CAPITAL & COAST DISTRICT HEALTH BOARD

2019/20-2022/23

Statement of Intent

Incorporating the 2019/20 Statement of Performance Expectations

MA TINI, MA MANO, KA RAPA TE WHAI - BY JOINING TOGETHER WE WILL SUCCEED

Presented to the House of Representatives pursuant to sections 149 and 149(L) of the Crown Entities Act 2004

Capital & Coast District Health Board
ŪPOKO KI TE URU HAUORA

Foreword from Chair and Chief Executive

I am delighted to present Capital & Coast District Health Board's Statement of Intent, which sets out our strategic intentions for the next three years.

We have a strong focus on achieving equitable health outcomes for our communities, particularly for Māori, Pacific Peoples, people with disabilities and other communities experiencing inequities.

We expect the DHB to respond appropriately to safety, quality and performance issues for preventative, acute and planned care in a timely way. We have a strong focus on providing services in a timely manner.

As a Board we have refreshed our commitment to live sustainably within our means. We are deliberate in our investment choices to deliver better care and outcomes for our communities.

Knowing that the services we deliver are achieving equitable outcomes, a high performing health system, and financial sustainability are top priorities for me.

The appointment of a joint Chief Executive across Capital & Coast and Hutt Valley DHBs will assist the Boards to drive a joint strategic vision and will result in improved services and health outcomes for both populations.

We continue to foster and expand strategic partnerships including with our Māori Partnership Board, community and primary care partners to improve health outcomes.

Oversight of the health system's performance is an integral role for the Board. As a Board, we have strong expectations that Capital & Coast DHB measures and reports on the right things, including equity, quality.

To reach our medium term goals for a clinically and financially sustainable health system, we are building our capability to use data and evidence to support this focus. We are applying this capability in the delivery of our Long-Term Investment Plan, outlining how we respond to future challenges.

Our workforce matters. Our people and their capability is critical to our success. We continue to strengthen our commitment to the safety and development of our workforce.

We are engaged in meeting the expectations of the Minister of Health, which aligns with our Health System Plan. We continue to emphasise action to improve child wellbeing, mental wellbeing, wellbeing through prevention, improve population health outcomes through primary care, and maintain strong and sustainable public health system.

Andrew Blair
Board Chair

I am pleased to present Capital & Coast District Health Board's Statement of Intent. This document outlines clear priorities for Capital & Coast DHB to meet the needs of our population, to achieve equitable health outcomes; focus our efforts on elevating performance; and allocate our resources to be an effective and sustainable health system.

It reflects a strong relationship between the wider factors influencing health and the leadership role we must take to build partnerships with other agencies, services and communities to build resilience and improve health and social wellbeing.

We are taking a life course approach to ensuring services are equipped to meet peoples' needs throughout every stage of life. This approach is critical for optimising health outcomes for our communities.

Our key actions across the life course focus on:

- Equitable outcomes, particularly for Māori, Pacific peoples, those with socio-economic deprivation, and those experiencing disabilities
- Mental Health and Addictions services
- Primary Care services
- Child Wellbeing
- The strength of our publically funded health system

We will continue to partner with Hutt Valley DHB and Wairarapa DHB to serve our communities and make the best use of resources. This work will be strengthened by the appointment of a joint Chief Executive across Capital & Coast and Hutt Valley DHBs which will accelerate the development of a population wide approach to healthcare across the sub-region. We will also continue to partner with the Central Region DHBs.

We have started to develop and apply new ways of working and have established some sound building blocks including the delivery of the Health System Plan 2030, integrated support services key projects and Even Better Health Care.

We continue to strengthen our commitment to the safety and development of our workforce including implementing Care Capacity Demand Management (CCDM). Continuing to build our clinical governance will further strengthen our focus on the quality and safety of the services we deliver.

Leveraging the existing strengths in our organisation including our strong relationships within and across our communities, a committed and involved clinical workforce, and our equity focus will be key to deliver on the ambitious targets we have set ourselves for the next three years.

Julie Patterson
Interim Chief Executive

Signature Page

Agreement for the Capital & Coast DHB Statement of Intent 2019/20 – 2021/22, incorporating the Statement of Performance Expectations including Financial Performance

Andrew Blair
Chair
Date: 26/06/2019

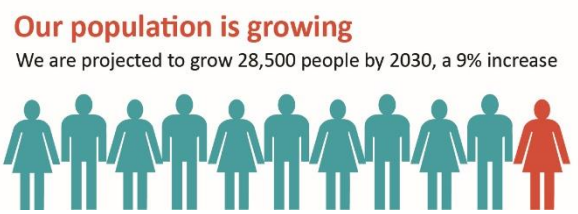
Dame Fran Wilde
Deputy Chair
Date: 26/06/2019

PART 1: Who we are and what we do

Capital & Coast DHB (CCDHB) is one of 20 DHBs established under the New Zealand Public Health and Disability Act (2000). We are the Government's funder and provider of health services to the residents living in the Kāpiti Coast District, Porirua City and Wellington City.

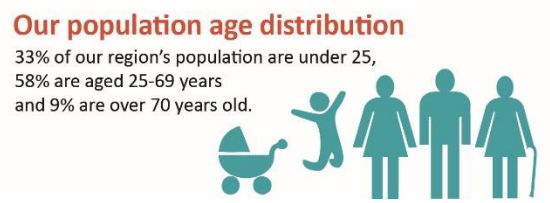
Who we are

The CCDHB region is diverse. Our communities reflect many cultures, ethnicities and abilities as well as geographic settings. In 2018, an estimated 318,000 people called the region home. This is projected to grow by 28,500 people by 2030; a 9% increase.



In 2018, 106,400 people under 25 years of age made up 33% of the region's population. Most people (58%) were aged 25-69 years (183,000). The remaining 9% were people over 70 years; 29,000 people.

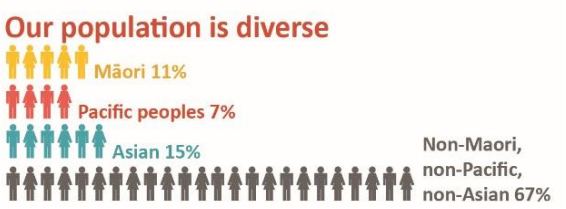
In 2018, Wellington had a large proportion of people in the younger working age group of 20–44 years (90,500 people), while nearly one-quarter (23%) of the Porirua population were aged under 15 years (13,000 people). Just over one-quarter (26%) of the Kāpiti Coast population were aged over 65 years; 11,500 people.



The region is ethnically diverse. In 2018, 28,500 people identified as Māori (11% of the population), 21,000 identified as Pacific peoples (7%) and 35,500 identified as Asian (15%); 67 percent of the population identified as Non-Māori, Non-Pacific, Non-Asian (i.e. Other) category (228,000).

Porirua had a larger proportion of Māori (16% or 9,000 people) and Pacific peoples (21% or 12,000 people), while 89 percent of the Kāpiti Coast population identified as 'Other' ethnicities (70,800 people).

Our Māori and Pacific populations tend to be younger, with 29% of the region's Māori (10,600) and 27% of the region's Pacific people (6,000) aged under 15 years in 2018.



There are 72,200 people with a disability living in the CCDHB region. This is expected to increase to 84,500 by 2030; this partially reflects our ageing population.

A changing population

The CCDHB population is changing: the population is growing, ageing and becoming more diverse.

The majority of the population increase is predicted to be in our Māori and Asian communities. For Māori, we expect growth of 20% or 7,300 people. Our Asian population is predicted to grow by 43% or 20,300 people. Pacific peoples and 'Other' populations are expected to grow much more slowly and even decline in some younger age groups.

There will be significant growth in the number of older people in the region, as our large baby boomer generation shifts into older age brackets. The largest growth is expected be in the 70-79 and 80+ age groups; as our population is living to reach much older ages.

The health of our population

Compared to New Zealand as a whole, we are relatively 'healthy and wealthy'. We have a high life expectancy at 82 years, rates of premature deaths from conditions amenable to healthcare have declined by 45% between 2000 and 2015, and the majority of our population (62%) live in areas of low deprivation.

However, we also have groups who experience inequitable health outcomes; in particular, Māori, Pacific peoples, those experiencing disabilities and those who live in highly deprived areas, concentrated in Porirua.

What we do

CCDHB is responsible for improving, promoting and protecting the health of the people, whānau and communities in our region. These expectations are reflected in our vision:

"Keeping our Community Healthy and Well."

The objectives of DHBs are outlined within the Health and Disability Act (2000). These objectives include:

- Improve, promote, and protect the health of communities;
- Reduce inequalities in health status;
- Integrate health services, especially primary and hospital services; and,
- Promote effective care or support of people needing personal health services or disability support.

DHBs act as 'planners', 'funders' and 'providers' of health services as well as owners of Crown assets.

Local Services

CCDHB provides community and hospital services throughout the region.

CCDHB has a range of contract with community providers, such as primary health organisations, pharmacies, laboratory, and community NGOs.

CCDHB operates two hospitals: Wellington Regional Hospital in Newtown and Kenepuru Community Hospital in Porirua. We also operate the Kapiti Health Centre in Paraparaumu, and Rātonga-Rua-O-Porirua, a large mental health campus based in Porirua.

We provide a range of specialist services in the community including district nursing, rehabilitation services, social work, alcohol and drug services, and home support services. CCDHB also provides sub-regional, regional and tertiary services for other DHBs.

CCDHB employs around 5,700 staff and has an annual budget of $1.2 billion in 2019/20.

Sub-Regional Services

CCDHB provides services to the people of Hutt Valley DHB and Wairarapa DHB under 2DHB (CCDHB and Hutt Valley DHB) and 3DHB models.

CCDHB and Hutt Valley DHB serve populations that are geographically co-located. CCDHB provides more services to the Hutt Valley DHB population than any other DHB. There are also DHB services provided to both populations, either at CCDHB or at Hutt Valley DHB.

In 2018, an estimated 150,000 people lived in Hutt Valley DHB. Hutt Valley's population has greater ethnic diversity and is slightly younger compared to CCDHB. Hutt Valley DHB's population is predicted to grow by 4% or 6,500 people by 2030.

A further 45,500 people live in Wairarapa DHB. The population of Wairarapa DHB is projected to grow by 2,600 people (6%) by 2030.

Tertiary Services

CCDHB is the complex care provider for the Central Region. The Central Region includes Hawkes Bay, MidCentral, Whanganui, Wairarapa, Hutt Valley and Capital & Coast DHBs.

In 2018, the Central Region population was 922,855 people. This represents 19% of the total New Zealand population and is projected to grow by 6 percent by 2030 to just under one million people (978,900).

Map of Central Region DHBs

CCDHB is also a provider of some tertiary services outside the Central Region (for example Taranaki DHB and Nelson Marlborough DHB) as well as some national services.

Achieving health equity in CCDHB

Improving equity performance is a priority for CCDHB. This focus is on ultimately achieving equity amongst our populations. We know that we don't do as well for Māori and Pacific Peoples in our district, people with disability, as well as those who have low socio-economic status or an enduring mental illness and/or addiction. CCDHB is committed to improving health outcomes and achieving equity for our communities.

CCDHB's strategic direction, to reduce and ultimately eliminate inequities, is driven by:

- Taurite Ora, Māori Health Strategy 2018-2030
- CCDHB Pro-Equity Implementation Plan
- Toe Timata Le Upega, Pacific Action Plan 2017-2020
- Sub-Regional Disability Strategy 2017-2022

This document reflects our commitment improving health outcomes and promoting human rights-based health care that is equitable, inclusive and accessible.

The key challenges we are facing

Our health system is generally performing well: New Zealanders are living longer and experiencing better health. From 2000 to 2012, New Zealand's amenable mortality rate decreased across all age groups, though ethnic and gender disparities persist.

Even though New Zealanders are living longer in better health, there are a number of challenges as a provider and funder of health services:

Health Inequities - The inequity present in some communities is fuelling health needs. As in most other countries, there are poorer health outcomes across the socioeconomic hierarchy. Inequalities in health begin to appear very early in life, accumulate over the life course, and are reflected in most common causes of death, injury or hospitalisation. Inequitable health outcomes are present for Māori and Pacific Peoples in our district, people with disability, as well as those who have low socio-economic status or an enduring mental illness and/or addiction.

Child Wellbeing - Giving every child the best start in life is crucial to reducing health inequities across the life course. The Children's Commissioner identified that children who experience poverty will have both a forward liability for the health sector and a cross-sector liability, representing a productivity cost to individuals, businesses, and the nation.

Long-Term Conditions - The impact of long-term conditions is growing. Although we are living longer, and living longer in good health, some people are living longer in poor health. The New Zealand Burden of Disease study found that 88 percent of health loss in New Zealand is caused by long-term mental and physical conditions. Alongside this, disability now accounts for over half of the total health loss experienced by the population as a whole.

Mental Health and Addictions - CCDHB is facing a growing need for mental health and addiction services. There are about 40,000 people with mental health needs currently living in the CCDHB region. This figure is expected to rise to 44,000 people by 2030. Not all these people will require the support of mental health services, but some people, particularly those with moderate or severe mental health needs, are likely to require additional support to manage and maintain their health and wellbeing.

Aging Population - The demand on our healthcare system continues to increase as the population is growing and ageing. Improvements in health will not necessarily reduce spending on healthcare. The number of people aged over 70 years is expected to increase significantly. Forecasts suggest that by 2030 at least one in six people will be aged 70 years or over, and the population aged over 80 will increase by over 80%.

Sustainability of Specialised Services - We see growing complexity in the people we do care for. The purpose of Wellington and Kenepuru Community hospitals is to provide acute care and to ensure access to planned (non-acute) services, birthing services, and a comprehensive range of subspecialties. Wellington Hospital is a tertiary service centre that serves the people of the Central Region, with the greatest level of support being provided to Hutt Valley DHB.

Financial sustainable - The demand trends for health services, together with projected expenditure trends, mean that the cost of the current model of healthcare is unaffordable and unsustainable.

The CCDHB Health System Plan (HSP) outlines the strategic direction that will allow CCDHB's health system to respond more effectively to the growing and changing needs of its people and populations, reduce inequalities and enable communities to better sustain their own health and well-being over time.

Part 2: What are we trying to achieve?

Our Strategic Direction

To deliver on our vision ***"Keeping our Community Healthy and Well"***, CCDHB is implementing a health system that organises service delivery in the most appropriate setting, for our people and communities that makes the best use of resources to achieve positive health outcomes and equity amongst our population.

We recognise the role of many in our success; our communities, our families, our workforce, our provider partners, our Ministry and our social service partners. At the heart of this approach is enabling people and their whānau to take the lead in their own health and wellbeing.

The Health System Plan (HSP) outlines CCDHB's strategy to improve the performance of our healthcare system to support people to have better health and wellbeing throughout their lives and ensure equity amongst our communities.

The HSP will enable us to respond to the growing demand for healthcare, and increasing complexity with a system design that will improve outcomes and equity for the people of the CCDHB region, and the wider Central Region. The HSP is supported by this whakataukī:

> "Ma Tini, Ma Mano, Ka Rapa, Te Whai
>
> By Joining Together We Will Succeed"

Good health and wellbeing are central to every person's ability to live a satisfying life and contribute both socially and economically to the community they live in.

Our health system will keep our community healthy by:

- Promoting health and wellbeing
- Preventing the onset and development of avoidable illness
- Improving health outcomes
- Supporting people to live better lives
- Supporting the end of life with dignity

Improving the health and wellbeing of communities requires an approach broader than the traditional boundaries of health and social services.

Partnership with local Councils, government agencies, NGOs and community organisations from other sectors is required to better respond to the social determinants of health. These partnerships are being developed through locality based approaches working in partnership with our communities of Kāpiti, Porirua and Wellington.

The HSP is designed to support people and whānau-led wellbeing with the system organised around the two elements: 'People' and 'Place'.

People

We are committed to developing people-focused service delivery models. The HSP outlines three broad service delivery models for the main users of our health services:

- **Core health care service users** (those who require any form of urgent and planned care –the health system will be acting early to prevent illness and disability and save lives)
- **Maternity services users and children, young people, and their families and whānau** (the health system will be providing support in these key life transitions, with a strong focus on children and young people where early action has benefits across the life course)
- **People with complex care needs who require system coordination** (including those who have long-term conditions, are becoming frail or are at the end of their life. These are people who have multiple needs from the health system and require the system to be easily and effectively navigated to enable them to lead their own health care).

Recognising those who need more help include: Māori and Pacific Peoples in our district, people with disability, as well as the socially & economic vulnerable or an enduring mental illness and/or addiction and refugees.

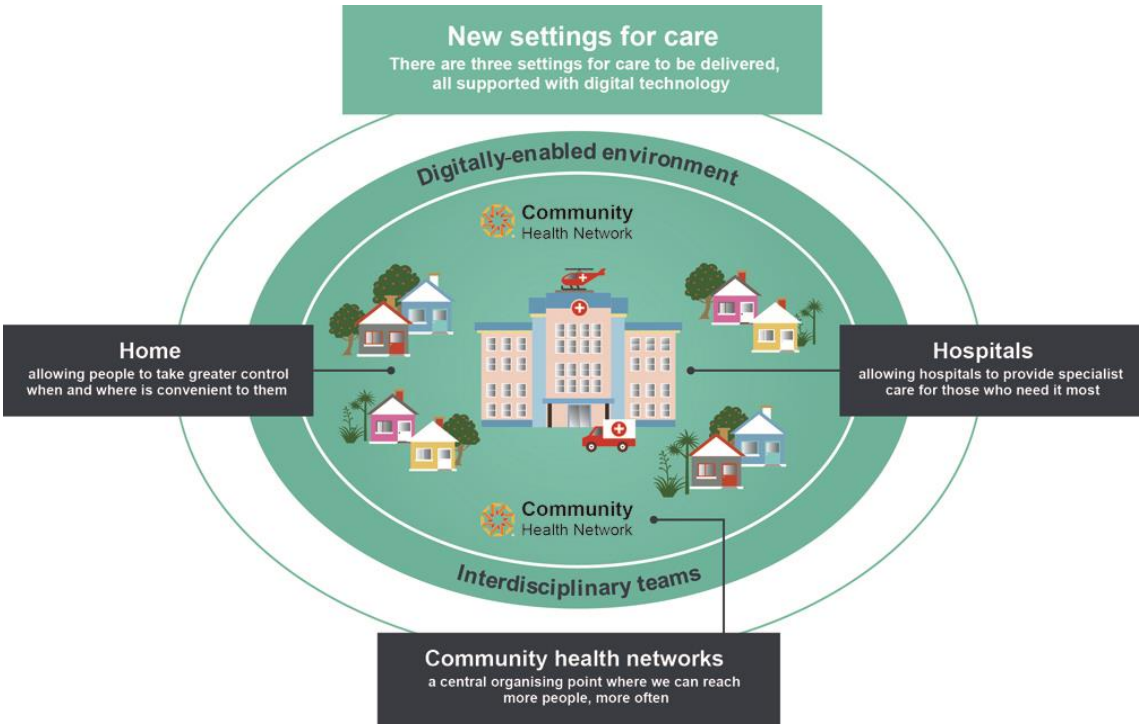
Place

Using 'place' as the basis for health and social supports creates immediate links to a community's strengths; it makes it easier to recognise and value community diversity, while organising a consistent system across many groups. Better information about the characteristics of the people being served, shared among those delivering services, is central to succeeding with this approach. It has the potential to reduce health care costs over time as communities increasingly support their own health and wellbeing.

Health care has always been delivered in a variety of settings. The places where care is organised and delivered, together with increased access to better and cheaper technologies, provide the platform for a comprehensive system of care.

The plan centres on the following three core care settings.

- People's homes and residential care facilities
- Community Health Networks, including the Health Care Home (and the Kāpiti Health Centre)
- Wellington and Kenepuru Community hospitals providing specialist care for the CCDHB region.



National, Regional and Sub-Regional Strategic Direction

National

The Minister's Letter of Expectations sets out the Government's expectations for district health boards (DHBs) and their subsidiary entities.

The priorities for 2019/20 include:

- Improving child wellbeing
- Improving mental wellbeing
- Improving wellbeing through prevention
- Better population health outcomes supported by a strong and equitable public health and disability system
- Better population health outcomes supported by primary health care
- Fiscal Responsibility

Regional

CCDHB is a complex tertiary provider for the Central Region, as well as a specialist provider for its own communities. CCDHB is committed to improving regional care arrangements with our partner DHBs in the Central Region.

The central region's priorities and activities are outlined in the Regional Services Plan. An implementation programme has been developed focussed on the key regional strategic priorities:

- Equity
- Tertiary Services Strategy
- Radiology
- Cardiology
- Cancer

Sub-Regional

CCDHB and Hutt Valley DHB share a Chief Executive and a Board Chair. Our Boards hold joint quarterly meetings which allows further collaboration and a more integrated and aligned approach to planning and delivery of health services across the two DHBs.

Hospital Network Planning – In 2018, CCDHB and Hutt Valley DHB (HVDHB) entered into a joint sub-regional clinical planning process. A joined up approach offers the opportunity for joint provision of key services and to strengthen the network of hospitals in the greater Wellington region.

CCDHB and Hutt Valley DHB serve populations that are geographically co-located. A greater proportion of the Hutt Valley DHB population receives services at CCDHB, than any other population. There are a large number of services that are provided by CCDHB for the Hutt Valley DHB population as well as services where there is collaboration across the two DHBs.

There are few services that are jointly provided. They include advanced care planning and the disability strategy. The most significant clinical service is Mental Health and Addiction Services (MHAIDS) which is provided across the three DHBs (including Wairarapa DHB).

CCDHB has strong relationships with its PHO partners and the NGO sector. We work together for system improvement through the local Alliance Leadership Team, the Integrated Care Collaborative (ICC).

Focus for 2019/20

Our focus is on delivering on the HSP. The HSP is underpinned by knowing the major drivers of demand for health care, and the potential opportunities offered by increasingly affordable, reliable, and sophisticated technologies.

The HSP presents three key strategies for developing our approach to 'people' as an organising system for health care:

- **Simplifying care** for those who have good health literacy and resources
- **Intensifying care** for those who have less resources and experience the greatest levels of avoidable poor health
- Strengthening investment in **acting early to prevent avoidable costs** around health care over a lifetime.

The HSP also outlines four key strategies for developing our approach to 'place' as an organising system for health care:

- **Working with and in communities** to develop location-specific approaches to health care for local populations
- Using health resources effectively by **organising their use around settings of care**
- Developing **interdisciplinary health teams** who work together to support safe and effective health care Strengthening **innovation, using technologies** to improve knowledge, choice, and access to care.

Key programmes and initiatives in 2019/20

Equity - CCDHB is investing to sustainably achieve equity, with a focus on those where inequitable outcomes have the greatest negative impact. The development of the CCDHB **Pro-Equity Strategy** puts in place the building blocks for CCDHB to advance as a pro-equity organisation.

Taurite Ora - CCDHB has developed a new Māori health strategy, Taurite Ora: CCDHB Māori Health Strategy and Action Plan 2019-2030. This strategy will guide activity to achieve equitable Māori health outcomes in the CCDHB district by 2025 with a broader goal of 'pae ora', (healthy futures for Māori) by 2030.

Hospital Network Planning - CCDHB and Hutt Valley DHB have entered into a joint sub-regional clinical planning process. The joint hospital network planning work programme is an input into CCDHB's Long Term Investment Plan for 2019, and will inform the joint Long Term Investment Plan in 2020.

Children's Hospital - The construction of a new Children's Hospital is underway with the support of Treasury and the Ministry of Health.

Primary Care - The Healthcare Home is a key priority for CCDHB, as we move to develop our Community Health Networks. The emphasis in year-three of this programme is on equity and ensuring models of service delivery are effective for all of our communities.

Tertiary Services Strategy - Delivering quality and clinically sustainable specialised care at Wellington Hospital requires building on existing clinical care arrangements. CCDHB is committed to improving regional care arrangements with our partner DHBs in the Central Region. A separate tertiary services strategy will be developed in 2019/20.

Mental Health and Addictions - CCDHB has a comprehensive programme of work to improve mental health and wellbeing and ensure we effectively implement the recommendations of the Mental Health Inquiry.

Health and safety

At CCDHB, the health and safety of all workers, patients and all others utilising our facilities and services is paramount.

CCDHB is committed to the development and maintenance of a positive health and safety culture, providing safe and secure facilities, having well trained, instructed and supervised workers, to ensure their and others safety.

Workforce

CCDHB strives to be a good employer and is aware of our legal and ethical obligations. We are aware that good employment practices are critical to attracting and retaining top health professionals and support staff who embody our values and culture in their practice and contribution to organisational life.

We recognise the aims, aspirations, cultural differences and employment requirements of Māori, Pacific Peoples, people from other ethnic or minority groups and those experiencing disabilities. We will prioritise a range of strategies with a particular focus on the recruitment and retention of Māori and Pacific staff. We will provide opportunities for individual employee development and career advancement, including cultural competency training.

CCDHB's People Strategy has the following principles:

PART 3: How we manage our business

Organisational performance management

CCDHB's performance is assessed on both financial and non-financial measures. Internally, performance is presented to the Executive Leadership Team, Clinical Council, Māori Partnership Board, Sub-Regional Pacific Strategic Health Group, Sub-Regional Disability Advisory Group, the Health System Committee, 3DHB Disability Support Advisory Group, Finance and Risk Assessment Committee, and the Board. CCDHB reports to the Ministry on a quarterly, six-monthly and annual basis.

Funding and financial management

CCDHB's key financial indicators are spend against budget and budget against deficit. These are assessed against and reported through CCDHB's performance management process to the Executive Leadership Team and the Finance and Risk Assessment Committee.

Investment and asset management

CCDHB is committed to a sustainability pathway that emphasises cross-organisation and system governance of financial and service delivery performance. It is supported by an Investment Approach that considers all investments across the health system, and determines their impact on the optimisation of the system. Part of the work programme is the development of whole of system investment plans, capital investment, infrastructure development and service investment strategies as reflected in the Long Term Investment Plan currently being updated.

CCDHB and Hutt Valley DHB have entered into a joint sub-regional clinical planning process. CCDHB will deliver a Long Term Investment Plan (LTIP) by July 2019 to meet Treasury requirements, with a joint LTIP between CCDHB and Hutt Valley DHB to be delivered by July 2020. The joint hospital network planning work programme is an input into CCDHB's LTIP for 2019, and will inform the joint LTIP in 2020. Our LTIP will inform 'what' investments are needed to implement the strategic vision and associated strategies of CCDHB and Hutt Valley DHB. These investments have to deliver on ensuring the safety and quality of our services, the impact on equity and outcomes amongst our populations and the sustainability of our health system.

Shared service arrangements and ownership interests

CCDHB has a part ownership interest in Central Region Technical Advisory Service, the Regional Health Information Partnership, Allied Linen Services Ltd and New Zealand Health Partnerships. The DHB does not intend to acquire interests in companies, trusts or partnerships.

Risk management

The CCDHB Risk Management Framework provides principles and process to ensure CCDHB is operating in accordance with the 2008 Health and Disability Service Standards, the AS/NZS ISO 31000:2009 standard for Risk Management and the Health and Safety at Work Act 2015 and associated regulations.

Health and Safety is a particular focus across the DHB. Accountability for health and safety is the responsibility of every manager and employee. Systems for managing health and safety risk are deployed across the organisation.

The Finance, Risk & Audit Committee of the CCDHB Board has oversight of internal controls (including risk management) and is focussed on financial and contractual matters of significance.

The DHB has established external and internal audit functions which provide independent professional assessments of key risks, the accuracy and integrity of CCDHB financial reports and the adequacy of internal controls. We are progressing improvement plans for the Treasury Investor Confidence Rating.

Quality assurance and improvement

Clinical Governance is the system by which the governing body, managers, clinicians and staff share responsibility and accountability for the quality of care, continuously improving, minimising risks, and fostering an environment of excellence in care for consumers/patients/residents.[1] A shared commitment is required from all clinical and non-clinical staff to provide high quality and safe care, and organisational support from board to the ward.

The CCDHB Clinical Governance Framework has recently been updated. This framework aims to bring individual elements together to strengthen and sustain ongoing

[1] National model Clinical Governance Framework. Australian Commission on safety and Quality in Healthcare. Nov 2017

improvement around the six dimensions of quality; safe, timely, equitable, effective, efficient and people centred (STEEEP).

CCDHB's clinical governance framework has four components[2]. These are:

- consumer engagement and participation;
- clinical effectiveness;
- quality improvement and patient safety; and,
- engaged effective workforce.

They provide a structure to implement strategies to improve and enhance the quality of care.

[2] Clinical Governance Guidance for Health and Disability Providers. Health Quality and safety Commission. Feb 2017

PART 4: How we measure our performance
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 2019/20.

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 2019/20, the DHB will receive approximately $1.2 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.

	2019/20
Revenue	**Total $'000**
Prevention	12,437
Early detection & management	268,810
Intensive assessment & treatment	792,513
Rehabilitation & support	136,039
Total Revenue - $'000	**1,209,799**

Expenditure	
Prevention	12,437
Early detection & management	268,810
Intensive assessment & treatment	808,413
Rehabilitation & support	136,039
Total Expenditure - $'000	**1,225,699**
Surplus/(Deficit) - $'000	**(15,900)**

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of eight month olds fully vaccinated	Māori	96%	86%	≥95%
	Pacific	90%	94%	
	Non-Māori, Non-Pacific	95%	96%	
	Total	93%	94%	
% of two year olds fully immunised	Māori	93%	90%	≥95%
	Pacific	98%	94%	
	Non-Māori, Non-Pacific	96%	94%	
	Total	96%	94%	
% of five year olds fully immunised	Māori	88%	84%	≥95%
	Pacific	96%	91%	
	Non-Māori, Non-Pacific	92%	91%	
	Total	92%	89%	
% of children aged 11 years provided Boostrix vaccination	Māori	73%	73%	≥70%
	Pacific	75%	75%	
	Non-Māori, Non-Pacific	74%	74%	
	Total	74%	74%	
% of children (girls and boys aged 12 years) provided HPV vaccination	Māori	46%	46%	≥75%
	Pacific	47%	47%	
	Non-Māori, Non-Pacific	65%	65%	
	Total	59%	59%	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of infants fully or exclusively breastfed at 3 months	Māori	52%	50%	≥60%
	Pacific	44%	54%	
	Non-Māori, Non-Pacific	68%	69%	
	Total	63%	65%	
% of four year olds identified as obese at their B4 School Check referred for family based nutrition, activity and lifestyle intervention	Māori	96%	97%	≥95%
	Pacific	97%	90%	
	Non-Māori, Non-Pacific	91%	100%	
	Total	95%	96%	
% of PHO-enrolled patients who have quit smoking in the last 12 months	Māori	9%	8%	12%
	Pacific	9%	8%	
	Non-Māori, Non-Pacific	15%	14%	
	Total	13%	12%	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of eligible children receiving a B4 School Check	Māori	82%	84%	≥90%
	Pacific	81%	90%	
	Non-Māori, Non-Pacific	94%	92%	
	Total	90%	90%	
% of eligible women (25-69 years old) having cervical screening in the last 3 years	Māori	61%	63%	≥80%
	Pacific	68%	66%	
	Non-Māori, Non-Pacific	79%	79%	
	Total	77%	77%	
% of eligible women (50-69 years old) having breast cancer screening in the last 2 years	Māori	67%	68%	≥70%
	Pacific	70%	69%	
	Non-Māori, Non-Pacific	73%	72%	
	Total	73%	72%	

Public Health Services				
These services address aspects of the physical, social and built environment in order to protect health and improve health outcomes.	Target Group	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Number of disease notifications investigated	Māori	109	109	109
	Pacific	92	92	92
	Non-Māori, Non-Pacific	1090	1090	1090
	Total	109	109	109
Number of new referrals to Public Health Nurses in primary/intermediate schools	Māori	756	756	756
	Pacific	707	707	707
	Non-Māori, Non-Pacific	424	424	424
	Total	1,887	1,887	1887
Number of submissions providing strategic public health input and expert advice to inform policy and public health programming in the sub-region	Total	20	20	20
Number of environmental health investigations	Total	727	727	727
Number of premises visited for alcohol controlled purchase operations	Total	70	70	70
Number of premises visited for tobacco controlled purchase operations	Total	17	17	17
Number of investigations related to requirements of the Drinking-Water Standards	Total	9	9	9

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of children under 5 years enrolled in DHB-funded dental services	Māori	67%	68%	≥95%
	Pacific	80%	76%	
	Non-Māori, Non-Pacific	103%	98%	
	Total	94%	90%	
% of children caries free at 5 years	Māori	51%	53%	≥69% (2018)
	Pacific	39%	44%	
	Non-Māori, Non-Pacific	77%	78%	
	Total	70%	72%	
Ratio of mean decayed, missing, filled teeth (DMFT) at year 8	Māori	0.79	0.80	≤0.49 (2018)
	Pacific	0.97	0.92	
	Non-Māori, Non-Pacific	0.41	0.42	
	Total	0.51	0.52	
% of children (0-12) enrolled in DHB oral health services examined according to planned recall	Māori	14%	13%	≤10%
	Pacific	14%	13%	
	Non-Māori, Non-Pacific	12%	8%	
	Total	12%	9%	
% of adolescents accessing DHB-funded dental services	Māori	55%	55%	≥85%
	Pacific	78%	75%	
	Non-Māori, Non-Pacific	82%	81%	
	Total	80%	77%	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of the DHB-domiciled population that is enrolled in a PHO	Māori	86%	86%	≥94%
	Pacific	102%	99%	
	Non-Māori, Non-Pacific	95%	94%	
	Total	94%	93%	
% of the eligible population assessed for CVD risk in the last five (ten) years	Māori	83%	82%	≥90%
	Pacific	85%	83%	
	Non-Māori, Non-Pacific	83%	82%	
	Total	83%	82%	
% 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	61%	61%	≥70%
	Pacific	51%	56%	
	Non-Māori, Non-Pacific	70%	69%	
	Total	66%	66%	
Avoidable hospital admission rate for children aged 0-4 (per 100,000 people)	Māori	7,330	8,143	5,700
	Pacific	10,100	10,297	

	Non-Māori, Non-Pacific	5,039	5,700	
	Total	6,038	6,685	
Avoidable hospital admission rate for adults aged 45-64 (per 100,000 people)	Māori	6,163	6,070	2,537
	Pacific	6,636	7,893	
	Non-Māori, Non-Pacific	2,387	2,537	
	Total	2,943	3,140	
Primary Care Patient Experience scores	Communication	8.5	8.4	8.0
	Partnership	7.6	7.5	
	Physical & Emotional Needs	7.8	7.8	
	Coordination	8.4	8.5	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of the DHB-domiciled population that were dispensed at least one prescription item	Māori	66%	66%	78%
	Pacific	81%	78%	
	Non-Māori, Non-Pacific	81%	79%	
	Total	78%	77%	
% of people aged 65+ years receiving five or more long-term medications	Māori	30%	30%	25%
	Pacific	39%	39%	
	Non-Māori, Non-Pacific	27%	27%	
	Total	28%	28%	
Number of people registered with a Long Term Conditions programme in a pharmacy	Total	6,823	6,668	6,604
Number of people participating in a Community Pharmacy Anticoagulant Management service in a pharmacy	Total	225	210	250

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of maternity deliveries made in Primary Birthing Units	Māori	21%	21%	≥9%
	Pacific	22%	22%	
	Non-Māori, Non-Pacific	8%	8%	
	Total	11%	11%	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Number of Community Acute Response packages of care provided in community settings	Total	620	729	≥729
Number of zero-fee consultations at after-hours services by children under 13 years	Māori	2,862	2,622	≥2,622
	Pacific	4,053	3,716	≥3,716
	Non-Māori, Non-Pacific	14,831	12,154	≥12,154
	Total	21,746	18,492	≥18,492
Age-standardised ED presentation rate per 1,000 population in sub-regional hospitals	Māori	196	198	≤158
	Pacific	250	243	
	Non-Māori, Non-Pacific	158	152	
	Total	166	161	
% of patients admitted, discharged or transferred from ED within 6 hours	Māori	89%	86%	≥95%
	Pacific	90%	85%	
	Non-Māori, Non-Pacific	90%	87%	
	Total	90%	87%	
Standardised acute readmission rate within 28 days	Total	12.1%	12.4%	12.4%

Elective and 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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Number of surgical elective discharges	Total	11,341	11,205	11,205
% of patients given a commitment to treatment but not treated within four months	Total	<5%	<5%	<5%
% of "DNA" (did not attend) appointments for outpatient appointments	Māori	15%	15%	14%
	Pacific	17%	17%	16%
	Non-Māori, Non-Pacific	6%	5%	5%
	Total	8%	7%	7%
% of patients waiting longer than four months for their first specialist assessment	Total	<0.4%	<0.4%	<0.4%

% 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	92%	93%	≥90%
	Pacific	86%	92%	
	Non-Māori, Non-Pacific	92%	93%	
	Total	90%	88%	

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of population accessing community mental health services	Mental health services	Māori	1.2%	1.2%	1.2%
		Pacific	0.8%	0.8%	0.8%
		Non-Māori, Non-Pacific	0.4%	0.4%	0.4%
		Total	0.6%	0.6%	0.6%
	Addiction services	Māori	2.1%	1.9%	1.9%
		Pacific	1.2%	1.0%	1.0%
		Non-Māori, Non-Pacific	0.4%	0.4%	0.4%
		Total	0.7%	0.6%	0.6%
% of population accessing secondary:	Mental health services	Māori	7.0%	6.9%	6.9%
		Pacific	3.5%	3.5%	3.5%
		Non-Māori, Non-Pacific	3.1%	3.1%	3.1%
		Total	3.5%	3.5%	3.5%
	Addiction services	Māori	2.0%	1.9%	1.9%
		Pacific	1.0%	0.9%	0.9%
		Non-Māori, Non-Pacific	0.6%	0.6%	0.6%
		Total	0.8%	0.8%	0.8%
% of patients 0-19 referred to non-urgent child & adolescent services that were seen within eight weeks:	Mental health services	Māori	79%	93%	≥95%
		Pacific	93%	89%	
		Non-Māori, Non-Pacific	93%	91%	
		Total	90%	91%	
	Addiction services	Māori	91%	97%	
		Pacific	100%	100%	
		Non-Māori, Non-Pacific	100%	96%	
		Total	96%	97%	
% 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	70%	70%	≥75%
		Pacific	80%	67%	
		Non-Māori, Non-Pacific	74%	77%	
		Total	73%	74%	
	7 days following the day of discharge	Māori	70%	79%	≥90%
		Pacific	78%	92%	
		Non-Māori, Non-Pacific	73%	83%	
		Total	73%	83%	
Rate of Māori under the Mental Health Act: Section 29 community treatment orders		Māori	520	482	434
		Non- Māori	139	139	125

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Rate of In-hospital falls with fractured neck of femur, per 100,000 admissions by month	Total	11.1	14.5	14
Rate of staphylococcus aureus bacteraemia, per 1,000 bed days	Total	0.2	0.2	
Rate of surgical site infections for hip and knee operations, per 100 procedures	Total	0.70	0.41	0.41
Rate of in-hospital cardiopulmonary arrests in adult inpatient wards, per 1,000 admissions	Total	N/A	1.7	1.7
Rate of rapid response escalations, per 1000 admissions	Total	N/A	40.4	40.4
Rates of deep vein thrombosis/pulmonary embolus	Total	0.91	1.05	1.05
The weighted average score in the Inpatient Experience Survey by domain	Communication	8.5	8.5	8.5
	Partnership	8.7	8.5	8.7
	Physical & Emotional Needs	8.7	8.6	8.7
	Coordination	8.4	8.1	8.5

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Number of CCDHB Disability Forums	Total	0	1	3
Number of sub-regional Disability Forums	Total	0	1	1
% of hospital staff that have completed the Disability Responsiveness eLearning Module	Total	18%	18%	33%
Number of people with a Disability Alert	Total	8,357	8,800	9,000
% of the CCDHB domiciled population with a Disability Alert who are Māori or Pacific	Māori	10%	10%	11%
	Pacific	6%	6%	7%

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
% of people 65+ receiving DHB-funded HOP support who are being supported to live at home	Māori	67%	63%	≥60%
	Pacific	63%	64%	
	Non-Māori, Non-Pacific	60%	60%	
	Total	60%	60%	
% of people 65+ who have received long term home support services in the last three months who have had a comprehensive clinical (interRAI) assessment and a completed care plan	Māori	100%	100%	≥98%
	Pacific	100%	100%	
	Non-Māori, Non-Pacific	100%	100%	
	Total	100%	100%	
% of people who have had an interRAI assessment with an Advance Care Plan	Total	4.1%	4.2%	≥4.2
Rate of hip (neck of femur) fractures due to a fall per 1,000 people 50+	Total	2.6	2.5	≤2.5
Number of older people accessing respite services	Total	455	506	≥506

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	Baseline 2017/18	Forecast 2018/19	Target 2019/20
Rate of ED presentations from aged residential care facilities that are not admitted per 1,000 population in aged residential care	Total	5.69	5.53	≤5.53
% of residential care providers meeting four year certification standards	Total	53%	61%	≥53%

Financial Performance

The prospective planned result for Capital and Coast DHB 2019/20 annual plan is a deficit of $15.9 million. The actual result for 2018/19 is a deficit of $96.4m. This includes a provision for a Holiday Act pay-out of $67m plus a write-off of $6m for impairment of investment in the National Oracle System.

CCDHB Summary Financial Table

Capital & Coast DHB Annual Plan Budget for the Four Years ending 30 June 2023	2017/18 $'M	2018/19 $'M	2019/20 $'M	2020/21 $'M	2021/22 $'M	2022/23 $'M
Funding (excluding IDF inflows below)	873.3	934.3	967.6	1,054.6	1,040.0	1,076.7
Services provided for Other DHBs (IDF Inflows)	218.2	227.3	242.2	251.9	262.0	272.5
Total Funding	**1,091.4**	**1,161.6**	**1,209.8**	**1,306.5**	**1,301.9**	**1,349.2**
DHB Provider Arm	736.9	860.2	806.5	833.3	857.9	891.9
Funder Arm	266.7	288.6	304.1	313.3	322.7	332.3
Governance Arm	9.6	11.0	12.0	11.7	12.0	12.3
Services Purchased from Other DHBs (IDF Outflows)	96.4	98.1	103.1	106.2	109.3	112.6
Total Allocated	**1,109.7**	**1,258.0**	**1,225.7**	**1,264.5**	**1,302.0**	**1,349.2**
Surplus / (Deficit)	**(18.2)**	**(96.4)**	**(15.9)**	**42.0**	**(0.0)**	**0.0**

Capital & Coast DHB Statement of Comprehensive Income & Expenditure Budget for the Four Years ending 30 June 2023	Actual 2017/18 (000s)	Actual 2018/19 * (000s)	Plan 2019/20 ** (000s)	Plan 2020/21** (000s)	Plan 2021/22 (000s)	Plan 2022/23 (000s)
REVENUE						
Government and Crown Agency Sourced	1,059,652	1,124,508	1,176,971	1,222,401	1,266,591	1,312,461
Patient / Consumer Sourced	5,245	5,238	4,966	5,165	5,372	5,586
Other Income	26,529	31,874	27,861	78,904	29,987	31,111
TOTAL REVENUE	**1,091,425**	**1,161,621**	**1,209,799**	**1,306,471**	**1,301,950**	**1,349,159**
OPERATING COSTS						
Personnel Costs						
Medical Staff	150,607	187,670	170,050	175,151	178,406	182,432
Nursing Staff	193,129	238,301	217,226	223,796	227,856	231,230
Allied Health Staff	55,602	63,990	62,609	64,371	66,302	68,291
Support Staff	7,903	10,930	10,145	10,434	10,747	11,070
Management / Administration Staff	60,531	72,008	78,165	79,548	81,873	84,265
Total Personnel Costs	**467,771**	**572,898**	**538,194**	**553,301**	**565,184**	**577,288**
Clinical Costs						
Outsourced Services	25,808	24,601	22,493	23,808	24,586	25,389
Clinical Supplies	123,130	130,291	129,210	133,070	137,063	141,174
Total Clinical Costs	**148,938**	**154,891**	**151,702**	**156,878**	**161,649**	**166,563**
Other Operating Costs						
Hotel Services, Laundry & Cleaning	19,171	23,809	23,160	23,854	24,570	25,307
Facilities	40,597	43,401	43,731	45,043	46,394	47,786
Transport	2,995	3,157	3,055	3,147	3,241	3,338
IT Systems & Telecommunications	12,435	13,454	13,797	14,211	14,638	15,077
Interest & Financing Charges	24,414	29,850	26,332	27,121	27,935	28,773
Professional Fees & Expenses	7,897	7,258	7,159	2,663	2,742	2,825
Other Operating Expenses	11,308	10,886	(1,169)	7,152	11,629	24,980
Democracy	397	432	1,038	480	493	505
Provider Payments	363,159	386,765	407,202	419,418	432,001	444,961
Recharges	10,578	11,193	11,498	11,202	11,474	11,753
Total Other Operating Costs	**492,951**	**530,204**	**535,803**	**554,291**	**575,117**	**605,307**
TOTAL COSTS	**1,109,661**	**1,257,994**	**1,225,699**	**1,264,471**	**1,301,950**	**1,349,159**
NET SURPLUS / (DEFICIT)	**(18,236)**	**(96,373)**	**(15,900)**	**42,000**	**0**	**0**
***Asset Revaluation (Equity movement - IRFS requirement)	113,105	(5,350)	-	-	-	-
TOTAL COMPREHENSIVE INCOME SURPLUS/(DEFICIT)	**94,869**	**(101,723)**	**(15,900)**	**42,000**	**0**	**0**

* Please note that the 2018/19 Actual includes adjustments for year end provisions i.e. Holidays Act and write offs.

** Please note that final agreement of the 2019/20 Plan is pending. Plan for 2020/21 includes a donation of $50m from benefactor towards the Children's Hospital

*** 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.

Capital & Coast DHB Statement of Financial Position Budget for the Four Years ending 30 June 2023	Actual 2017/18 (000s)	Actual 2018/19 (000s)	Plan 2019/20 (000s)	Plan 2020/21 (000s)	Plan 2021/22 (000s)	Plan 2022/23 (000s)
Non Current Assets						
Land	41,165	41,165	41,165	41,165	41,165	41,165
Buildings	474,112	447,637	451,729	477,006	462,895	448,008
Clinical Equipment	26,550	33,611	50,184	68,477	86,565	104,440
Information Technology	11,208	14,921	18,879	22,881	26,795	30,617
Work in Progress	30,092	42,115	42,145	44,198	44,198	44,198
Other Fixed Assets	9,333	4,374	5,385	6,572	7,701	8,771
Total Non Current Assets	592,460	583,823	609,486	660,299	669,319	677,199
Current Assets						
Cash	17,602	33	33	33	33	33
Trust/Investments	9,693	10,754	10,754	10,754	10,754	10,754
Prepayments	3,075	4,197	4,197	4,197	4,197	4,197
Accounts Receivable	43,580	58,394	51,217	51,217	51,217	51,217
Inventories	8,067	9,046	9,046	9,046	9,046	9,046
Other Current Assets	5,610	(6,528)	-	2	2	2
Total Current Assets	87,628	75,896	75,247	75,249	75,249	75,249
Current Liabilities						
Bank overdraft	-	2,704	17,188	45,118	57,413	68,560
Payables & Accruals	148,505	215,766	219,093	195,461	195,670	195,889
GST & Tax Provisions	9,351	9,642	9,642	9,642	9,642	9,642
Current Private Sector Debt	247	55	55	55	55	55
Total Current Liabilities	158,104	228,167	245,978	250,276	262,779	274,145
Net Current Assets	(70,476)	(152,271)	(170,731)	(175,027)	(187,530)	(198,896)
NET FUNDS EMPLOYED	**521,984**	**431,552**	**438,756**	**485,272**	**481,788**	**478,303**
Term Liabilities						
Non Current Crown Debt - CHFA	55	-	-	-	-	-
Restricted & Trust Funds Liability	9,746	72	10,760	10,760	10,760	10,760
Non Current Provisions & Payables Personnel	6,247	6,958	6,958	6,958	6,958	6,958
Total Term Liabilities	16,048	7,029	17,717	17,717	17,717	17,717
Net Assets	**505,936**	**424,522**	**421,038**	**467,555**	**464,072**	**460,586**
General Funds						
Crown Equity	765,362	774,716	797,780	802,296	788,124	784,640
Revaluation Reserve	136,711	131,361	131,361	131,361	131,361	131,361
Trust & special funds no restriction	(307)	10,648	-	-	-	-
Retained Earnings						
Retained Earnings - DHB	(395,830)	(492,203)	(508,103)	(466,101)	(455,413)	(455,414)
Total Retained earnings	(395,830)	(492,203)	(508,103)	(466,101)	(455,413)	(455,414)
Total General Funds	505,936	424,522	421,038	467,555	464,072	460,586
NET FUNDS EMPLOYED	**521,984**	**431,552**	**438,756**	**485,272**	**481,788**	**478,303**

Prospective Cash Flow

Capital & Coast DHB Statement of Cashflows Budget for the Four Years ending 30 June 2023	Actual 2017/18 (000s)	Actual 2018/19 (000s)	Plan 2019/20 (000s)	Plan 2020/21 (000s)	Plan 2021/22 (000s)	Plan 2022/23 (000s)
Operating Activities						
Government & Crown Agency Revenue Receiv	1,066,677	1,139,635	1,239,635	1,286,635	1,335,635	1,386,635
All Other Revenue Received	15,512	19,299	19,989	19,989	19,989	19,989
Total Receipts	**1,082,189**	**1,158,934**	**1,259,623**	**1,306,623**	**1,355,623**	**1,406,623**
Payments for Personnel	(453,548)	(501,958)	(545,758)	(562,758)	(579,758)	(596,758)
Payments for Supplies	(195,516)	(200,849)	(227,511)	(250,357)	(244,922)	(263,973)
Capital Charge	(24,373)	(29,805)	(29,805)	(30,505)	(31,305)	(32,105)
GST (net)	(1,535)	(2,244)	(2,244)	(2,244)	(2,244)	(2,244)
Other Payments	(378,368)	(415,453)	(435,453)	(447,453)	(460,453)	(473,453)
Total Payments	**(1,053,340)**	**(1,150,309)**	**(1,240,771)**	**(1,293,317)**	**(1,318,682)**	**(1,368,533)**
Net Cashflow from Operating	**28,849**	**8,625**	**18,852**	**13,306**	**36,941**	**38,090**
Investing Activities						
Interest Receipts from 3rd Party	1,557	1,204	1,248	1,248	1,248	1,248
	1,557	**1,204**	**1,248**	**1,248**	**1,248**	**1,248**
Capital Expenditure						
Land, Buildings & Plant	(11,436)	(18,139)	(11,777)	(11,777)	(11,777)	(11,777)
Clinical Equipment	(7,122)	(13,152)	(25,159)	(25,159)	(25,159)	(25,159)
Other Equipment	(3,191)	(3,979)	(3,103)	(3,103)	(3,103)	(3,103)
Informations Technology	(4,778)	(4,142)	(6,961)	(6,961)	(6,961)	(6,961)
Total Capital Expenditure	**(26,528)**	**(39,412)**	**(47,000)**	**(47,000)**	**(47,000)**	**(47,000)**
Increase in other Investments	(1,584)	-	-	-	-	-
Net Cashflow from Investing	**(26,555)**	**(38,208)**	**(45,752)**	**(45,752)**	**(45,752)**	**(45,752)**
Financing Activities						
Deficit Support	-	14,100	15,900	8,000	-	-
Other Financing Activities	(3,810)	(3,730)	(3,484)	(3,484)	(3,484)	(3,485)
Total Financing Activities	**(3,810)**	**10,370**	**12,416**	**4,516**	**(3,484)**	**(3,485)**
Net Cashflow	(1,516)	(19,214)	(14,484)	(27,931)	(12,294)	(11,147)
Plus: Opening Cash	28,812	27,296	8,083	(6,401)	(34,332)	(46,626)
Closing Cash	**27,296**	**8,083**	**(6,401)**	**(34,332)**	**(46,626)**	**(57,773)**
Closing Cash comprises:						
Balance Sheet Cash	27,296	10,787	10,787	10,787	10,787	10,787
Balance Sheet Operating Overdraft	-	(2,704)	(17,188)	(45,118)	(57,413)	(68,560)
Total Cashflow Cash (Closing)	**27,296**	**8,083**	**(6,401)**	**(34,332)**	**(46,626)**	**(57,773)**

Prospective Output Class Financials

Capital & Coast DHB Statement of Objectives and service performance Budget for the Year Ending 30 June 2020 Statement of revenue and expenses by output class	Prevention (000s)	Early Detection and Management (000s)	Intensive Assessment and Treatment (000s)	Rehabilitation and Support (000s)	Total DHB (000s)
REVENUE					
Crown	12,754	265,031	770,775	128,411	**1,176,971**
Other	-	-	32,828		**32,828**
Total Revenue	**12,754**	**265,031**	**803,603**	**128,411**	**1,209,799**
EXPENDITURE					
Personnel	200	3,769	532,209	2,017	**538,194**
Depreciation			36,000		**36,000**
Capital charge			26,281		**26,281**
Provider Payments	11,103	218,965	96,405	105,714	**432,187**
Other	1,452	42,297	128,608	20,680	**193,037**
Total Expenditure	**12,754**	**265,031**	**819,503**	**128,411**	**1,225,699**
Net Surplus/(Deficit)	**-**	**-**	**(15,900)**	**-**	**(15,900)**

Capital & Coast DHB Statement of Objectives and service performance Budget for the Year Ending 30 June 2021 Statement of revenue and expenses by output class	Prevention (000s)	Early Detection and Management (000s)	Intensive Assessment and Treatment (000s)	Rehabilitation and Support (000s)	Total DHB (000s)
REVENUE					
Crown	13,011	270,776	807,410	131,204	**1,222,401**
Other	-	-	84,069	-	**84,069**
Total Revenue	**13,011**	**270,776**	**891,480**	**131,204**	**1,306,471**
EXPENDITURE					
Personnel	177	3,343	547,992	1,789	**553,301**
Depreciation			37,080		**37,080**
Capital charge			27,069		**27,069**
Provider Payments	11,403	224,882	96,967	108,571	**441,823**
Other	1,625	46,253	134,716	22,605	**205,199**
Total Expenditure	**13,206**	**274,477**	**843,824**	**132,964**	**1,264,471**
Net Surplus/(Deficit)	**(195)**	**(3,702)**	**47,656**	**(1,760)**	**42,000**

Capital & Coast DHB Statement of Objectives and service performance Budget for the Year Ending 30 June 2022 Statement of revenue and expenses by output class	Prevention (000s)	Early Detection and Management (000s)	Intensive Assessment and Treatment (000s)	Rehabilitation and Support (000s)	Total DHB (000s)
REVENUE					
Crown	13,481	280,565	836,598	135,947	**1,266,591**
Other	-	-	35,359	-	**35,359**
Total Revenue	**13,481**	**280,565**	**871,957**	**135,947**	**1,301,950**
EXPENDITURE					
Personnel	181	3,410	559,769	1,825	**565,183**
Depreciation			38,193		**38,193**
Capital charge			27,881		**27,881**
Provider Payments	11,896	234,891	94,753	113,412	**454,952**
Other	1,658	47,178	143,849	23,057	**215,741**
Total Expenditure	**13,734**	**285,478**	**864,444**	**138,294**	**1,301,950**
Net Surplus/(Deficit)	**(253)**	**(4,914)**	**7,513**	**(2,346)**	**(0)**

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
- 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 6% payable half yearly
- Total Capital Expenditure of up to $47 million per annum is planned for 2019/20

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 Planned Care 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;
- Demand for aged residential care above plan;

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 2019/20 is $47 million. CAPEX is required to be funded internally.

Equity

Equity Drawing

Additional deficit support may be requested for the 2019/20 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.