
	Faster Cancer Treatment	0	145	
Disability Support Services	Mental Health Bed Utilisation	(77)	(384)	Bed utilisation is lower than budgeted
Training		(90)	(48)	Phasing of revenue
Public Health		(16)	(92)	

Other Government Revenue

Other Government revenue was $0.11m favourable to budget, primarily due to activity driven ACC revenue. Year-to-date revenue is $1.20m favourable, primarily driven by contributions to lecture theatre refurbishment from the University of Otago, NZ Blood Haemophiliac rebates and training income.

Internal Revenue

Internal revenue was $0.49m favourable to budget for the month, driven by elective caseweight delivery in the month and year-to-date estimates of miscoded acute and elective cases. Year-to-date revenue is $2.48m unfavourable primarily due to lower than budgeted elective caseweight delivery.

Workforce Costs

Workforce costs (personnel plus outsourcing) were $0.12m unfavourable to budget in February. Operationally in February FTE were 90 favourable to budget. Year-to-date workforce costs are $1.1m and 36 FTE favourable to budget.

Senior Medical Officers (SMOs)

SMOs direct costs were $0.07m and 18 FTE favourable for the month.

Direct costs were favourable, driven by FTE.

Indirect costs were unfavourable in the month due to the phasing of professional membership and recruitment costs. Year-to-date costs are $0.45m favourable for the same reasons.

Outsourced costs were higher than budget in the month and year-to-date due to the use of locums to cover leave and vacant roles.

Registrars / House Officers (RMOs)

RMOs direct costs were $0.17m and 35 FTE favourable for the month.

Direct costs were favourable, driven by FTE. Year-to-date costs are largely in-line with budget.

Indirect costs were $0.06m favourable, driven by the phasing of training and recruitment costs. Year-to-date costs are largely in-line with budget.

Outsourced costs were higher than budget in the month and year-to-date due to the use of locums to cover leave and vacant roles.

Nursing
Nursing costs were $0.21m unfavourable to budget and 16 FTE favourable for the month.

Direct costs were $0.28m unfavourable in the month, with favourable FTE driven variances offset by overtime, provisions taken up for MECA settlements and leave phasing. Year-to-date costs are largely in-line with budget.

Indirect costs were unfavourable due to the phasing of gratuities costs. Year-to-date costs are largely in-line with budget.

Allied Health
Allied Health costs were $0.12m unfavourable and 9 FTE favourable to budget for the month.

Direct costs were unfavourable despite the favourable FTE variance, driven by overtime, and provisions taken up for MECA settlements. Year-to-date costs are $0.76m unfavourable, driven primarily by the unfavourable FTE variance, overtime and leave.

Indirect costs were in-line with budget. The favourable year-to-date variance is due to training and professional membership costs

Support
Support costs were $0.04m favourable to budget for the month.

Management / Administration
Management Admin staff were $0.07m unfavourable and 7 FTE favourable to budget.

Direct costs were unfavourable by $0.05m due to provisions taken up for personnel pay provisions.

Indirect costs were in-line with budget in the month. Year-to-date costs are largely in-line budget.

Outsourced Clinical Services costs
Outsourced clinical services were $0.63m unfavourable budget in the month and $0.81m unfavourable year-to-date. This reflects the phasing of outsourced services in the first 6 months of the year, the demand being placed on hospital services by increased acute volumes and the requirement to provide elective procedures.

In the month Orthopaedic and Ophthalmology procedures and lab tests accounted for most of the unfavourable variance.

Clinical Supplies (excluding depreciation)
Clinical supplies were unfavourable to budget by $0.54m for the month.

Blood costs continue to be higher than budgeted, reflecting haemophiliac and immune disorder case numbers, this was mostly offset by favourable variances in other treatment disposables.

Hip and Knee implant costs were in-line with budget in the month. Year-to-date costs are 5% unfavourable to budget, in-line with caseweight volumes.

Pharmaceutical costs were $0.22m unfavourable in the month and $2.04m year-to-date. The actual spend is driven by patient needs and volumes. The 17/18 budget is in-line with previous year actual costs. The drugs with the largest cost increases, year-on-year, are used in the treatment of bowel disease, haematology, cancer and HIV.

Air ambulance costs are above budget in the month and Year-to-date reflecting higher than budgeted acute volumes.

Year-to-date Clinical Supplies are $5.65m unfavourable, driven by combined acute and elective volumes. This is an area of focus for the DHB.

Infrastructure and Non-Clinical

These costs were $0.27m favourable to budget in the month. Asbestos management costs were taken to the balance sheet provisions generating the favourable variance. This was partially offset by outsourced IT services and telecommunications along with cost savings initiatives not delivering to expected levels.

Year-to-date these costs are $0.43m unfavourable to budget.

Non-Operating Expenses

Depreciation was favourable to budget in the month and year-to-date. Capital charge costs were favourable, reflecting the expected liability.

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. 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.