Hutt Valley District Health Board
2021/22 Statement of Performance Expectations including Financial Performance

Presented to the House of Representative
pursuant to section 149L of the Crown Entities Act 2004

David Smol
Chair
Date: 25/02/2022

Wayne Guppy
Chair, Finance Risk and Audit Committee
Date: 25/02/2022

Statement of Performance Expectations including Financial Performance

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 CCDHB region, the decisions we make and the way in which we deliver services have a significant impact on the health and wellbeing 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 CCDHB's Statement of Performance Expectations for 2021/22.

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 2021/22, the DHB will receive approximately $665.7 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 2019/20 by service class.

	2021/22
Revenue	**Total $'000**
Prevention	27,173
Early detection & management	294,162
Intensive assessment & treatment	274,707
Rehabilitation & support	71,141
Total Revenue - $'000	**667,183**
Expenditure	
Prevention	25,501
Early detection & management	287,906
Intensive assessment & treatment	296,739
Rehabilitation & support	73,877
Total Expenditure - $'000	684,022
Surplus/(Deficit) - $'000	**(16,839)**

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of eight month olds fully vaccinated	Māori	86%	84%	≥95%
	Pacific	94%	87%	
	Non-Māori, Non-Pacific	85%	95%	
	Total	92%	92%	
% of two year olds fully immunised	Māori	89%	86%	≥95%
	Pacific	92%	95%	
	Non-Māori, Non-Pacific	77%	93%	
	Total	93%	91%	
% of five year olds fully immunised	Māori	85%	87%	≥95%
	Pacific	84%	90%	
	Non-Māori, Non-Pacific	80%	90%	
	Total	89%	89%	
% of children aged 11 years provided Boostrix vaccination	Māori	72%	73%	≥70%
	Pacific	65%	64%	
	Non-Māori, Non-Pacific	67%	76%	
	Total	68%	74%	
% of children (girls and boys aged 12 years) provided HPV vaccination (*one dose)	Māori	70%	70%	≥75%
	Pacific	66%	65%	
	Non-Māori, Non-Pacific	74%	75%	
	Total	70%	72%	
% of population aged 65 years and over immunised against influenza	Māori	60%	68%	≥75%
	Pacific	58%	87%	
	Non-Māori, Non-Pacific	66%	66%	
	Total	55%	67%	

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of infants fully or exclusively breastfed at 3 months	Māori	50%	50%	≥70%
	Pacific	40%	40%	
	Non-Māori, Non-Pacific	56%	56%	
	Total	53%	53%	
% of four year olds identified as obese at their B4 School Check referred for family based nutrition, activity and lifestyle intervention	Māori	86%	91%	≥95%
	Pacific	87%	95%	
	Non-Māori, Non-Pacific	86%	86%	
	Total	89%	89%	
% of PHO-enrolled patients who smoke and have been offered help to quit by a health practitioner in the last 15 months	Māori	88%	87%	≥90%
	Pacific	88%	89%	
	Non-Māori, Non-Pacific	89%	89%	
	Total	89%	88%	

% of pregnant women who identify as smokers upon registration with a DHB midwife or Lead Maternity Carer offered advice to quit	Māori	87%	41%	≥90%
	Total	86%	64%	

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of eligible children receiving a B4 School Check	Māori	62%	82%	≥90%
	Pacific	67%	91%	
	Non-Māori, Non-Pacific	71%	95%	
	Total	68%	91%	
% of eligible women (25-69 years old) having cervical screening in the last 3 years	Māori	69%	64%	≥80%
	Pacific	68%	66%	
	Non-Māori, Non-Pacific	72%	73%	
	Total	74%	71%	
% of eligible women (50-69 years old) having breast cancer screening in the last 2 years	Māori	67%	66%	≥70%
	Pacific	68%	68%	
	Non-Māori, Non-Pacific	64%	63%	
	Total	71%	64%	

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 Health System Plan is 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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of children under 5 years enrolled in DHB-funded dental services	Māori	95%	94%	≥95%
	Pacific	91%	93%	
	Non-Māori, Non-Pacific	99%	97%	
	Total	98%	96%	
% of children caries free at 5 years	Māori	52%	46%	≥65%
	Pacific	48%	27%	
	Non-Māori, Non-Pacific	72%	71%	
	Total	65%	60%	
Ratio of mean decayed, missing, filled teeth (DMFT) at year 8	Māori	0.56	0.88	≤0.59
	Pacific	0.72	0.10	
	Non-Māori, Non-Pacific	0.52	0.53	
	Total	0.55	0.67	
% of children (0-12) enrolled in DHB oral health services overdue for their scheduled examinations	Māori	6%	19%	≤10%
	Pacific	5%	18%	
	Non-Māori, Non-Pacific	4%	24%	
	Total	5%	22%	

% of adolescents accessing DHB-funded dental services	Māori	47%	53%	≥85%
	Pacific	54%	65%	
	Non-Māori, Non-Pacific	89%	79%	
	Total	73%	71%	

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of newborn enrolment with general practice by three months of age	Māori	84%	84%	≥85%
	Pacific	94%	92%	
	Non-Māori, Non-Pacific	93%	92%	
	Total	90%	90%	
% of the DHB-domiciled population that is enrolled in a PHO	Māori	88%	85%	≥98%
	Pacific	99%	94%	
	Non-Māori, Non-Pacific	98%	97%	
	Total	96%	94%	
% 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	42%	45%	≥60%
	Pacific	41%	40%	
	Non-Māori, Non-Pacific	55%	60%	
	Total	50%	55%	
Avoidable hospital admission rate for children aged 0-4 (per 100,000 people)	Māori	10,767	7,793	Refer to SLM Plan
	Pacific	15,979	12,268	
	Non-Māori, Non-Pacific	5,791	4,976	
	Total	8.169	6,471	
Avoidable hospital admission rate for adults aged 45-64 (per 100,000 people)	Māori	7654	6,952	4,340
	Pacific	5060	7,088	
	Non-Māori, Non-Pacific	3748	3,448	
	Total	4512	4,120	
Rate of hospitalisations potentially related to housing conditions per 1,000 population for children under 15 years age	Māori	27.8	26.8	≤11.9
	Pacific	26.4	24.3	
	Non-Māori, Non-Pacific	11.9	11.1	
	Total	17.8	16.2	
Primary Care Patient Experience scores				Refer to SLM plan

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
Age-standardised rate of initial prescription items dispensed per 1,000 population	Māori	8,040	7,765	
	Pacific	8,297	7,922	
	Non-Māori, Non-Pacific	7,559	7,239	
	Total	9,495	9,183	
Patients registered with CPAMS per 1,000 people dispensed warfarin	Māori	395	367	≥190
	Pacific	396	521	
	Non-Māori, Non-Pacific	190	226	
	Total	228	231	
LTC registrations per 1,000 people	Māori	32	32	≥41
	Pacific	46	47	
	Non-Māori, Non-Pacific	41	42	
	Total	40	40	

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 for our population.

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
Number of POACs delivered in community settings across 2DHB	Total	455	529	≥529
Number of zero-fee consultations at after-hours services by children under 14 years	Māori	1,053	903	≥1,053
	Pacific	409	265	≥409
	Non-Māori, Non-Pacific	4,768	3,927	≥4,768
	Total	6,230	5,095	≥6,230
Age-standardised ED presentation rate per 1,000 population in sub-regional hospitals	Māori	320	321	≤238
	Pacific	337	330	
	Non-Māori, Non-Pacific	238	243	
	Total	257	262	
% of patients admitted, discharged or transferred from ED within 6 hours	Māori	77%	89%	≥95%
	Pacific	77%	88%	
	Non-Māori, Non-Pacific	99%	87%	
	Total	92%	88%	
Standardised acute readmission rate within 28 days	Total	11.8%	8.2%	Planned Care Funding Schedule 2021/22

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/21
Number of planned care interventions – inpatient surgical discharges	Total	4,960	5,662	Planned Care Funding Schedule 2021/22
Number of planned care interventions – minor procedures	Total	3,013	3,754	Planned Care Funding Schedule 2021/22
% of patients given a commitment to treatment but not treated within four months	Total	29%	51.4%	0%
% of "DNA" (did not attend) appointments for FSA (first specialist appointments)	Māori	NA	16.7%	Planned Care Funding Schedule 2021/22
	Pacific	NA	13.0%	
	Non-Māori, Non-Pacific	NA	4.2%	
	Total	NA	6.8%	

% of patients waiting longer than four months for their first specialist assessment	Total	11%	23.6%	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	Māori	96%	100%	≥90%
	Pacific	50%	88%	
	Non-Māori, Non-Pacific	90%	89%	
	Total	90%	90%	
% of patients receiving their first cancer treatment (or other management) within 31 days from date of decision-to-treat	Total	91%	91%	≥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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
Mental Health Access Rates		Māori	6.5%	6.6%	≥3.5
		Pacific	3.0%	3.2%	
		Non-Māori, Non-Pacific	3.5%	3.5%	
		Total	4.0%	4.0%	
% of patients 0-19 referred to non-urgent child & adolescent services that were seen within eight weeks:	Mental health services	Māori	88%	88%	≥95%
		Pacific	88%	88%	
		Non-Māori, Non-Pacific	87%	87%	
		Total	87%	87%	
	Addiction services	Māori	91%	91%	
		Pacific	100%	100%	
		Non-Māori, Non-Pacific	100%	100%	
		Total	95%	95%	
% 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	64%	79%	≥75%
		Pacific	57%	68%	
		Non-Māori, Non-Pacific	80%	79%	
		Total	73%	78%	
	7 days following the day of discharge	Māori	69%	79%	≥90%
		Pacific	80%	59%	
		Non-Māori, Non-Pacific	82%	81%	
		Total	77%	78%	
% of clients with a transition (discharge) plan		Community	48%	50%	≥95%
		Inpatient	70%	74%	
% of clients with a wellness plan		Community	43%	46%	≥95%
Rate of Māori under the Mental Health Act: Section 29 community treatment orders		Māori	316	318	Reduce by 10%

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
Rate of in-hospital falls with fractured neck of femur, per 100,000 admissions	Total	42.5	23.2	≤23.2
Rate of staphylococcus aureus bacteraemia, per 1,000 bed days	Total	0.06	0.24	≤0.1
Rate of surgical site infections for hip and knee operations, per 100 procedures	Total	0	0	0
Rate of in-hospital cardiopulmonary arrests in adult inpatient wards, per 1,000 admissions	Total	1.62	1.62	≤1.4
Rate of rapid response escalations, per 1000 admissions	Total	43.6	43.6	≤43
Rates of deep vein thrombosis/pulmonary embolus	Total	19	22	≤12
The weighted average score in the Inpatient Experience Survey by domain		Refer to SLM plan		

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of hospital staff that have completed the Disability Responsiveness eLearning Module	Total	NA	18.3%	80%

Home-based and Community 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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of people 75+ living in their own home	Māori	96%	95%	94%
	Pacific	95%	93%	
	Non-Māori, Non-Pacific	94%	**91%**	
	Total	94%	91%	
Acute bed day rate per 1000 for people 75+	Māori	1,377	2,489	≤1,643
	Pacific	1,515	1,660	
	Non-Māori, Non-Pacific	1,643	1,554	
	Total	1,628	1,597	
Standardised acute readmission rate for people 75+	Māori	11.6%	11.2%	≤12.4%
	Pacific	14.4%	14.7%	
	Non-Māori, Non-Pacific	12.4%	12.1%	
	Total	12.4%	12.3%	
Rate of hip (neck of femur) fractures due to a fall per 1,000 people 50+	Māori	C..	C..	≤2.9
	Pacific	C..	C..	
	Non-Māori, Non-Pacific	2.94	3.04	
	Total	0.53	0.48	

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 2019/20	HVDHB Forecast 2020/21	HVDHB Target 2021/22
% of residential care providers meeting four year certification standards	Total	100%	53%	95%

Financial Performance

Output Class Financials

Statement of Performance Expectations

Hutt Valley District Health Board
Forecast Statement of Financial Performance
For the Year Ended 30 June

$000s	2019\20 Audited	2020\21 Forecast	2021\22 Plan	2022\23 Plan	2023\24 Plan	2024\25 Plan
Income						
Operating Income	593,263	646,581	666,933	699,742	734,178	770,319
Interest Income	158	280	250	255	260	265
Total Income	**593,421**	**646,862**	**667,183**	**699,998**	**734,438**	**770,585**
Expenditure						
Personnel Costs	204,364	200,856	206,370	209,466	211,560	213,676
Depreciation	14,917	15,160	15,996	16,996	16,996	16,996
Outsourced Services	18,385	36,553	62,772	63,181	63,472	63,771
Clinical Supplies	25,790	29,858	27,245	27,654	27,930	28,209
Infrastructure and Non Clinical Expenses	32,622	24,195	19,195	19,350	19,544	19,684
Other District Health Boards	101,298	107,521	103,894	111,089	118,644	126,576
Non Health Board Providers	218,583	227,815	211,201	236,411	249,231	262,693
Capital Charge	10,258	8,607	8,301	8,301	8,301	8,301
Interest Expense	12	19	24	24	24	24
Other	5,973	13,211	29,023	28,784	28,871	28,958
Internal Allocations	2	0	(0)	(0)	(0)	(0)
Total Expenditure	**632,204**	**663,795**	**684,022**	**721,256**	**744,575**	**768,888**
Net Surplus / (Deficit)	**(38,784)**	**(16,933)**	**(16,839)**	**(21,258)**	**(10,137)**	**1,697**

Hutt Valley District Health Board
Prospective Summary of Revenues and Expenses by Output Class

$000s	2021\22 Plan	2022\23 Plan	2023\24 Plan
Intensive Assessment & Treatment			
Total Revenue	274,707	293,688	313,604
Total Expenditure	296,739	316,775	324,373
Net Surplus / (Deficit)	**(22,032)**	**(23,088)**	**(10,769)**
Prevention			
Total Revenue	27,173	28,511	29,916
Total Expenditure	25,501	25,425	25,832
Net Surplus / (Deficit)	**1,672**	**3,086**	**4,084**
Early Detection & Management			
Total Revenue	294,162	302,616	311,493
Total Expenditure	287,906	301,527	312,772
Net Surplus / (Deficit)	**6,256**	**1,090**	**(1,279)**
Rehabilitation & Support			
Total Revenue	71,141	75,182	79,425
Total Expenditure	73,877	77,529	81,597
Net Surplus / (Deficit)	**(2,736)**	**(2,346)**	**(2,172)**
Consolidated Surplus / (Deficit)	**(16,839)**	**(21,258)**	**(10,137)**

Intensive Assessment & Treatment
Forecast Statement of Financial Performance
For the Year Ended 30 June

$000s	2019\20 Audited	2020\21 Forecast	2021\22 Plan	2022\23 Plan	2023\24 Plan	2024\25 Plan
Income						
Operating Income	225,028	245,796	274,501	293,477	313,388	334,280
Interest Income	119	237	206	211	216	221
Total Income	**225,147**	**246,034**	**274,707**	**293,688**	**313,604**	**334,501**
Expenditure						
Personnel Costs	172,447	172,630	178,381	181,293	183,106	184,937
Depreciation	13,814	14,160	14,644	15,648	15,648	15,648
Outsourced Services	15,631	33,097	38,914	39,268	39,456	39,647
Clinical Supplies	23,288	26,805	24,534	24,902	25,151	25,403
Infrastructure and Non Clinical Expenses	31,123	22,987	17,738	17,902	18,081	18,210
Other District Health Boards	-	(1,057)	(2,830)	10,123	13,256	16,578
Non Health Board Providers	-	(799)	7,719	11,520	13,480	15,575
Capital Charge	8,854	7,277	7,874	7,357	7,357	7,357
Interest Expense	12	19	24	24	24	24
Other	4,873	12,530	17,662	17,587	17,662	17,737
Internal Allocations	(8,471)	(8,123)	(7,921)	(8,848)	(8,848)	(8,848)
Total Expenditure	**261,571**	**279,526**	**296,739**	**316,775**	**324,373**	**332,268**
Net Surplus / (Deficit)	**(36,424)**	**(33,492)**	**(22,032)**	**(23,088)**	**(10,769)**	**2,233**

Prevention
Forecast Statement of Financial Performance
For the Year Ended 30 June

$000s	2019\20 Audited	2020\21 Forecast	2021\22 Plan	2022\23 Plan	2023\24 Plan	2024\25 Plan
Income						
Operating Income	21,862	26,897	27,146	28,484	29,889	31,363
Interest Income	23	26	27	27	27	27
Total Income	**21,885**	**26,923**	**27,173**	**28,511**	**29,916**	**31,390**
Expenditure						
Personnel Costs	14,062	14,636	15,276	15,505	15,660	15,817
Depreciation	349	212	368	365	365	365
Outsourced Services	1,253	2,013	2,231	2,216	2,248	2,281
Clinical Supplies	505	680	627	637	643	649
Infrastructure and Non Clinical Expenses	618	430	507	512	517	521
Other District Health Boards	-	3	14	23	32	42
Non Health Board Providers	-	(210)	923	1,104	1,296	1,501
Capital Charge	486	471	253	253	253	253
Interest Expense	-	-	-	-	-	-
Other	488	408	710	719	726	733
Internal Allocations	3,942	4,177	4,592	4,092	4,092	4,092
Total Expenditure	**21,703**	**22,820**	**25,501**	**25,425**	**25,832**	**26,254**
Net Surplus / (Deficit)	**182**	**4,103**	**1,672**	**3,086**	**4,084**	**5,137**

Early Detection & Management
Forecast Statement of Financial Performance
For the Year Ended 30 June

$000s	2019\20 Audited	2020\21 Forecast	2021\22 Plan	2022\23 Plan	2023\24 Plan	2024\25 Plan
Income						
Operating Income	289,663	302,613	294,144	302,598	311,475	320,796
Interest Income	15	17	18	18	18	18
Total Income	**289,678**	**302,630**	**294,162**	**302,616**	**311,493**	**320,814**
Expenditure						
Personnel Costs	12,758	8,823	7,981	8,052	8,133	8,214
Depreciation	733	765	961	960	960	960
Outsourced Services	1,274	1,166	1,166	1,214	1,264	1,316
Clinical Supplies	378	643	529	537	542	547
Infrastructure and Non Clinical Expenses	761	698	821	810	819	825
Other District Health Boards	97,782	103,189	118,434	111,753	115,205	118,798
Non Health Board Providers	173,523	175,282	155,090	173,298	180,942	188,928
Capital Charge	901	842	165	682	682	682
Interest Expense	-	-	-	-	-	-
Other	566	227	590	466	470	475
Internal Allocations	3,641	2,933	2,169	3,753	3,753	3,753
Total Expenditure	**292,317**	**294,568**	**287,906**	**301,527**	**312,772**	**324,500**
Net Surplus / (Deficit)	**(2,639)**	**8,062**	**6,256**	**1,090**	**(1,279)**	**(3,686)**

Rehabilitation & Support
Forecast Statement of Financial Performance
For the Year Ended 30 June

$000s	2019\20 Audited	2020\21 Forecast	2021\22 Plan	2022\23 Plan	2023\24 Plan	2024\25 Plan
Income						
Operating Income	56,710	71,276	71,142	75,183	79,426	83,881
Interest Income	1	(1)	(1)	(1)	(1)	(1)
Total Income	**56,711**	**71,275**	**71,141**	**75,182**	**79,425**	**83,880**
Expenditure						
Personnel Costs	5,097	4,767	4,732	4,615	4,662	4,708
Depreciation	21	23	24	23	23	23
Outsourced Services	227	276	461	482	504	526
Clinical Supplies	1,619	1,731	1,555	1,578	1,594	1,610
Infrastructure and Non Clinical Expenses	120	80	130	126	128	128
Other District Health Boards	3,516	5,386	8,277	9,190	10,150	11,157
Non Health Board Providers	45,060	53,542	57,468	60,489	63,513	66,689
Capital Charge	17	16	9	9	9	9
Interest Expense	-	-	-	-	-	-
Other	46	45	60	12	12	12
Internal Allocations	890	1,014	1,160	1,003	1,003	1,003
Total Expenditure	**56,613**	**66,881**	**73,877**	**77,529**	**81,597**	**85,867**
Net Surplus / (Deficit)	**98**	**4,394**	**(2,736)**	**(2,346)**	**(2,172)**	**(1,987)**

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 3.76% from Funding Advice (national average 4.88%) for 2021/22
- IDF levels based on November 2020 IDF Forecast.

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 5% payable half yearly

Total Capital Expenditure of up to $21.0 million p.a. is planned for 2021/22, $4.5 million to be leased.

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 2021/22 of $16.8 million and $4.2 million for strategic capex will be funded from a combination of internal funds and leases. In addition three major Strategic Projects that were approved in 2020/21, have been carried forward to the 2021/22 financial year. These projects are funded by a Ministry of Health Cash drawdown as required.

Equity Drawing: No deficit support is required for the 2021/22 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 2021.

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.