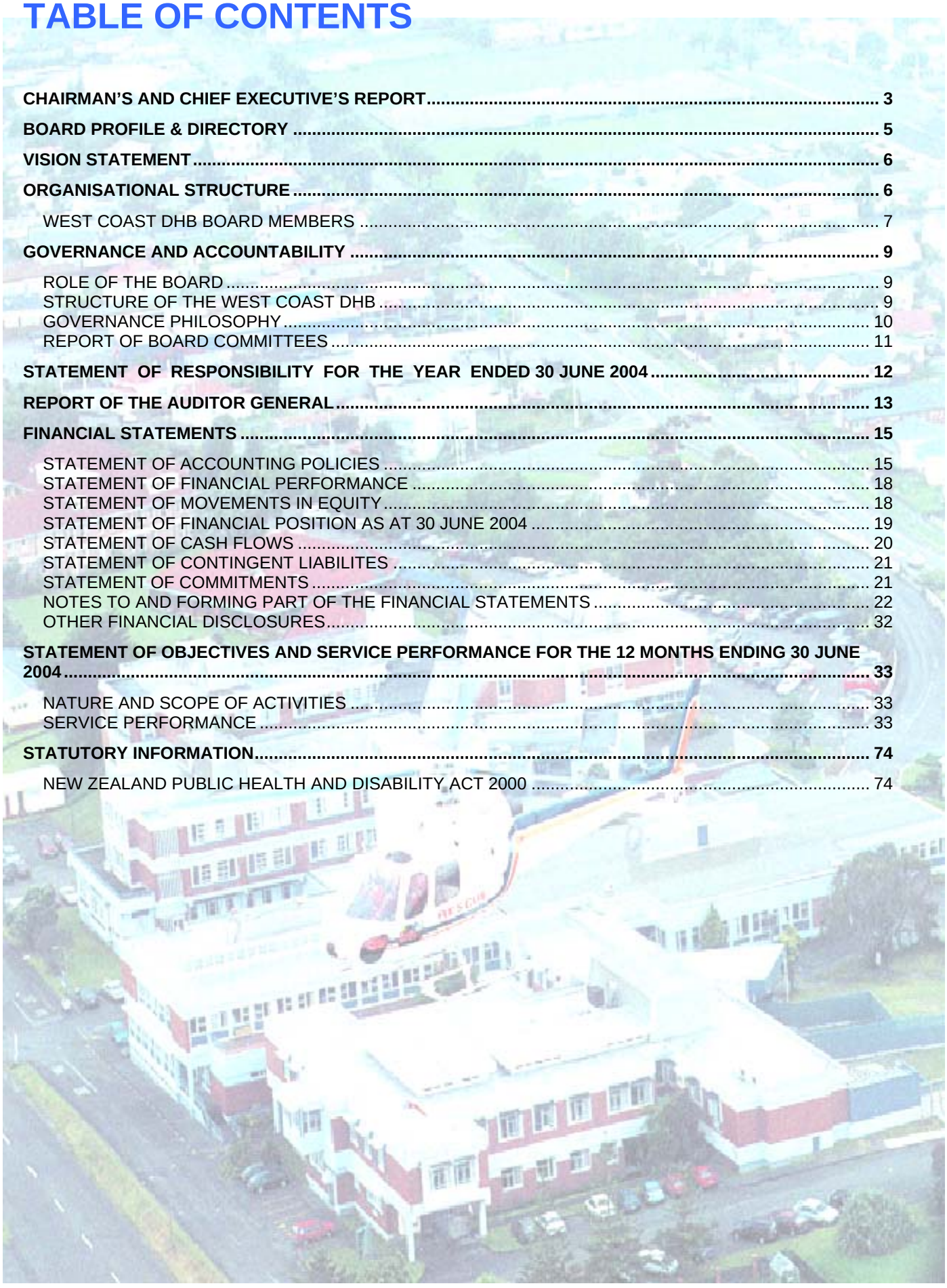
WEST COAST DISTRICT HEALTH BOARD

Te Poari Hauora a Rohe o Tai Poutini

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2004

TABLE OF CONTENTS



CHAIRMAN'S AND CHIEF EXECUTIVE'S REPORT

The past year for the West Coast District Health Board (WCDHB) has been both challenging and rewarding.

Recruitment and retention to key clinical positions has been particularly demanding especially medical specialists and general practitioners. Whilst market rate remuneration and the attractions of our West Coast environment are draw cards, in a labour market where demand exceeds supply we are also competing against not only other countries but also larger New Zealand centres. Such locations are often able to offer larger clinical support networks, the opportunity for greater specialisation, research activities and for those who seek it, scope to complement public health service provision with private practice. Wider employment options for partners and a range of schooling options for children are also factors when it comes to recruitment and retention. Increasingly we are receiving applications from health professionals who no longer want the responsibility of ownership of their practice and are looking to salaried positions. Such professionals wish to focus on health service delivery, which is consistent with the expectations of their patients and their employer, however as a consequence these health professionals tend to be very mobile and spend shorter periods in one place. This results in less continuity for patients and higher turnover and thus recruitment costs for the employer.

In terms of our successes, we have produced the best financial result since 1992 with a deficit of $438,000. This result also included significant additional revenue for both the 2002/2003 and 2003/2004 years, however even taking this into account the operating result was a credit to our staff who manage budgets for doing so prudently. An imperative is for the organisation to perform within budget and all staff are to be congratulated for doing so. In addition to operating within budget, we have produced, in terms of the Ministry's monitoring of overall performance (combined surgical and medical outputs) over 100% of total contracted volumes. We acknowledge that in the delivery of these volumes there are some areas of both under and over delivery and will be moving to a more transparent internal monitoring model in the coming year as we seek to further refine the mix of our services to best meet the needs of our community. In time the outcome of this approach may lead to the purchasing of additional volumes from outside of the Coast in order to address under delivery in an area rather than trying to make up the volumes in subsequent years when staffing or other resourcing issues permit.

To combat the challenges of staffing shortages in key clinical areas we have investigated and will be pursuing, collaborative arrangements with other DHBs and in particular with Canterbury DHB where most of our patients are referred for tertiary treatment. Work has been undertaken particularly in the area of Paediatrics and General Surgery. Collaboration such as this may well lead to development of services not only on a regional but even a South Island basis as the challenges faced by the WCDHB start to bite in other DHB regions. A significant benefit of such a model is that our clinicians will become part of a wider peer support network that in turn will assist with the maintenance of scope of practice and exposure to a wider range of clinical practice and developments in clinical treatment. Being part of a wider network is also expected to aid retention.

A major project during the year has been the devolution of funding for Disability Support Services for those 65 and over. To complement the devolution we embarked upon an Integrated Continuum of Care (ICC) project with a large number of consultation meetings and Hui across the Coast. In addition 10% of our population aged over 65 was interviewed. The work, with particular input from the Disability Information Service, was focused progressing the ICC project, a plan that takes a holistic approach to health. The issues of interest and concerns of this group extended far beyond core health and disability services with housing, social contact/ isolation, access to shops and the importance of holding a drivers license being some of the range of factors to the overall well being of this population group. This further reinforced the notion that health and disability services cannot be taken in isolation to broader community issues if improvement to the health status of our population as a whole is to occur. We were particularly pleased with the response from various communities in taking a lead in improving certain aspects of our older population coming out of this project through actions such as taking an interest in the well being of neighbours and forming groups to go walking and undertake other activities.

The health of our young was also targeted with the development of the Youth Health Strategy. Still in its early stages it aims to not only deliver services focused specifically on the needs of this group but to engage with young people and have them take an active part in the planning for services.

The focus on primary health continues and the community is now benefiting from cheaper doctor visits for those under 18 and over 65. Pharmaceutical charges have also reduced. Over the next 3 years cheaper healthcare for those 18-65 will be introduced thereby reducing cost as a barrier to access.

In terms of Maori health the WCDHB has adopted a Maori Health Plan and expects to see significant progress against it in the coming year. Our objective is to reduce the disparity that exists between the health status of Maori and the rest of our community. One particularly satisfying initiative culminated in the opening of the Whanau/Family facility in March. The

facility which is available to all provides low cost shared accommodation on the Grey Base Hospital site for those supporting seriously ill or terminal patients. From the high level of occupancy and feedback including comments in the visitors' book it can only be described as an outstanding success.

On the subject of facilities, the premises occupied by Buller Medical Services in Westport have received a significant upgrade in order to provide a better patient and staff environment. The WCDHB committed to this project in addition to the Buller District Council led project being undertaken by the Grafton Group to which the WCDHB is contributing financially. The objective of this project is to identify the nature and scope of health services to be provided in the Buller District. The Grafton Group is due to report around January 2005 and the process undertaken to date has involved significant consultation with stakeholders.

Although we have faced shortages of clinical staff it was satisfying to complete the year with a full compliment of 3 psychiatrists in our Mental Health Service. Good progress was made towards the consolidation of services on the Seaview site - the objective is to reduce from two villas to one, and in due course to relocate completely from the Seaview site.

Briefly looking to the year ahead, we are charged with the responsibility of working under newly introduced funding arrangements (Population Based Funding Formula – PBFF). We will be working with the Ministry with a view to ensuring the gap between the funding available under the model and our operating costs are identified and funded appropriately. We have unique challenges in funding and delivering health and disability services to a small population over a large geographic area. We already have the lowest management / administrative staff ratios to other staff and one of the lowest non-clinical staff ratios to clinical staff ratios of all DHBs. This means proportionally more of our staff are involved in front line service delivery to the community.

In this brief overview we have only been able to highlight but some initiatives. Many other projects unfortunately do not receive specific mention, let alone the routine day-to-day service delivery upon which our health and disability services are built. To all our staff, we thank you for your valuable contribution throughout the year. Our very high patient satisfaction ratings are but one testament to your commitment. To our Board and Committee members we acknowledge your contributions and thank you for your support. We acknowledge and thank particularly our volunteers who provide selfless support in areas such as meals on wheels and elsewhere in our organisation. To our community, we appreciate your increasing engagement and involvement in shaping your health and disability services.

Professor Gregor Coster
Chairman

John Luhrs
Chief Executive Officer

BOARD PROFILE & DIRECTORY

BOARD MEMBERS

Professor Gregor Coster, Chairman
Ms Robyne Bryant
Mrs Marguerite Moore
Mr Mohammed Shahadat
Dr Malcolm Stuart
Dr Christine Robertson, Deputy Chair
Mrs Julie Kilkelly
Mrs June Robinson
Mr Tamai Sinclair
Mr John Vaile

CHIEF EXECUTIVE

John Luhrs

Email: ceo@westcoastdhb.org.nz

REGISTERED OFFICE

Corporate Office
High Street
GREYMOUTH

Telephone: (03) 768 0499
Facsimile: (03) 768 2791

POSTAL ADDRESS

PO Box 387
GREYMOUTH

WEBSITE

www.westcoastdhb.org.nz

AUDITOR

Audit New Zealand on behalf of the
Auditor-General

BANKERS

Residual Health Management Unit

Bank of New Zealand

SOLICITORS

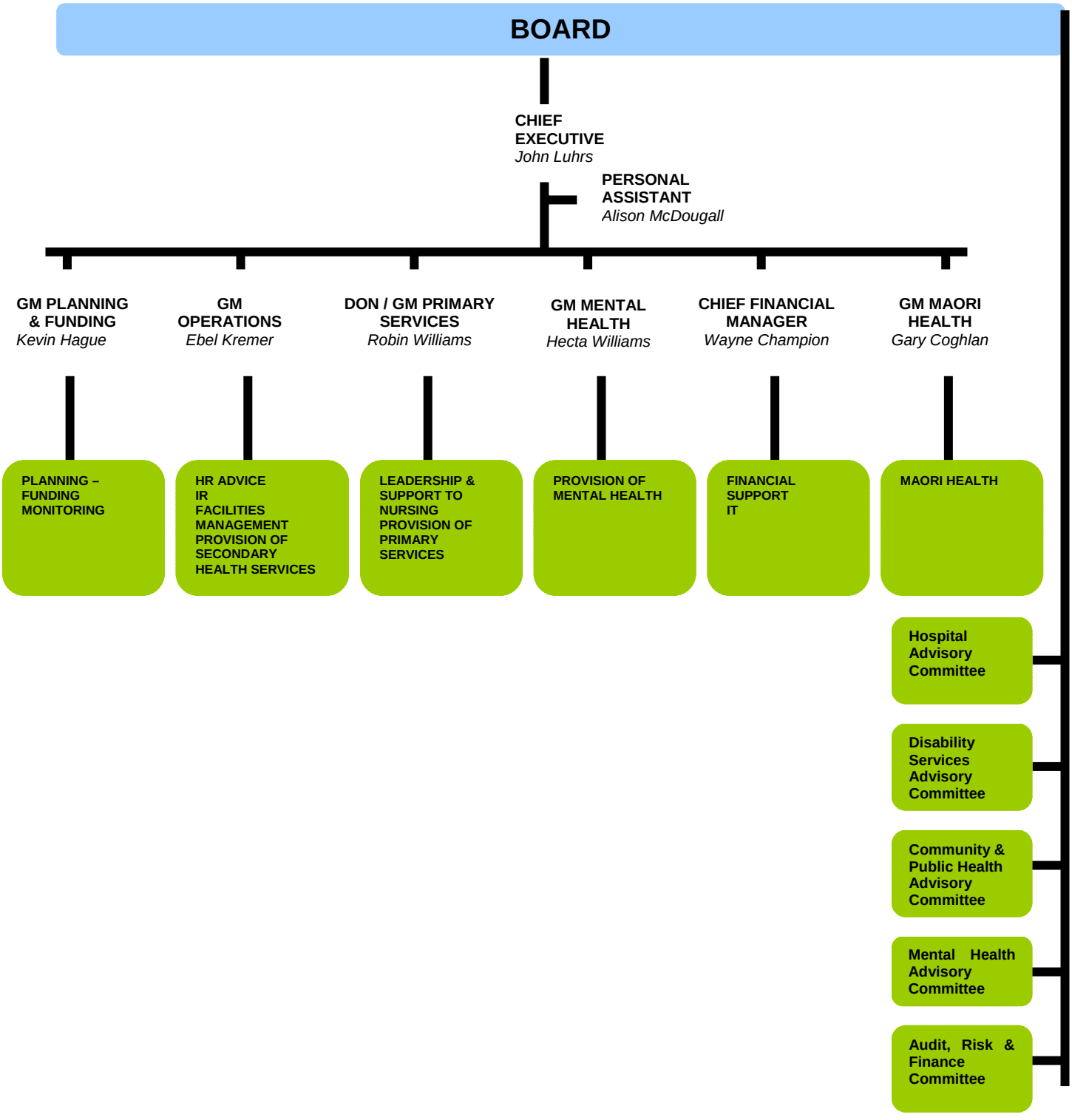
Hannan & Seddon
Guinness Street
GREYMOUTH

Telephone: (03) 768 4169

VISION STATEMENT

"To fund a continuum of quality health services aimed at providing improved health outcomes and maximising the independence of people with disabilities"

ORGANISATIONAL STRUCTURE



WEST COAST DHB BOARD MEMBERS

Board Member	Current Interests	Special Responsibilities
Professor Gregor Coster ***Appointed February 2003***	• Director - PHARMAC • Director - Cornwall Management Limited • Director - Cornwall Nominees Limited • Trustee - The University of Auckland Primary Health Care Trust • Chairman - Institute of Rural Health • Trustee - Goodfellow Foundation	• Board Chairman • Member - HAC • Member - MHAC • Member - CPHAC • Member - DSAC
Dr Christine Robertson ***Appointed 10 January 2002***	As self employed person, does work on contract for: • HealthPAC - regularly • Comcare Charitable Trust - regularly • WCDHB-occasionally • HDANZ (Health and Disability Auditing New Zealand Ltd) – occasionally Husband is on the Board of Coast Care Trust and is a Justice of the Peace who undertakes judicial duties in court. Also Alternate Controller for Civil Defence for the Grey District Council	• Board Deputy Chairman • Chair – HAC • Member - Audit, Risk & Finance Committee
Ms Robyne Bryant ***Elected – Westland constituency October 2001***	• Member - New Zealand Nurses Organisation • Member - New Zealand College of Midwives • Member - Mawhera Maori Women's Welfare League • Employed by Coast Health Care as a midwife for two shifts per week • Trustee - Board of Coast Care Trust	• Member - Audit, Risk & Finance Committee • Member - MHAC • Member - CPHAC
Mrs Julie Kilkelly ***Elected – Grey Constituency October 2001***	• Member - Pharmaceutical Society • Member - New Zealand College of Pharmacists • Member - Pharmacy Defence Association • Director - Kilkelly Kartage Ltd • Trustee - West Coast PHO Board – Co-opted Pharmacist • Director - Olsen's Pharmacy	• Chair - CPHAC
Mrs Marguerite Moore ***Elected – Buller Constituency October 2001***	• Member - Kawatiri Maori Women's Welfare League • Chairman - Buller Branch of the NZ Labour Party • Member - Grey Power • Chairperson – Westport Branch of NZ Labour Party Early Childhood Development: • Co-ordinator - St Johns Kids n' Coffee • Co-ordinator - Oasis • Daughter - employee West Coast DHB	• Member - DSAC • Member - MHAC

Mrs June Robinson ***Ngai Tahu representative*** ***Appointed 10 January 2002***	• Board Member - Royal New Zealand Plunket Society • Chairperson - Rata Te Awhina Trust • Chair - Kati Mahaki Ki Makaawhio Ltd • Member - New Zealand Medical Council Review Committee • Member - Rata Branch Maori Women's Welfare League • Member - Poutama Ora • Cultural Advisor to Chief Executive – Community Corrections • Member - Runanga O Makaawhio • Member - Mata whanui (Maori DHB members committee)	• Chairperson - MHAC • Member - DSAC • Member - HAC
Mr Mohammed Shahadat ***Elected – Westland Constituency*** ***October 2001***	• Member of the New Zealand Law Society • President of the Hokitika Lions Club 2001-2002 • Principal Partner, Murdoch, James and Roper • Councillor - Westland District Council	• Chair - Audit, Risk & Finance Committee
Mr Tamai Sinclair ***Ngai Tahu representative*** ***Appointed 10 January 2002***	• Health and Social Services Representative, Te Runanga o Ngati Waewae • Shareholder - Mawhera Corporation • Member - Poutama Ora • Trustee - West Coast PHO Board • Kaiwhakarite, Te Puni Kokiri • Member - Mata whanui (Maori DHB members committee)	• Member - CPHAC • Member - HAC
Dr Malcolm Stuart ***Elected – Grey Constituency*** ***October 2001***	• Employed by WCDHB as Head of Department, Anaesthesia and Consultant Anaesthetist • National Committee - Australian New Zealand College of Anaesthetists • Member - Association of Salaried Medical Staff As a self employed person: • Medical Advisor - St John Ambulance Service	
Mr John Vaile ***Elected – Buller Constituency*** ***October 2001***	• Member - CCS Westport Branch • Director - Vaile Hardware Ltd • Wife employed by the WCDHB	• Chair - DSAC
Mr David Tranter ***Elected – Grey Constituency*** ***October 2001*** ***Resigned October 2002***		
Mr Rick Beetle ***Appointed 10 December 2001*** ***Resigned December 2002***		• Board Chairman

GOVERNANCE AND ACCOUNTABILITY

ROLE OF THE BOARD

The Board's governance responsibilities include:

- Communicating with the Minister and other stakeholders to ensure their views are reflected in the West Coast District Health Board's (DHB's) planning.
- Delegating responsibility for achievement of specific objectives to the Chief Executive.
- Monitoring organisational performance towards achieving its objectives.
- Reporting to stakeholders on plans and progress against them.
- Maintaining effective systems of internal control.

STRUCTURE OF THE WEST COAST DHB

West Coast DHB Operations

The Board has appointed a single employee, the Chief Executive to manage all West Coast DHB operations. The Chief Executive has appointed all other employees of the West Coast DHB. The Board directs the Chief Executive by delegating responsibility for the achievement of objectives through setting policy.

Board Committees

The Board has set up several standing committees to provide a more detailed level of focus on particular issues. Each committee has been delegated responsibility for governance; that is advising the Board on policies and monitoring of the organisation's progress towards meeting the West Coast DHB's objectives. Committees do not involve themselves in operational matters. The Board's standing committees (including the statutory permanent advisory committees) are:

Committee Meets

Audit, Risk & Finance Committee	Quarterly
Hospital Advisory Committee	2 monthly
Community & Public Health Advisory Committee	2 monthly
Disability Services Advisory Committee	2 monthly
Mental Health Advisory Committee	2 monthly

Quality Assurance

The Board has always had its own Provider Arm and its processes are well developed. The Board has always had an administrative (governance) function, but the structure and role has changed significantly with the addition of the funder role.

The West Coast DHB continues to ensure the ongoing development of high quality care and service that will ensure continuous quality improvement is achieved throughout the organisation.

- West Coast DHB has pursued clinical effectiveness and quality assurance gains for all its services. This has been achieved through the development of an annual quality plan, which enables a focused approach to quality improvement to be facilitated throughout the organisation, and ensures the development of a supportive quality improvement culture and organisation-wide commitment to the principles of quality improvement.
- West Coast DHB has sought to ensure that clinical effectiveness and quality is promoted throughout the organisation, and that clinically acceptable standards are maintained.
- West Coast DHB has made available a designated resource to develop, implement and monitor the annual quality plan that takes account of the requirements for clinical effectiveness and quality improvement.
- West Coast DHB is actively working towards certification against the:
  - NZS 8134:2001 "Health and Disability Sector Standards"
  - NZS 8143:2001 "National Mental Health Standards"
  - NZS 8142:2000 "Infection Control Standards"
  - NZS 8141:2001 "Restraint Minimisation And Safe Practice Standards"
- West Coast DHB operates a system of patient satisfaction surveys that provide opportunities for seeking patient input and provides a means of linking organisational obligations with patient requirements.
- Results for the patient satisfaction surveys (above) for the period were as follows:
  Overall inpatient satisfaction (good + very good) = 93.63%
  Overall outpatient satisfaction (good + very good) = 92.58%
- Results for hospital acquired blood stream infection rates per 1,000 patients = 0.078%

Subsidiaries and Associations

The Board has a minority shareholding in:

- Community & Public Health and
- The South Island Shared Services Agency Limited

Community & Public Health (C&PH) was the principal provider of health protection and promotion services in Canterbury, South Canterbury and the West Coast. The three DHBs (Canterbury, South Canterbury and West Coast) are the shareholders but during the year the three District Health Boards agreed Canterbury District Health Board assume responsibility for all the functions provided by CPHL. CPHL is in the process of being wound up.

The South Island Shared Services Agency Limited is owned by the six South Island DHBs and provides them with support services around their health planning and funding roles.

GOVERNANCE PHILOSOPHY

Board Membership

All Board members are required to act in the best interests of the West Coast DHB. Members acknowledge that the Board must stand unified behind its decisions; individual members have no separate governing role outside the Board room.

Connection with Stakeholders

The Board acknowledges its responsibility to keep in touch with stakeholders and in particular remain cognisant of the Minister's expectations.

Division of Responsibility between the Board and Management

Key to the efficient running of the West Coast DHB is that there is a clear division between the roles of the Board and management. The Board concentrates on setting policy, approving strategy, and monitoring progress toward meeting objectives. Management is concerned with implementing policy and strategy. The Board has clearly distinguished these roles by ensuring that the delegation of responsibility and authority to the Chief Executive is concise and complete.

Accountability

The Board holds monthly meetings to monitor progress toward its strategic objectives and to ensure that the affairs of the West Coast DHB and its subsidiaries are being conducted in accordance with the West Coast DHB's policies.

Conflicts of Interest

The Board maintains an interests' register and ensures Board members are aware of their obligations to declare any potential conflicts of interest.

Internal Audit

While many of the Board's functions have been delegated, the overall responsibility for maintaining effective systems of internal control ultimately rests with the Board. Internal controls include the policies, systems and procedures established to provide assurance that specific objectives of the Board will be achieved. The Board and management have acknowledged their responsibility by signing the Statement of Responsibility on page 12 of this report.

The West Coast DHB has an internal audit function, which is responsible for monitoring its systems of internal control and the quality and reliability of financial and non financial information reported to the Board. Internal Audit operates independently of management and reports its findings directly to the Audit Committee. Internal Audit liaises closely with the external auditors, who review the systems of internal control to the extent necessary to support their audit opinion.

Risk Management

The Board acknowledges that it is ultimately responsible for the management of risks to the West Coast DHB. The Board has charged the Chief Executive through its risk management policy with establishing and operating a risk management programme in accordance with the "Guidelines for Managing Risk in the Australian and New Zealand Public Sector SAA / NZSHB 143:1999".

Legislative Compliance

The Board acknowledges its responsibility to ensure the organisation complies with all legislation. The board has delegated responsibility to the Chief Executive for the development and operation of a programme to systematically identify compliance issues and ensure that all staff are aware of legislative requirements that are particularly relevant to them.

Ethics

The Board has adopted a code of ethics and regularly monitors whether staff maintain high standards of ethical behaviour and practice the principles of "good corporate citizenship."

Monitoring compliance with ethical standards is done through such means as monitoring trends in complaints and disciplinary actions; internal audit reports; or any reports or indications that show non-conformance with the principles espoused in the code of ethics.

Good corporate citizenship involves this entity, including its employees, acknowledging that it is a member of one or more communities outside of itself, and making a commitment to act in a manner consistent with the social morals and accepted rights and responsibilities of all citizens of those communities.

REPORT OF BOARD COMMITTEES

The West Coast DHB has four advisory committees. Three of these are statutory, their existence being a requirement of the New Zealand Public Health and Disability Act 2000. In addition to the Hospital Advisory Committee (HAC), the Disability Services Advisory Committee (DSAC) and the Community and Public Health Advisory Committee (CPHAC), the West Coast DHB has established a Mental Health Advisory Committee (MHAC).

The functions of the statutory committees are as outlined in the New Zealand Public Health and Disability Act 2000. They were adapted for MHAC.

Essentially, the advisory committees (CPHAC, DSAC and MHAC) are charged with providing advice on the health needs of the resident West Coast population with CPHAC having a focus on health status and DSAC and MHAC focussing on the support needs of people with physical disabilities and mental health problems respectively. The committees must also provide advice on prioritising the use of the health funding provided for the purpose of service provision.

HAC has a more specific role in that it must monitor the financial and operational performance of the hospitals and related services, assess any strategic issues relating to the provision of these services, and provide advice as a result of the monitoring and assessment.

All four committees are advisory with the requirement that any advice given to the Board of the DHB must be consistent with the New Zealand Health Strategy. The Board remains the sole decision making body while taking cognisance of the recommendations and advice it receives from its committees.

Membership of all committees comprises a mix of DHB Board members, ex officio members and community appointees. Board members were selected by their colleagues to sit on the committees. The Chair of the Board is an ex officio member of all advisory committees while other ex officio members have been appointed because of the particular skills and experience they bring to any committee. Community members were appointed, having been selected from people who had responded to Coast wide advertising for interested parties. Selection was on the basis of the skills and experience identified by the DHB as being necessary for such appointees and included the areas of finance, governance and health or related service provision. Where there were two or more applicants with similar qualities, selection then took account of geographic considerations.

The Chairs of all committees recognise the considerable input from staff and wish to record their thanks for work well done.

STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2004

1. The Board and management of the West Coast DHB accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

2. The Board and management of the West Coast DHB accepts 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. In the opinion of the Board and management of the West Coast DHB, the annual Financial Statements for the year ended 30 June 2004, fairly reflect the financial position and operations of the West Coast DHB.

Professor Gregor Coster	John Luhrs	Wayne Champion
Chairman	**Chief Executive Officer**	**Chief Financial Manager**

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

Responsibilities of the Board and the Auditor

The Board is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Health Board as at 30 June 2004. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Board's responsibilities arise from the New Zealand Public Health and Disability Act 2000 and the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001, section 43(1) of the Public Finance Act 1989 and section 43 of the New Zealand Public Health and Disability Act 2000.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

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

D Menon
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

FINANCIAL STATEMENTS

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2004

REPORTING ENTITY

The West Coast DHB is a Crown entity in terms of the Public Finance Act 1989.

The financial statements of the West Coast DHB have been prepared in accordance with the requirements of the New Zealand Public Health & Disability Act 2000 and Public Finance Act 1989.

MEASUREMENT BASE

The financial statements of the West Coast DHB have been prepared on an historical cost basis, modified by the revaluation of certain assets.

GOING CONCERN

Reliance is placed on the fact that the West Coast DHB is a going concern. The Ministers responsible have provided, in the form of a letter to the Board Members, the written support of the Government to maintain a financially viable organisation. The Board Members have placed total reliance on this Government support in confirming that the use of the going concern assumption is appropriate. Negotiations surrounding the District Health Board's funding are continuing with the Ministers. The Ministers have confirmed in the letter of comfort that their undertakings will not be unilaterally withdrawn without prior consultation with the West Coast DHB.

ACCOUNTING POLICIES

The following particular accounting policies, which materially affect the measurement of financial results and financial position, have been applied:

Budget Figures

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

Goods and Services Tax

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

Taxation

The West Coast DHB is a public authority under the New Zealand Public Health and Disability Act 2000 and is exempt from income tax under section CB3 of the Income Tax Act 1994.

Trust and Bequest Funds

Donations and bequests to West Coast DHB are recognised as revenue when control over assets is obtained. A liability, rather than revenue, is recognised where fulfilment of any restrictions is not probable. Those donations and bequests with restrictive conditions are appropriated from retained earnings to the Trust Funds component of Equity.

When expenditure is subsequently incurred in respect of these funds it is recognised in the Statement of Financial Performance and an equivalent amount is transferred from the Trust Funds component of Equity to Retained Earnings.

Accounts Receivable

Accounts Receivable is stated at expected realisable value after providing for doubtful and uncollectible debts.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is principally determined on a weighted average cost basis. Full provision has been made for all defective and obsolete stocks.

Investments

Investments are stated at the lower of cost and net realisable value. Any write-downs are recognised in the Statement of Financial Performance.

Properties Intended for Sale

Properties intended for sale are valued at the lower of cost or net realisable value (allowing for estimated disposal costs).

Fixed Assets

Under section 95(3) of the New Zealand Public Health and Disability Act 2000, the assets of Coast Health Care Limited (a Hospital and Health Service) were vested in West Coast DHB on 1 January 2001. Accordingly, assets were transferred to West Coast DHB at their net book values as recorded in the books of the Hospital and Health Service. In effecting this transfer, the Board has recognised the cost (or, in the case of land and buildings, the valuation) 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.

Fixed Assets Acquired Since the Establishment of the District Health Board

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

Revaluation of Land and Buildings

Land and buildings are revalued every three years to their fair value as determined by an independent registered valuer by reference to their highest and best use. Additions between revaluations are recorded at cost. The results of revaluing land and buildings are credited or debited to an asset revaluation reserve for that class of asset. Where a revaluation results in a debit balance in the asset revaluation reserve, the debit balance will be expensed in the statement of financial performance.

Disposal of Fixed Assets

When a fixed asset is disposed of, any gain or loss is recognised in the Statement of Financial Performance and is calculated at the difference between the sale price and the carrying value of the fixed asset.

Depreciation

Depreciation is provided on a straight-line basis on all assets with a cost or valuation above $2000, at rates, which will write off the cost (or revaluation) of the assets to their estimated residual values over their useful lives. Assets below $2000 are written off in the month of purchase. The estimated useful lives of major classes of assets are as follows:

	Years
Freehold Buildings	5 – 50
Fit out Plant and Equipment	5 – 50
Plant and Equipment	2 – 20
Motor Vehicles	3 – 5

Capital work in progress is not depreciated. The total cost of a project is transferred to buildings and/or equipment on its completion and then depreciated.

Employee Entitlements

Provision is made in respect of the DHB's liability for annual leave, long service leave, retirement gratuities, parental leave and conference leave. Gratuities and long service leave have been calculated on an actuarial basis at current rates of pay whilst the other provisions have been estimated based on an entitlement basis.

Leased Assets

Finance Leases

Leases which effectively transfer to the DHB substantially all the risks and benefits incident to ownership of the leased items are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments.

The assets corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period the DHB is expected to benefit from their use.

The Public Finance Act requires DHBs to obtain approval from the Minister of Health prior to entering a finance lease arrangement.

All existing finance leases were undertaken by Coast Health Care Ltd, before the establishment of the West Coast DHB and before the requirement for Ministerial approval came into effect.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

Financial Instruments

The DHB is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, investments, debtors, creditors and loans. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to the financial instruments are recognised in the Statement of Financial Performance.

Except for loans, which are recorded at cost, and those items covered by a separate accounting policy,

all financial instruments are shown at their estimated fair value.

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, bank overdrafts, demand deposits and other highly liquid investments in which the group/DHB invests as part of its day-to-day cash management.

Operating activities include all transactions that are not investing or financing activities. Cash inflows include all receipts from the sale of goods and services and other sources of revenue, which supports the Board's operating activities. Cash outflows include the payments made to employees, suppliers and for taxes.

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities and advances and any other non current assets.

Financing activities comprise the change in equity and debt capital structure of the DHB.

Cost of Service Statements

The cost of service statements presented in the statement of objectives and service performance report the net cost of services for the outputs of the West Coast DHB and represent the cost of providing the output less all the revenue that can be directly attributed to these activities.

Cost Allocation

West Coast 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 each output class.

All indirect costs are charged to the provider, as they mostly relate to the costs of providing hospital and health service infrastructure.

An estimation of the proportion of Governance activities that is attributed to the Provider is charged to the provider output class.

CHANGE IN ACCOUNTING POLICIES

There have been no changes from the accounting policies adopted in the last audited financial statements. All policies have been applied on a basis consistent with the previous year.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Budget June 2004 $000	Actual June 2004 $000	Actual June 2003 $000
Revenue		75,278	78,258	58,278
Expenses (excluding capital charge)		75,993	77,377	60,482
Capital charge	16	1,363	1,319	268
OPERATING SURPLUS/(DEFICIT)	1	(2,078)	(438)	(2,472)
NET SURPLUS/(DEFICIT)		(2,078)	(438)	(2,472)

STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2004

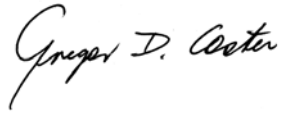
	Notes	Budget June 2004 $000	Actual June 2004 $000	Actual June 2003 $000
EQUITY AT BEGINNING OF THE PERIOD		12,240	12,240	2,669
Net surplus/ (deficit) for the year		(2,078)	(438)	(2,472)
Movement in Asset Revaluation Reserve	3(d)		-	8,543
Total recognised revenues and expenses for the period		(2,078)	(438)	6,071
OTHER MOVEMENTS				
Contributions from owners	3(a)	2,078	2,078	3,500
EQUITY AT THE END OF THE PERIOD		12,240	13,880	12,240

The accompanying statement of accounting policies on pages 15 to 17, and notes on pages 22 to 31 form part of these financial statements.

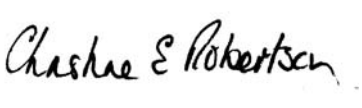
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2004

	Notes	Budget June 2004 $000	Actual June 2004 $000	Actual June 2003 $000
EQUITY				
Share Capital	3(a)	43,147	43,147	41,069
Retained earnings/(Accumulated Deficit)	3(b)	(39,495)	(37,853)	(37,417)
Trust funds	3(c)	45	43	45
Asset Revaluation Reserve	3(d)	8,543	8,543	8,543
Total equity		12,240	13,880	12,240
REPRESENTED BY:				
ASSETS				
Current assets				
Cash		71	5,012	2,248
Short term investment		-	1,250	900
Receivables and Prepayments	4	5,564	6,557	4,260
Inventories	5	550	578	602
Patient & Restricted Trust Funds	14	3	160	168
Properties Intended for Sale		-	210	364
Total current assets		6,188	13,767	8,542
Non current assets				
Investments	6	-	2	2
Fixed Assets	7	30,354	25,722	26,546
Total non current assets		30,354	25,724	26,548
Total assets		36,542	39,491	35,090
LIABILITIES				
Current Liabilities				
Bank overdraft (secured)	8	-	-	428
Payables and accruals	9	5,575	9,261	5,975
Employee entitlements	10	2,540	2,666	2,390
Current Portion of term loans	11	11,607	11,404	11,688
Patient & Restricted Trust Funds	14	-	160	168
Total current liabilities		19,722	23,491	20,649
Non Current Liabilities				
Employee entitlements	10	1,880	2,120	1,992
Term loans	11	2,700	-	209
Total non current liabilities		4,580	2,120	2,201
Total liabilities		24,302	25,611	22,850
NET ASSETS		12,240	13,880	12,240

For and on behalf of the Board



Chairman
22 October 2004



Board Member
22 October 2004

The accompanying statement of accounting policies on pages 15 to 17, and notes on pages 22 to 31 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2004

	Notes	Budget June 2004 $000	Actual June 2004 $000	Actual June 2003 $000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Receipts from MoH, patients and other revenue		73,762	75,723	57,348
Interest received		141	264	197
		73,903	75,987	57,545
Cash was disbursed to:				
Payments to suppliers		40,395	40,145	26,031
Payments to employees		32,211	31,387	29,805
Interest paid		787	750	1,060
GST (net)		64	(261)	(25)
Capital charge		1,375	352	310
		74,832	72,373	57,181
Net cash (outflow) / inflow from operating activities	12	(929)	3,614	364
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Proceeds from sale of fixed assets		364	14	872
		364	14	872
Cash was applied to:				
Purchase of fixed assets		6,572	1,695	1,807
		6,572	1,695	1,807
Net cash (outflow) / inflow from investing activities		(6,208)	(1,681)	(935)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
Proceeds of capital injection		2,078	2,078	3,500
Proceeds from debt financing		2,700	11,195	-
		4,778	13,273	3,500
Cash was applied to:				
Repayment of loans		290	11,664	636
		290	11,664	636
Net cash (outflow) / Inflow from financing activities		4,488	1,609	2,864
Net increase in cash held		(2,649)	3,542	2,293
Add opening cash		2,720	2,720	427
CLOSING CASH BALANCE		71	6,262	2,720
Made up of:				
Cash & Investment		71	6,262	3,148
Bank overdraft			-	(428)
CLOSING CASH BALANCE		71	6,262	2,720

The accompanying statement of accounting policies on pages 15 to 17, and notes on pages 22 to 31 form part of these financial statements

STATEMENT OF CONTINGENT LIABILITES

AS AT 30 JUNE 2004

	June 2004 $000	June 2003 $000
Legal proceedings and disputes by third parties	50	50
Personal grievances	125	0

The West Coast DHB is currently involved in legal proceedings under the NZ Public Health and Disability Act 2000. The WCDHB denies any liability and is defending the claims.

STATEMENT OF COMMITMENTS

AS AT 30 JUNE 2004

	June 2004 $000	June 2003 $000
Capital commitments approved and contracted	150	150
Non-cancellable operating lease commitments		
Less than one year	344	309
One to two years	131	304
Two to five years	72	115
	697	878

Other non-cancellable contracts

The Board has entered into non-cancellable contracts for the provision of services. Details of the commitments under these contracts are as follows:

	June 2004 $000	June 2003 $000
Not later than one year	2,038	1,993
Later than one year and not later than two years	49	1,859
Later than two years and not later than five years	4	107
	2,091	3,959
Total commitments	2,788	4,837

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004

Note 1 : Operating surplus/(deficit)

	June 2004 $000	June 2003 $000
After charging:		
Remuneration of auditor - Audit Fees	51	50
- Other Services	-	-
Depreciation - Buildings	402	437
-Plant and equipment	2,232	1,874
-Motor vehicles	54	72
Total depreciation charge for year	2,688	2,383
Write down revaluation of fixed assets	3	-
Board Members' remuneration	169	192
Interest expense - term loans (including bank overdraft)	645	785
- finance leases	14	21
Donations	1	-
Rental and Operating lease costs	326	317
Bad debts written off	23	32
Changes in provision for bad debts	28	(39)
Loss on disposal of assets	66	58
After crediting:		
Interest income	266	200
Donations and bequests	5	7
Gain on sale of assets	15	70

Note 2 : Tax expense

Pursuant to the NZ Health and Disability Act 2000, the WCDHB is a public authority and exempt from income tax.

Note 3 : PUBLIC EQUITY

3(a) ***General Funds***

	June 2004 $000	June 2003 $000
Opening Balance	41,069	37,569
Equity received during the year	2,078	3,500
Crown Equity as at 30 June	43,147	41,069

3(b) ***Retained earnings***

	June 2004 $000	June 2003 $000
Retained earnings as at 1 July	(37,417)	(35,553)
Operating (deficit)	(438)	(2,472)
Transfer to Trust Funds (note 3 (c))	-	-
Transfer from Trust Funds (note 3 (c))	2	608
Retained earnings as at 30 June	(37,853)	(37,417)

3(c) ***Trust funds***

Trust funds are funds donated or bequested for a specific purpose.

The use of these funds must comply with the specific terms of the sources from which the funds were derived.

Revenue and expenditure in respect of these Trusts is recognised in the Statement of Financial Performance. An amount equal to the expenditure is transferred from the Trust Fund component of Equity to Retained Earnings. An amount equivalent to the revenue is transferred from Retained Earnings to Trust Funds.

	June 2004 $000	June 2003 $000
Opening Balance	45	653
Transfer from retained earnings in respect of:		
Funds received	-	-
Interest received	-	-
Transfer to retained earnings: in respect of funds spent	(2)	(608)
Trust funds at 30 June	43	45

3(d) ***Asset Revaluation Reserve***

	June 2004 $000	June 2003 $000
Opening Balance	8,543	0
Increase in Asset Revaluation Reserve	-	8,543
Asset Revaluation Reserve as at 30 June	8,543	8,543

Note 4 : Receivables and prepayments

	June 2004 $000	June 2003 $000
Trade debtors	4,793	3,266
Provision for doubtful debts	(56)	(28)
	4,737	3,238
Accrued income	1,527	768
Prepayments	293	254
Total receivables and prepayments	6,557	4,260

Note 5 : Inventories

	June 2004 $000	June 2003 $000
Pharmaceuticals	142	143
Surgical and medical supplies	336	355
Other supplies	100	104
Total inventories	578	602

No inventories are pledged as security for liabilities nor are any inventories subject to retention of title clauses.

Note 6 : Investments

	June 2004 $000	June 2003 $000
Other investments	2	2
Total investments	2	2

WCDHB has a 4% share in SISSAL (South Island Shared Services Limited) (2003: 4%)

Note 7 : Fixed assets

	June 2004 $000	June 2003 $000
Freehold land - at valuation	1,576	1,533
Freehold buildings - at cost and valuation	9,115	8,853
Accumulated depreciation	(463)	-
Freehold buildings - net book value	8,652	8,853
Buildings Fitout - at cost and valuation	11,207	11,058
Accumulated depreciation	(1,040)	-
Buildings Fitout - net book value	10,167	11,058
Equipment - at cost	11,251	10,412
Accumulated depreciation	(6,527)	(5,992)
Equipment - net book value	4,724	4,420
Motor Vehicles - at cost	762	965
Accumulated depreciation	(614)	(816)
Motor Vehicles - net book value	148	149
Computers - at cost	3,796	3,548
Accumulated depreciation	(3,341)	(3,016)
Computers - net book value	455	532
Capital work in progress	-	1
	-	1
Total fixed assets at cost and valuation	37,707	36,370
Accumulated depreciation	(11,985)	(9,824)
Net book value of fixed assets	25,722	26,546

Land and Buildings
Freehold land , buildings and fitout were revalued under FRS3 , as at 30 June 2003, by Coast Valuations (Registered Valuers). They are stated at net current value. The resulting increase in land, buildings and fitout has been recognised in equity in an Asset Revaluation Reserve (refer to note 3(d)).

Restrictions
The West Coast District Health Board does not have full title to Crown land it occupies but transfer is arranged when land is sold. Some of the DHBs land is subject to Waitangi Tribunal claims. The disposals of certain properties may be subject to the provisions of section 40 of the Public Works Act 1981.

Titles to land transferred from the Crown to West Coast District Health Board are subject to a memorial in terms of the Treaty of Waitangi Act 1975 [as amended by 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.

Note 8 : Bank overdraft

The bank overdraft facility available as at 30.6.04 totalled $3,690,000 and the interest rate on the overdraft was 6.225% per annum.

Note 9 : Payables and accruals

	June 2004 $000	June 2003 $000
Trade creditors and accruals	5,887	4,282
Revenue in Advance	51	-
Capital charges due to the Crown	1,554	587
GST payable	477	216
Payroll Accruals	1,292	890
Total payable and accruals	9,261	5,975

Note 10 : Employee entitlements

	June 2004 $000	June 2003 $000
Retiring Gratuities	2,205	2,041
Long service leave	258	264
Annual leave	2,162	1,869
Nurses leave (shift)	138	132
Medical education leave	17	40
Others	6	36
	4,786	4,382
Made up of:		
Current		
Retiring Gratuities	330	235
Long service leave	13	78
Annual leave	2,162	1,869
Nurses leave (shift)	138	132
Medical education leave	17	40
Others	6	36
	2,666	2,390
Non-current	2,120	1,992

Note 11: Term loans

	June 2004 $000	June 2003 $000
Crown Finance Agency (CFA)	11,195	8,866
BNZ redevelopment	-	2,360
BNZ CT Scanner	105	209
Finance lease-Toyota Finance	104	185
Programmed Maintenance	-	277
Total	11,404	11,897

Less current portion	11,404	11,688
Non current portion	-	209

	June 2004	June 2003
Interest Rates Summary:		
Crown Finance Agency- (a division of RHMU)	6.15%	6.01%
BNZ redevelopment	0.00%	6.05%
BNZ CT Scanner	8.64%	8.64%
Finance lease-Toyota Finance	8.06-8.95%	7.36 -8.94%
Programmed Maintenance	0.00%	4.49%
Repayable as follows:		
Within one year	11,404	11,688
One to two years	-	209
Two to five years	-	-
	11,404	11,897

Analysis of Finance Lease Liabilities

Payable no later than one year	108	95
Later than one, not later than two years	-	109
later than two, not later than five years	-	-
	108	204
Future finance charges	(4)	(19)
Recognised as a liability	104	185
Representing lease liabilities		
Current	108	81
Non-current	-	104

The Crown Financing Agency loans are secured by a negative pledge. This restricts the DHB's actions in the following areas without the Crown Financing Agency's written consent.

(a) Security Interest: Create any security interest over its assets except in certain defined circumstances.
OR
(b) Loans and Guarantees: Lend money to another person (except in the normal course of business), or give a guarantee.
OR
(c) Change of Business: Make or threaten to make a substantial change in the nature or scope of its business as presently conducted.
OR
(d) Disposals: Dispose of any assets except in the normal course of business or disposals for full value.
OR
(e) Provide Services: Other than for proper value and on reasonable commercial terms.

The BNZ loan is secured by a Debt Obligation Deed.

Note 12: Reconciliation of net surplus/(deficit) after taxation with net cash flow from operating activities

	June 2004 $000	June 2003 $000
Net surplus/(deficit)	(438)	(2,472)
Add back non-cash items:		
Depreciation	2,688	2,383
Write down revaluation of assets	3	-
Total non-cash items	2,691	2,383
Adjust for items not classified as operating activities:		
Net(gain)/loss on disposal of fixed assets	28	(12)
Non operating activities-net	28	(12)
Add/(less) movements in working capital items		
(Increase)/decrease in receivable and prepayments	(2,297)	469
(Increase)/decrease in inventories	24	(45)
Increase/(decrease) in employee provisions	404	329
Increase/(decrease) in payables and accruals	3,202	(288)
Working capital movement - net	1,333	465
Net cash (outflow)/inflow from operating activities	3,614	364

Note 13: Financial instruments

The West Coast DHB is party to financial instruments as part of its everyday operations. These include instruments such as bank balances, investments, accounts receivable, trade creditors and loans.

The Board has 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. Its policies do not allow any transactions, which are speculative in nature to be entered into.

Interest Rate Risk
Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

The West Coast DHB has entered into an interest rate swap agreement, so as to effectively fix the refinancing interest rate of $4.3M of its $11.195M CFA loan for the 5 years commencing 30 June 2004 at an effective interest rate of 6.79% per annum. (The swap has a nominal rate of 6.59%, however we are charged a margin of 0.2% over the government bond rate on our CFA loan).

At 30 June 2004, the valuation of this financial instrument was $17,526, in the West Coast DHB's favour. This benefit has not been recorded in the Financial Statements.

Currency Risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The West Coast DHB has no exposure to currency risk.

Credit Risk
Credit risk is the risk that a third party will default on its obligation to the group causing the group to incur a loss.

Financial instruments which potentially subject the company to risk consists principally of cash, short-term investments and trade receivables.

The Board places its cash and short-term investments with high credit quality financial institutions and limits the amount of credit exposure to any one financial institution.

Concentrations of credit risk with respect to accounts receivable are high due to the reliance on the Ministry of Health which comprises 81% (2003:89%) of the debtors of the West Coast District Health Board. However, the Ministry of Health is a high credit quality entity, being the Government funded purchaser of health and disability support services for the West Coast region and the Board considers the risk arising from this concentration of credit to be very low.

Fair Values
The fair value of other financial instruments is approximated by the carrying amount disclosed in the Statement of Financial Position.

Note 14: Patient funds and restricted trust funds

The West Coast District Health Board administers certain funds on behalf of patients. These funds are held in a separate bank account and any interest earned is allocated to the individual patient balances.

	June 2004 $000	June 2003 $000
Opening balance patients deposits	163	352
Monies received	42	39
Interest earned	7	11
Payments made	(58)	(239)
Closing Balance	154	163

The West Coast District Health Board has trust funds donated for specific purposes which have not yet been met.

	June 2004 $000	June 2003 $000
Opening balance restricted trust funds	5	3
Monies Received	-	2
Interest earned	1	-
Payments made	-	-
Closing Balance	6	5
Total Patient Funds and Restricted Trust Funds	160	168

Note 15: Post balance date events

The Board is not aware of the existence of any post balance date events that could significantly affect the financial statements.

Note 16: Capital Charge

The DHB pays a capital charge monthly to the Crown based on the greater of its actual or budgeted closing equity balance for the month. The capital charge rate for the period ended 30 June 2004 was 11% (2003: 11%).

Note 17: Related parties transactions

The West Coast District Health Board is a Crown entity. The Government significantly influences the role of the organisation.

Related party transactions and balances

(a) Funding

The West Coast DHB received $75,600,000 from the Ministry of Health to fund the provision of health services to the West Coast area in the 12 months ended 30 June 2004 (2003: $51,934,000).

The amount due at year end was $5,091,802 (2003: $3,032,000).

(b) Key management and directors

Some of the members of the West Coast District Health Board are also employed as staff of the Board.

Malcolm Stewart (employed as an Anaesthetic Specialist).

Robyne Bryant (employed as a Midwife).

Remuneration for these activities is consistent with expertise involved.

Board members, Julie Kilkelly and Tamai Sinclair, were also trustees of the West Coast PHO. For the year ended 30 June 2004, the West Coast DHB received funding of $615,458 (2003: $424,674) from the West Coast PHO.

Julie Kilkelly is a director of Olsen's Pharmacy. The West Coast DHB has agreements with community pharmacies for the provision of pharmaceuticals and related services to the community. Payments to Olsen's Pharmacy to 30 June 2004 amounted to 23% (2003: 24%) of the DHB Funders total pharmaceutical expenditure.

Robyne Bryant is a Trustee of the Board of Coast Care Trust. The West Coast DHB has a contract with Coast Care Trust to provide community activity programs. Payment to Coast Care Trust to 30 June 2004 amounted to 100% of the DHB Funders total expenditure on community activity programmes.

June Robinson is a Board member of Rata Te Awhina Trust. The West Coast DHB has contracts with Rata Te Awhina Trust for the provision of Maori Health Services on the West Coast. Payments to Rata Te Awhina Trust to 30 June 2004 amounted to 59% of the DHB Funders total expenditure on Maori targeted health services.

(c) Other related parties	Year ended 30 June 2004 $000	Year ended 30 June 2003 $000
South Island Shared Services Limited (SISSAL)	204	120

Note 18: FINANCIAL PERFORMANCE INDICATORS

Indicator	Year ended 30 June 2004	Year ended 30 June 2003
Earnings / Net funds employed - %	-3.2%	-20.2%
Debt to debt plus equity - %	45.1%	49.3%
Working capital / Revenue - %	-12.4%	-20.8%
Revenue / Fixed assets - times	3.04	2.20
Interest cover - times	4.41	0.89
Earnings / Revenue - %	-0.6%	-4.2%
Revenue / FTE's - $	135,394	100,134

OTHER FINANCIAL DISCLOSURES

REMUNERATION

Remuneration paid to Board members for the year ended 30 June 2004

	Board	Advisory Committee	Total
G Coster (Chairman)	30,000	1,500	31,500
C Robertson (Deputy Chair)	18,750	2,688	21,438
R Bryant	15,000	1,750	16,750
J Kilkelly	15,000	1,875	16,875
M Moore	15,000	1,500	16,500
J Robinson	15,000	2,813	17,813
M Shahadat	15,000	625	15,625
T Sinclair	15,000	2,250	17,250
M Stuart	15,000	-	15,000
J Vaile	15,000	1,563	16,563
	168,750	16,564	185,314

INSURANCE

Directors and officers liability insurance and letters of indemnity have been arranged which cover the actions of Directors and Officers of the West Coast District Health Board

REMUNERATION OF EMPLOYEES EARNINGS MORE THAN $100,000 PER ANNUM

Salary Range ($)	Number of Employees
100,001 - 110,000	2
110,001 - 120,000	2
120,001 - 130,000	2
130,001 - 140,000	2
160,001 - 170,000	1
230,001 - 240,000	3
240,001 - 250,000	1
250,001 - 260,000	1
270,001 - 280,000	1
290,001 - 300,000	1
370,001 - 390,000	1

Seventeen employees received total remuneration of greater than $ 100,000. The figure stated includes payments for additional duties and any lump sum payments during the year. The Chief Executive's remuneration is in the $ 230,001 - 240,000 band. Of the seventeen employees shown, fourteen are medical employees and three were not medical employees.

If the remuneration of part time employees or employees who had not completed a full 12 months of employment were grossed up to a full time equivalent (FTE) basis the total number of employees with FTE salaries of $100,000 or more would be twenty four, compared with the actual number of employees of seventeen. All additional employees are medical staff.

TERMINATION OF EMPLOYMENT PAYMENTS

Section 42(3) (f) of the New Zealand Public Health and Disability Act 2000 requires disclosure of payments arising from the termination of an employees service.

For the year to 30 June 2004

Number of employees	Amount $
1	35,000

BOARD MEMBERS' INTEREST

The following items were entered in the interests register for the Board members as at 30 June 2004.

There have been no financial transactions during the year involving the Board requiring the declaration of an interest.

The Board has not extended any loans to Board members.

No notices have been received from Board members requesting the use of Board information received in their capacity as Board members, which would otherwise not have been available to them.

AUDIT, RISK & FINANCE COMMITTEE

Board Members: Mohammed Shahadat (Chairman), Christine Robertson and Robyn Bryant.

The role of the Audit, Risk and Finance Committee is to assist the Board in discharging its responsibilities by ensuring compliance procedures are in place for all statutory requirements relating to the operation of the Board, in particular with regard to the safety, service, quality and regulation privacy of patients, financial reporting and risk management.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE FOR THE 12 MONTHS ENDING 30 JUNE 2004

This report details our performance to our service objectives and performance targets, as stated in our 2003-06 Statement of Intent, the formal accountability document that set out the DHB's plans and performance targets at the start of the financial year.

NATURE AND SCOPE OF ACTIVITIES

The West Coast DHB was established under the New Zealand Public Health and Disability Act 2000, and is the principal funder and provider of health and disability services to the 30,303[1] people living in the West Coast district.

With its small resident population and large geographic area (8.5% of New Zealand's land area) the West Coast DHB faces a number of challenges not faced by other DHBs. Our geography and rurality create significant diseconomies of scale in the delivery of services provided by the DHB. Notwithstanding, we both fund and provide a broad range of health services to our population.

The West Coast DHB periodically conducts needs analyses, surveys and collects other data in order to ascertain the health needs and priorities of the West Coast population.

Strategies aimed at meeting these needs and priorities form the basis of the West Coast DHB's Strategic Plan and are operationalised through their inclusion in the DHB's District Annual Plan (outlining our objectives for the next 1 to 3 years) and the DHB's Statement of Intent, which states our specific service objectives and performance targets for the current financial year.

SERVICE PERFORMANCE

Objectives and performance targets have been divided up according to the functional areas that they relate to.

Objectives and Performance Targets – DHB Governance & Management

The governance and management function is charged with monitoring, identifying factors adversely affecting, and implementing strategies to improve the health status of the West Coast population.

The governance role of the West Coast DHB is also focussed on monitoring the delivery and performance of services, by the DHB and other parties engaged by the DHB in its strategies to improve health status.

The role also encompasses activities that facilitate co-operative and collaborative arrangements with other organisations in the health and disability sector.

Outputs reflecting the success in achieving these objectives are referred to as "DHB Governance Outputs".

[1] 2001 NZ Census

DHB GOVERNANCE OUTPUTS

1 Health Priority		
Maori Health	Maori Health is a key issue for the West Coast DHB, not only because of our Treaty obligations, but because Maori represent a growing proportion of the population which currently suffers a disproportionately poor health status. Reducing inequalities through targeted investment in improved Maori Health and preventing avoidable illness will (in the long run) lead to reduced demand for health and disability services, resulting in improved access and improved health for both Maori and non Maori. The West Coast DHB aims to improve Maori health and reduce Maori health inequalities on Tai Poutini (the West Coast) through the implementation of the New Zealand Maori Health Strategy - He Korowai Oranga.	
	• The West Coast DHB will encourage Maori participation in the health and disability sector by;	
	- Continuing to fund targeted Maori health initiatives such as Te Waka Hauora (a targeted mobile health service) and Whanau Ora (a targeted community health service). Both provided by the Rata Te Awhina Trust. - Improving the awareness of Maori issues and the participation of Maori within the West Coast DHBs operating structure.	**Achieved.** WCDHB has continued to fund these activities through Rata Te Awhina Trust.
	▪ DHB staff and DHB Board and Advisory Committee Members are required to participate in Treaty of Waitangi training. Additional cultural training will be made available to all clinical staff.	**Achieved.** Treaty of Waitangi and Maori health issues training form part of the orientation process for every new WCDHB employee and Treaty of Waitangi training is part of the schedule of mandatory training for every employee. Te Reo Maori classes have been operating successfully, and Tikanga Maori training for both clinical and non-clinical staff will be commenced in the 04/05 year as part of the implementation of Tikanga best practice standards in all services.
	▪ There will be Maori representation on the interview panel for all senior management appointments.	**Achieved.** There has been Maori representation on interview panels for all senior management appointments.
	The West Coast DHB will develop a memorandum of partnership with Poutini Ngai Tahu in order to encourage the participation of Iwi and other Maori groups in health decision-	

	making.	
	▪ The aim is to have a signed memorandum in place by June 2004.	**Partially Achieved.** WCDHB and Poutini Ngai Tahu have developed such a memorandum, but its signing has been delayed since 2003 pending Ministry of Health approval.
	• The West Coast DHB will encourage Maori participation in the health and disability work force by;	
	- Co-ordinating the development of a Maori Workforce Development Plan aimed at improving numbers and staff mix on the West Coast.	**Delayed.** Development of the plan is underway.
	- Identifying barriers to Maori participation in the workforce and developing strategies to reduce barriers.	**Delayed.** Identification and minimisation of barriers to Maori participation in the WCDHB workforce is one of the issues being addressed by the plan. WCDHB is undertaking some Maori-specific long-term recruitment activities.
	- Working with Maori staff to create a supportive and culturally appropriate environment.	**Achieved.** Maori staff were involved in the development of WCDHB's Maori Health Plan, and further networking has continued at an informal level and through a Maori staff Hui.
	- Continuing programmes to improve cultural awareness within the organisation.	**Achieved.** The Treaty, Maori health, Te Reo and Tikanga training activities already mentioned have played an important role here. Further, the use of Tikanga Maori in important WCDHB events and the introduction of important Maori symbols (for example carvings) into the physical environment have led to both greater awareness and a fertile environment for further growth in 04/05.
	- Strengthening inter-agency links and training opportunities between the DHB and Rata Te Awhina Trust, and other agencies.	**Achieved.** Collaboration with Rata Te Awhina Trust and other Maori organisations on Tai Poutini has been close, and WCDHB training has been made available to staff from Rata and other community-based organisations.
	- The DHB aims to have a Maori Workforce Development Plan in place by July 2004.	**Delayed.** This target was not met, with the completed Maori Workforce Development Plan now due in December 2004.
	• The West Coast DHB will improve the effectiveness of health and disability services for Maori by;	
	- Working with the public health unit of Canterbury DHB to develop a staff-training program on inequalities in order to ensure organisation –wide awareness of inequalities issues.	**Partially Achieved.** This programme was developed by Community and Public Health and has been delivered to WCDHB senior management, to be followed by wider dissemination in the 04/05 year.
	- Implementing a process within the West Coast DHB to prioritise any additional funding, additional	**Achieved.** WCDHB's prioritisation process fits well with the Ministry's Health Equity Assessment

	services or reallocation of funding using an "inequalities lens".	Tool ("inequalities lens") but additional funding or services and reallocation opportunities seldom arise.
	▪ The aim is for all Funder Arm contracts signed in the 2003-04 financial year will be reviewed with the "inequalities lens".	**Not Achieved.** There have been no new contracts for service developed in 2003-04 suitable for application of the lens.
	- Training key staff in order to improve the effectiveness and accuracy of ethnicity data collection.	**Achieved.** WCDHB undertook substantial internal and external efforts to publicise the importance of ethnicity data collection, developed a policy on the issue in consultation with staff, and trained some key staff, but ongoing work now awaits a national training programme being developed by the Ministry of Health.
	- Undertaking a detailed health needs analysis identifying the needs of Maori on the West Coast and also identify opportunities for increased Maori participation as providers of services targeted at meeting specific Maori health needs.	
	▪ The DHB aims to have the detailed health needs assessment for Maori completed and in place by July 2004.	**Partially Achieved (Delayed).** Maori Health Needs Analysis is being conducted in tandem with an overall needs analysis for the West Coast in a South Island-wide project, due to report towards the end of 2004, building into the development of a District Strategic Plan.
	The DHB aims to increase the proportion of its expenditure that is spent on targeted Maori Health services.	WCDHB's ability to deliver on this intention is limited by the extremely constrained funding environment in which it operates. In the 03/04 year the increase in proportion of funds spent on Maori health services was not significant. However, small but significant increases (as well as changes to improve the effectiveness of current investment) are expected in 2004/05 and later years.
	• The West Coast DHB will integrate with other agencies and work with other sectors in order to improve access to, the effectiveness of and the outcomes from health and disability services for Maori by;	
	Continuing to participate as a member of the Regional Intersectoral Fora (RIF), which brings together a number of Crown Agencies as well as Maori community representatives from Rata Te Awhina and Papatipu Runanga in order to encourage initiatives between sectors that positively effect whanau ora.	
	▪ The DHB aims to have a representative present in at least 90% of the RIF meetings.	**Partially Achieved.** The DHB met this target while RIF continued to meet, but Te Puni Kokiri has

		not convened RIF since 2003. Alternative opportunities for inter-sectoral collaboration are being sought by WCDHB.
2. Health Priority		
Services for Older People	Overall Aim: To improve the health status of older persons on the West Coast and to ensure access to appropriate services which support independence and meet the needs of older people on the West Coast. Implementation of the New Zealand Disability Strategy / Older Persons Strategy. The West Coast has an aging population that is spread sparsely throughout the region. Strategic planning is required in order to ensure that adequate services are available for older people throughout the West Coast.	**Achieved.**
	• The West Coast DHB is in the process of surveying a significant proportion of older people (400) on the West Coast about their health needs. This work will result in a West Coast Health of the Older Person Plan, which is to be completed in March 2004. This plan will be focused on the provision of an integrated continuum of care for older people.	 The West Coast DHB completed a survey of 10% of the district's older adults in September 2003. This survey provides invaluable information about the older population on the West Coast. The data is directly comparable with the New Zealand Health Survey dataset, as we used the same approach and survey instrument. Outcomes of the survey, a series of stakeholder interviews and 18 public meetings (see map) were collated to assist in the planning process.
	▪ The West Coast DHB aims to have completed the West Coast Health of the Older Person Plan, by the end of March 2004.	**Achieved.** An Integrated Continuum of Care (ICC) Plan was completed in April 2004 and received Board sign-off in June 2004. The DHB has started to implement a number of aspects of the plan.
	- A quarterly Older Persons forum will be established in order to involved in older people in Health	**Achieved (Delayed).** In May 2004 we held the first Health of the Older Person Forums. They were titled *How*

	of the Elderly decision making. ▪ The target is to have the forum established by September 2003.	*to Survive Winter* and included guest speakers about how to keep physically active, how to keep warm and how to save power. Both Forums were well attended, and strong interest was registered for future Forums.
	• The West Coast DHB aims to ensure that older people have access to services, which support their independence and meet their needs, avoiding the need for institutionalisation where possible. To this effect, the West Coast DHB will;	
	Review the Needs Assessment and Service Co-ordination service in order to ensure that older people and their families / whanau are able to make informed health and living decisions.	**Achieved.** Recommendations from the review of NASC services have been evaluated and implemented. As part of the planning for an integrated continuum of care for older people the current pathways for older people seeking entry into older persons health services were reviewed and the concept of a one stop shop to provide a single point of entry to needs assessment, service coordination and service provision for older people was developed. Service specifications are currently under development.
	• The West Coast DHB aims to reduce the number of avoidable acute medical admissions for older people by;	
	- Conducting a review of admission trends for over 65 year old patients in order to identify any trends. (by March 2004).	**Achieved.** The DHB has conducted a small review of admission trends (both qualitative and quantitative). This review identified issues across the transfer of care process and initiatives to improve the situation are included in the ICC Plan.
	- The DHB will work with providers of services to older people in order to improve services and provide interventions for the elderly based on the outcomes of the review.	**Achieved.**
	- The DHB will also review the availability of rehabilitation and support services for the elderly in order to help reduce length of stay and the likelihood of re-admission.	**Delayed.**
	• Admission rates and length of stay for people over 65 years of age are expected to trend down as a result of these initiatives. (By July 2004).	**Not Achieved.** To expect these indicators to be trending down by July 2004 as a result of these initiatives was an overly ambitious goal (and one where causality is hard to establish). A number of the initiatives identified in the Integrated Continuum of Care (ICC) Planning process and through the research and consultation processes are already being implemented and should be having an

		impact, but this is not yet measurable, and the principal outcomes of the ICC Plan will not be implemented until 2004/05.
	- Develop a plan for an integrated continuum of care plan, providing a framework for improved service delivery and improved communication about available options.	**Achieved.**
	The aim is to have an integrated continuum of care plan completed and in place by July 2004. Measures aimed at measuring it's effectiveness will be included in the next Statement of Intent.	**Delayed.**
3. Health Priority		
Reducing the incidence and impact of diabetes	Overall Aim: To improve the health status of the West Coast population by reducing the incidence and impact of diabetes. Diabetes is a major cause of morbidity and early mortality. The incidence of diabetes in New Zealand is expected to double over the next 20 years, making it a particularly urgent health issue. Maori and Pacific Island peoples are 3 – 4 times more likely to suffer diabetes than other ethnic groups.	
	• Health Promoting Environments – The West Coast DHB will undertake the following Health Promotion initiatives aimed at reducing the incidence and impact of diabetes. - Develop a Health Promoting Hospitals programme, working to ensure that healthy food is available through the Hospital canteen and that healthy snacks and drinks are available through vending machines.	**Achieved.** The West Coast DHB's Health Promoting Hospitals programme saw a review of the food provided for staff and patients during the 2003/04 financial year. Our Dieticians conducted a survey of staff to seek input into healthy food options for the Hospital canteens, and also worked with OCS (the Hospitals contract caterers) to develop new staff and patient menus. In respect of food options available at Canteens, healthy food initiatives arising from these reviews included greater use of high fibre bread, increased salad options, reduced use of margarine, and the introduction of a greater variety of scones and muesli bars. WCDHB staff were active participants in the Bikewise activities organised by the Health Sponsorship Council, and also undertook a range of other physical activitiy initiatives for staff.
	- Promote Health Promoting Schools initiatives, which involve education about and access to healthy food, exercise and lifestyle options.	**Achieved.** • West Coast DHB has a Health Promoting Schools Co-ordinator who has an ongoing role in working to promote and encourage healthy lifestyles with local primary and secondary schools through the Health Promoting Schools framework. This is done in close conjunction with Crown Public Health and the DHB's Public Health Nurses, in liaison with the Heart

		Foundation. The District's primary schools in particular have been widely canvassed and made aware of the importance of healthy lifestyle options, with some fifty percent of schools currently in the process of making changes toward improving nutrition (including providing healthier food options in school tuck-shops) and physical activity. One recent initiative for healthier lunches at Granity Primary School has been actively supported by the school's PTA, and has seen the introduction of a free lunch for students once a week, with vegetables, soup and the provision of bread rolls. The West Coast DHB has also conducted a review at Runanga School to help identify barriers to success of the initiative and to assist with continued development of the programme.
	- Continue to promote the benefits of breast-feeding.	**Achieved.** *Refer* to "Physical Activity, Nutrition and Obesity" section.
	- Provide training to influential community members on healthy food, exercise and lifestyle options, encouraging them to act as role models for others in the community.	**Achieved.** *Refer* to "Physical Activity, Nutrition and Obesity" section.
	• Improved Screening and Diagnosis - The West Coast DHB aims to increase the proportion of people with diabetes who have been diagnosed, so that they can modify their lifestyles and access services in order to avoid some of the potentially severe consequences of unmanaged diabetes. We will do this by; - Opportunistically testing at risk individuals who present to various primary health settings (GP practices, the Te Waka Hauora mobile Maori health service, etc).	**Not Achieved (due to change in strategic approach).** This data has not been captured or reported. West Coast DHB is looking to monitor instead the number of people with free annual checks who had poor diabetes control (HBA1c rate equal to or more than 8%) as a more sensitive measure to monitor the well being of people with diabetes in the community.
	▪ The aim is to increase the proportion of people over the age of 40 that have undergone a fasting blood sugar test within the last 3 years from 10% to 50% (or 50% of people over the age of 30 for Maori and Pacific Island people) by the end of the 2004 financial year.	• In the year to 31 December 2003, the overall rate for this population was 23.9%, with Maori higher at 26.3%. This is an improvement from the 2001 period when the DHB was established, when overall rate was 32.9% with Maori over-represented at 44.4%. (- the rates in 2002 were 29% and 29.6% respectively). The West Coast DHB aims to try to progressively reduce this rate down to 10% for all populations as our next-step target. The DHB has encouraged an emphasis on diabetes management through its contract with the West Coast PHO. The DHB is looking to further closer relations between primary and secondary service providers and supported this, in conjunction with the West Coast PHO, through the joint-collaboration engagement of a local

		General Practitioner in a GP Liaison role from late May 2004. The West Coast DHB also encourages greater emphasis on diabetes management through services undertaken by its provider-arm services, employing two diabetes nurse educators; one based in Buller and the other in Greymouth. In November 2003, the West Coast DHB was fortunate in employing the services of a permanent physician who has a considerable wealth of knowledge and interest in diabetes care and management. Patients with poor control are being actively targeted at diabetes clinics run jointly by this physician and the diabetes nurse educators to help improve their management. The DHB's dieticians and podiatry services are also closely involved in diabetes management for patients referred to secondary sector services.
	- Increasing the proportion of people with diabetes who receive free annual checks. ▪ The aim is to have at least 75% of people diagnosed with diabetes accessing free checks (currently 50%).	**Partially Achieved.** It is estimated that there are around 903 people with diabetes in the West Coast DHB region. Of this overall expected population with diabetes, 62% had their annual checks in the year to 31 December 2003. Maori were significantly under-represented in this statistic, with only 30% having their annual checks. However, both results were improvements on the previous year's results. In 2002, the annual check rates for overall population was 47% and only 27% for Maori, while in 2001, the rates had been just 30% and 15% respectively. The West Coast DHB aims to increase the proportion of people with diabetes who receive free annual checks to 77% for overall population and to 60% for Maori as our next-step targets.
	The West Coast DHB will secure the services of a mobile retinopathy camera so as to make retinopathy screening available on the West Coast. (from September 2003).	**Not Achieved.** To date, a mobile Retinopathy Screening camera has not been established as planned. Various proposals have been evaluated, but these have not proved viable due to combinations of staffing and cost. West Coast DHB has issued further requests for the establishment of a mobile service, which it is hoped will be established in the 2004/05 financial year. In spite of this particular lack of progress, the rates for people with diabetes who have had their eyes screened in the last two years have progressively improved. In 2003, this rate was 75%; up from 51.9% in 2001 and 70% in 2002. It is anticipated that the establishment of a mobile retinal screening service will allow the screening rate to be increased as well as providing closer monitoring of those at risk and high risk of diabetic eye complications.
	• Improved co-ordination of care for people with known diabetes - The West Coast DHB will embark on a process aimed at Improving the co-	The proposal for a workshop was discontinued in favour of promoting improved multidisciplinary approaches and closer linkages between primary and

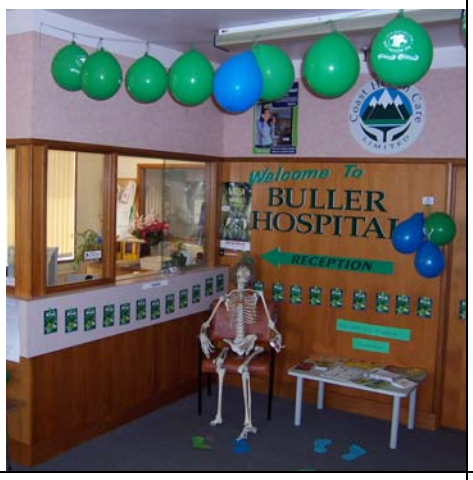
	ordination of care for people with known diabetes by;	secondary service providers as outlined above. West Coast DHB has also encouraged a strong focus on diabetes management, education and control through its contractual requirements with health service providers. The West Coast DHB plans to conduct a comprehensive review of diabetes service delivery across the district in 2004/05.
	- Holding a diabetes workshop to discuss issues and avenues for service delivery. This will focus on the national diabetes framework and how to establish, co-ordinate and improve linkages between services in order to provide a co-ordinated multidisciplinary approach to diabetes management.	**Not Achieved (due to change in strategic approach).**
4. Health Priority		
Reducing inequalities	In New Zealand, ethnic identity is an important dimension of health inequalities. In addition, gender and geographical inequalities are important areas for action. Overall Aim: To eliminate inequalities in health status and ability to access to health services by improving access and treatment for all disadvantaged segments of society.	.
	• The West Coast DHB will work towards the elimination of socio-economic, ethnic, gender and geographic inequalities by;	All elements here were reported on above in the Maori health section.
	- Working with other DHBs to develop a staff-training program on inequalities issues. .	**Achieved.**
	- Implementing a process within the West Coast DHBs Prioritisation Framework to screen any additional funding, additional services or reallocation of funding using a 12 step "inequalities lens".	**Not Achieved.**
	▪ The aim is for all Funder Arm contracts signed in the 2002-03 financial year will be reviewed with the "inequalities lens".	**Not Achieved.**
	- Proving training to key staff in order to improve the effectiveness and accuracy of ethnicity data collection.	**Achieved.**
	- Providing inequalities training to all Board and Advisory Committee members and to key staff within the DHB.	**Partially Achieved.**

5. Health Priority		
Primary Health Care	Overall Aim; Development of a primary health care plan for the West Coast aimed at improving access to and the sustainability of primary health services. Implementation of strategies aimed at reducing costs and improving the effectiveness of primary care services. The primary health care plan will outline strategies for quality, affordable, accessible, appropriate and effective primary health services for the West Coast population.	
	• A steering group will be established in order to involve key stakeholders (the West Coast PHO, primary health practitioners, community representatives, DHB staff, Maori representatives, public health providers, etc) in the process. Subcommittees of the steering group will charged with developing strategies for; - Identification and elimination of inequalities - Improving intersectorial and interdisciplinary collaboration. - Achieving sustainable rural services - Workforce development - Achieving an integrated continuum of care for older people. - Improving the quality of health information in order to better target services and improve health outcomes. - Planning the provision of culturally appropriate health services. - Expanding the role of primary health nurses. - Identification and elimination of barriers to accessing appropriate services. - Strategies to achieve quality evidence based primary health care.	**Achieved.** Following widely based stakeholder consultation on the scope of the Primary Health care Plan, a "virtual" steering group has been established to guide the project without necessarily meeting physically. The steering group will not be addressing particular sections as first envisaged, although each of these sections (and several others) will form part of the plan which is developed.
	▪ Completion of the primary health care plan is targeted for February 2004.	**Delayed.** The timetable for this project has been adjusted back to reflect changes in the personnel required to undertake the major research and writing tasks required. The completed plan is now expected before the end of 2004.
	• Management of pharmaceutical and laboratory spending. Community referred pharmaceutical and laboratory costs are major areas of funding expenditure for the West Coast DHB. Expenditure saved in these areas will be applied to other health services in the West Coast.	

	- Pharmaceutical costs will be managed by encouraging prescribers to prescribe cheaper generic medicines from the same therapeutic group, where clinically appropriate.	**Delayed.** Although savings from the introduction of "all at once" dispensing on the West Coast have not met Pharmac's projections, pharmaceutical expenditure has been significantly below both South Island and national trends. WCDHB believes that the close relationships between health professionals on the West Coast provides the opportunity for collaborative arrangements between prescribers and pharmacists to maximise efficient pharmaceutical use and WCDHB is looking to progress this with new contractual arrangements in 2004/05. Optimal use of generics is one of the goals for such arrangements. WCDHB already had a pharmaceutical budget management/ risk sharing arrangement for pharmaceuticals with the West Coast PHO. WCDHB notes that the scope for development of local solutions to this issue may be constrained by national requirements imposed by the Ministry.
	- When funding for community referred laboratory testing is devolved to the West Coast DHB (from lead DHBs), we will engage with the West Coast PHO in order to identify potential efficiencies in the management of community referred testing. Benefits from this process will be shared with the West Coast PHO.	The relationship between WCDHB and the West Coast PHO has only in early 2004/05 reached the point where collaborative efforts aimed at increasing the efficiency of community referred testing are worth pursuing, although WCDHB's initial focus is likely to be on supply side management.
	• Improve liaison between Primary and Secondary services. It is anticipated that Improved liaison between Primary and Secondary services will lead to improved access to specialist services through improved referral guidelines, discharge planning and improved relationships between providers. The West Coast DHB will work to improve liaison between Primary and Secondary services by; - Working with the West Coast PHO to appoint a General Practitioner liaison position.	
	▪ The target is to have the General Practitioner liaison position in place by October 2003.	**Achieved (Delayed).** The GP liaison position was filled in early 2004 and is working well.
6. Health Priority		
Primary Mental Health	It is estimated that about 12% of adult New Zealanders have mild to moderate mental health disorders, 5% have moderate to severe mental health disorders and another 3% have severe mental health disorders. Many of these people can be treated in a primary setting without the need for hospital	

	level intervention. • The West Coast DHB aims to improve access to primary mental health care for people with mild to moderate mental health issues by;	
	• Developing a Primary Mental Health Plan for the West Coast.	**Partially Achieved (Delayed).** The West Coast District Health Board has undertaken extensive consultation with consumers, family/whanau, community organisations, and providers of primary and secondary mental health and alcohol and other drug services and support services in the development of a West Coast Primary Mental Health Strategic Plan. The plan includes four key objectives, 1. Enhance Primary Mental Heath including Alcohol and Other Drug Services. 2. Strengthen Primary Mental Heath including Alcohol and Other Drug Services. 3. Improve Integration between Primary and Secondary Care. 4. Create a Mentally Healthy and Supportive Community. This plan is currently in its third draft and is expected to go to the October Board Meeting for signing off.
	Implementing programs (such as GP link and Care Plus) to reduce the cost of accessing GP services for Mental Health clients.	**Delayed.** The West Coast District Health Board Primary Mental Health Strategic Plan includes key strategies surrounding access to Primary Care Services. This includes strategies such as training, educational and support for providers which will assist with appropriate referral to secondary care, or to brief intervention service reducing the financial cost to the individual of multiple approaches to primary care and the social cost of delayed treatment. In addition to this the WCDHB provider arm Mental Health Service, has appointed a project coordinator who is currently liaising with Work and Income New Zealand to facilitate Improved Access to Primary Care through the redistribution of Disability Allowances. It is anticipated that this will be available to current secondary mental health service patients and those who access service in primary care.
	• Evaluating options for locating methadone clinics in GP surgeries (so as to improve access and reduce stigma).	**Delayed. Expected to be considered in 2004/2005.**
	- The West Coast DHB aims to have developed a Primary Mental Health Plan for the West Coast by	**Partially Achieved (delayed see above).**

	June 2003. Targets from this plan will be included as objectives in the next Statement of Intent.	
7. Health Priority		
Smoking & Respiratory Health	Overall Aim; to reduce the prevalence of smoking in the West Coast population and to improve management of asthma and emphysema type conditions on the West Coast.	
	• The West Coast DHB aims to reduce the impact and prevalence of smoking in the West Coast population by;	
	- Increasing the proportion of people whose smoking status is documented by health providers. ▪ to 80% by the end of the 2003-04 year.	**Delayed.** This target has not yet been met, but is being built into the contract with the West Coast PHO in 2004/05.
	- Reducing the prevalence of smoking by West Coast people through continued support and participation in health promotion activities and through enforcement of the Smokefree Environments Act.	
	▪ The target is to Reducing the prevalence of smoking by West Coast people from 27% to 25% by the end of 2003.	**Not Achieved.** The most recent information about the number of West Coasters who smoke is from the 1996 Census. In 2004 results of a nationwide survey of Year 10 students were released. This showed that Year 10 students on the West Coast were less likely to live in a smokefree home than any other region in New Zealand, with just 57% of homes smokefree. The New Zealand Health Survey results are due to be released by region in October and this will have information about the percentage of people who smoke.
	- Implementing a smoke free policy on all West Coast DHB premises, including the provision of free smoking cessation services to West Coast DHB staff.	**Achieved.** 2003-04 was the first full year that DHB's facilities (including grounds) have been completely smoke free. World Smoke Free Day 2004 marked one and a half years since the introduction of the policy. The West Coast DHB celebrated its success in the lead up to World Smoke Free Day with a competition for all wards and departments. Each area was supplied with materials to enable it to make a display, and the displays were judged by the West Coast's Smoke Free Health Promoter. Compliance with the DHB's policy by staff is excellent, and cessation support is available in the form of subsidised NRT and counselling. The DHB also hosted the Quit Group in June 2004. A presentation was made to health professionals at Grey Base Hospital,

		and the Quit Team took the opportunity to also talk to members of the PHO health promotion steering group, the West Coast *Quit for our Kids* Cessation Coordinator and a DHB planning and funding representative.
	• The West Coast DHB will develop a strategy for improved management of asthma and emphysema type conditions.  	
	- The aim is to have the strategy completed by the end of June 2004.	**Not Achieved.** This strategy was not developed, due to resource limitations. Management of chronic conditions is a focus of the GP Liaison role, and WCDHB is mindful of the work being undertaken on the subject by the National Health Committee. It is anticipated that 2004/05 will see greater coordination of the various activities already being undertaken, with "borrowing" from the work of other DHBs and WCDHB's own diabetes plan.
		
8. Health Priority		
Physical Activity, Nutrition and Obesity	Lack of adequate physical activity, nutrition and obesity can contribute to a number of key health issues including; cardiovascular disease, diabetes, some forms of cancer and depression. Individual choices relating to physical activity and nutrition are generally beyond the control of the DHB, however the DHB can influence the	

	environment in which these individual choices are made.	
	• The West Coast DHB will ; - Create an environment that promotes and encourages healthy food choices by;	**Achieved.**
	- Encouraging the establishment of Health Promoting Environment programmes in hospitals and schools.	**Achieved.** Reported on under section on Diabetes
	• The West Coast DHB will implement a Health Promoting Hospitals programme by June 2004.	**Achieved.**
	- Actively supporting programmes aimed at improving breastfeeding rates, including implementing the Baby Friendly Hospitals initiative.	**Achieved.** Breastfeeding is promoted on the West Coast by BABES (Babies and Breastfeeding Education and Support) Group, West Coast midwives, dieticians and nutrition health promoters. During 2003-04, a policy to protect, promote and support breastfeeding was written and consulted upon. This policy intends to: • Create supportive environments that protect, promote and support breastfeeding; • Promote a philosophy of care which supports the normal physiological pattern of breastfeeding; • Follow the principles of the Treaty of Waitangi, protection, partnership and participation while also recognising individual cultural needs, where families are related to with respect and non-judgemental attitudes; • Raise staff awareness of the maternity unit practices which help and those which may hinder the breastfeeding process; • Assist staff in providing consistent, correct and current information; and • Enable mothers and babies to have satisfying breastfeeding experiences.
	• Increase the number of people on the West Coast who engage in regular physical activity by working with Community & Public Health (the public health unit) and the West Coast PHO to;	The use of Green Prescriptions (GRx) is also supported by the West Coast DHB. A presentation was made to hospital staff by the Green Prescription Area Manager for Canterbury/West Coast to encourage the use of GRx for patients. The use of GRx is also a reporting requirement for the PHO and was promoted at the first Fora for Older People. Community and Public Health (C&PH) have commenced a Community Nutrition and Physical Activity Project on the West Coast. The Project has 3 main branches. The first of these enables the employment of half-time Community Dietician. This position supports the other elements of the Project. These involve implementing Appetite for Life; a weight management and lifestyle programme for women. This is being piloted

		by C&PH with the prospect of being rolled out further. Also Diabetes Lifestyle Advisor Training is provided in conjunction with Rata Te Awhina Trust. C&PH provide training in nutrition and physical activity, which is based on a programme used in Christchurch, but it is being implemented slightly differently here. People with mana in the Maori community (staff of Maori provider) are trained about lifestyle and its impact on diabetes outcomes and about how nutrition and physical activity can help prevent Type 2 diabetes. The intention was to deliver group classes, but feedback from the provider has been that this is not feasible on the West Coast given the small size and fragmentation of the Maori community, so the resources are instead used in one-on-one consultations. The West Coast DHB has also commenced work on a Health Promoting Health Service project. A working party has been formed and a number of initiatives are planned. Already, changes have been made to the food served in the cafeteria to promote a greater range of healthy choices. DHB staff were encouraged to participate in Bikewise Week in March 2004, and we were the best-performed DHB despite appalling weather that week. Involvement in the week was enjoyable, and people reported feeling more energised upon arrival at work.
	- Encourage an increase in the number of GPs and practice nurses to use the green prescription.	**Achieved.**
	- Encourage the establishment of Health Promoting Environment programmes in hospitals and schools.	**Achieved.**
	- Encourage the establishment of the Waisting Time programme, a healthy lifestyle programme for women.	**Achieved.**
9. Health Priority		
Mental Health	• Improve access to mental health services on the West Coast by; - Improving the range of rehabilitation residential options available on the West Coast (by implementing the recommendations of the 2002-03 rehabilitation services review). These are targeted to be in place by December 2004.	**Delayed.** The WCDHB is progressing with the implementation of the recommendations from the 2002-03 rehabilitation services review. It is anticipated that these will be in place by June 2005.
	- Review child and adolescent services and alcohol and drug services to ensure adequate resources are available.	**Delayed.** The WCDHB plans to carry out a comprehensive review of child and adolescent services in the next year. It has been involved in regional access projects to ensure all South Island DHBs have equitable access to regional speciality

		services, including child and adolescent specialist inpatient services. A service development group to review and inform strategic planning for alcohol and drug services is planned to commence in the second half of 2004/05.
	- Participate in regional (South Island wide) projects aimed at improving access to specialist services.	**Achieved.** The West Coast District Health Board provider arm Mental health Services has been involved in Regional Access Projects aimed at improving access to the following South Island specialist services • Child and Youth Speciality Service. • Forensic Services. • Mothers and Babies Service. • Eating Disorders Service.
	• Ensure successful treatment outcomes for consumers by; - Introducing outcome measurement processes as part of the current regional and national work projects in this area (by July 2004).	**Delayed.** Funding has been granted by the MOH for a DHB Site Coordinator and IT development to ensure implementation of the MH SMART initiative within the WCDHB. It is now anticipated this project will commence in the 2nd quarter of 2004/05.
	- Continuing to roll out the Knowing the People Planning approach to managing services for consumers who are high users of services.	**Achieved.** The Knowing the People Planning (KPP) initiative is progressing well with the development of a data base of long term users [more than 2 years] of the service, a multi agency approach to development of individual plans and development underway of service targets.
	- Continuing to prioritise consumer empowerment and participation in the delivery of mental health services.	**Achieved.** Consumer groups meet regularly and provide valued input into service development issues. Consumer advisors fully participate at all levels of the service in ensuring consumer responsive services. A regular consumer satisfaction survey is conducted and fed back to clinical staff with implementation of action points as possible.
	- Reviewing the needs assessment and service coordination contract to ensure better access for consumers to support services.	**Delayed.** An audit of psychiatric needs assessment and service coordination services is planned for the 2nd quarter of 2004/05. Consideration of any necessary action will occur when audit results are known. Discussions between the psychiatric NASC and mental health provider arm services during the course of the year resulted in improved access for inpatients to needs assessment services.
	- Completing a current review of current psychiatric emergency services and implement recommendations around improving access to crisis intervention, assessment and short term intensive case. ▪ The aim is to have completed	**Achieved.** The implementation of recommendations from the review of Psychiatric Emergency Services has been completed.

	the review by July 2004.	
	• Improve Maori mental health services by; - Formulating a Strategic Plan (including consultation with iwi) focussing on improving services for Clients / Tangata Whaiora. It will include a focus on achieving improved access for consumers to the service, measuring and achieving consumer satisfaction, a service delivery plan which includes cultural assessment and treatment processes, a Tikanga Maori plan and a workforce development strategy. ▪ The aim is to have completed the plan by July 2004.	**Partially Achieved (delayed).** The development of an Maori Mental Health Strategic Plan has begun and is anticipated to be completed by the 2nd quarter of 2004/05.
	- Continued participation in the regional services project around improving accessibility, quality and consistency of Kaupapa Maori services in the South Island.	**Achieved.** This project has completed the planning phase, been accepted by South Island DHB CEOs and is now in the first phase of a 3 year implementation cycle across the South Island.
	- The tangata whaiora network will continue to gain strength and will be involved in providing feedback on service development and service provision.	**Achieved.** Te Marie e Hinengaro, has continued to develop and has grown to 7 active members lead by the Mental Health Services Maori Consumer Advisor. The group has been involved in providing feedback on service development and service provision, including a review of national Mental Health Sector Standards (1 and 3) in the lead up to the recent audit of Health and Disability Sector Standards.
	- The tangata whaiora satisfaction survey will continue to be reviewed and results used to guide service development.	**Achieved.** Tangata whaiora satisfaction with Mental Health Services continues to remain predominantly high, with areas of less than good or very good satisfaction with services occurring in consistent areas over a 12 month period. The MHS is working on addressing these areas; an action plan on addressing the issues highlighted by the Consumer/tangata whaiora satisfaction surveys has been developed and is being monitored by the Service Improvement Committee.
	- Ensuring that mainstream services are culturally appropriate and responsive to needs of Maori consumers through training and audit and associated work plans.	**Achieved.** Maori health is part of the orientation programme for all new staff. In addition mandatory Te tiriti o Waitangi Training sessions are available to all staff. Kaupapa Maori services are available by choice to all Maori consumers and Kaupapa Maori mental health staff work within the mental health teams and are available to provide advice on delivery of mainstream services to Maori as necessary.
	• Collaborate with other agencies to achieve a continuum of care and	**Achieved.** A service level agreement has been

	integrated multisector approach to comprehensive care by; - Improving linkages with housing and employment agencies to improve recovery pathways of consumers.	developed with Work and Income NZ in relation to a partnership approach between the WCDHB and Work and Income in assisting long term service users into employment. Discussions have been held with Housing NZ to improve housing for service users who do not require supported residential services but are living in sub standard accommodation.
	- Working with the West Coast PHO to ensure primary health practitioners are trained in primary health care guidelines and available to mental health consumers through shared care initiatives.	**Delayed.** The WCDHB Primary Mental Health Strategic Plan includes key strategies around the extension of shared care and involving primary care providers in discharge planning. Primary mental health guidelines have been provided to GPs and education on the use of the guidelines is scheduled to commence in 2nd quarter 2004/05.
	- Reviewing our memoranda of understanding with police and with NGO's to ensure relationships are maintained and issues resolved.	**Partially Achieved.** The Memorandum of Understanding between Coast Health Care Mental Health Service, Coast Care Trust and PACT has been reviewed and reconfirmed. A service level agreement is currently being developed between the 3 organisations. Discussions are ongoing between police and the mental health service.
	- Supporting the establishment of an inter-sectoral group to advance cooperation between agencies.	**Partially Achieved.** Planning is underway to develop a group provisionally known as Access West Coast to encourage initiatives and greater collaboration between the PHO and WCDHB mental health services. The West Coast DHB continues to support RIF [Regional Intersectoral Forum].
	- Ensuring an effective case management approach is in place in order to coordinates care when consumers are receiving services from more than one agency.	**Achieved.** KPP(Knowing the People Plan) data base has been developed which collects information about long term clients physical and mental health, educational, vocational, financial, housing, recreational and social needs.
	• Work to improve mental health data collection both from our own Provider Arm and from other providers of mental health services in order to enable improved service planning of mental health services.	**Partially Achieved.** Ongoing attention is paid to ensuring MHINC data is accurate and can be used in a meaningful way. An information system has been developed which ensures MHINC data is fed back to clinical teams and is used for service monitoring.
	• The West Coast is committed to regional cooperation with other DHB's, in particular in the South Island, through the regional mental health network. As a small DHB, we must have effective understandings with larger DHB's for support in the provision of a range of services.	**Achieved.** The West Coast plays a full part in the regional mental health network and has been involved in all regional projects. A memorandum of understanding is in place with Canterbury DHB around specialty support for the child and adolescent service and is currently being reviewed. Close links exist and continue to be maintained with the regional forensic services. Canty DHB provides supervision support for medical

		staff and clinical directorship for our alcohol and drug [incl Methadone] service.
10. Health Priority		
Oral Health	Oral Health has been identified in the New Zealand Health Strategy as one of the 13 population health objectives for New Zealand. The West Coast region has a particularly poor oral health status. For example, West Coast 5-year olds have the highest incidence of caries (tooth decay) in the country.	The DHB has had a busy year in the oral health field: Promotion of oral health in the media and in relation to Well child Week. Repainting the dental caravan to make it a more inviting place (see photos below). This included local school children in the Buller Region – who have the worst oral health outcomes. Feedback from parents, teachers and children has been great.    "The new caravan's *way* better than the old one" ~ *Granity School Pupil*
	• The West Coast DHB aims to improve the preschool and school children's oral health status of the West Coast population by;	
	- Improving data collection and monitoring the age of first enrolments with the school dental service in order to identify at risk groups for target health promotion work.	
	▪ By September 2003 all dental therapists returns will provide data about a child's age at first enrolment.	**Achieved.** Dental therapists' returns now meet this requirement.

	▪ By June 2004 the West Coast DHB will be monitoring the age of first enrolments with the school dental service in order to identify at risk groups.	**Achieved.** WCDHB is now monitoring age of first enrolments with the School Dental Service.
	- The West Coast DHB will also be working collaboratively with community groups and other organizations in order to try and improve access to dental services for remote areas.	**Achieved.**
	• The West Coast DHB aims to improve the oral health status of the Maori population on the West Coast by;	
	- Conducting an Oral Health Hui to raise awareness of oral health as an issue for Maori and to consult with Maori about ways of improving oral health (Targeted for March 2004). - Improving ethnicity data collection and monitoring the age of first enrolments for Maori children with the school dental service in order to identify at risk groups for target health promotion work.	**Achieved (delayed).** Two Oral Health Hui. The Hui, originally due to be held in March, were postponed due to a number of bereavements in the local Maori community. They were eventually held in May. The focus of the Hui was the potential of schools and communities to impact on Maori Oral Health. Otago University Associate Professor John Broughton was a guest speaker at these Hui. Topics of discussion included fluoridation and some simple steps to improve oral health. Feedback from the Hui was positive, and a number of actions have been identified for 2004-05.
	▪ All dental therapists will be trained in ethnicity data collection (by July 2003).	**Achieved.** The dental therapists all received training regarding ethnicity data collection. The collection of information about children's age at first enrolment with the SDS has also improved.
	The West Coast DHB aims to improve the oral health status of adolescents by; - Promoting healthy lifestyle choices to adolescents, encouraging them to eat healthily, brush their teeth and to go to their dentist on a regular basis. - Ensuring that information about adolescent dental entitlements is widely advertised and available. - Engaging with adolescents in order to discuss their particular needs and concerns. Particular emphasis needs to be placed in increasing the number of 16 and 17 year olds using dental services.	**Achieved.** The West Coast DHB, in conjunction with the Canterbury and South Canterbury DHBs, led the way in Adolescent Oral Health Promotion during 2003-04. A mass media campaign was developed which includes television advertisements, posters, pamphlets and side-of-bus advertising. A review of the School Dental Service also commenced in 2003-04. This review involves a stocktake of all the facilities, consultation with the community regarding their preferred method of delivery and an evaluation of any inequalities. The Review is being coordinated by Canterbury DHB.
	• The West Coast DHB aims to improve the oral health status of the elderly by;	In 2003, the DHB also secured temporary funding for an Older Persons Oral Health Promotion Service. This is due to be rolled out in 2004-05.
	- Developing and distributing education material to rest homes	**Delayed.**

	and community care providers for the elderly.	
	- Liasing with Care of Older Persons training facilities such as Tai Poutini Polytechnic and WellCare Community Education in order to raise the awareness of oral health as an issue for older persons care providers.	**Delayed.**
	• Fluoridation - Fluoridation of drinking water is the single most cost effective and efficacious public health method available to improve the oral health status of the whole community. The West Coast DHB aims to promote the benefits of the fluoridation of drinking water supplies by;	Work to promote the need for fluoridation on the West Coast is underway. No water supplies on the West Coast are fluoridated at present and natural levels of fluoride are very low. We recognise that this would have the single greatest impact on improving oral health in this region. We are working with our Principal Dental Officer, Medical Officer of Health, Planning and Funding Team, public health unit and Maori, and have begun some preliminary conversations with our Councils.
	- Working with local councils and Community and Public Health in order to promote the benefits of the fluoridation of drinking water supplies.	**Delayed.**
	- Making information available to the community about the options and potential benefits of water fluoridation (by June 2004).	**Delayed.**
11. Health Priority		
Reduce the incidence and impact of cancer	Cancer is a major source of death and morbidity in New Zealand. Approximately 50% of those diagnosed with cancer will die from it. Approximately one third of all cancers are preventable. Early diagnosis and early intervention is critical for all cancers. • The West Coast DHB aims to reduce the incidence and impact of cancer by;	
	- Encouraging healthy lifestyles through smoke free initiatives, initiatives aimed at increasing physical activity, reducing obesity, improving nutrition, reducing alcohol consumption and avoiding sun burn.	**Achieved.** • Community and Public Health have had a focus on reducing alcohol consumption. • There was been no specific targeted programme to reduce the incidence of skin cancer during 2003/04 outside the public awareness programme undertaken by the local branch of the Cancer Society. The districts Primary schools have an established “no hat, no play” policy that is well promoted by the schools. • The West Coast DHB continued to provide support for the BreastScreen Aotearoa mobile mammography service on its visits to the region during June - September 2003 and again between May – August 2004 by hosting the Breast-Screening bus at its hospital premises at Westport and

		Greymouth. • The West Coast DHB also runs a Cervical Screening programme with services available throughout the region and which maintains close direct links to general practitioners and the local Maori health service provider, Rata Te Awhina Trust. • In addition, the DHB employs two respiratory nurses with a focus on smoking cessation. This service is provided on a one-to-one basis to people in both hospital and in the community. All West Coast DHB premises and vehicles were made smokefree for all staff and members of the public with effect from 1 December 2003.
	- Working to identify barriers to accessing cancer-screening programs in order to develop strategies aimed at eliminating inequalities in access to screening services.	**Achieved.** The West Coast DHB's Cervical Screening Programme recruited a Cervical Screening Health Promoter in December 2003. Since her appointment, the Cervical Screening Health Promoter has actively traveled throughout the district, targeting and visiting women in priority groups (especially Maori and Pacific Island women and rural women) to promote the importance of screening, identify barriers to them accessing the service in order to bridge gaps in service delivery strategies, and encouraging them to participate in the screening programme. She has been working intensively in the Buller region, an area of significant deprivation, with local community groups to encourage women to enroll in the NCS Programme.
	- Working with primary health providers and the West Coast PHO in order to provide education in the identification of risk factors, screening and early intervention.	**Achieved (on-going).** The West Coast DHB has contracted the West Coast PHO to provide smokefree health promotion services, which promote the health of patients and prevent or reduce injury, disease or disability through initiatives to reduce tobacco smoking in the West Coast region. Specifically, this programme is designed to reduce tobacco smoking in the region; enhance smokefree health promotion among PHO and other providers in the community; increase the availability, coordination and uptake of smoking cessation services in the region; and target smokefree health promotion and cessation interventions to identified high need population groups. This service is contracted to have links with other providers including Community and Public Health, Rata Te Awhina, and complimentary voluntary organisations within the region. The service is designed to include: • Develop PHO linkages and support local smokefree networks; • Facilitate primary care involvement in smokefree events initiatives; • Support the implementation of smokefree workplace legislation; • Promote links to cessation services; • Promote awareness of and access to

		cessation training; • Promote awareness of the health risks of smoking; • Support the establishment of practice and/or community based cessation support groups; • Promote a "best practice" model • Target smokefree health promotion and cessation interventions to identified high need population groups. • In addition, the West Coast DHB has been in negotiation with the West Coast PHO to introduce additional smoking cessation services through its "Services to Improve Access" funding from 2004/05. This service is designed to provide significantly reduced cost access to general practice services for smokers within the enrolled population of the West Coast PHO seeking support to quit; provide reduced cost access to NRT for quitting smokers within the enrolled population of the West Coast PHO through the national Quit service; minimise perceived barriers to accessing one-on-one cessation services for motivated smokers within the enrolled population of the West Coast PHO; provide increased opportunity for brief intervention within primary care; and to promote opportunity emphasis on multidisciplinary approaches to services and decision-making, which include co-ordinating initiatives between primary and public health.
	- The West Coast DHB aims to have a measurable reduction in preventable cancers affecting the West Coast population by the year 2025. (No specific target has been set for the 2003-04 year due to the long term nature of cancer).	**On-going.** The West Coast DHB's Oncology Nurse has noted that she is receiving a high rate of referrals for cases of advanced cancer, with patients seeming to be reluctant or late to seek advice from health professionals. The Oncology Nurse is investigating the reasons underpinning this pattern and how these issues might be addressed in seeking to help reduce the preventable cancers and the impact of cancers into the future.
	- Working with community groups and palliative care providers on the West Coast to improve the integration and co-ordination of palliative care services and to implement the national palliative care strategy.	**Achieved.** The West Coast DHB's Oncology nurse is actively engaged in working with community groups and providers to improve the integration and co-ordination of West Coast palliative care services, including links with the West Coast Home Hospice Trust, Rata Te Awhina Trust, and the Cancer Society. In addition, the Oncology Nurse has close links with the West Coast DHBs secondary services and tertiary oncology services provided by Canterbury DHB. The Oncology nurse is now seeing all referred newly diagnosed patients. Her role includes not only medication and symptom management, but also support and education for patients and families, provider education, and liaison between families, GPs, community nursing

		and specialists. In March 2004, the Oncology Nurse published a cancer services communication booklet that is proving to be a useful tool for patient care for families and providers alike. The Oncology Nurse undertook specialist training with the Canterbury DHB Oncology Department during November and December 2003 in the delivery of chemotherapy treatments. As a result, the range of chemotherapy services able to be delivered on the West Coast has increased from March 2004, reducing the need to travel to Christchurch for many patients and their families.
12. Health Priority		
Suicides and suicide attempts	• The West Coast DHB aims to reduce the rate of suicides and suicide attempts by; - Improving data collection on suicide attempts and non-accidental injury cases presenting to the WCDHB provider arm. - Training primary providers on guidelines for suicide prevention. • The target is to provide training to approx 60% of primary providers by June 2004.	**Partially Achieved (delayed).** Suicide prevention and management guidelines are currently being implemented across the WCDHB. It is policy that all staff report attempted suicides.
	- Working collaboratively with providers and participating in intersectoral initiatives to prevent suicide. - Implementing guidelines for emergency department and mental health services on the managing people at risk of suicide. ▪ The aim is to have implemented them by December 2003.	**Delayed.** The West Coast DHB aimed to implement the guidelines for emergency department and mental health services on the managing people at risk of suicides by December 2003, and is currently progressing the implementation of these guidelines.
13. Health Priority		
Drug and Alcohol Abuse	Evidence indicates that a comprehensive intersectoral approach to reducing alcohol and drug related harm is most effective. Co-ordination between services is essential.	
	• The West Coast DHB aims to reduce alcohol and drug related harm by; - Improving data collection. ▪ The aim is to have documented alcohol usage for 50% of all patients over the age of 14 who are registered with the West Coast PHO by July 2004. .	**Delayed.** The aim is to have documented alcohol usage for 50% of all patients over the age of 14 who are registered with the West Coast PHO by July 2004 and this has not yet been achieved. This will become a PHO requirement.
	- Investigate the development of easy to access alcohol and drug services via “storefront” facilities.	**Partially Achieved.** The proposed brief intervention primary mental health programme if agreed will provide improved access. Education on implementation of primary health focused

		guidelines on managing alcohol and drug issues will provide better access to better early/brief intervention services. The planned alcohol and drug service development group will provide recommendations on improving access to alcohol and drug services.
	- Purchase a small number of community based residential beds to support clients in their recovery. ▪ Targeted for implementation in December 2003.	**Delayed on-going.** Likely implementation occurring June 2005. This is reliant on the completion of the implementation of the recommendations from the rehabilitation Review currently underway.
	Working collaboratively with providers and participating in intersectoral initiatives to reduce the incidence of and harm from alcohol and drug abuse (including the development of an intersectoral strategy aimed at minimising alcohol and drug issues for young people on the West Coast.	**On-going.** The proposed Brief Intervention Counselling Service involves primary and secondary providers working collaboratively. The Youth Health Plan currently under development will address youth alcohol and drug issues. The planned AOD Service Development Group will meet this objective.
14. Health Priority		
Child Health	Immunisation levels on the West Coast are well below the accepted adequate rate of 90%, although there is a lack of accurate immunisation data. Children are still getting vaccine preventable diseases. The Child Health Strategy (1998) recognised fragmentation of Child Health Services and the erosion of resourcing for child health problems.	
	• The West Coast DHB will seek to improve immunisation rates on the West Coast by;	
	- Working with the Ministry of Health to plan further implementation of the Well Child framework on the West Coast, including roll out of the National Immunisation Register.	**Achieved.** Planning for the Implementation of the National Immunisation Register is also under way, with the appointment of a Project Sponsor and Project co-ordinator. The development of the Project Implementation Plan has commenced and a Child and Youth Health Committee has been formed to act in a steering group capacity for the implementation of the project.
	- Ensuring that accurate immunisation information is collected by General Practices and other early childhood providers to enable the ongoing monitoring of immunisation levels.	**Partially Achieved.** During the year a review of school and early childhood centres has been carried out during the year to determine accuracy and usefulness of these registers. Primary Schools were maintaining accurate immunisation registers, but almost all early childhood centres were having difficulty with accurate data.

	- Encouraging Well Child providers to facilitate immunisation, especially with high need children.	**Achieved.** During 2003/04 the Immunisation co-ordinator has carried out 37 education workshops/groups. Including education workshops for Public Heath, Rural, Practice Nurses and Plunket Nurses, Maori Well Child Providers and Parents as first teachers (PAFT) staff. Additionally the Immunisation Co-ordinator has visited all well child providers on the West Coast, making 90 practice/provider visits in the 12 months. In 2004 the Well Child road show visited Greymouth, presenters included the South Island Immunisation Co-ordinatior and Well Child dietician.
	▪ The West Coast DHB aims to increase immunisation levels of West Coast children by 15% at age 2 years by the end of 2004.	**Data Currently Unavailable.** Rates for immunisation for 2003/2004 are currently unavailable. West Coast Immunisation Coverage rates for 0-24 months by General Practice at June 2002 were 55% fully immunised, 7% not fully immunised, and 9% do not consent to be immunised. There was however some difficulty with the data of 1 practice with no immunisation date available at the time for 191 registered 0-24 month olds. When we remove this population the number of percentage of fully immunised 0-14 months olds increases to 77%. There have been no vaccine preventable admissions for under 5's in 2003/2004. With the implementation of the NIR from early/mid 2005 reporting and monitoring of these rates will become much more accurate.
	Breast-feeding has positive implications for the health of an infant, the mother and indeed for the child in later life. Evidence has shown breast-feeding to contribute positively to such health outcomes as diabetes, obesity, cardiovascular and cancer rates. The West Coast has significantly low rates of breast-feeding 6 weeks after birth – just 54% compared to a national rate of 66%. • In order to improve rates, we need to address barriers to successful breast-feeding. These include lack of whanau support, attitudes, poor socio-economic status and educational attainment, the availability of facilities for breast-feeding (including in the workplace) and a lack of or limited antenatal education. The West Coast DHB will	**Achieved.** Rates of full breast feeding at 6 weeks and 3 months have increased since this was written. According to Plunket information the 2002/03 overall rates for full breast feeding at 6 weeks and 3 months exceed the target rate with overall rates for the West Coast for full breast feeding at 6 weeks at 60.94% and 49.38% at 3 months. While the rates of breastfeeding for Maori were lower than for non Maori, the rates are improving and the actual full breast feeding rate at 3 months exceeded the target rate.

<table>
<tr><td></td><td>seek to address some of these issues by;</td><td></td></tr>
<tr><td></td><td>- Implementing the Baby Friendly Hospital Initiative at Grey Base Hospital (by December 2003) and Buller Hospital (by September 2003). It is anticipated that this will require increases in breast-feeding promotion, advocacy and coordination on the West Coast, especially in a formats that are acceptable to and appropriate for Maori and Pacific Island families / whanau.
▪ The aim is to have launched the Baby Friendly Hospital Initiative at Buller Hospital by September 2003 and Grey Base Hospital by December 2003.</td><td>Achieved.
The WCDHB has 2 Maternity wards, McBrearty Ward located at Grey base Hospital and Kawatiri Annexe, Buller Hospital. Baby friendly Hospital policies and procedures for these wards are currently being fine-tuned and training is being undertaken throughout the organisation. The Baby Friendly Hospital Initiative and associated documents are available to all staff and the public via our website.

Both McBrearty and Kawatiri wards are scheduled for a Baby Friendly Hospital audit to be undertaken in October 2004.</td></tr>
<tr><td></td><td>- Ensuring the continued ability of pregnant women (and their partners) to access parenting and pregnancy education.</td><td>Achieved.
During 2003/2004 the WCDHB provider arm provided 17 pregnancy and parenting and education courses in Westport, Reefton, Greymouth and Hokitika.

<table><tr><td></td><td># of courses</td><td># of participants</td></tr><tr><td>Westport</td><td>3</td><td>26</td></tr><tr><td>Reefton</td><td>1</td><td>11</td></tr><tr><td>Greymouth</td><td>10</td><td>78</td></tr><tr><td>Hokitika</td><td>3</td><td>28</td></tr></table>
Additionally, the Greymouth Parenting centre is contracted to provide 4 parenting courses per year.</td></tr>
<tr><td></td><td>- Monitoring breast-feeding data to assess need for further initiatives. Improve the quality of breast-feeding data held by General Practices and other early childhood providers.</td><td>On-going.
No new initiatives to report.</td></tr>
<tr><td></td><td>Proper Nutrition and adequate Physical Activity are also important aspects of child health.
• The West Coast DHB also aims to improve the nutrition and physical activity of young people by;
- Working with Community and Public Health and other providers to support the maintenance, further development and implementation of the health promoting schools initiative.</td><td>Achieved.
Health Promoting Schools information is provided in the diabetes section.</td></tr>
<tr><td></td><td>- Encourage CPH work through the Heart Foundation to promote the Healthy Heart Award to early childhood centres.</td><td>Achieved.
50% of early learning centres on the West Coast have registered with the Heart Foundation, Healthy Heart Awards. 5 of these centres have already achieved Healthy Heart Awards, with three achieving these awards in 2003/04. There are an additional 6 early childhood centres working</td></tr>
</table>

		towards achieving health heart Awards.
	- Training of influential community members (for example practice nurses, kaumatua and teachers) in physical activity, nutrition and healthy weight promotion for at-risk groups.	This information is provided in the Nutrition Section.
	Oral health is also a particularly important aspect of child health, and on the West Coast, oral health status is particularly poor. Child oral health is addressed in the Oral Health Objective.	Refer to Oral Health Section.
15. Management Priority		
Managing resources within available funding	The West Coast DHB has been allocated significant assets and financial resources by Government with which to manage the health priorities of the West Coast population.	**Achieved.** A number of efficiency initiatives were undertaken during the year, including Pharmaceutical Stat Dispensing, Reductions in operating expenditure, Improved collection of funding from ACC.
	• Although our plan indicates a significant financial deficit, we are committed to investigating all potential avenues for improved efficiency, subject to our stated health priorities and clinical and political constraints.	
	• The West Coast DHB is committed to ensuring that actual financial performance is in line with the approved Annual Plan for the Funder, Provider and Governance Functions of the DHB.	
	- (Details of planned financial performance for each of these areas in included in section 8 of this Statement of Intent).	
	- The aim is for all sections of the DHB to achieve or improve on their planned results for the 2003-04 Financial Year.	The WCDHBs financial performance was substantially ahead of budget (Refer to the Financial Section of this report for details).

Objectives and Performance Targets as a Funder of Health Services

As a funder the West Coast DHB is charged with the funding of health and disability services from both the Provider arm of the West Coast DHB and other providers of health and disability services on the West Coast.

Outputs reflecting the success in achieving this aim are referred to as "Health Funder Outputs".

HEALTH FUNDER OUTPUTS

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
1.	As a health funder, the West Coast DHB is responsible for purchasing services such as community based activity centres, community based mental health beds and Maori health services throughout the West Coast. • By entering into contracts with these providers, the West Coast DHB can confirm and renew its commitment to them and to the services that they provide. • We are also responsible for funding the West Coast PHO's GP services as well as dental services and pharmacies throughout the region. Most of these services are currently purchased according to a national pricing framework and will continue to be funded into the future. • It is anticipated that DHB will take over funding responsibility for Care of Older Person Services on the West Coast during the 2003-04 year. • The West Coast DHB aims to have entered into formal contracts with the various providers of health and disability services (including entering into a service level agreement with the Provider Arm of the West Coast DHB) in order to achieve the outcomes identified in the Annual Plan for the 12 months ending 30th June 2003.	WCDHB has entered into contracts with providers of health and disability support services, including the Provider arm of the West Coast DHB in order to achieve the outcomes set out in the District Annual Plan.
2.	A shortage of rural GPs has lead to a situation where the provider arm of the West Coast DHB provides a range of primary health services, usually provided by private practitioners elsewhere in the country. • The West Coast DHB is committed to ensuring access and availability of health services to the West Coast population and will ensure that all appropriate services will continue to be provided into the future.	West Coast DHB has worked hard to ensure that national service coverage requirements are met on the West Coast. This has been difficult in the 2003/04 year with a thinly dispersed primary care workforce and a national shortage of primary care providers wishing to work in rural areas. West Coast DHB has a focus in the 2004/05 year on finding solutions to alleviate these problems.

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
3.	The DHBs funding activities provide an opportunity to influence provider behavior so as to implement strategies aimed at meeting the population health priorities identified by the Governance and Administration Arm of the DHB. The DHB is conscious of the responsibility that comes with this function and the need to be honest and transparent in it's funding activities. • The DHB will work collaboratively with health providers in order to seek ways to implement strategies aimed at meeting identified health priorities, improving access, improving service delivery and reducing inequalities, with in available funding constraints and without unduly disadvantaging health providers.	West Coast DHB has a relatively small number of provider contracts, and the 2003/04 year has largely been one where contracts have been relatively stable and improvement has been largely based on collaboration with providers as opportunities arise while more substantial change is planned for the 2004/05 year.

Objectives and Performance Targets as a Provider

The provider arm of the West Coast DHB is responsible for the delivery of the services contracted by the Purchasing arm of the West Coast DHB. The specific details of these services are detailed in the West Coast DHB Annual Plan.

The following statistics give an indication of the scope and scale of the West Coast DHB's provider arm activities in 2003/04;

- 6,414 Patient discharges from hospital (raw inpatients /day patients purchased on a WEIS and non-WEIS basis)
- 3.48 Average length of stay (days) for medical and surgical patients
- 2,291 Total surgical operations performed in theatre (1,851 of which were non-acute)
- 16,746 Specialist outpatient attendances (of these 5,360 were first attendances)
- 12,431 Emergency Department attendances
- 54,588 Outpatient and domiciliary personal health attendances by allied health services (excluding X-ray, Laboratory, Special Area Medical Officer & GP Contacts).
- 8,869 Outpatient and domiciliary disability support attendances by specialist and allied health services
- 47,632 Meals on wheels were delivered Coast wide
- 13,275 Home help hours to personal health and maternity clients
- 289 Babies were delivered in hospital
- 5,183 Children served by school dental service
- 1,547 Children served by public health nursing service
- 28,978 Days of care for rest home and long stay patients
- 7,549 Inpatient mental health days of care
- 22,692 Face to face attendances by outpatient and community mental health services (including CAMHS, A&D, Child & Youth, etc)
- 3,663 Assessment Treatment and Rehabilitation inpatient bed days

Services provided included surgical, medical, women's health, child health, older persons health, disability support, mental health, intellectual disability, public health, X-ray, laboratory, GP services, child development, stomal care, palliative care, aged care service co-ordination, personal care, lithotripsy, pharmacy, orthotics, cervical screening, etc.

The provider arm utilised the following resources in achieving these outputs;

- 1,017 Number of people employed by the West Coast DHB (578.3 FTEs).
- $39m Of total assets.
- Hospitals located at Westport, Reefton, Greymouth and Hokitika
- Rest Homes at Westport and Reefton.
- GP Services at Ngakawau, Westport, Dobson, Greymouth, South Westland (Whataroa).
- District Nurses / Public Health Nurse centres at Westport, Hokitika, Greymouth and Reefton.
- Rural Nurse Health centres at Karamea, Moana / Otira, Whataroa / Franz Josef, Hari Hari, Fox Glacier and Haast.

Outputs reflecting the success in achieving this aim are referred to as "Provider Arm Outputs"

PROVIDER ARM OUTPUTS

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
1. Continuation of Services	The West Coast DHB Provider Arm will ensure that obligations to the funders of health services are met and that services are delivered as per contract. The target is to meet our contractual obligations and at the same time meet our obligations of access for the West Coast population. • Contracted volumes have been carefully set so as to cover all of the West Coast population's anticipated health needs, mainly based on recent historical demand. Some important aspects are; - Continued provision of maternity services. - Continued provision of community and district nursing services. - Continuation of the funding pool for a limited volume of high cost treatments currently provided on the West Coast. - Continuation of all mental health services currently provided through the provider arm of the DHB. - Continuation of all other services currently provided through the provider arm of the DHB, subject to the implementation of the above-mentioned review of AT&R and aged care services. • Compliance with the above objective will ensure that all services currently provided by the West Coast DHB will continue to be provided over the next 12 months. - While there will be some fluctuation according to patient demand, outputs are expected to total around; 4,600 total (raw) inpatient discharges, 2,000 total (raw) day patient discharges, 48,000 bed days.	**Achieved.** Maternity units are provided at Buller and Grey Hospitals. **Achieved.** Services continue to be provided throughout the West Coast. **Achieved.** Managed through Funding & Planning services in conjunction with provider arm. **Achieved.** Services continue to be provided throughout the West Coast. **Achieved.** No reduction in services provided through provider arm. **Achieved.** There were 4339 (raw) inpatient discharges and 2075 (raw) day patient discharges during the 2003/04 financial year. The number of bed days was down on anticipated levels to 43,860 inpatient bed days.
2. Waiting Times and Access to Elective Surgical Services	As well as core elective surgical services provided by resident specialists, the West Coast DHB provides complementary surgical services including urology, plastic, specialist pediatric surgery and dental surgery on a visiting specialist basis. The National Booking System is designed to standardize the way in which cases are selected for publicly funded elective services. Under the National Booking System, cases are weighted according to their urgency and the potential for the patient to benefit from the required procedure(s). Based on these criteria, patients are then advised how likely it is that they will receive the required procedure. Some specific objectives are; • Patients referred to core elective surgical services provided by the provider arm of the West Coast DHB should not wait longer than 6 months for first specialist	**Achieved.** There were 17 non-surveillance case patients referred for core elective surgical services and who were not on active review who were waiting longer than 6

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
	assessments.	months for their surgery as at 30 June 2004. These included 3 dental, 1 urology, 2 general surgery, 8 orthopaedic and 3 gynaecology patients. This was up slightly from the result at the same time last year, when there were only 11 waiting greater than 6-months for surgery. This is a very difficult area to achieve with the difficulties in recruiting permanent staff in both general surgery and Obstetrics and Gynaecology (O&G) during this period. We believe this was an excellent result given the circumstances.
	• It is not always possible to ensure that all patients referred to clinics provided by visiting specialists do not wait longer than 6 months for first specialist assessments due to the infrequency of some clinics. Difficulties attracting and retaining specialist medical staff can also put pressure on our ability to meet this target for specialties provided by resident specialists. - Our objective is to achieve as close to 100% (of patients not waiting longer than 6 months for first specialist assessments)as is practical given these circumstances.	**Not achieved.** There were 355 people on our outpatient waiting lists who had been waiting greater than 6 months for First Specialist Assessment (FSA) as at 30 June 2004. This represented 23% of the total number on the outpatient waiting list. Of those waiting longer than 6 months, 14% (51 patients) were for resident specialties; the rest spread across the various visiting specialist outpatient clinics delivered on the West Coast. Specialties which remain outside the targeted 6-months for FSA are Dermatology (21 patients), ENT (24 patients), general medicine (12 patients), general surgery (32 patients), gynaecology (2 patients), nephrology (1 patient), neurology (11 patients), ophthalmology (126 patients), orthopaedics (5 patients), paediatric medicine (1 patient), plastic surgery (37 patients), respiratory (9 patients),rheumatology (44 patients) and urology (30 patients). Efforts continue to be made to increase the visiting specialist clinics and deal with the back-log of patients waiting in this area. The current focus is on ophthalmology, plastic surgery and rheumatology.
	- Patients who have been offered publicly funded treatment by the provider arm of the West Coast DHB should not wait longer than 6 months for that treatment.	
	• Difficulties attracting and retaining specialist medical staff can limit our ability to meet this target, however the objective is to achieve as close to 100% as is practical given these circumstances.	**Not achieved.** Of patients with an assured status 62 had not been treated at 30 June 2004. This is 4.4% - a small number. Directly affected by a theatre close-down

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
		due to MRSA for one month, and anaesthetist shortage in April/May 2004. We believe a good result given those issues.
	• Our objective is to achieve as close to 100% (of patients who have been offered publicly funded treatment not waiting longer than 6 months for that treatment) as is practical given these circumstances. • The West Coast DHB is committed to achieving and improving on these objectives and is constantly working to reduce (improve) patient waiting times. Areas with high waiting times will be targeted with programs aimed at improving access to treatment and reducing waiting times. Some specific strategies that the West Coast DHB will undertake when waiting times come under pressure include; - The implementation of time extended "Mega Clinics" designed to increase the number of patients seen in a clinic day and therefore improve access to and reduce waiting times for specialist assessments. - Using weekend locum specialists to complete clinics and sessions (rather than to just provide on call emergency cover) where appropriate. - Regularly reviewing waiting lists (both inpatient and outpatient) for prioritization, monitoring clinical imperative and management of waiting times. - Collaboration with other DHBs providing complementary medical and surgical services in order to access their services (or to provide services to them) when respective demand patterns allow. - Collaboration with the mobile surgical bus to explore opportunities for the delivery of complementary day case surgery in Westport. - Continued effort in the recruitment and retention of medical staff, including the investigation of joint appointments with other DHBs.	**Partially achieved.** Currently a project is being undertaken in conjunction with the MOH Elective Services team to address the issue of the significant number of orthopaedic patients waiting. This is primarily the area of concern. In the 2004/05 year it is anticipated that a number of patients will be removed from the waiting lists for surgery. **Not achieved.** Delivery of mega clinics has not been sustained by specialist staff. **Partially achieved.** This has been achieved well in the area of O&G. Continue to work on this concept. **Achieved.** Both inpatient and outpatient lists are reviewed regularly for these indicators with both patient and specialist comment noted. **Partially achieved**. On-going collaborative arrangements have been and are being sought with both Canterbury and Nelson-Marlborough DHBs. Support is more recently sought in areas of ophthalmology, orthopaedics, paediatrics. **Not achieved.** Complementary day case surgery has not been achieved for Westport. However, efforts continue with Mobile Surgical Services (MSS) and a consultant to provide ophthalmic surgery on the West Coast, most likely at Westport. **Achieved.** Effort continues to be made regarding the recruitment and retention of medical staff. Financial constraints pose on-going difficulties. Current on-going investigation of joint appointments with other DHBs.
3. Safety and Quality Standards	The West Coast DHB will at all times actively seek to ensure that clinical effectiveness and quality is promoted throughout the organization and that clinically accepted standards are maintained.	
	• The West Coast DHB will develop an annual quality plan in order to enable a	**Achieved.** Quality Plan has been developed for next 6

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
	focused approach to quality improvement throughout the organization. • The West Coast DHB will continue to work towards certification against relevant standards. Such as; - NZS 8134:2001 "Health and Disability Standards". - NZS 8143:2001 "National Mental Health Standards". - NZS 8142:2001 "Infection Control Standards". - NZS 8141:2001 "Restraint minimization and Safe Practice Standards".	months taking account of action points for improvement identified as outcome of Certification Audit. **Delayed** Certification audit has been completed; Auditors report and application now resting with Ministry and awaiting their decision. **See above** **See above** **See above** **See above**
4. Hygiene Standards	The number of hospital acquired bloodstream infections is an important indication of how clean and safe our hospital environment is. The provider arm of the West Coast DHB is one of best in New Zealand in this regard, and plans to actively continue to promote and provide a clean and safe hospital environment. • The provider through stringent safety procedures will minimize the incidence of Hospital Acquired Blood Infections. • The target is to keep Hospital Acquired Bloodstream Infections as a percentage of all Inpatient Admissions less than 1%.	**Achieved.** Procedures have been reviewed earlier this year; Currently they are being benchmarked against Canterbury DHB. Procedures as additional review process; Audit and education plan has been developed and is being implemented. **Achieved.** Maintained through infection control measures / ongoing staff education. **Achieved.** The hospital acquired blood stream infection rate for the 2003/04 financial year was 0.062% (A total of 3 patients were identified as having Hospital Acquired Bloodstream infections).
5. Patient Satisfaction	Patient satisfaction surveys are a standard national format survey sent to a random sample of our patients by an independent survey organization. Approx 100 patient satisfaction surveys are sent out per week. They investigate patient experiences and provide valuable feedback about the quality of our services. • The target is to have 85% of inpatient satisfaction surveys and 85% of outpatient satisfaction surveys rated as either "good" or "very good" as measured by the Health Monitoring Directorate of the Ministry of Health.	**Achieved.** 93.12% of Inpatients responded either "Good" or "Very Good" to the inpatient satisfaction survey. 91.19% of Outpatients responded either "Good" or "Very Good" to the outpatient satisfaction survey.
6. Preparedness for a Major Incident or Emergency	The West Coast DHB is currently preparing a major incident management plan to ensure that services can continue if a major incident occurs and will implement any requirements of the plan during the 2003-04 financial year.	**Not achieved.** Continues to be worked on, but staff resource and financial constraints continue to hamper the slow progress of this. Some Coordinated Incident Management System (CIMS) training has been undertaken and more is planned, along with a number of other exercises in collaboration with other emergency services.
7. Reconfiguration of Hospital Level Aged Care Services	These services are currently delivered in a configuration that is considered adequate, but not clinically ideal. Treatment methods and clinical recommendations have changed over	A business case for the construction of a new Dementia Unit, collocated with AT&R services was taken to the Ministry of Health and funding for the capital costs

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
	time, to a point where the recommended format for these services is unable to be provided from the physical infrastructure that is currently in place. A study of options as to the future configuration of Assessment Treatment & Rehabilitation (AT&R), and elderly services at the Grey Base hospital was conducted in the 2002-03 financial year, resulting in the submission of a business case to the Ministry of Health seeking approval and funding for a new dementia unit, co-located with the Assessment Treatment & Rehabilitation (AT&R) service in Greymouth. • It is hoped that the business case will have been approved, funding secured, detailed planning completed and construction commenced by 30 June 2004.	approved. However, this approval was conditional on other potential providers being given a second opportunity to be considered as a potential provider of the service. This caused further delay in the project, with a decision on provider of the service now scheduled for October 2004. **Not achieved.**
8. Implementation of the Primary Healthcare Nurse Innovation Project: Neighbourhood Nursing in Reefton	The West Coast DHB has successfully sought pilot funding from the Ministry of Health for the Neighborhood Nursing project, a major initiative in primary healthcare nursing. • The project aims to expand the Primary Healthcare Nurse role as a key component in the delivery of health services in small rural communities. It will encompass a diverse range of nursing services including Public Health, District, Practice and General Nursing out side of the hospital setting. The role will also complement the existing Rural Nurse Specialist roles. • The West Coast DHB will implement and manage the Neighborhood Nursing in Reefton project over the course of the 2003-04 financial year.	Working with the existing community nursing team in Reefton we are currently creating a draft position description for the nurses to work with. This is a living document that will change and grow as the role develops. We continue to implement and manage the Neighbourhood Nursing Innovation. We use the project timeline, identified in our proposal document, to guide us in our progress.
9. Continued Monitoring and Improvement of the Mental Health Service	During the 2002-03 financial year the West Coast DHB implemented a system to monitor and improve the quality of the mental health service in order to achieve best practice outcomes and ensure ongoing compliance with the National Mental Health Standards through an ongoing audit program. • The audit program for this objective is underway and compliance is checked on an ongoing basis.	**Achieved.** The Mental Health Service, Quality Improvement Programme 2004-05 has been developed and is monitored at regular meetings held 3 weekly. There are currently 46 quality improvement initiatives in the Mental Health Service Quality Improvement Plan. Internal Audits have been carried out quarterly since the programme was initiated in December 2003, with audits at the end of both March 2004 and June 2004.

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
	• Compliance with these standards ensures that quality and availability of mental health services is maintained. • The aim is to achieve as close to 100% compliance as is practical.	**Achieved.** Certification audit has been completed; Auditors report and application now resting with Ministry and awaiting their decision. **Partially Achieved.** Recent certification audit shows that the Mental Health Service has achieved certification against National Mental Health Standards. Internal auditing processes ensure that this is constantly monitored, and improvements to achieve 100% compliance.
10. Consumer, Family and Caregiver Participation in Mental Health Service	The West Coast DHB is committed to providing for effective consumer, family and caregiver participation in mental health service delivery, planning and review. Questionnaires and a formal measurement system for this objective were developed during the 2002-03 financial year. • The DHB will carry out ongoing monitoring and service evaluation in order to improve performance in this regard over the course of the 2003-04 financial year.	**Achieved.** Consumer Satisfaction Surveys have been administered quarterly during 2003/04. The results of these surveys have been reported to the Managers of Acute and Community Mental Health Services (MAC's). An action plan from the 2003 calendar year results has been developed and is monitored through the Mental Health Services Quality Improvement Plan. A Satisfaction Survey of Family members was completed in December 2003, the results of these were used to identify areas of service improvement in involving family participation in services. An action plan was developed from this survey and presented to MAC's. This survey will be repeated on an annual basis.
11. Human Resources	The West Coast DHB will exercise best practice in all employment and industrial relations matters. The West Coast DHB is one of the largest employers in the West Coast Region and aims to be a role model for other organizations in all employment matters. Areas such as equal employment opportunities, managing cultural diversity, management of change, employee assistance programs, occupational safety and health, training opportunities and scholarship support will all be actively promoted and supported by the West Coast DHB. • The West Coast DHB will actively seek qualified staff both domestically and internationally in order to meet all of its identified staffing needs. • In addition to recruiting, maintaining, and managing it's own work force, the West Coast DHB will support and assist other organizations such as GP practices and	**Achieved.** Except scholarship support due to financial constraints. This remains ongoing. **Partially achieved.** Active recruitment continues on an ongoing basis, however some vacant positions remain difficult to recruit, despite sustained effort. **Achieved.** Organisation support for recruitment and support services has been provided to Greymouth Medical Centre, Buller Medical

Number	Performance Target to 30/6/04	Actual Performance to 30/6/04
	the West Coast PHO in their efforts to attract and retain medical staff to West Coast. • Where practical, the West Coast DHB will also work with non-health employers to promote common interests in the recruitment and retention of qualified employees.	Services, Karamea and South Westland. CVs and locum contacts have been offered to other GP Practices. West Coast District Health Board is currently investigating a rural GP training scheme implementation. **Achieved.** Ongoing commitment to liaising with Recruit West Coast, a central contact point for vacancies throughout the region. Participation in job shops and other recruitment opportunities.

Governance Operating Statement for the 12 months ended 30 June 2004

	Board Budget June 2004	Board Actual June 2004	Board Actual June 2003
Revenue	998	998	968
Operating Expenses	(1,036)	(795)	968
Net Operating Surplus (Deficit)	(38)	203	0

Funding Operating Statement for the 12 months ended 30 June 2004

	Board Budget June 2004	Board Actual June 2004	Board Actual June 2003
Revenue	67,499	70,238	46,265
Expenditure			
• Personal Health	49,680	52,045	36,846
• Mental Health	9,282	9,272	8,228
• Public Health	186	-	-
• Disability Support	7,311	7,207	194
• Other Services	936	1,002	936
Net Operating Surplus (Deficit)	104	712	61

Provider Operating Statement for the 12 months ended 30 June 2004

	Board Budget June 2004	Board Actual June 2004	Board Actual June 2003
Revenue	51,007	52,013	47,351
Operating Expenses	48,218	48,701	46,441
Operating Surplus (Deficit) Before Depreciation, Capital Charge Interest & Non Recurring Items	2,789	3,312	910
Depreciation	2,752	2,683	2,370
Capital Charge	1,363	1,320	268
Interest Expense	787	660	805
Operating Surplus (Deficit) Before Non Recurring Items	(2,113)	(1,351)	(2,533)
Net Operating Surplus (Deficit)	(2,113)	(1,351)	(2,533)

Summary of Revenue and Expenditure by Output Class

	Provider	Governance	Funder	Eliminations	Result
Revenue	52,013	998	70,238	45,041	78,208
Expenditure	53,364	795	69,526	45,041	78,644
	(1,351)	203	712	0	(436)

STATUTORY INFORMATION

NEW ZEALAND PUBLIC HEALTH AND DISABILITY ACT 2000

Section 42(3) of the New Zealand Public Health and Disability Act 2000 requires DHBs to provide the information outlined below in their annual reports. These requirements are in addition to those specified in Section 41 of the Public Finance Act 1989. We have shown them here for ease of reference, but the information may be incorporated into other parts of the annual report, for example, the Board Members report, the statement of service performance or the notes to the accounts.

Personnel Policies

The following Board policies contribute to and assist the Board in meeting its objectives as a good employer. The policies provide guidance and support to staff and management to ensure all employees are treated fairly and equitably:

- Recruitment
- Employee Assistance Programme
- Equal Employment Opportunity
- Good Employer Procedure
- Orientation
- Prevention Of Harassment
- Smoke-Free Workplace Policy And Procedure
- Staff Code Of Conduct
- Staff Discipline, Suspension And Dismissal Procedure
- Staff Guidelines On Cultural Safety
- Training And Development
- Performance Management
- Leave

Other Objectives

During 2003/2004 the West Coast DHB was actively engaged in developing its District Annual Plan for 2004-2007.

This plan is aligned to the Strategic Plan (2002-2012) developed in the previous year which involved extensive community consultation on identifying key health gain areas for the West Coast population upon which the DHB should focus its resources.

A comprehensive Health Needs Analysis was carried out in October 2001 to underpin the planning processes required of the DHB.

The plans and other activities ensure the West Coast DHB has materially complied with all statutory objectives outlined on the following pages.

STATUTORY OBJECTIVE	EXTENT TO WHICH IT HAS BEEN MET
To improve, promote, and protect the health of people and communities	**Primary Health** West Coast PHO was established 1 October 2002 thus meeting requirements and objectives of the Primary Health Strategy. **Oral Health** Progress is being made in key oral health indicators. Workshops held with providers. Adolescent Health Regional Coordination Service established to improve utilisation of dental services by adolescents. **Child Health** An increase in liaison with Well Child providers was achieved through Well Child Network meetings. Work is underway on implementation of the Immunisation Strategy for the Meningococcal Vaccine Strategy. **Cardiovascular** The WCDHB is actively involved in a number of initiatives aimed at improving nutrition and exercise. **Diabetes** The DHB has continued to support the local Diabetes Team and is working to secure a retinal photographic service for the West Coast. **Others** Numerous other examples are given in the Statement of Service Performance in this Annual Report.
To promote the integration of health services, especially primary and secondary health services	Increased liaison and integration has occurred through the establishment of the PHO and a review of DHB owned primary and community services is planned. Approval has been gained and the WCDHB and WCPHO have established a Primary Health liaison position to further improve the integration between and within the West Coast primary and secondary sectors.
To promote effective care or support for those in need of personal health services or disability support services	Various service reviews have been undertaken to ensure the effectiveness of services:- • Health of Older People Project • Mental Health Support Services Review • A&E Review • Professional and service standards are met, and subject to ongoing review.
To promote the inclusion and participation in society and independence of people with disabilities	The West Coast DHB, as a good employer, has developed a policy to support and promote equal employment opportunities for people with disabilities and ensure the absence of discrimination against individuals. The Disability Support Services Advisory Committee advises the Board on disability issues. The development of a Disability Action Plan to ensure the DHB promotes opportunity and access for disabled people accessing DHB facilities and services is planned.

STATUTORY OBJECTIVE	EXTENT TO WHICH IT HAS BEEN MET
To reduce health disparities by improving health outcomes for Maori and other population groups	Through extensive consultation with the Maori community a Strategic Plan to address disparities in health outcomes was agreed. A Maori Health Plan has been completed. Activities undertaken in 2003/2004 involve the improvement of ethnicity data collection, commencing a needs analysis for Maori and increasing staff and community awareness of the importance of reducing disparities and a Memorandum of Partnership with local Maori is being developed. Treaty of Waitangi training is provided to staff of the DHB. An introduction to Maori health and cultural issues is routinely provided to new staff.
To reduce, with a view to eliminating, health outcomes disparities between various population groups within New Zealand by developing and implementing, in consultation with the groups concerned, services and programmes designed to raise their health outcomes to those of other New Zealanders	The PHO established on the West Coast is the primary vehicle for the West Coast DHB to address disparities in health outcomes as identified in the Health Needs Analysis and Strategic Plan. Improved funding through the PHO and targeted integrated health programmes will assist in addressing inequalities.
To exhibit a sense of social responsibility by having regard to the interests of the people to whom it provides, or for whom it arranges the provision of, services	The DHB has consulted extensively with local communities (both geographic and communities of interest) during the development of the Strategic Plan and has incorporated results of that consultation into subsequent planning.
To foster community participation in health improvement, and in planning for the provision of services and for significant changes to the provision of services	The DHB is committed to community engagement and participation by the community in service planning and where significant changes are likely. Statutory Committees of the Board have significant community representation and in addition the Board has a Mental Health Advisory Committee. Public Meetings were held to discuss the Health of Older People and the Mental Health Support Services The WCDHB has supported the Buller District Council's commissioned review of health services for the Buller region which is being conducted by the Grafton Group. Public Meetings have been held in order to encourage public input into the Grafton Group's process. A West Coast Mental Health Forum is held regularly.
To uphold the ethical and quality standards commonly expected of providers of services and of public sector organisations	The Board monitors ethical and quality standards performance and it has fully met this objective.
To exhibit a sense of environmental responsibility by having regard to the environmental implications of its operations	The Board meets all requirements for the operation of its facilities including waste management and air discharge. It maintains its facilities to a good standard.

The NZ Public Health and Disability Act 2000 section 23 defines the functions of a DHB. The West Coast DHB has given effect and intends to give effect to its statutory functions as listed below.

STATUTORY FUNCTION	1. HOW HAS IT BEEN GIVEN EFFECT AND 2. HOW THE BOARD INTENDS TO EFFECT IT
To ensure the provision of services for its resident population and for other people as specified in its Crown funding agreement	1. Crown Funding Agreement deliverables met. 2. Board intends to meet the requirements of all funding agreements that it enters.
To actively investigate, facilitate, sponsor, and develop co-operative and collaborative arrangements with persons in the health and disability sector or in any other sector to improve, promote, and protect the health of people, and to promote the inclusion and participation in society and independence of people with disabilities	1. The Board is actively involved in; (a) DHBNZ, an association of DHBs that acts for DHBs on matters of common interest; (b) South Island Shared Services Agency, jointly owned by the South Island DHBs to assist with health planning and to provide support services to the DHBs; c) Management and staff are involved in numerous forums with the Minister of Health, other DHBs, and local agencies. 2. Primary Secondary sector integration and inter-agency co-operation will be the main local approaches.
To issue relevant information to the resident population, persons in the health and disability sector, and persons in any other sector working to improve, promote, and protect the health of people for the purposes of the two functions above	1. Via print and news media, website and consultation. 2. Continue with (1) above.
To establish and maintain processes to enable Maori to participate in, and contribute to, strategies for Maori health improvement	1. The Board employs a General Manager, Maori Health at the Executive Management Team level and meets formally with representatives of Nga Papatipu Runanga. There is Maori representation on all advisory groups. 2. The West Coast DHB continues to support the local Maori provider (Rata Te Awhina Trust). 3. A whanau facility has been constructed and opened in March 2004. A needs assessment of the Maori population is planned for 2004/2005.
To continue to foster the development of Maori capacity for participating in the health and disability sector and for providing for the needs of Maori	The West Coast DHB is developing strategies that will improve the recruitment, training and retention of Maori staff.