NORTHLAND DISTRICT HEALTH BOARD ANNUAL REPORT 2021

Local Māori artists Ana Jakeman and Lenny Murupaenga spent two weeks constructing and shaping the 46-metre-long mural which wraps around the walls of the Tumanako entranceway.

Journey into Te Reo participants learning waka ama.

Presented to the House of Representatives pursuant to section 150 of the Crown Entities Act 2004

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

Reading our Annual Report

The annual report presents an account of Northland DHB's performance for the year from 1 July 2020 to 30 June 2021.

It sets out what Northland DHB committed to do in the year, and how we delivered on that commitment.

Each year, the board reviews progress on its vision and long-term strategy, and identifies what will be achieved over the next twelve months. This is documented in the Annual Plan.

A Statement of Intent is also prepared annually and is the formal accountability document between Northland DHB and the Government. It provides a concise summary of Northland's intentions for the year ahead, and covers both long-term and annual planning objectives.

This document, the Annual Report, tells you how Northland DHB performed against the Statement of Intent and Annual Plan. It provides a detailed account of how the health dollars allocated to this board were managed.

Key Components

Chair and Chief Executive Report A report from the chair and chief executive on the past year.

Introduction Northland District Health Board. A brief overview of Northland DHB's role, the district it covers, and resources it manages.

Statement of Performance A report on Northland DHB's performance against the targets set by the board, and agreed by the Minister of Health.

Highlights 2020 - 2021: A selection of highlights through the year.

Governance and Partnerships A report on how the board of Northland DHB is structured and operates.

Financial and Audit Reports The annual financial accounts of the organisation. Includes notes and disclosures regarding remuneration, dividend payments, and interest/shares in other organisations.

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MESSAGE FROM THE CHAIR & CHIEF EXECUTIVE

It has been an action-packed, unpredictable and extraordinary challenging year, dominated, once again, by the COVID-19 pandemic. The Auckland Region entered lockdown twice, in August–September 2020 and February–March 2021, severely impacting Northland across all sectors of the economy. The country then went for several months without any community transmission, with all cases restricted to the managed isolation system. However, in the latter part of the financial year, the more transmissible Delta variant, spreading worldwide, was poised to enter New Zealand. Thus, our attention was focused on planning and scaling up hospital, community and laboratory services for any impending community transmission.

Harry Burkhardt
Board Chair

Dr Nick Chamberlain
Chief Executive

Our public health, clinical, occupational health and laboratory response and support for COVID-19, including enhanced testing, vaccination clinics and mask fit testing on-site for staff, was second to none.

We take this opportunity to acknowledge and sincerely thank the members of our Board and advisory committees, our executive team and all our dedicated staff for their continued strong commitment to their roles during the year. Your resilience and mahi has been humbling. Healthcare continues to be challenging but working in health and influencing the health and wellbeing of others positively is also a privilege. We acknowledge that we are all doing everything possible to improve access and provide excellent, high-value healthcare to the Northland region.

Thank you to all those service providers, partners, volunteers, community groups, and caregivers who use their own time to support our work. Without your help, the Northland health care system wouldn't have the warmth, friendliness, extra care and compassion that it is known for. Our response to COVID-19 without your support would have been greatly hindered.

We want to record the appreciation of the Board to the Kaunihera Council of Elders (kaumātua and kuia) for their continuing support, advice and wisdom on matters of Tikanga Māori. We also acknowledge those staff who passed away during the year and give our heartfelt condolences to their family and whānau.

Despite a year of challenges, adversity and disruptions, which included a fire and flooding in Whangarei Hospital, we are pleased to acknowledge and celebrate our many successes. During adversity, we have diligently focused on the two key questions that motivate and inspire us: 'What are we (Northland DHB) trying to achieve'? And, 'how can we make a difference? It always comes back to our vision, 'A Healthier Northland, He Hauora Mo Te Tai Tokerau', our priorities, and our workforce and organisational culture.

We have been clear on our priorities throughout this financial year: they provided the pillars to our investment decisions. Moreover, the priorities have steadfastly aligned to our Statement of Intent with the Ministry of Health, which outlines our statutory obligations to the Crown, strategic intentions and performance expectations from 2019 to 2022. These priorities, along with respective achievements for the year, are interwoven throughout the annual report and include:

Māori health

Providing services close to home

- Workforce development and wellbeing. For example: safe staffing and expanding our wellbeing programme
- Completing our COVID-19 vaccination programme – achieving our target coverage and ensuring that that coverage is equitable for Māori
- Reducing the burden of non-communicable diseases—diabetes, renal disease, cardiovascular disease, and cancer
- Strengthening our public and population health services
- Catching up on our planned care
- Improving our other waiting times
- Investing in supporting and growing our general practice workforce, and
- Sustainability.

Given the circumstances, it's good to see the many non-COVID related achievements. These are outlined in the various sections of the annual report, and we encourage you to read them. They demonstrate what we have been fulfilling our mission statement, i.e. working together in partnership under Te Tiriti o Waitangi to improve: population health and equity, patient experience, staff wellbeing and sustainability, workforce capability, public value, and financial sustainability.

Underlying our achievements were a range of innovative programmes and initiatives, bolstered with teamwork, co-design, flexibility, partnerships, and hard mahi from all staff across areas such as Leadership, Accountability and Culture; Recruitment, Selection and Induction; Employee Development, Promotion and Exit; Flexibility and Work Design; Remuneration, Recognition and Conditions; Health, Safety and Wellbeing; and contracted services that provide a range of public health, primary healthcare, community services, and Māori Health care and Whānau Ora initiatives, across Northland.

We sincerely acknowledge, therefore, these achievements and efforts across our hospital and community services and the wider Northland community and beyond. No one can keep doing this on their own without the ongoing support from teams of clinicians, support staff, management, and their whānau, thus enabling us in 2020-21 to achieve much greater things than the sum of our individual actions.

Northland DHB (parent) has reported a total result deficit of $17.206m for the financial year to 30 June 2021. Within that result, our operating deficit for the year was $4.195m, which was unfavourable compared to our budgeted surplus of $24k, due mainly to a shortfall in planned care revenue earned. The major component of the total deficit was the increase in costs of $11.45m for the Holidays Act (2003) provision, which is a factor outside the control of the DHB. Total COVID-19 related costs were $10.645m, most of which was funded by the Ministry of Health, leaving net COVID-19 related expenses funded by the DHB of $1.561m.

Recovery from our previously capped funding, acute demand growth, and a number of crises and pressure points have also contributed to the deficit.

Our deficit puts pressure on our cash flow also leaves a problem for the following year, so achieving financial sustainability has always been the ultimate goal. Looking at the deficit, there is clearly a need for a significant increase in funding to achieve this sustainability. But we need to ensure we continue to be extremely frugal and good stewards of public funding whilst continuing to provide safe services for our staff and patients (while also investing upstream to eliminate inequities and move to a health and wellbeing model of healthcare). We are hopeful that the transition to Health New Zealand/Hauora Aotearoa in July 2022 will address this funding issue.

Māori health and our Te Tiriti obligations were always at the top of our minds. Throughout the year, we continued to focus on how we can improve Māori health and support our various providers and hospital and community staff to do better. The Board continued to be conscious of the need to significantly increase the number of Māori staff within our organisation and ensure they are supported.

The Annual Report highlights several Māori workforce development initiatives, such as the Te Tai Tokerau Rongoā Māori pilot programme at Kaitaia; and supporting Māori to transition into career health pathways, tertiary level health studies, and health sector employment through the national Māori Health Workforce Development programme—Kia Ora Hauora. In addition, our longstanding arrangement with the University of Auckland witnessed another cohort of 23 Year 5 and 6 medical students' progress through the Pūkawakawa programme. The programme theme this year was 'Engaging Effectively with Māori'.

The Government's changes to our Health and Disability System were well underway during the 2020-21 financial year. The final report of the Health and Disability System Review was released in mid-June 2020 and included a series of far-reaching recommendations. Cabinet decisions were made on policy design early in the year. In May 2021, recruitment commenced for the Ministerial appointments to the interim Health New Zealand/Hauora Aotearoa Board and the Māori Health Authority/ Te Mana Hauora Māori Board. The drafting of legislation was also well underway, along with some functions and government staff transferred to the interim entities.

The Board has been briefed on the up-and-coming health reform changes throughout the year. As of 1 July 2022, District Health Boards will no longer exist after a 21-year tenure. We have been heavily involved in some of the transition planning—not just for Northland's sake, but to assist in the hope that we get this once in a generation opportunity right. However, some key questions still need to be answered, and we need to ensure that Northland isn't forgotten, and in fact, becomes prioritised as a region.

Whilst the devil will be in the detail of how the system will be designed and implemented, we believe these changes will be better for Northland. There will be a single employer with greater consistency and a strong focus on equity and Te Tiriti partnerships. Our workforce challenges will be shared, and our funding challenges, as previously mentioned, will, hopefully, be addressed. We will call on expertise, capability and capacity when needed. There will be a greater focus on strong public health policy, a revamped primary and community health sector, and a greater focus on our local communities and what matters to them. Crucially, we will still have a local voice. We are optimistic about the new concept and hopeful of seeing a stream of resources flowing from Wellington up to Northland.

We are mindful that there is a lot of uncertainty and unanswered questions with this transition. We want to reassure staff that your jobs won't change very much at all for the vast majority of you, and there will still need to be a significant local presence across all the existing parts of our business.

In parallel with the Health and Disability System Review, we are moving forward with completing our own long-term Northland Health Strategy 20/40. It's been a strategy two years in its genesis, partly because of COVID-19, but also because we waited for some clarity from the Health and Disability System reform. We also wanted to consult widely, hopeful that everyone will see their place in it. We are really clear, however, that this is not a Northland DHB strategy. It's a health and social sector Northland strategy—broader than just health. We aim to hand over this strategy to the new organisation, Health New Zealand/Hauora Aotearoa, so they have some guidance around what is most meaningful and important to Northlanders—our communities, whānau, staff and other health providers.

Our internal patient survey results show that since 2016/17, the score on the overall question of "How would you rate your overall experience of being here?" has increased from 64 percent to 76 percent. Across all the detailed questions in the patient survey, the average positive response has risen steadily from 73 percent in 2016/17 to 93 percent in 2019/20, with a slight drop to 83 percent in 2020/21. The suggested reason for this variation is outlined in the annual report. However, we are cognisant that under such an extraordinarily difficult year, staff have also been challenged by the uncertainty and unpredictability of the COVID-19 pandemic, both nationally and internationally.

Whangarei Hospital Celebrated its 120th Anniversary with new development plans revealed during the year. A group of current and former staff, who worked in the Hospital during its many life stages, cycles and hectic renovations, were invited to a morning tea on Wednesday 31 March 2021 to celebrate the anniversary, which officially fell on Sunday 4 April 2021.

Whangarei Hospital's new Cardiac Catheter Laboratory and two new Operating Theatres were officially opened by Minister of Health, Hon Andrew Little, on 7 May 2021. The two new Operating Theatres are critical to meeting the Northland DHB's unprecedented growth for acute medical and surgical services.

The opening of these two facilities means Northlanders can be treated and cared for closer to home. Moreover, the Laboratory and Theatres will help the Board to fulfil its obligation to deliver health equity and provide the same level of care to everyone, no matter where they live.

There are many other building projects underway, and we are also completing the detailed business case for the Whangarei Hospital redevelopment. Our focus on infrastructure investment is designed to meet the future needs of Tai Tokerau.

We also started planning for shared waiting lists with Auckland and Waitematā DHBs for our longest waiting patients and will continue to progress this to supplement capacity in Northland further. We acknowledge the mahi of the Projects Team in managing and delivering the new facilities, well under the cost of comparable projects in other regions despite the significant curveball of a global pandemic.

We also acknowledge the great work our Sustainability Team and other staff across the DHB are doing to reduce our carbon footprint. Since 2016, there has been good progress in reducing emissions by 16 percent, which is a seven percent improvement over the last 12 months. A crucial emission reduction project was the conversion of diesel boilers to electric heat pumps in all the district hospitals with the help of Energy Efficiency and Conservation Authority (EECA) loans.

This has saved over 200,000 litres of diesel and around $300,000 per year in operational costs. Our Surgical Department has made significant reductions in the use of medical gases, particularly Desflurane, and worked on other initiatives. We were allocated, from Government, $4M for our electric fleet, which will enable us to replace expiring leased petrol vehicles with 150 electric vehicles. It's great to see we are doing so well in this area.

As you read through the achievements outlined in the Annual Report, please take time to reflect and celebrate all our successes this year during, arguably, the worst global pandemic the world has ever experienced. Adversity brings people together. To your work colleagues, whānau, friends and loved ones, you will be able to say: I was a valuable part of the Northland team that bravely faced down and held back COVID-19 from devasting our beautiful region and population. Kia a kaha.

Harry Burkhardt
Board Chair

Dr Nick Chamberlain
Chief Executive

ABOUT NORTHLAND DHB

Who we are and what we do

Northland DHB is categorised as a Crown Agent under section 7 of the Crown Entities Act 2004. Responsible for providing or funding health and disability services for the people of Northland, the DHB covers a large geographical area from Te Hana in the south to Cape Reinga in the north. The DHB employs 3,368 staff. Acute services are provided through the DHB's four hospitals, based at Whangarei, Dargaville, Kawakawa and Kaitaia, with elective surgery performed at Whangarei and Kaitaia. These services are supplemented by a network of community-based, outpatient and mental health services, a range of allied health services, and a public and population health unit. Some specialist services, like radiation treatment and neurology services are provided from Auckland or through visiting specialists travelling to Northland. The DHB allocates funding across the health sector in Northland, contracting with a range of community-based service providers such as Mahitahi Hauora, our single Primary Health Entity, dentists, pharmacies and other non-government organisations.

Our Health Profile

Māori

Māori experience low health status across a range of health and socio-economic statistics. They comprise over one-third of Northland's total population, but 54 percent of the child and youth population, a key group for achieving long-term gains. Māori experience early onset of long-term conditions like cardiovascular disease and diabetes, and their life expectancy is about eight years less than non-Māori.

Child and Youth

The child and youth proportion of Northland's population is projected to decline over the coming years from 32.2 percent in 2018 to 30.7 percent in 2028 but remains a priority because healthy children make for healthy adults and because children are more vulnerable than adults.

The deprivation index, which divides the population into ten groups according to their deprivation scores, placed 80 percent of Northland's child population on the most deprived half of the index.

Older People

In 2020, 20 percent of our population was aged 65 or more; that is projected to rise to 28 percent by 2028 (when the national figure will be only 21 percent). The ageing population places significant demands on health services provided specifically for older people (residential care, home and community support services, day care). It also increases the prevalence of long-term conditions that become more common with age.

Long-Term Conditions

About three-quarters of deaths in Northland are from cardiovascular disease (heart disease and stroke) or cancer (most commonly trachea-bronchus-lung, colorectal, prostate and breast).

Twenty percent of adult Northlanders have been told they have high blood pressure and 11 percent that they have high cholesterol, both known risk factors for cardiovascular disease.

Although diabetes is not a major killer itself, it is a primary cause of heart disease. A great deal of unnecessary illness and hospitalisation is related to poor management of diabetes.

Oral Health

Northland's Year 8 students have a higher number of decayed, missing or filled teeth (1.15 compared with 0.73 nationally). Our 5-year-olds have one of the lowest percentages of teeth without tooth decay (42 percent compared with 55.1 percent nationally).

Lifestyle Behaviours

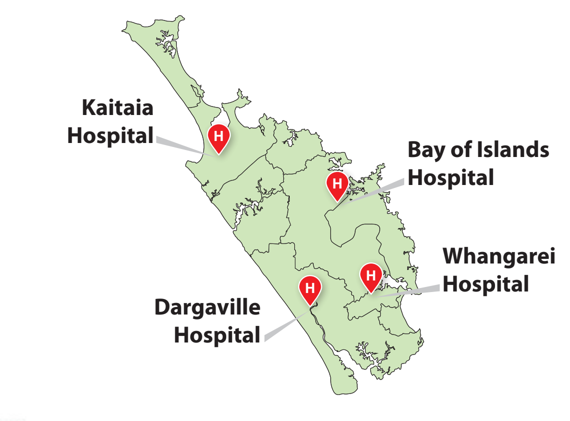
The way people live their lives and the behaviours they exhibit have an enormous effect on health status. There are many influences, but key ones are smoking, diet, alcohol and other drugs, and lack of physical activity.

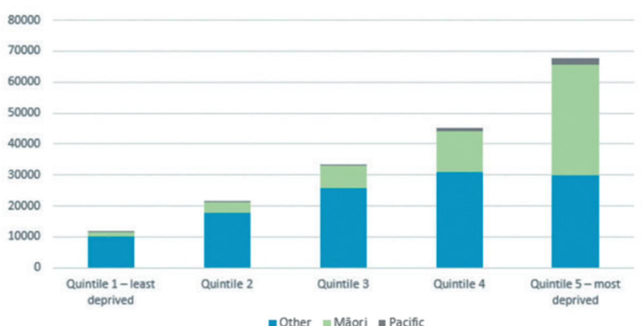
Social Influences

Many of the causes of ill health rest with social and economic factors such as housing, education and economic prosperity. The health sector cannot affect these directly, but as a DHB we work collaboratively with other government and local body organisations to achieve a healthier Northland.

Deprivation, 2020/21

Deprivation, 2020/21 Northland has a very high proportion of people in the most deprived section of the population while the least deprived section is under-represented.





Ref: Ministry of Health website Population of Northland DHB - Deprivation is reported in 'quintiles.' Quintile 1 represents the least deprived section of the population while quintile 5 represents the most deprived section.

WHERE THE MONEY GOES

$443m

Whangarei, Dargaville, Bay of Islands and Kaitaia Hospitals (surgical and medical services, emergency departments, imaging, laboratories, maternity), public health.

$82m

Primary Health (general practitioners, community dental services, radiology)

$82m

Health of older people (including residential care, rehabilitation)

$63m

Mental Health Services

$10m

Māori health services

$44m

Community pharmacies

$8m

Community laboratory services

$90m

Inter-district flows (publicly-funded health services paid to other district health boards and others for services provided to Northland patients)

Total $822m

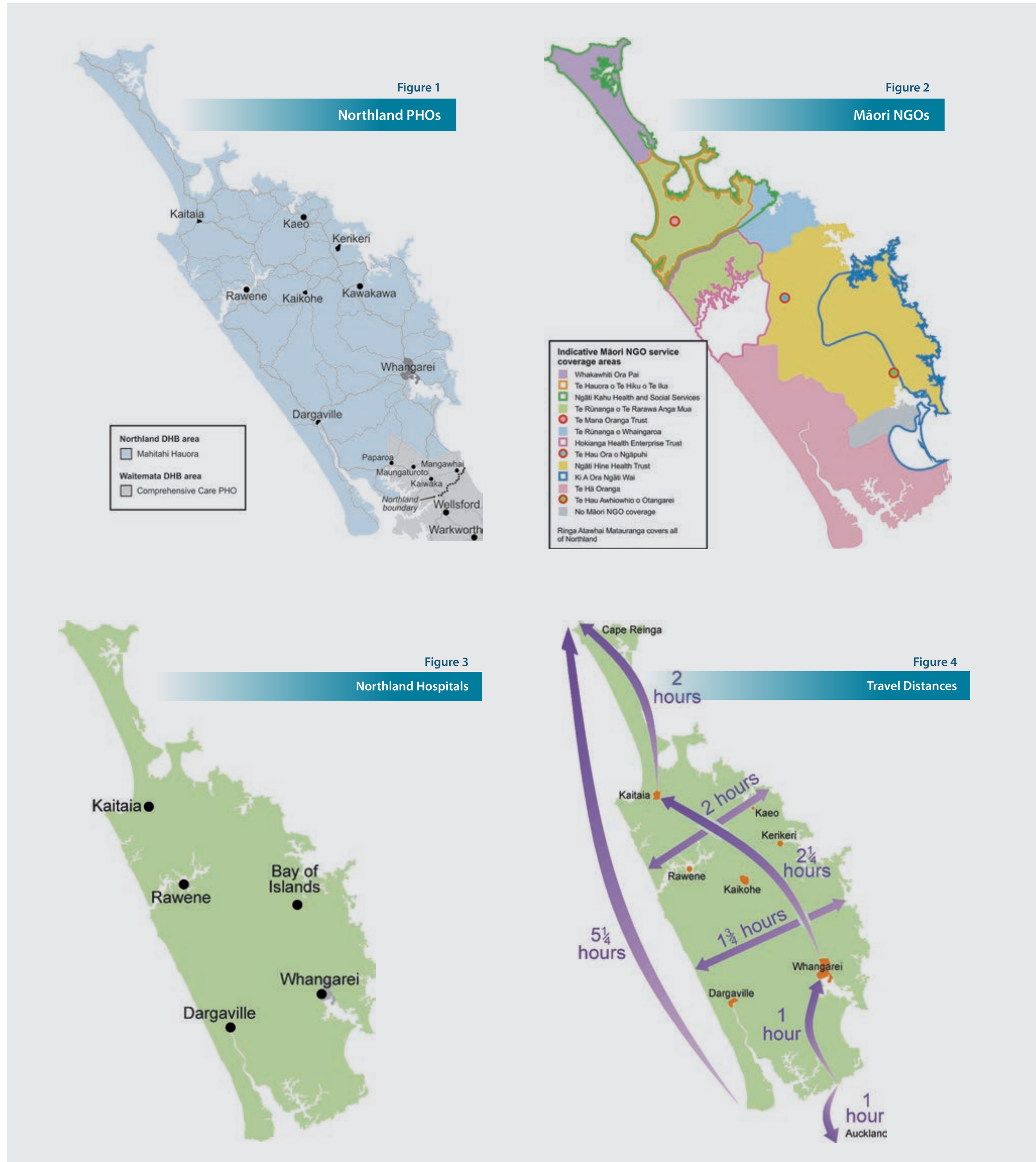
EACH DAY IN NORTHLAND

On average, each day in Northland there are:

OUR SERVICES

There are currently 152 GPs and 167 practice nurses across 38 general practices providing primary healthcare to Northlanders enrolled with Mahitahi Hauora Primary Care Entity, and non-enrolled and non-resident patients.

Northland DHB has 351 contracts with 159 non-government organisations (NGOs) including Māori Health providers and Whānau Ora collectives that provide a range of public health, primary healthcare and community services across Northland.



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

OUR PEOPLE

He whakapapa, he mokopuna, he tamariki, he mātua, he tūpuna. He aha te mea nui. He tāngata, he tāngata, he tāngata.

Our people are central to all we do. Our people are what drive our organisational culture. The five organisational Values are what we pride ourselves on. They are the foundation of our culture that we continue to build on.

Demographics

Northland DHB workforce profile	Total workforce 3,661 active employees	
Age profile	Female average age Male average age	46.23 years 45.90 years
Ethnic profile	Māori Pasifika Asian Other Not stated	18.08 percent 1.23 percent 12.40 percent 65.09 percent 3.20 percent
Gender profile	Female Male	2,954 employees (80.7 percent) 707 employees (19.3 percent)

Leadership, Accountability and Culture

Northland DHB strives to provide an organisational culture that has strong leadership and accountability. A culture where everyone can contribute to the way the organisation develops, improves and adapts to change. Northland DHB is committed to meeting its statutory, legal and ethical obligations to be a good employer.

Collaboration and leadership is encouraged across services, occupational groups and supported at all levels of the organisation. This multi-disciplinary approach contributes significantly to staff engagement, innovation and a sense of belonging. As our people are our most valuable resource, staff safety, health and wellbeing is paramount.

A key focus and priority for Northland DHB is achieving equity within the New Zealand health system. We require our workforce to be mindful of this. Evidence shows patient outcomes improve when they are treated with a higher level of cultural safety, and cared for by a skilled workforce that reflects the community we serve.

This year the Board and Executive Leadership Team acknowledged the misinterpretation of the agreement recorded in Te Tiriti o Waitangi. Since 2014, the Waitangi Tribunal has upheld their claim that the treaty their ancestors signed, confirmed and guaranteed their tino rangatiratanga and that no cession of sovereignty had taken place for Māori of Te Tai Tokerau.

Therefore Northland DHB now uses Te Tiriti and/or Te Tiriti o Waitangi to replace and dispel any further use of The Treaty of Waitangi. Use of Te Tiriti and/or Te Tiriti o Waitangi replaces the 'principles' with the original four articles in the Tiriti document itself.

The DHB's positive relationship with its union partners remains. A Bi-Partite Forum meets regularly and remains integral to maintaining a cooperative working environment. The objective of the forum is for on-going constructive engagement between Northland DHB and the unions that represent its employees.

Northland DHB continues its commitment to its sustainability responsibilities whereby there is continuous focus on reducing carbon emissions from operations.

A further commitment for 2020 has seen the Chief Executive and Executive Leadership Team sign up to the national Accessibility Tick programme. This programme is designed to support the organisation to become more accessible and inclusive employer. The programme has been designed in consultation with a broad range of New Zealand employers and disability sector experts.

Achievements in 2020-21 include:

- There were 20 leadership initiatives with a 116 attendees over the last 12 months
- A series of education interventions have been developed to feed into the 'achieving equity' programme of work:
  - o 78 hiring managers attended the 'Achieving Equity' workshop
  - o 221 participants completed the online 'Achieving Equity' module
  - o 70 staff attended the Revisiting Te Tiriti and Disrupting Institutional Racism delivered by Associate Professor Jacquie Kidd and Dr Heather Came
  - o A regular 10 week 'Journey into Te Reo' course which has been oversubscribed.
- A number of initiatives have been put in place to reduce carbon emissions:
  - o Contributed to organising the Sustainable Healthcare conference in Wellington
  - o First benchmarking of carbon emissions across 12 DHBs
  - o Letter to Hon. Andrew Little on behalf of the Sustainable Health Sector National Network requesting for integration of climate change programme in Health NZ. Have subsequently been asked to join the Transition unit on climate change
  - o Reprocessing of Hovermatts on Surgical Wards to avoid waste going to landfill, reduce transport emissions and strengthen supply chain
  - o Introduction of 150 Electric Vehicles into the fleet
  - o Nominee for the Northland Regional Council Environmental awards
  - o Newly created annual minor works budget to fund sustainability initiatives within our facilities.

Recruitment, Selection and Induction

Northland DHB remains committed to supporting more Māori into Northland DHB's workforce. Northland DHB is committed to encouraging more Māori into health and disability fields. This applies particularly to areas where Māori are under-represented as health professionals and over-represented in their health needs. Our objective to grow the capacity and capability of our Māori workforce' has led to a number of development projects which have been implemented with much success.

Northland DHB is the Northern regional lead for the national Māori Health Workforce Development programme – Kia Ora Hauora (KOH). The northern region encompasses Counties Manukau DHB, Auckland and Waitematā DHBs and is the highest performing region in the country. Thirty-nine percent of the KOH northern membership lies within Northland DHB. As at 30 June 2021 the KOH national membership was sitting at 4,282. The Northern region makes up thirty-four percent of the total membership with 1447 members and maintains the largest database across the country at this time.

Sixty percent of the northern regions' membership are made up of people aged 25 years and under and sixty-eight of the members are in tertiary education settings.

Kia Ora Hauora regions have three targets that they must meet quarterly and/or annually. These are:

1. Annually recruit 160 new Māori into the health career pathway programme. As at 30 June 2021 the northern region has recruited 377 new Māori to the programme
2. Support 40 Māori to transition into tertiary level health studies annually. As at the 30 June 2021 the northern region has supported 183 members to transition to tertiary education
3. Support 40 Māori to transition into health sector employment. As at 30 June 2021 the northern region has supported 40 members to transition to employment. In addition we have offered $16,000.00 to Māori experiencing financial barriers to transitioning to employment. For example, final exam fees, national registration fees, tools for the trade, further training.

Our longstanding arrangement with the University of Auckland witnessed another cohort of 23 Year 5 and 6 medical students' progress through our Pūkawakawa programme. The programme theme this year was Engaging effectively with Māori. Students were given opportunities to experience, explore, define and create their own interpretation of Māori advancement in the context of health. Emphasis was placed on a Kaupapa Māori approach to health and Māori perspectives on health. This will be achieved through dynamic and authentic learning experiences.

Attract, recruit and develop a talented workforce strategic objective underpins our commitment to future proofing our service delivery. This has led to a number of initiatives in the recruitment improvement project to streamline the staffing process.

Achievements in 2020-21 include:

- Kia Ora Hauora have launched the KOH Connect portal. The concept and design for the KOH Connect Portal was developed by Kia Ora Hauora and sponsored by Tumu Whakarae (GM Māori network) as a response to the national workforce strategies to increase Māori capacity in the health and disability sector. The portal was launched in Christchurch, February 2020 by the Honourable Minister, Peeni Henare and will enable national DHB access. The portal holds a number of KOH qualified and near graduation Māori profiles. These members have been supported throughout their study to achieve qualification and employment. Hiring Managers can register with the KOH portal to actively recruit Māori
- The annual Pihirau Scholarship opens in March and this year we had 31 applicants with 27 of those being successful. These scholarships support tertiary retention with the fee paid directly to the tertiary provider against their annual programme fees. A total of $55,000.00 was awarded this financial year
- KOH northern also provides tertiary support packages. The intention is to reduce barriers for Māori accessing tertiary study and receiving qualification. Packages include laptops, travel assistance and accommodation grants (if staying in tertiary accommodation). KOH northern provided 10 laptops, $2,320 in travel assistance, and $4,000.00 in accommodation support
- Pūkawakawa Wānanga – successfully delivered noho marae with 23 Year 5th and 6th year student doctors
- In 2021, the Executive Leadership Team and Board committed to supporting Project SEARCH initiative in Whangārei and Te Tai Tokerau for the rollout of the first cohort to be launched in February 2022
    - o Project SEARCH is a programme aiming to break down barriers for disabled New Zealanders who want to enter the workforce. The programme directly encourages a collaborative, partnership approach to the transition from school through industry-based vocational training that leads to employment
    - o The programme is an employer led one-year internship programme for students with learning disabilities in their final year of school (18-22 years). It is targeted to students whose goal is competitive employment utilising the skills they learned during the programme.
- 575 new employees have been welcomed through the online learning module Getting Started at Northland DHB. The purpose of this module is to support a smooth transition into the organisation with a focus on our Values, population and overview of where to go for key information. This flexible approach fits well in our current uncertain COVID-19 world
- Recruitment Improvement Project
    - o Reviewed and replaced the approval process required to raise a vacancy and obtain approval to appoint to a new or replacement role
    - o Restructured recruitment model in order to shift to a Recruitment Partnering Model allowing the Recruitment team to bring the following functions in-house:
        - Advertising (including obtaining job briefings, drafting advertisments and sourcing strategies)
        - Candidate screening.
    - o Developed Candidate tracking system and reporting function within the SMO team to improve transparency and visibility of candidate journey
    - o Completed review of current Recruitment ATS (Applicant Tracking System). Supporting transition onto a new platform supported by TAS (via Kiwihealth jobs)
    - o Reviewed and updated content for the Recruitment Toolkit for both General Recruitment and SMO recruitment. The content is currently under review by key Stakeholders and will provide guidance for hiring Managers covering the end-to- end recruitment process
    - o Collaborated with key stakeholders to re-design the interview template (currently in testing phase). This has been a key driver to support the Objectives of Achieving Equity and commitment to increase the number of Māori employees within Northland DHB.

OUR PEOPLE

Employee Development, Promotion and Exit

We support staff to participate in various internal and external training courses, conferences, workshops, and other developmental opportunities to build capability and support career and personal development objectives. We provide medical staff with continuing medical education (CME) support and nursing and midwifery staff with professional development recognition programmes. Health Workforce NZ funding continues to be provided for postgraduate study for nursing and midwifery and the non-regulated workforce. The Workforce Development & Wellbeing department offers a range of professional and personal development training opportunities.

Northland DHB has put 'Achieving Equity' front and centre and has undertaken several moves that demonstrate accountability to this kaupapa, especially under employee development. For example, Te Kaupapa Whakaruruhau / The Māori Health Cultural Quality Programme provides opportunities to gain cultural competencies. Northland DHB has also committed to implementing an equity lens over all organisational training.

E-learning development and implementation continued to enable greater access to our primary healthcare and community partners to share learning, communication, knowledge transfer and skill development. This supports best practices across Northland DHB and the wider health sector.

Northland DHB's turnover has increased from 9.9 percent to 10.6 percent. The national average is 12.4 percent.

An improved Exit Survey was implemented, enabling more accessible access for staff to provide feedback when leaving the organisation or transferring to another department.

Since implementation, the survey has been updated to include ethnicity, which will provide analysis regarding leaving reasons and enable the DHB to action solutions to retain our staff where possible.

Achievements in 2020-2021 include:

- 65 internal organisational course events in 2020/21 were provided, seeing 2,393 overall attendances. Courses included cultural, leadership and communication skills. These courses are also open to Hospice and our PHE partners
- 66 e-learning courses specifically for the Northland workforce, these range from clinical and non-clinical
- 8 national e-Learning courses that we are utilising
- With 12,139 completions over the last 12 months. The Northland workforce has wider access to other DHB e-learning courses within the Ko Awatea network
- Tū Tira (meaning Stand Together) is a professional development opportunity where Kaimahi Māori can come together to share aspirations, achievements, successes and build on current capabilities. The annual Symposium planned and delivered by Tū Tira was supported and sponsored by Te Poutokomanawa, Māori Health Directorate.
    - This year's programme of presenters and breakout sessions aimed to build on the success of last year's inaugural event. Tū Tira's focus on building the capability of our Māori workforce was reinforced by this year's theme "Home Grown"
    - The kaupapa Māori event is important as it recognises the organisation's commitment to Te Tiriti. It builds on the organisation's cultural capacity and acknowledges Kaimahi Māori are essential to improving health outcomes within our rohe.
- Review of Te Kaupapa Whakaruruhau and redesign of mandatory workshops 'Honouring Te Tiriti' and 'Engaging with Māori'
- 'Journey into Te Reo' language evening course has been oversubscribed from a wide range of staff
- Once again, the JRBM Scholarship has been generously offered to Northland DHB employees to undertake health-specific undergraduate studies with an accredited education provider
    - This year we received 11 applications, and the panel members were impressed with the high standard of all of them
    - We were very happy to announce that three Northland DHB employees, all Māori, received the Scholarship this year.
- A previous recipient of the JRBM Scholarship was recommended for a BM Hons intensive 18-month academic pathway by Auckland University after completing the new entry to specialist practice (NESP): mental health and addiction nursing programme
- The Faculty of Medical and Health Sciences at the University of Auckland acknowledged and awarded two Northland DHB clinical teachers for their outstanding and valuable teaching contributions in their respective fields at the Distinguished Clinical Teacher Awards in March 2021
- Northland DHB anaesthetic technician's (ATs) proved their talents are endless after successfully pulling off what their colleagues around the country have called one of the best New Zealand Anaesthetic Technician Society (NZATS) conferences ever, in Waitangi, November 2020
    - The NZATS Conference is usually held in larger centres, so this year's new location saw ATs flock to the Bay of Islands for the event. They had roughly 75 delegates on any given day, from 37 institutions, encompassing both public and private institutions. Unfortunately, the Australian and the Pacific Island ATs were unable to attend due to COVID-19
    - The conference's theme, 'Balance is Life', was well supported and helped them form the programme plan to include plenty of time for activities to make the most of the beautiful location, which they are all proud of and were happy to share.
- The average length of service at Northland DHB is 7.3 years.

Flexibility and Work Design

The tsunami threat, national COVID-19 Alert levels and various industrial actions has seen the DHB move into an Incident Management phase on more than one occasion in the last 12 months. During these phases many initiatives were either established or enhanced in order to support the wellbeing of our workforce and community.

Northland DHB also sought to assist its colleagues at the Auckland DHBs while they were in Level 4, re-deploying 20+ staff members to the region for several weeks during this challenging time.

Northland DHB operates 24 hours a day, seven days a week, providing full-time and part-time opportunities. Flexible work hours based on employee needs and the requirements of the position are available. Any specific impairment is recognised and is suitably provided for where possible.

Northland DHB has fostered an environment where our key partners can evolve the development of the primary care health system across Northland that eliminate health inequities for Māori, promote wellbeing and self-determination, provide value to the system and measure success through achieving population outcomes across a health and social care spectrum.

Northland DHB continues to be committed to a holistic primary-secondary partnership. This includes working closely with the PHE Mahitahi Hauora which was formed from representatives of the previous PHO boards as well as community and iwi representatives and the DHB Chief Executive as a non-voting member.

Achievements in 2020-2021 include:

- During the Alert Level 4 in 2020 a project was initiated to create an interactive deployment tool that could enable rapid scalability
  - A group was tasked by the Incident Management Team and the Chief Medical Officer to develop an application that would create visibility across the workforce for redeployment requirements
  - The Staffing Deployment application is a 24/7 centralised system that enables rapid search and deployment across the whole system (or deploy to other regions) to equip our organisation for scalability, be it across changing alert levels or during a mass casualty. This offers granular visibility, is easy to use, based on Northland DHB allocation processes, flexible and secure.
- The Our People and Capability service were deployed to provide IMT Welfare support during the June 2021 NZNO strike. The team were responsible, with IMT Planning, Logistics and Operations, to ensure Contingency Support cover during the 8-hour strike across three shifts
- Deployment centres were established, and 'volunteers' were briefed and provided with information to ensure a smooth transition to the various wards
- The Calderdale Framework (CF) is a clinically led workforce development tool to facilitate a 'best for the patient, best for system' approach. It provides a delegation model for assistants and other support workers, and a workforce model for skill sharing across professions in the team, leading to improved workforce efficiencies
- Across Northland DHB, 20 CF Facilitators across two cohorts have been trained over the past two years. The Facilitators work across several professions, including Physiotherapy, Occupational Therapy, Nursing and Psychology
- Eight Cohort 1 Facilitators were congratulated in March for completing their training and became fully credentialed as Calderdale Framework Facilitators
- Across Northland, five Calderdale Framework projects have been implemented, with several outcomes achieved across various services. In Public Health, Kaiāwhina were upskilled to throat swab children who reported having a sore throat, freeing from public health nurses (PHNs) for other duties. This project's outcomes included increased job satisfaction for both Kaiāwhina and PHNs and reduced FTE cost, which enabled two more Kaiāwhina to be employed to support throat swabbing
- Another example is Northland DHB's Paediatric Speech-Language Therapy (SLT) service, where the preparation time before starting the Videofluoroscopic Studies of Swallowing was delegated to a healthcare assistant, saving 13.5 hours of SLT clinical time during 2020 despite resource constraints and COVID-19 impact. There was an increase in studies by 42 percent from 2019 to 2020. Waiting time for studies requested before June 2020 averaged 182 days, and after this date, it reduced to an average of 34 days
- At the moment, 15 CF projects are underway and at various stages of implementation. There are several projects in the pipeline awaiting facilitator availability
- A telehealth emergency triage and clinical support service was trialled in the rural hospitals, which provides after-hours support to the rural hospital clinical teams. The Emergency Consult system enables access to specialist advice and has been shown to support clinical teams to better manage workloads as well as support more efficient patient flow
- Paediatric telehealth outpatient clinics were and continue to be trialled with new service design to create more opportunities to connect with patients and whānau. Results show this new approach makes a significant difference in clinic attendance and the provision of options for access to healthcare for Northlanders. Learnings are informing ongoing utilisation in Child Health and strategic planning for the adoption of telehealth across the organisation.
- The telehealth services continue to use the mobile RITA (Rapid Information Telehealth Assessment) acute care telehealth network
- Zoom video conferencing continues to be well embedded for staff use for non-clinical and clinical (telehealth) communications. Upgrades to the meeting room and some hospital clinical areas have kept pace with the growth in demand for supporting team communications.

OUR PEOPLE

Remuneration, Recognition and Conditions

Northland DHB adheres to the good employer requirements in section 118 of the Crown Entities Act 2004 which covers:

- Good and safe working conditions
- An equal employment opportunities programme
- The impartial selection of suitably qualified persons for appointment
- Recognition within the workplace of the aspirations and needs of Māori, other ethnic or minority groups, women and people with disabilities and/or impairments.

The concept of the 'good employer' is bound up with the principles of natural justice and requires employment procedures to be 'fair in all circumstances'. Northland DHB recognises that all individuals and groups should have opportunities without barriers or biases.

Northland DHB's workforce is covered by 23 collective employment agreements. This increased from 22 in the previous year. A smaller proportion of staff are on individual employment agreements. Transparent job evaluation criteria, developed in consultation with relevant unions, are in place for a range of employee groups. This includes specific merit programme criteria which are available for most employee groups.

Northland DHB has participated in the national Pay Equity process. The Equal Pay Amendment Act 2020 has provided principles and allowed for a framework which addresses systemic gender based pay discrimination in female dominated roles. This is a collaborative process between the unions and DHB employers. Pay equity claims have been lodged by unions for the Clerical/Administration, Allied/Technical, Nursing and Midwifery work groups.

In 2021 there was an interim settlement for the Clerical and Administration work group that saw the majority of employees in this workforce receiving an interim adjustment to salary.

Achievements in 2020-2021 include:

- International Nurses Day and International Day of the Midwife was recognised and celebrated in May 2020 with care packages being distributed throughout the DHB. The theme for this year's International Nurses Day is 'Nurses: A Voice to Lead – A Vision for Future Healthcare'
- Catering for our growing population needs requires improved working conditions for staff and patients alike. Over the last twelve months the following new units have been established
    - Wahi Arotake, Assessment Unit
    - Cath Lab
    - Wāhi Tirohia Oranga Whēkau, the new Endoscopy suite
    - Theatre extensions
    - Two 2-bed transitional rooms and new ultrasound room for Te Kotuku, Maternity Unit
    - Rongoā clinic space at Bay of Islands Hospital.
- A suitable enhancement to Tumanako, the inpatient mental health unit and Whangārei Hospital introduced a 46-metre long mural by local Māori artists. The mural is about the light. It is about the light that existed before time and the light that provided when Ranginui and Papatūānuku separated.
- The National Holidays Act compliance project has three key aspects:
    - **Review** – identifying non-compliance
    - **Rectification** – fixing areas of non-compliance to enable compliance with the Holidays Act moving forward
    - **Remediation** – the calculation of what was paid to employees compared to what should have been paid under the now agreed MOU (what compliance looks like for DHBs) between the DHBs UNIONS and MBIE
    - Northland DHB have completed the Review phase and have had sign off from the labour inspector for both the Review and Rectification stages of the project Northland DHB are working closely with the unions and other DHBs to resolve a number of national questions which will enable the completion of the project at Northland.

Harassment and Bullying Prevention

Northland DHB's zero tolerance to bullying and harassment is reinforced by its Managing Unacceptable Behaviour in the Workplace Policy. This supportive document provides all staff with clear guidelines.

The 'DATIX' electronic reporting tool continues to be the vehicle for reporting incidents of alleged violence, bullying and harassment. We have continued engagement with our union partners to refine and increase confidence in the tools and process to ensure that all employees are safely able to raise concerns.

Achievements in 2020-2021 include:

- New Eliminating Racism policy has been developed and established
- An external review of the bullying and harassment policies and procedures has taken place to ensure the organisation is following good practice and has the tools and capability to deal effectively with complaints received, promoting a safe working environment
- The Workplace Violence Prevention Advisory Group continues their commitment to eliminate workplace violence and support staff safety. The Workplace Violence Prevention Framework has six focus areas:
    - Interpersonal Relationships
        - Building trust and awareness with staff
    - Training and Education
        - A four tier training programme now available
        - Over 1,000 staff have had some form of training and education
    - Work Environments
        - Three service areas have developed workplace violence prevention plans
    - Reporting
        - The reporting of workplace violence is crucial in understanding how to prevent workplace violence
        - Significant increase of reporting has been seen over the last twelve months
    - Support
        - Policies and procedures have been revised
        - Staff seeking advice earlier
    - Strategic Leadership
        - Purpose built intranet page with appropriate resources
        - Greater connections with key stakeholders and sponsors developed

Health, Safety and Wellbeing

Northland DHBs Values are centred round Safety, Health and Wellbeing. The organisation is committed to providing a culturally and physically safe workplace for employees, patients, whānau, visitors and contractors.

Legislation and contractual obligations ensures the organisation has effective emergency and corporate risk management systems and processes in place.

Staff wellbeing continues to be a focus for Northland DHB with full support from its Executive Leadership team. Wellbeing is promoted in various ways across the organisation with extra dedication from the Workforce Development & Wellbeing department.

Achievements in 2020-2021 include:

- The adoption of the Safe365 tool to assess and monitor the workplace health and safety management system, with an overall score of sixty-three percent in 2021
- ACC Partnership Programme retained tertiary level accreditation
- The adoption of the Protective Security Requirements (PSR) model for monitoring personnel and physical security, and establishment of a Security for Safety Improvement Programme governance group
- Occupational Health response and support for COVID-19 including enhanced testing, vaccination clinics and mask fit testing on site for staff
- The Mayo Clinic Wellbeing Index continues to be preferred tool for staff to use for measuring their wellbeing. The Index provides strategies to promote staff wellbeing. It supports shared responsibilities between employee and employer. It cultivates a productive solution of awareness, engagement and resources
    - Over 50 percent of Senior Medical Officers are regularly accessing the Index, having displayed high engagement with the Index since it was rolled out last year
- A number of interventions have been developed by the Workforce Development & Wellbeing department, including
    - A series of short online Manaaki modules
    - A dedicated He Wāhi Haumaru - Wellbeing Hub based on Te Whare Tapa Whā
    - Wellbeing check in templates for managers and peers
    - A coordinated and increased focus on professional supervision
    - Continued and regular promotion of Employment Assistance Programme / RAISE
    - A number of wellbeing workshops available via zoom and face to face.

In July 2021 Northland DHB chose to mark Matariki with a week of various events that staff could attend to learn more about this special Aotearoa season.

Students and community leaders planting the first trees in the Raumanga Community Garden.

Health Protection Officer on the breakwater quarantine jetty to start health check assessments of the crew.

WHAT ARE WE TRYING TO ACHIEVE?

Our Vision is "A Healthier Northland, He Hauora Mo Te Tai Tokerau".

We aim to achieve this by working together in partnership under Te Tiriti o Waitangi to:

- improve population health and equity
- improve patient experience
- improve staff wellbeing and sustainability
- achieve value and financial sustainability.

We endeavour to work consistently according to our values:

Tāngata i te tuatahi – People first: our people are central to all we do.
Whakaute (tuku mana) – Respect: we treat others as they would like to be treated.
Manaaki – Caring: we nurture those around us, and treat all with dignity and compassion.
Whakawhitiwhiti Korero – Communication: we communicate openly, safely and with respect to promote clear understanding.
Te Hiranga – Excellence: our attitude of excellence inspires confidence and innovation.

Living Our Values for Safety, Health and Wellbeing

Tāngata i te tuatahi
- He whakapapa, he mokopuna, he tamariki, he mātua, he tūpuna. He aha te mea nui. He tāngata, he tāngata, he tāngata

People First
- Our people are central to all we do

Whakaute (tuku mana)
- He whakaaro nui ki ētahi atu

Respect
- We treat others as they would like to be treated

Manaaki
- Ko te manaaki – he whāngai, he kākahu, he ropiropi. Akona e te whānau whānui

Caring
- We nurture those around us, and treat all with dignity and compassion

Whakawhitiwhiti Kōrero
- Whakawhitiwhiti kōrero i runga te tika, te pono me te aroha

Communication
- We communicate openly, safely and with respect to promote clear understanding

Te Hiranga
- Kia kaha, kia māia, kia manawa nui

Excellence
- Our attitude of excellence inspires confidence and innovation

Our **Values**

HAVE WE MADE A DIFFERENCE?

Structure of the Statement of Performance

The Outcomes Framework describes how the measures used in the Statement of Performance relate to national outcomes.

The first main section, Performance on Outcome Measures, addresses whether we are making a difference to the health of our population. Its measures address the whole Northland population or significant groups within it. Outcome Measures have a long-term focus because the factors that affect them typically take years to change and often lie outside the direct influence of the health system.

The second section, Performance on Output Measures, cover services or behaviours that contribute to the outcomes. Changes to the way services are provided have more immediate impacts, so we monitor performance against them annually or quarterly.

National performance measures

A new set of Health System Indicators was announced early in August 2021[1], which will measure how well the health system is performing to improve equity and track progress towards better health and wellbeing. The framework recognises that districts and communities should lift performance through system improvement at a local level rather than concentrating on nationally set performance targets, though it will also, of course, provide a picture of progress nationally.

Some indicators are still in development, and a date for the system's formal reporting and monitoring adoption has not yet been announced. In the short term, the Ministry of Health, the Health Quality and Safety Commission and the Health and Disability Review Transition Unit will discuss the new system with the sector, and the Health Quality and Safety Commission is developing a reporting portal to pull the data together.

Outcomes Framework

National	MoH Purpose and Role	Improve and protect the health of New Zealanders				
National	MoH Strategic Priorities	Improved equity in health outcomes and independence for Māori and all other people	Sustainable and safe health and disability services	An integrated, collaborative+ and innovative health and disability system	People-centred services, support and advice that meet the needs of everyone	
Northland	Vision	A Healthier Northland	He Hauora Mo Te Tai Tokerau			
Northland	Mission	Achieved by working together in partnerships under Te Tiriti o Waitangi to:				
Northland		Improve population health and equity	Improve patient experience	Improve staff wellbeing and sustainability	Achieve value and financial sustainability	
Northland		Life expectancy gap between Māori and non-Māori reduced by 2 years	Unplanned hospital admissions for Northlanders reduced[2]	>95% of patients report they would recommend the service provided	Decrease in infant mortality	Mortality rate, age-standardised
Northland		Reduce gaps between: (a) Māori and non-Māori (b) Northland and NZ				
Northland	Output Measures	Adults who are current smokers Full and exclusive breastfeeding at 3 months 8-month-olds fully immunised Breast cancer screening Cervical cancer screening	Obese children offered a referral to a health professional Ambulatory sensitive hospitalisations ages 0–4 Average number of decayed, missing or filled teeth in Y8 students Good blood sugar management in diabetics Eligible people receiving cardiovascular disease risk assessment in the last 5 years Pregnant women given brief advice and support to stop smoking	Faster Cancer Treatment 62-day indicator (time between referral and first treatment) % of people with enduring mental illness aged 20–64 who are seen over a year Elective surgical discharges Quality measures (hand hygiene, patient deterioration, hospital falls, surgical safety) Emergency department patients with length of stay less than 6 hours	HCSS[3] clients assessed using interRai tool HCSS providers certified ARRC[4] providers with at least 3-year certification	
Northland	Output Classes	Prevention	Early detection and management	Intensive assessment and treatment	Rehabilitation and support	
Northland	Enablers	Workforce	Information technology	Quality systems	Financial management	

1 https://www.health.govt.nz/new-zealand-health-system/health-system-indicators

2 The original target, to reduce unplanned admissions by 2,000 by 2017, was drawn from the Northland Health Services Plan, but its timeframe is now well past and no longer relevant so the numerical threshold has been removed. Unplanned admissions will be retained as a high-level measure until new ones arise out of Northland's new health strategy, the final draft of which is nearing completion as at December 2021.

3 Home and Community Support Services which help people continue living at home.

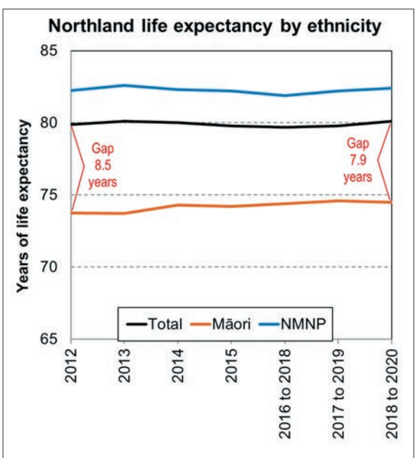
4 Age Related Residential Care.

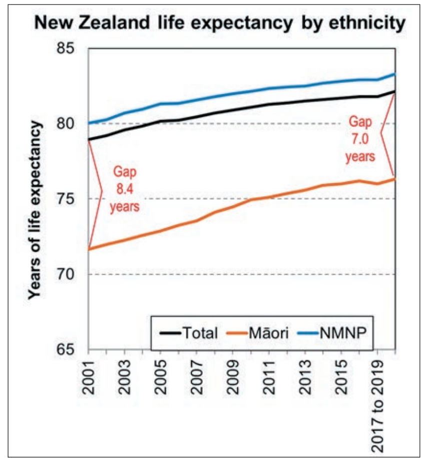
Performance on Outcome Measures

We are either making gains or holding steady across most of our outcome measures.

The gap between Māori and non-Māori has been reducing for life expectancy and infant mortality, and there have been minimal increases in acute discharges from hospital in the face of significant and growing demographic pressures. However, patient satisfaction appears to have worsened this year, but that is most likely due to changes in the wording of the survey questions; once two years' data is gathered under the new approach, a more realistic assessment will be possible.

Equity for Māori is still our biggest concern. In Northland, Māori lives on average 7.9 years less than non-Māori, and Māori mortality (adjusted for their different age structure) is about twice as high.





Results. Between 2012 and 2018-20, Northland life expectancy increased gradually for Māori (from 73.7 to 74.5 years) and markedly for Pacific (75.7 to 80.5 years) but remained relatively stable for non-Māori non-Pacific (82.2 to 82.4 years). Over that time, the gap between Māori and non-Māori non-Pacific reduced by about half a year from 8.5 to 7.9 years. New Zealand data shows a similar picture, though life expectancy for each ethnic group is higher by a year or two, a gap that has shown no real change over the years.

The measure. Life expectancy at birth is a high-level measure of the population's health.

About 40% of health status is due to social and economic factors such as education, income, employment and housing (of the remainder, 30% relates to individual behaviours, 20% the influence of the health system and the other 10% is driven by genetics). Northland is acknowledged to be one of the most deprived regions of New Zealand, and Māori are more deprived than non-Māori.

Infant mortality has a significant effect on the final life expectancy calculation; as the next heading shows, Northland's figures for infant mortality are poorer than the national average.

A key influence on the length of life is how we live it. Two of the most harmful behaviours are smoking and obesity, which causes some of the most prevalent lifestyle-related conditions such as heart disease, diabetes and cancers. The performance indicators section has measures relating to all of these.

Response. The government has set a national target of no more than 5 percent of the population smoking by 2025. In Northland, smoking rates have been declining reasonably well for non-Māori (from 13.1 percent in mid-2015 to 11.1 percent in mid-2021) but not for Māori (35.1 percent to 32.9 percent over the same period). Northland has several initiatives and services to prevent smoking uptake and support people to quit. Advice is provided to smokers in hospitals and the community, with a particular focus on pregnant women.

Nationally, smoking rates are influenced by governmental policies of planned price rises.

Excess weight in Northland is a serious problem, worse now than smoking. 81% of Māori are either overweight or obese, compared with about 70% of non-Māori.[5]

Northland's health service providers have numerous initiatives to encourage healthier behaviours that go some way towards reducing the problem. Obesity is the target of the Under 5 Energise programme, Project Energise (aimed at school ages), advocacy on sugar-sweetened beverages, and the Northland Food Rescue Service.

About the data. Life expectancy data can be sourced from Statistics New Zealand, but they produce it only every five years. The estimates presented here are calculated by the Auckland and Waitemata DHBs' joint Planning, Funding and Outcomes team, using a methodology that aligns with that of Statistics New Zealand. It uses a three-year aggregation of deaths and population to smooth out random yearly variations that can occur in numbers of deaths in some age groups and ethnicities.

Life expectancy for '2018' includes preliminary data for all deaths registered in 2018, 2019 and 2020, and the 2018 update to the official DHB population projections. This latest analysis slightly revises data for the last few years because it is now possible to use population estimates revised in the light of the 2018 Census (previous population estimates used a 2013-Census base).

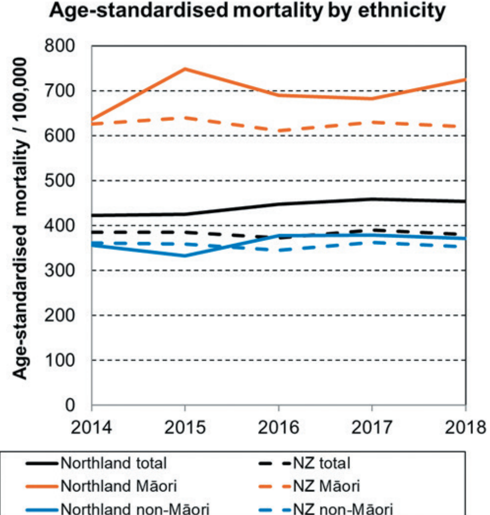
Life expectancy data normally lags three or four years behind because the mortality data required for the calculation's lags by that much; it is not released until coronial processes have verified all causes of death. The life expectancy data used in the Statement of Performance uses preliminary mortality data for the last two years, which should make no difference to the calculations because unresolved causes of death comprise tiny numbers.

Life expectancy 2012-18 increased slightly more for Māori than non-Māori. The ethnic disparity is half a year less than in 2012.

[5] 2017-20 pooled data from the NZ Health Survey https://minhealthnz.shinyapps.io/nz-health-survey-2017-20-regional-update/_w_fa277316/#!/subgroup-results.

HAVE WE MADE A DIFFERENCE?

Mortality overall



Māori mortality rates are about twice those of non-Māori.

Reasons include earlier onset of long-term conditions and lower rates of access to and use of primary care services.

Results. Age-standardised mortality rates for Māori in Northland have been about twice that of non-Māori for some years. That difference doesn't appear to be reducing, though it is harder to identify a trend in the Māori rate because it is more variable due to their smaller population.

The measure. The Māori rate is higher principally because of earlier onset of diseases and lower rates of access to and use of primary care services. Among the reasons are:

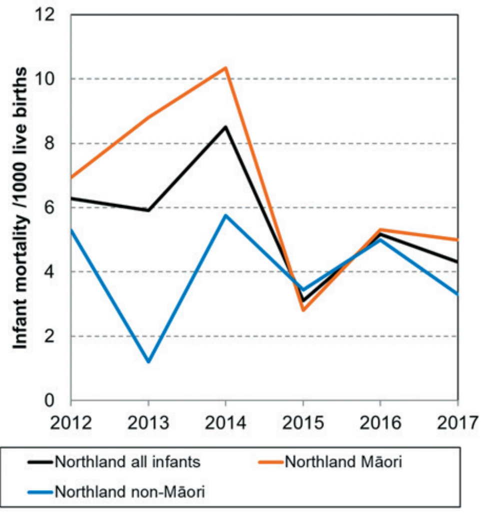
- Māori have higher rates of smoking and obesity
- in Northland Māori experience unmet need for primary health care more often (40%) than non-Māori (about 33%)[6]

Response. Recent years have seen an increased emphasis on services that intervene earlier in long-term conditions so they can be better managed. Advice to smokers is given in primary care and hospital. Faster cancer treatment has been a focus, colonoscopy rates have risen, people receive computerised tomography (CT) and magnetic resonance imaging (MRI) scans more quickly, access to services for stroke and acute heart conditions has improved, and primary care has continued to perform cardiovascular and diabetes risk assessments. Consultations with general practices on low-need issues are often conducted by telephone, thus freeing up time to deal with more complex needs, and consultation by remote means such as telehealth will increase over time.

About the data. Numbers of deaths were taken from the Ministry of Health's Mortality Data Tables, rates per age group were calculated, and the resulting numbers standardised as if both Māori and non-Māori populations had the same age structure (if this wasn't done the younger age structure of Māori would mask the higher proportion of deaths they experience in middle age). The resulting mortality rates are not 'real', but they can be compared.

The analysis still uses 2013-base projections (updated in the light of the 2018 Census). 2018-base subnational projections by age and ethnicity were supposed to have been made available by the end of August 2021, but the release date has now been pushed out to March 2022.

Infant mortality



Infant mortality In Northland has been falling gradually.

The Māori rate is about the same as non-Māori.

[6] As above.

Infant mortality continued

Results. Historically, Māori infant mortality in Northland has been higher than non-Māori, though the most recent data shows a convergence.

Low numbers of infant deaths in Northland create volatile patterns, although it appears as if the long-term trend is gradually downwards.

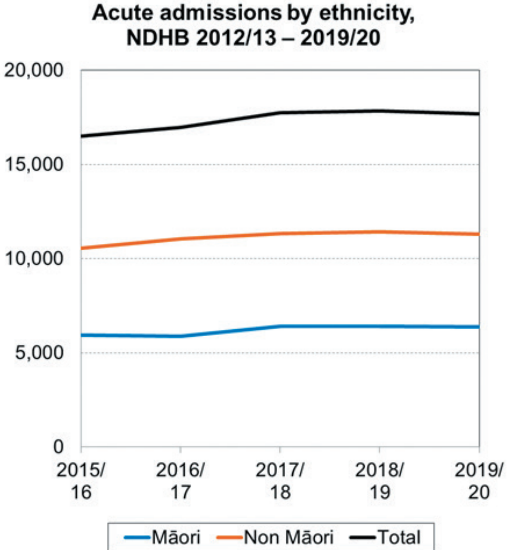
The measure. The infant mortality rate serves as an important measure of the wellbeing of infants, pregnant women and children generally because it is associated with a variety of factors such as maternal health, quality of and access to medical care, deprivation and public health practices.

Response. Northland health services have been making strenuous efforts in recent years to improve the health of infants, particularly Māori.

Breastfeeding contributes to creating healthier, more resilient babies; the Māori rate at three months is well below target at 53 percent, and much lower than the non-Māori 68 percent. Rates of sudden unexpected death of an infant have decreased in the wake of risk factor assessments and the adoption of safer sleeping practices for babies. Northland also has the 'High Five' notification form that tells a mother post-birth about enrolment of her baby in the five key service providers.

About the data. Data comes from the Ministry of Health. Their data has not yet been updated from last year's.

Acute admissions to hospital



Over eight years, acute admission growth was lower (18 percent) than:

- *Total population 27 percent.*
- *Māori 71 percent.*
- *Older people 36 percent.*

Results. In the last eight years acute discharges increased by 18 percent from 15,850 to 18,651.

34 percent of acute admissions in 2020/21 were Māori, which aligns with their proportion of the population. It is slightly lower than the 36 to 37 percent between 2012 and 2020, though more years' data is needed to see if this is a trend.

Restricting acute demand growth to 18% over these eight years is quite an achievement in the context of the population growth Northland has experienced over that time. Not only did the total population increase by 27% between 2013 and 2020, but even greater growth was experienced by Māori (71%) and older people (36%), population groups that are known to be drivers of acute demand and complexity.

The long-term trend in acute discharges is upwards, though there was a slight drop in 2019/20 because of the COVID-19 lockdown which resulted in smaller numbers of patients, particularly children, coming to ED.

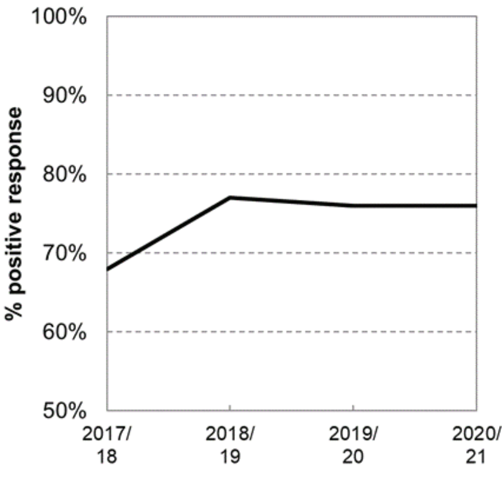
The measure. The rate of unplanned readmissions is an indicator of how well conditions, especially long-term conditions, are being managed by primary care services. There is no set definition of an unplanned readmission so as a proxy we have taken acute discharges because these patients appear urgently and without forewarning (in contrast to elective admissions that can be planned ahead of time).

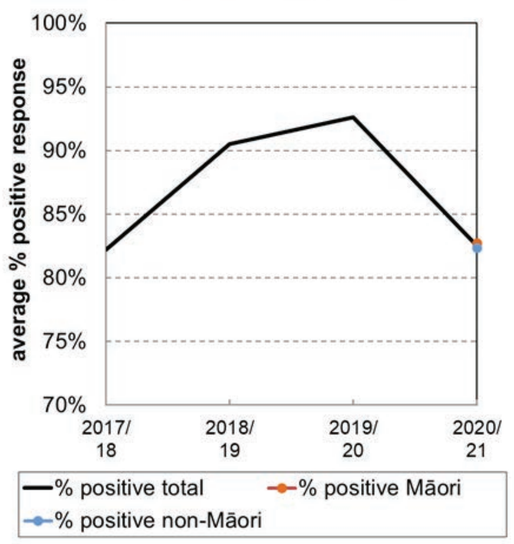
Response. The main source of referrals to hospital is the primary health sector, so its role is key. Long-term conditions need to be monitored and managed well in the community so that fewer complications arise and there will be fewer acute admissions. A core priority in Northland is to eliminate health inequities by targeting primary health care resources and improving how services are delivered.

About the data. Data comes from Northland DHB.

HAVE WE MADE A DIFFERENCE?

Patient satisfaction





Results. One of the six Headline Targets in the Northland Health Services Plan was "95 percent of patients report they would recommend the service provided." Performance on this can be addressed through the results of our internal patient survey, which contains a question on 'overall satisfaction' as well as questions covering a range of issues relating to a stay in hospital.

Since 2016/17 the score on the overall question of "How would you rate your overall experience of being here?" has increased from 64% to 76%.

Across all the detailed questions in the patient survey, the average positive response rose steadily from 73 percent in 2016/17 to 93 percent in 2019/20 but dropped to 83 percent in 2020/21. Most likely this is due to a significant change in the wording and content of the questions asked between 2020 and 2021.

Types of changes include:

- questions now ask about 'you or your child' rather than just 'you'.
- they address how patients feel rather than what staff have done ('have you or your child had pain relief that meets your/ your child's needs' rather than 'do you feel staff do everything they can to help control your pain?').
- questions were broken up, so they didn't address multiple issues (for example, an old question that asked about both 'respect and dignity' and 'cultural and/or spiritual needs and preferences' became two questions).
- wording was made more user-friendly (being treated with 'kindness and understanding' rather than 'respect and dignity'. Another question now asks about 'going home', not 'discharge').

Response. Northland DHB wanted to encourage patients to describe feelings and experiences rather how services were provided, and to be more open and specific in identifying issues requiring attention. The rating for information provided on discharge, for example, has shown a significant drop, but the specificity of the new question has prompted the trial of a new discharge pack that contains more useful information and encourages patients to ask questions.

Data is now being analysed by ethnic group so Northland DHB can identify any gaps between Māori and non-Māori and work to address them. Overall Māori (83%) rated their stay in hospital just as highly as non-Māori (82%). Across individual questions the few material differences in responses between Māori and non-Māori were generally no more than five percent, and favoured Māori as much as non-Māori.

The measure. Evidence tells us that patient experience is a good indicator of the quality of health services. Better experience, stronger partnerships with consumers, and patient and family-centred care have been linked to improved health, clinical, financial, service and satisfaction outcomes.

About the data. Data comes from Northland DHB. The Ministry of Health, through the Health Quality and Safety Commission, has a different patient survey that forms part of the System Level Measures. The Ministry of Health prefer their survey because it is applied to all DHBs and provides a consistent basis for comparison. However, it has a low response rate (about 20 percent), so we prefer to use our own internal survey because it has similar questions and its larger sample size makes it more valid and reliable.

The percentages quoted are Net Promoter Scores, derived by subtracting total 'detractor' responses (0–6 on a ten-point scale) from the total 'very satisfied' (9+10); 7s and 8s are ignored.

Data for 2019/20 covers July to February; data was not collected in other months because of the COVID-19 lockdown.

Overall positive dropped by 10%, most likely due to questions being reworded.

Māori just as satisfied with hospital services as non-Māori.

STATEMENT OF PERFORMANCE

Performance on Output Measures

The Statement of Performance is a snapshot of how the services provided for the Northland population have been performing. It is divided into four output classes that cover the spectrum of services from those promoting health in the population, through primary and community care to hospital services and later-in-life care.

The Statement of Performance assesses how well we have done this year compared with the targets set during the previous year's planning cycle. The measures selected are a combination of national and local priorities that contribute collectively to the high-level outcomes described in the previous section. We have tried to keep the number of measures small by choosing a representative sample of key ones, while still covering the breadth of services.

The measures do not cover just Northland DHB's services. DHBs are legislatively responsible for the health of their populations, so as well as providing services we contract with, monitor and evaluate other service providers in the health sector. Many of the measures, especially those in the first two output classes, describe performance outside the DHB.

Data from 2019/20 appears in two places in the tables. Data in the 'baseline' columns is copied from the 2020/21 Statement of Performance Expectations which, because it had to be prepared before 2019/20 ended, does not cover the whole year. The '2019/20 result' column captures data for the whole year, as reported in the Annual Report for that year.

Performance during 2020/21

Northland DHB has a total of 26 performance measures for 2020/21. Of the 62 targets, 7 were met or exceeded, 4 were close to target, 46 were below (of which 12 had improved from the previous year) and 5 can't be assessed because of data issues.

The COVID-19 pandemic has affected several performance measures; the nature of the impact is described in the narrative for the relevant performance measures or in footnotes relating to them.

Achievement ratings

Achieved	Substantially achieved	Not achieved but progress made	Not achieved	No conclusion can be drawn
● (green)	● (blue)	● (orange)	● (red)	● (grey)
Target met or bettered	*Within 5% absolute of target*[7]	*More than 5% absolute from target, but progress made*	*Not achieved*	*Issues with data availability, changing measurements etc.*

Output Class 1: Prevention

Publicly funded services that protect and promote health across the whole population or particular subgroups of it. These services improve the health status of the population, as distinct from curative and rehabilitative services (the other three Output Classes) which repair or support illness and injury.

The Output Class includes:

- health promotion to prevent illness
- statutorily mandated health protection services to protect the public from toxic environmental risk and communicable diseases
- population health protection services (immunisation, screening etc)
- well-child services.

[7] 5% is appropriate when the data is calculated out of 100%, as is the case with most of the measures. Three are different however: the smoking prevalence target is 5% and targets for mental health and oral health are based on a small quantities. In those case the 5% is defined in relation to the figure in the "2020/21 target" column.

STATEMENT OF PERFORMANCE

Output Class 1: Prevention

Output measure	Ethnicity	2019/20 baseline from 2020/21 SPE		2019/20 result	2020/21 target	2020/21 result	Achievement
		Period	Data				
% of Northland adult population who are current smokers [8]	Total Māori Non-Māori	2019/20	18.1% 33.5% 11.0%	18.1% 33.5% 11.0%	15.4% 27.7% 9.8%	18.3% 33.4% 11.3%	● ● ●
Full and exclusive breastfeeding at 3 months	Total Māori Non-Māori	2019/20 to Mar	64% 55% 72%	63.0% 52.8% 71.8%	70%	60.2% 52.7% 67.8%	● ● ●
% of 8-month-olds who are fully immunised	Total Māori Non-Māori	2019/20	82.6% 83.9% 81.4%	83.6% 82.7% 84.6%	95%	80.6% 76.7% 83.7%	● ● ●
Breast cancer screening in eligible populations	Total Māori Pacific Other	2019/20 to Mar	69.6% 74.5% 60.0% 68.1%	60.9% 61.6% 59.8% 60.6%	70%	61.7% 63.5% 59.5% 53.4%	● ● ● ●
Cervical cancer screening in eligible populations	Total Māori Pacific Asian Other	2019/20 to Dec	72.2% 70.7% 61.4% 55.6% 74.8%	66.3% 60.0% 58.4% 62.5% 70.2%	80%	68.3% 60.4% 59.5% 65.4% 73.0%	● ● ● ● ●

Further information on results	
Breastfeeding at 3 months	Equity for Māori is being addressed by developing Nga Wānanga o Hine Kōpū – Hapū Mama Antenatal Wānanga where midwives provide specifically targeted breastfeeding education and advocacy among other kaupapa.
8-month-old immunisations	About 80% of parents choose to vaccinate their 8-month-old children in Northland. In the April-June 2021 quarter 11% of parents are categorised as 'decline or opt-off', meaning they decline to have their children immunised or choose not to allow them to appear on the National Immunisation Register. Reasons for this include parents who are well informed and make a rational choice, those who remain adamantly opposed to immunisation, those who experience barriers to accessing services, and families who are under so much stress (because of poverty of income, food or housing) that immunisation is not a high priority. The gap is also due to 'missed' children (9.6% in the same quarter) which covers a variety of reasons: whānau not giving consent (though not officially declining); not all the required vaccinations have been completed; families moving in and out of Northland; vaccinations scheduled and not yet completed; catch-up vaccinations are planned but gaps in timing are required between doses. Northland continues to implement multiple strategies to improve our coverage, including: • Immunisation Outreach Service covering all of Northland • robust systems to ensure all children have an opportunity for vaccination; children are identified and provided with support to GP and/or Outreach Service for timely vaccination • increased access to vaccination including an all-day clinic in central Whangārei and Public Health Nurses providing opportunistic vaccination • communications to promote immunisation as safe, and best protection against communicable disease.
Breast cancer screening	Targets are raised regularly by the National Screening Unit in line with revisions in population projections. Each time this happens apparent performance drops overnight, and in recent years the service has been trying to catch up with rapidly increasing population numbers. COVID-19-related lockdowns have also affected coverage and contributed to a backlog. While we are below target, increases have occurred in higher priority Māori and Pacific populations.
Cervical cancer screening	Cervical screening is a sensitive subject for many women, and Northland's geography creates an additional challenge. A Steering Group meets quarterly with expertise from across the health system to identify opportunities to improve cervical screening rates. To reach priority women, an additional track-and-trace function is supplied through Support To Services.

[8] Smoking rate data, sourced from primary care providers, isn't perfect because it relies on general practices to keep their records up to date, but it is available regularly (every quarter) and PHO enrolments cover more or less the whole population. The NZ Health Survey also has data on adult smoking, but it is produced infrequently, and each set of data covers several years so it is not useful for regular monitoring.

Output Class 2: Early Detection and Management

'Primary' or 'community' services, that can be directly accessed by people in the community. They are delivered by a range of providers including general practice, Māori Health Providers, pharmacies, and oral health services. The services are generalist (unlike the specialist services provided in hospitals for example) and the same type of services is typically provided in numerous locations across the community.

The Output Class includes:

- primary health care
- oral health
- primary community care programmes
- pharmacy services
- community referred testing and diagnostics (laboratory and imaging services)
- primary mental health services.

Output measure	Ethnicity	2019/20 baseline from 2020/21 SPE		2019/20 result	2020/21 target	2020/21 result	Achieve-ment
		Period	Data				
95% of obese children identified in the Before School Check programme will be offered a referral to a health professional	Total Māori Non-Māori	2019/20	99.3% 100.0% 99.5%	100% 99% 100%	95%	55.9% 57.0% 53.0%	
Ambulatory sensitive hospitalisation rate per 100,000, ages 0-4, unstandardised	Total Māori Non-Māori	2019/20 to Q3	7,019 8,170 5,587	7,019 8,170 5,587 (46% gap)	– 7,925 [9] –	6,192 7,153 5,000 (43% gap)	
Average number of decayed, missing or filled teeth (DMFT) in Y8 students	Total Māori Non-Māori	2019	1.14 1.60 0.67	1.14 1.60 0.67	0.94	1.15 1.66 0.70	
Good blood sugar management in diabetics (≤ 64 mmol/mol)	Total Māori Non-Māori	2019/20 to Q2	47.6% 44.0% 50.2%	29.5% 25.4% 34.1%	80%	53.1% 46.7% 59.8%	
Eligible people receiving cardiovascular disease risk assessment in the last 5 years	Total Māori Non-Māori	No data due to COVID-19		86.2% 81.9% 88.2%	90%	73.9% 75.7% 73.0%	
% 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	Total Māori Non-Māori	2019/20	92.6% 91.7% 95.8%	91.6% 92.1% 90.6%[10]	95.0%	78.9% 84.2% 83.3%	

Further information on results	
Obese children offered referrals to a health professional	A number of initiatives are being pursued to improve referral rates. The Wellbeing and Nutrition Advisor under Mahitahi Hauora provided a training session with all Before School Check (B4SC) providers in Northland, with useful tools and tips to assist providers with positive ways to educate and communicate better with whānau and tamariki. Feedback was provided and the overall assessment was positive. The coordination of the B4SC service returned to Northland DHB from July 2021. The Before School Coordinator now monitors daily when growth referrals are missed and contacts the provider to ensure that a referral is discussed with whānau. Every nurse doing a check is provided with a screening tool as a means of ensuring they are able to calculate the correct Body Mass Index score at the time of appointment. It is intended that each annual nurse update training will include education on improving the growth referral target.
Average number of decayed, missing or filled teeth in Y8 students	Until Northland has fluoride in reticulated water supplies it will be difficult to gain much traction on the higher rates of decayed teeth in Māori. We are investigating public health programmes in Northland such as supervised toothbrushing in schools with assistance from philanthropic funding.

[9] The target (drawn from Northland's System Level Measure plan agreed to by MoH) applies to Māori only. Consequently, no ratings have been allocated to total and non-Māori.

[10] Data was reported incorrectly in the 2020/21 SP; it should have been total 85.3%, Māori 78.0%, non-Māori 88.9%. Performance in 2020/21 has been assessed in relation to the correct figures.

STATEMENT OF PERFORMANCE

Output Class 2: Early Detection and Management Continued

Further information on results	
Good blood sugar management in diabetics (equal to or less than 64 mmol/mol).	Mahitahi Hauora is trialling Shared Medical Appointments (SMAs) with a participating general practice so people living with diabetes can be provided with support and information on good blood sugar management and any other relevant matters. Participants say they feel more confident about managing their condition, while practice staff have noted the importance of the health coach in linking people together so they can learn from each other and validate what they were already doing. Mahitahi Hauora will gather data to assess before-and-aftereffects of the SMAs. Mahitahi Hauora has also held education and update sessions with Practice Nurses, Health Coaches, Health Improvement Practitioners and Kaiāwhina on diabetes and healthy eating to provide them with up-to-date information so they can support people living with diabetes. The Diabetes Governance Group (of which Mahitahi Hauora is a key member) plans to support the expansion of SMAs for people living with diabetes, as well as further education and information sessions for community-based health providers who support diabetes care delivery. Northland DHB also funds the Practice Nurse Diabetes Mentorship Programme, which is designed to support upskilling of practice nurses working in primary care in the management of patients with poorly controlled diabetes and complex care needs.
Eligible people receiving cardiovascular disease risk assessment in the last 5 years	Reasons for drop in performance: • COVID-19 continues to impact with routine bloods not up to date and fewer being done due to patients being concerned about coming into general practices and/or fewer available appointments for routine care. • Communication challenges exist between occupational health providers in the community and general practices. Work completed by occupational health providers (including bloods taken) often does not get reported to practices, so that blood tests for CVD risk assessment need to be repeated in general practice. • Workforce changes and shortages to see patients with long term conditions, exacerbated by Covid. • Mahitahi Hauora actions to reach new cohorts or increase cardiovascular disease risk assessment completion: • A heart health initiative was started with an industrial organisation (which employs predominantly Māori men) to do heart health checks and follow up with health promotion activities. This was well attended by the employees and well supported by the Heart Foundation. Other places of work have expressed interest in being involved. • Multidisciplinary team meetings between general practice and secondary specialist services have started to manage patients with complex long-term conditions, including cardiovascular disease, to support optimal treatment after cardiovascular disease risk assessment.
Pregnant women smoking	Most midwifery care is provided by community midwives ('lead maternity carers'), whereas this data is derived only from the four who work for Northland DHB. It is not known why performance is not meeting target or why it has dropped since the previous year. Auditing will provide insight into what has affected performance recently, help identify measures to ensure best practice and performance, and gain an understanding of any mismatch between midwifery practice in Te Tai Tokerau and how the data for this measure is collected.

Whangarei Annual Diabetes Awareness Week Fun Run Walk event

Output Class 3: Intensive Assessment and Treatment

Usually known as 'secondary' or 'hospital' services, these are provided by particular specialties and can be accessed only after referral from a primary health practitioner. They are available in few locations; for Northlanders, almost all are in Whangārei, or in Auckland for more highly specialised services.

The Output Class includes:

- inpatient services, both acute (treatment is needed now) and elective (treatment can be scheduled at a later date); includes diagnostic, therapeutic and rehabilitative services
- ambulatory services for people treated by a hospital but not admitted as an inpatient (includes outpatient, district nursing and day services) across the range of secondary preventive, diagnostic, therapeutic, and rehabilitative services
- emergency department services including triage, diagnostic and therapeutic services
- secondary mental health services
- secondary maternity services
- assessment treatment and rehabilitation.

	Output measure	Ethnicity	2019/20 baseline from 2020/21 SPE		2019/20 result	2020/21 target	2020/21 result	Achieve-ment
			Period	Data				
	% 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	Total Māori Non-Māori	2019/20 to Q3	47.6% 44.0% 50.2%	69.2% 65.7% 71.6%	90%	67.1% 61.4% 70.4%	● ● ●
	% of people with enduring mental illness aged 20–64 who are seen over a year	Total Māori Non-Māori	2019/20 to Q2	6.05% 10.39% 4.06%	6.03% 10.40% 4.03% [11]	6.07% 10.22% 4.17%	5.58% 8.86% 3.82%	● ● ●
	Patients with an emergency department length of stay of less than 6 hours	Total Māori Non-Māori	2019/20 to Q3	82.9% 85.9% 81.0%	84.7% 87.3% 83.1%	95% [12]	84.4% 86.6% 83.2%	● ● ●
	% hand hygiene compliance [13]	Total	2019/20 Q2	85%	85%	80%	86%	●
Patient deterioration	% of patients with early warning scores calculated correctly	Total	2019/20 to Q2	88% [14]	89%	None exists yet	85%	●
Patient deterioration	% of patients who triggered an escalation of care and received the appropriate response	Total	2019/20 to Q2	79%	69%	None exists yet	66%	●
Falls	% older patients assessed for risk of falling	Total	2019/20 to Q2	98%	n/a [14]	90%	66.3%	●
Falls	% older patients assessed as at risk of falling who received an individualised care plan that addresses these risks	Total	2019/20 to Q2	72%		90%	90.3%	●
	% of hip and knee arthroplasty primary procedures where antibiotic given 0–60 minutes before 'knife to skin'	Total	2019/20 to Q2	93.5%		100%	95%	●

Measures discontinued

Two measures were deleted and replaced with new measures in 2021/22 SPE.

Number of in-hospital falls causing fracture neck of femur per 100,000 admissions was discontinued because numbers were very small and caused large fluctuations in the reported rates.

Surgical site infections (SSI) per 100 hip and knee procedures was replaced with the antibiotic measure that provides a more comprehensive assessment of the process.

[11] Reported data lags a quarter behind, so the year covered is 1 April 2020-31 March 2021.
[12] Target was accidentally omitted from the 2020/21 SPE.
[13] For the five quality measures (this one and the next four) data is not produced by ethnicity.
[14] For this and the other patient deterioration measure, data is the average of the two quarters reported in the SPE.
[15] Measures were introduced in 2021/22 SPE (see 'measures discontinued' heading below the table).

Output Class 3: Intensive Assessment and Treatment Continued

Measure not included in 2021/22 SPE

In 2019/20 a new suite of Planned Care measures was introduced, among which was planned surgical operations and procedures which replaced the old elective operations measure. The new measures include, as well as operations, a range of DHB-funded treatments delivered in primary and community settings, making the two sets of data not comparable. The Planned Care measures were not in the SPE for 2020/21 but are included here because they are part of MoH's measures.

Output measure	Ethnicity	2019/20 baseline from 2020/21 SPE		2019/20 result	2020/21 target	2020/21 result	Achievement
		Period	Data				
Planned Care: [16] • Inpatient surgical discharges • Minor procedures • Non-surgical interventions	Total	Not included in the 2020/21 SPE		11,616 7,508 4,108 0	13,075 8,512 4,365 198	12,967 7,799 5,168 0	
Northland acute bed days per 1000 (non-standardised)	Dep 4 Dep 5	Not included in the 2020/21 SPE		539.3 606.1	[17]	501.3 551.8	
	Total Māori Non-Māori, Non-Pacific			412.3 567.5 346.0		434.4 405.8 455.0	
Shorter waits for non-urgent mental health and addiction services for 0-19 year olds - % of people seen within 3 weeks [18]	Total Māori Non-Māori	Not included in the 2020/21 SPE		84.7% 87.3% 83.1%	95%	84.4% 86.6% 83.2%	

Further information on results	
% 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	Performance for 2020/21 has decreased slightly from the 2019/20 result which itself was affected by COVID-19. Main reasons were staffing issues due to vacancies, leave or illness. Access to radiation therapy (delivered in Auckland) and access to surgery had the highest number of capacity breaches for the patients first treatment. In 2020/21, COVID-19 continues to create challenges, complications and delays for Northland patients accessing treatment within Northland or from Auckland hospitals. As a result of increasing numbers of patients triaged as 'high suspicion of cancer' additional Faster Cancer Treatment (FCT) trackers have been employed by Northland DHB to increase FCT patient access to treatment. A recent initiative is the development of a Gynaecology Rapid Access Clinic for the assessment of post-menopausal bleeding. The unfinalised 62-day result for July and August 2020 is 82%.
% of people with enduring mental illness aged 20–64 who are seen over a year	Although the performance is short of target, it is likely that in part this is due to two primary care initiatives in the community, Health Improvement Practitioners and Health Coaches within several general practices across Northland, that were introduced this year. The services have been credited with addressing peoples' needs earlier, thus preventing escalation that would have required intervention by hospital-based services. Northland DHB continues to put effort into reducing inequities for Māori in service provision, and this is reflected in the higher percentage of the Māori population accessing services (8.86%), in comparison to non-Māori (3.82%).
Patients with an emergency department length of stay of less than 6 hours	Patients discharged from Emergency Departments generally met the target (92%). For those admitted to hospital (mostly to medical wards) 65% met the target.
Hospital falls	During 2020/21 a new care plan for falls assessment was developed that was being trialled in several areas at different times. This may have affected the degree to which staff were using or completing the old form from which this data was taken.
Patient deterioration	A nationally consistent approach to recognising and responding to acute deterioration benefits patients, clinicians and the system as a whole. An effective and sustainable system includes a standardised national vital signs chart with early warning score and localised clinical escalation. Measuring compliance allows evaluation and continuous improvement within this highly complex area. There is as yet no national target set for patient deterioration so Northland DHB's performance cannot be assessed by that criteria. It has however improved by 16 percent from the previous year. Patient acuity and complexities have significantly increased over time, stretching available resources. Northland DHB has launched a project to identify areas where increased resources can support this programme to continue to gain improved results.
Planned Care interventions	Northland DHB inpatient surgical discharges were down from expected and planned volumes over 2020/21; this is related to: • rising acute operating demand; two additional operating theatres opened from July 2021, one of which is being used to support refurbishment of the original six operating theatres over the following twelve months • rising inpatient acute bed demand from medical specialties • staff vacancies, reducing bed capacity for planned procedures • building works which have reduced physical bed capacity. Minor procedure volumes are up from planned volumes. This is related to escalating demand for secondary care management of squamous cell and basal cell carcinoma skin procedures.

[16] Measure wasn't included in 2020/21 SPE. Targets are the planned volumes negotiated between Northland DHB and MoH.

[17] Measure wasn't included in 2020/21 SPE. It was however part of the System Level Measure plan, which did not address acute bed days but ASH events, based on the idea that reducing ASH events in the community will reduce the demand for acute beds in hospital.

[18] Though the data (produced by MoH) nominally covers non-urgent patients, it actually includes urgent ones too. Since urgent patients are seen more quickly, the reported data will understate the reported waiting times for non-urgent patients.

Output Class 4: Rehabilitation and Support Services

Services for older people (home and community support services, residential care and services for dementia) and palliative care services:

- needs assessment and service coordination
- home based support
- age-related residential care beds
- respite care
- day services
- rehabilitation
- palliative care
- life-long disability services.

Output measure	Ethnicity	2019/20 baseline from 2020/21 SPE		2019/20 result	2020/21 target	2020/21 result	Achieve-ment
		Period	Data				
% Home and Community Support Services (HCSS) clients assessed using interRai tool	Total	2019/20 Q2	94.8%	95%	98%	98.1%	●
% of HCSS providers certified	Total	2019/20 Q2	100%	100%	100%	100%	●
% of ARRC providers with at least 3-year certification	Total	2019/20 Q2	100%	100%	100%	95.8%	●

Statement of Financial Performance - By Output Class

Output Class Revenue	**2021-22**
Intensive Assessment & Treatment	506,389
Early Detection & Management	161,446
Prevention	19,040
Rehabilitation & Support Services	106,258
Total Revenue	**793,133**

Output Class Expenses	
Intensive Assessment & Treatment	516,417
Early Detection & Management	167,589
Prevention	24,336
Rehabilitation & Support Services	101,998
Total Operating Expenditure	**810,339**

Suplus / (Deficit) by Output Class	
Intensive Assessment & Treatment	(10,028)
Early Detection & Management	(6,143)
Prevention	(5,296)
Rehabilitation & Support Services	4,261
Net Suplus / (Deficit)	**(17,206)**

STATEMENT OF PERFORMANCE

COVID-19 Response

Roll-out. Northland DHB started COVID-19 vaccinations the week beginning 27 February 2021 for border & managed isolation quarantine workers and their household contacts. In March, vaccination opened for front line health workers, followed in April by people living in at-risk situations for transmission and exposure to COVID-19. This population included people in long term residential care settings and Māori and Pacific older people (and their households and carers) living within a whānau environment in hard to reach places. At the end of April, vaccination was opened up to all eligible people aged 50 years and older. On 30 June 2021, vaccination was opened to people under 50 years with co-morbidities.

Provider contributions. Northland DHB was the first provider, followed by Māori Health Providers in April 2021 and general practice and pharmacy in June 2021. In the period ending 30 June 2021, Northland DHB provided 83% of the doses, Māori Health Providers 14%, general practice 1% and pharmacy 2%.

Vaccination coverage. As at 30 June, 12.1% of our domiciled population had been double-vaccinated, of whom 7.66% were Māori.

Vaccine doses administered by DHB **DHB of service**	**Dose 1**	**Dose 2**	**Total**
Northland	32,294	17,603	49,897

By DHB: Eligible population fully vaccinated by DHB of residence (Note 5)	**Proportion fully vaccinated** (note 1)
Northland	12.09%

Vaccine doses Age range (years)administered by age group (Note 4) **Age range (years)**	**Dose 1**	**Dose 2**	**Total**
12 to 15	0	0	0
16 to 19	188	116	304
20 to 24	437	315	752
25 to 29	679	520	1,199
30 to 34	865	655	1,520
35 to 39	792	588	1,380
40 to 44	785	587	1,372
45 to 49	1,157	817	1,974
50 to 54	2,376	1,508	3,884
55 to 59	3,241	1,905	5,146
60 to 64	4,011	2,263	6,274
65 to 69	5,040	2,356	7,396
70 to 74	5,100	2,326	7,426
75 to 79	3,551	1,666	5,217
80 to 84	2,299	1,031	3,330
85 to 89	1,120	574	1,694
90+	653	376	1,029
Total	**32,294**	**17,603**	**49,897**

[19] Up-to-date data is available from https://www.health.govt.nz/our-work/diseases-and-conditions/COVID-19-novel-coronavirus/COVID-19-data-and-statistics/COVID-19-vaccine-data#90pct.

COVID-19 Response - continued

Eligible population fully vaccinated by age group (Note 5) **Age range (years)**	**Proportion fully vaccinated** (Note 1)
12 to 15	–
16 to 19	1.67%
20 to 24	4.33%
25 to 29	5.18%
30 to 34	6.18%
35 to 39	6.25%
40 to 44	6.32%
45 to 49	7.44%
50 to 54	12.17%
55 to 59	13.93%
60 to 64	16.51%
65 to 69	19.44%
70 to 74	22.02%
75 to 79	24.17%
80 to 84	23.45%
85 to 89	24.91%
90+	28.92%
Total	**12.09%**

Vaccine doses administered by ethnicity (Note 4) **Ethnicity**	**Dose 1**	**Dose 2**	**Total**
Asian	1,432	1,003	2,435
European or other	24,243	12,971	37,214
Māori	6,059	3,301	9,360
Pacific peoples	402	229	631
Unknown	158	99	257
Total	**32,294**	**17,603**	**49,897**

Eligible population fully vaccinated by ethnicity (Note 5) **Ethnicity**	**Proportion fully vaccinated** (note 1)
Asian	18.73%
European or other	13.83%
Māori	7.66%
Pacific peoples	8.79%
Unknown	27.76%
Total	**12.09%**

STATEMENT OF PERFORMANCE

COVID-19 Response - continued

Vaccine doses administered by sequencing group (Note 4) **Sequencing group** (Note 1)	**Dose 1**	**Dose 2**	**Total**
Group 1	722	698	1,420
Group 2	14,048	10,333	24,381
Group 3	12,291	4,124	16,415
Group 4	5,233	2,448	7,681
Total	**32,294**	**17,603**	**49,897**

Note 1: Fully vaccinated means two doses have been administered to an individual.

Note 2: The health service user (HSU) population used for COVID-19 vaccine coverage reporting provides information about the number of people in New Zealand who used health services in 2020. People are included if they were alive as at 30 June 2020, were 12 years of age as of 30 June 2020, (note that this was initially 16 years but was reduced to 12 years when the eligibility criteria changed), and if they were enrolled with a primary health organisation or received health services in the 2020 calendar year. There are other data sets that estimate the total number of people in New Zealand.

These include three datasets produced by StatsNZ: Estimated Resident Population (produced every five years, following each Census), Subnational Population Estimates (produced every year), and non-official population projections produced by StatsNZ for the Ministry of Health (produced every year).

The Stats NZ population estimates are based on Census data adjusted for the number of people who are born, who have died, and who have migrated to or from New Zealand. The Stats NZ population estimates, and projections are of people usually resident in New Zealand, including those usually resident who are temporarily overseas, while the HSU includes everyone in New Zealand who used health services in a given period.

The HSU was chosen by the Ministry of Health as the denominator for COVID-19 vaccine coverage reporting because it allows for the assignment of the same demographics (e.g., location and ethnicity) to people in the numerator (the number of people vaccinated) as the denominator (reference population). The HSU is available for every demographic contained in health data including age, ethnicity, DHB, and gender, separately or in combination. Other information such as neighbourhood deprivation, Statistical Area 2, or territorial local authority can also be added. It is possible to generate flags for health-related information on the HSU, for example, those who are likely to have a long-term condition. Official Stats NZ estimates are not as flexible. For example, StatsNZ estimates by age, sex and Statistical Area 2/Territorial Authority/DHB are produced every year but estimates that also include ethnicity are only produced every five years, the most recent being estimates for 2018. The projections StatsNZ produces for the Ministry every year do provide information by age, sex and broad ethnic group, but are only available at the DHB level.

The Total population estimate based on HSU as at 30 June 2020 is 193,463. This is 1,307 below the Stats NZ total projected population of 194,770 (from the non-official population projections StatsNZ produced in 2020). When classifying the population into ethnicity, age and DHB there are further differences. For example, a summary of the differences by ethnicity are summarised in the table below. These differences arise as the populations are derived from different sources. For example, an individual may identify as one ethnicity when registering with a health service and a different ethnicity when completing a census declaration.

By definition, the HSU is not a total population estimate and is likely to miss highly marginalised groups. For example, analysis suggests that groups underrepresented in the HSU include young people aged 15-45 years (men in particular), and people of Asian and Middle Eastern, Latin American and African ethnicity.

The HSU is considered by the Ministry of Health to be the best option for estimates of vaccine coverage, as it removes bias from calculated rates by ensuring demographic information in the numerator and denominator is consistent. For example, the ethnic group(s) with which someone identifies, and their location.

Total population	**HSU**	**Stats NZ**	**Difference**
Māori	67,982	70,600	(2,618)
Pacific	3,864	4,070	(206)
Asian	6,999	8,300	(1,301)
Other	114,618	111,800	2,818
Total	**193,463**	**194,770**	**(1,307)**

Note 3: Group 1 includes border and managed isolation and quarantine employees and the people they live with. Group 2 includes high-risk frontline healthcare workforces; workers and residents in long-term residential environments; older Māori and Pacific peoples cared for by whānau, the people they live with, and their carers; people aged 65 years and older; people with relevant underlying health conditions. Group 3 includes people aged 65 years and older; people with relevant underlying health conditions; disabled people; and adults in custodial settings. Group 4 includes people aged 16 years and over. These definitions and population groups were occasionally updated based on operational and Cabinet decisions or updated estimates of the sizes of each group.

Note 4: The data in this table is based on the DHB of service (where the vaccine dose was administered).

Note 5: The data in this table is based on the DHB of residence of the individual receiving the vaccines. Ethnicity is based on the prioritised ethnicity classification system which allocates each person to a single ethnic group, based on the ethnic groups they identify with. Where people identify with more than one group, they are assigned in this order of priority: Māori, Pacific peoples, Asian, and European/Other. So, if a person identifies as being Māori and New Zealand European, the person is counted as Māori.

Ngā Tai Ora - Public Health Northland in Action.

Dr Chris Harmston, Dr Jo Coates and Minister Little officially open the two new Operating theatres at Whangarei Hospital.

TE ARA ORANGA

Reducing Methamphetamine Harm In Northland

Reduce methamphetamine demand by enhancing treatment services and increasing our responsiveness.

Northland DHB, NZ Police together with community agencies lead Te Ara Oranga, the Methamphetamine Harm Reduction initiative in Northland that launched in October 2017.

Police Action

Prevention			
	3 Years	**April – June 2021**	**Total**
	686 Referrals to Treatment: - 659 People referred to DHB for treatment options - 27 Whānau referred to Whānau group for support.	**42** Referrals to Treatment: - 36 People referred to DHB for treatment options - 4 Whānau referred to Whānau group for support.	**855** Referrals to Treatment: - 804 People referred to DHB for treatment options - 51 Whānau referred to Whānau group for support.
	49 Reports of Concern for **111** children	**9** Reports of Concern for **15** children	**56** Reports of Concern for **126** children
Enforcement			
	45 Firearms Seized	**14** Firearms Seized	**74** Firearms Seized
	206 Arrests (1405 charges)	**12** Arrests (162 charges)	**253** Arrests (1847 charges)
	130 Search Warrants	**9** Search Warrants	**157** Search Warrants
	261 Drug Tests of Persons on Bail	**33** Drug Tests of Persons on Bail	**364** Drug Tests of Persons on Bail

"He kotuku rerenga tahi"
"A white heron's flight is seen but once"

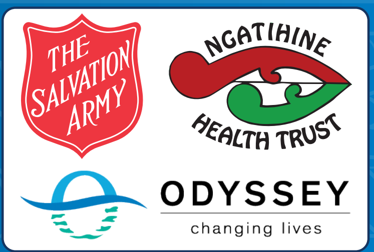
Our long-standing AOD clinician and Opioid Substitution Therapy (OST) Coordinator, Jewel Reti, died on April 7 2020, after a long illness with cancer.

We recognise Jewels unwavering commitment to the kaupapa: reducing harm caused by alcohol and drugs in our community.

After many years of working in the OST Service, Jewel was seconded in 2017 to spearhead the development and introduction of Te Ara

The Ministry of Health 'Amphetamine Use 2018/19: New Zealand Health Survey' amphetamines in the past year, with Māori 1.29 times

Oranga



Te Ara Oranga is about working in a tangible and engaging style with the community and agencies, focusing on delivering a holistic approach to health and policing to produce better outcomes for all.

The initiative links evidence-based health services with police prevention and enforcement activity.

Health Action

Treatment			
	3 Years	Oct 20-Jun 21	Total
Treatment cases	2,134	501	2,635
Screening and Brief Intervention			
People screened	10,594	1,589	12,183
Self-reported methamphetamine use in previous 3 months representing 2.6% of those screened.	271	43	314
Users consented to a referral for support/treatment	103	11	114
Referral for meth use support/treatment	65	8	73
Agreed to a referral to address other substance use	38	4	42
Choice (One-day Brief Intervention Programmes)			
Referrals to Choice	876	143	1,019
Pou Whānau Connectors			
Clients and their whānau members supported	793	156	949
Employment			
Total Referrals	229	56	285
New Employment	105	16	121
Education/Work Skills	47	10	57
Job Retention	11	2	13

Oranga, a Northland DHB Joint venture with NZ Police to reduce Methamphetamine demand in Northland.

Jewel has been central to the development and success of Te Ara Oranga and has championed the project to Ministers of Government and clinical colleagues across Aotearoa in her direct, no-nonsense and determined way.

Te Ara Oranga gained widespread recognition and praise because of the tireless work Jewel did with this project, despite at the same time struggling with her illness and chemotherapy treatments over a long period of time.

Her commitment, determination and strength shone through as a nurse. Jewel worked from a solid framework for the mahi she undertook and had the clinical depth to back herself. She is sadly missed by many.

reports 1 percent (equates to about 39,000 New Zealanders) of adults used more likely to have used amphetamine than non-Māori.

Northland Community Foundation

Health begins where we live and work, learn and play. Northland DHB's commitment to supporting people to stay well in the community means we partner with a range of other agencies to support healthy lifestyles. The partnership between Northland DHB and Northland Community Foundation (NCF) focuses on encouraging community giving to benefit the health needs of all Northlanders, now and in the future.

Health Fund PLUS (HF PLUS) is the name given to the fundraising programme developed in 2016 to encourage larger gifts, donations and endowments to Northland DHB. The funds can be used for the optional extras that support and enhance the patient or family/whānau experience of care. In the year to end June 2021, the Foundation has received $130,492 on behalf of Northland DHB. The total anticipated bequests for Health Fund PLUS to 30 June 2021 was $2,875,000.

NCF also raises funds for Northland charitable causes, and for the year to end, June 2021 received $305,574 in donations for the community. In addition to the $2.8 million anticipated bequests for HF PLUS, NCF received $450k for the Northland Rescue Helicopter and $500k for St John Ambulance Services. The total bequests expected for NCF for northland charitable and health causes at the end of June was $19,175,000.

The Northland COVID-19 Emergency Response Fund and Recovery Fund

The Northland COVID-19 Emergency Response Fund was established in response to the COVID-19 Lockdown and raised a total of $92,177 since March 2020, thanks especially to The Tindall Foundation, Foundation North and an anonymous individual donor who are the major donors of the fund. Grants were delivered to Fresh Start Family Services & Food Bank Inc, Volunteering Northland, Family Support Services Kaiwaka/Mangawhai Incorporated and Otamatea Community Services.

For patients of Northland District Health Board Hospitals who are affected by COVID-19, the Northland COVID-19 Emergency Response Patient Support Fund provides grants of up to $500 to help them financially. Priority is given to patients over 55 years of age, who live in rural or isolated areas, are in a difficult financial situation, and manage a long-term or acute condition(s). At the year-end of June 2021, $18,540 was delivered as grants to patients through the COVID-19 emergency response fund. Patients may use the grant on expenses such as groceries, warm clothing, heating appliances, utilities, etc. Many have been grateful for the funding provided and commented that they are amazed at how efficient the process has been.

Dean Reihana was one of the recipients of the Patient Support Fund

Dean is 71 years old and lives alone in a council's pensioner unit in Kawakawa. He has been on dialysis treatment for five years now. Dean goes for dialysis treatment every other day at the hospital from 6:30 am to 12:30 pm. "After lying down flat for five and a half hours, I often get very dizzy and need a rest when I get home. It takes a while for the blood to get back into the system. The aches and pains go through one's body and mind," Dean says. He is "very happy and grateful" for the assistance he received for the power bill payment from the Patient Support Fund. "It is a big help to me!" he says. "The concrete building that my one-bedroom unit is in is very cold, and I need heating to keep the unit warm." Social workers and nurses from Northland hospitals identify recipients for this fund.

The Northland DHB Social Worker Professional Lead Te Ami Henare-Toka stated:

> *"Social workers often comment on how fantastic it is to have this resource (Northland COVID-19 Recovery Fund - Patient Support Fund) to be able to help whānau out with a significant and concrete resource when they (the patient) are up against it and a serious health event brings them into hospital adding to their stressors."*

Unregulated Healthcare Workers Scholarships

Northland DHB staff are benefiting from a scholarship that encourages staff to further their education. The scholarship was made possible by an anonymous $50,000 donation. Workforce and Wellbeing Manager Catherine Parker received the scholarship applications, and the selection panel narrowed these down to the final scholarships. A portion of the original grant ($5,553.97 excluding GST) has been distributed to the successful applicants for the 2020/21 academic year. The balance of the monies has been invested for future distribution.

Diabetes Summer Camp

This year the Northland Diabetes Youth Summer Camp returned to the scenic Manaia Baptist campgrounds in Taurikura, where the camp has been held for the past seven years. For four days, sixteen youth between the ages of seven to thirteen years attended the camp. Some youth have been attending the camps for the past seven years and are reunited with their diabetes camp buddies. For others, this is their first diabetes youth camp experience and also their first time meeting another child with type 1 diabetes. At the camp this year, we had an eight-year-old type 1 boy from Pukenui (in the Far North) come down to visit and stay at the camp for the day (he did not feel ready to stay overnight away from his parents and siblings). As one of the Northland DHB Diabetes service team, it is very humbling to be a part of the camp and witness how important these few days are to the children with type 1 diabetes when they are with "their people". The bonding that happens between the children is truly a wonderful thing to view.

The Northland Diabetes Youth Summer Camp a roaring success

contribute towards the Camp. Northland DHB pays for the food and staffing, and the remainder of the costs are covered by funds raised at the annual Diabetes Fun Run & Walk.

The successful Camp not only gives the children the chance to meet and reunite with other youth with the same health issues in the beautiful surroundings at the Manaia Baptist Camp, it also gives their parents a well-deserved break. To be eligible, attendees need to be at least seven years old, and priority is given to those that are newly diagnosed. This year, three newly diagnosed children came along and met other type 1 kids for the first time. Six out of the 16 at the Camp were using insulin pump therapy and a 16-year-old girl and 17-year-old boy with type 1 took part as youth mentors. Every year a large contingent return to the camp, including ten-year-old Siena Southall and 11-year-old Aayden Mitchell who said they look forward to coming back to meet up with friends from previous years.

Whangarei Children's Ward Refurbishment Appeal

A key project being managed by the Foundation is the Whangarei Children's Ward Refurbishment Appeal. The Te Kotuku (Maternity Unit) Extension project includes a new Paediatrics Inpatient Ward and Special Care Baby Unit (SCBU) on level two.

The purpose of this campaign is to ensure that every child who becomes a patient at Whangārei Hospital benefits fully from a calm and supportive environment. Donations to the Refurbishment Appeal will provide items such as comfortable chairs and beds for patients and caregivers, distraction devices (interactive wall designs, graphite wall wraps, treatment room monitors, TVs for patient rooms, special learning equipment, laptops, gaming consoles), upgraded furniture and new whiteware.

For more information go to the Northland Community Foundation website page.

New Zoom Equipment for Diabetes Services for Northland

Funds donated by the Lions Foundation, via Health Fund PLUS, for the Diabetes Service at Northland DHB have enabled Zoom/Telehealth capability in the Whangārei meeting room. Like most of the world in 2020/21, the Diabetes Service became very adept at using Zoom to deliver Telehealth for children with Type 1 diabetes in their homes, helping a person with diabetes on an insulin pump make changes to their pump and even teaching patients how to use a meter or give insulin. The technology means the regional Diabetes Specialist Nursing teams in Dargaville, Bay of Islands, Hokianga and Kaitaia can access the weekly multi -disciplinary meetings to discuss complex patients with the wider team, which includes our Diabetes physicians, dietitian and psychologist. We also use it to provide Specialist Telehealth for general practice. These MDT's have included GP's, practice nurses, Ministry of Social Development and sometimes the patient, who might be present for these discussions. Another critical way the technology is utilised is to link in with education sessions to further expand the team's knowledge and link in with diabetes colleagues right across New Zealand. This kind of donation has allowed us to use technology to remove the rurality challenge for some of our patients. While it doesn't remove the need for a good old face-to-face chat, it gives us another tool to use to help our people in Northland with diabetes.

The Charitable Accounts Committee

A committee of Northland DHB and Northland Community Foundation staff meet online to receive and consider applications for funding from the many different services and departments of Northland DHB. Grants are made from Health Fund PLUS donations which are held and administered by Northland Community Foundation.

HIGHLIGHTS 2020-21

Northland DHB Steps Up Carbon Emissions Reduction Target

Parking control officer, Pani Marsh driving the latest EV.

Health begins where we live and work, learn and play. Northland DHB's Recognising the urgency to prevent global warming exceeding 1.5° Celsius, Northland DHB has increased its commitment to further reduce its carbon emissions by 2030.

Our organisation has set actions for a low carbon future to be in their vision, He Hauora Mo Te Tai Tokerau, a Healthier Northland.

The goal is to achieve a net zero emission rate before 2050, and we have updated the 2016 target of reducing carbon emissions by 15 percent by 2025 – to halving them by 2030.

The new target requires significant practice changes on every level, especially with the unprecedented growth for medical and surgical services in the region. Besides continuous operational improvements, a set of sustainability policy rules has been approved to support the target:

- No new gas or other fossil fuelled boilers and equipment
- Green Star ratings for new hospital buildings over $10 million investment
- A set of rules for energy efficiency improvements and building renovations
- Offset helicopter and patient flights as per 2019 and offset all flights as per 2020
- Convert the light fleet to electric vehicles before 2025 and the heavy fleet before 2030
- Offset any emissions above our yearly carbon budget.

Northland's sizeable geographical area means road transport is one of the main challenges to tackle, together with the energy emissions from all hospital buildings.

Since 2016, there has been good progress in reducing emissions by 16 percent, which is a 7 percent improvement over the last 12 months.

A crucial emission reduction project was the conversion of diesel boilers to electric heat pumps in all the district hospitals with the help of Energy Efficiency & Conservation Authority (EECA) loans.

This has saved over 200,000 litres of diesel and around $300,000 per year in operational costs.

Our Surgical Department has made significant reductions in the use of medical gases, particularly Desflurane; a product with high global warming potential, which was halved in the last year alone, avoiding almost 100 tCO2e.

Other improvements include:

- Videoconferencing tripled over 2019, assisted by the expansion of Telehealth to include a new acute care network.
- Seven electric vehicles were added to the DHB pool car fleet, as well as traditional push bikes and e-bikes available for staff use.
- A 4-Green Star rating for Tohorā House, Northland DHB's administration building
- Food is sourced locally where possible for patient and staff meals, and several products have been switched to biodegradable alternatives.
- An additional 100 recycling bins have been installed throughout the DHB's hospitals and other programmes now in place see better recycling of PVC products including oxygen masks, tubing and IV bags.
- Waste contractor changes have resulted in a saving of $95,000 per year and 58 tonnes of confidential paper is now being recycled rather than going to landfill.

These outcomes show it is possible to reduce our environmental impact and emissions, without impacting patient care or health outcomes.

Treasured Kauri Chopped Down by Vandal

When staff arrived at work on Thursday 16 July 2020 after an evening of stormy weather, they found a much treasured kauri tree had been mindlessly chopped down by a chainsaw wielding vandal.

The tree had offered shade and comfort to staff and visitors for many years and stood between the Jim Carney Cancer Treatment Centre and the top carpark on the Whangarei Hospital campus.

The offender was captured on CCTV footage with a chain saw, placing cones around the fall area and then cutting down the tree, waving to the cameras as he left.

"It is beyond belief to understand what has motivated such a senseless act," said acting chief executive Ian McKenzie. "They have taken away a beautiful tree that we think was at least 80 years old and was valued greatly by patients and staff alike. We are very keen to identify this person and hold them to account for purposely damaging a significant tree on our property."

Outrage from members of the public flooded the Northland DHB Facebook page, and a local arborist offered to mill the timber free of charge.

Members of our Kaunihera have since blessed the felled tree and had a kōrero about what should be done with the wood. One silver lining was that a kauri sapling was found in the foliage below the stump.

The matter was reported to police.

Northland DHB Kaunihera gather to bless the site.

Raumanga Medical Centre's Pamela and Dr Conlin Locke (right)

A Place to Gather

When Raumanga Medical Centre reached out to their community through surveys and community hui to see what they would like to do to support their health and wellbeing, the idea for a community garden was unanimously agreed upon. 'Up to you, Charitable Trust' was then formed to support communities to make healthy lifestyle choices that could ultimately affect their health outcomes and then the hunt for suitable land was on. The key to the garden's success was finding a piece of land that was available long term and appropriate for gardening to ensure its sustainability. Manaia View School principal Leanne Otene saw the community garden's potential and approached the Ministry of Education and Whangarei District Council to help secure some vacant land behind the school. In early October the Trust was handed the long-term lease of the land to build the community garden. Their vision is that it becomes a place of connection with the whenua and the people of Raumanga. The garden will be where people gather, learn from each other and contribute, and where stories are told connecting them to the land and the people that have gone before them. It is hoped that it will become a safe and sacred place where waiata calls out to the surrounding area and where people share a meal. The use of the land and how the garden will be run will be up to the community. "Perhaps kuia will teach the tamariki how to weave and work with flax. Perhaps it becomes a place where we harvest and gather food together; where people contribute to learning how to prepare the fresh produce; where the community hold hui and celebrations including Matariki," offered Pamela Locke, Up to You Charitable Trust director.

Northland Anaesthetic Technician's Conference Success

Northland DHB anaesthetic technician's (ATs) proved their talents are endless after successfully pulling off what their colleagues around the country have called one of the best New Zealand Anaesthetic Technician Society (NZATS) conferences ever, at Waitangi. The NZATS Conference is usually held in larger centres. However, the new location saw ATs flock to the Bay of Islands for the event. Unfortunately, because of COVID-19, ATs from Australia and the Pacific Islands were unable to attend. However, Northland DHB charge anaesthetic technician, Matthew Lawrence, said they had roughly 75 delegates on any given day, from 37 institutions, encompassing both public and private institutions. Matthew said the conference's theme, 'Balance is Life', was well supported and helped them form the programme plan to include plenty of time for activities to make the most of the beautiful location which they are all proud of and were happy to share. "I quoted myself in the prelude to this conference by saying, 'We need to remember our past, our present and our future. We need to know ourselves, cherish what is around us every day. Stay the course of living. We will be afraid. We will experience loss. We will rise and have joy and love again. Just remember you are not alone.' Following what has been a tough year, we need to remember that these words." During the four days, they managed to cleverly pack in high-level meetings, nine workshops and a range of speakers that included ATs sharing insights and talks from Northland DHB chief executive Dr Nick Chamberlain and former New Zealand rugby league representative, Richie Barnett. The weather complemented the well-attended social occasions each evening which included a BBQ at the Duke of Marlborough Hotel in Russell and black-tie dinner on the final night which Matthew said was very special. Northland DHB ATs, Terry Leftley and Greg Mann won second place in the best speaker awards for their presentation on Reflection, and Vanessa Lawrence won the Medtronic Excellence award for her historical essay, 'Where were you in 1975? A look at our profession through the years'. "It's been a tough year. We had many companies supporting us through this process, so a big thank you to them and Nick Chamberlain for giving us his time. Finally, to the techs of Northland, thanks for putting this conference on - it was nice to get it up and running and now completed," said Matthew.

NZATS Conference powhiri at Waitangi

HIGHLIGHTS 2020-21

The Passing of a Change Maker

Harold Wereta – Rongoa Maori Hui

Hundreds of tributes flowed into Northland DHB in late August following the announcement that general manager Māori Health, Harold Wereta had passed away after his battle with bowel cancer. The heartfelt tributes were testament to the lasting impact he had on all who met him and the legacy of changes he brought about for Māori health both here in Te Tai Tokerau and throughout Aotearoa. The chair of Tumu Whakarae (the national Māori General Managers Collective to the DHBs) Hector Mathews remembered Harold as a long-standing member of the collective and a staunch advocate of health, wellbeing and equity for Māori. "Harold's contribution to Tumu Whakarae, the health sector and the wider Māori community has been enormous. We are immensely grateful to have shared in Harold's wisdom, kindness and leadership, and we will miss his presence greatly." Marty Rogers took over Harold's work as acting general manager Māori Health when he became unwell and described him as a great man, a great friend, a great dad, a great partner, a great son and uncle and a great human being. Harold grew up and was schooled in Porirua, then left Wellington to study at Massey University. Once he finished his studies, he worked in public sector organisations including Corrections, Treaty Claims and Crown Forestry Rental Trust. His focus moved towards health when he took on roles at Capital & Coast, Mid Central DHBs and the Ministry of Health before becoming general manager Māori Health at Nelson Marlborough DHB, then here at Northland DHB in 2016. Working alongside Harold was his executive assistant, Francis Gray, who remembers him as a big, strong, supportive and calm man and manager. "I felt like he had real trust in me, and the team and he supported the decisions we contributed or made. He never intentionally wanted to damage anyone's mana and allowed people to have a voice and say what they wanted to, whether he agreed or not." Manager Māori Population Health and Strategy, Ellie Berghan also worked closely with Harold and said he was steadfast in his position when services to Māori whānau weren't performing well and would challenge the status quo. She explained that Harold came to Northland DHB with a vision that all pēpi born in 2019 celebrate their 21st birthday in 2040 during the 200th year commemorations of the signing of Te Tiriti o Waitangi, with a good quality of life as they age. To achieve this vision, one of the initiatives he worked on with Ellie and Francis was the Māori Health Community Services review. The three of them hosted 17 hui around the rohe, speaking directly with whānau in the community to ascertain the challenges and barriers they face with their health. Francis said Harold purposely designed the hui without involving health providers or clinicians to ensure whānau were clear they were there to engage with them, not health professionals. The key themes derived from the hui were the importance of rongoā Māori, addressing the determinants of health, i.e. looking at the broader socioeconomic challenges facing whānau. Increasing public health initiatives to develop more early intervention services. And, redesigning the health system – as per the Health & Disability System Review.

Ellie said this substantial piece of work showed Harold's commitment to ensuring whānau have a voice. "He believed in co-designing with whānau and was committed to achieving their aspirations - something that was missing in many departments as a normal process within the DHB when developing or designing services." The vision that came from this work was that the community feel they have a healthy and happy whānau, and their voices are heard. Ellie said Harold was an avid reader and was knowledgeable on a range of issues that impacted whānau like marine health, whenua and Māori Land Court process, social services and the justice system. "He had a great sense of pragmatism, particularly in responding to process and developing systems, something we greatly appreciated." During the four years, he was with Northland DHB Harold supported chief executive Dr Nick Chamberlain with responding to Waitangi Tribunal Claims in 2016, 2017 and 2019. "Through all the work we did together, and the quiet support I received, Harold became a friend. I miss him deeply. He was a gentle giant, a genuinely good man with a special mana and presence that demanded and deserved respect. His work and the pathway he laid down for us is only just beginning, but he has built some strong foundations", said Dr Chamberlain. Ellie also said Harold set the foundation and roadmap for the rest of the Māori Health Directorate team and the DHB to follow going forward. "He was instrumental in supporting an Iwi-Māori provider relationship model of health within Te Tai Tokerau and helped Te Kahu o Taonui's relationship with Northland, Auckland and Waitemata DHBs Iwi Relationship Board with DHB chairs and chief executives. "He restructured the Māori Health Directorate while maintaining people's mana throughout the process. He created policies to address institutional racism. He built capability and capacity in the Māori workforce to improve Māori health gain, reduce inequities and develop iwi and Māori relationships at a governance level. And his advocacy led to the development of the Tū Tira Māori Health Symposium and inclusion Workforce Equity and Kia Ora Hauora." Francis said because Harold was so approachable and had an open-door policy, people from all levels regularly called on him for advice and support, and no one was ever turned away. She fondly recalls that although Harold was a quiet man, he had a great sense of humour, especially when you weren't expecting it. "He was very proud of his daughter and fiercely passionate about his mahi, Māori whānau and their health and that his heart was still here even when he was unwell." Sadly, Francis said Harold thought he was going to be back here in December because he had unfinished business. However, she and Ellie continue with his work, as they knew his vision and the legacy he wanted to leave behind. Francis said what she remembers about Harold is that when whānau expressed the need for rongoā Māori to be used in the hospital setting he was instrumental in backing it to become complementary to western medicine, rather than it being done on the side. Ellie said their team still miss Harold greatly but believe he is looking down on them with his quirky smile and telling them to 'keep going' – as this was his mantra when they came across barriers and challenges within the DHB.

New Cardiac Catheter Laboratory and Operating Theatres Officially Opened by Minister of Health

In early May 2021, Whangārei Hospital's new Cardiac Catheter Laboratory and two new Operating Theatres were officially opened by Minister of Health Hon. Andrew Little. In 2018, Northland DHB received $24m of Crown funding for these two projects and the new Endoscopy Suite that opened in 2020. Northland DHB Board Chair Harry Burkhardt explained at the opening that patients requiring access to a Cardiac Catheter Laboratory have to travel to the tertiary centre in Auckland, irrespective of where they live in Northland. "Our challenge has always been to ensure that a patient receives the same standard of care locally as he or she would have been received had they lived in a large city with direct access to a tertiary institution, despite "the tyranny of distance". Once the Laboratory and theatres are fully operational in July, Mr Burkhardt said the Board would be working toward fulfilling their obligation to deliver health equity and providing the same level of care to everyone, no matter where they live. Northland DHB chief executive, Dr Nick Chamberlain, said the new Cardiac Catheter Laboratory project wasn't just about having the facility here in Northland. Instead, it had a much broader vision, which was, "Build it, and they will come." "

This new facility will be a quantum change in the way care is delivered to patients and means that Northland is now an attractive option for cardiologists with specialist skills to come and be a part of a redeveloped service and contribute to the delivery of healthcare for Northlanders. "Prior to this, we couldn't attract young hotshots. Now we are getting fantastic applicants for all our cardiology roles. We have already recruited two additional New Zealand trained cardiologists." He explained that the two new Operating Theatres were critical to meet Northland DHB's unprecedented growth for acute medical and surgical services. "I know that there are still improvements to make in our main Operating Theatre block. But I'm excited that this, along with much greater use of Kaitaia's second Theatre, will have a huge impact on our surgical throughput and reduce the waiting times for Northlanders. With minimal capacity in Private Hospitals, our only options have been to look at Auckland helping out. "Ironically, pretty soon, we will all be one organisation, Health NZ. However, we had already commenced planning for some shared waiting lists with Auckland and Waitematā DHBs for our longest waiting patients. "We will continue to progress this to further supplement capacity so that Northland is no longer the poor little (but incredibly beautiful and perfectly formed) Northern cousin." Dr Chamberlain highlighted the work that the Projects Team had done managing and delivering both builds well under the cost of comparable projects in other regions despite the significant curveball of a global pandemic. He said the opening of these two facilities means Northlanders can be treated and cared for closer to home. "This not only reduces the need to travel to Auckland for procedures, it means fewer delays to treatment and more positive health outcomes.

Cardiologist Marcus Lee with Minster Little officially opening the Cardiac Catheter Laboratory with medical services service manager Ben Lockie looking on

Tū Tira 2020, Homegrown

Tū Tira Working Group & champions with Kaikorero Dr Elana Curtis & MC Pio Tereiv

"My culture is fine. How is yours?" This was one of the resonating statements from keynote speaker Dr Elana Taipapaki Curtis at Tū Tira, the second annual Kaupapa Māori Health Symposium, at Semenoff Stadium in Whangarei on Friday, 27 November. Tū Tira (meaning Stand Together) is a professional development opportunity where Kaimahi Māori can come together to share aspirations, achievements, successes and build on current capabilities.

The annual Symposium planned and delivered by Tū Tira (formerly known as the Kaimahi Māori Core Network) was supported and sponsored by Te Poutokomanawa, Māori Health Directorate. This year's programme of presenters and breakout sessions aimed to build on the success of last year's inaugural event. Tū Tira's focus on building the capability of our Māori workforce was reinforced by this year's theme "Home Grown" and reflected in the programme which celebrated and shared the skills, knowledge and achievements of some of Northland DHB's Kaimahi Māori in the four breakout sessions. The Symposium showcased the work of community and patient facing Kaimahi to those in management and governance roles on the day.

Charismatic entertainer and MC, Pio Terei, returned once again to host the Symposium with his unique brand of "Homegrown" familiarity, whānaungātanga and humour. Northland DHB, chief executive, Dr Nick Chamberlain, began the day by acknowledging the sad passing of our former General Manager Māori Health, Harold Wereta. He highlighted equity and Te Tiriti as a primary focus for our organisation and discussed the challenges and changes within the health system. Dr Chamberlain's goal is to ensure the DHB's Māori workforce increases at all levels. The impressive line-up of Kaikorero (keynote speakers) included Dr Curtis, who is a public health physician currently working as the Associate Professor at Te Kupenga Hauora Māori at the Faculty of Medical and Health Sciences at Auckland University. Along with Māori health and physical education consultant Dr Ihirangi Heke and Ngāpuhi midwife Nicole Pihema, the first Māori President of The New Zealand College of Midwives. Event co-leaders Tracey Cornell & Viv Beazley say the kaupapa Māori event is important as it recognises the organisation's commitment to Te Tiriti. It builds on the organisation's cultural capacity and acknowledges Kaimahi Māori are essential to improving health outcomes within our rohe. For the first time, the Symposium was available via webinar, both in real-time and recorded. The webinar option through zoom meant the Symposium was accessible to and inclusive of, all Northland DHB staff. Kaimahi Māori who participated in person or via webinar will be credited towards their professional development.

HIGHLIGHTS 2020-21

Rangimārie - New Quiet Room Bay of Islands Hospital

David Scoffham, Reverend Bray and Sally Macauley.

Patients and staff at Bay of Islands Hospital now have a place to find solace and support if they are feeling overwhelmed. All thanks to the new Quiet Room, Te Rangimārie that was blessed by Northland DHB kaumātua and Cultural Advisor Te Ihi Tito and officially opened by hospital volunteer Chaplain, Reverend Christine Bray in May 2021. Rev Bray sadly passed away on 5 August 2021.

Reverend Bray had approached Northland DHB Board member Sally Macauley about the idea for a quiet room around 12 years ago.

She wanted whānau to have a peaceful place to go for support if they were distressed and anxious for their relatives or friends who were patients in the Hospital. "Some years ago, I saw a great need for peace and privacy. I hope all who choose to use it find comfort and peace here. I acknowledge the chaplains, past and present, who have served here and thank Sally for putting this day together and the BOI Rotary club who have contributed funds to enable us to get this room completed."

She also thanked Charlotte Scott for creating the patchwork for the room.

The Hospital provided the new flooring, curtains, lounge suite and chairs with financial support from the BOI Rotary Club and personal donations from community members.

The room includes a fridge, tea and coffee making facilities, a table to prepare communion and doors that lead out to a well-designed private garden. Sally said the room gives hospital chaplains a quiet space to offer support to whānau who may be anxious. She thanked the team who helped get the project completed, including Reverend Bray, the other Hospital Chaplains, and BOI Rotary Club – representative David Scoffham.

"We all planned and worked alongside the Hospital Executive leadership with the support of Jen Thomas – Operations manager - Bay of Islands and Dargaville Hospital. Grant Cochrane, clinical nurse manager, Clinton Telfer – facilities manager, Jacqueline Bell, director Infrastructure and Commercial Services and Northland DHB chief executive Dr Nick Chamberlain who gave his full support during the planning of the Quiet Room."

David highlighted the work Reverend Christine does for the Hospital, as well as for the Anglican Church in Paihia and Rotary - particularly the work she has done helping youth. Kaumātua Willie Cash thanked former chaplain Bev Deverell who started the Chaplaincy at the Hospital and thanked her and her husband Mike for being there today.

Jen Thomas said that although it had been a long time in the making, the space would also be important for staff when they need to reflect and gather their thoughts. She thanked facilities manager Clinton Telfer who led the project at a local level and made sure the room was put together and finished so well.

Whangarei Hospital Celebrates the 120th Birthday with New Development Plans Revealed

A group of current and former staff who worked in the Hospital during its many life stages, cycles and hectic renovations were invited to a morning tea on Wednesday 31 March 2021 to celebrate the Hospitals 120th anniversary, which officially fell on Sunday 4 April.

As familiar faces reconnected, chief executive Dr Nick Chamberlain walked through some of the milestones that have occurred since 1901, including when the Cottage Hospital opened at the cost of £1440 and included 2 x 5-bed wards, one for males and one for females and a nurse's cottage.

In 1950, staff lobbied the Board for a swimming pool, but it was not until 1955 that the matron was granted permission by the Board to begin fundraising. Four years and £4,000 later, the swimming pool was opened down the hill from the Maternity Annexe.

In the late '80s, the Nurses Home was converted to offices and renamed Maunu House. The second nurses home, which had been used as staff accommodation, was converted into offices for the Area Health Board's newly formed health promotion and planning unit.

The $11m Surgical Unit was opened in 1991 and provided Whangarei Hospital with a modern and spacious six theatre facility. It replaced the cramped and outdated theatres on level 4 of the central services wing, which had served the Hospital since phase 1 was built.

New facilities such as the front entrance in 2002, The Mauri Ora Breast Clinic Facility (2006), the moving of the mortuary in 2011, the new mental health unit, Tumanako opening (2011), the Jim Carney Cancer Treatment Centre (2014), Te Kotuku Maternity Unit opening (2016), and the Endoscopy Suite Te Wāhi Tirohia Oranga Whēkau (2020) were highlighted as key achievements across the years.

The new Cardiac Catheter Laboratory and two new Operating Theatres were heralded as the latest Capital projects to be completed, but the highlight of the morning tea was the presentation of plans for a completely new Whangarei Hospital.

The Hospital redevelopment aims to address three sets of property-related issues at Whangarei Hospital:

Condition – the main block has seismic, fire safety and other condition issues

Size and fitness for purpose – areas within the Hospital are too small compared with space guidelines, and they fail to meet other standards

Overall capacity – demand either exceeds or will soon exceed physical capacity for inpatient beds, outpatient rooms, theatres and emergency department beds.

Northland DHB and the Ministry of Health have been investigating large-scale options for addressing these issues since 2015.

"We understand it is acknowledged that Whangarei Hospital is the highest priority major hospital redevelopment in New Zealand," said Dr Chamberlain.

An artists impression of our new Hospital

"We hope that we will get confirmation from the cabinet of the allocation of funding very soon." An investment of $692m would replace a large section of the main hospital block, adds capacity and is a key enabler for our goal of addressing growing health inequities in Northland.

Option 8 would utilise a large amount of development area available between Hospital Road and West End Ave, an area currently occupied by on-grade parking and several smaller ambulatory and accommodation buildings.

This allows the main Hospital to be developed as a series of connected buildings instead of a tall compact tower as in Option 6 and 7. This optimises clinic adjacencies and future flexibility/growth while still providing the opportunity to connect back to the current main campus (which could become a future ambulatory and community zone) via a link bridge across Hospital Road.

An over $600million investment in redeveloping Whangarei Hospital will also be very good for Northland's economy - for 4-5 years, we will have up to 500 extra builders, electricians, plumbers and various specialists working, earning, living, playing and spending in Northland. "We hope to have good news in the near future so we can start building a hospital that will be fit for purpose for the next 50 years and beyond."

For more information visit:

https://community.northlanddhb.org.nz/celebration/

Rongoā Māori Northland District Health Board funded pilot services

On a beautiful sunny morning in March 2021, we officially welcomed our Te Hiku ō Te Ika Rongoā Māori practitioners into the fold of Kaitaia

Rongoa projects leaders including the Rongoa Taumata, Ringa Whakahaere Teresa Hart, DHB Project Lead Vivienne Beazley and Nickola Blunt, partner of late Maori Health GM Harold Wereta.

Hospital to deliver their traditional Rongoā Māori services. This is one of three recently funded Rongoā Māori pilot programmes across Te Tai Tokerau. The second pilot will offer these Rongoā services at Rawene Hospital and the third through clinics in Haruru, Motatau, Otangarei and Kaiwaka.

In 2018/19, Northland DHB, former Māori Health general manager Harold Wereta, undertook a number of consultation hui with whānau throughout the rohe. The key question asked was, "How do you see whānau in the future". The vision from the hui became clear - for whānau to be happy, to be healthy, and to be heard.

The impetus to establish a funded Rongoā Māori service came from an overwhelming call from whānau and the community. While Rongoā Māori is not new, and in fact, a well-practised and well-used kaupapa, having it as an integral, funded health service pathway is new.

"Access to Rongoā and tohunga were key planks in Māori society pre-European. However, post- European settlement saw the dismantling and outlawing of tohunga and rongoā kaupapa. For us in Northland, returning to those things that were and are important not only to our wellbeing but also to our identity is fantastic. It's been a privilege to be part of a kaupapa that has seen the Northland DHB structure hear and respond to the voices of whānau Māori, hapū and iwi in Te Tai Tokerau," said Marty Rogers, acting general manager of Māori Health.

The Northland DHB partnered with the Rongoā community to co-design the kaupapa across Te Tai Tokerau. Membership of this Rongoā Project group comprised of Taumata Rongoā, who governed and set the vision for the practice, the Ringawhakahaere team who worked hard to make that vision a reality, and Northland DHB and an independent project manager who built the framework for service provision. The traditional practice of Rongoā Māori encompasses a holistic view of health and wellbeing, incorporating physical, spiritual, psychological and family aspects. The practice is uniquely designed to suit the individual and whānau who come through the doors.

"This is a preventative care plan in our natural environment. We want to see whānau have a choice in how they are treated. We want to see whānau owning their wellness plans, and we want to be walking alongside them to tautoko and awhi their journey," said Teresa Hart, Ringa Whakahaere. Rongoā Māori services under the Te Hiku pilot in the Kaitaia hospital will operate from 'Te Waka Hauora' every Wednesday and are available to all. Nau mai haere mai whānau!

A True Leader Leaves the Team

Neil Beney retired from his role as general manager, Medical and Elder Services and acting chief operating officer in February 2021.

After dedicating the past 35 years to Northland DHB, Neil Beney retired from his role as general manager, Medical and Elder Services and acting chief operating officer in February 2021. At his farewell, an endless stream of colleagues both former and current took the opportunity to speak about how Neil's calm nature, kindness, sense of humour and most importantly, mana made him an exemplary leader. His ability to disagree while remaining decent was appreciated by those who have worked for and alongside him during his long career. He will be greatly missed. Neil qualified as a Physiotherapist in England in the early eighties. He worked at Westminster, St Bartholomew, St Leonard's and Hackney Hospitals where his clinical and management skills were recognised early on and he was quickly encouraged into more senior strategic roles.

Fortunately for us, Neil's wife Yvonne was from Mangawhai. So, in 1986, the couple and their son Jed relocated to New Zealand, and he began working for the Northland Area Health Board as a Staff Physiotherapist. Over the next 35 years, both the organisation and Neil's positions underwent several name changes (ten in fact for Neil). However, he managed to carry on working as a clinician with managerial responsibility up until five years ago, when he focused on his general manager position. During his farewell speech, he explained that management in the earlier days was all about structures and departments and focused on the professional groups. In contrast, our DHB's current focus is on outcomes for our people, then strategy, with the last priority structure.He said one of the biggest surprises and richest parts of his career was when he was asked to manage Te Poutokomanawa after a period of turmoil. This role was life-changing for him, and he said he went through a profound period of learning and immersion.

"Working with our kaumātua, kuia, kaunihera and takawaenga was an honour and a privilege, and I am very grateful to them for the kindness, patience and aroha they showed me." Thanks to their support, time and sharing of wisdom, he said he began to understand tikanga and had his eyes opened to the struggle.

Neil worked closely with kaumātua and cultural advisor, Te Ihi Tito who told him always to tell the truth, so you never have to remember what you said - something Neil thought was useful for everyone to remember. Te Ihi said Neil was able to lead their team because he gave them respect, and that earned their trust. Former takawaenga and current kaunihera member, Aggie Christianson agreed. She said Neil was a wonderful support to Māori and his kindness to people is what mattered. "It's not about the colour of your skin. It's about who you are and how you treat people." Another surprising role for Neil was leading the implementation of the DHB's initial strategic Information Service transformation. He said it was quite daunting because he was and remains 'technically challenged'. Thankfully, the IT Team and health Alliance worked hard to patiently educate and help him deliver several significant projects during that time.

Neil feels privileged to have worked both as a clinician with patients and as a manager, and he said he owes his successes to the teams he has worked with. "I have been fortunate to have worked with very talented, committed and hard-working people. In this business, we are surrounded by leaders and the role of a manager as part of a team is incredibly satisfying." One of his goals for his farewell was to acknowledge all those people and teams he had worked with during his career with Northland DHB. This was a long list, but ever the gentleman, Neil managed to mention everyone, including chief executive, Dr Nick Chamberlain, for giving him plenty of opportunities and challenges.

"Some of which have been frankly just crappy jobs! You never have to learn to read Nick, he wears his heart on his sleeve, wants everything half the price and at twice the speed, and he is a fearless and unwavering advocate for Northland, for which we are all very grateful."Aside from their work together at Northland DHB, Neil and Nick also worked for the Northland rugby team as their physiotherapist and doctor (respectively). Nick told the crowd that Neil is the sort of person you want to have as a friend because he's a really, good man. He noted Neil's original job references from London still reflect the type of man he is today - 'reliable, pleasant, tactful and diplomatic - all with a sense of humour'. Nick thanked him for all his work over the years, including being a key member of our COVID-19 Incident Management Team, where he often filled in as an Incident controller.

He said he was reluctant to let Neil retire and tried to get him to stay on in a part-time position but understands that it is time for Neil to put his family first and wished him well for the future.

There will be no resting on his laurels in retirement as apparently as he has a list of projects around the house that will take him two years to complete – then his wife Yvonne has another list waiting for him. Hopefully, he will get a lot of opportunities to go fishing, do some work with the Bream Head Conservation Trust and spend that quality time with the most important team in his life - his family.

Neil's whānau joined him at his farewell function.

GOVERNANCE AND PARTNERSHIPS

Northland DHB Board elected 12 October 2019

Left to right - Nicole Anderson, Vince Cocurullo, John Bain, Sally Macauley, Dr Kyle Eggleton, Dr Carol Peters, Dr Nick Chamberlain (CE), Ngaire Rae (Deputy Chair) and Harry Burkhardt (Board Chair).

Absent: Debbie Evans, Libby Jones, Dr Mataroria Lyndon.

Northland DHB Appropriation and other Statutory Information

	Parent	
	2021	**2020**
	$000	**$000**
Appropriation Revenue		
Original	701,814	632,077
Supplementary	5,115	14,915
Total Appropriation Revenue	706,929	646,992

The Appropriation Revenue received equals the Government's actual expenses incurred in relation to the appropriation which is a required disclosure from the Public Finance Act. It has been appropriated towards the provision of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs by Northland DHB. The Northland DHB has provided these services in alignment with Government priorities; the strategic direction set for the health sector by the Ministry of Health; the needs of the district population and regional considerations.

In accordance with the New Zealand Public Health and Disability Act 2000, the Board has 11 members, seven of whom were elected in October 2016 and four of whom are appointed by the Minister of Health*. The Board also has three committees, which provide a more detailed level of focus on particular issues.

The Crown Entities Act 2004 requires that before the start of each financial year, the DHB must prepare a statement of performance expectations for that financial year. Northland DHB submitted its Statement of Performance expectations for the financial year 2021-22 after the specified deadline of 30 June 21.

2020-2021

Board Members:

Term commenced 9 December 2019

Harry Burkhardt* - Chair (Ngāti Kuri)
Debbie Evans
Dr Carol Peters
Dr Kyle Eggleton
Dr Mataroria Lyndon* (Ngāti Hine Ngāti Whātua, Ngāpuhi)
John Bain Vince Cocurullo
Libby Jones
Nicole Anderson* (Ngāpuhi)
Sally Macauley

Equity in Community Committee:
(previously CPHAC/DiSAC)

This committee advises the Board on the health needs of Northlanders, including disability supports needs, and any factors it believes may adversely affect the overall health status of the population. That advice must ensure that all service interventions funded and provided maximise the overall health gain such as the independence in society of people with disabilities.

Ngaire Rae (Chair)
Beryl Wilkinson
Dr Carol Peters
Dr Kyle Eggleton
Harry Burkhardt
John Bain
Jonathan Tautari
Jonny Wilkinson
Libby Jones
Sally Macauley

Equity in Hospitals Committee:
(previously HAC)

Dr Mataroria Lyndon (Chair)
Debbie Evans
Dr Carol Peters
Dr Kyle Eggleton
Harry Burkhardt
John Bain
Libby Jones
Sally Macauley
Vince Cocurullo

Equity with the Resources Committee:
(previously FRAC)

Nicole Anderson (Chair)
Dr Carol Peters
Dr Kyle Eggleton
Harry Burkhardt
John Bain
Libby Jones
Sally Macauley
Vince Cocurullo

GOVERNANCE AND PARTNERSHIPS

Northland DHB Attendance at Board and Committee Meetings July 2020 – June 2021

MEMBER ATTENDANCE - Financial Year - 1 JULY 2020 - 30 JUNE 2021

	2020						2021					
Equity with Resources Committee	**Jul**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**
Nicole Anderson (Chair)			✓			✓			✓			✓
John Bain			✓			✗			✓			✓
Harry Burkhardt			✓			✓			✓			✓
Vince Cocurullo			✓			✓			✗			✓
Kyle Eggleton			✗			✓			✓ via Zoom			✓
Libby Jones			✓			✓			✗			✓
Sally Macauley			✓			✓			✓			✓
Carol Peters			✓			✗			✗			✓
Ngaire Rae						✓			✓ via Zoom			✓

No Meeting Held (green) — Term commenced 1/12/20 (blue)

MEMBER ATTENDANCE - Calendar Year 1 JANUARY - 31 DECEMBER 2021

	2021											
Equity with Resources Committee	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**
Nicole Anderson (Chair)			✓									
John Bain			✓									
Harry Burkhardt			✓									
Vince Cocurullo			✗									
Kyle Eggleton			✓ via Zoom									
Libby Jones			✗									
Sally Macauley			✓									
Carol Peters			✗									
Ngaire Rae			✓ via Zoom									

No Meeting Held (green)

Northland DHB Attendance at Board and Committee Meetings July 2020 – June 2021

MEMBER ATTENDANCE - Financial Year - 1 JULY 2020 - 30 JUNE 2021

	2020						2021					
Equity in the Community Committee	**Jul**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**
Ngaire Rae (Chair)			✓			✓	✓		✗			✓
John Bain			✓			✓	✓		✓			✓
Harry Burkhardt			✓			✓	✓		✓			✓
Kyle Eggleton			✗			✓	✓		✓ via Zoom			✓
Libby Jones			✓			✓	✓		✓			✓
Sally Macauley			✓			✓	✓		✓			✓
Carol Peters			✓			✓	✓ via Zoom		✗			✓
Jonathan Tautari			✓			✓	✗		✓			✗
Jonny Wilkinson			✗			✗	✓		✓			✓
Beryl Wilkinson			✓			✓	✓ via Zoom		✓ via Zoom			✓ via Zoom

No Meeting Held

MEMBER ATTENDANCE - Calendar Year 1 JANUARY - 31 DECEMBER 2021

	2021											
Equity in the Community Committee	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**
Ngaire Rae (Chair)	✓		✗			✓						
John Bain	✓		✓			✓						
Harry Burkhardt	✓		✓			✓						
Kyle Eggleton	✓		✓ via Zoom			✓						
Libby Jones	✓		✓			✓						
Sally Macauley	✓		✓			✓						
Carol Peters	✓ via Zoom		✗			✓						
Jonathan Tautari	✗		✓			✗						
Jonny Wilkinson	✓		✓			✓						
Beryl Wilkinson	✓ via Zoom		✓ via Zoom			✓ via Zoom						

No Meeting Held

Personalised theatre caps for patient safety team photo - L-R: Dr Jo Coates, Dr Anthony Carrie, Dr Faustina De Veer, Dr Miles Holt, Dr Sarah Preissler-Hunt, Dr Lucy Stone, Dr Chanchal Ajodha, Dr Chris Wong, Dr Tom Riddell

Ngā Tai Ora - Public Health Northland in their new office accommodation at Commerce Street

FINANCIAL & AUDIT REPORTS

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Statement of Responsibility

1. The Board is responsible for the preparation of the Northland District Health Board and group's Financial Statements and Statement of Performance and for the judgements made in them.
2. The Board of Northland District Health Board has the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.
3. The Board is responsible for any end-of-year performance information provided by Northland District Health Board under section 19A of the Public Finance Act 1989.
4. In the Board's opinion these Financial Statements and the Statement of Performance for the year ended 30 June 2021 fairly reflect the financial position and operations of Northland District Health Board Group.

Signed on behalf of the Board:

Harry Burkhardt Board Chair 28 January 2022	**Nicole Anderson** Chair - Equity with Resources Committee 28 January 2022	**Dr Nick Chamberlain** Chief Executive 28 January 20222	**Michael Kelly** Chief Financial Officer 28 January 2022

Board Report

The Board has pleasure in submitting the Financial Statements and Statement of Performance for Northland District Health Board for the year to 30 June 2021.

Principal Activities

The entity's principal activities during the period were funding and the provision of health and disability services for the people of Northland with specialist treatment, community nursing, health promotion and health protection services, most of which were based on contractual arrangements with the Ministry of Health.

Northland District Health Board operates the following hospitals and related services:

- Whangarei Hospital
- Kaitaia Hospital
- Bay of Islands Hospital (Kawakawa)
- Dargaville Hospital
- Primary and community health services providing community, district and public health nursing, public health services, health promotion and health protection services.

The group result comprises of Northland DHB and its controlled entity the Kaipara Total Health Care Joint Venture (54% owned).

	2021	2020
Results and Distribution - Group	**$000s**	**$000s**
Surplus/(deficit)	(17,688)	(21,491)
Financial Position		
Equity was represented by:		
Current Assets	40,004	32,035
Less Current Liabilities	(149,780)	(126,558)
Plus Non-Current Assets	381,951	250,529
Less Non-Current Liabilities	(18,789)	(19,489)
Total Equity	253,386	136,516

Review of the Operations

A review of the entity's operations accompanies this report under the heading of Message from the Chair and Chief Executive.

Distributions to Owners

The Board have made payments by way of a specified health payment (capital charge) based on net equity which is treated as an expense, not a distribution.

Board Member Fees

No board member of the entity has, since the establishment of the Board, received or become entitled to receive a benefit, except for board and committee member fees and travel allowances, as set by the Ministry of Health. Fees paid to Board and Committee members are detailed in Note 18 of the Financial Statements.

Statement of Information

There were no notices from the Board members requesting to use the information received in their capacity as Board Members which would not otherwise have been available to them.

Interest Register

All relevant and required disclosures relating to Board members' interests have been effected during the year.

Board Members' Insurance

Northland District Health Board and its Board Members have taken out liability insurance providing cover against particular liabilities.

Events Subsequent to Balance Date

The Board members are not aware of any matter of circumstance since the end of the financial year (not otherwise dealt with in this report of the Board's financial statements) that may significantly affect the operation of Northland District Health Board, the result of its operations, or the state of affairs of the Board.

Staff Remuneration

The number of staff with total cost to the entity for senior staff packages including salary and other benefits, such as superannuation, with totals in excess of $100,000 for the year to 30 June 2021 (in $10,000 bands):

	Actual 2021	Actual 2020		Actual 2021	Actual 2020		Actual 2021	Actual 2020
$100,001 - $110,000	173	157	$250,001 - $260,000	11	5	$400,001 - $410,000	3	0
$110,001 - $120,000	126	93	$260,001 - $270,000	10	9	$410,001 - $420,000	2	2
$120,001 - $130,000	53	46	$270,001 - $280,000	5	9	$440,001 - $450,000	1	0
$130,001 - $140,000	37	39	$280,001 - $290,000	3	4	$460,001 - $470,000	0	0
$140,001 - $150,000	41	30	$290,001 - $300,000	3	7	$470,001 - $480,000	0	1
$150,001 - $160,000	23	26	$300,001 - $310,000	17	9	$480,001 - $490,000	0	2
$160,001 - $170,000	15	21	$310,001 - $320,000	8	8	$500,001 - $510,000	0	0
$170,001 - $180,000	16	8	$320,001 - $330,000	6	9	$510,001 - $520,000	1	1
$180,001 - $190,000	11	11	$330,001 - $340,000	8	10	$520,001 - $530,000	0	1
$190,001 - $200,000	11	8	$340,001 - $350,000	11	6	$530,001 - $540,000	1	0
$200,001 - $210,000	8	7	$350,001 - $360,000	4	3	$540,001 - $550,000	1	0
$210,001 - $220,000	9	14	$360,001 - $370,000	9	5	$550,001 - $560,000	1	1
$220,001 - $230,000	5	8	$370,001 - $380,000	6	3	$610,001 - $620,000	0	1
$230,001 - $240,000	9	11	$380,001 - $390,000	3	6			
$240,001 - $250,000	10	6	$390,001 - $400,000	2	3			

Of the 663 (2020:590) staff shown above, 285 (2020:291) are or were medical or dental staff (doctors).

If the remuneration of part-time staff were grossed-up to an FTE basis, the total number of staff with FTE salaries of $100,000 or more would be 937 (2020:821), compared with the actual total number of staff of 663 (2020:590)

During the year ended 30 June 2021, 9 (2020: 36) employees received compensation and other benefits in relation to cessation totalling $421,651 (2020: $520,924).

Donations

No donations were made for the year to 30 June 2021, (2020: $0).

Changes in Accounting Policies

There have been no changes in accounting policies from those adopted in the Northland District Health Board's last audited financial statements, other than those required by new standards or amendments adopted as detailed in the accounting policies.

Auditor's Remuneration

The Controller and Auditor-General is appointed under section 15 of the Public Audit Act 2001. Audit New Zealand is contracted to provide audit services on behalf of the Auditor-General. Audit New Zealand in their capacity as Auditors are due $225,494 (2020: $215,007) for audit fees for the group.

Good Employer Obligations

In accordance with section 151(1)(g) of the Crown Entities Act 2004 Northland District Health Board is compliant with its obligation to be a good employer (including its equal employment opportunities programme).

Northland District Health Board has a comprehensive range of human resource management policies and procedures in place in order to uphold its good employer status. These include but are not restricted to appointment, orientation, recruitment, leave, continuing education, credentialing, performance management, disciplinary procedures, harassment protection, impaired staff, work and family, workplace rehabilitation and equal employment opportunities.

For and on behalf of the Board of Northland District Health Board.

Harry Burkhardt
Board Chair

Independent Auditor's Report

To the readers of Northland District Health Board's Group financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Northland District Health Board and group (the Group). The Auditor-General has appointed me, Carl Wessels, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Group on his behalf.

We have audited:

- the financial statements of the Group on pages 56 to 82, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expense, statement of changes in equity, statement of cash flows and statement of accounting policies for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 16 to 30 and 43

Opinion

In our opinion:

- the financial statements of the Group on pages 56 to 82, which have been prepared on a disestablishment basis:
    - present fairly, in all material respects:
        - its financial position as at 30 June 2021; and
        - its financial performance and cash flows for the year then ended; and
    - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information of the Group on pages 16 to 30 and 43:
    - presents fairly, in all material respects, the Group's performance for the year ended 30 June 2021, including:
        - for each class of reportable outputs:

- its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
- its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
- what has been achieved with the appropriation; and
- the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and

o complies with generally accepted accounting practice in New Zealand.

Our audit of the financial statements and the performance information was completed on 28 January 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to other matters. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information we comment on other information, and we explain our independence.

Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

The financial statements have been appropriately prepared on a disestablishment basis

The Statement of Accounting Policies on page 76 outlines the health sector reforms announced by the Minister of Health on 21 April 2021. Legislation to disestablish all District Health Boards and establish a new Crown entity, is expected to come into effect on 1 July 2022. The Group therefore prepared its financial statements on a disestablishment basis. The values of assets and liabilities have not changed because these will be transferred to the new Crown entity.

Uncertainties in estimating the holiday pay provision under the Holidays Act 2003

Note 15 on page 71 outlines that the Health Board has been investigating issues with the way it calculates holiday pay entitlements under the Holidays Act 2003, as part of a national approach to remediate these issues. The Health Board has estimated a provision of $29.2 million, as at 30 June 2021 to remediate these issues. However, until the process is completed, there are uncertainties surrounding the amount of this provision.

The Group is reliant on financial support from the Crown

The Statement of Accounting Policies on Page 76 outlines the Group's financial performance difficulties. There is uncertainty whether the Group will be able to settle its liabilities, including the

estimated historical Holidays Act 2003 liability, if they were to become due prior to its disestablishment. The Group therefore obtained a letter of comfort from the Ministers of Health and Finance, which confirms that the Crown will provide the Group with financial support, where necessary.

HSU population information was used in reporting Covid-19 vaccine strategy performance results

The Covid-19 response page 28 outlines the information used by the Group to report on its Covid-19 vaccine coverage. The Group uses the Health Service User (HSU) population data rather than the population data provided by Statistics New Zealand (Stats NZ), for the reasons set out in The Covid-19 response. The note outlines that there would be differences in the reported results for the overall population if the Stats NZ population data was used. There would be further differences in the reported results of vaccination coverage if the Stats NZ population data is classified by ethnicity and age. The Group has provided a table that highlights the differences in the ethnicity groupings between the HSU population data and the Stats NZ population data.

Impact of Covid-19

Note 22 on page 75 of the financial statements and page 28 of the performance information which outlines the impact of Covid-19 on the Group.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Group for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004, the New Zealand Public Health and Disability Act 2000 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Group's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the disestablishment basis of accounting by the Board.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of the of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board is responsible for the other information. The other information comprises the information in the annual report other than the financial statements and the performance information, and our auditor's report thereon. At the date of this auditor's report, the Board has not provided the other information to us.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Group.

Carl Wessels
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

Dr Mike Roberts, Margriet Geesink and Rhys Manukau with the Health Care Climate Challenge Gold Award for emission reduction efforts in energy.

Chief Executive Dr Nick Chamberlain talks with Volunteers at their end of year lunch.

Statement of Comprehensive Revenue and Expenditure

For the Year Ended 30 June 2021

	Notes	Group Budget	Group		Parent	
		2021	**2021**	**2020**	**2021**	**2020**
		$000	**$000**	**$000**	**$000**	**$000**
Revenue						
Patient Care Revenue	1	783,509	797,520	731,312	797,520	731,312
Finance Revenue		256	198	393	195	380
Other Revenue	1	5,861	7,093	6,115	7,521	6,544
Total Revenue		789,626	804,811	737,820	805,236	738,236
Expenditure						
Personnel Costs	3	299,179	316,807	286,765	316,807	286,765
Depreciation and Amortisation Expense	10,11	16,494	16,347	15,607	15,740	14,999
Outsourced Services		42,964	54,094	45,336	54,094	45,336
Clinical Supplies		58,760	59,460	54,153	59,460	54,153
Infrastructure and Non-Clinical Expenses	2	33,127	36,388	31,940	36,938	32,490
Payments to other District Health Boards		100,591	96,071	85,272	96,071	85,272
Payments to Non-Health Board Providers		231,026	236,540	231,470	236,540	231,470
Finance Costs		446	396	507	396	507
Capital Charge	5	7,500	6,396	8,261	6,396	8,261
Total Expenditure		790,087	822,499	759,311	822,442	759,253
Surplus/(deficit)		(461)	(17,688)	(21,491)	(17,206)	(21,017)
Deficit attributable to:						
Northland District Health Board		(303)	(17,530)	(21,338)	(17,206)	(21,017)
Minority Interest		(158)	(158)	(153)	0	0
Other Comprehensive Revenue and Expenditure						
Movements on Property Revaluations	12	0	113,865	0	110,888	0
Total other Comprehensive Revenue and Expenditure		0	113,865	0	110,888	0
Total Comprehensive Revenue and Expenditure		(461)	96,177	(21,491)	93,682	(21,017)
Total Comprehensive Revenue and Expenditure attributable to:						
Northland District Health Board		(303)	94,966	(21,338)	93,682	(21,017)
Minority Interest		(158)	1,211	(153)	0	0

Explanations of major variances against budget are detailed in note 21.

The accompanying accounting policies and notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2021

	Notes	Group Budget	Group		Parent	
		2021	2021	2020	2021	2020
		$000	$000	$000	$000	$000
Balance at 1 July		137,907	136,516	150,277	128,539	141,706
Total Comprehensive Revenue and Expenditure		(461)	96,177	(21,491)	93,682	(21,017)
Capital Contribution	12	30,800	20,813	7,850	20,813	7,850
Balance at 30 June	12	168,246	253,506	136,636	243,034	128,539
Distributions made to Minority Interest		(120)	(120)	(120)	0	0
Balance at 30 June	12	168,126	253,386	136,516	243,034	128,539
Total Equity attributable to:						
Northland District Health Board		163,742	247,695	131,916	243,034	128,539
Minority Interest		4,384	5,691	4,600	0	0
Balance at 30 June		168,126	253,386	136,516	243,034	128,539

Explanations of major variances against budget are detailed in note 21.
The accompanying accounting policies and notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2021

	Notes	Group Budget 2021 $000	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Assets						
Cash and Cash Equivalents	6	114	114	4,851	10	4,750
Trade and Other Receivables	7	23,393	32,220	19,894	32,220	19,891
Term Deposits	8	370	373	369	0	0
Inventories	9	4,179	5,331	4,860	5,331	4,860
Prepayments		478	1,259	1,415	1,259	1,415
Trust/Special Fund Assets	12	646	707	646	707	646
Total Current Assets		29,180	40,004	32,035	39,527	31,562
Property, Plant and Equipment	10	253,272	360,414	230,721	348,634	221,311
Intangible Assets	11	2,291	1,053	1,154	1,053	1,154
Investments in controlled entities	8	0	0	0	1,896	1,896
Investments in jointly controlled entities	8	20,796	20,484	18,653	20,484	18,653
Term Deposits	8	0	0	0	0	0
Total Non-Current Assets		276,359	381,951	250,529	372,067	243,015
Total Assets		305,539	421,955	282,564	411,594	274,577
Equity						
Crown Equity	12	110,255	104,470	83,657	104,470	83,657
Other Reserves	12	107,710	221,970	109,534	213,397	102,569
Accumulated Surplus/(Deficit)	12	(54,869)	(79,452)	(61,921)	(75,540)	(58,333)
Trust/Special Fund Assets	12	646	707	646	707	646
Total Equity Attributable to Northland District Health Board		163,742	247,695	131,916	243,034	128,539
Minority Interest	12	4,384	5,691	4,600	0	0
Total Equity		168,126	253,386	136,516	243,034	128,539
Liabilities						
Trade and Other Payables	13	49,019	60,621	53,221	60,612	53,212
Interest Bearing Loans and Borrowings	14	7,212	6,551	6,391	6,551	6,391
Employee Entitlements	15	63,210	82,608	66,682	82,608	66,682
Provisions	16	0	0	264	0	264
Total Current Liabilities		119,441	149,780	126,558	149,771	126,549
Interest Bearing Loans and Borrowings	14	1,992	1,832	2,242	1,832	2,242
Employee Entitlements	15	15,980	16,957	17,247	16,957	17,247
Total Non-Current Liabilities		17,972	18,789	19,489	18,789	19,489
Total Liabilities		137,413	168,569	146,047	168,560	146,038
Total Equity and Liabilities		305,539	421,955	282,564	411,594	274,577

Explanations of major variances against budget are detailed in note 21.

The accompanying accounting policies and notes form part of these financial statements.

Harry Burkhardt
Board Chair
28 January 2022

Nicole Anderson
Chair - Equity with Resources Committee
28 January 2022

Statement of Cash Flows

For the Year Ended 30 June 2021

	Notes	Group Budget 2021 $000	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Cash Flows from Operating Activities						
Cash Receipts from Ministry of Health and Patients		788,616	795,421	743,504	795,850	743,933
Cash Paid to Suppliers		(466,468)	(479,243)	(442,883)	(479,793)	(443,435)
Cash Paid to Employees		(300,252)	(300,766)	(275,783)	(300,766)	(275,783)
Cash Generated from Operations		21,896	15,412	24,838	15,291	24,715
Dividends Received		0	0	71	0	71
Interest Received		259	164	431	158	409
Interest Paid		(446)	(396)	(507)	(396)	(507)
Capital Charge Paid		(7,500)	(6,396)	(8,261)	(6,396)	(8,261)
Net Cash Flows from Operating Activities	6	14,209	8,784	16,572	8,657	16,427
Cash Flows From Investing Activities						
Proceeds from Sale of Property, Plant and Equipment		0	11	22	11	22
Acquisition of Property, Plant and Equipment		(43,400)	(32,002)	(20,836)	(32,002)	(20,836)
Acquisition of Intangible Assets		0	(320)	0	(320)	0
Acquisition of Investments in Associates	8	(3,000)	(1,648)	(738)	(1,648)	(738)
Acquisition of Investments		(1)	(4)	55	0	0
Net Cash Flows from Investing Activities		(46,401)	(33,963)	(21,497)	(33,959)	(21,552)
Cash Flows from Financing Activities						
Borrowings Raised		981	6,161	510	6,161	510
Capital Contribution	12	30,800	20,813	7,850	20,813	7,850
Borrowings (Repaid)		(590)	(6,412)	(972)	(6,412)	(972)
Distributions (Paid)	12	(120)	(120)	(120)	0	0
Net Cash Flows from Financing Activities		31,072	20,442	7,268	20,562	7,388
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,121)	(4,737)	2,343	(4,740)	2,263
Cash and Cash Equivalents at Beginning of Year		1,235	4,851	2,508	4,750	2,487
Cash and Cash Equivalents at End of Year	6	114	114	4,851	10	4,750

The accompanying accounting policies and notes form part of these financial statements.

Notes to Financial Statements

1 Revenue

	Notes	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Patient Care Revenue					
Ministry of Health population-based funding		757,385	695,011	757,385	695,011
Ministry of Health other contracts		20,104	15,861	20,104	15,861
Inter-district flows		12,069	12,616	12,069	12,616
ACC contract revenue		6,263	6,063	6,263	6,063
Other patient care related revenue		1,699	1,761	1,699	1,761
Total Patient Care Revenue		797,520	731,312	797,520	731,312
Other Revenue					
Donation Revenue		683	173	683	173
Other Revenue		6,410	5,942	6,838	6,371
Total Other Revenue		7,093	6,115	7,521	6,544

2 Infrastructure and Non-Clinical Expenses

Included in Infrastructure and Non-Clinical Expenses:		Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Impairment (reversal) of Trade Receivables (Bad and Doubtful Debts)	7	(126)	(162)	(126)	(162)
Loss/(Gain) on disposal of Property, Plant and Equipment		(5)	153	(5)	153
Audit Fees paid to Audit New Zealand for Audit of Financial Statements		226	215	220	209
Board and Committee Member Fees and Expenses		300	283	300	283
Amortisation of FPIM assets	11	183	0	183	0

Northland DHB pays the audit fee of the Kaipara Total Health Care Joint Venture on the controlled entity's behalf. The fee was $6,126 (2020: $5,856).

3 Personnel Costs

	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Wages and Salaries	292,238	268,018	292,238	268,018
Contributions to Defined Contribution Schemes	8,933	8,278	8,933	8,278
Increase /(Decrease) in Employee Entitlements	15,636	10,469	15,636	10,469
	316,807	286,765	316,807	286,765

Employer contributions to defined contribution schemes include contributions to Kiwisaver, National Provident Scheme and the Government Superannuation Fund.

4 Operating Lease Commitments

	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
Less than one year	2,346	2,667	2,896	2,964
One to two years	1,533	1,886	2,083	2,183
Two to five years	2,838	3,438	4,488	4,329
Over five years	1,699	1,976	3,305	3,436
Total Operating commitments	8,416	9,967	12,772	12,912

Northland DHB leases a number of buildings, vehicles and office equipment (mainly photocopiers) under operating leases. The leases run for various lengths of time depending on requirements (for buildings) and typically 5 years (for vehicles and office equipment), with an option to renew the lease after that date. None of the leases include contingent rentals.
During the year ended 30 June 2021, $5,143k was recognised as an expense in the statement of comprehensive revenue and expenditure in respect of operating leases (2020: $4,505K).

5 Capital Charge

The Northland DHB pays a capital charge every six months to the Crown. The charge is based on actual closing equity as at 30 June and 31 December each year. The capital charge for the year ended 30 June 2021 was 5% p.a. (2020:6%).

6 Cash and Cash Equivalents

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Cash on Hand and at Bank	114	111	10	10
Cash on Deposit with NZ Health Partnerships Limited	0	4,740	0	4,740
Balance at 30 June	114	4,851	10	4,750

While cash and cash equivalents at 30 June 2021 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Reconciliation of Surplus for the period with Net Cash Flows from Operating Activities

		Group		Parent	
	Notes	2021	2020	2021	2020
		$000	$000	$000	$000
Surplus/(deficit) for the Period		(17,688)	(21,491)	(17,206)	(21,017)
Add back Non-Cash Items:					
Depreciation, Amortisation and Assets Written Off		16,342	15,760	15,735	15,152
Other non-cash items		0	(2,221)	0	(2,221)
Movements in Working Capital:					
(Increase)/Decrease in Trade and Other Receivables		(12,170)	3,886	(12,173)	3,877
(Increase)/Decrease in Inventories		(471)	(619)	(471)	(619)
Increase/(Decrease) in Trade and Other Payables		7,399	10,822	7,400	10,820
Increase/(Decrease) In Employee Entitlements		15,636	10,469	15,636	10,469
Increase/(Decrease) in Provisions		(264)	(34)	(264)	(34)
Net Movement in Working Capital		10,130	24,524	10,128	24,513
Net Cash Inflow from Operating Activities		8,784	16,572	8,657	16,427

7 Trade and Other Receivables

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Trade Receivables from Non-related Parties	14,213	7,527	14,213	7,524
Ministry of Health Receivables	18,115	12,601	18,115	12,601
Less: Allowance for credit losses	(108)	(234)	(108)	(234)
Balance at 30 June	32,220	19,894	32,220	19,891

7 Trade and Other Receivables *(Continued)*

As at 30 June, the allowance for credit losses is detailed below:

	Group and Parent		Group and Parent	
	Gross Receivable	Expected Credit Loss	Gross Receivable	Expected Credit Loss
	2021	2021	2020	2020
	$000	$000	$000	$000
Not past due	29,562	12	18,591	48
Past due 0-30 days	271	13	471	22
Past due 31-60 days	235	10	202	3
Past due 61-90 days	328	9	22	48
Past due >91 days	1,932	64	839	113
Total	32,328	108	20,125	234

The allowance for credit losses has been calculated based on expected losses for the Northland DHB's pool of debtors. Expected losses have been determined based on an analysis of the Northland DHB's losses in previous periods and current and foward-looking factors that might affect the recoverability of receivables, and review of specific debtors.

The movement in the allowance for credit losses is as follows:

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Balance 1 July	234	396	234	396
(Reduction)/Increase in loss allowance made during the year	(60)	129	(60)	129
Receivables written off during the period	(66)	(291)	(66)	(291)
Balance at 30 June	108	234	108	234

8 Investments

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Investment in Controlled Entity (at cost)	0	0	1,896	1,896
Investment in Joint Ventures	20,484	18,653	20,484	18,653
Term deposits - Current portion	373	369	0	0
Balance at 30 June	20,857	19,022	22,380	20,549

The carrying amounts of term deposits approximate their fair value. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Investment in Controlled Entity
General Information

Name of Entity	Principal Activity	Interest Held 2021	Interest Held 2020	Balance Date
Kaipara Total Health Care Joint Venture	Landlord of Dargaville Hospital	54%	54%	30 June

Investment in Associate (equity accounted investee)
General Information

Name of Entity	Principal Activity	Interest Held 2021	Interest Held 2020	Balance Date
healthAlliance N.Z. Limited	The operation of non-clinical shared services and an ICT platform for Northland, Waitemata, Auckland and Counties Manukau District Health Boards	25%	25%	30 June
HealthSource New Zealand Limited	The operation of shared services for Northland, Waitemata, Auckland and Counties Manukau District Health Boards	10%	10%	30 June
NZ Health Partnerships Limited	Provision of services to provide savings to the NZ health sector	3%	3%	30 June

During 2021 $1,831k of information technology and related capital expenditure (2020: $749k) was added to the carrying amount of the investment in healthAlliance. As at 30 June 2021 Northland DHB held 10.1% of allocated C class shares (2020: 9.6%).

8 Investments *(Continued)*

healthAlliance N.Z. Limited

Northland DHB holds both Class A and Class C shares in healthAlliance N.Z. Limited. Class A shares carry the ability to appoint directors and have voting rights. Class C shares have rights to the distributions of capital or income, rights to dividends, however confer no ability to appoint directors and have no voting rights. As the Class A shares carry voting rights, they determine the extent of the interest Northland DHB has in healthAlliance N.Z. Limited.

HealthSource New Zealand Limited

Northland DHB holds 10% (2020:10%) of the ordinary shares in HealthSource New Zealand limited.

NZ Health Partnerships Limited

Northland DHB holds both Class A and Class B shares in NZ Health Partnerships Limited. Class A shares carry the right to vote and appoint directors, they have rights to dividends and share of distribution of surplus assets on liquidation.

NZ Health Partnerships Limited has issued Class B shares to DHBs for the purpose of funding the development of the FPIM programme shared services. The following rights are attached to these shares:

- Class B Shares confer no voting rights.
- Class B shareholders shall have the right to access the FPIM programme shared services.
- Class B Shares confer no right to a dividend, other than a dividend to be made out of any surplus earned by NZ Health Partnerships from the FPIM programme shared services only.
- Holders of Class B Shares have the same rights as Class A shares to receive notices, reports and accounts of the Company and to attend general meetings of the Company.
- On liquidation or dissolution of the Company, each Class B shareholder shall be entitled to be paid from surplus assets of the Company an amount equal to the holder's proportional share of the liquidation value of the FPIM Programme shared services assets based upon the proportion of the total number of issued and paid up Class B Shares that it holds. Otherwise, each paid up Class B Share confers no right to a share in the distribution of the surplus assets. This payment shall be made in priority to any distribution of surplus assets in respect of Class A Shares.
- On liquidation or dissolution of the Company, each unpaid Class B Share confers no right to a share in the distribution of the surplus assets.

Financial Information relating to jointly controlled entities is provided below:

	2021			2020		
	healthAlliance NZ Limited $000	HealthSource New Zealand Limited $000	NZ Health Partnerships Limited $000	healthAlliance NZ Limited $000	HealthSource New Zealand Limited $000	NZ Health Partnerships Limited $000
Dividends or similar distributions received	0	0	0	71	0	0
	audited	**unaudited**	**unaudited**			
The following amounts represent summarised financial information of jointly controlled entities						
Current assets	42,384	8,876	533,882	25,192	7,977	424,612
Non-current assets	197,263	206	38,453	199,102	217	35,736
Current liabilities	32,058	6,706	526,978	22,851	5,865	416,798
Non-current liabilities	9,639	1,663	18,238	11,436	7,558	13,944
Net assets	197,950	711	27,119	190,007	636	29,606
Revenue	152,357	42,265	38,394	137,819	34,131	33,881
Tax expense	0	0	0	0	0	0
Surplus or (deficit)	(80)	76	(2,487)	(2,087)	(41)	692
Other comprehensive revenue and expense	0	0	0	0	0	0
Total comprehensive revenue and expense	(80)	76	(2,487)	(2,087)	(41)	692

The 2021 financial information for jointly controlled entities HealthSource New Zealand Limited and NZ Health Partnerships Limited is provided as a draft and is subject to final audit clearance. The 2020 numbers have been restated to reflect the final result.

Share of profit/(loss) of Jointly Controlled Entities	Group		Parent	
	2021 $000	2020 $000	2021 $000	2020 $000
Share of profit/(loss)	(13)	(448)	(13)	(448)

The DHB's share of profits of all Joint Ventures are not recorded in the financial statements of Northland DHB as they are not considered material to the financial position or performance of the DHB.

Investments in Jointly Controlled Entities	Group		Parent	
	2021 $000	2020 $000	2021 $000	2020 $000
healthAlliance N.Z. Limited	20,417	18,585	20,417	18,585
HealthSource New Zealand Limited	67	67	67	67

The jointly controlled entites are unlisted companies. Accordingly, there are no quoted market price for these investments.

The investment in healthAlliance N.Z. Limited represents the issue of Class C shares - these shares are non-voting and have no impact on the calculation of the DHB's share of profit/(loss).

8 Investments *(Continued)*

Contingencies

NZHP has contracts for the provision of IaaS relating to the NTS Programme (FPIM Hardware platform), for which stop-cost contract penalties could result in the event the FPIM Hardware platform was discontinued.

If any IaaS provision was required as a result of the FPIM Programme and IT infrastructure risk mitigation reviews, and after any subsequent negotiations to mitigate any potential contract penalties, these costs would be passed through to DHBs as FPIM Programme operating expenditure.

In the unlikely event that there was a discontinuance of FPIM Hardware platform and a rquirement to stop the contract, for any resulting stop-cost penalties NZHP would have a contingent liability to the supplier, and an equal and corresponding contingent asset as a receivable from the DHBs. (2020 : $nil)

healthAlliance group has contingent liabilities relating to bank guarantees issued under the parent company healthAlliance N.Z. Limited by Westpac NZ Ltd in favour of Goodman Nominees for $2,894k for the future lease payments of its premises in Penrose, Auckland (2020: $2,894k).

9 Inventories

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Pharmaceuticals	329	297	329	297
Surgical and Medical Supplies	5,002	4,563	5,002	4,563
Balance at 30 June	5,331	4,860	5,331	4,860

No inventories are pledged as security for liabilities. However some inventories are subject to retention of title clauses.

Write-down of Inventories to net realisable value amounted to $0 for 2021 (2020: $0).
The amount of inventories recognised as an expense during the year was $46.034m (2020: $ 41.259m), which is included in the clinical supplies line item in the Statement of Comprehensive Revenue and Expenditure.
During the COVID-19 lockdown, the DHB purchased Personal Protective Equipment (PPE) under the Government's National Emergency Supplies arrangement - these supplies, in part, were purchased at a nominal cost - the full value of the purchases are not reflected in these accounts.

10 Property, Plant and Equipment

(a) Group

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Cost					
Balance at 1 July 2019	11,772	194,992	79,078	10,914	296,756
Additions	0	0	0	22,624	22,624
Disposals	0	(151)	(783)	0	(934)
Movement due to Revaluation	0	0	0	0	0
Transfers	0	9,266	4,388	(13,654)	0
Balance at 30 June 2020	11,772	204,107	82,683	19,884	318,446
Balance at 1 July 2020	11,772	204,107	82,683	19,884	318,446
Additions	0	0	0	32,002	32,002
Disposals	0	0	(12,705)	0	(12,705)
Movement due to Revaluation	13,225	69,897	0	0	83,123
Transfers	0	11,509	9,698	(21,207)	0
Balance at 30 June 2021	24,997	285,513	79,676	30,679	420,866

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Depreciation and Impairment Losses					
Balance at 1 July 2019	0	9,886	63,027	0	72,913
Depreciation Charge for the year	0	9,711	5,870	0	15,581
Disposals	0	(13)	(756)	0	(769)
Balance at 30 June 2020	0	19,584	68,141	0	87,725
Balance at 1 July 2020	0	19,584	68,141	0	87,725
Depreciation Charge for the year	0	10,560	5,550	0	16,110
Movement due to Revaluation	0	(30,143)	(538)	0	(30,681)
Disposals	0	0	(12,701)	0	(12,701)
Balance at 30 June 2021	0	0	60,452	0	60,452

10 Property, Plant and Equipment *(Continued)*

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Carrying amounts					
At 1 July 2019	11,772	185,106	16,051	10,914	223,843
At 30 June 2020	11,772	184,523	14,542	19,884	230,721
At 1 July 2020	11,772	184,523	14,542	19,884	230,721
At 30 June 2021	24,997	285,513	19,224	30,679	360,414

(b) Parent

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Cost					
Balance at 1 July 2019	11,596	184,544	79,078	10,914	286,132
Additions	0	0	0	22,624	22,624
Disposals	0	(151)	(783)	0	(934)
Transfers	0	9,266	4,388	(13,654)	0
Balance at 30 June 2020	11,596	193,659	82,683	19,884	307,822
Balance at 1 July 2020	11,596	193,659	82,683	19,884	307,822
Additions	0	0	0	32,002	32,002
Disposals	0	0	(12,705)	0	(12,705)
Movement due to Revaluation	12,949	69,018	0	0	81,967
Transfers	0	11,509	9,698	(21,207)	0
Balance at 30 June 2021	24,545	274,186	79,676	30,679	409,086

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Depreciation and Impairment Losses					
Balance at 1 July 2019	0	9,280	63,027	0	72,307
Depreciation Charge for the year	0	9,641	5,332	0	14,973
Disposals	0	(13)	(756)	0	(769)
Balance at 30 June 2020	0	18,908	67,603	0	86,511
Depreciation and Impairment Losses					
Balance at 1 July 2020	0	18,908	67,603	0	86,511
Depreciation Charge for the year	0	9,952	5,550	0	15,502
Movement due to Revaluation	0	(28,860)	0	0	(28,860)
Disposals	0	0	(12,701)	0	(12,701)
Balance at 30 June 2021	0	0	60,452	0	60,452

10 Property, Plant and Equipment *(Continued)*

	Freehold land	Freehold buildings	Plant, equipment and vehicles	Work in progress	Total
	$000	$000	$000	$000	$000
Carrying Amounts					
At 1 July 2019	11,596	175,264	16,051	10,914	213,825
At 30 June 2020	11,596	174,751	15,080	19,884	221,311
At 1 July 2020	11,596	174,751	15,080	19,884	221,311
At 30 June 2021	24,545	274,186	19,224	30,679	348,634

Work in progress

Property, plant and equipment in the course of construction by class of asset is detailed below:

	Group & Parent	
	2021	2020
	$000	$000
Buildings	26,455	15,043
Plant, equipment and vehicles	4,224	4,841
Total work in progress	30,679	19,884

Capital Commitments

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Buildings	15,020	5,127	15,020	10,347
Plant, equipment and vehicles	0	0	0	0
Total	15,020	5,127	15,020	10,347

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

Impairment

No Impairments were recognised in the current year (2020: $0).

Property, Plant and Equipment held under Finance Lease

The net carrying amount of assets held under finance leases is $nil (2020: $4.3m) for land and buildings and $2.6m (2020: $3.1m) for other equipment.

Northland DHB purchased surgical equipment financed with a five year finance lease from Stryker New Zealand Limited. Unencumbered title in the surgical equipment passed to Northland DHB on acceptance of the equipment.

Revaluation

Current Crown accounting policies require all Crown Entities to revalue land and buildings in accordance with PBE IPSAS 17, Property, Plant and Equipment. Current valuation standards and guidance notes have been developed in association with the Treasury for the valuation of hospitals and tertiary institutions.

The revaluation of land and buildings was carried out as at 30 June 2021 by Peter Todd, an independent registered valuer of Darroch Limited and a member of the Property Institute of New Zealand. The valuations conform to International Valuation Standards. Land has been valued on a market basis and buildings excluding work in progress have been valued on a depreciated replacement cost basis because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions which include:

- The replacement asset is based on the replacement with modern equivalent assets, with adjustments where appropriate for optimisation due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- For earthquake-prone buildings that are expected to be strengthened, the estimated earthquake strengthening costs have been deducted off the depreciated replacement cost in estimating fair value.
- The remaining useful life of assets is estimated using recent asset management information.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Restrictions

Northland DHB does not have full title to Crown land it occupies but transfer is arranged if and when land is sold. Some of the land is subject to Waitangi Tribunal claims. The disposal of certain properties may be subject to the provision of section 40 of the Public Works Act 1981.

Titles to land transferred from the Crown to Northland DHB are subject to a memorial in terms of the Treaty of Waitangi Act 1975 (as amended by the Treaty of Waitangi (State Enterprises Act 1988)). The effect on the value of assets resulting from potential claims under the Treaty of Waitangi Act 1975 cannot be quantified.

11 Intangible Assets

Parent and Group

FPIM Rights (B Class Shares in NZ Health Partnerships Limited)	Notes	2021	2020
		$000	$000
Cost			
Balance at 1 July		1,144	1,291
Impairment		0	(147)
Amortisation Charge	2	(183)	0
Balance at 30 June		961	1,144

Software	2021	2020
	$000	$000
Cost		
Balance at 1 July	1,411	1,411
Additions	137	0
Disposals	(132)	0
Balance at 30 June	1,416	1,411
Amortisation		
Balance at 1 July	1,401	1,375
Amortisation Charge for the Year	55	26
Disposals	(132)	0
Balance at 30 June	1,324	1,401
Carrying Amounts		
Balance at 1 July	10	36
Balance at 30 June	92	10
Total Intangible Assets at 30 June	1,053	1,154

There are no development costs accounted for as intangible assets.

There are no restrictions over the title of Northland DHB's intangible assets, nor are any intangible assets pledged as security for liabilities.

Finance Procurement and Information Management System (FPIM)

New Zealand Health Partnerships has issued B class shares to DHBs to fund the development of FPIM (previously the National Oracle Solution).

The FPIM Programme asset is deemed to be a non-cash-generating asset. This is on the basis that there are no cash flows directly linked to the asset. Rather, the benefit to each DHB is the potential cost savings from a negotiated national contract above the cost of each DHB negotiating a similar contract themselves. Therefore, the applicable accounting standard is PBE IPSAS 21 Impairment of Non-Cash-Generating Assets. PBE IPSAS 21 requires an annual test for impairment by comparing the asset carrying value with its recoverable service amount.

The FPIM Business Case approved by Cabinet 24 June 2019 materially changed from the FPIM Programme paused by the Cabinet decision of 28 June 2018 and the judgements that were assumed in assessing the FPIM Programme carrying value at 30 June 2018. Key changes being:

- Only 10 out of the 20 DHBs are committing to a single system in the short to medium term;
- The Business Case conservatively reduced the benefits to only identifiable procurement spend of $642m by PHARMAC and $102m by NZ Health Partnerships limited. This impacts on Net Present Value calculations which formed part of the assessment of carrying value of the asset and the requirement for any impairment; and
- NZ Health Partnerships Limited now have visibility of a working system, which has been operational since July 2019 at four DHBs, on which user feedback is available in evaluating the broader initial scope and activities capitalised under Health Benefits Limited ownership prior to June 2014. It has considered how much of that work still holds value for the pared back system that was finally deployed.

Northland DHB tested the FPIM asset for impairment by determining the asset's value in use based on its depreciated replacement cost (DRC).

The FPIM programme was restarted following a pause due to COVID-19. The full programme has a full "go live" target for all entities to be transitioned by May 2022.

Based on the information and assumptions known to it, Northland DHB recognised no impairment for the year ended 30 June 2021 (2020: 147k) and considers the FPIM asset costs capitalized now equal the DRC. The carrying amount now approximates its estimated future recoverable amount.

12 Equity

	Notes	Group 2021 $000	Group 2020 $000	Parent 2021 $000	Parent 2020 $000
General Funds					
Balance at 1 July		83,657	75,807	83,657	75,807
Capital Contribution		20,813	7,850	20,813	7,850
Balance at 30 June		104,470	83,657	104,470	83,657
Accumulated Surplus/(Deficit)					
Balance at 1 July		(61,921)	(40,593)	(58,333)	(37,326)
Surplus/(Deficit)		(17,530)	(21,338)	(17,206)	(21,017)
Transfer to Trust Funds		(1)	(12)	(1)	(12)
Transfer from Trust Funds		0	22	0	22
Balance at 30 June		(79,452)	(61,921)	(75,540)	(58,333)
Reserves					
Revaluation Reserve					
Balance at 1 July		109,534	109,534	102,569	102,569
Revaluations		112,436	0	110,828	0
Balance at 30 June		221,970	109,534	213,397	102,569
Revaluation Reserve consists of:					
Land		22,035	8,937	21,886	8,937
Buildings		199,935	100,597	191,511	93,632
Total Revaluation Reserve		221,970	109,534	213,397	102,569
Trust/Special Funds					
Balance at 1 July		646	656	646	656
Funds received		1	9	1	9
Interest received		0	3	0	3
Funds spent		0	(22)	0	(22)
Revaluations		60	0	60	0
Balance at 30 June		707	646	707	646
Minority Interest					
Balance at 1 July		4,600	4873	0	0
Surplus/Deficit for period		1,211	(153)	0	0
Distributions made		(120)	(120)	0	0
Total Minority Interest		5,691	4,600	0	0
Total Equity at 30 June		**253,386**	**136,516**	**243,034**	**128,539**

All trust funds are held in bank accounts that are separate from Northland DHB's normal banking facilities.
Included in the minority interest (deficit)/surplus for the period is $1,369k (2020: $nil) of movements on property revaluations.

13 Trade and Other Payables

	Group		Parent	
	2021 $000	2020 $000	2021 $000	2020 $000
Payables under exchange transactions				
Trade Payables to Non-related Parties	8,219	8,965	8,219	8,956
Amounts due to Related Parties	1,326	1,326	1,326	1,326
Revenue in Advance	7,960	4,859	7,960	4,859
Other Non-trade Payables and Accrued Expenses	33,074	29,367	33,074	29,367
Total payables under exchange transactions	50,579	44,517	50,579	44,508
Payables under non-exchange transactions				
Taxes payable (GST, PAYE, FBT, Withholding tax and rates)	10,042	8,704	10,033	8,704
Total payables under non-exchange transactions	10,042	8,704	10,033	8,704
Total Trade and Other Payables	60,621	53,221	60,612	53,212

Trade and Other Payables are at fair value and payable within 12 months.

14 Interest Bearing Loans and Borrowings

	Group		Parent	
	2021 $000	2020 $000	2021 $000	2020 $000
Current				
Overdraft with NZ Health Partnerships Limited	5982	0	5982	0
Crown Energy Efficiency Loan	142	284	142	284
Term loans - Finance Leases	427	6,107	427	6,107
	6,551	6,391	6,551	6,391
Non-Current				
Crown Energy Efficiency Loan	0	142	0	142
Term loans - Finance Leases	1,832	2,100	1,832	2,100
	1,832	2,242	1,832	2,242
Total Interest Bearing Loans and Borrowings	8,383	8,633	8,383	8,633

The Energy Efficiency and Conservation Authority $142k (2020: $426K) loan is interest free (2020 0%).

Crown Energy Efficiency Loan Repayable as follows:	Group		Parent	
	2021 $000	2020 $000	2021 $000	2020 $000
Within one year	142	284	142	284
Two to five years	0	142	0	142
Six to nine years	0	0	0	0
Total	142	426	142	426

14 Interest Bearing Loans and Borrowings *(Continued)*

Finance lease liabilities are effectively secured, as the rights to the leased asset revert to the lessor in the event of default. The net carrying amount of assets held under finance leases is disclosed in note 10.

Analysis of Financial Leases		**Group**		**Parent**	
	Notes	**2021**	**2020**	**2021**	**2020**
		$000	**$000**	**$000**	**$000**
Minimum Lease payments payable					
Within one year		427	6,107	427	6,107
Two to five years		1,832	2,100	1,832	2,100
Total	10	2,259	8,207	2,259	8,207

15 Employee Entitlements

	Group		**Parent**	
	2021	**2020**	**2021**	**2020**
	$000	**$000**	**$000**	**$000**
Current Liabilities				
Liability for Long Service Leave and Retirement Gratuities	4,185	4,581	4,185	4,581
Liability for Annual Leave	29,801	25,714	29,801	25,714
Holidays Act 2003 remediation	29,225	18,062	29,225	18,062
Liability for Sick Leave	674	614	674	614
Liability for Sabbatical Leave	24	28	24	28
Liability for Continuing Medical Education Leave	10,888	7,918	10,888	7,918
Salary and Wages Accrual	7,214	9,161	7,214	9,161
ACC Partnership Programme Liability	597	604	597	604
	82,608	66,682	82,608	66,682
Non-Current Liabilities				
Liability for Long Service Leave and Retirement Gratuities	15,710	15,880	15,710	15,880
Liability for Sabbatical Leave	317	437	317	437
Liability for Sick Leave	930	930	930	930
	16,957	17,247	16,957	17,247
Total Employee Entitlements	99,565	83,929	99,565	83,929

Actuarial Valuations

The long service leave, retirement gratuities, sick and sabbatical leave were valued by an independent actuary.

The present value of the retirement, sabbatical and long service leave obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate 0.38% (2020: 0.22%) and the salary inflation factor 2% (2020: 2%). Any changes in these assumptions will impact on the carrying amount of the liability.

The discount rates used were obtained by finding weighted averages of returns on Government stock of different terms. The salary inflation factor has been determined after considering historical salary inflation patterns.

The valuation result is most sensitive to the assumed rates of salary growth, based on all other assumptions being unaltered, an increase in the salary inflation factor of 1% would increase the employee entitlements by $1,559k. A 1% decrease would reduce the employee entitlements by $1,355k.

Continuing medical education leave

The continuing medical education leave liability assumes that the utilisation of the annual entitlement, which can be accumulated indefinately, will on average be 100% (2020: 100%)of the full entitlement. The liability has not been calculated on an actuarial basis because the present value is trivial.

15 Employee Entitlements *(Continued)*

ACC Accredited Employers Programme

Exposures arising from the Programme are managed by promoting a safe and healthy working environment by:

- implementing and monitoring health and safety policies;
- induction training on health and safety;
- actively managing workplace injuries to ensure that employees return to work as soon as practical;
- recording and monitoring workplace injuries and near misses to identify risk areas and implementing mitigating actions; and
- identifying workplace hazards and implementation of appropriate safety procedures.

The group has chosen a stop loss limit of 181% of the industry premium. The stop loss limit means that the group will carry the total cost of claims up to only $1.5m for each year of cover, which runs from 1 April to 31 March. If the claims for a year exceed the stop loss limit, the group will continue to meet the costs of claims and will be reimbursed by ACC for the costs that exceed the stop loss limit.

The group is not exposed to any significant concentrations of insurance risk, as work-related injuries are generally the result of an isolated event involving an individual employee.

An independent actuarial valuer, Simon Ferry of Aon New Zealand, has calculated the group's liability, and the valuation is effective as at 30 June 2021. The valuer has attested that they are satisfied as to the nature, sufficiency, and accuracy of the data used to determine the outstanding claims liability. There are no qualifications contained in the valuers report.

Average inflation has been assumed to be 1.88% for the years ending 30 June 2022 through to 30 June 2026. An average discount rate of 1.15% over the five years to 30 June 2026 has been used.

Any changes in liability valuation assumptions will not have a material effect on the financial statements.

Holidays Act 2003

A number of New Zealand's public and private organisations have identified issues with the calculation of leave entitlements under the Holidays Act 2003 ("the Act").

For employers such as the DHBs that have workforces that include differential occupational groups with complex entitlements, non-standard hours, allowances and/or overtime, the process of assessing non-compliance with the Act and determining any additional payments is time consuming and complicated.

Work has been ongoing since 2016 on behalf of 20 District Health Boards (DHBs) and the New Zealand Blood Service (NZBS), with the Council of Trade Unions (CTU), health sector unions and Ministry of Business Innovation and Employment (MBIE) Labour Inspectorate, to agree a national approach to identify, rectify and remediate any non-compliance with the Act by DHBs.

This has led to a memorandum of understanding (MOU) being agreed which (along with a Baseline Document and Framework) (i) outlines the actions DHBs will take to assess compliance with the Act, (ii) sets out the interpretations and methods that have been agreed for calculating individual payments to employees, and (iii) sets out the agreed review process for assessing each DHB's compliance with the Baseline Document.

The remediation project is a significant undertaking and work to assess all non-compliance will continue into the 2021/22 financial year. The final outcome of the remediation project and timeframe for addressing any non-compliance will not be determined until this work is completed.

Notwithstanding this, an estimate of the liability as at 30 June 21, totalling $29.2 million (2020: $18.0 million), is included in the Liability for Annual Leave in the financial statements for 20/21. The increase in the liability over last year is significant and is the result mainly of: (i) having recently undertaken an assessment at the individual employee level, (ii) an increase in the number of employees, (iii) refinement of definitions under the Framework and (iv) an increase in the amount of sick leave taken due to COVID-19.

The liability is likely to change subsequently due to (i) the passage of time until payment is finally made (2022 at the earliest), (ii) changes that may occur as a result of refining elements under the Framework, and (iii) other external changes which may occur that impact the estimated liability under the Framework.

16 Provisions

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Balance at 1 July	264	298	264	298
Provision made during the year	0	264	0	264
Provision used/reversed during the year	(264)	(298)	(264)	(298)
Total Provisions	0	264	0	264

Provisions have been made for legal actions against Northland DHB, employee cessation costs and contract penalties.

17 Financial Instruments

The DHB's activities expose it to a variety of financial instrument risks, including market risk, credit risk, foreign currency risk and liquidity risk. The DHB has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Financial instruments, which potentially subject Northland DHB to concentrations of risk, consist principally of cash, short-term deposits and accounts receivable.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the DHB, causing it to incur a loss.

The DHB places its investments with high-quality financial institutions and the DHB has a policy that limits the amount of credit exposure to any financial institution.

Concentrations of credit risk from accounts receivable are limited due to the large number and variety of customers. Northland DHB receives most of its revenue from the Ministry of Health, who is also the largest single debtor. It is assessed to be a low risk and high-quality entity due to its nature as the Government funded purchaser of health and disability support services.

17 Financial Instruments *(Continued)*

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

The status of trade receivables at the reporting date is shown in note 7.

Contractual maturity analysis of financial liabilities

The table below analyses the Northland DHB's maximum credit exposure as a result of the financial instruments it is party to. The amounts disclosed are the contractual undiscounted cashflows.

	Notes	Group		Parent	
		2021	**2020**	**2021**	**2020**
		$000	**$000**	**$000**	**$000**
Cash on Hand and at Bank	6	114	111	10	10
Cash on Hand with NZ Health Partnerships Limited	6	0	4,740	0	4,740
Term Deposits	8	373	369	0	0
Trusts/Special Funds		707	646	707	646
Trade and Other Receivables	7	32,220	19,894	32,220	19,891
Total		33,414	25,760	32,937	25,287

At balance date there were no significant other concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Credit Quality of Financial Assets

	Notes	Group		Parent	
		2021	**2020**	**2021**	**2020**
Counterparties with credit ratings		**$000**	**$000**	**$000**	**$000**
Cash and cash equivalents and Investments AA-		477	470	0	0
Counterparties without credit ratings					
New Zealand Health Partnerships Limited (NZHP)		0	4,740	0	4,740
Debtors and other receivables with no default in the past		32,220	19,894	32,220	19,891
Total Counterparties without credit ratings		32,220	24,634	32,220	24,631

Liquidity Risk

Management of liquidity risk

Liquidity risk is the risk that the DHB will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

The DHB mostly manages liquidity risk by continuously monitoring forecast and actual cash flow requirements and maintaining an overdraft facility through the "DHB Treasury Services Agreement" between NZHP and DHB's.

Contractual maturity analysis of financial liabilities

The table below analyses financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate of the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Notes	Carrying Amount	Contractual Cashflows	Less than 1 year	1-5 years	More than 5 years
		$000	**$000**	**$000**	**$000**	**$000**
Parent & Group 2021						
Crown Energy Efficiency Loan	14	142	142	142	0	0
Finance Leases	14	2,258	2,480	545	1,935	0
Trade and Other Payables	13	42,619	42,619	42,619	0	0
Total		45,019	45,241	43,306	1,935	0
Parent & Group 2020						
Crown Energy Efficiency Loan	14	426	426	284	142	0
Finance Leases	14	8,207	8,894	6,285	2,198	411
Trade and Other Payables	13	39,658	39,658	39,658	0	0
Total		48,291	48,978	46,227	2,340	411

17 Financial Instruments *(Continued)*

Market Risk

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The DHB has no financial instruments that give rise to price risk.

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The DHB's exposure to fair value interest rate risk arises from bank deposits and bank loans that are at fixed rates of interest. Northland DHB does not consider there to be any significant exposure to the interest risk rate on investments.

The Board has a series of policies providing risk management for interest rates and the concentration of credit. The Board is risk averse and seeks to minimise exposure from its treasury activities.

Foreign Currency Risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Northland DHB does not consider there to be any significant exposure to foreign currency risk. Only a small amount of purchases are denominated in a foreign currency, none of which were outstanding at 30 June.

Sensitivity Analysis

As at 30 June 2021, if floating interest rates had been 100 basis points higher/lower, with all other variables held constant, the surplus/deficit to Northland DHB's surplus before tax would have been approximately $20,000 (2020: $10,000) lower/higher.

Categories of Financial Assets and Liabilities

The classification and fair values together with the carrying amounts in the statement of financial position are as follows:

	Group		Parent	
	2021	2020	2021	2020
Financial Assets at Amortised Cost	$000	$000	$000	$000
Trade and Other Receivables	32,220	19,894	32,220	19,891
Trust/Special Fund Assets	707	646	707	646
Cash and Cash Equivalents	0	4,851	10	4,750
Short Term Deposits	373	369	0	0
Total Financial Assets at Amortised Cost	33,300	25,760	32,937	25,287
Financial Liabilities at Amortised Cost				
Trade and Other Payables	42,619	39,658	42,619	39,649
Interest Bearing Loans and Borrowings	8,383	8,633	8,383	8,633
Total Financial Liabilities at Amortised Cost	51,002	48,291	51,002	48,282

Treasury Services Agreement

Northland DHB is a party to the "DHB Treasury Services Agreement" between the NZHP and the participating DHBs. This Agreement enables NZHP to "Sweep" DHB bank accounts and invest surplus funds. The DHB Treasury Service Agreement provides for individual DHBs to have an overdraft with NZHP, which will incur interest at the credit interest rate received by NZHP plus an administrative margin. The maximum balance that is available to any DHB is the value of provider arm's planned monthly Crown revenue, used in determining working capital limits, is defined as 1/12th of the annual planned revenue paid by the funder arm to the provider arm as denoted in the most recent agreed Annual Plan inclusive of GST. For Northland DHB that equates to $41,154k. Due to the PBE IPSAS 30 disclosure requirements for the credit quality of the financial assets, the money with NZHP is classified under "counterparties with no credit ratings".

18 Related Parties

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect Northland DHB would have adopted in dealing with the party at arms length in the same circumstances. Further, transactions with other government agencies (for example Government Departments and Crown Entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

18 Related Parties *(Continued)*

Key Management Personnel Compensation

	Group		Parent	
	2021	2020	2021	2020
	$000	$000	$000	$000
Board Members				
Remuneration	297	274	297	274
Full time equivalent members	11	11	11	11
Executive team				
Remuneration	3,287	3,350	3,287	3,350
Full time equivalent members	12	12	12	12
Total key management personnel remuneration	3,584	3,624	3,584	3,624
Total full time equivalent personnel	23	23	23	23

The full time equivalent for Board members has been determined based on 1 full time equivalent (FTE) per board member as it is difficult to quantify the estimated time for Board members.

Key management personnel costs include any compensation or other benefits paid or payable. Key management personnel consist of the CE, COO, seven General Manager roles, Chief Medical Advisor, Director of Nursing and Midwifery and Director Allied Health, Scientific and Technical.

Board Member Fees

Current Board Members	**2021**	**2020**
Harry Burkhardt (Board Chair)	$47,188	$25,240
Ngaire Rae (Deputy Chair)	$29,570	$15,619
Dr Carol Peters	$24,688	$12,745
Debbie Evans	$23,420	$22,170
John Bain	$24,965	$22,608
Dr Kyle Eggleton	$24,670	$12,745
Libby Jones	$25,593	$23,045
Dr Mataroria Lyndon	$24,215	$12,495
Nicole Anderson	$22,670	$12,808
Sally Macauley	$25,342	$32,870
Vince Cocurullo	$24,465	$12,745

Former Board Members	**2021**	**2020**
Sue Brown	$0	$12,406
Craig Brown	$0	$9,925
Colin Kitchen	$0	$9,425
Denise Jensen	$0	$10,175
Gary Payinda	$0	$7,890
June McCabe	$0	$9,238
Sharon Shea	$0	$9,425

19 Subsequent Events

There are no significant events subsequent to balance date.

20 Capital Management

Northland DHB's capital is its equity, which comprises of crown equity, reserves, trust/special funds and accumulated comprehensive revenue and expenditure. Equity is represented by net assets. The Northland DHB manages its revenues, expenses, assets, liabilities and general financial dealings prudently in compliance with the budgetary processes. The Northland DHB's policy and objectives of managing the equity is to ensure the Northland DHB effectively achieves its goals and objectives, whilst maintaining a strong capital base. The Northland DHB policies in respect of capital management are reviewed regularly by the governing Board. There have been no material changes in the Northland DHB's management of capital during the period.

21 Variance Analysis

Overall the DHB (parent) reported an operating deficit of $17m, $17.2m unfavourable to budget. The result from business as usual operations for the year was $4.1m ($4.2m unfavourable to budget) costs in relation to the unfunded COVID-19 response $1.6m and additional provision for Holidays Act non-compliance $11.4m.

Key Financial Information	Group Actual 2021 $000	Group Budget 2021 $000	Variance $000
Operational Revenue	804,811	789,626	15,185

The revenue budget is based on the funding envelope advised by the Ministry of Health. Subsequent to this advice, further funding was made available to fund the community based COVID-19 response costs ($9.1m) and for additional services, including pharmacy and primary care services.

Operational Cost (including Capital Charge)	822,499	790,087	32,412

The major factors contributing to the increase in operational expenditure are unbudgeted services provided due to COVID-19, a provision made for the estimated cost of remediation in relation to compliance with the Holidays Act.

Total Assets (excluding cash and term deposits)	421,468	305,055	116,414

The variance in total assets is largely due to the $112M increase in land and buildings value as a result of the 30 June 2021 tri-ennial valuation. Trade and other receivables were greater than budget due to an increase in funding revenue due from the Ministry.

Total Liabilities (excluding loans)	160,186	128,208	31,978

Liabilities are higher than budget due to larger employee entitlement accruals, including the estimated cost of remediation in relation to compliance with the Holidays Act and an increase in continuing medical education liability caused by postponed training due to Covid-19. Trade supplier balances were greater than budget due to increased activity.

Cash Resources (cash, deposit and investment balances less loans)	(7,896)	(8,720)	824

Cash Resources are higher than budget primarily due to delays in construction of new Buildings. The impact of the 2020 COVID-19 lockdown had follow on effects to various projects through direct and indirect delays. BOI Stage II was paused for several months to resolve the gap between scope and available funding which has now been resolved, a master plan was also commissioned to ensure alignment with long term campus plans. Whangarei Hospital SSBC2 also underwent a revised business case process to fit within available funding consequently delaying design and construction. Community mental health underwent a value engineering process to also fit within approval conditions and consequently required a re-submission for funding.

At the request of MoH a master plan was commissioned for Kaitaia to confirm the long term campus plans and alignment with the business case funding recommendation ahead of re-submitting a revised business case which is now complete.

Total Equity	253,386	168,126	85,260

The variance of Equity to budget is largely due to the increase in the revaluation reserve as a result of the 30 June 2021 land and buildings valuation as described in the Total Assets note above.

22 COVID-19

Healthcare services are front line in the response to the COVID-19 pandemic.

Since mid-March 2020 Northland DHB has been reporting weekly to the MOH the financial impacts of the pandemic in the COVID-19 financial reporting template.

For the year ended 30 June 2021 the DHB incurred unfunded net costs of over $1.4m in operational and $1.8m in capital costs. Specific funding streams for COVID-19 Vaccination, Testing Centres and Public Health Response enabled the DHB to recoup all costs relating to these activities; however a large portion of costs relating to Hospital Covid preparedness along with all COVID-19 capital expenditure was unfunded. Note the majority of 2020-21 COVID-19 capital purchases were committed to in the 2019-20 financial year, with actual spend incurred in 2020-21. Unfunded COVID-19 costs have put additional pressure on the DHBs cash flow and ability to accurately forecast cash flow timings during the year.

The DHB did not incur any financial penalties in relation to planned care performance during the year despite ongoing impacts from COVID-19. Recovery of planned care and ensuring available capacity to meet acute demand growth will be an on-going challenge for 2021-22.

During the DHBs response to COVID-19 we have maintained delegated authority levels and business as usual internal controls.Northland DHB assessed the impact of COVID-19 on all balance sheet accounts. Overall the DHB does not consider there to be any material impacts as at 30 June 2021. In terms of the valuation of land and buildings, the DHB engaged an independent valuer to complete the triennial valuation as at 30 June 2021. Their assessment considered market evidence. The valuation policy included a Covid 19 paragraph which states as a result of the COVID 19 pandemic, market uncertainty has increased. Market risk has also increased due to future uncertainties. Therefore the values provided are subject to a wider range of variation than in the past. Northland District Health Board concurs with the revaluation assessment.

23 Contingent Liabilities and assets

Northland DHB and group has no Contingent liabilities or assets as at 30 June 2021. (2020 $NIL)

24 Statutory Reporting Deadline

The audit was completed on 28 January 2022. This is the date at which Audit New Zealand expressed their audit opinion. We acknowledge that our audit was completed later than required by the Crown Entities Act 2004. This was partly due to an auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns and resultant system challenges in accessing data remotely , as well as delays experienced by the DHB in being provided with Ministry of Health performance information, contained in pages 21 to 30 in the annual report, and in the DHB providing the audit team with the supporting documentation to audit that information.

Statement of Accounting Policies

For the year ended 30 June 2021

Reporting entity

Northland District Health Board (Northland DHB) is a Health Board established by the New Zealand Public Health and Disability Act 2000. Northland DHB has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes. It is domiciled and operates in New Zealand. Northland DHB is a Crown Entity as defined by the Crown Entities Act 2004. Northland DHB's ultimate parent is the Crown.

The consolidated financial statements of Northland DHB and group for the year ended 30 June 2021 comprise Northland DHB, its controlled entity the Kaipara Total Health Care Joint Venture (54% owned) and its jointly controlled entities healthAlliance N.Z. Limited (25% owned) and HealthSource New Zealand Limited (10% owned).

Northland DHB's activities involve funding and delivering health and disability services in a variety of ways to the community.

The financial statements were authorised for issue by the Board on 28 January 2022.

Basis of preparation

On 21 April 2021 the Minister of Health announced the health sector reforms in response to the Health and Disability System Review.

The reforms will replace all 20 DHBs with a new Crown entity, Health New Zealand, which will be responsible for running hospitals and commissioning primary and community health services. It will have four regional divisions.

As a result of the reforms, responsibility for public health issues will rest with a new Public Health Authority. A new Maori Health Authority will monitor the state of Maori health and commission services directly.

Legislation to establish the new entities and disestablish DHBs is scheduled to come into effect on 1 July 2022.

Because of the expected date of these reforms the financial statements of the DHB have been prepared on a disestablishment basis. No changes have been made to the recognition and measurement, or presentation in these financial statements because all assets, liabilities, functions and staff of the DHBs and shared services agencies will transfer to Health New Zealand.

The Group is reliant on financial support from the Crown

There is uncertainty whether the Group will be able to settle its liabilities, including the estimated historical Holidays Act 2003 liability, if they were to become due within one year of approving these financial statements. The Group therefore obtained a letter of comfort from the Ministers of Health and Finance, which confirms that the Crown will provide the Group with financial support, where necessary.

Statement of compliance

The financial statements 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 (NZGAAP).

The financial statements comply with PBE and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Presentation currency and rounding

The financial statements are presented in New Zealand Dollars and all values are rounded to the nearest thousand dollars ($000). The functional currency of the Northland DHB and its subsidiary is New Zealand dollars (NZ$).

The accounting policies as set out below have been applied consistently to all periods presented in these consolidated financial statements.

Critical accounting estimates and assumptions

The preparation of financial statements in conformity with PBE accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates will be recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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:

Land and buildings revaluations

Note 10 provides information about the estimates and assumptions applied in the measurement of revalued land and buildings.

Long service leave, retirement gratuities and Holidays Act 2003 liability

Note 15 provides an analysis of the exposure in relation to estimates and uncertainties surrounding retirement and long service leave liabilities, as well as leave entitlements under the Holidays Act 2003.

Estimating useful lives and residual values of property, plant and equipment

The useful lives and residual values of property, plant and equipment are reviewed at each balance date. Assessing the appropriateness of useful life and residual value estimates requires Northland DHB to consider a number of factors such as the physical condition of the asset, advances in medical technology, expected period of use of the asset by Northland DHB, and expected disposal proceeds (if any) from the future sale of the asset.

Critical judgements in applying accounting policies

Leases classification

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Northland DHB.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate

discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

Northland DHB has exercised its judgement on the appropriate classification of leases, and has classified finance lease appropriately.

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

Standard early adopted

There have been no standards early adopted during the financial year.

Standards issued and not yet effective and not early adopted

Standards and amendments, issued but not yet effective, that have not been early adopted are:

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. Northland DHB does not intend to early adopt the amendment.

PBE IPSAS 41 Financial Instruments

The XRB issued PBE IPSAS 41 Financial Instruments in March 2019. This standard supersedes most of PBE IPSAS 29 Financial Instruments: Recognition and Measurement and PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022.

The main changes compared to PBE IPSAS 29 that are relevant to the DHB are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which might result in the earlier recognition of impairment losses.

Northland DHB does not intend to early adopt the amendment.

Although Northland DHB has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for the year ending 30 June 2023, with early adoption permitted. Northland DHB has not yet determined how application of PBE FRS 48 will affect its statement of performance. It does not plan to early adopt the standard.

Basis for consolidation

Subsidiaries

Subsidiaries are entities controlled by Northland DHB. Control exists when Northland DHB is exposed, or has rights to, variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The group financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The consolidated financial statements include the parent (Northland DHB) and its subsidiary. The subsidiary is accounted for using the acquisition method, which involves adding together corresponding assets, liabilities, revenues and expenses on a line by line basis.

Transactions eliminated on consolidation

All intragroup balances, transactions, revenue and expenses are eliminated in preparing the consolidated financial statements.

Investments in Joint Ventures

Joint Ventures are those entities over whose activities Northland DHB has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Joint Ventures are not accounted for using the equity method as they are not material.

Investments in Joint Ventures are carried at cost in Northland DHB's own parent entity and group financial statements.

Budget figures

The group budget figures presented in the financial statements comprise of the Northland DHB parent figures that were approved in its statement of performance expectations and the subsidiary's budget figures that were approved by its own board. The budget figures have been prepared in accordance with NZGAAP using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Foreign currency transactions

Transactions in foreign currency are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to NZD at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the surplus or deficit. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash on deposit and cash overdrafts with NZ Health Partnerships Limited, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash overdrafts are presented within borrowings in current liabilities in the statement of financial position.

Trade and other receivables

Short-term receivables are recorded at the amount due, less an allowance for credit losses.

Northland DHB bases the measurement of expected credit losses on forward-looking information, as well as current and historic information. They have been grouped based on the days past due.

Short term receivables are written off when there is no reasonable expectation of recovery.

Trade and other payables

Trade and other payables are recorded at their face value.

Investments

Bank term deposits

Investments in bank term deposits are initially measured at the amount invested.

After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Inventories

Inventories held for distribution in the provision of services that are not supplied on a commercial basis are measured at cost (using the weighted average cost method) and adjusted when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the weighted average cost method) and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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.

Interest bearing borrowings

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the surplus or deficit over the period of the borrowings on an effective interest basis. Borrowings are classified as current liabilities unless Northland DHB has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Property, plant and equipment

Property, plant and equipment consists of the following asset classes: land, buildings and plant, equipment and motor vehicles

Owned assets

Except for land and buildings and the assets vested from the hospital and health service (see below), items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of direct overheads.

Revaluations

Land and buildings are revalued to fair value as determined by an independent registered valuer at least every three years or, where there is evidence of a significant change in fair value. The net revaluation results are credited or debited to other comprehensive revenue and is accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a 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 offsets 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.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components of property, plant and equipment.

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 Northland Health Limited (a hospital and health service company) were vested in Northland DHB on 1 January 2001. Accordingly, assets were transferred to Northland DHB at their net book values as recorded in the books of the hospital and health service. In effecting this transfer, the Northland DHB 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.

Disposal of property, plant and equipment

Where an item of plant and equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sales price and the carrying amount of the asset. The gain or loss is recognised in the reported net surplus or deficit in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

Additions to property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to Northland DHB and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Subsequent costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred, if it is probable that the service potential or future economic benefits embodied within the new item will flow to Northland DHB. All other costs are recognised in the statement of comprehensive revenue as an expense as incurred. The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided using the straight line method on all property plant and equipment other than land, and recognised in the surplus or deficit.

Depreciation is set at rates that will write off the cost or fair value of the assets, less their estimated residual values, over their useful lives. The estimated useful lives of major classes of assets and resulting rates are as follows:

Class of asset	Estimated life	Depreciation rate
Buildings (including components)	10 to 70 years	(1.4% - 10%)
Plant and Equipment	1 to 15 years	(6.6% - 100%)
Motor Vehicles	5 to 15 years	(6.6% - 20%)

The residual value of assets is reassessed annually to determine if there is any indication of impairment.

Work in progress is recognised at cost less impairment and is not depreciated. The total cost of a project is transferred to the appropriate class of asset on its completion and then depreciated.

Borrowing costs

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

Intangible assets

Intangible assets that are acquired by Northland DHB are stated at cost less accumulated amortisation and impairment losses.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific asset.

Costs that are directly associated with the development of software for internal use, are recognised as an intangible asset. Direct costs can include the software development employee costs and an appropriate portion of relevant overheads.

Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the service potential or future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Finance, Procurement and Information Management System (FPIM)

The Finance, Procurement and Information Management System (FPIM) is a national initiative funded by DHBs and facilitated by NZ Health Partnerships Limited (NZHPL) to deliver sector wide benefits. NZHPL holds an intangible asset recognised at the capital cost of development relating to this programme.

Northland DHB holds:

- an intangible asset for the cost of capital invested by Northland DHB in the FPIM central implementation costs. This will be amortised over 15 years when the asset is brought into use in February 2022 (as at 30 June these costs paid to date are recognised as a prepayment); and
- a prepayment for the costs paid in relation to the core build of the FPIM Hardware. This will be recognised as an expense over a five year period from February 2022.

Amortisation

Amortisation is provided in the surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

Class of asset	Estimated life	Amortisation rate
Software	2 to 3 years	(33% - 50%)
FPIM	14 to 15 years	(6% - 7%)

Impairment of property, plant and equipment and intangible assets

Northland DHB does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a cash return.

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment.

Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. 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 depreciated replacement cost for an asset where the fair value of an asset cannot be reliably determined by reference to market based evidence. Specialised Hospital Buildings are an example of this.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised in other comprehensive revenue to the extent the impairment loss does not exceed the amount in the revaluation reserve in equity for that same class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Employee benefits

Defined contribution schemes

Obligations for contributions to defined contribution plans are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

Northland DHB makes employer contributions to the Defined Benefits 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.

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, continuing medical education leave and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the year in which the employee renders the related service, such as sabbatical leave, long service leave, and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, continuing medical education leave, annual leave, long service leave that is available for use, and sabbatical leave that is available for use are classified as a current liability. Long service leave, sabbatical leave, and retirement gratuities expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

Bonuses

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Provisions

A provision is recognised at fair value when Northland DHB has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and that a reliable estimate can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability. The movement in provisions are recognised in the surplus or deficit.

Restructuring

A provision for restructuring is recognised when an approved detailed formal plan for the restructuring has either been announced publicly to those affected, or for which implementation has already commenced.

ACC Accredited Employers Programme

Northland DHB belongs to the ACC Accredited Employers Programme (the "Full Self Cover Plan") whereby Northland DHB accepts the management and financial responsibility for employee work-related illnesses and accidents. Under the programme, Northland DHB is liable for all claims costs for a period of two years after the end of the cover period in which the injury occurred. At the end of the two-year period, Northland DHB pays a premium to ACC for the value of residual claims, and from that point the liability for ongoing claims passes to ACC.

The liability for the ACC Accredited Employers Programme is measured using actuarial techniques at the present value of expected future payments to be made in respect of the employee injuries and claims up to balance date. Consideration is given to anticipated future wage and salary levels and experience of employee claims and injuries. Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as close as possible, the estimated future cash outflows.

Equity

Equity is the community's interest in Northland DHB and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components.

The components of equity are Retained Earnings, Revaluation Reserve (consisting of Land and Buildings), non-controlling interest in the group and Trust/Special Funds. The minority interest in the group is represented by the joint venture partner in the controlled entity.

Trust/Special Funds

Trust/Special funds are funds donated or bequeathed for a specific purpose. The use of these assets must comply with the specific terms of the sources from which the funds were derived. The revenue and expenditure in respect of these funds is included in the surplus or deficit. An amount equal to the expenditure is transferred from the trust fund component of equity to retained earnings. An amount equal to the revenue is transferred from revenue earnings to trust funds.

Property revaluation reserve

This reserve relates to the revaluation of property, plant, and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves

The specific accounting policies for significant revenue items are explained below.

Statement of Accounting Policies

Revenue

The specific accounting policies for significant revenue items are explained below.

Ministry of Health population-based revenue

Northland DHB receives annual funding from the Ministry of Health, which is based on population levels within the Northland DHB region.

Ministry of Health population-based revenue for the financial year is recognised based on the funding entitlement for that year.

Ministry of Health Contract Revenue

The revenue recognition approach for Ministry of Health contract revenue depends on the contract terms. Those contracts where the amount of revenue is substantively linked to the provision of quantifiable units of service are treated as exchange contracts and revenue is recognised as Northland DHB provides the services. For example, where funding varies based on the quantity of services delivered, such as number of screening tests or heart checks. Other contracts are treated as non-exchange and the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to provide services to the satisfaction of the funder to receive or retain funding. Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the service requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as the past practice of the funder. Judgement is often required in determining the timing of revenue recognition for contracts that span a balance date and multi-year funding arrangements.

Goods sold and services rendered

Revenue from goods sold is recognised when Northland DHB has transferred to the buyer the significant risks and rewards of ownership of the goods and Northland DHB does not retain either continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue from services is recognised, to the proportion that a transaction is complete, when it is probable that the payment associated with the transaction will flow to Northland DHB and that payment can be measured or estimated reliably, and to the extent that any obligations and all conditions have been satisfied by Northland DHB.

Revenue from other DHBs

Inter-district patient inflow revenue occurs when a patient treated within the Northland DHB region is domiciled outside of Northland. The Ministry of Health credits Northland DHB with a monthly amount based on an estimated patient treatment for non-Northland residents within Northland. An annual wash-up occurs at year end to reflect the number of non-Northland patients treated at Northland DHB.

Donated services

Certain operations of the Northland DHB are reliant on services provided by volunteers. Volunteer services received are not recognised as revenue or expenditure by Northland DHB.

ACC contract revenue

ACC contract revenue is recognised as revenue when eligible services are provided and any contract conditions have been fulfilled.

Rental revenue

Rental revenue is recognised in the surplus or deficit on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue over the lease term.

Interest

Interest revenue is recognised using the effective interest method.

Expenses

Operating leases

An operating lease is a lease whose term is short compared to the useful life of the asset or piece of equipment and does not transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, finance leases where Northland DHB is the lessee are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Financing costs

Net financing costs comprise interest paid and payable on borrowings, calculated using the effective interest rate method and are recognised as an expense in the financial year in which they are incurred.

Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates. The intention of the capital charge is to make explicit the true costs of the taxpayers' investment by requiring recognition of those costs.

Statement of Accounting Policies

Contingent liabilities

Contingent liabilities are recorded in the Statement of Contingent Liabilities at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

Cost of service (Statement of Performance)

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

Cost allocation

Northland DHB has arrived at the net cost of service for each significant activity using the cost allocation system outlined below:

Cost allocation policy

Direct costs are charged directly to output classes. Indirect costs are charged to output classes based on cost drivers and related activity and usage information.

Direct costs are those costs directly attributable to an output class.

Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output class.

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.

Income tax

Northland DHB is a crown entity under the New Zealand Public Health and Disability Act 2000 and is exempt from income tax under section CB3 of the Income Tax Act 1994.

Goods and services tax

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is disclosed in combination with supplier payments and classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Some of the Whangarei Hospital theatre nursing team prior to starting work in the new theatre block.

Acronyms

Acronym	Meaning
AAU	Acute Assessment Unit
ALOS	Average length of stay
ARC	Aged residential care
ASH	Ambulatory sensitive hospitalisation, a subset of avoidable hospitalisations (sometimes also Action on Smoking and Health)
ASMS	Association of Salaried Medical Specialists
BAU	Business as usual
BMI	Body Mass Index (a measure of healthy weight)
COPD	Chronic obstructive pulmonary disease
CVD	Cardiovascular disease
DHB	District Health Board
DMFT	Decayed, missing, filled teeth; a measure of total damaged teeth in the mouth
DNA	Did not attend
ECMS	Enterprise Content Management System, a large file-holding and file-sharing database
ED	Emergency Department
ELT	Executive Leadership Team (of Northland DHB)
FSA	First specialist appointment
FTE	Full time equivalent (= 40 hours a week of work time)
GDP	Gross Domestic Product
GP	General Practitioner
HCSS	Home and community support services (for older people)
HOP	Health of older people
HQSC	Health Quality and Safety Commission
IFHC	Integrated family health centre
interRai	A collaborative network of researchers in over 30 countries who promote evidence-based clinical practice and policy to improve healthcare for persons who are elderly, frail, or disabled
IT	Information technology
KPI	Key performance indicator
KRONOS	A business support financial system
LTC(s)	Long-term condition(s)
MELT	Medical Executive Leadership Team
NDHB	Northland District Health Board
NGO	Non-government organisation
NHSP	Northland Health Services Plan
PBF(F)	Population Based Funding (Formula)
PHO	Primary Health Organisation
POPN	Primary Options Programme Northland
PRIMHD	Programme for the Integration of Mental Health Data
Q	Quarter (of the year); either Jul-Sep, Oct-Dec, Jan-Mar or Apr-Jun
ROERS	Radiology orders and eResults sign-off
OMG	Operational Management Group
SMO	Senior Medical Officer
SPE	Statement of Performance Expectations What we expect to achieve in the coming year, included as an appendix in our Annual Plan. When the year is over, the SPE becomes the basis upon which the Statement of Performance is prepared
Statement of Performance Expectations	What we expect to achieve in the coming year, included as an appendix in our Annual Plan. When the year is over, the SPE becomes the basis upon which the Statement of Performance is prepared
STI	Sexually transmitted infection
SUDI	Sudden unexpected death in infancy (also sometimes sudden unexplained death in infancy)
SWOT	Strengths, weaknesses, opportunities, threats
TLA	Territorial Local Authority
VfM	Value for money

Directory

CURRENT BOARD MEMBERS AS AT 30 JUNE 2021

***Appointed by the Minister of Health**

Harry Burkhardt* - Chair (Ngāti Kuri)
Debbie Evans
Dr Carol Peters
Dr Kyle Eggleton
Dr Mataroria Lyndon (Ngāti Hine, Ngāti Whātua, Ngāpuhi)*
John Bain
Libby Jones
Ngaire Rae* (Deputy Chair)
Nicole Anderson* (Ngāpuhi)
Sally Macauley
Vince Cocurullo

EXECUTIVE OFFICERS AS AT 30 JUNE 2021

Dr Andrew Miller, GP Representative
Dr Chris Harmston, Clinical Director - Innovation and Transformation
Dr David Hammer, Clinical Director - Innovation and Transformation
Dr Jenny Walker, Associate Chief Medical Officer
Dr Jo Coates, Clinical Director - Innovation and Transformation
Dr Maree Sheard, Chief Nurse & Midwifery Officer
Dr Michael Roberts, Chief Medical Officer
Dr Moana Tane, General Manager, Māori Health
Dr Nick Chamberlain, Chief Executive
Ian McKenzie, General Manager, Mental Health & Addiction Services
Jeanette Wedding, General Manager, Rural, Family and Community
John Wansbone, General Manager, Planning, Integration, People & Performance
Liz Inch, Communications Manager
Mark McGinley, General Manager, Surgical, Pathology and Ambulatory Services
Michael Kelly, General Manager, Finance, Funding & Commercial Services
Pip Zammit, Director of Scientific, Technical, Allied Health
Tracey Schiebli, General Manager, Medical and Elder Services

REGISTERED OFFICE
Northland DHB Office, Tohorā House, Hospital Road, Whangarei

POSTAL ADDRESS
Northland DHB Office, Private Bag 9742, Whangarei 0148

TELEPHONE
(09) 430 4101

FACSIMILE
(09) 470 0001

WEBSITE
www.northlanddhb.org.nz

AUDITOR
Audit New Zealand on behalf of the Office of the Controller & Auditor General

BANKERS
Bank of New Zealand

SOLICITORS
Webb Ross Lawyers, Whangarei

Northland District Health Board
Tohorā House
Private Bag 9742
Whangarei 0148
Phone: (09) 430 4101
Fax: (09) 470 0001

Bay of Islands Hospital
Hospital Road
PO Box 290
Kawakawa 0243
Phone: (09) 404 0280
Fax: (09) 404 2850

Dargaville Hospital
Awakino Road
PO Box 112
Dargaville 0340
Phone: (09) 439 3330
Fax: (09) 439 3531

Kaitaia Hospital
29 Redan Road
PO Box 256
Kaitaia 0441
Phone: (09) 408 9180
Fax: (09) 408 9251

Whangarei Hospital
Maunu Road
Private Bag 9742
Whangarei 0148
Phone: (09) 430 4100
Fax: (09) 430 4115 *during working hours*
Fax: (09) 430 4132 *after hours*

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