

# The voice of the aged residential care sector







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## Our Vision

Leading the delivery  
of outstanding quality  
care for the elderly  
in New Zealand

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# Highlights Snapshot



*NZACA membership grew to more than **600 members**, accounting for more than **90%** of all aged residential care beds.*



*Negotiated a **1% increase** in ARRC funding for the coming year – a fair result and the **highest increase** achieved for several years.*



***Better use of insight** to support our advocacy, including the annual member profiling survey, palliative care rates and bariatric care.*



*A **sustained involvement** in the **landmark Equal Pay Case**. We represented employers around the negotiating table and developed resources to keep members, the media and public informed.*



***Progress on key advocacy issues**, including ARRC, interRAI training, premiums on respite care and design of secure dementia units.*



***345 delegates** attend the 2015 NZACA Conference – a **record number** – with many rating it our **best conference ever**.*



*Developing an expanded Excellence in Care Awards programme to recognise individuals and members delivering outstanding service to their elderly residents.*



*Maintained our position as the voice of the sector, with government, stakeholders and the media.*



*Travelled the country widely meeting with members on the ground, including attending branch meetings in every region.*



*Improved member communication tools, including a new website and revamped In Touch weekly newsletter.*



*Ran a series of very successful professional development, training and business capability workshops.*



*Responded to members' calls for support and information, including hundreds of calls to NZACA's 0800 Help Line.*

# Chairman's Report

It is my pleasure to present the Chairman's report to the Annual General Meeting of the New Zealand Aged Care Association for 2015/16. It's been an eventful year, marked by big challenges and some good wins and growth in membership under the leadership of new Chief Executive Simon Wallace.



Given its potential implications, the Equal Pay Case remained our number one priority. We invested significant resources into defending the case and representing employers around the negotiating table. Thank you to all those members who contributed financially to help us mount a strong defence.

The new interRAI assessment scheme created issues for members which we are working to resolve. While it hasn't performed to expectations, it is vital we embrace the scheme as it will provide valuable ongoing insight into our sector.

Advocating for members was our focus. Positively, we influenced policy and decision-making in areas ranging from the design of secure dementia units to premium charging for respite and short-stay care and input into the Government's Health of Older People Strategy.

To maximise our advocacy impact we strengthened our relationship with the Retirement Villages Association of NZ, working together on policy and strategic issues and co-locating our Wellington offices.

## ACKNOWLEDGEMENTS

Thanks to Simon Wallace and the team at National Office who put in a huge effort on your behalf, from lobbying Government to secure the best environment for your business, to helping resolve individual member employment issues.

I would also like to thank my fellow Board Members. We are fortunate to have a stable and hard-working Board. In particular, I would like to acknowledge my Deputy Chair Max Robins for his invaluable behind-the-scenes work on the Equal Pay negotiations, and Max and Warick Dunn for their contribution to the ARRC Steering Group meetings.

We were delighted to welcome Bupa to the Association. Grainne Moss brought a wealth of expertise to our Board table, as does her successor Jan Adams. I would also like to thank my other Board members, Ann Coughlan, Brien Cree, David Hall, Malcolm Hendry, Gordon MacLeod and Rhonda Sherriff for their hard work and committing their time to the purposes of the NZACA.

## LOOKING FORWARD

There is no doubt the coming year will be as challenging, if not more so, than 2015/16 as we move towards a new era of premium charging and occupations rights agreements. On the advocacy front, we are already planning for next year's General Election campaign.

Fortunately, your Association is in a strong financial position with a growing membership and an experienced and skilled team at both the governance and management level.

We are privileged to work on your behalf and thank you for your ongoing support.

**SIMON O'DOWD**  
CHAIRMAN

# Chief Executive's Report

It was an action-packed first year in the job as I worked with the NZACA team to promote members' interests and support your businesses.



We vigorously advocated on a broad range of issues on behalf of all our members, large and small. We now represent more than 90% of the sector, which gives us influence around the negotiating table and opens doors.

A lot of our effort goes into reducing the mounting cost burden on members. A big focus in 2015/16 was the continued defence of the Equal Pay Case with the goal of achieving a fair and affordable outcome for members.

In the annual ARRC negotiations we were pleased to secure an across-the-board 1% funding increase. It was not enough, but is better than has been achieved for some years. Other advocacy wins included progress on the design of secure dementia units, respite and short-stay care and interRAI training.

The team organised several very successful member events. Our annual conference attracted a record number of attendees and survey responses showed it was considered by many members to be the best ever. A review of our Awards programme saw the introduction of new categories to recognise outstanding performance by individuals and care homes of all sizes. Training and education workshops received excellent feedback and helped build member capability.

In my first 12 months in the role I made it a priority to get to know members personally and understand your challenges and concerns. It was a pleasure meeting many of you at branch meetings up and down the country, and visiting your care homes.

We are continually looking at ways to deliver greater value and support to members. During the year this included redevelopment of our website and member newsletter to make them more informative and user-friendly and keep members up-to-date with issues and news. We have increased our focus on sector insight, which has provided us with valuable evidence to strengthen our negotiating position in areas such as palliative care.

As New Zealand's population ages the challenges we all face will only increase, making a strong Association more important than ever. Positively, we have a professional and expert management team and a strategic, forward-thinking Board.

Most importantly, we have a large and loyal membership. Your support ensures NZACA can effectively work to create an environment in which your business can prosper and continue to deliver outstanding care to New Zealand's elderly citizens.

**SIMON WALLACE**  
CHIEF EXECUTIVE

# Demographics of the Ageing Population



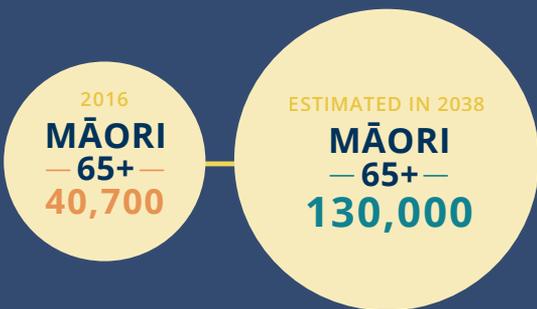
## AGED 65+



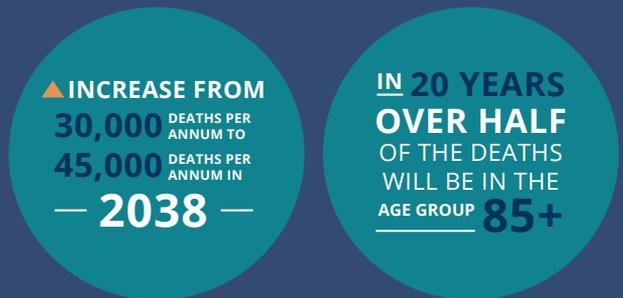
## AGED 85+



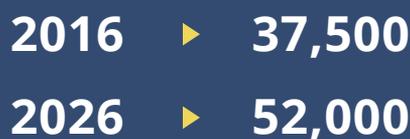
## Ethnic Change



## Number of Deaths



## Aged Residential Care Beds



# Advocating for members

NZACA advocates relentlessly to create an environment that helps our members deliver outstanding quality care for New Zealand’s elderly. We provide leadership on issues that impact the success of members. We also provide support for individual members on issues ranging from employing foreign staff to dealing with complaints.

## ARRC INCREASE

After a tough round of negotiations with the Ministry of Health (MoH), we achieved an across-the-board increase of 1% for the 2016/17 Age Related Residential Care (ARRC) Services Agreement. We also got progress for members on several priority issues. This included premium charging on respite and short-stay admissions, extra interRAI training and a downgrade in the status of the dementia design guidelines with auditing provisions removed as well as an extension in resident repayment times.

While the 1% increase is a fair result given the current low inflationary environment, it does not go any way to addressing the chronic under-investment in our sector and the services that we provide.

## EQUAL PAY CASE

No other single issue has such far reaching consequences for our members. As the sector’s peak association we have actively and constructively worked to resolve this issue, including taking part in Government-facilitated negotiations between unions, employers and Government. Our position, which we have communicated widely, is that while our members want to pay caregivers more, they can’t under the current Government ARRC contract and long-term sector underfunding. Throughout the negotiations we have said that it is our preferred aim to settle the matter out of court.

## INTERRAI PROGRESS

interRAI was arguably the most contentious issue for members in 2015/16. The new resident assessment regime has been challenging for members. While we are committed to InterRAI long-term, there has been insufficient training and support around its implementation, and that has come at a significant cost.

Positively, after effective lobbying by NZACA, issues around training are now being addressed to alleviate waitlists for courses. We are continuing to work hard to get results in other interRAI areas of frustration, including inconsistency around standards, assessment reviews and audits. We are also pushing for members

to have easy and timely access to valuable sector data District Health Boards (DHBs) are collecting through interRAI.

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**“Oceania Healthcare is a long-term member of NZACA and we value the work the team does to lobby Government. There have been a number of occasions over the past year that we have worked with NZACA on matters that are critical to the sector. Their approach is relevant, responsive and professional.”**

*Earl Gasparich, Chief Executive, Oceania Healthcare*

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## RESPITE AND SHORT-STAY ADMISSIONS

We achieved a win for members, with DHBs across all regions agreeing to allow NZAC members to premium charge for respite and short-stay admissions. Some members are seeing as much as 30% of their admissions from respite and short-stay.

## DESIGN OF SECURE DEMENTIA UNITS

After another hard fought lobbying effort, we achieved a win on proposed changes to the design of secure dementia units.

The MoH’s consultation process contained no economic analysis of the proposed changes. No consideration was given to the fiscal pressures that would be created for members or the outstanding dementia care and services they already provide. The Government took our concerns on board and agreed to downgrade the new MoH guidelines to an information resource, with no reference to auditing. We will monitor DHBs to see how they interpret this resource when approving secure dementia unit builds and rebuilds.

## BARIATRIC CARE

We successfully demonstrated to DHBs that the increasing number of bariatric residents is placing considerable resource pressure on members – caring for bariatric residents requires additional staff and special equipment.

A member survey provided insight to support our argument. Almost one third of respondents said they have had to refuse admission to individuals because of insufficient bariatric equipment to care for them adequately.

The DHBs have acknowledged our concerns and are looking at a funding pool while we are exploring options so our members can lease rather than buy bariatric equipment.

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**“NZACA’s willingness to assist us with the Bay of Plenty DHB to positively resolve a certification issue we were experiencing was much appreciated. Their advocacy and support is broad and their grasp of the issues notable.”**

*Pam Joll, Clinical Operations Manager, Heritage Lifecare, Wellington*

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### PALLIATIVE CARE SUPPLEMENT

With deaths in aged residential care homes increasing faster than for any other place of death in New Zealand, we are continuing to advocate for a distinct palliative care supplement for members.

Around one third of New Zealanders now die in ARC homes. Members and their staff are committed to helping their residents ‘die well’ and provide support for their grieving families, however Government funding needs to recognise the increasing end of life care needs being placed on them.

### REPAYMENT

The MoH agreed to extend the time allowed to repay fees to residents’ families or estates to 20 working days after we successfully argued 10 working days was too short a timeframe.

### BUILDING RELATIONSHIPS

NZACA puts a lot of energy into building constructive relationships that will benefit members, their staff and residents. We meet regularly with a wide variety of public and private sector organisations, including District Health Boards, the Ministry of Health, Immigration New Zealand, Government and opposition politicians, research providers, suppliers, benefit providers, and other stakeholders. We also make connections with international agencies so we can leverage their knowledge, insight and expertise.

### INFLUENCE

As the sector’s lead independent member association, we are asked to represent members on a range of Government working groups, advisory boards and negotiating teams. The most important of these is the ARRC Steering Group that NZACA co-chairs. Others include the Nursing Workforce Governance Group, the Kaiawhina Taskforce, the Health of Older People Strategy Expert Advisory Group, and of course we have been at the table for the Equal Pay Case negotiations.

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**“I’ve found the NZACA team to be extremely helpful. When I was desperate I sought their assistance to help us gain an interim work visa for our overseas chef. We achieved a good outcome.”**

*Pat Wynd, Director, Maida Vale Retirement Village, New Plymouth*

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# Valuable insight

We provide members with relevant and timely insight to help them make sound business decisions.

In 2015/16 this included:

- ▶ The annual Member Profiling Survey. The survey improves understanding of the sector, highlighting trends and providing much needed insight into care homes, their residents and workforce.
- ▶ We commissioned research to support our argument for a distinct palliative care supplement. It revealed that a higher payment is made for palliative care in Australia, the USA and UK because it costs more to provide this service. It also found that providing higher quality palliative care in ARC homes delivers significant benefits to the health system, including fewer hospital admissions and hospital deaths.
- ▶ Member surveys on equal pay, interRAI and bariatric equipment use provided useful insight to support our advocacy on these issues.

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**“To have NZACA’s representation at a national level on important issues on our behalf is invaluable. I gain information through NZACA member surveys which is extremely useful for comparisons on how we are doing across numerous areas. NZACA is a resource for general information and helps provide staff education at all levels.”**

*Tina Mills, General Manager, Friendship Hospital, Motueka*

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# Supporting member performance

Support for members also includes our 0800 Help Line, Q&A service, training and professional development workshops and information on sector and NZACA issues and initiatives.

In 2015/16, workshops to help build members' business capability included:

-  Cultivating Leadership workshops in Auckland, Wellington and Christchurch attended by 70 managers, clinical managers and registered nurses
-  Practical Care and Support Worker workshops held across the country, contributing towards a qualification
-  Managers and Clinic Managers Workshops in five centres attracted almost 150 attendees

We travel throughout the country regularly, updating and consulting with members on important issues. We have a network of 16 branches from Whangarei to Invercargill that have all been visited in the past year. These forums are invaluable for our members. They are also vital to help us understand the issues that really matter to members.

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**"I want to give feedback regarding the recent staff training. When my staff came back, they were proudly saying that it was the best training that they have ever attended. So well done and thank you."**

*Jenna Tardio, Clinical Nurse Leader, Summerset Down the Lane, Hamilton*

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## BETTER COMMUNICATION

We communicate with members through a variety of channels, including in person, phone, email, our website, quarterly magazine and weekly newsletter.

During the year we redeveloped the website to make it more informative, relevant and simple to navigate. We also revamped the In Touch weekly newsletter. We communicate issues in more depth in Excellence in Care, our quarterly magazine.

## MEMBER BENEFITS

Preferred supplier agreements with ASB Bank, EBOS Healthcare, Goodman Fielder and Taxi Charge provide benefits and savings to members and their staff.

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**"NZACA provides amazing support to me and members in the North, including up-to-date sector information and questions answered quickly following an email or phone call. The peace of mind and support you feel when you're dealing with tricky situations such as auditors or complaints can't be measured, other than to say you don't feel on your own with NZACA behind you."**

*Mandy Beazley, Facility Manager, Radius Potter Home, Whangarei*

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# Awards

Following a major review during the year, we were very excited to launch an expanded NZACA/EBOS Healthcare Excellence in Care Awards Programme for 2016.

These are our sector's most prestigious awards, recognising outstanding individual and business performance. The Awards showcase the amazing work our members provide to their residents and we look forward to taking them from strength to strength over the coming years.

## 2015 AWARD WINNERS

Congratulations to our 2015 Award winners, presented at a Gala Dinner during the NZACA annual conference in Auckland.

### Oceania Healthcare

Supreme Winner - EBOS Healthcare Overall Excellence in Aged Care Award, and  
Health Ed Trust Staff and Training Development Award

### Horowhenua Masonic Village

QPS Benchmarking Innovative Delivery Award

### Atawhai Lifestyle Care and Village, part of Oceania Healthcare

Bidvest Excellence in Food Award for Care Homes and Hospitals

### Te Wiremu House

Medi-Map Community Connections Award

### Elizabeth Know Home and Hospital

Jackson Van Interiors Built & Grown Environment Award

# Conference 2015

In 2015 we welcomed a record 345 delegates to the New Zealand Aged Care Association Conference in Auckland, 8-10 September.

The action-packed programme focused on the need to provide an integrated healthcare system in order to deliver outstanding care to the country's elderly as they move from community care through to full-time and acute care.

The conference also featured a trade exhibition with more than 90 companies promoting the latest aged healthcare sector products, services and innovations.

The networking and social events were a highlight and the Awards gala dinner celebrated our top performers.



# Board of Directors

The New Zealand Aged Care Association is governed by a Board of Directors which represents our diverse sector. During the year we were pleased to invite new member Bupa to take up a position on the Board as an additional Large Member Representative.

## CHAIRMAN

**Simon O'Dowd**

Managing Director | Alpine Retirement Group Ltd | Christchurch

The owner and operator of Alpine Retirement Group Ltd, Simon has been working in the sector for more than 30 years and is a long-standing member of NZACA. In addition to his role as NZACA Chair, he is involved in many aspects of the sector, including the ARRC negotiations and training.



## NORTHERN 1 REPRESENTATIVE & DEPUTY CHAIRMAN

**Max Robins**

Chief Executive | CHT | Auckland

Max is Chief Executive of CHT, an independent healthcare trust which provides residential care facilities, dementia, hospital and home care services from 14 different locations in Auckland and the Bay of Plenty.



## NORTHERN 2 REPRESENTATIVE

**Ann Coughlan**

Chief Executive | Mercy Parklands Ltd | Auckland

Ann has worked in the New Zealand healthcare sector for almost 40 years, holding operational, project management and senior executive roles. For the past 15 years she has been Chief Executive of Mercy Parklands Ltd a private hospital with 97 hospital level care beds.



## MIDLAND REPRESENTATIVE

**David Hall**

Chief Executive | Cambridge Resthaven Trust | Cambridge

David was appointed Chief Executive of Cambridge Resthaven Trust in 2001. The Trust provides rest home and hospital care, together with a retirement village.



## CENTRAL REPRESENTATIVE

**Warick Dunn**

Chief Executive | The Masonic Villages Trust | Wellington

Warick has been Chief Executive of the The Masonic Villages Trust since 2004. The Trust operates four Lower North Island facilities in Lower Hutt, Palmerston North, Levin and Masterton. Each location has a residential facility and an associated retirement village.



**UPPER SOUTHERN REPRESENTATIVE**

**Rhonda Sherriff**

Director | Chatswood Rest Home and Retirement Village | Christchurch

Rhonda is the Co-owner of Chatswood Rest Home and Retirement Village and oversees it operationally on a part-time basis. Rhonda has worked in the sector for over 25 years, in quality coordination, management and operational management roles. She is also NZACA’s Clinical Adviser.



**LOWER SOUTHERN REPRESENTATIVE**

**Malcolm Hendry**

Chief Executive | Birchleigh Residential Care, & Chatsford Lifestyle Community Mosgiel, Dunedin

Malcolm became Chief Executive of Birchleigh Residential Care and Chatsford Lifestyle Community in 2007. Both businesses are located in Mosgiel. Birchleigh is an 83 bed facility offering rest home, hospital and specialist dementia care. Chatsford is a 267 unit resort-style retirement community.



**LARGE PROVIDER REPRESENTATIVE**

**Jan Adams**

Acting Managing Director | Bupa Healthcare

Jan joined Bupa’s leadership team in March 2015 from the Waikato District Health Board where she had held a number of roles, including eight years as Chief Operating Officer and Director of Nursing and Midwifery. She has also served on the Nursing Council of New Zealand and has been a member of several Government working parties.



**LARGE PROVIDER REPRESENTATIVE**

**Brien Cree**

Managing Director | Radius Care

Brien is the Managing Director of Radius Care which has 22 aged care facilities across New Zealand. Brien is the majority shareholder in Radius Care, having started the company in 2003. With more than 25 years’ experience in the aged care sector, Brien has an in-depth knowledge of the market and issues affecting the elderly.



**LARGE PROVIDER REPRESENTATIVE**

**Gordon MacLeod**

Deputy Chief Executive & Chief Financial Officer | Ryman Healthcare

Gordon joined Ryman Healthcare in 2007. He was previously a corporate finance partner with PwC and a finance director of a London publicly listed high-tech engineering company. Gordon is a Chartered Accountant.



**BOARD OF DIRECTOR CHANGES 2015/16:**

Grainne Moss, Managing Director, Bupa Healthcare joined the Board in September 2015 and resigned April 2016.

Jan Adams, Acting Managing Director, Bupa Healthcare joined the Board in April 2016.





### **Photography**

Our most sincere thanks to the care homes that assisted us in taking the photographs for this report: Sprott House, Te Hopai and Village At The Park.



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