



WAITAKI DISTRICT HEALTH SERVICES LTD

Annual Report

Year End June 2021



Website: www.waitakihealth.co.nz

CHAIR AND CEO REPORT

It is our pleasure to present the annual report as the Chairman and CEO of Waitaki District Health Services Limited (WDHSL). The 2020-21 Financial Year has represented a significant turning point for our community healthcare operation. We exited the first Covid-19 lockdowns with lots of learning, that we now apply in the everyday business of keeping our people of the Waitaki well. We were possibly also of the view that New Zealand had successfully weathered the eye of the Covid storm. Clearly at time of putting pen to paper for this report, we are again in the midst of a new threat in Delta. The positive take-out from this event is that WDHSL is well positioned with the work that has been achieved in 'steadying the ship' and building the foundations for a robust and resilient organisation, across our key outcome areas of Clinical / Consumers, Financial and Team Members.

WDHSL has made good progress towards delivery to our core purpose "***To champion, provide and enable trusted, quality health services for our community.***"

A key part of this, and building off existing people capability, has been embedding a new leadership team. This includes a complete set of permanent Doctors, establishing Service Managers for each hospital department, recruiting a Chief Financial Officer, appointing two new directors (strengthened healthcare governance and rural hospital medicine experience), as well as serving our first financial year as Chairman and CEO.

We updated our core purpose to include the word **Enable**. This is not clever marketing jargon. It reflects the need for WDHSL to play a leadership role, enabling health and well-being outcomes for our community, even in areas where we don't directly provide the healthcare service. This is no more evident than in the partnership role we play alongside other community agencies in our locality network, Stronger (Safer) Waitaki, and also our increased focus on partnering with Te Rūnanga o Mōeraki, as well as our Pasifika community.

THE YEAR IN REVIEW

The 2020-21 financial year has focused heavily on 'Steadying the Ship' and re-building the foundations of WDHSL, with the aim on then working towards being the 'best rural healthcare provider in New Zealand'. At the same time, we have put in place a strategy we believe will guide your organisation over the next ten years, placing us in the best position to capture the opportunities that Health NZ systems reforms may present, as well as transforming our model of care from overly hospital centric, to a community wellness focus, through our people, processes, and technology.

Strategic Priorities and Progress

1. **Develop Waitaki Model of Care** – our model of healthcare must adapt to the current and future needs of our population. Community based healthcare – fit to Waitaki needs that sustainably delivers quality health and wellness outcomes in the best way, at the best time, in the best place, and with the best team.

Progress:

- ✓ Secured a team of permanent doctors, specialists in rural hospital and emergency medicine, who are already producing better continuity health outcomes and significant cost savings (this means limited to no reliance on locum services);
- ✓ A stable and skilled nursing team, providing care across Emergency Department (ED), Ward, District Nursing, and Outpatients;
- ✓ A refreshed Allied Healthcare function, with strengthened leadership, better integration of functions of physiotherapy, occupational therapy, social work and clinical needs assessment, all critical functions to transforming our model of care;
- ✓ External attestation against clinical / medical standards including the Health & Disability Standards (Designated Audit Agency), Baby Friendly Initiative (Maternity), NZ Blood Transfusion and IANZ Accreditation for Radiology.



2. **Improve Population Health** – Through better insight, data, and relationships, develop an improved understanding of our community to drive proactive health outreach and care.

Progress:

- ✓ Established with the Pasifika community a joint healthcare assistant / community connector to help ensure equity of access to healthcare, especially amongst some of our more vulnerable populations;
- ✓ Embedded balanced scorecard reporting for governance and management decision making – across clinical / consumers, financial and team members outcomes;
- ✓ Implemented independent consumer and team member engagement (net promoter) measurement tools;
- ✓ Improving our population data, in partnership with the Waitaki District Council and Stronger (Safer) Waitaki.



3. **Drive sustainable outcomes** – Shared goals, balanced priorities, and investment aimed at financial sustainability.

Progress:

- ✓ To ensure financial controls and disciplines are optimised, built a small in-house Finance team, functions that were previously outsourced to FINDEX;
- ✓ Through our Council Controlled ownership status, accessed NZ's 'All of Government' procurement scheme to drive significant cost savings, as well drive improved service outcomes (e.g. motor vehicles, electricity, telecommunications);

- ✓ Executing more structured stakeholder communications, ensuring that people are kept more involved in their community hospital. This has also contributed to significant growth in community donations and contributions (see below);
- ✓ Improving funding streams, with our current commissioning agent, the Southern District Health Board, and other areas such as ACC claims;
- ✓ Through better capital management and community contributions purchased critical medical equipment including a world-class broad scope ultrasound, a dual contrast injector for CT scanning, neonatal resuscitator, ward equipment, allied health van, and infection prevention and control equipment. We have also made significant head way in catching up with deferred maintenance for our hospital buildings.



4. **Transform Culture** – Build capability to drive a high-performance learning environment, ensuring that WDHSL is a great place to work.

Progress:

- ✓ Established Service Managers for each hospital department, to ensure that all areas of our business are inputting into our future plans and are aligned as 'one rural team' – includes Radiology, ED, Ward, District Nursing, Outpatients, Maternity and Allied Health;
- ✓ Based on quantifiable staff engagement surveys, running a continuous improvement programme, focused on staff development, management skill improvement, work conditions and equipment and professional development;
- ✓ Implemented a team member benefits programme, providing staff discounts (from generous local retailers and service providers), also promoting 'buy and do local'.



5. **Leverage the Group** – WDHSL is small and is far better positioned to continue to provide local healthcare for local people, working with others to do so. This includes other rural hospitals, SDHB (or Health NZ in the future), and our Council – together we are stronger.

Progress:

- ✓ Set up shared support resources with Central Otago Health Services Limited – e.g. joint HR and also Allied Health leadership;
- ✓ More robust clinical governance in place leveraging complimentary skill sets from SDHB;
- ✓ In the early stages of exploring options to improve the effectiveness and efficiency our reading and reporting in Radiology;
- ✓ Regular engagement with other rural hospitals through the respective Chair and Chief Executive meeting forums, driving collaborative workplans in areas of mutual interest.

Oamaru impresses Auckland doctor

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"Oamaru makes me smile"
Those were the words of Auckland's Dr Api Talemaitoga following his visit to Waitaki last week, where he toured the Oamaru Hospital, and held a Pasifika fono regarding Covid-19 vaccinations.

Dr Talemaitoga is working part time for the Ministry of Health Pacific Island team, delivering information on the Covid-19 vaccine to Pasifika communities throughout New Zealand. In Oamaru, he was joined by Ministry of Health Pacific health project manager Frank Po Ching.

They were in awe of the work Waitaki District Health Services (WDHS) was doing to support the local Pasifika community, and believed Uinita Tapa atoutai's role as a Pacific community health link worker was vital and a real asset to the district.



Information sharing... Dr Api Talemaitoga speaks at a community fono at the Oamaru Opera House.

listening and actively engaging in wanting to assist that. Auckland could sometimes "suck up" the attention and funding, but it was crucial the voices of small communities – such as Oamaru – were still heard, he said.
More than 50 people

did not translate through cultural barriers. At the Oamaru event, he had a Tongan health care worker with him, to provide the information in Tongan if needed.
"We know that Pasifika people respond to information

SERVICES DELVERED

Activity across our healthcare services has remained high, both in clinical and non-clinical services. The following illustrates some examples of the reach into our community that Waitaki District Health Services Limited provides:

- There were **4,919** occupied bed nights during the year, down from **5,393** the previous year.
- **7,752** people attended the Emergency Department, up from **6,337** the previous year.
- **5,949** people came to see a Specialist at an Outpatients appointment or to receive chemotherapy, a minor procedure or an infusion at a nurse-led clinic, up from **2,949**, the previous year.
- Our community received **8,642** meals delivered into their homes by a team of volunteers.
- Allied Health (incorporating Occupational Therapy, Social Work, Physiotherapy, Dietetics, Podiatry and Speech Language Therapy) **4,922** had contacts with our community, down from **3,945** the previous year, and of the **4,922** contacts, **41** were for rehabilitation.
- Community Services delivered **11,734** District Nursing visits, up from **7,459** the previous year.
- **16,161** people had a Radiological examination, being either a CT scan, X-Ray or Ultrasound.
- **221** women were cared for by our maternity team with **45** births in our primary birthing facility and **8** home births.

Management has identified issues within clinical data sets which may have led to an undercount in previous years

DONATIONS RECEIVED

Financial donations from our community received this year include:

\$149,000	from Lion Foundation to help purchase Ultrasound Systems
\$52,769	from Private donations and bequeaths
\$50,000	from Healthcare Otago Charitable Trust to help purchase an Ultrasound System
\$10,614	from St Vincent de Paul
\$7,313	from St Patricks Parish
\$5,900	from Waiareka Valley Lions Club to purchase a therapy chair
\$7,050	from the community to purchase hospital chairs
\$505	from other community donations

LOOKING FORWARD

WDHSL looks forward to a new financial year, with a strong Board and Lead Team in place. Covid-19 and its many variants will continue to place pressure on the wider healthcare system as well as the services we provide within the Waitaki. Whilst we are well placed operationally and clinically, given the rapidly changing nature of the virus we anticipate further adverse impact to our business-as-usual operations. We are also conscious of the ever-increasing acuity we are seeing through our healthcare operation, which will place increased pressure on our teams and also our cost base.

Structural reforms outlined this year in New Zealand's Health and Disability Systems Review represent the most significant change to our national healthcare in a generation. We believe that WDHSL's underlying return to strong operating performance together with our focus on community led / own healthcare could place us well in a system that is driving more towards localism, especially within rural settings. We are also working closely with our Iwi partners to establish how together, we can deliver better wellbeing outcomes for all peoples of the Waitaki. Finally, local government reforms require Councils across New Zealand to focus on the wellbeing of their communities within their wider delivery considerations. We believe Waitaki District Council is uniquely placed nationally given its ownership of 'social assets' to be a leading light of local government, with the hospital and wider health services provided by WDHSL being central to this.

ACKNOWLEDGEMENTS

In January, we welcomed Andrew Blair and Dr Scott Wilson to the WDHSL Board. Andrew joins us with an extensive background in leadership and governance roles within the New Zealand public and private healthcare sectors. Scott is a Rural Hospital Medicine specialist, who has an extensive background in rural healthcare, as a practitioner, a clinical director and in governance roles. Both have made significant and positive contributions, operating in a collaborative manner whilst bringing fresh challenge and insight to the governance team.

I would also like to acknowledge the contribution of Paul Allison, a former Chairman, and Keith Marshall, an independent Board Advisor, who both departed our Board in December 2020. Keith has subsequently been appointed by WDHSL as a Trustee of Observatory Village and we look forward to his continued contribution to wider community outcomes.

In closing, we wish to acknowledge the contribution of the WDHSL Board as a whole. In turn, on behalf of the Board, thanks to our team at WDHSL for their tireless efforts and professionalism over the past year. Thanks also to the Waitaki District Council Mayor, Councillors and staff for their continued support and encouragement, and to the team at SDHB for their continued support. We

look forward to an exciting and dynamic year ahead, as we continue our journey to champion, provide and enable trusted, quality health services for our community.



Mark Rogers
Chairman

Phil Jamieson
CEO

COMPANY OWNERSHIP

All shares in Waitaki District Health Services Limited continue to be owned by the Waitaki District Council as the community agency which facilitated the local takeover of health services, when Health Care Otago withdrew from providing rural health services in 1998. The health service company took over operations at the Oamaru Hospital on 1 July 1999 operating from there until the new hospital was commissioned in 2000.

The Council represents and oversees the community interest in health services through the 'Company'. The Company is regarded as a Council-Controlled Organisation in terms of the Local Government Act 2002 and reports to the Council as the shareholder.

In terms of its constitution, the Company has non-profit-making and charitable objectives. The Company operates within a policy, as approved by Council, of returning any financial surplus that can be achieved to the Waitaki District Community in the form of additional or enhanced health services.

COMPANY PURPOSE & VISION

Purpose

To champion, provide, and enable trusted, high-quality health services within our community

Vision

To be New Zealand's best Rural healthcare provider

SUMMARY OF PERFORMANCE

Below is a summary of achievement against the three-year Performance Targets and Measures as outlined in the 2020-21 Statement of Intent:

PERFORMANCE TARGET	STATUS/ACHIEVEMENT																														
Ensure services are clinically excellent, financially sustainable and delivered by staff working in safe working environments	Achieved and Ongoing - the development of knowledge and skills of our clinical staff is ongoing and Waitaki District Health Services continues to support opportunities for the development of these areas Recruitment of permanent doctors																														
Operate and provide planned services within budgeted income, including services contract income with the Southern District Health Board and income from other contracted sources.	Services were not provided within budgeted income. Albeit a significant year on year reduction of operating losses, a deficit was driven primarily by the continuing impact of operational turnaround activities. Not achieved.																														
Achieve a break-even or better result after prudent provision for assets, depreciation and replacement, and for future trading requirements.	Break-even or better result was not achieved . Higher than budgeted contracted locums and too aggressive timing assumptions related to recruiting permanent doctors. Break even or better result was achieved for the group however Waitaki District Health Service Ltd did not achieve a break even result																														
Update the Company's Business Plan on an annual basis.	Achieved: Business plan submitted to, and ratified by, the Waitaki District Council.																														
Meet service standards required under Southern District Health Board contractual arrangements with the Company, by maintaining the following certifications:	All Achieved.																														
<table border="1" data-bbox="244 1480 1257 1879"> <tbody> <tr> <td data-bbox="244 1480 328 1547">1</td> <td data-bbox="328 1480 1161 1547">Health & Disability Sector Standards Certification for the hospital</td> <td data-bbox="1161 1480 1257 1547">✓</td> </tr> <tr> <td data-bbox="244 1547 328 1581">2</td> <td data-bbox="328 1547 1161 1581">Baby Friendly Hospital Initiative Certification for Maternity</td> <td data-bbox="1161 1547 1257 1581">✓</td> </tr> <tr> <td data-bbox="244 1581 328 1648">3</td> <td data-bbox="328 1581 1161 1648">International Accreditation New Zealand (IANZ) Certification for Radiology</td> <td data-bbox="1161 1581 1257 1648">✓</td> </tr> <tr> <td data-bbox="244 1648 328 1682">4</td> <td data-bbox="328 1648 1161 1682">Building Warrant of Fitness certification</td> <td data-bbox="1161 1648 1257 1682">✓</td> </tr> <tr> <td data-bbox="244 1682 328 1715">5</td> <td data-bbox="328 1682 1161 1715">Building Act 2004 Compliance Schedule</td> <td data-bbox="1161 1682 1257 1715">✓</td> </tr> <tr> <td data-bbox="244 1715 328 1749">6</td> <td data-bbox="328 1715 1161 1749">Registration for Food Control Plan for the hospital kitchen</td> <td data-bbox="1161 1715 1257 1749">✓</td> </tr> <tr> <td data-bbox="244 1749 328 1783">7</td> <td data-bbox="328 1749 1161 1783">Stationary Container System Test Certificate</td> <td data-bbox="1161 1749 1257 1783">✓</td> </tr> <tr> <td data-bbox="244 1783 328 1816">8</td> <td data-bbox="328 1783 1161 1816">Hazardous Substances Location Test Certificate</td> <td data-bbox="1161 1783 1257 1816">✓</td> </tr> <tr> <td data-bbox="244 1816 328 1850">9</td> <td data-bbox="328 1816 1161 1850">Approved Handlers Test Certificate</td> <td data-bbox="1161 1816 1257 1850">✓</td> </tr> <tr> <td data-bbox="244 1850 328 1879">10</td> <td data-bbox="328 1850 1161 1879">Cold Chain Accreditation</td> <td data-bbox="1161 1850 1257 1879">✓</td> </tr> </tbody> </table>	1	Health & Disability Sector Standards Certification for the hospital	✓	2	Baby Friendly Hospital Initiative Certification for Maternity	✓	3	International Accreditation New Zealand (IANZ) Certification for Radiology	✓	4	Building Warrant of Fitness certification	✓	5	Building Act 2004 Compliance Schedule	✓	6	Registration for Food Control Plan for the hospital kitchen	✓	7	Stationary Container System Test Certificate	✓	8	Hazardous Substances Location Test Certificate	✓	9	Approved Handlers Test Certificate	✓	10	Cold Chain Accreditation	✓	
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Meet and observe adequate professional and technical standards in the delivery of Waitaki District Health Services by ensuring all employed, regulated health professionals hold current Annual Practising Certificates.	Achieved.																														

Maintain a Quality Assurance Programme to ensure adequate standards of care and services are maintained for the Company's patients.	Achieved.
Establish, where appropriate, strategic alliances with business partners and community groups in order to achieve desired outcomes for health services.	Ongoing – Establishing closer and more strategic relationships with key funders (e.g. SDHB and ACC), primary healthcare providers (e.g. General Practitioners and Aged Care Facilities), partnering with rural hospitals (e.g. Dunstan) and community partners.
Report to Council at half yearly and yearly intervals as required.	Achieved.
Communicate to staff via regular newsletters and to the wider community as and when necessary, utilising the local media.	Achieved.
Work with parties such as the Safer Waitaki Group, the Emergency Services Coordinating Committee (ESCC), the Emergency Care Coordination Team (ECCT), the Electives Operational Meeting, Stroke Governance Group that have a professional or business interest in healthcare in the Waitaki District to maintain and improve the range and quality of healthcare services in the District.	Achieved and ongoing.
Hold a Waitaki District Health Forum, under the Terms of Reference approved by the Board, as a public meeting at least two times a year as a means of liaison and consultation between the Hospital and the community.	Achieved

SERVICES

Waitaki District Health Services Limited is contracted to provide the following services to the community:

Community Rehabilitation and Older Persons Services

- Dietetics
- Occupational Therapy
- Physiotherapy
- Social Work
- Speech Language Therapy
- Community Nursing (District)
- Meals on Wheels
- Assessment, Treatment and Rehabilitation - Inpatient
- Assessment, Treatment and Rehabilitation – Outpatient
- Assessment, Treatment and Rehabilitation – Day Hospital and Day Programmes
- Needs Assessment
- Diabetes Education and Care
- Diabetes Fundus (Eye) Screening
- Respiratory Education and Management

- Cardiac Education and Management
- Podiatry

Rural Hospital Medical and Surgical Services

- Rural GP ACC services
- Community Radiology, including X-Ray, CT scan and Ultrasound
- Audiology
- Emergency Department
- General Medicine Outpatient Clinics
- Dermatology Outpatient Clinics
- Endocrinology Outpatient Clinics
- Medical Oncology Outpatient Clinics
- Rheumatology Outpatient Clinics
- Nurse-led Outpatient Clinics
- Chemotherapy Outpatient Clinics
- Rural Hospital Inpatient Services
- General Surgery Outpatient Clinics
- Minor Operations
- Ear, Nose and Throat Outpatient Clinics
- Gynaecology Outpatient Clinics
- Ophthalmology Outpatient Clinics
- Orthopedic Outpatient Clinics
- Fracture Clinic

Primary Maternity Services

The Board and Management thank the staff, Council and community of Waitaki for your continued support of our critical Rural Hospital operations.

