



# Hutt Valley District Health Board Statement of Performance Expectations 2018/19



A blue ink signature of Andrew Blair, consisting of a large, stylized initial 'A' followed by a long, sweeping horizontal line.

Andrew Blair  
Chair  
Hutt Valley DHB  
Date: 1/11/18

A blue ink signature of Wayne Guppy, written in a cursive style.

Wayne Guppy  
Deputy Chair  
Hutt Valley DHB  
Date: 1/11/18

# 2018/19 Statement of Performance Expectations including Financial Performance

This Statement of Performance Expectations (SPE) is a requirement of the Crown Entities Act 2013 and serves three purposes:

1. it allow the responsible Minister to participate in setting the annual performance expectations of Hutt Valley DHB.
2. it provides parliament with information on these expectations, and
3. it provides a base against which actual performance can be assessed. The actual results of service performance (against what is forecast here) will be published in our 2019 Annual Report.

## Output class measures

Four Output Classes are used by (all) DHBs to reflect the nature of services provided. The aim of selecting output measures within each class for inclusion in the SPE is to ensure that the SPE meaningfully supports the key strategic priorities of the Hutt Valley DHB’s planned activities as outlined in the earlier Sections of this Annual Plan, and to provide a representation of the vast scope of business as usual services we provide in support of our strategic goals. Figure 1 (below) shows the relationship between our strategy, our goals for Hutt Valley DHB, and key progress measures.

In identifying appropriate output measures<sup>1</sup> within each output class we have included, in addition to volume measures, a mix of measures that help us evaluate different aspects of our performance. These measures indicate performance against service coverage (encompassing health equity) quality, volume (quantity) and timeliness.







Some performance measures are demand-based and are included to provide a picture of the services funded and/or provided by the Hutt Valley DHB. For such measures, there are no assumptions about whether an increase or decrease is desirable. As such the “target” represents an estimation of the service delivery for 2018/19 based on historical and population trends.

The following tables provide baselines, forecasts and targets for each output area.

Reference key			
HT	(National) Health Target*	C	Coverage
SLM	System Level Measure*	V	Volume (quantity) measure
PP	Policy priority measure*	Q	Quality measure
SI	System Integration measure*	T	Timeliness measure
OP	Output measure*		
OS	Ownership measure*		* These measures are part of the National non-financial performance monitoring framework.
DV	Development measure*		
HVPI	Hutt Valley DHB performance indicator		

<sup>1</sup> Some performance measures show health indicators by locality, ie the people who live in the Hutt Valley DHB’s catchment, while other measures show performance of the services provided by Hutt Valley DHB regardless of the service user’s home district. Some measures show combined data for all 3 DHBs; Wairarapa, Hutt Valley and Capital & Coast, most often where services are provided on a sub-regional basis and data is not disaggregated by DHB. These measures are indicated in the tables as (3DHB).

Figure 1: Hutt Valley District Health Board – Achieving Our Vision For Change

National Vision	All New Zealanders live well, stay well, and get well			
Government Priorities	Achieving equity	Child wellbeing	Mental health	Primary health care
Regional Vision	Central Region DHBs leading together to achieve New Zealand’s healthiest communities			
Our Vision	Healthy People (Mauri ora)	Healthy Families (Whānau ora)	Healthy Communities (Wai ora)	
Our goal for HVDHB	<ul style="list-style-type: none"> <li>Services are organised to ensure everyone has the opportunity to achieve the same level of good health</li> <li>Individuals and whānau are owners of their care and we involve them fully in decision-making about their care</li> <li>Most health services focus on prevention, and health care is provided earlier and closer to people’s homes</li> <li>Urgent and complex care is readily available for episodes of ill health but most health care will be planned</li> <li>Individuals and whānau experiences of health care is optimal, throughout their life span</li> <li>Services are planned and delivered in partnership with local government and the wider social and education sectors</li> <li>There is a clinically and financially sustainable future for our health system</li> </ul>			
Key Progress measures <sup>2</sup>	<ul style="list-style-type: none"> <li>Equity of service access and outcomes for Māori, Pacific, and low income people (across all areas)</li> <li>Financial performance</li> <li>Amenable mortality rates (deaths of people under 75 years old that could be avoided)</li> </ul>			
	<ul style="list-style-type: none"> <li>Babies breastfed at 3 months</li> <li>Child fully immunized at 2 years old</li> <li>Oral health at age five</li> <li>Screening for breast and cervical cancer (&amp; eventually bowel cancer)</li> <li>Adults offered help to quit smoking</li> </ul>	<ul style="list-style-type: none"> <li>Ambulatory Sensitive Hospital (ASH) admissions (0-4 and 75+ yrs)</li> <li>Diabetes management</li> <li>ED presentation rates per capita</li> <li>Acute hospital bed days per capita</li> <li>Acute readmission to hospital</li> </ul>	<ul style="list-style-type: none"> <li>Length of inpatient stay in hospital</li> <li>Time patient is in ED</li> <li>Waiting time to access mental health and addiction services</li> <li>Falls in hospital</li> <li>Access to electives</li> <li>Patient experience in hospital</li> </ul>	
What we’re doing to achieve our vision	<p><b>Support people living well</b></p> <p>We will work collaboratively with partners to create healthy environments, eliminate health inequities, and support people to adopt healthy lifestyles and keep well.</p> 	<p><b>Shift care closer to home</b></p> <p>We will shift services so they are delivered closer to the people using them, so people can receive most of their (non-complex) care within their community or homes.</p> 	<p><b>Deliver shorter, safer, smoother care</b></p> <p>We will coordinate and streamline patient care, so that individuals and whānau experience a shorter, safer and smoother journey through our services.</p> 	
	<p><b>Adaptable Workforce</b></p> <p>We will create a work environment for staff that values what they do, nurtures skill development and provides the culture for them to be their best and provide quality care. We will have a well-trained and engaged workforce that is adaptable with a diverse skill mix.</p>			
	<p><b>Effective Commissioning</b></p> <p>We will ensure our commissioning is informed by evidence to achieve the best health outcomes for individuals and the population, support the elimination of health inequities, and improve people’s experience of care.</p>			
	<p><b>Smart infrastructure</b></p> <p>We will create a digitally-enabled health system that supports people to stay well, and shares information and care plans for better tracking of care. We will use data to understand people’s needs and drive people-focused services. Our hospital facilities will be designed for complex care, and networked with other hospitals.</p>			
How we work	Always Caring	Can Do	Our Values	In Partnership
				Being Our Best

<sup>2</sup> We have chosen some key progress measures to closely monitor the progress we are making towards *Our Vision for Change*. However, it should be noted that we use a number of additional measures to monitor the quality of our service, which cover service access, safety, equity, efficiency, timeliness, outcomes, and patient experience.

## Output class 1: Prevention Services

### Prevention services

- Preventative services are publicly funded services that protect and promote health in the whole population or identifiable sub-populations comprising services designed to enhance the health status of the population as distinct from treatment services which repair/support health and disability dysfunction.
- Preventative services address individual behaviours by targeting population wide physical and social environments to influence health and wellbeing.
- Preventative services include health promotion to ensure that illness is prevented and unequal outcomes are reduced; statutorily mandated health protection services to protect the public from toxic environmental risk and communicable diseases; and, population health protection services such as immunisation and screening services.
- On a continuum of care these services are public wide preventative services.

Outputs measured by	Note	Target/Est. 2018/19	Baseline	Baseline data date	
<b>Health protection and statutory regulation</b>					
The number of disease notifications investigated	V	HVPI	Total 425	425	2016/17
			Māori 49	49	
			Pacific 25	25	
The number of environmental health investigations	V	HVPI	316	316	2016/17
The number of premises visited for alcohol controlled purchase operations	V	HVPI	3	3	2016/17
The number of tobacco retailers visited during controlled purchase operations	V	HVPI	40	40	2016/17
<b>Health promotion and education</b>					
Number of adult referrals to the Green Prescription program (HVDHB)	V	HVPI	2,777	1,922*	2016/17*
Number of new referrals to Public Health nurses in primary/intermediate schools	V	HVPI	Total 898	898	2016/17
			Māori 408	408	
			Pacific 180	180	
<b>Smoking cessation</b>					
Percentage of PHO enrolled patients who smoke and have been offered help to quit smoking by a health care practitioner in last 15 months	Q	-	≥90%	89%	2017/18 Q2
Percentage of hospitalized smokers receiving advice and help to quit	Q	PP31	≥95%	86%	2017/18 Q2
Percentage of pregnant women who identify as smokers upon registration with a DHB-employed midwife or LMC being offered brief advice and support to quit smoking	Q	-	≥90%	95%	2017/18 Q2
<b>Immunisation</b>					
Percentage of 2-year olds fully immunized	C	PP21	≥95%	Total: 94%	Jan-Dec 2017
				Māori: 91%	
				Pacific: 98%	
Percentage of 8-month olds fully vaccinated	C	-	≥95%	Total: 94%	Jan-Dec 2017
				Māori: 91%	
				Pacific: 87%	
Percentage of year 7 children provided Boostrix vaccination in schools in HVDHB	C	HVPI	≥70%	Total: 79%	2016/17
				Māori: 87%	
				Pacific: 92%	

\* 3DHB (Wairarapa, Capital & Coast, and Hutt Valley) performance for 2016/17.

Percentage of year 8 girls vaccinated against HPV (final dose) in HVDHB district schools	C	PP21	≥75%	Total: 72%	Jan-Dec 2017
				Māori: 69%	
				Pacific: 74%	
<b>Breastfeeding</b>					
Percentage of infants fully or exclusively breastfed at 3-months	Q	PP37	≥60%	Total: 55%	Jul-Dec 2017
				Māori: 38%	
				Pacific: 56%	
<b>Population based screening services</b>					
Percentage of eligible children receiving a B4 School Check	C	HVPI	≥90%	Total: 92%	2016/17
				Quntile5: 90%	
Percentage of eligible women (25-69 years) having cervical screening in last 3 years	C	SI10	>80%	Total: 76%	2017/18 Q2 as at Sept 17
				Māori: 66%	
				Pacific: 69%	
Percentage of eligible women (45-69 years) having breast screening in the last 2 years	C	SI11	>70%	Total: 73%	2017/18 Q2 as at Sept 17
				Māori: 69%	
				Pacific: 68%	

## Output class 2: Early detection and management

### Early detection and management

- Early detection and management services are delivered by a range of health and allied health professionals in various private, not-for-profit and government service settings. Include general practice, community and Māori health services, Pharmacist services, Community Pharmaceuticals (the Schedule) and child and adolescent oral health and dental services.
- These services are by their nature more generalist, usually accessible from multiple health providers and from a number of different locations within the DHB.
- On a continuum of care these services are preventative and treatment services focused on individuals and smaller groups of individuals.

Outputs measured by	Note	Target/Est 2018/19	Baseline	Baseline data date	
<b>Primary Care services / Long term conditions management</b>					
Percentage of DHB-domiciled population enrolled in a PHO	C	PP33	≥98%	Total: 98%	Jan 2018 register
				Māori: 89%	
				Pacific: 99%	
Percentage of practices with a current Diabetes Practice Population plan (or LTC plan that includes diabetes)	C	HVPI	≥90%	100%	TeAHN only, as at Jan 18
Percentage of eligible population assessed for CVD risk in last 5 years	C	PP20	≥90%	Total: 87%	2016/17 Q3 as at March 17
				High needs: 60%	
The number of new and localised HealthPathways in the sub-region	V	HVPI	Est. 472	250*	Baseline 2016/2017 Annual Report*
The number of users accessing the HealthPathways website in the last month of the financial year	V	HVPI	≥2,317	1,703*	Baseline 2016/2017 Annual Report*
<b>Oral health</b>					
Percentage of children under 5 years enrolled in DHB-funded dental services	C	PP13	≥95%	Total: 94%	2017 calendar year
				Māori: 78%	
				Pacific: 81%	
Percentage of adolescents accessing DHB-funded dental services	C	PP12	≥85%	68%	2016 calendar year

\* 3DHB (Wairarapa, Capital & Coast, and Hutt Valley) performance for 2016/17.

Pharmacy services					
Number of initial prescription items dispensed	V	HVPI	1,620,221	1,564,508	2016/17
Percentage of DHB domiciled populations dispensed at least one prescription item	V	HVPI	≥ 80%	82%	2016/17
Number of people participating in a Community Pharmacy anticoagulant management service in a pharmacy	V	HVPI	220	214	Jan 2018 register

### Output class 3: Intensive assessment and treatment

#### Intensive Assessment and Treatment services

- Intensive assessment and treatment services are delivered by a range of secondary, tertiary and quaternary providers using public funds. These services are usually integrated into facilities that enable co-location of clinical expertise and specialized equipment such as a 'hospital'. These services are generally complex and provided by health care professionals that work closely together.
- They include:
  - Ambulatory services (including outpatient, district nursing and day services) across the range of secondary preventive, diagnostic, therapeutic, and rehabilitative services
  - Inpatient services (acute and elective streams) including diagnostic, therapeutic and rehabilitative
  - Emergency Department services including triage, diagnostic, therapeutic and disposition services
- On a continuum of care these services are at the complex end of treatment services and focussed on individuals.

Outputs measured by	Note	Target/Est. 2018/19	Baseline	Baseline data date	
<b>Mental Health and Addiction services</b>					
Number of people accessing secondary Mental Health Services.	V	PP6	Total: 6,509	Total: 6,509	Q2 2017/18
			Māori: 1,808	Māori: 1,808	
			Pacific: 417	Pacific: 417	
Percentage of patients 0-19 yrs referred to non-urgent child & adolescent mental health services & seen within 8 weeks.	T	PP8	95%	87%	Q2 2017/18
Percentage of patients 0-19 years referred to non-urgent child & adolescent Addiction services & seen within 8 weeks.	T	PP8	95%	87%	Q2 2017/18
Percentage of people admitted to an acute mental health inpatient service that were seen by the mental health community team in the 7 days prior to admission.	Q	HVPI	75%	51%	Q2 2017/18
Percentage of people discharged from an acute mental health inpatient service that were seen by the mental health community team in the 7 days following discharge.	Q	HVPI	90%	61%	Q2 2017/18
<b>Elective and Acute (Emergency Dept.) inpatient/outpatient</b>					
Number of surgical elective discharges	V	PP45	6192	108%	2016/17
Percentage of patients admitted, discharged or transferred from ED within 6 hours.	T	HT1	95%	94%	Q2 2017/18
Standardised inpatient average length of stay ALOS (Acute)	T	OS3	2.4	2.30	YE Dec17
Standardised inpatient average length of stay ALOS (Elective)	T	OS3	1.45	1.51	YE Dec 17
Rate of inpatient falls causing harm per 1,000 bed days	Q	HVPI	≤2.0	1.4	2016/17

Rate of hospital acquired pressure injuries per 1,000 bed days	Q	HVPI	≤0.5	0.5	2016/17
Rate of identified medication errors causing harm per 1,000 bed days	Q	HVPI	<3.1	4.5	2016/17
Weighted average score in the Inpatient Experience Survey	Q	SI8	8.8	8.5	2016/17
Percentage DNA appointments for First Specialist Appointment	Q	HVPI	≤7%	6.43%	Jul17-Apr18
Percentage DNA appointment for follow-up appointments	Q	HVPI	≤8%	7.03%	Jul17-Apr18
<b>Cancer services</b>					
Percentage of patients receiving their first cancer treatment (or other management) within 31 days from date of decision-to-treat	T	PP30	≥85%	90%	17/18 Q2
Percentage of patients with a high suspicion of cancer and a need to be seen within 2 weeks that received their 1st cancer treatment (or other management) within 62 days of being referred	T	-	≥90%	93%	17/18 Q2

## Output class 4: Rehabilitation and Support

### Rehabilitation and Support services

- Rehabilitation and support services are delivered following a 'needs assessment' process and co-ordination input by NASC Services for a range of services including palliative care, home-based support and residential care services.
- On a continuum of care these services will provide support for individuals.

Outputs measured by	Note	Target/Estimate 2018/19	Baseline	Baseline data date
<b>Disability care services</b>				
Number of sub-regional and HVDHB Disability forums	V	HVPI	≥1	HVDHB: 3 Sub Reg: 1* 2016/17*
Number of sub-regional Disability newsletters published	V	HVPI	≥3	12* 2016/17*
Total number of hospital staff that have completed the Disability responsiveness eLearning module.	Q	HVPI	≥840	554* As at March 2018*
Total number of Disability alert registrations	Q	HVPI	≥4,000	3,149* 2017/18 Q2*
<b>Health of Older People (HOP) services</b>				
Percentage of people 65+ years who have received long term home support services in the last 3 months who have had comprehensive clinical [InterRAI] assessment and a care plan	C	PP23	100%	100% 2017/18 Q2
Percentage of people 65+ years receiving DHB funded HOP support that are being supported to live at home	C	HVPI	≥ 65%	66% snapshot first fortnight of Jan18
Percentage of the population aged 75+ years who are in Aged Residential Care (incl. private payers)	C	HVPI	11%	12% 2016/17
Percentage of residential care providers meeting 3-year (or more) certification standards.	Q	HVPI	100%	100% 2016/17

\* 3DHB (Wairarapa, Capital & Coast, and Hutt Valley) performance data.

## Output Class Financials

### Output Class – Prevention Services

\$000s	2016\17	2017\18	2018\19	2019\20	2020\21	2021\22
	Audited	Actual	Plan	Plan	Plan	Plan
<b>Income</b>						
Operating Income	22,037	23,693	24,856	25,202	25,553	25,909
Interest Income	28	26	28	-	-	-
<b>Total Income</b>	<b>22,065</b>	<b>23,720</b>	<b>24,884</b>	<b>25,202</b>	<b>25,553</b>	<b>25,909</b>
<b>Expenditure</b>						
Personnel Costs	12,780	12,797	12,634	12,887	13,158	13,434
Depreciation	273	463	339	339	339	339
Outsourced Services	1,347	1,346	1,371	1,379	1,401	1,429
Clinical Supplies	501	504	478	478	486	493
Infrastructure and Non Clinical Expenses	395	530	515	517	525	532
Other District Health Boards	59	1,857	308	314	320	327
Non Health Board Providers	2,006	1,570	4,134	4,217	4,301	4,387
Capital Charge	253	471	467	467	467	467
Interest Expense	39	-	-	-	-	-
Other	1,073	881	1,037	1,038	1,056	1,072
Internal Allocations	3,632	4,501	4,017	4,017	4,017	4,017
<b>Total Expenditure</b>	<b>22,358</b>	<b>24,919</b>	<b>25,299</b>	<b>25,653</b>	<b>26,068</b>	<b>26,496</b>
<b>Net Surplus / (Deficit)</b>	<b>(292)</b>	<b>(1,200)</b>	<b>(415)</b>	<b>(451)</b>	<b>(515)</b>	<b>(587)</b>

### Output Class – Early detection and management

\$000s	2016\17	2017\18	2018\19	2019\20	2020\21	2021\22
	Audited	Actual	Plan	Plan	Plan	Plan
<b>Income</b>						
Operating Income	164,747	151,790	154,228	157,093	160,012	162,988
Interest Income	18	17	18	-	-	-
<b>Total Income</b>	<b>164,765</b>	<b>151,808</b>	<b>154,246</b>	<b>157,093</b>	<b>160,012</b>	<b>162,988</b>
<b>Expenditure</b>						
Personnel Costs	9,698	10,369	12,139	12,382	12,642	12,908
Depreciation	776	930	824	824	824	824
Outsourced Services	1,459	1,272	1,078	1,097	1,118	1,141
Clinical Supplies	497	446	817	817	831	843
Infrastructure and Non Clinical Expenses	733	1,091	992	997	1,012	1,028
Other District Health Boards	18,765	18,856	35,284	35,990	36,710	37,444
Non Health Board Providers	127,627	117,761	98,603	100,575	102,587	104,639
Capital Charge	992	1,031	1,029	1,029	1,029	1,029
Interest Expense	26	-	-	-	-	-
Other	530	515	537	539	548	556
Internal Allocations	3,062	3,973	4,263	4,263	4,263	4,263
<b>Total Expenditure</b>	<b>164,166</b>	<b>156,245</b>	<b>155,566</b>	<b>158,513</b>	<b>161,563</b>	<b>164,674</b>
<b>Net Surplus / (Deficit)</b>	<b>599</b>	<b>(4,437)</b>	<b>(1,320)</b>	<b>(1,420)</b>	<b>(1,551)</b>	<b>(1,686)</b>



**Output Class – Intensive assessment and treatment**

\$000s	2016\17	2017\18	2018\19	2019\20	2020\21	2021\22
	Audited	Actual	Plan	Plan	Plan	Plan
<b>Income</b>						
Operating Income	268,139	301,557	313,468	318,863	324,356	329,952
Interest Income	504	553	503	556	561	567
<b>Total Income</b>	<b>268,643</b>	<b>302,110</b>	<b>313,971</b>	<b>319,418</b>	<b>324,917</b>	<b>330,518</b>
<b>Expenditure</b>						
Personnel Costs	142,379	147,842	156,009	159,130	162,471	165,883
Depreciation	12,237	12,262	12,958	12,958	12,958	12,958
Outsourced Services	12,620	14,220	8,921	9,016	9,170	9,354
Clinical Supplies	22,174	23,766	21,310	21,310	21,673	22,003
Infrastructure and Non Clinical Expenses	13,532	11,834	12,748	12,806	12,987	13,171
Other District Health Boards	67,036	67,064	47,478	48,428	49,396	50,384
Non Health Board Providers	4,339	24,326	55,620	56,733	57,867	59,025
Capital Charge	4,610	8,573	10,558	10,558	10,558	10,558
Interest Expense	2,211	51	71	71	71	71
Other	2,484	4,518	4,422	4,438	4,509	4,580
Internal Allocations	(8,654)	(9,420)	(9,089)	(9,089)	(9,089)	(9,089)
<b>Total Expenditure</b>	<b>274,966</b>	<b>305,035</b>	<b>321,008</b>	<b>326,358</b>	<b>332,572</b>	<b>338,898</b>
<b>Net Surplus / (Deficit)</b>	<b>(6,324)</b>	<b>(2,925)</b>	<b>(7,037)</b>	<b>(6,940)</b>	<b>(7,655)</b>	<b>(8,380)</b>

**Output Class – Rehabilitation and support**

\$000s	2016\17	2017\18	2018\19	2019\20	2020\21	2021\22
	Audited	Actual	Plan	Plan	Plan	Plan
<b>Income</b>						
Operating Income	71,073	72,807	74,426	75,791	77,182	78,599
Interest Income	1	1	1	-	-	-
<b>Total Income</b>	<b>71,073</b>	<b>72,808</b>	<b>74,427</b>	<b>75,791</b>	<b>77,182</b>	<b>78,599</b>
<b>Expenditure</b>						
Personnel Costs	4,094	4,317	4,303	4,389	4,481	4,575
Depreciation	21	18	16	16	16	16
Outsourced Services	313	164	185	189	193	196
Clinical Supplies	1,416	1,439	1,173	1,173	1,193	1,211
Infrastructure and Non Clinical Expenses	76	170	88	88	90	91
Other District Health Boards	3,378	5,264	14,567	14,858	15,155	15,458
Non Health Board Providers	57,478	58,725	52,492	53,541	54,612	55,704
Capital Charge	9	16	16	16	16	16
Interest Expense	1	-	-	-	-	-
Other	111	79	53	54	55	55
Internal Allocations	1,960	946	810	810	810	810
<b>Total Expenditure</b>	<b>68,856</b>	<b>71,136</b>	<b>73,704</b>	<b>75,135</b>	<b>76,621</b>	<b>78,135</b>
<b>Net Surplus / (Deficit)</b>	<b>2,218</b>	<b>1,672</b>	<b>723</b>	<b>655</b>	<b>561</b>	<b>464</b>

## Financial Performance – Forecast Financial Statements

The following financial statements comply with section 149G of the Crown Entities Act and have been prepared in accordance with generally accepted accounting practices, and for each reportable class of output identify the expected revenue and proposed expenses.

### DHB Provider

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Income</b>						
Operating Income	238,947	246,730	255,161	259,913	264,757	269,695
Interest	551	597	550	556	561	567
<b>Total Income</b>	<b>239,498</b>	<b>247,327</b>	<b>255,711</b>	<b>260,469</b>	<b>265,319</b>	<b>270,262</b>
<b>Expenditure</b>						
Personnel Costs	168,317	173,947	183,341	187,008	190,935	194,945
Depreciation	13,305	13,673	14,136	14,136	14,136	14,136
Outsourced Services	14,283	16,268	10,723	10,831	11,015	11,235
Clinical Supplies	26,577	27,876	25,736	25,736	26,173	26,572
Infrastructure & Non-Clinical Expenses	24,652	27,273	30,021	30,104	30,366	30,632
Internal Allocations	(613)	(312)	(352)	(352)	(352)	(352)
<b>Total Expenditure</b>	<b>246,521</b>	<b>258,725</b>	<b>263,604</b>	<b>267,463</b>	<b>272,273</b>	<b>277,168</b>
<b>Net Surplus/(Deficit)</b>	<b>(7,024)</b>	<b>(11,398)</b>	<b>(7,893)</b>	<b>(6,994)</b>	<b>(6,954)</b>	<b>(6,906)</b>
<b>Other Comprehensive Income</b>						
Revaluation of Land and Buildings	4,010	38,246	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(3,014)</b>	<b>26,848</b>	<b>(7,893)</b>	<b>(6,994)</b>	<b>(6,954)</b>	<b>(6,906)</b>

### Governance and Administration

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Income</b>						
Operating Income	3,282	3,472	3,490	3,559	3,630	3,703
Interest	-	-	-	-	-	-
<b>Total Income</b>	<b>3,282</b>	<b>3,472</b>	<b>3,490</b>	<b>3,559</b>	<b>3,630</b>	<b>3,703</b>
<b>Expenditure</b>						
Personnel Costs	633	1,378	1,745	1,780	1,817	1,855
Depreciation	1	1	1	1	1	1
Outsourced Services	1,457	734	834	850	867	885
Clinical Supplies	1	0	0	0	0	0
Infrastructure & Non-Clinical Expenses	431	764	555	557	566	574
Internal Allocations	613	312	352	352	352	352
<b>Total Expenditure</b>	<b>3,135</b>	<b>3,189</b>	<b>3,486</b>	<b>3,540</b>	<b>3,603</b>	<b>3,667</b>
<b>Total Comprehensive Income</b>	<b>146</b>	<b>282</b>	<b>4</b>	<b>19</b>	<b>28</b>	<b>36</b>

## DHB Funder

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Income</b>						
Operating Income	487,347	512,144	531,850	541,468	551,268	561,254
<b>Total Income</b>	<b>487,347</b>	<b>512,144</b>	<b>531,850</b>	<b>541,468</b>	<b>551,268</b>	<b>561,254</b>
<b>Expenditure</b>						
Hutt Provider Arm and Governance	203,581	212,497	223,575	228,047	232,607	237,260
Other District Health Boards	89,238	93,040	97,633	99,586	101,578	103,609
Non Health Board Providers	191,450	202,382	210,801	215,017	219,318	223,704
<b>Total Expenditure</b>	<b>484,270</b>	<b>507,919</b>	<b>532,009</b>	<b>542,650</b>	<b>553,503</b>	<b>564,573</b>
<b>Total Comprehensive Income</b>	<b>3,078</b>	<b>4,224</b>	<b>(159)</b>	<b>(1,181)</b>	<b>(2,234)</b>	<b>(3,319)</b>
<b>Expenditure Breakdown</b>						
Personal Health						
Mental Health	378,391	387,699	407,714	415,868	424,185	432,669
DSS	39,041	40,790	41,293	42,119	42,962	43,821
Public Health	59,717	72,474	74,846	76,343	77,869	79,427
Maori Health	2,796	1,815	3,521	3,592	3,664	3,737
Hutt Governance	1,174	1,714	1,168	1,191	1,215	1,239
<b>Total Expenditure</b>	<b>3,151</b>	<b>3,428</b>	<b>3,467</b>	<b>3,537</b>	<b>3,607</b>	<b>3,679</b>

## Hutt Valley District Health Board

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Income</b>						
Operating Income	525,995	549,848	566,925	576,894	587,048	597,392
Interest	551	597	550	556	561	567
<b>Total Income</b>	<b>526,546</b>	<b>550,445</b>	<b>567,475</b>	<b>577,450</b>	<b>587,609</b>	<b>597,959</b>
<b>Expenditure</b>						
Personnel Costs	168,950	175,325	185,086	188,788	192,752	196,800
Depreciation	13,306	13,673	14,136	14,136	14,136	14,136
Outsourced Services	15,740	17,002	11,556	11,682	11,882	12,119
Clinical Supplies	26,578	27,876	25,736	25,736	26,173	26,572
Infrastructure & Non-Clinical Expenses	25,083	28,037	30,576	30,661	30,932	31,206
Other District Health Boards	89,238	93,040	97,633	99,586	101,578	103,609
Non Health Board Providers	191,450	202,382	210,801	215,017	219,318	223,704
<b>Total Expenditure</b>	<b>530,345</b>	<b>557,336</b>	<b>575,524</b>	<b>585,606</b>	<b>596,770</b>	<b>608,147</b>
<b>Net Surplus/(Deficit)</b>	<b>(3,799)</b>	<b>(6,891)</b>	<b>(8,049)</b>	<b>(8,156)</b>	<b>(9,161)</b>	<b>(10,189)</b>
<b>Other Comprehensive Income</b>						
Revaluation of Land and Buildings	4,010	38,246	-	-	-	-
<b>Total Comprehensive Income</b>	<b>211</b>	<b>31,355</b>	<b>(8,049)</b>	<b>(8,156)</b>	<b>(9,161)</b>	<b>(10,189)</b>

## Movements in Equity

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Equity as at 1 July</b>	<b>91,454</b>	<b>170,457</b>	<b>201,605</b>	<b>193,349</b>	<b>184,986</b>	<b>175,618</b>
Revaluation Reserve	4,010	38,246	-	-	-	-
Capital Contributions from the Crown	79,000	-	-	-	-	-
Repayment of Equity to the Crown	(207)	(207)	(207)	(207)	(207)	(207)
Total Comprehensive Income for year	(3,799)	(6,891)	(8,049)	(8,156)	(9,161)	(10,189)
<b>Equity as at 30 June</b>	<b>170,458</b>	<b>201,605</b>	<b>193,349</b>	<b>184,986</b>	<b>175,618</b>	<b>165,222</b>

## Financial Position

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	13,237	15,443	8,648	(3,040)	(12,375)	(18,689)
Debtors and Other Receivables	19,499	18,093	18,332	18,576	18,825	19,079
Inventories	1,443	1,387	1,415	1,444	1,473	1,503
<b>Total Current Assets</b>	<b>34,180</b>	<b>34,923</b>	<b>28,396</b>	<b>16,981</b>	<b>7,924</b>	<b>1,894</b>
<b>Non Current Assets</b>						
Property, Plant and Equipment	200,297	234,151	232,806	233,180	231,840	229,220
Intangible Assets	10,937	9,602	10,111	14,005	16,274	15,793
Investment in Joint Ventures	550	850	1,150	1,150	1,150	1,150
Trust and Bequest Funds	1,368	1,389	1,389	1,389	1,389	1,389
<b>Total Non Current Assets</b>	<b>213,152</b>	<b>245,992</b>	<b>245,456</b>	<b>249,724</b>	<b>250,653</b>	<b>247,552</b>
<b>Total Assets</b>	<b>247,331</b>	<b>280,915</b>	<b>273,852</b>	<b>266,704</b>	<b>258,577</b>	<b>249,446</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Creditors and Other Payables	30,785	28,245	28,688	29,140	29,601	30,071
Employee Entitlements and Provisions	30,278	31,766	32,363	32,972	33,593	34,226
Borrowings (Finance leases)	471	509	509	509	509	509
<b>Total Current Liabilities</b>	<b>61,534</b>	<b>60,520</b>	<b>61,560</b>	<b>62,621</b>	<b>63,703</b>	<b>64,806</b>
<b>Non Current Liabilities</b>						
Employee Entitlements and Provisions	7,181	7,617	7,769	7,924	8,082	8,244
Borrowings (Finance leases)	663	221	221	221	221	221
Trust and Bequest Funds	7,496	10,952	10,952	10,952	10,952	10,952
<b>Total Non Current Liabilities</b>	<b>15,340</b>	<b>18,790</b>	<b>18,942</b>	<b>19,097</b>	<b>19,255</b>	<b>19,417</b>
<b>Total Liabilities</b>	<b>76,874</b>	<b>79,311</b>	<b>80,503</b>	<b>81,719</b>	<b>82,959</b>	<b>84,224</b>
<b>Equity</b>						
Crown Equity	124,538	124,330	124,123	123,916	123,709	123,502
Revaluation Reserves	95,352	133,597	133,597	133,597	133,597	133,597
Retained Earnings	(49,432)	(56,323)	(64,372)	(72,528)	(81,689)	(91,878)
<b>Total Equity</b>	<b>170,457</b>	<b>201,605</b>	<b>193,349</b>	<b>184,986</b>	<b>175,618</b>	<b>165,222</b>
<b>Total Equity and Liabilities</b>	<b>247,331</b>	<b>280,915</b>	<b>273,852</b>	<b>266,704</b>	<b>258,577</b>	<b>249,446</b>

## Cash Flow

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Cash Flows from Operating Activities</b>						
Cash Receipts	523,603	549,389	566,686	576,650	586,799	597,138
Payments to Providers	(277,803)	(299,998)	(308,434)	(314,603)	(320,895)	(327,313)
Payments to Suppliers and Employees	(226,973)	(229,035)	(239,648)	(243,538)	(248,387)	(253,322)
Goods and Services Tax (Net)	(670)	309	-	-	-	-
Capital Charge Paid	(5,864)	(10,092)	(12,070)	(12,070)	(12,070)	(12,070)
<b>Net Cash Flows from Operating Activity</b>	<b>12,294</b>	<b>10,574</b>	<b>6,534</b>	<b>6,439</b>	<b>5,448</b>	<b>4,433</b>
<b>Cash Flows from Investing Activities</b>						
Interest Received	551	597	550	556	561	567
Proceeds from Sale of Property, Plant and Equipment	1	-	-	-	-	-
Purchase of Sale of Property, Plant and Equipment	(7,267)	(7,981)	(13,300)	(18,404)	(15,065)	(11,035)
Investments	(99)	(321)	(300)	-	-	-
<b>Net Cash Flows from Investing Activity</b>	<b>(6,814)</b>	<b>(7,705)</b>	<b>(13,050)</b>	<b>(17,849)</b>	<b>(14,504)</b>	<b>(10,468)</b>
<b>Cash Flows from Financing Activities</b>						
Equity Contribution	0	-	-	-	-	-
Loans Raised	98	(404)	-	-	-	-
Interest Paid	(2,679)	(51)	(71)	(71)	(71)	(71)
Payment of Finance Leases	-	-	-	-	-	-
Repayment of Equity	(207)	(207)	(207)	(207)	(207)	(207)
<b>Net Cash Flows from Financing Activity</b>	<b>(2,788)</b>	<b>(663)</b>	<b>(278)</b>	<b>(278)</b>	<b>(278)</b>	<b>(278)</b>
Net Increase / (Decrease) in Cash Held	2,693	2,206	(6,795)	(11,688)	(9,335)	(6,314)
Cash and Cash Equivalents at Beginning of Year	10,544	13,237	15,443	8,648	(3,040)	(12,375)
<b>Cash and Cash Equivalents at End of Year</b>	<b>13,237</b>	<b>15,443</b>	<b>8,648</b>	<b>(3,040)</b>	<b>(12,375)</b>	<b>(18,688)</b>

## Capital Expenditure

\$000s	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Baseline Expenditure</b>						
Property and Plant	516	1,595	3,435	3,375	3,415	3,810
Clinical Equipment	1,938	1,589	2,000	2,000	2,000	2,000
Computer Equipment	440	714	1,150	400	825	450
Intangible Assets (Software)	1,833	2,253	1,395	1,625	1,525	1,025
Other Equipment	81	244	100	100	100	100
Motor Vehicles	-	-	250	-	-	-
<b>Total Baseline</b>	<b>4,807</b>	<b>6,394</b>	<b>8,330</b>	<b>7,500</b>	<b>7,865</b>	<b>7,385</b>
<b>Strategic Expenditure</b>						
Property and Plant	283	2	400	4,479	1,500	1,500
Clinical Equipment	673	697	2,700	1,350	2,150	850
Computer Equipment	50	-	200	250	250	250
Intangible Assets (Software)	1,399	862	1,670	4,825	3,300	1,050
Other Equipment	54	26	-	-	-	-
Motor Vehicles	-	-	-	-	-	-
<b>Total Strategic</b>	<b>2,459</b>	<b>1,587</b>	<b>4,970</b>	<b>10,904</b>	<b>7,200</b>	<b>3,650</b>
<b>Total Capital Expenditure</b>	<b>7,267</b>	<b>7,981</b>	<b>13,300</b>	<b>18,404</b>	<b>15,065</b>	<b>11,035</b>
<b>Financed By</b>						
Internally Sourced Funding	(3,799)	(6,891)	(8,049)	(8,156)	(9,161)	(10,189)
Equity Movements / Injections (excl. deficit support and capital expenditure)	-	-	-	-	-	-
Equity Injections for Deficit Support	-	-	-	-	-	-
Depreciation	13,306	13,673	14,136	14,136	14,136	14,136
Sale of Fixed Assets	1	-	-	-	-	-
Equity Injections for Capital Expenditure	0	-	-	-	-	-
Private Debt	98	(404)	-	-	-	-
CHFA Debt	-	-	-	-	-	-
Other (Includes Cash Reserves)	10,544	12,883	11,280	4,067	(8,357)	(18,447)
<b>Total Finance</b>	<b>20,149</b>	<b>19,261</b>	<b>17,367</b>	<b>10,047</b>	<b>(3,382)</b>	<b>(14,499)</b>

## Full Time Equivalents

	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>DHB Provider</b>						
Medical	255	256	267	267	267	267
Nursing	747	754	764	764	764	764
Allied Health	381	375	395	395	395	395
Non-Allied Health	131	131	137	137	137	137
Management/Clerical	312	345	355	355	355	355
<b>Total FTEs</b>	<b>1,825</b>	<b>1,861</b>	<b>1,918</b>	<b>1,918</b>	<b>1,918</b>	<b>1,918</b>

Full Time Equivalents (continued)

	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>DHB Governance &amp; Administration</b>						
Medical	-	1	1	1	1	1
Nursing	-	-	-	-	-	-
Allied Health	-	-	-	-	-	-
Non-Allied Health	-	-	-	-	-	-
Management/Clerical	5	10	14	14	14	14
<b>Total FTEs</b>	<b>5</b>	<b>11</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>

	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
<b>Hutt Valley District Health Board</b>						
Medical	255	257	268	268	268	268
Nursing	747	754	764	764	764	764
Allied Health	381	375	395	395	395	395
Non-Allied Health	131	131	137	137	137	137
Management/Clerical	318	356	369	369	369	369
<b>Total FTEs</b>	<b>1,830</b>	<b>1,872</b>	<b>1,933</b>	<b>1,933</b>	<b>1,933</b>	<b>1,933</b>

Key Financial Information

<b>\$000s</b>	2016/17 Audited	2017/18 Actual	2018/19 Plan	2019/20 Plan	2020/21 Plan	2021/22 Plan
Revenue	526,546	550,445	567,475	577,450	587,609	597,959
Expenditure	(530,345)	(557,336)	(575,524)	(585,606)	(596,770)	(608,147)
Revaluation of Land and Buildings	4,010	38,246	-	-	-	-
<b>Total Comprehensive Income</b>	<b>211</b>	<b>31,355</b>	<b>(8,049)</b>	<b>(8,156)</b>	<b>(9,161)</b>	<b>(10,189)</b>
Total Property, Plant & Equipment	200,297	234,151	232,806	233,180	231,840	229,220
Total Equity	170,457	201,605	193,349	184,986	175,618	165,222
Term Borrowings (Finance leases)	663	221	221	221	221	221

Expenditure Category

<b>Expenditure Category</b>	2016/17 Audited \$m	2017/18 Actual \$m	2018/19 Plan \$m	2019/20 Plan \$m	2020/21 Plan \$m	2021/22 Plan \$m
DHB Provider Arm	246.5	258.7	263.6	267.5	272.3	277.2
Funder Arm	191.5	202.4	210.8	215.0	219.3	223.7
Services Purchased from Other DHBs (IDF Outflows)	89.2	93.0	97.6	99.6	101.6	103.6
Governance Arm	3.1	3.2	3.5	3.5	3.6	3.7
<b>Total Allocated</b>	<b>530.3</b>	<b>557.3</b>	<b>575.5</b>	<b>585.6</b>	<b>596.8</b>	<b>608.1</b>
Funding (excluding IDF inflows below)	435.2	487.7	466.1	475.1	484.2	493.5
Services provided for Other DHBs (IDF Inflows)	95.4	101.0	101.3	102.4	103.4	104.4
<b>Total Funding</b>	<b>530.6</b>	<b>588.7</b>	<b>567.5</b>	<b>577.4</b>	<b>587.6</b>	<b>598.0</b>
<b>Surplus / (Deficit)</b>	<b>0.2</b>	<b>31.4</b>	<b>(8.0)</b>	<b>(8.2)</b>	<b>(9.2)</b>	<b>(10.2)</b>

## Financial Assumptions

The assumptions are the best estimates of future factors that affect the predicted financial results. As such there is necessarily a degree of uncertainty about the accuracy of the predicted result, which is unable to be quantified.

Factors which may cause a material difference between these forecast financial statements and the actual financial results would be a change in the type and volume of services provided, significant movement in staff levels and remuneration, plus unexpected changes in the cost of goods and services required to provide the planned services.

### Revenue

- PBFF Increase of 3.42% from Funding Envelope guidance (national average 4.34%) for 2018/19
- IDF levels based on Funding Envelope or agreed changes within the sub-region.

### Expenditure

- Supplies and expenses based on current contract prices where applicable
- Depreciation to include base, plus work in progress, plus new purchases
- Capital Charge at 6% payable half yearly
- Total Capital Expenditure of up to \$13.30 million p.a. is planned for 2018/19

**Capital Plan:** The operational capital funding requirements for the Provider Arm will be met from cash flow from depreciation expense and prioritised with the clinical leaders both within the Directorates and across the Provider Arm. Only items of a legal & safety nature, or essential to support the District Annual and Strategic Plans have been included in the CAPEX budget. The baseline CAPEX for 2018/19 of \$8.33 million and \$4.97 million for strategic capex is required to be funded internally.

**Equity Drawing:** No additional deficit support is required for the 2018/19 financial year.

**Core Debt:** The Core CHFA debt of \$79 million was converted from debt to equity on 15 February 2017. No further interest payments are due with the Ministry of Health funding the difference between interest expense and the increase in capital charge expense for 2 years.

**Working capital:** The Board has a working capital facility with the BNZ, which is part of the national DHB collective banking arrangement negotiated by NZHP. This facility is limited to one month's provider's revenue, to manage fluctuating cash flow needs for the DHB.

**Gearing and Financial Covenants:** No gearing or financial covenants are in place.

**Asset Revaluation:** Current policy is for land and buildings to be revalued every 3 – 5 years. A full revaluation was completed as at 30 June 2018. The impact of the revaluation was to increase the value of Land and Buildings by a combined total of \$38.25 million. The increase in the value of the assets was matched by an increase to the revaluation reserve. There is also a consequent increase to both depreciation and capital charge from 2018/19 on.

**Strategy for disposing of assets:** The DHB regularly reviews its fixed asset register, and undertakes fixed asset audits in order to dispose of assets which are surplus to requirements. This ensures that the DHB reduces its level of capital to the minimum consistent with the supply of contracted outputs.

**Disposal of Land:** All land that has legally been declared to be surplus to requirements will be disposed of following the statutory disposal process defined in the Public Works Act 1991, the Health Sectors Act 1993, the New Zealand Public Health and Disabilities Act 2000, the Reserves Act 1977 and the Maori Protection Mechanism Regulations set up to fulfil the Crown's obligations under the Treaty of Waitangi. No land has been identified as surplus to requirements within this plan.