Tairāwhiti District Health Board
Trading as

Hauora
Tairāwhiti

2020/21 – 2023/24 Statement of Intent incorporating the 2020/21 Statement of Performance Expectations

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

This document presents our 2020/21 – 2023/24 Statement of Intent. Central to understanding this statement, is our performance story which sets out our key outcomes (what we are trying to achieve), our impacts (our shorter term contribution to an outcome), our outputs (goods and services supplied), and our inputs (resources).

Statement of Intent (2020/21 – 2023/24)

Gisborne: Tairāwhiti District Health Board trading as Hauora Tairāwhiti
Published in 2020
by
Hauora Tairāwhiti
Private Bag 7001, Gisborne, 4010

This document is available on the Hauora Tairāwhiti website: www.hauoratairāwhiti.org.nz

Mihi

Tēnā koutou, te hunga katoa e mahi ana mā te Hauora Tairāwhiti
Tena hoki koutou I roto I ngā ra o te tau kua pahure atu nei
Kā nui nga mihi ki a koutou
Me mihi tonu rā mo ta koutou kaha ki te tautoko
I nga kaupapa I whakatungia hei kaupare atu I te mate weriweri nei
E hurihuri nei I roto I te ao whānui tonu
Ara, te mate urutā, te mate korotā, te mate karauna me ētahi atu o ōna īngoa.

Ahakoa kaore tētahi o tātou o te Tairāwhiti nei, i ngaua e taua mate,
I a ia e hurihuri ana I roto i te ao whānui, ko etahi o tātou i riro atu i roto i ētahi atu o ngā mate o te wa.
No reira, haere koutou te hunga kua kapohia atu ē te ringa kaha o aitua.
Koutou o te tau kua taha nei, te tokomaha hoki o koutou.
Kua tangihia koutou, kua poroporoākitia koutou,
Haere koutou, haere koutou haere atu rā.
Apiti hono, tatai hono, koutou kia koutou
Apiti hono, tatai hono, tātou kia tātou.
Tenā koutou, tenā koutou, tenā tatou katoa.

Kua tau mai te wa o Matariki ki runga ki a tatou,
A, ko te timatatanga tenei o te tau hou mā te Māori, ā, ma tātou hoki
Mā Te Hauora Tairāwhiti
I roto hoki i te te tau e haere mai nei, ka anga atu tatou ki tenei kaupapa
Ki "TE ORITETANGA"
Kia orite te tohatoha i nga kaupapa katoa, ki te katoa.
Ka whakapau kaha hoki tātou ki te tiaki i te hunga pōhara, te hunga, o nga hāpori, kei te kaha te pēhia e nga taumahatanga o te ao.
Ā, kia ahua rawa ake hoki nga whiwhinga, ka riro mai i a ratou.

Ka torotoro atu hoki tātou, ki nga akoranga, i whiwhi tatou, i roto i nga ra
O te rāhuitanga a te mate karauna, i a tātou, kia kore ai e ngaro ēra momo whiwhinga, arā, pēra te whakamahi i te ipurangi mo te whakatipu oranga, kia mau tonu ai ēra momo mahi ki roto i a tātou.

Ka whakakaha hoki tātou, ki te whakahoki mai i ēra o nga mahinga hauora, i mahue atu, i mua tata iho nei.

SECTION 1: Te Whakamahere Rautaki | Overview of Strategic Priorities

TAUIHU - The Prow
Te Ihu Haehae I Te Ara (The Front/First of the Journey)
The tauihu of a waka is the first part of the hull to meet the challenges of the open sea. "Kia tauihu to haere" – "Move forward decisively" The "tip of the wedge" Anything or person referred to as the tauihu is the figurehead or at the forefront.

This Annual Plan articulates the Hauora Tairāwhiti commitment to meeting the Minister's expectations, and our continued commitment to our Board's vision of Whāia te hauora i roto i te kotahitanga - a healthier Tairāwhiti by working together.

There are four key areas of focus for Hauora Tairāwhiti for 2020/21, as agreed with the Ministry of Health. Actions to support these priorities are highlighted through Section 2 of this Plan. The areas of focus are:

- **Achieving equity**
  - Achieving equity is the primary area of focus for Hauora Tairāwhiti.
  - Hauora Tairāwhiti has four key ingredients to achieving equity
    - Supporting iwi to take a leadership role.
    - Enhancing understanding of equity.
    - Questioning current disparities at every opportunity.
    - Recognising that many whanau living in Tairāwhiti do not have the opportunity which enables the full access to current health services.
  - Improvements in Māori Health remains the main driver for change within Tairāwhiti, to ensure this Hauora Tairāwhiti continues to strengthen system design mechanisms which put Māori at the centre of processes.
  - Te Tairāwhiti has a programme of work which is addressing institutional racism and the underlying causes of inequity within social services. Within the health sector, Hauora Tairāwhiti and its partners have started a number of initiatives looking to bring wellbeing and equity to the population. Our main focus for 2020/21 is in the area of mental health and addiction services. Having developed a new model of care in 2019/20 we will be rolling out services which deliver to this new model across the sector. A key component of this new model is the way in which mental health and addiction services are commissioned and we will be placing both the philosophies of lived experience and kaupapa Māori values at centre of all new commissioned services.

- **Sustainability**
  - Hauora Tairāwhiti has for a number of years operated in a deficit environment, which has impacted on service provision and future planning. The 2020/21 Vote Health funding advice has provided Hauora Tairāwhiti with opportunities to move towards a sustainable outlook. During 2020/21 Hauora Tairāwhiti will begin an evidence based process of investment planning. The first step in this process will be an equity needs analysis which will identify and provide a road map to how and where the local health sector invests over the medium term.
  - The health sector within Tairāwhiti is increasingly looking at service planning from a more system wide approach and looking to increase capacity as close to the population as practical. This can be demonstrated by health of older person service alliance recommendations which see stronger community capacity, a reduction of fragmentation within secondary care and strengthened links with community agencies and organisations.

- **Workforce**
  - Hauora Tairāwhiti is focused on increasing Māori representation within its workforce, and its approach is skills based to employ Māori first and locals second, thereby enhancing the skills available in the workforce to directly related to the Tairāwhiti population.
  - During 2020/21 Hauora Tairāwhiti will complete its workforce strategy which will provide a consistent approach to ensure that the right person is in the right place at the right time to address health and disease as early as possible to increase the wellbeing of the population.
  - As a small District Health Board, Hauora Tairāwhiti often faces challenges in ensuring vulnerable workforces are supported to ensure their long term sustainability. Hauora Tairāwhiti will continue its joint programmes of "growing our own" and "growing on our own".

- **Collaboration**
  - Te Manawa Taki Governance group is the key DHB governance group for Te Manawa Taki region, and overseeing and taking accountability and responsibility for regional direction, strategy and key programmes of change. It is made up of five District Health Boards – Bay of Plenty, Lakes, Hauora Tairāwhiti, Taranaki and Waikato.
  - Hauora Tairāwhiti is part of the Iwi led cross sectoral group Manaaki Tairāwhiti, which looks at improving outcomes across Tairāwhiti through working across inter-sectoral boundaries, using a "health in all policies" approach.
  - Hauora Tairāwhiti supports the activities of the four local Māori health providers in their collaboration to optimise local arrangements and in reducing the fragmentation of health resources through Te Rōpū Matua. This rōpū is increasingly leading in the development and rollout of community based service to ensure that services are developed which support an approach to improve Māori wellbeing, thereby delivering benefits for the whole population.
  - Gisborne District Council and Hauora Tairāwhiti are working together to improve the quality of drinking water across Te Tairāwhiti.
  - Te Tairāwhiti health sector will continue to utilise an Mātauranga Māori approach to service monitoring and planning to enable the development of co-location, multi-disciplinary teams and other innovative designs to address those social factors which negatively influence health outcomes.

TREATY OF WAITANGI

The Treaty of Waitangi - Te Tiriti o Waitangi is New Zealand's founding constitutional document and is often referred to in overarching strategies and plans throughout all sectors. Hauora Tairāwhiti values the importance of the Treaty. Central to the Treaty relationship and implementation of Treaty principles is a shared understanding that health is a 'taonga' (treasure).

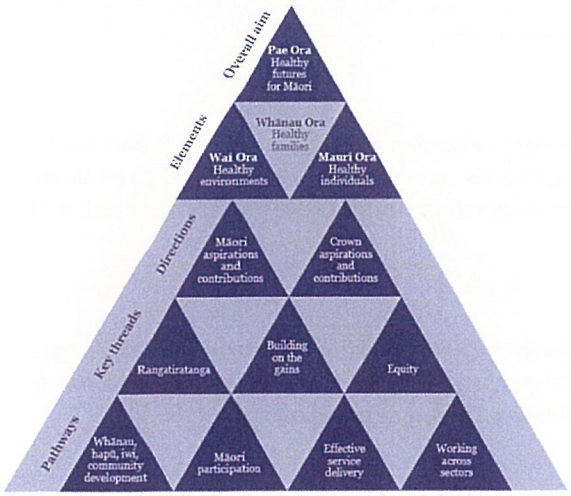
TREATY OF WAITANGI PRINCIPLES MENTIONED IN HEALTH.

Through the Report on Stage 1 of the Health Services and Outcomes Kaupapa Inquiry (WAI 2575) the Waitangi Tribunal re-examined and stated the principles of the Treaty in a health context. Accordingly Hauora Tairāwhiti is using these expanded principles in all work with Māori to improve health outcomes.

- **Partnership** involves working together with iwi, hapū, whānau and Māori communities to genuinely design and implement strategies for Māori health gain and appropriate health and disability services.
- **Active Protection** reinforces the right of Māori to decision making in their affairs and also the Crown working to ensure Māori have at least the same level of health as non-Māori through the provision of appropriate services
- **Equity** is a principle of fairness and justice. Māori have a right to equitable treatment and treatment outcomes with freedom from discrimination.
- **Options** protects the availability of appropriately resourced kaupapa Māori options alongside culturally and medically responsive mainstream services

NEW ZEALAND HEALTH STRATEGY

First and foremost is the updated New Zealand Health Strategy, which outlines the high level direction of the New Zealand Health system over the next 10 years along with a Roadmap of Actions. The Strategy outlines five strategic themes to ensure all New Zealanders live well, stay well and get well (People-powered; Closer to home; Value and high performance; One team and Smart system) and 27 areas for action between 2016 to 2026.



He Korowai Oranga

As New Zealand's Māori Health Strategy, He Korowai Oranga sets the overarching framework that guides the Government and the health and disability sector to achieve the best health outcomes for Māori.

The 4 pathways of the original He Korowai Oranga framework continue to tell us how to implement the strategy. These pathways are:

- supporting whānau, hapū, iwi and community development
- supporting Māori participation at all levels of the health and disability sector
- ensuring effective health service delivery
- working across sectors.

Healthy Ageing Strategy

This Strategy is designed to ensure our health system provides the care, support and treatment that older New Zealanders need and that level of care is sustainable. It has a strong focus on prevention, wellness and support for independence, recognising the importance of whānau and community in older people's lives.

United Nations Convention on the Rights of Persons with Disabilities

The Convention on the Rights of Persons with Disabilities is the first United Nations human rights treaty of the 21st century. The Convention makes it explicit that member countries must ensure the full realisation of all human rights and fundamental freedoms for all disabled people, on an equal basis with others, and without discrimination of any kind on the basis of disability. It will also help to ensure that mainstream services are inclusive of disabled people and are delivered in non-discriminatory ways.

Ola Manuia: Pacific Health and Wellbeing Action Plan 2020–2025Ola Manuia: Pacific Health and Wellbeing Action Plan 2020–2025 has been developed with input from Pacific communities, the health sector, and relevant government agencies, to provide a new direction for Pacific health and improve Pacific health and wellbeing. This plan builds on the successes of 'Ala Mo'ui: Pathways to Pacific Health and Wellbeing 2014–2018' (Ministry of Health 2014).

Clinical Leadership

Clinicians are passionate about the quality and safety of care they provide, including addressing equity of outcome issues in the process to eliminate health inequity. These are key drivers of their work and resonate with their core values as professionals. Service development and improvements across Hauora Tairāwhiti are steered by clinical leadership through the Clinical Governance Committee which has representation on Te Kāhui Whakahaere (DHB leadership team) and actively supports decision making. The Clinical Governance Committee has key responsibilities around DHB clinical risks and quality improvements and includes representation from primary care, as well as people who receive health care.

Across Tairāwhiti, clinical leadership is represented on various service improvement forums which pull together all parts of the health sector within the district. Community, primary and secondary care clinical teams are engaged in a number of groups which range from information technology to integration and falls prevention. The General Practitioner-led Demand Management Group pulls primary and secondary care clinicians and managers together to look at initiatives which have positive practical implications on clinicians' workloads in both sectors, while addressing the demand pressures at this crucial interface, improving health outcomes and eliminating inequity.

Decision Making

Hauora Tairāwhiti Board and advisory committees are supported by a number of different groups that ensure local health resources are put to the best possible use for health service delivery across the district, which is, in turn, effective and efficient for the population which it serves. Te Waiora o Nukutaimemeha Māori Relationship Board is represented and provides guidance and direction to Hauora Tairāwhiti in all Board decisions, ensuring responsibility is accorded for all aspects of Māori Health in Tairāwhiti. Other groups which support the Board's decision-making process are Te Kāhui Whakahaere (Leadership Team), which provides the Board with an executive view on service improvements and

delivery; Te Reo Rautaki (Strategic Leadership Team), providing advice on the strategic objectives of health across the district; and Te Rōpū Rauemi Rautaki (Funding Management Group), which provides the Board with guidance on new initiatives and the implementation of community funding. Through these processes, Hauora Tairāwhiti ensures that the local sector provides the optimum range of services within the available resources.

POPULATION HEALTH

The Tairāwhiti Public Health Team is located within the Te Puna Waiora (Planning, Funding and Population Health Group). This ensures that, within te Tairāwhiti, a population health approach to services is incorporated at all times. Hauora Tairāwhiti is committed to this approach and to ensuring that population health strategies are adopted in all service planning.

POPULATION PERFORMANCE

The Ministry is exploring life course approaches as a way of understanding DHB population performance challenges. Therefore, DHBs are expected to identify within their Annual Plan (AP) the most significant actions they expect to deliver in the 2020/21 year to address local population challenges for the following life course groupings:

Life course group	Significant action to be delivered in 2020/21 through to 2022/23
Hapū Māmā	Hapū māmā are supported to engage and access maternal services within the first trimester and support throughout the course of their pregnancy.
Tamariki	Tairāwhiti Integrated Child Health Services framework supports tamariki from conception up to six-years of age, with children and their families at the centre and thriving within their community.
Rangatahi	The Rangatahi Strategy and Action Plan for Tairāwhiti provides a youth voice to future services delivered to them. This will also see Tairāwhiti invest in youth leadership across the ages and deliver a service by youth for youth. The services developed will address cultural realities, locations, social and sexual orientation.
Pakeke	Addressing institutional racism and achieving equity for those with chronic conditions through improving options to support self-management and reviewing pathways to ensure that they are supportive of the needs of our community
Mātāpuputu	Continuation of the implementation of Health of Older Persons Services review, which will integrate specialist services delivered to older people into a single service.

WHAKATAUAKI

"He rangi ta Matawhaiti
He rangi ta Matawhanui"

"The person with a narrow vision sees a narrow horizon

The person with a wide vision sees a wide horizon."

HE KORERO NĀ TE MANUKURA | MESSAGE FROM THE CHAIR

Tēnā koutou, te hunga katoa e mahi ana mā te Hauora Tairāwhiti
Tena hoki koutou i roto i ngā ra o te tau kua pahure atu nei
Kā nui nga mihi ki a koutou
Me mihi tonu rā mo ta koutou kaha ki te tautoko
I nga kaupapa I whakatungia hei kaupare atu i te mate weriweri nei
E hurihuri nei i roto i te ao whānui tonu
Ara, te mate urutā, te mate korotā, te mate karauna me ētahi atu o ōna ingoa.

Ahakoa kaore tētahi o tātou o te Tairāwhiti nei, i ngaua e taua mate,
I a ia e hurihuri ana i roto i te ao whānui, ko etahi o tātou i riro atu i roto i ētahi atu o ngā mate o te wa.
No reira, haere koutou te hunga kua kapohia atu ē te ringa kaha o aitua.
Koutou o te tau kua taha nei, te tokomaha hoki o koutou.
Kua tangihia koutou, kua poroporoākitia koutou,
Haere koutou, haere koutou haere atu rā.
Apiti hono, tatai hono, koutou kia koutou
Apiti hono, tatai hono, tātou kia tātou.
Tenā koutou, tenā koutou, tenā tātou katoa.

Kua tau mai te wa o Matariki ki runga ki a tatou,
A, ko te timatatanga tenei o te tau hou ma te Māori, ā, ma tātou hoki
Mā Te Hauora Tairāwhiti
I roto hoki i te te tau e haere mai nei, ka anga atu tatou ki tenei kaupapa
Ki "TE ORITETANGA"
Kia orite te tohatoha i nga kaupapa katoa, ki te katoa.
Ka whakapau kaha hoki tātou ki te tiaki i te hunga pōhara, te hunga, o nga hāpori, kei te kaha te pēhia e nga taumahatanga o te ao.
Ā, kia ahua rawa ake hoki nga whiwhinga, ka riro mai i a ratou.

Ka torotoro atu hoki tātou, ki ngā akoranga, i whiwhi tātou , i roto i ngā ra o te rahuitanga a te mate rewharewha, i a tātou, kia kore ai e ngaro ēra momo whiwhinga, arā, pēra te whakamahi i te ipurangi mo te whakatipu ōranga, kia mau tonu ai ēra momo mahi ki roto i a tātou.

Ka whakakaha hoki tātou, ki te whakahoki mai i ēra o ngā mahinga hauora,i mahue atu, i mua tata iho nei.

Kim Ngarimu
July 2020

TE WAKA O TE TAIRĀWHITI

Huri mai ki pae rāwhiti
Ki te urunga mai o Te Rā
Anei te Waka Hauora o Te Tairāwhiti
Ko te kaupapa he tangata
Ko te whāinga te hauora
O ngā iwi o Te Tairāwhiti

Whaia te hauora
I roto i te kotahitanga
Ko te hau karanga ko te Hauora Tairāwhiti
Ko te kaupapa he tangata
Ko te whāinga te hauora
O ngā iwi o Te Tairāwhiti

Whakarangatira me te Awhi
Ki te tangata
Kia Kotahi te mahi
I roto i te Aroha

Composed By: Dave Para for the launch of Hauora Tairāwhiti

TE PANUI MAI I TE POARI WHAKAHAERE IWI | MESSAGE FROM THE CHAIR IWI PARTNERSHIP BOARD

Tēnā ngā mihi mai i te Te Kuri a Paoa tae atu ki Hikurangi Maunga tēnā rawatu koutou e nohonoho mai nā i roto i o koutou kainga maha. Ki ngā mate katoa o te motu ... haere ki te kāhui rangatira ki te whānau tūturu o te tangata e ngā mate haere haere oti atu rā! Ki ngā hunga ora he mihi maioha he mihi mahana he mihi aroha ki a koutou katoa.

Te Waiora o Nukutaimemeha is proud to be a driver of Equity change through better understanding and honest appreciation of Tairāwhiti Māori aspirations. This Annual Plan is year 1 of a 3 year process of Mana Motuhake (infrastructure) and Tino Rangatiratanga (whānau) development stemming from our Te Manawa Taki Regional Equity Plan. Equity is synonymous with a Māori led primary care strategy that is enabling and empowering. This alignment is intentional and supports a wellness whakaaro that translates as "Equity of outcomes is dependent on Equity of inputs"! Te Waiora o Nukutaimemeha believes earnestly that Hauora Tairāwhiti will achieve success especially with its strong community linkages, close knit population and large Māori population.

Nei rā te korero tautoko mō tēnei mahere tau tuatahi. Kia kaha rā ki ngā ringa raupa e mahi ana te mahi kia puta mai ana te whakaaro "kia ora ai Te Tairāwhiti maranga mai".

Naku te iti nei

Na Rongowhakaata RAIHANIA.
July 2020

HE KORERO NĀ TE TUMUAKI | MESSAGE FROM THE CHIEF EXECUTIVE

This plan represents our best opportunity yet to work with our staff, health community, iwi, strategic partners and the community at large to achieve greater hauora in Te Tairāwhiti.

With the largest funding increase in the history of the DHB, coupled with a redoubled focus on achieving equity of health outcomes for Māori and the wider population of our district, we have the determination and drive to make 20/21 a landmark year in the health of Tairāwhiti people.

Our plan details how we will go about this next step in the transformation of health outcomes across the whole life range. Our plans include aspects that address the fundamentals of health across the lifespan including a best start in our goal to have the happiest, healthiest children in the world, through to long healthy, independent lives, not encumbered by the effects of inequity in society, poor access to health care and reduced effectiveness of the health system.

We will address this through improved and expanded services both provided and funded by Hauora Tairāwhiti and taking a stronger role in the wider action on the determinants of health. Hauora Tairāwhiti will be more sustainable clinically and financially.

Our plan is broad, while at the same time honing in on detail informed by what we know works for Tairāwhiti people, especially that informed by iwi and their health providers. We plan to do more and do more differently.

We will achieve Hauora in Tairāwhiti through the strength of our people: in our organisation and across the whole community.

Jim Green
July 2020

SIGNATORIES

Kim Ngarimu
Chair
Hauora Tairāwhiti

Na Raihania
Chair
Te Waiora o Nukutaimemeha

Gavin Murphy
Deputy Chair
Hauora Tairāwhiti

Jim Green
Chief Executive
Hauora Tairāwhiti

SECTION 2– Whakapūmautanga | Stewardship

PUHORO - Movement The Ebb & Flow of the Journey's Path The influence.
The Puhoro design is a very waka/water orientated design, often seen painted on the underside of the prow of a waka and represents speed and movement. In its natural form it is the swirl of water when the paddles push water to propel a waka or it is the wake that trails behind the waka as it moves through the water. It is the symptom of influence. It is the ebb and flow of a waka journey.

This section provides an outline of the arrangements and systems that Hauora Tairāwhiti has in place to manage our core functions and to deliver planned services.

Te Whakahaere i To Tātou Pakihi | Managing Our Business

The environment in which we are operating is constantly changing and the level of our success over the next few years will depend on our ability to adapt to this changing environment. We acknowledge that iwi leadership is fundamental to improving the existing inequities in the health and well-being of the people of te Tairāwhiti. Whānau and community are central: we are committed to supporting and building on the strength of whānau and of communities.

Hauora Tairāwhiti has a statutory responsibility to improve, promote and protect the health of people and communities within te Tairāwhiti. To enhance the effectiveness of health services in these areas Hauora Tairāwhiti maintains its Population Health team in Te Puna Waiora Group. This group, which includes the Planning and Funding team, assists in supporting the Population Health team's regulatory function in protecting our community. This is achieved through participation in service planning that ensures health promotion and preventative services are at the forefront of all the district's health improvements and initiatives.

Organisational Performance Management

Hauora Tairāwhiti performance is assessed on both financial and non-financial measures, which are measured and reported at all levels of the organisation. These are reported daily, weekly, fortnightly, monthly or quarterly, as appropriate.

Funding and Financial Management

Hauora Tairāwhiti key financial indicators are comprehensive income (surplus/deficit), financial performance (surplus/deficit), financial position and cash flows. These are assessed against and reported through the Hauora Tairāwhiti performance management process to the Board, Board Committees, and the Ministry of Health on a monthly basis. Further information about the Hauora Tairāwhiti planned financial position for 2020/21 and out years is contained in the Financial Performance Summary section of this document, and in Appendix A: Statement of Performance Expectations.

Investment and Asset Management

All DHBs are required to complete a stand-alone Long Term Investment Plan (LTIP) covering at least 10 years. LTIPs are part of the new Treasury system for monitoring investments across government, the Investment Management and Asset Management Performance (IMAP) system. The Hauora Tairāwhiti DHB LTIP was completed in November 2016 and the DHB contributes to the National Asset Management Plan which assesses the DHBs assets by importance and service criticality. The DHBs Asset Management Plan was updated in June 2019 and is next due for uodate in June 2021.

Shared Service Arrangements and Ownership Interests

Hauora Tairāwhiti has a part ownership interest in HealthShare Limited the Te Manawa Taki Shared Services Agency and New Zealand Health Partnerships Limited the National Shared Services Agency. The DHB does not intend to acquire shares or interests in other companies, trusts or partnerships at this time.

Risk Management

Hauora Tairāwhiti has a formal risk management and reporting system, which entails Executive and Board reporting. The DHB is committed to managing risk in accordance with the process set out in the Australian/New Zealand Joint Standard on Risk Management (AS/NZS ISO 31000:2009). Hauora Tairāwhiti is working on a regional DATIX Risk Module that will allow comparisons between DHBs. We have a three year roadmap to fully implement a 'whole of organisation approach'.

QUALITY ASSURANCE AND IMPROVEMENT

The Hauora Tairāwhiti approach to quality assurance and improvement is in line with the New Zealand Triple Aim: improved quality, safety and experience of care; improved health and equity for all populations; and, best value for public health system resources. We also have a fourth aim (quadruple aim) which includes attention to the health care workforce. Built into the approach are critical connections that enable continuous quality improvement cycles. Continuous Quality Improvement is delivered at a Service Level along with Clinical Audit. Contracted services are aligned with national quality standards and auditing of contracted providers includes quality audits.

KAUPAPA KAUPAPAE | BUILDING CAPABILITY

Capital and infrastructure development

All DHBs are required to complete a stand-alone Long Term Investment Plan (LTIP) covering at least 10 years. LTIPs are part of the new Treasury system for monitoring investments across government, the Investment Management and Asset Management Performance (IMAP) system. The Hauora Tairāwhiti DHB LTIP was completed in November 2016 and the DHB contributes to the National Asset Management Plan which assesses the DHBs assets by importance and service criticality. The DHBs own Asset Management Plan 2020 was completed prior to June 2019.

During 2020/21 Hauora Tairāwhiti will continue with the Morris Adair demolition project and progress the planning for the new mental health and addictions facility and Child and Youth Health Community Hub.

INFORMATION TECHNOLOGY (IT) AND COMMUNICATIONS SYSTEMS

To support this Annual Plan, and as part of a longer strategic view IT services at Tairāwhiti are engaged in progressing the following:

PRIMARY CARE INTEGRATION

With the vast majority of care contacts and care taking place at the local level, significant impetus needs to be given to improving (or removing) the interface between Primary and Secondary care and supporting the move to an integrated shared care model supported by linked/shared information systems and processes.

IS Initiatives

- BPAC Referrals Response – direct electronic link back to primary care on referrals for care
- BPAC/PAS Integration, automation and programmatic access to referrals information
- Access to, and automated distribution of the electronic documents (e.g. outpatients letters)
- Primary Secondary information systems integration (e.g. Indici to Clinical Workstation)

SERVICE EFFICIENCY & EFFECTIVENESS

This provides for systems and processes, data and tool access to ensure we are achieving our aims and being able to quickly and easily recognise deviation and or opportunities both from a care and operational management perspective. It promotes the optimal use of resources and their application and effectiveness by strengthening the use of analytics to support service planning, risk identification & mitigation and service demand management.

IS Initiatives:

- Care Capacity Demand Management
- Hospital at a Glance
- Business Intelligence and Analytics

ENGAGEMENT

Providing for people receiving care to access/receive information and services, and the ability to participate in their care. Enabling transactional activities such as bookings to be undertaken and enabling self-care and supporting "health in the home"

IS Initiatives:

- Patient portals/Shared Care plans
- On line booking systems
- Electronic communications - letters, appointment reminders, alerts, instructions, guidelines, prescriptions
- Targeted health programmes/patient cohorts support

VIRTUAL HEALTHCARE

Health solutions are available to support healthcare in the home and community settings, and access to specialist services is not dependent on location of either the person or the specialists

IS Initiatives:
- Home Care applications
- Virtual clinics/telemedicine
- Virtual clinics to reduce regional travel & rural isolation
- Telehealth/Virtual Health service established & resourced
- Secondary / Tertiary Video Conference enabled service delivery

MOBILITY

Supporting an increasingly mobile and flexible workforce, with access to data, information and systems to be provided regardless of locations of either systems or users.

IS Initiatives
- Mobile device strategy
- Mobilised applications for point of care decision support and transactional activities
- Technology options
- Communications links and services
- Implementation of Unified Communications and Collaboration Platform

ELECTRONIC MEDICAL RECORD (EMRAM)

This aims to address the difficulties and inefficiencies inherent in manual and paper based systems, and provide instead digital and online systems. It involves adopting an ethos of "Digital by Default" and a programme of increasing digital utilisation and reducing/removing non-digital options to improve service delivery and workflows. It requires a programme of system replacement /upgrade to expand on digital opportunity.

Note: In assessing NZ hospitals' use of digital technology, the Ministry of Health has adopted the international Healthcare Information and Management Systems Society's (HIMSS) seven step framework for digital capability – the Electronic Medical Record Adoption Maturity (EMRAM) model. This initiative will see progression to higher levels of that framework

IS Initiatives:
- Electronic prescribing and administration
- Electronic referral and response system
- Electronic orders for Radiology
- Digital documents, incl. Clinic Letters, Diagnostic Reporting

IMPROVING EQUITY OF ACCESS TO SERVICES

Collecting accurate ethnicity data in accordance with the national Ethnicity Data Collection Protocols will improve the quality of ethnicity health data enabling us to effectively measure working towards health equity for Māori.

IS Initiatives:
- Applications configured to allows for capturing ethnicity information accurately and timely in accordance with necessary protocols
- Systems measures to support information collection protocols
- Quality and audit toolsets to monitor the information captured in the systems

INFRASTRUCTURE & SECURITY

This requires ensuring a sound and commensurate infrastructure is efficiently maintained while protecting ourselves and the information we hold against threats to security. It means quality and value based investment decisions are made ensuring that the output aligns to the organisations strategic aims. It incorporates and seeks to limit our reliance on locally owned and operated software/hardware where this is appropriate and efficient.

IS Initiatives:
- Pursue Adoption of the Cloud Based Services where appropriate, in line with "Cloud First" strategic direction

- With the transition to Windows 10 complete, migration to the cloud based Office 365 is the next stage to get the better value out of the investment into Microsoft products and platforms
- Institute a regular Security Awareness/Security Assurance programme, by utilising both internal and external security agencies

Operating Parameters and Principles

The development, building, maintenance and deployment of these initiatives must occur within a number of parameters and be the subject of a number of principles. Bespoke systems and processes that do not align to these are unlikely to be either successful or supported for implementation.

In an environment characterised by shared service and multiparty participation, of particular relevance will be adherence to:

NZ Health Information System Framework (HISF) – which is designed to support health and disability sector organisations and practitioners holding personally identifiable health information to improve and manage the security of that information.

NZ Health Information Governance Guidelines (HIGG) - provide guidance to the health and disability sector on the safe sharing of health information. The Guidelines outline policies, procedures and other useful details for health providers who collect and share personal health information, enabling them to do these legally, securely, efficiently and effectively. The four major subject areas in the guidelines include:

- maintaining quality and trust
- upholding consumer rights and maintaining transparency
- ensuring security and protection of personal health information
- appropriate disclosure and sharing.

Timeline

Note: *all planned delivery timing provided is indicative – the ongoing introduction of additional and changing priorities from local, regional and national levels affects the ability to meet specific timelines. The goal at Hauora Tairāwhiti is to progress all the initiatives below throughout the year – this does not equate to achieving full resolution of them*

Initiative	Planned Delivery in 2020-21
Primary Care Integration	
Primary Secondary information systems integration	Dependent upon the PHO acceptance and uptake of Indici. Hauora Tairāwhiti will work with Pinnacle to encourage PHO uptake, and then jointly to initiate connectivity to progress shared care plans *(EDD to be confirmed)*
BPAC Referrals Response – direct electronic link back to primary care on referrals for care	Successful implementations in 2018-19 have led to a demand for the system to be further rolled out. *(continue sequential rollout, completion of all services December 2020)*
Service Efficiency & Effectiveness	
Hospital at a Glance	The application solution delivered in the 2018-19 year, points of present hardware installation subject to Trendcare upgrade and associated staff training *(December 2020).*
Care Capacity Demand Management	Reliant upon upgrade and refreshed utilisation of Trendcare. *(Programme completion June 2021)*
Business Intelligence	Expansion of access to and variety of reports and data sets *(EDD ongoing)*
Telehealth incl Virtual Health, Video Consult	Improve access to and utilisation of VC to offset travel costs and improve shared capabilities and information. Priority is to establish specific needs and services to be supported and have clinical engagement and agreement. Largely people and process issues to be resolved first, followed by the implementation of appropriate technology solutions. *(September-December 2020)*

Initiative	Planned Delivery in 2020-21
Application and System Upgrades	Multiple system and application upgrades, either to remain within contracted support criteria or to take up and utilise new features and products sets. *(Ongoing)*
Secondary/Tertiary Video Conference enabled service delivery	As above.
Engagement	
Patient portals/Shared Care plans	Te Manawa Taki Clinical Portal being delivered by MCP Programme under Healthshare Ltd. EDD is February 2021. Noting that Shared care plans are of bigger significance between Primary and Secondary – *see above.*
Electronic communications - letters, appointment reminders, alerts, instructions, guidelines, prescriptions.	*As for patient portal above, and noting also development of BPAC referrals response above.*
Targeted health programmes/patient cohorts support.	Multiple items here, including: • National Bowel Screening Programme – *(August 2020)*
Virtual Healthcare	
Home care applications - remote monitoring of chronic conditions	Focus in year will be on identifying with the relevant services the needs and developing plans to address.
Virtual clinics/telemedicine	*See above*
Mobility	
Mobilised applications for point of care decision support and transactional activities	Examining a variety of technology options with clinical staff to support care at the bedside
Technology options	Device reviews, smartphones, Internet of Things, tracking devices etc
Communications links and services	Review of VPN services to diversify the media to be used to access applications.
Electronic Medical Record (EMRAM	
Electronic prescribing and administration	Possible avenues include partial integration with Community and Primary *(early wins)* as well as larger Medicine Management delivered as part of the MCP programme
Electronic referral and response system	Further development and implementation of BPAC and the local electronic response system
Other electronic documents	With the failure of MCP programme to deliver the sought after functionality to produce and exchange a variety of electronic documents between multiple parties local development has commenced to deliver to these shortfalls *(EDD Ongoing)*

WORKFORCE

Below is a short summary of the Hauora Tairāwhiti organisational culture, leadership and workforce development initiatives. Further detail about the Te Manawa Taki regional approach to workforce is contained in the 2020/23 Te Manawa Taki Regional Service Plan.

Workforce development and organisational health are central to Hauora Tairāwhiti to ensure the provision of high quality and effective services that meet the health needs of our community. We are committed to promoting a positive culture for our organisation and ensuring our workforce reflects the cultural mix of our service users. Through supporting flexibility and innovation; providing leadership and skill development opportunities and being a 'good employer' we continue to attract and retain a skilled workforce. The 2018 Health Round Table Staff Survey results for Hauora Tairāwhiti will provide the opportunity to benchmark against the Te Manawa Taki DHB results.

Our key mechanisms are the continued consolidation of the clinical governance structure, the continuation of Quality and Safety Walk-rounds and the well embedded learning and development systems for staff. Leadership development for clinical and non-clinical staff is provided through the well-established and successful Te Manawa Taki Leadership Programmes, the implementation and extension of leadership initiatives that fit with the Leadership Domains Framework as well as the national State Services Commission leadership and talent management processes.
We continue to build capacity with the strategic promotion of health careers through local / regional / national, opportunities for example the Kia Ora Hauora programme and the national job portal (Kiwi Health Jobs), and other

appropriate opportunities thereby increasing the numbers of key workforces as required, i.e. medical; mental health; rehabilitation; cancer and emergency department. We have a developed programme of "growing our own", in 2020/21 we will continue to the "grow our own" programme to develop the talent we have in the Tairāwhiti community, reduce inequity, and reduce reliance on out of Tairāwhiti trained clinicians.

Hauora Tairāwhiti also enables and enhances our workforce through leveraging off technology and other system opportunities wherever these present.

CO-OPERATIVE DEVELOPMENTS

Hauora Tairāwhiti works and collaborates with a number of external organisation and entities, in fact, our kaupapa, "Whāia te hauora i roto I te kotahitanga" ("A healthier Tairāwhiti by working together") sends a strong signal with regard to our cross agency partnership. These relationships include but are not restricted to:

- **Iwi** – Te Rūnanganui o Ngāti Porou and Te Rūnanga o Tūranganui a Kiwa
- **State Sector** – Department of Corrections, Ministry of Justice, Ministry of Social Development, Ministry of Education, New Zealand Police, Ministry of Health
- **Crown Agents** – Accident Compensation Corporation, Health Promotion Agency, Health Quality and Safety Commission, Health Research Council of New Zealand, Health Workforce New Zealand, Housing New Zealand Corporation, Pharmaceutical Management Agency, Other District Health Boards
- **Council** – Gisborne District Council
- **Tertiary education institutions** – University of Otago, Eastern Institute of Technology
- **DHB Shared Services** – HealthShare Limited, Central Technical Advisory Service, health Alliance
- **Schools, Early Education Centres , Kura Kaupapa Māori and Kōhanga Reo**
- **Cross sectorial development agency** – Manaaki Tairāwhiti

HE KAIMAHI MAHI /WORKFORCE

Healthy Ageing Workforce

The 20-21 Hauora Tairāwhiti Annual Plan builds on foundations set out in the 20-23 Te Manawa Taki Regional Services Plan (RSP). The primary piece of work in the 20-23 Te Manawa Taki RSP related to identifying workforces working with older people and their whānau, and developing a sustainable mechanism for collecting a minimum workforce data set outside of the DHBs provider functions.

Central Technical Advisory Services (CTAS) shared service agency takes the national lead for this work. The group is identifying the data set, reporting timeframes, collection process, data repository, and analytics and reporting.

Te Manawa Taki DHBs will utilise the outcome from the national work to develop any sector wide workforce plans for the older persons' workforce. Hauora Tairāwhiti will determine how best to map its workforce to develop an understanding of the specialist and non-specialist workforce it provides, and will map the workforce it provides to older people by 30 June 2020.

Hauora Tairāwhiti is supportive to the wider sector providers, including age care, in including these partners in learning and training opportunities which are available within the organisation. We encourage inter-provider professional development.

HEALTH LITERACY

Improving health literacy for our whānau remains a challenge and an opportunity for our clinicians, and will contribute towards improving health literacy for people across Tairāwhiti. Some of the initiatives that are planned or ongoing in this area are:

- Training of staff on the need to deliver key health messages in a manner that is understood by all.
- Reviewing existing and future patient education resources to remove jargon.
- Co-designing services with whānau input (consumer and community involvement) at every level.
- Enable opportunities for people to seek support when they are unfamiliar with health information.

Community Based Attachments

Hauora Tairāwhiti is fully committed to the intent and application of the Medical Council's requirement for all interns to complete a three month attachment in a community setting at some point during their first two post graduate years. Currently there is an attachment of one run across the year within General Practices in Gisborne.

Care Capacity Demand Management

Hauora Tairāwhiti remains committed to rolling out all programme elements for Care Capacity Demand Management (CCDM) to achieve business as usual status by June 2021. Scheduled reports will be provided to the Safe Staffing Healthy Workplace Unit and Ministry of Health.

TrendCare will enable Hauora Tairāwhiti to implement Hospital at a Glance (HaaG) to indicate the staffing resource available and utilised in each ward for patient care, and work on this continues. This will also enable staff to quickly assess at any time of the day what the hospital capacity is, what mix of patients there is across all specialties and wards, plus it traces patients' progress through their stay.

Hauora Tairāwhiti continues to work collaboratively with local unions on the programme's implementation.

Section 3: 2020/21 Tauākī o te tūmanako mō ngā mahi | Statement of Performance Expectations

PUHORO - Movement The Ebb & Flow of the Journey's Path The influence.
The Puhoro design is a very waka/water orientated design, often seen painted on the underside of the prow of a waka and represents speed and movement. In its natural form it is the swirl of water when the paddles push water to propel a waka or it is the wake that trails behind the waka as it moves through the water. It is the symptom of influence. It is the ebb and flow of a waka journey.

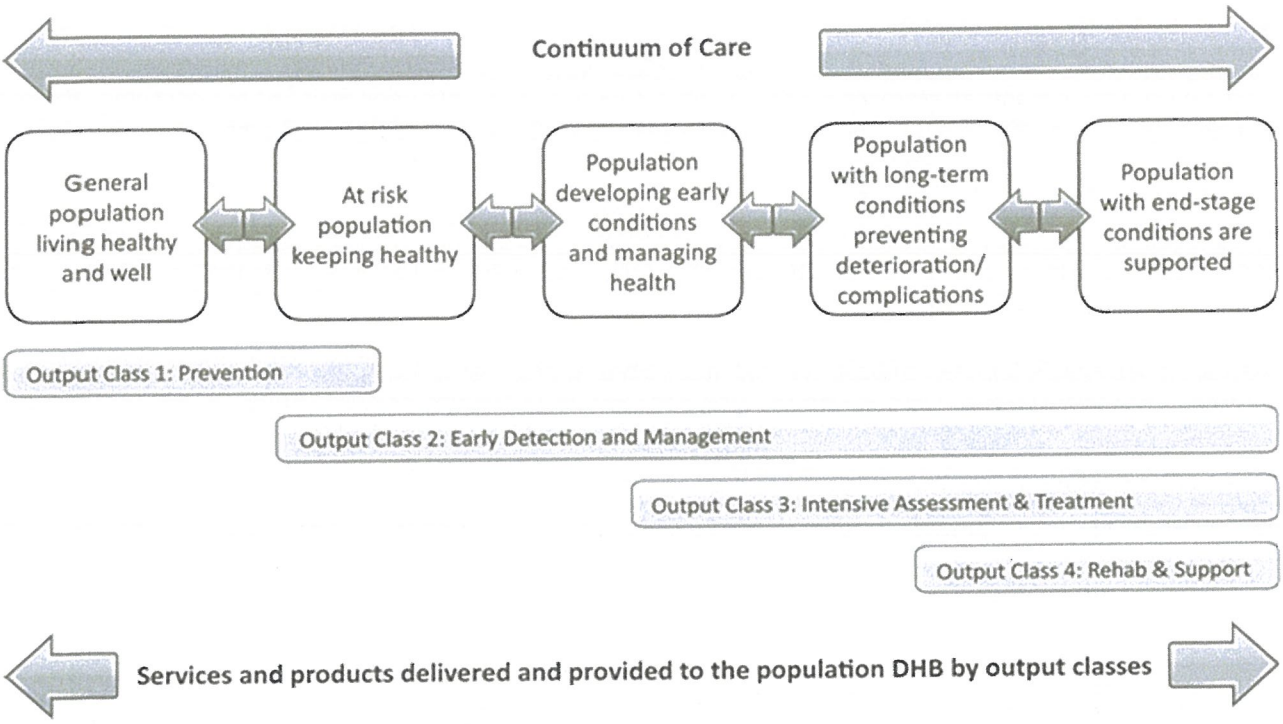
We have worked with other DHBs in the Te Manawa Taki region, our primary care partners as well as other key stakeholders to develop the Statement of Performance Expectations (SPE) in which we provide measures and forecast standards of our output delivery performance. The actual results against these measures and standards will be presented in our Annual Report 2020/21. The performance measures chosen are not an exhaustive list of all of our activity, but they do reflect a good representation of the full range of outputs that we fund and / or provide. They also have been chosen to show the outputs which contribute to the achievement of national, regional and local outcomes. Where possible, we have included with each measure past performance as baseline data.

Guide to Reading the Statement of Service Performance

Activity not mentioned in this section will continue to be planned, funded and/or provided to a high standard. We report quarterly to the Ministry of Health and / or our Board on our performance related to this activity.

Output Classes

DHBs must provide measures and standards of output delivery performance under aggregated output classes. Outputs are goods and services that are supplied to someone outside our DHB. Output classes are an aggregation of outputs, or groups of similar outputs of a similar nature. The output classes used in our statement of forecast service performance are also reflected in our financial measures. The four output classes that have been agreed nationally are described below. They represent a continuum of care, as follows:



Output Class	*Definition*
Prevention	Preventative services are publicly funded services that protect and promote health in the whole population or identifiable sub-populations comprising services designed to enhance the health status of the population as distinct from treatment services which repair/support health and disability dysfunction. Preventative services address individual behaviours by targeting population wide physical and social environments to influence health and wellbeing. Preventative services include health promotion to ensure that illness is prevented and unequal outcomes are reduced; statutorily mandated health protection services to protect the public from toxic environmental risk and communicable diseases; and, population health protection services such as immunisation and screening services. On a continuum of care these services are public wide preventative services.
Early Detection and Management	Early detection and management services are delivered by a range of health and allied health professionals in various private, not-for-profit and government service settings. Include general practice, community and Māori health services, Pharmacist services, Community Pharmaceuticals (the Schedule) and child and adolescent oral health and dental services. These services are by their nature more generalist, usually accessible from multiple health providers and from a number of different locations within the DHB. On a continuum of care these services are preventative and treatment services focused on individuals and smaller groups of individuals.
Intensive Assessment and Treatment Services	Intensive assessment and treatment services are delivered by a range of secondary, tertiary and quaternary providers using public funds. These services are usually integrated into facilities that enable co-location of clinical expertise and specialised equipment such as a 'hospital'. These services are generally complex and provided by health care professionals that work closely together. They include: Ambulatory services (including outpatient, district nursing and day services) across the range of secondary preventive, diagnostic, therapeutic, and rehabilitative services, Inpatient services (acute and elective streams) including diagnostic, therapeutic and rehabilitative services, Emergency Department services including triage, diagnostic, therapeutic and disposition services. On a continuum of care these services are at the complex end of treatment services and focussed on individuals.
Rehabilitation and Support	Rehabilitation and support services are delivered following a 'needs assessment' process and coordination input by NASC Services for a range of services including palliative care services, home-based support services and residential care services. On a continuum of care these services provide support for individuals.

The following points provided should be kept in mind when reading the rest of this module:

- Further detail of the performance story logic and rationale is contained in section 1.2.
- Baseline and national/regional figures for the output performance measures are for the 2017/18 financial year unless otherwise stated.
- In the performance measures table, and where available, the average column presents the national or regional average for the output performance measure.

Most measures have been adopted regionally.
Some measures fall across more than one impact. Where this is the case they have only been included once.

Measurement type key: QN = Quantity, T = Timeliness, QL = Quality.

There are some services we provide that support the rest of the health system so we have included these in a "Support Services" section of our performance story.

Detailed information about the rationale for each output measure is provided in appendix 8.3

NOTE: N/A denotes rates Not Available

PROSPECTIVE FINANCIAL PERFORMANCE BY OUTPUT CLASS FOR THE FOUR YEARS ENDING 30 JUNE 2020 TO 30 JUNE 2023

Prospective Summary of Revenues and Expenses by Output Class	2018/19 Actual $'000	2019/20 Forecast $'000	2020/21 Plan $'000	2021/22 Plan $'000	2022/23 Plan $'000	2023/24 Plan $'000
Prevention						
Total Revenue	$54,263	$57,078	$61,293	$63,689	$65,600	$67,568
Total Expenditure	$60,545	$60,284	$62,384	$63,689	$65,600	$67,568
Net Surplus / (Deficit)	**-$6,283**	**-$3,206**	**-$1,091**	**$0**	**$0**	**$0**
Early Detection						
Total Revenue	$115,182	$121,157	$130,104	$135,191	$139,247	$143,424
Total Expenditure	$128,518	$127,963	$132,420	$135,191	$139,247	$143,424
Net Surplus / (Deficit)	**-$13,336**	**-$6,806**	**-$2,316**	**$0**	**$0**	**$0**
Intensive Assessment & Treatment						
Total Revenue	$7,238	$7,613	$8,175	$8,495	$8,750	$9,012
Total Expenditure	$8,076	$8,041	$8,321	$8,495	$8,750	$9,012
Net Surplus / (Deficit)	**-$838**	**-$428**	**-$146**	**$0**	**$0**	**$0**
Rehabilitation & Support						
Total Revenue	$22,230	$23,383	$25,110	$26,092	$26,874	$27,681
Total Expenditure	$24,804	$24,697	$25,557	$26,092	$26,874	$27,681
Net Surplus / (Deficit)	**-$2,574**	**-$1,313**	**-$447**	**$0**	**$0**	**$0**
Consolidated Surplus / (Deficit)	**-$23,030**	**-$11,753**	**-$4,000**	**$0**	**$0**	**$0**

PEOPLE ARE SUPPORTED TO TAKE GREATER RESPONSIBILITY FOR THEIR HEALTH

Long Term Impact	People are supported to take greater responsibility for their health		
Intermediate Impacts	Fewer people smoke	Reduction in vaccine preventable diseases	Improving health behaviours

Fewer People Smoke

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of PHO enrolled smokers offered advice to quit by a health practitioner in the last 15 months (SLM, PH04[1])	1	QN/T				
Māori			94%	≥90%	≥90%	87%
Non Māori			92%	≥90%	≥90%	90%
Total			93%	≥90%	≥90%	89%
Percentage of pregnant women who identify as smokers upon registration with a DHB-employed midwife or Lead Maternity Care are offered Advice to quit smoking (PH04, CW09)	1	QN/T				
Māori			92%	≥90%	≥90%	91%
Non Māori			100%	≥90%	≥90%	90%
Total			93%	≥90%	≥90%	91%

Reduction in Vaccine Preventable Diseases

Outputs	**Output Class**	**Measure Type**	**Tairāwhiti 2018/19**	**Target 2020/21**	**3 Year Planned Rate**	**National**
Percentage of eight month olds fully immunised (CW08, SLM, CW05)[2]	1	QN/T				
Māori			96%	≥95%	≥95%	86%
Non Māori[3]			100%	≥95%	≥95%	93%
Total			96%	≥95%	≥95%	91%
Percentage of two year olds fully immunised (CW05, previously PP21)	1	QN/T				
Māori			77.1%	≥95%	≥95%	88%
Non Māori[4]			87.5%	≥95%	≥95%	92%
Total			79.6%	≥95%	≥95%	91%
Percentage of five year olds fully immunised (CW05, previously PP21)	1	QN/T				
Māori			85.5%	≥95%	≥95%	85%
Non Māori[5]			87.0%	≥95%	≥95%	88%
Total			86.0%	≥95%	≥95%	89%

[1] Health Target says '90% of enrolled patients who smoke and are seen by a health practitioner in primary care will be offered advice and help to quit. Indicator reported on is 'Offered brief advice', not 'Offered support to quit'

[2] Figure reported on is the 12 months figure.

[3] Non-Māori is sum of New Zealand European, Pacific, Asian and Other ethnicity group.

[4] Non-Māori is sum of New Zealand European, Pacific, Asian and Other ethnicity group.

[5] Non-Māori is sum of New Zealand European, Pacific, Asian and Other ethnicity group.

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of eligible girls and boys[6] fully immunised with HPV vaccine		QN/T				
Māori			80%	≥75%	≥75%	66%
Non Māori[7]			52%	≥75%	≥75%	67%
Total			69%	≥75%	≥75%	67%
Percentage of the population >65 years who have received the seasonal influenza immunisation (PP21, CW05)	1	QN/T				
Māori			52%	≥75%	≥75%	45%
Non Māori[8]			55%	≥75%	≥75%	57%
Total			54%	≥75%	≥75%	56%

Improving Health Behaviours

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of infants who are exclusively/fully breastfed at 3 months (PP37, CW06[9])	1	QN/T				
Māori			44%	≥70%	≥70%	47%
Non Māori			68%	≥70%	≥70%	62%
Total			53%	≥70%	≥70%	59%
Raising healthy kids Percentage of obese children identified in the B4 School Check Programme who are offered a referral to a health professional for clinical assessment and family-based nutrition, activity and lifestyle interventions (HT, CW10)						
Māori			89%	≥95%	≥95%	98%
Non Māori			100%	≥95%	≥95%	98%
Total			92%	≥95%	≥95%	98%
The number of people participating in the GRx (Green Prescription) programmes	1	QN/T	1027[10]	≥1024	≥1024	NA
Reduce the prevalence of gonorrhoea (local indicator)	1	QN/T	112 per 100,000[11]	≤60 per 100,000	≤60 per 100,000	104 per 100,000

[6] Before 2019/20, the indicator did not include coverage for boys
[7] Non-Māori is sum of New Zealand European, Pacific, Asian and Other ethnicity group
[8] Non-Māori is sum of New Zealand European, Pacific, Asian and Other ethnicity group
[9] Percentages are calculated by summing the numbers of the two six month reports.
[10] Number of green prescription referrals received by Sport Tairāwhiti in 2018/19. Source: Annual Report Sports Tairāwhiti.
[11] 55 cases in 2018/19 for population of 49,000. Source: Public Health Surveillance reports

PEOPLE STAY WELL IN THEIR HOMES AND COMMUNITIES

Long Term Impact	People stay well in their homes and communities			
Intermediate Impacts	An improvement in childhood oral health	Long-term conditions are detected early and managed well	Fewer people are admitted to hospital for avoidable conditions	More people maintain their functional independence

An improvement in childhood oral health

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of preschool children (0-4) enrolled in DHB funded dental services(PP13a, CW03)	2	QN				
Māori			104%	≥95%	≥95%	N/A
Non-Māori			Not reported	≥95%	≥95%	N/A
Total			107%	≥95%	≥95%	N/A
Percentage of enrolled pre-school and primary school children (0-12) overdue for their scheduled dental examination (PP13b, CW03)	2	QN/T				
Māori			Not reported	≤10%	≤10%	N/A
Non-Māori			Not reported	≤10%	≤10%	N/A
Total			4%	≤10%	≤10%	15%
Percentage of adolescent utilisation of DHB funded dental services (PP12, CW04)	2	QN	52%	≥85%	≥85%	68%

Long-Term Conditions are Detected Early and Managed Well

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of assessed high risk patients who have had an annual review (SS13 FA3)[12]	2	QN				
Māori			Not reported	≥90%	≥90%	Not reported
Non Māori				≥90%	≥90%	
Total				≥90%	≥90%	
Improve the proportion of patients with good glycaemic control (HbA1c ≤64 mmol) (PP20, SS13 FA2) [13]	2	QL				
Māori			Not reported	≥90%	≥90%	Not reported
Non Māori				≥90%	≥90%	
Total			47%	≥90%	≥90%	
Percentage of eligible women (25-69) who have had a cervical cancer screen every 3 years (SLM, SL10, PV01)	1	QN/T				
Māori			74%	≥80%	≥80%	67%
Non Māori			80%	≥80%	≥80%	75%
Total			77%	≥80%	≥80%	74%

[23] New indicator
[24] New indicator

Percentage of eligible women (50-69) who have had a breast screening mammogram in the last 2 years (PV01, SL11)[14]	1	QN/T				
Māori			67%	≥70%	≥70%	65%
Non Māori			73%	≥70%	≥70%	72%
Total			70%	≥70%	≥70%	72%

Fewer People are admitted to Hospital for Avoidable Conditions

Outputs	**Output Class**	**Measure Type**	**Tairāwhiti 2018/19**	**Target 2020/21**	**3 Year Planned Rate**	**National**
Percentage of all Emergency Department presentations who are triaged at level 4 & 5	2&3	QN	68%	≤50%	≤20%	67%
Percentage of eligible population who have had their B4 school checks completed[15]	1	QN/T				
High Needs			91.5%	≥90%	≥90%	92%
All			96.2%	≥90%	≥90%	93%
Hospitalisation rates per 100,000 for acute rheumatic fever (CW13, PP28) Total	2&3	QN/T	4.22	≤2.8	≤2.8[16]	3.4[17]
Increased Percentage of Year 9 students receiving HEEADSSS assessment in decile 1-3 schools (CW12, PP25)	1	QN/T	96.3%	≥95%	≥95%	N/A
Improved wait times for diagnostic services - accepted referrals for CT and MRI receive their scan within 6 weeks (PP29)18	2	QL/T				
CT			94%	≥95%	≥95%	82%
MRI			81%	≥90%	≥90%	56%
Improved waiting times for diagnostic services – accepted referrals for non-urgent diagnostic colonoscopy within 42 days19	2	QL/T	83%	≥70%	≥70%	60%
Non urgent community laboratory tests are completed and communicated to practitioners within the relevant category timeframes (48h)	2	QL/T	100%	100%	≥95%	NA
Number of community pharmacy prescriptions issued	2	QN	476,117	≥450,000	450,000	NA

14 BSA New Zealand Coverage Report
https://www.nsu.govt.nz/system/files/page/bsa_new_zealand_Tairāwhiti_district_health_board_coverage_report_-_period_ending_30_june_2018.doc
[15] Ministry of Health B4 School Check data only contains percentages which do not allow for regional rates to be calculated.
[16] Although the national target is 1.4, the local target is still higher as our region historically has a high incidence of rheumatic fever.
17 Rate for December 2017. https://www.health.govt.nz/our-work/diseases-and-conditions/rheumatic-fever/reducing-rheumatic-fever
[18] Year figure calculated as sum of number of people who had CT/MRI scan within 42 days divided by sum of monthly number of people waiting.
[19] As the national bowel screening programme is introduced locally, we want to follow up on its possible impact on waiting times for diagnostic colonoscopies. Year figure calculated as sum of number of people who had non-urgent colonoscopy within 42 days divided by sum of monthly number of people waiting.

PEOPLE RECEIVE TIMELY AND APPROPRIATE SPECIALIST CARE

Long Term Impact	People receive timely and appropriate care		
Intermediate Impacts	People receive prompt and appropriate acute and arranged care	People have appropriate access to elective services	Improved health status for people with a severe mental health illness and/or addiction

People Receive Prompt and Appropriate Acute and Arranged Care

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Acute Readmission rate (OS8)[20]	3	QN/T/QL	11.7%	≤6%	≤6.1%	12%
Faster Cancer Treatment – Proportion of patients with a confirmed diagnosis of cancer who receive their first cancer treatment (or other management) within 31 days of diagnosis[21] (SS01, PP30)[22]	3	QN/T	92%	≥90%	≥90%	89%
Faster Cancer Treatment – Proportion of patients with a high suspicion of cancer receive their first cancer treatment within 62 days or less (SS11)	3	QN/T	89%	≥92%	≥94%	92%
Percentage of missed outpatient appointments[23]						
Māori	3	QN/T	20%	≤10%	≤10%	NA
Non Māori			6%	≤10%	≤10%	
Total			12%	≤10%	≤10%	

People Have Appropriate Access to Elective Services

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of patients waiting longer than four months for their first specialist assessment (Elective Service Performance Indicator 2)	3	QN/T	18.9%[24]	0%	0%	NA
Number of surgical discharges under the elective initiative	3	QN	2,556[25]	≥2,359	≥2,359	NA
Inpatient average length of stay (elective) (Ownership Dimension 3)	3	QN/T	1.41 days	≤1.45 days	≤1.59 days	1.61 days

[20] Standardised readmission Rate for readmission within 28 days.
[21] Performance measure PP30 uses the criterium 'decision to treat' instead of diagnosis.
22 National target is 85%
23 Hospital reporting – Outpatients 2018/19
24 Number of patients waiting in June 2019.
25 Tairāwhiti DHB 201718 Electives Initiative Report – Health Target Result

Improved Health Status for those with Severe Mental Illness and/or addictions

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/20	3 Year Planned Rate	National
Percentage of people referred for non-urgent mental health services seen within 3 weeks (MH03) 0-19 yr. olds	3	QN/T	90%	≥80%	≥80%	
Percentage of people referred for non-urgent addiction services seen within 3 weeks (MH03) 0-19 yr. olds	3	QN /T	87%	≥80%	≥80%	
The percentage of clients with transition plan (MH02) Māori Non Māori Total	3	QN/T/QL	 N/A N/A 73%	 ≥95% ≥95% ≥95%	 ≥95% ≥95% ≥95%	 N/A N/A N/A
Average length of acute inpatient stays (KPI 8)	3	QN/T/QL	20 days	14-21 days	≥14 Days	
Rates of post-discharge community care (KPI 18)	3	QN/T/QL	45%	≥90%	≥90%	N/A

PEOPLE MAINTAIN FUNCTIONAL INDEPENDENCE

Long Term Impact	People maintain functional independence	
Intermediate Impacts	People stay Well in their homes and communities	People with end stage conditions are supported

People stay well in their homes and communities

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Percentage of older people receiving long-term home and community support who have had a comprehensive clinical assessment and an individual care plan in the last 36 months[26] (SS04, PP23)	4	QN/T	93%	100%	100%	N/A
Percentage of older people receiving long-term home and community support who have had a comprehensive clinical assessment and an individual care plan in the last 12 months[27]	4	QN/T	49%	60%	60%	N/A

[26] For all clients who received home support in 2018/19, the percentage of clients who had had an assessment between 01/07/2016 and 01/07/2019: 554/647 clients.

[27] Every client receiving home support has a clinical assessment. As required by the Ministry, reassessment of clients receiving ling-term home support is only done every three years unless major changes to their condition. Care Plans are part of the clinical assessment. As people are only reassessed within a three year period if their condition has changed significantly, the number of home support clients receiving an assessment compared to the total number of clients can be a quality indicator for the provided care. National performance indicator PP23 does not include a time frame and the target there is 95%.

People with end stage Conditions are supported

Outputs	Output Class	Measure Type	Tairāwhiti 2018/19	Target 2020/21	3 Year Planned Rate	National
Number of hospital admissions under Health Speciality Code M80 (Palliative Care)	4	QL	8	Increase	Increase	-
Number of falls in Aged Residential Care Facility resulting in admission	4	QL	New Measure	Decrease	Decrease	-
Number of pressure injuries	4	QL	New Measure	Decrease	Decrease	-

[28] Every client receiving home support has a clinical assessment. As required by the Ministry, reassessment of clients receiving ling-term home support is only done every three years unless major changes to their condition. Care Plans are part of the clinical assessment. As people are only reassessed within a three year period if their condition has changed significantly, the number of home support clients receiving an assessment compared to the total number of clients can be a quality indicator for the provided care. National performance indicator PP23 does not include a time frame and the target there is 95%.

[1] New Zealand Dollar/

Section 4 - 2020/21 FINANCIAL PERFORMANCE

STATEMENT OF SIGNIFICANT UNDERLYING ASSUMPTIONS

The DHB continues its commitment to manage expenditure and live within our means. The DHB is committed to achieving the agreed deficit result for the plan year, i.e. from 1 July 2019 to 30 June 2020.

The budgeted financials are very much based on a "business as usual" scenario adjusted for the possible financial effects of anticipated savings and efficiency activities. In relation to this, the key points that underpin the financial budgets are:

- Revenue – The base funding package provides a 3.14% increase after allowing for top slices, etc. The total revenue increment available for 2019-20 is calculated to be approximately 5.34%
- Expenditure – It is expected that continuing to work with NGO Providers will enable population health community expenditure on primary care to be well-managed and therefore the associated total cost constrained, allowing for future-based investment
- Inter-District Flows – It is expected that the work of the population health team, complemented by a historically healthy staffing situation in the DHB Provider will enable IDF outflows to be managed to a below-budget level
- National initiatives – DHBs have invested heavily in national programmes at the behest of government, and continue to do so. The minimum expected returns from these investments have been built into the budgeted savings programmes and it is essential for the achievement of the budgeted financial results that the agencies involved – HealthAlliance, PHARMAC and NZ Health Partnerships Ltd - deliver on them;
- Personnel costs – have been budgeted to increase at almost double the rate of CPI for the last year through government support to raise salaries for some health professions. The clinical labour force is a significant factor in the overall cost of providing health services, as they are generally quite labour-intensive. Negotiation and settlement of national MECAs is an area of risk for small, provincial DHBs that tend to have lower funding increments, while the risk for NGO Providers is in their ability to maintain appropriate permanent staffing levels.

FINANCIAL PERFORMANCE SUMMARY

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE (comprehensive income) for the four years ended 30 June 2021, 2022, 2023 and 2024

Statement of Comprehensive Income

$000	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan
REVENUE						
Ministry of Health Revenue	$189,567	$197,462	$213,403	$221,822	$228,477	$235,331
Other Government Revenue	$8,128	$9,210	$10,336	$10,660	$10,979	$11,309
Other Revenue	$1,217	$2,559	$943	$985	$1,015	$1,045
Total Revenue	**$198,912**	**$209,231**	**$224,682**	**$233,467**	**$240,471**	**$247,685**
EXPENDITURE						
Personnel	$87,521	$84,686	$87,888	$89,654	$91,902	$94,350
Outsourced	$9,392	$9,036	$6,384	$6,498	$6,691	$6,891
Clinical Supplies	$17,086	$17,622	$18,146	$18,497	$19,053	$19,624
Infrastructure and Non Clinical	$10,064	$9,663	$9,904	$10,135	$10,483	$10,857
Payments to Non-DHB Providers	$91,835	$94,653	$100,668	$102,892	$106,436	$109,939
Interest	$86	$60	$60	$60	$60	$60
Depreciation and Amortisation	$3,279	$3,364	$3,732	$3,831	$3,946	$4,064
Capital Charge	$2,679	$1,900	$1,900	$1,900	$1,900	$1,900
Total Expenditure	**$221,942**	**$220,984**	**$228,682**	**$233,467**	**$240,471**	**$247,685**
Other Comprehensive Income						
Revaluation of Land and Building						
Total Comprehensive Income/(Deficit)	**-$23,030**	**-$11,753**	**-$4,000**	**$0**	**$0**	**$0**

Prospective Statement of Changes in net assets /equity

$000	2018/19	2020/21	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan

Crown equity at start of period	(49,045)	(36,638)	(47,503)	(57,121)	(71,739)	(71.357)
(Surplus)/Deficit for the period	23,030	11,753	4,000	0	0	0
Contributions from Crown	(11,000)	(23,000)	(14,000)	(15,000)	0	0
Distributions to Crown	382	382	382	382	382	382
Revaluation & other movements	(5)					
Crown Equity at end of period	**(36,638)**	**(47,503)**	**(57,121)**	**(71,739)**	**(71,357)**	**(70,975)**

Consolidated Prospective Statement of Financial Position as at 30 June

$000	2018/19	2020/21	2020/21	2021/22	2022/23	2023/24
	Audited	Forecast	Plan	Plan	Plan	Plan
CROWN EQUITY						
Current Assets	8,404	8,404	8,404	8,404	8,404	8,404
Non-Current Assets	64,912	68,345	82,330	96,948	96,566	96,184
TOTAL ASSETS	73,316	76,749	90,734	105,352	104,970	104,588
Current Liabilities	(34,932)	(27,500)	(31,867)	(31,867)	(31,867)	(31,867)
Non-Current Liabilities	(1,746)	(1,746)	(1,746)	(1,746)	(1,746)	1,746)
TOTAL LIABILITIES	(36,678)	(29,246)	(33,613)	(33,613)	(33,613)	(33,613)
NET ASSETS	(36,638)	(47,503)	(57,121)	(71,739)	(71,357)	(70,975)

Consolidated Statement of Prospective Cash Flows

$000	2018/19	2020/21	2020/21	2021/22	2022/23	2023/24
	Audited Actual	Forecast	Plan	Plan	Plan	Plan
CASH FLOWS FOR THE PERIOD						
Operating cash flows	1,389	(8,389)	(267)	3,831	3,946	4,064
Investing cash flows	(2,238)	(6,797)	(17,717)	(18,449)	(3,564)	(3,682)
Financing cash flows	1,918	22,618	13,617	14,618	(382)	(382)
NET TOTAL CASH FLOWS						
Net increase/(decrease) in cash held	1,069	7,432	-4,367	0	0	0
Add opening cash balance	(1,639)	(570)	6,862	2,495	2.495	2,495
CLOSING CASH BALANCE	(570)	6,862	2,495	2,495	2,495	2,495
made up from						
Balance Sheet Cash, Bank, and Short Term Investments	(570)	6,862	2,495	2,495	2,495	2,495

FINANCIAL ASSUMPTIONS

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZGAAP).

The financial estimates are based on informed judgments on the expected price and cost movements over the period of the plan, including the funding intentions of government and the Ministry. No significant changes in PBFF share has been assumed over the forecast period.

The anticipated quantum of funding over the 2020/21 year and beyond, presents considerable challenges in work to actively restrain cost growth and consideration of service changes. The financial plan for the period is highly geared towards business as usual and carries little or no flexibility to accommodate unplanned cost movements. The operating budget carries financial risks and is highly dependent upon the realisation of targeted savings.

The estimated financial effects of savings expected to arise from efficiency gains have been incorporated into the financial plan, as have savings expected to result from Government and cooperative initiatives, the tripartite Health Sector Relationship Agreement and enhanced clinical leadership. Cost savings anticipated flowing through to Hauora Tairāwhiti from national (NZ Health Partnerships Ltd and Pharmac) and regional (HealthShare) initiatives have been included at the estimated additional cost of the programmes that will generate the savings.

Service level expectations, and the increasing cost impact of legislative compliance, will place considerable pressure on forecast expenditure, within the Provider Arm. The Funder Arm will face other additional issues, such as uncertainty over Aged care trends within the community, and IDF growth.

Baseline capital expenditure is planned to exceed depreciation provisions by $2.5M, after allowing for capital repayments and finance lease principal. Given service level expectations, and e-SPACE project contributions, this is not easily sustainable.

The DHB has made a number of significant assumptions in arriving at its Prospective Financial Performance Statements which are yet to be agreed but are summarised below:

Assumption	2018/19	2020/21	2020/21	2021/22	2022/23
Crown CFA Revenue	3.0%	3.0%	3.0%	3.0%	3.0%
Sector Cost Increases	3.0%	3.0%	3.0%	3.0%	3.0%
Staff Costs (average movement)	3.0%	3.0%	3.0%	3.0%	3.0%
Staff Costs (numbers)	699	753	784	784	784
Interest Rate	4.6%	4.6%	4.6%	4.6%	4.6%
Interest Rate - Working Capital	5.5	5.5	5.5	5.5	5.5
Capital Charge Rate	6%	6%	6%	6%	6%
NZD[1]/AUD[2]	0.93	0.91	0.96	0.96	0.96
NZD/USD[3]	0.71	0.67	0.67	0.67	0.67

MITIGATION OF FINANCIAL RISK

It is recognised that it will be challenging to meet these targets. However, management will be working intensively to ensure that expenditure on core services is constrained where possible. As stated above, the cost inflation rates are based upon Treasury economic forecasts, combined with trend analysis of cost inflation within Hauora Tairāwhiti. A risk assessment and sensitivity analysis relating to these key cost assumptions is set out below:

[2] Australian Dollar
[3] United States of America Dollar

Assumption	Risk	Assessed potential effect
Revenue	Revenue expectations are not met.	Hauora Tairāwhiti budgeted consolidated revenue totals approximately $204M. For every 1% that revenue is lower than the budgeted levels, there is a potential financial detriment to Hauora Tairāwhiti of $2.04M.
	While there are good indications in relation to base CFA funding, there is a risk that actual funding may be curtailed and/or other revenue streams are less than anticipated.	To mitigate this risk, Hauora Tairāwhiti actively works to maintain, develop and diversify its revenue streams. 96% of revenue is MoH provided, therefore subject to service delivery there is little risk of significant variations to budget.
Labour cost inflation	Labour cost inflation is higher than expected, driving above-budget staff and outsourced services costs.	For every 1% that wage settlements exceed the budgeted levels, there is a potential additional expense of $873k in the cost of staff and outsourced services. To mitigate this risk, Hauora Tairāwhiti uses collaborative negotiating and informs employee representatives of the Minister's expectations and the net increase that has been allocated to Hauora Tairāwhiti for the planning period. Outsourced services present significant risks particularly in regard to cover for employee vacancies for medical staff.
Supply cost inflation	Supply cost inflation is higher than expected, driving above-budget clinical, infrastructure and non-clinical supply costs.	For every 1% increase in inflation above budgeted levels, there is a potential additional expense of ~$324k. To mitigate this risk, Hauora Tairāwhiti utilises collaborative procurement options, preferred supplier arrangements, fixed price agreements, outsourcing of support services and tender processes.
Exchange rate	NZ Dollar is less robust than expected, driving above-budget clinical supply costs.	For every 10% reduction in the value of the NZD against the currencies of the countries from which clinical supplies are sourced, there is a potential additional expense. Given the wide range of operating and capital expenditure categories that could potentially be affected, it is difficult to provide a meaningful estimate of the effect. To mitigate this risk, Hauora Tairāwhiti uses the same mechanisms as those used to mitigate supply cost inflation.
IDF Payments	Payments for services provided by other DHBs for Tairāwhiti domiciled patients is higher than anticipated.	As a small outlying DHB, Tairāwhiti is particularly sensitive to uncertainties around the IDF model. 11.7% of our expenditure is budgeted to IDF's, and there are very significant risks in this line, a 10% variation reflects a risk of 2.4m. There is little we can do to mitigate this.
Demand-driven costs	Demand-driven costs exceed budget and revenue, creating a deficit situation in the Funds function.	Hauora Tairāwhiti monitors all demand-driven costs and proactively works to address cost overruns with providers, including NASC services.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the financial statements can be found in the Tairāwhiti DHB 2018/19 Annual Report. There have been no significant changes in the accounting policies, which are reproduced hereunder:

REPORTING / ECONOMIC ENTITY

Reporting / Economic Entity

Hauora Tairāwhiti is a Health Board established by the New Zealand Public Health and Disability Act 2000. Hauora Tairāwhiti is a crown entity in terms of the Crown Entities Act 2004, owned by the Crown and domiciled in New Zealand.

Hauora Tairāwhiti is a public benefit entity (PBE), as defined in the external reporting board standard A1.

The group consists of Hauora Tairāwhiti, its subsidiary company Tairāwhiti Laundry Services Limited, which holds the associated partnership share in Gisborne Laundry Services, and its associated companies HealthShare Limited and TLab Limited.

The group activities involve delivering health and disability services and mental health services in a variety of ways to the community.

Basis of preparation
The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of Going Concern
The going concern principle has been adopted in the preparation of these financial statements. The Board, after making enquiries, has a reasonable expectation that the DHB has adequate resources to continue operations for the foreseeable future based on current trading terms and legislative requirements. The Board has reached this conclusion having regard to circumstances which it considers likely to affect the DHB during the period of one year from the date of signing the 2018/19 financial statements, and to circumstances which it knows will occur after that date which could affect the validity of the going concern assumption (as set out in its current Statement of Intent). The key considerations are set out below.

Letter of comfort
The Board Chair received a letter of Equity Support for 2020/21, dated 20 April 2020 from the Minister of Health, the Hon Dr. David Clark advising that approval had been given to provide the DHB with equity support where necessary to maintain viability.

Equity injection of $20.0m was received during the financial year ended 30 June 2020.

Operating and Cash flow forecasts
The Board has considered forecast information relating to operational viability and cash flow requirements. The Board is satisfied that there will be sufficient cash flows generated from operating activities to meet the investing and financing cash flow requirements of the DHB as set out in its current Statement of Intent and based on current trading terms and legislative requirements.

Borrowing covenants and forecast borrowing requirements
The forecast for the next year prepared by Hauora Tairāwhiti shows that the peak borrowing requirement will not exceed the available borrowing facilities. Furthermore, the forecast borrowing requirements can be met without breaching covenants or other borrowing restrictions.

While the Board is confident in the ability of Hauora Tairāwhiti to continue as a going concern, if the forecast information relating to operational viability and cash flow requirements is not achieved there would be significant uncertainty as to whether the DHB would be able to continue as a going concern based on current trading terms and legislative requirements.

Statement of Compliance
The financial statements of Hauora Tairāwhiti have been prepared in accordance with the requirements of the New Zealand Public Health and Disability Act 2000 and the Crown Entities Act 2004, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

Presentation currency and Rounding
The financial statements are presented in New Zealand Dollars rounded to the nearest thousand ($000).

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue from the Crown

Hauora Tairāwhiti is primarily funded from the Crown, which is restricted in its use for the purpose of Hauora Tairāwhiti meeting its objectives as specified in the statement of intent. The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Revenue from Other DHBs

Hauora Tairāwhiti receives revenue when a patient from another area is treated in Tairāwhiti, this revenue is paid via an Inter District Flows mechanism after the patient is discharged.

Interest

Interest revenue is recognised using the effective interest method.

Donated services

Certain operations of Hauora Tairāwhiti are partially reliant on services provided by volunteers. Volunteer services received are not recognised as revenue or expenditure.

Donated assets

Where a physical asset is gifted to or acquired by Hauora Tairāwhiti for nil consideration or at a subsidised cost, the asset is recognised at fair value and the difference between the consideration provided and fair value of the asset is recognised as revenue.

Expenditure

Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

Borrowing costs

Borrowing costs are recognised as an expense in the financial year in which they are incurred.

Finance Leases

Leases, which effectively transfer to Hauora Tairāwhiti substantially all the risks and benefits incident to ownership of the leased items, are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the statement of financial position. The leased assets are depreciated over the period the Hauora Tairāwhiti is expected to benefit from their use.

Operating Leases

Leases where the leaser effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenses in the periods in which they are incurred.

Finance and Procurement, including National Oracle Solution

The Finance and Procurement programme, which includes the National Oracle Solution (NOS), is a national initiative funded by DHBs and facilitated by NZ Health Partnerships Limited to deliver sector wide benefits. Health Partnerships holds an intangible asset recognised at the capital cost of development relating to this programme. Hauora Tairāwhiti holds an asset at cost of capital invested by Hauora Tairāwhiti in the FPSC programme. This investment represents the right to access the FPSC assets and are considered to have an indefinite life. DHBs have the ability and intention to review the service level agreement indefinitely and the fund established by Health Partnerships through the on-charging of depreciation and amortisation on the assets to the DHBs will be used to, and is sufficient to, maintain the assets standard of performance or service potential. As the rights are considered to have an indefinite life, the intangible asset is not amortised and will be tested for impairment annually.

Cash and Cash equivalents

Cash and cash equivalents comprises cash balances, call deposits with a maturity of no more than three months.

Receivables
Short-term receivables are recorded at their face value, less any provision for impairment. A receivable is considered impaired when there is evidence that Hauora Tairāwhiti will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Investments
Investments, including those in subsidiaries, are stated at fair value. Any decreases are recognised in the Statement of comprehensive revenue and expense.

After initial recognition, these investments are measured at their fair value with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses that are recognised in the surplus or deficit.

A significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment. If impairment evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Inventories
Inventories held for distribution in the provision of services that are not supplies on a commercial basis are measured at cost, determined on weighted average cost basis.

Inventories acquired through non-exchange transactions are recorded at fair value at the date of acquisition. The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write down.

Property, plant and equipment
Property, plant and equipment consist of the following asset classes: land, buildings, clinical equipment, other equipment, information technology and vehicles.

Property, plant and equipment vested from the Hospital and Health Service.
Under section 95(3) of the New Zealand Public Health and Disability Act 2000, the assets of Tairāwhiti Healthcare Limited (a Hospital and Health Service) were vested in Hauora Tairāwhiti on 1 January 2001. Accordingly, assets were transferred at their net book values as recorded in the books of the Hospital and Health Service. In effecting this transfer, the Board has recognised the cost and accumulated depreciation amounts from the records of the Hospital and Health Service. The vested assets will continue to be depreciated over their remaining useful lives.

Property, plant and equipment acquired since the establishment of Hauora Tairāwhiti.
Assets acquired by the Board since its establishment, other than those vested from the Hospital and Health Service and land and buildings, are recorded at cost less accumulated depreciation. This includes all appropriate costs of acquisition and installation, including materials, labour, direct overheads, financing, and transport costs.

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Revaluations
Land and buildings are valued by an independent qualified valuer at least 3 yearly to confirm that their carrying value in the financial statements of the organisation reflect their fair value. Valuations will be undertaken more regularly if necessary to ensure that no class of assets is included at a valuation that is materially different from its fair value. Where fair value of an asset is not able to be reliably determined using market-based evidence, optimised depreciated replacement cost is considered the most appropriate basis for determination of fair value.

Land and buildings revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue.

The results of revaluing land and buildings are credited or debited to an asset revaluation reserve for that class of asset. Where a revaluation results in a debit balance in the asset revaluation reserve, the debit balance will be expensed in the Statement of comprehensive revenue and expense.
Additions between revaluations are recorded at cost less depreciation

Disposals
Any gain or loss on disposal is determined by comparing the proceeds with the carrying amount of the asset and this amount is included in the net surplus or deficit.

Depreciation
Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates which will write-off the cost (or revaluation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation or amortisation rates of major classes of assets have been estimated as follows:

Buildings - Structure	67 years	(1.5%)
Buildings - Fit out	5 - 67 years	(1.5 - 20%)
Equipment	3 - 25 years	(4 – 33.33%)
Information Technology	2 - 12.5 years	(8 – 50%)
Intangible Assets	3 - 12.5 years	(8 – 33.33%)
Motor vehicles	6.7 - 12 years	(6.67 - 15%)

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.
Work in progress is recognised at cost less impairment and is not depreciated. The total cost of a project is transferred to the relevant asset category on its completion and then depreciated.

Intangibles
Acquired computer software costs are capitalised on the basis of costs incurred to acquire and bring to use. Ongoing staff training and maintenance costs are recognised as expenses when incurred.
The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. The amortisation charge is recognised in the Statement of comprehensive revenue and expense

Impairment
Hauora Tairāwhiti does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant and equipment and Intangible assets that have a finite useful life are reviewed for impairment each year. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.
The total impairment loss, or reversal of impairment loss, is recognised in the surplus or deficit.

Creditors and payables
Creditors and other payables are measured at fair value, and subsequently measured at amortised cost using the effective interest rate method.

Provisions
A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Borrowings
Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless Hauora Tairāwhiti has an unconditional right to defer settlement of the liability for at least 12 months after balance date. Borrowings where Hauora Tairāwhiti has an unconditional right to defer settlement of the liability for at least 12 months after balance date are classified as current liabilities if Hauora Tairāwhiti expects to settle the liability within 12 months of the balance date.

Employees
Employee entitlements
Provision is made in respect of Hauora Tairāwhiti liability for annual, parental, long service, sick, leave sabbatical, retirement, and conference leave. Annual leave, Parental Leave and Conference leave have been calculated on an actual entitlement basis at current rates of pay whilst Long Service and Retirement provisions have been calculated on an actuarial basis. The liability for sick leave is recognised, to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date; to the extent the DHB anticipates it will be used by staff to cover those future absences.

Superannuation Schemes
Defined contribution schemes
Employer contributions to Kiwisaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes
The DHB makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Equity
Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.
- contributed capital
- accumulated surplus/(deficit);
- revaluation reserves
- other reserves

Budget figures
The budget figures are those approved by the Board and published in its Statement of Intent and have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

Goods and services tax
All items in the financial statements are exclusive of goods and services tax (GST) with the exception of receivables and payables, which are stated with GST included. Where GST is irrecoverable as an input tax, it is recognised as part of the related asset or expense.

The net GST recoverable from or payable to the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the Inland Revenue Department, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Taxation
Hauora Tairāwhiti is a public authority under the New Zealand Public Health and Disability Act 2000 and is exempt from income tax under Section CB3 of the Income Tax Act 2007.

Trusts and bequest funds
Donations and bequests to Hauora Tairāwhiti are recognised as revenue when control over assets is obtained or entitlement to receive money is established. A liability, rather than revenue, is recognised where fulfilment of any restrictions attached to those assets is not probable. Those donations and bequests with restrictive conditions are appropriated from Retained Earnings to the Trust Funds component of Equity. When expenditure is subsequently incurred in respect of these funds, it is recognised in the Statement of comprehensive revenue and expense, an equivalent amount is transferred from the Trust Funds component of Equity to Retained Earnings.

Financial instruments
Hauora Tairāwhiti and the Group is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short term deposits, investments, debtors, creditors, and loans. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of comprehensive revenue and expense.

Except for loans, which are recorded at cost, and those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

Cost of service statements
The cost of service statements, as reported in the statement of objectives and service performance, reports the net cost of services for the outputs of Hauora Tairāwhiti and are represented by the cost of providing the output less all the revenue that can be allocated to these activities.

Cost allocation
Direct costs are charged directly to output classes.

Indirect costs, those which cannot be identified in an economically feasible manner to a specific output class, are charged to output classes based on cost drivers and related activity/usage information.

The cost of internal services not directly charged to outputs is allocated as overheads using appropriate cost drivers such as actual usage, staff numbers, and floor area.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Critical accounting estimates
In preparing these financial statements, Hauora Tairāwhiti has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating useful lives and residual values of property, plant, and equipment
At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by Hauora Tairāwhiti, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. Hauora Tairāwhiti minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

Hauora Tairāwhiti has not made significant changes to past assumptions concerning useful lives and residual values.