Auckland DHB Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(2,561)</td>
<td>(3,582)</td>
<td>1,021</td>
<td>(6,247)</td>
</tr>
<tr>
<td>Provider</td>
<td>(31,690)</td>
<td>(29,301)</td>
<td>(2,389)</td>
<td>(37,068)</td>
</tr>
<tr>
<td>Funder</td>
<td>8,117</td>
<td>5,935</td>
<td>2,182</td>
<td>23,298</td>
</tr>
</tbody>
</table>

DHB Consolidation  
(26,133) (26,948) 815 (20,017)

Capital
Total Capital Expenditure  
(11,192) (16,972) 5,780 (29,089)
Total Equity Injections  
608 0 608 (35,000)

Key Performance Indicators
Total Full Time Equivalents (FTEs)  
7,291 7,370 (79) 7,366
Case Weighted Daypatient Discharges  
9,348 9,101 247 15,681
Case Weighted Inpatient Discharges  
49,536 51,875 (2,339) 89,380

Introduction
Auckland DHB reported a consolidated deficit of $26.1M, that was $0.8M favourable to plan YTD. ADHB’s revised DAP has been submitted to the Ministry following Board approval, and the DHB is confident it will deliver the revised deficit of $20M.
The results YTD are considered conservative as there have been delays in WIES coding. ADHB is currently addressing the issue in an effort to better match costs with revenue in the month of trading.
No calls on equity are planned or forecast for the remainder of the current financial year. An equity repayment is planned for later this financial year following a lower deficit and greater use of long term finance sources.

Governance Results
The Governance arm reported a deficit of $2.6M, that was $1M favourable to plan YTD. The favourable variance is as a result of reduced management FTE, the unbudgeted recovery of salaries from Southland DHB and reduced communications expenditure.

Provider Results
The Provider arm reported a deficit of $31.7M, that was $2.4M unfavourable to plan YTD. The unfavourable result can be attributed to lower revenue, offset by lower personnel costs and lower infrastructure costs.
Total personnel costs are favourable to plan by $3.7M (total FTEs are 1.1% favourable to plan), however this is more than offset by the unfavourable variance in Outsourced services ($6.0M). The favourable personnel expenditure includes the overall savings required to reach the $20M deficit.
Case-weighted discharges are 3.4% unfavourable to plan and this is reflected in a favourable variance in clinical supplies expenditure ($4.5M).
Calls on cash and borrowing are down on plan due to a lower deficit, greater use of short term creditors and lower capital spending than planned.

Funder Results
The Funder arm reported a surplus of $8.1M, that was $2.2M favourable to plan YTD. The favourable variance is primarily as a result of the six monthly wash up of IDF Funding flows, and in particular the transfer of Cardiology services from the Central Region.

Capital Expenditure
Capital expenditure is $5.8M below plan YTD, primarily in the Information Systems area ($5.6M). The delay in implementing the projects is primarily a resource problem and may lead to an annual underspend of the capital budget.
Bay of Plenty DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(1,621)</td>
<td>(346)</td>
<td>(1,275)</td>
<td>(663)</td>
</tr>
<tr>
<td>Provider</td>
<td>2,810</td>
<td>1,552</td>
<td>1,258</td>
<td>663</td>
</tr>
<tr>
<td>Funder</td>
<td>3,226</td>
<td>3,199</td>
<td>27</td>
<td>(1,039)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>4,415</td>
<td>4,405</td>
<td>10</td>
<td>(1,039)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(35,627)</td>
<td>(37,848)</td>
<td>2,221</td>
<td>(66,100)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>0</td>
<td>7,600</td>
<td>(7,600)</td>
<td>17,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>2,028</td>
<td>2,084</td>
<td>(56)</td>
<td>2,084</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>2,189</td>
<td>2,093</td>
<td>96</td>
<td>3,593</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>13,906</td>
<td>14,815</td>
<td>(909)</td>
<td>25,400</td>
</tr>
</tbody>
</table>

Introduction
Bay of Plenty DHB reported a consolidated surplus of $4.4M, that was in line with the YTD plan. The DHB is forecasting an expected surplus of $0.3M at the end of the 06/07 year, compared to its approved cyclical deficit of $1.0M.

Governance Results
The Governance arm reported a deficit of $1.6M, that was $1.3M unfavourable to plan YTD. The unfavourable variance is primarily a result of overpayments on Professional Fees and Interest Charges.

Provider Results
The Provider arm reported a surplus of $2.8M, that was $1.3M favourable to plan YTD. Case weighted discharges are 4.8% unfavourable to plan, and clinical supplies are marginally less than planned ($0.4M). FTEs are 56 below plan, mostly in Allied Health and Medical staff, and personnel expenditure is 1% favourable to plan. Outsourced services reflect an unfavourable variance of $3.5M, mainly in Medical and Clinical Services. Locum costs remain an area of concern for the DHB.

Funder Results
The Funder arm reported a surplus of $3.2M, that was in line with the YTD plan. Revenue exceeds budget YTD by $6.4M, which is offset by payments to Personal Health and Mental Health reflecting unfavourable variances of $5.1M and $1.9M respectively. Payments for DSS are $0.7M less than planned.

Capital Expenditure
Capital expenditure is currently $2.2M below plan YTD, however this is due to timing delays and no annual underspend is indicated at this stage.
Canterbury DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(1,621)</td>
<td>(346)</td>
<td>(1,275)</td>
<td>(663)</td>
</tr>
<tr>
<td>Provider</td>
<td>2,810</td>
<td>1,552</td>
<td>1,258</td>
<td>663</td>
</tr>
<tr>
<td>Funder</td>
<td>3,226</td>
<td>3,199</td>
<td>27</td>
<td>(1,039)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>4,415</td>
<td>4,405</td>
<td>10</td>
<td>(1,039)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(35,627)</td>
<td>(37,848)</td>
<td>2,221</td>
<td>(66,100)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>0</td>
<td>7,600</td>
<td>(7,600)</td>
<td>17,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>2,028</td>
<td>2,084</td>
<td>(56)</td>
<td>2,084</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>2,189</td>
<td>2,093</td>
<td>96</td>
<td>3,593</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>13,906</td>
<td>14,815</td>
<td>(909)</td>
<td>25,400</td>
</tr>
</tbody>
</table>

Introduction
Canterbury DHB reported a consolidated deficit of $3.7M, that was $0.5M favourable to plan YTD.
The net result for the month of January was a deficit of $0.7M, $0.1M unfavourable to plan.
The YTD plan for 2006/07 projects a deficit of $2.5M relating to the spending of the prior year's surplus. The surplus due to the early payment of settlement funding for wage increases.

Governance Results
The Governance arm reported a surplus of $0.3M, that was $0.3M favourable to plan YTD.
The favourable variance was driven by favourable revenue of $0.3M to plan.

Provider Results
The Provider arm reported a deficit of $4.9M, that was $0.8M unfavourable to plan YTD.
Revenue reported was $10.9M favourable to plan, driven by higher to plan ACC revenue for spinal services and DSS revenue from Brackenridge Estate, a subsidiary which earns additional revenue from day programs.
Expenditure reported was $11.7M unfavourable to plan.
Personnel costs were $4.3M unfavourable to plan with all categories of personnel costs (eg medical and nursing) unfavourable except management and administration, which was favourable to plan.
Outsourced services were $0.8M unfavourable driven by outsourced medical personnel required for staff shortages, for example house surgeon vacancies have needed to be filled by more expensive locums due to a sector shortage.
Clinical supplies were $0.8M unfavourable to plan across a number of expense categories and driven by pharmaceuticals being $3.2M unfavourable to plan, but off set by treatment disposables being $4.1M favourable to plan. The unfavourable variance in clinical supplies represents an improvement on the previous months variance due to lower electives during the holiday period.
Infrastructure costs were $5.8M unfavourable to plan driven by favourable variances in IT &Telecoms and interest and financing charges.
YTD FTEs were 266 FTEs below plan (4.1%) and YTD CWDs were 4.9% favourable to plan. FTEs below plan are due to staff on annual leave and not backfilled. The favourable CWDs are in part due to medical volumes being higher than planned.

Funder Results
The Funder arm reported a surplus of $0.9M, that was $0.9M favourable to plan YTD.
Revenue was $24.0M favourable to plan, off set by expenditure being $23.1M unfavourable to plan, which was driven by a $20.0M unfavourable variance in personal health.

Capital Expenditure
Capital expenditure was $1.3M above plan ($2.4M above plan Dec YTD - the slow down in January being due to reduced work over the holiday period on the Burwood Hospital Stage II redevelopment).
Capital & Coast DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(369)</td>
<td>(363)</td>
<td>(6)</td>
<td>(606)</td>
</tr>
<tr>
<td>Provider</td>
<td>(5,531)</td>
<td>2,355</td>
<td>(7,886)</td>
<td>13,646</td>
</tr>
<tr>
<td>Funder</td>
<td>2,812</td>
<td>(0)</td>
<td>2,812</td>
<td>(1)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>(3,089)</td>
<td>1,992</td>
<td>(5,080)</td>
<td>13,040</td>
</tr>
</tbody>
</table>

**Capital**

| Total Capital Expenditure | (54,262) | (48,640) | (5,621) #|
| Total Equity Injections   | 0        | 9,999    | (9,999)  |

**Key Performance Indicators**

| Total Full Time Equivalents (FTEs) | 3,768 | 3,694 | 74 | 3,715 |
| Case Weighted Daypatient Discharges | 2,823 | 2,269 | 554 | 4,086 |
| Case Weighted Inpatient Discharges | 22,733 | 22,575 | 218 | 38,302 |

**Introduction**

Capital & Coast DHB reported a consolidated deficit of $3.1M, that was $5.1M unfavourable to plan YTD. In discussions with CCDHB the MOH has been advised that the full year plan has been revised to a forecast break even position which includes the sale of surplus land for an estimated $13.0M.

**Governance Results**

The Governance arm reported a deficit of $0.4M, that was in line with plan.

**Provider Results**

The Provider arm reported a deficit of $5.5M, that was $7.9M unfavourable to plan YTD.

Revenue reported is $3.2M unfavourable to plan. A significant contributor to this variance is other recoveries revenue which is $2.9M unfavourable to plan due to initiatives not achieved eg; IDF targets not achieved in medical and surgical services.

Expenditure reported is $4.7M unfavourable to plan. Personnel costs and outsourced services costs were unfavourable to plan by $1.5M and $2.8M respectively, both driven by overspends in medical and nursing personal costs. Clinical supplies were $1.0M unfavourable to plan driven by treatment disposables being $1.5M unfavourable to plan but offset in part by pharmaceuticals being $0.8M favourable to plan.

Infrastructure costs were $0.6M favourable to plan driven by favourable to plan variances in facilities and IT & communications but offset by other operating expenses.

YTD FTEs are 74 FTEs or 2% above plan. YTD CWDs are 3% above plan in part reflecting the increased FTEs and unfavourable Provider arm expenditure.

**Funder Results**

The Funder arm reported a surplus of $2.8M, that was $2.8M favourable to plan YTD.

Revenue reported was $9.9M favourable to plan driven by MOH devolved funding.

Expenditure reported was $7.1M favourable to plan driven by expenditure in personal health and DSS.

**Capital Expenditure**

Capital expenditure YTD is $5.6M above plan due to greater New Regional expenditure to the phased plan for 2006/07. The variance will not have any effect on the final New Regional total expenditure.
Counties Manukau DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(1,250)</td>
<td>(1,503)</td>
<td>253</td>
<td>(1,362)</td>
</tr>
<tr>
<td>Provider</td>
<td>687</td>
<td>(982)</td>
<td>1,669</td>
<td>(1,295)</td>
</tr>
<tr>
<td>Funder</td>
<td>(2,109)</td>
<td>(1,516)</td>
<td>(593)</td>
<td>(3,324)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>(2,672)</td>
<td>(4,001)</td>
<td>1,329</td>
<td>(5,981)</td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capital Expenditure</td>
<td>(22,075)</td>
<td>(31,871)</td>
<td>9,796</td>
<td>(59,000)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Key Performance Indicators

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>3,966</td>
<td>3,987</td>
<td>(21)</td>
<td>3,996</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>5,363</td>
<td>4,218</td>
<td>1,145</td>
<td>7,733</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>28,811</td>
<td>28,310</td>
<td>501</td>
<td>51,835</td>
</tr>
</tbody>
</table>

Introduction

Counties Manukau DHB reported a consolidated deficit of $2.7M, that was $1.3M favourable to plan YTD.

Governance Results

The Governance arm reported a deficit of $1.3M, that was $0.3M favourable to plan YTD. Revenue was $0.4M favourable to plan with interest income exceeding plan. Costs were $0.1M unfavourable.

Provider Results

The Provider arm reported a surplus of $0.7M, that was $1.7M favourable to plan YTD. Revenue was $4.6M unfavourable to plan with Ministry funding $2.9M unfavourable, 3rd party revenue $2.4M unfavourable and other government revenue $0.7M favourable. Costs were $6.3M favourable to plan. Personnel costs were $2.8M favourable to plan and outsourced service costs were $3.2M favourable to plan. The discrepancies thrown up by comparing the "old" system and the "new" system of counting FTEs means the Consolidated FTEs showing a total of 21 FTEs favourable to plan does not reflect the favourable expenditure that support the DHB's commentary which states there are ongoing vacancies in Medical, Nursing and Allied Health. Clinical supplies costs were $2.1M unfavourable to plan with the major unfavourable variance being $1.6M in Treatment disposables reflected greater patient turnover than planned. Case weighted inpatient discharges were 501 favourable to plan and Daypatient discharges were 1,145 favourable to plan. Infrastructure costs were $2.4M favourable to plan with depreciation $2.5M favourable to plan. Depreciation claims are significantly favourable to plan on Buildings and Plant ($0.6M favourable) and IT ($1.7M favourable).

Funder Results

The Funder arm reported a deficit of $2.1M, that was $0.6M unfavourable to plan YTD. Revenue was $5.6M favourable to plan and costs were $6.2M unfavourable to plan. Government funding was $7.4M favourable and IDF revenue was $1.8M unfavourable. Personal Health costs were $7.8M unfavourable accounting for the increased Ministry funding. The net variance between increased funding for 45-64 year old pharmaceutical supplies and the actual costs incurred is unfavourable by $1.1M. This unfavourable variance is partially offset by YTD favourable variances on costs incurred by DSS ($0.6M) and Mental Health ($1.5M) providers.

Capital Expenditure

Capital expenditure of $22.1M is $9.8M or 30% below plan YTD. Stage 2 of the Core Consolidation project is nearing completion and final charges.
Introduction
Hawke's Bay DHB reported a consolidated deficit of $2.7M, that was $1M favourable to plan YTD. A favourable result has been achieved through extensive vacancies being carried in the Provider arm, active cost containment, and reduced financing costs. These favourable aspects were tempered by a delay in achieving Community Referred Labs proposed savings, volume related cost increases primarily for pharmaceuticals and diagnostic supplies and increased costs related to the new patient transport policy.

Governance Results
The Governance arm reported a surplus of $0.8M, that was $0.8M favourable to plan YTD. The favourable variance results from vacancies being carried, and expenditure on Democracy costs being less than planned.

Provider Results
The Provider arm reported a deficit of $2.6M, that was $1.3M favourable to plan YTD. The favourable result is due to:
- PSA settlement funding being passed on to the Provider (the costs were budgeted, but the revenue was not),
- lower interest charges due to an agreement to defer non-essential capital expenditure and debt reduction,
- total personnel costs are $0.3M less than planned with vacancies being carried in Nursing, Allied Health and Support personnel,
- outsourced costs are in line with plan, and
- a reduction in IT costs.
Case-weighted discharges are 9.8% favourable to plan, and this is reflected in an unfavourable variance in clinical supplies ($0.2M). Total FTEs for the DHB are 2.0% below plan, and this is also reflected in Personnel costs (2.8% favourable to plan).

Funder Results
The Funder arm reported a deficit of $0.9M, that was $1.1M unfavourable to plan YTD. The unfavourable variance is due to additional home based support volumes, and a delay in achieving the Community Referred Labs

Capital Expenditure
Capital expenditure is currently $1.5M below plan YTD due to the DHB delaying capital projects to save on depreciation and interest charges.
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(7)</td>
<td>(4)</td>
<td>(3)</td>
<td>0</td>
</tr>
<tr>
<td>Provider</td>
<td>(892)</td>
<td>(324)</td>
<td>568</td>
<td>(1,978)</td>
</tr>
<tr>
<td>Funder</td>
<td>1,287</td>
<td>682</td>
<td>605</td>
<td>1,978</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>388</td>
<td>354</td>
<td>34</td>
<td>0</td>
</tr>
</tbody>
</table>

**Capital**

| Total Capital Expenditure | (5,912) | (6,008) | 96       | (14,378) |
| Total Equity Injections   | 307     | 0       | 307      | 0        |

**Key Performance Indicators**

- **Total Full Time Equivalents (FTEs)**: 1,454, 1,635, (181), 1,629
- **Case Weighted Daypatient Discharges**: 1,431, 1,391, 40, 2,360
- **Case Weighted Inpatient Discharges**: 8,087, 8,085, 2, 13,850

**Introduction**

Hutt Valley DHB reported a consolidated surplus of $0.4M, that was consistent with plan YTD.

**Governance Results**

The Governance arm reported a breakeven result that was consistent with plan.

**Provider Results**

The Provider arm reported a deficit of $0.9M, that was $0.6M unfavourable to plan YTD.

Revenue was $1.0M favourable to plan. Government revenue was $0.4M favourable to plan, Other Government revenue was $0.3M favourable, Other Third Party revenue was $0.2M favourable and Inter DHB revenue was $0.1M favourable to plan. Additional revenues were received from maternity fees covering Lead Maternity Carers and for laser treatment for patients of DHBs outside the Central region.

Expenditure was $1.6M unfavourable to plan. Personnel expenditure was $0.4M unfavourable to plan, with Medical $0.3M unfavourable, Nursing $0.5M unfavourable, Support $0.1M unfavourable, Allied Health $0.1M favourable and Management/Admin $0.4M favourable.

FTEs were 181 favourable to plan at the end of January with main favourable variances in Nursing personnel (43), Allied Health (82) and Management/Administration (50).

Outsourced staff costs were $1.1M unfavourable to plan with outsourced Medical costs $0.7M unfavourable to plan, outsourced Nursing $0.2M unfavourable, outsourced Management $0.1M unfavourable and outsourced Clinical services $0.1M unfavourable. Outsourced medical personnel costs covered Locum doctor costs for vacancies and Annual Leave.

Demand for services over the Christmas/New Year period was strong after annual leaves had been approved, so during a period when FTEs were down and penal rates were high the demand for outsourced services was also high. The impact on personnel costs is now past peak so is not expected to remain at these high levels.

Clinical supplies costs were $0.5M unfavourable to plan with Treatment disposables unfavourable to plan by $0.6M, offset by Instruments and equipment costs $0.1M favourable.

Case weighted YTD inpatient discharges were 2 favourable to plan and daypatient discharges were 40 favourable to plan.

Infrastructure costs were $0.4M favourable to plan. Depreciation costs were $0.5M favourable to plan due to delayed commissioning of the MRI scanner, of Buildings, and of IT equipment.

**Funder Results**

The Funder arm reported a surplus of $1.3M, that was $0.6M favourable to plan YTD.

Revenue was $9.3M favourable to plan. In addition to increased Ministry funding that was $8.7M favourable to plan and IDF revenue $0.3M favourable to plan, revenue from private specialists lab tests was $0.3M favourable to plan.

Expenses were $8.7M unfavourable to plan. Increases in pharmaceutical, dental and general medical costs were lower than anticipated, but offset by higher than expected costs for PHO payments and IDF payments.

**Capital Expenditure**

Capital Expenditure was $0.1M below plan reflecting delays in commissioning of the MRI scanner and investments in other assets.
Introduction
Lakes DHB reported a consolidated deficit of $0.6M, that was $1.6M favourable to plan YTD.

Consolidated YTD revenue was $2.5M favourable to plan partially offset by an unfavourable expenditure ($0.9M).

A surplus of $0.3M was recorded for January, compared to a $1.0M planned deficit.

Governance Results
The Governance arm reported a surplus of $0.1M, that was $0.1M favourable to plan YTD.

Provider Results
The Provider arm reported a deficit of $1.6M, that was $1.5M unfavourable to plan YTD.

The monthly result was break-even in line with plan.

Provider arm revenue was $0.6M favourable to plan and expenditure was $2.1M unfavourable to plan.

Favourable revenue variances occurred in: ACC ($0.9M) and Personnel Health ($0.4M). This was partially offset by unfavourable variances, the most significant being Internal Revenue ($0.5M) and Patient Sourced ($0.1M).

Unfavourable variances occurred in a number of expense categories including Outsourced Medical ($3.0M). Favourable variances included Medical Personnel ($1.0M) and IT Systems & Telecommunications ($0.3M).

Clinical Supply cost were $0.4M (3.8%) unfavourable to plan. Total YTD case weights were 2.6% below plan.

Total FTEs were 51 less than plan including staffing in: Medical(16), Allied Health(6) and Management/Admin(23). This is in line with an apparent trend across the sector where personnel vacancies necessitate the use of locums, which is noted as being a more expensive option. This was reflected in the net Medical Personnel and Outsourced Services unfavourable variance of $2.0M.

Funder Results
The Provider arm reported a deficit of $1.6M, that was $1.5M unfavourable to plan YTD.

The monthly surplus was $0.4M, compared to a $0.3M deficit plan.

Total YTD revenue was $0.9M favourable to plan, due to additional Ministry funding.

Total YTD expenditure was $2.0M favourable to plan.

Capital Expenditure
Lakes DHB reported YTD capital expenditure of $3.6M, that was $0.5M above plan.
MidCentral DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(789)</td>
<td>(607)</td>
<td>182</td>
<td>0</td>
</tr>
<tr>
<td>Provider</td>
<td>(4,039)</td>
<td>(522)</td>
<td>3,517</td>
<td>(456)</td>
</tr>
<tr>
<td>Funder</td>
<td>5,834</td>
<td>(368)</td>
<td>6,202</td>
<td>(1,000)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>1,006</td>
<td>(1,497)</td>
<td>2,503</td>
<td>(1,458)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(10,998)</td>
<td>(9,863)</td>
<td>(1,135)</td>
<td>(16,908)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Key Performance Indicators
- Total Full Time Equivalents (FTEs): 1,986 (1,969) 17 (1,936)
- Case Weighted Daypatient Discharges: 2,399 1,096 1,303 1,910
- Case Weighted Inpatient Discharges: 10,111 10,267 (156) 17,894

Introduction
MidCentral DHB reported a consolidated surplus of $1.0M, that was $2.5M favourable to plan YTD.

Consolidated revenue was $16.6M (7.2%) favourable, with expenditure $14.1M unfavourable.

The consolidated monthly deficit was $0.7M, compared to a planned deficit of $0.5M.

Governance Results
The Governance arm reported a deficit of $0.8M, that was $0.2M unfavourable to plan YTD.

Provider Results
The Provider arm reported a deficit of $4.0M, that was $3.5M unfavourable to plan YTD.

There was a $1.9M deficit result in January, compared to a planned $1.3M surplus.

Provider arm revenue was $7.1M favourable to plan and expenditure was $10.6M unfavourable to plan.

Favourable revenue variances occurred in: Patient Sourced ($6.4M), Disability Support Services ($5.3M) and Internal Revenue ($1.4M). This

Unfavourable variances occurred in most expenditure categories, the most significant being in Personnel costs ($5.7M) and Infrastructure costs ($2.6M). Clinical supply costs were $1.4M (7.4%) unfavourable to plan, reflecting the higher than planned throughput. Total YTD case weights were 10.1% above plan.

The DHB has a number of financial sustainability projects in the Provider arm to review costs. These will be completed as soon as possible.

Total FTEs were 17 more than plan, primarily reflecting the variance in nursing staff (22) favourable and management staff (6) unfavourable.

Funder Results
The Funder arm reported a surplus of $5.8M, that was $6.2M favourable to plan YTD.

The arm had a monthly surplus result of $2.8M compared to a $1.0M deficit plan.

Funder arm YTD revenue was $10.3M favourable to plan, due to additional Ministry funding.

YTD expenditure was $4.1M unfavourable to plan, primarily represented by extra personal health spending.

Capital Expenditure
MidCentral DHB reported capital expenditure of $11.0M, that was $1.1M above plan YTD.

The building project in the Horowhenua is well underway, the project is tracking to be completed in June 2007.
Nelson Marlborough DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(55)</td>
<td>(102)</td>
<td>47</td>
<td>(173)</td>
</tr>
<tr>
<td>Provider</td>
<td>2,110</td>
<td>(257)</td>
<td>2,367</td>
<td>769</td>
</tr>
<tr>
<td>Funder</td>
<td>3,923</td>
<td>(2,425)</td>
<td>6,348</td>
<td>(4,156)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>5,978</td>
<td>(2,784)</td>
<td>8,762</td>
<td>(3,559)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(6,635)</td>
<td>(14,304)</td>
<td>7,669</td>
<td>(21,688)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>324</td>
<td>0</td>
<td>324</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>1,641</td>
<td>1,685</td>
<td>(44)</td>
<td>1,685</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>2,259</td>
<td>1,492</td>
<td>767</td>
<td>2,898</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>7,043</td>
<td>7,187</td>
<td>(144)</td>
<td>12,139</td>
</tr>
</tbody>
</table>

**Introduction**

Nelson Marlborough DHB reported a consolidated surplus of $6M, that was $8.8M favourable to plan YTD.

Total income was $4.9M favourable to plan, which included a $1.6M favourable variance for Other Income (67%) and $2.3M for MoH Devolved Income.

Total expenditure was $3.9M favourable to plan. The major cause was lower than planned Personnel Costs, although the savings were partly offset by additional Outsourcing Costs.

**Governance Results**

The Governance arm reported a deficit of $0.1M, that was in line with plan.

**Provider Results**

The Provider arm reported a surplus of $2.1M, that was $2.4M favourable to plan YTD.

The surplus was achieved despite lower than planned revenue, while Internal revenue was $3.4M under plan.

Expenditure savings included the following: Wairau Site Development $0.9M, PSA pay jolt $0.5M, phasing of the Mental Health Plan $0.8M, and Mental Health Wash-up $0.7M. Personnel Costs were $4.7M favourable to plan. The variance is expected to reduce with the settlements of both the SMO and RMO collective contracts that have expired. The variance will be further reduced with the employment of additional staff. The favourable variance in nursing costs of $0.7M is expected to reduce with the settlement of the MECA collective agreement due to expire on 1 Jan 2007. Allied Health Costs were $2.0M under plan due to staff numbers being 27 FTEs less than planned. Management staff costs were $0.7M favourable YTD.

Total Clinical Supply Costs and Infrastructure Costs were in line with plan.

**Funder Results**

The Funder arm reported a surplus of $3.9M, that was $6.3M favourable to plan YTD.

Funder revenue was $2.9M favourable to plan including $2.2M for PHO top-up. Funder payments were $3.4M favourable to plan, mostly due to a delay in starting new initiatives in all service areas, plus the wash-up for year to date Mental Health service provision.

**Capital Expenditure**

Capital expenditure was $7.6M below plan YTD. This is a timing issue as the budget being spread equally for all months, rather than phased according to the projects.
Introduction
Northland DHB reported a consolidated surplus of $1.5M, that was $1.5M favourable to plan YTD.

Governance Results
The Governance arm reported a break even YTD net result in line with plan.

Provider Results
The Provider arm reported a surplus of $0.5M, that was $0.5M favourable to plan YTD.

Revenue was favourable to plan by $3.5M. The favourable variance reflecting increased internal revenue received from the Funder arm of $3.7M, a flow on effect of increased MOH devolved funding in the Funder arm.

Expenditure was $3.0M unfavourable to plan across all categories of expenses; personnel costs, outsourced services and clinical supplies with the exception of infrastructure costs. Medical personnel costs were favourable to plan by $1.6M but offset by medical outsourced personnel costs which were $1.8M unfavourable to plan. The offset reflects the ongoing issue of unavailable specialist staff for far North (Kaitaia) and Bay of Islands Hospitals.

FTEs were 109, or 6.3% below plan. CWDs were 11% ahead of plan. The high YTD CWDs reflect the highest ever acute presentations. NDBH has also committed itself to higher throughput for elective CWDs than planned in the DAP due to initiatives presented by the Minister.

Funder Results
The Funder arm reported a surplus of $1.0M, that was $1.0M favourable to plan YTD.

Revenue was $6.3M favourable to plan, driven by increased MOH devolved funding to plan.

Expenditure was $5.3M unfavourable to plan reflecting the increased revenue.

Capital Expenditure
Capital expenditure at $6.1M was $1.0M above plan. Buildings and plant account for $1.5M of the variance and clinical equipment $0.9M. This overspend to plan is driven by ongoing payments for the Kaitaia Hospital redevelopment and Whangarei Hospital redevelopment. The overspend is offset by IT capex which is $1.4M below than plan.
Otago DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(349)</td>
<td>(60)</td>
<td>(290)</td>
<td>0</td>
</tr>
<tr>
<td>Provider</td>
<td>5,449</td>
<td>(701)</td>
<td>6,150</td>
<td>(48)</td>
</tr>
<tr>
<td>Funder</td>
<td>1,506</td>
<td>(308)</td>
<td>1,813</td>
<td>(2,206)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>6,605</td>
<td>(1,069)</td>
<td>7,675</td>
<td>(2,254)</td>
</tr>
</tbody>
</table>

**Capital**

| Total Capital Expenditure   | (4,506) | (5,400) | 895     | (9,900) |
| Total Equity Injections     | 0       | 0       | 0       | 0       |

**Key Performance Indicators**

| Total Full Time Equivalents (FTEs) | 2,296 | 2,301 | (5) | 2,333 |
| Case Weighted Daypatient Discharges | 1,527 | 1,620 | (93) | 2,777 |
| Case Weighted Inpatient Discharges  | 14,691 | 14,738 | (47) | 25,265 |

**Introduction**

Otago DHB reported a consolidated surplus of $6.6M, that was $7.7M favourable to plan YTD.

Total Revenue was $3.1M favourable to plan, including MoH Personnel Health $2.4M favourable and Other Income $1.2M favourable. Total Costs were $4.6M favourable mainly due to savings in Instruments and Equipment $1.1M, IT Systems $2.1M and Provider payments being favourable to plan by 1.7M. These savings were partly offset by increased legal costs.

**Governance Results**

The Governance arm reported a deficit of $0.3M, that was $0.3M unfavourable to plan YTD.

This was due to Professional Fees and Expenses being $0.3M above plan.

**Provider Results**

The Provider arm reported a surplus of $5.4M, that was $6.2M favourable to plan YTD.

Total revenue was $2.9M favourable to plan. Internal revenue and Other Income were favourable to plan, $2.9M and $1.1M respectively.

Total expenditure was $3.3M favourable to plan. Slightly higher than planned costs of $0.3M in Personnel and $0.3M in Outsourcing, were more than offset by savings in Instruments and Equipment $1.1M and IT System Costs $2.1M. The additional personnel costs related to provisioning for the unsettled ASMS agreement. The unfavourable outsourcing costs are in line with the sector average.

Staff numbers are in line with plan. Total case weights are 140 or 0.9% below plan.

**Funder Results**

The Funder arm reported a surplus of $1.5M, that was $1.8M favourable to plan YTD.

Total Funder Revenue is $3.0M favourable to plan mainly due to additional MoH Devolved Funding revenue. Of the additional revenue $1.2M was passed on to providers, with the remaining $1.8M creating a favourable variance to plan.

Additional expenditure occurred in pharmaceuticals $3.1M and price adjusters and premiums $1.2M. These were partly offset by lower than planned expenditure for Labs $1.0M and residential care: hospitals $1.3M

**Capital Expenditure**

Capital expenditure is 16% below plan YTD.
Introduction
South Canterbury DHB reported a consolidated deficit of $0.9M, that was $1.5M favourable to plan YTD.

Consolidated revenue was $2.2M favourable to plan, with expenditure $0.7M unfavourable to plan.

January recorded a monthly break even result that was $0.4M favourable to plan.

Governance Results
The Governance arm reported a deficit of $0.1M, that was $0.3M unfavourable to plan YTD.

Provider Results
The Provider arm reported a deficit of $1.4M, that was $0.3M favourable to plan YTD.

The January monthly result was a $0.4M deficit, that was equal to plan.

Revenue was $0.1M favourable to plan and expenditure was $0.2M favourable to plan YTD.

Personnel costs were $2.0M favourable to plan and Outsourced Services $1.8M unfavourable to plan.

FTEs were 12 below plan with notable favourable variances in Medical (15), Allied (13), Management (8) personnel. There were unfavourable variances in Nursing (19) and Support Services (5).

Clinical supplies expenditure was $0.2M (3.5%) unfavourable to plan, reflecting the higher than planned throughput. Total case weights were 89 (1.9%) favourable to plan.

Funder Results
The Funder arm reported a surplus of $0.6M, that was $1.4M favourable to plan YTD.

The arm had a monthly surplus result of $0.3M compared to a break even plan.

Revenue was $1.8M favourable to plan due to additional Ministry funding.

Expenditure was $0.4M unfavourable to plan, the primary variances were Mental Health ($0.3M) favourable and DSS ($0.6M) unfavourable.

Capital Expenditure
South Canterbury DHB reported YTD capital expenditure of $1.2M, that was $0.9M below plan YTD. The variance
Southland DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(241)</td>
<td>27</td>
<td>(268)</td>
<td>0</td>
</tr>
<tr>
<td>Provider</td>
<td>(2,962)</td>
<td>(4,424)</td>
<td>1,462</td>
<td>(6,821)</td>
</tr>
<tr>
<td>Funder</td>
<td>5,046</td>
<td>3,684</td>
<td>1,362</td>
<td>6,397</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>1,843</td>
<td>(712)</td>
<td>2,555</td>
<td>(424)</td>
</tr>
</tbody>
</table>

**Capital**
- Total Capital Expenditure: (1,247) (1,460) 213 (3,160)
- Total Equity Injections: (11) 0 (11) 0

**Key Performance Indicators**
- Total Full Time Equivalents (FTEs): 932 956 (24) 963
- Case Weighted Daypatient Discharges: 1,037 992 46 1,700
- Case Weighted Inpatient Discharges: 6,237 6,098 139 10,453

**Introduction**
Southland DHB reported a consolidated surplus of $1.8M, that was $2.6M favourable to plan YTD.
Total revenue was $3.9M favourable, due to additional MoH Devolved Revenue for PHOs.
Total expenditure was $1.3M unfavourable in part due to increased PHO payments.

**Governance Results**
The Governance arm reported a deficit of $0.2M, that was $0.3M unfavourable to plan YTD.
There were additional costs for regional and national work including salaries, legal and travel.

**Provider Results**
The Provider arm reported a deficit of $3M, that was $1.5M favourable to plan YTD.
Total Provider revenue was $0.5M favourable to plan due to additional internal revenue.
Almost all Personnel costs were favourable to plan including medical $1.1M favourable, Allied Health $0.6M favourable and Nursing $0.5M favourable. The savings resulted from FTE numbers being less than planned. Consequently locum costs were higher than planned with medical costs $1.1M unfavourable.
Clinical Supplies were $1.0M unfavourable YTD, including Pharmaceuticals $0.6M unfavourable and Other Clinical Supplies $0.3M unfavourable. Case-weighted discharges were 185 (2.6%) favourable to plan.
Infrastructural Costs were $0.9M favourable including Facilities $0.5M favourable.

**Funder Results**
The Funder arm reported a surplus of $5M, that was $1.4M favourable to plan YTD.
Funder Revenue was $3.9M favourable due to higher than planned MoH devolved funding.
Provider payments were $2.5M higher than planned including $1.9M for Personal Health and $0.7M for Disability Support services.

**Capital Expenditure**
Year to date capital expenditure was slightly below plan ($0.2M).
Tairawhiti DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>35</td>
<td>(5)</td>
<td>40</td>
<td>0</td>
</tr>
<tr>
<td>Provider</td>
<td>(646)</td>
<td>35</td>
<td>(680)</td>
<td>(88)</td>
</tr>
<tr>
<td>Funder</td>
<td>(229)</td>
<td>113</td>
<td>(341)</td>
<td>(275)</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>(839)</td>
<td>141</td>
<td>(981)</td>
<td>(363)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(1,189)</td>
<td>(1,811)</td>
<td>622</td>
<td>(3,066)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>(7)</td>
<td>0</td>
<td>(7)</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>578</td>
<td>617</td>
<td>(39)</td>
<td>617</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>484</td>
<td>576</td>
<td>(92)</td>
<td>978</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>3,398</td>
<td>3,461</td>
<td>(63)</td>
<td>5,875</td>
</tr>
</tbody>
</table>

Introduction
Tairawhiti DHB reported a consolidated deficit of $0.8M, that was $1M unfavourable to plan YTD.
The ability to attract and retain clinical staff remains an issue, as the cost of Outsourced services continues to escalate.
Whilst liquidity remains satisfactory, it is lower than desirable and it is not expected that any significant improvement will come from internally generated funds.
TDHB is forecasting a deficit for the year of $2.0M, against the planned $0.4M deficit.

Governance Results
The Governance arm result was in line with the breakeven plan.

Provider Results
Provider arm reported a deficit of $0.6M, that was $0.7M unfavourable to plan YTD.
Personnel costs are marginally over plan (2.0%), mostly in medical and nursing staff, due to proposed savings not yet achieved, due to the longer timeframes required to action service changes. FTEs are currently 6.3% below plan. The average cost per FTE is currently $5,000 more than planned, however this denotes that conservative planning data was utilised, as the actual costs are inline with the rest of the sector.
Outsourced services are unfavourable to plan (26.9%), partly due to the cost of additional locums to provide extra clinics and operating sessions to improve performance against ESPI's, and partly due to the escalating costs of outsourcing. In addition, higher than expected use of outsourced diagnostic services continued.
Clinical supplies remain high, driven mostly by the high cost of blood products, immunosuppression (cancer control) drugs and higher than planned costs of Air Ambulance transfers.
Case weighted discharges are below plan (3.8%).

Funder Results
Funder arm reported a deficit of $0.2M, that was $0.3M unfavourable to plan YTD.
The unfavourable result was due primarily to the Personal health fee for service expenditure demand being higher than planned.

Capital Expenditure
Capital expenditure is $0.6M below plan YTD, however there are committed expenditures including the commissioning of an EWIS, costs of replacing the medical air compressors, and upgrades to desktop computers still to be covered.
Taranaki DHB
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(137)</td>
<td>1</td>
<td>(138) 6</td>
<td>6</td>
</tr>
<tr>
<td>Provider</td>
<td>(729)</td>
<td>(144)</td>
<td>(585) 6</td>
<td>6</td>
</tr>
<tr>
<td>Funder</td>
<td>341</td>
<td>(869)</td>
<td>1,210 (885)</td>
<td></td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>(525)</td>
<td>(1,012)</td>
<td>487 (873)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>(2,398)</td>
<td>(2,421)</td>
<td>23 (4,150)</td>
<td></td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>177</td>
<td>0</td>
<td>177 0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>1,140</td>
<td>1,206</td>
<td>(66) 1,206</td>
<td></td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>938</td>
<td>896</td>
<td>42 1,536</td>
<td></td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>7,237</td>
<td>7,028</td>
<td>209 12,049</td>
<td></td>
</tr>
</tbody>
</table>

**Introduction**

Taranaki DHB reported a consolidated deficit of $0.5M, that was $0.5M favourable to plan YTD.

**Governance Results**

The Governance arm reported a deficit of $0.1M, that was $0.1M unfavourable to plan YTD.

**Provider Results**

The Provider arm reported a deficit of $0.7M, that was $0.6M unfavourable to plan YTD.

Revenue was $1.8M favourable to plan. Ministry funding was $1.7M favourable to plan and ACC revenues were $0.1M favourable to plan.
Costs were $2.4M unfavourable to plan.
Personnel costs were $0.3M unfavourable to plan. Medical costs were $0.4M favourable to plan, Allied Health costs were $0.1M favourable to plan, Management / Admin costs were $0.1M favourable to plan and Nursing was $0.9M unfavourable to plan.
FTEs were 66 favourable to plan with Medical staff 5 favourable, Nursing 14 favourable, Allied Health 16 favourable, Support 2 unfavourable and Management / Admin 33 favourable. Nursing costs are inflated by the accumulation of Christmas / New Year penalty costs plus the salary costs of duty nurses.
Outsourced services were $1.4M unfavourable to plan reflecting locum costs of Medical at $0.8M unfavourable and Clinical at $0.6M unfavourable.
Clinical supplies costs were $1.1M unfavourable to plan. Treatment disposables costs were $0.7M unfavourable to plan.
YTD Case Weighted Inpatient discharges were 209 favourable to plan and Daypatient discharges were 42 unfavourable to plan.
Infrastructure costs were $0.4M favourable to plan.

**Funder Results**

The Funder arm reported a surplus of $0.3M, that was $1.2M favourable to plan YTD.
Revenue was $3.5M favourable to plan with additional government funding provided for personal health services.
Funder arm costs were $2.3M unfavourable to plan.
DSS costs are $0.3M unfavourable to plan and the trend is expected to continue throughout the year.
Mental Health cost are $0.4M favourable to plan which is considered a timing issue.
Personal Health costs are $2.4M unfavourable to plan with timing issues associated with the provision of increased services partially offset by the costs of Community Pharmaceuticals which are increasing at a higher rate than anticipated.

**Capital Expenditure**

Capital expenditure was $2.4M as planned. Cash Balances and cash flow movements were as planned.
Introduction
Waikato DHB reported a consolidated surplus of $6.5M, that was $5.5M favourable to plan YTD.
Total revenue was $14.0M favourable, with expenditure $8.5M unfavourable.

The unfavourable Provider arm variance of $4.3M is more than offset by the Funder arm favourable variance of $8.3M. Within the Provider arm, case weights are unfavourable by 14.0% for the month and are running behind plan by 9.2% YTD. This is in part due to a closure of a theatre for refurbishment over the Christmas period, which was not factored into the plan. FTEs are also less than plan by 10.7%. The lower case weights has resulted in lower inpatient revenue allocated internally to the Provider arm, which contributes, in part, to a surplus in the Funder and a deficit in the Provider arm.

Governance Results
The Governance arm reported a surplus of $0.6M, that was $1.6M favourable to plan YTD.
Internal Revenue was $1.2M or 60% greater than planned. The DHB are working to a different plan from that supplied to the Ministry. They Governance expenditure was $0.4M favourable, including a favourable variance of $0.2M for personnel costs.

Provider Results
The Provider arm reported a deficit of $2.8M, that was $4.3M unfavourable to plan YTD.
Revenues reflect a favourable variance of $1.2M, primarily from Government sources ($4.6M) and Non-government revenue ($1.7M). Internal revenue is $5.1M unfavourable reflecting lower than planned throughput.
Expenses record unfavourable variances across Outsourced Services ($4.4M), Clinical Supplies ($2.5M), and Infrastructure Costs ($1.0M) while Personnel costs are $2.4M favourable to budget.
Leave taking in January was higher than planned resulting in a favourable variance in Personnel costs.
The outsourced services reflect locums and other external services utilised to fill vacancies created by the lower FTEs. All staffing categories reflect unfavourable variances. Medical has a $2.2M unfavourable variance. Other Outsourced Services report unfavourable variances with Outsourced Clinical Services being $0.9M unfavourable.
Within Clinical Supplies reporting of Treatment Disposables shows the highest variance, unfavourable $2.5M. This includes the impact of higher blood prices and the new payments methodology for haemophilia patients where there is an offset through increased revenue.
Infrastructure costs include the impact of increased property revaluations on capital charge ($1.0M).

Funder Results
The Funder arm reported a surplus of $8.7M, that was $8.3M favourable to plan YTD.
Revenues reflect favourable variances totalling $9.3M; increased GP funding for over 45's was the major cause.
Expenses reflect unfavourable variances totalling $1.0M; again this reflects additional GP funding for over 45's.

Capital Expenditure
Capital expenditure is below plan, primarily due to timing of the campus project which is commencing later than planned. This includes a delay at Thames Hospital due to an environmental report of the Thames Coromandel District identifying a flood risk which required a modification to the building design.
Introduction

Wairarapa DHB reported a consolidated deficit of $0.4M, that was $0.4M unfavourable to plan YTD.

Consolidated revenue was $2.5M favourable to plan, with expenditure $2.9M unfavourable to plan.

The monthly result was break even in line with plan.

Governance Results

The Governance arm reported a break even position in line with plan.

Provider Results

The Provider arm reported a deficit of $0.4M, that was $0.4M unfavourable to plan YTD.

Provider arm revenue was $1.0M favourable to plan, due mainly to increased Internal Revenue, DSS and ACC receipts.

Provider expenditure was $1.4M unfavourable to plan. Notable unfavourable variances occurred in Nursing Personnel ($0.5M), Allied Health Personnel ($0.2M), Outsourced Medical Personnel ($0.8M), and Hotel Services Laundry & Cleaning ($0.2M).

High outsourced costs were due to difficulties in attracting and retaining permanent medical staff resulting in higher than expected locum costs. This is in line with the apparent trend across the sector where personnel vacancies necessitate the use of locums, which is noted as being a more expensive option.

Total FTEs are 4 below plan. Notable unfavourable variances are in Medical (7), Management/Administration (7), with a favourable variance in Nursing Personnel (12).

Total case weights were 56 (2.0%) favourable to plan YTD. Clinical supplies expenditure reflected throughput, with a break even position in line with plan.

Funder Results

The Funder arm reported a surplus of $0M, that was $0M favourable to plan YTD.

The Funder arm reported a break even position in line with plan.

Revenue was $1.6M favourable to plan and expenditure $1.6M unfavourable to plan. The favourable revenue variance is the result of additional Ministry funding.

Capital Expenditure

Wairarapa DHB reported YTD capital expenditure of $2.4M, that was $1.5M above plan YTD. The primarily variance was in buildings, being expenditure to complete the hospital building project.
**Waitemata DHB**

**Financial Performance Summary Year to Date**

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>(758)</td>
<td>(332)</td>
<td>(426)</td>
<td>(572)</td>
</tr>
<tr>
<td>Provider</td>
<td>(6,280)</td>
<td>(6,699)</td>
<td>419</td>
<td>(11,159)</td>
</tr>
<tr>
<td>Funder</td>
<td>10,219</td>
<td>5,249</td>
<td>4,970</td>
<td>9,004</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>3,181</td>
<td>(1,782)</td>
<td>4,963</td>
<td>(2,727)</td>
</tr>
</tbody>
</table>

**Capital**

| Total Capital Expenditure       | (14,565)| (18,662)| 4,097    | (32,000)|
| Total Equity Injections         | 6,084   | 0       | 6,084    | 6,400  |

**Key Performance Indicators**

| Total Full Time Equivalents (FTEs) | 4,267   | 4,405   | (138)    | 4,463  |
| Case Weighted Daypatient Discharges | 4,970   | 3,748   | 1,222    | 6,349  |
| Case Weighted Inpatient Discharges  | 20,516  | 19,338  | 1,178    | 32,756 |

**Introduction**

Waitemata DHB reported a consolidated surplus of $3.2M, that was $5M favourable to plan YTD.

**Governance Results**

The Governance arm reported a deficit of $0.8M, that was $0.4M unfavourable to plan YTD.

**Provider Results**

The Provider arm reported a deficit of $6.3M, that was $0.4M favourable to plan YTD.

Revenue was $3.5M unfavourable to plan.

Costs were $3.9M favourable to plan.

Personnel costs were $2.2M favourable to plan. Medical personnel costs were $0.4M favourable to plan, Nursing costs were $1.6M favourable, Allied Health costs were $0.7M favourable and management / Admin costs were $0.5M unfavourable. Waitemata DHB FTEs are reported as 138 favourable to plan but there is an unquantifiable difference between the plan where FTEs were counted using the 'old' system and the actual FTEs counted using the 'new' system. All recruitment is individually signed off by the CEO, and difficulties are being encountered recruiting staff. Outsourced services are $0.5M unfavourable to plan partly offsetting the favourable variances in Personnel. Clinical Supplies cost were $0.6M unfavourable to plan reflecting higher than planned patient services. Case Weighted inpatient discharges were 1,178 favourable to plan and daypatient discharges were 1,222 favourable to plan. Infrastructure costs were $2.8M favourable to plan. Depreciation is favourable $3.4M.

**Funder Results**

The Funder arm reported a surplus of $10.2M, that was $5M favourable to plan YTD.

Revenue is $11.2M favourable to plan. Costs are $6.2M unfavourable to plan.

The majority of additional revenue is for Personal Health related to PHOs and community Pharmaceuticals. There are timing differences relating to the recognition of revenue and related costs. The full year impact of costs of income and asset testing is estimated to exceed revenues by $3.0M.

**Capital Expenditure**

Capital expenditure YTD is $4.1M below to plan. The projects for the Mental Health Unit and the Operating Theatre Expansion are both facing construction delays and completion is not now expected during this financial year.
West Coast DHB  
Financial Performance Summary Year to Date

<table>
<thead>
<tr>
<th>Net Result</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>81</td>
<td>(75)</td>
<td>156</td>
<td>(128)</td>
</tr>
<tr>
<td>Provider</td>
<td>(5,899)</td>
<td>(3,082)</td>
<td>(2,817)</td>
<td>(5,283)</td>
</tr>
<tr>
<td>Funder</td>
<td>3,540</td>
<td>3,156</td>
<td>384</td>
<td>5,410</td>
</tr>
<tr>
<td>DHB Consolidation</td>
<td>(2,278)</td>
<td>(1)</td>
<td>(2,277)</td>
<td>(1)</td>
</tr>
</tbody>
</table>

**Capital**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital Expenditure</td>
<td>1,515</td>
<td>(3,953)</td>
<td>2,438</td>
<td>(6,620)</td>
</tr>
<tr>
<td>Total Equity Injections</td>
<td>45</td>
<td>0</td>
<td>45</td>
<td>1,000</td>
</tr>
</tbody>
</table>

**Key Performance Indicators**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Full Time Equivalents (FTEs)</td>
<td>611</td>
<td>596</td>
<td>15</td>
<td>596</td>
</tr>
<tr>
<td>Case Weighted Daypatient Discharges</td>
<td>0</td>
<td>263</td>
<td>(263)</td>
<td>450</td>
</tr>
<tr>
<td>Case Weighted Inpatient Discharges</td>
<td>0</td>
<td>1,741</td>
<td>(1,741)</td>
<td>2,985</td>
</tr>
</tbody>
</table>

**Introduction**

West Coast DHB reported a consolidated deficit of $2.3M, that was $2.3M unfavourable to plan YTD.

The monthly result was in line with the breakeven plan.
The West Coast DHB is currently forecasting a deficit of $3.3M, which includes a recovery plan where savings total $0.5M.

Most of the savings planned by the DHB are dealing with underlying causes looking at the longer term and are represented in the draft Secondary Care Plan and will not come to fruition in the next six months.

To date the DHB has not reported discharge data and this is being pursued with the DHB.

**Governance Results**

The Governance arm reported a surplus of $0.1M, that was $0.2M favourable to plan YTD.

**Provider Results**

The Provider arm reported a deficit of $5.9M, that was $2.8M unfavourable to plan YTD.

Both revenue and expenditure were unfavourable to plan, $1.2M and $1.6M respectively.

The main contributor to the revenue short fall is Patient/Consumer sourced income where the pharmacy has stopped dispensing outpatient scripts owing to staff vacancies.

Outsourced services were $1.8M unfavourable to plan with medical personnel being $1.6M unfavourable.

This reflects the use of locums to cover clinical vacancies and the move by RMOs to working under contract as locums rather than as employees.

Though FTEs are unfavourable to plan by 15 personnel costs are only 1.6% unfavourable to plan ($0.4M). Ten of the additional FTEs are represented by Management/Administration personnel.

**Funds Results**

The Funder arm reported a surplus of $3.5M, that was $0.4M favourable to plan YTD.

Revenue from the MoH was favourable to plan by $1.0M and is mainly offset by additional Personal Health expenditure of $0.67M.

**Capital Expenditure**

Capital expenditure is $2.4M below plan. This is mainly reflecting the progress on the Dementia Unit.
Introduction
Whanganui DHB reported a consolidated deficit of $1.1M, that was $0.5M favourable to plan YTD.

The net result for the month of January was unfavourable to plan driven by the Provider arm net result being $0.3M unfavourable to plan. A financial forecast was completed as at 31 December and included in the February 2007 Board papers. The forecast indicates a close to plan result of a $2.2M deficit.

Governance Results
The Governance arm reported a break even net result, that was in line with plan.

Provider Results
The Provider arm reported a deficit of $1.1M, that was $1.0M unfavourable to plan YTD.

Revenue reported is $0.6M favourable to plan, driven by a $0.5M favourable variance in ACC revenue.

Expenditure reported is $1.6M unfavourable to plan. The unfavourable variance is a result of unfavourable variances to plan in personnel costs, outsourced costs, and clinical supplies. Infrastructure costs were favourable to plan.

Medical personnel drove the unfavourable variance in the Provider arm being $0.6M unfavourable to plan in personnel costs and $0.6M unfavourable in outsourced services costs. These unfavourable variances reflect the need for locums to cover vacancies in the following areas: orthopaedics, paediatrics, obstetric and gynaecology, geriatrics, anaesthetics, radiology, psychiatry and resident medical officers.

FTEs are in line with plan. CWDs are 6% ahead of plan.

Funder Results
The Funder arm reported a break even YTD net result, $1.4M favourable to plan. Revenue was $1.8M favourable to plan, driven by MOH devolved funding being $1.2M favourable to plan due to favourable primary health revenues.

Capital Expenditure
WDHBs capital expenditure is $3.3M below plan. The variance in part reflects delays with the Health Services Redesign project as WDHB has been under review by the MOH.