

SOUTHERN DISTRICT HEALTH BOARD MEETING

Thursday, 5 March 2015, 9.00 am

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

A G E N D A

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Public Excluded Session:

RESOLUTION:

That the Board exclude the public for 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 32, Schedule 3 of the NZ Public Health and Disability Act 2000 for the passing of this resolution are as follows:

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Previous Public Excluded Board Minutes	As per reasons set out in previous agenda	S 32(a), Schedule 3, NZ Public Health and Disability Act 2000 – that the public conduct of this part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under sections 9(2)(a), 9(2)(f), 9(2)(i), 9(2)(j) of the Official Information Act 1982, that is withholding the information is necessary to: protect the privacy of natural persons; maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers of the Crown and officials; to enable a Minister of the Crown or any Department or organisation holding the information to carry on, without prejudice or disadvantage, commercial activities and negotiations.
Review of Public Excluded Action Sheet	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Annual Plan	Plan is subject to Ministerial approval	As above, section 9(2)(f)
Public Excluded Advisory Committee Reports a) Disability Support and Community & Public Health Advisory Committees ▪ 4 February 2015 b) Hospital Advisory Committee ▪ 4 February 2015 c) Iwi Governance Committee/MAG-MH Workshop ▪ 4 February 2015 d) Audit & Risk Committee ▪ 25 February 2015	Commercial sensitivity and to allow activities and negotiations to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Committee Membership	Personal Privacy	As above, section 9(2)(a).
Contract & Lease Approvals ▪ Provider ▪ Planning & Funding	Commercial sensitivity and to allow activities and negotiations to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Capex – Oncology Stereotactic System Replacement	Commercial sensitivity	As above, section 9(2)(i)

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Plastic Surgery Breast Reconstructive Service	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Risk Report	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Legal Issues	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(j) and 9(2)(ba)(i)
South Link Health – Retained Earnings	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Governance Items	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(j).

SOUTHERN DISTRICT HEALTH BOARD

Title:	INTERESTS REGISTERS		
Report to:	Board		
Date of Meeting:	5 March 2015		
Notifications received since the last meeting: <ul style="list-style-type: none"> Richard Thomson – reference to three family members working in DHB changed to one (Anaesthetic Technician). 			
Specific implications for consideration (financial/workforce/risk/legal etc):			
Financial:	n/a		
Workforce:	n/a		
Other:			
Document previously submitted to:	Board and Advisory Committees	Date: 10-11/12/14	
Prepared by: Jeanette Kloosterman Board Secretary Date: 17/02/15		Presented by: Joe Butterfield Board Chairman	
RECOMMENDATIONS: 1. That the Interests Registers be received and noted.			

SOUTHERN DISTRICT HEALTH BOARD

INTERESTS REGISTER

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
Joe BUTTERFIELD (Chairman)	21.11.2013 06.12.2010	Membership/Directorship/Trusteeship: 1. Beverley Hill Investments Ltd 2. Footes Nominees Ltd 3. Footes Trustees Ltd 4. Ritchies Transport Holdings Ltd (alternate) 5. Ritchies Coachlines Ltd 6. Ritchies Intercity Ltd 7. Robert Butterfield Design Ltd 8. SMP Holdings Ltd 9. Burnett Valley Trust 10. Burnett Family Charitable Trusts Son-in-law: 11. Partner, Polson Higgs, Chartered Accountants. 12. Trustee, Corstorphine Baptist Community Trust	1. Nil 2. Nil 3. Nil 4. Nil 5. Nil 6. Nil 7. Nil 8. Nil 9. Nil 10. Nil 11. Does some accounting work for Southern PHO. 12. Has a mental health contract with Southern DHB.
Tim WARD* (Deputy Chair)	14.09.2009 01.05.2010 01.05.2010	1. Partner, BDO Invercargill, Chartered Accountants. 2. Trustee, Verdon College Board of Trustees. 3. Council Member, Southern Institute of Technology (SIT).	1. May have some Southern DHB patients and staff as clients. 2. Verdon is a participant in the employment incubator programme. 3. Supply of goods and services between Southern DHB and SIT.
John CHAMBERS	09.12.2013	1. Employee Southern DHB and Vice President of ASMS (Otago Branch) 2. Employed 0.05 FTE as an Honorary Lecturer of the Dunedin Medical School 3. Director of Chambers Consultancy Ltd Wife: 4. Employed by the Southern DHB (NIR Co-ordinator)	1. Union (ASMS) role involves representing members (salaried senior doctors and dentists employed in the Otago region including by SDHB) on matters concerning their employment and, at a national level, contributing to strategies to assist the recruitment and retention of specialists in New Zealand public hospitals. 2. Possible conflicts between SDHB and University interests. 3. Consultancy includes performing expert reviews and reports regarding patient care at the request of other DHBs and the Office of the Health and Disability Commissioner.
Neville COOK	04.03.2008 26.03.2008 11.02.2014	1. Councillor, Environment Southland. 2. Trustee, Norman Jones Foundation. 3. Southern Health Welfare Trust (Trustee).	1. Nil. 2. Possible conflict with funding requests. 3. Southland Hospital Trust.

Southern DHB Board Meeting - Interests Registers

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
Sandra COOK	01.09.2011	1. Te Runanga o Ngāi Tahu	1. Holds a "right of first refusal" over certain Crown properties. Also seen as a Treaty partner and affiliates may hold contracts from Southern DHB from time to time. Is also a founding member of the Whānau Ora commissioning agency, Te Putahitanga o Te Waipounamu, established March 2014.
Kaye CROWTHER	09.11.2007 14.08.2008 12.02.2009 05.09.2012 01.03.2012	1. Employee of Crowe Horwath NZ Ltd 2. Trustee of Wakatipu Plunket Charitable Trust. 3. Corresponding member for Health and Family Affairs, National Council of Women. 4. Trustee for No 10 Youth Health Centre, Invercargill. 5. DHB representative on the Gore Social Sector Trial Stakeholder Group.	1. Possible conflict if DHB contracts HR services from JCL and Progressive Consulting, which are subsidiaries of Crowe Horwath NZ Ltd 2. Nil. 3. Nil. 4. Possible conflict with funding requests. 5. Nil.
Mary GAMBLE	09.12.2013	1. Member, Rural Women New Zealand.	1. RWNZ is the owner of Access Home Health Ltd, which has a contract with the Southern DHB to deliver home care.
Anthony (Tony) HILL	09.12.2013 02.12.2014	1. Chairman, Southern PHO Community Advisory Committee and ex officio Southern PHO Board. 2. Secretary/Manager, Lakes District Air Rescue Trust. Daughter: 3. Registrar, Cardiothoracics, Southern DHB	1. Possible conflict with PHO contract funding. 2. Possible conflict with contract funding.
Tuari POTIKI	09.12.2013 05.08.2014	1. University of Otago staff member. 2. Deputy Chair, Te Rūnaka o Ōtākou. 3. Chair, NZ Drug Foundation. 4. Director, Te Tapuae o Rehua Ltd 5. Director Te Rūnaka Ōtākou Ltd	1. Possible Conflicts between Southern DHB and University interests. 2. Possible conflict with contract funding. 3. Nil. 4. Nil 5. Nil
Branko SIJNJA*	07.02.2008 04.02.2009 22.06.2010 08.05.2014	1. Director, Clutha Community Health Company Limited. 2. 0.8 FTE Director Rural Medical Immersion Programme, University of Otago School of Medicine. 3. 0.2 FTE Employee, Clutha Health First General Practice. 4. President, New Zealand Medical Association	1. Operates publicly funded secondary health services under contract to Southern DHB. 2. Possible conflicts between Southern DHB and University interests. 3. Employed as a part-time GP.

Southern DHB Board Meeting - Interests Registers

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
Richard THOMSON	13.12.2001 23.09.2003 29.03.2010 06.04.2011 05.02.2015	1. Managing Director, Thomson & Cessford Ltd. 2. Chairperson and Trustee, Hawksbury Community Living Trust. 3. Trustee, HealthCare Otago Charitable Trust. 4. Chairman, Composite Retail Group. 5. Councillor, Dunedin City Council. 6. One immediate family member is an employee of Dunedin Hospital (Anaesthetic Technician).	1. Thomson & Cessford Ltd is the company name for the Acquisitions Retail Chain. Southern DHB staff occasionally purchase goods for their departments from it. 2. Hawksbury Trust runs residential homes for intellectually disabled adults in Otago and Canterbury. It does not have contracts with Southern DHB. 3. Health Care Otago Charitable Trust regularly receives grant applications from staff and departments of Southern DHB, as well as other community organisations. 4. May have some stores that deal with Southern DHB.
Janis Mary WHITE (Crown Monitor)	31.07.2013	1. Member, Pharmac Board. 2. Chair, CTAS (Central Technical Advisory Service).	

*Mr Ward and Dr Sijnja have both tendered their resignations from SCL Otago Southland Ltd (SCLOS) but these cannot be effected until contract variation executed by SDHB and SCLOS constitution varied.

SOUTHERN DISTRICT HEALTH BOARD

INTERESTS REGISTER FOR THE EXECUTIVE MANAGEMENT TEAM

As at February 2015

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
Steve Addison	16.08.2014	1. Chair, Board of Trustees, Columba College 2. Mother-in-law, Gore District Councillor	
Peter Beirne	20.06.2013	Nil	
Sandra Boardman	07.02.2014	Nil	
Pania Coote	30.09.2011 30.09.2011 30.09.2011 30.09.2011 29.06.2012 26.01.2015 26.01.2015 26.01.2015 26.01.2015	1. Affiliation to Awarua, Puketeraki and Moeraki Rūnaka. 2. Member, Southern Cancer Network. 3. Member, Aotearoa New Zealand Association of Social Workers (ANZASW). 4. Member, SIT Social Work Committee. 5. Member, Te Waipounamu Māori Cancer Leadership Group. 6. National Māori Equity Group (National Screening Unit) – MEG. 7. SDHB Child and Youth Health Service Level Alliance Team 8. South Island DHBs Medcal Diagnostic Laboratory Steering Group. 9. Various SDHB operational Advisory Committees.	1. Possible conflict when contract with Southern DHB comes up for renewal. 2. Nil. 3. Nil. 4. Nil. 5. Nil. 6. Nil. 7. Nil. 8. Nil. 9. Nil.
Richard Bunton	17.03.2004 22.06.2012	1. Managing Director of Rockburn Wines Ltd. 2. Director of Mainland Cardiothoracic Associates Ltd. 3. Director of the Southern Cardiothoracic Institute Ltd. 4. Director of Wholehearted Ltd. 5. Chairman, Board of Cardiothoracic Surgery,	1. The only potential conflict would be if the Southern DHB decided to use this product for Southern DHB functions. 2. This company holds the Southern DHB contract for publicly funded Cardiac Surgery. Potential conflict exists in the renegotiation of this contract. 3. This company provides private cardiological services to Otago and Southland. A potential conflict would exist if

Southern DHB Board Meeting - Interests Registers

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
	29.04.2010	RACS. 6. Trustee, Dunedin Heart Unit Trust. 7. Chairman, Dunedin Basic Medical Sciences Trust.	the Southern DHB were to contract with this company. 4. This company is one used for personal trading and apart from issues raised in '2' no conflict exists. 5. No conflict. 6. No conflict. 7. No conflict.
Carole Heatly	11.02.2014	1. Southern Health Welfare Trust (Trustee).	1. Southland Hospital Trust.
Lynda McCutcheon	22.06.2012	1. Member of the University of Otago, School of Physiotherapy, Admissions Committee.	1. Lead contact for University of Otago undergraduate clinical placements (Allied Health, Scientific & Technical professions) in Southern DHB.
Lexie O'Shea	01.07.2007	1. Trustee, Gilmour Trust.	1. Southland Hospital Trust.
John Pine	17.11.201	Nil.	
Dr Jim Reid	22.01.2014	1. Director of both BPAC NZ and BPAC Inc 2. Director of the NZ Formulary 3. Trustee of the Waitaki District Health Trust 4. Employed 2/10 by the University of Otago and am now Deputy Dean of the Dunedin School of Medicine. 5. Partner at Caversham Medical Centre and a Director of RMC Medical Research Ltd.	
Leanne Samuel	01.07.2007 01.07.2007 16.04.2014	1. Southern Health Welfare Trust (Trustee). 2. Member of Community Trust of Southland Health Scholarships Panel. 3. Member National Lead Directors of Nursing and Nurse Executives of New Zealand.	1. Southland Hospital Trust. 2. Nil. 3. Nil.
David Tulloch	23.11.2010 02.06.2011 17.08.2012	1. Southland Urology (Director). 2. Southern Surgical Services (Director). 3. UA Central Otago Urology Services Limited (Director). 4. Trustee, Gilmour Trust.	1. Potential conflict if DHB purchases services. 2. Potential conflict if DHB purchases services. 3. Potential conflict if DHB purchases services. 4. Southland Hospital Trust.

Minutes of the Southern District Health Board Meeting

Thursday, 5 February 2015, 9.00 am
Board Room, Southland Hospital Campus, Invercargill

Present:	Mr Joe Butterfield Mr Tim Ward Dr John Chambers Mr Neville Cook Mrs Kaye Crowther Mrs Mary Gamble Mr Tony Hill Mr Tuari Potiki Dr Branko Sijnja Mr Richard Thomson	Chair Deputy Chair
In Attendance:	Dr Jan White Ms Carole Heatly Mrs Lexie O'Shea Mr Peter Beirne Mrs Sandra Boardman Mrs Leanne Samuel Mr David Tulloch Mr Steve Addison Ms Jeanette Kloosterman	Crown Monitor (from 9.15 am) Chief Executive Officer Deputy Chief Executive Officer/Executive Director Patient Services Executive Director Finance Executive Director Planning & Funding Executive Director Nursing & Midwifery Chief Medical officer Executive Director Communications (by videoconference) Board Secretary (by videoconference)

1.0 OPENING COMMENTS

The Chairman welcomed everyone to the meeting.

2.0 APOLOGIES

An apology was received from Ms Sandra Cook.

3.0 DECLARATION OF INTERESTS

It was resolved:

"That the Interests Register be received."

4.0 CONFIRMATION OF PREVIOUS MINUTES

It was resolved:

"That the minutes of the 11 December 2014 Board meeting be approved and adopted as a true and correct record."

5.0 MATTERS ARISING FROM PREVIOUS MINUTES

There were no matters arising from the previous minutes that were not covered by the agenda.

6.0 ACTION SHEET

It was resolved:

"That the action sheet be received."

7.0 CHIEF EXECUTIVE OFFICER'S REPORT

The Chief Executive Officer's (CEO) monthly report (tab 7), was taken as read and the CEO took questions from members.

It was resolved:

"That the Chief Executive Officer's report be received."

8.0 FINANCIAL REPORT

The Financial Report for the period ended 31 December 2014 (tab 8) was taken as read and the Executive Director Finance took questions from members on the financial statements.

Deficit Support

The Executive Director Finance was asked to prepare preliminary figures for discussion at the next MIF (Ministry Intervention Framework) meeting.

Financial Position

The Chairman noted the Board's disappointment with the result for the month and advised that the Audit & Risk Committee would be examining it in detail and reporting back to the next Board meeting.

It was resolved:

"That the Financial Report be received."

9.0 ADVISORY COMMITTEE REPORTS

Disability Support Advisory Committee and Community & Public Health Advisory Committee

The minutes of the Disability Support Advisory Committee (DSAC) and Community & Public Health Advisory Committee (CPHAC) meeting held on 10 December 2014 were circulated with the agenda (tab 9).

It was resolved:

"That the minutes be received."

Mr Tim Ward gave a verbal report on matters considered by DSAC/CPHAC on 4 February 2015 and tabled a recommendation from the Committees on the draft Southern Strategic Health Plan.

It was resolved:

"That the verbal report be received."

Southern Strategic Health Plan

It was resolved:

"That the Board adopt the final draft Southern Strategic Health Plan subject to:

- Refinement of the document to better reflect the DHB's commitment to ensuring that health services support the health and independence of people with disabilities;
- The final version being submitted to the March Board meeting."

The Board noted that the Iwi Governance Committee supported the Plan in principle and requested that it be named "Piki te Ora Southern Strategic Health Plan".

Dr Jan White, Crown Monitor, joined the meeting at 9.15 am.

Hospital Advisory Committee

The Board received a verbal report from Mr Tony Hill on the meeting of the Hospital Advisory Committee held on 4 February 2015. Recommendations from the Committee were tabled.

It was resolved:

"That the verbal report be received."

Occupational Health and Safety Report

It was resolved:

"That the Board:

- Receive the report and support the work being undertaken to address Southern DHB's strategy;
- Receive the report (appendix 1) and note the comprehensive report relating to accident and injury data. Forthcoming health and safety legislation reform relating to governance requires directors to exercise 'due diligence', which includes the establishment of strong and objective lines of reporting and communication to and from the Board;
- Receive the report (appendix 2) and note the update from Worksafe New Zealand regarding the Health and Safety Reform Bill progress towards the new Health and Safety at Work Act 2015."

Master Site Planning Stage Two: BECA Peer Review of Asset Condition Assessment Report

It was resolved:

"That the Board receive the BECA Peer Review of the 2012 Dunedin Hospital Reliving Analysis with commentary on the future viability of the Clinical Services Building and resolve to:

1. Limit expenditure on the Dunedin Clinical Services Building to urgent work required to maintain current services and meet health and safety requirements;
2. Support the prioritising of work on a business case for the Dunedin Campus in collaboration with the National Health Board."

10.0 CONTRACTS REGISTER

Mr Butterfield declared an interest in the Corstorphine Baptist Community Trust and withdrew. Mr Ward took the Chair for this item.

The Funding contracts register for December 2014 was circulated with the agenda (tab 12) for members' information.

It was resolved:

"That the contracts register be received."

11.0 RETIREMENT OF BOARD CHAIRMAN

Mr Ward noted that Mr Butterfield had announced his intention to retire from the role of Chairman and acknowledged the contribution he had made to the Southern DHB and health services in the South Island and New Zealand.

Mr Ward thanked Mr Butterfield for the leadership he had provided and wished him well for his retirement.

Members endorsed Mr Ward's sentiments by acclamation.

PUBLIC EXCLUDED SESSION

At 9.25 am, it was resolved:

"That the public be excluded from the meeting for consideration of the following agenda items."

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Previous Public Excluded Board Minutes	As per reasons set out in previous agenda	S 32(a), Schedule 3, NZ Public Health and Disability Act 2000 – that the public conduct of this part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under sections 9(2)(a), 9(2)(f), 9(2)(i), 9(2)(j) of the Official Information Act 1982, that is withholding the information is necessary to: protect the privacy of natural persons; maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers of the Crown and officials; to enable a Minister of the Crown or any Department or organisation holding the information to carry on, without prejudice or disadvantage, commercial activities and negotiations.
Review of Public Excluded Action Sheet	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Annual Plan	Plan is subject to Ministerial approval	As above, section 9(2)(f).
Public Excluded Advisory Committee Reports a) Disability Support and Community & Public Health Advisory Committees ▪ 10 December 2014 ▪ 4 February 2015 b) Hospital Advisory Committee ▪ 4 February 2015 ▪ Contract & Lease Approvals c) Iwi Governance Committee ▪ 4 February 2015 d) Audit & Risk Committee ▪ 10 December 2014	Commercial sensitivity and to allow activities and negotiations to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
HBL Food Services Update	To allow activities and negotiations to be carried on without prejudice or disadvantage	As above, section 9(2)(j).
Contract Approvals ▪ Planning & Funding	Commercial sensitivity and to allow activities and negotiations to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Gifting of Shares in Māori Freehold Land	To allow activities and negotiations to be carried on without prejudice or disadvantage	As above, section 9(2)(j).

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Risk Report	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Legal Issues	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(j) and 9(2)(ba)(i)
South Link Health – Retained Earnings	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Governance – IoD Report Follow-up	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(j).

The public session of the meeting then closed.

Confirmed as a true and correct record:

Chairman: _____

Date: _____

Southern District Health Board

BOARD MEETING ACTION SHEET

As at 26 February 2015

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Action Point No.	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
327-2015/02	Deficit Support (Minute item 7.0)	Preliminary figures to be prepared for discussion at MIF meeting.	EDF	Paper will be submitted to ARC.	April 2015
328-2015/02	Southern Strategic Health Plan (Minute item 9.0)	<ul style="list-style-type: none"> Document to be refined to better reflect the DHB's commitment to ensuring that health services support the health and independence of people with disabilities; The final version to be submitted to the March Board meeting. 	EDP&F/ PD	Completed.	n/a
329-2015/02	Interests Register (Minute item 15.0)	Mr Thomson's entry to be updated.	BS	Completed.	n/a

SOUTHERN DISTRICT HEALTH BOARD

Title:	CHIEF EXECUTIVE OFFICER'S REPORT	
Report to:	Board	
Date of Meeting:	5 March 2015	
Summary: The issues considered in this paper are: <ul style="list-style-type: none"> ▪ Monthly DHB activity. 		
Specific implications for consideration (financial/workforce/risk/legal etc):		
Financial:	No specific implications.	
Workforce:	No specific implications.	
Other:	No specific implications.	
Document previously submitted to:	Not applicable, report submitted directly to Board.	Date: n/a
Approved by Chief Executive Officer:		Date: 23/02/2014
Prepared by:	Presented by:	
Date: 23/02/2015	Carole Heatly Chief Executive Officer	
RECOMMENDATION:		
1. That the Board receive the report.		

CHIEF EXECUTIVE OFFICER'S REPORT

1. DHB FINANCIAL PERFORMANCE

The January result was on budget, with a surplus of \$0.35m. The year to date result remains \$5.0m worse than budget, with a deficit of \$14.6m.

A detailed analysis of the financial situation is contained in the Financial Report (agenda item 10).

2. PERFORMANCE AGAINST HEALTH TARGETS

Attached are the Health Target performance results for 2014/15 Quarter Two (October-December).

Faster Cancer Treatment

Performance against the new Faster Cancer Treatment (FCT) health target has been reported for the first time. The FCT health target applies to a specific cohort of patients who are referred through a managed, outpatient pathway with a high suspicion of cancer and a need to be seen within two weeks.

Based on six months rolling data covering the period 1 July-31 December 2014, Southern DHB achieved 75.2% against the FCT target and was the third best performer across NZ in this measure.

Primary Care Health Targets

WellSouth Primary Health Network advises that the sporadic performance in the Primary Care Health Targets is due to issues with collating the required data from nearly 100 general practices in a timely manner. Confidence in the accuracy and timeliness of data has been an ongoing problem for WellSouth for a period of time, and as a consequence WellSouth terminated the contract with the external provider of IT services effective 31 December 2014.

To improve IT capability and performance, WellSouth have entered into a new joint venture with a number of other PHOs. This has seen the roll-out of a comprehensive range of new and integrated IT tools and programmes into primary care which have been proven elsewhere. WellSouth is confident that reporting accuracy will be significantly improved in the coming quarter, resulting in much better overall results.

It is disappointing to note that this data problem has resulted in the reported Primary Care related Health Targets performance appearing worse than last quarter. Specifically 'better help for smokers to quit', which is down 18.5% from last quarter to 57.7%, and 'more heart and diabetes checks', which has seen minimal change, up only 0.3% to 79.6%.

Inpatient Satisfaction Survey

The results of the second round of the national inpatient experience survey were released by the Health Quality Safety Commission on 12 February 2015. Southern DHB once again scored very well, which demonstrates that no matter what other challenges we face, staff put our patients first.

The survey, which is conducted four times a year, asks 400 randomly selected patients to answer 20 detailed questions about their recent experience of care.

Out of the 20 DHBs across New Zealand, Southern DHB ranked as follows:

Communications:	3 rd
Partnership:	7 th
Coordination:	7 th
Physical & Emotional Needs:	6 th

3. COMMUNITY ORAL HEALTH SERVICE CLINIC, WAKATIPU

Building started on the new Community Oral Health Service Clinic on the Lakes District Hospital site in Queenstown in January and is expected to be completed by the end of May. The new clinic will replace school based clinics at Queenstown School and Arrowtown School and the existing dental staff of two dental therapists and two dental assistants from these clinics will relocate to the new clinic.

4. PLANNING AND FUNDING

Community Pharmacy Services Agreement

The National Pharmacy Group is co-ordinating a series of roadshows in March to discuss the rollover of the current Community Pharmacy Service Agreement (CPSA) which expires on 30 June 2015.

Health of Older People

Planning and Funding is facilitating a working group, led by Dr Stephen Chalcroft, reviewing older persons' health services across Otago and Southland, using the Better Business Case methodology.

Mental Health and Addictions

Hāpai te Tūmanako – Raise HOPE Implementation is progressing. The District Network model is in place at a strategic "all of district" level, with the next meeting of the Network Leadership Group scheduled for 11 March. The four local geographic networks are in development with the support and partnership of local stakeholders. The District Network model, including the local geographic networks, is expected to be fully functioning by May 2015.

The further initial milestones in the Hāpai te Tūmanako – Raise HOPE Implementation Work Programme for 2015 are the development of a Stepped Continuum of Care Model and the development of a sector wide Workforce Development Plan. Both these milestones are progressing as per their respective project plans.

Dunedin based Needs Assessment and Service Coordination (NASC) providers and Dunedin based mental health residential NGO providers are developing and implementing a new single point of entry process for the review and allocation of mental health residential services. This aims to provide a more consistent and transparent process for the utilisation of residential services and will support more timely access to a range of community based service options.

BURP app

The BURP (Breastfeeding's Ultimate Refuel Place) app was launched in February.

Southern DHB and WellSouth Primary Health Network, working together as the Southern Health Promotion Alliance, released the mobile phone app and website promoting breastfeeding friendly facilities across Southland, Otago and Central Otago.

5. DUNEDIN HOSPITAL SITE REDEVELOPMENT UPDATE

Priority Interim Works

Original Master Site Plan – Dunedin Hospital

In February 2011 approval was received from the Minister of Health to proceed with stage one of our Master Site Plan (MSP) at Dunedin Hospital to the value of \$24.38m.

At this time two key clinical developments were included, being the Acute Inpatient Mental Health Unit plus our Neonatal Intensive Care and Paediatrics Unit. There were also a number of enabling and infrastructure projects to allow these developments to occur. The business case also highlighted other priority projects, being our Intensive Care Unit and consolidation of mental health services at Wakari. These were also seen as priority projects; however they were unfortunately not included in the initial approved funding.

Continuation of Original Master Site Plan – Dunedin Hospital

In November 2014 our Chairman wrote to the Capital Investment Committee covering the successful completion of the original Master Site planning projects, the viability of our Clinical Services Building, plus our current priority projects and enabling works identified as:

- Intensive Care Unit – part of original MSP
- Mental Health co-location to Wakari Hospital – part of original MSP
- Gastroenterology – identified in original MSP as future works
- Audiology - identified in original MSP as future works
- Identified enabling works to allow projects above to be undertaken.

We received a positive response earlier this year from the Capital Investment Committee requesting that we submit a high level strategic assessment to support the funding of \$25m for these priority clinical developments. If successful, we are then able to proceed with the development of a single stage business case which needs to be submitted to the Capital Investment Committee in May 2015 for endorsement.

Timeline for Approvals

- 9 March 2015 - Strategic Assessment reviewed by CIC (Capital Investment Committee)
- May 2015 - Board approval and South Island Capital Committee endorsement of single stage Business Case
- May 2015 (date to be confirmed) - Single stage business case reviewed by CIC
- July 2015 - potential decision date from the joint Ministers and Cabinet

New Major Capital Redevelopment – Dunedin Hospital

The Ministry of Health is currently working on establishing a partnership group (including Treasury) to progress the Southern DHB's more substantial redevelopment, including the replacement of the Clinical Services Building. We understand that this

group will be confirmed in April 2015. This will allow us to proceed with the planning and confirmation of timeframes for this work. This is separate to the interim priority works and will not affect the overall timeframe for this project.

It is estimated to take 7-8 years from planning commencement until the project is completed and handed over. This timeframe will be confirmed when the partnership group is in place.

Carole Heatly
Chief Executive Officer

3 March 2015

How is My DHB performing?

2014/15 QUARTER TWO (OCTOBER–DECEMBER) RESULTS

www.health.govt.nz/healthtargets

This is the first time Faster cancer treatment has been reported as a health target.

Shorter
stays in



Emergency
Departments

	Quarter two performance (%)	95%	Change from previous quarter
1 West Coast	99	▲	▲
2 Nelson Marlborough	97	▲	▲
3 Waitemata	97	▲	▲
4 Counties Manukau	96	▲	▲
5 South Canterbury	96	▲	▲
6 Whanganui	96	▲	▲
7 Wairarapa	96	▲	▲
8 Tairāwhiti	96	▲	▲
9 Canterbury	95	▲	▲
10 MidCentral	95	▲	▲
11 Bay of Plenty	95	▲	▲
12 Taranaki	94	▲	▲
13 Auckland	94	▲	▲
14 Waikato	94	▲	▲
15 Southern	93	▲	▲
16 Lakes	92	▲	▲
17 Hawke's Bay	92	▲	▲
18 Northland	91	▲	▲
19 Hutt Valley	90	▲	▲
20 Capital & Coast	89	▲	▲
All DHBs	94	▲	▲

Shorter stays in Emergency Departments

The target is 95 percent of patients will be admitted, discharged, or transferred from an Emergency Department (ED) within six hours. The target is a measure of the efficiency of flow of acute (urgent) patients through public hospitals, and home again.

Improved
access to



Elective Surgery

	Quarter two performance (%)	100%	Change from previous quarter
1 Northland	131	▲	▲
2 Taranaki	116	▲	▲
3 Waikato	115	▲	▲
4 Hutt Valley	114	▲	▲
5 Bay of Plenty	112	▲	▲
6 Counties Manukau	112	▲	▲
7 Wairarapa	110	▲	▲
8 Lakes	110	▲	▲
9 Waitemata	109	▲	▲
10 MidCentral	108	▲	▲
11 West Coast	106	▲	▲
12 Whanganui	105	▲	▲
13 Nelson Marlborough	103	▲	▲
14 South Canterbury	102	▲	▲
15 Southern	101	▲	▲
16 Hawke's Bay	100	▲	▲
17 Auckland	100	▲	▲
18 Tairāwhiti	99	▲	▲
19 Canterbury	97	▲	▲
20 Capital & Coast	96	▲	▲
All DHBs	107	▲	▲

Improved access to elective surgery

The target is an increase in the volume of elective surgery by at least 4000 discharges per year. DHBs planned to deliver 78,581 discharges for the year to date, and have delivered 5,441 more.

Faster



Cancer Treatment

	Quarter two performance (%)	85%	Change from previous quarter
1 Capital & Coast	82	▲	▲
2 Taranaki	75	▲	▲
3 Southern	75	▲	▲
4 Tairāwhiti	74	▲	▲
5 South Canterbury	73	▲	▲
6 West Coast	73	▲	▲
7 Nelson Marlborough	70	▲	▲
8 Lakes	69	▲	▲
9 Canterbury	68	▲	▲
10 Waikato	68	▲	▲
11 Northland	67	▲	▲
12 Waitemata	66	▲	▲
13 MidCentral	66	▲	▲
14 Hawke's Bay	63	▲	▲
15 Whanganui	62	▲	▲
16 Bay of Plenty	57	▲	▲
17 Hutt Valley	55	▲	▲
18 Lakes	54	▲	▲
19 Counties Manukau	52	▲	▲
20 Auckland	50	▲	▲
All DHBs	66	▲	▲

Faster cancer treatment

The new target is 85 percent of patients receive their first cancer treatment (or other management) within 62 days of being referred with a high suspicion of cancer and a need to be seen within two weeks by July 2016, increasing to 90 percent by June 2017. Results cover those patients who received their first cancer treatment between July and December 2014.

Increased



Immunisation

	Quarter two performance (%)	95%	Change from previous quarter
1 Hawke's Bay	96	▲	▲
2 Whanganui	96	▲	▲
3 Hutt Valley	96	▲	▲
4 Capital & Coast	96	▲	▲
5 MidCentral	95	▲	▲
6 Wairarapa	95	▲	▲
7 Southern	95	▲	▲
8 South Canterbury	95	▲	▲
9 Auckland	94	▲	▲
10 Counties Manukau	94	▲	▲
11 Waitemata	94	▲	▲
12 Lakes	94	▲	▲
13 Canterbury	93	▲	▲
14 Taranaki	93	▲	▲
15 Tairāwhiti	93	▲	▲
16 Nelson Marlborough	92	▲	▲
17 Waikato	91	▲	▲
18 Northland	90	▲	▲
19 Bay of Plenty	89	▲	▲
20 West Coast	82	▲	▲
All DHBs	94	▲	▲

Increased immunisation

The national immunisation target is 95 percent of eight-month-olds have their primary course of immunisation at six weeks, three months and five months on time by December 2014. This quarterly progress result includes children who turned eight-months between October and December 2014 and who were fully immunised at that stage.

Better
help for



Smokers to Quit

	Quarter two performance (%)	95%	Change from previous quarter
1 Waitemata	100	▲	▲
2 Auckland	98	▲	▲
3 Nelson Marlborough	97	▲	▲
4 Bay of Plenty	97	▲	▲
5 Waitemata	96	▲	▲
6 Counties Manukau	96	▲	▲
7 Tairāwhiti	94	▲	▲
8 Northland	94	▲	▲
9 Wairarapa	90	▲	▲
10 Whanganui	87	▲	▲
11 Waikato	87	▲	▲
12 Canterbury	87	▲	▲
13 South Canterbury	86	▲	▲
14 Taranaki	86	▲	▲
15 Lakes	85	▲	▲
16 Hutt Valley	84	▲	▲
17 West Coast	78	▲	▲
18 Capital & Coast	78	▲	▲
19 MidCentral	73	▲	▲
20 Southern	58	▲	▲
All DHBs	89	▲	▲

Better help for smokers to quit

The target is 95 percent of patients who smoke and are seen by a health practitioner in public hospitals, and 90 percent of patients who smoke and are seen by a health practitioner in primary care, are offered brief advice and support to quit smoking.

More



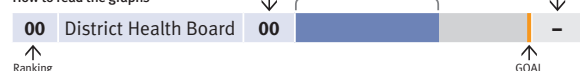
Heart and
Diabetes Checks

	Quarter two performance (%)	90%	Change from previous quarter
1 Auckland	92	▲	▲
2 Northland	91	▲	▲
3 Counties Manukau	91	▲	▲
4 Whanganui	91	▲	▲
5 Waitemata	90	▲	▲
6 Taranaki	90	▲	▲
7 Wairarapa	89	▲	▲
8 Waikato	88	▲	▲
9 Tairāwhiti	88	▲	▲
10 Bay of Plenty	88	▲	▲
11 Lakes	88	▲	▲
12 Hawke's Bay	88	▲	▲
13 Capital & Coast	87	▲	▲
14 Nelson Marlborough	85	▲	▲
15 Hutt Valley	85	▲	▲
16 MidCentral	85	▲	▲
17 South Canterbury	84	▲	▲
18 West Coast	83	▲	▲
19 Southern	80	▲	▲
20 Canterbury	77	▲	▲
All DHBs	87	▲	▲

More heart and diabetes checks

This target is 90 percent of the eligible population will have had their cardiovascular risk assessed in the last five years.

How to read the graphs



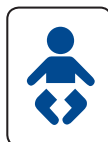
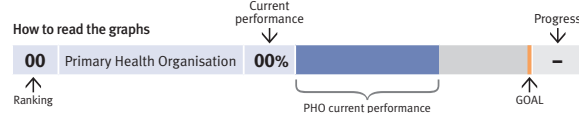
Health target results are sourced from individual DHB reports, national collections systems and information provided by primary care organisations.

This information should be read in conjunction with the details on the website www.health.govt.nz/healthtargets

New Zealand Government

How is My PHO performing?

2014/15 QUARTER TWO (OCTOBER TO DECEMBER) RESULTS



Increased Immunisation Using PHO Performance Programme (PPP) Data

	Quarter two performance	95%	Change from previous quarter
1 Cosine Primary Care Network Trust	100%	▲	
1 Nga Mataapuna Oranga Limited	100%	▲	
3 Christchurch PHO Limited	97%	▲	
4 Compass Health – Wairarapa	97%	▲	
5 East Health Trust	97%	▲	
6 Compass Health – Capital and Coast	97%	▲	
7 Whanganui Regional PHO	96%	▲	
8 Central Primary Health Organisation	96%	▲	
9 Health Hawke's Bay Limited	96%	▲	
10 Alliance Health Plus Trust	96%	▲	
11 Southern Primary Health Organisation	96%	▲	
12 Rotorua Area Primary Health Services Limited	96%	▲	
13 National Hauora Coalition	96%	▲	
14 Auckland PHO Limited	95%	▲	
15 Te Awakairangi Health Network	95%	▲	
16 Pegasus Health (Charitable) Limited	95%	▲	
17 South Canterbury Primary & Community	95%	▲	
18 Midlands Health Network – Taranaki	95%	▲	
19 Waitemata PHO Limited	94%	▲	
20 Midlands Health Network – Tairāwhiti	94%	▲	
21 Procure Networks Limited	94%	▲	
22 Rural Canterbury PHO	94%	▲	
23 Well Health Trust	94%	▲	
24 Kimi Hauora Wairau (Marlborough PHO Trust)	94%	▲	
25 Total Healthcare Charitable Trust	94%	▲	
26 Ora Toa PHO Limited	93%	▲	
27 Midlands Health Network – Waikato	92%	▲	
28 Hauraki PHO	92%	▲	
29 Te Tai Tokerau PHO Ltd	91%	▲	
30 Nelson Bays Primary Health	91%	▲	
31 Western Bay of Plenty PHO Limited	91%	▲	
32 Manaia Health PHO Limited	90%	▲	
33 Eastern Bay Primary Health Alliance	89%	▲	
34 Midlands Health Network – Lakes	88%	▲	
35 Ngati Porou Hauora Charitable Trust	87%	▲	
36 West Coast PHO	86%	▲	
All PHOs	94%	▲	

Increased immunisation

The national immunisation target is 95 percent of eight-month-olds will have their primary course of immunisation (six weeks, three months and five months immunisation events) on time by December 2014. This quarterly progress includes children who turned eight months between October and December 2014, are enrolled in a PHO and who were fully immunised at that stage. Consequently, the All PHOs percentage above will be different to the All DHBs percentage.



Better Help for Smokers to Quit Using PHO Performance Programme (PPP) Data

	Quarter two performance	90%	Change from previous quarter
1 Nga Mataapuna Oranga Limited	117%	▲	
2 Ngati Porou Hauora Charitable Trust	109%	▲	
3 Auckland PHO Limited	107%	▲	
4 Manaia Health PHO Limited	104%	▲	
5 Eastern Bay Primary Health Alliance	101%	▲	
6 Waitemata PHO Limited	99%	▲	
7 Procure Networks Limited	99%	▲	
8 Kimi Hauora Wairau (Marlborough PHO Trust)	99%	▲	
9 East Health Trust	98%	▲	
10 Nelson Bays Primary Health	96%	▲	
11 Health Hawke's Bay Limited	96%	▲	
12 Christchurch PHO Limited	96%	▲	
13 Cosine Primary Care Network Trust	95%	▲	
14 Total Healthcare Charitable Trust	93%	▲	
15 Western Bay of Plenty PHO Limited	91%	▲	
16 Compass Health – Wairarapa	90%	▲	
17 Midlands Health Network – Tairāwhiti	89%	▲	
18 National Hauora Coalition	89%	▲	
19 Alliance Health Plus Trust	89%	▲	
20 Hauraki PHO	88%	▲	
21 Whanganui Regional PHO	87%	▲	
22 Pegasus Health (Charitable) Limited	87%	▲	
23 Midlands Health Network – Lakes	87%	▲	
24 South Canterbury Primary & Community	86%	▲	
25 Midlands Health Network – Taranaki	86%	▲	
26 Midlands Health Network – Waikato	85%	▲	
27 Rotorua Area Primary Health Services Limited	85%	▲	
28 Te Tai Tokerau PHO Ltd	84%	▲	
29 Te Awakairangi Health Network	83%	▲	
30 Rural Canterbury PHO	81%	▲	
31 Compass Health – Capital and Coast	79%	▲	
32 West Coast PHO	78%	▲	
33 Well Health Trust	78%	▲	
34 Central Primary Health Organisation	73%	▲	
35 Ora Toa PHO Limited	63%	▲	
36 Southern Primary Health Organisation	58%	▲	
All PHOs	89%	▲	

Better help for smokers to quit

The national target is that 90 percent of patients who smoke and are seen by a health practitioner in primary care are offered brief advice and support to quit smoking. * Performances for Nga Mataapuna Oranga Limited, Ngati Porou Hauora Charitable Trust, Auckland PHO Limited, Manaia Health PHO Limited and Eastern Bay Primary Health Alliance are above 100 percent as in addition to offering advice in primary care settings, they contacted patients who had not recently attended their general practice to offer them brief advice and support to quit smoking.



More Heart and Diabetes Checks Using PHO Performance Programme (PPP) Data

	Quarter two performance	90%	Change from previous quarter
1 Manaia Health PHO Limited	92%	▲	
2 Auckland PHO Limited	92%	▲	
3 Procure Networks Limited	92%	▲	
4 East Health Trust	91%	▲	
5 Midlands Health Network – Lakes	91%	▲	
6 Whanganui Regional PHO	91%	▲	
7 National Hauora Coalition	90%	▲	
8 Te Tai Tokerau PHO Ltd	90%	▲	
9 Midlands Health Network – Taranaki	90%	▲	
10 Ngati Porou Hauora Charitable Trust	90%	▲	
11 Alliance Health Plus Trust	90%	▲	
12 Total Healthcare Charitable Trust	89%	▲	
13 Waitemata PHO Limited	89%	▲	
14 Midlands Health Network – Waikato	89%	▲	
15 Compass Health – Wairarapa	89%	▲	
16 Western Bay of Plenty PHO Limited	89%	▲	
17 Midlands Health Network – Tairāwhiti	88%	▲	
18 Rural Canterbury PHO	88%	▲	
19 Health Hawke's Bay Limited	88%	▲	
20 Kimi Hauora Wairau (Marlborough PHO Trust)	87%	▲	
21 Cosine Primary Care Network Trust	87%	▲	
22 Compass Health – Capital and Coast	87%	▲	
23 Ora Toa PHO Limited	87%	▲	
24 Eastern Bay Primary Health Alliance	87%	▲	
25 Well Health Trust	86%	▲	
26 Rotorua Area Primary Health Services Limited	86%	▲	
27 Hauraki PHO	85%	▲	
28 Central Primary Health Organisation	85%	▲	
29 Te Awakairangi Health Network	84%	▲	
30 Nelson Bays Primary Health	84%	▲	
31 South Canterbury Primary & Community	84%	▲	
32 West Coast PHO	83%	▲	
33 Christchurch PHO Limited	81%	▲	
34 Southern Primary Health Organisation	80%	▲	
35 Nga Mataapuna Oranga Limited	77%	▲	
36 Pegasus Health (Charitable) Limited	74%	▲	
All PHOs	87%	▲	

More heart and diabetes checks

This target is 90 percent of the eligible population will have had their cardiovascular risk assessed in the last five years.

SOUTHERN DISTRICT HEALTH BOARD

Title:	Executive Director of Patient Services		
Report to:	Board		
Date of Meeting:	05 March 2015		
Summary: Considered in these papers are: <ul style="list-style-type: none"> January 2015 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 Board agenda.	Date:	
Approved by:		Date:	
Prepared by: Executive Director of Patient Services/Deputy CEO Date: 18/03/15		Presented by: Lexie O'Shea Executive Director of Patient Services	
RECOMMENDATION: 1. That Board receive this report.			

Executive Director of Patient Services Report – January 2015

Recommendation

That the Board notes this report.

1. Contract Performance

- Total elective caseweights delivered (cwt) by Southern DHB Provider Arm were 226 under plan in January 2015 (20%). Year to date elective case weights are 88 over plan (1%).
- Total acute caseweights delivered (cwt) by the Southern DHB Provider Arm were 156 under plan in January 2015 (6%). Year to date (ytd) acute case weights are 323 over plan (2%).
- In comparison to actual case weights delivered January ytd 2014, acute case weights delivered dropped by 747 case weights (4%) and elective case weights increased by 512 (6%).

2. Health Targets

Shorter Stays in Emergency Department (ED)

Across the district January 2015 had 10% more presentations to ED than January 2014 (6461 in 2015 and 5871 in 2014).

- Performance against the '6 Hour Target' across the district was 93.1% in January 2015.
 - Dunedin ED – 91.9% for January
 - Presentations for the month of January increased with 3481 in 2015, a 12.8% increase on the 3085 presentations in January 2014.
 - Southland ED – 94.5% for January
 - Presentations for the month of January increased with 2980 in 2015, a 7% increase on the 2786 presentations in January 2014.

Immunisation

- The Immunisation Health Targets for Children aged 8 months and 2 years is 95%.
- In January Southern DHB achieved 94% coverage of children aged 8 months of age and 95% coverage of children at 2 years.

Better Help for Smokers to Quit

- The January result for the Better Help for Smokers to Quit health target was 90.8% against a target of 95% of patients offered advice and help to quit (based on coded notes only). Although there has been a slight decrease (2.3%) from the December result, an additional 184 patients were identified as smokers and an additional 150 patients were provided support in January compared to December.

Shorter Cancer Wait Times

- January continued the busy trend of the last nine months for radiation oncology with the numbers of new starts (102) topping the 100 mark for the fourth month in a row. However, we are continuing to achieve the Ministry of Health target of

100% of patients starting treatment within four weeks of their first specialist assessment 100% of the time.

Improving Access to Elective Services

Elective Surgical Discharges January 2015

	January 2015				Year to Date				Annual Plan
	Actual	Plan	Var	Var %	Actual	Plan	Var	Var %	
SDHB population treated inhouse	808	767	41	5%	6,257	5,910	347	6%	10,008
SDHB population treated by other DHB	19	47	(28)	(60%)	282	329	(47)	(14%)	563
SDHB population outsourced	2	8	(6)	0%	78	59	19	0%	96
	829	822	7	1%	6,617	6,298	319	5%	10,667

Elective Surgical Caseweights January 2015

	January 2015				Year to Date				Annual Plan
	Actual	Plan	Var	Var %	Actual	Plan	Var	Var %	
SDHB population treated inhouse	822	1,096	(273)	(25%)	8,057	8,317	(261)	(3%)	14,120
SDHB population treated by other DHB	51	85	(34)	(40%)	644	598	46	8%	1,025
SDHB population outsourced	3	11	(8)	(70%)	123	83	40	49%	179
	877	1,192	(315)	(26%)	8,824	8,998	(174)	(2%)	15,324

3. Operational Performance

- Elective Service Performance Indicators (ESPIs). The final ESPI graphs for December 2014 shows Southern DHB a yellow status for ESPI 2 (Patients waiting for First Specialist Assessment (FSA) and a yellow status for ESPI 5 (Inpatients).
- Preliminary results for January 2015 shows Southern DHB as red status for both ESPI 2 and 5. This result was predicted for January and February 2015 with the DHB aiming for a yellow result at the end of March 2015. A recovery plan has been developed to ensure yellow status is achieved.

Lexie O'Shea, Executive Director of Patient Services

Leanne Samuel, Executive Director of Nursing and Midwifery

Mr Richard Bunton, Medical Director of Patient Services

SOUTHERN DISTRICT HEALTH BOARD

Title:	FINANCIAL REPORT	
Report to:	Board	
Date of Meeting:	5 March 2015	
Summary: The issues considered in this paper are: <ul style="list-style-type: none"> January 2015 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 Board.	Date: n/a
Approved by Chief Executive Officer:	Yes	Date: 24/02/2015
Prepared by:	Presented by:	
Date:	Peter Beirne Executive Director Finance	
RECOMMENDATION:		
1. That the report be received.		

SOUTHERN DHB FINANCIAL REPORT

Financial Report for: January 2014
Report Prepared by: Peter Beirne
Date: 19 February 2015

Recommendation:

- That the Board note the Financial Report.

Overview Section

Results Summary

Actual \$' 000	Month			Year to Date			Annual Budget \$' 000
	Budget \$' 000	Variance \$' 000		Actual \$' 000	Budget \$' 000	Variance \$' 000	
73,454	72,940	514	Revenue	514,791	512,923	1,868	879,525
(27,140)	(26,921)	(219)	Less Personnel Costs	(197,119)	(196,511)	(608)	(339,397)
(45,962)	(45,674)	(288)	Less Other Costs	(332,258)	(325,977)	(6,281)	(554,960)
352	345	7	Net Surplus / (Deficit)	(14,586)	(9,565)	(5,021)	(14,832)

The January result was on budget, with a surplus of \$0.35m. Year to date remains \$5.0m worse than budget with a deficit of \$14.6m.

Detailed information is included in Hospital Advisory Committee and CPHAC/DSAC financial papers attached.

Operational Performance

Actual \$' 000	Month			Year to Date			Annual Budget \$' 000
	Budget \$' 000	Variance \$' 000		Actual \$' 000	Budget \$' 000	Variance \$' 000	
88	28	60	Governance	(284)	(55)	(229)	(3)
238	611	(373)	Funder	(2,674)	1,259	(3,933)	6,317
27	(294)	321	Provider	(11,629)	(10,770)	(859)	(21,147)
353	345	7	Net Surplus / (Deficit)	(14,587)	(9,567)	(5,021)	(14,833)

The January result was on budget overall, with the Provider \$0.3m better than budget and the Funder Arm unfavourable for the month (\$0.37m) and year to date (\$3.9m).

Balance Sheet and Cash flow

Cash is \$6.1m at the end of January, less than the \$8.9m budget due to underperformance against plan, offset by timing items.

Detail Section**Revenue**

Other Government and other revenue are collectively \$0.28m favourable for the month and now \$0.27m YTD favourable. MoH revenue is favourable for month (\$0.3m) and YTD (\$1.6m).

Year to date additional funder revenue is \$1.12m, with the following additional revenue contracts:

Exemplar CEP Enhanced Alcohol & Other Drug Service	\$79k	Additional revenue due to late start in contract – Mental Health - Alcohol and Drugs
Rural Sustainability Support	\$175k	Unbudgeted and Cost offset Personal Health – Primary Care
Sleepover Settlement	\$195k	Unbudgeted and Cost offset DSS – Home Support
Orthopaedic Pathway Programme 340071-00	\$53k	Unbudgeted and cost offset Personal Health
ARC rest home price increase from October 2014	\$446k	Unbudgeted and cost offset in DSS
National Patient Flow System Development	\$91K	Cost offset, first of two payments
Radiology Service Improvement Initiative	\$81K	Partial Cost Offset to date

Personnel Expenses

Allied was favourable for the month, continuing positive trends. Other staff groups were close to budget with exception of medical with job sizing impacting on an otherwise positive month. Overall personnel costs are \$0.6m YTD unfavourable.

Outsourced Expenses

Outsourced costs are on budget for the month and close to budget YTD.

Clinical Supplies Expenses

Clinical supply costs are on budget for the month and close to budget YTD.

Infrastructure & Non-Clinical Expenditure

Infrastructure and non clinical costs are unfavourable in the month by \$0.08m and unfavourable year to date by \$0.66m, with a further provision for doubtful debts of \$0.17m in the month.

Funder Summary

Actual \$' 000	Month			Year to Date			Annual Budget \$' 000
	Budget \$' 000	Variance \$' 000		Actual \$' 000	Budget \$' 000	Variance \$' 000	
69,520 (69,283)	69,334 (68,724)	186 (559)	Revenue	486,593 (489,267)	485,610 (484,351)	983 (4,916)	832,283 (825,966)
237	610	(373)	Net Surplus / (Deficit)	(2,674)	1,259	(3,933)	6,317
			Expenses				
(49,044)	(48,857)	(187)	Personal Health	(347,202)	(345,465)	(1,737)	(588,785)
(7,160)	(7,090)	(70)	Mental Health	(49,882)	(49,627)	(255)	(85,075)
(588)	(624)	36	Public Health	(4,570)	(4,635)	65	(7,753)
(11,656)	(11,276)	(380)	Disability Support	(81,543)	(78,477)	(3,066)	(133,736)
(109)	(153)	44	Maori Health	(991)	(1,069)	78	(1,833)
(725)	(725)	0	Other	(5,078)	(5,078)	0	(8,784)
(69,282)	(68,725)	(557)	Expenses	(489,266)	(484,351)	(4,915)	(825,966)

The Funder result was unfavourable for the month by \$0.37m with Personal Health \$0.2m and DSS \$0.38m adverse, with some offsetting revenue related to price increase.

Unfavourable Aged Residential Care Rest Homes \$0.4m makes up most of the unfavourable expense variance in the month (with some revenue offset), continuing the trend. An estimated 1.7% further increase in volumes from October onward is evident based on further prior month claims paid in January.

Personal Health Payments

Personal Health payments are unfavourable for the month by \$0.2m. The majority of variance is the \$0.25m per month for additional savings budgeted from November 2014. Community Pharmacy costs remain an estimate based on the October Pharmac Forecast.

Mental Health

Mental Health is close to budget and \$0.26m unfavourable year to date.

Disability Support

DSS costs continue to be unfavourable in January, with Rest Homes over budget both monthly and YTD. Year to date Disability Support is \$3.0m unfavourable with some revenue offset for price increase.

Financial Statements

CPHAC and HAC financial reports are attached as there are no Committee meetings this month.

The following financial statements are attached:

- Governance P&L
- Provider P&L
- Funder P&L
- DHB Consolidated Results P&L
- Balance Sheet
- Cashflow Statement

Board Cash Flow - Southern

Jan-15

Part 4: DHB Consolidated	Current Month			Year to Date			Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Part 4.4 Statement of Cashflows							
Operating Revenue							
Government and Crown Agency Revenue	71,503	71,790	(287) U	510,631	505,158	5,473 F	865,811
Other Revenue Received	1,043	999	44 F	7,002	6,703	298 F	11,894
Total Receipts	72,545	72,788	(243) U	517,633	511,861	5,772 F	877,705
Payments for Personnel	(27,702)	(26,921)	(781) U	(200,104)	(196,511)	(3,593) U	(339,397)
Payments for Supplies	(14,024)	(12,254)	(1,770) U	(91,173)	(89,637)	(1,536) U	(153,352)
Interest Paid	(32)	(409)	377 F	(2,489)	(2,861)	372 F	(4,905)
Capital Charge Paid	-	(841)	841 F	(5,067)	(5,884)	817 F	(10,087)
GST (Net) & Tax	(2,998)	-	(2,998) U	740	-	740 F	-
Payment to own DHB Provider (Eliminated)	-	-	-	-	-	-	-
Payment to own DHB Governance & Funding Admin	-	-	-	-	-	-	-
Payments to other DHBs	(3,061)	(3,055)	(6) U	(21,696)	(21,383)	(313) U	(36,657)
Payments to Providers	(26,495)	(27,466)	971 F	(203,650)	(194,727)	(8,923) U	(329,973)
Total Payments	(74,312)	(70,945)	(3,367) U	(523,439)	(511,003)	(12,435) U	(874,371)
Net Cashflow from Operating	(1,766)	1,844	(3,610) U	(5,806)	857	(6,664) U	3,334
Investing Activities							
Interest Receipts 3rd Party	152	152	1 F	1,177	1,062	115 F	1,820
Sale of Fixed Assets	10	-	10 F	117	-	117 F	-
Capital Expenditure							
Land, Buildings & Plant	(141)	(662)	521 F	(412)	(4,544)	4,132 F	(8,095)
Clinical Equipment	(68)	(653)	585 F	(2,108)	(4,598)	2,489 F	(7,847)
Other Equipment	(15)	(49)	35 F	(107)	(346)	239 F	(596)
Information Technology	(223)	(247)	24 F	(1,234)	(1,721)	486 F	(2,975)
Motor Vehicles	-	(17)	17 F	-	(122)	122 F	(208)
Work in Progress (Check)	(1,426)	-	(1,426) U	(4,835)	-	(4,835) U	-
Total Capital Expenditure	(1,873)	(1,628)	(245) U	(8,696)	(11,331)	2,635 F	(19,721)
Increase in Investments and Restricted & Trust Funds Assets	(44)	-	(44) U	(883)	-	(883) U	-
Net Cashflow from Investing	(1,755)	(1,476)	(278) U	(8,284)	(10,269)	1,984 F	(17,901)
Financing Activities							
Equity Injections	-	-	-	6,554	-	6,554 F	-
New Debt							
Private Sector	1,499	-	1,499 F	17,489	-	17,489 F	-
CHFA	-	(22)	22 F	698	(154)	852 F	(264)
Repaid Debt							
Private Sector	(344)	-	(344) U	(16,895)	-	(16,895) U	-
CHFA	(150)	-	(150) U	(630)	-	(630) U	-
Other Non-Current Liability Movement							
Other Equity Movement	3	-	3 F	3	-	3 F	-
Net Cashflow from Financing	1,008	(22)	1,030 F	7,220	(154)	7,374 F	(264)
Net Cashflow	(2,514)	345	(2,859) U	(6,870)	(9,565)	2,695 F	(14,832)
Plus Cash (Opening)	8,615	8,615	-	-	8,615	(8,615) U	9,181
Cash (Closing)	6,102	8,960	(2,859) U	(6,870)	(950)	(5,920) U	(5,651)
Carry Forward Check							
Closing Cash made up of:							
Petty Cash	16	16	-	16	16 F	16 F	16
Bank (Overdraft)	(103)	(103)	-	(103)	(103) U	(103) U	(37)
Short Term Investments	6,189	6,189	-	6,189	6,189 F	6,189 F	6,689
Total Cashflow Cash (Closing)	6,102	6,102	-	-	6,102	(6,102) U	6,667

FINANCIAL REPORT - FUNDER

Financial Report for: January 2015
 Report Prepared by: Jim Smith
 Date: 19 February 2015

Recommendations:

- That the Board note the Financial Report.

1. DHB Funds Result

The overall funder result follows;

Actual \$' 000	Month Budget \$' 000	Variance \$' 000		Year to Date			Annual Budget \$' 000
				Actual \$' 000	Budget \$' 000	Variance \$' 000	
69,521 (69,285)	69,335 (68,723)	186 (562)	Revenue	486,593 (489,267)	485,578 (484,351)	1,015 (4,916)	832,283 (825,966)
236	612	(376)	Less Other Costs				
			Net Surplus / (Deficit)	(2,674)	1227	(3,901)	6,317
			Expenses				
(49,045)	(48,856)	(189)	Personal Health	(347,202)	(345,465)	(1,737)	(588,785)
(7,162)	(7,091)	(71)	Mental Health	(49,884)	(49,629)	(255)	(85,075)
(588)	(624)	36	Public Health	(4,569)	(4,633)	64	(7,753)
(11,656)	(11,274)	(382)	Disability Support	(81,543)	(78,477)	(3,066)	(133,736)
(109)	(153)	44	Maori Health	(991)	(1,069)	78	(1,833)
(725)	(725)	0	Other	(5,078)	(5,078)	0	(8,784)
(69,285)	(68,723)	(562)	Expenses	(489,267)	(484,351)	(4,916)	(825,966)

Summary Comment:

For January the Funder had a surplus of \$236k against a budget surplus of \$612k. Revenue was favourable by \$186k and has cost offset. Costs overall were unfavourable by \$562k in January and \$4.9m year to date (YTD) with some revenue offsets.

Unfavourable Aged Residential Care Rest Homes \$0.4m makes up most of the unfavourable expense variance in the month.

The updated Pharmac forecast for 2014/15 has been utilised. The forecast has not been updated for dispensing fees. Although the Pharmac forecast has worsened by \$0.6m, the impact on the monthly result is not significant as yet, due to timing and lower hospital community pharmacy costs. Utilisation of the forecast remains a significant accrual estimate.

2. Results by Grouping

The following table shows revenue and expenditure by Output Class:

Actual \$' 000	Month Budget \$' 000	Variance \$' 000		Year to Date		
				Actual \$' 000	Budget \$' 000	Variance \$' 000
			Revenue			
61,075	60,834	241	Personal Health	426,473	425,830	643
7,060	7,040	21	Mental Health	49,361	42,276	85
515	705	(190)	Public Health	4,857	5,203	(346)
142	32	112	Disability Support	809	191	618
2	0	2	Maori Health	15	0	15
725	725	0	Funding and Governance	5,078	5,078	0
69,521	69,335	186	Revenue total	486,593	485,578	1,015
			Expenses			
(49,045)	(48,856)	(189)	Personal Health	(347,202)	(345,465)	(1,737)
(7,162)	(7,091)	(71)	Mental Health	(49,884)	(49,629)	(255)
(588)	(624)	36	Public Health	(4,569)	(4,633)	64
(11,656)	(11,274)	(382)	Disability Support	(81,543)	(78,477)	(3,066)
(109)	(153)	44	Maori Health	(991)	(1,069)	78
(725)	(725)	0	Funding and Governance	(5,078)	(5,078)	0
(69,285)	(68,723)	(562)	Expenses total	(489,267)	(484,351)	(4,916)
			Surplus (Deficit)			
12,030	11,978	52	Personal Health	79,271	80,365	(1,094)
(102)	(51)	(50)	Mental Health	(523)	(353)	(170)
(73)	81	(154)	Public Health	288	570	(282)
(11,513)	(11,242)	(270)	Disability Support	(80,374)	(78,286)	(2,448)
(107)	(153)	46	Maori Health	(976)	(1,069)	93
0	0	0	Funding and Governance	0	0	0
236	612	(376)		(2,674)	1,227	(3,901)

- Personal Health payments are unfavourable for the month by \$0.189m. The majority of variance is the \$0.25m per month for additional savings budgeted from November 2014.
- Additional send away tests are the reason for the laboratory overspend.
- Demand driven palliative care over budget for the month (\$33k) and YTD (\$201k).
- Mental Health and Public Health expenditure was close to budget.
- DSS costs were unfavourable for the month with rest home (\$0.42m) being the main driver.

3. DHB Funds Result split by NGO and Provider

Personal Health January 2015	Current Month				Year to Date			
	Actual \$(000)	Budget \$(000)	Variance \$(000)	Variance %	Actual \$(000)	Budget \$(000)	Variance \$(000)	Variance %
Personal Health - Provider Arm								
Child and Youth	(348)	(348)	0 F	(0%)	(2,439)	(2,439)	0 F	(0%)
Laboratory	-	-	0 F	(0%)	(3)	(3)	0 F	(0%)
Infertility Treatment Services	(92)	-	(92) U		(641)	(549)	(92) U	(17%)
Maternity	(42)	(42)	0 F	(0%)	(291)	(291)	0 F	(0%)
Maternity (Tertiary & Secondary)	(1,380)	(1,380)	0 F	(0%)	(9,660)	(9,660)	0 F	(0%)
Pregnancy and Parenting Education	(3)	(3)	0 F	(0%)	(18)	(18)	0 F	(0%)
Neo Natal	(660)	(660)	0 F	(0%)	(4,622)	(4,622)	0 F	(0%)
Sexual Health	(87)	(87)	0 F	(0%)	(609)	(609)	0 F	(0%)
Adolescent Dental Benefit	(26)	(26)	0 F	(0%)	(185)	(185)	0 F	(0%)
Dental - Low Income Adult	(22)	(22)	0 F	(0%)	(156)	(156)	0 F	(0%)
Child (School) Dental Services	(595)	(595)	0 F	(0%)	(4,164)	(4,164)	0 F	(0%)
Secondary / Tertiary Dental	(116)	(116)	0 F	(0%)	(813)	(813)	0 F	(0%)
Pharmaceuticals	(540)	(292)	(248) U	(85%)	(1,883)	(2,042)	159 F	8%
Pharmaceutical Cancer Treatment Drugs	(433)	(386)	(47) U	(12%)	(2,707)	(2,700)	(7) U	(0%)
Pharmacy Services	(9)	(9)	0 F	(0%)	(61)	(61)	0 F	(0%)
Primary Health Care Strategy - Health/SIA	-	-	0 F		(103)	-	(103) U	n/m
Rural Support for Primary Health Pro	(71)	(71)	0 F	(0%)	(495)	(495)	0 F	(0%)
Immunisation	(70)	(70)	0 F	(0%)	(488)	(488)	0 F	(0%)
Radiology	(268)	(268)	0 F	(0%)	(1,879)	(1,879)	0 F	(0%)
Palliative Care	(7)	(7)	0 F	(0%)	(48)	(48)	0 F	(0%)
Meals on Wheels	(33)	(33)	0 F	(0%)	(234)	(234)	0 F	(0%)
Domiciliary & District Nursing	(994)	(994)	0 F	(0%)	(6,960)	(6,960)	0 F	(0%)
Community based Allied Health	(416)	(416)	0 F	(0%)	(2,913)	(2,913)	0 F	(0%)
Chronic Disease Management and Educa	(160)	(160)	0 F	(0%)	(1,122)	(1,122)	0 F	(0%)
Medical Inpatients	(5,653)	(5,653)	0 F	(0%)	(39,571)	(39,571)	0 F	(0%)
Medical Outpatients	(3,272)	(3,272)	0 F	(0%)	(22,905)	(22,905)	0 F	(0%)
Surgical Inpatients	(10,628)	(10,628)	0 F	(0%)	(74,397)	(74,397)	0 F	(0%)
Surgical Outpatients	(1,548)	(1,548)	0 F	(0%)	(10,833)	(10,833)	0 F	(0%)
Paediatric Inpatients	(644)	(644)	0 F	(0%)	(4,511)	(4,511)	0 F	(0%)
Paediatric Outpatients	(269)	(269)	0 F	(0%)	(1,882)	(1,882)	0 F	(0%)
Pacific Peoples' Health	(10)	(10)	0 F	(0%)	(69)	(69)	0 F	(0%)
Emergency Services	(1,478)	(1,478)	0 F	(0%)	(10,348)	(10,348)	0 F	(0%)
Minor Personal Health Expenditure	(26)	(26)	0 F	(0%)	(180)	(180)	0 F	(0%)
Price adjusters and Premium	(422)	(422)	0 F	(0%)	(2,953)	(2,953)	0 F	(0%)
Travel & Accommodation	(4)	(4)	0 F	(0%)	(30)	(30)	0 F	(0%)
	(30,326)	(29,939)	(387) U	(1%)	(210,173)	(210,130)	(43) U	(0%)
Personal Health NGO								
Personal Health to allocate	-	(83)	83 F	100%	-	(583)	583 F	100%
Child and Youth	(34)	(34)	0 F	(1%)	(242)	(238)	(4) U	(2%)
Laboratory	(1,521)	(1,465)	(56) U	(4%)	(10,801)	(10,254)	(548) U	(5%)
Infertility Treatment Services	-	(101)	101 F	100%	-	(155)	155 F	100%
Maternity	(220)	(220)	0 F	(0%)	(1,554)	(1,542)	(12) U	(1%)
Maternity (Tertiary & Secondary)	(1)	(14)	13 F	95%	(11)	(95)	84 F	88%
Pregnancy and Parenting Education	4	(10)	14 F	142%	(54)	(68)	14 F	21%
Sexual Health	(2)	(1)	0 F	(1%)	(11)	(10)	0 F	(1%)
Adolescent Dental Benefit	(135)	(168)	33 F	20%	(1,115)	(1,234)	119 F	10%
Dental - Low Income Adult	(57)	(55)	(1) U	(2%)	(414)	(388)	(26) U	(7%)
Child (School) Dental Services	(24)	(30)	5 F	18%	(174)	(243)	69 F	28%
Secondary / Tertiary Dental	(139)	(126)	(13) U	(10%)	(1,247)	(882)	(365) U	(41%)
Pharmaceuticals	(5,432)	(5,767)	335 F	6%	(42,714)	(42,605)	(109) U	(0%)
Pharmaceutical Cancer Treatment Drugs	-	-	0 F	n/m	(17)	-	(17) U	n/m
Pharmacy Services	(44)	(61)	17 F	28%	(333)	(425)	91 F	22%
Management Referred Services	-	250	(250) U	100%	-	750	(750) U	100%
General Medical Subsidy	(31)	(65)	34 F	52%	(493)	(579)	86 F	15%
Primary Practice Services - Capitated	(3,476)	(3,511)	35 F	1%	(24,515)	(24,577)	63 F	(0%)
Primary Health Care Strategy - Care	(327)	(318)	(9) U	(3%)	(2,239)	(2,225)	(14) U	(1%)
Primary Health Care Strategy - Health	(362)	(337)	(25) U	(8%)	(2,368)	(2,357)	(11) U	(0%)
Primary Health Care Strategy - Other	(233)	(255)	22 F	9%	(1,550)	(1,784)	234 F	13%
Practice Nurse Subsidy	(16)	(16)	1 F	5%	(97)	(114)	17 F	15%
Rural Support for Primary Health Pro	(1,305)	(1,313)	8 F	1%	(9,134)	(9,191)	57 F	1%
Immunisation	(103)	(87)	(16) U	(19%)	(586)	(735)	149 F	20%
Radiology	(211)	(196)	(15) U	(7%)	(1,417)	(1,373)	(45) U	(3%)
Palliative Care	(521)	(488)	(33) U	(7%)	(3,619)	(3,418)	(201) U	(6%)
Meals on Wheels	(20)	(20)	0 F	(0%)	(140)	(140)	0 F	(0%)
Domiciliary & District Nursing	(498)	(435)	(63) U	(14%)	(3,369)	(3,052)	(317) U	(10%)
Community based Allied Health	(168)	(168)	(1) U	(0%)	(1,178)	(1,173)	(5) U	(0%)
Chronic Disease Management and Educa	(98)	(95)	(3) U	(3%)	(714)	(665)	(49) U	(7%)
Medical Outpatients	(384)	(397)	14 F	3%	(2,893)	(2,782)	(111) U	(4%)
Surgical Inpatients	(13)	(19)	6 F	31%	(104)	(131)	27 F	21%
Surgical Outpatients	(156)	(146)	(10) U	(7%)	(990)	(1,024)	35 F	3%
Paediatric Outpatients	-	-	0 F	n/m	(7)	-	(7) U	n/m
Pacific Peoples' Health	(8)	(12)	4 F	36%	(60)	(82)	22 F	27%
Emergency Services	(159)	(156)	(4) U	(2%)	(1,141)	(1,089)	(52) U	(5%)
Minor Personal Health Expenditure	(52)	(74)	22 F	30%	(439)	(517)	78 F	15%
Price adjusters and Premium	(127)	(83)	(43) U	(52%)	(1,108)	(584)	(524) U	(90%)
Travel & Accommodation	(446)	(443)	(2) U	(1%)	(3,138)	(2,982)	(156) U	(5%)
Inter District Flow Personal Health	(2,402)	(2,399)	(3) U	(0%)	(17,047)	(16,793)	(254) U	(2%)
	(18,721)	(18,918)	197 F	1%	(137,033)	(135,339)	(1,694) U	(1%)
Total Personal Health	(49,047)	(48,857)	(190) U	(0%)	(347,206)	(345,469)	(1,737) U	(1%)

Costs for personal health were close to budget for January. The main YTD overspends are for additional Lab costs for send away and other unbudgeted tests (\$0.54m), along with the \$0.25m per month for additional savings budgeted from November 2014.

Infertility Treatment services are over budget (\$92k) in the provider. This is offset by an underspend in NGOs of \$101k. The budget split between the provider and NGOs assumed that the services would be transferred from the provider by the end of December. This has not yet occurred but overall expenditure is close to budget.

Mental Health

Mental Health	Current Month				Year to Date			
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance
January 2015	\$(000)	\$(000)	\$(000)	%	\$(000)	\$(000)	\$(000)	%
Mental Health - Provider Arm								
Mental Health to allocate	9	9	0 F	(0%)	66	66	0 F	(0%)
Acute Mental Health Inpatients	(1,143)	(1,143)	0 F	(0%)	(8,003)	(8,003)	0 F	(0%)
Sub-Acute & Long Term Mental Health	(304)	(304)	0 F	(0%)	(2,127)	(2,127)	0 F	(0%)
Crisis Respite	(2)	(2)	0 F	(0%)	(15)	(15)	0 F	(0%)
Alcohol & Other Drugs - General	(272)	(272)	0 F	(0%)	(1,906)	(1,906)	0 F	(0%)
Methadone	(94)	(94)	0 F	(0%)	(660)	(660)	0 F	(0%)
Dual Diagnosis - Alcohol & Other Drugs	(8)	(8)	0 F	(0%)	(59)	(59)	0 F	(0%)
Dual Diagnosis - MH/ID	(5)	(5)	0 F	(0%)	(35)	(35)	0 F	(0%)
Child & Youth Mental Health Services	(579)	(579)	0 F	(0%)	(4,050)	(4,050)	0 F	(0%)
Forensic Services	(509)	(509)	0 F	(0%)	(3,565)	(3,565)	0 F	(0%)
Kaupapa Maori Mental Health Services	(146)	(146)	0 F	(0%)	(1,023)	(1,023)	0 F	(0%)
Mental Health Community Services	(1,752)	(1,752)	0 F	(0%)	(12,262)	(12,262)	0 F	(0%)
Prison/Court Liaison	(45)	(45)	0 F	(0%)	(312)	(312)	0 F	(0%)
Day Activity & Work Rehabilitation S	(63)	(63)	0 F	(0%)	(442)	(442)	0 F	(0%)
Mental Health Funded Services for Older P	(36)	(36)	0 F	(0%)	(250)	(250)	0 F	(0%)
Advocacy / Peer Support - Consumer	(35)	(35)	0 F	(0%)	(243)	(243)	0 F	(0%)
Other Home Based Residential Support	(58)	(58)	0 F	(0%)	(407)	(407)	0 F	(0%)
	(5,042)	(5,042)	0 F		(35,293)	(35,293)	0 F	
Mental Health - NGO								
Mental Health to allocate	-	(38)	38 F	100%	-	(266)	266 F	100%
Crisis Respite	(5)	(5)	0 F	(0%)	(36)	(32)	(4) U	(11%)
Alcohol & Other Drugs - General	(55)	(55)	0 F	(0%)	(383)	(383)	0 F	(0%)
Alcohol & Other Drugs - Child & Youth	(102)	(102)	0 F	(0%)	(714)	(714)	0 F	(0%)
Dual Diagnosis - Alcohol & Other Drugs	(37)	(36)	0 F	(1%)	(252)	(254)	2 F	1%
Eating Disorder	(14)	(16)	2 F	13%	(104)	(112)	8 F	7%
Maternal Mental Health	(4)	(4)	0 F	(0%)	(26)	(26)	0 F	(0%)
Child & Youth Mental Health Services	(311)	(241)	(70) U	(29%)	(2,076)	(1,689)	(387) U	(23%)
Forensic Services	(4)	(4)	0 F	(0%)	(25)	(25)	0 F	(0%)
Kaupapa Maori Mental Health Services	(6)	(6)	0 F	(0%)	(43)	(43)	0 F	(0%)
Mental Health Community Services	(100)	(127)	26 F	21%	(820)	(886)	65 F	7%
Day Activity & Work Rehabilitation S	(136)	(136)	0 F	(0%)	(955)	(954)	0 F	(0%)
Advocacy / Peer Support - Consumer	(23)	(23)	0 F	(0%)	(163)	(163)	0 F	(0%)
Other Home Based Residential Support	(354)	(315)	(39) U	(12%)	(2,399)	(2,206)	(193) U	(9%)
Advocacy / Peer Support - Families	(52)	(52)	0 F	(0%)	(367)	(367)	0 F	(0%)
Community Residential Beds & Service	(484)	(457)	(27) U	(6%)	(3,191)	(3,196)	4 F	(0%)
Minor Mental Health Expenditure	(29)	(32)	3 F	9%	(218)	(223)	5 F	2%
Inter District Flow Mental Health	(403)	(399)	(3) U	(1%)	(2,818)	(2,796)	(23) U	(1%)
	(2,119)	(2,048)	(70) U	(3%)	(14,590)	(14,335)	(257) U	(2%)
Total Mental Health	(7,161)	(7,090)	(70) U	(1%)	(49,883)	(49,628)	(257) U	(1%)

Mental Health Expenditure;

- Provider Arm, with no wash-up occurring this financial year, mental health within the Provider Arm match budget.
- NGO providers are close to budget in January.

Disability Support Services

DSS	Current Month				Year to Date			
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance
January 2015	\$(000)	\$(000)	\$(000)	%	\$(000)	\$(000)	\$(000)	%
Disability Support Services - Provider Arm								
AT & R (Assessment, Treatment and Re	(1,688)	(1,688)	-	(0%)	(11,819)	(11,819)	-	(0%)
Needs Assessment	(138)	(138)	-	(0%)	(966)	(966)	-	(0%)
Service Co-ordination	(19)	(19)	-	(0%)	(136)	(136)	-	(0%)
Long Term Chronic Conditions	(8)	(8)	-	(0%)	(56)	(56)	-	(0%)
Ageing in Place	(2)	(2)	-	(0%)	(17)	(17)	-	(0%)
Environmental Support Services	(2)	(2)	-	(0%)	(16)	(16)	-	(0%)
Minor Disability Support Expenditure	(8)	(8)	-	(0%)	(59)	(59)	-	(0%)
Community Health Services & Support	(21)	(21)	-	(0%)	(147)	(147)	-	(0%)
	(1,886)	(1,886)	-	(0%)	(13,216)	(13,216)	-	(0%)
Disability Support Services - NGO								
AT & R (Assessment, Treatment and Re	(297)	(297)	-	(0%)	(2,082)	(2,082)	-	(0%)
Information and Advisory	(12)	(12)	-	(0%)	(83)	(83)	-	(0%)
Needs Assessment	(30)	(22)	(8) U	(38%)	(301)	(151)	(149) U	(98%)
Service Co-ordination	-	-	-	n/a	(9)	-	(9) U	n/a
Home Support	(1,440)	(1,423)	(18) U	(1%)	(10,694)	(9,958)	(736) U	(7%)
Carer Support	(98)	(144)	47 F	32%	(914)	(1,010)	96 F	9%
Residential Care: Rest Homes	(3,415)	(2,995)	(420) U	(14%)	(23,391)	(20,775)	(2,616) U	(13%)
Residential Care: Loans Adjustment	18	23	(5) U	22%	109	159	(50) U	31%
Residential Care: Hospitals	(3,947)	(3,944)	(2) U	(0%)	(26,975)	(27,340)	365 F	1%
Environmental Support Services	(101)	(108)	7 F	6%	(704)	(753)	49 F	7%
Day Programmes	(32)	(47)	15 F	32%	(241)	(325)	84 F	26%
Minor Disability Support Expenditure	-	(9)	9 F	100%	-	(64)	64 F	100%
Respite Care	(118)	(95)	(22) U	(24%)	(937)	(667)	(270) U	(41%)
Community Health Services & Support	(43)	(60)	17 F	28%	(274)	(417)	142 F	34%
Inter District Flow Disability Support	(256)	(256)	-	(0%)	(1,831)	(1,795)	(36) U	(2%)
	(9,771)	(9,389)	(380) U	(4%)	(68,327)	(65,261)	(3,066) U	(5%)
Total Disability Support Services	(11,657)	(11,275)	(380) U	(3%)	(81,543)	(78,477)	(3,066) U	(4%)

DSS Expenditure is on budget for the Provider Arm, with transfers as per budget.

NGO costs are unfavourable in the month by \$0.38m, rest home (\$0.42m) is the main driver of the adverse result. The rest home variance is \$2.6m year to date.

The significant rest home variance for the YTD is a combination of catch up in accruals year to date based on date of service information (the YTD amount to be quantified); the ongoing variance of \$111k per month for the 5% price increase covered by revenue received; a new price variance related to the apparent difference between net cost of the price increase to SDHB and the revenue received of an estimated \$52k per month, budget setting error relating to long term conditions, where the prior year budget rather than actuals was used; and an increase in the volume of activity largely due to the opening of additional dementia beds in the district.

Public Health

Public Health	Current Month				Year to Date			
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance
January 2015	\$'(000)	\$'(000)	\$'(000)	%	\$'(000)	\$'(000)	\$'(000)	%
Public Health - Provider Arm								
Alcohol & Drug	(36)	(36)	0 F	(0%)	(251)	(251)	0 F	(0%)
Communicable Diseases	(97)	(97)	0 F	(0%)	(679)	(679)	0 F	(0%)
Injury Prevention	-	-	0 F		-	-	0 F	
Mental Health	(22)	(22)	0 F	(0%)	(156)	(156)	0 F	(0%)
Screening Programmes	(76)	(112)	35 F	31%	(998)	(1,051)	53 F	5%
Nutrition and Physical Activity	(23)	(23)	0 F	(0%)	(158)	(158)	0 F	(0%)
Physical Environment	(36)	(36)	0 F	(0%)	(251)	(251)	0 F	(0%)
Public Health Infrastructure	(128)	(128)	0 F	(0%)	(894)	(894)	0 F	(0%)
Sexual Health	(12)	(12)	0 F	(0%)	(84)	(84)	0 F	(0%)
Social Environments	(38)	(38)	0 F	(0%)	(265)	(265)	0 F	(0%)
Tobacco Control	(81)	(81)	0 F	(0%)	(570)	(570)	0 F	(0%)
	(549)	(585)	35 F	6%	(4,306)	(4,359)	53 F	1%
Public Health - NGO								
Nutrition and Physical Activity	(26)	(27)	1 F	4%	(180)	(187)	8 F	4%
Physical Environment	-	-	-	n/m	-	-	-	n/m
Public Health Infrastructure	-	-	-	n/m	-	-	-	n/m
Sexual Health	-	-	-	n/m	-	-	-	n/m
Social Environments	-	-	-	n/m	-	-	-	n/m
Tobacco Control	(12)	(12)	-	(0%)	(83)	(87)	4 F	5%
Well Child Promotion	-	-	-	n/m	-	-	-	n/m
	(38)	(39)	1 F	3%	(263)	(274)	12 F	4%
Total Public Health	(587)	(624)	36 F	6%	(4,569)	(4,633)	65 F	1%

Public health expenditure;

- Provider Arm, the small screening favourable variance is offset with less revenue in the month and YTD than budgeted.
- NGO close to budget for the YTD.

FINANCIAL REPORT - PROVIDER

Recommendation

That the Board receives and notes this report.

1. DHB Provider Summary Results

Revenue and Expenditure Summary

Description	\$000 Monthly Actual	\$000 Monthly Budget	\$000 Monthly Variance	\$000 YTD Actual	\$000 YTD Budget	\$000 Variance YTD	\$000 Full Year Budget
Revenue							
Government & Crown Agency Sourced	2,721	2,447	274	19,848	19,494	355	33,436
Non Government & Crown Agency Revenue	1,034	1,107	(73)	7,066	7,459	(393)	13,189
Internal Revenue	37,791	37,478	314	263,113	263,161	(48)	450,549
Revenue Total	41,547	41,032	515	290,027	290,114	(87)	497,174
Personnel							
Personnel							
Medical Personnel	(9,690)	(9,368)	(322)	(66,134)	(66,099)	(35)	(113,250)
Nursing Personnel	(10,128)	(10,118)	(10)	(72,685)	(71,811)	(874)	(124,838)
Allied Health Personnel	(3,499)	(3,534)	35	(27,368)	(28,250)	881	(49,159)
Support Personnel	(790)	(797)	7	(5,757)	(5,623)	(134)	(9,718)
Management & Administration Personnel	(2,777)	(2,811)	34	(22,815)	(22,433)	(381)	(38,509)
Personnel Total	(26,884)	(26,628)	(256)	(194,758)	(194,216)	(542)	(335,475)
Expenditure							
Outsourced Services	(2,525)	(2,547)	23	(17,625)	(18,045)	420	(30,756)
Clinical Supplies	(6,438)	(6,532)	94	(48,339)	(48,203)	(136)	(82,584)
Infrastructure & Non-Clinical Supplies	(5,747)	(5,661)	(86)	(41,357)	(40,727)	(630)	(70,032)
Expenditure Total	(14,710)	(14,741)	31	(107,321)	(106,975)	(347)	(183,372)
Net Surplus / (Deficit)	(47)	(337)	290	(12,052)	(11,077)	(975)	(21,673)

Add Net Impact from research Accounts	68	0	68	249	0	249	0
Add Donations Received	6	44	(38)	173	306	(133)	525
Net Surplus / (Deficit)	27	(294)	321	(11,630)	(10,771)	(860)	(21,148)

The monthly result is favourable to budget by \$321k, reducing the year to date (ytd) unfavourable variance to budget to \$860k.

Revenue was favourable for the month due to favourable ACC revenue (bringing this on budget year to date) and higher than budgeted pharmaceutical income from Community Outpatient Pharmacy revenue and Pharmaceutical Cancer treatment drug revenue (PCT). Both these revenue streams offset costs, so overall should have a neutral impact on the result.

Payroll costs were unfavourable for the month driven by a medical job-sizing back pay. If this one off cost was excluded, personnel costs overall would have on budget both for the month and year to date.

Clinical Supplies were under budget for the month, reflecting lower than budgeted activity.

Infrastructure and Non Clinical costs continue to be unfavourable due to an increase in the provision for doubtful debts.

FTE

FTE was 21FTE under budget for the month (approx. 0.5%). We continue to see monthly favourable variances in Allied Health (33FTE) and Senior Medical Personnel (9FTE), partially offset by unfavourable variances in Nursing FTE (16FTE). Nursing FTE did drop in January however reflecting lower activity than in prior months.

2. Personnel Costs - \$256k unfavourable for month and \$542k unfavourable ytd (excl research)

Total personnel variance slightly over budget due to a completed SMO job sizing quantified and accrued during the month.

Medical Personnel \$322k unfavourable for month - \$25k favourable ytd

The SMO result is driven by a one-off job-sizing back pay offsetting what otherwise would have been a favourable variance due to vacancies. SMOs continue to be favourable ytd however, both in personnel and outsourcing, as shown in the table below.

The RMO monthly result is driven by the unfavourable FTE variance. Annual leave taken was on budget, although remains under budget year to date.

Outsourcing costs for Medical staff types is favourable for both the month and ytd. Overall Medical resource is favourable \$841k ytd.

	Month									Year to Date																	
	Actual			Budget			Var			Actual			Budget			Var			Actual			Budget			Var		
	\$ ' 000	%		\$ ' 000	%		\$ ' 000	%		FTE	FTE	FTE	\$ ' 000	%		\$ ' 000	%		\$ ' 000	%		FTE	FTE	FTE	FTE	FTE	FTE
SMO Personnel	(6,392)	95%		(6,177)	95%		(215)			244	253	9	(44,210)	95%		(44,995)	95%		785			245	255	10			
Outsourced SMO	(321)	5%		(345)	5%		24						(2,206)	5%		(2,545)	5%		339								
Total SMO	(6,713)			(6,522)			(191)			244	253	9	(46,416)			(47,540)			1,124			245	255	10			
RMO Personnel	(3,298)	98%		(3,191)	95%		(107)			271	266	(5)	(21,923)	97%		(21,104)	95%		(819)			268	266	(1)			
Outsourced RMOs	(83)	2%		(160)	5%		77						(569)	3%		(1,105)	5%		536								
Total RMO	(3,381)			(3,351)			(30)			271	266	(5)	(22,492)			(22,209)			(283)			268	266	(1)			
Total Medical Resource	(10,094)			(9,873)			(221)			515	519	4	(68,908)			(69,749)			841			513	521				

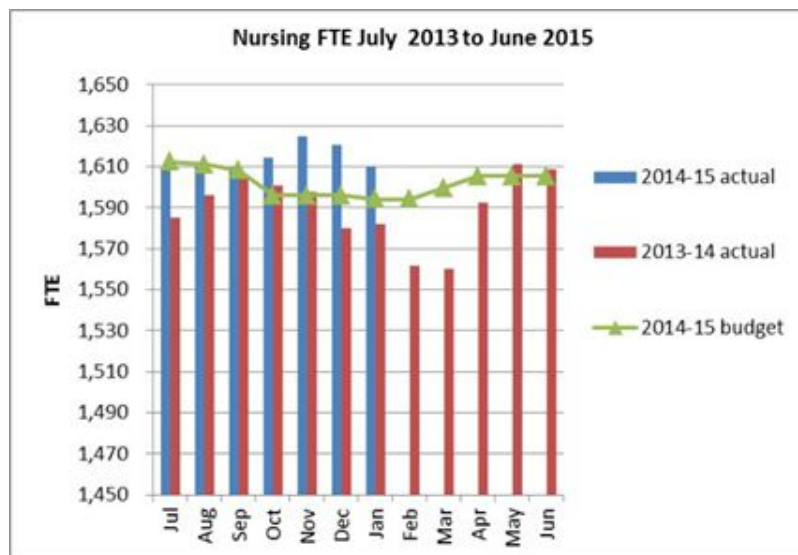
Nursing Personnel - \$10k unfavourable for month - \$874k unfavourable ytd (excl research)

Nursing costs exceed the monthly budget due to the following:

- FTE has reduced from last month however is still 11FTE over budget for the month (excluding research.)
- Kiwisaver (\$35k unfavourable in the month) and Overtime (\$38k unfavourable in the month) were also over budget, consistent with prior months. (Budgets were not reflective of prior years spend.)
- Leave balances (Annual Leave + Stat Leave) were favourable for the month by \$77k, although are \$235k unfavourable year to date.

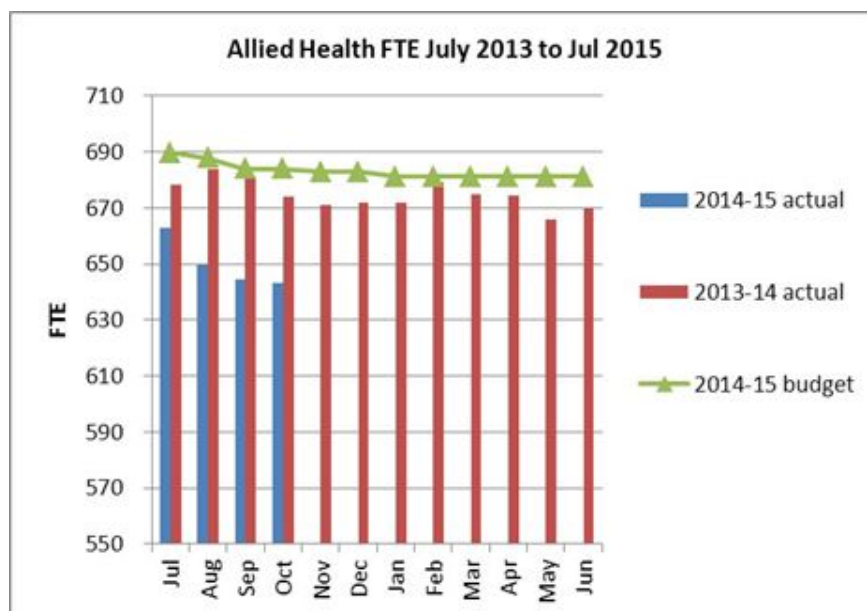
The opposite graph highlights the decrease in budget in October when the winter flex up was scheduled to stop.

Actual FTE as shown has reduced approx. 10FTE from the prior month.



Allied Health Personnel - \$35k favourable for month - \$881k favourable ytd

Unfavourable annual leave taken partially offset the favourable monthly variance due to the lower levels of FTE compared to budget. Expectations are that the current FTE levels will continue and this has been reflected in the forecast.



Support Personnel - \$7k favourable for month - \$134k unfavourable ytd

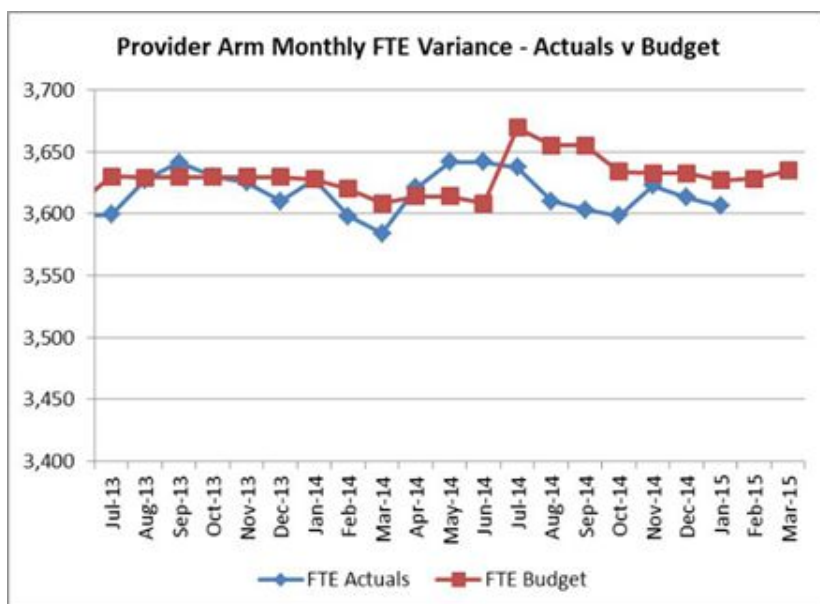
This staff type is close to budget despite being 3.1 FTE unfavourable ytd. This is driven by favourable leave variances.

Management/Administration Personnel - \$34k favourable for month - \$381k unfavourable ytd

The main driver for the favourable January result is the favourable FTE variance and leave taken - 2FTE under budget.

A comparison of FTE levels over the last year by quarter is tabled below. Overall FTE levels are close to December 2013, the increased Nursing FTE is offset against a reduction in both Allied and Management Admin FTE. Part of the increase in Nursing however is due to a reclassification of approximately 11 staff from Allied to Nursing in the current year.

Staff Type	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Jan-15	Jan-15 Budget	Variance to Budget	YTD Variance
SMO	248	244	245	246	245	244	253	9	10
RMO	264	270	272	265	267	271	266	(5)	(1)
Nursing Personnel	1,580	1,560	1,609	1,609	1,621	1,610	1,594	(16)	(12)
Allied Health Personnel	672	675	670	645	648	648	681	33	36
Support Personnel	192	189	193	199	194	195	192	(2)	(3)
Management & Administration	654	647	654	640	638	638	640	2	1
Total Full Time Equivalents (FTE's)	3,610	3,584	3,641	3,603	3,613	3,606	3,627	21	29



The opposite graph highlights tracking actual FTE against the reducing budgeted FTE since July 2014.

Maintenance of the gap between budgeted and actual FTE is a key management focus to ensure the financial result for 2014/15 is achieved.

3. Outsourced Costs - \$23k favourable for month and \$420k favourable ytd (excl research)

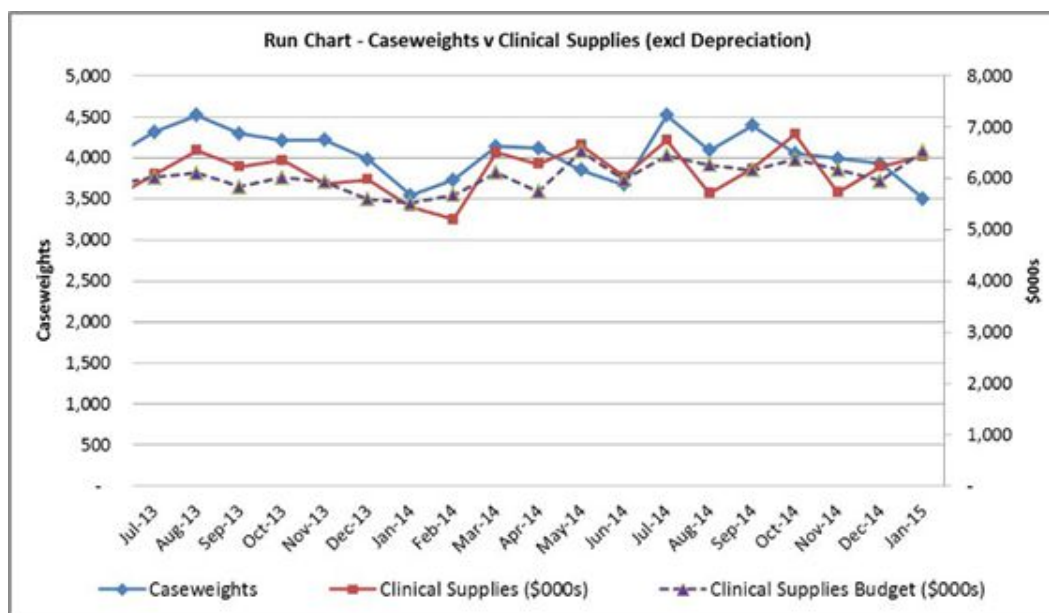
Outsourced costs were close to budget for the month, driven by favourable RMO outsourcing that was \$76k under budget for the month and \$546k favourable ytd.

Outsourced radiology services were \$78k unfavourable for the month and \$441 ytd reflecting the vacant positions in this area. There is a partial offset (approx. one third) against the vacant SMO costs that were budgeted and recruitment continues. (NB: this still reflects an even phasing of the saving, as the budgets are not able to be resubmitted.)

4. Clinical Supplies - \$94k favourable for the month and \$136k unfavourable ytd (excl research)

Clinical Supply Costs v Volumes

Although close to budget both monthly and year to date, in January the decrease in Clinical Supply costs did not match the decrease in case weighted activity.



Areas in Clinical Supply costs that were significantly over budget in January that aren't driven by case weight activity were;

- Air Ambulance - \$155k over budget for the month driven by high cost transfers
- Service Contracts – \$60k over budget for the month.
- Outpatient Drugs – Revenue for this is \$250k over budget which has a direct link to costs. This also doesn't have a direct link to case weight activity.

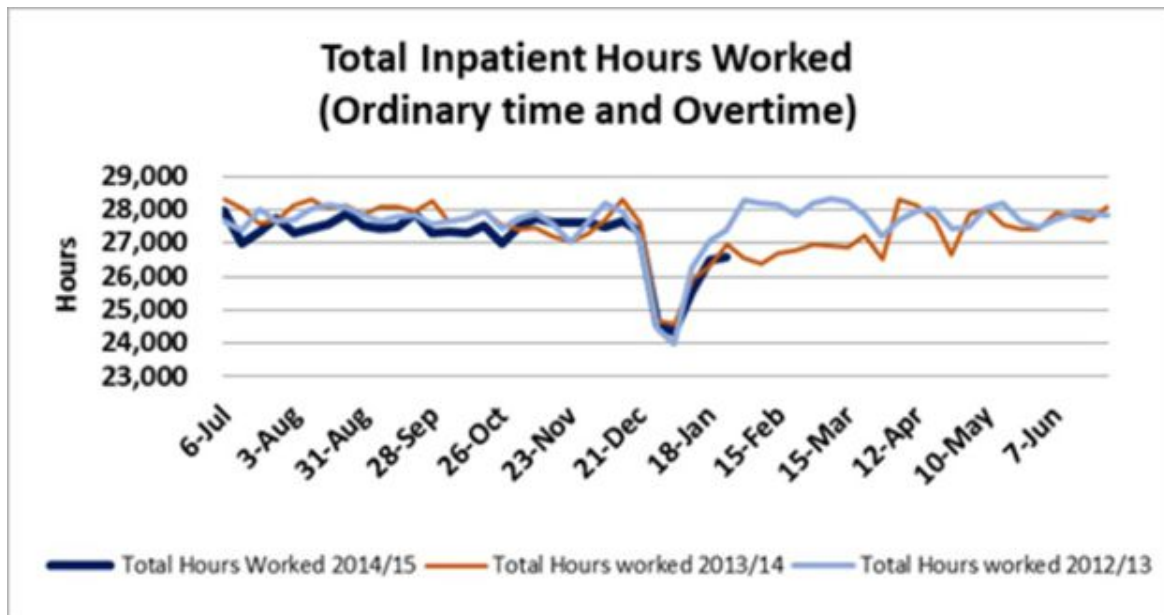
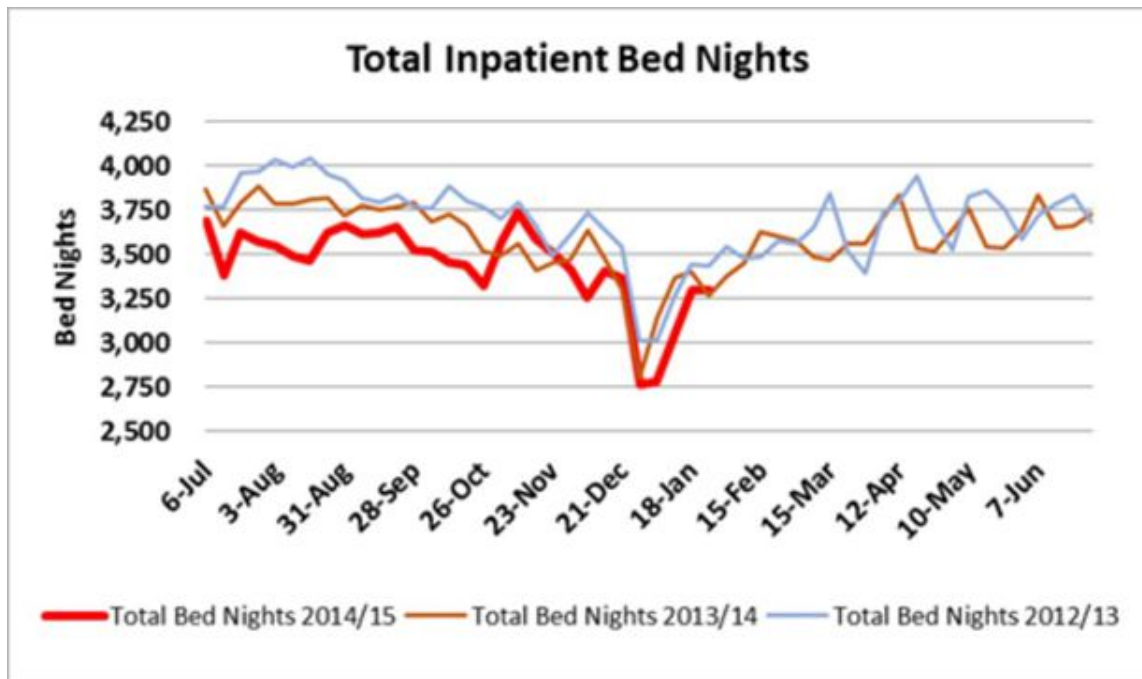
If the above \$465k was removed from the clinical supply costs in the above graph, the relationship to case weight activity would be much closer.

5. Infrastructure and Non Clinical Supplies - \$86k unfavourable for the month and \$630k unfavourable ytd (excl research)

The monthly unfavourable variance is due to some backdated invoices received for cleaning services plus a further increase in our doubtful debts provision (\$170k) offsetting non-resident invoicing.

Southern District Health Board

Inpatient Bed Days and Hours to 31 January 2015



Southern Strategic Health Plan

- The final document will be uploaded as soon as it is received.

Southern District Health Board

Minutes of the Joint Meeting of the Disability Support Advisory Committee and Community & Public Health Advisory Committee held on Wednesday, 4 February 2015, commencing at 8.30 am, in the Board Room, Southland Hospital Campus, Invercargill

Present:	Mr Tim Ward Mrs Kaye Crowther Mr Paul Menzies Dr Branko Sijnja	Acting Chair
In Attendance:	Mr Joe Butterfield Dr John Chambers Mrs Mary Gamble Mr Tony Hill Mr Tuari Potiki Mr Richard Thomson Dr Jan White Mrs Sandra Boardman Mr Peter Beirne Ms Carole Heatly Mr David Tulloch Dr Pim Allen Ms Wendy Findlay Ms Jeanette Kloosterman Dr Keith Reid	Board Chairman Board Member Board Member Board Member Board Member Board Member Crown Monitor Executive Director, Planning & Funding Executive Director Finance Chief Executive Officer Chief Medical Officer Programme Director, Southern Strategic Health Plan Nurse Director, WellSouth Primary Health Network Board Secretary (by videoconference) Medical Officer of Health, Public Health South (by videoconference until 10.55 am)

12.1

1.0 WELCOME

The Acting Chair welcomed everyone to the meeting.

2.0 APOLOGIES

Apologies were received from Ms Sandra Cook and Mr Neville Cook.

3.0 MEMBERS' DECLARATION OF INTEREST

It was resolved:

"That the Interests Register be noted."

4.0 SOUTHERN STRATEGIC HEALTH PLAN

Stephen McKernan and Chris Mules, Health Partners Consulting, presented a report on the consultation process and findings, and the final draft Southern Strategic Health Plan (tab 4).

Their presentation included an outline of:

- The process followed to develop the Plan;
- The feedback received during consultation and the key changes made as a result;
- An orientation of the Plan, which is designed to: (1) provide a clear long term direction and (2) focus on performance improvement;
- The six strategic priorities.

During consideration of the consultation report and draft Plan, the Committees:

- Noted management's advice that all comments made during consultation had been recorded, along with the action taken. Following adoption of the plan, roadshows would be held to explain the next steps and there would be an ongoing relationship with the community;
- Noted that reducing inequalities and improving Māori Health intersected but were not identical, and questioned whether this point had been made clear enough in the Plan;
- Noted that key performance indicators to monitor implementation would be developed following adoption of the Plan and requested that these be submitted to Board for approval;
- Noted that the Ministry of Health had planning and funding responsibility for disability support services for people aged under 65 years but the DHB, along with a group of other organisations, had a role to ensure comprehensive care was provided for people with disabilities.

It was resolved:

"That the Committees recommend the Board adopt the final draft Southern Strategic Health Plan subject to:

- Refinement of the document to better reflect the DHB's commitment to ensuring that health services support the health and independence of people with disabilities;
- The final version being submitted to the March Board meeting."

Messrs McKernan and Mules, Dr White, Ms Heatly and Mr Butterfield left the meeting.

5.0 PREVIOUS MINUTES

It was resolved:

"That the minutes of the joint meeting of the Disability Support Advisory Committee and Community & Public Health Advisory Committee held on 10 December 2014 be approved and adopted as a true and correct record."

6.0 MATTERS ARISING

There were no items arising from the previous minutes that were not covered by the agenda.

7.0 ACTION SHEET

The Committees reviewed the action sheet (tab 7) and received advice from the Executive Director Planning & Funding that the Alliance South planning workshop would be held in early March.

8.0 PLANNING & FUNDING REPORT

The Planning and Funding report (tab 8) was taken as read.

Health of Older People

The Executive Director Planning and Funding highlighted the work being undertaken to understand Southern DHB's Aged Related Residential Care (ARRC) usage and explained the ARRC budgeting anomalies and accruals.

Under 6s

Ms Findlay reported that all of WellSouth's general practices were now providing free care for under six year-olds and anticipated that there would be a smooth transition to free care for under 13 year-olds.

The Committees congratulated WellSouth on this achievement and noted that it was a positive reflection on general practices.

Public Health South Report

Dr Reid presented the Public Health Service Report (tab 8.1).

Ms Findlay left the meeting.

9.0 FINANCIAL REPORT

In presenting the Funder Financial Report for the period ended 31 December 2014 (tab 9), the Executive Director Finance explained the Aged Residential Care Rest Homes unfavourable variance and accrual methodology, then took questions from members.

Mr Butterfield and Ms Heatly rejoined the meeting.

10.0 PROGRESS REPORT ON DHB ANNUAL PLAN 2014/15 – QUARTER TWO

The Committees considered a progress report on delivering on the plans, actions and commitments in the Southern DHB Annual Plan 2014/15 for Quarter Two (tab 10).

It was resolved:

"That the Committees note the progress in Quarter Two on delivering the Annual Plan 2014/15 and the intended actions where activity is incomplete."

11.0 PROGRESS REPORT ON DELIVERING PRIORITIES AND TARGETS – **SOUTHERN MĀORI HEALTH PLAN 2014/15 – QUARTER TWO**

The Committees considered a progress report on delivering on the plans, actions and commitments in the Southern DHB Māori Health Plan 2014/15 for Quarter Two (tab 11).

It was resolved:

“That the Committees note the progress in Quarter Two on **delivering the Māori Health Plan 2014/15 and the intended actions** where activity is incomplete.”

12.0 WORK PLAN

The Committees reviewed the DSAC/CPHAC work plan for 2015 (tab 12).

CONFIDENTIAL SESSION

At 10.55 am it was resolved that the public be excluded for the following agenda items.

General subject:	Reason for passing this resolution:	Grounds for passing the resolution:
1. Previous Minutes	As per reasons set out in previous agenda	S 34(a), Schedule 4, NZ Public Health and Disability Act 2000 – that the public conduct of this part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under sections 9(2)(i), 9(2)(j) and 9(2)(f)(iv) of the Official Information Act 1982, that is, the withholding of the information is necessary to enable a Minister of the Crown or any Department or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities and negotiations, and to maintain the constitutional convention protecting the confidentiality of advice tendered by Ministers of the Crown and officials.
2. Paid Family Carer Policy Review	To allow activities to be carried out without prejudice	As above, section 9(2)(i) and (j).

The meeting closed at 11.00 am.

Confirmed as a correct record:

Chairperson

Date

Southern District Health Board

Minutes of the Hospital Advisory Committee Meeting held on Wednesday, 4 February 2015, commencing at 2.00pm in the Board Room, Community Services Building, Southland Hospital Campus

Present:	Mr Tony Hill Mr Joe Butterfield Dr John Chambers Mrs Mary Gamble Mr Tuari Potiki Mr Richard Thomson	Chairman
In Attendance:	Dr Jan White Mr Tim Ward Mrs Kaye Crowther Dr Branko Sijnja Ms Carole Heatly Mrs Lexie O'Shea Mr Peter Beirne Mrs Leanne Samuel Mr Richard Bunton Mr Grant Paris Ms Melissa Garry Mrs Joanne Fannin	Crown Monitor Deputy Chairman Board member Board member Chief Executive Officer Executive Director of Patient Services/Deputy CEO Executive Director Finance Executive Director Nursing and Midwifery Medical Director of Patient Services Senior Business Analyst (via videolink) Communications Officer (via videolink) Board Secretary Southland

1.0 PRESENTATION – PACIFIC ISLAND NURSING MODEL OF CARE

The Executive Director of Nursing and Midwifery introduced the Pacific Island nursing team made up of Ms Aniva Ripley, Ms Litia Sabela and Ms Sandy Borland, Pacific Island Nurse Specialists; Ms Amanda McCracken, Nurse Practitioner and Ms Wendy Brown, Community Linkage Advocate, who joined the meeting to provide a presentation on the work done by the Pacific Island Nurse Specialist Service. The Pacific Island nursing model of care works well as the clinic is set in the community and patients engage well with the service. The model works well and could be used in other environments. The Chair thanked the Pacific Island team for their commitment over many years and commended them on the work they are doing for their people in the community.

The Pacific Island team left the meeting.

2.0 WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. There were no apologies.

3.0 MEMBERS' DECLARATION OF INTEREST

The Chairman called for any adjustments or amendments to the Interests Register. None were received.

4.0 CONFIRMATION OF PREVIOUS MINUTES

It was resolved:

"That the minutes of the 5 November 2014 Hospital Advisory Committee meeting be approved and adopted as a true and correct record."

5.0 MATTERS ARISING

There were no matters arising from the previous minutes that were not covered by the agenda.

6.0 ACTION SHEET

The Committee reviewed the action sheet and noted that:

Action Point 156 – HR Occupational Health and Safety report – ACC has advised that they no longer provide the benchmarking information requested.

It was resolved:

“That the action sheet be received.”

7.0 EXECUTIVE DIRECTOR OF PATIENT SERVICES (EDPS) REPORT

The Committee received and considered the report from the EDPS. The Chair commended and congratulated staff on the outstanding results achieved within the Provider Arm.

The Committee received advice:

- That there were a number of acute trauma presentations towards the end of December that are not reflected in the numbers because they are only able to be counted on discharge and will be included in the January 2015 reporting.
- That the unfavourable financial result was due to one off expenses.
- That a media release has been issued around the pleasing result with the high immunisation rates achieved.
- On the media release issued in relation to the two new Computed Tomography (CT) scanners in Dunedin. The CT scanners went live in December 2014 with minimal disruption to patients.

8.0 KEY PERFORMANCE INDICATORS (KPIs)

The Committee received and considered the KPI reports and the Committee received advice:

- Relating to First Specialist Assessments (FSAs) and the follow-up area and that Clinicians are currently investigating processes in the area of out patients. The target date for the transition from a five to a four month wait time is July 2015.
- On the need to change the way in which follow-ups are done and have a greater focus on the FSAs.
- On day of surgery (DoS) admissions and that SDHB's expectation for DoS admissions is better than the national average.
- On SDHB's performance relating to readmissions.
- On the progress to four months wait for Outpatient and Inpatient Elective Service Performance Indicators (ESPI) markers – January 2015.
- In relation to the additional funding from the Ministry of Health (MoH) relating to the improvement in the percentage of patients receiving colonoscopies.
- And an assurance that staff keep a close watch to ensure that SDHB's standardised intervention rates are in line with other DHBs nationally.

9.0 QUALITY PROCESS MARKERS

The Committee received advice that the graph regarding the percentage of patients with an individualised care plan relates to patient falls. An update was received on actions being taken to progress to the national threshold identified. A request was made for future graphs to be linked to the report identifying the number of falls within SDHB.

10.0 HEALTH AND DISABILITY COMMISSIONER'S REPORT

The Committee received and considered the report and noted that the number of complaints received relating to SDHB were significantly below the national average and the number investigated by the HDC were comparatively low.

11.0 FINANCIAL REPORT

The Committee received and considered the Financial Report and a verbal update by the Executive Director of Finance. In discussion, the Committee received advice as follows:

- The unfavourable variance of \$831K for the month is due to a number of one off costs.
- Due to the difficulties with budgeting over the December/January period, the December and January budgets should be considered together.
- In relation to Clinical Supply Costs, activity is 3-4% ahead of budget and costs are only 1% ahead of budget.
- An update was provided on the increased nursing costs related to unbudgeted resourcing required to cope with high activity and acuity, sickness and new projects and contracts. There have been some positive off-sets, e.g. the employment of spinal nurses in lieu of Senior Medical Officers (SMOs). Employment of Registered Nurses (RNs) was at a higher level of remuneration than anticipated in a number of areas and a budget anomaly, identified earlier in the year and reported on, has resulted in the majority of the unfavourable variance. Kiwisaver, parental leave, gratuities and a significant amount of other dollar impacts have also impacted the bottom line from a nursing perspective. In depth analysis is on-going relative to the issues identified.
- Discussion was held on the impact of Kiwisaver and the change from 2 to 3% contributions. The trends are being looked at as part of the 2015-16 budgeting round. The Executive Director of Finance advised that a report on the impact of Kiwisaver would be provided for the April 2015 Board meeting.

12.0 HUMAN RESOURCES OCCUPATIONAL HEALTH AND SAFETY REPORT

The Committee received and considered the Human Resources Occupational Health and Safety Report. Advice was received that it is proposed to undertake the staff vaccination campaign in a different way in 2015 with a view to increasing staff uptake. The main aim is to reduce harm to patients, staff and their families.

It was resolved:

"That the Hospital Advisory Committee recommends that the Board:

- Receive the report and supports the work being undertaken to address Southern DHB's strategy.
- Receives the report (appendix 1) and notes the comprehensive report relating to accident and injury data. Forthcoming health and safety legislation reform relating to governance, requires directors to exercise 'due diligence' which includes the establishment of strong and objective lines of reporting and communication to and from the board
- Receives the report (appendix 2) and notes the update from Worksafe New Zealand regarding the Health and Safety Reform Bill progress towards the new Health and Safety at Work Act 2015.

13.0 INFORMATION SERVICES DASHBOARD

The Committee received and considered the Information Services Dashboard and agreed that in future quarterly reports only from the South Island Information Systems Alliance will be included in the agenda.

14.0 BUILDING AND PROPERTY REPORT

The Committee received and reviewed the Master Site Planning Stage Two BECA Peer Review of Asset Condition Assessment Report on the economic viability of the Clinical Services Building, Dunedin. A further verbal update on the background to the report was provided and it was agreed that Southern DHB should limit expenditure on the Dunedin Clinical Services Building to urgent work.

It was resolved:

"That the Hospital Advisory Committee recommends that the Board receives the BECA Peer Review of the 2012 Dunedin Hospital Relieving Analysis with commentary on the future viability of the Clinical Services Building and resolves to:

1. Limit expenditure on the Dunedin Clinical Services Building to urgent work required to maintain current services and meet health and safety requirements.
2. Support the prioritising of work on a business case for the Dunedin Campus in collaboration with the National Health Board."

15.0 CONFIDENTIAL SESSION

At 3.35pm, it was resolved:

"That the public be excluded from the meeting for consideration of the following agenda items:

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Previous Public Excluded Hospital Advisory Committee Minutes	As per reasons set out in previous agenda	S 32(a), Schedule 3, NZ Public Health and Disability Act 2000 – that the public conduct of this part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under sections 9(2)(a), 9(2)(f), 9(2)(i), 9(2)(j) of the Official Information Act 1982, that is withholding the information is necessary to: protect the privacy of natural persons; maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers of the Crown and officials; to enable a Minister of the Crown or any Department or organisation holding the information to carry on, without prejudice or disadvantage, commercial activities and negotiations.
Review of Public Excluded Action Sheet	Personal privacy and to allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i), 9(2)(j) and 9(2)(a).
Risk	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Serious Adverse Events	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Facilities Update	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).

Hospital Services update	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Contracts - Moray Place Investments Limited Contract for the renewal of existing lease Level 2, 9 Moray Place - Lease for 78 Ribble Street, Oamaru - South Island Alliance Patient Information Care System (PICS)	Commercial sensitivity and to allow activities and negotiations to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).

The Committee resumed in public session at 5.15pm.

The meeting closed at 5.15pm.

Confirmed as a true and correct record:

Chairman: _____ Date: _____

SOUTHERN DISTRICT HEALTH BOARD

Title:	CONTRACTS REGISTER		
Report to:	Southern District Health Board		
Date of Meeting:	5 March 2015		
Summary: Funding contracts signed under delegation by Executive Director Planning & Funding and Chief Executive Officer and contracts approved by Board executed since last report.			
Specific implications for consideration (financial/workforce/risk/legal etc):			
Financial:	Nil		
Workforce:	Nil		
Other:	Nil		
Document previously submitted to:	n/a		Date:
Prepared by: Sandra Boardman Executive Director Planning and Funding Date: 23/02/2014		Presented by: Sandra Boardman Executive Director Planning and Funding	
RECOMMENDATION: 1. That the Board note the attached Contracts Register.			

Southern DHB Board Meeting - Contracts Register

**FUNDING ADMINISTRATION
CONTRACTS REGISTER (EXPENSES) - JANUARY/FEBRUARY 2015**

PROVIDER NAME	DESCRIPTION OF SERVICES	ANNUAL AMOUNT	CONTRACT/VARIATION END DATE	APPROVED BY
Contract Value of - \$0 - \$100,000 (Level 3)				
Aged Residential Care Facilities Variation to Agreement	Exceptional Circumstances palliative care for named individuals x 17	\$246,701.73	Various	Executive Director Planning & Funding
Waikiwi Pharmacy (2005) Ltd t.a Waikiwi Amcal Pharmacy Variation to Agreement	Pharmacy Services	\$4,050.00 (Estimate)	30.06.15	Executive Director Planning & Funding 22.12.14
JM & DT McMillan Trust t.a Chateau Village Aged Related Residential Care Services Agreement	Age Related Residential Care	\$10,235.19 (estimate - demand driven)	03.08.20	Executive Director Planning & Funding 12.01.15
WellSouth Primary Health Network Variation to Agreement	Reducing Inequalities Voucher Services	\$71,110.00	31.12.16	Executive Director Planning & Funding 22.12.14
Crombie and Price Limited Variation to Agreement	Special Foods Wholesaler Agreement - Southern Region	\$16,508.33	30.06.15	Executive Director Planning & Funding 22.12.14
IDEA Services Limited Variation to Agreement	Individual Agreement for a Named Individual	\$7,099.73	28.02.15	Executive Director Planning & Funding 04.12.14
Kai Tahu Ki Otago Limited Agreement	Smoking Cessation Services	\$62,370.00	30.06.16	Executive Director Planning & Funding 02.12.14
Total for Level 3		\$ 418,074.98		
Contract Value of - \$100,000 - \$500,000 (Level 2)				
WellSouth Primary Health Network Variation to Agreement	Primary Mental Health	\$ 398,449.50	Peter Hay	Executive Director Planning & Funding 22.12.14
WellSouth Primary Health Network Variation to Agreement	Tobacco Control Service Schedule	\$ 126,666.67	Peter Hay	Executive Director Planning & Funding 22.12.14
Total for Level 2		\$ 525,116.17		

Southern DHB Board Meeting - Contracts Register

FUNDING ADMINISTRATION

CONTRACTS REGISTER (EXPENSES) - JANUARY/FEBRUARY 2015

Contract Value of - \$500,000 - 1 Million (Level 1)				
Total for Level 1			\$ -	
Contract Value of - \$1 Million and Over (Board)				
Total for Board Level			\$ -	
Grand Total			<u>\$ 943,191.15</u>	