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

NORTHLAND DISTRICT HEALTH BOARD
Te Poari Hauora A Rohe O Te Tai Tokerau

STATEMENT OF PERFORMANCE EXPECTATIONS 2018/19

Appendix A: Statement of Performance Expectations

The Statement of Performance Expectations (SPE) tells our 'performance story', what we produce (outputs) and what we aim to achieve for Northlanders (impacts) and our society (outcomes). The SPE is required under the Crown Entities Act 2004 to enable the Office of the Auditor General to monitor Northland DHB's performance. Our Statement of Intent comprises the SPE together with modules 1, 3 and 4 of the Annual Plan.

The SPE concentrates on cornerstone measures that represent the wide range of services for which Northland DHB is responsible. There is considerable overlap between the SPE's measures and those in section 2 of the Annual Plan; the latter is prepared in response to a list of specific Ministry of Health-led national priorities, while the SPE takes a higher level, more strategic view.

Key Assumptions for Financial Statements

Revenue Growth

The majority of Northland DHB's revenue is from the Ministry of Health, made up mostly of population-based funding for the Northland DHB population, IDF revenue (for services delivered for other DHB's populations). The Ministry of Health advised us in May 18 of a PBFF funding increase of $35m.

Expenditure Growth

The underlying cost growth is driven by significant demographic growth pressure on services provided for the population, and direct expense increases including the cost of employment contract settlements (including step increases) staff FTE growth, inflationary pressure, infrastructure maintenance and contractual pricing on clinical and non-clinical supplies.

Capital Expenditure

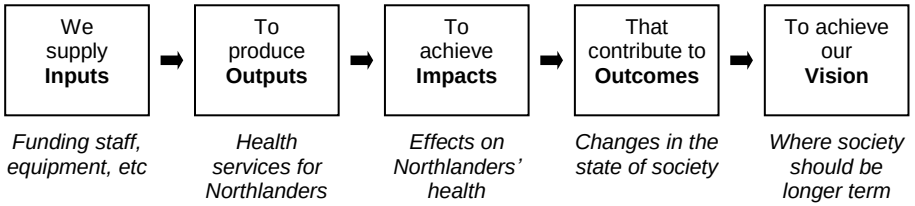
Capital expenditure is for remediation of baseline infrastructure, upgrades, investment in new technology and clinical equipment replacement. Crown funding will be required to finance major redevelopment and upgrade projects.

Output classes and intervention logic

Services are grouped into four output classes:

Prevention	Publicly funded services that protect and promote health across the whole population or particular sub-groups of the population. These services improve the health status of the population, as distinct from curative services (the other three output classes) which repair or support illness or injury.
Early detection and management	Commonly referred to as 'primary' or 'community' services, those that people can access directly in the community. They are delivered by a range of agencies including general practice, Maori health providers, pharmacies, and oral health services. The services are generalist (non-specialist) in nature, and similar types of services are delivered in numerous locations across the community.
Intensive assessment and treatment	Complex services provided by those who work in a particular specialty, commonly referred to as 'secondary' or 'hospital' services. They include emergency department, inpatient, outpatient, daypatient, and diagnostic services. They are accessible only by referral from a primary health practitioner and available in few locations.
Rehabilitation and support	Services for older people (home based support services, residential care and services for dementia) and palliative care services.

The Statement of Service Performance is structured according to the following intervention logic.



The structure of the SPE is described in the diagram on the next page.

Impacts contribute to Outcomes, and together they contribute to High-level Outcomes (measured by High-level Measures). For example, higher rates of cessation among smokers and immunisation among children create a healthier population. Screening for cancers, cardiovascular disease and diabetes prevent illness and disease or identify conditions at early stages so they can be monitored and treated more effectively. Ongoing monitoring and support of people with long term mental health conditions help maintain their stability. Home and community support services help older people remain independent in the community, and residential care services offer the best quality of life for those no longer able to manage on their own. Quality services that are clinically and culturally safe, and provided in a timely manner encourage people to attend and be involved in their care, and that means better health status.

Through the measures described above and in the diagram on the next page, the SPE addresses the Triple Aims of population health, patient experience and value and sustainability.

Wherever possible, Impacts are measured by Maori and non-Maori so, consistent with the Population Health aim, we can monitor inequities and reduce these over time.

Summary of Northland DHB's Statement of Performance Expectations 2018/19

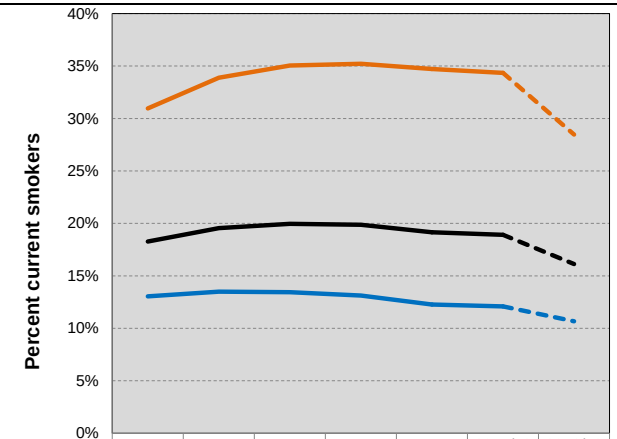
Vision	A healthier Northland									
High-level Outcomes	Population health: improved health of Northlanders and reduced health inequities	Patient experience: patients and whanau experience clinically and culturally safe, good quality, effective, efficient and timely care				Value and sustainability: the Northland health system lives within available funding by improving productivity and prioritising resources to their most cost-effective uses				
High-level Measures	Life expectancy gap between Maori and non-Maori ↓ by 2 years	↓ gaps between: (a) Maori and non-Maori (b) Northland and NZ	↓ mortality rate (age-standardised)	↓ infant mortality	Unplanned hospital admissions for Northlanders are reduced by 2,000 annually by 2017				>95% of patients report they would recommend the service provided	
Outcomes	Healthy population	Prevention of illness and disease	Reversal of acute conditions		Optimum quality of life for those with long term conditions				Independence for those with impairments or disability support needs	
Impacts	**Smoking cessation** Lower prevalence of smoking-related conditions	**Healthy children** Children are healthy from birth and have a healthy foundation for adulthood	**Effective primary care** People manage in the com-munity through effective primary care services	**Long term conditions** Amelioration of disease symptoms and/or delay in their onset	**Cancer** If curable, increased likelihood of survival; if incurable, reduced severity of symptoms	**Mental disorders** Acute episodes are minimised, clients achieve greater stability, and quality of life is improved for both clients and their families	**Elective surgery** Fewer debilitating conditions, delayed onset of long term conditions	**ED waiting times** More timely assessment, referral and treatment	**Quality and safety** More satisfied patients Fewer adverse clinical events Lower rates of acute readmission to hospital	**Support for older people** Older people requiring support or care receive services appropriate to their needs.
Impact Measures	% of adults who are current smokers	Full and exclusive breastfeeding at 3 months % of 8-month-olds who have their primary course of immunisation on time Average number of decayed, missing or filled teeth in Y8 students % of 4-year-olds identified as obese will be offered a referral to a health professional	Ambulatory sensitive hospitalisations, rate/100,000 ages 0-4	Good blood sugar management in diabetics Eligible people receiving cardiovascular (CVD) risk assessment in the last 5 years	Breast cancer screening in eligible (aged 50-69) populations Cervical cancer screening in eligible (aged 25-69) populations Urgently referred patients with a high suspicion of cancer who receive their first cancer treatment within 62 days	% of people with enduring mental illness aged 20-64 who are seen over a year	Increase in elective surgical discharges	95% of patients will be admitted, discharged or transferred from and ED within 6 hours	Falls causing harm in NDHB facilities Pressure injuries in NDHB facilities Surgical safety compliance Hand hygiene compliance Medicines reconciled	HCSS clients assessed using interRAI tool HCSS providers certified ARRC providers with at least 3 years certification
Output Classes		**Prevention**	**Early detection and management**		**Intensive assessment and treatment**				**Rehabilitation and support**	
Outputs	Advice and help offered to smokers in primary care Quit Card Providers Advice and help offered to smokers in hospital	Midwifery services Support by lactation consultants Oral health assessment and treatment Immunisations in primary care 4-year-olds given Before School Checks (B4SC)	Acute hospital services	Assessment, diagnosis and treatment in primary care	Eligible women screened for breast cancer Eligible women screened for cervical cancer Cancer risk assessments in primary care Provision of cancer therapies	Specialised clinical support by NDHB community mental health services Admission to hospital for those whose condition is acutely unwell	Elective surgical procedures	Assessments, and treatments performed in EDs	Leadership, advice and monitoring by Quality Improvement Directorate Effective clinical services Patient pathways, hospital discharge processes	Home based support services Residential care Work with providers on corrective action plans resulting from audit
Output Measures	People attending primary care who have ever smoked	Hospital births Lactation consultant contacts Immunisations by 8 months Oral health treatments for Y8 students Visits by children and youth to primary care B4SC performed	Acute hospital discharges	Risk assessments and monitoring of people with diabetes and/or CVD	Screening for breast and cervical cancer Referrals for radiotherapy and chemotherapy treatments	Contacts by community mental health workers with people who have enduring mental illness	Increase in the volume of elective surgery	Emergency department attendances	Measures of the quality and safety of services	Assessments by NASC service Certification audits

Key: Yellow highlights = Health Targets. All measures to be by Maori and non-Maori where data is available.

Output Class 1: Prevention

Impact: Lower prevalence of smoking-related conditions.

Measure: % of Northland adult population who are current smokers



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 to Q2	2018/19 target
Total	18.3%	19.6%	20.0%	19.9%	19.2%	18.9%	16.1%
Maori	31.0%	33.9%	35.1%	35.2%	34.7%	34.3%	28.5%
Non-Maori	13.1%	13.5%	13.4%	13.1%	12.3%	12.1%	10.7%

Measure type: Coverage

Rationale

Smoking and obesity are the two most significant factors behind long term conditions. Smoking during pregnancy accounts for an estimated 20% of all pre-term births and 35% of low birthweight babies.

Currently, according to data from the Northland PHOs, 34% of Maori and 12% of non-Maori smoke.

Smoking rates are the focus of one of the six national Health Targets. New Zealand has committed to a goal of reducing smoking rates to 5% by 2025.

The dotted lines in the graph reflect the percentage drop required by each ethnic group to reach the 2025 target. Non-Maori smoking rates are reducing at close to the desired rate, but Maori smoking rates need to decline faster.

Note that this is not the Health Target, which looks only at those given brief advice to quit. The proportion of the population who smoke (extracted from HT data) is a more relevant measure in the context of the SPE.

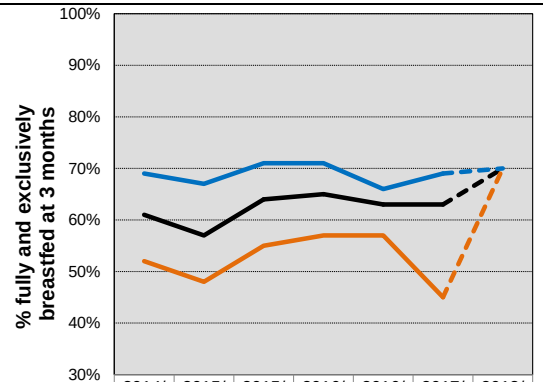
Outputs

Primary care records show 111,008 Northlanders who have ever smoked, of whom 24,211 are current smokers (2017/18 Q3).

Impact: Children are healthy from birth and have a healthy foundation for adulthood

Measure: Full and exclusive breastfeeding at 3 months

Measure type: Coverage



	2014/15 Q3	2015/16 Q1	2015/16 Q3	2016/17 Q1	2016/17 Q3	2017/18 Q1	2018/19 target
Total	61%	57%	64%	65%	63%	63%	70%
Maori	52%	48%	55%	57%	57%	45%	70%
Non-Maori	69%	67%	71%	71%	66%	69%	70%

Rationale

Higher rates of breastfeeding in infancy correlate with a lower chance later in life of developing health problems, including long term conditions.

Breastfeeding rates are lower among Maori.

A higher percentage of the child population is Maori, so improving child health will have a significant effect on improving the health of Maori over time.

Outputs

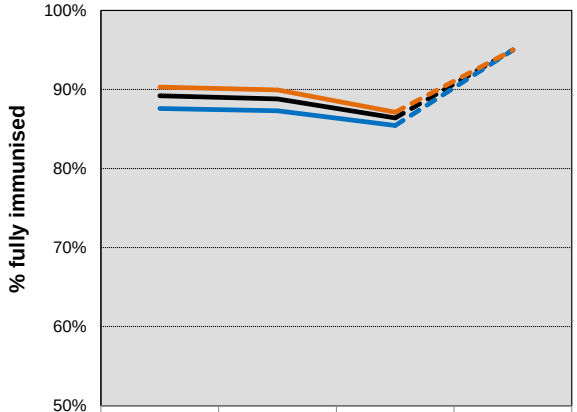
Total NDHB hospital births: 1,974 for the twelve months ending March 2017.

3,188 lactation consultant patient contacts for the twelve months ending March 2017.

Mothers are provided with education and support to encourage them to breastfeed, whether they are supported by an independent midwife (home and hospital births) or NDHB midwife (hospital births).

Measure: % of 8-month-olds who have their primary course of immunisation on time

Measure type: Coverage



	2015/16	2016/17	2017/18 to Q3	2018/19 target
Total	89.2%	88.8%	86.4%	95.0%
Non-Maori	87.6%	87.3%	85.4%	95.0%
Maori	90.3%	89.9%	87.1%	95.0%

Rationale

Improved immunisation coverage leads directly to reduced rates of vaccine-preventable (communicable) disease, and that means better health and independence for children and longer and healthier lives.

Immunisations are one of the most cost-effective ways of improving health.

One of the six national Health Targets.

Encouraging higher attendance rates and early enrolment in primary care will raise immunisation coverage. The High Five Project as part of the First 2000 Days Project aims to have all newborns enrolled in five key services: general practice, National Immunisation Register, Well Child/ Tamariki Ora provider, oral health, Newborn Hearing Screening.

Outputs

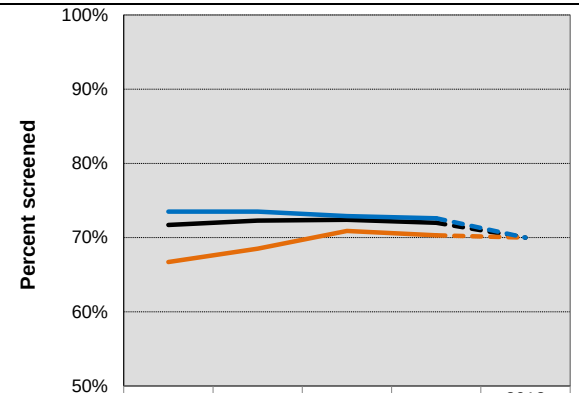
2,005 children were fully immunised before 8 months of age during the twelve months ending March 2018.

NDHB works with primary care providers to continue to improve the rate and timeliness of immunisation.

Impact: If curable, increased likelihood of survival; if incurable, reduced severity of symptoms

Measure: Breast cancer screening in eligible (aged 50-69) populations

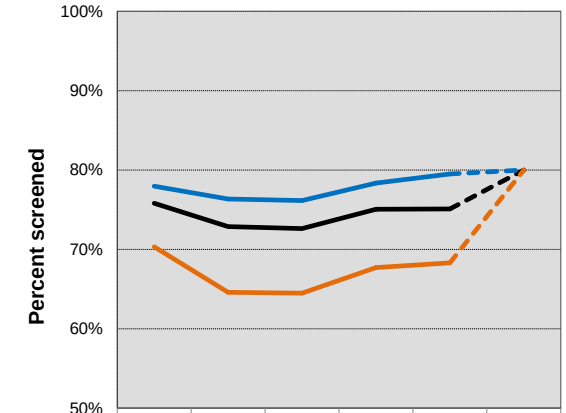
Measure type: Coverage



	2014	2015	2016	2017	2018 target
Total	71.7%	72.3%	72.4%	72.0%	70.0%
Maori	66.7%	68.5%	70.9%	70.3%	70.0%
Non-Maori	73.5%	73.5%	72.9%	72.6%	70.0%

Measure: Cervical cancer screening in eligible (aged 25-69) populations

Measure type: Coverage



	2013/14	2014/15	2015/16	2016/17	2017/18 to Q1	2018/19 target
Total	75.8%	72.9%	72.6%	75.1%	75.1%	80.0%
Maori	70.3%	64.6%	64.5%	67.7%	68.3%	80.0%
Non-Maori	78.0%	76.4%	76.2%	78.3%	79.5%	80.0%

Rationale

Screening in the community to identify cancers as early as possible improves the chances of prevention or, if the condition already exists, recovery. The only two formal screening programmes that exist in New Zealand are for breast cancer and cervical cancer.

Outputs

9,007 eligible women were screened in calendar year 2017, including 2,705 Maori and 6.902 non-Maori.

Outputs

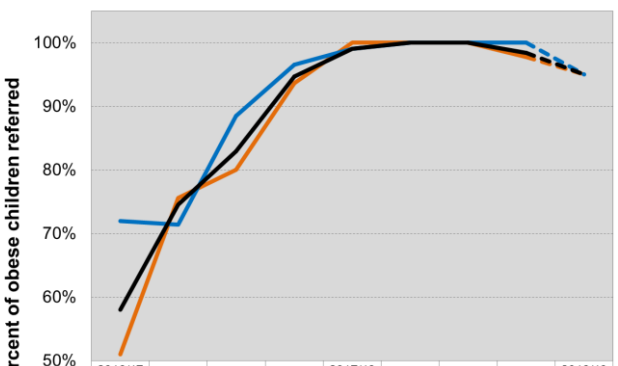
32,328 eligible women screened in the three years up to Dec 2017, of whom 9,040 were Maori and 23,288 were non-Maori.

Output Class 2: Early Detection and Management

Impact: Children are healthy from birth and have a healthy foundation for adulthood

Measure: % of 4-year-olds identified as obese will be offered a referral to a health professional

Measure type: Coverage



	2016/17 Q1	Q2	Q3	Q4	2017/18 Q1	Q2	Q3	Q4	2018/19 target
Maori	51%	76%	80%	94%	100%	100%	100%	98%	95%
Non-Maori	72%	71%	88%	97%	99%	100%	100%	100%	95%
Total	58%	75%	83%	95%	99%	100%	100%	98%	95%

Rationale

Obesity, along with smoking, is the most significant factor behind long term conditions.

It disproportionately affects Maori and other deprived populations. The 2011-14 NZ Health Survey showed that in Northland obesity affects 50% of Maori and 28% of non-Maori.

This measure is part of the national plan to reduce obesity, which has three prongs:

- targeted interventions for those who are obese
- increased support for those at risk of becoming obese
- broad approaches to make healthier choices easier for all New Zealanders.

- One of the six national Health Targets. It has been in place for only two years, hence the quarterly breakdown.

Outputs

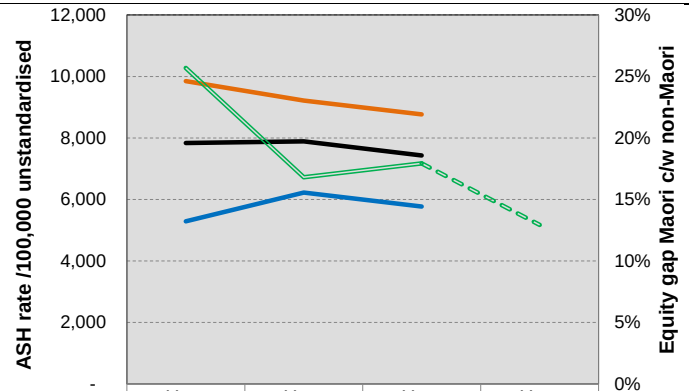
1,917 4-year-olds checked in the eleven months from June 2017 to May 2018, of whom 1,032 were Maori and 885 non-Maori.)

Impact: People manage in the community through effective primary care services

Measure:

Ambulatory sensitive hospitalisation rate per 100,000 ages 0-4, unstandardised

Measure type:
Quality



	Year ending Dec 2015	Year ending Dec 2016	Year ending Dec 2017	Year ending Dec 2018
Total	7,835	7,891	7,432	
Maori	9,848	9,218	8,765	
NMNP	5,288	6,224	5,769	
Equity gap	26%	17%	18%	13%

Target setting for this measure relates to the equity gap (the percentage difference between the Maori and non-Maori rates) and is consistent with the 5% reduction in the in our System Level Measure plan. The numbers differ however from those in the SLM plan because the time periods covered are different.

Rationale

Ambulatory sensitive hospitalisations (ASH) are potentially avoidable if patients had accessed primary care services and their conditions were diagnosed, and either cured or managed effectively.

ASH admissions are a substantial proportion of hospitalisations and affect Maori inequitably.

Lower rates of ASH free up specialist hospital resources for more acute and urgent cases, thus achieving better value for money from the health dollar. Achieving this involves managing the complex interface between primary and secondary care, for which NDHB has a number of initiatives in place or planned. For example, NDHB is trialling an enhanced Primary Options service to enable GPs to flexibly develop management plans for their patients and thus avoid hospital admissions. Information gleaned from the trial will inform the creation of a new rapid response and stabilisation service.

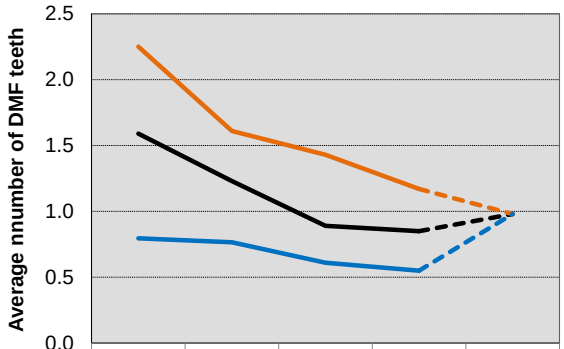
Outputs

Total acute discharges of Northland residents from any hospital (NDHB and other DHBs) 2016/17: total 23,818, Maori 8,176, non-Maori 15,642.

Impact: Children are healthy from birth and have a healthy foundation for adulthood

Measure: Average number of decayed, missing or filled teeth in Y8 students

Measure type:



	2014	2015	2016	2017	2018 target
Total	1.59	1.23	0.89	0.85	0.98
Maori	2.25	1.61	1.43	1.17	0.98
Non-Maori	0.80	0.76	0.61	0.55	0.98

Rationale

Oral health is about more than just the physical state of the teeth and gums, because the effects of poor oral health can be lifelong. Significant rates of disease also create pain and discomfort, limit what children can eat, and affect self-image and confidence.

For many years Northland had among the worst oral health statistics for children, though significant improvements have been made in the last few years.

Northland will always struggle to reach the oral health status of DHBs that have fluoridated water supplies. Northland remains unfluoridated (a brief foray into reticulated fluoridation in two Far North communities was abandoned in 2009).

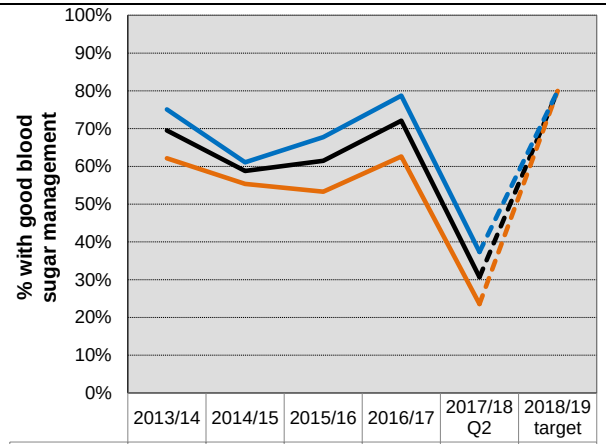
Outputs

1,246 Year 8 students were treated by NDHB's services in the 2017 calendar year.

Impact: Amelioration of long term condition disease symptoms and/or delay in their onset

Measure: Good blood sugar management in diabetics

Measure type: Coverage



	2013/14	2014/15	2015/16	2016/17	2017/18 Q2	2018/19 target
Total	69.5%	58.8%	61.5%	72.1%	30.7%	80.0%
Maori	62.2%	55.4%	53.3%	62.6%	23.5%	80.0%
Non-Maori	75.1%	61.1%	67.8%	78.7%	37.4%	80.0%

Repeated changes to how this measure is calculated meant that the 2017/18 result cannot be compared with previous years.

Rationale

Diabetes is an increasingly common long term condition.

It is strongly associated with excess weight, which affects a disproportionate number of Northlanders. Prevalence also increases with age, so prompt action is imperative in the face of the ageing population.

It is a major cause of illness and a significant contributor to cardiovascular disease.

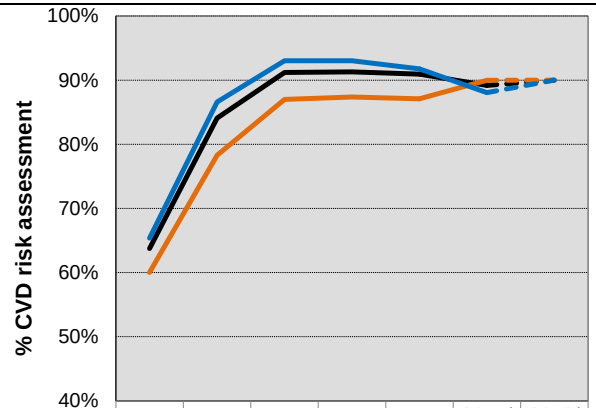
Although incurable, the effect of diabetes on daily life can be minimised through early detection, regular (annual) checks, good clinical management and a healthy lifestyle.

Outputs

As at Sep 2017, 9,458 people are on the Northland diabetes register, of whom are 4,028 Maori and 5,430 are non-Maori.

Measure:
Eligible people receiving cardio-vascular (CVD) risk assessment in the last 5 years

Measure type:
Coverage



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 to Q3	2018/19 target
Total	63.7%	84.1%	91.2%	91.3%	90.9%	89.2%	90.0%
Maori	60.0%	78.3%	87.0%	87.4%	87.1%	90.0%	90.0%
Non-Maori	65.4%	86.6%	93.0%	93.0%	91.8%	88.0%	90.0%

Rationale

Along with cancer, cardiovascular (heart and circulatory) disease is the most common long term condition.

Prevalence of CVD conditions increases with age. The ageing population means we need to carefully monitor and control the incidence and severity of these conditions.

Regular screening identifies those at risk of developing cardiovascular disease, and its onset can be prevented or delayed by lifestyle and clinical interventions. Regular screening also helps earlier identification of those who already have the condition.

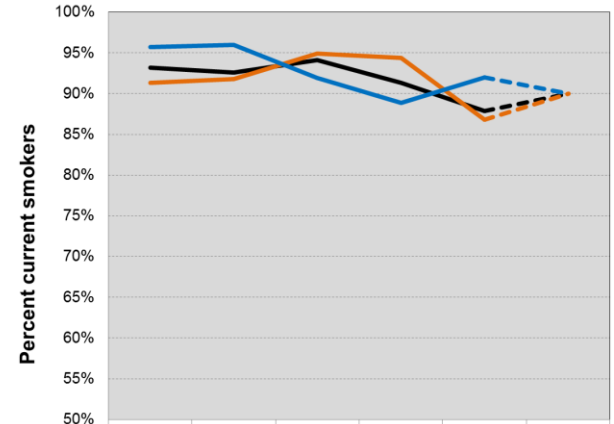
Outputs

53,025 CVD risk assessments performed in primary care over the five years to Mar 2018, of whom 17,155 were Maori, Pacific or Indian (the latter are a high-risk group for heart disease).

Measure:

% of pregnant women who identify as smokers upon registration with a DHB-employed midwife or Lead Maternity Carer are offered brief advice and support to quit smoking

Measure type:
Coverage



	2013/14	2014/15	2015/16	2016/17	2017/18 to Q2	2018/19 target
Total	93.2%	92.6%	94.1%	91.3%	87.8%	90.0%
Maori	91.3%	91.8%	94.9%	94.4%	86.8%	90.0%
Non-Maori	95.7%	96.0%	91.9%	88.8%	92.0%	90.0%

Rationale

Smoking and obesity are the two most significant factors behind long term conditions. Smoking during pregnancy accounts for an estimated 20% of all pre-term births and 35% of low birthweight babies.

Smoking rates are the focus of one of the six national Health Targets. New Zealand has committed to a goal of reducing smoking rates to 5% by 2025.

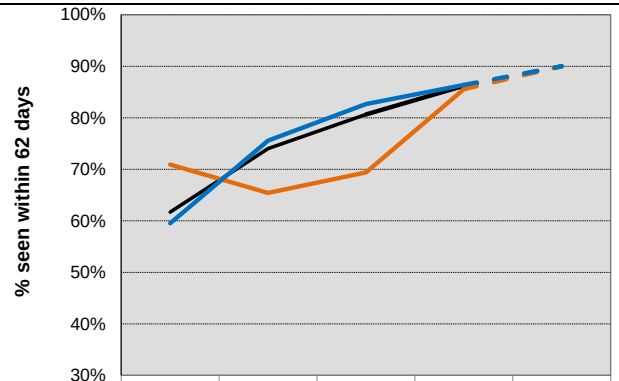
Outputs

Total NDHB hospital births: 1,974 for the twelve months ending March 2017.

Output Class 3: Intensive Assessment and Treatment

Impact: If curable, increased likelihood of survival; if incurable, reduced severity of symptoms

Measure: % of patients who receive their first cancer treatment (or other management) within 62 days referred urgently with a high suspicion of cancer and a need to be seen within two weeks



	2014/15	2015/16	2016/17	2017/18 Q2	2018/19 target
Total	61.7%	74.0%	80.7%	86.2%	90.0%
Maori	70.9%	65.4%	69.4%	85.6%	90.0%
Non-Maori	59.5%	75.6%	82.7%	86.4%	90.0%

Measure type:
Coverage

Rationale

Along with cardiovascular disease, cancer is the most common long term condition.

For cancer, some of the biggest gains are to be made by ensuring early access to treatment to improve the chances of recovery or to alleviate symptoms.

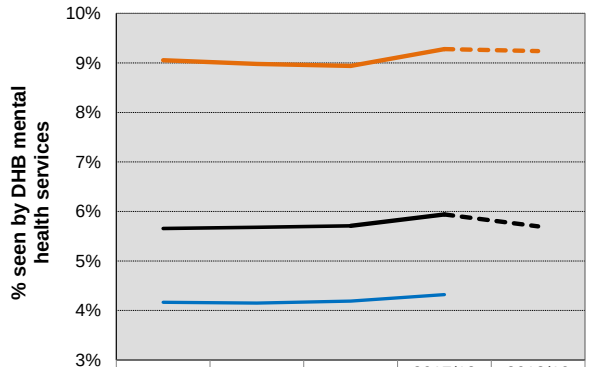
Outputs

283 patients referred urgently with high suspicion of cancer for the twelve months ending March 2018 who commenced first treatment.

Impact: Acute episodes are minimised, clients achieve greater stability, and quality of life is improved for both clients and their families

Measure: % of people with enduring mental illness aged 20-64 who are seen over a year

Measure type: Coverage



	2014/15	2015/16	2016/17	2017/18 Q2	2018/19 target
Total	5.66%	5.68%	5.71%	5.94%	5.70%
Maori	9.06%	8.98%	8.94%	9.28%	9.24%
Non-Maori	4.17%	4.15%	4.19%	4.32%	

MoH does not require DHBs to report on non-Maori, nor to they require a target for them.

Rationale

Severe disorders permanently affect 3% of the population.

Mild to moderate disorders affect 20% of the population at any one time and 90% over a lifetime.

Mental health has been a priority for the health sector since the Mental Health Blueprint was published in 1998; that has since been overtaken by *Rising to the Challenge*, the national mental health and addictions strategy 2012-2017.

Outputs

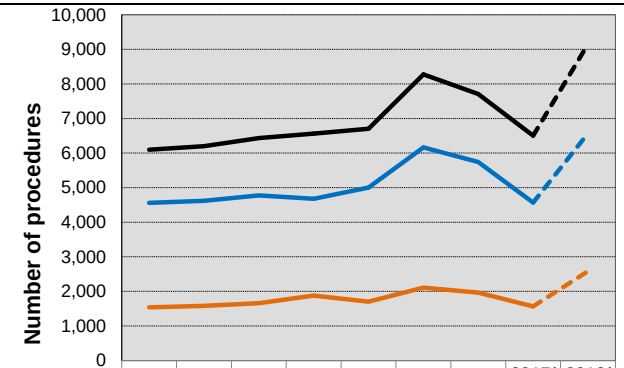
Number of contacts by community mental health services with people who have enduring mental illness (2017/18 extrapolated from 9 months data):

Direct (with client and/or whanau)	95,000
Care coordination (on behalf of client, with another agency)	18,500

Impact: Fewer debilitating conditions and delayed onset of long term conditions

Measure: Increase in the volume of elective surgery

Measure type: Coverage



	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 to Q3	2018/19 target
Total	6,098	6,198	6,434	6,564	6,704	8,275	7,707	6,503	9,146
Maori	1,537	1,580	1,660	1,877	1,702	2,110	1,965	1,564	2,581
Non-Maori	4,561	4,618	4,774	4,677	5,002	6,165	5,742	4,568	6,565

Rationale

Elective surgery is an effective way of increasing people's functioning because it remedies or improves conditions that restrict people's functioning.

Increasing delivery will improve access and reducing waiting times as well as increase public confidence that the health system will meet their needs.

Timely access to elective services is considered by the Ministry of Health to be a measure of the effectiveness of the health system.

One of the six national Health Targets.

Outputs

Target elective surgical discharges in 2018/19 is 9,146, of which 6,565 are non-Maori and 2,581 are Maori.

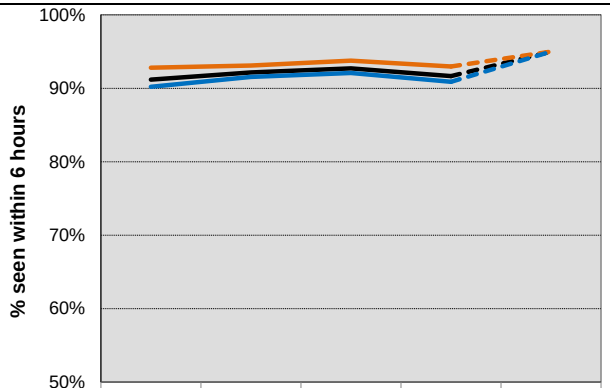
The data used here represents the targets set in each year's Annual Plan. These numbers do not represent total extra elective surgical discharges because every year MoH provides more funding for more procedures, and those amounts cannot be predicted. The most rational way of assessing NDHB's performance is against the targets agreed before the year starts.

Note: targets for 2018/19 are provisional.

Impact: More timely assessment, referral and treatment

Measure: 95% of patients will be admitted, discharged or transferred from and ED within 6 hours

Measure type: Timeliness



	2014/15	2015/16	2016/17	2017/18 to Q3	2018/19 target
Total	91.2%	92.2%	92.7%	91.7%	95.0%
Maori	92.8%	93.1%	93.8%	93.0%	95.0%
Non-Maori	90.2%	91.6%	92.1%	90.9%	95.0%

Rationale

ED length of stay is an important measure of the quality of acute (emergency and urgent) care in our public hospitals, because:

- EDs are designed to provide urgent health care; the timeliness of treatment delivery. and any time spent waiting, is by definition important for patients
- long stays and overcrowding in EDs are linked to negative clinical outcomes for patients such as increased mortality and longer inpatient lengths of stay
- overcrowding can also lead to compromised standards of privacy and dignity for patients (for example if corridor trolleys are needed to accommodate patients).

One of the six national Health Targets.

Outputs

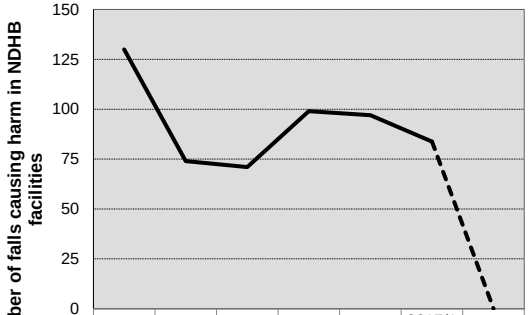
Emergency services provided by EDs at Whangarei Hospital, NDHB's most specialised ED, as well as satellite services at the other three hospitals in Kaitaia, Kawakawa and Dargaville.

Emergency department attendances for the year ended 2017/18 Q3 40,845.

Impact: Fewer adverse clinical events.

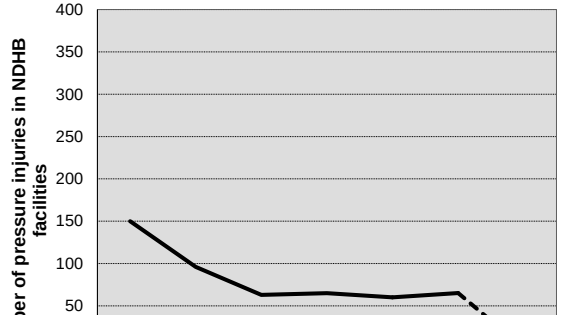
Measures type: Quality

Falls causing harm in NDHB hospitals



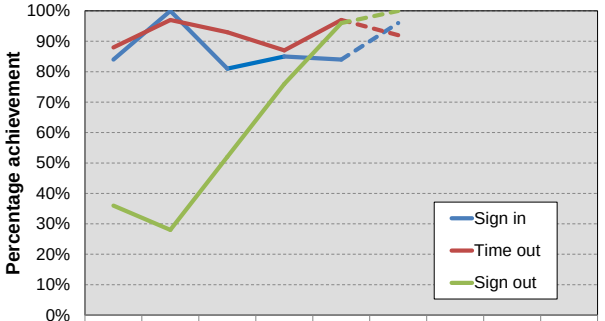
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 (Q3 extrap.)	2018/19 target
Harm from falls while in hospital	130	74	71	99	97	84	0

Pressure injuries in NDHB facilities



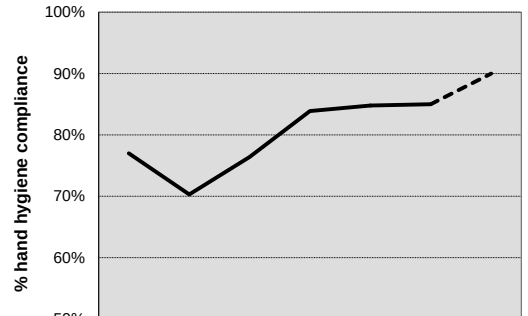
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 (Q3 extrap.)	2018/19 target
Pressure injuries	150	96	63	65	60	65	0

Surgical safety compliance



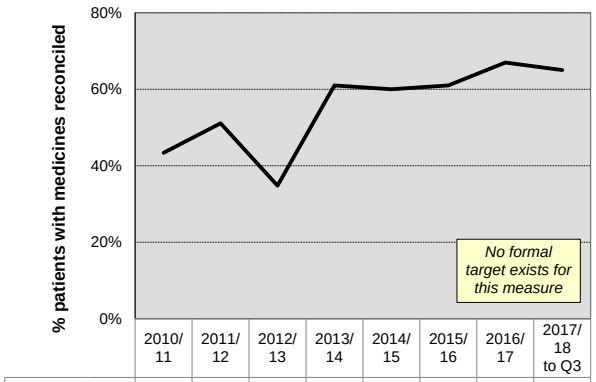
	2016/17 Q1	Q2	Q3	Q4	2017/18 Q1	Q2	Q3	Q4	2018/19 target
Sign in	84%	100%	81%	85%	84%	96%			100%
Time out	88%	97%	93%	87%	97%	92%			100%
Sign out	36%	28%	52.00	76.00	96%	100%			100%

Hand hygiene compliance



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 to Q3	2018/19 target
Hand hygiene compliance	77.0%	70.3%	76.4%	83.9%	84.8%	85.0%	90.0%

Medicines reconciled



	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18 to Q3
Reconciliations completed	43.4%	51.1%	34.8%	61%	60%	61.0%	67.0%	65.0%

Legend components:

Sign in: checks before surgery begins (patient identification, site of operation, allergies, anaesthetic checklist etc).

Time out: confirmation of operation details, possible concerns or unexpected steps, etc).

Sign out: instrument checks, specimens labelled, future plans etc).

Rationale

In the last decade considerable efforts have been made to improve the safety of healthcare. We know that if we cannot measure safety outcomes we cannot manage them, hence NDHB is actively working toward measuring outcomes as indicators of success.

These measures comprise key areas of known patient harm. They are reported to the Board and Clinical Governance on a monthly basis.

Outputs

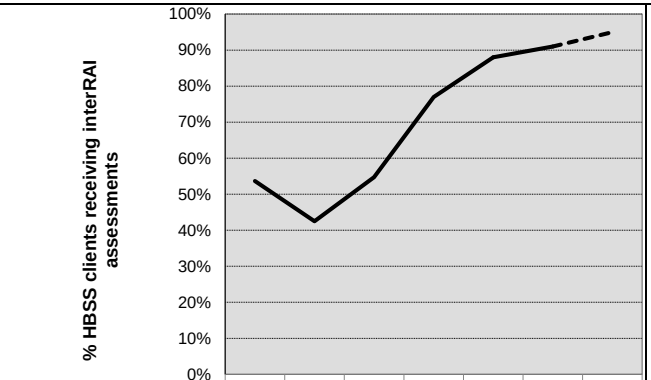
Advice and monitoring provided by the Quality and Improvement Directorate, which is overseen by the Chief Medical Advisor.

Output Class 4: Rehabilitation and Support

Impact: Older people requiring support or care receive services appropriate to their needs.

Measure: % Home and Community Support Services (HCSS) clients assessed using interRAI tool

Measure type: Coverage



	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 target
% receiving assessments	54%	43%	55%	77%	88%	91%	95%

Rationale

Older people who remain in the community with the assistance of home and community support services are more able to 'age in place' (that is, their lifestyle and supports are more appropriate to their needs, and they live safely and independently in the community). The more that happens, the less pressure there will be on hospital and aged residential care resources. Good quality clinical assessment for older people who live at home contributes to achieving these aims.

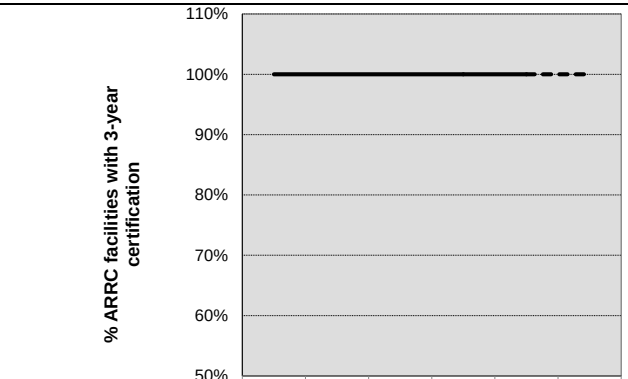
interRAI is collaborative network of researchers in over 30 countries who promote evidence-based clinical practice and policy to improve health care for persons who are elderly, frail, or disabled. InterRAI has developed assessment instruments for a range of populations in various areas of health care, including but not limited to home care and long term care facilities.

Outputs

1,951 clients who receive long term home based support services have ever been assessed using the interRAI Home Care or Contact Assessment tool as at Dec 2017.

Measure: % of HCSS providers certified

Measure type: Quality



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19 target
% HBSS providers certified	100%	100%	100%	100%	100%	100%

Rationale

Certification against the Home and Community Support Sector Standard (NZS 8158:2012) is aimed at ensuring people receive good quality support in their homes. The Standard sets out what people receiving home and community support services can expect and the minimum requirements to be attained by organisations.

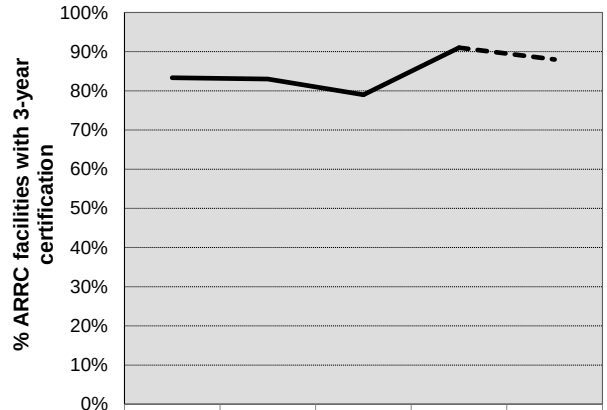
All NDHB home and community support services are certified, and Northland DHB ensures providers maintain their certification status.

Outputs

9 providers of home based support services, providing support to2,175 people in the community up to Dec 2017.

Measure: % of ARRC providers with at least 3-year certification

Measure type: Quality



	2014/15	2015/16	2016/17	2017/18	2018/19 target
% certified	83%	83%	79%	91%	88%

Rationale

Certification reduces potential risks to residents by ensuring providers comply with the Health and Disability Services Standards.

The period of certification for aged residential care providers reflects their risk level – the fewer the number and the lower the level of risks identified during audits, the longer the period of certification.

Outputs

Since 2010 a single audit process has encompassed DHB aged care contracts and MoH certification audits. DHBs on work with providers on corrective action plans to address any matters identified though the audits, monitor progress against the agreed corrective action plans, and manage risks that may arise.

In 2017/18 there are 24 facilities, of which 1 has new owners. Because new owners automatically receive a one-year certification irrespective of their quality of service, they aren't counted in the performance data. Of the remaining 23, 15 have 3-year certification and 6 have 4-year; 21/23 = 91%.

Financial Performance Summary

Statement of Financial Performance - By Output Class $000s	Intensive Assessment & Treatment	Early Detection & Management	Prevention	Rehabilitation & Support Services	Budget 2018/2019
DHB Provider Revenue	320,174	27,095	2,787	10,606	360,663
Other Provider Revenue	8,293	6,628	11,135	4,170	30,226
DHB Funder Revenue	90,962	121,663	10,712	69,647	292,985
Total SOI Revenue	419,430	155,386	24,634	84,423	683,873
Personnel Costs					
Medical Labour	68,317	6,815	1,531	34	76,698
Nursing Labour	85,071	7,751	1,900	5,102	99,823
Allied Health Labour	25,796	11,933	2,654	2,703	43,086
Non Clinical Support Labour	5,004	166	129	83	5,381
Management and Admin Labour	26,584	3,807	2,580	1,668	34,640
Non-Personnel Operating Costs					
Outsourced Services	23,006	3,354	978	607	27,946
Clinical Supplies	46,586	2,025	604	2,627	51,842
Infrastructure and Non Clinical	36,641	4,129	1,723	1,957	44,450
Finance and Capital Costs	7,333	776	272	360	8,741
Provider Payments					
Personal Health	75,989	116,255	5,363	1,018	198,625
Mental Health	13,665	2,601	0	0	16,266
Disability Support Services	161	0	0	76,198	76,359
Public Health	0	1,337	367	0	1,704
Maori Health	0	566	5,176	66	5,808
Total SOI Operating Expenditure	414,153	161,514	23,278	92,424	691,368
Surplus (Deficit)	5,277	(6,128)	1,356	(8,001)	(7,495)

Statement of Comprehensive Income

$000s

	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
DHB Provider Revenue	331,443	361,533	390,983	407,707	425,279	443,675
DHB Funder Revenue	259,196	272,492	281,457	293,672	306,417	319,716
DHB Governance & Administration	4,822	368	(0)	(0)	(0)	(0)
Inter District Flow Revenue	9,431	9,907	11,433	11,930	12,447	12,987
Total Revenue	604,892	644,300	683,873	713,308	744,144	776,378
DHB Provider Operating Expenditure	315,346	348,444	369,001	384,694	401,062	418,134
DHB Non Provider Funded Services	189,740	204,422	210,999	218,787	226,900	235,350
DHB Governance & Administration	3,872	325	383	400	417	435
Inter District Flow Expense	76,682	80,367	87,768	89,680	91,637	93,640
Total Operating Expenditure	585,639	633,559	668,151	693,561	720,016	747,560
Earnings before Interest, Depreciation, Abnormals & Capital Charge	19,252	10,742	15,722	19,747	24,128	28,819
Less						
Interest on Term Debt	643	71	502	524	547	570
Depreciation	12,767	12,993	14,496	15,125	15,781	16,466
Earnings before Abnormals & Capital Charge	5,842	(2,322)	724	4,099	7,800	11,782
Profit/(Loss) on Sale of Assets	-	-	-	-	-	-
Net Operating Surplus (Deficit)	5,842	(2,322)	724	4,099	7,800	11,782
Capital Charge	8,067	8,465	8,220	8,577	8,949	9,337
Surplus (Deficit)	**(2,225)**	**(10,787)**	**(7,495)**	**(4,478)**	(1,149)	2,445
Revaluation of Fixed Assets	0	(20,603)	0	0	0	0
Comprehensive Income	**(2,225)**	**9,816**	**(7,495)**	**(4,478)**	**(1,149)**	**2,445**

Statement of Movements in Equity

$000s

	2016-17 Audited Actual	2017-18 Forecast	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Equity at the beginning of the period	127,311	149,762	159,618	152,123	147,644	146,495
Surplus/Deficit for the period	(2,225)	(10,787)	(7,495)	(4,478)	(1,149)	2,445
Total Recognised Revenues and Expenses	125,087	138,975	152,123	147,645	146,496	148,940
Other Movements						
Revaluation of Fixed Assets	-	20,603	-	-	-	-
Other	26	(18)	-	-	-	-
Equity introduced (Repaid)	24,650	-	-	-	-	-
Equity at end of Period	**149,763**	**159,560**	**152,123**	**147,645**	**146,496**	**148,940**

Statement of Financial Position

$000s

	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Equity						
Crown Equity	40,355	65,005	65,005	65,005	65,005	65,005
Retained Earnings	2,390	(8,398)	(15,893)	(20,372)	(21,519)	(19,075)
Subsidiaries & unrestricted trusts	237	208	208	208	207	207
Revaluation Reserve	82,131	102,744	102,803	102,803	102,803	102,803
Capital Injections	24,650	-	-	-	-	-
Total Equity	149,763	159,560	152,123	147,645	146,496	148,940
Represented by:						
Assets						
Current Assets	41,388	30,706	23,786	19,897	20,776	26,811
Non-Current Assets	198,486	227,087	234,744	233,099	229,982	226,022
Total Assets	239,874	257,793	258,529	252,997	250,758	252,833
Liabilities						
Current Liabilities	74,765	83,301	83,463	83,068	82,485	82,485
Non-Current Liabilities	15,347	14,931	22,944	22,284	21,778	21,408
Total Liabilities	90,112	98,232	106,406	105,351	104,262	103,892
Net Assets	**149,763**	**159,560**	**152,123**	**147,645**	**146,496**	**148,941**

Statement of Cash Flows

$000s

	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Cash Flows from Operating Activities						
Operating Income	600,256	644,966	683,423	713,083	744,032	776,324
Operating Expenditure	592,811	632,610	675,350	702,351	728,965	756,897
Net Cash from Operating Activities	7,446	12,355	8,073	10,732	15,067	19,427
Cash Flows from Investing Activities						
Interest receipts 3rd Party	2,126	841	450	225	113	56
Sale of Fixed Assets	3	22	-	-	-	-
Purchase of Fixed Assets	(11,173)	(16,996)	(21,683)	(11,480)	(10,666)	(10,508)
(Increase)/Decrease in Investments and Restricted & Trust Funds As	12,226	(1,707)	(1,773)	(2,000)	(2,000)	(2,000)
Net Cash from Investing Activities	3,182	(17,840)	(23,006)	(13,255)	(12,554)	(12,452)
Cash Flows from Financing Activities						
Equity injections (repayments)	-	-	-	-	-	-
Borrowings introduced (repaid)	181	(712)	8,248	(1,055)	(1,089)	(370)
Interest Paid	(734)	(71)	(502)	(524)	(547)	(570)
Other Non-Current Liability Movement	25	-	-	-	-	-
Net Cash from Financing Activities	(527)	(783)	7,746	(1,579)	(1,636)	(940)
Net Increase/(Decrease) in Cash held	10,101	(6,267)	(7,187)	(4,102)	878	6,035
Add opening cash balance	2,606	12,707	6,441	(746)	(4,848)	(3,970)
Closing Cash Balance	12,707	6,440	(746)	(4,848)	(3,970)	2,066

Note: *Cash balance includes short term investments which are considered cash or cash equivalents*

Key Financial Analysis and Banking Covenants

	2016-17 Actual	2017-18 Forecast	2018-19 Budget	2019-20 Budget	2020-21 Budget
Financial Analysis					
Term Liabilities and Current Liabilities	90,112	98,232	106,406	105,351	104,262
Debt	2,487	1,775	10,024	8,969	7,880
Owners Funds	149,763	159,560	152,123	147,645	146,496
Total Assets	239,874	257,793	258,529	252,997	250,758
Owners Funds to Total Assets	62.4%	61.9%	58.8%	58.4%	58.4%
Interest Expense	643	71	502	524	547
Depreciation Expense	12,767	12,993	14,496	15,125	15,781
Surplus/(Deficit)	(2,225)	(10,787)	(7,495)	(4,478)	(1,149)
Interest Cover	17.40	32.24	14.94	21.33	27.77
Debt/Debt + Equity Ratio	2%	1%	6%	6%	5%
Banking Covenants					
Debt/Debt + Equity Ratio	1.6%	1.1%	6.2%	5.7%	5.1%
Interest Cover	17.4	32.2	14.9	21.3	27.8
Interest Cover Minimum	3.0	3.0	3.0	3.0	3.0

Consolidated Statement of Financial Performance ($000s)	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
MOH Devolved Funding	568,256	605,727	645,411	673,422	702,648	733,143
MOH Non-Devolved Contracts (provider arm side contracts)	14,716	14,471	14,588	15,221	15,882	16,571
Other Government (not MoH or other DHBs)	5,840	7,184	6,425	6,704	6,995	7,299
Patient / Consumer sourced	453	637	406	423	442	461
Total Other Income	4,945	5,048	4,420	4,367	4,434	4,566
InterProvider Revenue (Other DHBs)	1,251	1,327	1,190	1,242	1,296	1,352
IDFs - All Other (excluding Mental Health)	9,431	9,907	11,433	11,930	12,447	12,987
Total Consolidated Revenue	604,892	644,300	683,873	713,308	744,144	776,378
Personnel Costs	216,991	235,137	255,574	266,665	278,239	290,314
Outsourced Services	27,857	34,736	31,975	33,363	34,811	36,321
Clinical Supplies	50,318	53,117	57,064	59,219	61,461	63,794
Infrastructure & Non-Clinical Supplies	24,052	25,781	24,772	25,847	26,968	28,139
Finance Costs	8,710	8,535	8,722	9,100	9,495	9,907
Depreciation	12,767	12,993	14,496	15,125	15,781	16,466
Personal Health	180,573	186,749	198,630	203,984	209,519	215,242
Mental Health	14,245	15,964	16,266	16,972	17,709	18,477
Disability Support Services	64,471	74,638	76,359	79,673	83,131	86,739
Public Health	1,434	1,734	1,704	1,778	1,855	1,936
Maori Health	5,699	5,704	5,808	6,060	6,323	6,597
Total Operating Expenditure	607,116	655,088	691,368	717,786	745,292	773,933
Surplus (Deficit)	**(2,225)**	**(10,787)**	**(7,495)**	**(4,478)**	**(1,149)**	**2,445**

Provider Statement of Financial Performance ($000s)	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
MOH Non-Devolved Contracts (provider arm side contracts)	14,716	14,471	14,588	15,221	15,882	16,571
Other Government (not MoH or other DHBs)	5,840	6,824	6,425	6,704	6,995	7,299
Non-Government & Crown Agency Sourced	5,398	5,685	4,825	4,790	4,876	5,026
InterProvider Revenue (Other DHBs)	1,251	1,327	1,190	1,242	1,296	1,352
Internal Revenue (DHB Fund to DHB Provider)	304,238	333,227	363,954	379,750	396,231	413,427
Total Provider Revenue	331,443	361,533	390,983	407,707	425,279	443,675
Personnel Costs	215,492	235,137	255,574	266,665	278,239	290,314
Outsourced Services	27,021	34,736	31,975	33,363	34,811	36,321
Clinical Supplies	50,309	53,117	57,064	59,219	61,461	63,794
Infrastructure & Non-Clinical Supplies	22,523	25,455	24,389	25,447	26,552	27,704
Finance Costs	8,710	8,535	8,722	9,100	9,495	9,907
Depreciation	12,767	12,993	14,496	15,125	15,781	16,466
Total Operating Expenditure	336,823	369,973	392,218	408,919	426,339	444,507
Surplus (Deficit)	**(5,380)**	**(8,439)**	**(1,236)**	**(1,213)**	**(1,060)**	**(833)**

Governance Statement of Financial Performance ($000s)	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
Government & Crown Agency Sourced	4,822	368	(0)	(0)	(0)	(0)
Total Governance Revenue	4,822	368	(0)	(0)	(0)	(0)
Personnel Costs	1,498	-	-	-	-	-
Outsourced Services	836	-	-	-	-	-
Infrastructure & Non-Clinical Supplies	1,528	325	383	399	416	435
Total Operating Expenditure	3,872	325	383	399	416	435
Surplus (Deficit)	**950**	**43**	**(383)**	**(399)**	**(417)**	**(435)**

Funder Statement of Financial Performance ($000s)	2016-17 Audited Actual	2017-18 Audited Actual	2018-19 Budget	2019-20 Budget	2020-21 Budget	2021-22 Budget
MOH Devolved Funding	568,256	605,727	645,411	673,422	702,648	733,143
Inter District Flows	9,431	9,907	11,433	11,930	12,447	12,987
Total Funder Arm Revenue	577,687	615,994	656,844	685,351	715,095	746,131
Personal Health	437,845	470,476	510,011	528,879	548,515	568,950
Mental Health	54,766	58,193	61,006	63,653	66,416	69,298
Disability Support Services	69,995	80,913	83,220	86,832	90,600	94,532
Public Health	2,203	2,504	2,345	2,446	2,552	2,663
Maori Health	5,852	5,929	6,140	6,406	6,684	6,974
Other	4,822	368	-	-	-	-
Total Operating Expenditure	575,482	618,384	662,721	688,217	714,768	742,418
Surplus (Deficit)	**2,205**	**(2,390)**	**(5,877)**	**(2,866)**	**328**	**3,712**

Signatories

Her Majesty the Queen
In right of her Government of New Zealand
Acting by and through the Minister of Health

Sally Macauley
Chairman
Northland District Health Board

June McCabe
Chairman
Finance, Risk and Assurance Committee
Northland District Health Board

Dr Nick Chamberlain
Chief Executive
Northland District Health Board