

A Message to Our Hokianga Community from Our CEO,

We know many of you have seen or heard about recent media coverage about Hauora Hokianga's finances. We want to explain what's really going on, clearly and honestly.

The key things to know are:

- **Hauora Hokianga is not closing.**
- **We are not reducing services.**
- **24/7 after-hours services have been restored.**

The article referred to a "\$5 million fall" in our financial position. While figures were mentioned, the wording does not reflect the full picture. While we asked for it to be changed, unfortunately, that didn't happen. To understand how we got here,

In 2023, Hauora Hokianga recorded a financial surplus. This was mainly because we received one-off COVID funding. At the same time, we were facing serious challenges — including staff shortages that forced us to close our after hours service, outdated IT systems, security issues, and clinics vulnerable to power outages.

Over the last two years, we made a deliberate decision to invest in addressing those problems.

In 2024 and 2025, this meant spending more on:

- Recruiting and retaining doctors, nurses, and frontline staff.
- Moving closer to pay parity to compete with other health providers.
- Strengthening our IT, security, and clinic infrastructure.
- Restoring services that had been reduced or lost.

These investments resulted in financial deficits, but they were planned and purposeful.

Because of that investment, we have now:

- **Fully restored 24/7 hospital services in Hokianga.**
- **Rebuilt our workforce — we now have more medical staff than ever before.**
- **Strengthened our systems so services are safer and more resilient.**

Importantly, the steps we've taken to reduce costs and improve efficiency mean we are now cash-flow positive, and our forecast deficit for 2026 has reduced to around \$500,000.

Like many rural hospitals across Aotearoa, we're operating in a tough environment — workforce shortages, rising costs, and long-term underfunding of rural health services. What makes Hauora Hokianga different is that we have chosen to keep services free for our community, even under those pressures.

Our finances are audited every year, and to provide even more transparency, the Board commissioned an independent review by BDO. This review is looking closely at our financial position and the steps needed to return to surplus. The findings so far have informed the figures shared above, and the full report will be completed shortly.

This work has also confirmed something we've known for some time, some of the services we deliver are not adequately funded. We have formally asked Te Whatu Ora for urgent action to ensure funding reflects the real cost of providing safe, rural health services.

Our commitment remains unchanged. Every decision we've made has been about:

- **Restoring local services.**
- **Supporting our workforce.**
- **Strengthening Hauora Hokianga for the future.**
- **Protecting access to free healthcare in Hokianga.**

We will continue to stand up for Hokianga and advocate for fair and equitable funding, because long-term sustainability depends on properly funding the care our people need.

Hauora Hokianga is here, services are continuing, and our focus remains on delivering the local health services Hokianga needs.

Ngā mihi nui ki a koutou katoa,

Margareth Broodkoorn
Aho Rangi | Chief Executive
Hauora Hokianga | Hokianga Health

