Capital & Coast 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

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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 $1.4 billion 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	**13,552**
Early detection & management	**283,591**
Intensive assessment & treatment	**1,019,349**
Rehabilitation & support	**137,398**
Total Revenue - $'000	**1,453,890**
Expenditure	
Prevention	**13,552**
Early detection & management	**283,591**
Intensive assessment & treatment	**1,012,321**
Rehabilitation & support	**137,398**
Total Expenditure - $'000	**1,446,862**
Surplus/(Deficit) - $'000	**7,028**

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	CCDHB Baseline 2019/10	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of eight month olds fully vaccinated	Māori	87%	84%	≥95%
	Pacific	91%	91%	
	Non-Māori, Non-Pacific	96%	96%	
	Total	94%	93%	
% of two year olds fully immunised	Māori	90%	85%	≥95%
	Pacific	93%	91%	
	Non-Māori, Non-Pacific	95%	94%	
	Total	94%	92%	
% of five year olds fully immunised	Māori	91%	81%	≥95%
	Pacific	87%	88%	
	Non-Māori, Non-Pacific	91%	88%	
	Total	91%	87%	
% of children aged 11 years provided Boostrix vaccination	Māori	73%	72%	≥70%
	Pacific	67%	55%	
	Non-Māori, Non-Pacific	67%	73%	
	Total	68%	71%	
% of children (girls and boys aged 12 years) provided HPV vaccination (*one dose)	Māori	62%	74%	≥75%
	Pacific	61%	70%	
	Non-Māori, Non-Pacific	67%	77%	
	Total	66%	76%	
% of population aged 65 years and over immunised against influenza	Māori	45%	61%	≥75%
	Pacific	64%	81%	
	Non-Māori, Non-Pacific	58%	67%	
	Total	57%	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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of infants fully or exclusively breastfed at 3 months	Māori	43%	56%	≥70%
	Pacific	50%	40%	
	Non-Māori, Non-Pacific	67%	67%	
	Total	62%	62%	
% of four year olds identified as obese at their B4 School Check referred for family based nutrition, activity and lifestyle intervention	Māori	92%	100%	≥95%
	Pacific	86%	95%	
	Non-Māori, Non-Pacific	90%	88%	
	Total	90%	93%	
% of PHO-enrolled patients who have quit smoking in the last 12 months	Māori	11%	9%	≥90%
	Pacific	11%	10%	
	Non-Māori, Non-Pacific	17%	13%	
	Total	12%	12%	
% of PHO-enrolled patients who smoke and have been offered help to quit by a health practitioner in the last 15 months	Māori	83%	81%	≥90%
	Pacific	85%	83%	

	Non-Māori, Non-Pacific	84%	82%	
	Total	84%	82%	
% of hospitalised smokers offered advice to help quit	Māori	83%	82%	≥95%
	Pacific	90%	86%	
	Non-Māori, Non-Pacific	78%	79%	
	Total	82%	81%	
% of pregnant women who identify as smokers upon registration with a DHB midwife or Lead Maternity Carer offered advice to quit	Māori	100%	100%	≥90%
	Total	100%	100%	

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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of eligible children receiving a B4 School Check	Māori	60%	69%	≥90%
	Pacific	54%	80%	
	Non-Māori, Non-Pacific	70%	99%	
	Total	62%	91%	
% of eligible women (25-69 years old) having cervical screening in the last 3 years	Māori	65%	66%	≥80%
	Pacific	64%	64%	
	Non-Māori, Non-Pacific	75%	75%	
	Total	72%	73%	
% of eligible women (50-69 years old) having breast cancer screening in the last 2 years	Māori	67%	66%	≥70%
	Pacific	70%	65%	
	Non-Māori, Non-Pacific	72%	71%	
	Total	72%	70%	

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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of children under 5 years enrolled in DHB-funded dental services	Māori	72%	70%	≥95%
	Pacific	84%	78%	
	Non-Māori, Non-Pacific	104%	98%	
	Total	95%	90%	
% of children caries free at 5 years	Māori	53%	53%	≥71%
	Pacific	43%	47%	
	Non-Māori, Non-Pacific	78%	78%	
	Total	71%	71%	
Ratio of mean decayed, missing, filled teeth (DMFT) at year 8	Māori	0.27	0.73	≤0.43
	Pacific	0.26	0.90	
	Non-Māori, Non-Pacific	0.35	0.41	
	Total	0.33	0.51	

% of children (0-12) enrolled in DHB oral health services overdue for their scheduled examinations	Māori	8%	25%	≤10%
	Pacific	7%	19%	
	Non-Māori, Non-Pacific	5%	26%	
	Total	6%	25%	
% of adolescents accessing DHB-funded dental services	Māori	56%	63%	≥85%
	Pacific	72%	74%	
	Non-Māori, Non-Pacific	83%	77%	
	Total	77%	74%	

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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of newborn enrolment with general practice by three months of age	Māori	65%	70%	≥85%
	Pacific	78%	94%	
	Non-Māori, Non-Pacific	101%	100%	
	Total	91%	93%	
% of the DHB-domiciled population that is enrolled in a PHO	Māori	89%	87%	≥95%
	Pacific	100%	96%	
	Non-Māori, Non-Pacific	91%	93%	
	Total	92%	93%	
% 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%	48%	≥65%
	Pacific	44%	45%	
	Non-Māori, Non-Pacific	59%	65%	
	Total	55%	59%	
Avoidable hospital admission rate for children aged 0-4 (per 100,000 people)	Māori	5,833	5,230	Refer to SLM Plan
	Pacific	9,577	7,619	
	Non-Māori, Non-Pacific	4,033	3,463	
	Total	4,991	4,456	
Avoidable hospital admission rate for adults aged 45-64 (per 100,000 people)	Māori	6,308	6,009	≤2,655
	Pacific	7,409	7,136	
	Non-Māori, Non-Pacific	2,460	2,307	
	Total	3,100	2,941	
Rate of hospitalisations potentially related to housing conditions per 1,000 population for children under 15 years age	Māori	17.2	14.7	≤7.2
	Pacific	21.3	16.5	
	Non-Māori, Non-Pacific	7.2	6.6	
	Total	10.6	9.3	
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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
Age-standardised rate of initial prescription items dispensed per 1,000 population	Māori	7,634	7,401	
	Pacific	8,177	7,797	
	Non-Māori, Non-Pacific	6,744	6,324	
	Total	8,300	7,955	
Patients registered with CPAMS per 1,000 people dispensed warfarin	Māori	200	259	≥159
	Pacific	230	237	
	Non-Māori, Non-Pacific	159	256	
	Total	171	226	
LTC registrations per 1,000 people	Māori	19	19	≥21
	Pacific	30	31	
	Non-Māori, Non-Pacific	21	23	
	Total	21	23	

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?

Maternity Services				
These services are provided to women and their families through pre-conception, pregnancy, childbirth and the early months of a baby's life. Demand driven, service utilisation is monitored to ensure services are accessible and responsive to need.	Target Group	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of maternity deliveries made in Primary Birthing Units	Māori	14%	18%	10%
	Pacific	19%	14%	
	Non-Māori, Non-Pacific	7%	7%	
	Total	9%	9%	

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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
Number of POACs delivered in community settings across 2DHB	Total	902	1,111	≥1,111
Number of Community Acute Response Packages provided in CCDHB	Total	279	272	≥279
Number of zero-fee consultations at after-hours services by children under 14 years	Māori	2,849	2,526	≥2,849
	Pacific	2,837	1,606	≥2,837
	Non-Māori, Non-Pacific	10,432	19,192	≥10,432
	Total	16,118	23,324	≥16,118
Age-standardised ED presentation rate per 1,000 population in sub-regional hospitals	Māori	211	198	≤143
	Pacific	246	206	
	Non-Māori, Non-Pacific	143	146	
	Total	156	154	
% of patients admitted, discharged or transferred from ED within 6 hours	Māori	76%	68%	≥95%
	Pacific	74%	68%	
	Non-Māori, Non-Pacific	78%	69%	
	Total	78%	69%	
Standardised acute readmission rate within 28 days	Total	12.4%	11.4%	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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
Number of planned care interventions – inpatient surgical discharges	Total	10,212	10,918	Planned Care Funding Schedule 2021/22
Number of planned care interventions – minor procedures	Total	5,008	6,682	Planned Care Funding

				Schedule 2021/22
% of patients given a commitment to treatment but not treated within four months	Total	22.9%	17.8%	0%
% of "DNA" (did not attend) appointments for FSA (first specialist appointments)	Māori	NA	13.1%	Planned Care Funding Schedule 2021/22
	Pacific	NA	14.5%	
	Non-Māori, Non-Pacific	NA	4.1%	
	Total	NA	6.0%	
% of patients waiting longer than four months for their first specialist assessment	Total	12.7%	3.9%	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	63%	82%	≥90%
	Pacific	38%	60%	
	Non-Māori, Non-Pacific	76%	84%	
	Total	73%	84%	
% of patients receiving their first cancer treatment (or other management) within 31 days from date of decision-to-treat	Total	91%	90%	≥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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
Mental Health Access Rates		Māori	7.2%	7.1%	≥3.0
		Pacific	3.4%	3.5%	
		Non-Māori, Non-Pacific	3.0%	3.0%	
		Total	3.5%	3.5%	
% of patients 0-19 referred to non-urgent child & adolescent services that were seen within eight weeks:	Mental health services	Māori	85%	83%	≥95%
		Pacific	89%	86%	
		Non-Māori, Non-Pacific	82%	83%	
		Total	83%	83%	
	Addiction services	Māori	94%	93%	
		Pacific	89%	94%	
		Non-Māori, Non-Pacific	92%	94%	
		Total	92%	93%	
% 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	62%	72%	≥75%
		Pacific	65%	70%	
		Non-Māori, Non-Pacific	68%	81%	
		Total	66%	76%	
	7 days following the day of discharge	Māori	79%	86%	≥90%
		Pacific	71%	86%	
		Non-Māori, Non-Pacific	82%	80%	
		Total	80%	83%	
% of clients with a transition (discharge) plan		Community	48%	50%	≥95%
		Inpatient	74%	70%	
% of clients with a wellness plan		Community	43%	46%	≥95%
Rate of Māori under the Mental Health Act: Section 29 community treatment orders		Māori	495	523	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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
Rate of in-hospital falls with fractured neck of femur, per 100,000 admissions	Total	7.1	6.7	≤5
Rate of staphylococcus aureus bacteraemia, per 1,000 bed days	Total	0.15	0.15	≤0.1
Rate of surgical site infections for hip and knee operations, per 100 procedures	Total	1.7	3.4	0
Rate of in-hospital cardiopulmonary arrests in adult inpatient wards, per 1,000 admissions	Total	1.3	0.8	≤1.2
Rate of rapid response escalations, per 1000 admissions	Total	47.2	46.9	≤47
Rates of deep vein thrombosis/pulmonary embolus	Total	49	48	≤48
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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of hospital staff that have completed the Disability Responsiveness eLearning Module	Total	NA	6.8%	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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of people 75+ living in their own home	Māori	93%	91%	94%
	Pacific	93%	93%	
	Non-Māori, Non-Pacific	94%	91%	
	Total	94%	91%	
Acute bed day rate per 1000 for people 75+	Māori	1,930	1,803	≤1,670
	Pacific	1,893	2,011	
	Non-Māori, Non-Pacific	1,670	1,499	
	Total	1,695	1,527	
Standardised acute readmission rate for people 75+	Māori	11.6%	11.2%	≤12.3%
	Pacific	8.3%	10.2%	
	Non-Māori, Non-Pacific	12.3%	11.5%	
	Total	12.1%	11.4%	
Rate of hip (neck of femur) fractures due to a fall per 1,000 people 50+	Māori	C..	C..	≤2.6
	Pacific	C..	C..	
	Non-Māori, Non-Pacific	C..	2.6	
	Total	2.5	2.1	

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	CCDHB Baseline 2019/20	CCDHB Forecast 2020/21	CCDHB Target 2021/22
% of residential care providers meeting four year certification standards	Total	59%	43%	95%

Financial Performance

The prospective planned result for Capital and Coast DHB 2021/22 annual plan is a surplus of $7 million. The planned result includes a donation of $60 million for the Children's Hospital. If this is excluded then the underlying deficit is $53 million. The forecast result for 2020/21 is a deficit of $55.4 million. This includes a Holiday Act revaluation provision of $8 million. The Holiday Act provision in 2021/22 is $11 million.

Financial Performance Summary

Capital & Coast DHB Annual Plan Budget for the Four years ending 30 June 2025	2019/20 $'M	2020/21 $'M	2021/22 $'M	2022/23 $'M	2023/24 $'M	2024/25 $'M
Funding (excluding IDF inflows below)	1,000.0	1,120.1	1,211.7	1,204.2	1,250.0	1,297.9
Services provided for Other DHBs (IDF Inflows)	218.2	227.3	242.2	251.9	262.0	272.5
Total Funding	**1,218.2**	**1,347.4**	**1,453.9**	**1,456.1**	**1,512.0**	**1,570.3**
DHB Provider Arm	841.5	949.5	986.1	1,015.2	1,039.5	1,065.8
Funder Arm	313.7	345.3	346.9	354.6	362.6	370.8
Governance Arm	10.8	9.8	10.8	11.0	11.3	11.6
Services Purchased from Other DHBs (IDF Outflows)	96.4	98.1	103.1	106.2	109.3	112.6
Total Allocated	**1,262.4**	**1,402.8**	**1,446.9**	**1,487.1**	**1,522.8**	**1,560.9**
Surplus / (Deficit)	**(44.2)**	**(55.4)**	**7.0**	**(31.0)**	**(10.8)**	**9.5**

CCDHB Prospective Financial Performance

Capital & Coast DHB Statement of Comprehensive Income & Expenditure Plan for the Four Years ending 30 June 2025	Actual 2019/20 ** (000s)	Forecast 2020/21** (000s)	Plan 2021/22** (000s)	Plan 2022/23 (000s)	Plan 2023/24 (000s)	Plan 2024/25 (000s)
REVENUE						
Government and Crown Agency Sourced	1,187,473	1,270,054	1,352,150	1,413,335	1,468,221	1,525,469
Patient / Consumer Sourced	5,527	5,122	4,992	5,113	5,237	5,365
Other Income	25,189	72,242	96,748	37,640	38,555	39,492
TOTAL REVENUE	**1,218,189**	**1,347,418**	**1,453,890**	**1,456,088**	**1,512,014**	**1,570,326**
OPERATING COSTS						
Personnel Costs						
Medical Staff	175,829	189,837	198,568	203,393	208,336	213,398
Nursing Staff	233,985	255,012	264,362	270,786	277,366	284,106
Allied Health Staff	63,730	75,124	81,076	83,046	85,064	87,131
Support Staff	9,759	10,817	11,784	12,071	12,364	12,665
Management / Administration Staff	71,657	84,382	95,059	97,369	99,735	102,159
Total Personnel Costs	**554,959**	**615,173**	**650,849**	**666,665**	**682,865**	**699,459**
Clinical Costs						
Outsourced Services	39,765	45,292	47,900	49,364	50,564	51,793
Clinical Supplies	131,045	141,108	146,620	151,203	154,877	159,241
Total Clinical Costs	**170,809**	**186,400**	**194,520**	**200,567**	**205,441**	**211,033**
Other Operating Costs						
Hotel Services, Laundry & Cleaning	25,054	26,037	27,445	28,352	29,040	29,746
Facilities	43,363	46,796	52,194	55,248	56,162	57,786
Transport	2,537	2,636	3,600	3,687	3,777	3,869
IT Systems & Telecommunications	16,336	28,346	21,526	22,050	22,585	23,134
Interest & Financing Charges	24,485	19,814	17,836	18,270	18,714	19,169
Professional Fees & Expenses	7,637	7,687	4,090	4,189	4,291	4,395
Other Operating Expenses	6,303	26,098	24,322	26,713	27,362	28,252
Democracy	776	341	519	532	544	558
Provider Payments	410,102	443,445	449,959	460,789	471,987	483,456
Total Other Operating Costs	**536,593**	**601,201**	**601,492**	**619,829**	**634,463**	**650,364**
TOTAL COSTS	**1,262,361**	**1,402,774**	**1,446,861**	**1,487,062**	**1,522,769**	**1,560,856**
NET SURPLUS / (DEFICIT)	**(44,172)**	**(55,356)**	**7,028**	**(30,974)**	**(10,755)**	**9,470**
***Asset Revaluation (Equity movement - IRFS requirement)	(702)	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME SURPLUS/(DEFICIT)	**(44,874)**	**(55,356)**	**7,028**	**(30,974)**	**(10,755)**	**9,470**

** Please note that the 2019/20, 2020/21 actuals and 2021/22 plan include adjustments for year end provisions i.e. Holidays Act and write offs.

*** Please note that for IFRS purposes, any movement in the Revaluation Reserves now needs to be displayed in the Statement of Comprehensive Income (above), as well as in the balance sheet as per normal. This is purely for presentation purposes, and doesn't change the target the DHB is working to. The DHB is still working to the 'Net Surplus / (Deficit), rather than the 'Total Comprehensive Income' amount.

Prospective Financial Position

Capital & Coast DHB Statement of Financial Position Plan for the Four Years ending 30 June 2025	Actual 2019/20 ** (000s)	Forecast 2020/21** (000s)	Plan 2021/22** (000s)	Plan 2022/23 (000s)	Plan 2023/24 (000s)	Plan 2024/25 (000s)
Non Current Assets						
Land	40,352	40,352	40,352	40,352	40,352	40,352
Buildings	429,528	410,514	554,418	563,320	583,965	591,136
Clinical Equipment	32,635	38,404	47,569	62,030	70,782	79,321
Information Technology	17,416	16,330	16,828	17,162	17,331	17,328
Work in Progress	68,943	108,881	108,881	113,581	100,781	100,781
Other Fixed Assets	4,196	4,565	3,359	2,124	859	(436)
Total Non Current Assets	593,071	619,046	771,406	798,569	814,070	828,481
Current Assets						
Cash	6,554	959	855	855	855	855
Trust/Investments	11,683	13,561	13,561	13,561	13,561	13,561
Prepayments	6,257	7,902	7,902	7,902	7,902	7,902
Accounts Receivable	45,538	48,962	63,930	63,930	63,930	63,930
Inventories	8,995	9,466	9,466	9,466	9,466	9,466
Other Current Assets	804	14,968	-	-	-	-
Total Current Assets	79,831	95,818	95,714	95,714	95,714	95,714
Current Liabilities						
Bank overdraft	-	38,654	14,031	46,940	18,679	(10,895)
Payables & Accruals	251,678	287,020	274,921	274,921	274,920	274,921
GST & Tax Provisions	9,820	12,672	12,672	12,672	12,672	12,672
Capital Charge Payable	(252)		(112)	-	-	-
Total Current Liabilities	261,245	338,345	301,511	334,532	306,271	276,697
Net Current Assets	(181,415)	(242,527)	(205,797)	(238,817)	(210,556)	(180,982)
NET FUNDS EMPLOYED	**411,656**	**376,519**	**565,609**	**559,752**	**603,513**	**647,499**
Term Liabilities						
Restricted & Trust Funds Liability	95	92	92	92	92	92
Non Current Provisions & Payables Personnel	7,169	7,169	7,169	7,169	7,169	7,169
Total Term Liabilities	7,264	7,262	7,262	7,262	7,262	7,262
Net Assets	**404,391**	**369,257**	**558,348**	**552,490**	**596,251**	**640,237**
General Funds						
Crown Equity	809,740	829,962	1,012,025	1,037,141	1,091,657	1,126,173
Revaluation Reserve	130,659	130,659	130,659	130,659	130,659	130,659
Retained Earnings						
Retained Earnings - DHB	(536,008)	(591,364)	(584,336)	(615,310)	(626,065)	(616,595)
Total Retained earnings	(536,008)	(591,364)	(584,336)	(615,310)	(626,065)	(616,595)
Total General Funds	404,391	369,257	558,347	552,490	596,251	640,237
NET FUNDS EMPLOYED	**411,656**	**376,519**	**565,609**	**559,752**	**603,513**	**647,499**

Prospective Cash Flow

Capital & Coast DHB Statement of Cashflows Budget for the Four Years ending 30 June 2025	Actual 2019/20 ** (000s)	Forecast 2020/21** (000s)	Plan 2021/22** (000s)	Plan 2022/23 (000s)	Plan 2023/24 (000s)	Plan 2024/25 (000s)
Operating Activities						
Government & Crown Agency Revenue Receiv	1,205,327	1,350,278	1,370,213	1,431,837	1,487,173	1,544,881
All Other Revenue Received	23,420	34,311	23,676	24,307	24,841	25,500
Total Receipts	**1,228,747**	**1,384,589**	**1,393,890**	**1,456,143**	**1,512,014**	**1,570,381**
Payments for Personnel	(530,469)	(595,179)	(650,849)	(658,665)	(674,865)	(691,264)
Payments for Supplies	(200,100)	(267,486)	(293,552)	(305,285)	(312,589)	(321,774)
Capital Charge	(12,297)	(21,845)	(22,204)	(22,204)	(22,204)	(22,204)
GST (net)	(1,595)	(5,688)	-	-	-	-
Other Payments	(451,219)	(491,245)	(449,959)	(460,789)	(471,987)	(483,456)
Total Payments	**(1,195,679)**	**(1,381,444)**	**(1,416,565)**	**(1,446,943)**	**(1,481,644)**	**(1,518,698)**
Net Cashflow from Operating	**33,068**	**3,146**	**(22,675)**	**9,200**	**30,370**	**51,683**
Investing Activities						
Sale of Fixed Assets	500	-	-	-	-	-
Interest Receipts from 3rd Party	762	187	187	187	187	187
Dividends	138	-	-	-	-	-
	1,400	**187**	**187**	**187**	**187**	**187**
Capital Expenditure						
Land, Buildings & Plant	(22,453)	(43,275)	(110,308)	(40,648)	(35,548)	(35,548)
Clinical Equipment	(15,464)	(18,802)	(17,548)	(23,048)	(17,548)	(17,548)
Other Equipment	(3,313)	(1,425)	-	-	-	-
Informations Technology	(4,373)	(2,415)	(7,200)	(7,200)	(7,200)	(7,200)
Total Capital Expenditure	**(45,602)**	**(65,916)**	**(135,056)**	**(70,896)**	**(60,296)**	**(60,296)**
Net Cashflow from Investing	**(44,203)**	**(65,729)**	**(134,869)**	**(70,709)**	**(60,109)**	**(60,109)**
Financing Activities						
Equity Injections	5,343	20,221	92,760	28,600	18,000	18,000
Deficit Support	16,000	-	92,786	-	40,000	20,000
Other Financing Activities	(55)	-	-	-	-	-
Total Financing Activities	**21,288**	**20,221**	**185,546**	**28,600**	**58,000**	**38,000**
Net Cashflow	10,153	(42,370)	24,519	(32,908)	28,261	29,574
Plus: Opening Cash	8,083	18,236	(24,134)	384	(32,524)	(4,263)
Closing Cash	**18,236**	**(24,134)**	**384**	**(32,524)**	**(4,263)**	**25,311**
Closing Cash comprises:						
Balance Sheet Cash	18,236	14,520	14,416	14,416	14,416	14,416
Balance Sheet Operating Overdraft	-	(38,654)	(14,031)	(46,940)	(18,679)	10,895
Total Cashflow Cash (Closing)	**18,236**	**(24,134)**	**384**	**(32,524)**	**(4,263)**	**25,311**

Financial Assumptions

The assumptions are the best estimates of future factors which 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 prospective 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 as per Funding Envelope.
- IDF levels based on Funding Envelope or agreed changes within the sub-region.

Expenditure

- Personnel expenditure increase in line with wage cost of settlement expectations
- CCDM / Trendcare model for nursing staff rosters across all Directorates
- 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 $144 million is planned for 2021/22. This includes $101 million for equity funded capital projects.

Financial Risks

There has been good progress over the last year on many of the initiatives that were included in the savings plan however the pressure continues and further change is required to ensure the DHB meets the fiscal targets. The savings strategies underpin the DHB getting to a surplus position in the future. The key risks and assumptions associated with this financial plan are:

- Wage settlement increases higher than the funding increase
- Not meeting elective targets
- Acute demand exceeding plan
- Inter-district inflows being below plan
- Not realising the financial savings associated with change initiatives
- Additional cost in RHIP and NZ Health Partnerships initiatives
- Pharmaceutical costs for cancer related treatments
- COVID-19 related pressures and risks.

Capital Plan

The operational capital funding requirements for the Provider Arm will be met from cash flow from depreciation expense, and they are prioritised with the clinical leaders and managers both within the Directorates and across the Provider Arm. Items with compliance, health & safety and a risk to patient care elements, or essential to support the District Annual and Strategic Plans, or yielding a fast payback have been included to be funded from the internal cash flow. The baseline CAPEX for 2021/22 is $43 million. Baseline CAPEX is required to be funded internally.

Equity

Equity Drawing

Additional deficit support may be requested for the 2021/22 financial year.

Working Capital

CCDHB has a working capital facility limit with BNZ bank. This is part of the "DHB Treasury Services Agreement" between New Zealand Health Partnerships (NZHP) and the participating DHBs. The agreement enables NZHP to "sweep" DHB bank accounts daily and invest surplus funds on their behalf. The working capital facility is limited to one month's provider revenue, to manage fluctuating cash flow needs for the DHB.

Gearing and Financial Covenants

No gearing or financial covenants are in place.

Asset Revaluation

Land and buildings are valued to fair value as determined by an independent registered valuer with sufficient regularity. This is to ensure the carrying amount is not materially different to fair value and the valuation is done at least every five years. The latest revaluation was carried out in June 2018.

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.