



Office of Hon Tony Ryall

Minister of Health
Minister of State Services



Mrs Anne Urlwin
Chair
New Zealand Blood Service
National Office
Private Bag 92071
Auckland Mail Centre
AUCKLAND 1142

Dear Mrs Urlwin

New Zealand Blood Service (NZBS) - Output Agreement 2011/12

I have now signed both copies of your 2011/12 Output Agreement and enclose them for your signature. Once they are signed, please forward one copy to your principal contact in the Governance & Crown Entities team at the Ministry of Health.

I would also request that the NZBS continue to operate on a 'no surprises' basis, as specified in clause 4.7 of the attached Output Agreement. All efforts to improve efficiency in the health sector are important and I trust the value-for-money initiatives that you have recently introduced will continue to be built on to enable savings to be passed back to the District Health Boards whenever possible.

I wish the NZBS every success in the year ahead and I look forward to receiving regular reports on progress toward the goals you have set.

Yours sincerely

Hon Tony Ryall
Minister of Health

OUTPUT AGREEMENT

between

**HER MAJESTY THE QUEEN IN RIGHT OF HER
GOVERNMENT IN NEW ZEALAND**

acting by and through the Minister of Health

and

THE NEW ZEALAND BLOOD SERVICE (the NZBS)

**a Crown entity established under section 54 of the
New Zealand Public Health and Disability Act 2000**

for the Period: 1 July 2011 to 30 June 2012

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1. INTRODUCTION

Parties and Term

- 1.1 This Output Agreement (the Agreement) is between the Crown and the New Zealand Blood Service (NZBS).
- 1.2 This Agreement commences on 1 July 2011 and will expire on 30 June 2012.

Purpose of the Agreement

- 1.3 This Agreement is required pursuant to section 170 of the Crown Entities Act 2004, and assists the Minister and the NZBS to clarify, align, and manage their respective expectations and responsibilities.
- 1.4 This Agreement sets out the:
 - 1.4.1 Services that the NZBS will provide and the standards for the provision of those Services;
 - 1.4.2 various matters relating to the roles of the Parties, financial management, formalising variations to this Agreement and reporting obligations; and
 - 1.4.3 key indicators of financial and operating performance.

Background

- 1.5 The NZBS is a Crown agent for the purposes of the Crown Entities Act 2004 (the CE Act). Pursuant to section 7 of the CE Act 2004, the NZBS must give effect to government policy when directed by the Responsible Minister.
- 1.6 The Minister of Health (the Minister) is the Responsible Minister for the NZBS.
- 1.7 The NZBS's enabling legislation, the New Zealand Public Health and Disability Act 2000 (the NZPHD Act), sets out its functions.
- 1.8 The definitions for this Agreement are set out in Schedule A of this Agreement.
- 1.9 The NZBS is funded by fees for service from District Health Boards (DHBs) that are negotiated between NZBS and DHBs on an annual basis, with the intent that the fees charged will cover the costs of NZBS such that NZBS endeavours to cover all its annual costs from its net annual income and behaves in a financially responsible manner in accordance with Section 66 of the NZPHD Act and Section 51 of the CE Act 2004.
- 1.10 The Services specified in Schedule B to this Agreement are all Services that the NZBS provides and described in the Statement of Intent 2011/12 – 2013/14.
- 1.11 The Crown and the NZBS have agreed to enter into this Agreement to set out the terms and conditions on which the NZBS will provide its services.

Respective Roles of the Parties

Minister of Health on behalf of the Crown:

- 1.12 The Minister is accountable to Parliament for the performance of the NZBS. The role of the Minister in relation to this Agreement is to:
- 1.12.1 determine the New Zealand Health Strategy and the New Zealand Disability Strategy;
 - 1.12.2 set expectations to inform and guide the NZBS's preparation of its Agreement and Statement of Intent;
 - 1.12.3 monitor and review the performance of the NZBS, including against this Agreement;
 - 1.12.4 hold the NZBS accountable for its performance under this Agreement; and
 - 1.12.5 undertake other roles as set out in the New Zealand Public Health and Disability Act 2000, the Crown Entities Act 2004, the Public Finance Act 1989 and other relevant statutes and regulations.

Ministry of Health on behalf of the Minister of Health:

- 1.13 The Ministry of Health (the Ministry) acts as the Minister's agent in the Minister's relationship with the NZBS. Unless directed otherwise, the Ministry's monitoring role includes:
- 1.13.1 reviewing the NZBS's Statement of Intent and financial statements;
 - 1.13.2 negotiating an annual Agreement and any protocols, as required by the Minister;
 - 1.13.3 assessing and advising on performance and performance reporting, including any risks or potential risks that may arise from time to time;
 - 1.13.4 advising on the compliance of the NZBS with its legislation;
 - 1.13.5 advising the Minister on the NZBS's capability to achieve its results;
 - 1.13.6 transmitting information to the NZBS about relevant decisions and/or changes in policy by the Government, relevant government processes, especially the Budget and the Government's Expectations of the NZBS; and
 - 1.13.7 provide ongoing briefings to the Minister on the NZBS's performance and attend meetings between the Minister and the NZBS, as required.

The New Zealand Blood Service:

- 1.14 The NZBS is accountable to the Minister for its performance under this Agreement, including the delivery and performance of the Services (and any part of its operations that it has contracted a third party to deliver).
- 1.15 The NZBS is responsible for maintaining the capability needed to meet its responsibilities under this Agreement at all times. The NZBS must inform the Ministry of any significant capability issues that are likely to interfere with the delivery of the Services.
- 1.16 In providing the Services specified in this Agreement the NZBS will comply with all of its legal obligations.
- 1.17 In providing the Services the NZBS will give effect to the Government's Expectations, as defined in Schedule A. Further, in developing and implementing its Employment Relations Strategy, the NZBS will take into account the Government's Expectations for Pay and Employment Conditions in the State Sector.

2. SERVICE DELIVERY PERFORMANCE

Services to be provided

- 2.1 The NZBS will deliver the Services in accordance with the quantitative and qualitative performance measures set out in Schedule B.
- 2.2 In the event that the NZBS may be unable to meet any of its performance measures, the NZBS will provide the Ministry with the details of the risk as soon as practicable. Depending on the significance of the matter, the NZBS may advise the Ministry prior to the next scheduled report.
- 2.3 The NZBS will, as part of that advice, propose the responses or actions it will take to achieve the provision of the Services as specified.

Intellectual Property

- 2.4 Without limiting any other rights that the Crown may already have, the Ministry may use, which includes copying, modifying, developing or distributing, any intellectual property in anything provided to it by or on behalf of the NZBS free of charge under this Agreement as it thinks fit.
- 2.5 Clause 2.4 above shall survive expiry or termination of this Agreement.

3. FINANCIAL MANAGEMENT

Projected Financial Performance

- 3.1 The projected financial performance of the NZBS for the term of this Agreement is set out in its Statement of Intent.

Financial Operating Environment

- 3.2 The financial operating environment for the NZBS is based on the Public Finance Act 1989 and the Crown Entities Act 2004.

Crown Accounting Policies

- 3.3 The NZBS will follow generally accepted accounting practices within the accounting profession and, in particular, will follow Crown accounting policies.

Restrictions on Acquisitions of Securities, Borrowing, Guarantees, Indemnities and Derivative Transactions

- 3.4 Section 161 of the Crown Entities Act 2004 applies except in the circumstances set out in clauses 3.5 to 3.7 below.

Derivative Transactions

- 3.5 NZBS is permitted as specified in the *New Zealand Gazette*, 21/7/2005, No. 4665 to enter into foreign exchange and interest rate derivative transactions, on the following conditions:
- 3.5.1 Permitted derivative instruments, transactions and limits should be covered in the Board-approved Treasury Policy;
 - 3.5.2 The NZBS should enter into prudent foreign exchange transactions, recognising that the Crown will not provide additional funding to cover foreign exchange rate losses; and
 - 3.5.3 Use of such derivative transactions should only be to hedge NZBS's actual underlying obligation structure and not for speculative purposes. NZBS will need to ensure that:
 - 3.5.3.1 it has personnel who are suitably skilled in using financial instruments; and
 - 3.5.3.2 It's use of financial instruments is undertaken and assessed against 'best practice' for the exposure being managed and the instruments being used.

Borrowing

- 3.6 The Ministers of Health and Finance have consented under section 160(1)(b) of the Crown Entities Act 2004 to the NZBS entering into a credit arrangement with Westpac New Zealand Limited, with a maximum credit facility of \$8.3M, subject to the following conditions:
- 3.6.1 within the \$8.3M maximum credit facility, the NZBS can enter into short term borrowing up to \$5.0M to cover short-term fluctuations in working capital and the remaining \$3.3M is used to cover the balance of existing term debt;
 - 3.6.2 the existing overdraft facility of \$1.0M is included in the \$5.0M working capital limit;
 - 3.6.3 the maximum credit facility of \$8.3M will be, by the end of the 2014/15 financial year, reduced to \$5.0M and will only be used to cover short-term working capital fluctuations; and
 - 3.6.4 funds borrowed under the \$5.0M short-term working capital facility:

- 3.6.4.1 are to be repaid as a first priority on the receipt of the outstanding payments that led to the short-term cash shortfall; and
 - 3.6.4.2 will not be used for long-term debt financing or capital expenditure above the level of planned depreciation (per the NZBS Statement of Intent 2010/11 – 2012/13).
- 3.7 The Ministers of Health and Finance have consented under section 160(1)(b) of the Crown Entities Act 2004 to NZBS borrowing in the form of finance leases as specified in the *New Zealand Gazette*, 25/01/2007, No. 379.
- 3.8 The use of finance leases will be monitored by the Ministry through disclosures in NZBS's Statement of Intent and quarterly reporting.

Use of Surplus Funding

- 3.9 Annual net surpluses, arising from the efficient delivery of Services, may be retained by the NZBS for use in subsequent years, subject to section 165 of the Crown Entities Act 2004 and clauses 3.9 to 3.14 of this Agreement.
- 3.10 Expenditure of any surplus must be made in accordance with the NZBS's Statement of Intent and reflected in the projected financial performance.
- 3.11 Approved spending of any surpluses must be consistent with Government health objectives and not be contrary to Government policy.
- 3.12 NZBS will follow its established process as set out in the NZBS Financial Guidelines Policy to determine whether to credit any unallocated surpluses to DHBs (as primary customers) following the completion of the audited financial statements.
- 3.13 NZBS will advise the Manager, Governance and Crown Entities, prior to final distribution of surpluses to the DHBs.
- 3.14 Under section 165 of the Crown Entities Act 2004, the Minister of Finance may direct the NZBS to pay to the Crown any surpluses.

4. REPORTING REQUIREMENTS

NZBS Formal Reports

- 4.1 The NZBS will comply with the reporting requirements of the Crown Entities Act 2004.
- 4.2 The NZBS will provide quarterly performance reports to the Minister, copied to the Ministry, as follows:

<i>Report</i>	<i>Period</i>	<i>Report due date</i>
Quarter 1	1 July 2011 to 30 September 2011	31 October 2011
Quarter 2	1 October 2011 to 31 December 2011	30 January

		2012
Quarter 3	1 January 2012 to 31 March 2012	30 April 2012
Quarter 4	1 April 2012 to 30 June 2012	30 July 2012

- 4.3 Each report will, if relevant and material to the performance in the quarter, include the following performance information:
- 4.3.1 a brief comparative analysis of the performance measure results. This analysis should draw together the results to ensure a clear picture of performance by including, where applicable, the following information:
- 4.3.1.1 an overview of highlights and overall performance (major activities), including any unusual events in the reporting period;
 - 4.3.1.2 what the performance measures results show, why and what is the impact of this;
 - 4.3.1.3 how the NZBS has responded to the Government's Expectations and the longer term economic and fiscal impacts of its activities, linking to particular events or issues if possible;
 - 4.3.1.5 trends over time/benchmarking with comparable New Zealand or international organisations/ sector wide perspectives;
 - 4.3.1.6 any new risks, their probability and consequence and how they are or will be managed;
 - 4.3.1.7 stakeholder satisfaction/involvement;
 - 4.3.1.8 any capability issues; and
 - 4.3.1.9 any initiatives to ensure value for money.
- 4.3.2 list the measures from Schedule B with the status of each measure, for example, the measures that have been achieved or have not been achieved in relation to the deliverables that fell due in that period;
- 4.3.3 for those measures that have not been achieved, identify why they were not met, the corrective actions taken or planned, and any consequences;
- 4.3.4 describe any work that is underway for deliverables due in subsequent periods, noting the key actions commenced towards their completion; and
- 4.3.5 identify any other ongoing or 'as required' work that was performed during the period for deliverables with specific timeframes for the completion of deliverables.
- 4.4 The Quarter 4 report will also include aggregated information on remuneration movement over the year and future remuneration plans, the details of which will be advised by the Ministry or the State Services Commission from time to time. A copy of this section of the Quarter 4 report should be copied to the State Services Commission.
- 4.5 The NZBS will provide monthly financial reports on its financial performance in the template provided by the Ministry for this purpose and at agreed dates.

- 4.6 The NZBS will provide as part of the quarterly reports summarised financial performance information including key operational / financial performance including value for money indicators and explanations of variances as agreed with the Ministry.

NZBS Informal Reports and Communication

- 4.7 In addition to the formal reports specified in clauses 4.1 to 4.6 above, the NZBS will operate on a 'no surprises' basis, and at any time may:
- 4.7.1 alert the Minister and the Ministry in advance to any non-delivery or material factors that could preclude the achievement of any obligation or expectation set out in this Agreement or in any statement of the Government's Expectations. This advice should include any proposed remedial action;
 - 4.7.2 inform the Minister and the Ministry sufficiently in advance of any issue, risk or public comment likely to be of significance to the Minister or the Government, relating to the NZBS and/or its performance, and the proposed plan of action;
 - 4.7.3 promptly provide the Ministry with all information within the NZBS's control in relation to the Agreement that the Ministry requests from time to time, during and after the term of the Agreement;
 - 4.7.4 keep the Ministry informed of upcoming key meetings with, or information requests from, Ministers/MPs, Select Committees and so forth; and
 - 4.7.5 have ongoing dialogue and meetings between the Minister, Ministry and NZBS, as required, to support formal reporting.

Ministerial Servicing

- 4.8 From time to time the Ministry or the Minister will require the NZBS to provide information in relation to the NZBS that includes, but is not limited to, the following:
- 4.8.1 the preparation of Ministerial briefings and draft speech notes;
 - 4.8.2 Ministerial correspondence and Select Committee inquiries; and
 - 4.8.3 Parliamentary questions.

The NZBS has agreed to provide the Ministry with this information within the following timeframes when requested, subject to any legal restrictions:

Request Type	Response Time
Ministerial briefings	As agreed with the Ministry of Health at the time of the request
Speeches	As agreed with the Ministry of Health at the time of the request
Parliamentary questions (PQs)	Written: – within 2 working days Oral: – by 12 midday same day
Routine ministerial correspondence	Within 4 working days
Select Committee inquiries	As agreed with the Ministry of Health at the time of the request

Minister's Advice to NZBS

- 4.9 The Ministry, on behalf of the Minister, will, in a timely manner:
- 4.9.1 inform the NZBS of any issue likely to be of significance to them and provide the information that the NZBS requires to fulfil its obligations under this Agreement; and
 - 4.9.2 use its best endeavours to accommodate specific requests from the NZBS, including for attendance at relevant meetings.

Management of Policy Change

- 4.10 The Minister and the Ministry will, to the extent that this is appropriate and not related to the exercise of statutory powers, functions, or duties:
- 4.10.1 ensure the NZBS is consulted prior to introducing any new policy that will or may impact significantly on the NZBS; and
 - 4.10.2 negotiate with the NZBS, in the context of the development of the NZBS's Statement of Intent and/or this Agreement, changes to the range or scope of Services to be provided and/or any changes to current funding strategies or methodologies.
- 4.11 The NZBS will use its best endeavours to consult with the appropriate Ministry personnel during the development of any significant initiative or policy related to the Services in this Agreement.

5. VARIATIONS TO THE AGREEMENT AND NEXT AGREEMENT

Variations to the Output Agreement

- 5.1 This Agreement may be varied at any time during its term by the mutual consent of both parties. All amendments shall be recorded in writing and signed by the NZBS and the Minister of Health.

- 5.2 In the event that the NZBS considers the specification of Services to no longer be appropriate or that a significant shift in the Services is required, the NZBS will propose a variation to this Agreement.
- 5.3 In seeking a variation the NZBS will include a description of the situation and the nature of the variation sought, as well as justification for the variation and a statement of the financial implications.
- 5.4 Any agreed and signed variation will be read as part of this Agreement. Copies of the original Agreement and variations to this Agreement will be held by both the NZBS and the Ministry.

Next Agreement

- 5.5 The NZBS and the Minister of Health agree that they will negotiate with each other in good faith with a view to entering into an Agreement for the next financial year, 2011/12, prior to its commencement.

6. DISPUTES RESOLUTION PROCESS

- 6.1 If any dispute arises between the NZBS and the Ministry concerning this Agreement, the Parties will actively, openly, and in good faith discuss that difference or dispute with a view to resolving it by mutual agreement.
- 6.2 In the event that resolution is not reached, the dispute or difference will be resolved by a decision of the Minister. The Minister's decision shall be final and binding.

7. REVIEW

- 7.1 The Minister may review the operations and performance of the NZBS at any time, as per section 132 of the Crown Entities Act 2004. The Ministry may undertake this review, if requested to do so by the Minister.
- 7.2 The NZBS must take all reasonable steps to enable such a review to be conducted, including providing to the Ministry all applicable information within the control of the NZBS.

8. ADDRESSES FOR CORRESPONDENCE

- 8.1 For the purposes of this Output Agreement, the addresses for correspondence between the parties are:

David Pannett
Manager
Governance and Crown Entities
Health Sector Forum
Ministry of Health
PO Box 5013
Wellington 6145

Fiona Ritsma
Chief Executive
New Zealand Blood Service
PO Box 92 071
Victoria Street West
Auckland 1142

9. AGREEMENT AND SIGNATURES

EXECUTED by HER MAJESTY

THE QUEEN IN RIGHT OF NEW ZEALAND acting by and through:

Hon Tony Ryall
Minister of Health



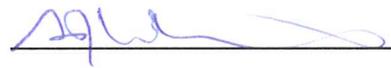
Date: 5/7/11

in the presence of:

Signature.....
Name.....Kate Thomason
Address.....713/74 Taranaki Street Wellington
Occupation.....Health Private Secretary

And for the **New Zealand Blood Service** by

Ms Anne Urlwin
Chairperson



Date: 12/7/11

in the presence of:

Signature.....
Name.....KAMISH DOBBIE
Address.....WANAKA
Occupation.....MANAGER

SCHEDULE A: DEFINITIONS AND INTERPRETATION

Definitions

The words used in this Agreement have the meanings given to them in the New Zealand Public Health and Disability Act 2000, unless the context requires otherwise or they are defined below:

- **'Agreement'** means this Output Agreement.
- **'Crown entity'** has the same meaning as in section 7 of the Crown Entities Act 2004
- **'day'** means any period of up to 24 consecutive hours ending at midnight
- **'DHB'** means District Health Board
- **'Government Expectations'** means the expectations of Government as set out in documents which include, but are not limited to, the Annual Letter of Expectations and the Enduring Letter of Expectations
- **'Minister'** means the Minister of Health
- **'Ministry'** means the Ministry of Health
- **'the NZBS'** means the New Zealand Blood Service established under the New Zealand Public Health and Disability Act 2000
- **'Parties'** means the NZBS and the Crown
- **'Public Equity'** means net assets
- **'Services'** means the services described in Schedule B to this Agreement
- **'Statement of Intent'** means a statement of intent for the NZBS, prepared in accordance with the requirements of New Zealand Public Health and Disability Act 2000, the Public Finance Act 1989 and the Crown Entities Act 2004.

Interpretation

Unless the context requires otherwise:

- (a) headings shall be ignored and shall not affect the construction of this document
- (b) the singular shall include the plural and vice versa
- (c) a reference to one gender shall include the other
- (d) 'person' shall include any individual, company, corporation, firm, partnership, joint venture, association, organisation, trust, in each case whether or not having a separate legal personality
- (e) expressions referring to 'writing' shall be construed as including references to words printed, typewritten or otherwise visibly represented, copied or reproduced (including by facsimile)
- (f) the expressions 'papers' and 'records' shall be construed as including writings or material, whether in their original or any copied form or at any time stored or recorded in any data retrieval system

- (g) a reference to any legislation (or any provision of legislation) shall be read as if the words 'including any legislative modification or re-enactment of it or any legislation substituted for it' were added to the reference.

SCHEDULE B: SERVICES TO BE PROVIDED

Outputs

In providing the Services in Schedule B, the NZBS will meet the service description and performance measures in the Statements of Forecast Service Performance below.

For responsibilities under this Agreement with unspecified deliverables, it is the responsibility of the NZBS to agree with the Ministry the timing and quality requirements for the discharge of those responsibilities.

FORECAST STATEMENT OF SERVICE PERFORMANCE 1 JULY 2011 TO 30 JUNE 2012

NZBS has one overall Output Class, comprising three interrelated outputs related to:

- Donors (and patients)
- Products and Services
- Demand Management

each of which collectively contributes to the achievement of the outcome below:

New Zealand Blood Service Outcome

To provide the people of New Zealand with safe, appropriate and timely access to blood and tissue products and related services to meet their health needs

OUTPUT	Value 2011/12 \$ (excl GST)
Provision of a safe and effective blood service for all New Zealanders through supply and delivery of: <ul style="list-style-type: none"> • Fresh Blood Components • Fractionated Blood Products • Other products and related services 	Revenue of \$107.94 M Expenses of \$107.02 M

Performance Measures	2011/12
<p>NOTE: Changing clinical demand may result in the need to adjust collection and production activity, causing variations from forecast levels. Should this occur, an explanation will be provided in the Annual Report.</p>	
<p>1. Measures related to Donors (and patients)</p>	Forecast
<p>1.1 Donor Population NZBS maintains a donor population capable of supporting the on-going demand for blood and blood products.</p> <ul style="list-style-type: none"> • Active whole blood & apheresis donor panel. 	<p style="text-align: right;">126,000 (minimum Whole Blood donor panel of 120,000 donors)</p>
<p>1.2 Donor Satisfaction Measure of Overall Satisfaction with the Quality of Service using the Common Measurement Tool questionnaire.</p> <ul style="list-style-type: none"> • Greater than 90% of donors surveyed state that they are either “Satisfied” or “Very Satisfied” with the overall quality of service. 	<p style="text-align: right;">>90% rating</p>
<p>1.3 Targeted donor recruitment strategies</p> <p>1.3.1 Increase percentage of Māori donors on the active donor panel from the 2010/11 level of 6% of all donors.</p> <p>1.3.2 Increase the percentage of youth donors between the ages of 19 – 25 years on the active donor panel from the 2010/11 level of 18.8% of all donors.</p>	<p style="text-align: right;">> 6%</p> <p style="text-align: right;">>18.8%</p>
<p>2. Measures related to Products and Services</p>	Forecast
<p>2.1 Product and Service availability No instances of inability to supply key products and services are reported.</p>	<p style="text-align: right;">0</p>
<p>2.2 Donation Testing Each donation will be tested prior to use in accordance with the NZBS Manufacturing Standards (as approved by Medsafe).</p> <ul style="list-style-type: none"> • 100% of donations are tested prior to issue and associated records are maintained. 	<p style="text-align: right;">100% tested</p>

Performance Measures continued	2011/12
2.3 Key Products and Services	Forecast Supply
2.3.1 Raw Material Inputs	
2.3.1.1 Total Whole Blood donations.	150,000
2.3.1.2 Total Plateletpheresis donations.	6,600
2.3.1.3 Total Plasmapheresis donations.	30,500
2.3.1.4 Total donations.	187,100
2.3.2 Key Therapeutic Service Outputs	Forecast Demand
2.3.2.1 Plasma Exchanges - used to remove antibodies & toxins in patients with a range of haematological and neurological diseases.	320
2.3.2.2 Stem Cell Harvests – used for cancer patients undergoing chemotherapy and bone marrow transplantation.	310
2.3.2.3 Therapeutic venesections – predominantly used to treat haemochromatosis or polycythaemia.	5,550
2.3.3 Key Fresh Blood Component Outputs	Forecast Demand
2.3.3.1 Total Red Cells (units) - used to treat people with cancer, kidney failure & acute blood loss due to trauma or surgery.	142,700
2.3.3.2 Total Platelets (units) - used to support treatment for cancer, some blood diseases & to control bleeding following cardiac surgery or trauma.	19,300
2.3.3.3 Total plasma (units) - used in patients following trauma or transplantation.	20,300
2.3.3.4 Total Cryoprecipitate (units) - contains clotting factors used to treat trauma and during cardiac/transplant surgery.	3,500
2.3.3.5 Total plasma for fractionation (kgs) - sent to CSL in Australia to be manufactured into products and returned for use in NZ.	58,600

Performance Measures continued	2011/12
2.3.4 Key Fractionation Product Outputs	Forecast Demand
2.3.4.1 IntragamP (200ml 12gm equivalent vials) – Immunoglobulin product used to treat people with immune deficiencies or diseases which compromise patients' immune system.	23,900
2.3.4.2 Biostate (250IU equivalent) - used to manage the inherited bleeding disorder haemophilia A.	12,000
2.3.5 Other Key Products /Services Outputs	Forecast Demand
2.3.5.1 Tissue Typings associated with transplant patients/donors and disease studies.	7,650
2.3.5.2 Antibody screens for patients awaiting transplant.	7,300
2.3.5.3 Femoral head issues.	590
2.3.5.4 Blood groupings.	149,100
2.3.5.5 Antibody Screens.	144,200
2.4 Revenue per Full Time Equivalent (FTEs) - \$000's	Forecast
Monitor NZBS total revenue per Full Time Equivalent employee.	\$215.95
2.5 Regulatory Compliance - Medsafe	
NZBS will ensure it is GMP (Good Manufacturing Practice) compliant 100% of the time by maintaining current Medsafe licences for its 6 hub sites.	100%
2.6 Financial Management	
Assure cost efficiency and value for money management through maintenance of financial sustainability in an environment which is demand driven (i.e. changes in product demand - mix and volume by the DHBs, impacts on the NZBS financial result).	Achievement of budget or better Budget - \$920k surplus No Rebate Planned

Performance Measures continued	2011/12
<p>2.7 Regulatory Compliance – IANZ (International Accreditation New Zealand)</p> <p>NZBS will ensure it maintains IANZ accreditation 100% of the time at all of its diagnostic laboratories.</p>	<p>Forecast</p> <p>100%</p>
<p>2.8 Regulatory Compliance – ASHI (American Society of Histocompatibility and Immunogenetics)</p> <p>NZBS will maintain ASHI accreditation 100% of the time at the national Tissue Typing laboratory.</p>	<p>100%</p>
<p>3. Measures related to Demand Management</p>	<p>Measure</p>
<p>3.1 Planning and Communication with District Health Boards (DHBs)</p> <p>NZBS will demonstrate a productive and supportive relationship with the DHBs, including proactively engaging with them through the Lead DHB CEO to agree pricing for the next financial year, ensuring that this information is provided in sufficient time to inform preparation of DHB Annual Plans.</p>	<p>Feedback on the timely and relevant provision of information, including issue resolution will be provided by the Lead DHB CEO at the end of each year.</p>
<p>3.2 NZBS Reports for DHBs</p> <p>NZBS will prepare and share monthly demand management reports outlining purchase volumes by key product line, to assist DHBs to manage local demand and costs.</p>	<p>Reports are provided to each DHB by the 12th working day of the following month.</p>

Performance Measures continued	2011/12
3.3 Clinical Oversight Programme	Measure
100 % achievement of a minimum of one clinical oversight visit and report per year to all Blood Banks located in main DHB hospitals (other than the 6 DHBs where NZBS is responsible for Blood Bank provision) in order to enable DHB managed Blood Banks to meet the requirements of ISO15189 for IANZ Accreditation.	100%
3.4 Haemovigilance Reporting	
To promote risk awareness and best practice in transfusion, NZBS will prepare and publish a Haemovigilance Report for each calendar year and will share this information with all DHBs to assist them to reduce the incidence of adverse transfusion events.	Haemovigilance Report for the previous calendar year provided to all DHBs by Quarter 2.
4. Measures related to a key enabler for Donors (and patients), Products and Services and Demand Management	Measure
4.1 e-Progesa implementation	
Successful achievement of project milestones in the upgrade of the Progesa Blood Management System to e-Progesa.	Quarter 1 – achievement of Milestone 12 – see below. Quarter 4 – achievement of Milestone 29 – see below.

Milestone 12 – Release Acceptance: e-Progesa meets high level functionality and performance requirements enabling detailed testing and development work to commence.

Milestone 29 – Functional acceptance: e-Progesa meets all functional and performance requirements and is considered to be acceptable by the internal NZBS Business Owners, enabling training and go-live activities to commence, with a planned go-live in Quarter 1 2012/13.