DISTRIBUTION

Board Members

- Ms S Webb (Acting Chair)
- Ms S Christie
- Ms C Beavis
- Mr M Gallagher
- Mrs MA Gill
- Ms T Hodges
- Mr D Macpherson
- Mrs P Mahood
- Ms S Mariu
- Dr C Wade

Executive Management Team

- Mr D Wright, Interim Chief Executive
- Mrs V Aitken, Acting Executive Director, Mental Health & Addictions Service
- Ms L Aydon, Executive Director, Public and Organisational Affairs
- Mr C Cardwell, Executive Director, Facilities and Business
- Ms M Chrystall, Executive Director, Corporate Services
- Ms L Elliott, Executive Director, Maori Health
- Mr N Hablous, Chief of Staff
- Mr D Hackett, Executive Director, Virtual Care and Innovation
- Mrs S Hayward, Chief Nursing & Midwifery Officer
- Dr G Howard, Acting Chief Operating Officer
- Prof R Lawrenson, Clinical Director, Strategy and Funding
- Ms T Maloney, Commissioner, Women's Health Transformation Taskforce
- Ms M Neville, Director, Quality & Patient Safety
- Mr M Spittal, Executive Director, Community & Clinical Support
- Dr R Tapsell, Acting Chief Medical Advisor
- Mr M ter Beek, Executive Director, Operations and Performance
- Dr D Tomic, Clinical Director, Primary and Integrated Care
- Ms J Wilson, Executive Director, Strategy and Funding
- Mr I Wolstencroft, Executive Director, Strategic Projects

Contact Details:
Telephone 07-834 3622
Facsimile 07-839 8680
www.waikatodhb.health.nz

Next Meeting Date: 28 February 2018

Waikato District Health Board

WAIKATO DISTRICT HEALTH BOARD

Agenda

Board

Date: **24 January 2018**

Time: **2pm**

Place: **Level 1**
Hockin Building
Waikato Hospital
Pembroke Street
HAMILTON

Waikato District Health Board

Meeting of the Waikato District Health Board

to be held on Wednesday 24 January 2018
commencing at 2pm at Waikato Hospital

AGENDA

Item

1. Apologies

2. **INTERESTS**
- 2.1 Schedule of Interests
- 2.2 Conflicts Related to Items on the Agenda

3. **MINUTES AND BOARD MATTERS**
- 3.1 Board Minutes: 22 November 2017
- 3.2 Committees Minutes:
  - 3.2.1 Iwi Maori Council: 7 December 2017

4. **INTERIM CHIEF EXECUTIVE REPORT**

5. **QUALITY AND SAFETY**
No report this month

6. **DECISION REPORTS**
- 6.1 Windows 10 Upgrade Business Case

7. **FINANCE MONITORING**
- 7.1 Finance Report

8. **PRESENTATION**
- 8.1 Management of Personal Information Requests
- 8.2 The Official Information Act 1982

9. **PAPERS FOR INFORMATION**
No report this month

10. **NEXT MEETING: 28 February 2018**

RESOLUTION TO EXCLUDE THE PUBLIC
NEW ZEALAND PUBLIC HEALTH AND DISABILITY ACT 2000

THAT:

(1) The public be excluded from the following part of the proceedings of this meeting, namely:

Item 11: Minutes – Various
- **(i) Waikato District Health Board for confirmation: Wednesday 22 November 2017 (Items taken with the public excluded)**
- **(ii) Audit and Corporate Risk Management Committee – to be adopted: Wednesday 22 November 2017 (All items)**
- **(iii) Sustainability Advisory Committee – to be adopted: Wednesday 29 November 2017 (All items)**
- **(iv) Midland Regional Governance Group – to be received: Friday 1 December 2017 (All items)**

Item 12: Independent view on previous Chief Executive's expenses – Public Excluded

Item 13: Forecast and Savings Plan Update – Public Excluded

(2) The general subject of each matter to be considered while the public is excluded, and the reason for passing this resolution in relation to each matter, are as follows:

GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	SECTION OF THE ACT
Item 11(i-iv): Minutes – Public Excluded	Items to be adopted / confirmed / received were taken with the public excluded	As shown on resolution to exclude the public in minutes
Item 12: Independent view on previous Chief Executive's expenses – Public Excluded	Negotiation will be required	Section 9(2)(j)
Item 13: Budget and Forecast Year End – Public Excluded	Negotiation will be required	Section 9(2)(j)

(3) This resolution is made in reliance on Clause 32 of Schedule 3 of the NZ Public Health & Disability Act 2000 in that the public conduct of the whole or the relevant part of the meeting would likely result in the disclosure of information for which good reason for withholding exists under sections 6, 7 or 9 (except section 9(2)(g)(i)) of the Official Information Act 1982.

Item

11. MINUTES – PUBLIC EXCLUDED

11.1 Waikato District Health Board: 22 November 2017
To be confirmed: Items taken with the public excluded

11.2 Audit and Corporate Risk Management Committee: 22 November 2017
To be adopted: All items

11.3 Sustainability Advisory Committee: 29 November 2017
To be adopted: All items

11.4 Midland Regional Governance Group: 1 December 2017
To be received: All items

12. INDEPENDENT VIEW ON PREVIOUS CHIEF EXECUTIVE'S EXPENSES (VERBAL REPORT) – PUBLIC EXCLUDED

13. FORECAST AND SAVINGS PLAN UPDATE – PUBLIC EXCLUDED

RE-ADMITTANCE OF THE PUBLIC

THAT:

(1) The Public Be Re-Admitted.

(2) The Executive be delegated authority after the meeting to determine which items should be made publicly available for the purposes of publicity or implementation.

Apologies.

Interests

SCHEDULE OF INTERESTS AS UPDATED BY BOARD MEMBERS TO JANUARY 2018

Sally Webb

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Acting Chair and Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Deputy Chair, Remuneration Committee, Waikato DHB	Non-Pecuniary	None	
Member, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None	
Member, Audit & Corporate Risk Management Committee, Waikato DHB	Non-Pecuniary	None	
Member, Sustainability Advisory Committee, Waikato DHB	Non-Pecuniary	None	
Chair, Bay of Plenty DHB	TBA	TBA	
Member, Capital Investment Committee	TBA	TBA	
Director, SallyW Ltd	TBA	TBA	

Crystal Beavis

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Deputy Chair, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None	
Member, Sustainability Advisory Committee, Waikato DHB	Non-Pecuniary	None	
Member, Remuneration Committee, Waikato DHB	Non-Pecuniary	None	
Director, Bridger Beavis & Associates Ltd, management consultancy	Non-Pecuniary	None	
Director, Strategic Lighting Partners Ltd, management consultancy	Non-Pecuniary	None	
Life member, Diabetes Youth NZ Inc	Non-Pecuniary	Perceived	
Trustee, several Family Trusts	Non-Pecuniary	None	
Employee, Waikato District Council	Pecuniary	None	

Sally Christie

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Chair, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Remuneration Committee, Waikato DHB	Non-Pecuniary	None	
Partner, employee of Workwise	Pecuniary	Potential	

Note 1: Interests listed in every agenda.

Note 2: Members required to detail any conflicts applicable to each meeting.

Martin Gallagher

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Member, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Audit & Corporate Risk Management Committee, Waikato DHB	Non-Pecuniary	None	
Member, Hamilton City Council	Pecuniary	Perceived	
Board member Parent to Parent NZ (Inc), also provider of the Altogether Autism service	Pecuniary	Potential	
Trustee, Waikato Community Broadcasters Charitable Trust	Non-Pecuniary	Perceived	
Alternate Member, Waikato Spatial Plan Joint Committee	Non-Pecuniary	Perceived	
Wife employed by Selwyn Foundation and Wintec (contracts with Waikato DHB)	Pecuniary	Potential	
Member, Hospital Advisory Committee, Lakes DHB	Pecuniary	Potential	

Mary Anne Gill

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Member, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Sustainability Advisory Committee, Waikato DHB	Non-Pecuniary	None	
Employee, Life Unlimited Charitable Trust	Pecuniary	Perceived	
Son is an employee of Hongkong and Shanghai Banking Corp Ltd (NZ)	Non-Pecuniary		
Member, Public Health Advisory Committee, Bay of Plenty DHB	Pecuniary	Potential	
Member, Disability Support Advisory Committee, Bay of Plenty DHB	Pecuniary	Potential	
Member, Health Strategic Committee, Bay of Plenty DHB	Pecuniary	Potential	

Tania Hodges

Interest	Nature of Interest *(Pecuniary/Non-Pecuniary)*	Type of Conflict *(Actual/Potential/Perceived/None)*	Mitigating Actions *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Chair, Maori Strategic Committee, Waikato DHB	Non-Pecuniary	None	
Deputy Chair, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None	
Member, Remuneration Committee, Waikato DHB	Non-Pecuniary	None	
Member, Iwi Maori Council, Waikato DHB	Non-Pecuniary	None	
Director/Shareholder, Digital Indigenous.com Ltd (contracts with Ministry of Health and other Government entities)	Pecuniary	Potential	

Note 1: Interests listed in every agenda.

Note 2: Members required to detail any conflicts applicable to each meeting.

Director, Ngati Pahauwera Commercial Development Ltd	Pecuniary	None
Director, Ngati Pahauwera Development Custodian Ltd	Pecuniary	None
Director, Ngati Pahauwera Tiaki Custodian Limited	Pecuniary	None
Trustee, Ngati Pahauwera Development and Tiaki Trusts (Deputy Chair)	Pecuniary	None

Dave Macpherson

Interest	**Nature of Interest** *(Pecuniary/Non-Pecuniary)*	**Type of Conflict** *(Actual/Potential/Perceived/None)*	**Mitigating Actions** *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Member, Performance Monitoring Committee, Waikato DHB	Non-Pecuniary	None	
Member, Audit & Corporate Risk Management Committee, Waikato DHB	Non-Pecuniary	None	
Member, Maori Strategic Committee, Waikato DHB	Non-Pecuniary	None	
Councillor, Hamilton City Council	Pecuniary	Perceived	
Deputy Chair, Western Community Centre, Inc	Non-pecuniary	Potential	
Partner is Chair of Ngaruawahia Community House, Inc	Non-pecuniary	Potential	
Member, Waikato Regional Transport Committee	Non-pecuniary	Potential	
Member, Waikato Water Study Governance Group	Non-pecuniary	None	
Member, Future Proof Joint Council Committee	Non-pecuniary	None	

Pippa Mahood

Interest	**Nature of Interest** *(Pecuniary/Non-Pecuniary)*	**Type of Conflict** *(Actual/Potential/Perceived/None)*	**Mitigating Actions** *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Member, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None	
Member, Iwi Maori Council, Waikato DHB	Non-Pecuniary	None	
Chair, Waikato Health Trust	Non-Pecuniary	None	
Life Member, Hospice Waikato	TBA	Perceived	
Member, Institute of Healthy Aging Governance Group	TBA	Perceived	
Board member, WaiBOP Football Association	TBA	Perceived	
Husband retired respiratory consultant at Waikato Hospital	Non-Pecuniary	None	
Member, Community and Public Health Committee, Lakes DHB	Pecuniary	Potential	
Member, Disability Support Advisory Committee, Lakes DHB	Pecuniary	Potential	

Sharon Mariu

Interest	**Nature of Interest** *(Pecuniary/Non-Pecuniary)*	**Type of Conflict** *(Actual/Potential/Perceived/None)*	**Mitigating Actions** *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Chair, Audit & Corporate Risk Management Committee, Waikato DHB	Non-Pecuniary	None	
Chair, Sustainability Advisory Committee, Waikato DHB	Non-Pecuniary	None	

Note 1: Interests listed in every agenda.

Note 2: Members required to detail any conflicts applicable to each meeting.

Member, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None
Director/Shareholder, Register Specialists Ltd	Pecuniary	Perceived
Director/Shareholder, Asher Group Ltd	Pecuniary	Perceived
Director, Hautu-Rangipo Whenua Ltd	Pecuniary	Perceived
Owner, Chartered Accountant in Public Practice	Pecuniary	Perceived
Daughter is an employee of Puna Chambers Law Firm, Hamilton	Non-Pecuniary	Potential
Daughter is an employee of Deloitte, Hamilton	Non-Pecuniary	Potential

Clyde Wade

Interest	**Nature of Interest** *(Pecuniary/Non-Pecuniary)*	**Type of Conflict** *(Actual/Potential/Perceived/None)*	**Mitigating Actions** *(Agreed approach to manage Risks)*
Board member, Waikato DHB	Non-Pecuniary	None	Refer Notes 1 and 2
Chair, Health Strategy Committee, Waikato DHB	Non-Pecuniary	None	
Deputy Chair, Audit & Corporate Risk Management Committee, Waikato DHB	Non-Pecuniary	None	
Member, Maori Strategic Committee, Waikato DHB	Non-Pecuniary	None	
Member, Sustainability Advisory Committee, Waikato DHB	Non-Pecuniary	None	
Member, Board of Clinical Governance, Waikato DHB	Non-Pecuniary	None	
Shareholder, Midland Cardiovascular Services	Pecuniary	Potential	
Trustee, Waikato Health Memorabilia Trust	Non-Pecuniary	Potential	
Trustee, Waikato Heart Trust	Non-Pecuniary	Potential	
Trustee, Waikato Cardiology Charitable Trust	Non-Pecuniary	Potential	
Patron, Zipper Club of New Zealand	Non-Pecuniary	Potential	
Emeritus Consultant Cardiologist, Waikato DHB	Non-Pecuniary	Perceived	
Cardiology Advisor, Health & Disability Commission	Pecuniary	Potential	Will not be taking any cases involving Waikato DHB
Fellow Royal Australasian College of Physicians	Non-Pecuniary	Perceived	
Occasional Cardiology consulting	Pecuniary	Potential	
Member, Hospital Advisory Committee, Bay of Plenty DHB	Pecuniary	Potential	
Son, employee of Waikato DHB	Non-Pecuniary	Potential	

Note 1: Interests listed in every agenda.

Note 2: Members required to detail any conflicts applicable to each meeting.

Conflicts related to items on the agenda.

Minutes and Board Matters

WAIKATO DISTRICT HEALTH BOARD

Minutes of the Board Meeting held on Wednesday 22 November 2017 commencing at 2.30pm in the Board Room, in the Hockin Building at Waikato Hospital

Present:
Mr B Simcock (Chair)
Ms S Webb (Deputy Chair)
Ms T Hodges
Mrs S Christie
Ms C Beavis
Ms S Mariu
Dr C Wade
Mrs P Mahood
Ms M A Gill
Mr D Macpherson
Mr M Gallagher

In Attendance:
Mr D Wright (Interim Chief Executive)
Dr G Howard (Acting Executive Director, Waikato Hospital Services)
Ms M Chrystall (Executive Director, Corporate Services)
Ms L Aydon (Executive Director, Public and Organisational Affairs)
Mrs J Wilson (Executive Director, Strategy and Funding)
Ms L Elliott (Executive Director, Maori Health)
Mrs V Aitken (Acting Executive Director, Mental Health and Addictions Service)
Mr M Spittal (Executive Director, Community and Clinical Support)
Mr A McCurdie (Chief Financial Officer)
Mrs S Haywood (Director Nursing and Midwifery)
Dr D Tomic (Clinical Director, Primary and Integrated Care
Ms M Neville (Director, Quality and Patient Safety)

ITEM 1: APOLOGIES FOR ABSENCE

There were no apologies for absence.

ITEM 2: INTERESTS

2.1 Register of Interests

No changes to the Register of Interests were noted.

2.2 Interest Related to Items on the Agenda

No conflicts of interest were foreshadowed in respect of items on the current agenda. There would be an opportunity at the beginning of each item for members to declare their conflicts of interest.

ITEM 3: MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING

3.1 Waikato District Health Board Minutes: 25 October 2017

One amendment was requested to the minutes of the meeting. Item 9.1 Health Targets amended to read:

"Increased Immunisation for 8 month olds – concern was mentioned particularly the decline in the presentation rates of babies identifying as Maori".

Resolved
THAT
With amendment included the part of the minutes of a meeting of the Waikato District Health Board held on 25 October 2017 taken with the public present were confirmed as a true and accurate record.

3.2 Committee Meeting Minutes

3.2.1 Iwi Maori Council: 2 November 2017

Resolved
THAT
The Board noted the minutes of this meeting.

3.2.2 Maori Strategic Committee: 15 November 2017

Resolved
THAT
The Board noted the minutes of this meeting.

3.2.3 Audit and Corporate Risk Management Committee Work Plan: November 2017

Resolved
THAT
The Board noted the minutes of this meeting.

ITEM 4: INTERIM CHIEF EXECUTIVE REPORT

Mr D Wright presented this agenda item.
The report was taken as read. Of note:

- Current Financial Status - $22.2m of the centrally held savings plans containing high risk initiatives were phased in the budget over the balance of the year.

- Prevocational Medical Training Accreditation – The issue of SMO workload across the hospital was not able to be addressed within the timeframe, nor the scope of the work programme. SMO workload is being addressed through the service and job sizing process for SMOs was under the remit of the Director of Human Resources.

- Ronald McDonald House – The DHB had been approached by representatives of Ronald McDonald House with a view to having a facility in the Waikato to provide free accommodation and support to families. The Board members requested advice from the Population Health Department that would provide a basis for discussion at a future meeting.

- Deprivation Profile - the Index of Multiple Deprivation (IMD) a new way of measuring social deprivation in New Zealand was attached for Board members information.

- HealthShare Director – the Board passed a resolution to formally remove Dr Nigel Murray as a HealthShare Director. Mr Derek Wright was appointed as a Director of HealthShare. Mr Neville Hablous was appointed as an alternative Director of HealthShare.

Resolved
THAT
The Board:
1) Received the report.
2) Removed Dr Nigel Murray as a Director of HealthShare.
3) Appointed Mr Derek Wright as a Director of HealthShare.
4) Appointed Mr Neville Hablous as an alternative Director of HealthShare.

ITEM 5: QUALITY AND SAFETY REPORT

There was no report this month.

ITEM 6: DECISION REPORTS

6.1 Quality Account 2016/17

Mrs M Neville presented this agenda item.
The Annual Quality Account for 2016/17 showed some key improvements in the 'feature stories' section. It was suggested that next year the photos be more reflective of the population.

The final version of the Quality Account will be sent to the Ministry of Health, HQSC and published on the DHB website.

Resolved
THAT
The Board:
1) Noted the content of the report/proposal
2) Approved the Quality Account 2016/19 for publication

6.2 Asset Performance Indicators

Mr A McCurdie presented this agenda item.
Waikato DHB is subjected to an Investor Confidence Rating (ICR) assessment by Treasury. A copy of the Asset Performance Indicators and Targets for 2017/18 financial year was provided for the Board Members information.

There was a question asking why the net book value for ICT assets went down from $23.4m as at 1.7.16 to $15.9m as at 1.7.17 when the DHB are investing in technology improvements. Mr McCurdie would follow this up and provide an explanation at the next meeting.

Resolved
THAT
The Board approved the Asset Performance Indicators and Targets for the 2017/18 financial year.

6.3 Proposed Alliancing Structure for Waikato DHB

Dr D Tomic and Mrs J Wilson presented this agenda item.

A new alliance was proposed to bring together the DHB, the PHOs and other critical service providers and community consumer representatives. The focus of the Waikato District Alliance would align with the DHB strategy, along with a commitment to service integration and improve the health of the population. A formal proposal had been provided to stakeholders and comment invited.

Resolved
THAT
The Board approved the revised approach.

ITEM 7: FINANCE MONITORING

7.1 Finance Report

Mr A McCurdie attended for this agenda item.
The Chief Financial Officer asked that his report for the month of October 2017 be taken as read highlighting the following:

- Good progress was reported with the overall planned volumes.
- Financial performance – unfavourable YTD variance to budget of $0.7m including $1.2m one off variable variance. This result included $1.2m one off favourable variance so the normalised result was $1.9m unfavourable.
- $22.2m of the centrally held savings plan, which contains high risk initiatives was phased in the budget to take effect over the balance of the year.

Resolved
THAT
The financial statements of the Waikato DHB to 31 October 2017 were received.

7.2 2017/18 Long Term Financial Model and Capital Plan Summary

Mr A McCurdie attended for this item.

The Long Term Financial Model and Capital Plan summary was presented to the Board members. Key points noted:

- Statement of cash flow reflected capital spend that was considered affordable based on free cash flow from operations and finance leasing.
- Capital requirements beyond this level would require additional equity injections or fairly material finance leases. The services of those had not been incorporated as the later need further work to be firmed up.
- These additional funding requirements were relevant to 2018-19.

Resolved
THAT the Board:
1) Received the report
2) Noted the Long Term Financial Model aspects, specifically the dependency on achieving savings plans in 2017/18 and onward and the projected requirements for additional funding for the capital plan in 2018/19 onwards.
3) Recognised the Risks set out above.
4) Recognised the outline of the Next Steps set out above.

ITEM 8: PRESENTATIONS

There were no presentations this month.

ITEM 9: PAPERS FOR INFORMATION

9.1 Health Targets

Mrs J Wilson presented this agenda item.
The paper was taken as read. It was noted:

Immunisation rates were still causing concern particularly the deterioration in the results for children identifying as Maori. Increasing the coverage for Maori infants is a key priority. The Ministry of Health is carrying out work to identify how the current downward trends for Maori babies can be addressed.

To improve immunisation rates there would be increased focus on opportunistic immunisation wherever the child may present and increased engagement with other providers such as Family Start.

Resolved
THAT
The Board noted the contents of the report.

9.2 Provider Arm Key Performance Dashboard – Red Flags

Mr M Spittal presented this item.
The paper was taken as read. It was noted:

An early signal was given to the Board that management were actively involved and working to resolve pressures on the Radiology Service

that were being caused by the ongoing number of vacancies amongst radiologists together with increased demand for services. Plans were in place to mitigate the risks highlighted such as outsourcing work and undertaking additional sessions in the evenings or at weekends.

Resolved
THAT
The Board noted the contents of the report.

9.3 Very Low Cost Access Practice in Cambridge

Mrs J Wilson presented this agenda item.
The paper was taken as read.

Resolved
THAT
The Board noted the contents of the report.

ITEM 10: NEXT MEETING

Date of Next Meeting

The next meeting to be held on Wednesday 24 January 2018 commencing at 2.30 pm at in the Board Room in the Hockin Building, Waikato hospital.

BOARD MINUTES OF 22 NOVEMBER 2017

RESOLUTION TO EXCLUDE THE PUBLIC
NEW ZEALAND PUBLIC HEALTH AND DISABILITY ACT 2000

THAT:

(1) The public be excluded from the following part of the proceedings of this meeting, namely:

Item 11: Minutes - Various
- **(i) Waikato District Health Board for confirmation: Wednesday 25 October 2017 (Items taken with the public excluded).**
- **(ii) Waikato District Health Board Special Board Meeting for confirmation: Wednesday 19 July 2017 (Items taken with the public excluded).**
- **(iii) Audit and Corporate Risk Management Committee: Wednesday 22 November 2017 (Verbal update all Items taken with the public excluded).**
- **(iv) Midland Regional Governance Group – Friday 6 October 2017 (All items to be received.**

Item 12: Risk Register Report – Public Excluded
Item 13: Annual Serious Adverse Event Report – Public Excluded
Item 14: Presentation on New Zealand Health Partnerships - Public Excluded
Item 15: Primary Care Practice Concern – Public Excluded
Item 16: Rongo Atea – Youth Residential Alcohol and other Drug Services – Public Excluded
Item 17: Interim Chief Executive Key Performance Indicators - Public Excluded
Item 18: Appointment of Interim Chief Executive – Public Excluded

(2) The general subject of each matter to be considered while the public is excluded, and the reason for passing this resolution in relation to each matter, are as follows:

GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED		REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	SECTION OF THE ACT
Item 11 (i-v): Minutes		Items to be adopted/ confirmed/ received were taken with the public excluded	As shown on resolution to exclude the public in minutes
Item 12:	Risk Register Report	Avoid inhibiting staff advice about organisational risks	Section 9(2)(c)
Item 13:	Annual Serious Adverse Event Report	Negotiations may be requried with HQSC on form and content of information	Section 9(2)(j)
Item 14:	Presentation on New Zealand Health Partnerships	Negotiations will be required	Section 9(2)(j)
Item 15:	Primary Care Practice Concern	Negotiations will be required	Section 9(2)(j)

Item 16:	**Rongo Atea – Youth Residential Alcohol and other Drug Services**	**Negotiations will be required**	**Section 9(2)(j)**
Item 17:	**Interim Chief Executive Key Performance Indicators**	**Negotiations will be required**	**Section 9(2)(j)**
Item 18:	**Appointment of Interim Chief Executive**	**Negotiations will be required**	**Section 9(2)(j)**

(3) This resolution is made in reliance on Clause 33 of Schedule 3 of the NZ Public Health & Disability Act 2000 and the grounds on which the resolution is based, together with the particular interest or interests protected by the Official Information Act 1982 which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Item 11:	**As shown on resolution to exclude the public in minutes.**
Item 12:	**Section 9(2)(c) of the Official Information Act 1982 – to avoid prejudice to measures protecting the health or safety of members of the public**
Item 13 – 18	**Section(9)(2)(j) of the Official Information Act 1982 – to enable the Waikato DHB to carry on negotiations without prejudice or disadvantage.**

8

ACTION LIST

(Relates to Items to be reported to the Board and not implementation of substantive decisions)

	ACTION	BY	WHEN

WAIKATO DISTRICT HEALTH BOARD

Minutes of the Iwi Maori Council

Held: Thursday 7th December 2017 at 9.30am

Venue: Board Room Hockin Building, Waikato Hospital.

Present:	Ms T Moxon	Te Runanga o Kirikiriroa
	Ms T Thompson-Evans	Waikato Tainui Te Whakakitenga o Waikato Inc
	Mr G Tupuhi	Hauraki Māori Trust Board
	Loraine Elliott	Executive Director Maori Health
	Pippa Mahood	Waikato DHB Board
	Matua Hemi Curtis	Pou Herenga Te Puna Oranga
	Sarah Greenwood	Minute taker

ITEM 1 **KARAKIA:** Matua Hemi Curtis

ITEM 2 **MIHI:** Mr G Tupuhi

ITEM 3 **APOLOGIES**

Mr T Sewell	Ms K McClintock
Mr H Mikaere (Chair)	Ms K Grosman
Ms K Hodge	Ms J Eketone
Mr B Bryan	Ms G Roberts
Ms T Thompson-Evans - late	

Received by: T Moxon
Seconded by: P Mahood

ITEM 4 **MINUTES OF LAST MEETING**

- Glen would like to see measurable KPI's included at Executive/CE level. Pippa confirmed a 'Board Only' day where KPI's would be included and not just a discussion.
- Action: Sue Hayward / Chris Baker to discuss at the next IMC where they are with WINTEC Maori Nursing with future plans to attract and retain Maori nursing staff.

Minutes Passed
Received by: G Tupuhi
Seconded by: T Thompson-Evans

ITEM 5 **GOVERNANCE**

Māori Strategic Committee

- As tabled in Item 8 of MSC's November minutes, Derek advised that Priority 1.1 would be written into all ED's KPI's as key deliverables.
- A 'Think-Tank' team to be put in place led by a Strategist to give it pace.
- Derek is in support of Maori Health.

- Introducing a programme like Why Ora captures health needs of our most at risk people and the health, wellbeing and in turn the economy of an area. Loraine thinks the Waikato DHB really should invest in this.
- Recruitment: Health & Research Strategist position potentially filled but still looking for a Health Economist.
- Lung Cancer: Still the number one cancer killer of Maori so much more needs to be done in this area.

Health Strategic Committee
Not tabled as meeting being held over to Jan/Feb

ITEM 6 6A/6B

- Healthtap: A full audit and review is in progress regarding Healthtap the Virtual Health IT Platform.
- Virtual Healthcare is still the future. It is a particularly vital for Maori in rural areas.
- CE Report: Te Pora noted patterns emerging from ED such as respiratory, accidents and cardiac.
- Has a Maori mental health nurse been included in ED?
- Glen asked for a presentation at IMC by Dr Dan Exeter in addition to the Deprivation Report provided as part of the CE Report on page 12 of the December IMC agenda.

Received by: T Thompson-Evans
Seconded by: G Tupuhi

ITEM 7 GENERAL BUSINESS

- Health Career Visit (page 27 IMC agenda) was a very successful event run in conjunction with Te Puna Oranga, Grassroots and University of Akl.
- IMC would like Derek Wright to reiterate support of priority 1.1 and await reaffirming of the Board on the same matter.
- Could Janise Eketone stay on the MSC even if no longer active on IMC?
- Te Pora suggested that a conflict of interest register for IMC be invoked.
- Glen would like the three Maori Provider contracts currently under review to be observed.
- Mentoring Maori health students – what programmes are available and are they successfully able to mentor students at the right time?
- Glen acknowledged the work that has been done with the Nga Whanau o Mangaru. Positive results from the day.
- Does the resignation of Brett Paradine affect the roll out of Strategy 1.1?
- Within the Exec Group meetings, Derek has split the group in to two distinct areas: Operational and Strategic. Derek also supports Maori Health being considered across all health service lines.
- Noted by Glen Tupuhi that the seating in ED was so uncomfortable it could make potentially stressful situations more stressful. Also noted that a TV in the waiting room could provide more health education.

Received by: T Thompson-Evans

Seconded by: G Tupuhi

ITEM 8 **Hui Closed:** Matua Hemi Curtis at 11:00am

Next IMC Hui: 9.30am 1st February 2018

	Action List	Completed	Who
1.	Summary of HSC agenda for commentary for IMC.		Te Pora
2.	A full review, report and discussion to be requested from Strategy and Funding regarding review of three significant Maori Health providers.		Loraine to talk with Julie Wilson
3.	Arrange for Sally Webb (acting Chair of the Board) to meet with IMC next year.		Loraine
4.	Loraine to discuss the PhD students coming to Waikato DHB from Auckland in next meeting.		Information from Nina Scott
5.	Arrange for Sue Hayward / Chris Baker to discuss at the next IMC where they are with WINTEC Maori Nursing with future plans to attract & retain Maori nursing staff.		Sarah
6.	A letter to be written on behalf of IMC Chair in support of the Treaty of Waitangi Tribunal Claim: Wai 1350. To cc: Health Minister and Sally Webb.		Glen
7.	Dr Lawrenson to come and talk to the IMC re: progress and Te Pae Tawhiti work stream.		Loraine
8.	Results from Nga Whanau o Mangaru Health day to be included in the next agenda.		Sarah/Loraine
9.	Is there already a mental health nurse in ED?		Loraine
10.	Could there be an addendum to the Hauraki signing? Follow up with Sally Webb and David Taipari.		Loraine

Chief Executive Report

MEMORANDUM TO THE BOARD
24 JANUARY 2018

AGENDA ITEM 4

INTERIM CHIEF EXECUTIVE'S REPORT

Purpose	For information and approval.

Health Tap

On 10 January 2018 the evaluation panel met to assess the Request for Proposal responses for the review of Health Tap. The panel agreed that the evaluation would be undertaken by Ernst & Young.

Chief Medical Officer

Dr Tom Watson has stepped down as Chief Medical Officer (CMO) for Waikato DHB. Tom has been in the role for 10 years and has decided to concentrate on his clinical work.

Dr Rees Tapsell has agreed to be the Acting Chief Medical Officer for three months. We will commence a recruitment process to appoint a permanent full-time Chief Medical Officer.

The Clinical Unit Leaders (CULs) have discussed with the Acting CMO, the possibility of some CULs taking on portfolios on behalf of the CMO office. This is a positive step and shows better engagement with this group.

I am also intending to create a Deputy CMO position which will be one day per week. This will enhance engagement with senior doctors and will also provide an opportunity for one of our doctors to gain some experience in this area.

Incident Hague Road Carpark

On 3 January 2018 a gentleman in his late 60s fell from the 18th floor of the Hague Road carpark building. The person was not an inpatient but did have an appointment at the hospital for later in January. Police are investigating.

I have asked Property and Infrastructure to review the safety of both the Hague Road and Pembroke Street carpark buildings.

Appointment of Acting Director General of Health

Stephen McKernan has been appointed as the Acting Director General of Health (Director General) at the Ministry of Health. Stephen was previously the Director General between 2006-2010. The recruitment for a permanent Director General has commenced but it is likely this may take a few months.

Stephen, who is a senior partner at Ernst & Young, has had a long association with Waikato DHB and this will assist in the relationship we have with the Ministry of Health.

It is likely the Ministry will go through a period of significant change. It is too early to know what impact this may have on the DHB.

Update on Radiology Services

The Radiology service remains vulnerable due to the number of specialised vacancies. Overall the service is performing well for access to CT and MRIs compared to other tertiary DHBs but the difficulty in recruiting radiologists has been evident in the downward trend throughout 2017.

A comprehensive programme of work is underway in Radiology in various parts to move the service forward. The programme considers demand for services, capacity to meet that demand, equipment, and the overall quality framework. The difficulty attracting sufficient radiologists continues. The planned end of a locum contract will add further pressure as will a retirement in the first half of the year. A more intensive offshore campaign is being prepared for launch in early 2018. A number of MRT vacancies were filled in late 2018, as planned, although the more fundamental issues that are cyclical in nature are still being addressed. Several vacancies still remain but the number should further reduce by the end of April as staff return from annual leave. Overall there is an obvious mismatch between demand and capacity especially for Medical Radiation Technologists which will be a specific focus in the 2018/19 planning and budgeting cycle. The replacement of general radiology equipment in ED and outpatients is planned for the first half of the 2018/19 year in conjunction with Bay of Plenty DHB. The replacement of the aged interventional suite will also be considered early this year. A quality coordinator who is charged with implementing a robust quality improvement and continuous improvement plan commences in February.

Drinking Water

As the Board is aware the drinking water assessment service has to address six corrective actions (CARs) before it can reapply to be an IANZ accredited service. It is expected that five of the six CARs will be addressed relatively quickly ie. by the end of the third quarter, with most of the actions being completed by the end of this month.

The sixth corrective action relates to better matching the workload and resourcing of the service in order to ensure that local authorities' Drinking Water Safety Plans are regularly authorised and council's activities to implement them are regularly monitored (scope 3 and 4 activities under the Health Act). At this stage it is expected that national decisions relevant to the future nature and content of Water Safety Plans (WSP), and to the roles and functions of drinking water assessment generally, will be made in February in response to the Havelock North enquiry. Those decisions will have a direct impact on the activities required to address the sixth corrective action. For example, it is expected that all existing Water Safety Plans will require substantial modification as the scope and focus of such plans will be significantly altered. There is a high potential for significant rework at the detriment of higher risk compliance activity if too much work on WSPs is undertaken before the future nature of them is determined.

Until there is a clearer picture of the future the service is focussing instead on the Director General of Health's requirements that staff must meet to be accredited assessors working under the Director General's delegation. The service is continuing to focus on scope one

activities under the Act (regulatory compliance including the enforcement of follow-up actions resulting from water quality transgressions) in accordance with the Ministry's direction.

Prevocational Medical Training Accreditation

There has been considerable progress in addressing the RMO governance structure over the last two months. The Accreditation Steering group has finalised a draft Terms of Reference for the establishment of an RMO Council. This Council will provide governance and leadership of RMO education, training, supervision and employment, and provide advice to the Executive on matters relating to the above. The Terms of Reference is currently in the first stage of consultation with Clinical Unit Leaders and Clinical Supervisors. A wider consultation will occur in February with the expectation that the Council will be operational by the end of March 2018.

The decision on the RMO Office restructure was finalised and released in December 2017 in line with project timelines. The implementation of the new structure has commenced and we expect the new positions to be appointed by the end of February. Recruitment to the new Service Manager position is currently underway.

The DHB submitted an interim report to the Medical Council of New Zealand (MCNZ) on 20 November detailing the progress on all Required Actions of the MCNZ accreditation report of September 2017. The Chief Executive subsequently received a letter from MCNZ informing that they are satisfied with our progress in addressing the required actions and have granted Waikato DHB accreditation until 31 July 2018 (an extension of the accreditation from 30 March 2018). MCNZ will conduct a full accreditation review on 17 – 18 April 2018.

Women's Health Service

The service will undergo the formal accreditation review by the Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG) on 12 February. All documentation has been submitted and the schedule for the day has been finalised. We are confident that we continue to meet all accreditation standards as was confirmed at the time of the informal review by RANZCOG in September 2017.

Update on Creating our Futures

The Creating our Futures programme was established at the end of 2016 as the framework for the Mental Health and Addictions Service (MH&AS) transformational change programme. The programme of change is tasked with addressing the following key issues:

- Lack of an integrated and holistic model is resulting in significant barriers to timely and appropriate care.
- Current building, designed to fit an outdated institutional model, does not provide a safe, therapeutic and effective environment for service users and staff.
- Existing service capacity is not meeting the increasing acuity / complexity and demand which at times results in compromised and unsafe care.

To address these issues, the objectives of the change programme are to:

- To transform service delivery in order to improve safety, effectiveness and efficiency.
- To create safe and therapeutic environments that support holistic quality care at all times.

- To build sustainable capacity and capability of service to meet future demand, values and need.

To date a number of milestones have been reached and progress made around addressing of the key issues.

The service has had significant input from a range of stakeholders to inform identification of the key problem areas, input into the development of the model of care and participation in the formation of the long list options process. This input has been from a range of community and NGO providers, our staff and consumer and family representatives. Population demand analysis has also been included to help identify the range of services required for whom and where. The following milestones are either complete or in progress:

- Model of Care framework – completed
- Strategic Assessment – completed
- Indicative Business Case – commenced.

A major engagement process inclusive of community Hui and focus groups has commenced to seek the input and views of Maori services users, whanau, DHB staff and wider communities. This feedback will be used to inform service change proposals. The Iwi Maori Council has directed a focused engagement process for Maori and has identified five priority regions for intense activity. This process commenced in Taumarunui in December and will run through until April 2018.

The change programme has four overarching and integrated streams of work:

a) MH&AS Whole of system pathway (what we do)
b) Whole Approach to MH&AS (what we do with others)
c) Environments (environments required to support delivery)
d) Capacity and Capability (resources required to support delivery).

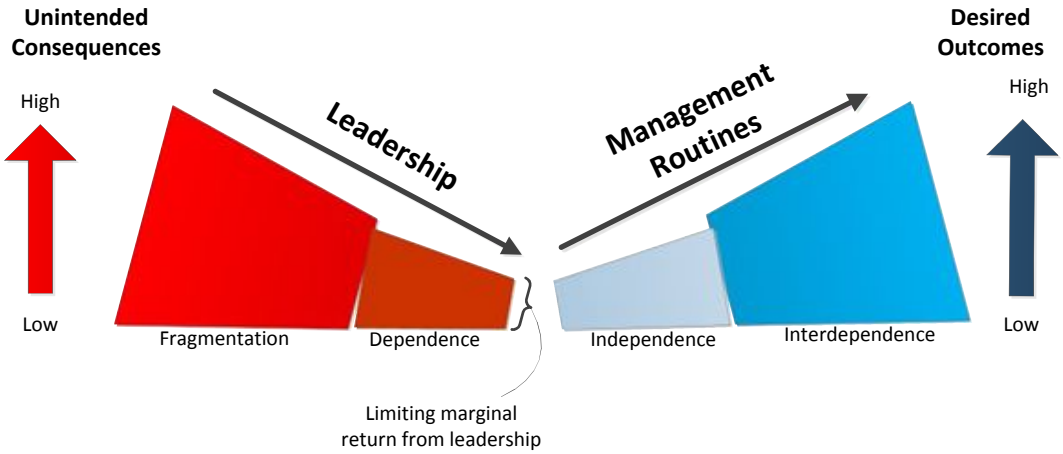
A key area of focus will be cross agency actions to change the way MH&A services work with non-government organisations, the community and the social sector. A collective impact approach will be focused on reducing the burden of mental illness and to ensure the right services are provided at the right time, in the right place and by the right people.

The programme focus for 2018 will see the continued implementation of the work streams. The Business Case will be submitted to the Ministry of Health and Treasury, significant community engagement and specifically with Māori will continue as Creating our Futures continues to engage the whole DHB community in a co-design approach to achieving effective, safe and sustainable mental health and addiction services.

Surgical Reinvention Project

The two arms of this project are to manage the processes we have now, where these are known or can be mapped and, in parallel, to design an improved process and build management tools and capability.

Much of the effort around managing the current organisation and processes is about increased visibility of senior managers and a more hands on approach – demonstrable leadership. We are at a critical point in the project where the returns on increased leadership diminish and must be replaced by management routines that are effective and build resilience.



The leadership predominant phase consists of mobilisation of people and resources and organising everyone and everything to work differently, and then operationalising those changes.

We have agreed on a basic operational model (acute surgery, day surgery, elective surgery and cardiovascular services) and have undertaken change proposal to re-organise our staff to manage those patients streams. The people are now largely in place and incrementally ready to work differently and clarity on single point accountability is being created.

While the reorganisation has taken place, and over the Christmas period the major focus of the project has been to provide a senior management presence in acute services as visible and engaged leadership.

Through January we will implement the management tools we have developed, for example a 16 week horizon surgical planning tool, and a redesign of key care processes to provide a resilient and reliable management function.

Whilst the project is progressing well, we are entering a particularly fraught period from an ESPI perspective. Although there should be no surprise that Christmas occurs every year, the drop off in productivity for elective services has not historically been accounted for in forward planning and this may well translate into further service pressure to comply with ESPI indicators early this year.

Project update tasks January 2018

1. Tactical Level

    a. Four process streams defined with implementation proceeding; silos decreasing
    b. Surgical Operations Centre progressively being constructed; building contemporary operational practices in live environment
    c. Single point accountability progressively being implemented; reducing optionality particularly in relation to cancellations
    d. Daily work schedules being progressively stabilised and protected; making people do the work that they have committed to doing.

2. Structural Level

    a. Existing structures being tweaked to fit the process streams; final structure will emerge as the implementation progresses
    b. Conscious reduction in tiers of management; patients are the heart of the business and all should not be more than two levels removed
    c. Acute services being progressively expanded to seven day a week coverage where logic demands; demand is spread across the seven days services will match demand
    d. Capital deficiencies being addressed
        i. Surgical Assessment Unit
        ii. Surgical Short Stay Unit
        iii. Orthopaedic Joint Shop
        iv. Functional Operations Centre
    e. Production level
        i. Neck of femur fractures
        ii. Back pain assessment
        iii. Cataracts.

3. Process Level

    a. Elective surgery planning horizon elevated to 16 weeks; previously arranged on a hand to mouth basis
    b. Acute “as arranged” process flow rehabilitated; previously an unmanaged yet significant process flow
    c. Information and data progressively being harnessed to drive behaviour and decisions rather than report on yesterday; guiding people toward “making things happen” rather than reporting on what happened
    d. Elective Pre-Admission Process consolidated into a “day one stop shop”; formerly measured in months
    e. Demand now set to drive resources rather than the other way around; backlogs and delays are being progressively improved
    f. Operational management is being progressively implemented through experiential learning.

Delegation to Execute a Crown Funding Agreement

A Crown Funding agreement has been received from the Ministry of Health which included schedules covering SUDI prevention ($992k for the period October 2017 – June 2020), Disability support services $4.062m and the Electives and Ambulatory Initiative $29.669m.

These schedules have been reviewed by the relevant service areas and the agreement is recommended for execution. The funding levels received within this variation were in line with previous advice from the Ministry of Health so there is no substantial impact on our financial plan.

As the total value of this Crown Funding Agreement is above $10m the delegation to execute this agreement sits with the Board. It is therefore requested that Board approve the execution of this agreement by the Interim Chief Executive.

Nursing Workload and Capacity

Board member, Mary Anne Gill, requested a briefing on nursing workload, capacity and performance during the Christmas/New Year period.

Reflections: Christmas New Year 2017/18

There are a number of service periods where a different planning approach is required, notably mid-winter ("flu-season") and Christmas. It should be usual practice to review planning and operations for such periods and to learn from things we did well and those we could have done better. This report is not a full review, but a preliminary account of the Christmas period with regard nursing staffing submitted at the request of the Board.

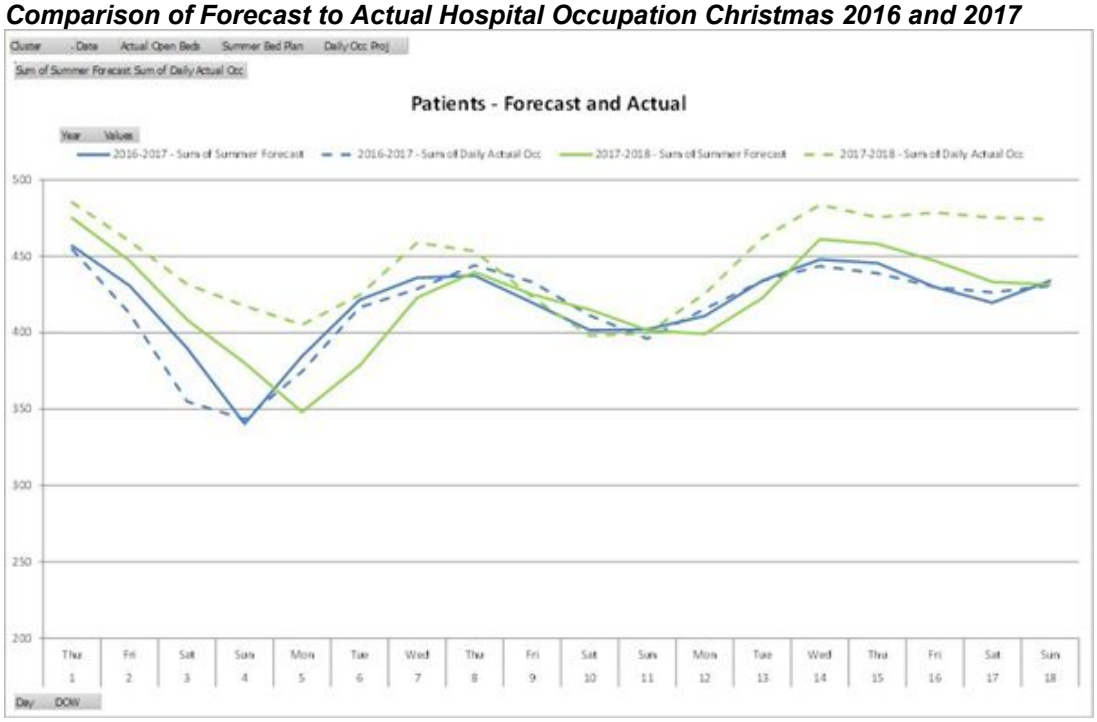
Planning for Christmas and New Year Period

As is usual practice a bed plan for the Christmas period for 2017 was built on a forecast of expected demand. The "bed plan" was deployed and nursing was resourced against this. In comparison to the previous year more beds were available and resourced.

Activity and Capacity Variation

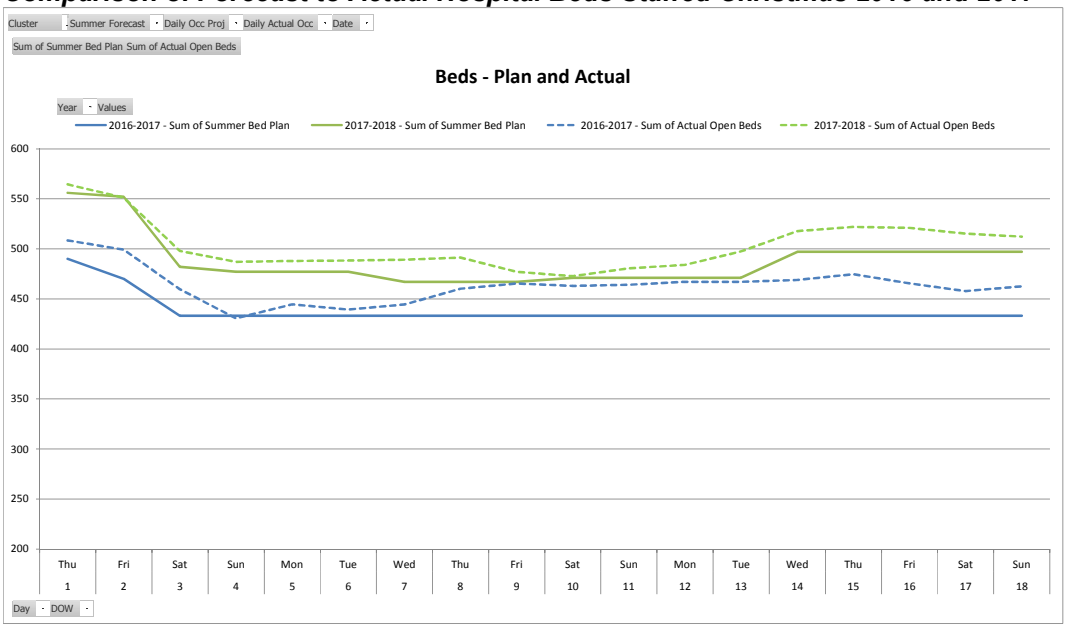
During the Christmas period and into New Year the number of patients exceeded the forecast demand substantially.

Comparison of Forecast to Actual Hospital Occupation Christmas 2016 and 2017



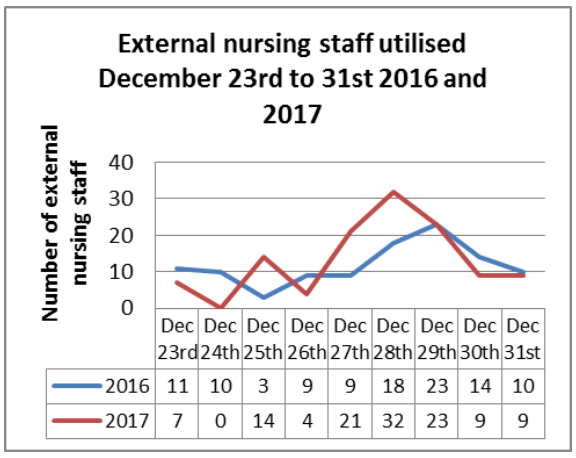
This appears to be related to more presentations to the hospital but also a higher rate of admission from the Emergency Department. As a result more beds than planned were opened.

Comparison of Forecast to Actual Hospital Beds Staffed Christmas 2016 and 2017

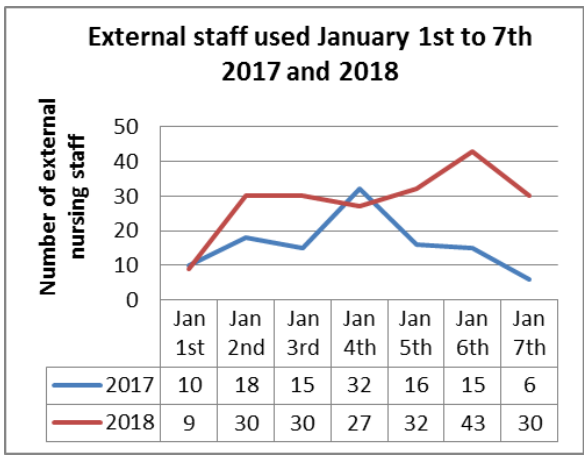


Staffing Responses

Additional bed capacity was created within the existing staffing resource for nursing supported by the addition of staff from the private sector largely as health care assistants and patient safety partners. The second of these then allowed us to free up nurses to nurse. External Bureau use increased over this period largely due to increased occupancy of the hospital and need to open beds in medicine, OPRS, CTV and paediatrics. ICU and NICU experienced high occupancy NICU at 43 and ICU occupancy up to 15.



	Dec 23rd	Dec 24th	Dec 25th	Dec 26th	Dec 27th	Dec 28th	Dec 29th	Dec 30th	Dec 31st
2016	11	10	3	9	9	18	23	14	10
2017	7	0	14	4	21	32	23	9	9



	Jan 1st	Jan 2nd	Jan 3rd	Jan 4th	Jan 5th	Jan 6th	Jan 7th
2017	10	18	15	32	16	15	6
2018	9	30	30	27	32	43	30

The total cost of additional health care assistants (and to a lesser degree nursing) from the private sector was the equivalent of 24 FTE or approximately $118 000 dollars against a budget for this eventuality of $50 000.

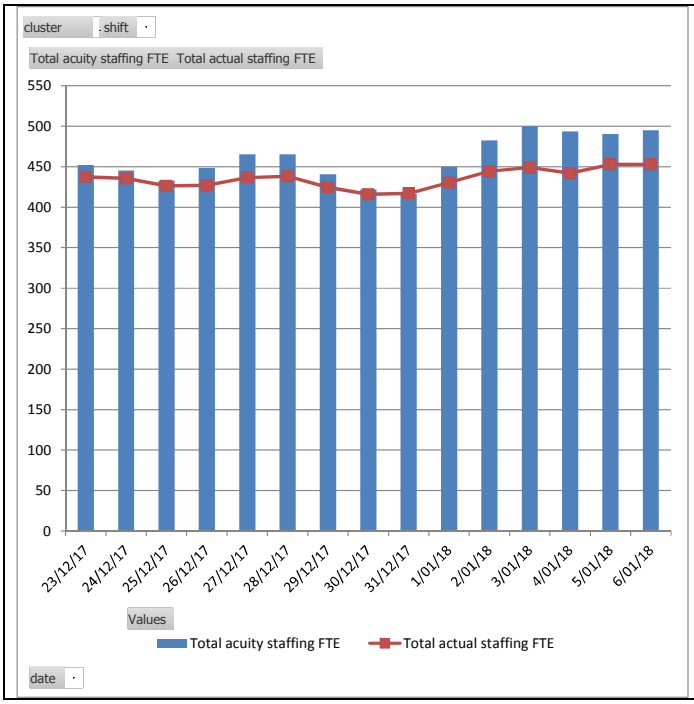
Staff Stress and Patient Harm

During this two week period three incidents of short staffing were documented on Datix, resulting in no meal breaks, care rationing and the use of overtime. No patient harm resulted but the risk was there. Assignment Workload Manager (acuity tool) did indicate in

real time the need for more nursing hours in some wards on some days and while on the majority of these occasions resources matched demand, the ability to respond immediately is just not always possible. The resulting reorganisation of workloads and patient placements can be and is disruptive. There have been concerns raised that AWM may not be reflecting the total reality of the patient requirements in a couple of speciality wards. Ongoing evaluation of this data is part of the process and it may be that the more options related to dependency rather than acuity will need to be added.

A view of the AWM record for the period is below.

Reconciliation of AWM and Nursing Workload



This displays at a hospital level the matching of nursing hours against requirements.

It must be noted that although sick leave was not higher than planned, and annual leave appears to have been accommodated as planned we did not provide the number of worked nursing shifts we planned to.

Summary

Despite the presence of a bed plan targeted at a higher level of occupancy than in the prior year, even this was exceeded. In general, we ought to have a contingency plan that reflects the level of certainty we are able to bring to planning periods such as Christmas. In some areas of hospital operations such as theatres and the cardiac catheter laboratories we did have better contingency plans.

Overall the nursing staff including Duty Nurse Managers and bed Managers did very well and should be acknowledged for the `effort they put in to keep the health service running and patients well cared for.

The lessons from this period, particularly the need for a high level of confidence in the capacity plan, and/or a contingency plan that reflects the level of risk, will be taken in the next planning period.

Reconciliation of Staffing FTE and Conclusions about Workforce Management

Analysis of Nursing Workforce in Wards, Theatres and Emergency Department					
FTE type	**Significance**	**Budget**	**Actual**	**Variance**	**Comment**
Contracted	How many people we can hire according to staff plan	**1321.45**	**1314.75**	**6.7**	Few vacancies - good
Paid	How many people we paid for work or being on leave including sick leave	**1322.05**	**1320.91**	**1.14**	As planned
Worked	How many people equivalents we paid for working	**1108.25**	**1083.9**	**24.35**	Fewer people at work than planned
Sick	People equivalents on sick leave	**43.48**	**47.88**	**-4.4**	Sick leave not higher than thought
Accrued	Surrogate of leave earned not taken	**1395.87**	**1390.42**	**5.45**	Ability to take leave not restricted more than planned

Recommendation
THAT
The Board:

1) Receives the report.
2) Approves the Interim Chief Executive to execute the Crown Funding Agreement covering Sudden Unexpected Death in Infancy (SUDI) prevention, disability support services and the electives and ambulatory initiative.

DEREK WRIGHT
INTERIM CHIEF EXECUTIVE

Quality and Safety

Quality and Safety: No report.

Decision Reports

MEMORANDUM TO THE BOARD
24 JANUARY 2018

AGENDA ITEM 6.1

WINDOWS 10 UPGRADE

Purpose	For approval.

The purpose of this paper is to seek Board approval of the attached business case to upgrade Waikato DHB desktop, laptop, and tablet computer devices, from Microsoft Windows 7 & Windows 8 to Microsoft Windows 10.

In June 2017, HP notified that Windows 7 compatible desktops and laptops could no longer be supplied through the All of Government (AoG) panel contract post October 2017 and February 2018 respectively. Whilst it has been expected that this would occur at some point in the future, and preliminary work and planning was underway, the upgrade has been brought forward from 2020 to 2017 by the withdrawal of Windows 7 compatible devices from the AoG panel contract.

Whilst the quantum of the investment is significant, it is a relatively low complexity investment from a technical perspective and is a repeat of the process followed for the successful Windows XP to Windows 7 upgrade. The primary driver of the cost is the volume of devices to be upgraded / replaced (circa 5,500 PCs, laptops and tablets) and the volume of applications to be repackaged / upgraded (circa 700). To put the cost of the upgrade into context it equates to circa $363 per device.

In this instance added complexity results from a combination of deferred maintenance (due to financial constraints) driving additional investment and some of our clinical vendors being unprepared and as a result not currently having a Windows 10 certified version of their application in General Release in North American, Australia, or New Zealand (which we commonly look for to provide a level of comfort on clinical safety). Whilst this is a concern, the risk is manageable given that Windows 7 does not go end of extended support until 2020, so we have time to address specific application issues.

To manage this risk, and financial constraints, a phased implementation across two financial years is being proposed.

The financial impact of the initiative is summarised as follows:

- NPV: Negative $1.9m over 5 year NPV term
- One-off Cash: $2m (incurred over 2 financial years).

This business case has been review and approved by the DHB's Business Review Governance Group (BRRG).

Recommendation
THAT
The Board:

1) Note the contents of this paper and the attached business case
2) Approves Waikato DHB's transition in a phased manner from Windows 7 to Windows 10.
3) Approves funding of $2.0m phased over two years.
4) Notes that Regional Capital Committee endorsement is required.
5) Notes that Ministry of Health approval is required.
6) Notes that the transition will be over the period to February 2018.
7) Notes that due to financial constraints, a deferred maintenance (technical debt) resulting in a number of applications not being on the current version and/or hardware not being current (as a result of the End User Device change from a five year to seven year lifecycle).
8) Notes that some vendors have not made upgrades to a Windows 10 compatible version available at the time of this business case being prepared or will not be available for some time.
9) Notes that a risk exists that application remediation costs will exceed estimates. Mitigations to manage this risk are detailed in the business case.

GEOFF KING
CHIEF INFORMATION OFFICER

Waikato District Health Board

Waikato District Health Board
IS1712-003 Windows 10 Upgrade

Business Case

Purpose

A business case is used to document the justification for the undertaking of a project, based on the estimated costs against the anticipated benefits to be gained and offset by any associated risks.

This business case proposes the upgrade the operating system of all appropriate Waikato DHB desktop, laptop, and tablet computer devices, from Microsoft Windows 7 to Microsoft Windows 10.

Business Case Owner	Geoff King
Group\Department	IS
Author	Grant Lee
Last Updated	19/11/17
Document Name	IS1712-003 Windows 10 Upgrade
Version	1.0

Revision History

Date	Author	Summary of Changes	Version
29/06/207	Karen Nelson	Create first draft	0.1
31/10/17	Grant Lee	Updated version; changed timelines, assumptions, costs	0.2
19/11/17	Grant Lee	Updated version post review	1.0

Engagement – Visible Help

Name	Service	Date	Impact Y/N
Spark – Chris Sharpe	Vendor – services approach and estimates	22/06/2017	Y
Geoff King	Information Systems – approach, scope, and estimates	22/06/2017	Y
Mo Neville	Quality and Patient Safety – no risks logged on Datix to resolve.	22/06/2017	Y
Rory O'Donnell	Finance – provided BC number.	22/06/2017	Y
n/a	Biomedical Engineering – will the item require connection to the medical network? How will future support and maintenance be managed? Will management of hot spare equipment be required?	n/a	N
Ali Wilkinson	Learning and Development – approach, scope and estimate.	22/06/2017	Y
Alicia Lane	Procurement – approach.	22/06/2017	Y
n/a	Human Resources – will this investment also require additional staff? Changes to existing staff? Reduction in staff?	n/a	N
Mike Lane	Change Team – resource for change management aspects of the project	22/06/2017	Y
n/a	Supply Chain - will the new item have an impact on supply chain processes	n/a	N
n/a	Property & Infrastructure – is the new item heavy – will floors need reinforcing? Will it fit through doorways? Will it require some sort of mount or bracket? Are there any physical security implications?	n/a	N

Strategic Imperative Allocation

Once you have assessed and determined the primary strategic imperative that your business case is aligned to (refer to session 2.2.1 of this document), please review the following table and ensure that the appropriate senior executives are engaged accordingly:

		Alpha	Bravo
1. Health equity for high need populations			
1.1	Radical Improvement in Māori health outcomes by eliminating health inequities for Māori	1. Chief Executive Officer[1] 2. Ex Dir – Māori Health	1. Ex Dir - Community & Clin Supt 2. Ex Dir - Mental Health 3. Ex Dir Strategy & Funding
1.2	Eliminate health inequities for people in rural communities	1. Ex Dir - Community & Clin Supt 2. Clin Dir -Strategy & Funding	1. Ex Dir – Māori Health 2. Ex Dir-Virt Care & Innovation
1.3	Remove barriers for people experiencing disabilities	1. Ex Dir - Wkt Hospital Services 2. Ex Dir - Mental Health	1. Ex Dir Strategy & Funding 2. Ex Dir - Ops & Performance 3. Ex Dir-Virt Care & Innovation
1.4	Enable a workforce to deliver culturally appropriate services	Chief Nurse & Midwifery Officer	Ex Dir – Māori Health
2.Safe, quality health services for all			
2.1	Deliver timely, high quality, safe care based on a culture of accountability, responsibility, continuous improvement and innovation	Dir - Quality & Patient Safety	1. Ex Dir-Virt Care & Innovation 2. Ex Dir- Ops & Performance
2.2	Prioritise fit-for-purpose care environments	Ex Dir - Facilities & Business	Chief Medical Officer
2.3	Early intervention for services in need	Commissioner	Ex Dir - Strategic Projects
2.4	Ensure appropriate services are delivered to meet the needs of our populations at all stages of their lives	Ex Dir Strategy & Funding	Ex Dir - Public Affairs
3.People centred services			
3.1	Utilise the expertise of communities, providers, agencies, and specialists in the design of health and care services	Ex Dir - Mental Health	Chief Nurs & Midwifery Officer
3.2	Provide care and services that are respectful and responsive to individual and whānau needs and values	Chief Nurs & Midwifery Officer	Ex Dir - Wkt Hospital Services
3.3	Enable a culture of professional cooperation to deliver services	Dir - Quality & Patient Safety	Ex Dir - Corporate Services
3.4	Promote health services and information to our diverse population to increase health literacy	Ex Dir - Public Affairs	Commissioner
4.Effective and efficient care and services			
4.1	Live within our means	Ex Dir - Corporate Services	Ex Dir - Ops & Performance

[1] Recognising that Derek may be unavailable for some meetings

4.2	Achieve and maintain a sustainable workforce	Ex Dir - Corporate Services	Ex Dir - Ops & Performance
4.3	Redesign services to be effective and efficient without compromising the care delivered	Ex Dir - Ops & Performance	1. Ex Dir Strategy & Funding 2. Commissioner
4.4	Enable a culture of innovation to achieve excellence in health and care services	Ex Dir-Virt Care & Innovation	Dir - Quality & Patient Safety
5.A centre of excellence in learning, training, research and innovation			
5.1	Build close and enduring relationships with local, national, and international education providers	Chief Executive Officer[2]	Clin Dir -Strategy & Funding
5.2	Attract doctors, nurses, and allied health staff to the Waikato through high quality training and research	Dir - Quality & Patient Safety	Clin Dir -Strategy & Funding
5.3	Cultivate a culture of innovation, research, learning, and training across the organisation	Clin Dir -Strategy & Funding	1. Dir - Quality & Patient Safety 2. Ex Dir-Virt Care & Innovation
5.4	Foster a research environment that is responsive to the needs of our population	Chief Medical Officer	CD - Primary & Integrated Care
6.Productive partnerships			
6.1	Incorporate te Tiriti o Waitangi in everything we do	Ex Dir – Māori Health	Ex Dir - Wkt Hospital Services
6.2	Authentic collaboration with partner agencies	Ex Dir Strategy & Funding	Ex Dir - Community & Clin Supt
6.3	Focus on effective community interventions using community development and prevention strategies	Ex Dir - Community & Clin Supt	Ex Dir - Public Affairs
6.4	Work towards integration between health and social care services	Ex Dir Strategy & Funding	Clin Dir - Primary & Integrated Care

Review

Name	Project Role \ Title	Issue Date	Version
Marc ter Beek	*Senior User	11/11/17	0.2
Les Elliot	*Senior Supplier	11/11/17	0.1 0.2
Andrew Smith	IS Business Services Manager	11/11/17	0.1 0.2
Scott Brown	Director DevOps	11/11/17	0.2
Keith Kana	IS Infrastructure PM	11/11/17	0.2
Arna Evans	IS Customer Services Manager	11/11/17	0.2

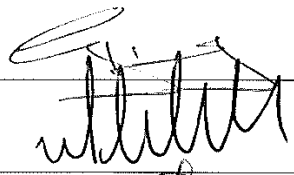
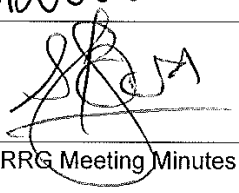
[2] Recognising that Derek may be unavailable for some meetings

Name	Project Role \ Title	Issue Date	Version
Ali Wilkinson	Learning and Development	11/11/17	0.1 0.2
Andrew Darby	CIRG Chairperson	11/11/17	0.2
Russell Hemsley	Risk Manager	11/11/17	0.2
Steve McMillan	IS Architect	11/11/17	0.2
Rory O'Donnell	Finance Manager	11/11/17	0.2
Alicia Lane	Procurement	11/11/17	0.2
Mike Lane	Change Team	11/11/17	0.1 0.2
Petra Amberboy-Kiss	IS Application Lifecycle Project Coordinator	11/11/17	0.2

Distribution

Name	Title	Issue Date	Version
Stuart Murphy	Assurance Lead	11/11/17	0.2

Approvals

Approver	Signature	Issue Date	Version
Geoff King CIO		20/11/17	0.2 1.0
Maureen Chrystall Executive Director		20/11/17	0.2 1.0
Scott Brown Director DevOps & Project Executive		20/11/17	0.2 1.0
BRRG Members	As per BRRG Meeting Minutes		

* Note the following role descriptions for key project board members:

- The **project executive** has ultimate responsibility for the project outputs required to achieve the ultimate project objectives. As a result, the project executive has the greatest level of accountability for the success of the project and must be at a senior management or executive level within the organisation (minimum delegation level 5).

- The **senior user** has total responsibility for accepting the outputs for a project into business as usual and represents the interests of all those who will use the project's products

- The **senior supplier** has total responsibility for delivering the identified and agreed outputs for a project and represents the interests of those designing, developing, facilitating, procuring and implementing the project's products

Table of Contents

1. Summary of Proposal

This business case recommends:

- The Waikato DHB upgrade the operating system of all appropriate Waikato DHB desktop, laptop, and tablet computer devices, from Microsoft Windows 7 to Microsoft Windows 10 by December 2018

- This project is reliant on Windows 10 compatibility across all applications available within the DHB. Availability of appropriate applications on a service by service basis will be provided as follows:
  - Application remediation of Category 1-5 applications that are not currently Windows 10 compliant will be funded by this project including any licensing costs
  - Application remediation of Category 1-2 applications that are not currently Windows 10 compliant and that are separately funded through the capital plan but will impact on deployment ability of this project will be considered dependency projects listed in Section 4.3
  - **Note:**
    1. **The DHB has, due to financial constraints, a deferred maintenance (technical debt) resulting in a number of applications not being on the current version and/or hardware not being current (as a result of the End User Device change from a 5 year to 7 year lifecycle).**
    2. **Some vendors have not made upgrades to a Windows 10 compatible version available at the time of this business case being prepared or will not be available for some time.**
    3. **A risk exists that application remediation costs will exceed estimates. See notes in the financial source section of controls to mitigate or manage this risk.**

- This upgrade will be completed over 6 phases as follows:
  - Design phase to include consideration for the deployment mechanism for patching and lifecycle management as Windows 10 forces customers into more frequent upgrade cycles
  - Application Remediation to ensure target services have appropriate applications Windows 10 certified / patched / upgraded as required
  - Hardware preparation phase to precede each pilot and deployment rollout to enable the IS dept. to prepare (as much as possible) hot swap equipment to minimise upgrade disruption. During the main migrations this will be an embedded phase within the rollout
  - Pilot deployments during May 2018 to test the ability to identify, build / upgrade and deploy the Windows 10 build across the DHB
  - Corporate user rollout during Jun – Aug 2018 (due to simplified Windows 10 remediation pathways)
  - Clinical user rollout during July – December 2018

- This upgrade will be completed over 2 Financial Years with a cost breakdown as follows:

Phase	FY 17/18	FY 18/19	Total
Windows 10 Core (Design, Hardware, Deployment Mechanism)	$58,016		$58,016
Hardware (including preparation)	$215,208	$359,528	$574,736
Application Remediation	$145,312	$315,624	$460,936
Corporate Rollout	$108,768	$137,056	$245,824
Clinical Rollout		$327,984	$327,984
Subtotal	$527,304	$1,140,192	$1,667,495
Contingency (20%)	$105,461	$228,038	$333,499
Total	$632,765	$1,368,230	$2,000,994

2. Reasons

2.1. Problem statement

In June 2017, HP advised the DHB that Windows 7 compatible desktops and laptops could no longer be supplied post October 2017 & Feb-18 respectively. Therefore only Windows 10 compatible desktops and laptops could be supplied and that non-standard desktops or laptops required post June 2017 could only be supplied as Windows 10 devices.

Whilst it has been expected that this would need to occur at some point in time, and prelimary work & planning was underway, the upgrade timescales have been brought forward from 2020 to 2017 by this decision. A number of dependency activities currently in flight under **IS1703-006 - Desktop Work Plan 16_17** are being addressed under urgency and will ensure the supporting environment is Windows 10 ready. This includes;

- Upgrades and configuration to the SCCM infrastructure which supports and manages software deployment and reporting
- 3rd party tools to manage java and adobe patching
- AppV upgrades which enable virtual application delivery
- Flex+ to support profile management
- Active Directory preparation for Windows 10

While a Windows 10 build for the Waikato DHB has been completed for tablets only, the ability to create an automated deployment process via System Centre Configuration Manager (SCCM) is not possible until the approved SCCM upgrade has been completed. This was scheduled to be completed in December 2017.

In response to this advice from HP, procurement have clarified that the All of Government (AoG) vendors are able to provide this level of short notice as the rapid change is being driven via Intel who are no longer providing componentry that works with Windows 7 on the request and agreement with Microsoft.

Further information has also been provided, that Microsoft are very concerned about the security holes that have now been identified with their Windows 7 product - *"Today, [Windows 7] does not meet the requirements of modern technology, nor the high security requirements of IT departments,"* the company [Microsoft] wrote. – which was also exemplified by this headline in the NZ Herald on 29 June 2017 *'Windows 7 bug leads to a $186k ransom'*, and so it is in the DHBs interest to move to Windows 10 as quickly as possible to reduce exposure to this risk that has affected so many organisations around the globe.

Windows 10 presents a significant opportunity to improve the delivery of ICT. Although with initial deployment it will provide capability similar to that of Windows 7, it provides a platform from which the DHB can modernise its IT workplace.

There are massive changes occurring globally in the way in which ICT is delivered. The methodology being presently used by the Waikato DHB with respect to infrastructure management technologies is now being referred to across the ICT industry as either "Legacy IT" or "Traditional IT", it is also rapidly becoming unsustainable in terms of resource and cost to manage large and complex ICT infrastructures using traditional methodologies, the industry is recognising this, and this has become a catalyst for change.

The focus of the ICT industry is moving towards what is referred to as "Modern IT".

'Modern IT' is all about achieving a 'modern workplace' where Enterprise mobility is key, the focus is to enable every person to achieve regardless of their location.

Management of a Modern IT environment is one where automation is leveraged to enable "computers to do what computers do best, enabling people to do what people do best".

Windows 10 is built and designed as the platform which will enable such a journey.

2.1.1. Mandate

While this project is not mandated by Government, Microsoft through processor manufacturers (Intel and AMD) are effectively forcing all new Microsoft desktops, laptops and tablets to be operating on Windows 10, and are advising organisations to upgrade off Windows 7 as quickly as possible so as to secure their IT environments.

The withdrawal of Windows 7 compatible devices from the All of Government catalogue effectively forces all government agencies to upgrade.

2.2. Objectives

This initiative will achieve the following objectives:

- Complete the analysis required to develop detailed plans to deploy Windows 10
    - Identify all existing desktop/laptop computers that need solid-state drive (SSD) storage so as to be able to run Windows 10 with an appropriate user experience, and re-plan the asset replacement approach to target hardware that does not meet this requirement
    - Confirm/ validate that existing software will operate correctly on Windows 10, and in doing so identify the software that is not certified and/or is found not to function on Windows 10
    - Confirm/ validate all existing software packaging deploys software successfully to Windows 10
    - Confirm/ validate all applications, spreadsheets, and access data bases function on Windows 10 and in doing so identify any that do not function with Windows 10
- Prepare Windows 10 desktop, laptop, tablet builds, including ability to deploy this build electronically
- Prepare Server 2016 and SQL 2016 DHB standard builds for the underpinning infrastructure that will support software to work with Windows 10 computer devices
- Coordinate the completion of other pre-requisite work that is currently planned e.g. SCCM upgrade
- Upgrade existing desktops that don't have the required SSD disc to run Windows 10
- Replace existing desktops that are not suitable to be upgraded to support Windows 10 (budget assumes 250 devices)
- Upgrade all desktops, laptops, and tablets to Windows 10
    - Communicate, train, and educate the DHB team to adopt Windows 10
    - Upgrade departments by geographic location / application usage profiles
        - Utilise floor-walking teams to liaise with teams before, during and after the upgrade process to minimise disruption to business activities
    - In order to minimise impact to the users create a hot swap pool of like for like hardware where possible that is already upgraded and can be used to upgrade a group, team or dept. and to then recycle their equipment for the next users to be migrated
- Manage appropriate corrective actions for the areas with issues where remediating applications is resulting in delays
    - Completion of application, database or windows server upgrades to enable software to run on Windows 10 desktops/ laptops/ tablets; upgrade desktops once all pre-requisite software related upgrades have been completed
    - Secure Windows 7 devices within a dedicated virtual LAN (VLAN) where an upgrade is not possible for some time to come, or alternatively where appropriate replace with thin clients if that meets the use case required
- Enable IS support services to be able to support Windows 7/ Windows 10 computer device builds until all computer devices are running Windows 10
- Develop new operational processes for adopting future patching / upgrade cycles for windows 10
- Investigate, develop, opportunities to improve user functionality by leveraging new Windows 10 capabilities
- Investigate development of new methodologies for improving IS management of the desktop fleet by leveraging new Windows 10 capabilities
- Investigate development of enhanced security capabilities which are now provided by windows 10.

2.2.1. Strategic Alignment

This project is being initiated in response to a global change in the core technology utilised by the Waikato DHB to achieve and maintain a sustainable workforce, led by the Executive Director for Corporate Services, aligning with the Strategic Imperative to provide effective and efficient care and services.

2 Effective and efficient care and services:
- 2.1 Live within our means
- **2.2 Achieve and maintain a sustainable workforce**
- 2.3 Redesign services to be effective and efficient without compromising the care delivered
- 2.4 Enable a culture of innovation to achieve excellence in health and care services

3. Business Options Considered

	Option 1: Do nothing	Option 2: Deploy Windows 10
Summary of the option:	Stop replacing existing devices and maintain the Windows 7 fleet	Undertake a 12 month project to – prepare and upgrade to Windows 10: • Provision of supporting infrastructure and tools to enable ongoing management of Window 10 • Deployment of Windows 10 clients • Support for application remediation to enable various services to upgrade
Advantages of this option:	• No cost to the DHB in the short term, (however this risks a significantly higher Opex and Capex impact in future years if the DHB does not start to address this now)	• The DHB is able to purchase new equipment in line with Microsoft Windows 10 supported chipsets • The DHB avoids the potential for legacy Operating System viruses and malware (the impact of the Ransomware example hit Windows XP organisations the hardest) • Windows 10 will deliver new capabilities, which the DHB will then be able to leverage through roadmaps toward enabling more 'as a service' products and methodologies. This will improve IS management efficiencies, and enable improved user functionality and efficiency. • Enable the journey of the DHB towards a modern IT environment less restricted by the constraints of traditional IT. Providing an environment which is user capability and patient outcome focused, providing IS capability which helps to make the DHB a more efficient, and thus desirable workplace for staff.
Disadvantages of this option:	• Risk exposure to malware increases over time as exploits are found but no patching is provided by Microsoft • Technical debt is accumulated into the 18/19 Financial Year and beyond that will need to be addressed once extended warranty for Windows 7 ends • Ultimately Option 2 will be forced on the DHB but at a higher cost	• Cost

	Option 1: Do nothing	Option 2: Deploy Windows 10
Indicative Cost: Capital Cost: One-Off Operating Cost: Ongoing Operational Cost:	 $ 0 $ 0 $ 0	 Financial Year 17/18 $ 632,765 Financial Year 18/19 $1,368,230 Total Spend $2,000,995 $ 0 $ 0
Hard Benefits	NA	none
Indicative Timescale	NA	12 months (including MoH / Board approvals)
Stakeholder Support:	NA	Extensive Stakeholder support required across IS and each service at the point of upgrade
Option appraisal – extent to which the option solves the problem and meets the benefits	This does not meet the benefits requirement	This meets the benefit requirement
Recommendation – please provide the reasons that support the recommendation:	This is not the recommended option	This is the recommended option

4. Scope of Recommended Solution

4.1. In Scope

- Delivery per the Waikato Way Project Delivery Framework including project initiation, development (design, build, test), and close products
- DHB Standard build for Windows 10 – for desktops, laptops, tablets
- DHB Standard build for SQL 2016
- DHB Standard build for Windows Server 2016
- Analysis to validate software compatibility with Windows 10
    - Utilise Citrix App DNA tool to assess all current software in use for compatibility with Windows 10 – identify anything not compatible and resolve a plan to address these applications
    - Assess existing desktop/ laptop hardware in use for SSD disc compatibility
    - Assess web apps in use
    - Assess spreadsheets and access databases in use
    - Assess software packaging is still effective, and repackage if/as required
- Based on analysis findings, completed detailed planning for upgrade to Windows 10
    - Identify and agree the upgrade of Corporate users over a 3 month period
    - Identify and agree the upgrade of Clinical users over a 6 month period
    - Identify and plan how to deal with exceptions:
        - Manage upgrade of software where no capital planning funding is specifically assigned to do so
        - Coordinate with other projects the upgrade of software/databases/Windows Servers
        - Plan and implement migration of Windows 7 devices, into dedicated VLANs, if/as required, or alternatively replace with thin client devices if that is assessed as a more appropriate option.
        - Plan upgrade of spreadsheets and access databases to be Windows 10 compliant where possible, or if appropriate organise the redevelopment of these tools
- Review & enhance existing Local Admin Password Management (restricted user group)
- Develop new operational processes for adopting future patching / upgrade cycles for windows 10
- Investigate development opportunities to improve user functionality by leveraging new Windows 10 capabilities
- Investigate developing new methodologies for improving IS management of the desktop fleet by leveraging new Windows 10 capabilities
- Investigate developing enhanced security capabilities which are now provided by windows 10 including Windows defender capabilities where assessed as appropriate.
- Develop and implement Windows 10 user training materials e.g. online training
- Change Management, assisting all staff to prepare, change to, and adopt Windows
- Review and update of Profile and environment management of the Window 10 operating system utilising existing tools – Flex + and SCCM NOTE this will include reviewing creating the appropriate AD structure and Group policies
- A review and implementation of a consistent user experience between Windows 10 and the XenApp project (business case to be created) to ensure consistency of; home, desktop, applications where possible, Graphical User Interface (GUI) display, restrictions and roaming profile

4.2. Out of Scope

- Upgrade of Office 2010
- Upgrade of Microsoft Windows Phones (replaced in accordance with End User Device Lifecycle policy)
- Upgrade of Apples mobile operating system (iOS) devices
- Upgrade of Citrix XenApp Farm, and related Windows Desktop (separate business case to address Citrix XenApp 6.5 end of life status).

- Upgrade or replacement of user profile management software Flex+ is currently out of scope but could be brought into scope if using Microsoft's native User Experience Virtualisation (UEV)
- Upgrade of Microsoft Application Virtualisation (AppV) software packaging solution
- The Internet Browser will be either Internet Explorer (IE) 11 or Google Chrome which is like for like with the current build. The DHB will not be implementing the Microsoft Edge Internet Browser with this implementation
- The upgrade of applications, databases, or servers to enable Windows 10 compliance where separate funding is provided. This project team will liaise and coordinate with other project teams including Application Lifecycle Upgrade and Infrastructure as a Service (IaaS) Migration projects to ensure technologies being implemented achieve the full Windows 10 objective
- Management of desktop lifecycle replacement programme, although this project will liaise with that programme of work to ensure the replacement/upgrade of hardware to meet the Windows 10 upgrade perquisite requirements e.g. SSD Storage / RAM
- Purchase and management of a stock of Windows 7 compliant hardware to tide over the DHB until such time as this upgrade can be completed
- The upgrade or replacement of embedded XP medical modalities, that are currently isolated in a dedicated secure VLAN

4.3. Assumptions

- The Windows 10 image build can be completed rapidly, leveraging work already completed by Windows 10 build for mobile devices
- As there is no infrastructure hosting increases, there is no incremental IaaS cost
- All inflight projects will be immediately advised to review IS designs to ensure Windows 10 2016 compatibility
- Universal Print Drivers will function on Windows 10
- All web applications, putting DHB data into the cloud, are certified to be in use, and are known to IS to enable the validation that they work on Windows 10 / IE11 or Chrome
- All existing applications have an affordable upgrade path to a Windows 10 compatible version
- That a team of externally supplied resources are available and funded for to support the DHB team should it be required in this business case as a contingency
- Internal and external resources are available to work alongside DHB resources committed to other projects running parallel to ensure the DHB gets through this unusually high level of technology changes currently required, including upgrade to Windows 10 and migration to IaaS

4.4. Dependencies

- All inflight and new Lifecycle projects will ensure compatibility with Windows 10. This includes the current in flight projects:
  - **IS1703-004 Cat 1-5 In House Apps Upgrades 16_17**
  - **IS1702-020 Cat 2 Off-the-Shelf Apps upgrades 16_17**
  - **IS1702-011 Cat 3-5 Off-the-shelf Apps work plan 16_17**
- The following clinical applications will be upgraded to ensure Windows 10 compatibility. This will need to occur prior to any clinical users being migrated:
  - **IS1607-002 iPM Upgrade to APAC 11**
  - PACs release 6
  - RIS Release 5
- **IS1703-006 - Desktop Work Plan 16_17** is seen as a prerequisite to Windows 10 and needs to be completed as soon as possible. This project covers:
  - upgrades and configuration to the SCCM infrastructure which supports and manages software deployment and reporting
  - 3rd party tools to manage java and adobe patching
  - AppV upgrades which enable virtual application delivery
  - Flex+ to support profile management
  - Active Directory preparation for Windows 10

4.5. Change Management

The approach to change management would follow the proven approach as undertaken in the upgrade from XP to Windows 7. That is:

- The upgrade will be managed by geographically – floor by floor, building by building
- The upgrade will be managed by a team who work with each team, in a given area, to ensure all software in use is identified, validated as compatible with Windows 10 , user training is completed, and post upgrade floor walking is supplied
- The Executive team and their direct reports were engaged throughout the upgrade to Windows 7, which was critical to the success of this upgrade. This approach would be adopted for the upgrade to Windows 10. Senior managers, managing their teams to ensure readiness and support of the upgrade is critical to the success of a rapid and smooth upgrade
- Any exceptions, where software if found not to be compatible will be dealt with by the project team on a case by case basis, liaising with other projects as required to complete pre-requisite upgrades for example. This analysis would be completed as early as possible to allow application remediation to occur.
- A key learning from the Windows 7 upgrade was that any 'plug in' functionality was difficult to upgrade. Special attention will be paid to these teams / systems.

5. Expected Benefits of Recommended Option

5.1. Hard Benefits

There are no hard benefits associated with this business case

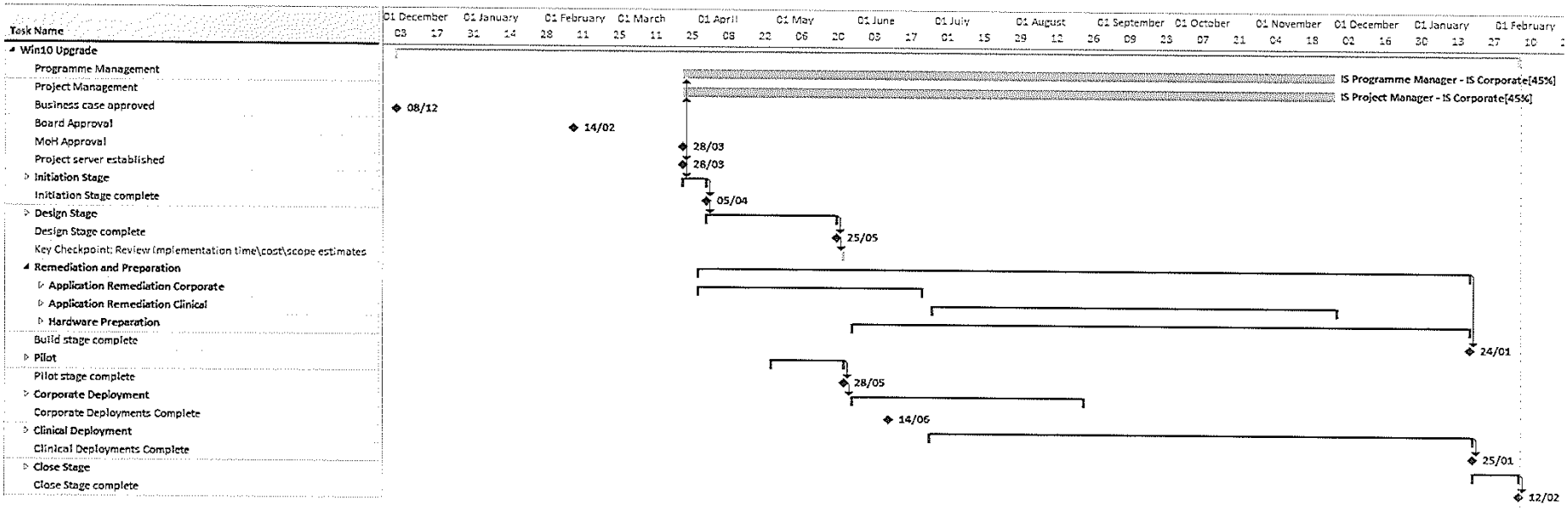
5.1. Measurable Soft Benefits

Benefit *<What benefit will the organisation receive?>*	Measure *<How will you measure this?>*	Baseline *<What is the current level of the measure?>*	Tolerance	17/18 yr1	18/19 yr2	19/20 yr3	Dependencies *<Is there another initiative this is reliant on to be realised?>*	Responsible	Accountable
All Microsoft computer devices – desktops, laptops, and tablets are Windows 10	SCCM audit	5%	0%	80%	100%	100%		Project Manager	Project Executive
Local administration password management in place for all desktops	SCCM audit	5%	0%	80%	100%	100%		Project Manager	Project Executive
Standards / compliant technology for new generation Windows 10 infrastructure would be developed and delivered	Windows 10	50%	0%	80%	100%	100%		Project Manager	Project Executive

6. Timescale

This timeline assumes:

- Analysis tools available to assess current readiness of environment rapidly e.g. utilise Citrix APP DNA toolset (that DHB is already licensed for) to validate that software in use is (or isn't) compatible to operate on Windows 10
- The Windows 10 image build can be completed quickly, leveraging work already completed by Windows 10 build for mobile devices
- Subject to approval at BRRG on the 8th December 2017, that DHB Board approval can be obtained in Feb 2018 (1st Board of 2018) and that MoH approval can be obtained in March 2018



7. Procurement Compliance

Does this solution involve external parties/suppliers? *If the answer is **no** please move to the next section*	Yes
Is a current and relevant contract already in place for the same product/hardware/service?	Yes
If no contract in place, have you engaged with Procurement to discuss the Procurement activity required to ensure compliance with the Procurement and Contracts Policy?	Yes
Existing preferred supplier Vendor Services agreements will be leveraged to provide resources to deliver this project.	

8. Costs

8.1. Implementation Costs

IS1712-003 - Windows 10 (All Years)						
IS Professional Services Implementation Estimate						
CAPEX\OPEX	TASK	Resource	Hourly Rate	Estimated Hours	TOTAL	Notes
Capex	1.04	Analyst – Business (Apps)	$ 60	456	$ 27,360	
Capex	1.04	Analyst – Business (Tech)	$ 60	512	$ 30,720	
Capex	1.04	Analyst – Delivery	$ 60	3040	$ 182,400	
	1.04	Analyst – Integration	$ 60	0	$ -	
	1.06	Architect – Data	$ 73	0	$ -	
Capex	1.06	Architect – Network	$ 73	120	$ 8,760	
Capex	1.06	Architect – Applications	$ 73	200	$ 14,600	
Capex	1.06	Architect – Infrastructure	$ 73	200	$ 14,600	
		Cablers – Network	$ 37	0	$ -	
	1.05	DBA – Database Administrator	$ 57	0	$ -	
	1.05	Developer – Data & Reporting	$ 47	0	$ -	
	1.05	Developer – Software	$ 40	0	$ -	
	1.05	Developer – Software & Integration	$ 40	0	$ -	
		Field Resource		0	$ -	
Capex	1.04	Packager	$ 60	520	$ 31,200	
	1.01	Programme Manager - IS Corporate	$ 96	0	$ -	
Capex	1.01	Programme Manager - IS Clinical	$ 96	400	$ 38,400	
Capex	1.04	Project Coordinator - IS Corporate	$ 43	1200	$ 51,600	
Capex	1.02	Project Manager - IS Corporate	$ 67	320	$ 21,440	
Capex	1.02	Project Manager - IS Clinical	$ 67	1440	$ 96,480	
	1.02	Project Manager – Network	$ 67	0	$ -	
	1.02	Coordinator – Network	$ 43	0	$ -	
	1.07	Engineer – Network	$ 67	0	$ -	
Capex	1.07	Engineer – Enterprise (Tech)	$ 73	3480	$ 254,040	
Capex		Spark Floorwalker	$ 79	1600	$ 126,400	
Capex		Change Team	$ 67	149	$ 10,000	
Opex		Training	$ 38	1336	$ 48,096	
Capex	1.08	Test Lead	$ 60	1440	$ 86,400	
		IS Professional Services Sub-Total			$ 1,042,495	
Vendor Estimate						
		Services	$ -	0		
		Software	$ -	0		
Capex		Licencing - owned		0	$ 100,000	estimate to support application remediation
Opex		Hardware	$ -	0	$ 275,000	SSD & Memory - One off Opex
Capex		Desktop Replacement	$ 1,000	250	$ 250,000	Pooled assets / PCs
		Vendor Sub-total			$ 625,000	
		Contingency			$ 333,499	Contingency at 20%
		Total Implementation Estimate			$ 2,000,994	

8.2. Ongoing operational costs

Ongoing OPEX						
		Services				
		Software				
		Licencing - subscriptions				
		Hardware				
		Vendor Sub-total				
		Contingency				
		Total Implementation Estimate			$ -	

9. Resource Requirements

9.1. Resources to deliver the project

Department	Resource type, % of FTE, and Duration Required
Services	All staff will be impacted by this change and will be required to invest at least 1hour of their time to upskill themselves re: using Windows 10 On the day of upgrade, they can expect that while they can continue to work effectively, that there will be some discomfort as they on-board the new desktop 'look and feel' which would last for at least one day of work, 8 hours. A floor walking team will be available to assist staff on the day post upgrade, to minimise any discomfort this change may cause.
Change Team	Project Team resources as outlined in section 8.1
IS	Project Team resources as outlined in section 8.1
Learning & Development	**Training Delivery Modes** **1.** Manuals / 'What's New' • Update existing Microsoft Windows manuals (15) • Create a 'What's New' document to highlight changes/new functionality • 296 hours over a 7.5 week period **2.** E-learning modules • Update existing Computer Orientation e-learning module to reflect changes to Win10, file management and Outlook • Create a new e-learning module to cover 'What's New' **3.** Overview sessions • Demonstration by Computer Application Trainer in meeting rooms to give overview of changes/new functionality and answer any questions (no longer than one hour) • Sessions can also be delivered at main meetings, i.e. Grand Round, team meetings/forums etc. • 40 hours over a 4 week period (x 10 months = 400) **4.** Drop-in sessions • Staff can attend a drop-in session to practice new functionality and have any queries answered (pre and post go live) • 12 hours over a 2 week period (x 20 fortnights = 240hrs) **5.** Floor walking • To assist staff week of go live to embed new changes • 10 hours over a 1 week period (x 40 weeks = 400hrs)
HR / ER	n/a

9.1. Ongoing FTE Impact

	Current paid FTE	Proposed paid FTE	Budgeted (Y/N)
Medical Personnel	0	0	
Nursing Personnel	0	0	
Allied Health Personnel	0	0	
Support Personnel	0	0	
Management / Admin Personnel	0	0	
Total	**0**	**0**	**0**

9.2. Delivery Capability

The delivery capability is excellent given - the Waikato DHB; supported by Spark IS services resources successfully upgraded the Waikato DHB desktop/laptop fleet to Windows 7 only 3 years ago. Key resources are available to assist this upgrade. In the intervening three years, the DevOps approach has also been implemented to ensure the optimisation of project an operational team relationships and work effort, as well as new technologies have been made available to automate some tasks that were previously manual e.g. the ability to identify software that is not compatible with Windows 10.

EXCELLENT:

- The likely team (including any potential vendors) have a proven, successful track record relevant to the outcomes of this initiative, AND
- There are NZ reference sites and previous successful examples of similar initiatives, AND
- There is a clearly defined scope and agreement of the clinical and business benefits required, AND
- Support tools, resources and required processes are in place

10. Major Risks

ID#	Risk description	Risk Response	Probability	Impact
R01	The desktop lifecycle programme of work cannot rapidly ensure the replacement/upgrade of existing desktop hardware to meet the Windows 10 upgrade perquisite requirements e.g. SSD Disc	Accept – slow the deployment timeline down to accommodate as required Stock of Windows 7 devices in place to tide-over until upgrade to Windows 10 is complete	60% Possible	3 Moderate
R02	The Windows 10 image build cannot be completed rapidly, leveraging work already completed by Windows 10 build for mobile devices	Accept – slow the deployment timeline down to accommodate as required Stock of Windows 7 devices in place to tide-over until upgrade to Windows 10 is complete	40% Unlikely	3 Moderate
R03	All inflight projects cannot review IS designs to ensure Windows 10 compatibility	Accept – plan subsequent lifecycle upgrades to accommodate this requirement Stock of Windows 7 devices in place to tide-over until upgrade to Windows 10 is complete	60% Possible	3 Moderate
R04	Universal Print Drivers will not function on Windows 10	Reduce – work with Ricoh to resolve any issues with the universal print drivers in situ	40% Unlikely	3 Moderate
R05	All web applications, putting DHB data into the cloud, are NOT certified to be in use, and are NOT known to IS to enable the validation that they work on Windows 10 / IE11 or Chrome	Avoid – direct services to undertake work to enable compliance to Ministry of Health (regarding al clinical data) and DIA requirements (regarding all government data)	60% Possible	3 Moderate
R06	That a dedicated team cannot deliver this upgrade project in parallel with the other projects being undertaken by Waikato DHB	Accept – seek a higher BRRG priority rating to ensure resources do not get re prioritised to other projects	20% Rare	4 Major
R07	Internal and external resources	Accept – slow the	20% Rare	3 Moderate

ID#	Risk description	Risk Response	Probability	Impact
	are not available to work alongside DHB resources committed to other projects running parallel to ensure the DHB gets through this unusually high level of technology changes currently required, including upgrade to Windows 10 and migration to IaaS	deployment timeline down to accommodate as required		
R08	Key applications in use in the DHB have a significant expenditure to upgrade to Windows 10, and that this cost cannot be covered by assumption based planning for application remediation.	Accept – 60% Contingency exists in the capital plan across the 2 financial years to with approximately an additional $1M set aside for Windows 10. Funds not claimed by this business case could be covered in a subsequent business case once specific details are determined	60% Possible	3 Moderate
R09	Some vendors do not currently have, or may not have, a Windows 10 compatible version of their application	Reduce – effected services to staff on Windows 7. Alternative applications to be considered (where appropriate)	80% Likely	3 Moderate
Legend:	**Threat**: Avoid, Reduce, Fallback, Transfer, Accept **Opportunity**: Exploit, Enhance, Reject	20% Rare 40% Unlikely 60% Possible 80% Likely 100% Almost Certain	1:Minimal 2:Minor 3:Moderate 4:Major 5:Extreme	

10.1. GCIO Risk Profile Assessment

Waikato DHB is required to perform an initial risk profile assessment for all ICT-enabled projects. The following table is a summary of the indicative risk ratings calculated for the Windows 10 Upgrade project by the GCIO Risk Profile Assessment tool:

Risk Profile Assessment		Rating
Project's Strategic Context	• Project's External Impact • External Impacts on Project	LOW
Project's Scope and Complexity	• Impact on State Sector and Agency • Project Scope and Complexity • Information Technology Element • Procurement Element • Infrastructure Element	LOW
Project Delivery Capability & Approach	• Supplier and Agency Experience • Agency's Project Management Framework and Approach	LOW
Overall indicative risk rating for the project:		**LOW**

The full risk profile assessment is available here: K:\Information_Services\aaa IM 03 Information Management Projects (NEW)\IS1712-003 - Windows 10 Upgrade\Management Products\01_Business Case\C_Business Case

11. Investment Appraisal

11.1. Funding Source

Capital Plan Line Reference	FY 17/18	FY 18/19	Total
Win 10 Upgrade (Yr 1 of 2 Yr investment. End of Sale of Win 7 devices)	$500,000	$1,314,230	$1,814,230
Review & Upgrade core desktop apps (Win 10)	$32,765		$32,765
Windows 10 Desktop Infrastructure - Upgrade investigation	$100,000		$100,000
Develop Windows Server 2016 Standard Build		$54,000	$54,000
Total	$632,765	$1,368,230	$2,000,995

This business case is drawing down $2.0M of $2.5M available over the 17/18 and 18/19 financial years. There is a potential requirement to remediate larger Cat 1 -2 systems and the remaining funds are reserved should this become a requirement. This is only likely to be known once the project remediation team commences work.

11.2. FOREX Impact

N/A

11.3. Net Present Value Calculations

Key Financial Information:					
Costs	**$'000**	**Budgeted**	**Key Indicators:**		
Capital cost:	-1,678		Net Present Value	-1,924	$'000
Opex Current Year (- increases deficit/ + increases surplus)			Period of NPV	1	Years
Incremental Costs $'000	-91		Interest Rate used	6	%
Benefits $'000	0		Payback:	No Payback	Years
Net Impact on Opex $'000	-91		Internal Rate of Return	0.0	%
Opex Next Year (- increases deficit/ + increases surplus)			Average Life of Assets (for depreciation)	5.0	Years
Incremental Costs $'000	-435				
Benefits $'000	0		Total Impact on Opex	-2,043	$'000
Net Impact on Opex $'000	-435		For Period of	1	Years

NPV Calculation	Year 0 2017	Year 1 2018	Year 2 2019	Year 3 2020	Year 4 2021	Year 5 2022	
			$'000 (- Outflows / + Benefits)				
Capital Cost							
Internal Labour	-286	-708					-994
Hardware Replacements	-125	-125					-250
Licensing	-25	-75					-100
Contingency	-105	-228					-333
							0
							0
							0
							0
							0
							0
							0
Total Capital Cost	**-542**	**-1,136**	**0**	**0**	**0**	**0**	**-1,678**
Incremental Operating Cost							
Training	-16	-32					-48
SSD and RAM upgrades	-75	-200					-275
							0
							0
							0
							0
							0
							0
							0
Total Operating Cost	**-91**	**-232**	**0**	**0**	**0**	**0**	**-323**
Benefits							0
							0
							0
							0
							0
Total Benefits	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net Cashflows	**-633**	**-1,368**	**0**	**0**	**0**	**0**	**-2,001**

Impact on Operating Statement		Year 0 2017	Year 1 2018	Year 2 2019	Year 3 2020	Year 4 2021	Year 5 2022	
			$'000 (Incremental Change from Year 0)					
Incremental Operating Cost								
Training			-16	-32	0	0	0	0	-48
SSD and RAM upgrades			-75	-200	0	0	0	0	-275
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
Finance Costs				-94	-74	-54	-34	-14	-270
Depreciation				-108	-336	-336	-336	-336	-1,451
Total Operating Cost		**0**	**-91**	**-435**	**-410**	**-389**	**-369**	**-349**	**-2,043**
Benefits									
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
	0		0	0	0	0	0	0	0
									0
									0
Total Benefits		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Over/-Under Recovery		**0**	**-91**	**-435**	**-410**	**-389**	**-369**	**-349**	**-2,043**

11.4. CAPEX Form

CAPEX PROJECT NUMBER: **IS1712-003**

ASSET/PROJECT DESCRIPTION: **IS1712-003 Win10 Upgrade**

UNIT/DEPARTMENT: 1001 PROJECT LEADER: Grant Lee

TYPE OF REQUEST (circle): DATE OF REQUEST: 20/11/2017

Capital Purchase | Lease/Rental | Grant/Donation | Emergency | Other (specify)

MAIN PURPOSE FOR REQUEST (circle): Business Case Attached: Yes

Asset Replacement | Quality/Accreditatic | Health and Safety | Increased Capacity/Revenue

Legislative Compliance | Cost Reduction | New Development | Other (specify) - Infrastructure Platform

SUMMARY OF KEY FEATURE/BENEFIT OF PROPOSAL:
- Upgrade all Waikato DHB computer, laptop and tablet computer devices from Windows 7 to Windows 10
- Support remediation of applications to Windows 10

PROJECT EXPENDITURE SUMMARY :

Forex (Currency @ Rate NZ$ (excl GST)	
Equipment (Pooled Assets)	$250,000
IT Expenditure (Licensing)	$100,000
One off opex (Training / HW)	$323,096
Installation Costs (external)	$126,400
Capitalised Labour (internal)	$867,999
Contingency	$333,499
= Total applied for	$2,000,994
Number of Quotes Obtained:	NA
Budget Description & Amount (if applicable)	$2,000,994

FINANCIAL SUMMARY (Operating Stmt) excludes benefits

	Current Year $ (excl GST)	Full Year $ (excl GST)
Revenue		
Consumables		
Maintenance		$232.0
Depreciation		$108.3
Interest		$94.2
Other Costs		
Net Impact	**$0**	**$435**

Payback Period (years) n/a

NPV @ 6 % rate

Alternative Options Considered:
N/A

Impact of Expenditure Deferral
The lifecycle upgrade of computer desktop/laptop/tablet devices will stop as they can no longer be purchased unless they operate Win10.

Details of Present Asset(s)
Description: n/a
Replacement Reason:
Age: years
Book value(if known):
Est Realisation value:
What is proposed to be done with the present asset?

Attach Technicians Report upon present asset(s)

Post Implementation Review: Who will undertake post implementation review and when:

Approvals

	Project Leader	Business Analyst / Accountant	IS Manager	General Manager / CIO	CFO if over $200,000	CEO
Name	Grant Lee	Rory O'Donnell	Scott Brown	Geoff King	Andrew McCurdie	Derek Wright
Signature						
Date		17/11/17	20/11/17	20/11/2017		

Expenditure Overrun Approval:

Reason for overrun	$ requested	Approved by	Date
1			
2			

(1) Bus case review only

Finance Monitoring

MEMORANDUM TO THE BOARD
24 JANUARY 2018

AGENDA ITEM 7.1

FINANCE REPORT

Purpose	For information.

The financial result summary is attached for the Board's review.

Please note that it is an abridged version without the usual balance sheet section.

Recommendation
THAT
The Board receives the report.

ANDREW MCCURDIE
CHIEF FINANCIAL OFFICER

WAIKATO DISTRICT HEALTH BOARD

YEAR TO DATE FINANCIAL COMMENTARY - ABRIDGED

Waikato DHB Group Result for December 2017	Year to Date			Group Budget
	Group Actual $m	Group Budget $m	Variance $m	Jun-18 $m
Funder	10.8	19.5	(8.7) U	34.0 F
Governance	0.1	0.1	0.0 F	0.2 F
Provider	(15.7)	(23.0)	7.3 F	(44.7) U
Waikato Health Trust	(0.2)	0.1	(0.3) U	0.5 F
DHB Surplus/(Deficit)	**(5.0)**	**(3.3)**	**(1.7) U**	**(10.0) U**
Note: $ F = favourable variance; ($) U = unfavourable variance				

VOLUMES

December 2017 YTD	Episodes			CWDS		
Acute	Actual	Plan	Variance %	Actual	Plan	Variance %
Surgical & CCTVS	8,730	8,906	-2.0%	15,041	15,235	-1.3%
Medicine & Oncology	9,125	8,332	9.5%	10,875	10,093	7.7%
Child Health	5,009	4,914	1.9%	3,614	3,298	9.6%
Women's Health	4,382	4,764	-8.0%	2,462	2,517	-2.2%
	27,246	26,916	1.2%	31,992	31,143	2.7%

December 2017 YTD	Episodes			CWDS		
Elective	Actual	Plan	Variance %	Actual	Plan	Variance %
Surgical & CCTVS	7,465	7,859	-5.0%	10,860	11,161	-2.7%
Medicine & Oncology	342	542	-36.9%	259	316	-18.1%
Child Health	346	380	-9.0%	286	344	-16.7%
Women's Health	551	595	-7.5%	513	582	-11.9%
	8,704	9,376	-7.2%	11,918	12,403	-3.9%

Total Acute plus Electives	**35,950**	**36,292**	**-0.9%**	**43,910**	**43,546**	**0.8%**

December 2017 YTD	Actual	Prior year	Variance
ED Attends	58,435	55,307	5.7%

MONTHLY COMMENTS

This report includes commentary on current year to date performance for the Waikato DHB Group compared to the budget.

Delivery Plan Performance

We are making good progress on getting to a point of clarity re overall Planned volumes for future years in order to allow for more meaningful volume variance analysis and extrapolation into related cost variance analysis. Please note that whilst we have a detailed Price Volume Schedule as our key planned volume document, the level of detail here is not conducive to organisation wide analysis. In addition, a number of aspects require conversion in order to derive an organisation activity measure, such as caseweight equivalents for emergency department events and non caseweighted bed days. In addition, to be meaningful, we will accrue a caseweighted equivalent for patients not yet discharged at each month end – particularly relevant for long stay patients. Once we have this in place at both a planned and actual level, we will be able to better explain volume variances as well as average length of stay variances and the mix impact between planned and actual.

Financial Performance Monthly Comment:

For December 2017 we have an unfavourable YTD variance to budget of $1.7m. However this result includes $1.4m one off favourable variances so a normalised result is $3.1m unfavourable. Furthermore, $16.9m of the centrally held savings plan, which contains high risk initiatives, is phased in the budget to take effect over the balance of the year.

Provider:

The Provider is favourable to budget $7.3m - see detail for explanations. Variances include:

1. Revenue $14.9m favourable to budget due mainly to the incorrect phasing of internal budgeted revenue (timing difference, eliminates against Funder), a favourable acute volume variance, IDF in and the reimbursement of NOS costs.
2. Employed personnel costs favourable to budget $8.9m.
3. Outsourced Personnel costs unfavourable $7.3m, the dominant variances relate to medical locums ($3.2m partly offset by savings in medical personnel costs), nursing personnel ($1.0m) and Management and Administration $3.0m ($1.9m NOS costs recovered in other government revenue).
4. Outsourced Services favourable $2.2m.
5. Clinical supplies unfavourable to budget $4.1m.
6. Infrastructure & Non Clinical supplies are unfavourable to budget $7.0m.
7. Interest, depreciation and capital charge unfavourable to budget $0.3m.

Funder and Governance:

The results for the Funder is $8.7 unfavourable to budget. This mainly as a result of the incorrect phasing of the internal payments budget (timing difference, eliminates against Provider). This is partially offset by higher additional funding received across a number of areas. Governance is on budget.

Waikato Health Trust

The result for the Waikato Health Trust is unfavourable to budget mainly due to unfavourable grants variance arising from increased grants paid against budget assumptions.

RECOMMENDATION(S):

That this report for December 2017 year to date be received.

ANDREW McCURDIE
CHIEF FINANCIAL OFFICER

WAIKATO DISTRICT HEALTH BOARD
YEAR TO DATE FINANCIAL COMMENTARY

Opinion on Group Result:		
The Waikato DHB YTD Variance resulted from:	**Variance $m**	**Impact on forecast**
Revenue	**$6.6 F**	
CFA Revenue		
● CFA revenue $0.7m favourable to budget which includes increased funding from MoH for In Between Travel ($0.2m current year, $0.3m prior year) and other targeted initiatives ($0.2m F).	$0.7 F	Neutral
Crown Side-Arm Revenue		
Side-arm contracts revenue is close to budget	$0.2 F	Neutral
Other Government and Crown Agencies Revenue		
Other Government and Crown revenue is favourable to budget mainly due to:		
● Reimbursement of costs associated with the implementation of National Oracle Solution (NOS) $1.9m favourable (offset in Outsourced Personnel)	$5.6 F	Neutral
● ACC income $0.2m favourable which includes increases in income as a result of a change to a new annual contract.		
● Return to Employment project income $0.3m unfavourable due to lower referrals from MSD for enrolment. This variance is offset by lower outsource, clinical supplies and infrastructure costs.		
● Inter District Flow (IDF) income from other DHBs $2.0m (2.9%) favourable. High volume specialities compared to budget for the year to date include haematology, cardiothoracic, neurosurgery, and neonatal.		
● Inter District Flow (IDF) income relating to 2016/17 $1.8m favourable. This as a result of the annual wash up of IDF activity across all DHBs. The final adjustment is not known until coding of all activity across all DHBs is completed. This variance is partly offset by an unfavourable variance on the IDF outflow wash up ($0.8m), which is included in NGO payments.		Favourable
Other Revenue		
Other revenue is close to budget.	$0.1 F	Favourable

The Waikato DHB YTD Variance resulted from:	Variance $m	Impact on forecast
Operating expenditure including IDCC	**($8.3) U**	
Personnel (employees and outsourced personnel total)	**$1.5 F**	
Employed personnel are favourable to budget mainly due to:	$8.8 F	Neutral
● Medical costs are favourable to budget by $5.4m. This includes a higher than expected vacancy level, partly offset by an unfavourable annual leave movement for the year to date. This favourable variance is partly offset by outsourced personnel unfavourable variance.		
● Nursing costs are unfavourable to budget by $0.6m. This variance, along with the unfavourable outsourced personnel cost for nursing, is due to higher patient numbers entering ED (5.7% above plan), and a higher level of mental health inpatient services and acuity. An unfavourable annual leave movement for the year to date and higher than budget overtime are both offsetting vacancies.		
● Allied Health costs are favourable to budget by $1.0m. Variances continue to be mainly as a result of higher than expected vacancy levels. The net favourable variance of $0.9m between employed and outsourced for allied health reflects the total level of vacancy across the provider. This net variance is 2.3% of total allied health personnel budget to date.		
● Management, Administration and Support costs are favourable to budget by $3.0m. Variances are spread across the DHB including clinical support, and are mainly as a result of higher than expected vacancy levels. Partially offset in Outsourced Personnel ($0.7m).		
Outsourced personnel are unfavourable to budget mainly due to:		
● Medical personnel $3.2m unfavourable due to higher than planned use of locums to cover vacancies (offset by medical personnel underspend). This is mainly across Waikato Hospital, Community Hospitals, and Mental Health and Addiction.	($7.3) U	Neutral
● Nursing personnel $1.0m unfavourable. As for employed nursing personnel this is due to higher patient numbers entering ED (5.7% above plan), and higher level of mental health inpatient services and acuity and higher than budgeted patient watches.		
● Allied health $0.1m unfavourable. The net favourable variance of $0.8m between employed and outsourced for allied health reflects the total level of vacancy across the provider. This net variance is 2.2% of total allied health personnel budget to date.		
● Management, Administration and Support costs are $3.0m unfavourable largely due to contractor costs of $2.3m for the implementation of the new NOS ERP solution (to date $1.9m of this cost is offset by additional other government revenue) and $0.7m to cover management, administration and support vacancies (offset in favourable employed personnel variance).		

The Waikato DHB YTD Variance resulted from:	Variance $m	Impact on forecast
Outsourced services	**$2.2 F**	
Outsourced services are favourable to budget mainly due to:		
● Outsourced clinical service costs are $1.9m favourable as facility lists run through external providers did not reach full capacity. This is reflected in total elective episodes being 7.2% below plan, despite in house throughput being to plan. There continues to be a recovery plan in place to meet the elective services target.	$2.2 F	Neutral
● Outsourced corporate service costs are $0.3m favourable to budget due mainly to a delay in commencing Information Systems outsourcing including a new national IS infrastructure.		
Clinical Supplies	**($4.1) U**	
Clinical supplies are unfavourable to budget mainly due to:		
● Instruments & equipment - favourable to budget by $0.4m. These particular supplies are not volume related, and instead the variance is due to timing of ordering.	$0.4 F	Neutral
● Implants & prosthesis are on budget.	$0.0 F	Neutral
● Treatment disposables - unfavourable to budget by $2.7m (9.0% of budgeted costs). High cost areas include theatres (mix including high cost specialities of orthopaedics and neurosurgery), renal costs (renal dialysis 8% up on plan), and respiratory patient costs (case weights 10% up on plan).	($2.7) U	Unfavourable
● Pharmaceuticals - unfavourable to budget by $1.9m. Relates mainly to $1.4m unbudgeted increase in oncology drug costs. The initial Pharmac forecast included a lower usage assumption for new melanoma drugs. The variance includes a favourable offset of $0.3m in December due to a rebate adjustment for the increase in costs in 2017/18.	($1.7) U	Unfavourable
● Pharmaceuticals rebate adjustment relating to 2016/17 $0.2m favourable to budget. This is a wash up amount relating to prior year costs that we were notified of in December 17.		Favourable
● Diagnostic Supplies & Other Clinical Supplies are close to budget.	($0.1) U	Unfavourable
Infrastructure and non-clinical supplies	**($7.0) U**	
● Infrastructure and non clinical supplies - $0.8m favourable variance as a result of delays in moving in to new buildings. The net variance includes ongoing additional costs due to extended leases in existing buildings.	($7.0) U	Neutral
● Savings plan - $7.8m unfavourable variance in infrastructure relates to centrally held savings plan not specifically allocated. We continue to monitor closely actual savings achieved across the organisation.		

The Waikato DHB YTD Variance resulted from:	Variance $m	Impact on forecast
NGO Payments	**($0.6) U**	
External Provider payments are unfavourable to budget mainly due to:		
● Payments to providers are $0.5m unfavourable. This includes $2.1m relating to the under accrual of the 2016/17 Community Pharmaceutical washup. There is a partial offset in payments, the largest being mental health providers being favourable to budget by $1.3m due to a delay in commencement of a NGO contract. Other variances arise due to timing, with payments not matching CFA revenue received. The most significant of these arrangements continues to be for PHO system level measure capability.	($0.6) U	Neutral
● IDF out payments for the 2017/18 are $0.7m favourable. This relates mainly to lower volumes for personal health services.		
● IDF out payments for 2016/17 are $0.8m unfavourable. As for IDF in receipts, this relates to the annual wash up of IDF activity across all DHBs. This final adjustment is not known until coding of all activity across all DHBs is completed. Variance is offset by a favourable variance on the IDF inflow wash up ($1.8m), which is included in Other Government and Crown Agencies Revenue.		
Interest, depreciation and capital charge	**($0.3) U**	
Interest charge is close to budget	$0.1 F	Favourable
Capital charge is close to budget	($0.1) U	Unfavourable
Depreciation is close to budget	($0.3) U	Unfavourable

WAIKATO DISTRICT HEALTH BOARD (EXCLUDING WAIKATO HEALTH TRUST)
CASHFLOW FORECAST (GST INCLUSIVE) $000

As at 31-Dec-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
OPERATING ACTIVITIES													
Cash was provided from:													
MoH, DHB, Govt Revenue	5,262	4,340	4,116	4,340	4,116	4,564	4,228	6,764	4,708	4,366	5,843	4,594	4,468
Funder inflow (MoH, IDF, etc)	136,228	126,652	126,652	130,766	125,096	125,096	129,776	130,880	130,880	135,560	130,880	130,880	135,750
Donations and Bequests	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income (excluding interest)	2,290	2,527	2,297	2,527	2,297	2,757	2,412	2,642	2,757	2,412	2,642	2,642	2,297
Rents, ACC, & Sector Services	2,619	2,592	2,504	2,681	2,514	2,761	2,651	2,733	2,816	2,641	2,756	2,814	2,654
	146,399	136,110	135,568	140,314	134,023	135,178	139,066	143,018	141,161	144,979	142,121	140,930	145,169
Cash was applied to:													
Personnel Costs (incl PAYE)	(43,442)	(52,926)	(46,826)	(43,592)	(43,472)	(49,034)	(45,462)	(44,506)	(57,168)	(44,310)	(50,008)	(46,224)	(53,755)
Other Operating Costs	(34,018)	(29,100)	(28,000)	(34,200)	(30,400)	(36,433)	(34,300)	(32,426)	(31,824)	(33,122)	(29,024)	(32,226)	(31,317)
Funder outflow	(49,597)	(46,027)	(45,373)	(49,659)	(45,599)	(46,617)	(45,700)	(46,808)	(50,807)	(46,148)	(47,037)	(46,808)	(45,818)
Interest and Finance Costs	(2)	(10)	(10)	(10)	(10)	(10)	(10)	(20)	(10)	(20)	(13)	(11)	(11)
Capital Charge	(18,641)	0	0	0	0	0	(18,711)	0	0	0	0	0	(18,711)
GST Payments	0	(14,510)	(9,000)	(7,325)	0	(15,210)	(7,210)	(7,210)	(7,210)	(7,210)	(7,210)	(7,210)	0
	(145,699)	(142,573)	(129,209)	(134,786)	(119,481)	(147,304)	(151,394)	(130,971)	(147,020)	(130,811)	(133,292)	(132,480)	(149,613)
OPERATING ACTIVITES	**700**	**(6,463)**	**6,359**	**5,528**	**14,541**	**(12,126)**	**(12,327)**	**12,048**	**(5,859)**	**14,169**	**8,828**	**8,450**	**(4,444)**
INVESTING ACTIVITIES													
Cash was provided from:													
Interest Income	264	75	90	90	90	90	90	75	75	75	75	75	75
Sale of Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
	264	75	90	90	90	90	90	75	75	75	75	75	75
Cash was applied to:													
Purchase of Assets	(3,384)	(2,000)	(5,000)	(5,000)	(5,500)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Investment in NZHPL (Finance project)	0	0	0	0	0	0	0	0	0	0	0	0	0
	(3,384)	(2,000)	(5,000)	(5,000)	(5,500)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
INVESTING ACTIVITIES	**(3,119)**	**(1,925)**	**(4,910)**	**(4,910)**	**(5,410)**	**(4,910)**	**(4,910)**	**(4,925)**	**(4,925)**	**(4,925)**	**(4,925)**	**(4,925)**	**(4,925)**
FINANCING ACTIVITIES													
Cash was provided from :													
Capital Injection	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from NZHPL	122,818	8,388	0	0	0	14,462	16,831	0	8,210	0	0	0	9,369
Finance Lease received	0	0	0	0	2,600	2,600	2,600	2,600	2,600	0	0	0	0
EECA loan received	0	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
	122,818	8,388	0	0	2,600	17,062	19,431	2,600	10,810	0	0	0	9,369
Cash was applied to:													
Capital Repayment	0	0	0	0	0	0	(2,194)	0	0	0	0	0	0
Transfer to NZHPL	(120,398)	0	(1,424)	(617)	(11,731)	0	0	(9,723)	0	(9,243)	(3,903)	(3,500)	0
Finance Lease repaid	0	0	0	0	0	0	0	0	0	0	0	0	0
EECA loan repaid	0	0	(26)	0	0	(26)	0	0	(26)	0	0	(26)	0
	0	0	0	0	0	0	0	0	0	0	0	0	0
	(120,398)	0	(1,450)	(617)	(11,731)	(26)	(2,194)	(9,723)	(26)	(9,243)	(3,903)	(3,526)	0
FINANCING ACTIVITIES	2,420	8,388	(1,450)	(617)	(9,131)	17,036	17,237	(7,123)	10,784	(9,243)	(3,903)	(3,526)	9,369
Opening cash balance	0	0	0	0	0	0	0	0	0	0	0	0	0
Overall increase/(decrease) in cash	0	0	(1)	0	0	(1)	0	0	0	0	0	(1)	0
CLOSING CASH BALANCE	0	0	0	0	0	0	0	0	0	0	0	0	0
Closing Cash Balance represented by:													
General Accounts													
Cheque Account	0	0	0	0	0	0	0	0	0	0	0	0	0
Funder Account	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment funds/(loan)													
NZ Health Partnerships Ltd (NZHPL)	12,758	4,370	5,793	6,411	18,142	3,680	(13,152)	(3,429)	(11,638)	(2,395)	1,509	5,008	(4,361)
Long-term Loans													
Finance Leases	0	0	0	0	(2,600)	(5,200)	(7,800)	(10,400)	(13,000)	(13,000)	(13,000)	(13,000)	(13,000)
EECA Loan	(221)	(221)	(195)	(195)	(195)	(169)	(169)	(169)	(143)	(143)	(143)	(117)	(117)
	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	12,537	4,149	5,598	6,216	15,348	(1,689)	(21,121)	(13,998)	(24,781)	(15,537)	(11,634)	(8,109)	(17,478)
LOANS AVAILABLE													
Working capital facility (NZHPL)	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(66,968)	(66,968)	(66,968)	(66,968)	(66,968)	(66,968)
	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(65,655)	(66,968)	(66,968)	(66,968)	(66,968)	(66,968)	(66,968)

CAPITAL EXPENDITURE AT 31 December 2017 ($000s)

Capital Plan					Cash Flow Forecast					Full Project Forecast		
Activity	Total Prior year Board Approvals	New Approvals FY17/18	Transfers During 17/18	Total Board Approved Capital Plans	Prior year expenditure for active Projects	Total Expenditure Forecast FY 17/18 (Actual + Planned)	Actual Expenditure YTD from 1 Jul-17 to 31 Dec 17	Approved and Planned Expenditure 01 Jan 18 - 30 Jun 18	Approved and Planned Spend Subsequent Years	Total Planned Expenditure (Actual + Forecast to Project completion)	Total Planned Expenditure Versus Total Board Approved	Commitments
Under $50K Subtotal		3,000		3,000		3000	1,058	1,942	0	3,000	0	860
Clinical Equipment Subtotal	16,859	20,354	697	37,910	6,929	16,748	4,477	12,271	12,389	36,066	1,844	3,582
Property & Infrastructure Subtotal	41,058	7,732	-697	48,093	15,632	19,750	7,602	12,148	10,326	45,708	2,385	2,066
IS Subtotal	19,539	7,729	109	27,377	8,274	14,272	2,779	11,493	3,218	25,764	1,613	1,935
Corporate Systems & Processes Subtotal	3,822	8,325	0	12,147	450	2,510	2,671	-161	6,525	9,485	2,662	115
Regional Subtotal	9,419	798	-109	10,108	270	9,838	4,005	5,833	0	10,108	0	43
MOH Subtotal	0	0	0	0	0	0	0	0	0	0	0	0
Trust Funded Subtotal	0	0	0	0	0	0	0	0	0	0	0	4
Savings to be manged during 17/18 approval process						-11,061		-11,061		-11,061	11,061	
REPORT TOTALS	90,697	47,938	0	138,635	31,555	55,056	22,591	32,465	32,458	119,069	19,567	8,606

Waikato DHB
CAPITAL EXPENDITURE AT 31 December 2017 ($000s)

Activity	Total Budget	Total Spend to Date	Planned Future Spend	Under/ (over) Spend
CLINICAL EQUIPMENT				
Echo Ultrasound Machine Replacement / Portable	600	599	-	2
CT Machine Replacement Waikato x3	3,553	2,172	1,381	0
CT Machine Replacement Waikato x1	725	73	652	(0)
Cytogenetics Digital Imaging system	800	333	467	0
PCA Pumps (Biomed)	500	421	79	-
Combi Diagnost Fluoroscopy Unit	619	603	-	16
Ventilators (Critical Care)	400	-	400	-
Endoscopes	300	-	300	-
Replacement Theatre Lights OT 20-25	286	45	241	(0)
Glucose meters	275	-	275	-
Other items - identfied per Clinical asset review	781	-	781	-
New MCC Theatre (Ceasar Theatre) - clinical equipment components	1,313	7	1,306	0
Mobile Dental Unit Replacements - level 2	600	-	600	-
X-ray mobile (Taumarunui)	300	-	300	-
X-ray mobile (Te kuiti)	300	-	300	-
X-ray mobile (Thames)	300	-	300	-
X-ray mobile (Tokaroa)	300	-	300	-
Bed Replacement Programme	400	-	400	-
Digital Mobile X-Ray	600	-	600	-
X-ray general (Radiology ED Room 1)	350	-	350	-
X-ray general (Radiology MCC Room 5)	350	-	350	-
Mobile Image Intensifier - Waikato	300	-	300	-
Microscope - Platics- Plastics Theatre	300	-	300	-
Linear Accelerator (replacement)	4,000	-	4,000	-
Anaesthetic machine - Aisys Carestation	380	-	380	-
Heart Lung Machines	680	-	680	-
Vascular & Interventional Replacement	1,750	-	1,750	-
General X-Ray replacement Thames	700	-	700	-
Biochemistry main Analysers	300	-	300	-
Liquid Chromatography Mass Spectometry Analyser	600	-	600	-
Rural Laboratories - biochemistry Analysers (x4)	720	-	720	-
Ultrasound (replacement)	825	-	825	-
Trauma Gantry (radiology)	350	-	350	-
Projects Removed to be capitalised & Capitalised Projects	6,856	6,800	-	56
Other Clinical Services Projects Budgeted <$250K	9,497	1,411	6,315	1,771
Clinical Equipment Subtotal	40,910	12,464	26,602	1,844
Property and Infrastructure				
Mental Health Facility - scoping	606	155	451	0
Multi level carpark 3 or 4 levels (related to Mental health / Med school)	250	-	250	-
Gallagher Build - Fitout	4,238	3,923	315	0
Gallagher Building - Med Store & CSES Clinic	406	402	4	(0)
Gallagher Building - Racking System	362	450	-	(88)
Gallagher Building - Converyor System	348	351	-	(3)
SCEP racking - hospital wide	400	-	400	-
Hamilton Consolidation of CBD facilities - 9th Floor	894	894	-	-
Hamilton CBD - Collingwood Street Development - Ground Floor (Clinical)	9,124	1,213	7,911	(0)
Hamilton CBD - Collingwood Street Development - First Floor	5,584	57	5,527	(0)
ED - Reconfiguration of entry / Front of House (Potential substitution for ED Expansion)	400	-	400	-
Menzies L3 development (Potential substitution for ED Expansion)	450	-	450	-
Pain Clinic to L8 Menzies (Potential substitution for ED Expansion)	450	-	450	-
Hilda Ross - Remediation	3,683	2,333	889	461
Regional Renal expansion on Campus (Is equipment on Clinical Plan??)	550	-	550	-
Hague road carpark - Seismic and Beam support	375	-	375	-
Urology to L8 Menzies	320	6	314	0
Tokoroa & Taumarunui Birthing Unit Upgrades (Stage 1 17/18)	300	-	300	-
Waikato Hauora iHub	250	25	225	(0)
Waikato switchboard upgrades core buildings	675	7	667	0
Infrastructure Replacement Pool (17/18)	510	71	408	31
Infrastructure Replacement Pool (15/16)	600	709	13	(122)
Infrastructure Replacement Pool (16/17)	641	175	25	441
OCB Replacements	350	-	350	1
Waikato Distribution Boards	250	213	37	(0)
Lift car upgrades (Stage 1)	1,835	2,059	-	(224)
Electrical Systems Improvement	6,714	5,969	745	0
Food & Nutrition Software	921	26	895	0
Projects Removed to be capitalised	3,147	3,174	-	(27)
Projects no longer in flight with expenditure	274	274	-	(0)
Other P&I Projects Budgeted <$250K	3,186	657	2,455	73
Property & Infrastructure Subtotal	48,093	23,234	22,474	2,385
Regional				
HSL - eSpace Programme	4,885	2,773	2,112	0
National Oracle Solution / Elevate	4,399	1,502	2,897	0
Other Regional Projects Budgeted <$250K	824	-	824	-
Regional Subtotal	10,108	4,275	5,833	0
MOH & Trust Funded				
National Patient Flow Phase 3	377	246	131	0
Telestroke Pilot	449	49	272	128
16/17 Trust Account	303	303	-	(0)
Other MOH & Trust Funded Projects Budgeted <$250K	(1,129)	(598)	(403)	(128)
MOH & Trust Subtotal	0	(0)	-	0
Information Systems				
Platform	2,688	343	2,345	(0)
Storage & Reporting	1,125	366	759	(0)
Network & Communications	3,735	1,639	2,113	(17)
IAAS	1,686	588	1,097	1
Devices	2,253	405	1,848	0
Licensing	1,154	217	937	-
Enterprise Service Business	937	203	735	(1)
Tools	3,324	1,495	1,844	(15)
Security	817	98	718	1
Clinical Systems	6,862	3,443	3,434	(15)
Other Projects	844	431	334	79
CORPORATE SYSTEMS & PROCESSES	12,147	3,121	6,364	2,662
Projects to be Capitalised	1,952	1,822	-	130
IS Savings required			(1,452)	1,452
IS Subtotal	39,524	14,173	21,075	4,275
Savings to be managed during 17/18 approval process			(11,061)	11,061
Grand total	**138,635**	**54,146**	**64,923**	**19,567**

WAIKATO DISTRICT HEALTH BOARD
EXECUTIVE TRAVEL
DECEMBER 2017

Travel costs include airfare, accommodation, taxis/shuttles and meals. Travel relating to training or conferences do not include the event registration fees.

Travel charges originating from the WDHB travel agent (Tandem Travel) are processed one month in arrears once data is available. In addition, the agent takes an average of 45 days to charge pass on costs such as accomodation. For this reason, costs reflected in this report may relate to prior months' travel.

Travel costs - Executive Group	Month			Year to Date			
Dec-17	Domestic $	International $	TOTAL $	Domestic $	International $	TOTAL $	Comment
AYDON LYDIA HELEN MS	389.13		389.13	610.70		610.70	
AITKEN VICKI ANN	-		-	34.78		34.78	
CHRYSTALL MAUREEN MS	-		-	422.49		422.49	
ELLIOTT LORAINE	316.69		316.69	316.69		316.69	
HABLOUS NEVILLE MR	-		-	557.25		557.25	Detail below
HACKETT DARRIN MR	-		-	126.35		126.35	
HAYWARD SUSAN MRS	-		-	2,041.07	3,144.68	5,185.75	Training related $2,779
LAWRENSON ROSS PROF	-		-	353.63		353.63	
MALONEY TANYA	-		-	1,904.42	1,264.17	3,168.59	Int travel Melbourne - Hardy Learning Sets Course
MURRAY NIGEL MR	-		-	6,478.89	(499.90)	5,978.99	Detail below
NEVILLE MAUREEN MS	-		-	711.09		711.09	
PARADINE BRETT MR	63.48		63.48	312.26		312.26	
STRAITON,DONNA MAREE	-		-	52.16		52.16	
SPITTLE MARK MR	-		-	108.70		108.70	
TER BEEK MARC MR	-		-	607.67		607.67	
TOMIC DAMIAN MR	-		-	2,585.24		2,585.24	
WATSON TOM MR	426.72		426.72	1,292.58		1,292.58	
WILSON JULIE MS	686.49		686.49	2,906.05		2,906.05	
WOLSTENCROFT IAN	-		-	146.96		146.96	
WRIGHT DEREK MR	86.08		86.08	207.82	63.48	271.30	Detail below
Taxi	-		-	350.63		350.63	Largely N Murray
Grand Total	1,968.59	-	1,968.59	22,127.43	3,972.43	26,099.86	

CE Travel Expenditure: Nigel Murray

Travel charges for the year to 31 December 2017				
Date(s)	Cost ($) (exc GST)	Purpose	Nature	Location
8 to 12 April 2017	1,084.40	CEO activity	Accommodation 4 nights	Auckland
20 to 23 April 2017	940.12	Meetings with officials and organisations re Waikato Med School	Accommodation, 3 nights	Wellington
27 April to 1 May 2017	275.70	Cairns - Waikato Med School, Sydney - Theatres/surgical performance	Accommodation, 1 night	Sydney
7 to 9 May 2017	430.09	Waikato Medical School	Accommodation, 2 nights	Wellington
18 to 20 May 2017	330.68	Speaker - Healthcare Reform conference	Accommodation, 2 nights	Wellington
14 to 15 June 2017	744.86	Presentation Medical School to DHB Chairs/CEs	Airfare (return), accommodation, 1 night	Wellington
25 to 26 June 2017	1,433.59	Meeting with Lance O'Sullivan re Smarthealth	Airfare (return), accommodation, 3 nights	Kaitaia
2 to 4 May 2017	665.31	Meetings re Smarthealth (2/5) and Medical School (3/5)	Accommodation, 2 nights	Auckland
25 to 26 May 2017	478.05	Procurement meeting 25/5, Pharmac 26/5, returned late to Auckland	Accommodation, 2 nights	Auckland
Aug 2017	(403.81)	Corrections from Tandem Travel	Airfares - corrections to original charges Sept 16	Sydney
	5,978.99			

Acting CE Travel Expenditure Neville Hablous

Travel charges for the year to 31 December 2017				
Date(s)	Cost ($) (exc GST)	Purpose	Nature	Location
7 Sept 2017	**557.25**	National DHB CE meeting	Airfare (return)	Wellington

Interim CE Travel Expenditure Derek Wright

Travel charges for the year to 31 December 2017				
Date(s)	Cost ($) (exc GST)	Purpose	Nature	Location
October YTD	115.65	Prior to CE appointment	Prior to CE appointment	
November 2017	69.57	Upgrade ticket	Nga Tumanako Conference	
December 2017	86.08	DHB CE Meeting & MoH DG Health	Meetings	Wellington
	271.30			

Presentations

MEMORANDUM TO THE BOARD
24 JANUARY 2017

AGENDA ITEM 8.1

MANAGEMENT OF PERSONAL INFORMATION REQUESTS

Purpose	For information and discussion.

The Board has requested information about the DHB's approach and process for responding to requests for personal (health) information. Requests for personal health information held in the DHB's clinical records generally come under the Privacy Act 1993 and the Health Information Privacy Code 1994.

A presentation will be given covering the following topics about the requests for general clinical records, this excludes Mental Health record requests which are processed by the Mental Health service:

- The legislation covering privacy and personal health information.
- Types of requests received by the Clinical Records team.
- The process for responding to personal information requests for general clinical records.

Recommendation
THAT
The Board receives the report.

MARC TER BEEK
EXECUTIVE DIRECTOR OPERATIONS AND PERFORMANCE

MARILYN HUNT
MANAGER CLINICAL RECORDS

MEMORANDUM TO THE BOARD
24 JANUARY 2018

AGENDA ITEM 8.2

THE OFFICIAL INFORMATION ACT 1982

Purpose	For information and discussion.

The Board has requested information about the DHB's approach to requests for information made pursuant to the Official Information Act 1982.

A presentation will be given covering:

- The purpose and principles of the Official Information Act 1982;
- How we are performing - scrutiny by external agencies;
- Detail on how individuals can make information requests together with information on how these are processed internally.

Recommendation
THAT
The Board receives the report.

CAROLYN GARDNER
CORPORATE SOLICITOR

Papers for Information

Papers for Information: No reports.

Next Board Meeting: 28 February 2018.