

## 2020/21 Statement of Performance Expectations including Financial Performance



healthy people



healthy families



healthy communities



David Smol  
Chair  
HVDHB

Date: 29/7/20



Wayne Guppy  
Deputy Chair  
HVDHB

Date: 04/08/2020

This section must be tabled in Parliament. All components of this section are mandatory ([section 149C of the Crown Entities Act 2004](#))

As both the major funder and provider of health services in the HVDHB region, the decisions we make and the way in which we deliver services have a significant impact on the health and wellbeing of our population and communities.

Having a limited resource pool and growing demand for health services, we are strongly motivated to ensure we are delivering the most effective and efficient services possible.

On an annual basis, we evaluate our performance by providing a forecast of the services we plan to deliver and the standards we expect to meet. The results are then presented in our Annual Report at year end.

The following section presents HVDHB's Statement of Performance Expectations for 2020/21.

### Interpreting Our Performance

As it would be overwhelming to measure every service delivered, the services we deliver have been grouped into four services classes. These are common to all DHBs and reflect the types of services provided across the full health and wellbeing continuum:

- Prevention services
- Early detection and management services
- Intensive assessment and treatment services
- Rehabilitation and support services

Under each service class, we have identified a mix of measures that we believe are important to our community and stakeholders, and provide a fair indication of how well the DHB is performing.

### Setting Standards

In setting performance standards, we consider the changing demography of our population, areas of increasing demand and the assumption that resources and funding growth will be limited.

Our performance standards reflect the outcomes the DHB is wanting to achieve:

- Strengthen our communities and families so they can be well;
- It is easier for people to manage their own health needs;
- We have equal health outcomes for all communities;
- Long term health conditions and complexity occur later in life and for shorter duration; and,
- Expert specialist services are available to improve health gain.

We also seek to improve the experience of people in our care and public confidence in our health system.

While targeted intervention can reduce service demand in some areas, there will always be some demand the DHB cannot influence, such as demand for maternity services and palliative care services. It is not appropriate to set targets for these services, however they are an important part of the picture of health need and service delivery in our region.

In health, the number of people who receive a service can be less important than whether enough of the right people received the service, or whether the service was delivered at the right time. To ensure a balanced, well rounded picture, the mix of measures identified in our Statement of Performance Expectations address four key aspects of service performance:

Access	How well are people accessing services, is access equitable, are we engaging with all of our population?
Timeliness	How long are people waiting to be seen or treated, are we meeting expectations?
Quality	How effective is the service, are we delivering the desired health outcomes?
Experience	How satisfied are people with the service they receive, do they have confidence in us?

With a growing diversity and persistent inequities across our population, achieving equity of outcomes is an overarching priority for the DHB. All of our targets are universal, with the aim of reducing disparities between population groups.

### Where does the money go?

In 2020/21, the DHB will receive approximately \$632 million dollars with which to purchase and provide the services required to meet the needs of our population.

The table below represents a summary of our anticipated financial split for 2020/21 by service class.

	2020/21
<b>Revenue</b>	<b>Total \$'000</b>
<b>Prevention</b>	55,249
<b>Early detection &amp; management</b>	174,242
<b>Intensive assessment &amp; treatment</b>	327,889
<b>Rehabilitation &amp; support</b>	74,380
<b>Total Revenue - \$'000</b>	<b>631,760</b>
<b>Expenditure</b>	
<b>Prevention</b>	56,914
<b>Early detection &amp; management</b>	175,793
<b>Intensive assessment &amp; treatment</b>	336,242
<b>Rehabilitation &amp; support</b>	73,456
<b>Total Expenditure - \$'000</b>	<b>642,405</b>
<b>Surplus/(Deficit) - \$'000</b>	<b>(10,645)</b>

## Prevention Services

### Why are these services significant?

Prevention services are publically funded services that promote and protect the health of the whole population or targeted populations. These services seek to address individual behaviours by targeting physical and social environments and norms that can influence and support people to make healthier choices and are, in this way, distinct from treatment services.

The four leading long-term conditions; cancer, cardiovascular disease, diabetes, and respiratory disease—make up 80% of the disease burden for our population. By supporting people to make healthier choices we can reduce the risk factors that contribute to these conditions. High-need population groups are also more likely to engage in risky behaviours, or live in environments less conducive to making healthier choices. Prevention services are therefore one of our foremost opportunities to target improvements in the health of high-need populations and reduce inequities in health status and health outcomes. Prevention services are designed to spread consistent messages to a large number of people and can therefore be a very cost-effective health intervention.

### How will we demonstrate our success?

Immunisation Services				
These services reduce the transmission and impact of vaccine-preventable diseases, both routinely and in response to specific risk. Engagement in programmes and high coverage rates are indicative of a well-coordinated, successful service	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of eight month olds fully vaccinated	Māori	87%	87%	≥95%
	Pacific	90%	93%	
	Non-Māori, Non-Pacific	92%	95%	
	Total	91%	93%	
% of two year olds fully immunised	Māori	92%	92%	≥95%
	Pacific	94%	87%	
	Non-Māori, Non-Pacific	93%	95%	
	Total	93%	94%	
% of five year olds fully immunised	Māori	84%	80%	≥95%
	Pacific	95%	89%	
	Non-Māori, Non-Pacific	92%	93%	
	Total	90%	90%	
% of children aged 11 years provided Boostrix vaccination	Māori	72%	73%	≥70%
	Pacific	65%	62%	
	Non-Māori, Non-Pacific	67%	73%	
	Total	68%	72%	
% of children (girls and boys aged 12 years) provided HPV vaccination	Māori	54%	49%	≥75%
	Pacific	49%	68%	
	Non-Māori, Non-Pacific	79%	79%	
	Total	68%	54%	
% of population aged 65 years and over immunised against influenza	Māori	53%	50%	≥75%
	Pacific	52%	58%	
	Non-Māori, Non-Pacific	59%	55%	
	Total	58%	55%	

Health Promotion Services				
These services inform people about risk, and support them to make healthy choices. Success is evident through increased engagement, which leads over time to more positive behaviour choices and a healthier population.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of infants fully or exclusively breastfed at 3 months	Māori	46%	48%	≥70%
	Pacific	43%	58%	
	Non-Māori, Non-Pacific	59%	61%	
	Total	54%	58%	

% of four year olds identified as obese at their B4 School Check referred for family based nutrition, activity and lifestyle intervention	Māori	93%	87%	≥95%
	Pacific	92%	92%	
	Non-Māori, Non-Pacific	100%	91%	
	Total	95%	89%	
% of PHO-enrolled patients who smoke and have been offered help to quit by a health practitioner in the last 15 months	Māori	90%	84%	≥90%
	Pacific	89%	82%	
	Non-Māori, Non-Pacific	92%	87%	
	Total	91%	86%	
% of hospitalised smokers offered advice to help quit	Māori	96%	94.6%	≥95%
	Pacific	94%	95.3%	
	Non-Māori, Non-Pacific	95%	96.1%	
	Total	95%	95.5%	
% of pregnant women who identify as smokers upon registration with a DHB midwife or Lead Maternity Carer offered advice to quit	Māori	95%	100%	≥90%
	Total	88%	85.7%	

Population-based Screening Services				
These services help to identify people at risk of developing a long-term condition and support earlier intervention and treatment. Success is reflected by engagement in programmes and high coverage rates across the population.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of eligible children receiving a B4 School Check	Māori	80%	79%	≥90%
	Pacific	86%	65%	
	Non-Māori, Non-Pacific	92%	86%	
	Total	88%	82%	
% of eligible women (25-69 years old) having cervical screening in the last 3 years	Māori	68%	70%	≥80%
	Pacific	68%	68%	
	Non-Māori, Non-Pacific	74%	76%	
	Total	73%	74%	
% of eligible women (50-69 years old) having breast cancer screening in the last 2 years	Māori	69%	69%	≥70%
	Pacific	69%	69%	
	Non-Māori, Non-Pacific	76%	76%	
	Total	75%	75%	

## Early Detection and Management Services

### Why are these services significant?

The New Zealand health system is experiencing an increasing prevalence of long-term conditions; so-called because once diagnosed, people usually have them for the rest of their lives. Some population groups suffer from these conditions more than others and prevalence increases with age.

Our strategic objectives are designed to support people and whānau-led wellbeing with the system organised around two elements: People and Place. For most people, their general practice team is their first point of contact with health services and is vital as a point of continuity in improving the management of care for people with long-term conditions. By promoting regular engagement with primary and community services we are better able to support people to stay well, identify issues earlier, and reduce complications, acute illness and unnecessary hospital admissions. Our approach will be particularly effective where people have multiple conditions requiring ongoing intervention or support.

### How will we demonstrate our success?

Oral Health Services				
These services help people maintain healthy teeth and gums and support lifelong health and wellbeing. High levels of enrolment and timely access to treatment are indicative of an accessible and efficient service.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of children under 5 years enrolled in DHB-funded dental services	Māori	81.6%	94.8%	≥95%
	Pacific	84.1%	99.1%	
	Non-Māori, Non-Pacific	100%	98.8%	
	Total			

	Total	93.2%	97.7%	
% of children caries free at 5 years	Māori	47%	52%	≥85%
	Pacific	47%	48%	
	Non-Māori, Non-Pacific	72%	72%	
	Total	63%	65%	
Ratio of mean decayed, missing, filled teeth (DMFT) at year 8	Māori	1.01	0.56	Reducing Trend
	Pacific	1.02	0.72	
	Non-Māori, Non-Pacific	0.50	0.52	
	Total	0.65	0.55	
% of children (0-12) enrolled in DHB oral health services overdue for their scheduled examinations	Māori	8%	6%	≤5%
	Pacific	8%	5%	
	Non-Māori, Non-Pacific	7%	4%	
	Total	7%	5%	
% of adolescents accessing DHB-funded dental services	Total	67%	69%	≥85%

Primary Care Services				
These services support people to maintain and manage their health and wellbeing and avoid unnecessary hospital admissions. High levels of enrolment and engagement with general practice are indicative of an accessible and responsive service.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of newborn enrolment with general practice by three months of age	Māori	85%	91%	≥85%
	Pacific	93%	89%	
	Non-Māori, Non-Pacific	100%	95%	
	Total	97%	93%	
% of the DHB-domiciled population that is enrolled in a PHO	Māori	84%	92%	98%
	Pacific	91%	99%	
	Non-Māori, Non-Pacific	100%	98%	
	Total	89%	99%	
% of the eligible population assessed for CVD risk in the last five (ten) years <sup>11</sup>	Māori	80%	60%	≥90%
	Pacific	83%	65%	
	Non-Māori, Non-Pacific	83%	81%	
	Total	82%	79%	
% of people with diabetes aged 15-74 years enrolled with a PHO who latest HbA1c in the last 12 months was ≤64 mmol/mol	Māori	50%	47.3%	≥60%
	Pacific	48%	44.7%	
	Non-Māori, Non-Pacific	63%	63.7%	
	Total	55%	57.4%	
Avoidable hospital admission rate for children aged 0-4 (per 100,000 people)	Māori	10,517	10,966	8,243
	Pacific	14,369	15,534	
	Non-Māori, Non-Pacific	6,265	6,382	
	Total	8,354	8,677	
Avoidable hospital admission rate for adults aged 45-64 (per 100,000 people)	Māori	7,928	8,203	4,340
	Pacific	9,561	9,052	
	Non-Māori, Non-Pacific	3,993	3,894	
	Total	3,898	4,753	
Rate of hospitalisations potentially related to housing conditions per 1,000 population for children under 15 years age	Māori	16	26	11
	Pacific	22	27	
	Non-Māori, Non-Pacific	6	10	
	Total	11	16	
Primary Care Patient Experience scores	Communication	8.2	8.1	8.5
	Partnership	7.3	7.2	
	Physical & Emotional Needs	8.0	8.0	
	Coordination	8.3	8.3	

<sup>11</sup> Prior to 2019/20, CVD risk assessments have been for the previous five years. From 2019/20 on, they are for the previous ten years.

Pharmacy Services				
These are services which a health professional uses to help diagnose or monitor a health condition. While largely demand driven, timely access to services enables improved clinical decision-making and reduces unnecessary delays in treatment, and is therefore indicative of a successful service.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of the DHB-domiciled population that were dispensed at least one prescription item	Māori	75%	62%	≥80%
	Pacific	80%	71%	
	Non-Māori, Non-Pacific	82%	73%	
	Total	81%	71%	
% of people aged 65+ years receiving five or more long-term medications	Māori	49%	47%	M ≥47% P ≥51% O ≥37% T ≥38%
	Pacific	55%	51%	
	Non-Māori, Non-Pacific	38%	37%	
	Total	39%	38%	
Number of people registered with a Long Term Conditions programme in a pharmacy	Total	5759	5863	≥5800
Number of people participating in a Community Pharmacy Anticoagulant Management service in a pharmacy	Total	191	196	≥195

## Intensive Assessment and Treatment Services

### Why are these services significant?

Intensive assessment and treatment services are more complex services provided by specialists and health professionals working closely together. They are usually provided in hospital settings, which enables the co-location of expertise and equipment. A proportion of these services are delivered in response to acute events; others are planned, and access is determined by clinical triage, capacity, treatment thresholds and national service coverage agreements.

Timely access to intensive assessment and treatment can significantly improve people's quality of life through corrective action and is crucial to improving survival rates for complex illness such as cancer. Responsive services and timely access to treatment also enable people to establish more stable lives, and result in improved confidence in the health system.

As a provider of specialist services, the DHB is committed to ensuring the quality of its service provision. Adverse events and delays in treatment, as well as causing harm to patients, drive unnecessary costs. Improved processes will support patient safety, reduce the number of events causing injury or harm, and improve health outcomes.

### How will we demonstrate our success?

Acute and Urgent Services				
These are services delivered in response to accidents or illnesses that have an abrupt onset or progress rapidly. While largely demand driven, not all acute events require hospital treatment. Because early intervention can reduce the impact of the event, multiple options and shorter waiting times are indicative of a responsive system.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
Number of zero-fee consultations at after-hours services by children under 13 years	Māori	Not Available		15,706
	Pacific			
	Non-Māori, Non-Pacific			
	Total		15706	
Age-standardised ED presentation rate per 1,000 population in sub-regional hospitals	Māori	372	371	285
	Pacific	418	391	
	Non-Māori, Non-Pacific	269	265	
	Total	295	291	
% of patients admitted, discharged or transferred from ED within 6 hours	Māori	90%	86%	≥95%
	Pacific	90%	87%	
	Non-Māori, Non-Pacific	88%	84%	
	Total	89%	85%	
Standardised acute readmission rate within 28 days	Total	12.5%	12.2%	12.0%

Elective & Arranged Services				
These are medical and surgical services provided for people who do not need immediate hospital treatment, where their assessment or treatment is booked or arranged. Maintaining access while reducing waiting times is indicative of an efficient service.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
Number of planned care interventions – inpatient surgical discharges	Total	6,238 100.7%	Actual YTD: 3,474 Actual YTD: 87.2%	5,807 100%
Number of planned care interventions – minor procedures	Total	692	Actual YTD: 469 25%	2,677
% of patients given a commitment to treatment but not treated within four months (ESPI 5)	Total	8.10%	45%	0
% of “DNA” (did not attend) appointments for outpatient appointments	Māori	16%	15%	5%
	Pacific	15%	15%	5%
	Non-Māori, Non-Pacific	5%	5%	5%
	Total	7%	7%	5%
% of patients waiting longer than four months for their first specialist assessment (ESPI 2)	Total	8.66%	30%	0
% of patients with a high suspicion of cancer and a need to be seen within two weeks that received their first cancer treatment (or other management) within 62 days of being referred	Total	94%	93%	≥90%
% of patients receiving their first cancer treatment (or other management) within 31 days from date of decision-to-treat	Total	91%	94%	≥85%

Mental health, addictions and wellbeing services					
These are services for those most severely affected by mental illness and/or addictions who require specialist intervention and treatment. Reducing waiting times, while meeting an increasing demand for services, is indicative of a responsive and efficient service.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21	
Access to mental health services: Number of mental health services	Māori	1,871	1,858	1,896	
	Pacific	415	369	404	
	Non-Māori, Non-Pacific	4,302	4,125	4,269	
	Total	6,588	6,352	6,569	
% of clients with a transition (discharge) plan	Total	52%	50%	≥95%	
% of clients with a wellness plan	Total	53%	43%	≥95%	
% of population accessing community mental health services	Mental health services	Māori	7.2%	7.2%	7.2%
		Pacific	3.5%	3.4%	3.5%
		Non-Māori, Non-Pacific	3.8%	3.8%	3.8%
		Total	4.4%	4.2%	4.4%
	Addiction services	Māori	1.9%	1.9%	1.9%
		Pacific	0.7%	0.7%	0.7%
		Non-Māori, Non-Pacific	0.6%	0.6%	0.6%
		Total	0.8%	0.8%	0.8%
% of population accessing secondary:	Mental health services	Māori		3.1%	
		Pacific			
		Non-Māori, Non-Pacific			
		Total		1.4%	
	Addiction services	Māori		3.1%	
		Pacific			
		Non-Māori, Non-Pacific			
		Total		1.4%	
% of patients 0-19 referred to non-urgent child & adolescent services that were seen within eight weeks:	Mental health services	Māori	79.5%	70.4%	≥95%
		Pacific	81.8%	86.2%	
		Non-Māori, Non-Pacific	86.7%	81.8%	
		Total	84.3%	78.7%	
	Addiction services	Māori			
		Non-Māori, Non-Pacific			

		Total			
% of people admitted to an acute mental health inpatient service that were seen by mental health community team:	7 days prior to the day of admission	Māori	54.8%	51.9%	75%
		Pacific	46.7%	42.9%	
		Non-Māori, Non-Pacific	50.0%	67.5%	
		Total	51.2%	59.6%	
	7 days following the day of discharge	Māori	66.2%	65.3%	90%
		Pacific	64.5%	78.1%	
		Non-Māori, Non-Pacific	72.8%	77.3%	
		Total	70.2%	72.9%	
Rate of Māori under the Mental Health Act: Section 29 community treatment orders		Māori	286	325	286
		Non- Māori	107	101	107

Quality, safety and patient experience				
These quality and patient safety measures are national markers championed and monitored by the NZ Health Quality & Safety Commission. High compliance levels indicate quality processes and strong clinical engagement.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
Rate of inpatient falls resulting in a fracture per 1,000 bed days	Total	2.19	0.14	≤0.07
Rate of hospital acquired pressure injuries per 1,000 bed days	Total	0.49	1.2	≤0.5
The weighted average score in the Inpatient Experience Survey by domain	Communication	8.7	8.1	
	Partnership	8.6	8.2	
	Physical & Emotional Needs	8.7	8.4	
	Coordination	8.7	8.6	

## Rehabilitation and Support Services

### Why are these services significant?

Rehabilitation and support services provide people with the assistance they need to live safely and independently in their own homes or regain functional ability after a health related event. These services are considered to provide people with a much higher quality of life as a result of people being able to stay active and positively connected to their communities. This is evidenced by less dependence on hospital and residential services and a reduction in acute illness, crisis or deterioration leading to acute admission or readmission into our hospitals.

Even when returning to full health is not possible, timely access to responsive support services enables people to maximise their independence. In preventing deterioration, acute illness or crisis, these services have a major impact on the sustainability of our health system by reducing acute demand, unnecessary ED presentations and the need for more complex interventions. These services also support patient flow by enabling people to go home from hospital earlier.

Support services also include palliative care for people who have end-of-life conditions. It is important that they and their families are appropriately supported, so that the person is able to live comfortably and have their needs met in a holistic and respectful way, without undue pain and suffering.

### How will we demonstrate our success?

Disability Support Services				
These services support people with disabilities to find solutions to support their engagement in health services. Success is measured by responsive services that support people with disabilities and consumer-clinician partnership.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
Number of sub-regional Disability Forums	Total	0	1	1
% of hospital staff that have completed the Disability Responsiveness eLearning Module	Total			
Number of people with a Disability Alert	Total			
% of the HVDHB domiciled population with a Disability Alert who are Māori or Pacific	Māori			
	Pacific			

### Health of Older People Support Services

These services aim to restore or maximise people's health or functional ability, following a health-related event such as a fall, heart attack or stroke. Largely demand-driven, success is measured through appropriate service referral following an event.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of people 75+ living in their own home	Total	88%	88%	88%
Acute average length of stay in hospital for people 75+	Māori	5.97	5.97	5.26
	Pacific	4.17	4.46	
	Non-Māori, Non-Pacific	5.27	5.70	
	Total	5.26	5.66	
Standardised acute readmission rate for people 75+	Māori	15.0%	12.2%	12.0%
	Pacific	16.5%	15.0%	
	Non-Māori, Non-Pacific	13.1%	12.5%	
	Total	13.4%	12.6%	
Rate of hip (neck of femur) fractures due to an out of hospital fall per 1,000 people 50+	Total	3.0	2.2	2.2

Aged Residential Care Services				
With an ageing population, demand for aged related care (ARC) is expected to increase, but a reduction in demand for lower-level residential care is indicative of more people being successfully supported for longer in their own homes. The DHB subsidises ARC for people who meet the national thresholds for care.	Target Group	HVDHB Baseline 2018/19	HVDHB Forecast 2019/20	HVDHB Target 2020/21
% of residential care providers meeting three year (or more) certification standards	Total	100%	100%	100%

## Output Class Financials

Prevention						
Forecast Statement of Financial Performance						
For the Year Ended 30 June						
\$000s	2018\19 Audited	2019\20 Forecast	2020\21 Plan	2021\22 Plan	2022\23 Plan	2023\24 Plan
<b>Income</b>						
Operating Income	20,485	26,491	55,222	56,311	57,422	58,555
Interest Income	23	26	28	28	28	28
<b>Total Income</b>	<b>20,508</b>	<b>26,518</b>	<b>55,249</b>	<b>56,339</b>	<b>57,450</b>	<b>58,583</b>
<b>Expenditure</b>						
Personnel Costs	12,680	14,063	14,936	15,036	15,139	15,272
Depreciation	255	349	365	372	380	387
Outsourced Services	1,520	1,253	2,229	2,253	2,277	2,301
Clinical Supplies	503	505	1,233	1,252	1,271	1,290
Infrastructure and Non Clinical Expenses	549	618	575	585	593	601
Other District Health Boards	-	1,255	27,574	28,126	28,688	29,262
Non Health Board Providers	-	4,444	4,568	4,660	4,753	4,848
Capital Charge	568	525	525	525	525	525
Interest Expense	-	-	-	-	-	-
Other	289	488	556	566	574	582
Internal Allocations	4,014	3,942	4,352	4,352	4,352	4,352
<b>Total Expenditure</b>	<b>20,378</b>	<b>27,443</b>	<b>56,914</b>	<b>57,727</b>	<b>58,552</b>	<b>59,421</b>
<b>Net Surplus / (Deficit)</b>	<b>130</b>	<b>(925)</b>	<b>(1,665)</b>	<b>(1,389)</b>	<b>(1,102)</b>	<b>(838)</b>

<b>Early Detection &amp; Management</b>						
<b>Forecast Statement of Financial Performance</b>						
<b>For the Year Ended 30 June</b>						
<b>\$000s</b>	<b>2018\19</b>	<b>2019\20</b>	<b>2020\21</b>	<b>2021\22</b>	<b>2022\23</b>	<b>2023\24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
<b>Income</b>						
Operating Income	284,110	161,455	174,224	177,707	181,259	184,883
Interest Income	15	17	18	18	18	18
<b>Total Income</b>	<b>284,125</b>	<b>161,472</b>	<b>174,242</b>	<b>177,725</b>	<b>181,277</b>	<b>184,901</b>
<b>Expenditure</b>						
Personnel Costs	11,638	12,758	14,297	14,402	14,510	14,644
Depreciation	804	733	960	980	999	1,019
Outsourced Services	1,358	1,274	1,088	1,101	1,115	1,129
Clinical Supplies	537	378	581	593	602	611
Infrastructure and Non Clinical Expenses	818	761	969	986	1,000	1,013
Other District Health Boards	91,434	37,940	45,770	46,686	47,620	48,572
Non Health Board Providers	167,471	105,471	106,639	108,772	110,948	113,167
Capital Charge	1,083	927	1,067	1,071	1,147	1,151
Interest Expense	-	-	-	-	-	-
Other	559	566	587	596	603	610
Internal Allocations	4,261	3,640	3,834	3,834	3,834	3,834
<b>Total Expenditure</b>	<b>279,962</b>	<b>164,449</b>	<b>175,793</b>	<b>179,020</b>	<b>182,376</b>	<b>185,749</b>
<b>Net Surplus / (Deficit)</b>	<b>4,163</b>	<b>(2,977)</b>	<b>(1,551)</b>	<b>(1,296)</b>	<b>(1,099)</b>	<b>(848)</b>

<b>Intensive Assessment &amp; Treatment</b>						
<b>Forecast Statement of Financial Performance</b>						
<b>For the Year Ended 30 June</b>						
<b>\$000s</b>	<b>2018\19</b>	<b>2019\20</b>	<b>2020\21</b>	<b>2021\22</b>	<b>2022\23</b>	<b>2023\24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
<b>Income</b>						
Operating Income	214,676	328,654	327,686	333,994	344,071	352,301
Interest Income	415	112	203	203	203	203
<b>Total Income</b>	<b>215,091</b>	<b>328,766</b>	<b>327,889</b>	<b>334,198</b>	<b>344,274</b>	<b>352,504</b>
<b>Expenditure</b>						
Personnel Costs	161,709	172,448	179,921	181,991	183,714	185,703
Depreciation	13,040	13,814	14,673	14,967	15,266	15,572
Outsourced Services	13,386	15,631	11,877	12,000	12,124	12,249
Clinical Supplies	20,883	23,288	23,533	24,045	24,405	24,771
Infrastructure and Non Clinical Expenses	24,279	13,792	12,415	12,648	12,830	13,014
Other District Health Boards	-	48,502	27,525	28,076	28,637	29,210
Non Health Board Providers	-	54,498	59,290	60,476	61,685	62,919
Capital Charge	10,351	8,787	10,813	10,872	12,106	12,171
Interest Expense	23	12	71	72	79	80
Other	4,682	4,873	5,165	5,252	5,314	5,377
Internal Allocations	(9,097)	(8,471)	(9,043)	(9,043)	(9,043)	(9,043)
<b>Total Expenditure</b>	<b>239,257</b>	<b>347,174</b>	<b>336,242</b>	<b>341,355</b>	<b>347,119</b>	<b>352,024</b>
<b>Net Surplus / (Deficit)</b>	<b>(24,166)</b>	<b>(18,408)</b>	<b>(8,353)</b>	<b>(7,157)</b>	<b>(2,845)</b>	<b>480</b>

<b>Rehabilitation &amp; Support</b>						
<b>Forecast Statement of Financial Performance</b>						
<b>For the Year Ended 30 June</b>						
\$000s	2018\19 Audited	2019\20 Forecast	2020\21 Plan	2021\22 Plan	2022\23 Plan	2023\24 Plan
<b>Income</b>						
Operating Income	55,161	76,740	74,379	75,855	77,360	78,896
Interest Income	1	1	1	1	1	1
<b>Total Income</b>	<b>55,162</b>	<b>76,741</b>	<b>74,380</b>	<b>75,856</b>	<b>77,361</b>	<b>78,897</b>
<b>Expenditure</b>						
Personnel Costs	4,532	5,097	4,733	4,771	4,803	4,843
Depreciation	20	21	23	24	24	25
Outsourced Services	213	227	284	288	292	295
Clinical Supplies	1,551	1,619	1,325	1,350	1,370	1,390
Infrastructure and Non Clinical Expenses	102	120	128	131	132	134
Other District Health Boards	3,702	13,601	8,937	9,116	9,298	9,484
Non Health Board Providers	44,144	54,242	57,089	58,230	59,395	60,583
Capital Charge	20	18	18	18	18	18
Interest Expense	-	-	-	-	-	-
Other	59	46	61	61	61	61
Internal Allocations	822	890	857	857	857	857
<b>Total Expenditure</b>	<b>55,166</b>	<b>75,881</b>	<b>73,456</b>	<b>74,845</b>	<b>76,250</b>	<b>77,691</b>
<b>Net Surplus / (Deficit)</b>	<b>(4)</b>	<b>860</b>	<b>924</b>	<b>1,010</b>	<b>1,111</b>	<b>1,206</b>

## Forecast Financial Statements

<b>DHB Provider</b>						
<b>Forecast Statement of Comprehensive Income</b>						
<b>For the Year Ended 30 June</b>						
\$000s	2018/19 Audited	2019/20 Forecast	2020/21 Plan	2021/22 Plan	2022/23 Plan	2023/24 Plan
<b>Income</b>						
Operating Income	259,617	276,592	289,112	294,629	303,901	311,308
Interest	454	157	250	250	250	250
<b>Total Income</b>	<b>260,071</b>	<b>276,749</b>	<b>289,362</b>	<b>294,879</b>	<b>304,151</b>	<b>311,558</b>
<b>Expenditure</b>						
Personnel Costs	188,670	202,293	211,301	213,661	215,649	217,944
Depreciation	16,333	14,916	16,021	16,342	16,669	17,002
Outsourced Services	15,499	17,350	14,171	14,316	14,463	14,612
Clinical Supplies	24,879	27,161	28,662	29,259	29,698	30,143
Infrastructure & Non-Clinical Expenses	39,318	29,604	30,218	30,613	32,177	32,496
Internal Allocations	(353)	(377)	(400)	(399)	(400)	(400)
<b>Total Expenditure</b>	<b>284,347</b>	<b>290,946</b>	<b>299,974</b>	<b>303,793</b>	<b>308,257</b>	<b>311,798</b>
<b>Net Surplus / (Deficit)</b>	<b>(24,276)</b>	<b>(14,198)</b>	<b>(10,611)</b>	<b>(8,914)</b>	<b>(4,105)</b>	<b>(241)</b>
<b>Other Comprehensive Income</b>						
Revaluation of Land and Buildings	(7,175)	19,866	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(31,451)</b>	<b>5,669</b>	<b>(10,611)</b>	<b>(8,914)</b>	<b>(4,105)</b>	<b>(241)</b>

<b>Governance and Administration</b>						
<b>Forecast Statement of Comprehensive Income</b>						
<b>For the Year Ended 30 June</b>						
<b>\$000s</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
<b>Income</b>						
Operating Income	3,527	4,678	5,013	5,113	5,215	5,319
Interest	-	-	-	-	-	-
<b>Total Income</b>	<b>3,527</b>	<b>4,678</b>	<b>5,013</b>	<b>5,113</b>	<b>5,215</b>	<b>5,319</b>
<b>Expenditure</b>						
Personnel Costs	1,889	2,073	2,587	2,539	2,516	2,517
Depreciation	1	0	1	1	1	1
Outsourced Services	979	1,036	1,308	1,326	1,345	1,363
Clinical Supplies	0	8	0	0	0	0
Infrastructure & Non-Clinical Expenses	440	549	743	750	755	761
Internal Allocations	353	377	400	400	400	400
<b>Total Expenditure</b>	<b>3,661</b>	<b>4,044</b>	<b>5,038</b>	<b>5,015</b>	<b>5,016</b>	<b>5,042</b>
<b>Total Comprehensive Income</b>	<b>(134)</b>	<b>634</b>	<b>(25)</b>	<b>98</b>	<b>199</b>	<b>276</b>

<b>DHB Funder</b>						
<b>Forecast Statement of Comprehensive Income</b>						
<b>For the Year Ended 30 June</b>						
<b>\$000s</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
<b>Income</b>						
Operating Income	536,694	557,721	594,895	606,786	618,915	631,286
<b>Total Income</b>	<b>536,694</b>	<b>557,721</b>	<b>594,895</b>	<b>606,786</b>	<b>618,915</b>	<b>631,286</b>
<b>Expenditure</b>						
Hutt Provider Arm and Governance	225,406	245,728	257,564	262,715	267,970	273,329
Other District Health Boards	95,136	101,298	109,807	112,003	114,243	116,528
Non Health Board Providers	211,618	218,583	227,536	232,088	236,730	241,465
<b>Total Expenditure</b>	<b>532,160</b>	<b>565,609</b>	<b>594,907</b>	<b>606,806</b>	<b>618,943</b>	<b>631,322</b>
<b>Total Comprehensive Income</b>	<b>4,534</b>	<b>(7,888)</b>	<b>(11)</b>	<b>(20)</b>	<b>(28)</b>	<b>(35)</b>
<b>Expenditure Breakdown</b>						
Personal Health	408,868	430,421	454,995	464,095	473,377	482,844
Mental Health	39,968	42,513	47,151	48,094	49,056	50,037
DSS	75,355	80,042	83,738	85,413	87,122	88,865
Public Health	3,437	6,974	2,509	2,559	2,611	2,663
Maori Health	1,063	1,063	1,527	1,558	1,589	1,621
Hutt Governance	3,467	4,597	4,987	5,087	5,188	5,292
<b>Total Expenditure</b>	<b>532,160</b>	<b>565,609</b>	<b>594,907</b>	<b>606,806</b>	<b>618,943</b>	<b>631,322</b>

<b>Hutt Valley District Health Board</b>						
<b>Forecast Statement of Comprehensive Income</b>						
<b>For the Year Ended 30 June</b>						
\$000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan
<b>Income</b>						
Operating Income	574,432	593,263	631,457	643,812	660,061	674,583
Interest	454	157	250	250	250	250
<b>Total Income</b>	<b>574,886</b>	<b>593,420</b>	<b>631,707</b>	<b>644,062</b>	<b>660,311</b>	<b>674,833</b>
<b>Expenditure</b>						
Personnel Costs	190,558	204,366	213,888	216,201	218,165	220,462
Depreciation	16,334	14,917	16,022	16,342	16,669	17,003
Outsourced Services	16,478	18,385	15,479	15,642	15,808	15,975
Clinical Supplies	24,879	27,169	28,663	29,259	29,698	30,144
Infrastructure & Non-Clinical Expenses	39,758	30,153	30,961	31,362	32,933	33,257
Other District Health Boards	95,136	101,298	109,807	112,003	114,243	116,528
Non Health Board Providers	211,618	218,583	227,536	232,088	236,730	241,465
<b>Total Expenditure</b>	<b>594,761</b>	<b>614,872</b>	<b>642,354</b>	<b>652,898</b>	<b>664,246</b>	<b>674,833</b>
<b>Net Surplus / (Deficit)</b>	<b>(19,876)</b>	<b>(21,452)</b>	<b>(10,647)</b>	<b>(8,836)</b>	<b>(3,935)</b>	<b>0</b>
<b>Other Comprehensive Income</b>						
Revaluation of Land and Buildings	(7,175)	19,866	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(27,051)</b>	<b>(1,585)</b>	<b>(10,647)</b>	<b>(8,836)</b>	<b>(3,935)</b>	<b>0</b>

### Movements in Equity

<b>Hutt Valley District Health Board</b>						
<b>Forecast Statement of Changes in Equity</b>						
<b>For the Year Ended 30 June</b>						
\$000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan
<b>Equity as at 1 July</b>	201,605	174,347	172,760	219,114	227,748	220,166
Revaluation Reserve	(7,175)	19,866	-	-	-	-
Capital Contributions from the Crown	-	-	57,000	17,470	-	-
Repayment of Equity to the Crown	(207)	-	-	-	-	-
Total Comprehensive Income for the Year	(19,876)	(21,452)	(10,647)	(8,836)	(7,582)	(5,316)
<b>Equity as at 30 June</b>	<b>174,347</b>	<b>172,760</b>	<b>219,113</b>	<b>227,748</b>	<b>220,166</b>	<b>214,852</b>

**Financial Position**

<b>Hutt Valley District Health Board</b>						
<b>Forecast Statement of Financial Position</b>						
<b>For the Year Ended 30 June</b>						
<b>\$000s</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	3,781	(15,832)	1,359	(15,708)	(28,394)	(35,915)
Debtors and Other Receivables	27,822	28,393	28,393	28,393	28,393	28,393
Inventories	1,436	2,200	2,200	2,200	2,200	2,200
<b>Total Current Assets</b>	<b>33,040</b>	<b>14,760</b>	<b>31,952</b>	<b>14,885</b>	<b>2,199</b>	<b>(5,323)</b>
<b>Non Current Assets</b>						
Property, Plant and Equipment	223,044	236,469	263,372	288,419	296,569	303,503
Intangible Assets	7,149	7,322	8,862	9,518	10,119	10,707
Investment in Joint Ventures	1,150	1,150	1,150	1,150	1,150	1,150
Trust and Bequest Funds	1,409	1,347	1,347	1,347	1,347	1,347
<b>Total Non Current Assets</b>	<b>232,752</b>	<b>246,288</b>	<b>274,731</b>	<b>300,433</b>	<b>309,184</b>	<b>316,707</b>
<b>Total Assets</b>	<b>265,792</b>	<b>261,048</b>	<b>306,683</b>	<b>315,317</b>	<b>311,383</b>	<b>311,384</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Creditors and Other Payables	43,335	36,038	35,318	35,318	35,318	35,318
Employee Entitlements and Provisions	33,020	36,784	36,784	36,784	36,784	36,784
Borrowings (Finance Leases)	221	42	42	42	42	42
<b>Total Current Liabilities</b>	<b>76,576</b>	<b>72,864</b>	<b>72,144</b>	<b>72,144</b>	<b>72,144</b>	<b>72,144</b>
<b>Non Current Liabilities</b>						
Employee Entitlements and Provisions	8,245	8,972	8,972	8,972	8,972	8,972
Borrowings (Finance Leases)	-	180	180	180	180	180
Trust and Bequest Funds	6,625	6,274	6,274	6,274	6,274	6,274
<b>Total Non Current Liabilities</b>	<b>14,870</b>	<b>15,426</b>	<b>15,426</b>	<b>15,426</b>	<b>15,426</b>	<b>15,426</b>
<b>Total Liabilities</b>	<b>91,446</b>	<b>88,289</b>	<b>87,569</b>	<b>87,569</b>	<b>87,569</b>	<b>87,569</b>
<b>Equity</b>						
Crown Equity	124,123	124,123	181,123	198,593	198,593	198,593
Revaluation Reserves	126,422	146,289	146,289	146,289	146,289	146,289
Retained Earnings	(76,199)	(97,653)	(108,298)	(117,133)	(121,068)	(121,067)
<b>Total Equity</b>	<b>174,347</b>	<b>172,759</b>	<b>219,113</b>	<b>227,748</b>	<b>223,814</b>	<b>223,814</b>
<b>Total Equity and Liabilities</b>	<b>265,792</b>	<b>261,048</b>	<b>306,683</b>	<b>315,317</b>	<b>311,383</b>	<b>311,384</b>

## Cash Flow

<b>Hutt Valley District Health Board</b> <b>Forecast Statement of Cash Flow</b> <b>For the Year Ended 30 June</b>						
\$000s	2018/19 Audited	2019/20 Forecast	2020/21 Plan	2021/22 Plan	2022/23 Plan	2023/24 Plan
<b>Cash Flows from Operating Activities</b>						
Cash Receipts	564,725	592,610	631,407	643,762	660,011	674,533
Payments to Providers	(304,066)	(316,071)	(337,341)	(344,087)	(350,969)	(357,989)
Payments to Suppliers and Employees	(250,082)	(278,198)	(275,517)	(279,911)	(282,731)	(285,896)
Goods and Services Tax (Net)	308	832	(1,700)	-	-	-
Capital Charge Paid	(12,022)	(10,257)	(12,423)	(12,486)	(13,797)	(13,866)
<b>Net Cash Flows from Operating Activity</b>	<b>(1,136)</b>	<b>(11,085)</b>	<b>4,426</b>	<b>7,279</b>	<b>12,514</b>	<b>16,783</b>
<b>Cash Flows from Investing Activities</b>						
Interest Received	454	157	250	250	250	250
Proceeds from Sale of Property, Plant and Equipment	(2,216)	-	-	-	-	-
Purchase of Sale of Property, Plant and Equipment	(9,652)	(8,855)	(50,265)	(42,044)	(25,421)	(24,525)
Investments	(320)	60	2	-	-	-
Dividends	41	111	50	50	50	50
<b>Net Cash Flows from Investing Activity</b>	<b>(11,694)</b>	<b>(8,526)</b>	<b>(49,963)</b>	<b>(41,744)</b>	<b>(25,121)</b>	<b>(24,225)</b>
<b>Cash Flows from Financing Activities</b>						
Equity Contribution	-	-	57,000	17,470	-	-
Loans Raised	(509)	1	-	-	-	-
Interest Paid	1,678	(210)	5,729	(72)	(79)	(80)
Payment of Finance Leases	-	-	-	-	-	-
Repayment of Equity	-	207	-	-	-	-
<b>Net Cash Flows from Financing Activity</b>	<b>1,169</b>	<b>(2)</b>	<b>62,729</b>	<b>17,398</b>	<b>(79)</b>	<b>(80)</b>
Net Increase / (Decrease) in Cash Held	(11,661)	(19,613)	17,192	(17,067)	(12,686)	(7,522)
Cash and Cash Equivalents at Beginning of Year	15,443	3,781	(15,832)	1,360	(15,707)	(28,393)
<b>Cash and Cash Equivalents at End of Year</b>	<b>3,781</b>	<b>(15,832)</b>	<b>1,360</b>	<b>(15,707)</b>	<b>(28,393)</b>	<b>(35,915)</b>

**Capex**

Hutt Valley District Health Board Capital Expenditure For the Year Ended 30 June						
\$000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan
<b>Baseline Expenditure</b>						
Property and Plant	2,548	2,599	3,575	5,545	5,490	5,270
Clinical Equipment	1,707	2,433	4,803	3,608	1,525	1,870
Computer Equipment	3,702	1,533	1,547	1,731	1,740	1,790
Other Equipment	1,211	263	380	100	100	100
Motor Vehicles	195	18	-	-	-	250
<b>Total Baseline</b>	<b>9,363</b>	<b>6,846</b>	<b>10,305</b>	<b>10,984</b>	<b>8,855</b>	<b>9,280</b>
<b>Strategic Expenditure</b>						
Property and Plant	57	-	29,000	17,470	1,500	1,500
Clinical Equipment	(135)	1,101	4,370	2,250	3,450	4,100
Computer Equipment	364	907	6,590	11,340	11,616	9,645
Other Equipment	2	-	-	-	-	-
Motor Vehicles	-	-	-	-	-	-
<b>Total Strategic</b>	<b>288</b>	<b>2,008</b>	<b>39,960</b>	<b>31,060</b>	<b>16,566</b>	<b>15,245</b>
<b>Total Capital Expenditure</b>	<b>9,652</b>	<b>8,855</b>	<b>50,265</b>	<b>42,044</b>	<b>25,421</b>	<b>24,525</b>
<b>Financed By</b>						
Internally Sourced Funding (equity movements / injections (excl. deficit support and capital expenditure))	(19,876)	(21,452)	(10,647)	(8,835)	(7,582)	(5,316)
Equity Injections for Deficit Support	-	-	-	-	-	-
Depreciation	14,118	14,917	16,022	16,342	16,669	17,003
Sale of Fixed Assets	(2,216)	-	-	-	-	-
Equity Injections for Capital Expenditure	-	-	22,000	17,470	-	-
Private Debt	(509)	1	-	-	-	-
CHFA Debt	-	-	-	-	-	-
Other (Includes Cash Reserves)	15,443	(2,692)	(18,084)	(40,972)	(58,039)	(74,372)
<b>Total Finance</b>	<b>6,959</b>	<b>(9,227)</b>	<b>9,291</b>	<b>(15,995)</b>	<b>(48,951)</b>	<b>(62,685)</b>

**FTEs**

<b>DHB Provider</b>						
<b>FTEs by Class</b>						
<b>For the Year Ended 30 June</b>						
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Medical	275	276	287	287	287	287
Nursing	781	801	837	837	837	837
Allied Health	386	393	417	417	417	417
Non-Allied Health	135	140	137	137	137	137
Management/Clerical	351	342	367	367	367	367
<b>Total FTEs</b>	<b>1,927</b>	<b>1,953</b>	<b>2,044</b>	<b>2,044</b>	<b>2,044</b>	<b>2,044</b>

<b>DHB Governance &amp; Administration</b>						
<b>FTEs by Class</b>						
<b>For The Year Ended 30 June</b>						
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Medical	0	0	0	0	0	0
Nursing	0	0	-	-	-	-
Allied Health	-	-	-	-	-	-
Non-Allied Health	-	-	-	-	-	-
Management/Clerical	16	17	21	21	21	21
<b>Total FTEs</b>	<b>16</b>	<b>17</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>22</b>

<b>Hutt Valley District Health Board</b>						
<b>FTEs by Class</b>						
<b>For the Year Ended 30 June</b>						
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Audited</b>	<b>Forecast</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>	<b>Plan</b>
Medical	275	276	287	287	287	287
Nursing	781	801	837	837	837	837
Allied Health	386	393	417	417	417	417
Non-Allied Health	135	140	137	137	137	137
Management/Clerical	367	359	388	388	388	388
<b>Total FTEs</b>	<b>1,943</b>	<b>1,970</b>	<b>2,066</b>	<b>2,066</b>	<b>2,066</b>	<b>2,066</b>

## Key Financial Information

Hutt Valley District Health Board Key Financial Information For the Year Ended 30 June						
\$000s	2018/19 Audited	2019/20 Forecast	2020/21 Plan	2021/22 Plan	2022/23 Plan	2023/24 Plan
Revenue	574,886	593,420	631,707	644,062	660,311	674,833
Expenditure	(594,761)	(614,872)	(642,354)	(652,898)	(664,246)	(674,833)
Revaluation of Land and Buildings	(7,175)	19,866	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(27,051)</b>	<b>(1,585)</b>	<b>(10,647)</b>	<b>(8,836)</b>	<b>(3,935)</b>	<b>0</b>
Total Property, Plant & Equipment	223,044	236,469	263,372	288,419	296,569	303,503
Total Equity	174,347	172,759	219,113	227,748	223,814	223,814
Term Borrowings	-	180	180	180	180	180

## Expenditure Category

Expenditure Category	2018/19 Audited \$m	2019/20 Forecast \$m	2020/21 Plan \$m	2021/22 Plan \$m	2022/23 Plan \$m	2023/24 Plan \$m
DHB Provider Arm	284.3	290.9	300.0	303.8	308.3	311.8
Funder Arm	211.6	218.6	227.5	232.1	236.7	241.5
Services Purchased from Other DHBs (IDF Outflows)	95.1	101.3	109.8	112.0	114.2	116.5
Governance Arm	3.7	4.0	5.0	5.0	5.0	5.0
<b>Total Allocated</b>	<b>594.8</b>	<b>614.9</b>	<b>642.4</b>	<b>652.9</b>	<b>664.2</b>	<b>674.8</b>
Funding (excluding IDF inflows below)	465.9	511.0	521.0	531.1	545.1	557.3
Services provided for Other DHBs (IDF Inflows)	101.8	102.3	110.7	113.0	115.2	117.5
<b>Total Funding</b>	<b>567.7</b>	<b>613.3</b>	<b>631.7</b>	<b>644.1</b>	<b>660.3</b>	<b>674.8</b>
<b>Surplus / (Deficit)</b>	<b>(27.1)</b>	<b>(1.6)</b>	<b>(10.6)</b>	<b>(8.8)</b>	<b>(3.9)</b>	<b>0.0</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 7.47% from Funding Envelope guidance (national average 6.94%) for 2020/21
- 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 \$58.6 million p.a. is planned for 2020/21, partially funded with an equity injection (approved in the 2019/20 year of \$39.8 million)

**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 2020/21 of \$10.30 million and \$57.7 million for strategic capex will be funded from a combination of internal funds and an equity injection of \$39.8 million.

**Equity Drawing:** Additional deficit support is required for the 2020/21 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. Due to fluctuating property values it has been agreed a full revaluation will be done as at 30 June 2020.

**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.