



BOARD MEETING

A G E N D A

Friday, 2 August 2013

10.30 am

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

Our Vision:

Better Health, Better Lives, Whānau Ora

Our Mission:

We work in partnership with people and communities to achieve their optimum health and wellbeing. We seek excellence through a culture of learning, inquiry, service and caring.

Remember to visit our Website at www.southerndhb.govt.nz

SOUTHERN DISTRICT HEALTH BOARD MEETING

Friday, 2 August 2013, 10.30 am
Board Room, Southland Hospital Campus, Invercargill

A G E N D A

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Confidential 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, sections 9(2)(f)(iv) and 9(2)(j).
Public Excluded Advisory Committee Reports a) Disability Support and Community & Public Health Advisory Committees <ul style="list-style-type: none"> • 1 August 2013 • Rural Hospital Contracts • Orientation of NGO contracts to support Smokefree Health Targets • Fertility Services b) Hospital Advisory Committee <ul style="list-style-type: none"> ▪ 3 July 2013 ▪ 1 August 2013 ▪ Provider Contract Approvals c) Audit & Risk Committee <ul style="list-style-type: none"> ▪ 2 August 2013 ▪ NGO/Funder Audit 	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).
Contract Approvals <ul style="list-style-type: none"> ▪ 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).

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, section 9(2)(j).
Organisational Change <ul style="list-style-type: none"> ▪ Verbal Update 	To allow activities to be carried on without prejudice or disadvantage	As above, section 9(2)(j).

SOUTHERN DISTRICT HEALTH BOARD

INTERESTS REGISTER

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
Joe BUTTERFIELD (Chairman)	01.03.2012 06.12.2010	1. Member, South Island Neurosurgical Board Son-in-law: 2. Partner, Polson Higgs, Chartered Accountants. 3. Trustee, Corstorphine Baptist Community Trust	1. 2. Does some accounting work for Southern PHO. 3. Has a mental health contract with Southern DHB.
Paul MENZIES (Deputy Chairman)	10.02.2010 10.02.2010 06.10.2011 02.08.2012	1. Wife a member on the Southland Child Youth Mortality Review Group. 2. Wife a member on the Child and Youth Health Advisory Committee. 3. Trustee, Southern PHO. 4. Wife a trustee of Number 10, Youth One Stop Shop, Invercargill.	1. Nil. 2. Nil. 3. Appointed as a trustee by Southern DHB. PHO is contracted to the DHB. 4. Possible conflict with funding requests.
Neville COOK	04.03.2008 04.03.2008 04.03.2008 26.03.2008	1. Board Member, Invercargill Licensing Trust. 2. Board Member, Invercargill Licensing Trust Foundation. 3. Councillor, Environment Southland. 4. Trustee, Norman Jones Foundation.	1. Possible conflict with funding requests. 2. Possible conflict with funding requests. 3. Nil. 4. Possible conflict with funding requests.
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.
Kaye CROWTHER	09.11.2007 14.08.2008 12.02.2009 05.09.2012 01.03.2012	1. Employee of WHK South. 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	1. Possible conflict if DHB contracts HR services from JCL and Progressive Consulting, which are subsidiaries of WHK. 2. Nil. 3. Nil.
Mary FLANNERY	17.11.2010 10.11.2011	1. Trustee, Rural Otago Primary Health Organisation 2. Associate Solicitor, Bodkins/AWS Legal, Alexandra. 3. Partner, Tayside Farm Partnership. 4. Director, New Zealand Irrigation Board.	1. Was contracted to Southern DHB – contracts assigned to Southern PHO (will be wound up) 2. Nil 3. Nil 4. Nil

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
James Malcolm MACPHERSON	28.06.2005 09.03.2011 25.11.2010 25.11.2010 25.11.2010 28.08.2007 09.03.2011 09.03.2011 09.03.2011 13.12.2001 22.04.2003	1. Member Otago Polytechnic Council. 2. Contractor and Tutor, Otago Polytechnic. 3. Member Central Lakes Trust. 4. Member Roxburgh Gorge Trail Charitable Trust. 5. Part owner, Alexandra Medical Centre. 6. Co-Principal, Brilliant New Zealand Ltd. 7. Chairman, Jolendale Charitable Trust. 8. Shareholder, Medco Properties Ltd 9. Director, Centennial Health Ltd Spouse - Susan Elizabeth Macpherson: 10. GP Principal, Centennial Health Ltd, Alexandra. 11. Branch Medical Advisor, ACC, Alexandra.	1. (OP has training interests in common with the DHB, no) 2. (personal interest.) 3. CLT is a community funder in its region, which includes Dunstan and Lakes District Hospitals, plus a wide range of community and primary services and service providers, and is a possible future funder. 4. Nil. 5. The AMC is tenanted by all of Alexandra's GPs and a pharmacy, and is also occasionally used by related service providers, including midwives and the University of Otago Medical School. A range of potential conflicts. 6. BNZL is a consultancy which may have an involvement with health sector organisations. 7. Nil. 8. MPL will be responsible for the tenancy of all of Alexandra's current GPs and a pharmacy and may also house other related service providers, including midwives and the University of Otago Medical School. A range of potential conflicts, real and theoretical. 9. & 10. Board discussions relating to primary health providers or primary referred services may involve conflicts of interest. Declare where appropriate and withdraw where prudent. 11. ACC is a major customer of the DHB. Remote possibility of an influence, no personal interest.
Tahu POTIKI	15.12.2007 03.04.2008 24.11.2009 03.06.2010 23.04.2013	1. Director, Arataki Associates. 2. Representative to Te Runanga o Ngai Tahu. 3. Trustee of Ngai Tahu Charitable Trust. 4. Board Member, Relationship Services NZ. 5. Board Member, Environmental Science and Research 6. Chairman of He Waka Kotuia o Araituru	1. Contracted to Southern DHB, funded provider in the past ie Araituru Whare Hauora Ltd. 2. & 3. Treaty Partner - affiliated providers may contract to Southern DHB. Te Runanga o Ngai Tahu has right of first refusal on disposal of property. 4. No apparent conflict. 5. CRI involved in public health research. 6. Possible conflict when provider contract comes up for renewal.
Branko SIJNJA	07.02.2008 04.02.2009	1. Director, Clutha Community Health Company Limited. 2. 0.8 FTE Director Rural Medical Immersion Programme, University of Otago School of Medicine.	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.

Board Member	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern DHB
	22.06.2010 07.06.2012	3. 0.2 FTE Employee, Clutha Halh First General Practice 4. Director of Southern Community Laboratories	
Richard John THOMSON	13.12.2001 23.09.2003 29.03.2010 06.04.2011	1. Managing Director, Thomson & Cessford Ltd. 2. Director, Susanna Shaya Imports Ltd 3. Chairperson and Trustee, Hawksbury Community Living Trust. 4. Trustee, HealthCare Otago Charitable Trust. 5. Director, Composite Retail Group. 6. Councillor, Dunedin City Council.	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. Susanna Shaya Imports is a homeware importing company. It has no dealings with Southern DHB. 3. Hawksbury Trust runs residential homes for intellectually disabled adults in Otago and Canterbury. It does not have contracts with Southern DHB. 4. Health Care Otago Charitable Trust regularly receives grant applications from staff and departments of Southern DHB, as well as other community organisations. 5. May have some stores that deal with Southern DHB.
Tim WARD	14.09.2009 01.05.2010 01.05.2010 10.12.2012	1. Partner, BDO Invercargill, Chartered Accountants. 2. Trustee, Verdon College Board of Trustees. 3. Council Member, Southern Institute of Technology (SIT). 4. Director of Southern Community Laboratories Otago-Southland	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.

SOUTHERN DISTRICT HEALTH BOARD

INTERESTS REGISTER FOR THE EXECUTIVE MANAGEMENT TEAM

As at June 2013

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
Peter Beirne	20.06.2013	Nil	
Richard Bunton	17.03.2004 22.06.2012 29.04.2010	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, RACS. 6. Trustee, Dunedin Heart Unit Trust. 7. Chairman, Dunedin Basic Medical Sciences Trust.	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 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.
Donovan Clarke	02.02.2011 18.12.2012 05.04.2013	1. Te Waipounamu Delegate, Te Piringa, National Maori Disability Advisory Group. 2. Director, Great Western Steakhouse, New Lynn, Auckland. 3. The Child and Youth Health Compass Steering Group. 4. Cancer Care Co-ordinator Evaluation Advisory Group.	1. Nil. 2. Nil. 3. Nil. 4. Nil.
Carole Heatly	14.03.2012	Nil.	
Sharon Kletchko		1. GM Strategy & Planning Nelson Marlborough DHB 2. Chair, SI Alliance GMs P&F Network (supported by SIAPO)	1.

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
		<ul style="list-style-type: none"> 3. Chair, National GMs P&F Network (supported by DHBSS) 4. Member, SIA Service Planning & Integration Team 5. Member, Southern Cancer Network Steering Group 6. Member, National Cancer Coordination Steering Group 7. Deputy Chair NZ Standards Council 8. Registered Health Professional - Specialist Medical 9. Member Royal Australasian College of Physicians (RACP) - NZ Executive 10. Deputy Chair RACP - NZ Policy and Advocacy Committee 11. Chair, Medicines Review Statutory Committee (Minister of Health appointment) 12. Member, Named Pharmaceutical Patient Access (NPPA) Panel 13. Board Member, EVIDEM Collaboration (International group on multi-criteria decision-making) 	
Lexie O'Shea	01.07.2007	1. Trustee, Gilmour Trust.	1. Southland Hospital Trust.
Lynda McCutcheon	22.06.2012	1. Member of the University of Otago, School of Physiotherapy, Admissions Committee.	
John Pine	17.11.201	Nil.	
Leanne Samuel	<ul style="list-style-type: none"> 01.07.2007 01.07.2007 01.07.2007 29.10.2009 	<ul style="list-style-type: none"> 1. Southern Health Welfare Trust (Trustee). 2. Member of Community Trust of Southland Health Scholarships Panel. 3. Member of Board of Studies at Southern Institute of Technology. 4. Southland Medical Foundation Inc (member). 	<ul style="list-style-type: none"> 1. Southland Hospital Trust. 2. Nil. 3. Potential conflict if the DHB purchases services from this organisation. 4. Southland Trust. 5. Nil.

Employee Name	Date of Entry	Interest Disclosed	Nature of Potential Interest with Southern District Health Board
	01.10.2010	5. Member of National Elective Services Productivity and Workforce Programme Steering Group.	
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, 4 July 2013, 10.00 am
Board Room, Wakari Hospital Campus, Dunedin

Present: Mr Paul Menzies Acting Chairman
Mr Neville Cook (by videoconference until 12.10 pm)
Ms Sandra Cook
Mrs Kaye Crowther
Mrs Mary Flannery
Dr Malcolm Macpherson (until 1.25 pm)
Mr Tahu Potiki
Dr Branko Sijnja
Mr Richard Thomson
Mr Tim Ward

In Attendance: Ms Carole Heatly Chief Executive Officer
Mr Peter Beirne Executive Director Finance
Dr Sharon Kletchko Executive Director Strategy, Integration
& Funding
Mrs Lexie O'Shea Deputy CEO/Director of Patient Services
Mrs Leanne Samuel Executive Director Nursing & Midwifery
Mr David Tulloch Chief Medical Officer
Mr Steve Addison Executive Director Communications
Ms Jeanette Kloosterman Board Secretary

1.0 CHAIR'S OPENING COMMENTS

The Acting Chair welcomed everyone to the meeting.

2.0 APOLOGIES

An apology was received from Mr Joe Butterfield, Board Chairman.

3.0 DECLARATION OF INTERESTS

It was resolved:

"That the Interests Register be noted."

4.0 CONFIRMATION OF PREVIOUS MINUTES

It was resolved:

"That the minutes of the 6 June 2013 Board 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 Board reviewed the action sheet (agenda item 6).

Pharmaceuticals

The Chief Medical Officer gave a verbal report on issues relating to the amount of prescription drugs given to people on discharge from hospital and advised that he would be discussing these with the Medical Director of Patient Services.

It was noted that these issues were also applicable to community prescribers and private hospitals.

The Board requested that the matter be referred to the Southern Health Alliance Leadership Team to consider whether any savings could be achieved by primary care, hospital services and pharmacists working together to reduce waste.

7.0 CHIEF EXECUTIVE OFFICER'S REPORT

The Chief Executive Officer presented her monthly report (agenda item 7) and took questions from members.

Health of Older Persons

The Executive Director Strategy, Integration & Funding informed the Board that an update on Home and Community Support Services would be submitted to the next DSAC/CPHAC meeting.

Staff Engagement Forums

The Chief Executive Officer informed the Board that engagement forums would be held every six months to maintain dialogue with staff.

8.0 FINANCIAL REPORT

The Financial Report for the period ended 31 May 2013 (agenda item 8) was taken as read.

Year-End Result

The Executive Director Finance informed the Board that the year-end information was not yet finalised but he was still hopeful that a \$12.5m deficit would be achieved.

The Acting Chair noted that a bonus payment would be received for achieving elective surgery targets but pharmaceutical payments remained a risk.

9.0 NEW PRIMARY HEALTH ORGANISATION (PHO) AGREEMENT

The Board considered a report on the intent and application of the new Primary Health Services Agreement (agenda item 9).

The new alliance approach was noted as a positive step forward for the DHB and PHO.

10.0 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 5 June 2013 were circulated with the agenda (item 10) and were taken as read.

Dr Macpherson, DSAC/CPHAC Chair, drew members' attention to the two presentations received by the committees and emphasised the value of the "deep dive" process.

Hospital Advisory Committee

The minutes of the Hospital Advisory Committee (HAC) meeting held on 5 June 2013 were circulated with the agenda (item 11) and were taken as read.

Mr Menzies, HAC Chair, gave a verbal report on the meeting held on 3 July 2013 and thanked staff for achieving the first specialist assessments and elective surgery plan for the 2012/13 year.

11.0 CONTRACTS REGISTER

Mrs Crowther declared an interest in the Royal New Zealand Plunket Society agreement.

The Funding contracts register (expenses) for June 2013 was circulated with the agenda (item 13) for members' information.

It was resolved:

"That the management and advisory committee reports be received and noted."

12.0 APPRECIATION TO STAFF

Mr Tahu Potiki informed the Board that his late aunt had received exemplary care from Dunedin Hospital and home based care staff over the last 10 years and requested that the family's appreciation be passed on to them.

PUBLIC EXCLUDED SESSION

At 11.10 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, sections 9(2)(f)(iv) and 9(2)(j).
Southern Health Alliance	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
HBL Update	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(i) and 9(2)(j).
Master Site Drawdown	To allow activities to be carried on without prejudice or disadvantage	As above, sections 9(2)(f)(iv) and 9(2)(j).

General subject:	Reasons for passing this resolution:	Grounds for passing the resolution:
Public Excluded Advisory Committee Reports a) Disability Support and Community & Public Health Advisory Committees <ul style="list-style-type: none"> • 5 June 2013 b) Hospital Advisory Committee <ul style="list-style-type: none"> ▪ 5 June 2013 ▪ 3 July 2013 ▪ Provider Contract Approvals c) Audit & Risk Committee <ul style="list-style-type: none"> ▪ 5 June 2013 	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).
Contract Approvals <ul style="list-style-type: none"> ▪ 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).
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, section 9(2)(j).
Organisational Change <ul style="list-style-type: none"> ▪ Verbal Update 	To allow activities to be carried on without prejudice or disadvantage	As above, section 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 22 July 2013

Action Point No.	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
044-2011/02 60-2011/05 191-2012/11	Smokefree Environment Amendment Bill (Minute item 9.0)	A draft policy statement on smokefree environments to be developed and submitted to CPHAC to provide direction to future service provision in this area. Timeframe to be provided for completion of the draft policy statement. Update to be provided.	EDSI&F PHS EDPS	To be progressed as part of the South Island Public Health work stream. Southern DHB does have its own policy that was created in March 2010 and is due for review in 2012. Paper will be submitted via HAC.	September 2013
194-2012/12 216-2013/06	Primary Care Report on After Hours Services (Minute item 10.0) (Minute item 6.0)	PHO to provide a two-monthly progress report to DSAC/CPHAC. Progress report to be submitted to the 1 August 2013 DSAC/CPHAC meeting.	EDSI&F	See DSAC/CPHAC agenda.	Completed
211-2013/05	Asset Management (Minute item 8.0)	Report on asset management and deferred maintenance to be submitted to August meeting.	EDF	Included in HAC agenda.	August 2013
212-2013/05 226-2013/07	Pharmaceuticals (Minute item 8.0)	CMO to report back on the amount of medication prescribed and dispensed to patients at any one time and any related waste and safety issues. The matter to be referred to the Southern Health Alliance Leadership Team to consider whether any savings could be achieved by primary care, hospital services and	CMO	Work in progress.	

Action Point No.	SUBJECT	ACTION REQUIRED	BY	STATUS	EXPECTED COMPLETION DATE
		pharmacists working together to reduce waste.			
217-2013/06	Capital Expenditure: Depreciation Ratio (Minute item 8.0)	Ratio of capital expenditure to deprecation to be reported half-yearly.	EDF	Included in HAC agenda.	Completed
219-2013/06	Facilities (Minute item 10.0)	The Facilities Plan to include consideration of what is to be done with unused buildings in Southland and Otago.	EDF	Included in HAC agenda.	August 2013

SOUTHERN DISTRICT HEALTH BOARD

Title:	CHIEF EXECUTIVE OFFICER'S REPORT	
Report to:	Board	
Date of Meeting:	2 August 2013	
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. Detailed Provider Arm information contained in HAC agenda papers and Planning & Funding information in DSAC/CPHAC agenda papers.	Date: n/a
Approved by Chief Executive Officer:		Date: 22/07/2013
Prepared by: Executive Director Strategy, Integration & Funding Executive Director Patient Services Date: 19/07/2013		Presented by: Carole Heatly Chief Executive Officer
RECOMMENDATION:		
1. That the Board receive the report.		

CHIEF EXECUTIVE OFFICER'S REPORT

1. DHB FINANCIAL PERFORMANCE

The deficit for the year ended 30 June 2013 is \$12.5m, which is on forecast but unfavourable to budget by \$1.5m. A detailed analysis of the financial situation is contained in the Financial Report.

2. PROVIDER ARM

Contract Performance

- Elective caseweights delivered (cwd) by Southern DHB Provider Arm were 214 over plan in June 2013 (19%). Year to date elective caseweights are 730 above plan (5%).
- Acute caseweights delivered (cwd) by the Southern DHB Provider Arm were 98 over plan in June 2013 (4%). Year to date acute caseweights are 3,688 over plan (12%).

Financial Performance

- A favourable variance of \$1.4m was recorded by the Southern DHB Provider Arm for the month of June 2013. Year to date the result is favourable by \$485k.
- Revenue for June 2013 was favourable by \$1m. Expenses for June 2013 were favourable against plan by \$0.4m.

3. PLANNING AND FUNDING

Home and Community Support Services (HCSS)

The HCSS Alliance is successfully delivering services throughout the region. Staff training in the restorative model was delayed due to weather but has been rescheduled. Emphasis will be placed on tailoring packages of care to meet the identified needs of clients based on their InterRAI assessments. The Alliance is working to identify and implement service delivery improvements through an Alliance Stewardship Group.

4. COMMUNITY INTERACTION

During the month the Chief Executive Officer and Executive Management Team members presented to and visited a number of organisations, including:

- The Chief Executive Officer (CEO) and Chief Medical Officer gave a presentation on DHBs to the University of the Third Age. The audience of over 100 people were Southland residents.

- The CEO presented to the University of the Third Age on the future of public health in New Zealand. The audience was mainly Otago residents and over 150 people attended.
- The CEO and Executive Director Nursing & Midwifery visited the Bluff Medical Centre to meet the Trust and GPs.
- The CEO and Chief Medical Officer visited the Te Anau medical practice to meet GPs in rural practice.
- The CEO was filmed by Channel 9 for a new show called "Better Health".

In addition the CEO is scheduled to attend:

- A combined information evening for candidates interested in standing for the Dunedin City Council, Otago Regional Council and Southern District Health Board in Dunedin on 24 July, and
- A meeting with GP representatives in Invercargill on 31 July.

Carole Heatly
Chief Executive Officer

22 July 2013

SOUTHERN DHB FINANCIAL REPORT

Financial Report as at: **30 June 2013**
 Report Prepared by: **David Dickson - Finance Manager**
 Date: **16 July 2013**

Recommendations:

- That the Board note the Financial Report

Overview Section

Results Summary

Month				Full Year			Annual
Actual	Budget	Variance		Actual	Budget	Variance	Budget
\$' 000	\$' 000	\$' 000		\$' 000	\$' 000	\$' 000	\$' 000
71,934	70,848	1,086	Revenue	850,064	849,207	857	849,207
(25,577)	(27,988)	2,411	Less Personnel Costs	(323,864)	(322,736)	(1,128)	(322,736)
(42,426)	(38,641)	(3,785)	Less Other Costs	(538,742)	(537,453)	(1,289)	(537,453)
3,931	4,219	(288)	Net Surplus / (Deficit)	(12,542)	(10,982)	(1,560)	(10,982)

- The full year result is a deficit of \$12.5m, which is unfavourable to budget by \$1.5m, and on forecast.
- The June result was \$0.3m unfavourable to budget, with the Funder \$1.6 unfavourable due to a negative Pharmac rebate wash-up from 2011/12 of \$1.6m. The Provider was \$1.3m favourable, with personnel costs favourable resulting from favourable movements in the actuarial valuation of employee entitlements and year-end budget contingency provisions for which no costs have been incurred/accrued. Revenue was also favourable due to additional electives incentive funding being recognised on the assumptions that targets have been met.

Operational Performance

Month				Full year			Annual
Actual	Budget	Variance		Actual	Budget	Variance	Budget
\$' 000	\$' 000	\$' 000		\$' 000	\$' 000	\$' 000	\$' 000
(187)	(70)	(117)	Governance	(1,199)	(939)	(260)	(939)
(1,894)	(340)	(1,554)	Funder	(7,157)	(5,372)	(1,785)	(5,372)
6,012	4,629	1,383	Provider	(4,186)	(4,671)	485	(4,671)
3,931	4,219	(288)	Net Surplus / (Deficit)	(12,542)	(10,982)	(1,560)	(10,982)

- The full year Funder result is unfavourable by \$1.6m with the pharmac rebate washup of \$1.6m impacting in June. Lab costs and home support costs are also over budget. Mental Health is favourable due to the wash-up with the provider. Revenue is unfavourable, with subcontract income reduced by the Pharmacy co-payment funding reduction, and IDF inflows (\$0.4m).

- IDF wash-ups are still to be finalised with the next provisional data due late July and final results due late August. There is some risk to this interim year end result from IDFs.
- The Provider full year result is a deficit of \$4.2m, which is favourable to budget by \$0.5m.

Key full year variances

The following areas have a significant bottom line impact:

\$2.4m of Management Admin Salaries due to budget contingencies not utilised
\$1.4m impact of employee actuarial valuation of employee entitlements - budgeted \$0.2m impact in June against an actual decrease of \$1.2m
\$1.5m of Mental Health expenditure not incurred due to unfilled FTE positions (only minor movement from March)
\$0.9m of lower clinical and IT depreciation charges
\$0.5m of impact from research account revenues and expenditures
\$0.1m of lower primary care expenditure (SIA/HP funds)
(\$0.2m) of unfavourable Inter District Out-Flow patient expenditure provisioning
(\$0.3m) of unfavourable palliative care expenditure
(\$0.4m) of unfavourable Inter District In-Flow patient expenditure provisioning
(\$0.5m) of unfavourable patient travel and accommodation expenses
(\$0.6m) of unfavourable IS Microsoft licensing costs
(\$0.8m) of unfavourable laboratory testing costs
(\$1.0m) of unfavourable implants & prosthesis expenditure
(\$1.1m) of nursing salary cost variation
(\$1.3m) of unfavourable community pharmaceuticals expenditure (rebate)
(\$1.3m) of unfavourable home support cost from increased clients with personal care needs
(\$1.6m) of Outsourced Clinical Services costs

Capital Expenditure

Of the \$37m baseline capital budget, at the end of June \$24.3 has been committed leaving availability of a further \$12.7m. The uncommitted items are being reviewed alongside the 2013-14 plans to apply the same prioritisation criteria to the unused 2012-13 items and the 2013-14 list.

A full list of the capital programme is contained in the HAC meeting finance report.

Balance Sheet and Cashflow

Cash is \$27.2m at the end of June compared to a budget of \$24.0m. \$11.0m was received in June for the equity injection for deficit support.

Detail Section

This section is presented from an overall DHB (consolidated) results perspective.

Revenue

For the full year revenue is \$0.9m favourable, however there are a number of underlying overs and unders shown as follows:

Item	\$'m	Expense Line Offset (Y/N/Partial)
Electives incentive revenue accrued	0.6	Y Provider-arm and Funder
Other income including research funding	0.8	Y, Provider-arm, various
Public Health screening service funding	0.4	P, Provider-arm, various
Health Workforce NZ	0.3	Y, Provider-arm
ACC revenue	0.3	P, Provider-arm, various
PHO Performance funding	(0.9)	Y, Personal Health PHO Other
Non-Resident and private patient revenue	(0.2)	P, Provider-arm, various
IDF Revenue	(0.4)	P, Funder arm Pharms costs
Total Revenue Variation	(0.9)	

Personnel Expenses

June salary costs were impacted favourable movements in the actuarial valuation of employee entitlements and year-end budget contingency provisions for which no costs have been incurred/accrued.

Medical

The full year unfavourable result of \$1.6m is due to favourable variances in base FTE (\$1.5m), favourable outsourced medical costs (\$2.1m), higher allowance payments (\$1.6m), additional overtime payments (\$1.8m) and annual leave variations (\$1.2m)

Nursing

Nursing salary costs were \$0.9m less than forecast and \$0.6m less than budget. Favourable actuarial adjustments of \$0.7m were the major factor in June.

June FTE has stayed at a level consistent with May, which, other than the increase in April, has stayed at approximately 1,600 since March 2013. FTE since March has been consistently 20 FTE higher than budget.

Full year salary costs excluding research accounts are \$0.7m over budget comprising:

- (\$0.8m) of overtime payment variance (5 FTE)
- (\$0.5m) of base FTE variance (7 FTE)
- (\$0.2m) of allowance payment variation
- (\$0.9m) of unfavourable annual leave variation, of which \$1.2m is due to unfavourable leave accrual values offset by \$0.3m of annual leave taken at levels higher than budget
- \$1.0m of below budget indirect salary costs (mainly course conference / training and actuarial valuation adjustments)
- \$0.5m of favourable rate variation (salary scale / staff mix)

Allied

Allied personnel costs are \$0.3m favourable to budget for the month. This was due to the actuarial valuation having a favourable impact of \$0.1m, along with FTE being 15 less than budget.

The full year favourable variance is \$1.0m and is due to:

- \$0.9m of below budget base FTE (13 full year mainly in mental health)
- \$0.8m of lower costs due to staffing mix
- \$0.3m of below budget indirect salary costs (mainly professional fees, course conference)
- (\$0.1m) of long service leave payments
- (\$0.2m) of allowance payment variation
- (\$0.6m) of additional overtime payments (4 FTE full year)

Support

Support continues to be close to budget for the month and year. The favourable result of \$40k for the month arose from the actuarial valuation adjustment.

Management/Admin

Management/Admin personnel were \$2.1m under budget for the month which has resulted in a favourable variance for the year of \$2.3m mainly from favourable movements in the actuarial valuation of employee entitlements and year-end budget contingency provisions for which no costs have been incurred/accrued.

Leave Liability

For the year to June, there is a \$2.5m unfavourable variance relating to leave across the salary codes. \$2.0m of this relates to leave accruals with \$0.9m of the variance in nursing and \$1.2m in Medical.

\$	Closing Jun 12	Closing Sept 12	Closing Dec 12	Closing Mar 13	Closing Apr 13	Closing May 13	Closing Jun 13	Movement May 13 - Jun 13	Movement Jun 12 - Jun 13
1. Medical SMO	6,146,587	6,564,858	6,986,420	6,629,680	6,701,513	6,777,603	6,988,163	(210,560)	(841,577)
1. Medical MOSS	434,338	237,250	209,566	204,954	234,144	274,019	272,681	1,339	161,658
1. Medical RMO	1,421,132	1,579,329	1,117,051	1,261,967	1,323,601	1,390,323	1,416,273	(25,950)	4,859
1. Medical House Officers	242,021	278,625	214,992	269,851	282,946	294,018	276,706	17,312	(34,686)
2. Nursing	9,408,222	9,650,176	9,624,154	9,430,363	9,552,405	9,691,756	9,927,849	(236,093)	(519,627)
3. Allied	3,197,066	3,370,795	3,544,355	3,108,110	2,986,399	3,176,447	3,277,150	(100,703)	(80,085)
4. Support	806,041	840,473	868,850	821,765	826,159	843,885	873,990	(30,104)	(67,948)
5. Management Admin	3,192,776	3,406,316	3,634,485	3,281,613	3,305,904	3,377,614	3,474,984	(97,370)	(282,209)
Totals	24,848,183	25,927,822	26,199,873	25,008,303	25,213,072	25,825,667	26,507,796	(682,129)	(1,659,613)
—									
Hours	Closing Jun 12	Closing Sept 12	Closing Dec 12	Closing Mar 13	Closing Apr 13	Closing May 13	Closing Jun 13	Movement May 13 - Jun 13	Movement Jun 12 - Jun 13
1. Medical SMO	46,727	50,391	53,338	50,350	50,817	51,172	52,421	(1,249)	(5,695)
1. Medical MOSS	4,140	2,380	1,996	2,088	2,366	2,558	2,786	(228)	1,353
1. Medical RMO	23,125	24,362	18,163	20,314	21,148	22,071	22,234	(163)	891
1. Medical House Officers	5,435	5,954	4,543	5,748	6,280	6,383	5,999	384	(564)
2. Nursing	271,949	277,525	273,852	266,986	269,769	274,050	279,238	(5,188)	(7,289)
3. Allied	96,882	101,484	105,629	91,425	89,070	93,399	96,065	(2,666)	817
4. Support	34,964	36,045	36,958	35,525	35,820	36,421	37,546	(1,124)	(2,582)
5. Management Admin	110,766	115,434	122,957	110,484	111,524	113,159	116,447	(3,288)	(5,681)
Totals	593,988	613,576	617,435	582,920	586,794	599,213	612,737	(13,523)	(18,749)
Movement Hours		5,441	(4,488)	15,363	3,874	12,419	13,523		

Outsourced Services Expenses

Outsourced costs excluding research expenditure are \$0.2m under budget at year-end, \$2.1m of this due to favourable outsourced medical costs that are offset in personnel costs, as is the unfavourable variance in allied outsourcing (\$0.3m).

The overspend in Outsourced Clinical Services is \$1.2m, and is due to;

- Outsourced Mammography driven by audit requirements
- Outsourced Radiology in lieu of FTE
- Outsourced Vitreoretinal procedures earlier in the year
- Outsourced TAVI procedures (3) over the last couple of months

May and June has seen outsourcing increase to acquire additional capacity to meet ESPI long wait targets. These outsourcing costs have been fully offset by additional revenue from;

- Funder
- The Ministry of Health (on the assumption that ESPI long wait targets have been met).

Clinical Supplies Expenses

Clinical supplies are \$0.2m unfavourable for the month and \$0.6m favourable at year-end. (Excluding research expenditure) with the costs due to additional demand across a number of areas.

Infrastructure & Non-Clinical Supplies Expenditure

Infrastructure & Non-Clinical Supplies costs are \$1.7m over budget for the month and close to budget at year-end.

The majority of the monthly variance was driven by IT depreciation (\$0.8m over budget), books/journals (\$0.3m over budget but not over spent) and Doubtful Debts (\$0.15m over budget). IT depreciation is a timing difference with part of the gain due to the change in useful life being recognised in earlier periods. Books and Journals unfavourable monthly variance was due to the budgeted turnaround saving relating to capitalisation of library books not eventuating due to accounting treatment issues. Doubtful Debts were reassessed at year-end in line with usual practice, and saw an increase in the provision of \$0.15m, mostly related to non-resident debt.

Other significant variances were Telecommunication costs \$0.4m over budget. As reported in prior months this is driven by higher data charges and repairs and maintenance / minor purchases continuing to be spent in excess of budget. IT costs were also \$0.45m over budget at year-end (excluding depreciation) due mainly to unbudgeted Microsoft licencing costs.

Personal Health Payments (Not including Provider-arm)

A number of variances from prior months continue to impact June. In addition, there is an unfavourable wash-up in Pharmaceuticals relating to the Pharmac rebate wash-up from 2011/12 of \$1.6m. Pharmaceuticals end the year with a \$1.3m unfavourable variance.

Other variances include;

- Laboratory costs (\$0.7m)
- patient travel (\$0.5m)
- Palliative care costs (\$0.3m)
- IDF outflows (\$0.3m)

Laboratory costs are impacted by a number of send away tests that are not part of the standard schedule of tests; there has been significant growth in recent times for genetic testing as one example. Blood product costs also exceed budget which is a pricing issue.

The travel and accommodation budget also has nationally consistent criteria applied for its use and is experiencing a high level of referrals based on patient need.

Palliative care costs have a large variance with the number of short term exceptional circumstances funding being applied to manage these patients in various rest homes

Updated IDF data is due late July and final numbers in late August. These will be adjusted for in the final 2012-13 result and pose some risk to the currently reported result.

Mental Health

The favourable variance of \$0.3m is due to demand driven residential support and home based support services, along with child and youth services.

Disability Support

Overall disability support expenditure is \$0.5m over budget. This is due to home support, where personal care hours have increased significantly (\$1.3m), partly offset in residential care with rest home hours trending down resulting in favourable variances (\$0.8m).

Non Resident Pricing

With the start of the new financial year on 1 July 2013 non-resident pricing has been reviewed. An increase of 3.7% has been applied, which was the Health CPI movement from March 2012 to March 2013.

Financial Statements

The following financial statements are attached:

- DHB Consolidated Results P&L
- Balance Sheet
- Cashflow statement

Southern District Health Board
Jun-13

Part 4: DHB Consolidated	Current Month				Year to Date				Annual
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance	Budget
	\$(000)	\$(000)	\$(000)	%	\$(000)	\$(000)	\$(000)	%	\$(000)
Part 4.1: Statement of Financial Performance									
REVENUE									
Ministry of Health									
MoH - Vote Health Non Mental Health	55,277	55,374	(97) U		664,265	664,490	(225) U		664,490
MoH - Vote Health Mental Health	6,992	6,992			83,905	83,905			83,905
PBF Adjustments	-	-			-	-			-
MoH Funding Subcontracts	4,031	3,141	890 F	28%	37,235	37,690	(455) U	(1%)	37,690
MoH - Personal Health	42	-	42 F		184	-	184 F		-
MoH - Mental Health	-	-			-	-			-
MoH - Public Health	10	11		(3%)	126	130	(4) U	(3%)	130
MoH - Disability Support Services	745	739	6 F	1%	8,976	8,864	111 F	1%	8,864
MoH - Maori Health	-	-			-	-			-
Clinical Training Agency	604	543	62 F	11%	6,823	6,510	313 F	5%	6,510
Internal - DHB Funder to DHB Provider	-	-			-	-			-
Ministry of Health Total	67,701	66,799	902 F	1%	801,514	801,589	(76) U		801,589
Other Government									
IDF's - Mental Health Services	145	145			1,746	1,746			1,746
IDF's - All others (non Mental health)	1,379	1,511	(132) U	(9%)	17,716	18,129	(412) U	(2%)	18,129
Other DHB's	34	25	9 F	35%	311	299	12 F	4%	299
Training Fees and Subsidies	14	20	(6) U	(32%)	210	242	(32) U	(13%)	242
Accident Insurance	784	826	(43) U	(5%)	8,932	8,754	179 F	2%	8,754
Other Government	784	417	367 F	88%	5,875	5,004	870 F	17%	5,004
Other Government Total	3,139	2,944	195 F	7%	34,790	34,174	617 F	2%	34,174
Government and Crown Agency Total	70,841	69,744	1,097 F	2%	836,304	835,763	541 F		835,763
Other Revenue									
Patient / Consumer Sourced	167	252	(85) U	(34%)	3,129	3,414	(286) U	(8%)	3,414
Other Income	927	852	75 F	9%	10,632	10,030	602 F	6%	10,030
Other Revenue Total	1,094	1,104	(10) U	(1%)	13,760	13,444	316 F	2%	13,444
REVENUE TOTAL	71,934	70,848	1,087 F	2%	850,064	849,207	857 F		849,207
EXPENSES									
Personnel Expenses									
Medical Personnel	(8,459)	(7,917)	(542) U	(7%)	(103,420)	(99,761)	(3,659) U	(4%)	(99,761)
Nursing Personnel	(9,704)	(10,252)	548 F	5%	(121,218)	(120,114)	(1,104) U	(1%)	(120,114)
Allied Health Personnel	(3,610)	(3,878)	268 F	7%	(47,592)	(48,635)	1,043 F	2%	(48,635)
Support Services Personnel	(733)	(773)	40 F	5%	(9,487)	(9,590)	103 F	1%	(9,590)
Management / Admin Personnel	(3,071)	(5,168)	2,097 F	41%	(42,147)	(44,636)	2,490 F	6%	(44,636)
Personnel Costs Total	(25,577)	(27,988)	2,411 F	9%	(323,864)	(322,736)	(1,128) U		(322,736)
Outsourced Expenses									
Medical Personnel	(828)	(769)	(59) U	(8%)	(7,126)	(9,207)	2,081 F	23%	(9,207)
Nursing Personnel	(4)	(3)	(1) U	(21%)	(46)	(40)	(6) U	(15%)	(40)
Allied Health Personnel	(39)	(24)	(14) U	(59%)	(564)	(290)	(274) U	(94%)	(290)
Support Personnel	(44)	(23)	(21) U	(89%)	(569)	(273)	(296) U	(108%)	(273)
Management / Administration Personnel	(4)	(1)	(2) U	(172%)	(56)	(16)	(40) U	(250%)	(16)
Outsourced Clinical Services	(800)	(380)	(419) U	(110%)	(7,541)	(5,892)	(1,649) U	(28%)	(5,892)
Outsourced Corporate / Governance Services	(148)	(132)	(16) U	(12%)	(1,555)	(1,514)	(41) U	(3%)	(1,514)
Outsourced Funder Services	(450)	(92)	(357) U	(386%)	(1,740)	(1,116)	(623) U	(56%)	(1,116)
Outsourced Services Total	(2,315)	(1,425)	(890) U	(62%)	(19,197)	(18,349)	(849) U	(5%)	(18,349)
Clinical Supplies									
Treatment Disposables	(2,232)	(2,531)	299 F	12%	(29,695)	(29,763)	69 F		(29,763)
Diagnostic Supplies & Other Clinical Supplies	(149)	(144)	(6) U	(4%)	(1,809)	(1,867)	58 F	3%	(1,867)
Instruments & Equipment	2,350	2,451	(101) U	4%	(11,993)	(12,420)	427 F	3%	(12,420)
Patient Appliances	(134)	(176)	42 F	24%	(2,071)	(2,021)	(50) U	(2%)	(2,021)
Implants & Prosthesis	(1,192)	(847)	(345) U	(41%)	(11,076)	(10,033)	(1,043) U	(10%)	(10,033)
Pharmaceuticals	(1,048)	(1,421)	373 F	26%	(17,428)	(18,531)	1,103 F	6%	(18,531)
Other Clinical Supplies	(338)	(248)	(91) U	(37%)	(3,222)	(3,216)	(6) U		(3,216)
Clinical Supplies Total	(2,744)	(2,916)	171 F	6%	(77,295)	(77,852)	557 F	1%	(77,852)
Infrastructure & Non Clinical Expenses									
Hotel Services, Laundry & Cleaning	(1,140)	(1,081)	(58) U	(5%)	(12,856)	(12,959)	103 F	1%	(12,959)
Facilities	(1,956)	(1,871)	(85) U	(5%)	(21,191)	(22,190)	1,000 F	5%	(22,190)
Transport	(394)	(327)	(68) U	(21%)	(4,263)	(4,027)	(237) U	(6%)	(4,027)
IT Systems & Telecommunications	416	1,308	(891) U	68%	(9,341)	(8,659)	(682) U	(8%)	(8,659)
Interest & Financing Charges	(1,109)	(1,283)	154 F	12%	(15,336)	(15,491)	155 F	1%	(15,491)
Professional Fees & Expenses	(199)	(158)	(40) U	(25%)	(2,154)	(1,984)	(170) U	(9%)	(1,984)
Other Operating Expenses	(519)	(17)	(503) U		(4,546)	(4,312)	(234) U	(5%)	(4,312)
Democracy	(42)	(42)		(1%)	(481)	(502)	21 F	4%	(502)
Subsidiaries & Joint Ventures	-	-			-	-			-
Infrastructure & Non-Clinical Supplies Total	(4,942)	(3,451)	(1,491) U	(43%)	(70,167)	(70,125)	(43) U		(70,125)

Southern District Health Board

Jun-13

Part 4: DHB Consolidated	Current Month				Year to Date				Annual
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance	Budget
	\$(000)	\$(000)	\$(000)	%	\$(000)	\$(000)	\$(000)	%	\$(000)
Payments to Providers									
Personal Health									
Child and Youth	(52)	(69)	17 F	25%	(428)	(831)	403 F	49%	(831)
Laboratory	(2,651)	(2,563)	(88) U	(3%)	(31,564)	(30,783)	(782) U	(3%)	(30,783)
Infertility Treatment Services	-	(10)	10 F		-	(118)	118 F		(118)
Maternity	(220)	(221)	1 F	1%	(2,661)	(2,642)	(19) U	(1%)	(2,642)
Maternity (Tertiary & Secondary)	(1)	(14)	13 F	95%	(41)	(163)	122 F	75%	(163)
Pregnancy and Parenting Education	(4)	(10)	6 F	60%	(87)	(115)	29 F	25%	(115)
Maternity Payment Schedule	-	-	-		-	-	-		-
Neo Natal	-	-	-		-	-	-		-
Sexual Health	-	-	-		-	-	-		-
Adolescent Dental Benefit	(188)	(186)	(2) U	(1%)	(2,134)	(2,231)	97 F	4%	(2,231)
Other Dental Services	-	-	-		-	-	-		-
Dental - Low Income Adult	(49)	(68)	19 F	27%	(778)	(815)	37 F	4%	(815)
Child (School) Dental Services	(45)	(49)	4 F	9%	(527)	(591)	64 F	11%	(591)
Secondary / Tertiary Dental	(139)	(139)	-		(1,663)	(1,663)	-		(1,663)
Pharmaceuticals	(7,848)	(6,036)	(1,812) U	(30%)	(75,099)	(72,806)	(2,294) U	(3%)	(72,806)
Pharmaceutical Cancer Treatment Drugs	-	-	-		-	-	-		-
Pharmacy Services	(105)	(31)	(74) U	(235%)	(513)	(377)	(136) U	(36%)	(377)
Management Referred Services	-	-	-		-	-	-		-
General Medical Subsidy	128	(120)	248 F	207%	(803)	(1,434)	631 F	44%	(1,434)
Primary Practice Services - Capitated	(3,384)	(3,365)	(19) U	(1%)	(40,434)	(40,382)	(52) U		(40,382)
Primary Health Care Strategy - Care	(247)	(255)	9 F	3%	(2,925)	(3,065)	140 F	5%	(3,065)
Primary Health Care Strategy - Health	(327)	(277)	(50) U	(18%)	(3,193)	(3,319)	126 F	4%	(3,319)
Primary Health Care Strategy - Other	(215)	(287)	72 F	25%	(2,589)	(3,442)	853 F	25%	(3,442)
Practice Nurse Subsidy	(14)	(16)	2 F	11%	(171)	(194)	23 F	12%	(194)
Rural Support for Primary Health Pro	(1,282)	(1,284)	2 F		(15,383)	(15,408)	25 F		(15,408)
Immunisation	(45)	(105)	59 F	57%	(1,857)	(1,995)	138 F	7%	(1,995)
Radiology	(151)	(176)	25 F	14%	(1,807)	(2,107)	300 F	14%	(2,107)
Palliative Care	(485)	(478)	(6) U	(1%)	(5,998)	(5,742)	(256) U	(4%)	(5,742)
Meals on Wheels	(19)	(19)	-		(228)	(232)	4 F	2%	(232)
Domiciliary & District Nursing	(478)	(417)	(61) U	(15%)	(5,222)	(5,005)	(217) U	(4%)	(5,005)
Community based Allied Health	(163)	(165)	2 F	1%	(1,984)	(1,979)	(5) U		(1,979)
Chronic Disease Management and Educa	(78)	(83)	5 F	6%	(975)	(990)	16 F	2%	(990)
Medical Inpatients	-	-	-		-	-	-		-
Medical Outpatients	(368)	(368)	-		(4,415)	(4,410)	(5) U		(4,410)
Surgical Inpatients	(11)	(36)	25 F	69%	(129)	(431)	302 F	70%	(431)
Surgical Outpatients	(138)	(152)	14 F	9%	(1,662)	(1,824)	162 F	9%	(1,824)
Paediatric Inpatients	-	-	-		-	-	-		-
Paediatric Outpatients	-	-	-		-	-	-		-
Pacific Peoples' Health	(4)	(4)	-		(49)	(45)	(4) U	(8%)	(45)
Emergency Services	(150)	(163)	13 F	8%	(1,862)	(1,959)	96 F	5%	(1,959)
Minor Personal Health Expenditure	(57)	(82)	24 F	30%	(632)	(978)	347 F	35%	(978)
Price adjusters and Premium	(74)	(83)	8 F	(10%)	(1,214)	(995)	(219) U	22%	(995)
Travel & Accommodation	(446)	(375)	(71) U	(19%)	(4,841)	(4,339)	(502) U	(12%)	(4,339)
Inter District Flow Personal Health	(2,165)	(2,155)	(10) U		(26,101)	(25,859)	(243) U	(1%)	(25,859)
Personal Health Total	(21,475)	(19,859)	(1,616) U	(8%)	(239,969)	(239,268)	(702) U		(239,268)
Mental Health									
Mental Health to allocate	-	-	-		-	-	-		-
Acute Mental Health Inpatients	-	-	-		-	-	-		-
Sub-Acute & Long Term Mental Health	-	-	-		-	-	-		-
Crisis Respite	(5)	(2)	(3) U	(125%)	(55)	(25)	(31) U	(124%)	(25)
Alcohol & Other Drugs - General	(87)	(83)	(3) U	(4%)	(990)	(999)	10 F	1%	(999)
Alcohol & Other Drugs - Child & Youth	(40)	(39)	(1) U	(1%)	(472)	(471)	(1) U		(471)
Methadone	-	-	-		-	-	-		-
Dual Diagnosis - Alcohol & Other Drugs	-	(7)	7 F		(13)	(84)	71 F	85%	(84)
Dual Diagnosis - MH/ID	-	-	-		-	-	-		-
Eating Disorder	(14)	(14)	-		(167)	(168)	1 F		(168)
Maternal Mental Health	(4)	(4)	-		(51)	(44)	(7) U	(17%)	(44)
Child & Youth Mental Health Services	(280)	(317)	37 F	12%	(3,508)	(3,799)	291 F	8%	(3,799)
Forensic Services	-	-	-		-	-	-		-
Kaupapa Maori Mental Health Services	(6)	(6)	-	2%	(74)	(75)	1 F	2%	(75)
Kaupapa Maori Mental Health - Residential	-	-	-		-	-	-		-
Kaupapa Maori Mental Health - Inpati	-	-	-		-	-	-		-
Mental Health Community Services	(110)	(106)	(4) U	(4%)	(1,333)	(1,267)	(66) U	(5%)	(1,267)
Prison/Court Liaison	-	-	-		-	-	-		-
Mental Health Workforce Development	-	(1)	1 F		-	(7)	7 F		(7)
Day Activity & Work Rehabilitation S	(133)	(123)	(10) U	(8%)	(1,608)	(1,552)	(56) U	(4%)	(1,552)
Mental Health Funded Services for Older People	-	-	-		-	-	-		-
Advocacy / Peer Support - Consumer	(26)	(23)	(2) U	(10%)	(297)	(281)	(16) U	(6%)	(281)
Other Home Based Residential Support	(282)	(317)	35 F	11%	(3,744)	(3,803)	59 F	2%	(3,803)
Advocacy / Peer Support - Families	(53)	(50)	(3) U	(7%)	(676)	(600)	(76) U	(13%)	(600)
Community Residential Beds & Service	(509)	(424)	(85) U	(20%)	(4,923)	(4,983)	60 F	1%	(4,983)
Minor Mental Health Expenditure	(24)	(34)	10 F	29%	(362)	(409)	46 F	11%	(409)
Inter District Flow Mental Health	(431)	(431)	-		(5,174)	(5,174)	-		(5,174)
Mental Health Total	(2,003)	(1,980)	(23) U	(1%)	(23,447)	(23,741)	294 F	1%	(23,741)
Public Health									
Alcohol & Drug	-	-	-		-	-	-		-
Communicable Diseases	-	-	-		-	-	-		-
Injury Prevention	-	-	-		-	-	-		-
Mental Health	-	-	-		-	-	-		-
Screening Programmes	-	-	-		-	-	-		-
Nutrition and Physical Activity	(23)	(23)	-		(255)	(272)	17 F	6%	(272)
Physical Environment	-	-	-		-	-	-		-
Public Health Infrastructure	-	-	-		-	-	-		-
Sexual Health	(1)	(1)	-	(1%)	(9)	(9)	-	(1%)	(9)
Social Environments	-	-	-		-	-	-		-
Tobacco Control	(24)	(12)	(12) U	(94%)	(191)	(150)	(41) U	(28%)	(150)
Well Child Promotion	-	-	-		-	-	-		-
Meningococcal	-	-	-		-	-	-		-
Public Health Total	(48)	(36)	(12) U	(33%)	(456)	(431)	(25) U	(6%)	(431)

Southern District Health Board
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Part 4: DHB Consolidated	Current Month				Year to Date				Annual
	Actual	Budget	Variance	Variance	Actual	Budget	Variance	Variance	Budget
	\$(000)	\$(000)	\$(000)	%	\$(000)	\$(000)	\$(000)	%	\$(000)
Disability Support Services									
AT & R (Assessment, Treatment and Re	(294)	(294)			(3,534)	(3,532)	(1) U		(3,532)
Information and Advisory	(1)	(1)			(6)	(6)		1%	(6)
Needs Assessment	(25)	(21)	(3) U	(16%)	(282)	(257)	(24) U	(9%)	(257)
Service Co-ordination	-	-			10	-	10 F		-
Home Support	(1,211)	(1,076)	(135) U	(13%)	(14,234)	(12,978)	(1,256) U	(10%)	(12,978)
Carer Support	(156)	(143)	(13) U	(9%)	(1,611)	(1,719)	109 F	6%	(1,719)
Residential Care: Rest Homes	(2,888)	(3,009)	120 F	4%	(35,240)	(36,213)	973 F	3%	(36,213)
Residential Care: Loans Adjustment	14	22	(8) U	(38%)	171	266	(95) U	(36%)	266
Long Term Chronic Conditions	(110)	(83)	(26) U	(31%)	(1,165)	(1,000)	(165) U	(16%)	(1,000)
Residential Care: Hospitals	(3,479)	(3,494)	15 F		(42,012)	(41,840)	(172) U		(41,840)
Ageing in Place	-	-			-	-			-
Environmental Support Services	(100)	(100)			(1,196)	(1,199)	2 F		(1,199)
Day Programmes	(14)	(24)	11 F	44%	(301)	(312)	11 F	3%	(312)
Expenditure to Attend Treatment ETAT	-	-			-	-			-
Minor Disability Support Expenditure	-	(8)	8 F		(6)	(100)	94 F	94%	(100)
Respite Care	(95)	(84)	(11) U	(14%)	(1,289)	(1,003)	(286) U	(29%)	(1,003)
Community Health Services & Support	(62)	(206)	145 F	70%	(2,139)	(2,374)	235 F	10%	(2,374)
Inter District Flow Disability Support	(343)	(321)	(22) U	(7%)	(3,834)	(3,851)	17 F		(3,851)
Disability Support Other	-	-			-	-			-
Disability Support Services Total	(8,764)	(8,843)	79 F	1%	(106,667)	(106,119)	(549) U	(1%)	(106,119)
Maori Health									
Maori Service Development	(22)	(22)		(1%)	(265)	(265)			(265)
Maori Provider Assistance Infrastruc	-	-			-	-			-
Maori Workforce Development	-	-			-	-			-
Minor Maori Health Expenditure	-	-			-	-			-
Whanau Ora Services	(113)	(109)	(4) U	(4%)	(1,278)	(1,305)	27 F	2%	(1,305)
Maori Health Total	(135)	(131)	(4) U	(3%)	(1,543)	(1,570)	26 F	2%	(1,570)
Internal Allocations	-	-			-	-			-
Total Expenses	(68,004)	(66,629)	(1,375) U	(2%)	(862,606)	(860,189)	(2,417) U		(860,189)
Net Surplus/ (Deficit)	3,931	4,219	(288) U	(7%)	(12,542)	(10,982)	(1,560) U	(14%)	(10,982)
<i>Zero Check</i>	-	-			-	-			-
Part 4.1 A: Supplementary Information to Statement of Financial Performance									
Depreciation - Clinical Equipment	2,935	3,056	(121) U	4%	(4,014)	(4,847)	833 F	17%	(4,847)
Depreciation - Non Residential Buildings & Plant	(673)	(654)	(19) U	(3%)	(7,699)	(7,736)	37 F		(7,736)
Depreciation - Motor Vehicles	(18)	(6)	(11) U	(175%)	(144)	(75)	(69) U	(91%)	(75)
Depreciation - Information Technology	1,059	1,876	(816) U	44%	(1,743)	(1,843)	100 F	5%	(1,843)
Depreciation - Other Equipment	11	(45)	55 F	124%	(537)	(537)			(537)
Total Depreciation	3,314	4,227	(913) U	22%	(14,137)	(15,038)	901 F	6%	(15,038)
Interest Cost from Funder Loans	-	-			-	-			-
Interest Costs from CHFA	(370)	(395)	25 F	6%	(4,967)	(5,036)	69 F	1%	(5,036)
Financing Component of Operating Leases	(30)	(20)	(11) U	(55%)	(284)	(260)	(23) U	(9%)	(260)
Capital Charge	(789)	(820)	32 F	4%	(9,602)	(9,858)	256 F	3%	(9,858)

Southern District Health Board

Jun-13

Part 4: DHB Consolidated	Current Month Actual	Previous Month Actual	Movement	Current Budget	Current Year Opening Balance Sheet	Annual Budget
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Part 4.2: Balance Sheet						
Current Assets						
Petty Cash	15	15	-	13	13	13
Bank	(401)	533	(935)	-	9,706	-
Short Term Investments - HBL	27,629	18,922	8,707	24,043	-	24,043
Short Term Investments	-	-	-	-	30,053	-
Prepayments	1,624	1,889	(264)	1,493	1,493	1,493
Accounts Receivable	7,519	6,433	1,085	8,591	6,196	8,591
Provision for Doubtful Debts	(1,839)	(1,699)	(140)	(1,695)	(1,695)	(1,695)
Accrued Debtors	16,062	18,396	(2,334)	15,540	15,540	15,540
Inventory / Stock	4,510	4,363	147	4,265	4,265	4,265
Current Assets Total	55,119	48,852	6,267	52,251	65,571	52,251
Non Current Assets						
Land, Buildings & Plant	259,932	258,370	1,561	259,181	240,152	259,181
Clinical Equipment (incl Finance Leases)	111,928	106,610	5,318	126,173	105,105	126,173
Other Equipment (incl Finance Leases)	15,515	15,475	41	13,401	12,904	13,401
Information Technology	36,469	35,919	550	38,897	32,108	38,897
Motor Vehicles	1,484	1,478	6	707	692	707
Provision Depreciation - Buildings & Plant	(24,600)	(23,927)	(673)	(24,636)	(16,900)	(24,636)
Provision Depreciation - Clinical Equipment	(74,757)	(77,797)	3,040	(81,818)	(76,971)	(81,818)
Provision Depreciation - Other Equipment	(11,787)	(11,798)	11	(11,891)	(11,354)	(11,891)
Provision Depreciation - Information Technology	(25,816)	(26,874)	1,059	(26,258)	(24,415)	(26,258)
Provision Depreciation - Motor Vehicles	(391)	(373)	(18)	(344)	(269)	(344)
WIP	4,282	9,533	(5,251)	17,500	20,869	17,500
Investment in Associates	235	278	(42)	328	278	328
Long Term Investments	1,841	1,634	207	1,842	-	1,842
Non Current Assets Total	294,336	288,528	5,809	313,082	282,198	313,082
Current Liabilities						
Accounts Payable Control	(3,872)	(4,357)	486	(4,905)	(5,053)	(4,905)
Accrued Creditors	(26,674)	(26,497)	(177)	(28,299)	(32,124)	(28,299)
Income Received in Advance	(892)	(1,884)	992	(1,614)	(1,614)	(1,614)
Capital Charge Payable	(4,731)	(3,943)	(789)	(4,990)	-	(4,990)
GST & Tax Provisions	(4,187)	(4,220)	33	(7,938)	(6,842)	(7,938)
Term Loans - Finance Leases (current portion)	(943)	(979)	36	(1,408)	(1,408)	(1,408)
Term Loans - Crown (current portion)	(10,806)	(10,805)	(1)	(27,445)	(28,045)	(27,445)
Payroll Accrual & Clearing Accounts	(12,494)	(13,746)	1,251	(17,583)	(11,671)	(17,583)
Employee Entitlement Provisions	(46,859)	(46,075)	(785)	(44,034)	(44,036)	(44,034)
Current Liabilities Total	(111,459)	(112,506)	1,048	(138,216)	(130,793)	(138,216)
WORKING CAPITAL	(56,340)	(63,654)	7,314	(85,966)	(65,222)	(85,966)
NET FUNDS EMPLOYED	237,997	224,874	13,123	227,116	216,976	227,116
Non Current Liabilities						
Long Service Leave - Non Current Portion	(3,177)	(3,376)	199	(3,376)	(3,376)	(3,376)
Retirement Gratuities - Non Current Portion	(10,782)	(11,540)	758	(11,487)	(11,487)	(11,487)
Other Employee Entitlement Provisions	(1,242)	(1,232)	(10)	(1,232)	(1,232)	(1,232)
Term Loans - Finance Leases (non current portion)	(2,945)	(2,956)	11	(324)	(1,669)	(324)
Term Loans - Crown (non current portion)	(91,014)	(91,110)	96	(74,732)	(74,732)	(74,732)
Custodial Funds	-	-	-	-	-	-
Non Current Liabilities Total	(109,160)	(110,214)	1,054	(91,151)	(92,496)	(91,151)
Crown Equity						
Crown Equity	(154,552)	(154,552)	-	(154,552)	(154,552)	(154,552)
Crown Equity Injection	(17,651)	(6,651)	(11,000)	(23,174)	-	(23,174)
Crown Equity Repayments	707	-	707	707	-	707
Trust and Special Funds (no restricted use)	(5,085)	(5,075)	(9)	-	(4,850)	-
Revaluation Reserve	(85,316)	(85,362)	45	(85,362)	(85,362)	(85,362)
Retained Earnings - DHB Governance & Funding	2,961	2,774	187	2,702	1,762	2,702
Retained Earnings - DHB Provider	94,114	100,115	(6,002)	89,514	89,693	89,514
Retained Earnings - Funds	35,984	34,090	1,894	34,200	28,828	34,200
Crown Equity Total	(128,837)	(114,660)	(14,177)	(135,965)	(124,481)	(135,965)
NET FUNDS EMPLOYED	(237,997)	(224,874)	(13,123)	(227,116)	(216,976)	(227,116)
Zero Check	-	-	-	-	-	-
Part 4.3: Statement of Movement in Equity						
Total equity at beginning of the period	(114,660)	(118,067)		(124,480)	(124,481)	(124,480)
Net Results for Period	(3,931)	3,687		10,982	-	10,982
Revaluation of Fixed Assets	45	-		-	-	-
Equity Injections - Deficit Support	(11,000)	-		(11,900)	-	(11,900)
Equity Injections - Capital Projects	-	(262)		(11,274)	-	(11,274)
Equity Repayments	707	-		707	-	707
Other	-	-		-	-	-
Movement in Trust and Special Funds	-	(18)		-	-	-
Total Equity at end of the period	(128,837)	(114,660)		(135,965)	(124,481)	(135,965)

Board Cash Flow - Southern

Jun-13

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	71,237	69,585	1,652 F	833,881	833,648	233 F	833,648
Other Revenue Received	937	928	9 F	11,497	11,205	292 F	11,205
Total Receipts	72,174	70,513	1,661 F	845,378	844,853	525 F	844,853
Total Payments							
Payments for Personnel	(26,992)	(26,293)	(699) U	(321,180)	(316,823)	(4,357) U	(316,823)
Payments for Supplies	(12,857)	(11,376)	(1,481) U	(136,218)	(136,543)	325 F	(136,543)
Interest Paid	(829)	(774)	(55) U	(5,936)	(5,112)	(824) U	(5,112)
Capital Charge Paid	-	-	-	(4,870)	(7,128)	2,258 F	(7,128)
GST (Net) & Tax	(33)	(335)	302 F	(2,656)	2,672	(5,328) U	2,672
Payment to own DHB Provider (Eliminated)	-	-	-	-	-	-	-
Payment to own DHB Governance & Funding Admin	-	-	-	-	-	-	-
Payments to other DHBs	(2,961)	(2,907)	(54) U	(37,876)	(34,884)	(2,992) U	(34,884)
Payments to Providers	(28,573)	(28,495)	(78) U	(338,476)	(336,253)	(2,223) U	(336,253)
Total Payments	(72,245)	(70,180)	(2,065) U	(847,212)	(834,071)	(13,141) U	(834,071)
Net Cashflow from Operating	(71)	333	(404) U	(1,834)	10,782	(12,616) U	10,782
Investing Activities							
Interest Receipts 3rd Party	157	185	(28) U	2,211	2,220	(9) U	2,220
Sale of Fixed Assets	50	-	50 F	102	-	102 F	-
Capital Expenditure							
Land, Buildings & Plant	(1,028)	(1,773)	745 F	(10,132)	(19,029)	8,897 F	(19,029)
Clinical Equipment	(1,048)	(3,000)	1,952 F	(11,621)	(21,068)	9,447 F	(21,068)
Other Equipment	(42)	(41)	(1) U	(520)	(497)	(23) U	(497)
Information Technology	(252)	(2,046)	1,794 F	(2,635)	(5,869)	3,234 F	(5,869)
Motor Vehicles	(6)	(1)	(5) U	(695)	(15)	(680) U	(15)
Work in Progress (Check)	-	-	-	-	-	-	-
Total Capital Expenditure	(2,377)	(6,861)	4,484 F	(25,603)	(46,478)	20,875 F	(46,478)
Increase in Investments and Restricted & Trust Funds Assets	(164)	(214)	50 F	(1,800)	(1,842)	42 F	(1,842)
Net Cashflow from Investing	(2,334)	(6,890)	4,556 F	(25,090)	(46,100)	21,010 F	(46,100)
Financing Activities							
Equity Injections	11,000	5,174	5,826 F	17,650	22,467	(4,817) U	22,467
New Debt							
Private Sector	-	-	-	-	-	-	-
CHFA	-	-	-	-	-	-	-
Repaid Debt							
Private Sector	(115)	(175)	60 F	(1,503)	(2,265)	762 F	(2,265)
CHFA	-	-	-	(1,045)	(600)	(445) U	(600)
Other Non-Current Liability Movement							
Other Equity Movement	(707)	-	(707) U	(707)	-	(707) U	-
Net Cashflow from Financing	10,178	4,999	5,179 F	14,395	19,602	(5,207) U	19,602
Net Cashflow	7,772	(1,558)	9,330 F	(12,529)	(15,717)	3,188 F	(15,717)
Plus Cash (Opening)	19,471	25,614	(6,143) U	39,772	39,773	(1) U	39,773
Cash (Closing)	27,243	24,056	3,187 F	27,243	24,056	3,187 F	24,056
Carry Forward Check							
Closing Cash made up of:							
Petty Cash	15	13	2 F	15	13	2 F	13
Bank (Overdraft)	(401)	-	(401) U	(401)	-	(401) U	-
Short Term Investments	27,629	24,043	3,586 F	27,629	24,043	3,586 F	24,043
Total Cashflow Cash (Closing)	27,243	24,056	3,187 F	27,243	24,056	3,187 F	24,056

Southern District Health Board

Minutes of the Hospital Advisory Committee Meeting held on Wednesday, 3 July 2013, commencing at 2.00pm in the Board Room, Main Block, 2nd Floor, West Wing, Wakari Hospital Campus

Present:	Mr Paul Menzies Dr Malcolm Macpherson Dr Branko Sijnja Mr Richard Thomson Mr Tim Ward	Chairman
In Attendance:	Ms Sandra Cook Mrs Kaye Crowther Ms Carole Heatly Mrs Lexie O'Shea Mr Richard Bunton Mr David Tulloch Mr Peter Beirne Ms Sharon Kletchko Ms Sally O'Connor Mr Grant Paris Mrs Joanne Fannin	Board member Board member Chief Executive Officer Executive Director of Patient Services/Deputy CEO Medical Director of Patient Services Chief Medical Officer Executive Director of Finance Executive Director of Strategy, Integration and Funding Acting Executive Director of Nursing and Midwifery Senior Business Analyst Board Secretary Southland

1.0 WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. Apologies were noted from HAC members, Mr Neville Cook, Mr Tahu Potiki, Board Chairman, Mr Joe Butterfield and the Executive Director of Nursing and Midwifery, Mrs Leanne Samuel. A special welcome was extended to Ms Sally O'Connor, Acting Executive Director of Nursing and Midwifery and Ms Sharon Kletchko, Executive Director of Strategy, Integration and Funding.

It was resolved:

"That the apologies be accepted."

2.0 MEMBERS' DECLARATION OF INTEREST

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

3.0 CONFIRMATION OF PREVIOUS MINUTES

It was resolved:

"That the minutes of the 5 June 2013 Hospital Advisory Committee meeting be approved and adopted as a true and correct record."

4.0 MATTERS ARISING

There were no matters arising from the previous minutes.

5.0 ACTION SHEET

The HAC meeting action sheet was received and taken as read, with the following key points highlighted:

Action Point 129 – Variance in hip and knee prosthetic costs – an update will be included in the report for the meeting in August 2013.

Action Point 131 – management of medical staff salaries compared to outsourced medical costs – a request was made for the report to be provided for the meeting in August 2013.

6.0 EXECUTIVE DIRECTOR OF PATIENT SERVICES (EDPS) REPORT

The EDPS report was received and the Executive Director of Patient Services/Deputy Chief Executive Officer (EDPS/DCEO) responded to members' questions.

- Discussion was held on the process and pathway for the patient and the actions being taken to reach the Minister's target for offering better help for smokers to quit.
- It is understood the Elective Services target was achieved for the year and the Chairman and EDPS/DCEO acknowledged the efforts of staff in achieving this.
- Compliance was achieved with the five month target for Elective Service Performance Indicators (ESPIs).
- A report on the CT and MRI wait list review is to be provided for the next HAC meeting. All urgent and semi-urgent procedures are carried out in a timely way and staff are committed to getting the wait time down and maintaining it at a reasonable level. There is a focus on achieving equity of access across the district. Discussion was held on the increased demand for high imaging technology.
- Discussion was held on the Southern Way strategy and how best to measure and report at a Board level on the non-financial outcomes from that strategy to ensure that the methodologies used are sound and providing the desired outcomes. The Chairman deferred the discussion for the Board meeting to be held on 4 July 2013. The EDPS/DCEO advised on the significant progress made in the area of clinical services district wide.
- Members noted the progress made in the Key Performance Indicators (KPIs) with substantially less areas being flagged as red. Future graphs are to include a quarterly indicator.
- In response to concerns raised over the impact the number of avastins being performed is having on other specialty areas the EDPS/DCEO advised that the caseweight delivery (c wd) for the district is 3% above plan. The c wd agreed with the Ministry of Health (MoH) do not include avastins and skin lesions. The Medical Director of Patient Services confirmed that the level of complexity of the cases being undertaken, the technology now available and the public expectation has an impact on the time taken for surgical procedures. As part of the production plan, staff work to achieve the agreed targets and resourcing has an impact on this.
- Members received and noted the report on elective theatre utilisation. The Chairman acknowledged the difficulties staff are facing as highlighted during the tour of the Theatre at Dunedin Hospital on 5 June 2013.

7.0 REPORT BY THE EXECUTIVE DIRECTOR OF NURSING AND MIDWIFERY (EDNM)

The Acting EDNM advised on the Trend Care business unit efficiency graphs. The EDPS/DCEO responded to a query relating to the impact of additional Nursing FTE on efficiency, noting that there were a number of new projects that SDHB has been asked to undertake and these projects are supported by additional funding.

8.0 FINANCIAL REPORT

The report was received and the Senior Business Analyst responded to members' questions.

Advice was received on the costs incurred as 'use of money' interest by the Inland Revenue Department (IRD). The Executive Director of Finance provided an update on the response received when querying the 'use of money' charge.

The CEO referred to the monthly movement in annual leave hours and advised the need to ensure that leave is taken more evenly to maximise resources and offer elective services across a 12 month period. Whilst not all targets for leave liability were met, more leave is being taken by staff on a regular basis.

9.0 HUMAN RESOURCES (HR) DASHBOARD

The report was received and taken as read.

10.0 INFORMATION SYSTEMS (IS) DASHBOARD

The EDPS/DCEO advised on the large programme of work being done internally and as part of the South Island Alliance. It was noted that the e-referral information is included on a quarterly basis.

11.0 MASTER SITE PLANNING – DUNEDIN AND WAKARI HOSPITALS

The report was received and taken as read. The Linac commenced operationally in mid-June 2013.

It was resolved:

"That the management and financial reports be received and noted."

12.0 CONFIDENTIAL SESSION

At 3.00pm, it was resolved:

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

<i>General subject:</i>	<i>Reasons for passing this resolution:</i>	<i>Grounds for passing the resolution:</i>
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	Commercial sensitivity and to allow activities to be carried on without prejudice or disadvantage.	As above, sections 9(2)(i) and 9(2)(j).
ACC - Non Acute Rehabilitation and Community Trust Hospitals Contract	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).
Medtronic Australasia Contract	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).
Fashion Uniforms Limited Contract for Supply of Nursing Uniforms	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 3.45pm.

The meeting closed at 3.45pm.

Confirmed as a true and correct record:

Chairman: _____

Date: _____

**FUNDING ADMINISTRATION
CONTRACTS REGISTER (EXPENSES) - JULY 2013**

PROVIDER NAME	DESCRIPTION OF SERVICES	SIGNED BY	CONTRACT/VARIATION END DATE
Oxford Court Lifecare Limited Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	06.08.13
Maniototo Health Services Limited Variation to Agreement	Child & Youth - Well Child Services	Peter Hay	30.06.14
Parata Anglican Charitable Trust Board Agreement	Day Activity	Peter Hay	30.06.14
JM & DT McMillan Trust t.a Chateau Village Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	24.05.13
Presbyterian Support Otago Incorporated t.a St Andrews Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	08.08.13
Presbyterian Support Otago Incorporated t.a Holmdene Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	23.08.13
Presbyterian Support Otago Incorporated t.a Holmdene Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	10.07.13
Presbyterian Support Otago Incorporated t.a Iona Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	30.08.13
Presbyterian Support Otago Incorporated t.a Ross Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	28.08.13
Otago Community Hospice Trust Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	22.05.13
Montecillo Veterans Home & Hospital Limited Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	15.08.13
Koputai Annexe Trust Variation to Agreement	Residential and Community Packages of Care	Peter Hay	31.03.16

FUNDING ADMINISTRATION
CONTRACTS REGISTER (EXPENSES) - JULY 2013

Oceania Care Company Limited t.a Longwood Lifestyle Village Rest Home Variation to Agreement	Individual Agreement for a named individual	Peter Hay	19.03.14
Royal New Zealand Plunket Society Southland Variation to Agreement	Tamariki Ora / Well Child Services	Peter Hay	30.06.14
Otago Community Hospice Trust Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	04.09.13
Maniototo Health Services Limited t.a Ranfurly Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	06.09.13
Presbyterian Support Southland t.a Peacehaven Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	02.06.13
Presbyterian Support Southland t.a Vickery Court Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	19.08.13
Little Sisters of the Poor Aged Care NZ Ltd t.a Sacred Heart Hospital Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	05.09.13
Pacific Trust Otago Variation to Agreement	Well Child Services / Tamariki Ora	Peter Hay	30.06.14
Marne Street Hospital Limited Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	02.06.13
Te Kahui Reo Whakakotahi o Te Kakakura t.a Te Kakakura Trust Variation to Agreement	Kaupapa Maori NASC	Peter Hay	31.10.13
Bainfield Park Residential Care Limited Variation to Agreement	Long Term Mental Health Residential Care	Peter Hay	30.06.14
Presbyterian Support Otago Incorporated t.a Elmslie House Variation to Agreement	Exceptional Circumstances palliative care for a named individual	Peter Hay	23.07.13
Oceania Care Company Limited t.a Longwood Lifestyle Village Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	22.08.13

**FUNDING ADMINISTRATION
CONTRACTS REGISTER (EXPENSES) - JULY 2013**

Oceania Care Company Limited t.a Windsor Park Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	30.08.13
Otago Community Hospice Trust Service Schedule	Exceptional Circumstances palliative care for a named individual	Peter Hay	04.09.13
Schizophrenia Fellowship Otago Branch Incorporated Variation to Agreement	Family Whanau Peer Support and Advocacy and Vocation	Peter Hay	31.10.13
Oceania Care Company Limited t.a Longwood Variation to Agreement	Individual Agreement for a named individual	Peter Hay	30.04.14
Cressida Otago Limited t.a Woodhaugh Rest Home Variation to Agreement	Long Term Support - Chronic Health Conditions - Residential Woodhaugh Rest Home	Peter Hay	30.06.14

TOTAL VALUE - \$1,592,639.07