



District Strategic Plan

A Healthier Canterbury: Directions 2010

May 2006

On average, a week in the life of the Canterbury District Health Board:

48,000 people visit their GP;
\$1,960,000 worth of prescription items dispensed;
\$541,000 worth of laboratory tests are completed;
1,560 people are discharged from hospital, of which 1,260 were admitted acutely;
190 people access mental health services;
875 women have a cervical smear;
680 people have a free influenza vaccination;
200 people have a free diabetes check;
1,640 people have their first attendance at Outpatients;
4,800 people have a follow up Outpatients attendance;
250 children have a dental check;
1,500 people attend the Emergency Department;
710 people are admitted to hospital from the Emergency Department;
280 people have elective surgery;
76 cases of infectious diseases are notified;
15 people are discharged from hospital with asthma as the principal diagnosis;
20 people die in hospital; and
100 babies are born.



Figure 1. Canterbury DHB Region
(Source: Ministry of Health)

ISSN: 1176-0516

Table of Contents

It's About How We Improve Our Health – Executive Summary	05	Performance Measures	30
Our Purpose – Introduction	06	Other Things we need to Consider - Services in the Future	32
What are District Health Boards?		Our Values	
The Canterbury DHB		How We Work	
Our Vision – Ta Matao Matakite		Commitment to Quality and Patient Safety	
What Do We Do?		Emergency Planning and Readiness	
Working with Māori		How We Decide What We Fund	
The Canterbury DHB's Organisational Structure		Assumptions	
The Canterbury DHB Strategic Plan	08	Ownership, Capacity and Sustainability	
What is a District Strategic Plan?		Risk Management and Risk Mitigation	
How was this Strategic Plan Developed?		Monitoring and Reporting	
Public Feedback		Financials	38
Canterbury's Current Health Environment	10	Our Financial Objectives	
Our Population Profile		Where Does the Funding Go?	
The Health of Our Community		Financial Outlook 2006 – 2010	
Our Challenges	12	Statement of Financial Performance	
Our Core Directions – Tools for the Way Forward	14	Statement of Financial Position	
Improve the Health of our Community		Movement in Public Equity	
Find Better Ways of Working		Statement of Cashflow	
Work Together		Appendices – Additional Information	42
Develop our Health Care Workforce		Objectives and Functions of a DHB	
Be a Leader in Health		Key Government Priorities	
Our Strategic Priorities – Where we will Focus our Effort	20	CDHB Summary of Submission on draft District Strategic Plan 2005	
Child and Youth Health		CDHB Health Needs Assessment Summary 2004	
Older People's Health		Other Ongoing Work	
Māori Health		Glossary of Terms	
Primary Health Care		Acknowledgment	
Disease Prevention/Management			
Disease Priorities: Cancer, Diabetes, Heart Disease, Respiratory			

It's about How We Improve Our Health - Executive Summary

Planning the future direction of health in Canterbury is an important task that involves many people – from health consumers to health professionals. The preparation of this Plan is based on health priorities that are determined by Government and developed through community debate, submission and discussion. The end result is a comprehensive, all-embracing Strategic Plan for our district that outlines and explains our current health environment, our challenges and where we will focus our efforts.

Canterbury's population profile is not only interesting, it is the background over which we have laid the priorities that will meet the needs of our community in the next 5-10 years. Much has been written about our ageing population and we must take this into account when developing our plans. What is also important is the growth of the population, the urban and rural development, and the increasing number of our child and youth population that are Māori, Asian and Pacific.

The health status of our population is generally better than the national average and we have the highest life expectancy at birth of all the District Health Board regions in New Zealand. However that does not minimise the energy we must continue to put into areas of deprivation. Central to this is the need to reduce inequalities, to improve access to quality health care in the community generally, and, importantly, to work within the funding and financial pressures we face.

This Strategic Plan explains our population priorities: Child and Youth Health, Older People's Health and Māori Health. It identifies our service priorities of Primary Health and Disease Prevention/Management. Within the latter, we have selected four primary disease priorities: Cancer, Diabetes, Heart Disease and Respiratory Disease. The progress we make in all these important areas will shape the future of our health needs in Canterbury, and will require a dedicated and collaborative effort between the different publicly funded community health agencies and the Canterbury District Health Board's Hospital and Specialist Service. The need to support disease prevention, early intervention and the ongoing uptake of health services is an imperative.

At the same time, we must continue to focus our efforts on finding better ways of working to the extent that we will improve the patient journey not only within the hospital system but in the primary care sector with a better facilitated and coordinated approach.

In seeking to achieve our strategic objectives, our greatest challenge is in maintaining our financial viability. The operating environment is becoming increasingly challenging. DHBs are faced with capped funding and increasing economic and compliance cost pressures. The funding increases we have been asked to plan for fall short of the forecast cost growth indicated by some official forecasts. However, it is likely they will be adjusted for more current projections if inflation rises and that more revenue will follow as a consequence.


The last few years have seen unprecedented levels of investment in our staff. Wage costs have grown significantly. This trend will need to be contained in future periods or we will need to reduce patient services in order to pay additional levels of wages. This stark message needs to be recognised by all levels of the sector and by the people of Canterbury.

It is important to note that the Canterbury District Health Board (DHB) has made substantial improvements in its financial management and since its inception in 2001/2002 has eliminated its' \$21million operating deficit. Notwithstanding this, the forecast financial results indicate that, even with efficiency gains of about \$8m, it is possible that the Canterbury DHB may run a deficit from 2008/2009. This is of significant concern to the Board. If a deficit does materialise, as a last resort, service reductions will need to occur to ensure financial breakeven and for the DHB to live within its financial means.

Our motivation is to do the very best we can to ensure our community gets the best services we can deliver with the funding available. As such, we will continue to encourage innovation, information sharing and the development of health expertise to cope with future demand whilst promoting, enhancing and facilitating the wellbeing of the people of Canterbury.



Syd Bradley
Chairman



Gordon Davies
Chief Executive

Our Purpose – Introduction

What are District Health Boards?

District Health Boards were established on 01 January 2001, under the New Zealand Public Health and Disability Act (2000). There are twenty-one DHBs and their prime responsibility is to improve, promote and protect the health and independence of their populations. The statutory objectives and functions of a District Health Board are attached as Appendix 1. District Health Boards have three primary components (or 'arms'):

Governance - Each District Health Board (DHB) has an eleven member Board, responsible for governing the DHB. The DHB's community elects seven Board members and the Minister of Health appoints the remaining four. The Board's responsibilities include: setting long-term strategic direction, monitoring performance, appointing the DHB's Chief Executive and maintaining relationships with the Minister of Health (to whom Boards are accountable), Parliament, Māori and with its community through regular consultation and engagement.

Planning and Funding - It is up to each DHB, noting its region's health needs and in consultation with its community, to decide what health and disability services are needed and how best to use the limited funding they receive. This involves deciding on the mix and level of services to be funded in the region. DHBs must also consider Government priorities and various overarching national strategies like the *New Zealand Health Strategy* and the *New Zealand Disability Strategy*.

Using funding provided by the Ministry of Health, and other external providers, DHBs contract with the organisations or individuals who can best provide the services they need. Contracts are held with a wide range of health and disability service providers including community-based Non-Governmental Organisations (NGOs), general practitioners through Primary Health Care Organisations (PHOs) and the DHB's own provider-arm.

Provider-Arm - DHBs are also responsible for providing some of the health and disability services in their regions. The level and variety of services provided by DHBs depends on their relative size with some DHBs providing a wider variety and number of specialist and tertiary level services, than others. The Canterbury DHB's Provider-Arm is referred to as its Hospital and Specialist Services (HSS) division.

The Canterbury DHB

The Canterbury DHB is responsible for the funding and provision of public health and disability services in the Canterbury region. It covers covering a population of more than 420,000 and is the largest DHB in New Zealand by geographical area.

In 2005 the Canterbury DHB's annual budget topped \$900 million, around half of which was spent on primary and community based health services and half on hospital and specialist services.

With a staff of over 8000, the Canterbury DHB is also the largest employer in the South Island.

Our Vision, Ta Matou Matakite

To promote, enhance and facilitate the health and well-being of the people of Canterbury. Ki te whakapakari, whakamaanawa me te whakahaere i te hauora Mo te orakapai o ka takata o te rohe o Waitaha.

What Do We Do?

- Plan, in consultation with stakeholders and our community, the strategic direction for health services in the Canterbury region.
- Fund most of Canterbury's disability services (for older people), mental health, Māori health and personal and family health services. The Canterbury DHB currently holds over 500 contracts with a wide range of health and disability service providers throughout the region.
- Run Canterbury's fourteen public hospitals and provide hospital and specialist mental health, disability support, alcohol and drug and community health services, through our Hospital and Specialist Services division (HSS).
- Provide and support population based health promotion and health protection activities and regulatory services through our Community and Public Health division (CPH).
- Encourage all health and disability services providers in Canterbury to work in collaboration to streamline health care, to make that care more efficient and effective and to work on addressing inequalities of access to health services.

Working with Māori

The Canterbury DHB recognises and respects the principles of partnership, participation and protection embedded in the Treaty of Waitangi within the context of the New Zealand Public Health and Disability Act 2000. We are committed to reducing disparities and improving health outcomes for Māori and to ensuring Māori involvement in planning for strategies.

The Canterbury DHB regularly meets with Manawhenua ki Waitaha (which comprises the seven Kai Tahu runaka), Te Runanga o Nga Maata Waka Inc and other Māori community groups, providers and organisations. Māori community consultation meetings are held regularly to learn about Māori issues and provide an update on the Canterbury DHB's activities. The Canterbury DHB's Board is currently in discussions with Manawhenua ki Waitaha on formalising the relationship between them at a governance level.

The Canterbury DHB has also established Te Kahui Taumata, a group led by the Chief Executive, Executive Director of Māori and Pacific Health, and the Taua. This group will ensure that the Canterbury DHB continues to recognise and respect the principles of the Treaty of Waitangi and actively works to improve the health of Māori in its region.

The Canterbury DHB's Organisational Structure

The Chief Executive leads the organisation of which there are three primary divisions: Planning and Funding, Hospital and Specialist Services and Community and Public Health Services.

Support for these divisions is provided by Finance, Human Resources, Corporate Services (information services, audit and legal services) and Communications divisions. At this Executive Management Level the Canterbury DHB also has an Executive Director of Māori and Pacific Health, an Executive Director of Nursing and a Chief Medical Officer who provide clinical and cultural leadership to all areas of the organisation and oversight of patient safety and quality.

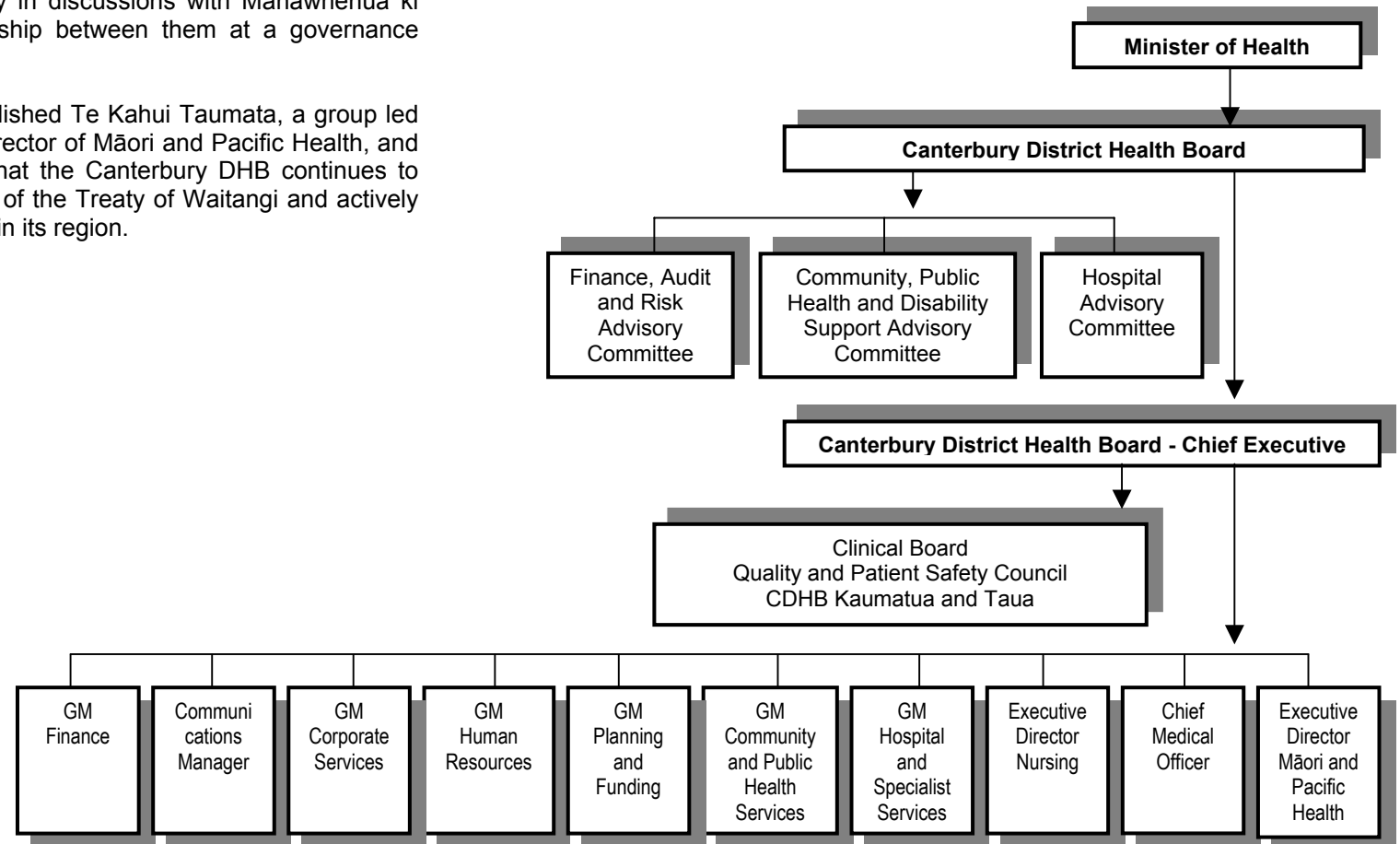


Figure 2. Organisational Structure

The Canterbury DHB's District Strategic Plan

What is a District Strategic Plan?

Section 38 of the NZ Public Health and Disability Act 2000 (the Act that established DHBs) sets out the DHB's statutory objectives, functions and responsibilities. The Act outlines how DHBs will develop District Strategic Plans - Plans that will describe their directions and long-term goals over a 5-10 year period and their strategies to achieve those goals. The Minister of Health must approve each DHB's District Strategic Plan and requires that they be reviewed at least once every three years.

This District Strategic Plan '*Healthier Canterbury - Directions 2010*' presents the Canterbury DHB's current vision for the Canterbury region for 2006-2010. This Plan is a snapshot of current thinking and so may evolve over time. The Act allows for a DHB to amend its District Strategic Plan, however before it does so it is required to undertake a Health Needs Assessment, consult its resident population on the draft amendment and obtain the Minister of Health's consent.

The District Strategic Plan (Strategic Plan) gives the Canterbury DHB direction and purpose and is pitched at a high level focusing on setting long-term goals and establishing priorities. Although some performance measures have been included to provide more understanding of how we achieve this, the aim of this document is to provide strategic direction not to dictate actions and timeframes.

All DHBs are also required to produce Statements of Intent (three-year plans) and District Annual Plans (one-year plans). These documents are shaped and informed by the Strategic Plan. Details of how progress will be made in achieving strategic goals and implementing strategies is presented yearly in the District Annual Plans which are much more action based and operationally focused. Out of the Strategic Plan and the District Annual Plan also fall the DHB's service plans, business plans and action or implementation plans.

All the Canterbury DHB's plans and operational strategies are published (along with this Strategic Plan), on our website (www.cdhb.govt.nz).

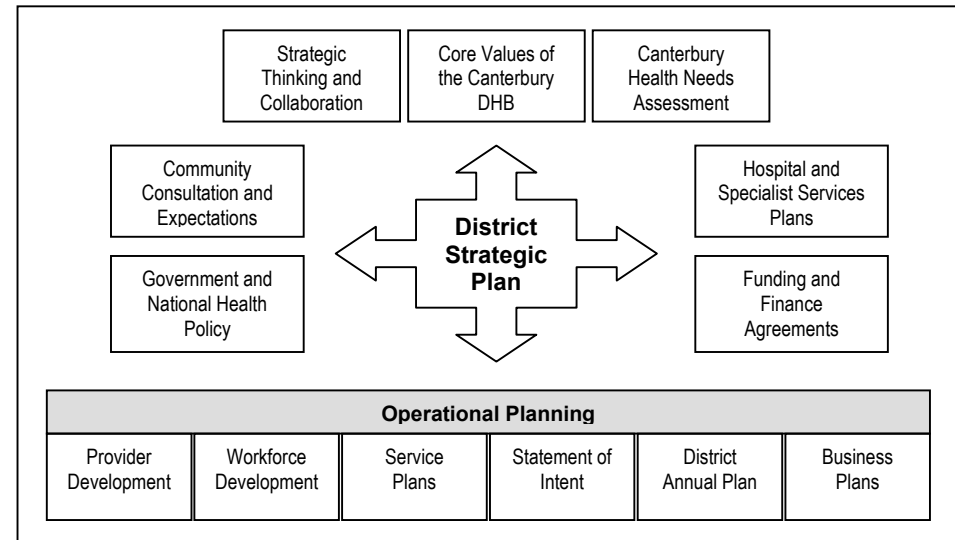


Figure 3. Canterbury DHB Strategic Planning Framework

How was this Strategic Plan Developed?

In order to develop a plan for the direction of health and disability services in Canterbury over the next five years the Canterbury DHB assessed and considered a variety of information from a number of sources:

- Government Health Policies, Priorities and Strategies¹:
The New Zealand Health Strategy (2000) sets the platform for the Government's action on health and identifies priority areas and aims to ensure that health services are directed at those areas that will ensure the greatest benefits for the population, concentrating on tackling inequalities in health;
The New Zealand Disability Strategy (2001) provides an enduring framework to eliminate the many different types of barriers that exist and to make New Zealand (NZ) a more inclusive society;

¹ Refer to Appendix 2 for Key Government Health Priorities.

- Two demographic based Health Needs Assessments of the Canterbury DHB's resident population completed in 2001 and 2004;
- Future demographic predictions and the impact of changes on both service demand and funding;
- Information on the provision of, and accessibility to, existing services;
- Ministry of Health Strategies including:
Child Health Strategy (achieving health for all) 1998; Diabetes 2000; Health of Older People Strategy 2002; He Korowai Oranga, Māori Health Strategy; Ministry of Health's Strategic Direction for 2004/2005; National Mental Health Strategies, (Māori Mental Health Strategy); NZ Cancer Control Strategy 2003; NZ Palliative Care Strategy 2000; Pacific Health and Disability Action Plan 2002; Primary Health Care Strategy 2001 and Youth Health: A Guide to Action;
- Canterbury DHB Strategies including:
Child and Youth Action Plan; Diabetes Action Plan; Māori Health Plan; Mental Health and Addictions Strategy; Canterbury Heart Health Strategy; Disability Action Plan; Healthy Eating, Active Living Plan; Oral Health Strategy; Pacific Health Action Plan and the Quality Strategic Plan.
- Feedback from stakeholders and consumers in Core Directions 'workshops' in 2004 and 2005.

From this assessment the Canterbury DHB produced a draft Strategic Plan for consultation with its community (as required under the NZ Public Health and Disability Act 2000). The Ministry of Health's Consultation Guidelines (2002) promote a number of principles for meaningful public consultation and have provided guidance for the Canterbury DHB in undertaking its public consultation process and in developing its consultation document.

The draft Strategic Plan was released on April 22nd 2005. The consultation period lasted for ten weeks until June 30th 2005 and included six large public consultation meetings throughout the Canterbury region, five site based staff consultation meetings and a number of smaller focused consultation meetings with stakeholder groups and community forums. The consultation meetings included specific meetings with Māori and Pacific stakeholder groups one public meeting being held on the Rehua Marae.

The availability of the draft Plan was advertised in local newspapers, local radio stations, both Canterbury DHB public and staff publications and on the Canterbury DHB's website throughout the consultation period. Local libraries and all Canterbury's major hospitals were provided with copies for the public.

Submission forms were provided with the draft Plan to encourage feedback, with a number of clear questions to assist with responses. A freepost service was provided for the return of submissions and copies of the Canterbury DHB Health Needs Assessment Summary were also provided as additional information to assist with the completion of submissions. Submissions were received by post, email, fax and in verbal form.

After the close of the submission period the Canterbury DHB analysed the feedback provided and produced a summary of the submissions received. The draft Strategic Plan was then updated in response to the feedback received and presented to the Canterbury DHB's Board for approval, along with the summary of submissions document. The final version of the Strategic Plan was then sent to the Minister of Health for sign-off.

Public Feedback

More than two thousand (2000) consultation documents were distributed over the consultation period and one hundred and nineteen (119) written submissions were received in response. A summary of the feedback received both at the meetings and from the written submissions was produced in September 2005. This summary is attached as Appendix 3 to this document. The feedback was generally supportive of the Core Directions and Strategic Priorities proposed by the Canterbury DHB.

In summary, the Canterbury public expected a number of things from its health services:

- Clear and timely communication – to be respected and to be informed;
- Family/whanau and consumer involvement;
- Equity of access and services irrespective of geographical location, age or ethnicity;
- The maximum value from available funding;
- Satisfaction with treatment;
- Integrated service provision – a holistic focus on the patient as a whole;
- Focus and emphasis on health promotion and lifestyle disease prevention;
- Cultural and Clinical Safety and Quality Services;
- Accountability and a commitment to implementing strategies; and
- An adequately trained and available workforce.

Canterbury's Current Health Environment

In September 2004 the Canterbury DHB completed its second comprehensive Health Needs Assessment (HNA) which attempted to bring together information to describe the population and health status of the residents of Canterbury.

The changing demography of the population is described in some detail in the 2004 HNA; a summary of that assessment is attached to this document as Appendix 4. Those who would like more information are directed to the complete 2004 HNA on the Canterbury DHB website (www.cdhb.govt.nz).

Our Population Profile

The Canterbury DHB is the second largest DHB by population and the largest by geographical area. The catchment area covers rural communities from Kekerengu in the north, Rangitata in the south and Arthur's Pass in the west.

Canterbury's population at the 2001 Census was 427,089. Statistics New Zealand predicts that this will rise to 464,700 by 30 June 2005 (base 2000) and to 504,700 by 30 June 2021. Māori make up 6.7% of Canterbury's usual resident population, Asian people 4.4% and Pacific people 2.0%. Most people identifying as Māori, Asian or Pacific live in Christchurch City.

Just over a quarter (26%) of Canterbury's population currently lives outside of the urban Christchurch boundary. There are differing degrees of rurality but approximately 7,000 Cantabrians live in remote areas and have to drive for more than an hour for primary health care services.

Poorer health status is linked with high degrees of deprivation and Canterbury has about 80,000 people living in NZ Deprivation Deciles 8, 9 and 10. The percentage of Māori and Pacific people living in these areas is higher with 43% of Pacific and 30% of Māori in deciles 8, 9 and 10 compared to 15% of Pakeha and 17% of Asian populations.

Around 15% of Canterbury's population is aged between 15 and 24. This is the same as the national figure. An increasing number of our child and youth population are Māori, Asian and Pacific. These ethnic groups have younger populations in general and around 50% of the Māori and Pacific populations are under 25 years old.

The 2001 Census shows 13% of the total Canterbury population is aged over 65. This is a slightly higher proportion of elderly, relative to the NZ population as a whole. Some rural areas have a higher share of the older population, Kaikoura and Ashburton have particularly high proportions of their populations aged over 65 (15.3% and 16.4% respectively). Selwyn on the other hand has only 8.3% of its population in this age group. The percentage of the total population in Canterbury aged over 65 will increase to almost 20% by 2021.

The percentages of Māori and Pacific people aged over 65 are projected to increase from 1.3% and 0.4% in 2001 to 3% and 1% respectively by 2021. There are fewer Māori and Pacific older people in Canterbury with the lower life expectancy of these ethnic groups due in part to higher morbidity rates through greater incidence of diabetes, stroke and cardiovascular disease.

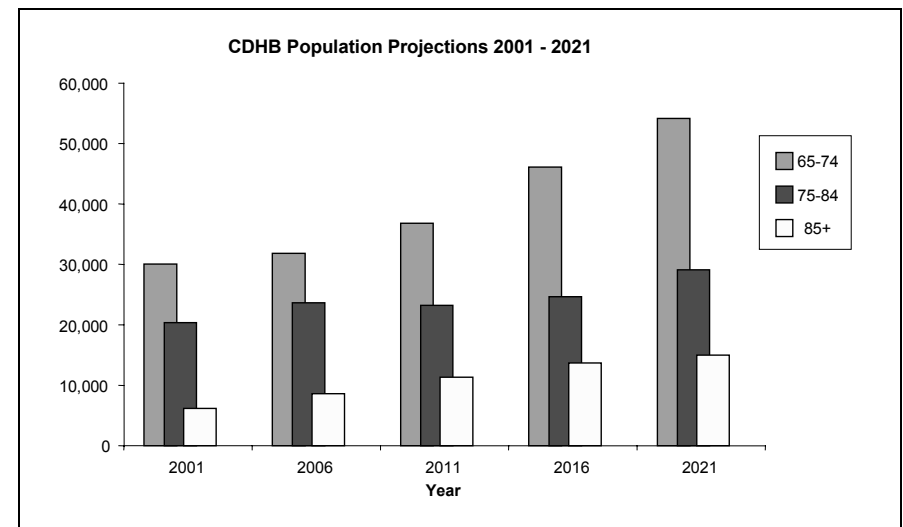


Figure 4. Canterbury DHB population projections, over 65s (Source: Statistics NZ)

Estimates from the NZ Disability Survey indicate there are around 160,000 people with disabilities within the Canterbury region, of which approximately 58,000 have a disability requiring assistance. Māori are 1.35 times more likely to suffer from a disability not requiring assistance and 1.65 times more likely to have a disability requiring assistance, as non Māori.

The Health of Our Community

The health status of residents in most areas in Canterbury is the same as, or better than, the national health status. People in Canterbury have the highest life expectancy at birth of all the DHB regions (77.8 years) and as with national statistics, Māori and Pacific peoples' life expectancy is lower than that of other ethnic groups. Canterbury males have a shorter life expectancy than females (75.0 years vs 80.5 years).

The total number of deaths for all ages in Canterbury is almost exactly as expected, given the age and socioeconomic deprivation of the region. The primary causes of death in Canterbury are diseases of the circulatory system (ischaemic heart disease, stroke, heart attack) cancers and respiratory system diseases; particularly for males. Māori and Pacific communities are at higher risk of diabetes and associated complications.

Diabetic complications (such as heart disease, blindness and kidney failure) are major contributors to the burden of disability experienced by people from middle age, particularly in Māori and Pacific communities.

Many conditions which result in death or disability are attributable to risk factors: smoking tobacco, not being physically active, eating foods that are not healthy, drinking too much alcohol or using recreational drugs. The 2002/2003 NZ Health Survey reveals that most New Zealanders believe they have very good health. At the same time more than half of all adults are overweight, half do not get thirty minutes of exercise a day and 20% of people over the age of 45 have been diagnosed with heart disease.

Tobacco smoking is a major risk factor and preventable cause of death. Canterbury's smoking rates are summarised in the table below. Our rates are slightly lower than that of NZ as a whole, where the average rate is 25% for most age groups. However, nearly 9,000 people over the age of 35 are admitted to hospital in Canterbury every year with smoking related illnesses costing our region's hospitals around \$23 million yearly.

Tobacco Smoking Rates Canterbury		
Year	Males (aged 15+)	Females (aged 15+)
1998-2000	23.0%	24.0%
2001	23.1%	23.0%
2002	22.5%	21.5%

Figure 5. Smoking prevalence in Canterbury (Source: Ministry of Health)

Māori and Pacific health improvements are critical in Canterbury (as throughout NZ), given that on average these ethnic groups have the poorest health status. The high rate of tobacco smoking amongst Pacific youth aged 15-24, for example (39% for males and 45% for females), is a particular concern and much higher than the average rates in Canterbury.

Canterbury will have an increasingly older population over the coming decade. For older people health problems are likely to present as a loss of usual functional ability such as less stability on their feet, loss of mobility, confusion and loss of memory or incontinence. Older people are also more likely to suffer side effects from medications and sensory impairment of vision and hearing. Around 1,250 people over 65 are hospitalised annually in Canterbury as a result of injury due to accidental falls, mostly in the over 85 age group.

Achieving good child health is vital for later adult health as the risk factors for many adult diseases arise in childhood. Canterbury's hospitalisation rates for childhood asthma are high and our notified rate of pertussis (whooping cough) is higher than almost all other regions. The rate of tooth decay in five-year-old children has also increased since 1996. Māori children have higher rates of hospitalisation for vaccine-preventable diseases, and higher rates of tooth decay and glue ear than children of other ethnicities.

Timely and consistent primary care can help prevent disease development, complications and hospitalisations. In Canterbury, people who are socioeconomically deprived are hospitalised with potentially preventable conditions at almost twice the rate of less-deprived people. Primary Health Organisations (PHOs) are an important resource in working with low income and high-need populations to try and reduce the barriers to accessing health and disability services and the health inequalities associated with socioeconomic status.

Ambulatory Sensitive Hospital Admissions Canterbury		
NZ Deprivation Group	Standardised Discharge Rate per 1,000	
	Female	Male
1	15.1	15.6
2	18.7	20.9
3	27.2	29.7
4	26.6	29.2
5	33.3	31.0

Figure 6. Potentially Avoidable Hospital Admissions 12 months 2000/01-2002/03 (Source: NMDS Public Hospital Data, NZHIS through Ministry of Health)

Our Challenges

Working with Funding and Financial Pressures

The Canterbury DHB will continue to move towards equity in line with Population Based Funding. Population Based Funding (PBF) involves using a formula designed to distribute the available health and disability support funding between DHBs according to the relative needs of their population and the relative cost of meeting those needs. The Canterbury DHB is considered as overfunded on this basis and will receive lower increases than other DHBs over the next few years, until it is back at target level. At the same time we need to continue to provide the required volume and range of services to the Canterbury district. Managing this pressure will be the Canterbury DHB's greatest challenge.

Meeting Increasing Demand for Services

A number of factors contribute to the increasing demand on health services in Canterbury: an aging population, the changing demographics of our community, the pressures of mental health or addiction issues, rising chronic disease levels and the changing expectations of our population. Continuing to fund a wide range of community and hospital services and investing in new health technology and resources is going to be difficult and will require some innovative service development to meet increasing demand. The Canterbury DHB will also need to look to its community and to other DHBs for support in responding and coping with increasing demand on health services in the future.

Workforce Capacity

A high performing health service is dependent on the skill and hard work of those working in the system. The challenge for the Canterbury DHB is to provide a safe, supportive and enjoyable work environment which supports innovation and career development. We also need to consider workforce issues outside the Canterbury DHB, the issues rural areas have in recruiting and retaining staff and the scope to develop health care beyond traditional boundaries and constraints. The Canterbury DHB will work on a coordinated approach to building the capacity of our health workforce.

Reducing Inequalities

Although recent statistics show that the health of Māori and Pacific people is now improving, a gap still remains. Improving the quality of ethnicity data collection is an important issue for all health providers. When

ethnicity data collection is robust we will be better able to accurately measure whether progress is occurring in improving the health status of ethnic and high needs groups in Canterbury. The challenge for the Canterbury DHB is to better understand the gaps in health status and to accurately and effectively target resources to reduce those health inequalities.

Improving Access to Health Care

The Canterbury DHB will work closely with PHOs in the coming years to reduce barriers to primary care services. It will also work to ensure its emergency department is providing efficient and effective service by focusing on acute demand management and reducing avoidable hospital admissions. The development of a rural health services plan will look at the issue of equitable access for rural communities. Managing the waitlists for elective surgery will also be an ongoing process for the Canterbury DHB; meeting the expectations of the Ministry of Health (MoH) on provision of certainty for patients and for national equity to elective services. Another challenge for the next five years will be the development of clinical and facilities master plans to ensure that services are provided not only at the right time, but also in the right place.

Reducing the Impact of Lifestyle Diseases

Lifestyles influence a number of diseases including cancer, diabetes, heart disease and respiratory disease. The Canterbury DHB's challenge in working to reduce the impact of these diseases centres around health promotion, education, screening and early intervention. Much of our work will be focused on healthy eating, active living, continuing smokefree and tobacco control education and injury prevention as well as working closely with other external organisations outside the health sector to address determinants of health such as housing, income, education, transport and recreation.

Addressing the Health Issues of an Ageing Population

By 2021 nearly 20% of the Canterbury population will be over 65. Pressure on health funding will increase as more people become subject to problems of ageing; older people, particularly those over 75, consume a significant amount of health resources. Community support may be in demand for those remaining in their own homes and demand may increase for a number of aged related services such as orthopaedics, cataracts, incontinence and dementia. The Canterbury DHB will need to look at other models of care and innovative service development to meet the future demands of our ageing population.

Focusing on Effective and Quality Services

The Canterbury DHB will implement the Improving the Patient Journey project over the next five years. The goal of this project is to reduce unnecessary waits and delays for patients by focusing on patient orientated processes, reducing variations in treatment, and encouraging collaboration between health providers. As demand for services increases, along with our ageing population with multiple health issues, the continuum of care between services will become increasingly essential.

Managing Community and Staff Expectations

The Canterbury DHB needs to communicate with its community on service developments and new initiatives in health such as PHOs, new models of care and future service developments and reconfigurations. Advances in technology mean new levels of care are available but often at higher costs. It will be a challenge to balance the expectation and demand for new treatments. We also need to maintain positive relationships and morale in a constrained funding environment. Communication, collaboration and consultation will be important tools in the coming years.

Increasing Productivity in the Provider-arm (HSS)

Alongside the financial pressure associated with the move to PBF the increasing demand for services in Canterbury means that our HSS division must increase its productivity while still managing expenditure. The Improving the Patient Journey project will play a large part in meeting this challenge by streamlining and integrating services. However, this will still be a challenge for our services.

Working with Other South Island DHBs

Working with other South Island DHBs to ensure closer clinical and non-clinical collaboration is going to be essential for the Canterbury DHB in the future, particularly around sustainable clinical services, access to specialist services, recruitment and retention of staff and shared savings from bulk capital investments. Maintaining close partnerships and working on shared planning will be an important focus for the Canterbury DHB.

Developing Infrastructure

The Canterbury DHB must also continually update its property and Information Technology (IT) infrastructure to improve patient care and deliver relevant, and timely information to the organisation; both from a clinical and a business point of view. Some parts of the Canterbury DHB's property infrastructure is ageing and will need to be replaced to meet new building codes. In addition our ability to evaluate service models, measure success and evaluate health outcomes depends on quality, timely information shared through secure and stable information systems. The Canterbury DHB will need to ensure that its infrastructure investment is sustained and effective and that the best use of available funding and investment is made.

Our Core Directions – Tool for the Way Forward

The Canterbury DHB has identified five Core Directions which it believes will be essential to achieving the changes and improvements that it needs to make to meet its challenges in the next 5-10 years. The Core Directions are:

- to improve the health and wellbeing of our community;
- to find better ways of working;
- to work together;
- to develop our health care workforce; and
- to be a leader in health.

The Canterbury DHB will deliver on these Core Directions by:

- strengthening regional relationships and national influence;
- engaging with stakeholders;
- ensuring effective resource utilisation;
- improving access particularly for high needs individuals and communities;
- sharing population and patient focused research and information; and
- sharing responsibility for quality health outcomes.

Focusing on these Core Directions will provide the Canterbury DHB with the foundations to progress the goals and aims identified in its Strategic Priorities. It will also provide the foundations to make changes and improvements in all areas of ongoing work and to meet key national and ministerial expectations over the coming years.

The Canterbury DHB has a number of non-negotiable obligations that come from its responsibilities under the NZ Public Health and Disability Act 2000, its obligations under the Treaty of Waitangi, commitments under the Crown Funding Agreement, requirements specified within the Ministry of Health's key strategies and its accountabilities to its community. The Core Directions will provide the Canterbury DHB with the ability to ensure that it is able to meet these obligations and work towards promoting, enhancing and facilitating the health and well-being of its community.

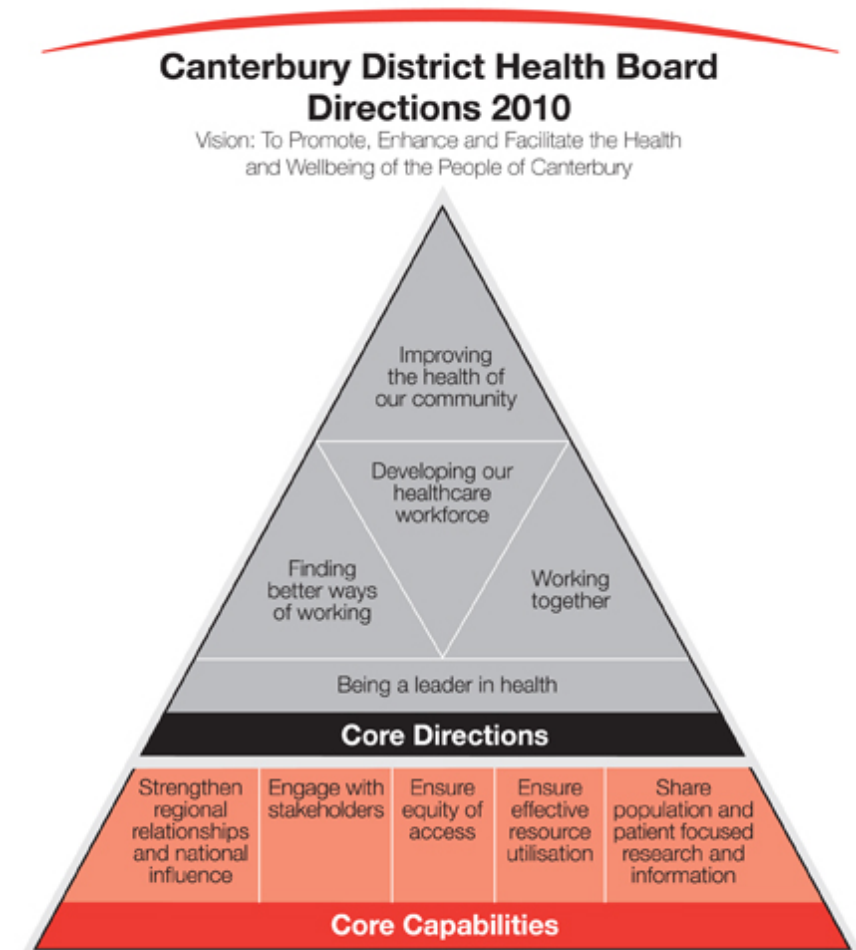


Figure 7. Canterbury DHB Strategic Triangle

CD1. Improve the Health of Our Community

In order to meet a number of the challenges facing the Canterbury DHB we must have an ongoing understanding of the needs of our community and where those needs are not being met. There will be a focus on robust data collection and improving information-sharing processes.

The Canterbury DHB will also work to target resources for those individuals and communities with the poorest health to reduce the inequalities in health. We will work on reducing barriers to accessing services (particularly primary health and elective services), on making improvements in the early detection of lifestyle diseases, on improving the integration between services and improving effective disease management.

CD1.1 Develop a clear understanding of the health needs of our community.

- 1.1.1 Continue to improve data collection to further identify unmet need and target services to reduce inequalities in health – in particular, work to ensure ethnicity data is accurate and reliable.
- 1.1.2 Collaborate with external agencies, health and disability providers and other community organisations to establish systems for collecting and analysing population based primary and community care data.
- 1.1.3 Develop performance indicators to measure health outcomes at a population level and to monitor the utilisation and the impact of health services.
- 1.1.4 Develop the research and analytical base of the organisation to enable prioritisation decisions to be made on the best possible information and ensure that service reviews are informed by reliable data and local health assessment.
- 1.1.5 Share population and patient focused research and data with other health agencies to assist in planning future health and disability services and service developments and to improve the continuum of care between health services.

CD1.2 Raise the focus on lifestyle disease prevention and early intervention.

- 1.2.1 Encourage healthier lifestyles through education and health promotion and develop coordinated approaches with other external agencies to address the determinates of health and to support a population health continuum.
- 1.2.2 Enhance individual accountability for lifestyle choices impacting on health outcomes and support individuals to make healthy choices.
- 1.2.3 Work closely with primary and community care providers to improve screening and early identification of lifestyle disease particularly in priority areas.
- 1.2.4 Continue to work on health and disability goals outlined in Government health strategies and to develop a population health focus enhancing the services available, particularly for those with high needs and poor health status.

CD1.3 Optimise access and utilisation of primary and community health care services.

- 1.3.1 Continue to implement the Government's Primary Health Care Strategy and work to develop local funding models to meet national and local requirements.
- 1.3.2 Continue to work with primary and community care providers to develop and enhance services and to reduce inequalities in access, particularly for high needs groups such as: older people, Māori and Pacific people, refugees, those with disabilities, mental illness and multiple diagnosis and those on low incomes.
- 1.3.3 Encourage disability awareness amongst providers and enhance the availability and provision of health services that best meet the needs of disabled persons.
- 1.3.4 Continue to work with rural communities to ensure that primary and community care services are appropriate, accessible and sustainable in rural communities.

CD1.4 Optimise access and utilisation of hospital and specialist services.

- 1.4.1 Monitor performance against National Elective Services Patient flow Indicators (ESPIs) and develop and implement remedial action plans for services or specialities that are outside the indicator targets for both level and order of service.
- 1.4.2 Identify targets for each speciality and develop strategies to improve management and control the number of 'follow ups'.
- 1.4.3 Identify initiatives to improve access to diagnostics, particularly primary care access, to reduce demand for First Specialist Assessments.

CD2. Find Better Ways of Working

With growing demand on services the Canterbury DHB faces the challenge of increasing productivity to meet demand, while at the same time meeting funding and financial pressures. The Canterbury DHB intends to continue reviewing how it plans, funds and delivers health care in Canterbury to ensure that services are outcomes focused with emphasis on the patient and the continuum of care.

The Canterbury DHB needs to ensure the most effective resource utilisation to deliver the best possible health outcomes within the funding we are allocated. We also need to ensure that these resources are protected, sustainable and supported.

CD2.1 Develop innovative models of care and delivery to meet community needs.
2.1.1 Identify the most appropriate and effective location for delivery of services, hospital or community, and provide appropriate support for any relocation.
2.1.2 Emphasise a focus on the patient, consumer or service user so that service provision is integrated, coordinated, consistent and culturally appropriate.
2.1.3 Develop clinical performance indicators and health inequality tools to measure success and evaluate new models of care, ensuring that all new models have success measure targets.
2.1.4 Implement an innovative clinical service plan for rural health services ensuring future health services are clinically and financially sustainable and meet the communities needs.
2.1.5 Develop an IT platform for improved clinical systems, improve access to clinical patient information, provide point of care patient services and work on the provision of electronic patient records.

CD2.2 Enhance integration between services to optimise outcomes for patients.
2.2.1 Implement the Improving the Patient Journey project by tracking patient flow and effecting positive changes in areas of diagnostics, emergency care, operating theatre utilisation, after hours care, access to general surgery, access to radiology, capacity planning and positive discharge planning.
2.2.2 Work to extend the Improving the Patient Journey project beyond the Christchurch Hospital site, across other sites and the primary care sector.
2.2.3 Develop clinical services plans for all services and ensure a clear HSS Strategic Plan is in place and in alignment with the Canterbury DHB's vision and goals.

CD2.3 Optimise the use of resources and future investment.
2.3.1 Optimise the use of sites and facilities and undertake future Health Services Planning including Facilities and Clinical Masterplans ensuring future facilities and services reflect community needs and relevant services are co-located for efficiency and optimal service.
2.3.2 Ensure non-clinical and clinical support services and processes are efficient, consistent and standardised.
2.3.3 Invest in technology, equipment and assets to improve service capacity and effectiveness and ensure that IT infrastructure and asset management systems provide ongoing and stable support for the organisation allowing integration across health and other related sectors.
2.3.4 Continue to optimise expenditure in community pharmaceuticals and laboratories, encouraging responsible management of these referred services.

CD2.4 Realign services to match funding under Population Based Funding.
2.4.1 Develop and implement an Older People's Services Strategy considering the implications of PBF and the aging Canterbury population; recognising both best practice and ageing in place initiatives.
2.4.2 Review the range and mix of health and disability services delivered in Canterbury, ensuring prioritised use of funding, complementary and integrated service provision, optimal use of resources, external benchmarking and equitable access to health services.

CD2.5 Ensure our HSS manage expenditure and optimise productivity.
2.5.1 Continue to develop innovative ways of working within budget, eliminating waste and duplication and identify future areas for cost reductions and savings without compromising clinical care.
2.5.2 Improve the measurement of HSS performance using benchmarking and Key Performance Indicators.
2.5.3 Improve financial controls, by reviewing delegations authorities, purchasing practices, contract management, clinical budget holding and purchasing.
2.5.4 Work on expanding and maximising external revenue opportunities for HSS.
2.5.5 Develop and implement workforce-planning tools to control and manage employee costs by matching resources with activity.

CD3. Work Together

The Canterbury DHB realises that its vision will not be achieved through its efforts alone. By establishing partnerships with other agencies our community and consumers, the Canterbury DHB can work to influence the determinants of health and enhance the continuum of care needed to achieve improved health outcomes.

The Canterbury DHB plans to continue to emphasise the importance of working collaboratively with its own workforce and to encourage work across professional and organisational boundaries to optimise the use of combined health resources.

CD3.1 Share the responsibility for quality health outcomes with our community.
3.1.1 Share research and information with other health providers to assist with health care planning, service delivery and integration of services.
3.1.2 Work with local agencies, Territorial Local Authorities (TLAs) and health forums/groups on addressing the social determinants of health such as housing, income, education, transport, recreation etc.
3.1.3 Work with TLAs and the Regional Council on the development of shared goals for improving our community's health (through their Long Term Council Community Plans (LTCCPs)) and work on shared population health indicators for measuring health status and progress.
3.1.4 Involve service users, their whanau and the perspective of our community in decision making through, consumer/user groups, forums, consultation, public meetings, fono and hui.
3.1.5 Improve the input into decision making for Māori with cultural training for staff and Board members and increased Māori participation in the health workforce.

CD3.2 Enhance partnerships between our clinical workforce and management.
3.2.1 Continue to develop and implement clinical governance with the development of a framework and workplan for the Canterbury DHB's Clinical Board.
3.2.2 Continue to develop and implement professional development and recognition programmes for the Canterbury DHB's health professionals.
3.2.3 Work in partnership with our workforce to challenge the roles and mix of health care workers and the models of service delivery for the benefit of patients, consumers and service users.

CD3.3 Enhance partnerships with primary and community health providers.
3.3.1 Collaborate with the wider health sector to implement continuums of care; focusing particularly around acute demand, chronic care and high and complex needs including the links between primary, secondary and tertiary care.
3.3.2 Continue to build strong and respectful relationships with the community and work with providers to ensure services are complementary and enhance the continuum of care.
3.3.3 Progress current integration pilots and programmes to incorporate PHOs as key partners in the management of demand on hospital and specialist services.
3.3.4 Enhance referral guidelines and education for both primary and secondary providers to improve appropriate utilisation of speciality and emergency services.

CD3.4 Collaborate with other DHBs to improve access to health services.
3.4.1 Work with other DHBs at a national, regional and local level to find solutions to service pressures, such as access to cancer treatments and palliative services
3.4.2 Agree to national arrangements for Inter District Flows (IDFs) with other DHBs, and monitor progress against these.
3.4.3 Work with the South Island Regional Mental Health Network to oversee continued development of regional mental health services.
3.4.4 Implement a Memorandum of Understanding with the West Coast DHB over closer collaboration and clinical service delivery.
3.4.5 Continue to work collaboratively with the West Coast and South Canterbury DHBs to develop and tailor public health services for our respective populations.

CD3.5 Collaborate nationally to address health issues.
3.5.1 Participate in national MoH projects and working parties including the national pricing project, benchmarking exercises etc.
3.5.2 Participate in national collaborative forums through DHBNZ to address solutions and to embrace improvements in patient safety and quality of care.
3.5.3 Participate in the national DHB Chief Executive's Forum and projects around quality and risk, establishing industry standards and patient safety initiatives.

CD4. Develop our Health Workforce

A sustained, skilled and flexible health care workforce is central to the Canterbury DHB's ability to provide effective quality services and meet the challenge of improving our community's health.

The Canterbury DHB aims to make Canterbury a preferred district for health workers in NZ by supporting flexibility and innovation, encouraging training and skills development, providing recognition for our workforce and leadership opportunities within the organisation. The Canterbury DHB will also encourage its workforce to lead by example in terms of healthier lifestyles and practices.

CD4.1 Encourage a flexible approach to reflect the changing needs of our community.

- 4.1.1 Identify the likely impacts of future models of health care on the health workforce to enable strategic workforce planning and development.
- 4.1.2 Work to ensure our staff are responsive to the cultures and needs of the people they serve and continue with strategies for greater participation by Māori, Asian and Pacific people in Canterbury's health workforce.
- 4.1.3 Support the development of Māori and Pacific health providers through the Māori Provider Development Scheme (MPDS) and expansion of Pacific Provider Development Funds (PPDF).
- 4.1.4 Continue to work to identify areas for advanced practice nursing roles and to develop these roles.

CD4.2 Develop a workforce providing the 'right skills' for the best health outcomes.

- 4.2.1 Continue to work with education providers to develop programmes for a changing health environment and encourage enrolment particularly amongst under represented groups.
- 4.2.2 Support continued access to training and development opportunities for NGOs and PHOs as well as ongoing training for our own workforce.
- 4.2.3 Ensure Clinical Training Agency Funds are accessed, fully utilised and, where possible, additional funds are gained to match training to workforce needs.
- 4.2.4 Continue to encourage external providers (employers) to develop initiatives to ensure they have the workforce they need and support national stocktake activity for the community NGO workforce.
- 4.2.5 Improve workforce information and data collection to assist with workforce development and capacity planning.

CD4.3 Ensure Canterbury's health sector is a 'good place to work'.

- 4.3.1 Monitor community workforce issues and work with providers to address these.
- 4.3.2 Provide leadership opportunities and career opportunities for our health care workforce and support career development.
- 4.3.3 Embed a culture aligned to the Canterbury DHB's organisational values of: *Care and respect for others, Integrity in all we do and Responsibility for outcomes.*

CD4.4 Create a safe and health-promoting environment to support and retain staff.

- 4.4.1 Implement strategies to improve workplace environments and promote the Canterbury DHB's organisational values.
- 4.4.2 Continue the ongoing progression of Health and Safety management practices and culture.
- 4.4.3 Continue to develop a health promoting system across the organisation in areas of smokefree, nutrition and physical activity and promote involvement in healthy workplace community initiatives (ie City to Surf, Push Play).

CD5. Be a Leader in Health

In order to affect change the Canterbury DHB needs to provide leadership to its community and develop a stable infrastructure to support the improvements it plans to make. The Canterbury DHB will continue supporting expertise in health, encouraging innovation and promoting quality health care service delivery.

One of the challenges in making improvements in the health status of our community is influencing people and organisations to listen and learn from one another. The Canterbury DHB will work on encouraging debate and sharing information with our community to foster creative solutions to cope with future demand and improve the health of our community.

CD5.1 Enhance clinical governance processes and systems.
5.1.1 Continue to invest in a clinical governance framework, promoting clear clinical leadership and developing an environment with the highest standards of clinical care, consistency, accountability, management of risk and transparency in decision making.
5.1.2 Support the Clinical Review Committee to review the financial and clinical implications of new technology and new therapies or treatments.
5.1.3 Support the Clinical Board's solution-oriented, pro-active role in the setting of clinical policy and standards and encourage its continued leadership in best practice and innovation.

CD5.2 Encourage innovation, development and research.
5.2.1 Promote a culture of innovation and innovative clinical leadership to encourage intellectual property development.
5.2.2 Encourage research projects focused on improving the health of the Canterbury population through intervention based research.
5.2.3 Encourage innovative service development to improve patient flow and enhance access or promotion of alternative access to hospital level services.
5.2.4 Enhance research expertise by linking to resources in the community and working closely with educational institutions for improved analysis, research, evaluation and planning.

CD5.3 Improve quality and patient safety.
5.3.1 Promote a systems-related approach to enhance patient safety and support the implementation of the Improving the Patient Journey project to improve the quality and effectiveness of the service we provide to patients
5.3.2 Implement a preferred system for managing incidents through an open culture – organisational learning from experience and promotion of a no-blame culture to enhance risk reporting.
5.3.3 Continue to develop and implement credentialing frameworks for key workforce groups within our HSS – overseen by the Clinical Board.
5.3.4 Maintain quality of services contracted to community and primary care providers and provide leadership in the provider quality network forum.
5.3.5 Continue to support the development of the Quality and Patient Safety Council Awards and implement the Quality Strategic Plan.

CD5.4 Support transparent accountability and review of progress.
5.4.1 Provide a robust Strategic Plan and ensure transparent review of resulting Core Directions progress with regular reports to public Board meetings.
5.4.2 Ensure that the Statements of Intent, Annual Plans and Annual Reports meet local needs and Government requirements.
5.4.3 Ensure Health Needs Assessments are regularly undertaken to assist with planning and with assessment of changes in health status of the Canterbury community.

CD5.5 Enhance interaction and communication with the public, providers and staff.
5.5.1 Continue to develop positive relationships with media and implement a communications framework to fully inform our staff, community and key stakeholders of the challenges and issues we face; as well as the achievements we make.
5.5.2 Engage with the Canterbury community and pro-actively promote healthy lifestyle and disease management messages.
5.5.3 Enhance consultation processes to allow the Canterbury community input into priority health areas and processes for funding decisions. Enable community, staff and provider input whenever significant service changes are being considered.

Our Strategic Priorities – Where we will Focus our Efforts

The Canterbury DHB is committed to implementing and achieving the objectives of the NZ Health Strategy, the NZ Disability Strategy and other key national health strategies.

In our current Annual Plan for example the priorities clearly reflect the intent and direction of national strategies and the Minister of Health's priorities as well as those of the Canterbury DHB including: implementing the NZ Cancer Control and Healthy Eating, Health Living strategies, improving mental health and implementing the mental health blueprint, improving elective and orthopaedic services, keeping infrastructure costs as low as possible and finding innovative approaches to managing within budget.

The Canterbury DHB will also continue to deliver the best possible results within our resources in ongoing areas of service such as maternity services, Pacific health services, mental health services and rehabilitation services. We have highlighted some of the ongoing work planned for the Canterbury DHB in Appendix 5 covering: Mental Health and Addictions, Elective Surgery/Booking Systems, Infectious Diseases, Rural Health Services, Pacific Health Services, Oral Health Services, Disability Support Services and Information Management. We will continue ongoing effort in all areas of service delivery.

The following Strategic Priorities however, represent the areas in which the Canterbury DHB believes there is the biggest potential for improving the health and well being of its community for the resources it has to invest.

The Core Directions highlighted in the previous section are the '*tools*' by which we will improve the over-all function and performance of the Canterbury DHB. This will enable us to be in a position to target activity in our Strategic Priority areas, to make improvements in the delivery of ongoing services, to implement national strategies and to meet the Minister of Health's expectations. Our Core Directions will help ensure that we have the systems to measure outcomes and identify inequalities in health status, the ability to increase production to meet future demand and the health workforce available to implement the actions and strategies needed to improve the health of our community.

The Canterbury DHB, like all DHBs, has limited funding. We will therefore be working hard over the next five years to prioritise and reallocate our funding to provide the Canterbury community with ongoing, quality services within our funding constraints. We will be focused on improving the way we provide and deliver services in our Strategic Priority areas rather than on increasing the funding or the money spent.

We have chosen five Strategic Priorities where we have indicated our objectives and goals for the next five years. These are a mixture of population and service based approaches and represent the areas in which we believe there is the biggest potential for change and development over the next five years.

There are three Population Priorities:

1. Child and Youth Health
2. Older People's Health
3. Māori Health.

There are two Service Priorities:

4. Primary Health
5. Disease Prevention/Management.

As a subset we have also highlighted four Disease Priorities for particular focus. These are illnesses that significantly reduce the quality of life for the sufferer, their families and the community; yet there are opportunities for early prevention and/or treatment programme development:

- Cancer
- Diabetes
- Heart Disease
- Respiratory Disease.

Much of the work in all these areas over the next five years, will be consistent, in particular continuing to work collaboratively with primary care, community and hospital and specialist services to ensure an integrated approach to patient care. The Canterbury DHB will also work with providers and external stakeholders who promote messages related to physical activity, healthy eating, obesity and smoking cessation, work to ensure services are culturally appropriate and work with providers and community agencies to support prevention and early intervention, reduce inequalities and increase access and uptake of services.

1. Child and Youth Health

Objective

Improve access to health services, promote health and wellbeing and improve health outcomes for children and youth in Canterbury, particularly those with high needs or living in environmentally disadvantaged situations.

Why is this a priority for the Canterbury DHB?

- Keeping our children and youth healthy gives them better opportunities for becoming healthy adults.
- The demographic mix of our child population is changing with increasing numbers of Māori, Pacific, Asian and refugee children. Māori and Pacific children have higher hospitalisation rates for preventable injuries and disease.
- Christchurch students have particularly high smoking rates. Cigarette smoking amongst Pacific youth aged 15-24 is a particular concern.
- The rate of tooth decay in five-year-old children has increased over the last decade. Children living in lower socio-economic areas, Māori, and Pacific children have poorer oral health than other children.

What we plan to do over the next five-ten years:

Strategies

- Continue to implement the Canterbury DHB Child Health and Disability Action Plan (Mahere o te Hauora Tamariki me te Hauatanga 2004-2007 and beyond) which includes;
 - Implementation of the National Immunisation Register (NIR) and continuing to encourage the uptake and recording of immunisation;
 - Continued support of oral health initiatives, to promote healthy eating and to encourage increased enrolment in dental programmes;
 - Continued promotion of physical activity and healthy lifestyles to encourage ongoing health and future well being, with a particular focus on obesity; and
 - Identification of ways to improve child health information systems that will increase access to services and improve outcomes for children.
- Develop and implement a health strategy specifically for Canterbury's youth in consultation with the community, consumers and stakeholders.
- Continue to work with PHOs and NGOs to reduce barriers to accessing primary care for young people in Canterbury and promote a seamless transition between child and adult services.
- Continue to support and encourage the uptake of smoke-free initiatives to reduce cigarette-smoking rates amongst youth in Canterbury.
- Work actively with local agencies, forums and stakeholder groups to raise focus and advocate for improved health outcomes for children and youth.

Priority Actions

- Continue to implement the Canterbury DHB Child Health and Disability Action Plan and monitor outcomes achieved. Update the Plan to 2010.
- Develop and implement a health strategy specifically for Canterbury's youth and establish outcome measurements to evaluate the impact of the Strategy's recommended actions.
- Participate in the MoH's review of school dental services and implement service changes to improve oral health service for children and young people as funding and resources allow.
- Scope an electronic child health information system and, as funding allows, develop and implement an appropriate system to assist with achieving better health outcomes for children in Canterbury.

2. Older People's Health

Objective

Maintain or improve health outcomes for older Canterbury residents (aged 65 and over) within available resources through implementation of the Older People's Health Services Strategy *Healthy Ageing, Integrated Support*.

Why is this a priority for the Canterbury DHB?

- The Canterbury population is ageing and although older people are expected to be healthier, the growing numbers will increase demand for services. There are a number of health problems that people are more prone to as they age, many of which are disease-related, in the areas of diabetes, cancer, heart disease, respiratory diseases and dementia.
- The Canterbury DHB spends more on older people, e.g. in residential care, than other DHBs. Under PBF these levels of expenditure are not sustainable.
- Many older people prefer to stay in their own homes as they age which has led to the "ageing in place" philosophy. For this to be successful, effective flexible home-based support services are a necessity, underpinned by a sustainable workforce.
- The number of older Māori and Pacific people will increase significantly over the next five years. These groups often experience age-related conditions prior to 65 years of age.
- Around 1,250 people over 65 years of age are hospitalised annually in Canterbury as a result of injury due to accidental falls, the majority of these are in the age group over 85.

What we plan to do over the next five-ten years:

Strategies

- Implement the Canterbury DHB's Older People's Health Services Strategy, *Healthy Ageing, Integrated Support* (2006-2010), which includes opportunities for change across the continuum of care from health promotion to end of life care. The strategy is underpinned by the need for a sustainable workforce, integration and collaboration across services and sectors, effective information sharing with consumers and between health professionals, and cultural responsiveness.

Priority Actions

- Implement a focused health promotion campaign, including nutrition, oral health, elder abuse, enhancement of the falls prevention programmes and working collaboratively across sectors to improve older people's housing.
- Provide effective primary and disability support care – working with PHOs in a number of areas, including Care Plus, disease registers, uptake of screening, referral to early treatment/management and medication management.
- Improve the coordination and support of home and community services – including decisions on the Coordinator of Services for the Elderly model and an approach to equipment management.
- Make the best use of specialist services including: a stronger community base for Older Persons Health Services; continuing to pilot the InterRAI assessment process and deciding on its future use; primary and secondary care working together to reduce unnecessary use of specialist services; improving access to surgery and specialist treatment and streamlining the patient journey.
- Build capacity and flexibility in long-term care services, both home-based and residential care. This includes getting the right mix of home and residential care services through reviewing long-term services funding, providing consistent access criteria to long-term care, exploring intensive home-based care and supportive housing options, reviewing respite and carer support and further developing day care options.
- Build the capacity of home-based support services.
- Explore ways to provide support for people with complex needs living in residential care.
- Enhance end of life care options through continuing to review and implement streamlined palliative care services, promoting use of advanced directives and enhancing information available for end-of life decision making.

3. Māori Health Care

Objective

Whanau Ora - Māori families are supported to achieve their maximum health and wellbeing.

Why is this a priority for the Canterbury DHB?

- Māori, on average, have the poorest health status of any group in NZ and Māori are less likely to access mainstream primary and secondary health services.
- Insufficient quality Māori health information makes analyses and measurement of health outcomes difficult. In order to gain quality Māori health information improvements in areas such as ethnicity data collection needs to occur.
- Māori people are more than twice as likely to develop diabetes than any other ethnic group.
- Māori children have higher rates of hospitalisation for vaccine-preventable diseases and higher rates of tooth decay and glue ear.
- The Māori health workforce is relatively small and the Māori population in Canterbury is increasing.

What we plan to do over the next five-ten years:

Strategies

- Develop a clear understanding of the gaps and inequalities in our health system and increase our ability to monitor Māori health outcomes through improved ethnicity data collection.
- Continue to foster Māori community participation in service development to improve health services for all users and to increase the cultural responsiveness of our health services including participation and responsiveness at governance levels.
- Ensure Māori service development in priority areas to reduce health inequalities and continue to implement the Canterbury DHB Māori Health Plan and the Indicators and Expenditure Targets project.
- Increase the numbers of appropriately skilled Māori staff employed by the Canterbury DHB through implementation of the Canterbury DHB Māori Health Workforce Plan and initiatives.

Priority Actions

- Engage Māori in decision-making, implementation, monitoring and evaluation, with respect to prioritisation, service delivery and planning documents.
- Implement a Memorandum of Understanding between Manawhenua ki Waitaha and the Canterbury DHB Board to ensure Māori participation in developing and identifying strategies to improve Māori health through participation at governance level.
- Develop an integrated health outcome and performance monitoring framework which aligns the Canterbury DHB's Māori Health Plan with the MoH Māori Health Strategy and the Māori Health Action Plan.
- Undertake reviews of pathways of care that focus on ways of improving access to effective services for Māori. Take action to address issues identified in those reviews.
- Progress the implementation of recommendations from the Review of the Canterbury DHB's Māori Health Plan.

4. Primary Health Care

Objective

Increase the numbers who are accessing primary health services in Canterbury particularly those from higher decile areas and improve the range and effectiveness of services provided in primary care settings.

Why is this a priority for the Canterbury DHB?

- Primary care is often the first point of contact with health services and reducing barriers to access helps people stay well. Costs may be a barrier to access for some people. Hospitalisation rates for people on lower incomes are higher than the Canterbury average.
- General Practitioners see people across the entirety of their lifetime and PHOs have the potential to deliver both universal and targeted health education and promotion messages to large numbers of our population.
- Many people experience episodes of mental health problems, such as depression, anxiety, and stress disorders. General Practitioners (GPs) may often be in a position to treat some of these problems, through medication, counselling and other treatments.
- Canterbury has more pharmacy prescriptions dispensed per person than the national average for all age groups except those over 65 years.
- Increased expectations on primary care has resulted in the workforce becoming stretched in some areas. Recruitment into the profession is currently slower than the retirement rate.

What we plan to do over the next five-ten years:

Strategies

- Implement the Government's Primary Health Care Strategy through the ongoing development of PHOs.
- Continue to work with PHOs to reduce access barriers to primary care, particularly as national subsidies are progressively introduced, and work on innovative models of care for high needs groups.
- Work on the development of a population health focus in primary care to be linked with the goals and focus of the Canterbury DHB and collaborate on reducing morbidity, preventing illness and maintaining healthy lifestyles.
- Continue to work with PHOs to develop innovative, appropriate and effective ways of treating mental health problems in the primary care setting.
- Work with community providers and PHOs to develop strategies for optimising the effectiveness of community pharmaceutical and laboratory expenditure.
- Continue to implement the Canterbury DHB's Rural Health Action Plan to ensure equity of access to primary care for rural residents, particularly working to ensure a stable workforce.
- Work with primary care providers to develop workforce plans and support the development of workforce education.

Priority Actions

- Complete a Community and Primary Health Care Strategy for Canterbury with measurable health outcome targets, in consultation with the community sector, NGOs, PHOs and the primary care sector.
- Ensure PHOs have Services to Improve Access Plans in place to reduce barriers to services for groups with the highest health needs and that these Plans are reviewed every two years.
- Ensure PHOs have Māori Health Plans in place to ensure greater participation by Māori in decision making in primary care, with all Plans reviewed two-yearly.
- Ensure all PHOs have implemented Health Promotion Plans and that those Plans support the Canterbury DHB's Strategic Priorities to increase the continuum of health care. These Plans should be reviewed every two years.
- Ensure all PHOs have established appropriate Mental Health Plans for their populations and are meeting the targets agreed in those Plans.
- Maintain reasonable on-call rosters for rural GPs with 100% of rural GPs with a rural ranking greater than 35 points, having to work no more than a 1 in 4 weekend roster (unless by choice).
- Develop a community laboratory strategy and implement recommendations or methods to optimise expenditure in collaboration with work already achieved by the primary care sector.

5. Disease Prevention/Management

Objective

Our community makes healthy choices through supportive physical, social, economic and policy environments and demonstrates greater commitment to improved health and wellbeing.

Why is this important to the Canterbury DHB?

- Population health programmes are key to achieving healthier people and communities.
- There is a need for an increased focus on population health programmes that target healthy eating, physical activity and smokefree lifestyles, especially among high needs groups.
- Smoking contributes to a number of preventable illnesses resulting in a large burden of disease and is the single major cause of preventable death. However inactivity, poor nutrition and rapidly rising obesity rates are beginning to rival tobacco as the leading cause of preventable disease in NZ. All give rise to cardiovascular disease, diabetes, poor psychosocial outcomes and reduced life expectancy.
- People's lifestyle choices are affected by a complex range of influences from their environment. Hence, a comprehensive multi-sector approach is needed to promote change and influence improved health status.

What we plan to do over the next five-ten years:

Strategies

- Aim for the Canterbury DHB to become a leader in population health and to work with local authorities, the community and other health providers to focus on population health programmes that target high needs groups.
- Continue to provide leadership and to work collaboratively promoting smoke-free strategies and cessation services and continue to support national tobacco control programmes.
- Monitor the effectiveness of tobacco control strategies in Canterbury.
- Work with communities and other sectors such as local Government to promote healthy weight, healthy eating and active living at the community and population level through the development of supportive environments.
- Work with individuals, families and whanau by supporting healthy lifestyles through primary health care initiatives and develop and provide access to resources to promote health promotion and screening in primary care settings.
- Build the foundations for effective action with improved workforce capacity, social marketing campaigns, robust monitoring and evaluation.
- Continue to provide population health services to other DHBs.

Priority Actions

- Identify and develop opportunities for the DHBs' provider arm to become more health promoting so that the social, physical and policy environment supports physical activity, healthy nutrition and smokefree lifestyles (under the Health Promoting Hospitals framework).
- Foster and build policies and initiatives that promote health in a range of key settings and communities by working in partnership with other sectors to improve the health status of our community. Develop collaborative policies and interventions with TLAs, PHOs, NGOs and agencies such as Environment Canterbury and the Ministry of Housing.
- Improve the provision of information on health status and determinants and effective population health responses and share information with other agencies to promote collaborative promotion of healthily lifestyles and choices.
- Establish partnerships to ensure increased number of smoking cessation 'Quit Card' providers in Canterbury including collaborative implementation of a workplace quit service.
- Communicate clear, consistent and effective messages that promote healthy weight, healthy eating and active living and continue to lead the way through our own healthy workplace initiatives.
- Build a skilled and knowledgeable workforce to support the promotion of healthy eating and active living in the Canterbury DHB region.

5(a). Cancer

Objective

Improve the health status of Canterbury's residents at risk of developing cancer, identify cancer early through improved screening and provide appropriate and timely treatment for those that develop cancer.

Why is this a priority for the Canterbury DHB?

- Cancer is the second highest cause of death and a major cause of hospitalisation in NZ. While cancers attributable to tobacco smoking are expected to decline due to declining tobacco consumption, cancers related to diet, physical activity, and obesity are expected to increase.
- While improved treatment, earlier diagnosis and reduced incidence of some cancers will mean that cancer mortality rates will begin to fall, it is expected that waiting lists for treatment may be longer due to an international shortage of cancer specialists and radiation therapists.

What we plan to do over the next five-ten years:

Strategies

- Support systems that improve early diagnosis of cancer including primary prevention and screening.
- Work with the MoH, DHBs, and other health providers to implement the NZ Cancer Control Strategy Action Plan.
- Continue to support health promotion programmes focused on improving nutrition, reducing smoking, limiting alcohol intake, increasing exercise and sun protection campaigns.
- Implement initiatives to ensure that the Canterbury DHB meets national guidelines on waiting times for radiation therapy.
- Increase the end-of-life quality by improving access to palliative care services in Canterbury.
- Work with other DHBs and the MoH to find solutions to workforce, facilities, equipment and recruitment issues that affect the timely treatment of cancer.

Priority Actions

- Implement the NZ Cancer Control Strategy and meet the priorities for implementation in that Strategy outlined under Phase 1 and Phase 2 of the NZ Cancer Control Strategy: Action Plan 2005-2010.
- Work with other South Island DHBs to optimise delivery of non-surgical treatment for cancer patients.
- Work with primary health providers, education providers and other agencies to improve public education on health lifestyles and cancer prevention.

5(b). Diabetes

Objective

Improve the health status of Canterbury's residents who are at risk of developing diabetes or have developed diabetes and identify diabetes early through improved screening and appropriate checks.

Why is this a priority for the Canterbury DHB?

- The incidence of both type 1 and type 2 diabetes is increasing in Canterbury, in particular for Māori and Pacific people who face significant increases in the prevalence of diabetes in their communities.
- The percentage of children and youth being diagnosed with type 2 diabetes is increasing as overweight and obesity levels increase.
- In Canterbury the greatest benefit is considered to be gained through a range of actions, which include improved access for Māori and Pacific people and early diagnosis and treatment of foot and eye problems.
- Diabetes can lead to blindness, heart disease and kidney failure and the impact of diabetes in terms of illness is significant.

What we plan to do over the next five-ten years:

Strategies

- Continue to implement the Canterbury DHB Diabetes Plan and to improve the identification and diagnosis of people with diabetes.
- Work closely with Māori and Pacific communities and providers to increase awareness of diabetes risks and improve self-management of diabetes.
- Promote healthy lifestyles that will lead to a decrease in the risk factors that contribute to diabetes; continue to promote physical activity, healthy eating, weight reduction and smoking cessation.
- Work collaboratively with the community and local diabetes services to minimise the impact of diabetes on children and young people and to improve the quality of care available.
- Work collaboratively with GPs, community groups and Māori and Pacific providers to support early intervention and ongoing uptake of diabetes services including regular screening.

Priority Actions

- Promote the Healthy Eating, Active Living programme and encourage increased numbers of Health Promoting Schools to address childhood diabetes risk factors.
- Promote annual diabetes checks, and work to improve access to bi-annual retinal screening in Canterbury.
- Work to implement the recommendations pertaining to children and young people in the Local Diabetes Team Annual Report 2004 and work with the Local Diabetes Team to establish targets for DHB performance indicators.

5(c). Heart (Cardiovascular) Disease

Objective

Work to reduce the incidence and mortality rates attributed to cardiovascular disease, particularly for Māori and Pacific groups.

Why is this a priority for the Canterbury DHB?

- Death rates for cardiovascular diseases have declined steadily over the past decades, however the incidence of cardiovascular disease is likely to increase as our population ages. Cardiovascular disease is usually linked with diabetes and is strongly influenced by lifestyle choice.
- Māori and Pacific have higher rates of cardiovascular disease than other ethnicities.
- Increasing rates of cardiovascular disease (CVD) in the population will mean an increased need for more specialised care and treatment for heart attack, stroke, heart failure, and other circulatory diseases.
- Following a heart attack, many people do not complete the recommended rehabilitation course, and are readmitted to hospital with another acute attack.

What we plan to do over the next five-ten years:

Strategies

- Improve access to CVD services and implement actions in the Canterbury DHB Heart Health Strategy, coordinating approaches to health promotion, disease prevention, treatment, rehabilitation, and palliative care.
- Ensure CVD services are maintained in Canterbury and patients needing surgery receive it within an appropriate timeframe.
- Work with the primary care sector to develop a CVD core dataset to allow early treatment of high-risk patients, and develop effective population-based heart health programmes.
- Develop cardiac rehabilitation models using home-based coaches, work closely with primary care to offer services in patients' homes and improve service uptake for Māori and Pacific communities.
- Promote healthy lifestyles that will lead to a decrease in risk factors and continue to promote physical activity, healthy eating, weight reduction and smoking cessation.

Priority Actions

- Design and implement a pilot project in primary care that will lead to the development of a heart health register for Canterbury; beginning with three Rangiora based primary care practices.
- Improve the quality of rehabilitation care for after acute events; beginning with a trial of the NZ Heart Manual in six Canterbury general practices.
- Ensure delivery of target levels of Cardiac Surgery for key procedures (Cardiac Valves and Coronary Artery Bypasses with Grafts) in accordance with contract

5(d). Respiratory Disease

Objective

Improve the health status of Canterbury's residents who are at risk of developing respiratory disease, provide appropriate and timely treatment and work to improve the quality of life for those with respiratory disease.

Why is this a priority for the Canterbury DHB?

- Chronic respiratory diseases, particularly asthma and smoking related diseases such as chronic obstructive pulmonary disease (COPD) and emphysema, represent a significant public health problem.
- Diseases of the respiratory system are the third leading cause of death in both Canterbury and in NZ.
- Nationally, asthma hospitalisations are higher for Māori than non-Māori despite asthma prevalence being similar in Māori and non-Māori children.
- Asthma self-management can significantly reduce hospital admissions.

What we plan to do over the next five-ten years:

Strategies

- Work with community providers to assist in the early diagnosis of COPD and the management of COPD in primary care settings.
- Promote improved self-management of conditions and awareness of risk factors for COPD.
- Promote healthy lifestyles that will lead to a decrease in the risk factors for respiratory disease and continue to promote physical activity and smoking cessation.
- Improve access to rehabilitation programmes and encourage participation in programmes.
- Promote self-management of asthma, particularly through Asthma Action Plans.
- Work with TLAs and Regional Councils to promote initiatives that promote and support improved air quality.

Priority Actions

- Develop and implement a robust strategy for the management of respiratory disease.
- Continue to work collaboratively with external organisations and stakeholders looking at determinants of health, particularly those in relation to asthma and respiratory such as housing, heating and air quality in Christchurch.

Performance Measures

The Canterbury DHB has a number of measures for health goals that allow its Board, staff and the Canterbury community to monitor and evaluate progress and achievements. The Canterbury DHB will continue to develop annual targets for these performance measures for its District Annual Plans in the future.

Measurement	Current Status	2010 Target
Reduction in Disparities		
Improved ethnicity reporting. The aim is to reduce the percentage classified as 'other' or 'not stated', and increase those classified as Māori to nearer the level identified in the 2001 Census.	Māori 6.0% Other 5.0% NS 2.7%	Māori 7.5% Other <2.5% NS <1.0%
Increase in the percentage of the population enrolled in PHOs in high decile areas, and increased participation rates in targeted PHO programmes.	431,878 (94%)	Greater than 95%.
Decrease in numbers reporting financial barriers to primary care. With decrease in percentage of people in deciles 8, 9 and 10 not visiting primary care at least once a year.	20% of New Zealanders in 2002	Below 10%.
Improved Integration and Access to Services		
Provide patients with First Specialist Assessment within six months of referral	94%	100%
Provide patients with certainty of receiving treatment within 6 months of referral.	87%	100%
Patients who had been given certainty who were treated, as a percentage of all patients receiving elective surgery, in the period indicated.	65%	95%
Improved Access to Mental Health Services. The percentage of people accessing mental health treatment and support services.	Total 0-19: 1.8% 20-64: 2.5% <i>Note: Ethnicity breakdown for historical data not available.</i>	Māori 0-19: 2% 20-64: 2.5% Total 0-19: 2% 20-64: 2.5%

Measurement	Current Status	2010 Target	
Reduced Ambulatory Sensitive Admissions, as an indication of access to, and effectiveness of, care and services. Ambulatory sensitive admissions a percentage discharged per population.	Aged 0-4 Māori 7.2% Pacific 10.4% Other 7.8% Total 7.8%	Aged 0-4 Māori 6.1% Pacific 8.6% Other 6.8% Total 6.8%	
	Aged 5-14 Māori 1.5% Pacific 2.7% Other 1.7% Total 1.7%	Aged 5-14 Māori 1.4% Pacific 1.6% Other 1.4% Total 1.4%	
	Aged 15-25 Māori 1.1% Pacific 1.4% Other 1.2% Total 1.2%	Aged 15-25 Māori 1.0% Pacific 1.0% Other 1.0% Total 1.0%	
	Aged 65-75 Māori 10.4% Pacific 9.5% Other 5.5% Total 5.5%	Aged 65-75 Māori 8.6% Pacific 9.1% Other 5.3% Total 5.3%	
	Improved Safety and Quality of HSS Services		
	Reduced Work Place Injuries per 1,000,000 hrs (as per HBI).	11.2 per million hours	11 per million hours or less
	Improvement in the reported rate of Patient Falls (causing moderate or serious injury) per 1000 inpatient days.*	5.48	0.04 or less
	Reduce the rate of IV Medication Errors (per 1000 inpatient days)**	1.8	6 or more
	Reduce the Hospital Acquired Bacteraemia Rate (per 100 inpatient days)	0.13	0.13

* This is a new measure going forward 2005/06 and will only record the falls associated with moderate or serious injury. As a new measure targets will be confirmed after 05/06 year results.
 ** In line with its 'no blame' incident reporting policy the Canterbury DHB aims to increase the rate of reported errors and thereby reduce overall harm through education.

Measurement	Current Status	2010 Target
Development of our Health Workforce		
Staff Turnover Rate (as per Hospital Benchmarking Indicator (HBI)).	14%	Maintain 13% or less
Investment in Māori and Pacific People's workforce continues with CDHB reporting increased numbers of (i) staff identifying as Māori and (ii) Māori staff working in Māori roles.	(i) 193 FTE (ii) 66.5 FTE	(i) 203 FTE (ii) 74 FTE
Community engaged and informed about Lifestyle Diseases and Management		
Decreased smoking rates.	22.5% male 15+ 21.5% female 15+	15% all 15+
Increase the proportion of the Canterbury population eating the recommended three or more servings of vegetables daily.*	68%	73%.
Increase the proportion of the Canterbury population that are regularly physically active.*	52%	56%.
Stabilise the proportion of the Canterbury population that are obese*	21%	21% or less.
Increased percentages of children passing school entry hearing screening tests, indicating early detection of hearing problems and enabling subsequent early intervention.	Māori 93% Pacific 90% Other 95% Total 95%	Māori 94% Pacific 90% Other 96% Total 96%
The percentage of children (born after 21/11/05) fully immunised for their age by 30/07/06.	Historical data not available	95%
The percentage of children (born after 21/11/05) fully immunised for their age by 31/12/07.	Historical data not available	95%
Increased numbers of older people receiving education on falls prevention and referred to the Stay on Your Feet (SOYF) Home Exercise Programme – as an indication of participation in initiative to retain health status and independence.	230	300

Measurement	Current Status	2010 Target
Community engaged and informed about Lifestyle Diseases and Management		
Increased numbers who attend a cardiac rehabilitation outpatient programme or have been admitted to organised stroke services (as a percentage of the total number of people who have suffered a CVD/stroke event admitted and discharged from hospital).	40%	80%
The percentage of people having annual diabetes reviews who have had their eyes screened in the last two years has increased	Māori 41% Pacific 37% Other 48% Total 48%	Māori 49% Pacific 42% Other 80% Total 77%
The percentage of people having annual diabetes reviews who had poor diabetes control (HBA1c>8%)	Māori 40% Pacific 52% Other 24% Total 26%	Māori 37% Pacific 43% Other 20% Total 21%

Note: Work is ongoing on the development of performance indicators, clinical indicators and population outcome measures. Overtime (and as specific strategies are developed) some of the performance measures outlined here may be replaced with more reflective indicators.

** These figures are national figures from the MoH NZ Health Survey (2004)*

Other Things We Need to Consider – Services in the Future

Our Values

- Care and respect for others, Manaaki me tekotua i etahi atu.
- Integrity in all we do, Hapai i a matou mahi katoa i ruka i te pono.
- Responsibility for outcomes, Kaiwhakarite I ka hua.

How We Will Work

- Be people and community focused, Arotahi atu ki ka takata me ka iwi whanui.
- Demonstrate innovation, Whakaatu whakaaro hihiko.
- Engage with our stakeholders (those individuals and groups with an interest in our work), Tuu atu ki ka uru (ratou ka takata me ka roopu e parekareka ana mai ki a tatou mahi).

Commitment to Quality and Patient Safety

The Canterbury DHB has a strong commitment to the provision of high quality health care services and strives to ensure integrated services that encourage evidence-based clinical care and are responsive to consumer needs. A significant milestone in the quest to improve quality and safety was the establishment of the Canterbury DHB's Quality and Patient Safety Council and the subsequent development of a Quality Strategic Plan (refer to the Canterbury DHB's website for the Quality Strategic Plan).

The Quality and Patient Safety Council takes a coordinated approach in considering quality and patient safety. Council membership covers the whole spectrum of health care with representation from: general practice, community based services, hospital and specialist services and the Christchurch School of Medicine as well as Māori, Pacific and consumer representation.

The Quality Strategic Plan is a key document providing a framework that promotes leadership as the underlying driver of quality improvement, as well as recognising that responsibility for this leadership has to be understood, accepted and implemented by staff at all levels. The Plan presents quality improvement as a continuum, commencing with the goal of attaining minimum standards (all Canterbury DHB sites having achieved Health and Disability Sector Standard Certification and accreditation with Quality Health New Zealand) and moving towards a model of strategic organisational development.

The Quality and Patient Safety Council's workplan (attached to the Quality Strategic Plan) monitors the implementation and progress towards these goals and promotes quality improvement initiatives. Work undertaken to date includes: developing quality and patient safety policies; commencing research into developing a set of quality indicators; sponsoring educational sessions and undertaking a stocktake of quality activities and reporting within community based services.

The Council also sponsors the annual Quality and Innovation Awards designed to recognise and reward improvement and innovation. The awards programme promotes a systematic approach to projects and fosters the capture and retention of knowledge. By encouraging staff to record their quality improvements and innovations the Canterbury DHB is also in a better position to share learning, both internally and externally. Staff are also encouraged and supported to enter in external quality awards to further recognise and publicise their efforts.

Emergency Planning and Readiness

The Canterbury DHB continues to participate in regional and national emergency exercises. Particular emphasis is being placed on the involvement and preparation of community based services with several PHOs and community providers being involved in emergency exercises in 2005.

The Canterbury DHB has been part of the establishment and ongoing review of the South Island Regional Health Emergency Plan in conjunction with the MoH, St John Ambulance and other South Island DHBs. This Plan covers a multi-DHB response to any emergency.

At the same time the Canterbury DHB has developed its own major incident and emergency plans identifying how essential health services will continue to be delivered in the event of a national health-related emergency. These Emergency Readiness Plans are updated on an ongoing basis.

The Canterbury DHB has also developed a draft format for dealing with emergency disease situations. This format is being further developed in conjunction with the MoH's Communicable Disease Plan and will encompass a public health response, primary care preparations, hospital services readiness and regional cooperation.

How We Decide What We Fund

The majority of health and disability services that the Canterbury DHB needs to fund are set out in Government policies and directives. For those services for which there is a greater level of funding discretion the Canterbury DHB has developed a Prioritisation Framework, identifying a set of principles to assist in making choices about funding services in the future.

When making decisions about which services to provide and at what level, the Canterbury DHB considers the following decision-making principles:

Effectiveness

The extent to which the health or disability service improves (benefits) quality of life by: the reduction of pain; the maintenance of lifestyle; the promotion of independence or the prevention of premature death.

The services that produce the most benefit are likely to be of a greater priority. The level of benefit takes into account both the benefit per person and also the total number of people benefiting from the service.

Cost

The total costs of services are compared to the effectiveness of those services. This is done to ensure available funding is used to achieve the maximum possible gain.

Equity

The effectiveness of the service in improving the health of disadvantaged groups of people is considered. Disadvantaged groups include those on low incomes, Māori, Pacific and refugee communities, those with multiple diagnosis and those in remote areas with limited access.

Māori Health

In making funding decisions, the Canterbury DHB acknowledges the Treaty of Waitangi, and encourages Māori participation in providing and using services. Services must be appropriate and accessible to Māori.

Acceptability

The Canterbury DHB will ensure the diverse expectations and values of New Zealanders are considered when making prioritisation decisions on which health and disability services to provide and at what level.

Assumptions

In setting long-term goals and aims for 2010 the Canterbury DHB has been working under a number of assumptions:

- Ongoing diseases and avoidable hospital admissions can be minimised by improving access to primary and community care and by improving chronic disease management;
- Health education and promotion services can influence change in the lifestyles of our community;
- Other Government departments, agencies and schools are also working to improve the community's health and make it easier to stay healthy;
- We have the ability to shift funding, where appropriate, from hospital and specialist services to community services and vice versa;
- Our short and mid-term direction and our environment remains similar;
- Baseline funding and outyears funding increase as per the MoH's funding advice. As an over-funded DHB it is assumed that the Canterbury DHB will only receive Forecast Funding Track (FFT) increases and not demographic funding until it funding share is equitable to its population;
- Actual FFT received in the out-years is sufficient to meet the increased cost of service delivery as indicated by official indicators of consumable and labour cost growth and technology adjuster;
- Growth in acute medical health volumes can be managed at levels below the sector average;
- Increases in demand for services can be met through reducing delivery in other service areas;
- Net Inter-District Flow volumes and revenue is able to be fully realised;
- Any new Government or MoH policies or initiatives that have a financial impact on the DHB will be fully offset by increased funding;
- Collective employment agreements are settled within the Treasury's forecasted labour index. Additional costs to move to national rates per Government directive, if any, will be cost neutral to the DHB;
- National and regional employment relations and workforce development activity will not impact negatively on workforce outcomes;
- Interest rates will be within Treasury's forecast;
- Cashflow relating to increased depreciation from asset revaluation (FRS3) will be available for debt facility reduction or equity repayment;
- Options need to be considered for the replacement of the Riverside Block of Christchurch Hospital in the latter years of this DSP period;
- Projected proceeds from approved sale of surplus assets will be realised; and
- The impact of any further asset revaluation on depreciation and/or capital charge has not been assessed in this document and this will be further discussed with the MoH.

Ownership, Capacity and Sustainability

The Canterbury DHB is committed to building health sector and workforce capability and capacity through provider relationships, service development and re-configuration. This will partly be achieved through our ongoing commitment to continuously improving quality and safety, improving knowledge and information management and by increasing the participation of Māori and high needs groups.

During the transition to equity under PBF, the Canterbury DHB continues to receive increases in funding however, the level of increases will be less than the sector average and will be insufficient to meet the increasing costs of demand driven services.

To ensure that we have the funds to meet increasing future costs, we must identify better ways of working within the funding available while continuing to focus our efforts on identified priority areas. The Canterbury DHB's preferences for sources of savings (in descending order) are through:

- Efficiency gains (delivering the same service in more efficient ways);
- Service re-configuration (delivering the same outcomes through the delivery of services in different ways); and
- Service level reductions in access or rate of service delivery.

The Canterbury DHB will need to find significant efficiency gains and consider service re-configurations to live within funding constraints under PBF and to continue to meet its obligations and contracts under adjusted funding levels. Even with significant efficiency gains and re-configuration of services the Canterbury DHB is likely to operate at a deficit in the outyears (refer to Financial Outlook section) and in order to achieve a breakeven position may need to consider service reductions.

It is important to note that not all efficiency gains or service re-configurations are focused on cost savings, some have goals related to service quality, best practice, improved service delivery and sustainability of services. The Canterbury DHB sees opportunities going forward for improvements in quality and effective service delivery that will better meet the needs of our patients, consumers and services users.

In developing strategies or undertaking reviews the Canterbury DHB will continue to identify areas where integration, efficiencies, re-configuration or earlier intervention can produce better value and outcomes from available funding. We are committed to ensuring that opportunities of this nature

continue to be identified and acted upon to realise health gains for our community.

Any service re-configurations will be achieved through consultation and collaboration with key stakeholders to determine appropriate solutions that best meet the needs of the Canterbury community. We will also work closely with consumers and our community to determine priorities and to communicate change.

Where service re-configurations are in the area of mental health the ring fence requirements will be maintained. Any re-configuration processes will also comply with Section 5 of the Operational Policy Framework. Those reviews or re-configurations not already identified throughout this document are around:

1. Implementation of ministerial or national reviews, initiatives or reconfigurations to ensure consistency in systems and process, equity of access and improved health outcomes such as:
 - Review of School Dental Clinics
 - Implementation of Cataract and Orthopaedic Initiatives
 - Implementation of the NZ Cancer Control Strategy
 - Continued implementation of the Government's Primary Health Care Strategy
 - Ongoing review and allocation of Mental Health Blueprint Funding.
2. Implementation of Canterbury DHB reviews, initiatives or re-configurations to address fitness of the organisation, ensure efficiency, best practise, quality and safety, improved health outcomes and sustainability of service delivery such as:
 - Review patient presentation admissions to reduce avoidable presentations and admissions
 - Review patient processes to reduce unnecessary waits and delays and improve patient flow
 - Continue to identify and implement alternative models of care for patients outside of the hospital setting such as chronic care management
 - Reconfigure service delivery models to match the best location for the provision of treatment and care. A full health service review is to be included with a view to completing our facilities master plan. There will be a need for further consultation with our community as District Annual Plans are reshaped to make efficiency gains.
 - Review non-clinical support services to ensure appropriate industry approaches

- Review clinical support services to ensure appropriate practices that focus on delivering effective clinical support
 - Implement capacity management processes to match resources to patient activity
 - Review and improve operations management process and controls to enable flexible resourcing options to meet demand requirements
 - Implement initiatives in community service design to streamline and improve access and responsiveness
 - Review inter-health and inter-sectorial planning for civil defence emergencies where health is the lead agency
 - Review links and interface with PHOs, TLAs and other community agencies in the delivery of health promotion programmes and the coordination of health promotion activity
 - Review location of services and development of facilities to ensure a fit for future hospital care
 - Develop and implement strategies in line with our Strategic Priorities to reduce disparities, ongoing illness and the impact of chronic disease, to improve access and to ensure sustainability of services
 - Review contracting and tendering processes
 - Review and encourage responsible management of demand driven services.
3. Consider service reconfiguration or service level reduction to achieve a breakeven position beyond 2008/09:
- Work with other DHBs to reduce the costs to our organisation on a national and regional level
 - Work with the MoH to ensure that the Canterbury DHB is treated fairly under PBF and that Inter-district prices for services are fair.
 - Consider the provision of services to allow hospitals to focus only on emergency and serious illness
 - Consider models of care where services are (or could be) provided in the community
 - Consider reductions in non-essential services to levels in line with other DHBs and manage these costs
 - Identify those services that are least cost effective and consider alternative models of care.

Some reviews have been undertaken in 2005/2006, with actions to be implemented in 2005/2006, while some reviews will be in preparation for changes and developments in the 2006/2007-year and beyond.

Risk Management and Risk Mitigation

The nature and complexity of a DHB's activities means they are exposed to a large number and wide variety of risks. The Canterbury DHB has adopted an organisation-wide approach to risk management and risk reporting, which deals with all potential areas of risks, including clinical, operational, financial and organisational.

The Canterbury DHB's Board has delegated specific risk monitoring responsibilities to its Finance, Audit and Risk Committee. This Committee receives monthly reports on the management of the organisation's highest level risks. Relevant risks are also presented to the Board's Hospital Advisory Committee and the Canterbury DHB's Clinical Board has monitoring responsibilities in relation to clinical risks, receiving similar monthly risk reports.

The risk reporting system, supporting the Canterbury DHB's highest level risks, accords with the current Australian and NZ guidelines on risk management and as part of its obligations under the MoH's Operational Policy Framework, the Canterbury DHB reports quarterly to the Ministry on its key risks and mitigating actions.

The Canterbury DHB also plays a role in the National Quality and Risk Managers Group. This Group is in the process of developing a common risk management approach for the sector, which is aligned to best practice and can be used consistently across DHBs. This will provide an opportunity to share and benchmark risk information with other DHBs on a national level.

The challenges the Canterbury DHB faces in the coming years have been considered along with the assumptions being made and the strategies being proposed to achieve outcomes in the Strategic Priority areas for 2006-2010. In the table below the major generic risks have been identified and the mitigation strategies for the same are outlined.

Risks	Mitigation Strategies
Financial/ performance risk. Ability to maintain current level of health services with limited funding increases over the next five years.	Should service efficiencies and re-configurations, undertaken as proposed, not be sufficient to achieve a breakeven position in outyears then some service reductions may have to be considered.

Risks	Mitigation Strategies
Instability of political settings and related funding. The Canterbury DHB's plans are based on current Government health and financial policies.	Work with the MoH, DHBNZ, and with the Government's policy makers to ensure that the impact of any changes is known and taken into account early in the process.
Changes to the PBF formula. Plans and budgets are based on continuation of the current funding formula. Some funding is provided outside the PBF stream - based on actual cost not a population basis. If this funding is incorporated into the PBF formula there is a significant risk that the Canterbury DHB's share may be different and may create a funding short-fall.	Work with the MoH, DHBNZ and with the Government policy makers to ensure these issues are taken into account, that the funding formula is equitable and that any significant change is signalled well ahead of time or that alternatives are available to enable forward planning.
Demand driven services. The growth in demand is higher than funding growth.	Undertake regular assessment of growth in demand to quantify financial risk and work with providers to implement corrective actions to address issues.
Change Management occurs at a slower rate than anticipated or compromise is required resulting in slower implementation of new models of care or a reduction in their efficiency.	Actively communicate with project groups to ensure early identification of issues when developing and implementing new models of care. Consider pragmatic solutions to ensure the appropriate changes or savings.
Funding. New funding provided by the MoH is inadequate for particular services or for introduced regulations or initiatives.	Work with other DHBs to ensure adequate funding provided for new ministerial priorities, regulations or projects. Be pro-active in identifying potential issues.
A health or disability service provides an unacceptable quality of service delivery. Or there is a sudden collapse of a service.	Ensure a provider quality improvement and audit framework is established and followed and work with providers to pro-actively communicate issues and ensure good relationships and support.

Failure to meet Strategic Priorities. A strategy delivers a service mix and target that cannot be achieved within the available funding.	Available PBF will be used as a benchmark to test affordability of any proposed strategy. Access criteria will provide further control within any recommended strategy.
Savings do not materialise from service innovations.	Regular evaluation of potential savings and early recommendations on potential savings will highlight any shortfall.
Inability to influence change to lifestyles. The Canterbury DHB will not be able to keep up with demand if current lifestyle patterns continue. To be successful individuals need to take responsibility for healthy lifestyles.	Focus on disease prevention through education and health promotion and encourage and support healthier choices. Lead by example and work closely with other organisations outside the health sector on the determinants on health status. Be pro-active in monitoring health status.
Balancing community and staff expectations with capacity to deliver. When new drugs or treatments become available the community wants access to these. To be clinically sustainable services must have sufficient volumes and be supported by appropriate professional support. The cost of health and disability services cannot be ignored when DHBs operate within limited funding which must be used most effectively.	Communicate and engage with the public over these issues and use the Prioritisation Framework when making service funding decisions so as to ensure equity. Support the work of the Clinical Review Committee which has been established as a mechanism for the review of the evidence for cost effective clinical improvement for patients as a result of new and/or expensive therapies.
High level of public/media dissatisfaction. Failure to meet expectations of health service provision or service quality.	Conduct regular needs assessments, educate the public and sector on levels of service to expect, work with those who might create artificial expectations and work to educate the media. Ensure public accountability through public meetings and regular communication with the community on health issues and decisions.

Risks	Mitigation Strategies
<p>Cost of industrial settlements, workforce development and retention. If employment costs continue to increase at current rates (or the numbers of health workers needed cannot be met) reviews of the level and scope of services provided will be required. As a funder the Canterbury DHB also faces the prospect of inconsistent pay rates across the sector.</p>	<p>One of the Canterbury DHB's Core Directions is <i>Developing our Health Care Workforce</i> and this focus will assist in the mitigation of this risk. Also work with other DHBs, DHBNZ and the MoH to seek consistency, fairness and funding for national industrial settlements. Collaborate with other DHBs to develop and implement options for workforce recruitment and work nationally with the Government's Health Workforce Advisory Committee and with educational institutions.</p>
<p>Insufficient resource to meet the upkeep of Canterbury DHB's infrastructure.</p>	<p>Continue to plan and prioritise capital expenditure to maintain assets for future service delivery.</p>
<p>Unfunded cost associated with FRS 3. If the financial impact of future asset revaluations under Financial Reporting Standard 3 (FRS3) or any impact from the adoption of New Zealand Equivalents to International Financial Reporting Standards (NZIFRS) is not met through increased government funds the Canterbury DHB will need to review its accounting policy.</p>	<p>Work with the MoH to ensure that the additional costs of FRS3 or NZIFRS are met with additional government funding. If additional cost is not met through increased funding consider reverting to historical costs concept under NZIFRS or reducing service to meet the additional costs.</p>

Monitoring and Reporting

The Canterbury DHB has a set of measures that allows its Board, Executive Management Team and stakeholders to monitor and evaluate its progress and performance. These measures are evolving and further assessment is ongoing to ensure that they will allow measurement of goals and strategies.

Management of the Canterbury DHB is organised into three components in accordance to the arms of responsibility of the DHB:

- Overall Canterbury DHB management (including subsidiaries);
- Funded external and Non-Government Organisations and providers; and
- Internal provider Hospital and Specialist Services.

The purpose of the above separation is to provide transparency between the performance of the key service provision functions while maintaining an overall view of the whole organisation and related subsidiaries. Separate financial and activity reports are prepared for each of the above three arms on a monthly basis, to facilitate monitoring at management level as well as to the Board and its Advisory Committees.

The Canterbury DHB also actively monitors and assesses the quality of services provided by the HSS and external providers via service level agreements. The performance of the HSS is the subject of monthly reports to the Board's Hospital Advisory Committee and the performance of external providers is regularly reported to the Board's Community and Public Health and Disability Advisory Committee.

This monitoring includes appropriate procedures for reporting adverse incidents as well as routine reporting against standards (such as the Health and Disability Safety Standards 2001) and processes. The Canterbury DHB monitors service quality through a program of routine quality audits, service evaluations and issues-based audits and also on an informal basis through relationship management by the Planning and Funding Division who manage the service level agreements with all providers.

Service monitoring is in line with individual contractual arrangements and new requirements contained in the Crown Funding Agreement. Service Coverage Documents and Operational Policy Framework will be worked into service agreements over time. Collaboration with Health Payment Agreements and Compliance (HealthPAC) in collecting, summarising and analysing contract information is vital to the ongoing success of the Canterbury DHB in providing relevant information for decision making.

Financials

Our Financial Objective

The Canterbury DHB receives more than 95% of its funding from the Government via the MoH. Other sources of funding include the Accident Compensation Corporation and revenue from treating overseas patients.

The Government provides DHBs with a rolling three-year indicative funding package at the end of each year. This long-term advice assists the Canterbury DHB in its planning process and provides opportunities to fund services in a more innovative way to improve the health of the people of Canterbury.

The Canterbury DHB's financial objective is to have a sound financial base to deliver and fund health services outlined in the Strategic Plan in a sustainable manner. Having a sound financial base involves the following:

- Maintaining a financially viable result each year;
- Optimising the use of funding for community and hospital services;
- Ensuring sustainable investment in health equipment and technology to improve patient care; and
- Continuing to find better ways of working and enhancing revenue.

Where Does the Funding Go?

The Canterbury DHB has an agreed funding strategy and a three year funding pathway for funding of service. Together with contracting processes including the use of Request for Proposal processes the Canterbury DHB works hard to treat its HSS and external providers equitably.

When contracting services the pressures faced by the Canterbury DHB are similar to those faced by other DHBs, namely the pressure to increase both the volumes and the prices paid to providers. The following diagrams indicate how current funding is allocated by the Canterbury DHB.

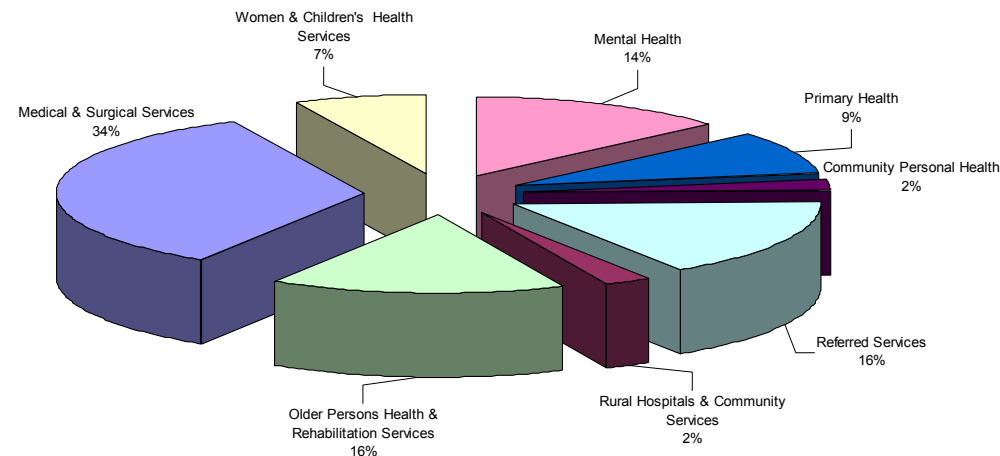


Figure 8 Canterbury DHB Funding Allocation by Service

Financial Outlook 2006-2010

Funding for each DHB is now based on the PBF formula. This involves using a formula (set by the MoH) to allocate each DHB a fair share of the Government's health resources so that each Board has an equal opportunity to meet the health and disability needs of its population.

Under this formula the Canterbury DHB is currently deemed to be funded at more than its fair share relative to other DHBs. As a result the Canterbury DHB will receive a smaller increase in funding each year until its funding is at a level consistent with its population share. When considering the pressures faced by all DHBs to increase volumes and prices paid to providers, until its PBF differential is addressed the Canterbury DHB faces additional pressure in meeting those demands for volume and price.

Canterbury DHB's 2006/2007 funding in excess of its PBF share is estimated at \$17m, indicating that we would not reach our equitable share of PBF funding for another four-five years. A number of funding components currently remain

outside of PBF and if these components were included within PBF, this would further exacerbate our PBF overfunding situation. Therefore, in estimating future financial scenarios, we have applied the MoH's funding advice of a 2% funding increase for out-years for the period of this Strategic Plan.

The MoH's advice to DHBs in the 2006/2007 planning package, provides Forecast Funding Track (FFT) of 2.9% in 2006/2007 and estimated increases of 2.4% and 2.1% in the 2007/2008 and 2008/2009 years respectively. In comparison to index of NZs likely inflation², there is a significant gap between the likely costs faced by DHBs and current projected funding increases.

Continuing to operate in an environment where funding increases are below projected cost increases is unsustainable, particularly given the cost pressures facing the Canterbury DHB in terms of wages, demands on community and hospital services and the need to implement new technologies. This shortfall between funding increases and operating cost presents the Canterbury DHB with considerable financial challenges and we will need to continue to find better ways of working to address these challenges. It is important to note that the Canterbury DHB has made enormous improvements in its financial management, and since its inception in 2001/2002 eliminated its \$21m operating deficit.

It is estimated that as a result of the gap between FFT and projected cost increases, Canterbury DHB will have a significant annual operating shortfall over the next five years. Based on a number of planning assumptions, including only a 2% funding growth in out years, efficiency gains of about \$8M per annum and no reductions to services, the Canterbury DHB could be operating in a 'deficit' environment in the latter years of this Strategic Plan. The outyears financial scenario for the Canterbury DHB is set out in Figure 9.

This projected deficit is of significant concern to the Board. If it becomes apparent that funding increase beyond the indicated levels will not materialise or the projected efficiency gains can not be realised, service reductions will occur to ensure financial breakeven, as set out in Figure 10. The Canterbury DHB's preferences for the sources of savings are summarised in Section Ownership, Capability and Sustainability (page 34).

² MoH Requirements and Guidelines for Using Financial Templates 2006/07, (Appendix 2) December 2005.

Figure 9. Outyears Financial Scenario with efficiencies but without service reductions

	2006/07 \$M	2007/08 \$M	2008/09 \$M	2009/10 \$M	2010/11 \$M
Estimated Net Annual Funding/Revenue Increase	35.2	24.7	20.3	20.7	21.2
Less: Estimated Net Annual Cost Increase	(52.5)	(36.4)	(36.2)	(38.2)	(39.3)
Estimated Annual Operating Shortfall	(17.3)	(11.6)	(15.9)	(17.5)	(18.1)
Estimated Annual Efficiencies	14.8	11.6	8.0	8.0	8.0
Budget Financial Result After Efficiencies	(2.5)	-	(7.9)	(9.5)	(10.1)

Figure 10. Outyears Financial Scenario with service reductions to meet funding shortfall

	2006/07 \$M	2007/08 \$M	2008/09 \$M	2009/10 \$M	2010/11 \$M
Estimated Net Annual Funding/Revenue Increase	35.2	24.7	20.3	20.7	21.2
Less: Estimated Net Annual Cost Increase	(52.5)	(36.4)	(36.2)	(38.2)	(41.2)
Add: Estimated Cost Savings ex Previous Years Service Reductions	-	-	-	3.9	10.6
Estimated Annual Operating Shortfall	(17.3)	(11.6)	(15.9)	(13.5)	(9.4)
Estimated Annual Efficiencies	14.8	11.6	8.0	8.0	8.0
Estimated Annual Value of Incremental Service Reductions	-	-	7.9	5.5	1.4
Budget Financial Result After Efficiencies	(2.5)	-	-	-	-

Notes: Figures 9 and 10 exclude any potential asset revaluation impact, or that any financial impact on depreciation and capital charge arising from this exercise will require further discussion with the MoH. The "Estimated Annual Projected Costs" (in Figure 10) take into account service reductions are likely to occur in a 'phased' manner.

A full health service review is to be undertaken, with a view to completing our facilities master plan. There will be a need for further consultation with our community as DAPs are reshaped to make efficiency gains and, where appropriate, service reductions.

The Canterbury DHB has also developed a draft Asset Management Plan (AMP) which outlines its capital intentions over the next ten years. Financial implications of the AMP, if any, have been included in the financial statements in this Strategic Plan. This includes the need to consider options for the replacement of the Riverside Block of Christchurch Hospital in the latter years of this Strategic Plan period.

Statement of Financial Performance

	2006/07 Forecast \$'000	2007/08 Forecast \$'000	2008/09 Forecast \$'000	2009/10 Forecast \$'000	2010/11 Forecast \$'000
Operating Revenue					
MoH Revenue	987,042	1,011,518	1,033,206	1,053,870	1,074,947
Patient Related Revenue	29,298	29,884	32,036	32,677	33,330
Other Revenue	23,476	23,159	18,821	18,993	19,373
Total Operating Revenue	<u>1,039,817</u>	<u>1,064,561</u>	<u>1,083,863</u>	<u>1,105,540</u>	<u>1,127,651</u>
Operating Expenditure					
Employee Costs	415,600	432,480	446,186	460,221	468,379
Treatment Related Costs	99,804	99,796	100,794	103,810	105,386
External Providers & IDF	414,174	420,738	423,724	428,307	435,228
Strategic Investment Fund	1,000	-	-	-	-
Non Treatment Related & Other Costs	52,473	51,482	51,493	52,523	54,344
Total Operating Expenditure	<u>983,051</u>	<u>1,004,497</u>	<u>1,022,198</u>	<u>1,044,862</u>	<u>1,063,337</u>
Result before Interest, Depn & Cap Charge	56,765	60,065	61,665	60,678	64,314
Interest, Depreciation & Capital Charge					
Interest Expense	(6,696)	(6,696)	(6,696)	(5,709)	(7,345)
Capital Charge Expenditure	(15,097)	(15,097)	(15,097)	(15,097)	(15,097)
Depreciation	(37,472)	(38,272)	(39,872)	(39,872)	(41,872)
Total Interest, Depreciation & Capital Charge	(59,265)	(60,065)	(61,665)	(60,678)	(64,314)
Net Operating Results	<u>(2,500)</u>	<u>(0)</u>	<u>(0)</u>	<u>0</u>	<u>(0)</u>

Statement of Financial Position and Movement in Public Equity

	30/06/07 Forecast \$'000	30/06/08 Forecast \$'000	30/06/09 Forecast \$'000	30/06/10 Forecast \$'000	30/06/11 Forecast \$'000
Public Equity					
Opening Equity	191,205	188,705	188,705	188,705	188,705
Net Result for the period	(2,500)	(0)	(0)	0	(0)
Total Public Equity	<u>188,705</u>	<u>188,705</u>	<u>188,705</u>	<u>188,705</u>	<u>188,704</u>
Current Assets					
Cash & Bank (OD)	(1,297)	(25)	(1,153)	(931)	(60)
MoH Debtor	8,522	8,522	8,522	8,522	8,522
Other Debtors & Other Receivables	8,000	8,000	8,000	8,000	8,000
Prepayments	600	600	600	600	600
Stocks	7,000	7,000	7,000	7,000	7,000
Total Current Assets	<u>22,825</u>	<u>24,097</u>	<u>22,969</u>	<u>23,191</u>	<u>24,062</u>
Current Liabilities					
Creditors & Accruals	69,509	60,509	67,509	67,509	67,509
Capital charge payable	4,500	4,500	4,500	4,500	4,500
GST	3,000	3,000	3,000	3,000	3,000
Interest Accrual	400	400	400	400	400
Staff Entitlement	67,914	59,624	59,624	59,624	59,624
Short Term Borrowings				40,000	40,000
Total Current Liabilities	<u>145,323</u>	<u>128,033</u>	<u>135,033</u>	<u>175,033</u>	<u>175,033</u>
Working Capital	(122,498)	(103,936)	(112,064)	(151,842)	(150,971)
Investments	311	311	311	311	311
Restricted Assets - Trust Fund	8,405	8,405	8,405	8,405	8,405
Fixed Assets	388,137	369,575	392,703	405,831	416,959
Total Non Current Assets	<u>396,853</u>	<u>378,291</u>	<u>401,419</u>	<u>414,547</u>	<u>425,675</u>
Term Staff Entitlement	(7,000)	(7,000)	(7,000)	(7,000)	(7,000)
Term Loans	(78,650)	(78,650)	(93,650)	(67,000)	(79,000)
Total Non Current Liabilities	<u>(85,650)</u>	<u>(85,650)</u>	<u>(100,650)</u>	<u>(74,000)</u>	<u>(86,000)</u>
Net Assets	<u>188,705</u>	<u>188,705</u>	<u>188,705</u>	<u>188,705</u>	<u>188,704</u>

Movement in Public Equity

	30/06/07	30/06/08	30/06/09	30/06/10	30/06/11
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000
Public Equity					
Opening Equity	201,844	199,344	199,344	199,344	199,344
Add/(Less):					
Equity Injection / (Repayment)	-	-	-	-	-
Net Result for the period	(2,500)	(0)	(0)	0	(0)
Total Public Equity	199,344	199,344	199,344	199,344	199,343

Statement of Cashflow

	2006/07	2007/08	2008/09	2009/10	2010/11
	Forecast	Forecast	Forecast	Forecast	Forecast
	\$'000	\$'000	\$'000	\$'000	\$'000
Cashflows from Operating Activities					
Cash provided from:					
MOH Receipts	987,042	1,011,518	1,033,206	1,053,870	1,074,947
Other Receipts	46,775	48,043	50,857	51,870	52,703
	1,033,817	1,059,561	1,083,863	1,105,540	1,127,651
Cash applied to:					
Employee Costs	415,600	440,770	446,186	460,221	468,379
Supplies & Expenses	572,452	581,017	589,012	584,841	594,958
Capital Charge Payments	15,097	15,097	15,097	15,097	15,097
Finance Costs	6,696	6,696	6,696	5,709	7,345
Taxes Paid	-	-	-	-	-
	1,009,844	1,043,580	1,036,991	1,065,668	1,085,779
Net Cashflow from Operating Activities	23,972	15,982	46,872	39,872	41,872
Cashflows from Investing Activities					
Cash provided from:					
Sale of Assets	11,000	13,290	-	-	-
	11,000	13,290	-	-	-
Cash applied to:					
Purchase of Assets	36,000	28,000	63,000	53,000	53,000
	36,000	28,000	63,000	53,000	53,000
Net Cashflow from Investing Activities	(25,000)	(14,710)	(63,000)	(53,000)	(53,000)
Cashflows from Financing Activities					
Cash provide from:					
Loans Raised	-	-	15,000	13,350	12,000
	-	-	15,000	13,350	12,000
Cash applied to:					
Loan Repayment	-	-	-	-	-
	-	-	-	-	-
Net Cashflow from Financing Activities	-	-	15,000	13,350	12,000
Overall Increase/(Decrease) in Cash Held	(1,028)	1,272	(1,128)	222	872
Add Opening Cash Balance	(269)	(1,297)	(25)	(1,153)	(931)
Closing Cash Balance	(1,297)	(25)	(1,153)	(931)	(60)

Appendices – Additional Information

- Appendix 1. Objectives and Functions of a District Health Board.
- Appendix 2. Key Government Priorities
- Appendix 3. Canterbury DHB Summary of Submission on draft District Strategic Plan 2005
- Appendix 4. Canterbury DHB Health Needs Assessment (Summary) 2004
- Appendix 5. Other Ongoing Work
- Appendix 6. Glossary of Terms

References

There are a number of Plans and Documents referred to throughout this Plan. These are available either on the Canterbury DHB's website www.cdhb.govt.nz (local plans), or the Ministry of Health's website www.moh.govt.nz (national plans), or as referred to in appropriate footnotes. Alternatively any public documents referred to in the Plan can be obtained from the Canterbury DHB's Planning and Funding division on (03) 364 4160.

Acknowledgments

Preparation of this Strategic Plan has involved members of our Board, many of our staff and, importantly, input from other health care providers, stakeholders and members of the Canterbury community. We are very grateful to all those who took the time to attend consultation meetings and to provide written submissions on our draft Plan.