

NOTICE OF MEETING

OPEN MEETING

**A meeting of the Board Members of
Nelson Marlborough District Health Board
held on Tuesday 28 June 2011 at
1.00pm**

**Support Services Meeting Room 1
Wairau Hospital
Blenheim**

BOARD MEETING AGENDA - OPEN

Nelson Marlborough District Health Board

Support Services Meeting Room 1, Wairau Hospital, Blenheim

Tuesday, 28 June 2011 commencing 1.00 pm

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PUBLIC EXCLUDED MEETING	2.30 pm	
Resolution to exclude public		

RECOMMENDATION

THAT the Board resolve itself into a Committee of the whole and that in terms of the NZ Public Health & Disability Act 2000, the public be excluded while the following items are considered:

- **Minutes of a meeting of Board Members held on 24 May 2011 (Clause 32(a) Third Schedule NZ Public Health & Disability Act 2000)**
- **DHB Chair's Report - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)**
- **DHB Chief Executive's Report - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)**
 - **Golden Bay Integrated Health Service – To protect information that is subject to negotiation (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)**
 - **Draft End Project Report for Wairau Hospital Redevelopment - To protect information that is subject to negotiation (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)**
 - **Contract Extensions with Nelson Regional Hospice and Nelson Bays Primary Health – To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)**

SECTION 1: WELCOME, KARAKIA AND APOLOGIES

SECTION 2: REGISTRATIONS OF INTEREST – BOARD MEMBERS

Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
Jenny Black (Chair)	<ul style="list-style-type: none"> ▪ Life member of Diabetes NZ. 			
Ian MacLennan (Deputy Chair)	<ul style="list-style-type: none"> ▪ Honorary Treasurer of Nelson Centre of the Cancer Society of NZ 		<ul style="list-style-type: none"> ▪ Tenancy and IT hosting 	<ul style="list-style-type: none"> ▪ Accommodation for the Cancer Society
Fleur Hansby	<ul style="list-style-type: none"> ▪ Son is 6th year medical student ▪ Disability Funding from ACC 		<ul style="list-style-type: none"> ▪ Family member ▪ Self 	
Gerald Hope	<ul style="list-style-type: none"> ▪ Chairman Marlborough Hospice Trust 	<ul style="list-style-type: none"> ▪ Executive Officer Marlborough Research Centre ▪ Director Maryport Investments Ltd 	<ul style="list-style-type: none"> ▪ Landlord to Cawthron Laboratory Services Blenheim 	
Gordon Currie	<ul style="list-style-type: none"> ▪ President Nelson GreyPower 	<ul style="list-style-type: none"> ▪ Wife is Health Representative for Nelson Greypower 	<ul style="list-style-type: none"> ▪ Residents over 50 years 	
John Inder	<ul style="list-style-type: none"> ▪ Board Member St Mark's Society 		<ul style="list-style-type: none"> ▪ Alcohol and other drug residential treatment. NGO part funded by NMDHB 	
John Moore	Nil.	<ul style="list-style-type: none"> ▪ Member Nelson Regional Land Transport Committee ▪ Trustee Top of the South Athletics Charitable Trust 		
Judy Crowe	<ul style="list-style-type: none"> ▪ Chairperson of Nelson Marlborough Hospitals' Charitable Trust 	<ul style="list-style-type: none"> ▪ Member of the Gladys Amelia Pascoe Trust 	<ul style="list-style-type: none"> ▪ Provision of trust funds towards equipment, training and patient support 	
Patrick Smith	Nil	<ul style="list-style-type: none"> ▪ Own HR practice. 	<ul style="list-style-type: none"> ▪ Consultancy services. 	
Roma Hippolite	<ul style="list-style-type: none"> ▪ Chair, Te Rau Matatini Ltd ▪ Member of Ngati Koata 	<ul style="list-style-type: none"> ▪ Broker, The Research Broker 	<ul style="list-style-type: none"> ▪ Contracts for services to NMDHB ▪ Provided marketing research brokering services to Public Health in 2008 	

Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
Russell Wilson	<ul style="list-style-type: none">▪ Sister in law is an employee of NMDHB	<ul style="list-style-type: none">▪ Member of NZ National Party (Regional Office holder)▪ Managing Director of Carat Investments;▪ Principal Consultant at Wilson Consultants (HR and Business Management consultancy)	<ul style="list-style-type: none">▪ NMDHB Board Office;▪ NZ National Party▪ Carat Investments▪ Wilson Consultants	

31 May 2011

SECTION 2: REGISTRATIONS OF INTEREST – EXECUTIVE LEADERSHIP TEAM MEMBERS

Service Delivery	Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
MEDICAL SURGICAL SERVICES DIRECTORATE					
	Dr Bruce King	Nil			
	Dr Elizabeth Wood	<ul style="list-style-type: none"> ▪ Self employed contractor at the Mapua Health Centre as a GP ▪ Work at NRAHDD and a shareholder 			
	Dr Peter Bramley	Nil			
MENTAL HEALTH SERVICES DIRECTORATE					
	Dr Heather McPherson	Nil			
	Dr Jocy Wood	<ul style="list-style-type: none"> ▪ Partner of Nelson East Family Medical Centre. Group GP practice ▪ Shareholder – Nelson Regional After Hours 			
	Robyn Byers	Nil			
COMMUNITY BASED SERVICES DIRECTORATE					
	Dr Nick Baker	<ul style="list-style-type: none"> ▪ Sr Clinical Lecturer, Community Child Health, University of Otago Wellington School of Medicine ▪ Member Steering Group NZ Child and Youth Epidemiology Service (previously Chair of and co-founder of the service) ▪ Chair NZ Child and Youth Mortality Review Committee ▪ Member Child and Youth Network Advisory Group – MOH/PSNZ/NHB ▪ Member NZ Paediatric and Child Health Committee Royal Australasian College of Physicians ▪ Instructor for Advanced Paediatric Life Support NZ 	<ul style="list-style-type: none"> ▪ Wife is a graphic artist who does some health related work 		

Service Delivery	Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
	Dr Bev Nicholls	<ul style="list-style-type: none"> ▪ Board of NRADD and Shareholder ▪ Nelson Bays PHO Clinical Governance Group ▪ GP and recipient of Nelson Bays PHO funds ▪ Member of IT Development, National IT Board ▪ Member National Information Clinical Leadership Group 	<ul style="list-style-type: none"> ▪ Wife and close friend GPs. 		
	Peter Burton	Nil	<ul style="list-style-type: none"> ▪ NMDHB Representative on Tasman Council's Regional Land Transport Committee 		
CLINICAL SERVICES SUPPORT DIRECTORATE					
	Dr Stephen Busby	<ul style="list-style-type: none"> ▪ Shareholder Director, Nelson Radiology Limited 			
	Dr Neil Whittaker	<ul style="list-style-type: none"> ▪ General Practice owner ▪ Contracted to RNZCGP Medical Educator 		<ul style="list-style-type: none"> ▪ Clinical Director Community 	
	Hilary Exton	Nil			
	James Bowyer		<ul style="list-style-type: none"> ▪ Wife a nurse on Paediatric Ward Nelson Hospital 		
MARLBOROUGH SERVICES DIRECTORATE					
	Dr Jeremy Stevens	Being updated			
	Dr Ros Gellatley	Being updated			
	Carey Virtue		<ul style="list-style-type: none"> ▪ Partner works in the Ministry of Health 		
CORPORATE SUPPORT					
	Nick Lanigan		<ul style="list-style-type: none"> ▪ Wife consultant for 2 Degrees 		
	Denise Hutchins	Nil			

Service Delivery	Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
	Dr Sharon Kletchko	<ul style="list-style-type: none"> ▪ Member Exceptional Circumstances Panel – PHARMAC ▪ Treasurer, International Society for Health Care Priorities ▪ Member St John South Island Region Trust Board ▪ Member RACP NZ Policy and Advocacy Committee. ▪ South Island Representative on RACP NZ Joint Executive. ▪ Member of the Medicine’s Review Committee (Medicine’s Act) MEDSAFE ▪ Member DHBRF Governance 	<ul style="list-style-type: none"> ▪ Deputy Chair of the New Zealand Standards Council ▪ Member of the Board – EVIDEM Collaboration. 	<ul style="list-style-type: none"> ▪ EVIDEM is a Not-for-Profit international research collaboration whose purpose is “To promote public health through transparent and efficient healthcare decision making via systematic assessment and dissemination of the evidence for and value of healthcare interventions.” 	
DONM	Robyn Henderson	Nil			
CMO	Heather McPherson	Nil			
DMH & Whanau Ora	Harold Wereta	<ul style="list-style-type: none"> ▪ Ngati Toarangatira Connections 		<ul style="list-style-type: none"> ▪ Tribal Interest 	

Service Delivery	Name	Existing – Health	Existing – Other	Interest Relates To	Possible Future Conflicts
CHIEF EXECUTIVE'S OFFICE					
	John Peters	<ul style="list-style-type: none"> ▪ Director of SISSAL ▪ Trustee of Nelson Marlborough Hospitals' Charitable Trust ▪ Trustee Churchill Trust 	<ul style="list-style-type: none"> ▪ Director of Management and Industrial Services Ltd. 	<ul style="list-style-type: none"> ▪ Shared services provision, administration of trust funds for health purposes & provision of private health services at Wairau Hospital ▪ MIS Ltd previously provided consultant services to other DHBs 	
	Keith Rusholme	<ul style="list-style-type: none"> ▪ Wife provides first aid training and complimentary help services 		<ul style="list-style-type: none"> ▪ Provision of services to DHB staff or contracted providers 	<ul style="list-style-type: none"> ▪ Sister works for IDSS.
	Mike Cummins	<ul style="list-style-type: none"> ▪ Wife works for medical practice 			

As at 31 May 2011

SECTION 3: MINUTES

MINUTES OF A PUBLIC MEETING OF BOARD MEMBERS OF NELSON MARLBOROUGH DISTRICT HEALTH BOARD HELD AT THE DHB SEMINAR CENTRE MEETING ROOM 1, BRAEMAR CAMPUS, NELSON ON TUESDAY 24 MAY 2011 AT 1.00 PM

Present:

Jenny Black (Chair), Roma Hippolite, Gordon Currie, Patrick Smith, John Moore, Fleur Hansby, Russell Wilson, Judy Crowe and Ian MacLennan (Deputy Chair)

Apologies:

John Peters (CE), John Inder and Gerald Hope

In Attendance:

Mike Cummins (Acting CE), Nick Lanigan, Sharon Kletchko, Katherine Rock, Peter Burton, Tahi Takao, Heather Janssen (Minute Secretary) and Jane Anderson-Bay (Community Representative)

Karakia:

Tahi Takao

SECTION 1: APOLOGIES

John Peters, John Inder and Gerald Hope

Moved: Gordon Currie

Seconded: Judy Crowe

RECOMMENDATION:

THAT THE APOLOGIES BE ACCEPTED.

AGREED

SECTION 2: REGISTRATIONS OF INTEREST

The Chair said ELT members who have not provided their conflicts of interest to be reminded to submit their ROIs before the next Board meeting.

Moved: Russell Wilson

Seconded: John Moore

RECOMMENDATION:

THAT THE REGISTRATIONS OF INTEREST BE RECEIVED.

AGREED

SECTION 3: MINUTES OF PREVIOUS MEETING**3.1 Minutes of the Board Meeting 19 April 2011**

Moved: Ian MacLennan
Seconded: Judy Crowe

RECOMMENDATION:
THAT SUBJECT TO THE FOLLOWING AMENDMENT:
THAT THE FINANCIAL REPORT BE ADOPTED INSTEAD OF RECEIVED.

THAT THE MINUTES OF THE MEETING 19 APRIL 2011 BE ADOPTED AS A TRUE AND CORRECT RECORD.

AGREED

3.2 Matters ArisingSeismic Risk of NMDHB Buildings

Members were briefed on the seismic risk of NMDHB buildings. DHB buildings were assessed and comply with the 2006 building codes. However, with the recent earthquake in Christchurch the building codes may be revised. An assessment of reticulated systems is underway utilising the Canterbury experience. Completion anticipated August 2011.

3.3 Correspondence

Noted the new Chair of Nelson Bays PHO is John Hunter and Deputy Chair is Mere Wetere.

Moved: Judy Crowe
Seconded: Russell Wilson

RECOMMENDATION:
THAT THE CORRESPONDENCE BE RECEIVED.

AGREED

SECTION 4: REPORTS**4.1 Chair's Report**

Taken as read.

Feedback from the HAC meeting in the morning: the Terms of Reference for HAC and CPHAC/DiSAC are to separate the appropriate individual parameters for the Committees.

The Chair briefed members on upcoming meetings, workshops and events as follows:

- IHB Board to Board Meeting – 26 May 2011 at the Omaka Marae in Blenheim. A powhiri will be held for new Board members. The Chair encouraged Board members to attend

- Wairau Formal Opening – 18 June 2011 in Blenheim with dawn blessing and address from the Minister at 10.30 am
- Board Workshop – 23 June 2011 in Nelson.

The Chair said that a list of action items will be provided in the meeting minutes with an ongoing list until completed.

Moved: Jenny Black
Seconded: Gordon Currie

RECOMMENDATION:
THAT THE CHAIRPERSON'S REPORT BE RECEIVED.

AGREED

4.1 Acting Chief Executive's Report

(I) FOR DECISION

(a) Right of Way Motueka Hospital for FOMHT

Friends of Motueka Health Trust are planning a further extension to their current aged care facility. A Board member suggested that commercial terms be outlined on the use of the land. The Acting CE to resolve the commercial terms and bring to the Board members for their approval on the terms outlined.

Moved: Gordon Currie
Seconded: John Moore

RECOMMENDATION:
THAT SUBJECT TO THE COMMERCIAL TERMS BEING RESOLVED THE BOARD APPROVES THE GRANTING OF AN ADDITIONAL RIGHT OF WAY TO FRIENDS OF MOTUEKA HOSPITAL TRUST OVER THE MOTUEKA HOSPITAL LAND OWNED BY NMDHB.

AGREED

(II) QUALITY AND SAFETY

(b) Medical / Surgical Services

The HAC Committee members were briefed on the projects and the timeframes to complete the projects will be provided at the next HAC meeting.

(c) Mental Health

Taken as read.

(c) Organisational Development

The Certification Audit to be provided to the Audit & Risk Committee.

(III) FINANCIAL

The April 2011 net result for the year to date is a surplus of \$277k, which is \$3.6m favourable to budget.

The GM Corporate Services said the April results were very positive. He advised that the Wairau surplus land figures have been removed from the forecast due to delays. Members were briefed on the current status of the disposal of Wairau land as follows:

- The Attorney General has deemed it Crown endowment land;
- The decision was referred to the Minister last week;
- Awaiting approval by the Minister;
- Once approved by the Minister the endowment will be cancelled and declared surplus; and
- Requires the signature of the Attorney General.

The forecasted results includes costs from the Canterbury earthquake of \$900k and we are awaiting the final results on a decision whether there will be a washup.

Summarised Results

For the Month Ended April 2011

	Prior YTD	Year to Date			April 2011
	<i>Actual</i> \$000	<i>Actual</i> \$000	<i>Budget</i> \$000	<i>Variance</i> \$000	<i>Variance</i> \$000
Funder	(3,485)	(1,101)	(2,390)	1,289	144
Governance	227	575	(32)	607	148
Provider	(76)	803	(993)	1,796	724
Net Result	(3,334)	277	(3,415)	3,692	1,016

(IV) RUTHERFORD

Noted the work being undertaken by the Rutherford Initiative on capacity planning to examine patient flows, theatre utilisation, booking systems and referrals. Continuing to work closely with unions as we move through the clinical services. The analysis is reviewed by key stakeholders before the final report is sent to the CE for approval.

(V) STRATEGY AND PLANNING

Noted.

(VI) COMMUNITY BASED SERVICES

Noted. Timeframe for After Hours build is on track for completion by December 2011. Members were interested in reviewing the financials provided in the original business case.

(VII) MEDICAL SURGICAL SERVICES

Noted the over delivery of caseweights in order to obtain "green" status on ESPIs was a good result.

A thank you letter is to be sent to the Nelson Hospital Shop volunteers for their contribution of \$20k to purchase equipment at Nelson Hospital.

(VIII) CLINICAL SERVICES SUPPORT

Noted.

(IX) MENTAL HEALTH

Noted.

(X) MAORI HEALTH/IWI RELATIONSHIP

Noted.

(XI) ORGANISATIONAL DEVELOPMENT

Noted.

(XII) CORPORATE SERVICES

Nil.

(XIII) INTERSECTORIAL AND OTHER DHB LINKAGES

Noted.

(XIV) STRATEGIC ISSUES

Noted. The Service Director of Community Based Services said the Tobacco Control Plan is currently being reviewed with measuring outcomes a key component.

Moved: Ian MacLennan

Seconded: Fleur Hansby

RECOMMENDATION:

1. THAT THE FINANCIAL REPORT BE ADOPTED

2. THAT THE ACTING CHIEF EXECUTIVE'S REPORT BE RECEIVED.

AGREED

4.3 COMMITTEE REPORTS

- (i) Iwi Health Board
No Report.
- (ii) Community and Public Health/Disability Support Committee
Report taken as read.

Moved: John Moore
Seconded: Patrick Smith

RECOMMENDATIONS:
THAT THE CPHAC/DISAC COMMITTEE CHAIRPERSON'S REPORT BE RECEIVED.

AGREED

- (iii) Hospital Advisory Committee
Meeting occurred in the morning. Chairperson's report to be provided at the next Board meeting.

SECTION 5: FOR INFORMATION

Nil

SECTION 6: MEMBER'S ISSUES

Nil

Public Excluded

Moved: Russell Wilson
Seconded: Roma Hippolite

RECOMMENDATION

THAT the Board resolve itself into a Committee of the whole and that in terms of the NZ Public Health & Disability Act 2000, the public be excluded while the following items are considered:

- ***Minutes of a meeting of Board Members held on 19 April 2011 (Clause 32(a) Third Schedule NZ Public Health & Disability Act 2000)***
- ***DHB Chair's Report - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***
- ***DHB Acting Chief Executive's Report - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***
 - ***Audit NZ Annual Plan 2011/12 - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***

- ***NHB Feedback on draft Planning documents 2011/12 - To protect information that is subject to a delegation of confidence (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***
- ***Nelson Site Master Plan Options – To protect information that is subject to negotiation (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***
- ***DSS Consultation Document - To protect information that is subject to negotiation (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***
- ***Golden Bay Integrated Health - To protect information that is subject to negotiation (Clauses 32(a) and (b) Third Schedule NZ Public Health & Disability Act 2000)***

AGREEDActions Arising from the Meeting:

Action	Responsible	Time Frame	Completed
ROIs updated from ELT members	Mike Cummins	21 June 2011	
Team building session	Jenny Black	17 May 2011	Yes on 23 June 2011
Seismic Risk of NMDHB Buildings	Mike Cummins	30 August 2011	In progress
FOMHT – Commercial terms	Mike Cummins	21 June 2011	
Certification Audit provided to Audit & Risk Committee	Anne Churcher/Denise Hutchins	9 June 2011	Yes on 14 June 2011
After Hours financials provided to Board members	Peter Burton	7 June 2011	Separately enclosed for Board members
Appreciation/Thank you letter to Nelson Hospital Volunteers	Jenny Black	7 June 2011	Yes

Meeting closed at 3.50 pm

Members of Public

Sarah Young (Nelson Mail) attended.

3.1 MATTERS ARISING

- **Seismic Risk Report of NMDHB Buildings:** Existing report went to Audit & Risk on 14 June, update on infrastructure due 31 August 2011
- **FOMHT Commercial Terms:** Discussions are underway
- **Certification Audit provided to Audit & Risk Committee:** Action plan arising from certification audit noted by Audit & Risk Committee
- **After Hours financials provided to Board members:** Financials for After Hours business case provided separately.

3.2 CORRESPONDENCE RECEIVED

Date Received	From	Title
20/05/11	National Health Board	Draft survey and proposed timeframes for advancing clinical leadership in New Zealand
20/05/11	State Services Commission	Statement of Intent
23/05/11	Hon Bill English	Removal of central funding for employer contributions to KiwiSaver
24/05/11	Ministry of Health	National Health Committee and Prioritising health Expenditure
25/05/11	National Health Board	Project announcement: Enhancing DHB Certification Auditing
26/05/11	Ministry of Health	Quarter Three results
07/06/11	Rural Women (Kenepuru)	Letter offering accommodation for patients being discharged from Wairau Hospital at night
08/06/11	AUT	Violence intervention programme (VIP) evaluation sixth follow up report
14/06/11	Ministry of Health	Quality assurance processes in home based support services for older people
16/06/11	Ben Castle	Email regarding Health Services
17/06/11	Office of the Auditor General	Publication – Progress in delivering publicly funded scheduled services to patients
17/06/11	Minister of Finance	New Capital Charge Rules from 1 July 2011
20/06/11	Nelson Hospital Volunteer Shop	Response to Board thank you letter regarding donation for hospital equipment

SECTION 4: REPORTS

4.1 Chair's Report

The highlight of the month was the opening of the Wairau Redevelopment.

The dawn ceremony was a special way to start a very special day. The partnership we share with the Iwi Health Board and local Iwi was celebrated at dawn with the unveiling of a stunning glass plaque at the entranceway to the new hospital. I would like to thank Joe Puketapu and his Board for their welcome and their continued support.

We reassembled in the marquee later in the morning; the weather was as predicted – inclement! However, nothing was going to diminish the atmosphere. Many people had spent years being involved with this project and the day was one of celebration and recognition of those efforts. The Honourable Tony Ryall, Minister of Health, joined us for the occasion and enjoyed his walk around the new buildings and services after he had unveiled a bronze plaque.

The guests then shared stories over a cup of tea in the Nurse's Hall. I would like to thank Mike Cummins who organised the day; it ran like clockwork and I know everyone present enjoyed Mike's attention to detail – copies of historical records and stories of days gone by which appeared in the official speeches. Thank you, Mike.

Also in the last four weeks we have opened four of the five new community oral health clinics in Marlborough, Motueka, Richmond and Stoke. These are an example of how services are changing; a new approach to providing oral treatment and education to school and preschool children. The clinics are modern, with new technology and contain four chairs which bring staff together in one place. Gone are the isolated dental clinics of the past – therapists and assistants will enjoy collegial support and a bright new environment. With these clinics the service is complemented by new mobile clinics which will serve the rural areas and help achieve our objective of providing services to clients nearer to home.

Jenny Black
Chairperson

**RECOMMENDATION:
 THAT THE CHAIRPERSON'S REPORT BE RECEIVED.**

Status

This report
 contains:

- For decision
- Update
- Regular report
- For information

4.2 Chief Executive's Report

Status
This report contains:
✓ For decision
✓ Update
✓ Regular report
□ For information

(I) ITEMS FOR DECISION

Nil

(II) QUALITY AND SAFETY

(a) Medical Surgical Services

(i) Quality Framework

A quality framework is being developed, and a new Quality and Safety Governance Committee is to be convened. Work is currently being completed to improve our process around reportable and sentinel events.

(ii) Theatre Productivity

New reports around key theatre metrics are being developed. The theatre schedule is being changed to spread elective cases and improve theatre utilisation.

(iii) Scoping Review

Work is being completed around matching demand with capacity, and improving the quality of post-procedure care.

(iv) Surgical Pre-Admission Redesign

The team is currently process mapping the pre-admission pathway and gathering some patient experiences to highlight the issues for improvement.

(b) Clinical Service Support

(i) Pharmacy

The Pharmacy roll-out of the new Adult Medication Chart at the beginning of May has proved successful.

(ii) IANZ Accreditation

NMDHB is seeking IANZ accreditation for the Mortuary as a requirement of the Department of Justice contract for Coroner examinations.

IANZ accreditation is also being sought for Hi-Tech Radiology district-wide which is required by 30 June 2012 to ensure the DHB continues to retain ACC contracts and can rebid for the Southern Cross contract.

(c) Organisational Development

(i) 2011 Health Quality & Innovation Awards

Entries will open for the second Nelson Marlborough Health Innovation & Quality Awards on the 23rd of June 2011. The Awards are open to all health providers in the Nelson Marlborough district who are funded by NMDHB. Entries are sought in four categories:

- Clinical care improvement
- Collaborating for health care improvement
- Research and innovation
- Whanau Ora.

Entries close on the 19th of August with the Awards presentation taking place on the 1st of November 2011.

(ii) Occupational Health & Safety

The annual Health & Safety representative training days were held across the district in May. 92 of the organisation's 102 Health & Safety representatives attended the all-day training which focused on accident investigation and change in the workplace. Feedback from the representatives was very positive with useful suggestions for future training being identified.

(iii) **FINANCIAL**

The May 2011 net result for the year to date is a deficit of \$158k, which is \$3,486k favourable to budget.

Summarised Results

For the Month Ended May 2011

	Prior YTD	Year to Date			May 2011
	<i>Actual</i> \$000	<i>Actual</i> \$000	<i>Budget</i> \$000	<i>Variance</i> \$000	<i>Variance</i> \$000
Funder	(3,649)	(1,461)	(2,698)	1,237	(52)
Governance	416	644	(15)	659	52
Provider	(172)	659	(932)	1,590	(206)
Net Result	(3,404)	(158)	(3,644)	3,486	(206)

The detailed finance report is attached as **Appendix 1**.

High level commentary and action planned on the financial result follows:

Fund

The Fund year-to-date (YTD) result is a deficit of \$1,461k, this being \$1,237k favourable to budget.

Revenue has a positive variance of \$2.8m, \$618k from prior year adjustments, additional revenue from MOH subcontracts offset by some additional expenditure

\$877k, and funding for PBF adjustments and new programmes (offset by additional expenditure) \$1.1m.

An overspend of \$753k YTD in Disability Support expenditure includes \$703k for support of Christchurch ARC evacuees, and more clients being supported than budgeted in Home Based Support.

Total Provider

The NMDHB Provider year-to-date financial result is a surplus of \$659k against a budget deficit of \$932k.

Overall revenue is favourable to budget by \$2,341k (excluding interest received), this is mainly due to the change in administration for IDSS client income of \$973k; IDSS MoH income being greater than budget by \$350k due to higher than anticipated client volume, and other income such as KiwiSaver rebate, donations, reimbursements and rentals (\$832k).

The positive variance in personnel costs of \$3.0m is partly an underspend in Medical personnel, which is offset by an overspend in Outsourced Medical. Positive variances have also occurred as a result of average cost and staff mix differences to budget, along with vacancies in the Allied Health area and significant savings in courses and conferences.

Clinical Supplies are overspent \$3.0m due to over budget expenditure December through May which is supported by very high medical and surgical caseweights for the same period, particularly in orthopaedic surgery.

Infrastructure and Non-Clinical Supplies costs are overspent \$404k YTD including targeted savings of \$1.5m and extra IDSS costs. Interest paid and received are in total \$1,103k ahead of budget, caused by timing of deposits/drawdowns and favourable interest rates.

Forecast

The consolidated forecast is a deficit of \$189k, including the anticipated full year effect of the Christchurch earthquake.

The Fund is forecasting to be better than budget by \$2.9m. The positive adjustment to the previous forecast is because of \$1m decreased IDF payments based on latest information, and \$355k extra MOH funding, mostly for delayed reconstructive surgery. The forecast does not assume that the extra Aged Residential Care costs of approx \$1m for displaced Christchurch clients will be covered by increased revenue although there remains an expectation that an IDF washup will take place.

The provider is forecasting a deficit of \$2,464k against budget, locking in YTD positive variances in personnel costs (offset by outsourced overspend), anticipating that budgeted savings in Infrastructure costs will not quite be met, and recognising a likely overspend in Clinical Supplies of \$3.8m. The gain on sale for Wairau properties of \$3m has been removed from the forecast as delays in the process have pushed the expected completion of the sale process into the next financial year.

Consolidated interest received is forecast to be \$642k ahead of budget; interest paid \$731k better than budget.

Risks to this forecast are as follows: any further effects of NMDHB assistance to CDHB due to the Christchurch earthquakes; the extent of NMDHB liability stemming from the IDSS sleepover ruling and the Clinical Supplies overspend.

(IV) RUTHERFORD INITIATIVE

(a) Update

The work of the Rutherford Initiative Team is continuing to evolve as it moves into the clinical areas. With the new ELT well established, the Service Directors will be taking collective control of the priority areas for analysis and examination. By taking a collective approach, issues which span directorates the workload of the RI Team will be prioritised by the collective group.

The steering group meetings will be replaced by a meeting of the RI Team with the Service Directors plus the GM Corporate Services, Board Secretary and Business Development Manager. This group will review progress, reports, priorities and implementation plans. The Chief Executive remains the overall owner of the initiative.

Rutherford will continue to examine every aspect of NMDHB expenditure. This includes contracted expenditure as well as internally provided services.

Rutherford is key for success in 2011/12 and has been embraced by ELT. The aim is to imbed the concepts developed by RI into business as usual. Steps are being taken to ensure suitable resourcing is put in place so that the momentum place is not lost.

(V) STRATEGY AND PLANNING

(a) Annual Planning

A revised 2011/12 Annual Plan has been submitted to the Ministry of Health and Audit NZ. The Ministry has since requested some minor additions on Aged Care workforce development and BSMC, and these will be included in the final iteration. The Annual Plan is now being reviewed by the Minister before the final plan is re-submitted on the 24th June for counter-signing by the Minister. Board approval of the Annual Plan with Statement of Intent will be sought at a Board workshop on the 23th June.

(b) Quarterly Reporting

The final assessments for the Quarterly Report to the Ministry of Health for Quarter Three 2010/11 confirmed that NMDHB was upgraded on four reporting items after final reports were received.

(c) Health Needs Assessment

The update to the Health Needs Assessment is nearing completion. It will contain sections on:

- Mortality
- Acute Demand Analysis

- Health equality and Health equity
- Income Inequality and Health
- Syndemics (two or more Afflictions Interacting Synergistically)
- Emergent Knowledge from International and NZ Practices
 - Alberta Provincial Stroke Strategy (APSS)
 - Chronic Cerebrospinal Venous Insufficiency in Multiple Sclerosis
- Chronic Conditions.

(d) South Island Regional Health of Older People Network

Long-Term Condition services devolution is due on the 1st July 2011. South Island processes are being agreed and developed.

MOH has commenced a review process of HBSS service specification. The aim is to have one specification for all funders (or at least baseline common agreement). It is hoped that this will be used by DHBs, ACC and MOH. The same process is being completed for Respite Care service specification.

(VI) COMMUNITY BASED SERVICES

(a) Oral Health

The transition from the old school dental clinics to the new Community Based Oral Health Clinics is about to commence. This new model of care addresses three key areas:

- Prevention of oral disease in children by an increasing emphasis on oral health promotion, dental health education, and prevention
- Provision of strategically located, multi-chair modern facilities which encourages access to the service
- Investment in the oral health workforce.

Official openings are occurring at the five sites with fixed hubs (Henley School in Richmond, Nayland Primary School in Stoke, corner of Franklyn/Tipahi Streets in Nelson, Parklands School in Motueka and Innes House in Blenheim) over the next few months. The mobile unit, which will service the rural Tasman area (Mapua, Tapawera, Wakefield, Collingwood, Takaka, Upper Moutere and Lower Moutere), has arrived. The second unit, for Marlborough, will be delivered in April 2012.

For the 2010 year (January–December), 83% of Nelson Marlborough adolescents (Year 8) utilised the Adolescent Oral Health Service. Relative to other DHBs, this result was deemed “outstanding” by the Ministry and places NMDHB second in the country (target is 85%).

(b) Golden Bay Integrated Family Health Centre

Following consideration at the last Board meeting of the Draft Report on the financial feasibility of the proposed Golden Bay IFHC, refinements to the preferred governance option were discussed with the current Trustees of Golden Bay Community Health and Cranleigh Health. A meeting was also held with local DHB staff to update them on the progress on the project and provide an overview of the process and timelines from here.

(c) Nelson Extended Primary Care and Out of Hours Services Facility

The location of the building relative to the Emergency Department is being worked through with clinicians.

The proposed lease agreement has been finalised with Ministry of Health officials and Minister of Health approval is now being sought.

The preliminary design is being reviewed to bring costs down as the initial estimates are slightly above budget.

Advice has been received that a 50/50 venture is being established between Nelson Bays General Practice Ltd and Nelson Bays Primary Health for the purpose of running the planned clinic. Once this is in place, the existing organisation, NRAHDD, will be wound up.

(VII) MEDICAL SURGICAL SERVICES

(a) Activity

The Medical Surgical Service delivered 1,700 caseweights (102% of plan) for May and has delivered 18,511 caseweights (104% of plan) YTD.

Acute activity was 99% of plan for the month. The General Surgery, ENT and Orthopaedic Services in particular had high elective delivery with the DHB increasing throughput to address long wait patients.

Elective discharges for May were 477 (100% of plan) and YTD 4,963 elective discharges have occurred (97% of plan).

Elective caseweight delivery for May was 619 CWDs (108% of plan) compared to budget 569 caseweights. YTD caseweights are 6,433 compared to budget of 6,144 (105% of plan).

The DHB remains green overall in terms of ESPI compliance.

Only the General Surgery service remains non-compliant for ESPI 2 (patients waiting longer than six months for a First Specialist Assessment [FSA]). Additional outpatient clinics are being undertaken in June and July along with looking to see if any Nelson patients would like to travel to Wairau for quicker assessment.

The number of patients waiting longer than six months for FSA and Surgical treatment is continuing to decrease every month. As at 30th May 110 patients are waiting longer than six months for FSA and 72 surgical patients are waiting longer than six months for surgery.

(b) The following is a breakdown of all planned volumes for May.

Acute / Elective Caseweights - KPI View

NMDHB

May 2011

Type	DM Area	Unit Code	Description	Annual Plan	Budget YTD	Actual YTD	Vol Variance	Actual % Complete vs YTD Plan	
Acute	Med	M00001	General Internal Medical Services - Inpatient Serv	5161	4742	4412	-330	93%	
		M10001	Cardiology - Non PCI Inpatient Services (DRGs)	253	232	557	325	240%	
		M10001P	Cardiology - PCI Inpatient Services (DRGs)	305	280	199	-81	71%	
	Med Total				5719	5254	5168	-86	98%
	Surg	S00001	General Surgery - Inpatient Services (DRGs)	2281	2096	2249	154	107%	
		S05001	Anaesthesia Services - Inpatient Services (DRGs)	29	26	14	-12	55%	
		S25001	Ear, Nose and Throat - Inpatient Services (DRGs)	112	103	88	-15	85%	
		S40001	Ophthalmology - Inpatient Services (DRGs)	35	32	30	-2	93%	
		S45001	Orthopaedics - Inpatient Services (DRGs)	1673	1537	1964	427	128%	
		S70001	Urology - Inpatient Services (DRGs)	218	200	173	-27	87%	
	Surg Total				4348	3995	4519	524	113%
	W, C & OH	D01001	Inpatient Dental treatment	23	21	20	-1	97%	
		M55001	Paediatric Medical Service (Inpatient)	689	633	532	-101	84%	
		S30001	Gynaecology - Inpatient Services (DRGs)	183	168	199	31	118%	
		W06003	Neonatal Inpatient (DRGs)	416	383	390	8	102%	
		W10001	Maternity Inpatient (DRGs)	1345	1236	1249	13	101%	
	W, C & OH Total				2657	2441	2391	-50	98%
Acute Total				12724	11690	12078	388	103%	
Elective	Med	M00001	General Internal Medical Services - Inpatient Serv	139	128	121	-6	95%	
		M10001	Cardiology - Non PCI Inpatient Services (DRGs)	207	190	243	53	128%	
		M10001P	Cardiology - PCI Inpatient Services (DRGs)	102	93	67	-27	71%	
	Med Total				447	411	431	20	105%
	Surg	S00001	General Surgery - Inpatient Services (DRGs)	1918	1762	1822	59	103%	
		S05001	Anaesthesia Services - Inpatient Services (DRGs)	61	56	31	-25	55%	
		S25001	Ear, Nose and Throat - Inpatient Services (DRGs)	455	418	469	51	112%	
		S40001	Ophthalmology - Inpatient Services (DRGs)	425	390	310	-81	79%	
		S45001	Orthopaedics - Inpatient Services (DRGs)	1893	1739	2119	380	122%	
		S70001	Urology - Inpatient Services (DRGs)	532	489	435	-54	89%	
	Surg Total				5284	4855	5186	331	107%
	W, C & OH	D01001	Inpatient Dental treatment	213	196	139	-58	71%	
		M55001	Paediatric Medical Service (Inpatient)	41	38	35	-3	93%	
		S30001	Gynaecology - Inpatient Services (DRGs)	702	645	643	-2	100%	
	W, C & OH Total				956	879	816	-62	93%
	Elective Total				6688	6144	6433	289	105%
	Grand Total				19412	17834	18511	677	104%

NMDHB

May 2010

Type	DM Area	Annual Plan	Budget YTD	Actual YTD	Vol Variance	Actual % Complete vs YTD Plan
Acute	Med	5547	5060	4785	-274	95%
	Surg	4412	4024	4289	265	107%
	W, C & OH	2735	2494	2325	-170	93%
Acute Total		12694	11578	11399	-179	98%
Elective	Med	275	251	422	172	168%
	Surg	5010	4570	5327	758	117%
	W, C & OH	866	790	882	92	112%
Elective Total		6151	5611	6632	1021	118%
Grand Total		18846	17189	18031	842	105%

(VIII) MAORI HEALTH/IWI RELATIONSHIP**(a) IHB Meetings**

The planned joint Board meeting scheduled for the 26th May 2011 was postponed on the day due to flooding between Nelson and Blenheim. Plans are underway to reschedule this meeting for the 30th June 2011.

(b) Whanau Ora Regional Leadership Group Meeting

A meeting with IHB and NMDHB members was called on the 7th June 2011 by the Te Puni Kokiri Chairperson Mahara Okeroa. Seven Maori Health providers attended and participated in the session.

Items of discussion covered:

- Advice that Te Tau Ihu was part of the central region Whanau Ora Regional Leadership Group (RLG). This covered Levin to Wellington and included the Top of the South Island and Chatham Island
- An outline of the RLG strategic position
- A summary on developments concerning Whanau Ora regionally and nationally
- Advice that there was one area, Te Tau Ihu or the top of the South Island, which was not covered.

Maori Health providers, who are part of the Coalition development, confirmed their intention to work together to make a submission to Te Puni Kokiri.

(c) Maori Health Provider Coalition

The group last met on the 19th May 2011. At this meeting:

- Confirmation was given to their ongoing commitment to the Coalition. There had been confusion when three providers decided to form an 'alliance.' However, it was confirmed that the 'alliance' was a natural formation under the mana of the Coalition
- There was debate/discussion about the exiting of the Whanau Ora Heads of Agreement. The discussion was toward how the funds might be used to support the Coalition. The funds will be applied to the following areas of activities:
 - Human Resource Management/IT
 - Workforce Development
 - Clinical Governance
 - Infrastructure
 - Cultural Competency and Supervision.
- After four months of negotiation, each of the managers present signed off on the Management Support Agreement for the Coalition. Te Rapuora is the lead provider and will manage funds and report to the Coalition Governance and Management Teams (once established)
- Coalition managers reviewed the first draft of the MOA. Some minor amendments were made to the document. However, there was significant debate over the governance structure. One or two preferring a single structure and others preferring a two-tier structure. There was agreement that a single governance structure is approved. The DHB challenged this

view and advised the Coalition that managers could not make this decision, the Board has to decide. The DHB was not adverse to this option, provided Boards came to this decision.

All Maori Health providers had to meet with their Boards by 15 June 2011 and confirm which option their Board had agreed to. The DHB also asked that Board minutes be submitted or a letter sent confirming this decision.

In addition to this discussion point, other activities under the Coalition are progressing as follows:

- Work is advancing well with Te Hauora O Ngati Rarua leading the development of a Whanau Ora Expression of Interest application. They are on track to have the application ready for submission to Te Puni Kokiri by the 30th June 2011
- Te Rapuora is still working with Te Hauora O Te Awhina Marae and Te Kahui Hauora O Ngati Koata to form a Mental Health Service Hub. A key initiative under action is the IT project to become PRIMHD compliant by the 1st July 2011.

The next steps include:

15 June 2011	Provider Boards are to have met and agreed to MOA content (following negotiations)
23 June 2011	Memorandum of Agreement signed by 'Coalition Provider' Board Chairs.

(d) He Oranga Pounamu and Maori Health Provider Collective

On the 27th May 2011, the Maori Health Director visited Mr John Luhrs, CE for He Oranga Pounamu. The meeting was convened to build a lasting working relationship, to understand where He Oranga Pounamu was moving towards with the Whanau Ora Collective, and how the DHB can support this moving forward. Both parties are committed to a partnership, to supporting the Whanau Ora initiative and, in particular, the three providers in Te Tau Ihu.

Good progress is being made with the Maori Health Provider Collective. Work is progressing on the formation of a Tamariki Ora Service Hub. In addition, the DHB will assist them to develop a work programme similar to the Coalition.

(IX) ORGANISATIONAL DEVELOPMENT

(a) FTE Report – May 2011

FTE Report
May 2011

FTE	Actual CM	Budget CM	Variance	Actual YTD	Budget YTD	Variance
SMO	92	97	6	91	93	3
MOSS	18	20	2	17	20	3
Registrars	15	12	(3)	11	11	(0)
House Officers	47	43	(4)	46	41	(5)
Probationers & Interns	-	-	-	0	-	(0)
Nursing	660	621	(39)	641	630	(11)
Allied Health	569	558	(10)	548	558	10
Support	96	91	(6)	96	90	(7)
Management/Admin	348	340	(8)	349	351	2
Total	1,844	1,782	(62)	1,800	1,793	(7)

(b) Complaints

There were 27 complaints for the month of May compared to 40 for April. Of these, 17 were for Nelson and 10 for Wairau. No complainants identified themselves as Maori; one complainant identified themselves as Iranian. 100% of complaints were responded to within 20 working days.

(c) Employee Relations

The National Multi Employer Collective Agreement (MECA) and NMDHB Collective Agreement updates are attached as Appendix 2.

(d) Health Careers Seminars

NMDHB, in collaboration with the Nelson Marlborough Institute of Technology, held Health Careers Seminars during May. Over 120 secondary school students attended a variety of workshops conducted by NMDHB staff on site at Nelson and Wairau Hospitals. This year saw two enhancements to previous year's programme with the advent of a Marlborough based programme and evening session for parents in Nelson. Feedback from students was positive with a number of useful suggestions for next year's programme being made.

(X) CORPORATE SERVICES(a) Wairau Air Conditioning

A report outlining options for Air Conditioning solutions in Wairau has been received and is being considered by the Property Team.

(b) Nelson to Wairau Patient Shuttle

The Request For Proposal for this service has been issued.

(c) June 13th Earthquakes

The Property Team is currently inspecting NMDHB's core infrastructure and services after the effects of the Christchurch earthquakes which were felt in Nelson.

(d) Oral Health Mobile Clinic
The first Oral Health Mobile Clinic has been received by NMDHB and is being readied for service.

(d) Video Conferencing Expansion
NMDHB has, for some time, had in place two different video conferencing solutions. These are:

- Vivid Solutions for communications within the DHB, between DHBs, and for additional fees, any video conference unit worldwide
- Desktop to desktop webcam video calling.

Both solutions are ideal for certain purposes, but we are experiencing strong demand for video calling within the DHB from a number of sites.

New tools are being trialled, including the use of high definition webcams for video conferencing within the DHB. These are dramatically cheaper than Vivid Solutions equipment, and have no ongoing costs as the NMDHB network can be utilised.

(e) Common South Island Wide Area Network
The South Island DHBs have collectively procured a new Wide Area Network (WAN) covering all sites. This will provide higher speeds for less expenditure.

(XI) INTERSECTORAL AND OTHER DHB LINKAGES

(a) Intersectoral and other DHB linkages for the period:

- Golden Bay Interim Management Group
- National CEOs
- SI CEOs.

(XII) STRATEGIC ISSUES

(a) Health Targets

(i) Shorter Stays in Emergency Departments
NMDHB is exceeding the Ministry of Health target.

(ii) Improved Access to Elective Surgery
Ambulatory FSA at the end of April 2011 was 17,212 FSAs against a plan of 13,819 (124.6%). Of this total, surgical FSAs were 10,402 against a plan of 9,044 (115%).

Ambulatory Procedures at the end April 2011 was 1,243 procedures against a plan of 956 (130%). Ambulatory Procedures include Colonoscopy procedures across both Medical and Surgical specialities.

Electives Initiative:

- Health Target: NMDHB is required to deliver 6,029 discharges every year. YTD (April 2011) we were required to deliver 4,874 discharges and have actually delivered 4,911 discharges (100.8%).
- Case Weights (CWDs): Planned caseweight delivery (April 2011) was 6,112 with actual caseweight delivery 6,810 (111.4%).

(iii) Shorter Waits for Cancer Treatment

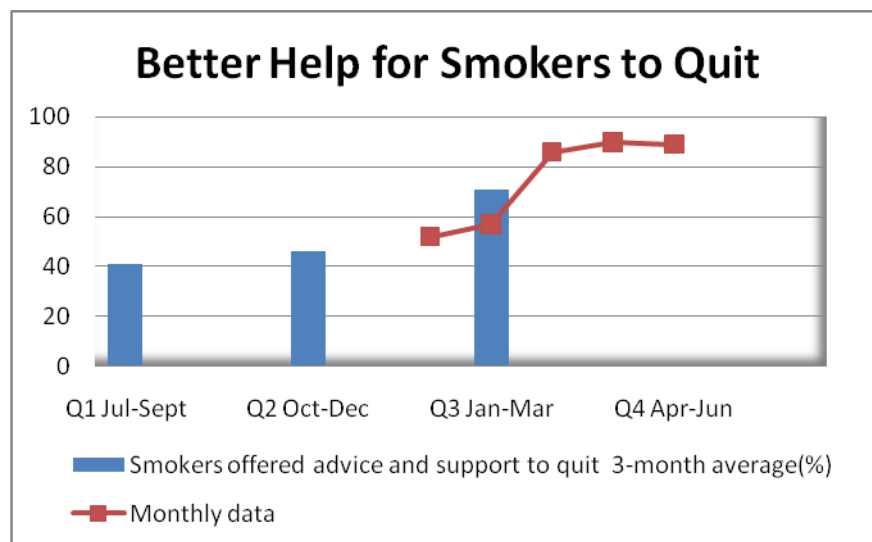
Current treatment times are within Ministry of Health guidelines. Patients are receiving treatment at both Canterbury District Health Board and Capital and Coast District Health Board.

(iv) Increased Immunisation

The most recent coverage dropped from 89% to 87% at the end of April. Analysis of the latest stats shows the decline rate in the last quarter of 2010 as 4.5%; the decline rate to April has risen to 8.5%. Decliners do not show up in the overdue reports for follow up, recall, or refer to Outreach Immunisation Service. We are actively pursuing overdue children; however, information from National Immunisation Register is required. Discussion is occurring with the Immunisation Partnership Group and Ministry of Health.

(v) Better Help for Smokers to Quit

Results continue to track upwards. The result for Quarter Three was 71%, up from Quarter Two (46%). April achieved 90% and May 89%.



There have been good results from the ASH Year Ten smoking survey which will contribute towards strategic goal 1 (Annual Plan 2011/12): people take greater responsibility for their own health. It showed that in Nelson Marlborough:

- Daily smokers have reduced from 7.1% to 4.1% of 14- to 15-year-olds
- Regular smokers have reduced from 13.8% to 8.9% of 14- to 15-year-olds

- Never smokers have increased from 61.7% to 69.7% of 14- to 15-year-olds
- Smoking in the home of families of 14- to 15-year-olds reduced from 19% to 15.1%.

A Tobacco Control Plan workshop was held on the 2nd June at Whakatu Marae for all providers of Smokefree/Tobacco Control services. This covered:

- Health promotion/protection (work of NMDHB Public Health Service, Cancer Society, National Heart Foundation)
- Smoking Cessation ABC facilitation across hospital and primary care settings (Public Health Service, PHOs, Whakatu Marae)
- Cessation services (Aukati Kaipaipa provided by Ngati Rarua, Te Awhina Marae and Whakatu Marae; Public Health Service; PHOs)
- National programme directions
- Leadership through Community Based Services Directorate

The workshop provided an opportunity to discuss all the roles of the participants, and a range of opportunities and challenges were noted. This will be collated with a view to redeveloping the Tobacco Control Action Plan for the next two to three years. The Ministry of Health representative confirmed a Government vision of a Smokefree New Zealand/Tupeka Kore Aotearoa by 2025. It is intended to develop our local plan with this vision in mind.

(vi) Better Diabetes and Cardiovascular Services

Overall performance for Quarter Three was averaged at 70% which placed us in the bottom four of the 20 DHBs – the same position as last quarter.

For measure 'CVD Risk Assessment' we continue to work with Ministry of Health, Lab Data Warehouse and the Lab provider to ensure more comprehensive information is reported for this component of the indicator.

For measure 'Diabetes Detection and Follow-up' a total of 2,701 people with diabetes are recorded as having had a Diabetes Annual Review in this period, against an expected number of 3,601. The PHOs have queried the denominator of the number of people with diabetes in this district and considerable work has been done by both PHOs to validate this data. While the MOH has found this work helpful and has adjusted the denominator to a slightly lower level, and acknowledges that it is not perfect, MOH still regard it as a reasonable estimate of the total number of people who are expected to have diabetes in this district. NMDHB and the two PHOs are working together to identify people who are eligible but have not had a Diabetes Annual Review, and also to consider development of guidelines for diabetes care, drawing on previous work in the sector.

For measure 'Diabetes Management' performance is down slightly in this quarter but as our district's results compare well on this component relative to other DHBs, no particular action is felt to be required at this stage.

(b) Nelson Marlborough Health Alliance

(i) Minor Surgical Skin Lesions

Pathway and process to move minor skin lesions into a primary care setting are being worked through.

John Peters

CHIEF EXECUTIVE

22 June 2011

RECOMMENDATIONS ARISING FROM THIS REPORT:

- 2. THAT THE CHIEF EXECUTIVE'S REPORT BE RECEIVED**
- 3. THAT THE FINANCIAL REPORT BE ADOPTED.**

4.3 Committee Reports

Iwi Health Board

No report.

Joe Puketapu
Chair

Status

This report
contains:

- For decision
- Update
- Regular report
- For information

Community & Public Health Advisory Committee (CPHAC) and Disability Support Advisory Committee (DiSAC)

Verbal report may be provided following the CPHAC/DiSAC meeting held in the morning.

Gerald Hope
Chairman

Status

This report contains:

- For decision
- Update
- Regular report
- For information

**RECOMMENDATION:
THAT THE CHAIRMAN'S REPORT BE RECEIVED.**

Hospital Advisory Committee (HAC)

24 May 2011

The terms of reference for HAC were finalised.

Peter Bramley presented an excellent session on directorate profiles.

Key quality initiatives were presented:

- *Quality Framework*
- *Theatre Productivity*
- *Scoping Review*
- *Surgical Pre-Admission Redesign*
- *Minor Surgical Skin Lesions*
- *Cardiology.*

Requests were made from members for timeframes, progress and metrics around these at the next HAC meeting in July.

Until all four service managers covering *medical, surgical, specialities* and *Wairau* are appointed, service improvement is at risk.

Transport of clinicians between Nelson and Wairau to cover district-wide workloads is a major factor needing consideration to make best use of specialist resources.

Financial

In financial terms there was a constant reminder of delivering services within constrained financial environment and ways in which service directorates will meet these challenges. YTD contribution of \$37.2m compared to a budgeted contribution of \$35.6m.

ESPIs

The Ministry is constantly in communication with Service Directors on targets and meeting expectations.

Overall NMDHB remains 'green' in terms of ESPI compliance.

ESPI 5 (patients waiting for surgical treatment > 6 months) now compliant but would not be if the buffer was removed.

Bed Management

Average daily occupancy for April was high for both Nelson and Wairau exceeding 85% placing an 'orange' light status.

Rutherford Initiatives

The Ophthalmology and Obstetrics and Gynaecology recommendations are progressing through consultation and review stages.

Status

This report contains:

- For decision
- ✓ Update
- ✓ Regular report
- For information

July Meeting

Service Director of Community Based Services Directorate will be invited to discuss diabetes, CVD and smoking cessation as questions came from members about national health targets. Clinical Director Specialist for Community Based Services Directorate will also be invited to talk about Rheumatic Fever.

Judy Crowe
Chairperson

**RECOMMENDATION:
THAT THE CHAIRPERSON'S REPORT BE RECEIVED.**

APPENDIX 1 – FINANCIAL REPORT MAY 2011

OPERATING RESULTS

Consolidated Financial Performance

Consolidated Statement of Financial Performance									
\$000	May 2011			Prior YTD	Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Actual	Budget	Variance	DAP	Forecast
Revenue	32,828	32,061	767	347,074	359,770	354,870	4,901	390,604	392,676
Expenditure									
Personnel Costs	11,911	11,915	4	129,764	130,827	133,821	2,994	146,184	142,960
Outsourced Services	1,107	912	(195)	10,443	10,861	9,916	(945)	10,811	11,842
Clinical Supplies	3,059	2,466	(593)	28,590	30,761	27,756	(3,005)	30,234	34,006
Infrastructural and Non Clinical Supplies	2,481	2,613	132	27,476	28,782	28,610	(173)	31,255	31,465
Personal Health Expenditure	8,961	8,909	(52)	96,180	99,326	98,863	(462)	107,863	107,559
Mental Health Expenditure	978	968	(10)	11,067	10,668	10,645	(23)	11,613	11,651
Public Health Expenditure	13	4	(9)	149	54	47	(8)	51	54
Disability Support Expenditure	3,722	3,502	(220)	37,029	38,780	37,812	(968)	41,237	42,448
Hauora Maori Services Expenditure	228	228	0	2,471	2,502	2,504	3	2,732	2,729
Interdivisional Eliminations	0	0	0	(0)	(0)	0	0	0	0
Internal Revenue/Expenses	0	(0)	(0)	0	0	(0)	(0)	(0)	0
Total Expenditure	32,460	31,517	(943)	343,168	352,561	349,974	(2,586)	381,980	384,714
Net Surplus/(Loss) before Interest & Capital Charge	367	543	(176)	3,906	7,210	4,895	2,314	8,623	7,962
Interest Received	109	68	41	1,365	1,359	736	623	802	1,444
Interest Paid	(223)	(280)	57	(2,160)	(2,326)	(3,034)	708	(3,306)	(2,575)
Capital Charge	(688)	(560)	(128)	(6,515)	(6,401)	(6,242)	(159)	(6,819)	(7,019)
Net Surplus/(Loss)	(435)	(229)	(206)	(3,404)	(158)	(3,644)	3,486	(699)	(189)
Made up of Divisional Surplus/(Loss):									
Funder	(359)	(308)	(52)	(3,649)	(1,461)	(2,698)	1,237	(2,779)	147
Governance	69	17	52	416	644	(15)	659	0	49
Provider	(144)	62	(206)	(172)	659	(932)	1,590	2,079	(385)
Total	(435)	(229)	(206)	(3,404)	(158)	(3,644)	3,486	(699)	(189)

Revenue: \$5.5m more than budget YTD (including interest received)

Expenses: \$2.0m more than budget YTD

Net Result: \$3.5m better than budget YTD

Revenue

Of the \$5.5m YTD variance, \$623k is provided by interest received.

Fund \$2.8m positive variance:

- One-off prior year adjustments relating mainly to elective services and IDF washups \$618k.
- PBF adjustments offset by increased expenditure \$1,104k (Herceptin and PHARMAC).
- MOH subcontracts (e.g. Hospice Operational Funding and PHO programmes) \$877k offset by some additional costs. Oral Health Project operational funding revised down by \$395k.

- IDF revenue \$480k positive variance for estimated inflow revenue relating to the PBF adjustment for Herceptin costs.

Provider \$2.3m positive variance:

- Over budget Intellectual Disability residential volumes have provided \$350k of the positive variance.
- Other Income such as KiwiSaver rebate, donations, reimbursements and rentals \$832k.
- Unbudgeted IDSS client contribution \$973k – offset by increased Clinical Supplies and Infrastructure expenditure.
- Income from Enable is \$403k positive for Audiology and Mobility relating to backlog release and subsidy levels.
- Unbudgeted PHARMAC hospital rebates \$295k.
- ACC billing for predominantly Radiology and Wairau Medical Surgical Inpatients is \$384k below budget – there is a trend for ACC patients to use Nelson Radiology, and ACC invoicing criteria has moved post the closure of the Christchurch office.
- Income for Herceptin is under budget by \$624k, as the Ministry are funding via PBF.

Expenditure

Payments to providers are \$1,458 over budget (consolidated):

- Disability Support (\$968k unfavourable variance YTD). This is partly due to a change in the model of care and more clients being supported than budgeted for Home Based Support. Also, \$703k has been recorded for Residential Care for Christchurch evacuees, and there is increased expenditure offset to increased revenue (Joan Whiting Rest Home, InterRai).
- Personal Health (\$462k unfavourable YTD) – most overspends are offset to increased revenues (PHO programmes, Herceptin, and IDFs being the largest), and are softened within the expenditure group by underspends relating to Maternity, increase in estimated PHARMAC rebate, and expenditure on home support for post acute clients and those with medical chronic conditions.

The \$3.0m saving YTD in consolidated **personnel costs** YTD has had a number of drivers.

- Medical personnel underspend \$867k YTD is offset to Outsourced Medical overspend.
- Price and volume variance analysis indicates that the total underspend is a mixture of price variance (average cost/FTE is lower than budgeted) and volume variance (vacancies or hours worked). Influencing both of these measures is staff mix.
- Course Fees are underspent \$788k YTD, \$310k relating to Nurses New Entry to Practise which should be spent by the end of the financial year. Med/Surg, Mental Health, and Clinical Support directorates are also significantly underspent in this area.
- Therapies and Allied Health personnel costs are under budget by \$1,952k YTD due to vacancies and staff mix - in particular Mental Health, Health Promotion, Radiology, Physical Disability and NPA.
- Cost centres driving the Nursing underspend of \$366k are Nursing Entry To Practice, CCT, Midwives, and Alexandra Hospital (reflecting lower occupancy), all with lower than budgeted FTE.
- Total planned savings YTD that have been achieved overall is \$2.2m.
- Some recruitment decisions have been on hold as a result of ELT structural changes and various Rutherford Initiative reports. This has led to significant relocation and recruitment savings to date (\$191k) alongside the vacancy saving. In some cases roster cover has been provided by less senior staff, or there is an offset in Outsourced

costs (particularly Medical, although this relates also to difficulty in recruiting in some specialties). Lower level structural changes and subsequent recruitment are now beginning to happen.

- YTD FTE is just over budget by 6.93 including the YTD savings target of 54.38 FTE.
- Allowances are overspent \$488k YTD. This is partly due to Radiologists additional on call allowances during the MRT strike, and other large variances are Wairau ED locum and one off payments, and Wairau Medical – Orthopaedic on call extra allowances.
- The overspend of \$393k in Management Admin is mainly due to ELT recruitment costs and unbudgeted ELT allowances.

The overspend of \$945k YTD in **Outsourced Services** is driven by locum medical staff in the Medical Surgical Directorate, particularly Ob/Gyn at both sites (covering sick leave and vacancies), Nelson Paediatrics (for maternity leave), and Nelson ED locum cover. The total overspend for Medical outsourcing is \$991k, which is largely offset by the YTD underspend in Medical Personnel costs. The overspend YTD of \$151k for Management/Admin is vacancy cover in Finance, BST, and Corporate Support. Outsourced Services underspends are predominantly in Nursing and Clinical Support.

Clinical Supplies are overspent by \$593k in the month, leading to a \$3,005k YTD overspend.

- Overall surgical caseweight volumes are now 9.66% ahead of budget YTD, and total Clinical Supplies costs are 10.8% overspent, including budgeted savings and the impact of IDSS overspends.
- Medical and Surgical inpatient caseweights remain high at 87 (6%) ahead of budget in the month of May. The positive monthly variance has decreased significantly, largely in relation to General Internal Medicine volumes. Discharge volumes remain below budget YTD.
- Very high numbers for acute Orthopaedic inpatient services combined with ongoing pressure over the waitlist has resulted in total Orthopaedic caseweights continuing to be significantly above target: 116 (43%) for May, 61 acutes and 55 electives over target. These volumes are driving overspends in Implants and Prostheses (\$965k YTD) in particular, with a knock-on effect to treatment disposables and other patient consumables and pharmaceutical costs.
- Grafts are overspent by \$198k YTD, largely related to the employment of a vascular surgeon, and the use of high cost endovascular grafts.
- Air ambulances charges continue to be above budget due to demand (\$76k adverse in May and \$421k YTD).
- \$1.1m YTD was budgeted as savings from performance initiatives. Although savings do not appear to have been found in this area at this time, overall organisational savings targets are being met.
- \$440k of the YTD overspend relates to unbudgeted costs since December offsetting increased revenue for IDSS. This overspend will continue through to the end of 2010/11 (it will be budgeted for in 2011/12).
- Another significant overspend (\$401k YTD) is in Patient Appliances, particularly Audiology Aids, Orthotics and Surgical Footwear, and Mobility Equipment. Overspends in Audiology Aids and Mobility Equipment are offset by increases in revenue. The YTD Orthotics overspend of \$96k is the result of a change in operating practice that was not able to be built into the budget at the time.

Budgeted savings in consolidated **Infrastructure and Non-Clinical Supplies** of \$1,550k YTD have not quite been found (overspend of \$332k, not including interest

paid); however, if the increased rent and utilities expenditure of \$483k due to the IDSS admin change from November onwards is disregarded, this class of expenditure would be within that savings target.

- These savings YTD have been found particularly against Telecoms (\$185k), Corporate Training (\$247k), Sundry Expenses (\$532k), Staff Travel & Transport (\$312k), and Equipment Minor Purchases (\$138k).
- Some line items are overspent but predominantly by small amounts. The most significant is Consultants (\$177k YTD), and Stationery (\$71k YTD).

Interest paid is less than budget by \$708k due to the delayed timing of the \$12.5m drawdown for the Wairau project, and better interest rates than budgeted.

Emerging Issues and Associated Risk

- **Christchurch earthquake impact.** Expenses are being recorded as incurred, and forecast where possible. Extra costs in the region of \$1m in the Fund for Aged Residential Care have been identified for patients transferred from Christchurch and are included in the forecast. \$200k relating to other expenditure has also been forecast. CDHB have indicated that the ARC costs will be met by means of an IDF washup, however this has not been confirmed by the Ministry to date therefore no revenue has been recognised in the forecast.
- **IDSS Sleepover ruling - update.** NMDHB disclosed a contingent liability in its 2009/10 annual accounts in the range of \$4.7m to \$7.9m. The Court of Appeal made its ruling in February ([2011] NZCA14), for the defendant; however, leave has now been granted for IHC to appeal to the Supreme Court. Audit NZ have indicated that if an agreement is reached (or is likely to be reached) with the affected employees or their representatives before the date of the audit opinion, an accrual will need to be recognised; otherwise, there is no certainty as to the value of the liability and it would therefore not be recognised.
- The extent of the **Clinical Supplies overspend** now poses a considerable risk to the year end result, as the pressure to keep waiting lists under six months and the drive to reach the discharges target (and therefore access extra funding for caseweight over-delivery) continues.
- **Budgeted savings** have been steeper targets in the second half of the year and have therefore proved more difficult to obtain, particularly in Clinical Supplies and Infrastructure costs. Concentration must remain on cost savings in these areas.
- **Gain on Sale** of \$3m in the budget for Wairau properties has now been removed from the forecast. Delays in the process have pushed the expected completion of the sale process into the next financial year.

The consolidated result for the year is now forecast at \$510k ahead of budget. The change in forecast from April is largely due to the Fund: \$1m less IDF expenditure based on more recent information and \$355k additional MOH funding, mainly for delayed reconstructive surgery. All of the above risks are now included in the updated forecast with the exception of the IDSS Sleepover Liability. The other risks in the forecast have been offset by expected full-year positive variances in revenue and personnel costs.

Financial Performance by Division

Governance & Admin Statement of Financial Performance									
\$000	May 2011			Prior YTD	Year to Date			Full Year	
	Actual	Budget	Variance		Actual	Actual	Budget	Variance	DAP
Revenue	464	458	5	5,259	5,135	5,043	92	5,501	5,008
Expenditure									
Personnel Costs	115	149	35	1,547	1,196	1,631	435	1,783	1,306
Outsourced Services	31	28	(3)	364	317	309	(8)	338	342
Clinical Supplies	0	0	0	0	0	0	(0)	0	0
Infrastructural and Non Clinical Supplies	39	62	23	568	573	805	231	866	638
Internal Allocations	62	62	1	653	812	685	(127)	748	900
Total Expenditure	246	301	55	3,132	2,898	3,430	532	3,735	3,186
Net Surplus/(Loss) before Interest & Capital Charge	218	157	61	2,128	2,237	1,612	625	1,766	1,822
Capital Charge	(149)	(140)	(9)	(1,712)	(1,593)	(1,627)	34	(1,766)	(1,773)
Net Surplus/(Loss)	69	17	52	416	644	(15)	659	0	49

Fund Statement of Financial Performance									
\$000	May 2011			Prior YTD	Year to Date			Full Year	
	Actual	Budget	Variance		Actual	Actual	Budget	Variance	DAP
Revenue									
Ministry of Health	29,715	29,378	337	316,155	327,306	324,544	2,762	354,384	357,239
Other Revenue	10	0	10	108	66	0	66	0	66
Total Revenue	29,725	29,378	347	316,263	327,372	324,544	2,828	354,384	357,304
Expenditure									
Personal Health Expenditure	21,311	21,164	(147)	227,173	235,199	234,234	(965)	255,715	255,391
Mental Health Expenditure	3,072	3,043	(28)	33,703	33,568	33,476	(91)	36,520	36,644
Public Health Expenditure	250	237	(13)	3,024	2,619	2,608	(11)	2,845	2,856
Disability Support Expenditure	4,837	4,616	(221)	49,115	50,786	50,034	(753)	54,567	55,555
Hauora Maori Services Expenditure	228	228	0	2,471	2,502	2,504	3	2,732	2,729
Other Expenses	458	458	(0)	5,189	5,043	5,043	(0)	5,501	4,916
Total Expenditure	30,155	29,746	(409)	320,675	329,716	327,898	(1,818)	357,879	358,091
Net Surplus/(Loss) before Interest & Capital Charge	(431)	(368)	(62)	(4,412)	(2,344)	(3,354)	1,010	(3,494)	(787)
Interest Received	71	61	10	763	884	657	227	715	934
Net Surplus/(Loss)	(359)	(308)	(52)	(3,649)	(1,461)	(2,698)	1,237	(2,779)	147

Provider Statement of Financial Performance									
\$000	May 2011			Prior YTD	Year to Date			Full Year	
	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>DAP</i>	<i>Forecast</i>
Revenue									
Ministry of Health	1,687	1,727	(40)	19,201	19,030	19,442	(412)	21,295	20,818
Internal Fund	15,795	15,677	118	168,590	173,344	172,983	360	188,882	188,734
Other Government	387	337	50	3,993	4,241	3,709	531	4,044	4,612
Other Revenue	1,024	619	406	7,534	9,035	7,174	1,861	10,881	9,837
Total Revenue	18,893	18,360	533	199,319	205,650	203,309	2,341	225,101	224,001
Expenditure									
Personnel Costs									
Medical Personnel	3,002	3,062	60	32,702	33,979	34,846	867	38,148	37,210
Nursing Personnel	4,097	4,072	(25)	45,075	44,609	44,976	367	49,100	48,697
Allied Health Personnel	2,611	2,719	108	28,189	28,309	30,261	1,952	33,131	30,923
Support Personnel	387	393	6	4,085	4,078	4,271	193	4,674	4,468
Management/Administration Personnel	1,700	1,520	(180)	18,165	18,656	17,836	(820)	19,349	20,356
Total Personnel	11,797	11,766	(31)	128,217	129,632	132,190	2,558	144,401	141,655
Outsourced Services	1,076	884	(192)	10,079	10,543	9,606	(937)	10,473	11,499
Clinical Supplies	3,059	2,466	(593)	28,590	30,761	27,756	(3,005)	30,234	34,006
Infrastructural and Non Clinical Supplies	2,442	2,551	109	26,908	28,209	27,805	(404)	30,389	30,827
Total Expenditure	18,374	17,667	(707)	193,794	199,144	197,357	(1,787)	215,498	217,987
Internal Allocations	62	62	(1)	653	812	685	127	748	900
Net Surplus/(Loss) before Interest & Capital Charge	580	755	(174)	6,178	7,317	6,637	680	10,351	6,914
Interest Received	38	7	31	601	475	80	395	87	510
Interest Paid	(223)	(280)	57	(2,160)	(2,326)	(3,034)	708	(3,306)	(2,575)
Capital Charge	(539)	(420)	(119)	(4,803)	(4,808)	(4,615)	(193)	(5,053)	(5,246)
Net Surplus/(Loss)	(144)	62	(206)	(184)	659	(932)	1,590	2,079	(397)

Consolidated Financial Position

Consolidated Statement of Financial Position \$000s	June 2010	CM Last Year	CM Actual	CM Budget	Variance	DAP	Forecast
Bank	22,920	22,238	18,101	16,769	1,332	25,540	22,269
Deposits > 3 months	-	-	4,037	-	4,037	-	-
Debtors & Prepayments	9,646	9,219	12,201	22,226	(10,025)	22,666	13,025
Stock	2,016	2,171	2,045	2,318	(273)	2,318	2,318
Assets Held for Sale	-	-	2,769	-	2,769	-	2,769
Current Assets	34,582	33,628	39,153	41,313	(4,929)	50,524	40,381
Creditors	28,584	24,039	22,606	39,965	17,359	42,486	26,937
Employee Entitlements	25,921	25,660	30,836	25,601	(5,235)	23,736	29,425
Term Debt - Current Portion	1,580	1,605	13,178	2,404	(10,774)	2,404	14,404
Current Liabilities	56,085	51,304	66,620	67,970	1,350	68,626	70,766
Working Capital	(21,503)	(17,676)	(27,467)	(26,657)	(810)	(18,102)	(30,385)
Non Current Assets	157,119	156,492	162,948	166,893	(3,945)	165,702	166,401
Net Funds Employed	135,616	138,816	135,481	140,236	(4,755)	147,600	136,016
Long Service Leave	2,088	1,871	2,088	1,871	(217)	1,871	2,088
Retiring Gratuities	7,754	8,657	7,754	8,657	903	8,657	7,754
Sabbatical Leave	1,016	942	1,016	942	(74)	942	1,016
Term Debt	37,540	37,596	34,681	45,094	10,413	49,503	35,929
Non Current Liabilities	48,398	49,066	45,539	56,564	11,025	60,973	46,787
Crown Equity	87,218	89,750	89,942	83,672	6,270	86,627	89,229
Net Funds Employed	135,616	138,816	135,481	140,236	(4,755)	147,600	136,016

The major driver of variances to budget is the brought forward variance relating to the June 2010 position, particularly in relation to debtors and creditors balances. Taking that into account, material variances are confined to:

- Retained earnings due to \$3.5m better than budget financial performance YTD, \$3.5m equity injection (Oral Health Project), and a net reduction of \$504k relating to the adjustment to fair value of the assets transferred to Assets Held for Sale.
- There are two new Current Asset classifications – Deposits greater than three months, recording investments made for longer terms in order to obtain more favourable interest rates, and Assets Held for Sale, currently reflecting Nelson properties that are part way through the sales process.
- Accrued Salaries & Wages/Employee entitlements appear inflated due to unsettled MECAs and restructuring accruals in hand. These accruals will be reassessed before financial year-end.
- Current and Non-Current Term Debt variances offset each other.
- Fixed Assets are underspent largely due to the transfer of \$3.4m (net book value) property assets to Assets Held for Sale. Reflected in Current Assets at \$2.8m.

Consolidated Cashflow Position

Consolidated Statement of Cash Flows \$000s	Current Month			Prior YTD	Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Actual	Budget	Variance	DAP	Forecast
Operating Cash Flow Receipts									
Government & Crown Agency Received	33,538	31,711	1,827	347,614	347,552	348,038	(486)	379,710	381,678
Other Revenue Received	1,012	659	353	7,534	9,020	7,191	1,829	7,846	9,366
Total Receipts	34,550	32,370	2,180	355,148	356,572	355,229	1,343	387,556	391,044
Payments									
Personnel	11,559	11,924	365	129,838	126,054	133,877	7,823	146,247	141,460
Payments to Suppliers	5,226	4,904	(322)	62,654	63,223	54,987	(8,236)	59,957	66,528
Capital Charge	-	-	-	7,188	6,559	6,861	302	6,861	6,536
GST	1,480	(31)	(1,511)	(554)	(79)	(89)	(10)	(100)	(2,073)
Payments to Other DHBs	3,155	3,070	(85)	33,549	35,986	33,762	(2,224)	36,833	38,462
Payments to Other Providers	10,747	10,523	(224)	113,347	115,344	115,985	641	126,527	127,276
Total Payments	32,167	30,390	(1,777)	346,022	347,087	345,383	(1,704)	376,325	378,189
Net Cash Inflow/(Outflow) from Operating Activities	2,383	1,980	403	9,126	9,485	9,846	(361)	11,231	12,855
Cash Flow from Investing Activities Receipts									
Interest Received	109	68	41	1,365	1,359	736	623	802	1,450
Sale of Fixed Assets	40	3,534	(3,494)	744	158	3,606	(3,448)	9,285	269
Total Receipts	149	3,602	(3,453)	2,109	1,517	4,342	(2,825)	10,087	1,719
Payments									
Capital Expenditure	889	2,219	1,330	23,961	21,693	24,079	2,386	26,590	26,688
Increase in Investments	(1,002)		1,002		4,037		(4,037)	-	-
Total Payments	(113)	2,219	2,332	23,961	25,730	24,079	(1,651)	26,590	26,688
Net Cash Inflow/(Outflow) from Investing Activities	262	1,383	(1,121)	(21,852)	(24,213)	(19,737)	(4,476)	(16,503)	(24,969)
Net Cash Inflow/(Outflow) from Financing Activities	1,203	(385)	1,588	(2,560)	9,909	3,830	6,079	7,982	11,463
Net Increase/(Decrease) in Cash Held	3,848	2,978	870	(15,286)	(4,819)	(6,061)	1,242	2,710	(651)
Plus Opening Balance	19,292	13,791	5,501	37,524	22,920	22,830	90	22,830	22,920
Closing Balance	23,140	16,769	6,371	22,238	18,101	16,769	1,332	25,540	22,269

Consolidated cash balances are better than budget by \$6.3m. Major reasons for this are:

- Personnel costs under budget and movements in personnel accruals are offset by decreased payables balances and increased costs for Clinical Supplies in particular.
- The net cash outflow variance for investing activities is due to unbudgeted deposits of greater than three months. Timing delays in sales and purchases of fixed assets is also a feature.
- Net cash inflows from financing activities showing a \$6m positive variance YTD due to the timing of CHFA drawdowns and of \$3.5m equity injection relating to the Community Oral Health project.

APPENDIX 2 – MECA & COLLECTIVE AGREEMENT UPDATES

NATIONAL MULTI EMPLOYER COLLECTIVE AGREEMENT (MECA) UPDATE

MECA & UNION	COVERAGE	UPDATE
Associated Salaried Medical Specialists (ASMS)	132 employees	Discussions with the union continued during May and June. The parties are exploring ways to progress these negotiations.
Clinical Physiology (APEX)	7 Employees	Mediation occurred on 10 May with subsequent negotiations being unable to reach agreement. The union has requested a return to mediation.
Psychologists (APEX)	10 Employees	Previously covered by the PSA the local psychologists have now joined APEX. Negotiations have been ongoing for some time now. The union is currently consulting its members prior to taking a formal offer from the DHBs out for ratification.

NMDHB & REGIONAL COLLECTIVE AGREEMENT (CEA) UPDATE

CEA & UNION	COVERAGE	UPDATE
Clerical South Island Region PSA	212 employees	This Agreement expired on 31 December 2010. The Union initiated bargaining on 1 December. An interim settlement under the national Managed Bargaining process has been agreed to by union members. The parties have met to agree Merit Criteria and these will be included in the next ratification process.

SECTION 5: FOR INFORMATION

SECTION 6: MEMBERS' ISSUES

GLOSSARY OF COMMONLY USED ACRONYMS, ABBREVIATIONS AND MAORI TRANSLATION

ABC	Ask about their smoking status; brief advice to quit; cessation
A4HC	Action for Healthy Children
A&D / AOD	Alcohol and Drug / Alcohol and Other Drugs
ACC	Accident Compensation Corporation
ACNM -	Associate Charge Nurse Manager
ACU	Ambulatory Care Unit
AE	Alternative Education
AEP	Accredited Employer Programme
AIR	Agreed Information Repository
ALOS	Average Length of Stay
AOD	Alcohol and Drug
AOHS	Adolescent Oral Health Services
AP	Annual Plan with Statement of Intent
ARC	Aged Residential Care
ARF	Audit Risk and Finance
ARCC	Aged Residential Care Contract
ASD	Autism Spectrum Disorder
ASMS	Association of Salaried Medical Specialists
AT&R	Assessment, Treatment & Rehabilitation
BSCQ	Balanced Score Card Quadrant
BA	Business Analyst
BCTI	Buyer Created Tax Invoice
BFCI	Breast Feeding Community Initiative
BFCI	Baby Friendly Community Initiative
BS	Business Support
BSI	Blood Stream Infection
BSMC	Better, Sooner, More Convenient
CAMHS	Child and Adolescent Mental Health Services
CBAC	Community Based Assessment Centres
CBF	Capitation Based Funding
CE (CEO)	Chief Executive (Chief Executive Officer)
CEA	Collective Employee Agreement
CDHB	Canterbury District Health Board
CCDHB	Capital & Coast District Health Board (also called C & C)
CCF	Chronic Conditions Framework
CCT	Continuing Care Team
CCU	Coronary Care Unit
CDEM	Civil Defence Emergency Management
CDHB	Canterbury District Health Board
CDM	Chronic Disease Management
CEG	Coordinating Executive Group (for emergency management)
CeTas	Central Technical Advisory Support
CFA	Crown Funding Agreement <u>or</u> Crown Funding Agency
CFO	Chief Financial Officer
CHFA	Crown Health Financing Agency
CHS	Community Health Services
CIMS	Coordinated Incident Management System
CIO	Chief Information Officer
CME	Continuing Medical Education
CMI	Chronic Medical Illness
CMS	Contract Management System

CNM	Charge Nurse Manager
COO	Chief Operating Officer
COPMI	Children of Parents with Mental Illness
CPHAC	Community and Public Health Advisory Committee
CPIP	Community Pharmacy Intervention Project
CPNE	Continuing Practice Nurse Education
CPO	Controlled Purchase Operations
CPU	Critical Purchase Units
CSR	Contract Status Report
CSSD	Central Sterile Supply Department
CTA	Clinical Training Agency
CTC	Contributions to Cost
CTANAG	Clinical Training Agency Nursing Advisory Group
CTU	Combined Trade Unions
CVD	Cardiovascular Disease
CVDRA	Cardiovascular/Diabetes Risk Assessment
CWD	Case Weighted Discharge
CYAERG	Child Youth Advisory & Expert Reference Group.
CYF	Child, Youth and Family
CYFS	Child, Youth and Family Service
DAP	District Annual Plan
DAR	Diabetes Annual Review
DHB	District Health Board
DHBNZ	District Health Boards New Zealand
DHBRF	District Health Boards Research Fund
DiSAC	Disability Support Advisory Committee
DGH	Director General of Health
DMH	Director of Maori Health
DNA	Did Not Attend
DRG	Diagnostic Related Group
DSP	District Strategic Plan
DSS	Disability Support Services
DWCSP	District Wide Clinical Services Plan
EAP	Employee Assistance Programme
EBID	Earnings Before Interest & Depreciation
ECWD	Equivalent Case Weighted Discharge
ED	Emergency Department
EDA	Economic Development Agency
EFI	Energy For Industry
ELT	Executive Leadership Team
EMPG	Emergency Management Planning Group
ENT	Ears, Nose and Throat
EOI	Expression of Interest
ESA	Electronic Special Authority
ESOL	English Speakers of Other Languages
ESPI	Elective Services Patient Flow Indicators
ESR	Environmental Science & Research
ESU	Enrolled Service Unit
EVIDEM	Evidence and Value: Impact on Decision Making
FF&E	Furniture, Fixtures and Equipment
FFT	Future Funding Track
FMIS	Financial Management Information System
FOMHT	Friends of Motueka Hospital Trust
FOUND	Found Directory is an up-to-date listing of community groups and organisations in Nelson/Tasman

FRC	Fee Review Committee
FSA	First Specialist Assessment
FST	Financially Sustainable Threshold
FTE	Full Time Equivalent
FVIP	Family Violence Intervention Programme
GM	General Manager
GMS	General Medical Subsidy
GP	General Practitioner
GRx	Green Prescription
HAC	Hospital Advisory Committee
HBI	Hospital Benchmarking Information
HBSS	Home Based Support Services
HBT	Home Based Treatment
H&DC / HDC	Health and Disability Commissioner
HDSP	Health & Disability Services Plan Programme
HDU	High Dependency Unit
HEA	Health Education Assessments
He Kawenata	Covenant, agreement, treaty, testament (PM Ryan Maori Dictionary pg 104)
HEeADSSS	Psychosocial tool – Home, Education, eating, Activities, Drugs and Alcohol, Sexuality, Suicidality (mood), Safety
HEHA	Healthy Eating Healthy Action
HEP	Hospital Emergency Plan
HESDJ	Ministries of Health, Education, Social Development, Justice
HFA	Health Funding Authority
HHS	Hospital and Health Services
HIA	Health Impact Assessment
HM	Household Management
HMS	Health Management System
HODs	Heads of Department
HOP	Health of Older People
HP	Health Promotion
HPI	Health Practitioner Index
HPV	Human Papilloma Virus
HR	Human Resources
HR & OD	Human Resources and Organisational Development
IANZ	International Accreditation New Zealand
IBA	Information Builders of Australia
IDF	Inter District Flow
IDSS	Intellectual Disability Support Services
IFRS	International Financial Reporting Standards
IHB	Iwi Health Board
IM	Information Management
InterRAI	Inter Residential Assessment Instrument
IPAC	Independent Practitioner Association Council
IPC	Intensive Patient Care
IPC Units	Intensive Psychiatric Care Units
IPG	Immunisation Partnership Group
IPU	In-Patient Unit
IS	Information Systems
ISSP	Information Services Strategic Plan
IT	Information Technology
JAMHWSAP	Joint Action Maori Health & Wellness Strategic Action Plan
JOG	Joint Oversight Group
KIM	Knowledge and Information Management

Kotahitanga	Unity, accord, coalition, solidarity (PM Ryan Maori Dictionary pg 127)
KPI	Key Performance Indicator
KHW	Kimi Hauora Wairau (Marlborough PHO)
LA	Local Authority
LCN	Local Cancer Network
LIS	Laboratory Information Systems
LOS	Length of Stay
LSCS	Lower Segment Caesarean Section
LTC	Long Term Care
LTCCP	Long Term Council Community Plan
LTO	Licence to Occupy
LTS-CHC	Long Term Supports – Chronic Health Condition
LTSFSG	Long Term Service Framework Steering Group
Manaakitanga	Goodwill, show respect, or kindness to ((PM Ryan Maori Dictionary pg 172)
Manawhenua	Power, prestige, authority over land (HW Williams Maori Dictionary pg 172)
Manawhenua O Te	Tau Ihu O Te Waka A Maui – Referring to the eight iwi who hold tribal authority over the top of the South Island (no reference)
MHDSF	Maori Health and Disability Strategy Framework
MHFS	Maori Health Foundation Strategy
MPDS	Maori Provider Development Scheme
MA	Medical Advisor
MCT	Mobile Community Team
MDC	Marlborough District Council
MDO	Maori Development Organisation
MDS	Maori Development Service
MDT	Multi Disciplinary Team
MECA	Multi Employer Collective Agreement
MHAU	Mental Health Admission Unit
MHC	Mental Health Commissioner
MHD	Maori Health Directorate
MHINC	Mental Health Information Network Collection
MHWSF	Maori Health and Wellness Strategic Framework
MOH	Ministry of Health
MOH	Medical Officer of Health
MOA	Memorandum of Agreement
MOSS	Medical Officer Special Scale
MOU	Memorandum of Understanding
MOW	Meals on Wheels
MRI	Magnetic Resonance Imaging
MRT	Medical Radiation Technologist (or Technician)
MSD	Ministry of Social Development
NPA	Nutrition and Physical Activity
NRAHDD	Nelson Region After Hours & Duty Doctor Limited
NRT	Nicotine Replacement Therapy
MRSA	Methicillin Resistant Staphylococcus Aureus
NHBIT	National Health Board IT
NASC	Needs Assessment Service Coordination
NBPH	Nelson Bays Primary Health
NCC	National Capital Committee
NCC	Nelson City Council
NCSP	National Cervical Screening Programme
NETP	Nursing Entry to Practice

NGO	Non Government Organisation
NHCC	National Health Coordination Centre
NHI	National Health Index
NIR	National Immunisation Register
NMDHB	Nelson Marlborough District Health Board
NMDS	National Minimum Dataset
NMIT	Nelson Marlborough Institute of Technology
NPA	Nutrition and Physical Activity (Programme)
NPV	Net Present Value
NRAHDD	Nelson Regional After Hours and Duty Doctor Ltd
NSU	National Screening Unit
NTOS	National Terms of Settlement
NZHIS	NZ Health Information Services
NZMA	New Zealand Medical Association
NZNO	NZ Nurses Organisation
NZPH&D Act	NZ Public Health and Disability Act 2000
OAG	Office of the Auditor General
OIA	Official Information Act
OIS	Outreach Immunisation Services
OPD	Outpatient Department
OPF	Operational Policy Framework
OPJ	Optimising the Patient Journey
OSH	Occupational Health and Safety
OT	Occupational Therapy
PACS	Picture Archiving Computer System
P&F	Planning and Funding
PANT	Physical Activity and Nutrition Team
PBF(F)	Population Based Funding (Formula)
PC	Personal Cares
P&C	Primary & Community
PCI	Percutaneous Coronary Intervention
PCO	Primary Care Organisation
PCT	Pharmaceutical Cancer Treatments
PDR	Performance Development Review
PDRP	Professional Development and Recognition Programme
PDSA	Plan, Do, Study, Act
PFG	Performance Framework Group (formerly known as Services Framework Group)
PHS	Public Health Service
PHCS	Primary Health Care Strategy
PHI	Public Health Intelligence
PHO	Primary Health Organisation
PHOA	PHO Alliance
PHONZ	PHO New Zealand
PHS	Public Health Service
PHU	Public Health Unit
PIA	Performance Improvement Actions
PN	Practice Nurse
PPP	PHO Performance Programme
PSAAP	PHO Service Agreement Amendment Protocol
PT	Patient
PTAC	Pharmacology and Therapeutics Committee
PRIMHD	Project for the Integration of Mental Health Data
PVS	Price Volume Schedule
QA	Quality Assurance

QHNZ	Quality Health NZ
QIC	Quality Improvement Council
QIPPS	Quality Improvement Programme Planning System
Rangatiratanga	Autonomy, evidence of greatness (HW Williams Maori Dictionary pg 323)
RDA	Resident Doctors Association
RDA	Riding for Disabled
RIF	Rural Innovation Fund
RFI	Request for Information
RFP	Request for Proposal
RICF	Reducing Inequalities Contingency Funding
RM	Registered Midwife
RMO	Resident Medical Officer
RN	Registered Nurse
ROI	Registration of Interest
RSE	Recognised Seasonal Employer
RSL	Research and Sabbatical Leave
SAN	Storage Area Network
SCBU	Special Care Baby Unit
SCN	Southern Cancer Network
SDB	Special Dental Benefit Services
SHSOP	Specialist Health Services for Older People
SIA	Services to Improve Access
SICF	South Island Chairs Forum
SICSP	South Island Clinical Services Plan
SI HSP	South Island Health Services Plan
SIRCC	South Island Regional Capital Committee
SISSAL	South Island Shared Service Agency
SLH	SouthLink Health
SLT	Strategic Leadership Team
SMO	Senior Medical Officer
SNA	Special Needs Assessment
SOI	Statement of Intent
SOPD	Surgical Outpatients Department
SOPH	School of Population Health
TDC	Tasman District Council
TLA	Territorial Local Authority
TOW	Treaty of Waitangi
TOR	Terms of Reference
TRTT	Te Roopu Tupu Tahī
UG	User Group
VLCA	Very Low Cost Access
VRA	Vascular Risk Assessment
WAM	Wairau Accident & Medical Trust
WAVE (Project)	Working to Add Value through E-Information
WEII	Whanau Engagement, Innovation and Integration
WIP	Work in Progress
YTD	Year to Date
YTS	Youth Transition Service

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