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From: [REDACTED] on behalf of Hugh Trengrove
Sent: Tuesday, 13 December 2016 9:18 p.m.
To: Consultations
Subject: Consultation on the 2016/17 Draft budget, annual practicing certificate fee, disciplinary levy for dentists and dental specialists

Dear Ms Warner and Members of the Dental Council

RE: Consultation on the 2016/17 Draft budget, annual practicing certificate fee, disciplinary levy for dentists and dental specialists

Thank you for the opportunity to make a submission on these matters.

The initiative to consult on the dentist and dental specialist APC fee and disciplinary levy at the time of consulting on the budget is helpful as it will allow the Council to take timely feedback from practitioners. This feedback will however be somewhat negatively impacted by the fact that:

- Council have removed from the Council website the 15 December 2015 Dental Council: Consultation of the 2016/17 Draft budgets, Annual Practicing Certificate Fees, Disciplinary Levies and other fees effective from 1 April 2016. The fact that this document is not available makes comparative analysis (year-on-year) challenging.
- The consultation document lacks detail regarding the 2016-2017 'budget performance to date' against the planned budget. It is assumed that Councillors, in their governance roles, are satisfied that the end of year performance will be 'to budget' and there will not be material variations from budget.
- There is a paucity of information justifying/supporting a number of expense items

SAVINGS

On the face if it appears that the Council are making some attempts to constrain costs with "General and administrative expenditure" reducing by \$88,454 (3.8%). However, the savings are primarily 'non-operational' in nature with a reduction in 'Depreciation expenses' attributing for 55% of the reduced costs. The only significant 'truly' operational expense savings were in:

'Personnel related' cost savings amounting to \$37,000. However, these savings need be considered in the context of the 23% increase (\$336,877) in personnel budget between the year 2015-2016 and the 2017-2018 budget.

'Communications' cost savings amounting to \$10,550. The planned expenditure being remarkably similar to that spent 2015-16.

EXPENDITURE

Significant increases in costs have been presented without detailed explanation.

Council	33.9% increase (\$68,002)
Information technology	8% increase (\$15,445)
Liaison	18% increase (\$19,323) note also 147% increase in 2015-16

It is difficult to be supportive of such increases without detailed narrative as what the increase is for and why it is necessary.

I am concerned with the ‘Council project expenditure’ in the area of Practice Standard development. It is my opinion that it is not the role of the Council to **develop standards**, the role of the Council under the HPCA Act is to **set standards**. The development of appropriate standards is well managed by established processes across the dental profession in New Zealand. The fact that the Council has chosen to duplicate this process is curious, costly, inefficient and inflexible. Significant efficiencies and cost savings could be gained if Council were to take a ‘standards setting’ (versus development) approach using existing, evidence based, clinically focused standards that are actively maintained to ensure currency and are in practical daily use.

I am concerned about ‘Capital expenditure’. The figures provided indicate that over the two financial years 2016-17 and 2017-18 a total of \$776,000 will be spent on computer software. This is a very significant expense and apart from a very cursory comment that the \$411,000 “will allow all practitioners to complete recertification online” lack detailed explanation. It is assumed that these IT platform innovations are intended to improve efficiency and save on staff time and presumably be more cost effective. There is no information supporting this nor are the cost efficiencies reflected in the budget.

Based on the information provided in support of this consultation I submit that this proposed budget is excessive and lacks prudence.

Hugh Trengrove

Dentist (Auckland)