

22 March 2017

H. Hutchinson

Email: [fyi-request-5513-409d2bab@requests.fyi.org.nz](mailto:fyi-request-5513-409d2bab@requests.fyi.org.nz)

Dear H. Hutchinson

**Re Official Information Act Request – Details of efficiency gains and clarification of statement in December 2016 Board minutes**

I refer to your Official Information Act request dated 10 March 2017 requesting the following information:

**The Ministry of Health has identified in a previous OIA release that since 2011/2012 there has been over 153 million dollars in "efficiency gains" made to ADHB.**

**In the December 2016 Board Meeting Minutes, there is reference to efficiencies made by the DHB as relating:**

**"...to personnel/FTE/vacancy management, bed management, Laboratory/Radiology efficiencies and supply chain and Funder reported savings"**

**Could definitions of these efficiencies be provided – specifically:**

- **What is meant by "personnel/FTE/Vacancy management" and what specific efficiencies have been made in this area?**
- **What is meant by "bed management" and what efficiencies have been made in bed management?**
- **What are the laboratory/radiology efficiencies which have been made?**

Under the Operational Policy Framework Auckland DHB has an obligation to operate in a financially responsible manner, within our total agreed funding. Any efficiency savings are delivered in the context of maintaining high quality care while at the same time delivering services in a cost efficient and productive manner.

Personnel/FTE/Vacancy management refers to optimising the total spend on personnel costs. Efficiencies made in this area are:

- Reduction in use of external contractors
- Reduction in overtime costs
- Management of recruitment to ensure resources are matched to clinical demand

Bed management refers to optimising the use and management of beds to ensure the most efficient use of resources. Efficiencies include:

- Enhancing discharge planning processes to avoid unnecessary delays in discharging
- Managing staffed bed numbers in line with seasonal occupancy variations
- Increased use of day of surgery admission for elective surgery

The laboratory/radiology efficiencies which have been made are:

- Repatriation of services previously outsourced to be performed in-house
- Improved pricing for consumables

Yours faithfully



Ailsa Claire, OBE  
**Chief Executive**