BOARD MEETING

Date: Wednesday, 13 December 2017

Time: Noon

Venue: Te Waiora Room, DHB Administration Building,
Corner Omahu Road and McLeod Street, Hastings

Members:
Kevin Atkinson (Chair)
Ngahiwi Tomoana
Dan Druzianic
Barbara Arnott
Peter Dunkerley
Dr Helen Francis
Diana Kirton
Jacoby Poulain
Heather Skipworth
Ana Apatu
Hine Flood

Apologies: -

In Attendance:
Dr Kevin Snee, Chief Executive Officer
Sharon Mason, Executive Director of Provider Services
Tim Evans, Executive Director of Corporate Services
Chris Ash, Executive Director of Primary Care
Kate Coley, Executive Director of People & Quality
Tracee Te Huia, Executive Director of Strategy & Health Improvement
Ken Foote, Company Secretary
Dr John Gommans, Chief Medical Officer, Hospital & Co-Chair Clinical Council
Dr Andy Phillips, Chief Allied Health Professions Officer & Co-Chair Clinical Council
Rachel Ritchie, Chair HB Health Consumer Council
Members of the public and media

Mintute Taker: Brenda Crene

Public Excluded Agenda

Item	Section 1: Routine	Ref #	Time (pm)
1.	Karakia		Noon
2.	Apologies		
3.	Interests Register		

4.	**Section 2: Recommendation to Exclude the Public** Under Clause 32, New Zealand Public Health & Disability Act 2000		
5.	Minutes of Previous Meeting		
6.	Matters Arising – Review of Actions		
7.	Board Approval of Actions exceeding limits delegated by CEO	149	
8.	Chair's Update		
9.	Whole of Board Appraisal	150	
	Section 3: Reports from Committee Chairs		
10.	Finance Risk & Audit Committee (Verbal) Chair Dan Druzianic		12.20

Lunch 12.30

Public

Item	Section 4 : Routine	Ref #	Time (pm)
11.	Minutes of Previous Meeting		1.00
12.	Matters Arising - Review of Actions		
13.	Board Workplan		
14.	Chair's Report – verbal		
15.	Chief Executive Officer's Report	151	
16.	Financial Performance Report	152	
17.	Board Health & Safety Champion's Update		
	Section 5: Report from Committee Chairs		
18.	Clinical and Consumer Council Report (Verbal) - Co-Chairs	153	1.50
19.	Pasifika Health Leadership Group – Barbara Arnott	154	
	Section 6: Discussion / Presentation		
20.	Big Listen / People Strategy - Kate Coley		
21.	Clinical Services Plan - Tracee TeHuia and Ken Foote		
	Section 7: Monitoring Reports – for information		
22.	Human Resource KPIs Q1 (July-Sept 17) – Kate Coley	155	2.30
	Section 8: General Business		
	Meeting closes The next Board Meeting will be held on Wednesday 28 February 2018, at 1.00pm		

Afternoon Tea 2.40

	Workshop with Heatlh Hawke's Bay Board	3.00

Board "Interest Register" - 26 October 2017

Board Member Name	Current Status	Conflict of Interest	Nature of Conflict	Mitigation / Resolution Actions	Mitigation / Resolution Actions Approved by	Date Conflict Declared
Kevin Atkinson (Chair)	Active	Trustee of Te Matau a Maui Health Trust	The shares in Health Hawke's Bay (PHO) are owned by the Te Matau a Maui Health Trust, representing health and community stakeholders.	Will not take part in any decisions or discussion in relation to the Trust	The Chair of FRAC	Mar-11
	Active	Board Member of NZ Health Partnership Limited, *effective from 20 March 2017*	Lead, supported and owned by the 20 DHBs, NZ Health Partnerships creates efficiencies in the health sector that allow more to be spent on frontline services.	Will not take part in any decisions in relation to NZ Health Partnerships Limited where specific legal or fiduciary conflict identified.	The Chair of FRAC	22.02.17
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair of FRAC	26.10.17
Ngahiwi Tomoana (Deputy Chair)	Active	Chair, Ngati Kahungunu Iwi Incorporated (NKII)	Actual Conflict of Interest. Non-Pecuniary interest. Chair of NKII. NKII is titular head of 6 Taiwhenua. 2 NKII Taiwhenua have contracts for health services with HBDHB: (i) Te Taiwhenua Heretaunga is HBDHB's 5th largest health services contractor. The contracts are administered by HBDHB's Planning, Funding and Performance department. (ii) Ngati Kahungunu Ki Wanganui a Orutu has a contract with HBDHB to provide mental health services. This contract is administered by HBDHB's Planning, Funding and Performance department.	Will not take part in any decisions in relation to the service contracts between the NKII Taiwhenua and HBDHB.	The Chair	01.05.08
	Active	Brother of Waiariki Davis	Perceived Conflict of Interest. Non-Pecuniary interest. Waiariki Davis is employed by HBDHB and is the Health Records Manager.	Will not take part in any decisions in relation to Health Records management. All employment matters in relation to Waiariki Davis are the responsibility of the CEO.	The Chair	01.05.08
	Active	Uncle of Tiwai Tomoana	Perceived Conflict of Interest. Non-Pecuniary interest. Tiwai Tomoana is employed by HBDHB and is a Kitchen Assistant in the Food and Nutrition Department at Hawke's Bay Hospital.	All employment matters in relation to Tiwai Tomoana are the responsibility of the CEO.	The Chair	01.05.08
	Active	Uncle of Iralee Tomoana	Iralee Tomoana is employed by HBDHB and works in the Radiology Department as a clerical assistant.	All employment matters in relation to Iralee Tomoana are the responsibility of the CEO.	The Chair	01.05.08
	Active	Brother of Numia Tomoana	Perceived Conflict of Interest. Non-Pecuniary interest. Numia Tomoana is employed by Cranford Hospice and works as a palliative care assistant and, in this role, works with chaplains at Hawke's Bay Hospital.	Will not take part in any decisions in relation to the Chaplain service at Hawke's Bay Hospital.	The Chair	01.05.08
Barbara Arnott	Active	Trustee of the Hawke's Bay Air Ambulance Trust	HBDHB has a partnership contract with Skyline Aviation who together operate the HB Air Ambulance Service which is supported by the Trust.	Declare this interest prior to any discussion on the HB Air Ambulance Services and Chair decides on appropriate mitigation action	The Chair	10.05.10
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	26.10.17
Dr Helen Francis	Active	Alzheimer's Napier previously a Committee member Patron and Lifetime Member	Alzheimer's Society holds a contract with the HBDHB to provide dementia specific daycare and community services.	Will not take part in any decisions or discussion in relation to HBDHB contract with Alzheimer's Society	The Chair	08.06.10 21.06.14
	Active	Employee of Hastings Health Centre	Actual Conflict of Interest. Pecuniary Interest.	Will not take part in any decisions or discussions in relation to Hastings Health Centre.	The Chair	18.02.09
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	03.10.11

Board Member Name	Current Status	Conflict of Interest	Nature of Conflict	Mitigation / Resolution Actions	Mitigation / Resolution Actions Approved by	Date Conflict Declared
	Active	HB Medical Research Foundation	Trustee	Declare this interest prior to any discussion in relation to the Foundation, and an appropirate mitigation action is decided on.	The Chair	20.08.14
Diana Kirton	Active	Brother, John Fleischl, is a Senior Medical Officer (surgeon) employed by HBDHB.	Perceived Conflict of Interest. Non-Pecuniary interest.	Will not take part in any decisions in relation to surgical services provided by or contracted by HBDHB. All employment matters in relation to John Fleischl are the responsibility of the CEO	The Chair	18.02.09
	Active	Employee of Eastern Institute of Technology (EIT), Practicum Manager, School Health and Sports Science from 3 Feb 2014	Non-pecuniary interest: Organises student practicum placements with some HBDHB funded health providers.	Declare this prior to any discussion in relation to EIT in the area of interest, and an appropirate mitigation action is decided on.	The Chair	16.01.14
	Active	Trustee of Hawke's Bay Power Consumers' Trust which holds all the shares in Unison Networks Limited.	Potential Conflict of Interest. Non-Pecuniary interest. Unison Networks Limited, trading as Unison, has a lease agreement with HBDHB for a generator which is located at Hawkes Bay Fallen Soldiers Memorial Hospital. HBDHB has an electricity supply contract with Meridian Energy Limited. Meridian Energy Ltd has a subcontract with Unison for the supply of power lines.	Will not take part in any decisions or discussions in relation to HBDHB electricity contracts. Will not take part in any decisions in relation to the generators at Hawke's Bay Hospital and electricity generation.	The Chair	03.10.14
	Active	Member, Hawke's Bay Law Society Standards Committee	Law Society	No conflict perceived	The Chair	20.06.17
	Active	RENEW counselling services	Counsellor	No conflict perceived	The Chair	17.07.17
Dan Druzianic	Active	Director of Markhams Hawke's Bay Limited	Potential Conflict of Interest. Some clients may from time to time be employed by or have contracts with HBDHB	Declare an interest at any time an issue arises concerning a client, and take no further part in any decision or discussion on this matter.	The Chair	7.12.10
Jacoby Poulain	Active	Board Member of Eastern Institute of Technology (EIT)	Perceived conflict - HBDHB has a Memorandum of Understanding (MOU) with EIT relating to training and development in health related occupations.	Will not take part in any decisions or discussions in relation to the MOU between HBDHB and EIT	The Chair	14.1.14
	Active	Councillor Hastings District Council	Potential conflict as potential advocate for Hastings District population whereas HBDHB coveres whole of Hawke's Bay	Declare this interest prior to any discussion on the specific provision of services in Wairoa and Chair decides on appropriate mitigation action.	The Chair	14.1.14
Heather Skipworth	Active	Daughter of Tanira Te Au	Kaumatua - Kaupapa Maori HBDHB	All employment matters are the responsibility of the CEO	The Chair	04.02.14
	Active	Trustee of Te Timatanga Ararau Trust (aligned to Iron Maori Limited)	The Trust has contracts with HBDHB including the Green Prescription Contract; and the Mobility Action Plan (Muscular Skeletal)	Will not take part in any discussions or decisions relating to any actions or contracts with the Trust or aligned to Iron Maori Limited.	The Chair	04.02.14 25.03.15 29.03.17
	Active	Director of Kahungunu Asset Holding Company Ltd	The asset portfolio of the company in no way relates to health, therefore there is no perceived conflict of interest.	Unlikely to be any conflict of Interest. If in doubt will discuss with the HBDHB Chair.	The Chair	26.10.16
Peter Dunkerley	Active	Trustee of Hawke's Bay Helicopter Rescue Trust	Actual conflict of interest. The Trust provides helicopter patient transfer services to HBDHB	Will not take part in any decision or discussion in relation to any contract or financial arrangement between HBHRT and HBDHB	The Chair	15.05.14
Ana Apatu	Active	CEO of U-Turn Trust (U Turn is a member of Takitimu Ora Whanau Collective) The U-Turn Trust renamed /rebranded "Whararíki Trust" advised 30-8-17	Relationship and and may be contractural from time to time	No conflict	The Chair	5.12.16
	Active	Chair of Directions	Relationship and contractual	Potential Conflict as this group has a DHB Contract	The Chair	5.12.16
	Active	Chair, Health Promotion Forum	Relationship	No conflict	The Chair	5.12.16
Hine Flood	Active	Member, Health Hawkes Bay Priority Population Committee	Pecuniary interest - Oversight and advise on service delivery to HBH priority populations.	Will not take part in any conflict of interest that may arise or in relation to any contract or financial arrangement with the PPC and HBDHB	The Chair	14.02.17
	Active	Councillor for the Wairoa District Council	Perceived Conflict - advocate for the Wairoa District population and HBDHB covers the whole of the Hawkes Bay region.	Declare this interest prior to any discussion on the specific provision of services in Wairoa and Chair decides on appropriate mitigation action.	The Chair	14.02.17

HAWKE'S BAY
District Health Board
Whakawāteatia

Recommendation to Exclude the Public

Clause 32, New Zealand Public Health and Disability Act 2000

That the public now be excluded from the following parts of the meeting, namely:

5.. Confirmation of Minutes of Board Meeting
- Public Excluded

6.. Matters Arising from the Minutes of Board Meeting
- Public Excluded

7. Board Approval of Actions exceeding limits delegated by CEO

8. Chair's Update

9. Finance Risk and Audit Committee Report

The general subject of the matter to be considered while the public is excluded, the reason for passing this resolution in relation to the matter and the specific grounds under Clause 32(a) of the New Zealand Public Health and Disability Act 2000 for the passing of this resolution are as follows:

- Official Information Act 1982 9(2)(ba) to protect information which is subject to an obligation of confidence.

- Official Information Act 1982 9(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions between the organisation, board and officers of the Minister of the Crown.

- NZPHD Act 2000, schedule 3, clause 32(a), that the public conduct of the whole or relevant part of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under any of sections 6, 7 or 9 (except section 9(2)(g)(i) of the Official Information Act 1982).

MINUTES OF THE BOARD MEETING
HELD ON WEDNESDAY 29 NOVEMBER 2017, IN THE TE WAIORA ROOM,
DHB ADMINISTRATION BUILDING, MCLEOD STREET, HASTINGS
AT 1.00PM

PUBLIC

Present:	Kevin Atkinson (Chair) Dan Druzianic Dr Helen Francis Peter Dunkerley Diana Kirton Barbara Arnott Heather Skipworth Jacoby Poulain Ana Apatu
Apologies	Ngahiwi Tomoana, Hine Flood
In Attendance:	Kevin Snee (Chief Executive Officer) Drs Gommans and Phillips (co-Chairs, HB Clinical Council) Rachel Ritchie (Chair, HB Health Consumer Council) Members of the Executive Management Team Kathy Shanaghan Media

APOLOGY
Apologies had been received from Ngahiwi Tomoana and Hine Flood.

WELCOME
A welcome was extended to Consumer Council member Malcolm Dixon who was attending on behalf of Rachel Ritchie the Chair of the Consumer Council.

3. INTEREST REGISTER

No changes to the interests register were advised. No board member advised of any interest in the items on the agenda.

4. CONFIRMATION OF PREVIOUS MINUTES

The minutes of the Board meeting held on 25 October 2017, were confirmed as a correct record of the meeting.

Moved: Peter Dunkerley
Seconded: Heather Skipworth
Carried

5. MATTERS ARISING FROM PREVIOUS MINUTES

Item 1: **Chaplaincy Service Costs:** Company Secretary taking the lead for this.
Action: Follow-up with Wairoa District Council.

Item 2: **Institute of Directors:** A very constructive discussion around the Board Performance Review was held earlier in the day (29 November) which included ideas on how to be more efficient and engaging more on strategic items. It was noted the HBDHB Board reviewed very strongly against other DHBs.

Item 5: **FRAC and Board meetings – changes of times:** This was discussed at FRAC earlier in the day and the following was agreed commencing February 2018:
- FRAC to commence at 10.00am until 12.30pm
- Board only meeting – 1.00 – 1.30pm (CEO by invitation)
- Board meeting to commence at 1.30pm

Items 3 & 4: **Actioned**

6. BOARD WORK PLAN

The Board Work Plan was noted.

7. CHAIR'S REPORT

- The Chair advised the following retirements, with a letter being sent conveying the Board's best wishes and thanks for their extended years of devoted service.

Name	Role	Service	Years of Service	Retired
Georgina Kahukura	Support Associate	Communities Women & Children	17	29-Sep-17
Phyllis Ratima	Care Associate	Medical Directorate	10	15-Nov-17
John Waterson	Security Officer	Operations Directorate	10	17-Nov-17

- A letter had been received from Angela Hair regarding homeopathy being part of the health service. Given the work the Chief Allied Health Professions Officer had done on alternative medicines, the Chair asked if he could have a preliminary conversation with Ms Hair. **Action**
- As a result of the incredible amount of work trying to get DHBs to support the National Oracle System, the 20DHBs have now unconditionally agreed to continue to support the programme and fund the capital costs, and exercise changes to the Class B share clause in the agreement. Four DHBs were in negotiations with regard to the payment of operating expenses. The Chair advised that HBDHB's CEO was comfortable for HBDHB to continue to support the programme. The programme was still on track for 1 July 2018.
- The Chair referred to a paper being considered by DHB Chairs' in December on a proposed DHB Governance Programme run by the Institute of Directors.

8. CHIEF EXECUTIVE OFFICER'S REPORT

The CEO provided an overview of his report with comments noted in addition to the report including:

- A very successful Health Awards was held on 24 November 2017. The CEO said he would like to see all organisations involved in the Hawke's Bay health sector consider entering the awards and understood that the Ministry of Social Development were looking to enter next year. He congratulated Anna Kirk, Communications Manager, and her team on a very successful night.
- The hospital had been under a lot of pressure lately with the norovirus impacting significantly. A number of staff became unwell and one of the wards was closed down for a period of time. There had also been a lot of diarrhoea and vomiting in the community resulting in people presenting to the emergency department which ultimately had an effect on the shorter stays in emergency departments (ED6) target.
- A lot of work is being done on FLOW and a new model of care would come to the Board early next year.
- A new service for after hours care across Napier and Hastings was coming into effect from 1 December 2017.

Care would still be available from City Medical 24/7 but from 9pm no doctor would be on call, with only a nurse available to see patients. If it was felt the consumer needed further medical care, a paramedic could be called to see the consumer either at City Medical or at their home. The CEO advised that the new service would be reviewed every six months. A huge communication would be undertaken including radio advertising, press releases, HB Today features, information on the DHB's website and Facebook page.

- Clinical Services Plan. Some of the workshops planned for December had been moved to January/February, however this would not affect the timeframe.
- The Big Listen. Tim Keogh was at the DHB the week of the Board Meeting, providing feedback to staff. A summary of the findings and initial response to those findings would be presented to the Board on 13 December (in the public section of the meeting).
- The CEO said he had a concern around the validity of the data for helping smokers to quit in pregnancy and had asked for further information in regards to this target.

9. FINANCIAL PERFORMANCE REPORT

Tim Evans (ED of Corporate Services) spoke to the Financial Report for October 2017, which showed an unfavourable variance of $128k year-to-date. The October result was $203k unfavourable. The in-month variance was improved by the release of $250 thousand of the contingency, leaving an underlying unfavourable variance of $453 thousand.

Comments noted in addition to the report included:

- Year end forecast remains as a $1.5m surplus, however there are some cost pressures
- It is important to meet the savings target
- Elective discharges were only 11 behind
- Endoscopy Unit – total project 'green' and on track.

10. HEALTH & SAFETY BOARD CHAMPION'S UPDATE

Dr Helen Francis provided the following verbal update:

- A brief meeting had been held earlier in the day with the Executive Director of People & Quality (EDPQ) and Health & Safety Advisor
- A lot of projects were underway feeding into the work around health and safety and HBDHB was appeared to be doing well regionally
- Concern was raised, that due to a number of staffing changes in the organisation, regular meetings had not taken place which made it difficult for the Board Champion to have an appropriate level of comfort in Health & Safety awareness.
- It was noted that Helen Francis, Peter Dunkerley and Diana Kirton had a two hour meeting with the EDPQ and Health & Safety Advisor in February and it was hoped that progress would now be made going forward.
- The CEO asked Helen Francis to email him an outline of the issues. **Action**

REPORT FROM COMMITTEE CHAIRS

11. HAWKE'S BAY CLINICAL COUNCIL

Co-Chair Dr John Gommans provided an overview of the report from the Council's meeting held 8 November 2017. Matters discussed included:

- Surgical Services Expansion Project – Increasing Surgical Capacity Business Case. Endorsed
- Hawke's Bay Clinical Research Committee – new members endorsed
- Matariki Regional Economic Development Strategy and Social Inclusion Strategy. Supported
- Clinical Governance – Committees and Advisory Groups – sub-group to review structure prior to further discussions on 6 December

12. HAWKE'S BAY HEALTH CONSUMER COUNCIL

Consumer representative Malcolm Dixon provided an overview of the report from the Council's meeting held 9 November 2017. Matters discussed included:

- Surgical Services Expansion Project – Increasing Surgical Capacity Business Case. Endorsed
- Faster Cancer Treatment. Concerns noted around patient transport
- Matariki Regional Economic Development Strategy and Social Inclusion Strategy. More time to be allocated to discuss this in February
- Disability Strategy – recommendation that CEO and management develop a Disability Strategy for HBDHB

Mr Dixon advised that the transition to a new Chair was going very smoothly with everyone making a good contribution.

13. MĀORI RELATIONSHIP BOARD

Heather Skipworth spoke to the meeting held 8 November 2017. Matters discussed included:

- Surgical Services Expansion Project – endorsed
- Governance Reports and Presentations – Principles, Standards and Guidelines – endorsed recommendation to the Board
- Korero Mai Project - this was to ensure that the questions asked in The Big Listen were asked in a way that Māori could understand and respond in terms of their culture. A workshop was being held on 12 December to discuss this further.

The CEO noted the comment in the report about doctors referring their public waiting list patients to their private clinics and asked if there was any real evidence of this? While MRB had no evidence to support the matter had been raised more for awareness.

This led to discussion around patients seen in private who are referred to the public system and were then required to have a first specialist assessment (FSA). While it was important for people not to circumvent the system, the question was raised why someone who had already had a FSA in private could not automatically be referred to the waiting list for consideration? The Executive Director of Provider Services advised that a project had been implemented to look at FSAs which would take this into consideration.

14. PACIFIC HEALTH UPDATE

Talalelei Taufale, Pasifika Health Development Manager, acknowledged Barbara Arnott for her support, as well as Caren Rangi (co-Chair Pasifika Health Leadership Group), Kate Coley (Executive Director of People and Quality), the Clinical Council and wider networks. Talalelei introduced Paul Faleona, Pacific Health Navigator, who provided a presentation, on the work the navigators were doing. Caren Rangi was also present and contributed to the presentation, which covered the following areas:

- National and local priorities
- Performance results for quarter one
- Demographics
- What the team has been doing against the plan (2014-2017)
- Examples of working and connecting with families
- Working with others in the health sector / building relationships, e.g. GPs, social workers, clinicians
- Workforce – HBDHB currently employs 38 Pacific staff which is 1.9% of its workforce. The current Hawke's Bay Pacific population is 3.88%
- Pasifika Health Leadership Group update
- Current work programme
- Thoughts going forward

In addition the following comments were noted:

- Dr Helen Francis complimented the team on the three hour Pacific Cultural Competency training (Le Va) which she attended recently and asked if documentation could be made available for those who are unable to attend these sessions
- The importance of having a strong evidence base about what works well with Pacific families was acknowledged
- Responsibility for Pacific Health does not necessarily need to sit with the Pacific Health Unit
- What had been developed was in a sense a Pacific Health Coach and there was an opportunity to appoint more people into these roles (not necessarily Pasifica), with those people working in primary care
- Heather Skipworth was of the opinion, that people in these roles needed to be of the same ethnicity as the people they were dealing with

Board members thanked the team for the update and asked for a further update in six months.

FOR DECISION

15. SURGICAL SERVICES EXPANSION PROJECT – INCREASING SURGICAL CAPACITY

Rika Hentschel, Service Director Surgical / Anna Harland, Perioperative Unit Manager / John Rose, Surgical Director / Trent Fairey, Capital Projects Manager / Ben Duffus, Improvement Advisor / Janet Heinz, Project Manager / William van't Sant, Management Accountant, were in attendance for this item.

A presentation was provided covering the following areas:

- Current production / limitations of the operating theatres
- Predicting growth in surgical demand (through scenario modelling)
- Surgical delivery in 2019/20
- Consultation process and proposed implementation plan

A diagram/plan of the preferred option (# 5) showing the affected areas (and staging) was discussed. This option was made up of a combination of model of care changes, building internal capability and continued outsourcing, with the majority of the gap provided for through increasing internal capability.

Board members generally acknowledged and congratulated the team on the work that had gone into the project, and complemented them on the quality of the Business Case.

RESOLUTION

That the HBDHB Board

- **Approve** the Business Case relating to the expansion of surgical capacity, subject to Board approval of the Financial Case, to be considered later in the Public Excluded part of this meeting.

Moved **Dan Druzianic**
Seconded **Dr Helen Francis**
Carried

16. HAWKE'S BAY DRINKING WATER GOVERNANCE JOINT COMMITTEE

Ken Foote provided a brief overview of this report.

RESOLUTION

That the Board

1. **Note** the discussion at the October Board meeting (as recorded in the Minutes)
2. **Note** the Draft minutes of the meeting of the Hawke's Bay Drinking Water Governance Joint Committee held on Tuesday 24 October
3. **Approve** the updated Terms of Reference and accept membership of the Hawke's Bay Drinking Water Governance Joint Committee
4. **Appoint** Kevin Atkinson and Ana Apatu (with Barbara Arnott as alternate) to participate and vote on the Joint Committee.

Moved **Peter Dunkerley**
Seconded **Heather Skipworth**
Carried

GOVERNANCE REPORTS AND PRESENTATIONS – PRINCIPLES, STANDARDS AND GUIDELINES

Ken Foote spoke to the report noting that the new reporting format now met MRB's request to address the impact on reducing inequities/disparities by including and recording specifically:

- Key outcomes/impacts on vulnerable populations
- Implications/outcomes arising from the application of a HEAT tool.

The intention was to adopt the new reporting format from January 2018.

Peter Dunkerley asked that management please be cognisant of acronyms (spelt in full first time used) and Māori names (provide in English where possible).

RECOMMENDATION

That the Board:

1. **Note** MRB's request that all governance reports meet the requirement to address the impact on reducing inequities/ disparities by including and recording specifically:
   - Key outcomes/impacts on vulnerable populations
   - Implications/outcomes arising from the application of a HEAT tool
2. **Note** Consumer Council's request to ensure that the level and nature of consumer engagement is noted on all governance reports.
3. **Adopts** the proposed 'Principles, Standards and Guidelines' for Governance Reports and Presentations, including the proposed 'Governance Report Overview'.

Adopted

17. KA ARONUI KI TE KOUNGA / FOCUSSED ON QUALITY "QUALITY ACCOUNTS"

Jeanette Rendle, Consumer Engagement Manager, spoke to this report. Based on feedback from stakeholders and the community, this year's document was focussed on the quality improvements that had come about from community feedback and consumer engagement. There was also less improvements and quality initiatives within services, with increased emphasis on improvements as a result of working together across the sector, in particular more content from Primary Care.

RECOMMENDATION

That the Board:

1. **Endorse** "Ka aronui ki te kounga - Focussed on quality" for publication.

Adopted

Board members asked if there was an opportunity for the Quality Accounts to be ranked against other DHBs. Jeanette Rendle undertook to follow this up with Health Quality & Safety Commission. **Action**

FOR DISCUSSION

18. MATARIKI REGIONAL ECONOMIC STRATEGY AND SOCIAL INCLUSION STRATEGY

Tracee TeHuia, Executive Director of Strategy and Health Information, Shari Tidswell, Intersectoral Development Manager and Bill Murdoch, Senior Advisor Economic Policy and Evaluation, Hastings District Council, were in attendance for this item.

This report provided an update on the development of the two strategies and the actions to be delivered. The focus of the discussion was on social inclusion and how this can be incorporated into an overall strategy. The following feedback was provided/requested:

- With the significant number of action items, some form of prioritisation would appear necessary if we are to make progress – this has been done to some extent, reducing actions to 35 with each being ranked a, b and c according to priority – still more needs to be done however
- Are we taking the community with us on this journey – should there be a regular news letter/communication – a communications resource has been put in place
- There has been (and will be) significant community engagement
- Are community Councils/Boards receiving regular updates?
- Two strategies currently being maintained separately, but intention is to integrate them in due course – with one action plan
- Still questions over who are the key stakeholders and who should take the lead on social inclusion
- What about indicators and outcomes – monitoring framework noted as a high priority action
- Need to acknowledge limited resources of some of the lead agencies – may tend to over commit and under deliver
- Need to get on and deliver or momentum will be lost – a programme management system and resource are now in place
- There is no money identified for social inclusion.

Tracee agreed to take these comments back to the Governance Group, and will report back to the Board in February. **Action**

MONITORING REPORTS – FOR INFORMATION

19. BEST START HEALTHY EATING & ACTIVITY PLAN – HEALTHY WEIGHT STRATEGY

Tracee TeHuia, Executive Director of Strategy and Health Improvement and Shari Tidswell, Intersectoral Development Manager, were in attendance for this item.

Board members received the six monthly update on the Best Start Healthy Eating and Activity Plan. The Board noted the progress in the implementation of this Plan.

20. REGIONAL TOBACCO STRATEGY FOR 2015-2020

Tracee TeHuia, Executive Director of Strategy and Health Improvement and Johanna Wilson, Smokefree Programme Manager, were in attendance for this item and spoke to the report. They referred in particular to the positive aspects set out in the Conclusions

The Board noted the contents of the report

21. TE ARA WHAKAWAIORA / SMOKEFREE

Tracee TeHuia, Executive Director of Strategy and Health Improvement and Johanna Wilson, Smokefree Programme Manager, were in attendance for this item.

This report highlighted HBDHB's performance against the three objectives in the Regional Tobacco Strategy:

- Cessation
- Prevention
- Protection

Johanna Wilson spoke to the report highlighting that smoking rates for Māori pregnant women had risen from 37.6 percent to 44.2 percent in the last year. The CEO said he was not convinced those numbers were accurate and had therefore asked for some further information around the validity of the numbers.

Jacoby Poulain was very concerned at the number of Māori women delivering babies who were smoking and believed there was a need to focus on people's environments and not just wahine. Because this was such a major issue she believed it needed its own dedicated resource. The Executive Director of Strategy and Health Improvement was aware of the issue and had already challenged the population health team to think about what we could do differently to reduce those numbers.

The Board asked for the next update to include some patient stories as well as information on their background and the reasons why they smoke, to give board members an understanding of the real issues. **Action**

22. HBDHB PERFORMANCE FRAMEWORK EXCEPTIONS Q1 (Jul-Sept17) / PERFORMANCE FRAMEWORK RESULTS Q1 (Jul-Sept17) / HBDHB QUARTERLY PERFORMANCE MONITORING DASHBOARD FOR Q4 (2016/17)

Tim Evans, Executive Director of Corporate Services spoke to these reports, noting that HBDHB had achieved five out of six of the Ministry of Health targets for quarter four 201617.

Board members noted the contents of all three reports.

22. WAIROA HEALTH CENTRE LEASES

Ken Foote spoke to this report, noting that this process was required to meet a legislative requirement.

RECOMMENDATION

That the Board

1. **Approves** the proposed leases (with a total lease term of 6 years) for Wairoa Medical Centre and Queen Street Practice, to lease space in the Wairoa Health Centre.

2. **Notes** that these leases will require the written approval of the Minister of Health prior to execution.

Adopted

GENERAL BUSINESS

There being no further discussion, the Chair accepted a motion to move into Public Excluded.

23 RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION

That the Board

Exclude the public from the following items:

26. Confirmation of Minutes of Board Meeting
    - Public Excluded

27. Matters Arising from the Minutes of Board Meeting
    - Public Excluded

28. Board Approval of Actions exceeding limits delegated by CEO

29. Chair's Update

30. Finance Risk and Audit Committee Report
    - Surgical Service Expansion Financials

31. Big Listen Feedback

Moved: **Ana Apatu**
Seconded: **Barbara Arnott**
Carried

The public section of the Board Meeting closed at 4.00pm

Signed: _____
Chair

Date: _____

BOARD MEETING - MATTERS ARISING
(Public)

Action #	Date Issue first Entered	Action to be Taken	By Whom	Month	Status
1	29 Mar 17 28 June 17 Aug 17 Sept 17 Oct 17 29 Nov 17	**Chaplaincy Service Costs:** Letters were sent to the four local Council Mayors seeking support with Chaplaincy costs. Four LTAs declined. Letter sent to HBRC who subsequently declined support. Hastings and Wairoa reconsidered and will contribute. Tim asked Ken to take the lead on this To follow up with Wairoa DC.	Ken Foote		
2	29 Nov 17	**FRAC and Board meeting time change in February 2018** 10.00-12.30pm FRAC 1.00-1.30pm Board only time 1.30pm Board Meeting to commence	Admin		Noted
3	29 Nov 17	**Homeopathy:** Chief Allied Health Professions Officer to follow up on letter received around Homeopathy being part of the health service.	Andy Phillips		`
4	29 Nov 17	**Health and Safety concerns:** Request for Dr Helen Francis to outline issues by email to CEO.	Helen Francis		Actioned
5	29 Nov 17	**Quality Accounts:** Board members asked if there was an opportunity for the Quality Accounts to be ranked against other DHBs. Jeanette Rendle undertook to follow this up with Health Quality & Safety Commission.	Kate Coley		
6	29 Nov 17	**Matariki Regional Economic Strategy & Social Inclusion Strategy** Tracee Te Huia agreed to take the comments and feedback to the Governance Group and will report back to the February Board Meeting.	Tracee TeHuia	Feb 18	

Action #	Date Issue first Entered	Action to be Taken	By Whom	Month	Status
7	29 Nov 17	**Te Ara Whakawaiora / Smokefree:** Request for the next update to include some patient stories as well as information on their background and the reasons by they smoke, to give the board member an understanding of the real issues.	Tracee TeHuia		

HAWKE'S BAY DISTRICT HEALTH BOARD – WORKPLAN

Mtg Date	Papers and Topics	Lead(s)
13 Dec 17	The Big Listen – update Clinical Services Plan – update HR KPIs	Kate Coley Tracee TeHuia Kate Coley
Jan 2018	**No Meeting**	
28 Feb	Quality Annual Plan – 2017-18 6 month progress report Te Ara Whakawaiora / Culturally Competent Workforce incorporating Building a Diverse Workforce (Sept Board action) Implementing the Consumer Engagement Strategy (from Sept) Recognizing Consumer Participation Policy Amendment (from Sept) Clinical Services Plan Transform and Sustain Strategic Dashboard (6 monthly) Addressing high rate of Suicide in HB (board action) Ngatahi Vulnerable Children's Workforce Development - progress since August Report Clinical Governance Value Assessment (Board Action) Collaborative Pathways update - approval Monitoring HR KPIs Q2 Oct-Dec 17 HBDHB Non-Financial Exceptions Report Q2 Oct-Dec 17 + MoH dashboard Q1 Collaborative Pathways Update	Kate Coley Kate Coley Kate Coley Kate Coley Tracee TeHuia Tracee TeHuia Tracee TeHuia Tracee TeHuia / Russell Wills Gommans/Phillips Mark Peterson Kate Coley Tim Evans Mark Peterson
7 Mar	**HB Health Sector Leadership Forum**	
28 Mar	Feedback Consumer Story Workshop December (by Councils) Board action Consumer Experience Business Case (reinstatement of feedback) Clinical Services Plan Update Annual Plan 2018/19 First Draft (2nd draft May) Establishing Health and Social Care Localities in HB Oncology Model of Care (from Oct) Audit NZ Final Management Report on the audit of HBDHB for y/e June 2017 (from Dec) ***Monitoring*** Te Ara Whakawaiora – Breastfeeding (national indicator)	Kevin Snee Kate Coley Kate Coley Tracee TeHuia Chris Ash Sharon Mason Tim Evans Chris McKenna
25 Apr	Big Listen Update Clinical Services Plan Update	Kate Coley Tracee TeHuia
30 May	Annual Plan Second Draft Best Start Healthy Eating & Activity Plan update (for information - 6 mthly Nov-May-Nov18) People Strategy / Big Listen endorsement Clinical Services Plan endorsement ***Monitoring*** HR KPIs Q3 Oct-Dec 17	Tracee TeHuia Tracee TeHuia Kate Coley Tracee TeHuia Kate Coley Tim Evans

	HBDHB Non-Financial Exceptions Report Q3 Oct-Dec 17 + MoH dashboard Q2	
30 Jun	Consumer Experience Feedback (revised method) Q3 Youth Health Strategy (Board action June 2017)	Kate Coley Tracee TeHuia

CHAIR'S REPORT

Verbal

HAWKE'S BAY District Health Board Whakawāteatia	**Chief Executive Officer's Report** 151
	For the attention of: **HBDHB Board**
Document Owner:	Kevin Snee, Chief Executive Officer
Reviewed by:	Not applicable
Month as at	12 December 2017
Consideration:	For Information

RECOMMENDATION

That the Board

1. **Note** the contents of this report.

INTRODUCTION

The Hawke's Bay health system came under less pressure in November, however the flow through the hospital remains sub-optimal. The biggest concern this month is the financial pressure that has emerged. This month's agenda is relatively short and includes updates on 'The Big Listen' which will support the development of a People Strategy, and the Clinical Services Plan.

PERFORMANCE

Measure / Indicator	Target	Month of November	Qtr to end November	Trend For Qtr
Shorter stays in ED	≥95%	92.6%	91.6%	▲
Improved access to Elective Surgery (2017/18YTD)	100%	-	97.2%	▬

Waiting list	*Less than 3 months*	*3-4 months*	*4+ months*
First Specialist Assessments (ESPI-2)	2,697	473	71
Patients given commitment to treat, but not yet treated (ESPI-5)	1,091	110	14

Faster cancer treatment* *(The FCT Health Target definition has changed for 2017/18 financial year. Patients who breach the 62 day target due to Capacity Constraint are still counted against target however patients who breach the target due to Clinical Decision or Patient Choice are now excluded).*	≥90%	90.9% (October 2017)	90.8% (6m to October 2017)	▬
Increased immunisation at 8 months (3 months to end of November)	≥95%	---	93.9%	▼
Better help for smokers to quit – Primary Care	≥90%	91.2% (15m to November)	---	▲
Better help for smokers to quit – Maternity	≥90%	---	81.3% (Quarter 1, 2017/18)	▼

Measure / Indicator	Target	Month of November	Qtr to end November	Trend For Qtr
Raising healthy kids (New)	≥95%	---	94% (6m to October)	▼
Financial – month (in thousands of dollars)	2,167	1,642	---	---
Financial – year to date (in thousands of dollars)	(583)	(1,236)	---	---

***Based on the expected annual cancer registrations for the DHB supplied by the Ministry, the DHB is expected to identify at least 228 people a year (19 a month) as patients with a high suspicion of cancer.*

Faster Cancer Treatment Expected Volumes v Actual	*Target*	*Month Actual / Expected*	*Rolling 6m Actual / Expected*
	100%	*11/19 = 58.0%*	*65/114 = 57%*

This month's shorter stays in emergency department (ED6) performance has improved but remains below target. Elective activity remains below what we would want but I anticipate we will deliver our plan by year end. We have now put in place the locum ophthalmologist referred to last month to help resolve the problems with access to this service.

Better help for smokers to quit in primary care continues above target and there is still no new data on helping smokers to quit in pregnancy; the work to review the validity of this data continues. Faster Cancer Treatment is above target at 90.8 percent for the six months to October, but the number of people identified remains significantly below where it should be. Immunisation at eight months has seen a slight drop to 94 percent for the quarter ending in November.

There is no new data for raising healthy kids.

The year-to-date result to the end of November is $653 thousand unfavourable to plan, with November $525 thousand unfavourable. I will be meeting with key staff to address this situation before Christmas.

PASIFIKA HEALTH LEADERSHIP GROUP

Board members are today being asked to accept some minor modifications to the terms of reference for the Pasifika Health Leadership Group (PHLG) and endorse four new appointments to the group, bringing the PHLG up to the maximum membership number of eight.

THE BIG LISTEN / PEOPLE STRATEGY

Following the recent publication of the final results of the Big Listen last week, we are now utilising the feedback to inform the development of a People Strategy. This strategy will outline the programme of work to support the building of our culture and investment in our workforce. The People Strategy will be a key foundation and enabler ensuring we deliver the Transform and Sustain programme and the Clinical Services Plan. The strategy will be developed through engagement and collaboration with our staff, leaders and unions over the next few months, and will be shared in draft with all governance groups at the Hawke's Bay Health Sector Leadership Forum in March. We will share the quick wins that have been identified with the Board in relation to a number of the identified priorities from the Big Listen, which we will begin to implement in early 2018, along with an overarching framework for the People Strategy.

CLINICAL SERVICES PLAN

The process of developing a Clinical Services Plan (CSP) continues with the recording of current state, demand forecasts, service issues, challenges and opportunities almost complete. Work on developing strategic options for future service delivery will begin early in the new year, with an initial draft CSP due to be delivered at the end of March 2018. After an extensive engagement/consultation process during April 2018, a final version of the CSP will be received by the end of that month.

A full update will be presented during the Board meeting, the slides for which are included in the agenda

HUMAN RESOURCES KEY PERFORMANCE INDICATORS QUARTER ONE REPORT

Some progress is being made on the Māori representation target for 2017/18 of 15.68 percent with 14.52 percent of employees identifying as Māori at 30 September 2017. The gap to our target sits at 37 positions compared to 44 at the end of June 2017. Staff turnover is pretty close to the 10.0 percent annual target with 10.12 percent in the last 12 months. While the reasons for leaving included in the report give no particular cause for concern, we will be monitoring this closely and also completing a full review of exit interviews to ensure we more effectively identify the issues and reasons for leaving to identify areas for improvement. Annual leave balances 2+ years are higher than last year's level so we will be encouraging employees to take more leave over the summer months.

CONCLUSION

Whilst we continue to put in place some strategies to help with our culture and our service structure for the future, we have a short term emerging problem with our financial control. Action will be taken before Christmas to address this.

HAWKE'S BAY District Health Board Whakawāteatia	**Financial Performance Report, November 2017** 152
	For the attention of: **HBDHB Board and the Finance Risk and Audit Committee (FRAC)**
Document Owner: Document Author(s):	Ashton Kirk, Acting Executive Director Corporate Services Chris Comber, Head of Finance
Reviewed by:	Executive Management Team
Month:	December 2017
Consideration:	For Information

RECOMMENDATION

That the Board and FRAC

- Note the contents of this report

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1. Acting Executive Director Corporate Services' comments

Financial performance

The year-to-date result to the end of November is $653 thousand unfavourable to plan, with November $525 thousand unfavourable. The in month variance was improved by the release of a further $250 thousand of the contingency. The key drivers for this were nursing staff $215 thousand (weekend and ED shifts and mandatory training catch up), outsourcing activity to external providers $287 thousand, clinical supplies $214 thousand (high orthopaedic activity and maxfax and spinal surgeries) and undelivered savings not yet removed from budgets $343 thousand. These were partially offset by vacancies in allied health professional, support, management and administration staff $323 thousand.

Over the next two months we will be reviewing in detail the financial performance by Division and Directorate to assess the underlying positions (i.e.: after one-off costs have been taken into account) and to calculate accurate year end forecasts. In the meantime we continue to work with all areas to ensure that they are identifying substitute savings plans where required and that business as usual is being delivered within the agreed budgets.

Update on savings plans

The table on the next page shows the savings plans as at November 2017 by Division and Directorate.

Division / Directorate	2017/18 Annual Saving Plans	YTD Savings Planned	YTD Savings Achieved	YTD Var	% YTD Planned Savings Achieved	% of Annual Plan Achieved YTD
Primary Care	**4,598,000**	**1,367,854**	**1,024,092**	**(343,762)**	**75 %**	**22 %**
Governance	**34,000**	**14,168**	**12,084**	**(2,084)**	**85 %**	**36 %**
Provider Services	**4,911,865**	**1,728,726**	**1,325,419**	**(403,306)**	**77 %**	**27 %**
Medical	1,290,000	512,186	417,443	(94,743)	82 %	32 %
Surgical	1,098,000	350,200	204,103	(146,097)	58 %	19 %
CWC	838,250	233,233	115,675	(117,557)	50 %	14 %
OPMH	676,614	254,383	248,734	(5,648)	98 %	37 %
Operations	761,000	288,507	251,930	(36,577)	87 %	33 %
Facilities	173,000	58,967	56,283	(2,684)	95 %	33 %
COO	75,000	31,250	31,250	-	100 %	42 %
Strategy & Health Improvement	**285,440**	**192,826**	**185,822**	**(7,004)**	**96 %**	**65 %**
People & Quality	**97,000**	**40,417**	**40,417**	**0**	**100 %**	**42 %**
Corporate	**274,000**	**80,137**	**79,137**	**(1,000)**	**99 %**	**29 %**
Executive	**98,000**	**41,069**	**41,069**	**(0)**	**100 %**	**42 %**
Capital Servicing & Abnormals	**494,000**	**55,691**	**21,250**	**(34,441)**	**38 %**	**4 %**
Grand Total	**10,792,304**	**3,520,887**	**2,729,290**	**(791,597)**	**78 %**	**25 %**

The schemes contributing to the major adverse variances are described below.

Primary Care
Inter District Flows (IDF) Outflows $156 thousand unfavourable – some savings have been achieved but 2017/18 IDFs are adverse year-to-date. Work is continuing on analysing IDFs on a timely basis at month end and discussing with clinicians. IDF are now managed via Corporate Services.

Rest Home Budget Reduction $129 thousand unfavourable – increased volumes have meant that the savings have not as yet been realised. Pay equity adjustments are also distorting the picture while we await analysis of these costs from the Ministry.

Reduce Mental Health Flexifund $38 thousand unfavourable – contract will now expire in December 2017 and the savings should be achieved from January 2018 onwards.

Medical
Ward Nurse Savings $42 thousand unfavourable – shift savings in B2/CCU and ICU have not eventuated due to high levels of activity so far experienced.

Surgical
Slow Burners $126 thousand unfavourable – a number of schemes that will take a while to deliver their savings. Includes early transfer to rehabilitation, review of acute admissions that do not have a theatre event, benchmarking rates for day case procedures and review of ward length of stays.

Non Recurrent Schemes $33 thousand unfavourable – no non recurrent savings have yet been made against this target. The division is reviewing their budgets to identify substitute schemes.

Community, Women & Children
Vacancy Management $59 thousand unfavourable – saving was to be delivered through active management of non-clinical and non-rostered vacancies. Year-to-date these areas are overspent so savings have not as yet occurred.

Capital Servicing & Abnormals
Depreciation $34 thousand unfavourable – savings on depreciation have not as yet been achieved as the final level of capital expenditure for 2016/17 was higher than that estimated when the budgets were set. We are looking at other ways to deliver or substitute this saving.

2. Resource Overview

	November				Year to Date				Year End Forecast	Refer Section
	Actual	Budget	Variance		Actual	Budget	Variance			
	$'000	$'000	$'000	%	$'000	$'000	$'000	%	$'000	
Net Result - surplus/(deficit)	1,642	2,167	(525)	-24.2%	(1,236)	(582)	(653)	-112.1%	1,500	3
Contingency utilised	250	250	-	0.0%	500	1,250	750	60.0%	3,000	8
Quality and financial improvement	602	673	(71)	-10.5%	2,729	3,521	(792)	-22.5%	10,812	11
Capital spend	854	1,993	(1,138)	-57.1%	5,697	9,963	(4,266)	-42.8%	23,920	16
	FTE	FTE	FTE	%	FTE	FTE	FTE	%	FTE	
Employees	2,328	2,304	(24)	-1.0%	2,264	2,324	60	2.6%	2,321	5 & 7
	CWD	CWD	CWD	%	CWD	CWD	CWD	%	CWD	
Case weighted discharges	3,175	2,460	716	29.1%	12,281	12,548	(267)	-2.1%	28,386	5

$250 thousand of the contingency was again released in November recognising the additional costs being incurred in meeting elective surgery targets. The total released year-to-date is $500 thousand (16.7% of the annual contingency budget).

Identified savings plans, 99.8% of the Quality and Financial Improvement (QFI) programme, were 77% achieved November year-to-date. The shortfall is mainly in IDFs and Surgical slow burning schemes.

The capital expenditure plan was phased evenly across the year, as detailed project planning was not complete at the time the budget was set. The under-spend to November reflects the relatively early stage of planning and ordering of capital items that should catch up later in the year.

The year-to-date FTE variance reflects vacancies across a number of areas in the first few months of the year. Vacancies have now been largely filled or covered, eliminating any buffer in over commitment in other areas.

Case weighted discharge data reflects the catch-up in coding. Coding is now as up-to-date as it can be.

3. Financial Performance Summary

$'000	November				Year to Date				Year End Forecast	Refer Section
	Actual	Budget	Variance		Actual	Budget	Variance			
Income	48,776	48,567	209	0.4%	228,984	229,128	(144)	-0.1%	554,585	4
Less:										
Providing Health Services	22,878	22,033	(845)	-3.8%	109,868	108,235	(1,633)	-1.5%	264,101	5
Funding Other Providers	20,507	20,289	(218)	-1.1%	99,305	99,998	693	0.7%	239,440	6
Corporate Services	3,671	3,721	49	1.3%	19,942	19,695	(247)	-1.3%	48,272	7
Reserves	78	357	279	78.1%	1,106	1,783	678	38.0%	1,271	8
	1,642	**2,167**	**(525)**	**-24.2%**	**(1,236)**	**(582)**	**(653)**	**-112.1%**	**1,500**	

Income
Year-to-date lower than budgeted In-Between-Travel (IBT) and elective services funding partly offset by higher income from other DHBs and ACC (which had a catch up in month).

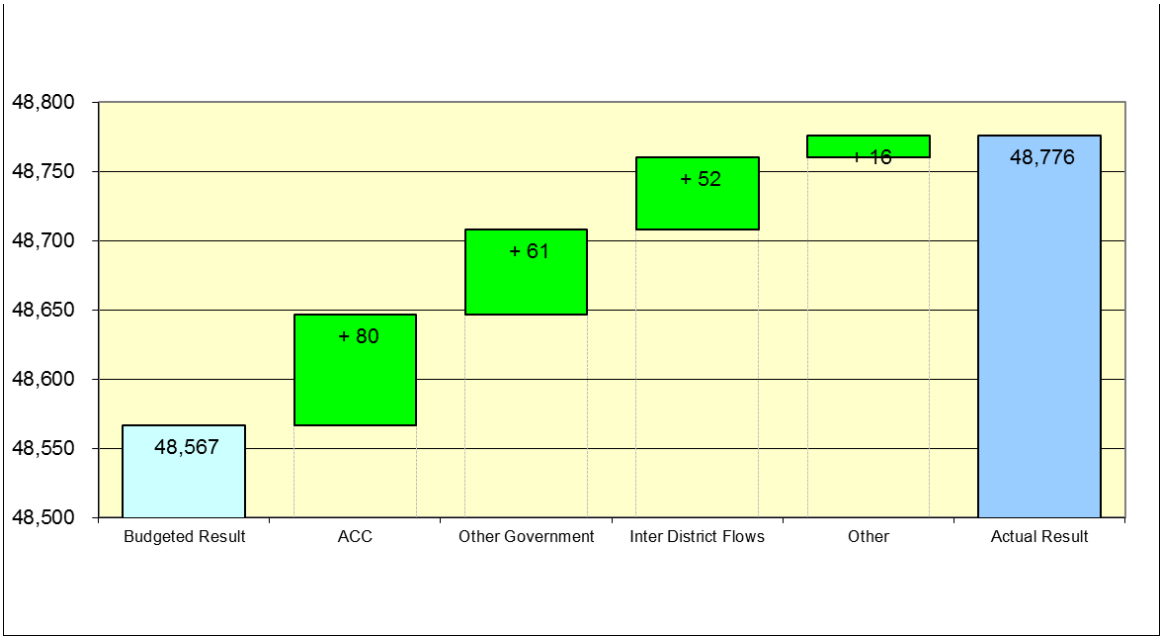
Providing Health Services
Unachieved efficiencies, additional nursing shifts, elective surgery outsourcing and clinical supplies costs, partially offset by vacancies in allied health, support, management and administration.

Funding Other Providers
Year-to-date favourable due to recoveries, release of provisions, wash-ups and rebates generally relating to 2016/17. In month unfavourable due to high inter district outflows and payments to community pharmacies.

4. Income

$'000	November				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Ministry of Health	46,536	46,558	(22)	0.0%	218,236	218,892	(656)	-0.3%	529,332
Inter District Flows	745	693	52	7.5%	3,372	3,464	(92)	-2.7%	8,170
Other District Health Boards	373	333	40	12.0%	1,810	1,664	146	8.8%	4,102
Financing	88	74	14	19.6%	356	369	(13)	-3.4%	857
ACC	495	415	80	19.3%	2,414	2,148	265	12.4%	5,648
Other Government	83	22	61	283.2%	278	185	93	50.3%	445
Patient and Consumer Sourced	128	104	24	23.3%	513	521	(8)	-1.6%	1,374
Other Income	327	368	(40)	-11.0%	2,003	1,819	184	10.1%	4,653
Abnormals	-	0	(0)	-100.0%	2	66	(64)	-97.2%	3
	48,776	**48,567**	209	0.4%	**228,984**	**229,128**	(144)	-0.1%	**554,585**

Month of November



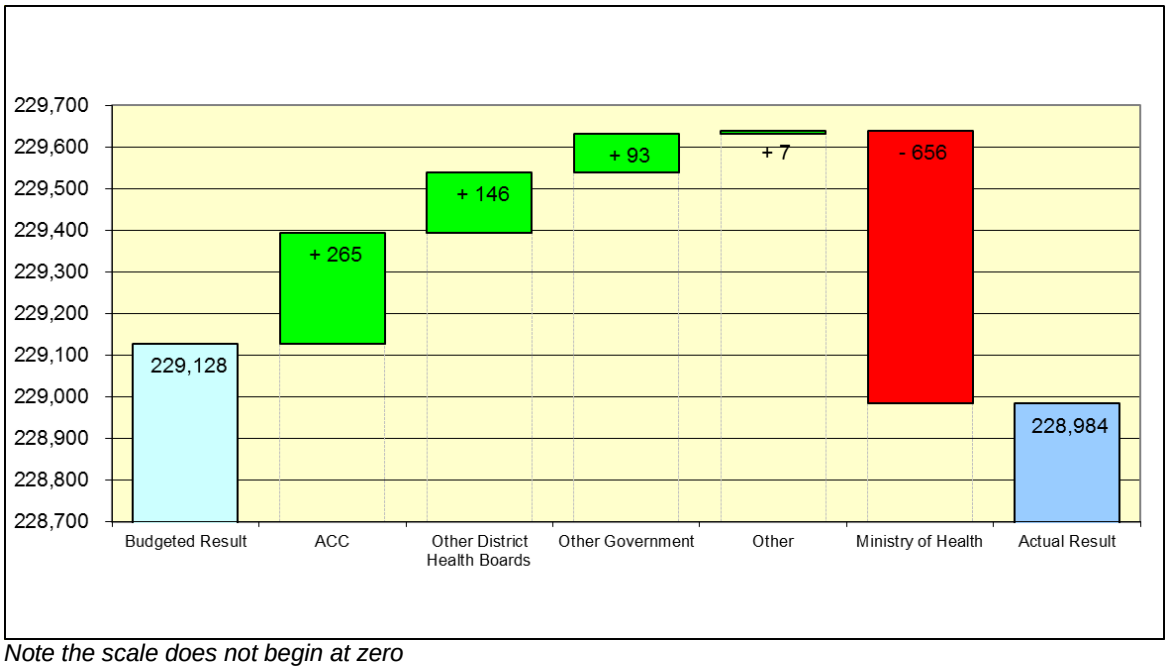
Note the scale does not begin at zero

ACC (favourable)
Increase in referrals received by Surgical and Older Persons directorates.

Other Government (favourable)
Research grant received for campylobacter outbreak.

Inter District Flows (favourable)
Increase in income based on latest data from MOH and other DHBs.

Year to Date



Note the scale does not begin at zero

ACC (favourable)
Non acute rehabilitation, ACC surgery, and community nursing contracts above expectations.

Other District Health Boards (favourable)
Patient transport reimbursements, including cover for Nelson-Marlborough DHB while their service was not operational.

Other Government (favourable)
Research grant received for campylobacter outbreak.

Ministry of Health (unfavourable)
Lower than budgeted In-Between-Travel (IBT). Elective services delivery is below plan and therefore a provision has been made.

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5. Providing Health Services

	November				Year to Date				Year End Forecast
	Actual	Budget	Variance		Actual	Budget	Variance		
Expenditure by type $'000									
Medical personnel and locums	4,773	4,899	127	2.6%	24,669	24,472	(197)	-0.8%	63,051
Nursing personnel	6,674	6,480	(194)	-3.0%	31,248	31,772	524	1.7%	75,258
Allied health personnel	2,970	3,116	146	4.7%	14,118	15,186	**1,068**	**7.0%**	35,181
Other personnel	1,933	2,036	**103**	**5.1%**	9,786	10,072	286	2.8%	23,955
Outsourced services	1,058	771	**(287)**	**-37.3%**	4,322	3,334	**(989)**	**-29.7%**	9,517
Clinical supplies	3,517	3,004	**(512)**	**-17.1%**	16,934	14,707	**(2,228)**	**-15.1%**	36,427
Infrastructure and non clinical	1,954	1,727	**(227)**	**-13.1%**	8,790	8,692	(98)	-1.1%	20,711
	22,878	**22,033**	(845)	-3.8%	**109,868**	**108,235**	(1,633)	-1.5%	**264,101**
Expenditure by directorate $'000									
Medical	6,073	5,737	**(336)**	**-5.9%**	28,989	28,150	(838)	-3.0%	69,769
Surgical	5,408	4,780	**(629)**	**-13.2%**	24,223	22,980	**(1,243)**	**-5.4%**	56,957
Community, Women and Children	3,812	3,560	**(252)**	**-7.1%**	17,910	17,769	(141)	-0.8%	42,535
Older Persons, Options HB, Menta	2,891	2,894	3	0.1%	14,023	14,290	266	1.9%	33,956
Operations	3,198	3,244	46	1.4%	16,015	16,027	12	0.1%	38,673
Other	1,495	1,818	**322**	**17.7%**	8,707	9,019	312	3.5%	22,211
	22,878	**22,033**	(845)	-3.8%	**109,868**	**108,235**	(1,633)	-1.5%	**264,101**
Full Time Equivalents									
Medical personnel	343.2	339.4	(4)	-1.1%	320	331	11	3.3%	345.2
Nursing personnel	939.3	897.2	(42)	-4.7%	920	930	10	1.1%	918.1
Allied health personnel	467.9	483.1	15	3.2%	457	481	**25**	**5.1%**	478.4
Support personnel	139.2	136.7	(2)	-1.8%	135	136	1	1.1%	136.0
Management and administration	273.4	274.0	1	0.2%	270	274	4	1.5%	271.7
	2,162.9	**2,130.5**	(32)	-1.5%	**2,101**	**2,152**	51	2.4%	**2,149.4**
Case Weighted Discharges									
Acute	2,189	1,649	**541**	**32.8%**	8,551	8,672	(121)	-1.4%	19,385
Elective	670	585	**85**	**14.5%**	2,588	2,789	**(201)**	**-7.2%**	6,451
Maternity	219	180	39	21.7%	836	851	(15)	-1.8%	2,000
IDF Inflows	97	46	**51**	**110.5%**	306	235	**70**	**29.8%**	550
	3,175	**2,460**	**716**	**29.1%**	**12,281**	**12,548**	(267)	-2.1%	**28,386**

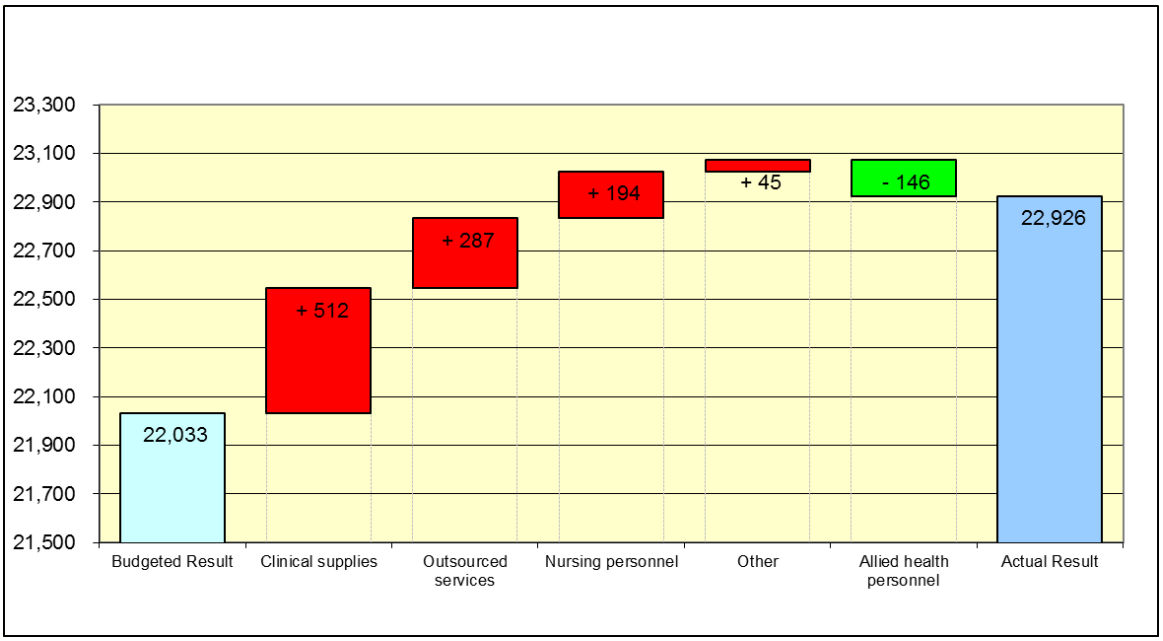
Directorates

- Medical services – additional RMO and RN shifts in ED, Radiology outsourcing, clinical supplies due to demand and unachieved efficiencies.
- Surgical services – additional RN elective weekend shifts, locum SMOs, outsourced elective surgery, implants and prostheses and unachieved efficiencies.
- Community, Women and Children – Paediatrics and Wairoa SMO locums, higher than usual maternity air transfers requiring midwife attendance, Napier Health Centre insurance and undelivered savings.
- Other – SMO back pay accrual released now that MECA has been implemented.

Case Weighted Discharges

Case weighted discharges show the catch up in coding. Coding is always slightly behind actual activity and at the end of November there were 947 uncoded episodes.

Month of November



Note the scale does not begin at zero

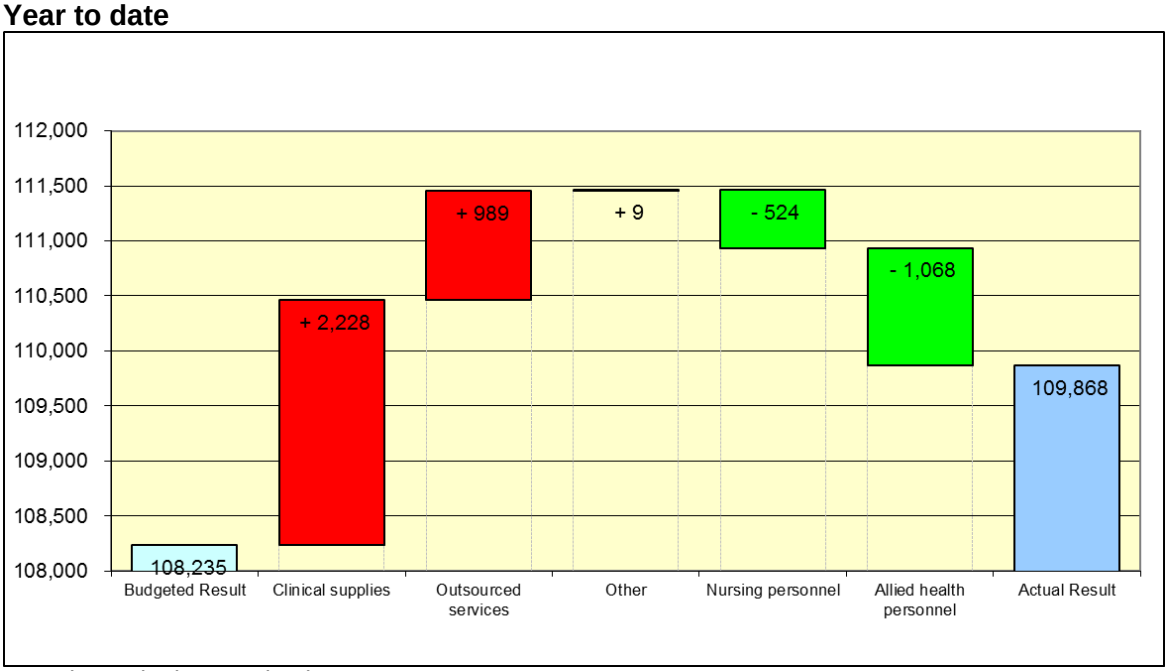
Clinical supplies (unfavourable)
Efficiencies not achieved for savings targets not yet allocated to budgets, increase acute and orthopaedic activity and high cost maxfax and spinal surgeries.

Outsourced services (unfavourable)
Outsourced elective surgery to Royston, PET scans, and higher costs for after-hours radiologist services, as the old supplier exited the market.

Nursing personnel (unfavourable)
Catch up on mandatory training, midwifery transfers, ED and ICU staffing above plan and elective weekend lists. Vacancies at the start of year that were offsetting some of these costs have now been recruited to.

Allied health personnel (favourable)
Vacancies in psychologists, social workers and occupational therapists.

Year to date



Note the scale does not begin at zero

Clinical supplies (unfavourable)
Efficiencies not achieved for savings targets not yet allocated to budgets, increase acute and orthopaedic activity and high cost maxfax and spinal surgeries.

Outsourced services (unfavourable)
Royston and other elective surgery, PET scans and other radiology.

Nursing personnel (favourable)
Difficulty recruiting to new nursing positions earlier in the year.

Allied health personnel (favourable)
Vacancies mainly in psychologists, social workers, technicians, and therapists.

Full time equivalents (FTE)

FTEs are 51 (2.4%) favourable year to date including:

Medical personnel (11 FTE / 3.3% favourable)

- Vacancies mainly in CWC (Community, Women and Child) and Older Persons/Mental Health. Includes a number of unfilled new positions which are being covered by locums at a higher cost.

Nursing personnel (10 FTE / 1.1% favourable)

- Mostly vacant nursing positions across a wide range of departments during the first months of the financial year. Includes a number of unfilled new positions.

Allied Health Personnel (25 FTE / 5.1% favourable)

- Mostly mental health staff and radiology technicians.

Monthly Elective Health Target Report
Year to Date November 2017

Plan for 2017/18	On-Site	Outsourced	IDF Outflow	TOTAL
Non Surgical - Arranged	13		57	**70**
Non Surgical - Elective	67		120	**187**
Surgical - Arranged	545		152	**697**
Surgical - Elective	5,186	754	680	**6,620**
TOTAL	**5,811**	**754**	**1,009**	**7,574**

		YTD November 2017			
		Actual	Plan	Var.	%Var.
On-Site	Avastins	85	85	0	0.00%
	ENT	175	217	-42	-19.40%
	General Surgery	347	369	-22	-6.00%
	Gynaecology	221	238	-17	-7.10%
	Maxillo-Facial	91	92	-1	-1.10%
	Ophthalmology	381	428	-47	-11.00%
	Orthopaedics	232	258	-26	-10.10%
	Orthopaedics - Major Joints	102	115	-13	-11.30%
	Skin Lesions	77	77	0	0.00%
	Urology	229	216	13	6.00%
	Vascular	59	77	-18	-23.40%
	Surgical - Arranged	240	222	18	8.10%
	Non Surgical - Arranged	33	6	27	450.00%
	Non Surgical - Elective	28	28	0	0.00%
On-Site	**Total**	**2300**	**2428**	**-128**	**-5.30%**
Outsourced	ENT	43	56	-13	-23.20%
	General Surgery	134	115	19	16.50%
	Gynaecology	7	0	7	0.00%
	Maxillo-Facial	21	26	-5	-19.20%
	Ophthalmology	100	55	45	81.80%
	Orthopaedics	1	0	1	0.00%
	Orthopaedics - Major Joints	46	44	2	4.50%
	Skin Lesions	1	0	1	0.00%
	Urology	14	21	-7	-33.30%
	Vascular	9	2	7	350.00%
Outsourced	**Total**	**376**	**319**	**57**	**17.90%**
IDF Outflow	Cardiothoracic	33	32	1	3.10%
	ENT	24	17	7	41.20%
	General Surgery	25	23	2	8.70%
	Gynaecology	7	11	-4	-36.40%
	Maxillo-Facial	57	78	-21	-26.90%
	Neurosurgery	18	33	-15	-45.50%
	Ophthalmology	15	17	-2	-11.80%
	Orthopaedics	17	9	8	88.90%
	Paediatric Surgery	34	34	0	0.00%
	Skin Lesions	21	19	2	10.50%
	Urology	6	4	2	50.00%
	Vascular	4	7	-3	-42.90%
	Surgical - Arranged	65	62	3	4.80%
	Non Surgical - Arranged	24	24	0	0.00%
	Non Surgical - Elective	47	46	1	2.20%
IDF Outflow	**Total**	**397**	**416**	**-19**	**-4.60%**
TOTAL		**3,073**	**3,163**	**-90**	**-2.80%**

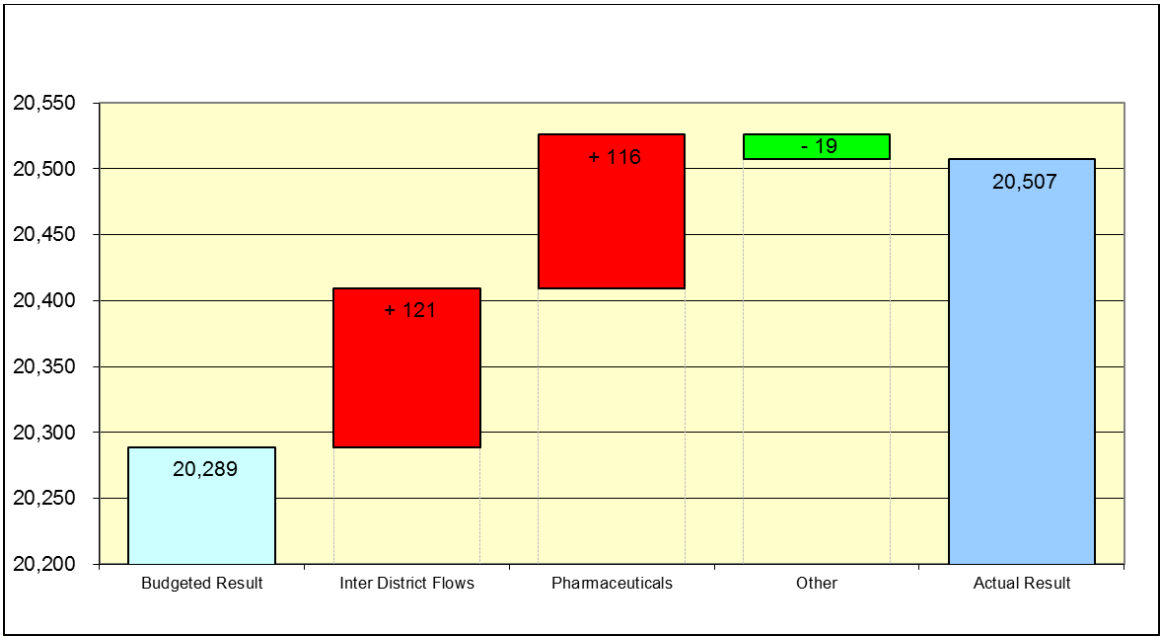
		November 2017			
		Actual	Plan	Var.	%Var.
On-Site	Avastins	17	17	0	0.00%
	ENT	44	47	-3	-6.40%
	General Surgery	53	78	-25	-32.10%
	Gynaecology	39	54	-15	-27.80%
	Maxillo-Facial	12	17	-5	-29.40%
	Ophthalmology	90	111	-21	-18.90%
	Orthopaedics	55	53	2	3.80%
	Orthopaedics - Major Joints	23	27	-4	-14.80%
	Skin Lesions	18	18	0	0.00%
	Urology	45	43	2	4.70%
	Vascular	13	16	-3	-18.80%
	Surgical - Arranged	45	40	5	12.50%
	Non Surgical - Arranged	8	2	6	300.00%
	Non Surgical - Elective	3	6	-3	-50.00%
On-Site	**Total**	**465**	**529**	**-64**	**-12.10%**
Outsourced	ENT	5	13	-8	-61.50%
	General Surgery	26	25	1	4.00%
	Gynaecology	4	0	4	0.00%
	Maxillo-Facial	6	11	-5	-45.50%
	Ophthalmology	21	7	14	200.00%
	Orthopaedics	0	0	0	0.00%
	Orthopaedics - Major Joints	12	10	2	20.00%
	Skin Lesions	0	0	0	0.00%
	Urology	2	5	-3	-60.00%
	Vascular	2	0	2	0.00%
Outsourced	**Total**	**78**	**71**	**7**	**9.90%**
IDF Outflow	Cardiothoracic	1	6	-5	-83.30%
	ENT	1	4	-3	-75.00%
	General Surgery	3	5	-2	-40.00%
	Gynaecology	0	3	-3	-100.00%
	Maxillo-Facial	12	17	-5	-29.40%
	Neurosurgery	2	7	-5	-71.40%
	Ophthalmology	1	4	-3	-75.00%
	Orthopaedics	2	2	0	0.00%
	Paediatric Surgery	4	8	-4	-50.00%
	Skin Lesions	2	4	-2	-50.00%
	Urology	0	1	-1	-100.00%
	Vascular	0	1	-1	-100.00%
	Surgical - Arranged	6	14	-8	-57.10%
	Non Surgical - Arranged	5	6	-1	-16.70%
	Non Surgical - Elective	6	10	-4	-40.00%
IDF Outflow	**Total**	**45**	**92**	**-47**	**-51.10%**
TOTAL		**588**	**692**	**-104**	**-15.00%**

Please Note: This report was run on 7th December 2017. Skin Lesions and Avastins are reported to plan. Data is subject to change.

6. Funding Other Providers

$'000	November Actual	November Budget	November Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Payments to Other Providers									
Pharmaceuticals	3,858	3,742	(116)	-3.1%	18,277	18,671	394	2.1%	44,282
Primary Health Organisations	3,335	3,392	57	1.7%	15,522	15,471	(51)	-0.3%	36,996
Inter District Flows	4,475	4,354	(121)	-2.8%	21,668	21,824	156	0.7%	51,812
Other Personal Health	1,904	1,903	(1)	-0.1%	9,301	9,569	267	2.8%	23,556
Mental Health	985	931	**(54)**	**-5.8%**	4,836	4,712	(124)	-2.6%	11,339
Health of Older People	5,560	5,603	43	0.8%	28,009	28,020	11	0.0%	67,204
Other Funding Payments	390	364	(26)	-7.1%	1,691	1,732	41	2.4%	4,250
	20,507	20,289	(218)	-1.1%	**99,305**	**99,998**	693	0.7%	239,440
Payments by Portfolio									
Strategic Services									
Secondary Care	3,959	3,838	(121)	-3.1%	19,024	19,271	247	1.3%	45,870
Primary Care	8,597	8,620	23	0.3%	41,061	41,637	576	1.4%	99,783
Chronic Disease Management	-	-	-	0.0%	-	-	-	0.0%	-
Mental Health	1,288	1,250	(38)	-3.0%	6,237	6,307	70	1.1%	14,856
Health of Older People	5,985	5,914	(70)	-1.2%	29,737	29,553	(183)	-0.6%	71,012
Other Health Funding	19	33	14	42.0%	167	167	(0)	0.0%	400
Maori Health	483	510	27	5.3%	2,464	2,443	(22)	-0.9%	6,102
Population Health	176	122	(53)	-43.5%	615	620	5	0.8%	1,419
	20,507	20,289	(218)	-1.1%	**99,305**	**99,998**	693	0.7%	239,440

Month of November

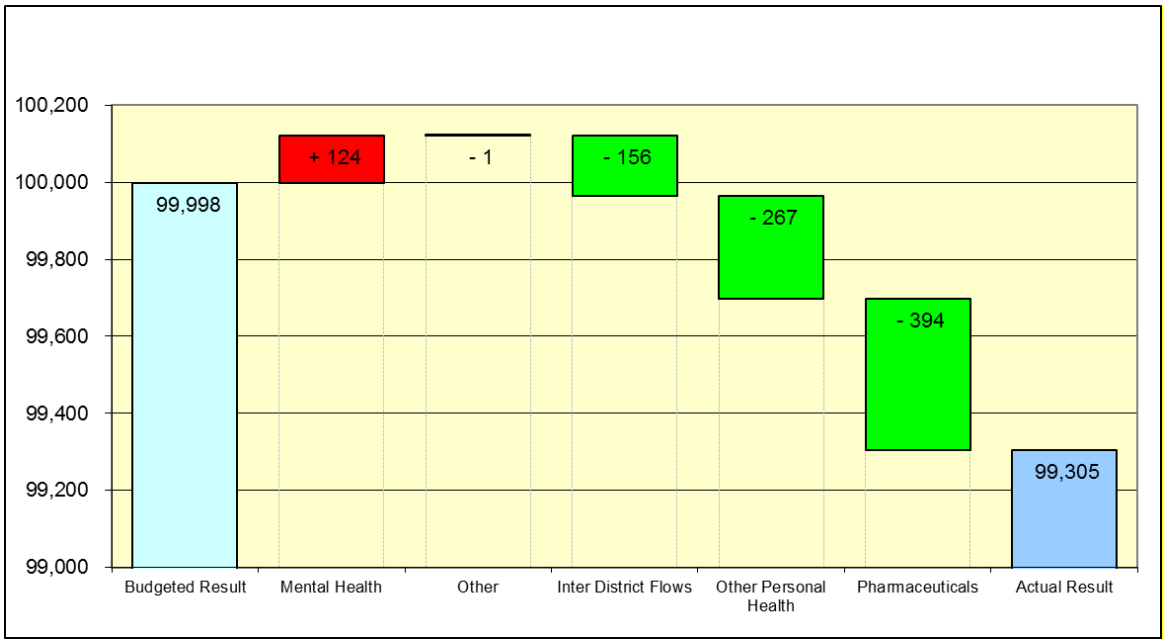


Note the scale does not begin at zero

Inter District Flows (unfavourable)
Higher outflows based on MOH and other DHBs information.

Pharmaceuticals (unfavourable)
Based on payments to community pharmacies which can vary month to month based on the timing of claims received. This figure can be highly variable month to month.

Year to Date



Mental health (unfavourable)
Increased spend in Aged Residential Care and with the Whatever It Takes programme.

Inter District Flows (favourable)
Release of the provision for undischarged long stay patients in August.

Other personal health (favourable)
Recovery of funding for school based services. Includes release of provisions from 2016/17.

Pharmaceuticals (favourable)
Higher 2016/17 wash-up and rebate than expected.

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7. Corporate Services

$'000	November Actual	November Budget	November Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Operating Expenditure									
Personnel	1,269	1,342	73	5.4%	6,521	6,616	94	1.4%	15,747
Outsourced services	69	68	(2)	-2.3%	356	338	(17)	-5.1%	827
Clinical supplies	(222)	(238)	(15)	-6.5%	(460)	(531)	(71)	-13.5%	(436)
Infrastructure and non clinical	722	759	37	4.9%	4,270	4,349	80	1.8%	9,654
	1,838	1,931	93	4.8%	10,687	10,772	85	0.8%	25,792
Capital servicing									
Depreciation and amortisation	1,128	1,085	(43)	-4.0%	5,730	5,398	(332)	-6.2%	14,020
Financing	-	-	-	0.0%	-	-	-	0.0%	-
Capital charge	705	705	-	0.0%	3,525	3,525	-	0.0%	8,459
	1,833	1,790	(43)	-2.4%	9,255	8,923	(332)	-3.7%	22,480
	3,671	**3,721**	**49**	**1.3%**	**19,942**	**19,695**	**(247)**	**-1.3%**	**48,272**
Full Time Equivalents									
Medical personnel	0.3	0.3	0	7.9%	0	0	0	4.2%	0.3
Nursing personnel	14.1	14.6	0	3.4%	14	15	1	9.8%	14.9
Allied health personnel	0.9	0.4	(0)	-117.5%	1	0	(1)	-124.7%	0.4
Support personnel	9.0	9.2	0	2.2%	9	9	0	1.1%	9.1
Management and administration	141.3	149.4	8	5.4%	139	147	7	4.9%	147.0
	165.5	**173.9**	**8**	**4.8%**	**163**	**172**	**8**	**4.9%**	**171.7**

Depreciation is partly accelerated depreciation of some lower value IT assets, and higher capitalisation of assets in 2016/17 than was allowed for in depreciation budgets for 2017/18.

8. Reserves

$'000	November Actual	November Budget	November Variance		Year to Date Actual	Year to Date Budget	Year to Date Variance		Year End Forecast
Expenditure									
Royston surgery contract	-	-	-	0.0%	-	-	-	0.0%	-
Contingency	-	250	250	100.0%	750	1,250	500	40.0%	2,750
Transform and Sustain resource	73	103	29	28.6%	320	512	193	37.6%	1,206
System improvement opportunities	-	-	-	0.0%	-	-	-	0.0%	-
Other	5	4	(1)	-12.6%	36	21	(15)	-70.1%	(2,685)
	78	**357**	**279**	**78.1%**	**1,106**	**1,783**	**678**	**38.0%**	**1,271**

$250 thousand of the contingency was again released in November recognising the additional costs being incurred in meeting elective surgery targets.

9. Financial Performance by MOH Classification

$'000	November Actual	November Annual Plan	November Variance	Year to Date Actual	Year to Date Annual Plan	Year to Date Variance	End of Year Forecast	End of Year Annual Plan	End of Year Variance
Funding									
Income	46,235	46,197	38 F	215,872	216,462	(590) U	523,526	525,029	(1,503) U
Less:									
Payments to Internal Providers	24,405	24,207	(198) U	121,734	121,886	152 F	284,668	285,018	350 F
Payments to Other Providers	20,507	20,289	(218) U	99,305	99,998	693 F	239,440	239,055	(385) U
Contribution	**1,323**	**1,701**	**(378) U**	**(5,167)**	**(5,422)**	**255 F**	**(582)**	**956**	**(1,538) U**
Governance and Funding Admin.									
Funding	274	274	-	1,372	1,372	-	3,294	3,294	-
Other Income	40	3	37 F	50	13	37 F	30	30	-
Less:									
Expenditure	248	260	12 F	1,148	1,262	114 F	3,119	3,215	96 F
Contribution	**66**	**17**	**49 F**	**274**	**122**	**152 F**	**205**	**108**	**96 F**
Health Provision									
Funding	24,131	23,933	198 F	120,362	120,514	(152) U	281,374	281,724	(350) U
Other Income	2,501	2,368	134 F	13,063	12,654	409 F	31,029	30,654	375 F
Less:									
Expenditure	26,379	25,851	(528) U	129,767	128,450	(1,317) U	310,526	311,943	1,417 F
Contribution	**253**	**449**	**(196) U**	**3,658**	**4,717**	**(1,059) U**	**1,877**	**435**	**1,442 F**
Net Result	**1,642**	**2,167**	**(525)** U	**(1,236)**	**(582)**	**(653)** U	**1,500**	**1,500**	**(0)** U

The table above reports the result in the classifications used by the Ministry of Health, and against the projections in the Annual Plan. Those projections differ from the budgets used elsewhere in this report as outlined in the table below.

10. Management Budget Movements

Changes are made to Annual Plan projections so that managers are accountable for budgets that are relevant and up-to-date. The Management budget is used for internal reporting and the annual plan is used for MOH and statutory reporting. The net result is the same in both budgets.

The major changes between revenue and expense lines are usually due to health provision savings programmes, or unbudgeted new funding received during the year and the associated expenditure.

$'000	November Mgmt Budget	November Annual Plan	November Movement	Year to Date Mgmt Budget	Year to Date Annual Plan	Year to Date Movement	End of Year Mgmt Budget	End of Year Annual Plan	End of Year Movement
Funding									
Income	46,197	46,067	130 F	216,462	215,942	520 F	525,029	524,124	905 F
Less:									
Payments to Internal Providers	24,207	24,113	(94) U	121,886	121,416	(470) U	285,018	283,900	(1,118) U
Payments to Other Providers	20,289	20,173	(116) U	99,998	99,446	(552) U	239,055	238,724	(331) U
Contribution	**1,701**	**1,781**	**(80) U**	**(5,422)**	**(4,921)**	**(501) U**	**956**	**1,500**	**(544) U**
Governance and Funding Admin.									
Funding	274	274	-	1,372	1,372	-	3,294	3,294	-
Other Income	3	3	-	13	13	-	30	30	-
Less:									
Expenditure	260	279	19 F	1,262	1,390	127 F	3,215	3,324	108 F
Contribution	**17**	**(2)**	**19 F**	**122**	**(5)**	**127 F**	**108**	**(0)**	**108 F**
Health Provision									
Funding	23,933	23,839	94 F	120,514	120,044	470 F	281,724	280,606	1,118 F
Other Income	2,368	2,329	38 F	12,654	12,464	190 F	30,654	30,089	565 F
Less:									
Expenditure	25,851	25,780	(71) U	128,450	128,164	(286) U	311,943	310,695	(1,247) U
Contribution	**449**	**388**	**61 F**	**4,717**	**4,344**	**374 F**	**435**	**-**	**435 F**
Net Result	**2,167**	**2,167**	**(0)** U	**(582)**	**(582)**	**(0)** U	**1,500**	**1,500**	**(0)** U

11. Quality and Financial Improvement Programme

The table below shows 99.8% of the $10.8 million of general efficiency plans have been identified to date, and that $2.7 million of savings have been achieved against a year-to-date target of $3.5 million.

Corporate general efficiencies are 84% of the year-to-date identified plans, up from 66% in October. The large item in the $38 thousand shortfall is the planned reduction in depreciation through changing useful lives.

Provider services general efficiencies are 77% of the year-to-date identified plans, up from 76% in October. The large items in the $403 thousand shortfall are in Surgical Services (non-recurrent schemes), Medical Services (staff management), and Community, Women and Child (vacancy management).

Strategic Planning general efficiencies are at 75% of the year-to-date identified plans, up from 71% last month. IDF outflows makes up $155 thousand of the shortfall and reflects the lead time for referral practice changes. Management of Enliven volumes and GMS payments comprise most of the remaining variance.

Service	2017/18 Annual Savings Plans	YTD Savings Planned	YTD Savings Achieved	YTD Var	% YTD Planned Savings Achieved	% of Annual Plan Achieved YTD
Corporate	996,999	231,482	193,957	(37,525)	84%	19%
Provider Services	4,911,865	1,728,726	1,325,419	(403,306)	77%	27%
Strategic Planning	4,598,000	1,367,854	1,024,092	(343,762)	75%	22%
Strategy and Health Improvement	285,440	192,826	185,822	(7,004)	96%	65%
Grand Total	**10,792,304**	**3,520,887**	**2,729,290**	**(791,597)**	**78%**	**25%**

12. Financial Position

30 June 2017	$'000	November Actual	November Budget	Variance from budget	Movement from 30 June 2017	Annual Budget
	Equity					
149,751	Crown equity and reserves	149,751	149,751	-	-	149,394
(7,406)	Accumulated deficit	(8,642)	(5,056)	3,586	(1,236)	(2,973)
142,345		141,109	144,695	3,586	(1,236)	146,421
	Represented by:					
	Current Assets					
16,541	Bank	17,192	17,840	648	652	15,536
1,690	Bank deposits > 90 days	1,901	1,755	(147)	212	1,755
26,735	Prepayments and receivables	22,852	22,594	(258)	(3,884)	22,951
4,435	Inventory	4,341	4,368	27	(94)	4,419
625	Non current assets held for sale	625	625	-	-	-
50,025		46,912	47,182	270	(3,114)	44,661
	Non Current Assets					
152,411	Property, plant and equipment	152,499	155,515	3,016	88	160,576
1,820	Intangible assets	1,654	2,152	498	(165)	2,962
10,701	Investments	10,987	11,372	385	286	12,105
164,932		165,140	169,039	3,899	208	175,642
214,957	**Total Assets**	**212,052**	**216,221**	**4,170**	**(2,905)**	**220,302**
	Liabilities					
	Current Liabilities					
-	Bank overdraft	-	-	-	-	-
35,447	Payables	34,565	35,319	754	(882)	35,762
34,528	Employee entitlements	33,740	33,503	(237)	(788)	35,381
69,975		68,305	68,822	517	(1,670)	71,143
	Non Current Liabilities					
2,638	Employee entitlements	2,638	2,704	67	-	2,739
2,638		2,638	2,704	67	-	2,739
72,612	**Total Liabilities**	**70,942**	**71,526**	**583**	**(1,670)**	**73,882**
142,345	**Net Assets**	**141,109**	**144,695**	**3,586**	**(1,236)**	**146,421**

The variance from budget for:

- Equity reflects the amount the budgeted opening balance differs from the 2016/17 result, and the 2017/18 variance from budget;
- Property, plant and equipment mainly reflect the lower than budgeted capital spend;
- Payables reflects lower funding wash-up accruals from MOH.
- Employee entitlements – see below

13. Employee Entitlements

30 June 2017	$'000	November Actual	November Budget	Variance from budget	Movement from 30 June 2017	Annual Budget
7,853	Salaries & wages accrued	7,590	6,881	(709)	(263)	7,756
522	ACC levy provisions	560	209	(352)	38	501
4,869	Continuing medical education	4,120	4,646	526	(749)	5,553
19,819	Accrued leave	19,908	20,101	192	89	19,883
4,103	Long service leave & retirement grat.	4,199	4,371	172	96	4,426
37,165	**Total Employee Entitlements**	36,377	36,207	(170)	(788)	38,119

14. Treasury

Liquidity management

The surplus cash of all DHBs is managed by NZ Health Partnerships Limited under a sweep arrangement facilitated by Westpac and BNZ. The DHB provides forecast cash flow information to NZHPL, to allow them to invest the funds at the most advantageous rates, and uses the same information to ensure the DHB has the funds to meet its obligations as they fall due.

Debt management

The DHB has no interest rate exposure relating to debt.

Foreign exchange risk management

No material transactions occurred during the month. No transactions met the criteria that would trigger the requirement to arrange foreign exchange rate cover.

15. Capital Expenditure

Capital spend is $3.4 million behind plan year-to-date, including the surgical expansion that is in the planning stage, and information technology that is expected to be spent later in the year.

See table on the next page.

2018 Annual Plan		*Actual $'000*	*Year to Date Budget $'000*	*Variance $'000*
	Source of Funds			
	Operating Sources			
13,625	Depreciation	5,730	5,398	(332)
1,500	Surplus/(Deficit)	(1,236)	(582)	653
9,166	Working Capital	1,201	5,396	4,195
24,290		5,696	10,211	4,515
	Other Sources			
-	Special funds and clinical trials	287	-	(287)
-	MOH Programme funding	-	-	-
-	Revenue banking	-	-	-
625	Sale of assets	-	-	-
-	Borrowings	-	-	-
625		287	-	(287)
24,915	**Total funds sourced**	**5,983**	**10,211**	**4,229**
	Application of Funds:			
	Block Allocations			
3,400	Facilities	826	1,591	765
3,200	Information Services	107	1,333	1,225
3,400	Clinical Plant & Equipment	1,511	1,241	(270)
10,000		2,444	4,165	1,721
	Local Strategic			
1,082	Renal Centralised Development	435	451	16
6,306	New Stand-alone Endoscopy Unit	2,198	2,626	428
134	New Mental Health Inpatient Unit Development	68	56	(12)
500	Upgrade old MHIU	10	208	198
243	Travel Plan	63	101	38
1,555	Histology and Education Centre Upgrade	51	648	596
3,000	Surgical Expansion	-	1,250	1,250
500	Radiology Extension	-	208	208
600	Fit out Corporate Building	-	250	250
13,920		2,825	5,798	2,973
	Other			
-	Special funds and clinical trials	287	-	(287)
-	MOH Funded programmes	-	-	-
-	New Technologies/Investments	-	-	-
-	Transform and Sustain	-	-	-
-	Other	141	-	(141)
-		428	-	(428)
23,920	***Capital Spend***	***5,697***	***9,963***	***4,266***
	Regional Strategic			
995	RHIP (formerly CRISP)	286	249	(37)
995		286	249	(37)
	National Strategic			
-	FPSC (Class B shares in NZHPL)	-	-	-
-		-	-	-
24,915	**Total funds applied**	**5,983**	**10,211**	**4,229**

16

Monthly Project Board Report
Nov 2017

HAWKE'S BAY District Health Board

Improving Endoscopy Services. Phase 3
Service transition and Facilities Development.

Project Manager Facilities Development: **Trent Fairey**

Overall Project Progress	Quality & Safety Risk Status	Time Status	Financial Status
38%	G	G	G

Phase 3: Service transition & Facility Development

Formal approval of the Business Case was received in December 2016 from the Hawke's Bay District Health Board for the construction of a stand-alone Gastroenterology Service building (improving Endoscopy services).
Phase 1 Service & Facility Planning, and Phase 2 Design & Tendering of service facility have been completed on time and within budget.
Phase 3 Service Transition and Facility construction is now underway. This phase concentrates on the construction of the facility to enable the service transition in late 2018. Trialling a new shift in endoscopy unit to cover the additional RN responsibilities associated with managing the end to end process for endoscopy services. Reviewing the equipment to support care delivery pre and post endoscopy.
A fourth and final phase of the project will complete the Improving Endoscopy Services programme, focusing on the development of the service and delivery of the bowel screening programme.

Project Budget Status

Total Approved for Capital Budget	**$ 11,670,000**	Total 17/18 Forecast Spend	**$ 6,300,000**
Total Project Spend to Date	$ 4,399,050	Total 17/18 Spend to Date	$ 2,157,578
Percentage of Total Spend vs Budget	38%	Percentage 17/18 Spend vs Forecast	34%

Project initiation was completed on the 27th February 2017 on approval of the site specific safety plan. Project total spend is now tracking inline with initial predictions. The addition of the level 1 variation to contract for an approved $1,300,000 will be integrated into the total project costs in the month of December. Total cost and timeframe reporting will change to take into account this variation. Project spend will track in a similar range to the current predictions with he variation costs coming into the project in the first quarter of 2018/19 financial year.

Deliverable Dates

Geotechnical design and Testing	Complete	Internal construction - Building Services	May-18
Site specific safety plan review and approval	Complete	Furniture , Fittings and Equipment installation	Jun-18
Earthworks and Excavation	Complete	Building services commissioning	Jul-18
Foundation construction	Complete	Facility Sign off & Certificate of Public Use	Aug-18
Structural Steelwork installation	Nov-17	Service Training and Transition to Staged start up	Sep-18
Concrete floor structures	Dec-17	Full operational capacity available and Service Go Live	Oct-18
Exterior and Roof Cladding	Mar-18	Post Implementation Review & Post Occupancy Evaluations	Feb-19

Key Achievements this period

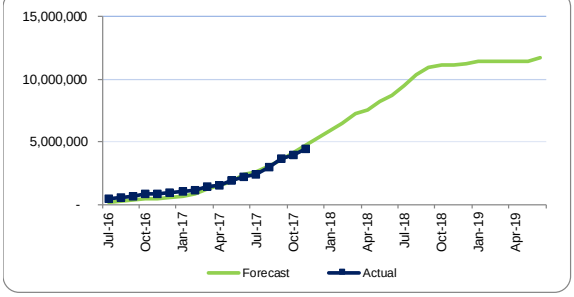
The final stage of structural steel installation is underway, Grids G through to K are nearing completion. All structural steel will be erected by the Christmas period. Stages 1 of Ground and level 1 corete pours are now completed and all trades are proceeding to programme, revised programme has been agreed providing the completed building in September 2018 with operational activity planned from October 2018.
One minor accident report on site last week, awaiting internal report, accident did not require worksafe notification, 2nd Quarter H&S Audit pass mark of 96.4%. Independent H&S auditing continues with Safe on Site for the HBDHB recording a similar 94% pass rate..

Planned Activities next period

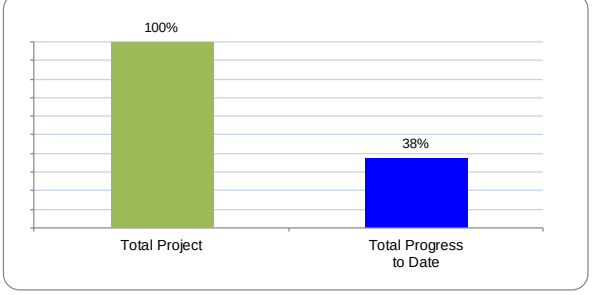
Completion of Structural steel in Grids G through to K, Completion of concrete floor to level 1
Installation of stage 3 Buckling Resistant Braces
Installation of roofing systems and interanl framing for Grids A through to E.

Risks & Issues of Note	Mitigation & Resolutions
Specialised Furniture, Fittings and Equipment. Procurement process delays the installation dates.	Ensure timely decision making from the clinical teams, allowing procurement from off-shore manufacturers in a controlled manner.

Actual Spend



Total Project Progress



16. Rolling Cash Flow

	Actual	November Forecast	Variance	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast	Jul Budget	Aug Budget	Sep Budget	Oct Budget	Nov Budget
Cash flows from operating activities															
Cash receipts from Crown agencies	43,225	48,046	(4,821)	44,663	45,702	47,685	44,761	44,686	47,620	48,213	44,365	43,638	52,459	44,805	48,215
Cash receipts from revenue banking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash receipts from donations, bequests and clinical trials	134	-	134	-	-	-	-	-	-	-	-	-	-	-	-
Cash receipts from other sources	1,597	461	1,136	445	471	477	471	471	477	493	440	446	440	505	447
Cash paid to suppliers	(25,751)	(27,822)	2,071	(27,430)	(27,692)	(24,800)	(27,872)	(27,778)	(26,654)	(27,743)	(28,113)	(26,670)	(29,968)	(27,677)	(27,999)
Cash paid to employees	(17,953)	(18,820)	867	(15,238)	(23,227)	(16,141)	(15,951)	(16,251)	(18,918)	(15,950)	(15,532)	(20,705)	(15,683)	(15,901)	(18,879)
Cash generated from operations	**1,252**	**1,864**	**(613)**	**2,440**	**(4,745)**	**7,220**	**1,409**	**1,128**	**2,525**	**5,013**	**1,160**	**(3,291)**	**7,249**	**1,733**	**1,784**
Interest received	88	74	14	74	74	74	74	74	74	74	74	74	74	74	74
Interest paid	-	(69)	69	(90)	(16)	4	178	(4)	(84)	(84)	(14)	(15)	201	(7)	(69)
Capital charge paid	(705)	0	(705)	(4,230)	-	-	-	-	-	(4,230)	-	-	-	-	-
Net cash inflow/(outflow) from operating activities	**635**	**1,869**	**(1,234)**	**(1,806)**	**(4,688)**	**7,297**	**1,661**	**1,198**	**2,515**	**773**	**1,220**	**(3,232)**	**7,523**	**1,799**	**1,789**
Cash flows from investing activities															
Proceeds from sale of property, plant and equipment	(0)	-	(0)	625	-	-	-	-	-	(0)	-	-	-	-	-
Acquisition of property, plant and equipment	(798)	(1,243)	445	(1,478)	(1,548)	(1,549)	(1,845)	(1,537)	(1,995)	(2,292)	(2,203)	(2,203)	(2,203)	(2,203)	(2,203)
Acquisition of intangible assets	(57)	(237)	180	(227)	(200)	(175)	(150)	(163)	(163)	(290)	(154)	(154)	(154)	(154)	(154)
Acquisition of investments	(286)	-	(286)	-	-	-	-	-	-	-	-	-	-	-	-
Net cash inflow/(outflow) from investing activities	**(1,140)**	**(1,480)**	**340**	**(1,080)**	**(1,748)**	**(1,724)**	**(1,995)**	**(1,700)**	**(2,158)**	**(2,582)**	**(2,357)**	**(2,357)**	**(2,357)**	**(2,357)**	**(2,357)**
Cash flows from financing activities															
Proceeds from equity injection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of finance leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity repayment to the Crown	-	-	-	-	-	-	-	-	-	(357)	-	-	-	-	-
Net cash inflow/(outflow) from financing activities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(357)**	**-**	**-**	**-**	**-**	**-**
Net increase/(decrease) in cash or cash equivalents	(505)	389	(894)	(2,886)	(6,436)	5,574	(334)	(502)	357	(2,166)	(1,137)	(5,589)	5,167	(558)	(568)
Add:Opening cash	19,599	19,599	-	19,094	16,208	9,772	15,346	15,012	14,510	14,867	12,701	11,564	5,974	11,141	10,583
Cash and cash equivalents at end of year	**19,094**	**19,988**	**(894)**	**16,208**	**9,772**	**15,346**	**15,012**	**14,510**	**14,867**	**12,701**	**11,564**	**5,974**	**11,141**	**10,583**	**10,015**
Cash and cash equivalents															
Cash	4	4	0	0	0	0	0	0	0	0	4	4	4	4	4
Short term investments (excl. special funds/clinical trials)	16,344	17,242	(898)	13,461	7,025	12,599	12,265	11,763	12,120	9,954	8,812	3,223	8,389	7,832	7,264
Short term investments (special funds/clinical trials)	2,747	2,742	5	2,747	2,747	2,747	2,747	2,747	2,747	2,747	2,747	2,747	2,747	2,747	2,747
Bank overdraft	(1)	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-
	19,094	**19,988**	**(895)**	**16,208**	**9,772**	**15,346**	**15,012**	**14,510**	**14,867**	**12,701**	**11,564**	**5,974**	**11,141**	**10,583**	**10,015**

The operating forecasts for 2017/18 year are based on the draft budget completed in June 2017, and the forecast completed at the end of October 2017. Changes have been made to the phasing of some major cash-flows based on best estimates of when they will occur e.g. elective services revenue, IDF wash-up and the rest home worker's pay equity settlement.

BOARD HEALTH & SAFETY CHAMPION'S UPDATE

Verbal

CLINICAL AND CONSUMER COUNCIL

Verbal Update

HAWKE'S BAY District Health Board Whakawāteatia	**Pasifika Health Leadership Group**
	For the attention of: **HBDHB Board**
Document Owner:	Barbara Arnott, Chair of CPHAC
Document Author(s):	Caren Rangi, Chair of PHLG
Month:	December 2017
Consideration:	For endorsement

RECOMMENDATION

That the HBDHB Board

- Accept the minor modifications to the Terms of Reference
- Endorse four new appointments to the Pasifika Health Leadership Group

TERM OF REFERENCE

The PHLG reviewed and agreed to minor modifications to the Terms of Reference to better reflect the Functions and Support of the Group.

NOMINATIONS

It is timely to review the membership of the PHLG with recent and upcoming member's resignations. Four nominations were received. To ensure representation is encompassed across the Pacific community and to allow varying strengths to be tabled at the PHLG meetings, the following are nominated for appointment.

Ioami Tuakalau

Ioami has been the bishop of his church for over 20 years as well as being a strong advocate for Pasifika; and is also the Vice President of the Tongan community in Hawke's Bay. Ioami provides interpretation services to the HBDHB, and also advocates to realise better health outcomes for Pasifika people, not just in health but across a wide range of services. Ioami has a strong connection with all cultures and ages and is passionate about better health outcomes. He adds diversity to the group as a male Tongan.

Anna Marie Faavae

Anna Marie is well known in the Samoan community and is passionate about reducing disparity in Pasifika children's education and health. Anna Marie has committee experience having organised the Pasifika Festival as Chair. Anna Marie will be an asset to the membership of the PHLG membership, particularly with her experience and networks in the education sector.

Ina i-te-roe Graham

Ina is part Cook Islands Maori and very active within the Cook Island community. Having worked with the Health Hawkes Bay for a number of years Ina would bring her experience of working with various Pacific populations of all ages and her knowledge of health issues facing Pasifika in the community. Ina has been involved with various committees and her experience of committee membership, energy and expert advice will be a welcome addition to the Group.

Traci Tuimaseve
Traci is of Maori and Samoan background and actively engages with all cultures within the Hawke's Bay. Traci has a wide-range of experience as a member of various committees in the region and is currently Chair of the Flaxmere Planning Community to revise and update the Flaxmere community. Traci works closely with many organisations and communities throughout the Hawke's Bay.

All four nominations will bring varying skills, passion and motivation to improve the health for Pasifika people.

The Board are requested to approve all four nominated persons be appointed to the Pasifika Health Leadership Group. This will bring the PHLG up to the maximum membership number of eight.

TERMS OF REFERENCE

Hawke's Bay District Health Board
Pasifika Health Leadership Group

27 November 2017

Purpose	The purpose of the Pasifika Health Leadership Group (PHLG) is to provide appropriate advice to Hawke's Bay District Health Board (HBDHB) through the Community & Public Health Advisory Committee (CPHAC) to improve the health status of the Pacific people within the HBDHB area and reduce health disparities.
Functions	The functions of the PHLG are to a) Enhance engagement between Pacific communities and Hawke's Bay health funders and providers b) Identify and convey the needs for health and wellbeing of the Pacific people within Hawke's Bay. c) Provide direction and ensure an appropriate plan is jointly developed and maintained by HBDHB to address identified issues. d) Monitor the operational implementation of this plan. e) Monitor the strategic development and performance of HBDHB delivered and funded services, to ensure they support the reduction in disparities and are responsive to the needs of Pacific people. f) Monitor the operational performance of services targeted particularly at Pacific people. The aim of the PHLGs advice is to: a) Reduce existing health disparities and improve the health of the Hawke's Bay Pacific people. b) Enhance the patient care experience for Pacific people through ensuring all services are accessible and responsive to meet their needs.
Level of Authority	The PHLG has the authority to give advice and make recommendations to the HBDHB Board through CPHAC.
Membership	• Up to eight (8) members shall be appointed to the PHLG by CPHAC for terms of up to two (2) years, • Members may be reappointed. • General criteria for membership shall consist of a mix of: - Nominated by their community, having demonstrated relevant skills and links to that community - Knowledge and experience in the health sector - Experience of working in a multi-agency environment - Knowledge and experience of the disability sector - Governance, strategic and policy skills • At least two members of PHLG shall have attributes to 'represent' Pacific youth issues. • Remuneration will be based on the Cabinet Fees Framework for HBDHB Committee Members.

Chair	The Chair shall be elected by the PHLG and endorsed by CPHAC.
Quorum	A quorum will be half the members if the number of members is even, and a majority if the number of members is odd.
Meetings	Meetings will be held quarterly, or more frequently at the request of the Chair. Workshops may be held from time to time. The Standing Orders adopted by HBDHB apply to PHLG meetings.
Reporting	Following each meeting, the Chair shall report on PHLG business to the CPHAC Chair, with such recommendations as the PHLG may deem appropriate.
Minutes	Minutes will be circulated to all members of the PHLG within one week of the meeting taking place. CPHAC and HBDHB Board members will be sent a copy of the minutes, on request.
Support	The PHLG shall be supported by the Executive Director of Strategy and Health Improvement and the Pacific Health Development Manager. Such support shall include the provision of regular reporting and advice on: a) Health status of Pacific people b) Performance/achievements of plans and initiatives aimed at improving health outcomes and patient experience of Pacific people c) Objectives/achievements of 'dedicated' Pacific Health services and resources and arranging regular engagement opportunities for PHLG to meet with Pacific communities

BIG LISTEN / PEOPLE STRATEGY

Verbal Update

Clinical Services Plan

Transforming our Health Services

December 2017 Update

Why are we doing this?

- Planning is important to sustain a growing population and a healthier Hawke's Bay
- Need to identify the clinical services and models of care that will best meet future demand
- Need to confirm what works well, what needs improvement and new opportunities
- Planning a 10 year outlook is imperative for reducing inequity and ensuring we meet the basic and most comprehensive needs of our customers.

A Clinical Services Plan will:

- Describe the current capability and capacity of services (Baseline)
- Describe the challenges and opportunities facing service provision now and in the future.
- Describe high-level options that will help meet those challenges and take advantage of those opportunities.
- Provide an indication of strategic direction and important areas for investment.
- Inform the next HBDHB 5 year Strategic Plan

Clinical Services Plan

A Clinical Services Plan will NOT:

- Address details of implementation
- Provide detailed financial modelling
- Provide a workforce strategy and plan
- Include a facilities Master Plan

Clinical Services Plan

Process to date:

- Development of Data Packs
  - Quantitate and qualitative analysis of capacity and demand (current and future).
- Horizon Scan
  - Working document identifying future pressures and opportunities
- Identification of issues and challenges, and confirmation of current state analysis through engagement with:
  - Consumers (Patient Journey Workshop)
  - Primary Care
  - HBDHB Services
  - Health Sector Leadership
- Production of Write Ups/Documents
- Preparation for future workshops.

Clinical Services Plan

Process from here:

• Future Options Workshops	Jan/Feb 2018
• Integrative Workshop	6 March 2018
• HB Health Sector Leadership Forum Workshop	7 March 2018
• Draft CSP Delivered	31 March 2018
• Engagement Meetings / Workshops	April 2018
• Final Version CSP	30 April 2018

Clinical Services Plan

Future Options Workshops:

- 4 Themed Workshops
  - Aging Population
  - High Needs and Deprived Populations
  - Hospital
  - Primary and Community
- Objectives
  - Confirm consensus on current state / issues / challenges
  - Foster sharing of knowledge, ideas and desire to change
  - Facilitate development of a long list of options and strategies
  - Ensure the consumer is at the centre of all designs
- 30 participants per workshop
- 3 hour duration

Clinical Services Plan

Integrative and HB Health Sector Leadership Forum Workshops:

- Objectives
  - Confirm consensus on findings
  - Agree collective aspirations
  - How will we measure it?
  - How do we achieve it – top 5 things?
  - What are the enablers?
- Integrative Workshop
  - 100-120 attendees
- HB Health Sector Leadership Forum Workshop
  - 50-60 health sector “governors”

Clinical Services Plan

April 2018

- Draft CSP received 31 March 2018
- Engagement plan being developed
  - To review, validate and reality check Draft ESP
  - Led by HBDHB / HHB
  - Sapere in attendance / support
  - To cover all key stakeholder groups
  - All feedback consolidated – passed to Sapere
- Priority activity for the month
  - No Big Listen activity
- CSP Final Version delivered 30 April 2018

Clinical Services Plan

Communications Plan:

- Regular updates through 'In Focus'
- All significant inputs/documents on public website
  - http://www.ourhealthhb.nz/news and events/clinical service plan transforming our health services
- Ambassadors appointed and briefed:
  - Purpose to support and assist with enhancing the knowledge, understanding, participation and engagement of staff, services and consumers in the CSP process and sector ownership of the plan.
- EMT / Steering Group meetings / updates
  - Briefings / updates cascaded through leadership structures
- Governance Group Updates
- Korero Mai

Clinical Services Plan

HAWKE'S BAY District Health Board Whakawāteatia	**Human Resource KPIs (Q1 July-September 2017)** 153
	For the attention of: **HBDHB Board**
Document Owner: Document Author:	Kate Coley, Executive Director of People & Quality Jim Scott, Workforce Analyst
Reviewed by:	Executive Management Team
Month:	December 2017
Consideration:	Monitoring

RECOMMENDATION

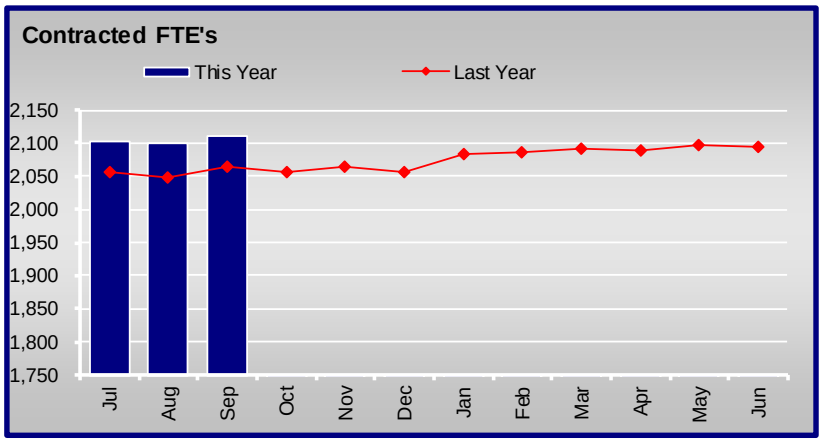
That the HBDHB Board:

- **Note** the contents of this report.

22

Headcount and positions

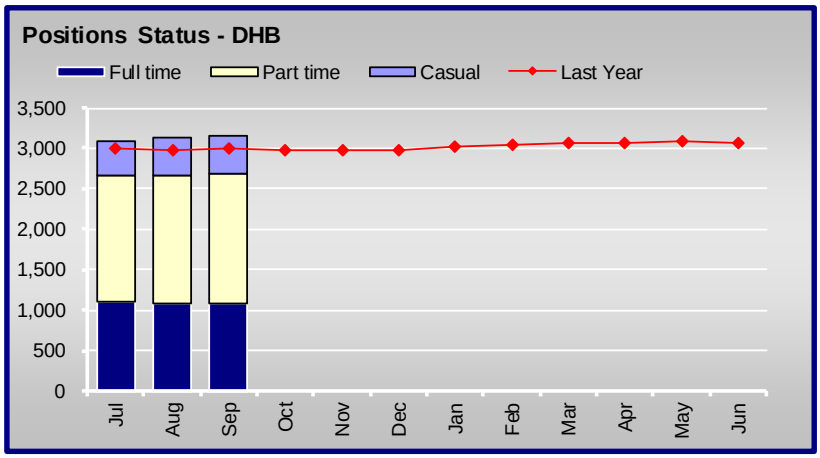
Reporting on headcount/ positions is a snapshot in time rather than an average for the month or year.



Contracted FTEs
2111.8 at 30 Sep. 2017
2063.1 at 30 Sep. 2016
= 2.4% increase

Overall increases/ (decreases)

	FTE	
Medical	7.0	2.8%
Nursing	12.9	1.5%
Allied Health	18.4	4.3%
Support	4.0	3.3%
Mge. & Admin	6.4	1.6%
Total	**48.7**	**2.4%**



Positions filled:
3161 at 30 Sep. 2017
3005 at 30 Sep. 2016
= 5.2% increase (156 positions)

Of the 3161 positions (last year in brackets):
35% are full-time (36%)
50% are part-time (51%)
15% are casual (13%)

Overall increases/ (decreases) –

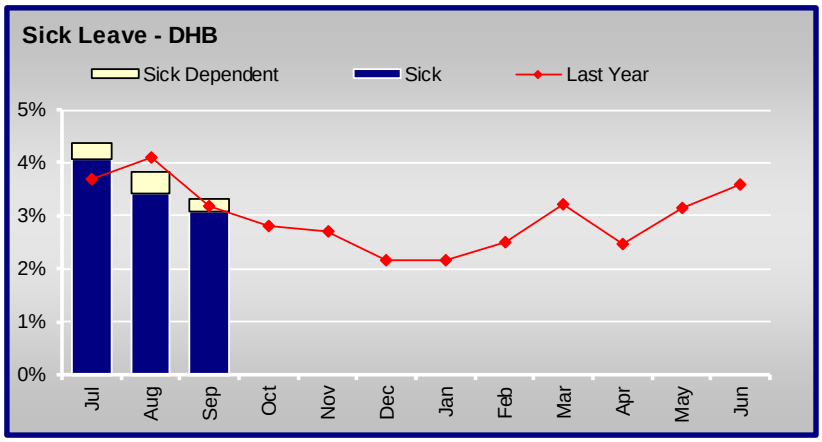
	Full time	Part time	Casual	Total	% change
Medical	12	(6)	(3)	3	1.0%
Nursing	(5)	28	104	127	8.4%
Allied Health	7	11	1	19	3.4%
Support	3	3	(2)	4	2.1%
Management & Admin	(4)	14	(7)	3	0.6%
Totals	**13**	**50**	**93**	**156**	**5.2%**

Sick Leave

The percentage of sick leave taken hours (paid and unpaid) to accrued FTE hours.

Note: as this KPI is reported early in the month, not all sick leave for the previous month has been recorded as yet. Figures and the graph will be adjusted in the following month.

Target is 2.00%



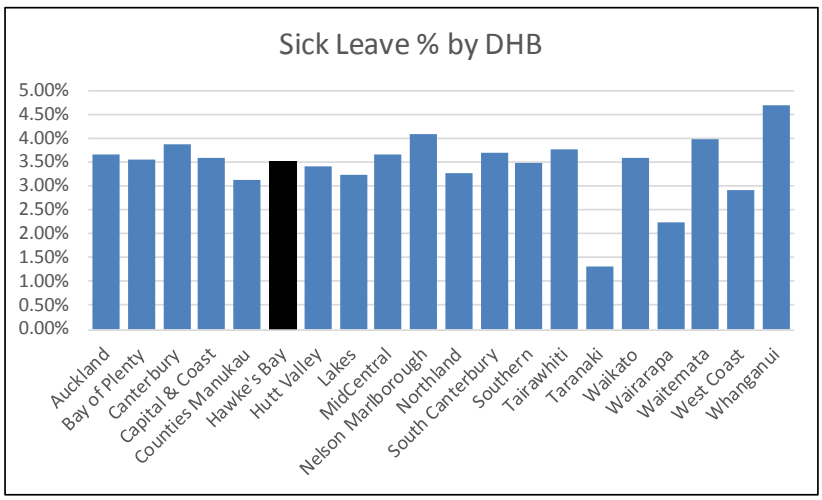
Sep 2017 = 3.30%
Sep 2016 = 3.18%

YTD Sep '17 = 3.83%
YTD Sep '16 = 3.65%

DHBSS have taken over reporting of the 20 DHB Comparisons and report on the average sick leave hours percentage (quarter ended 30 June 2017). Hawke's Bay DHB rank:

9th lowest of 20 DHBs.

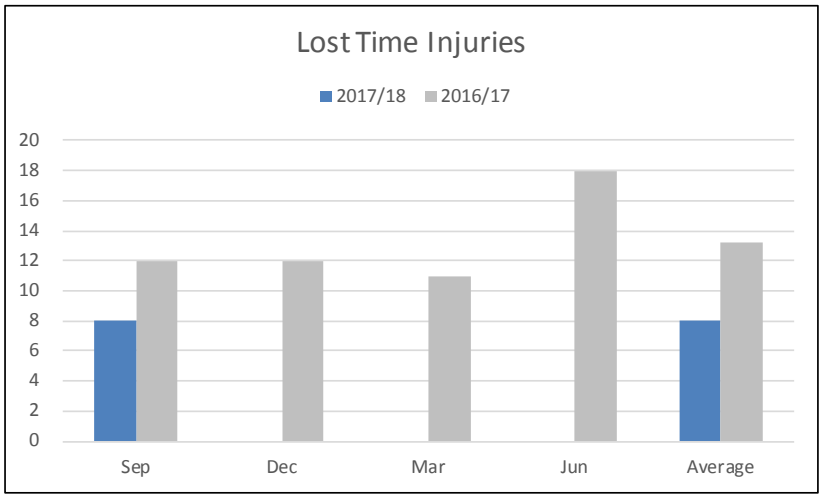
3rd lowest of the 6 mid-sized DHBs



22

Lost Time Injuries

Measure the incidences of work time lost due to injury or occupational illness associated with the workplace.



Breakdown by quarter:

	2017/18	2016/17
Sept	8	12
Dec		12
Mar		11
Jun		18
Total	**8**	**53**
Average	*8*	*13*

Average days lost (Sept quarter)
2017/18 = 9.4 days
2016/17 = 15.0 days

Breakdown by Occupational Group (September quarter)

	2017/18	2016/17
Medical	0	1
Nursing	5	8
Allied Health	0	1
Support	3	2
Management & Admin	0	0
Total	**8**	**12**

Breakdown by reason for injury (September quarter)

	2017/18	2016/17
Being hit by object	1	1
Being hit, struck or bitten by person	0	0
Falls	1	2
Hitting objects	1	1
Muscular stress	5	7
Other	0	1
Total	**8**	**12**

The reduction of lost time injuries is a significant positive for DHB staff. Contributing factors may be;

- The staff physiotherapist continuing to be well utilized with her services being oversubscribed as the demand for on-site services continues at a high level
- Safe Handling training re-commenced
- Increased communication that there is an on-site doctor available to staff.
- Having a locally based case manager, and HBDHB staff managing simple claims has enabled early, effective face to face communication ensuring staff feel cared for and supported.
- Managers continuing to support staff who are returning to work and have an increased understanding of the importance of communicating to occupational health when a staff member is off work with an injury.
- The annual ACC Partnership Programme Injury Management Audit communication over the preceding month may have been a timely reminder to all about reporting and rehabilitation. NB – the result of the audit has been a recommendation to ACC that HBDHB meets the standards to retain Tertiary status.

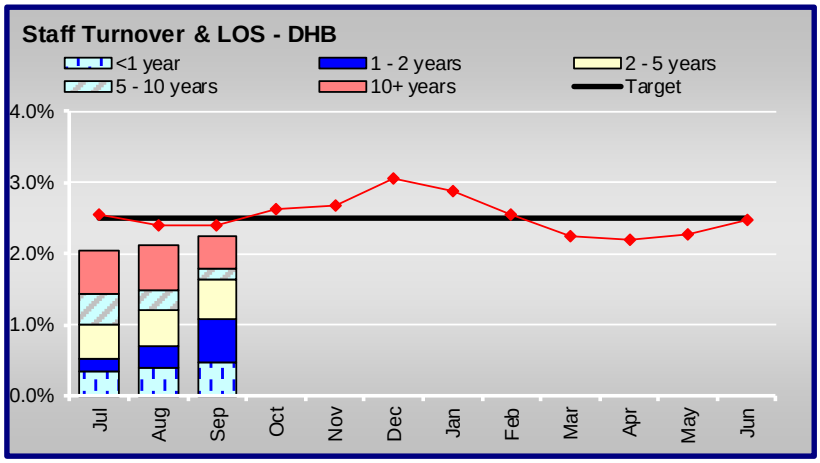
Staff Turnover

Incidence of staff resignations in an organisation. #Voluntary resignations ÷ Total headcount at the beginning of the period. Period is a rolling 3 Months

Note: Junior Doctors (RMOs), Temporary (fixed term) employees and casual employees are excluded from this measure. Employment terminations due to redundancy, death, dismissal and medical grounds are excluded.

A table has been included in the notes for each section to show total headcount at the beginning of the period, new starts, resignations, transfer and changes of status to reconcile to total headcount at the end of the quarter.

Target is 2.50% per quarter.



3 months ended Sep '17 = 2.25% which is within the target of 2.50%.

12 months to Sep '17 = 10.12% which is slightly above the 10% annual target. See reasons below.

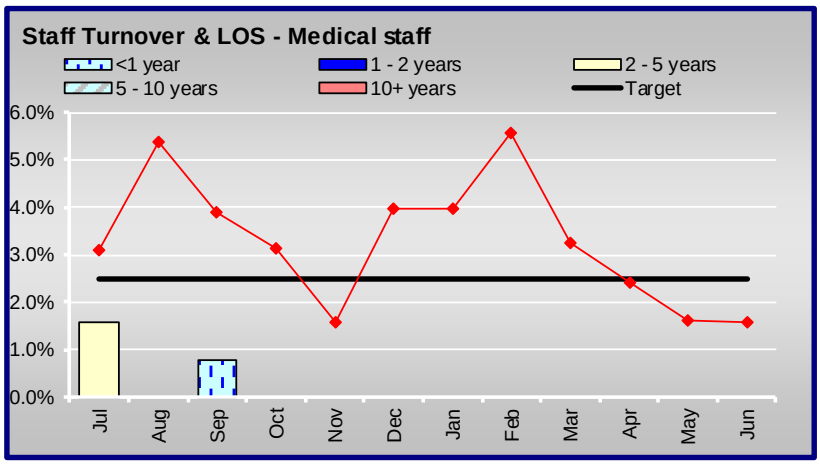
2301	Staff at 1 Jul '17
60	New Staff
(62)	Staff resignations
23	Change of status – mostly permanent to fixed term
2322	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	Quarter	Last 12 months
Moving to a position outside HBDHB	22	69
Relocating outside HB	13	36
Retirement	6	48
Not returning from parental leave	2	7
Personal	5	22
Family reasons	3	7
Further education	1	4
Other reasons	6	30
Unknown reason	0	13
Total	**58**	**236**

Note difference to staff resignations figure above is due to non-voluntary resignations (medical grounds, redundancy etc.)

22

Staff Turnover – Medical Staff



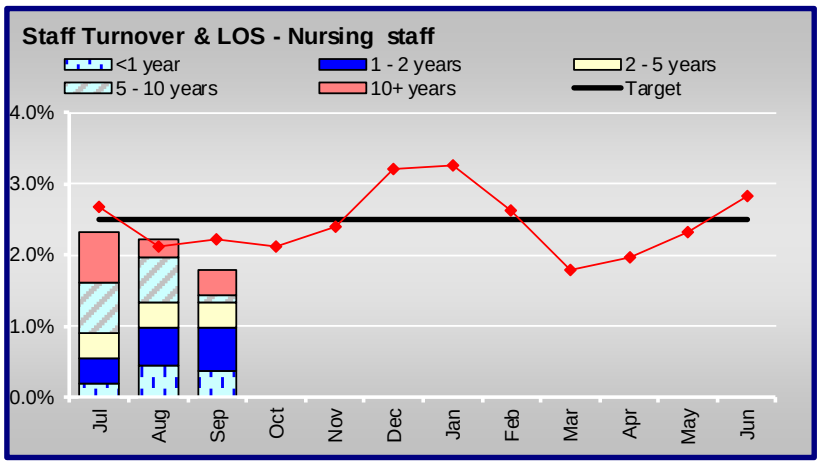
3 months ended Sep '17 = 0.79% which is within the 2.50% target.

12 months to Sep '17 = 9.52% which is within the 10% annual target. See reasons below.

127	Staff at 1 Jul '17
6	New Staff
(1)	Staff resignations
3	Change of status – fixed term to permanent
0	Trf other staff group
135	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	Quarter	Last 12 months
Moving to a position outside HBDHB		6
Relocating outside HB		3
Retirement		1
Personal		1
Other reasons	1	1
Unknown reason		0
Total	**1**	**12**

Staff Turnover – Nursing Staff



3 months ended Sep '17 = 1.79% which is within the target of 2.50%.

12 months to Sep '17 = 9.76% which is within the 10% annual target.

1118	Staff at 1 Jul '17
20	New Staff
(24)	Staff resignations
6	Change of status – mostly fixed term to permanent
(2)	Trf other staff group
1118	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	Quarter	Last 12 months
Moving to a position outside HBDHB	6	24
Relocating outside HB	10	21
Retirement	1	23
Not returning from parental leave	1	5
Personal	1	9
Family reasons	0	1
Other reasons	3	18
Unknown reason	0	9
Total	**22**	**110**

Note difference to staff resignations figure above is due to non-voluntary resignations (medical grounds, redundancy etc.)

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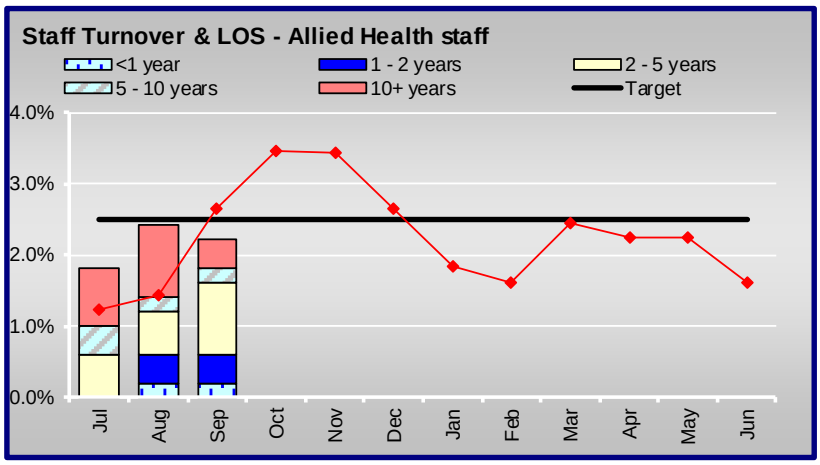
Staff Turnover – Allied Health Staff



3 months ended Sep '17 = 2.22% which is below the 2.50% target.

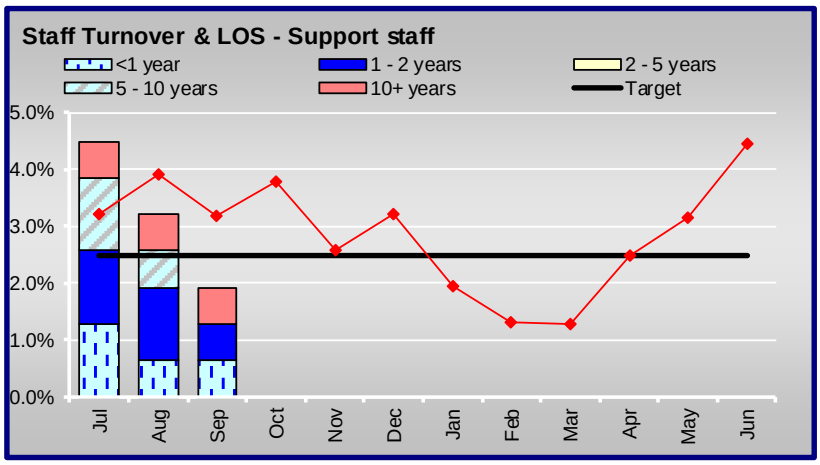
12 months to Sep '17 = 8.94% which is below the 10% annual target.

495	Staff at 1 Jul '17
15	New Staff
(16)	Staff resignations
9	Change of status – fixed term or casual to permanent
5	Trf other staff group
508	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	**Quarter**	**Last 12 months**
Moving to a position outside HBDHB	6	15
Relocating outside HB	2	8
Retirement	1	7
Not returning from parental leave	0	1
Personal	2	6
Family reasons	1	1
Further education	1	2
Other reasons	1	7
Unknown reasons	0	0
Total	**14**	**47**

Note difference to staff resignations figure above is due to non-voluntary resignations (medical grounds, redundancy etc.)

Staff Turnover – Support Staff



3 months ended Sep '17 = 1.91% which is below the 2.50% target.

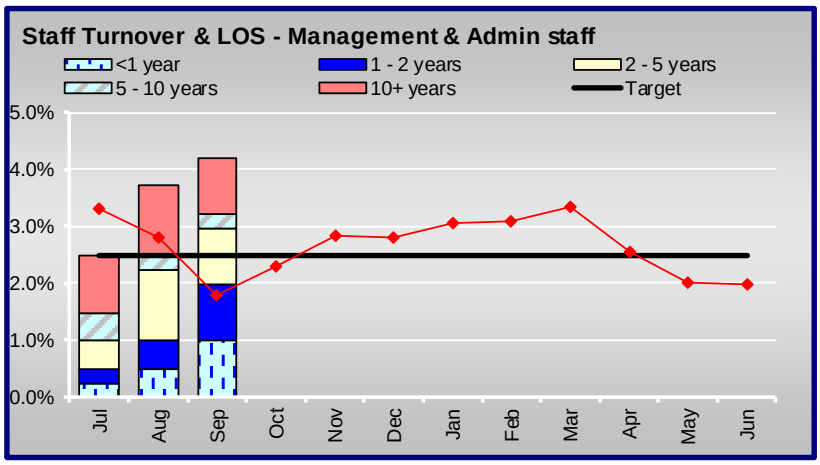
12 months to Sep '17 = 10.90% which is above the 10% annual target. See reasons below.

157	Staff at 1 Jul '17
3	New Staff
(4)	Staff resignations
1	Change of status – fixed term to permanent
2	Trf. other staff group
159	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	**Quarter**	**Last 12 months**
Moving to a position outside HBDHB	1	6
Relocating outside HB		1
Retirement	1	5
Not returning from parental leave	1	1
Personal		2
Family reasons	1	1
Further education		0
Other reasons		0
Unknown reason		2
Total	**4**	**18**

22

Staff Turnover – Management & Administration Staff



3 months ended Sep '17 = 4.21% which is above the 2.50% target.

12 months to Sep '17 = 12.47% which is above the 10% annual target. See reasons below.

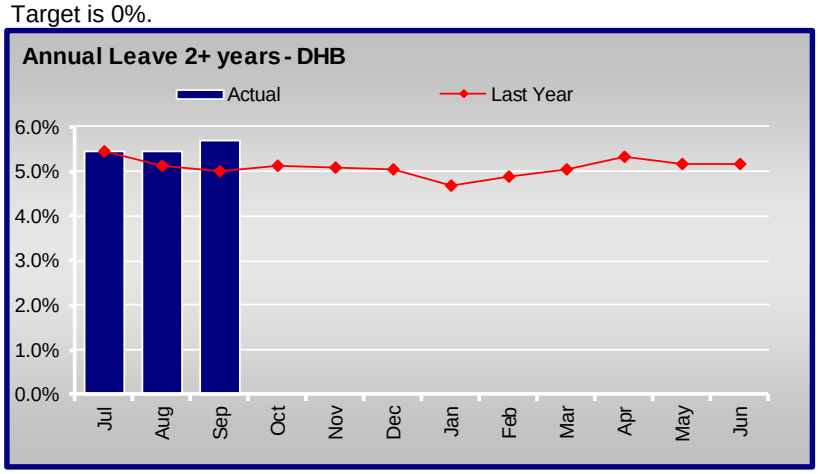
404	Staff at 1 Jul '17
16	New Staff
(17)	Staff resignations
4	Change of status – mostly fixed term to permanent
(5)	Trf from other groups
402	Staff at 30 Sep '17

Reasons for leaving included in Staff Turnover	**Quarter**	**Last 12 months**
Moving to a position outside HBDHB	9	18
Relocating outside HB	1	3
Retirement	3	12
Personal	2	4
Family reasons		3
Further education		2
Other reasons	2	5
Unknown reason		2
Total	**17**	**49**

Accrued Annual Leave (2+ years)

The percentage of employees where accrued annual leave balance is greater than 2 years annual leave entitlement.

Target is 0%.



Sep '17 = 5.71% (153 staff)
Sep '16 = 5.00% (131 staff)
Increased by 22

The total liability at 30 September 2017 was $19.083m compared to $19.474m at 30 June 2017. This $391k improvement is made up of:

1. $338k favourable driven by a reduction in the hours owing.
2. $53k favourable driven by a decrease in the average rates.

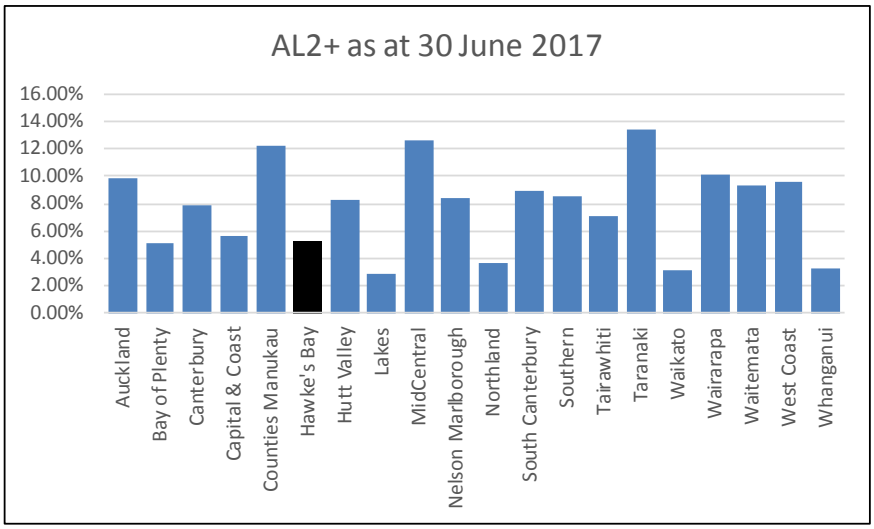
The total leave hours owed (includes statutory lieu leave etc.) has increased in the last year as has the number of employees and the average leave balance:

	Total Hours Owed	Employees with leave balance	Average Leave balance (hours)
Sept. 2017	452,541	2685	168.54
Sept. 2016	438,251	2623	167.08

DHBSS have taken over reporting of the 20 DHB Comparisons and report on the annual leave percentage of employees with 2+ years of annual leave owing (at 30 June 2017). Hawke's Bay DHB rank:

6th lowest of the 20 DHBs.

3rd lowest of the 6 mid-sized DHBs



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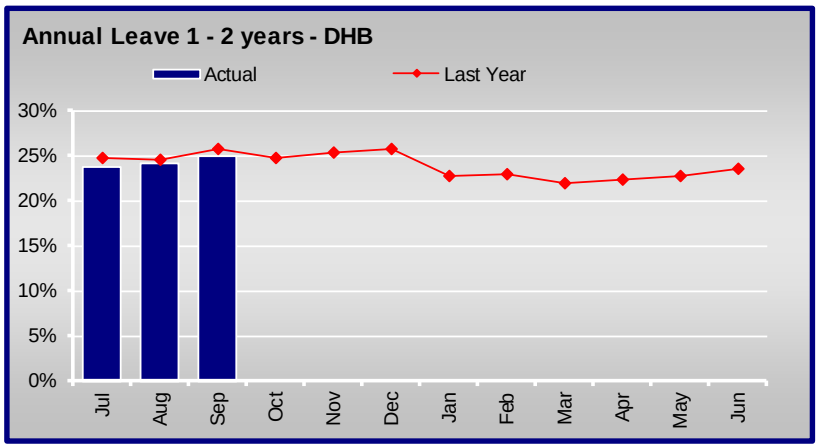
Accrued Annual Leave (1 – 2 years)

The percentage of employees where accrued annual leave balance is between 1 and 2 years annual leave entitlement.

Target is 15%.



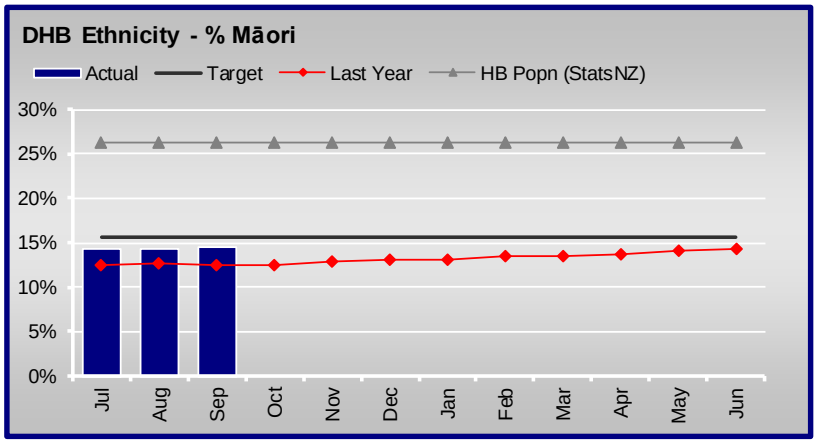
Sep '17 = 24.84% (666 staff)
Sep '16 = 25.60% (671 staff)
Slight decrease (5) in number of employees and also slight decrease in percentage of total staff with 1 to 2 years owing.

Staff Ethnicity

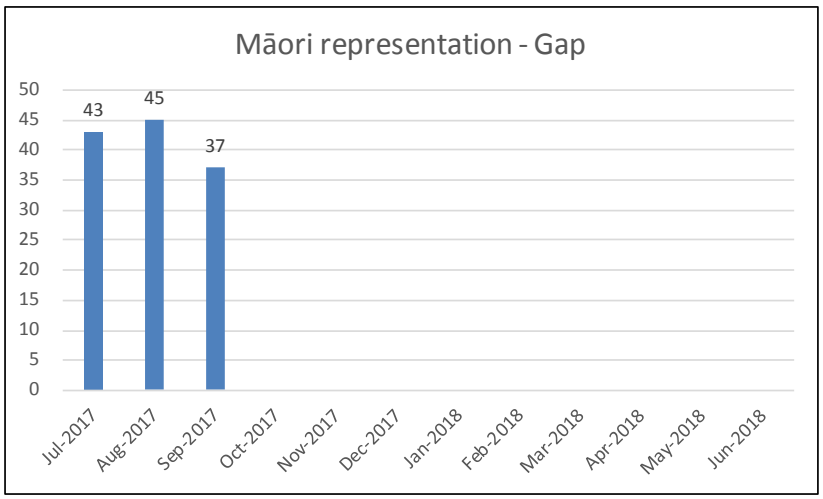
Measure the number of positions at HBDHB where the incumbents identify themselves as Māori

Target is set at 10% improvement on previous year. 2017/18 target = 15.68%. The Māori population for HB is 26.2%

Note - We generally report on positions so we can break our numbers down for reporting purposes by Occupational Group, Service, and Department etc. Some employees have more than one position in more than one Department, Service or occupational group



Note – at 31 December 2011 the percentage of Māori staff was 8.8% compared to 13.0% at 31 December 2016.



Māori staff representation in the Workforce:

	People	Positions
Sep. '17	14.81%	14.52%
Sep. '16	13.08%	12.48%

Sept. 2017 breakdown:

	Positions filled	% of Total
NZ & European	2326	73.59%
Maori	459	14.52%
Pacific Islands	37	1.17%
Asian	174	5.50%
Other	106	3.35%
Not known	59	1.87%
Total	**3161**	

Support staff (31.44%), and Management & Admin staff (18.76%) exceed the DHB target.

Medical (5.08%) Nursing staff (13.06%) and Allied Health staff (14.34%) are below the target.

We currently have a gap of 37 positions to achieve the 2017/18 target.

438	Māori Staff - 1 Jul. '17
41	New Staff
(21)	Staff resignations
1	Changes to ethnicity
459	Māori Staff – 30 Sep. '17

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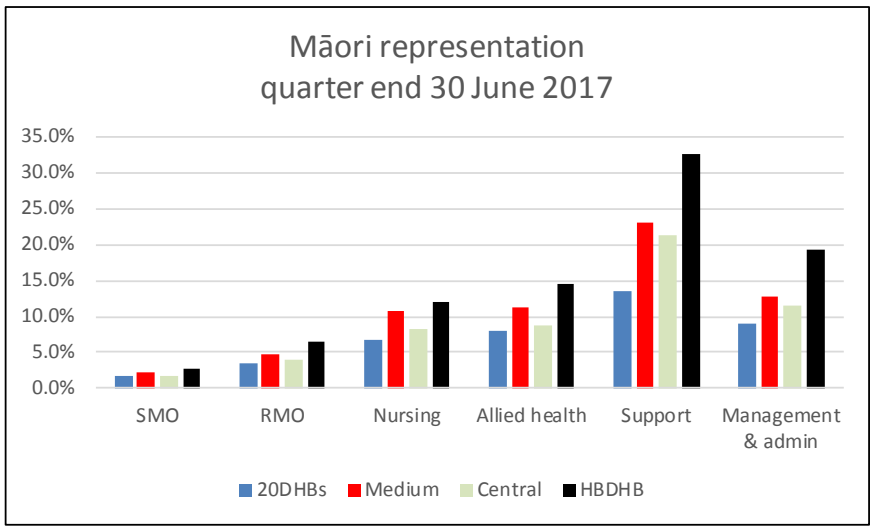
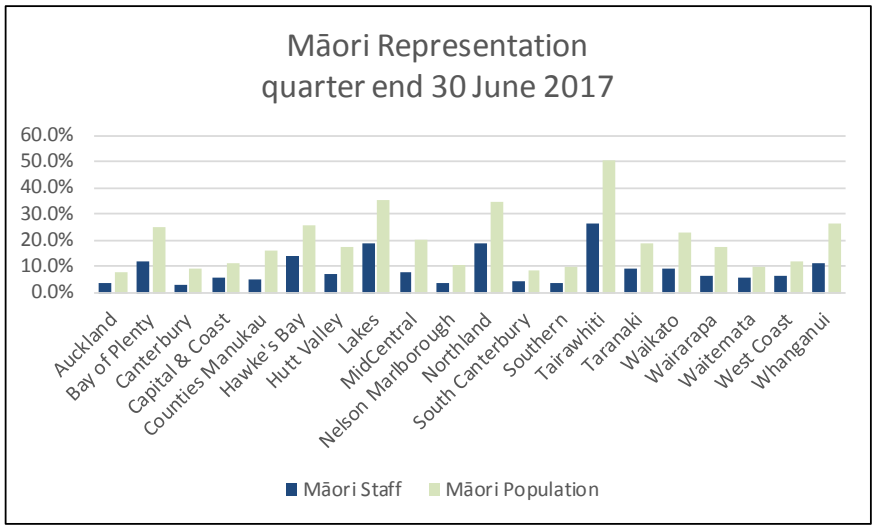
DHBSS have taken over reporting of the 20 DHB Comparisons and report on Ethnicity figures (to 30 June 2017). The first chart shows that Hawke's Bay DHB compares favourably against:

- 20 DHB average
- Medium sized DHBs
- Central Region DHBs





The above chart shows how DHB staffing compares against the Māori population. At 30 June 2017 Hawke's Bay DHB had 14.1% of employees identifying as Māori against the HB Māori population of 26.0%

Looking at DHBs with the highest Māori Population we rank 5th highest behind Tairawhiti, Lakes, Northland and Whanganui. Looking at DHBs with the highest Māori staffing percentages we rank 4th behind Tairawhiti, Lakes and Northland.

Summary of figures at 30 June 2017:

DHB	Maori Staff	Maori Population	Maori Representation	Rank
Waitemata	5.8%	10.0%	58.2%	1
West Coast	6.6%	11.8%	55.8%	2
Hawke's Bay	14.1%	26.0%	54.2%	3
Capital & Coast	6.2%	11.5%	53.8%	4
Northland	18.6%	34.8%	53.4%	5
Lakes	18.8%	35.4%	53.2%	6
Tairawhiti	26.8%	50.3%	53.2%	7
South Canterbury	4.3%	8.5%	50.6%	8
Bay of Plenty	12.0%	25.2%	47.5%	9
Taranaki	9.0%	19.1%	47.1%	10
Auckland	3.7%	8.2%	45.3%	11
Whanganui	11.1%	26.7%	41.5%	12
MidCentral	8.1%	20.0%	40.7%	13
Hutt Valley	7.0%	17.5%	39.9%	14
Waikato	9.0%	23.0%	39.1%	15
Nelson Marlborough	3.9%	10.5%	37.6%	16
Southern	3.8%	10.2%	37.3%	17
Wairarapa	6.5%	17.7%	36.8%	18
Counties Manukau	5.4%	15.9%	34.3%	19
Canterbury	2.9%	9.2%	31.8%	20

As you can see there is quite a variation in the levels of Māori staff and also quite a variation in levels of Māori Population. Table above shows how close each DHB is to their Māori Population.

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