



Te Tāhū Hauora
Health Quality & Safety
Commission

Pūrongo ā-tau

Annual report

2022/23



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Te Tāhū Hauora
Health Quality & Safety
Commission

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Strategic intent, set out in our Statement of Intent 2020-24

Tā mātau matakitenga

Our vision

Hauora kouna mō te katoa

Quality health for all

Tā mātau uaratanga

Our mission

Whakauru | Whakamōhio | Whakaawe | Whakapai Ake

Involve | Inform | Influence | Improve

Ā mātau kaupapa matua pūmau, i ahu mai i Te Tiriti o Waitangi Our enduring priorities, based on Te Tiriti o Waitangi

Kāwanatanga

Partnering and shared
decision making

Tino rangatiratanga

Recognising Māori
authority

Ōritetanga

Equity

Wairuatanga

Upholding values, belief
systems and world views

Ā mātau kaupapa rautaki matua Our strategic priorities

- » Improving experience for consumers and whānau
- » Embedding and enacting Te Tiriti o Waitangi, supporting mana motuhake
- » Achieving health equity
- » Strengthening systems for high-quality services

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Foreword

Kōrero o mua



The 2022/23 financial year has seen great change to our health system.

Restrictions resulting from the COVID-19 pandemic began to ease, and the implementation of the health reforms was a key focus.

From 1 July 2022, the Pae Ora (Healthy Futures) Act 2022 (the Pae Ora Act) was enacted, which disestablished district health boards and established Te Whatu Ora – Health New Zealand (Te Whatu Ora) and Te Aka Whai Ora | Māori Health Authority (Te Aka Whai Ora). It reformed Manatū Hauora – Ministry of Health (Manatū Hauora). Whaikaha – Ministry of Disabled People (Whaikaha) was also established to improve outcomes for disabled people, reform the wider disability system and coordinate disability policies.

While the system has been changing around us, Te Tāhū Hauora Health Quality & Safety Commission (Te Tāhū Hauora) has remained committed to influencing quality and safety across the health system. We too have undergone some change, most notably our strengthened mandate to improve health quality and safety under the Pae Ora Act. We have a strengthened focus on consumer engagement and new power to make recommendations. We have also launched our new te reo Māori name, Te Tāhū Hauora, which reflects how we see ourselves within the reformed health system. It represents our strong commitment to upholding and enacting Te Tiriti o Waitangi across all our work and achieving equitable health outcomes for Māori.

Our leadership has changed, both in governance and in operations. We bid farewell to two key leaders: Dr Dale Bramley, our board chair since 2019, and Dr Janice Wilson, our chief executive since 2011. Most of the work outlined in this report was carried out under their leadership. We have a new chief executive, a new chair and deputy chair and a refreshed board.¹

One thing that has not changed is our dedication to our vision of ‘Hauora kounga mō te katoa | Quality health for all’, underpinned by the articles of Te Tiriti o Waitangi (our enduring priorities).

We are proud to present our annual report for 2022/23. In it, we reflect on the last year and outline what we have achieved, our challenges and our progress against our performance measures. We report on how we have managed our business across the four strategic priorities set out in our Tauākī Koronga | Statement of Intent (SOI) 2020–24.²

- » improving experiences of consumers and whānau
- » embedding and enacting Te Tiriti o Waitangi, supporting mana motuhake
- » achieving health equity
- » supporting systems for high-quality services.

Like other countries around the world, Aotearoa New Zealand has experienced health system disruptions in the post-COVID-19 era. Pressure on workforce and a more varied patient population with increased needs has contributed to increased access barriers. This has major implications for health quality. While we are not seeing a notable increase in harms to patients or a decrease in quality of reported experience of care, we continue to closely monitor these indicators.

We have strengthened our connections with established entities and cultivated relationships with the new entities, with the aim of working together as one system. This includes facilitating and participating in the development of a quality collaboration model with other agencies and consumer and whānau representatives.

We continued to convene the national Quality Forum,³ bringing together key national agencies and stakeholder representatives to share, discuss and address system-wide quality and safety issues. A consumer now co-chairs the Quality Forum with our chief executive to strengthen the consumer voice. We have begun developing a framework and guidance for quality and safety governance that meets the expectations of the Pae Ora Act.

¹ Dr Dale Bramley's last day as chair of Te Tāhū Hauora was 3 March 2023. Dr Janice Wilson's last day as chief executive was 21 April 2023. We welcomed Dr Peter Jansen (Ngāti Hinerangi and Ngāti Raukawa) as our new tumuaki chief executive on 22 May 2023.

² Health Quality & Safety Commission. 2020. *Tauākī koronga | Statement of Intent, 2020–24*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/assets/Core-pages/HQSC-general-resources/StatementOfIntent2020-24.pdf

³ The Quality Forum is a collaboration of national agencies and organisations working together to share intelligence to learn from each other and to develop common understandings of quality risk areas.

In the 2021/22 Letter of Expectations, the Minister of Health asked whether the mortality review structures were fit for purpose and delivering the most useful information in the most effective manner. Following an independent review, this year we reformed the mortality review function and created a new National Mortality Review Committee to review and report on data on specific types of premature deaths with the aim of preventing such deaths in future. This transformation strengthens the core structure of how we conduct mortality review. This is achieved by pooling expertise and resources, including developing recommendations. The result is a more cohesive and flexible function that can meet the changing demands the future may bring.

Our expanded role in the support of consumer and whānau engagement was reflected in the implementation of the code of expectations for health entities' engagement with consumers and whānau.⁴ Te Tāhū Hauora champions consumer engagement and the facilitation of whānau voices at all levels of the health sector and works to model best practice through engagement with consumers and whānau throughout our own organisation. Throughout the year, the Kōtuinga kiritaki | Consumer network met to support programme planning and delivery, and Te Kāhui mahi ngātahi | the consumer advisory group advised our board. The composition of our advisory groups recognises the rights and perspectives of Māori and amplifies the voices of Pacific peoples, disabled people and those experiencing health inequities.

The consumer health forum Aotearoa grew in both its membership and its reach. We are committed to ensuring that the voices of consumers and whānau are a key driver for the work that we do. For example, consumers have raised concerns about surgical mesh over many years, and we continued to raise these concerns through our work with Manatū Hauora to reduce risk of harm.

We established an equity team with a focus on improving health equity for Pacific peoples and disabled people. We built internal capability in this area through 'Pacific power hours' and cultural coaching, so that all teams are confident in delivering equitable outcomes in their respective programmes.

Workforce pressures have had an impact on our work, with some health care workers unable to complete our education and training programmes because of clinical requirements and competing priorities. We were unable to pilot our Te Ao Māori framework as providers have been focused on the implementation of the current health reforms and ensuring that workforce shortages do not significantly impact service delivery. We remain committed to supporting the health workforce and to understanding their current context with a focus on care, support, quality and safety. This is given specific focus in our SOI 2023-27.⁵

We ended this financial year with a deficit of \$0.531 million compared with our forecasts, largely due to the growth of our work programmes outlined throughout this report. Additional contributory factors include the work to strengthen our internal information technology networks, increases in the cost of travel and an increase in annual leave balances. We are implementing measures to address these 'over runs' so they do not have significant impact in 2023/24.

In this last year of our SOI 2020-24, we engaged with the sector to understand what more could be done to influence health quality and systems safety improvement in the reformed system. We underwent an external performance review⁶ led by Dame Karen Poutasi, Darrin Sykes MNZM and Teresa Wall. Their insights have greatly contributed to shaping our strategic direction from here, and we are immensely grateful to them.

⁴ Health Quality & Safety Commission. 2022. *Code of expectations for health entities' engagement with consumers and whānau*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/code-of-expectations-for-health-entities-engagement-with-consumers-and-whanau

⁵ Te Tāhū Hauora Health Quality & Safety Commission. 2023. *Tauākī koronga | Statement of Intent, 2023-27*. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/assets/Core-pages/About-us/SOI-2023-27_final.pdf

⁶ Te Tāhū Hauora Health Quality & Safety Commission. 2023. *Te Tāhū Hauora Health Quality & Safety Commission independent performance review report 2023 | Te arotakenga mahi motuhake a Te Tāhū Hauora 2023*. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/te-tahu-hauora-health-quality-and-safety-commission-independent-performance-review-report-2023-te-arotakenga-mahi-motuhake-a-te-tahu-hauora-2023

As demonstrated throughout this annual report, we have focused on shining a light on where improvement is needed and lending a helping hand to the system to support improvement during this period of significant change. We emphasise Te Tiriti o Waitangi in action and continue to prioritise equity across all work. We have been purposeful in building our knowledge and understanding of the Wai 2575 principles⁷ and increasingly focusing on these principles within our work. We look forward

to building on our achievements, new and existing relationships and our strengthened mandate and to doing as the external performance reviewers recommended: taking a more proactive and visible role to 'lead out with influence' to drive sector-wide improvement and impact.

Our SOI 2023-27 begins the next chapter in the journey of Te Tāhū Hauora under new leadership and with a strengthened mandate in the reformed health system.



Rae Lamb
Chair
31 October 2023



Dr Peter Jansen
Chief Executive
31 October 2023

⁷ Waitangi Tribunal. 2019. Hauora: Report on Stage One of the Health Services and Outcomes Kaupapa Inquiry. Wellington: Waitangi Tribunal.

Introduction
Kupu whakataki



Te Tāhū Hauora leads and coordinates work across the health sector to monitor and improve the quality and safety of services and help providers to improve the quality and safety of services.⁸ In 2010, Te Tāhū Hauora was established independently of quality roles associated with delivery, commissioning and regulation. Using our independence, we have been able to build strong relationships of trust across the sector. Working collaboratively across agencies, providers and iwi Māori and with the people who use health services, we have been able to strengthen and continuously advance health quality, safety and improvement.

While the system structures around us have changed, we have remained an organisation focused on health quality improvement, with a strengthened role under section 80 of the Pae Ora Act. Our strategic intent (page 3), charts our medium- to long-term goals in our four strategic priorities:

- » improving experiences of consumers and whānau
- » embedding and enacting Te Tiriti o Waitangi, supporting mana motuhake
- » achieving health equity
- » supporting systems for high-quality services.

Recognising that achieving our objectives and priorities requires the work of many, we see our mission as: **Involve. Inform. Influence. Improve.**

The long-term outcomes we seek to achieve, along with how our work contributes to Government priorities are outlined in Appendix 1.

Te Tāhū Hauora service performance information is contained within the performance statement section of this annual report (pages 28 to 40). Significant judgements on selection, aggregation, measurement and presentation can be found on page 40. Performance information also includes the reporting of revenue/expense for output classes on page 59 and the reporting of performance against the Estimates of Appropriations on page 79 and 80.

This annual report reflects on the work of Te Tāhū Hauora from 1 July 2022 to 30 June 2023 and progress against the plans that we set out in our Statement of Performance Expectations (SPE) 2022/23.⁹

We progressed with our planned work and had some notable successes and achievements while maintaining our focus on the impacts and outcomes of our efforts. This introduction touches briefly upon each of these areas and subsequently guides the structure of this report.

Our external performance review noted that we hold a unique and trusted role in the health system in Aotearoa New Zealand. We have significant ability to bring people together, carry out high-quality data analysis and provide both quality improvement and learning from harm education and system safety¹⁰ initiatives. We are committed to actioning Te Tiriti o Waitangi across all we do. We are a valuable resource for the health system, and the activities profiled throughout this annual report affirm this.

⁸ Pae Ora (Healthy Futures) Act 2022. Section 79: Objectives of HQSC. URL: <https://www.legislation.govt.nz/act/public/2022/0030/latest/whole.html>

⁹ Health Quality & Safety Commission. 2022. *Statement of Performance Expectations 2022/23 | Tauākī o ngā Mahi ka Whāia 2022/23*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/statement-of-performance-expectations-tauaki-o-nga-mahi-ka-whaia-202223

¹⁰ Referred to as system safety rather than patient safety to reflect the safety of all participants within the health care sector.

We progressed our planned work

Table A summarises our progress against the deliverables we set in our SPE 2022/23.¹¹ The deliverables we ‘fully achieved’ are represented in green. Those we made progress against, ‘partially achieved’, are represented in light purple. Table A shows that we fully achieved five of our seven deliverables and undertook work towards the other two, meeting most of the requirements that we set for ourselves. Deliverables that were partially achieved were mostly affected by wider health system pressures.

Table A: SPE 2022/23 deliverable status

1	2	3	4	5	6	7
Fully achieved	Partially achieved	Fully achieved	Fully achieved	Fully achieved	Fully achieved	Partially achieved

Section 1 details our report against the deliverables that we set. We also discuss the areas where we did not meet our expectations, highlighting the barriers we encountered and the lessons we learned.

¹¹ Every deliverable comprises multiple components, each of which can either be fully achieved or not achieved. However, if a deliverable contains a combination of both fully achieved and not achieved components, we categorise it as partially achieved overall. See pages 30-38 for more information.



Our notable successes and achievements

At a time when the health system is under great stress, the areas of preventable harm that Te Tāhū Hauora has influenced have been maintained.

In the year to March 2023, which is the most recent data available:¹²

- » falls with a fractured neck of femur remain 30 percent below baseline – the equivalent of 35 fewer falls
- » wound infections following hip and knee surgery remain 20 percent below baseline – the equivalent of 18 fewer infections
- » wound infections following heart surgery remain 22 percent below baseline – the equivalent of 25 fewer infections
- » in-hospital cardiac arrests have further reduced to 22 percent below baseline – the equivalent of 125 fewer cardiac arrests.

Avoiding these harms, which increase mortality and ill health, leads to longer healthier lives. The disability-adjusted life-year (DALY) is a measure that helps us estimate this effect. Each DALY is a year of healthy life lost, so each one avoided is a year of healthy life gained. In the 12 months to March 2023, which is the most recent data available:

- » 59 DALYs associated with reduced falls with a fractured neck of femur were avoided
- » 9 DALYs associated with wound infections following hip and knee surgery were avoided
- » 13 DALYs associated with wound infections following heart surgery were avoided.

Similarly, improvements in reported patient experience of care seen since late 2020 have been maintained.

¹² Our quality and safety markers are updated every quarter (end of March, June, September and December) with data from the previous quarter. At the time of writing this report, the June update had just been completed for data up until 30 March 2023.

Launch of the code of expectations

On 25 August 2022, the then Minister of Health launched the code of expectations for health entities' engagement with consumers and whānau⁴ (the code). Approximately 150 people attended the launch, including a strong consumer presence. Following the launch, our focus shifted to assisting health entities to assess and report on their implementation of the code. Further information is provided under SPE deliverable 1 (page 30).



Visual identity

On 30 March 2023, we blessed and launched our new te reo Māori name, Te Tāhū Hauora, and updated our logo to reflect this, with a new tohu (pattern) that visually represents our role and responsibilities. The tohu reflects how we see ourselves as an organisation in the health system today and our strong commitment to upholding and enacting Te Tiriti o Waitangi across all our work and achieving equitable health outcomes for Māori.¹³ This forms the foundation of our new strategic intent in our SOI 2023–27. We are embracing our new name and the concepts represented in the logo as part of our commitment. We understand our role as providing a tāhū, a ridgepole, that provides strength and protection to those inside the whareniui.

Members of the Partners in Care | He Hoa Tiaki team with former Health Minister Hon Andrew Little at the parliamentary launch of the code of expectations.

Some other achievements from 2022/23

WE DELIVERED AT LEAST

30 reports

92 print, web and video-based resources and/or publications

AND

72 newsletters highlighting information and resources to inform and help the health sector improve.

VISITS TO OUR WEBSITE INCREASED BY NEARLY

35%

compared with the previous financial year to over **430,000** visits and over a million page views.

MORE THAN

200

health care workers completed our other education programmes.

MORE THAN

5,000 health care workers participated in our e-learning courses.

¹³ The explanation of the whakapapa of our new te reo name and tohu is provided on our website: www.hqsc.govt.nz/news/update-to-commission-logo-and-new-te-reo-maori-name



Attendees at the Our voices forum at Te Pae Convention Centre in Ōtautahi Christchurch in May 2023.

Our voices: The journey to healthy futures

The *Our voices: The journey to healthy futures* | *Ō mātou reo: Te huarahi ki pae ora* forum held on 25 May 2023 at Te Pae Christchurch Convention Centre was a success. Approximately 400 participants attended, including representatives from consumer and whānau organisations alongside public servants, academics and health sector staff. This was a great opportunity for attendees to learn more about how consumers and whānau can engage and partner with our health system to ensure their perspectives are reflected in the design, delivery and evaluation of health services. Sessions also explored what it means to apply Te Tiriti o Waitangi and take a 'health equity for all' approach. Ninety percent of respondents to a post-forum evaluation agreed or strongly agreed that the event was of value to them.



From left: Chief Executive Dr Peter Jansen with Director of Consumer Engagement Deon York, the then-Health Minister Hon Dr Ayesha Verrall and Angie Smith, co-chair of Te kāhui mahi ngatahi | Consumer advisory group at the Our voices forum.

National mortality review function

This financial year saw us prepare for the establishment of a single National Mortality Review Committee (NMRC), following an independent review of Aotearoa New Zealand's mortality review function.¹⁴ The transformed national mortality review function will bring a more cohesive and flexible approach that can respond to the changing demands the future may bring. The appointments of the eight new committee members were confirmed by 30 June 2023, and statutory functions transferred seamlessly from the five previous committees to the NMRC on 1 July 2023. We look forward to supporting the NMRC in its inaugural term in 2023/24. All members of the previous mortality review committees were formally invited to transition to new subject matter expert arrangements from 1 July 2023, and the work programmes of the previous committees will continue with little change over the 2023/24 year. Over the coming financial year, we expect further engagement between the NMRC and ongoing workstreams as well as the bedding in of the new operating model. We have developed a prototype 'decision-making framework', which we expect the NMRC will refine during the first few months of its term and then use to identify potential areas for focused review from 1 July 2024.

Family Violence Death Review Committee

The Family Violence and Death Review Committee (FVDR) 8th report, *An ongoing duty to care: Responding to survivors of family violence homicide | He tauwhiro haere te mahi: Hei urupare ki ngā toiora o te riri hau ā-whānau*, was published on 23 February 2023.¹⁵

The report highlights that there is currently no routine after-care system for children who experience family violence homicide. The report provides justification, as well as a proposed structure and practice guidelines, for kaiāwhina who may be able to provide ongoing comprehensive support for surviving children. The FVDR proposed the co-development of an after-care system with government agency and community representatives. The FVDR continues to pursue this recommendation, which is actively supported by

Te Pūkotahitanga (the tangata whenua Ministerial Advisory Group). The FVDR chair, senior specialist and our chief executive met with Hon Marama Davidson, the then-Minister for the Prevention of Family Violence and Sexual Violence to discuss the findings of this report on 21 March 2023. The FVDR chair also presented on this report at the National Family Violence Conference on 22–24 March 2023. This work continues under the NMRC.

Quality and safety system monitoring

We work with and through other organisations to influence improvement. This includes monitoring and reporting on measures of quality and safety and providing advice, tools and resources. Examples of these activities follow.

Quality Forum

Te Tāhū Hauora convenes the national Quality Forum, which brings together key national agencies and stakeholder representatives¹⁶ to share information and analysis on issues of concern. A consumer now co-chairs the Quality Forum with our chief executive to strengthen the consumer voice. The Quality Forum focuses on quality challenges that require cross-agency engagement.

COVID-19 Care in the Community


The *COVID-19 care in the community system learning opportunities | KŌWHEORI-19 he whai wāhi hei ako pūnaha manaaki i te hapori* report was published on 17 April 2023.¹⁷ This report was developed collaboratively with four COVID-19 Care in the Community (CCitC) hubs in Auckland and Southland identified by Manatū Hauora. The report describes the processes the CCitC hubs adopted in the first half of 2022 and uses these to identify system learning opportunities. The review highlights the different ways that Māori and Pacific hubs provided care, shaped by their cultural expertise and local insights. What has been learned from this can be used to inform national and regional approaches to supporting those providing care.

¹⁴ Health Quality & Safety Commission. 2022. *Final report: Review of the national mortality review function*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/final-report-review-of-the-national-mortality-review-function

¹⁵ Health Quality & Safety Commission. 2023. *An ongoing duty to care: responding to survivors of family violence homicide | He tauwhiro haere te mahi: hei urupare ki ngā toiora o te riri hau ā-whānau*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/an-ongoing-duty-to-care

¹⁶ Members of the National Quality Forum currently include consumers; Te Tāhū Hauora executive team members; Manatū Hauora – Office of the Chief Clinical Officers, and senior leaders; Office of the Health and Disability Commissioner (HDC); Accident Compensation Corporation (ACC); primary care representation; Te Whatu Ora; Te Aka Whai Ora; Pharmac; and Te Whatu Ora district professional groups.

¹⁷ Te Tāhū Hauora Health Quality & Safety Commission. 2023. *COVID-19 care in the community system learning opportunities | KŌWHEORI-19 he whai wāhi hei ako pūnaha manaaki i te hapori*. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/covid-19-care-in-the-community-system-learning-opportunities-kowheori-19-he-whai-wahi-hei-ako-punaha-manaaki-i-te-hapori



Vignette: consumer engagement experience

I reached out to Te Tāhū Hauora as I wanted to raise awareness and instil change within the health system by sharing our lived experience of harm and the cumulative harm caused through not being involved in the adverse event review of our son's care.

I read the new *Healing, learning and improving from harm* policy. It was initially very difficult for me to read. This was because it encapsulated what we would have liked to have happened for us, when 'our voice' was not sought and we felt 'unseen'. This passage summed it up very nicely for me. 'In the aftermath of harm, efforts to improve system safety must be balanced with responding to the human experience.' (page 4)

I was able to share at the in-person workshops on learning review methodology, why it is essential for the voice of the consumer and whānau to be included in reviews. I found being able to share our lived experience was helpful to the participants and for my personal healing.

I sincerely hope that this new policy, if implemented well, will enable the voice of the consumers and whānau to be heard through a more robust, compassionate, restorative adverse event process.

He aha te mea nui o te ao?
(*what is the most important thing in the world?*)

He tangata, he tangata, he tangata.
(*It is people, it is people, it is people.*)

As part of this work, Te Tāhū Hauora met with four Pacific communities and agreed to share insights. One way this will happen is through a Samoan storyteller developing a digital narrative for the Oamaru community as their record of best practice.

Sepsis management

On 17 September 2022, Te Tāhū Hauora released a new report *Stocktake of sepsis management in Aotearoa New Zealand*, noting variation in the way sepsis is managed and monitored.¹⁸ The report highlights the need for a coordinated national response to sepsis with recommended actions that keep patients at the centre of sepsis prevention to post-discharge support.

Adverse events policy

The new *Healing, learning and improving from harm: National adverse events policy 2023 | Te whakaora, te ako me te whakapai ake i te kino: Te kaupapa here ā-motu mō ngā mahi tūkino 2023* was released on 10 February 2023 in English and te reo Māori ahead of implementation from 1 July 2023.

The policy is informed by the Te Tāhū Hauora framework of 'he toki ngao matariki' (resilient health care), which seeks a relational approach to health care focused on meeting the needs of the people within the system.

The policy has eight principles, including equity and restorative practice and hohou te rongo (peace-making from a te ao Maori world view), to support health and disability service providers to develop systems for reporting, healing, learning and improving following harm. With an emphasis on consumer and whānau engagement, the policy embraces the code of expectations for health entities' engagement with consumers and whānau and the principles of Te Tiriti o Waitangi.

Following its release, we publicised the policy, updated our learning from harm education programme and developed a suite of resources for the sector. Further engagement is planned over the 2023/24 year to assist agencies to begin putting the policy into operation as part of a 5-year transition process for restorative practice and restorative responses.

¹⁸ Health Quality & Safety Commission. 2022. *Stocktake of sepsis management in Aotearoa New Zealand*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/stocktake-of-sepsis-management-in-aotearoa-new-zealand

Adverse events learning programme

Over 160 people, including staff from hospitals, aged residential care, transport and ambulance services, home and community care or general practice, completed the adverse events learning programme, which consists of e-learning and attendance at a virtual or in-person workshop. The online modules support each of the *Healing, learning and improving from harm: National adverse events policy 2023 | Te whakaora, te ako me te whakapai ake i te kino: Te kaupapa here ā-motu mō ngā mahi tūkino 2023* principles, including an introduction to restorative practice. The workshops focused on the 'learning review', the method recommended by Te Tāhū Hauora for reviewing severity assessment code 1 and 2 events of harm. This method was designed specifically for complex systems such as health and incorporates systems safety science, Human Factors and resilient health care. A commitment to a systems approach that is ethical, inclusive and respectful of all people involved in or affected by harm will improve opportunities to create sustainable learning and change.

From 1 July 2023, the adverse events learning programme has been renamed 'Learning from harm' to align with the revised *Healing, learning and improving from harm: National adverse events policy 2023 | Te whakaora, te ako me te whakapai ake i te kino: Te kaupapa here ā-motu mō ngā mahi tūkino 2023*.

Restorative practice

On 28 March 2023, Te Tāhū Hauora and Te Ngāpara Centre for Restorative Practice co-hosted a hui on using restorative approaches to healing, learning and improving after harm. More than 130 attendees attended and heard about the emergence of restorative practice and hohou te rongō in health care. Te ao Māori experts facilitated a kōrero about how hohou te rongō can be provided alongside culturally safe restorative practice.

Over a third of the attendees completed a survey in the following week; of those, over 97 percent felt that they left the hui understanding restorative principles and why they are important within the unique context of Aotearoa New Zealand, and 90 percent found the content relevant to and helpful for their role.



Restorative responses

In 2020, Manatū Hauora and researchers at Te Ngāpara Centre for Restorative Practice established the National Collaborative for Restorative Initiatives in Health (the collaborative). The collaborative includes representation from national agencies, including Te Tāhū Hauora, Manatū Hauora, ACC and the Health and Disability Commissioner, as well as kaumātua, kuia, consumers and clinicians.

In 2022/23, the collaborative facilitated the development of *He maungarongo ki ngā iwi: envisioning a restorative health system in Aotearoa New Zealand* framework (the framework). The framework gives an overview of mainstream systems used to address health care harm and explains how these well-intentioned approaches sometimes compound harm. It provides recommendations and actions to overcome these barriers and promote restorative responses within health systems.

As this work aligns well with our strategic intent and work already under way, we published the framework on our website on behalf of the collaborative in May 2023. Agencies are working together to action the recommendations provided in the framework.

External performance review

To inform the development of our SOI 2023–27, we underwent a targeted external performance review. Three external reviewers, Dame Karen Poutasi, Darrin Sykes MNZM and Teresa Wall, interviewed over 50 leaders across the health sector, including representatives from Te Whatu Ora, Te Aka Whai Ora, Manatū Hauora and the board of Te Tāhū Hauora. These engagements were rich with discussion and thoughtful and constructive feedback. An internal staff survey had a 61 percent response rate across all areas of Te Tāhū Hauora. The findings and recommendations have now been released, and we are actively incorporating them into our future planning and decision-making processes.

Expansion of survey programme

New adult hospital outpatient patient experience survey

Over 2022/23, Te Tāhū Hauora developed selection criteria for new patient experience survey topics and commenced the process for new topic nominations. The first topic to be prioritised for development was a survey of adult hospital outpatients. This topic was scoped; a questionnaire was developed and cognitively pre-tested alongside a review of the content of the current surveys to ensure they continue to capture relevant information. The method was developed in collaboration with the sector. We ran a pilot of the new adult hospital outpatient patient experience survey in five districts (Counties Manukau, Lakes, Waikato, Nelson Marlborough and South Canterbury) in June 2023. Approximately 20,000 invites were sent, and 5,000 responses were received. Following this successful pilot, the survey will run quarterly with more districts implementing it over 2023/24.

Patient-reported outcome measures

Te Tāhū Hauora also commenced work developing the patient-reported outcome measures (PROMs) programme. We convened a symposium to facilitate sharing of current PROMs activity in Aotearoa New Zealand and to discuss what has and has not worked and what a future PROMs programme could look like. An expert advisory group was then formed, which met three times over the year to agree the early direction and key decisions for establishing PROMs in Aotearoa New Zealand. This included identifying two generic

PROMs tools (EQ-5D¹⁹ and Hua Oranga²⁰) that could be trialled in a proof of concept over 2023/24. Work to scope a pilot of PROMs also commenced.

Paediatric early warning system

We tested the paediatric early warning system across five different hospital sites and, in April 2023, began the implementation phase of the national roll-out to help clinicians identify hospitalised tamariki with the potential to become more unwell so they can respond quickly. This has been included as a SPE deliverable for 2023/24.

Leading improvement workshop with Helen Bevan, NHS England

In August 2022, we held our first significant in-person event after a hiatus of 20 months due to the COVID-19 restrictions. Nearly 230 people attended the 2-day workshop with Helen Bevan, a strategic advisor at NHS England. Helen shared a series of approaches, methods and tools for leading improvement through engagement and community, which participants then practised.

New advance care planning website

In May 2023, the Tō tātou reo | Advance care planning team launched a standalone website (myacp.org.nz) so it is easier for consumers and the clinical workforce to use and to promote the advance care planning kaupapa.

'I need to encourage team members to do this training, work more using a systems approach.'

'I will look at my own workplace with a different lens than I did before.'

'I now appreciate Human Factors is more than an individual interaction and perspective, broaden my horizons and understanding in how my preconceived bias and experience affects how I interact in a team and with patients in my care.'

— FEEDBACK FROM HUMAN FACTORS E-LEARNING MODULE

¹⁹ The EQ-5D is a standardised measure of health-related quality of life that provides a simple, generic questionnaire for use in clinical and economic appraisal and population health surveys. URL: www.ncbi.nlm.nih.gov/pmc/articles/PMC7334333

²⁰ The Hua Oranga is a brief, one-page Māori health outcome measure. URL: www.oradatabase.co.nz

Human Factors learning

We made a Human Factors e-learning course (Ngā āhua tangata) available at the end of 2022. This course was designed to develop participants' knowledge of 'human factors' within an Aotearoa New Zealand health care context.

The course was created in collaboration with ACC, which funded the production of seven Human Factors videos, supported by WorkSafe and with input from certified professional members from the Human Factors and Ergonomics Society of New Zealand. Human Factors offers new opportunities to improve the way that we work in health care by applying the relevant theory, principles, data and methods to design improvements that optimise both human wellbeing and system performance.

As of 30 June 2023, 511 people had registered and 248 had completed the course. Of the 219 who answered the completion survey, 97 percent found the content relevant to their role and helpful in making changes to day-to-day work.

Improving together: Advisors programme

The advisors programme, as part of our Ako tahi hei whakapai ake i te kōunga: Improving together education programme, aims to develop and expand the quality improvement skills and knowledge required to become an effective facilitator of change. This includes gaining an understanding of elements of the broader complexity of the system of health and disability care delivery and strategies to lead quality improvement activities within it. It is designed for health care professionals who have a major portion of their work focused on improvement and who will be viewed by senior leadership as assets for quality improvement in their organisations. In the 2022/23 financial year, 26 participants completed this course. The New Zealand Qualifications Authority has assessed the advisors programme as a micro-credential equivalent to 40 credits at level 5 on the New Zealand Qualifications Framework; it will be named on the framework as 'Advanced health quality improvement'.

As part of the overall quality improvement education programme, we piloted a 6-month Improving together: Facilitators course, which began in February 2023. Each participant undertakes a quality improvement project during the programme.

Participants from our Improving together: Advisors programme have commented on their learnings:

'Learning the theory and then applying it to a real-life project meant my confidence in using the quality improvement tools grew more quickly.'

'I developed new patient information during the course of my project, which is in use and benefiting patients. I am now proactive in ensuring staff have defined measures for improvement projects. I have also used this knowledge to give a talk on quality improvement to the general medicine house officers to assist them in running their own small quality improvement initiatives.'

'I have been able to confidently present my project to audiences without a quality improvement background, and presenting it in the way taught has increased buy-in from senior leadership.'

'I am already using learning from the course on future project planning.'

'I feel more confident when someone asks me to lead a project.'



We focused on **impacts and outcomes**

As well as progressing our planned work, we are keen to understand how our work influences improved outcomes in keeping with the government's objective of 'physical and mental wellbeing - supporting improved health outcomes for all New Zealanders'.²¹ We are seeing early indications that our efforts are headed in the right direction to achieve our longer-term outcome goals.

Table B outlines our strategic priorities and the high-level outcomes we have been measuring over the last 3 years. This includes what we anticipate our work contributes to, with timeframes, the changes we can see now and progress made this year. We have also included achievements from previous years that are relevant for each area and for the future.

²¹ For more detail on how outcomes contribute, please see Appendix 1: Our outcomes framework, clarified in our 2022/23 SPE.

Table B: Progress towards achieving our strategic priorities and longer-term outcomes

Strategic priorities	What we expect to see when our work is contributing to our strategic priority outcomes	What outcomes we hope to see	What we achieved in 2020/21 ²² <i>What we achieved prior (italics)</i>	What we achieved in 2021/22	What we achieved in 2022/23
Improving experience for consumers and whānau	We will know we have contributed to improved experiences for consumers and whānau when we see improvements in patient experience survey results from baselines and improvements in patient and whānau measures and reporting across our programme areas.	Improved patient and whānau experience as a result of improvements made by providers, which they were supported to make by learning from patient experience surveys (3–5 years)	<p><i>Between 2014 and 2019, 20% of questions asked in the hospital patient experience survey showed sustained improvements in reported experience.</i></p> <p>In 2020, both inpatient and primary care surveys were refreshed.</p> <p>Since August 2020, baselines for a total of 31 new questions in the hospital survey and 49 new questions in the primary care survey were established.</p> <p>New baseline established.</p>	Continued collection and monitoring of data and creation of a new tool: Experience Explorer. We will evaluate whether improvements have occurred in 2023/24.	<p>We piloted an outpatient experience survey. Continued to collect and monitor data and update Experience Explorer.</p> <p>Early indications show that, despite system pressures and barriers to accessing care, patients continue to report a positive experience of care.</p> <p>We will continue to monitor this closely as pressure resulting from the COVID-19 pandemic eases and will evaluate improvements in 2023/24.</p>
		Patient and whānau measures and reporting across our programme areas (qualitative and quantitative) indicating improvement in engagement and experience (3–5 years)	<p>A baseline has been established for the consumer quality and safety marker (QSM).</p> <p>Baselines established.</p>	Continued collection, monitoring and publication of data. We will evaluate whether improvements have occurred in 2023/24.	<p>Continued to collect, monitor and publish data through our consumer QSM.²³</p> <p>We established the baselines for this measure at the conclusion of the 2020/21 financial year. Data needs to be collected over 3 to 5 years to ensure an adequate dataset for conducting a rigorous analysis, especially in determining changes since the baseline.</p> <p>As we continue to monitor the data, we highlight any unusual changes or areas of concern with districts.</p> <p>We will evaluate whether improvements have occurred in 2023/24.</p>

²² Health Quality & Safety Commission. December 2021. *Pūrongo ā-tau 2021/21 | Annual report 2020/21*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/annual-report-202021-purongo-a-tau-202021.

²³ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Self assessment summary. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: [Reports.hqsc.govt.nz/content/ce4ea63e-68e6-4ac1-93ae-32ace685bdc6/w_8b35e930/#/supporting-self-assessment](https://reports.hqsc.govt.nz/content/ce4ea63e-68e6-4ac1-93ae-32ace685bdc6/w_8b35e930/#/supporting-self-assessment)

Strategic priorities	What we expect to see when our work is contributing to our strategic priority outcomes	What outcomes we hope to see	What we achieved in 2020/21 <i>What we achieved prior (italics)</i>	What we achieved in 2021/22	What we achieved in 2022/23
Embedding and enacting Te Tiriti o Waitangi, supporting mana motuhake	<p>We will know we have contributed to embedding and enacting Te Tiriti o Waitangi and supporting mana motuhake when we can see improvements in Māori patient and whānau experiences and, over time, in Māori health outcome measures, both at the system level and within our programme areas. However, we recognise that improving wider determinants of health is another key aspect of improving Māori health outcomes.</p>	<p>Improved Māori patient experience surveys results (%) from baselines (3–5 years)</p>	<p>Baseline measures established for Māori respondents for the 31 and 49 questions in our two patient experience surveys.</p> <p>Baselines established.</p>	<p>Continued collection, monitoring and publication of data. We will evaluate whether improvements have occurred in 2023/24.</p>	<p>Continued to collect, monitor and publish data through our Experience Explorer.²⁴</p> <p>We established the baselines for this measure at the conclusion of the 2020/21 financial year. Data needs to be collected over three to five years to ensure an adequate dataset for conducting a rigorous analysis, especially in determining changes since the baseline.</p> <p>As we continue to monitor the data, we highlight any unusual changes or areas of concern with districts.</p> <p>We will evaluate whether improvements have occurred in 2023/24.</p>
		<p>Qualitative and quantitative measures and reporting across programme areas that show improved health equity for Māori (3–5 years)</p>	<p><i>Reduction in inequity for surgical site infections following hip and knee replacements from a rate twice as high as non-Māori, non-Pacific to statistically identical between 2014 and 2016.</i></p>	<p>Continued collection of data and monitoring of outcomes. Results remain low and equitable.</p>	<p>There has been no statistically significant difference between Māori and non-Māori, non-Pacific since 2016. We continue to collect data and monitor outcomes in this area through our dashboard of health system quality and our QSMs.²⁵</p>
		<p>Improved Māori health outcome measures (5–10 years)</p>	<p>Baselines established.</p>	<p>Continued collection, monitoring and publication of data.</p>	<p>Continued to collect, monitor and publish data through our dashboard of health system quality.²⁶</p> <p>We established the baselines for this measure at the conclusion of the 2020/21 financial year. Data needs to be collected over 5 to 10 years to ensure an adequate dataset for conducting a rigorous analysis, especially in determining changes since the baseline.</p> <p>As we continue to monitor the data, we highlight any unusual changes or areas of concern with districts.</p>

²⁴ Health Quality & Safety Commission. 2022. Ngā hua o te tiro whānui | Survey results. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/our-data/patient-experience/survey-results

²⁵ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Ngā tohu kounga, tohu haumarū | Quality & Safety Markers. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/our-data/quality-and-safety-markers

²⁶ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Dashboard of health system quality. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/our-data/quality-dashboards/dashboard-of-health-system-quality

Strategic priorities	What we expect to see when our work is contributing to our strategic priority outcomes	What outcomes we hope to see	What we achieved in 2020/21 <i>What we achieved prior (italics)</i>	What we achieved in 2021/22	What we achieved in 2022/23
Achieving health equity	We will know our work has contributed to health equity when we highlight reductions in unwarranted health care variation and inequities across population groups and we see greater health equity in our health and disability system and programme measures.	Maintained or improved patient experience survey representativeness, particularly for groups experiencing health inequity (3–5 years)	<p>A series of technical fixes, including provision of free data and coupling of text and email invitations, led to increased survey response rates.</p> <ul style="list-style-type: none"> » The Māori primary care survey response rate increased from 11% to 20% (equal with non-Māori, non-Pacific) between August 2020 and May 2021. » The Pacific primary care survey response rate increased from 9% to 15% between August 2020 and May 2021. 	Due to the challenges of the Omicron period, survey responses fell for all ethnic groups. However, Māori response rates remained identical to those for non-Māori, non-Pacific (16% for both groups), and the gap between Pacific and non-Māori, non-Pacific fell from 5% to 3%.	Response rates for Māori (17%) are now higher than for non-Māori, non-Pacific (16%).
		Reductions in unwarranted health care variation measures across population groups (3–5 years)	<p>All Atlas measures are broken down by ethnicity, of which there are well over 100.</p> <p><i>There are numerous examples of significant increases in equity, including asthma-inhaled corticosteroid dispensing, gout hospital admissions, non-steroidal anti-inflammatory drug use with no urate-lowering therapy and maternity low birth-rate babies. However, interpretation is complex because many factors contribute to unwarranted variation.</i></p>	Continued collection of data. The direct effects of the COVID-19 period on access to health care are substantial, so no further publication of 2020 data has been undertaken.	Atlas updates were put on hold in 2022/23 to allow for additional development of Quality Alerts, patient surveys and the measures library. ²⁷ A programme of updates is in place for 2023/24.
		Greater health equity in our system and programme measures (3–5 years)	<i>Reduction in inequity for surgical site infections following hip and knee replacements from a rate twice as high as non-Māori, non-Pacific to statistically identical between 2014 and 2016, and the reduction has been maintained.</i>	Continued collection of data and monitoring of outcomes. Results remain low and equitable.	There has been no statistically significant difference between Māori and non-Māori, non-Pacific since 2016.

²⁷ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Measures library. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: reports.hqsc.govt.nz/measures-library

Strategic priorities	What we expect to see when our work is contributing to our strategic priority outcomes	What outcomes we hope to see	What we achieved in 2020/21 <i>What we achieved prior (italics)</i>	What we achieved in 2021/22	What we achieved in 2022/23
Strengthening systems for high-quality services	<p>We will know our work is contributing to a stronger system for high-quality health and disability services when we see:</p> <ul style="list-style-type: none"> » greater whānau involvement in adverse event reviews, learning and communication 	<p>Reduced mortality over time in mortality review cohort groups (long term, intergenerational)</p>	<p><i>There was a steep reduction in child and youth deaths between 2011 and 2014 – equivalent to around 100 deaths per year.</i></p>		<p>Reductions in child and youth deaths have been maintained since 2014. This is based on the Child and Youth Mortality Review Committee report for 2015-2019, which is the most recently available data.²⁸</p>
	<ul style="list-style-type: none"> » Te Whatu Ora addressing issues raised in relevant Quality Alerts » reduced mortality over time in mortality review cohort groups » improved capability in data and measurement, quality improvement science and clinical governance within the health and disability system and workforce » improved quality and safety measures across the health and disability system and in our own measures. 	<p>Improved quality and safety measures within our programme areas (2-5 years or longer)</p>	<p><i>Since inception, the following improvements in outcomes and processes associated with the quality and safety programmes of Te Tāhū Hauora have been identified:</i></p> <ul style="list-style-type: none"> » <i>Falls – 25% reduction in falls with a fractured neck of femur equating to 175 avoided fractured necks of femur.</i> » <i>The patient deterioration programme has resulted in a 40% increase in rapid response team escalations and a statistically significant decrease of in-hospital cardiopulmonary arrests, avoiding around 200 to date.</i> » <i>Safe surgery – 673 post-operative deep vein thromboses (DVTs)/pulmonary embolisms (PEs) avoided.</i> » <i>Infection prevention and control – 17% reduction in postoperative infections for hips and knees, equating to 92 avoided infections; 18% reduction in postoperative infections for cardiac surgery equating to 81 avoided infections.</i> » <i>Te Tāhū Hauora supported 18 improvement projects in primary care, and 14 of 18 showed measurable improvement.</i> 	<p>In the period to March 2022, we achieved the following results.</p> <ul style="list-style-type: none"> » A further 37 falls with fractured neck of femur were avoided, making 212 in total. » Patient deterioration rapid response team escalations have further increased to stand around 50% above baseline, while the decrease in in-hospital cardiopulmonary arrests is now around 240; an additional 28 avoided infections following hip and knee surgery so that the total avoided infections stands at 120; for cardiac surgery, there are now 95 avoided infections. 	<p>Surgical site infections, in-hospital cardiac arrests and in-hospital falls with a fractured neck of femur continue to decline. By March 2023, reductions in these harms stood as follows:</p> <ul style="list-style-type: none"> » A further 35 falls with fractured neck of femur were avoided, making 242 in total. » A further 125 in-hospital cardiac arrests were avoided, making 378 in total. » A further 18 infections following hip and knee surgery were avoided, making 138 in total. » A further 25 infections following heart surgery were avoided, making 130 in total. <p>We are not observing a further decline in postoperative DVT/PE across the country, likely due to a rise of COVID-19 cases in the community over the last 18 months.</p>

²⁸ Health Quality & Safety Commission. 2022. Child and Youth Mortality Review Committee mortality data reports. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/child-and-youth-mortality-review-committee-mortality-data-reports

Strategic priorities	What we expect to see when our work is contributing to our strategic priority outcomes	What outcomes we hope to see	What we achieved in 2020/21 <i>What we achieved prior (italics)</i>	What we achieved in 2021/22	What we achieved in 2022/23
Strengthening systems for high-quality services		Reduced number of disability-adjusted life-years (DALYs) lost due to complications and poor outcomes within our programme areas (2-5 years)	<p><i>Based on published estimates of the DALYs lost associated with specific healthcare-related harms, we can estimate the following DALYs avoided to date:</i></p> <ul style="list-style-type: none"> » <i>falls - 175 avoided fractured necks of femur = 287 DALYs avoided</i> » <i>safe surgery - 673 postoperative DVTs/ Pes avoided = 397 DALYs avoided</i> » <i>infection prevention and control - 173 avoided postoperative infections = 87 DALYs avoided.</i> 	<p>Updated DALY estimates now stand at:</p> <ul style="list-style-type: none"> » falls - 348 DALYs avoided » postoperative infections - 108 DALYs avoided. 	<p>DALYs are a measure of the years of healthy life lost for any reason. These can be estimated for each of the harms. As at March 2023, the years of healthy life added (DALYs avoided) because of the reduction in these harms stood at:</p> <ul style="list-style-type: none"> » infections following hip and knee surgery: 69 DALYs avoided » infections following heart surgery: 65 DALYs avoided » falls with a fractured neck of femur: 398 DALYs avoided.
		Reduced bed-days within our programme areas (2-5 years or longer)	<p><i>Re-admission (second admission) of older people as a result of an emergency was reduced, resulting in 98,000 fewer bed-days between June 2014 and June 2019.²⁹</i></p>	<p>At June 2021, reduction in bed-days associated with re-admission (second admission) of older people as a result of an emergency stood at 250,000 bed-days.</p>	<p>At June 2022, reduction in bed-days associated with re-admission (second admission) of older people as a result of an emergency stood at 303,000 bed-days.</p>

Table B disclosure: Te Tāhū Hauora uses live datasets for its calculations, which change over time with the inclusion of new cases. The reporting of events can be significantly delayed due to long patient stays, with data only updated upon patient discharge. Te Tāhū Hauora typically receives data approximately 90 days after discharge. The data remains provisional and undergoes continual adjustments until the subsequent year when all data for the period is received. The data presented is accurate as at the time the annual report for the relevant period is compiled.

²⁹ Health Quality & Safety Commission. 2021. *Open4Results - June 2019*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/open4results-june-2019

How this report is organised

Te raupapa o te pūrongo nei

In our SPE 2022/23, we describe deliverables through a single output class: supporting and facilitating improvement. This output class covers our mission of:

- » partnership and collaboration (involve)
- » measuring, analysing, sharing, educating and advising (inform)
- » influencing thinking and action (influence)
- » coordinating, supporting and facilitating measurable improvement (improve).

For our single output class, this part of the annual report is organised into four parts.

1 Our performance statement **Tā mātou mahi**

covers the standards of delivery performance we achieved compared with the standards forecast in our SPE 2022/23.

2 Other work that strengthens our performance **He mahi anō hei whakakaha i tā mātou mahi**

covers broader organisation performance information, showing how we strengthen and develop our organisation's performance, as well as the work we do beyond our SPE 2022/23.

3 Our financial statements **Pūrongo pūtea**

covers the actual revenue we earned and output expenses incurred over the 2022/23 year compared with the expected revenues and proposed output expenses included in our SPE 2022/23.

4 Statement of responsibility **He kupu haepapa**

completes our annual report.

The final part of this annual report comprises Audit New Zealand's audit report on our work.

1

Our performance statement
Tā mātou mahi





This part of our annual report provides detail on performance reporting compared with our 2021/22 annual report and detail of our performance against the work and deliverables we planned in our SPE 2022/23.

On the following pages, we report on each of our seven planned deliverables in seven tables, respectively. The table row labelled 'Plan' shows the work that we agreed to deliver in our SPE 2022/23. The row labelled 'Report' identifies how we have progressed in delivering to our plan. The row labelled 'Result' states whether we have achieved what we set out to deliver. We also use a simple colour-coding system to readily identify our performance.

All our deliverables align to all our strategic priorities, as stated in our SPE 2022/23.

Fully achieved	Partially achieved	Not achieved
Every requirement of this section of the deliverable was fully achieved.	This requirement of the deliverable was partially achieved.	This deliverable was not achieved.

Work plan and report table 1: Consumer engagement (SPE 1)

Our work plan for deliverable 1 was **fully achieved**.

1	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Produce an implementation guide for the 'Code of Expectations for Consumer and Whānau Engagement'.	We will develop the implementation guide by 30 June 2023.	We will consult with Health NZ, ³⁰ the Māori Health Authority, Pharmac, the NZ Blood Service, as well as consumer and whānau locality groups and others to tailor the guide to meet the needs of the health system.	We will survey those who we consulted in developing the implementation guide, by 30 June 2023. At least 70 percent of those surveyed will indicate that they consider the guide will be useful in implementing the code.
Report	The implementation guide for the <i>Code of expectations for health entities' engagement with consumers and whānau</i> was produced and published on the Te Tāhū Hauora website. ³¹	The implementation guide was published on 19 June 2023.	The guide was developed through consultation with the Consumer Voice Framework Reference Group. This group includes members from the Te Tāhū Hauora He Hoa Tiaki Partners in Care team, Ahuahu Kaunuku, Te Whatu Ora, Te Aka Whai Ora, Manatū Hauora, Pharmac, Health and Disability Commissioner and the New Zealand Blood Service as well as consumer and whānau representation. The development of the guide involved an iterative process throughout the year to ensure it meets the needs of the health system.	A SurveyMonkey survey was sent out on 26 June 2023 to entity representatives and consumers who were consulted in the development of the guide (11 people in total) to understand whether they find it useful for implementing the code. At the time of reporting, there is a 64% response rate, and 86% of entity respondents indicated that they consider the implementation guide will be useful for implementing the code.
Result	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .

'The process of the development of the guide has been excellent, and the final version reads well and the graphics in particular are stunning. Layout is good and it's easy to find your way around the website.'

— AN EXCERPT FROM AN ENTITY SURVEY RESPONDENT

³⁰ Health NZ and the Māori Health Authority are now commonly referred to as Te Whatu Ora and Te Aka Whai Ora. This change occurred after the publication of our SPE 2022/23, so the terminology differs throughout.

³¹ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Te aratohu tikanga | Code of expectations implementation guide. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/consumer-hub/engaging-consumers-and-whanau/implementing-the-code

Work plan and report table 2: Te Ao Māori Improvement Framework and implementation guide (SPE 2)

In 2021/22, we engaged three health service providers to pilot the Te Ao Māori Framework: Mary Potter Hospice (the hospice), Wellington; Turanga Health, Gisborne; and Te Whare Maire, Wairoa, Hawke’s Bay. Each provider completed the pilot process and provided useful feedback. This year saw the next phase of this work, to develop engagement and communication strategies to support the use of the Te Ao Māori Framework within the health sector.

Our work plan for deliverable 2 was **partially achieved**.

2	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Develop a variety of engagement and communication strategies to support the use of the Te Ao Māori Framework, within the health sector.	We will develop up to three specific strategies for different services, by June 2023.	We will engage at least three health service providers to support and advise on the engagement and communication strategies.	We will survey services the Commission has engaged with, by 30 June 2023, to assess the application and usefulness of the framework and to inform any further revision or refinement of the framework.
Report	We developed a variety of engagement and communication strategies to support the use of the Te Ao Māori Framework within the health sector. The framework and implementation guide are available on the Te Tāhū Hauora website. These are supported by videos discussing the framework and its intent.	We developed a plan to communicate the framework and associated tools. The framework and implementation guide are available on the Te Tāhū Hauora website and are supported by videos discussing the framework and its intent. Health workforce pressures over 2022/23 led to difficulty engaging providers.	At year end, we have been unable to secure commitment from organisations to implement the framework. One Wellington-based health service provider and another in Tairāwhiti have piloted the framework and provided feedback.	A survey has not been completed. An evaluation is on hold.
Result	This component is fully achieved .	This component is fully achieved .	This component is not achieved .	This component is not achieved .

Work plan and report table 3: Analyse and report on the impacts of COVID-19 on the quality of health services (COVID-19 Window) (SPE 3)³²

In 2021/22, we published the report *A window on quality 2021: COVID-19 and impacts on our broader health system – Part 1: March 2020 to August 2021 | He tirohanga kounga 2021: me ngā pānga ki te pūnaha hauora whānui – Wāhanga 1: Poutū-te-rangi 2020 ki Here-turi-kōkā 2021*. This year, we published the second Window on COVID-19. Components of this deliverable remain similar to those in 2021/22.

Our work plan for deliverable 3 was **fully achieved**.

3	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Analyse and report on the impacts of COVID-19 and the response to it on the quality of health and disability services.	We will complete the analysis and publish the report by 31 March 2023.	The report will include analysis of indicators of access, availability, quality and experience of care, together with early outcomes where these are available. We will use appropriate sub-population analysis to explore effects on equity. The Director, Health Quality Intelligence will sign off the report following a process of review and mediation.	We will survey at least ten providers by 30 June 2023. At least 70 percent of those who respond to the survey, and have read the report, will agree that the report provided useful intelligence on how COVID-19 and the response affected the quality of health and disability services.
Report	We analysed and reported on the impacts of COVID-19 on selected aspects of the functioning of the country's health system so we can learn from that experience and shape resilient system responses in the future. The report <i>A window on quality 2022: COVID-19 and impacts on our broader health system (Part 2) He tirohanga kounga 2022: Me ngā pānga ki te pūnaha hauora whānui (Wāhanga 2)</i> builds on the first Window on Quality on COVID-19, reported as deliverable 5 in our 2021/22 annual report. This second part explores critical aspects not already covered in the first report. In particular, this year we consider the impact of COVID-19 and our system's response on the quality of care for cohorts of health system users, particularly Māori, Pacific peoples and people living with disabilities.	The report was published on the Te Tāhū Hauora website on 27 October 2022.	The report includes analysis of the various indicators. Quality encompasses: access (pp. 37-40, 43-44, 106), availability (pp. 43-44), experience of care (pp. 103-118) and early outcomes (pp. 23-25, 100-102) (as per the Institute of Medicine's six domains of quality). Sub-population analysis, particularly for Māori and Pacific peoples, is included throughout the report to explore effects on equity. The Director, Health Quality Intelligence signed off the report following a process of review and mediation.	At least 10 providers who had read the report were contacted via email to complete a survey beginning 19 June 2023. These included senior leadership in the health and disability system from a range of institutions, including Indigenous data analysis, academia, senior clinicians (directorial level) and national service provision. At the time of reporting, we have had responses from seven people. All agreed that the report provided useful information about the impact of COVID-19 and the response on the quality of health and disability services.
Result	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .

³² This deliverable links to the Vote Health Estimate of Performance: 'A window on the quality of Aotearoa New Zealand's health care published by 30 June'.

Work plan and report table 4: Quality Alerts (SPE 4)³³

We continued to provide Quality Alerts to support quality across the health sector. Last year, the 'quality' component of this deliverable focused on using sector feedback to refine and improve the Quality Alert. We are confident that it is fit for purpose, and so our focus this year was on ensuring that the Alerts reflect academic best practice. Other components of this deliverable remain similar to those in 2021/22. The Quality Forum is not included as part of this deliverable, in recognition of its evolving nature in response to changing system needs.

Our work plan for deliverable 4 was **fully achieved**.

4	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Provide Quality Alerts to support the quality, safety and equity of health services and the system.	We will provide four Quality Alerts across the year ending 30 June 2023.	All measures used within the Alert will be derived from products designed with clinical and other experts. Statistical methods used to identify concerns will reflect academic best practice. The Director, Health Quality Intelligence will sign off each Alert following a process of review and mediation.	A survey of Alert recipients completed by 30 June 2023 will show that at least 70 percent find the Alerts provide useful information to support system quality. We will keep a case file of resolved Alerts to learn how Alerts affect improvement. We will work to establish processes to assess the percentage of Alerts that resulted in change.
Report	Quality Alerts were sent out over this financial year. This was a key mechanism that enabled us to monitor, analyse and support the quality, safety and equity of health services and the system during a period of significant change.	Quality Alerts were sent out on 5 October 2022, 16 December 2022, 3 April 2023 and 30 June 2023.	All measures used within the Alert were derived from products designed with clinical and other experts. The updates used the most recent data available to us, and alerts were identified using a statistical process control method. The Director, Health Quality Intelligence signed off each Alert following a process of review and mediation.	To accommodate the varying availability of Alert recipients, we organised two forms of evaluation: completing a survey or participating in a one-on-one virtual conversation. We sent a survey to 19 Quality Alert recipients on 17 May 2023 and received a response from three recipients. The six one-on-one Zoom meetings were held on 22, 26, 27 and 28 June 2023. In total, we received feedback from nine recipients of the Quality Alerts. Seven of the recipients (78%) believed that the Quality Alert is very useful or useful for their particular need, and two recipients reported that it was somewhat useful. We have followed up with those recipients by email to provide further support in using the report/tool. In the alert management system, 'Quality Alerts Manager', we assigned each alert a unique identifier and have kept their records. This includes whether the Alerts resulted in change.
Result	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .

³³ This deliverable links to the Vote Health Estimate of Performance: 'Number of quality alerts delivered'.

'The rise in bacteraemia has led to us triggering specific communications to our staff, doing a bit more of a dig into it locally. So, I think that is useful.'

'We reflect the [Quality Alerts] through our quality governance framework, and I think it is one source of information. It will get more and more useful as time goes on.'

'Once they flag up, we use the [Quality Alerts] to approach the operational teams and point out areas of weakness and ask for them to present ideas on what they will do going forward.'

— RECIPIENTS DISCUSSED HOW THEY USED THE QUALITY ALERTS

'Instructions on how to integrate it into conversations and where we could use it effectively would be quite helpful.'

'Unless you get training on how to interpret data, it can be quite challenging to know what you are looking at.'

— RECIPIENTS DISCUSSED HOW THE QUALITY ALERT COULD BE IMPROVED

These are examples of usage and areas of improvement from the one-on-one virtual conversations with Quality Alert recipients. These may not be representative of all recipients of Quality Alerts.

Work plan and report table 5: Mortality review (SPE 5)

We continued to publish mortality review committee reports. Last year, the 'impact' of this deliverable focused on monitoring the progress of recommendations made by the mortality review committees to show evidence of follow-up and details of implementation of recommendations, to better understand our ability to influence. In 2022/23, we amended our 'impact' measure to see whether key stakeholders consider that the information within the reports will lead to change.



Our work plan for deliverable 5 was **fully achieved**.

5	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Publish mortality review committee reports.	Complete two 'reports' including: one paper (Perinatal and Maternal Mortality Review Committee) and one online interactive dashboard (Perioperative Mortality Review Committee) by 30 June 2023.	Relevant mortality review committee and other subject matter experts will review each report before submission to the Board.	We will survey key stakeholders in each area (perinatal and maternal; perioperative) who are provided with the reports. At least 70 percent will consider the information provided will improve knowledge in the relevant area.
Report	<p>Mortality review committee reports were published over this financial year.</p> <p>The Perinatal and Maternal Mortality Review Committee (PMMRC) released its 15th report and received excellent media coverage. The report highlighted a call for the urgent prioritisation and implementation of previous reported recommendations. These included addressing the impacts of socioeconomic deprivation on perinatal death, providing services that meet the needs of young mothers, providing care that is accessible and appropriate to women with modifiable risk factors and mandating cultural safety education for the maternity and neonatal workforce.</p> <p>Levels 1 and 2 of the Perioperative Mortality Review Committee's (POMRC) workstream were published. Level 1 is a publicly accessible infographic summary of perioperative mortality data to be updated annually. Level 2 is an interactive dashboard (known as the Perioperative Mortality Explorer) designed for approved users such as clinicians, quality and risk managers and researchers to interrogate mortality data associated with surgery in Aotearoa New Zealand's public hospitals.</p>	The PMMRC 15th report was published in quarter 2 (6 December 2022) and the Perioperative Mortality Explorer was released on 15 December 2022.	<p>The PMMRC 15th report and Perioperative Mortality Explorer were reviewed at multiple points through the development process.</p> <p>The PMMRC 15th report was peer reviewed by subject matter experts, including those with lived experience, Māori health and equity, paediatric, epidemiology and midwifery expertise.</p> <p>Further subject matter expertise was provided by the PMMRC, who reviewed the report and guided development throughout, with their final sign-off given prior to publication.</p> <p>The Perioperative Mortality Explorer was reviewed by subject matter experts on the POMRC and externally. This included those with clinical, Māori health, Pacific health, equity and epidemiology expertise.</p>	<p>In total, 38 key stakeholders responded to our surveys. Overall, 74% of respondents agreed that the information provided will improve knowledge in the relevant area.</p> <p>Key stakeholders who were provided with the PMMRC 15th report were sent a survey on 16 December 2022.</p> <p>In total, 81% of those who responded agreed that the information provided will improve knowledge of perinatal and maternal outcomes. In addition, 81% agreed that the information provided in the report will improve knowledge of areas where perinatal and maternal outcomes could be improved.</p> <p>Key stakeholders who were provided the Perioperative Mortality Explorer were sent a survey on 16 February 2023.</p> <p>In total, 67% of respondents agreed or strongly agreed that they are likely to make ongoing use of the explorer in their work. In addition, 58% agreed or strongly agreed that it improves knowledge of areas where perioperative outcomes could be improved. These results may indicate that the explorer increases accessibility to existing perioperative mortality information. Respondents provided free-text responses to two questions:</p> <ul style="list-style-type: none"> » Are there features that the Perioperative Mortality Explorer should have but currently doesn't? » Are there ways in which the presentation of information could be changed to make it clearer or more useable to you? <p>The responses to these free-text questions will be used to improve future reporting.</p>
Result	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .

Work plan and report table 6: Measures library (SPE 6)

Our work plan for deliverable 6 was **fully achieved**.

6	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	Develop a measures library so that measures relevant to quality, safety and equity are clear and consistent.	We will make available 150 quality measures to the sector through the measures library by 30 June 2023.	<p>We will derive all measures for the library from products designed with clinical and other experts.</p> <p>Each new iteration of the measures library will go through external user acceptance testing before sign-off by the Director, Health Quality Intelligence.</p>	We will complete a survey of library users by 30 June 2023. The results will confirm that at least 70 percent of users agree that the library is a useful tool for accessing and understanding measures.
Report	We developed a measures library over this financial year so that measures relevant to quality, safety and equity are clear and consistent.	As of 30 June 2023, we had made 158 quality measures available to the sector through the measures library.	<p>We undertook sector engagement to ensure the most meaningful and relevant measures are included in the library. Engagement included the Institute of Environmental Science and Research, primary care, long-term conditions (including presentation to long-term conditions forum 11 August 2022), oral health, renal network, maternity and most recently Te Whatu Ora Service Innovation & Improvement data directors.</p> <p>The current 'live' categories have also been supported by subject matter experts in other Te Tāhū Hauora programme areas.</p> <p>In quarter 4, we undertook user acceptance testing (UAT) sessions to inform improvements to the user experience and glean the value proposition of the library to a wide range of stakeholder groups.</p> <p>The measures library underwent external UAT before signing off by the Director, Health Quality Intelligence.</p>	<p>As identifying all users of the library presented challenges, we asked polling questions as part of our focus groups with those who completed UAT to ascertain impact.</p> <p>The focus groups were carried out on 18 May, 1 June and 8 June 2023 during UAT meetings. A total of 25 participants completed UAT and were therefore part of our focus groups.</p> <p>In total, 89% of users agreed or strongly agreed that the library would be a useful resource for the sector to support understanding and use of health quality measures.</p>
Result	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .	This component is fully achieved .

Work plan and report table 7: Quality improvement science capability building in the health and disability sector³⁴ (SPE 7)

We continued to provide quality improvement science capability-building programmes to the sector. Components remain similar to those in 2021/22, with some refinements to ensure that we are best demonstrating ‘impact’ within the context of the programmes.

Our work plan for deliverable 7 was **partially achieved**.

7	Deliverable	Timeliness/ quantity	Quality (process)	Impact
Plan (from our SPE 2022/23)	<p>Sponsor mental health and addiction staff in the hospital sector to complete a restorative practice programme.</p> <p>Develop and deliver the Improving together: Improvers programme, placing mātauranga Māori at its centre, by December 2022.</p>	<p>40 staff will meet the academic requirements by 30 March 2023.</p> <p>We will sponsor 20 health sector staff to attend the Improving together: Improvers programme.</p>	<p>At least 70 percent of participants will meet the learning objectives.</p> <p>At least 70 percent of participants will meet the learning objectives.</p>	<p>At least 70 percent of participants will have demonstrated how they apply learning to their own professional context.</p> <p>A pre-post learning assessment will demonstrate that at least 70 percent of participants who complete the course have improved knowledge as a result of the education and training.</p>
Report	<p>Programme 1: We sponsored 40 hospital mental health and addiction staff from Te Whatu Ora to complete the restorative practice micro-credentialling programme (restorative foundations and restorative responses) provided by Wellington Uni-Professional in partnership with Te Ngāpara Centre for Restorative Practice and Te Tāhū Hauora.</p> <p>Programme 2: We developed and delivered the Improving together: Improvers programme (Ako tahi) in November 2022.</p>	<p>Programme 1: Wellington Uni-Professional, who coordinate the delivery of the restorative practice micro-credentialling programme (restorative foundations and restorative responses), were unable to commence the programme to allow completion by 30 March 2023. However, it was completed by the end of the financial year.</p> <p>For cohort 4 (completed 28 April 2023), 20 health care workers began this programme, and 10 completed it. For cohort 5 (completed 26 May 2023), 20 health care workers began this programme, and 13 completed it. Although 40 participants registered and showed interest in participating in the courses overall, only 23 were able to complete this micro-credentialling programme and meet the academic requirements. For the 17 who were unable to complete cohort 4 and 5, this was largely due to workload pressures and not being able to be released, and a small number have deferred to cohort 6 and 7, which commence in the second half of 2023.</p> <p>Programme 2: We delivered the Ako tahi programme with a 2-day in-person workshop on 14-15 November 2022 in Porirua, and via two Zoom sessions on 23-24 November 2022. In total, 25 people were sponsored for the programme.</p>	<p>Programme 1: For the restorative practice micro-credentialling programme, 100% of participants who completed the programme met the learning objectives.</p> <p>Programme 2: For the Ako tahi programme, 100% of those who completed the programme met the learning objectives.</p>	<p>Programme 1: For the restorative practice micro-credentialling programme, 100% of participants were able to demonstrate how they apply the learning to their own professional context.</p> <p>Programme 2: For the Ako tahi programme, 88.24% of those who completed the course showed improved knowledge through pre- and post-assessment survey results.</p>
Result	This component is fully achieved .	This component is partially achieved .	This component is fully achieved .	This component is fully achieved .

³⁴ This deliverable links to the Vote Health Estimate of Performance: ‘A frontline quality improvement course is delivered by 30 June 2023’.

All programmes were successfully delivered. Our work plan for deliverable 7 was **partially achieved** because of the impact of COVID-19 and staff shortages, which led to increased demands on the health workforce and to some participants withdrawing. The number of enrolments indicates significant interest in learning about quality improvement, but limited health care workforce availability remains a constraint.

'Engaging with consumers when developing or changing services or processes.'

'The tools and concepts from the wānanga have given us the opportunity to enhance the mahi that we are already doing. We have already introduced the change process exercise, which generated some positive discussions.'

'Keep the tools I have learnt for quality improvement in mind when we're in the midst of a quality improvement project. Try to encourage consumer feedback groups in practices.'

— PARTICIPANTS FROM OUR IMPROVING TOGETHER: IMPROVERS PROGRAMME COMMENTED ON HOW THEY PLAN TO APPLY WHAT THEY LEARNED



Significant judgements

Statement of compliance

Our performance statement has been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

Our performance statement has been prepared in accordance with Tier 2 PBE financial reporting standards, which have been consistently applied throughout the period and complies with PBE financial reporting standards.

Selection of measures

The performance measures were selected to cover a range of qualitative and quantitative measures aligned with the functions of Te Tāhū Hauora set out in the Pae Ora Act and aligned to our SPE 2022/23.

Te Tāhū Hauora undertook a review of the appropriateness of the performance measures as part of developing the SPE 2022/23. Each measure was reviewed to confirm it accurately reflected the performance of Te Tāhū Hauora, was meaningful and was able to be measured. We also consider that the overall suite of performance measures selected provides a complete picture of Te Tāhū Hauora performance over the reporting period.

Deliverables that were included in 2021/22 that are not included in 2022/23 are as follows:

- » Undertake patient experience surveys (primary health care, inpatient) and analyse and publish results (SPE 1): Patient experience surveys are now fully embedded into various pieces of our work. They support our Quality Alerts (SPE 4) and consumer QSM and are part of the measures library (SPE 6). Detail around patient experience surveys is provided under third-party-funded work on page 56.
- » Quality improvement programmes (SPE 7): We provide quality improvement capability-building programmes for the sector (SPE 7) so that the sector has the tools and skills to carry out bespoke quality improvement programmes relevant to their context. Te Tāhū Hauora continues to provide targeted quality improvement as a core part of our role, and this is now fully embedded into our work.

Deliverables that are new in 2022/23 are as follows:

- » Consumer engagement (SPE 1): Te Tāhū Hauora has always championed consumer engagement at all levels of the health sector. The Pae Ora Act formalised this role as a key function of Te Tāhū Hauora. It directs us to support the health sector to engage with consumers and whānau to reflect their perspectives in the design, delivery and evaluation of services. It was important that this newly formalised role was reflected in our deliverables for 2022/23.
- » Measures library (SPE 6): The measures library is a new piece of work to support consistent measuring, evaluating and commenting on the quality of health services throughout the health system.

For the other areas of work that we have continued as deliverables from 2021/22, individual measurement components remain similar unless they are the next phase of a work programme. This is explained in further detail within the deliverables.

Measurement and aggregation of measures

Measurement is relatively straightforward, and additional measurement information is provided within individual performance measures where relevant. There are no significant judgements on aggregation.

2

Other work that strengthens
our performance

**He mahi anō hei whakakaha
i tā mātou mahi**



This section details the governance structure (our board) of Te Tāhū Hauora and how the board is supported by advisory groups that help inform decision-making. It also details our monitoring and reporting processes, which ensure that our Minister and the government know about our work and the quality, safety and equity of the country's health and disability system.

In addition to the areas of work and deliverables within the SPE, we also detail other work we are doing to strengthen and build our performance and to influence and improve the health system. This work includes embedding and enacting the principles of Te Tiriti o Waitangi across all that we do – strengthening our partnerships and engagement abilities, working sustainably, increasing the accessibility of the information we publish, supporting and developing our people and increasing our diversity.

Finally, we briefly report on our third-party-funded work that we undertake with the support and collaboration of partners.

Governance – our board

We are governed by a board of nine members who are appointed by the Minister of Health. Rae Lamb is our board chair, and Dr Andrew Connolly is our deputy chair. We welcome three new members to our board: David Lui, Professor Ron Paterson and Tereki Stewart.³⁵

The most up-to-date information about our board can be found on our website.³⁶ The board of Te Tāhū Hauora works alongside its governance advisory partners, Te Kāhui Piringa, our Māori advisory group, and Te kāhui mahi ngātahi, our consumer advisory group, to ensure Māori world views and lived experience are at the centre of our work. The board also has an audit sub-committee, which provides assurance on and assistance with our financial statements and internal control systems. These are described in more detail below.

Te Kāhui Piringa, Māori advisory group

Te Kāhui Piringa provides advice, guidance and direction on strategic priorities regarding the enactment of Te Tiriti o Waitangi to both Te Tāhū Hauora and the board. This includes bringing Māori world view knowledge, including the perspectives of Māori consumers and whānau, to improve the quality and safety of the health system to better meet the needs of Māori. Membership consists of up to eight Māori health sector experts who are recognised for their rangatiratanga (their mana, leadership, mātauranga and te ao Māori perspectives) and their health and hauora knowledge, skills and expertise. Te Kāhui Piringa meets up to five times a year, including a joint session with the board to support and shape strategic direction so that all our work contributes to the best possible health outcomes for Māori. The chair of Te Kāhui Piringa attends all Te Tāhū Hauora board meetings.



Board of Te Tāhū Hauora. From left: Shenagh Gleisner, Dr Tristram Ingham, Tereki Stewart, Professor Peter Crampton, Rae Lamb (chair), David Lui, Professor Ron Paterson, Dr Andrew Connolly [seated] (deputy chair), Dr Jenny Parr.

³⁵ The three new board members commenced in their role in June 2023.

³⁶ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Ngā kanohi o te Poari | Board members Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/about-us/our-people/boardmembers

Te kāhui mahi ngātahi, our consumer advisory group

Te kāhui mahi ngātahi was established to carry out the following functions.

- » Advise the board and chief executive on strategic issues, priorities and frameworks from a consumer perspective.
- » Identify key issues for consumers and organisations, such as:
 - the responsiveness of existing providers to patients, consumers, families and whānau
 - the strategic direction of Te Tāhū Hauora programmes
 - measuring and examining quality and safety.
- » Engage with the consumer network kōtuinga kiritaki of Te Tāhū Hauora, national and international clinical advisory groups and the wider health sector on consumer engagement activities and interests.

Throughout its work, Te kāhui mahi ngātahi recognises its obligations to iwi and Māori in line with the articles of Te Tiriti o Waitangi. Te kāhui mahi ngātahi currently comprises eight members representing Māori, Pacific peoples, disabled people, mental health and addiction and rural localities. A new member was inducted in February 2023, and no positions are currently vacant.

Since June 2022, the group has been operating under a co-chair partnership. The co-chairs alternate chairing responsibilities for group meetings and attendance at board meetings. All members review and provide feedback on Te Tāhū Hauora papers prepared for the board and provide regular updates to the board on consumer perspectives of health sector functioning from their extensive networks through regular environmental scan reporting. Members represented the consumer perspective in other key pieces of Te Tāhū Hauora work in 2022/23. For example, members participated in the working group that developed a guide to support the health sector to implement the code of expectations for health entities' engagement with consumers and whānau (released June 2023) and served as co-chair for the review of the adverse event policy, which followed a co-design approach.

Audit committee

The audit committee provides assurance and support to the board on our financial statements and internal control systems. The audit committee is made up of Andrew Boyd (an independent member), Shenagh Gleisner (chair), Rae Lamb, Dr Jenny Parr and Te Tāhū Hauora senior management staff.

In 2022/23, our focus continued to be on reviewing risks arising from management and use of data and active involvement with and input into the quality of our new SOI and SPE, particularly on measurement of non-financial performance reporting and the incorporation of PBE FRS 48.

Monitoring and reporting requirements

In 2022/23, we continued to provide regular briefings on our work and quality issues and quarterly update reports on performance against our SPE to the Minister with delegated responsibility for Te Tāhū Hauora. We kept the Minister of Health and Manatū Hauora informed of any potentially contentious events or issues, such as surgical mesh, in a timely manner.

Over the year to 30 June 2023, we provided the Minister of Health and Manatū Hauora with information to allow monitoring of our performance, including:

- » quarterly statements of financial performance, financial position and contingent liabilities
- » quarterly reports on progress against our performance measures
- » quarterly reports on emerging quality and safety risks as part of the 'no surprises' expectation
- » an annual report in accordance with the Crown Entities Act 2004 and Public Finance Act 1989.³⁷

³⁷ Section 82 of the Pae Ora (Healthy Futures) Act 2022 requires Te Tāhū Hauora to, at least yearly, report to the Minister of Health on the progress of mortality review committees. We must also include each report in our next year's annual report, which provides our report against our SPE. To this end, we published the following reports of the PMMRC and the FVDRC:

- » Health Quality & Safety Commission. 2022. *Fifteenth Annual Report of the Perinatal and Maternal Mortality Review Committee | Te Pūrongo ā-Tau Tekau mā Rima o te Komiti Arotake Mate Pēpi, Mate Whaea Hoki: Reporting mortality and morbidity 2020 | Te tuku pūrongo mō te mate me te whakamate 2020*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/fifteenth-annual-report-of-the-perinatal-and-maternal-mortality-review-committee-reporting-mortality-and-morbidity-2020
- » Health Quality & Safety Commission. 2023. *An ongoing duty to care: responding to survivors of family violence homicide | He tauwhiro haere te mahi: hei urupare ki ngā toiora o te riri hau ā-whānau*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/an-ongoing-duty-to-care

Strengthening and developing our organisation

In 2022/23, we continued to strengthen our organisation so that we can effectively facilitate and contribute to 'quality health for all'. We carried out an external performance review to inform the strategic intent of our SOI 2023–27 and the non-financial performance reporting in our SPE 2023/24.

We also saw changes across the operational leadership of our organisation. We welcomed a new chief executive, Dr Peter Jansen. In addition, we introduced new positions in our executive leadership team to optimise our ability to achieve our goals effectively. These include the director of strategic initiatives and the director of health equity. As the year closed, we also filled the position of director of mortality review.

Our commitment to public service

As public servants within a Crown entity, our vision and values³⁸ reflect our commitment to serving the public's best interests and to influence improved quality and safety across the health system and services.

We encourage our employees to work collaboratively and effectively across government to achieve better outcomes for the people of Aotearoa New Zealand. We know that we have a duty to uphold high standards of integrity and conduct.³⁹

We provide training sessions for our staff to renew their understanding of public service and the responsibilities inherent in their roles. This encompasses training on the machinery of government and keeping our staff well informed and equipped to effectively influence and navigate the health system landscape.

Embedding Te Tiriti o Waitangi in everything we do

We continued our work to embed Te Tiriti o Waitangi in all that we do, further building on our SOI 2020–24 commitment to embed 'Te Tiriti o Waitangi strongly in our strategy and SOI, supporting mana motuhake and making te ao Māori perspectives and world views central to our work'.

We use Whāinga Amorangi as an action plan and measurement tool for progressing Te Tiriti o Waitangi, equity, cultural safety, reo and tikanga organisation wide.⁴⁰

This year, organisation-wide Te Tiriti o Waitangi enactment work has included the following elements.

- » The Te Tāhū Hauora naming and new visual identity, ensuring Māori conceptual understandings of quality, safety and improvement are prioritised and guide us in our daily work.
- » Continued organisational commitment to ensuring all Te Tāhū Hauora staff have undertaken the base Te Tiriti o Waitangi training programme with Groundworks.
- » Publications and resources are produced then reviewed via a Te Tiriti o Waitangi lens, with te ao Māori expertise and advice provided across documents and te reo translation requirements.

³⁸ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Ō mātou wawata me ngā uara | Our vision & values. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/about-us/our-vision-and-values

³⁹ Te Kawa Mataaho Public Service Commission. 2023. He Aratohu | A guide on integrity and conduct. Wellington: Te Kawa Mataaho. URL: www.publicservice.govt.nz/guidance/guide-he-aratohu

⁴⁰ Created by Te Arawhiti The Office for Māori Crown Relations, Whāinga Amorangi is a multi-year cross-agency work programme designed to lift the Māori Crown relations capability of the public service. See: Te Arawhiti The Office for Māori Crown Relations. Whāinga Amorangi resource hub. URL: www.tearawhiti.govt.nz/tools-and-resources/whainganga-amorangi-resource-hub

- » An internal partnering approach was taken in the development of a new programme and project management tool, the whakaaro suite.
- » A key forum, the Wall Walk, was delivered by Dr Simone Bull during an all-staff day. Staff reflected on a walk-through of key events in our history and their impact for Māori and for the country. The presentation was designed to raise collective awareness of key events of Aotearoa New Zealand's Te Tiriti o Waitangi partnering relations through self-reflection and a team perspective.

We continue to explore ways to actively strengthen our role as a committed partner to Te Tiriti o Waitangi, including:

- » working alongside Te Aka Whai Ora on the capture of whānau voices
- » developing initial discussions with iwi-Māori partnership boards about how to support their function and locality planning using information and analytics relevant to their needs and aspirations
- » working alongside Manatū Hauora in its Ao Mai te Rā: Anti-racism kaupapa⁴¹⁴² and Houhia: Equity by design⁴³ programmes.

Our Māori health outcomes team, Ahuahu Kaunuku, supports our organisation by providing Te Tiriti o Waitangi leadership, expertise and advice on key pieces of work with a specific focus on:

- » ensuring quality and safety improvement for whānau Māori
- » developing partnerships to support improvement initiatives
- » influencing and supporting other teams by providing a Māori world view and mātauranga Māori to strengthen programmes of work to influence system design and practices.

Our board and Te Kāhui Piringa have begun discussions about developing a partnership framework that reflects Te Tiriti o Waitangi.

We actively support a culture of collegiality when discussing the challenges and opportunities in and solutions for enacting Te Tiriti o Waitangi articles across all our work and what that means in practice. One example is the development and delivery of the Ako tahi quality improvement improvers programme, which has a particular focus on quality improvement using a te ao Māori lens.

Ahuahu Kaunuku also coordinates ongoing capability building in te reo, waiata and tikanga Māori for all our staff. Te rā o Waitangi, Matariki, Te Wiki o te Reo Māori and kawa whakawatea are highlights, and we encourage the involvement of all staff.

⁴¹ Manatū Hauora Ministry of Health. 2023. Ao Mai te Rā | The anti-racism kaupapa. URL: www.health.govt.nz/our-work/populations/maori-health/ao-mai-te-ra-anti-racism-kaupapa

⁴² Discussions about how Te Tāhū Hauora can work closely with Manatū Hauora and support the next phase of the programme to increase the visibility and application of Ao Mai te Rā are ongoing.

⁴³ Manatū Hauora Ministry of Health. 2023. Briefing to the incoming Minister of Health. URL: www.beehive.govt.nz/sites/default/files/202303/BIM%20-%20Minister%20of%20Health%20-Manat%C5%AB%20Hauora.pdf

Health equity for Pacific peoples and disabled people

During 2022/23, we had a significant focus on building staff capability to pursue health equity for Pacific peoples and disabled people. Our Equity group was established in October 2022 with the appointment of a director of health equity. We also appointed a senior advisor, disability in early 2023.

The Equity team held 'Pacific power hours' over the year, which roll out the fala (mat) for Te Tāhū Hauora staff to listen to the narratives and expertise of diverse Pacific community champions, thought leaders and creatives. The Pacific power hours are intended to:

- » establish genuine partnerships between Te Tāhū Hauora and Pacific communities
- » build and strengthen the Pacific cultural capability and engagement approaches within Te Tāhū Hauora
- » place Pacific cultural values, principles and models at the heart of our work.

With the inception of a disability-focused work programme, the Pacific power hours were reframed to power hours for equity, with the same intent as above and to:

- » establish thought leadership and genuine partnerships between Te Tāhū Hauora and tangata whaikaha
- » provide real-life stories of tangata whaikaha experiences and how the health system interacts with them
- » use tangata whaikaha voices to shape our work on equity for disabled peoples.

We presented at the New Zealand Sexual Health Society conference 2022. The New Zealand Sexual Health Society recognises the growing Pacific population in Aotearoa New Zealand and acknowledges that the sector and practitioners are not well equipped to engage in discussions around sexual health with Pacific youth. Our presentation focused on the work that we are delivering internally to advance Pacific cultural values, principles and models in our work with our staff. It also included a short cultural safety/understanding workshop, which was well received.

We collaborated with Te Papa Tongarewa Museum of New Zealand, the Human Rights Commission, Moana Connect, the Ministry for Pacific Peoples and Period7⁴⁴ to hold an all-staff hui. The day included sessions on unpacking unconscious bias, the histories and diversity of Pacific peoples and government policies for building better futures for Pacific peoples and the rise of social media in engaging with Pacific peoples as a youthful population.

We hosted fala space and two interactive workshops at the annual conference for medical students at Te Whare Wānanga o Ōtākou | University of Otago. Our disability workshop 'Titiro whakamuri kia anga whakamaua – using the pōwhiri model to engage with tangata whaikaha' and our Pacific workshop 'Falanoa – on the fala for a talanoa' encouraged and empowered our medical taura (students) and takuta (doctors) to push boundaries to achieve equitable health outcomes.

This year, Te Tāhū Hauora staff also attended Auckland's ASB Polyfest – the largest Polynesian festival in the world, with close to 100,000 in attendance. This was an opportunity for our organisation to be present in the community and our work to be visible. We gathered over 1,000 video recordings from our community on their experiences of the health sector: what can be improved, some of the barriers and some of the positive things they have experienced that should be enhanced and/or strengthened. These insights have been used to inform internal work and reflect community voices.

We also carried out two ThoughtExchanges across our organisation to gather ideas and co-design the Pacific and disability work programmes with staff.


Partnering and engaging

As a partnership-focused organisation, we collaborate with and support others to work towards quality health for all. This means working across the health system with our partners and stakeholders, including iwi, hapū, whānau Māori, Pacific peoples, disabled peoples, clinicians, government agencies, academics, non-governmental organisations, the health workforce and professional health bodies. In 2022/23, we continued

⁴⁴ Geoffery Matautia, Keciano and Marie Hemo Titi Mapa from Period7 led screen-printing activities and a digital communications workshop for staff.

to build partnerships and work with others to influence improvement. Staff transitions within the new and reformed entities led to challenges in identifying consistent points of engagement, but we made our best efforts to adapt and continue to support shared objectives.

Our strategic priority, 'improving experience for consumers and whānau' is guided by placing consumers and whānau at the centre of the health and disability system and partnering actively in determining their care. As leaders in the development of the code of expectations for health entities' engagement with consumers and whānau (the code), we – alongside Te Aka Whai Ora, Te Whatu Ora, Pharmac and the New Zealand Blood Service – are also required to follow it and report on how it is being applied.



The consumer and whānau engagement programme of Te Tāhū Hauora, He Hoa Tiaki, undertook hundreds of engagements with consumers, whānau and communities in 2022/23, focusing on three pillars of the consumer voice framework: The code of expectations for health entities' engagement with consumers and whānau, ngā pae hiranga and the consumer health forum Aotearoa.

Central to this work is establishing, nurturing and developing these relationships. We have extensively engaged with all priority populations throughout our various hui. These opportunities have allowed He Hoa Tiaki to support consumers and the sector by sharing resources to improve consumer and whānau engagement.

In August 2022, we established the consumer voice framework reference group to primarily support the development of sector guidance on the code. These agencies, along with consumers, partnered in the development of the implementation guide for the sector. This online resource was launched on the Te Tāhū Hauora website in June 2023.

Environmental sustainability

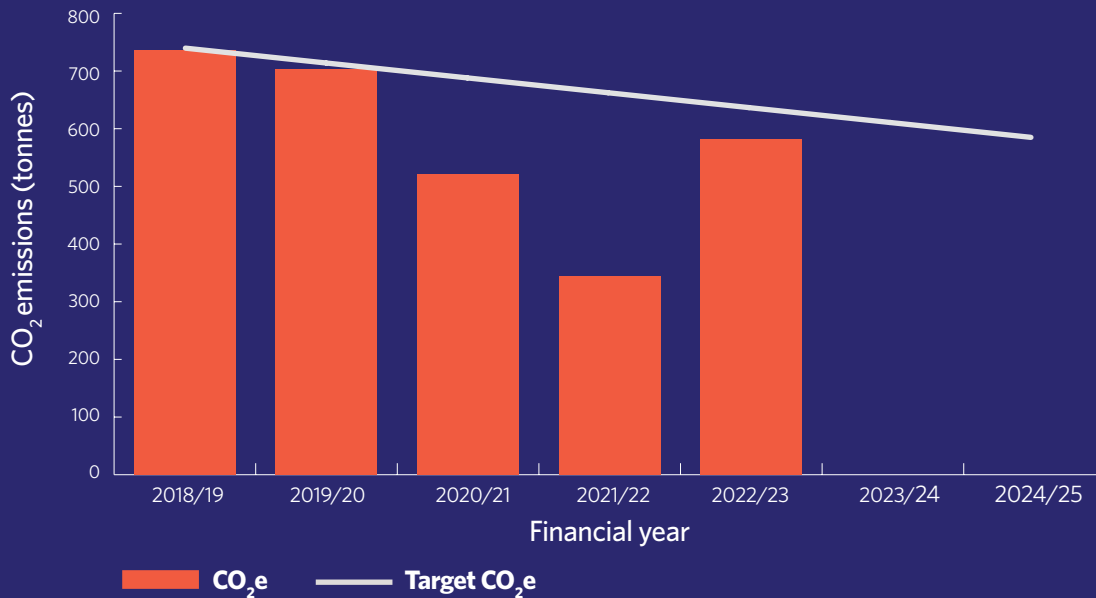
In December 2020, the government announced a climate change emergency and the establishment of the Carbon Neutral Government Programme to accelerate emissions reductions in the public sector and become carbon neutral by 2025. The programme set a target of a 21 percent reduction in gross carbon emissions intensity by 2025.

Te Tāhū Hauora is committed to fully reducing our carbon footprint and becoming carbon neutral by 2025. To that end, we contracted Toitū Envirocare to audit our annual carbon emissions report. We have Toitū Envirocare carbon reduce certification for 2018/19, 2019/20, 2020/21 and 2021/22.

Through Toitū Envirocare's carbon reduce programme, we record our annual greenhouse gas emissions and develop targets for reducing those emissions. Our baseline figure is 736 tonnes for 2018/19. An approximate 3.5 percent reduction per year (and off-setting what we cannot reduce) will enable us to meet our overall 21 percent gross carbon emissions reduction by 30 June 2025, making us carbon neutral.

We have significantly reduced carbon emissions since our base year (Figure A), mainly because of the reduced travel associated with COVID-19 restrictions but also because of changes to a more sustainable electricity provider reduced paper use and more sophisticated reporting of freight costs and waste management. Although travel restrictions have now been lifted, we remain committed to ensuring our travel emissions continue to be sustainable as travel is our biggest greenhouse gas emissions producer.

Figure A: Target 21% carbon emission reduction



Accessibility

We are a signatory to the government Accessibility Charter, which is a commitment to providing information and online tools that are accessible to disabled people. Our accessibility action group continued to meet quarterly to report on and progress our organisational accessibility action plan.

We continued to promote the importance of accessible resources and consumer opportunities to the health sector, and we make information developed for consumers and whānau available in alternate formats so they can understand the information and interact with us in a way that meets their individual needs and promotes their independence and dignity. For example, we published the code in five alternate formats and several languages and in an accessible web-based format. We continued to use the services of the Ministry of Social Development’s accessibility unit and other suitable providers to develop alternate formats.

We have also continued to make sector-facing information as plain and accessible as possible and provide consumer-friendly summaries where accessible formats are a challenge. We continued to make available ‘Writing for your audience’ courses to support staff to write in plain language and held workshops in Auckland and Wellington in late 2022.

‘I appreciated the video content and the provision of closed captions; this is a very accessible course.’

— AN EXCERPT FROM A SURVEY RESPONDENT

We began developing an accessibility framework and policy in 2023 to guide our staff on growing areas such as accessible communications and to complement existing guidance and templates.

Our assistant director of communications was appointed our plain language officer in early 2023, to comply with the Plain Language Act 2022 and to report annually to the Public Service Commissioner. We delivered our first report in June 2023. We are well placed to comply with the Plain Language Act 2022 across all reporting areas, as we already have policies and processes in place and began providing relevant training, information and resources to staff many years ago, before the enactment of the Act.

Developing and strengthening our organisation through our people

Our people are our greatest asset. We provide equal employment opportunities and ensure our policies, practices and processes are fair and equitable for all job applicants and employees. We recognise the Crown’s obligations under Te Tiriti o Waitangi and the aspirations of Māori, other ethnic or minority groups and disabled people. We recognise the importance of human resources, infrastructure and leadership in improving working conditions and supporting better health services for all New Zealanders, with a particular focus on whānau Māori and Pacific peoples.

We support our staff by providing professional development opportunities. During 2022/23, staff have continued to take up offers of secondment, additional duties and internal promotions.

As of 30 June 2023:

- » we had 115 staff members (up from 109 in 2021/22) with 105 full-time equivalents (FTEs)
- » 86 were full time and 29 were part time (up from 81 and 28, respectively, in 2021/22)
- » 47 percent had more than 2 years of service with Te Tāhū Hauora (up from 45 percent in 2021/22)

- » 29 percent of staff were fixed term (up from 25 percent in 2021/22)
- » 9 percent of staff identify that they live with a disability (wherever possible, we ensure our workplace environment is suitable for our people with disabilities)
- » 65 percent of staff are female, 33 percent are male and 2 percent are gender diverse (Figure B).

We have a wide distribution of age groups among our staff (Figure C).

Figure B: Gender

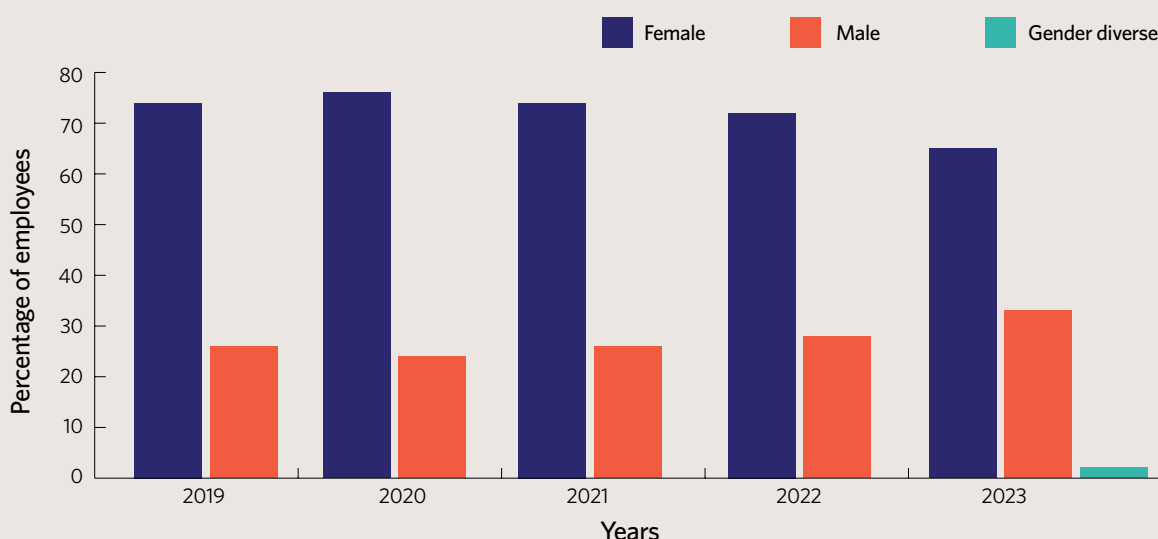
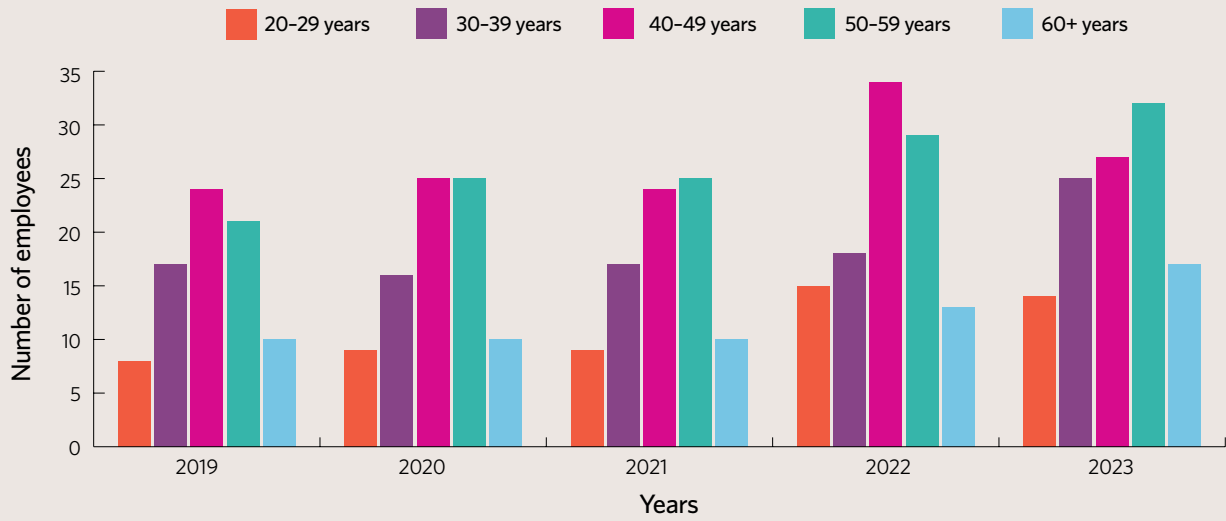


Figure C: Age



Staff who identify as Māori increased from 10 percent in 2019 to 19 percent in 2022 and decreased slightly to 15 percent in 2023. Pacific peoples now make up 7 percent of our workforce, up from 1 percent in 2019 (Figure D).

Equal employment opportunities

We are committed to providing equal employment. We have made advances in promoting equal employment opportunities and increasing the diversity of our staff through our recruitment plans, with a particular focus on attracting Māori and Pacific peoples to our teams.

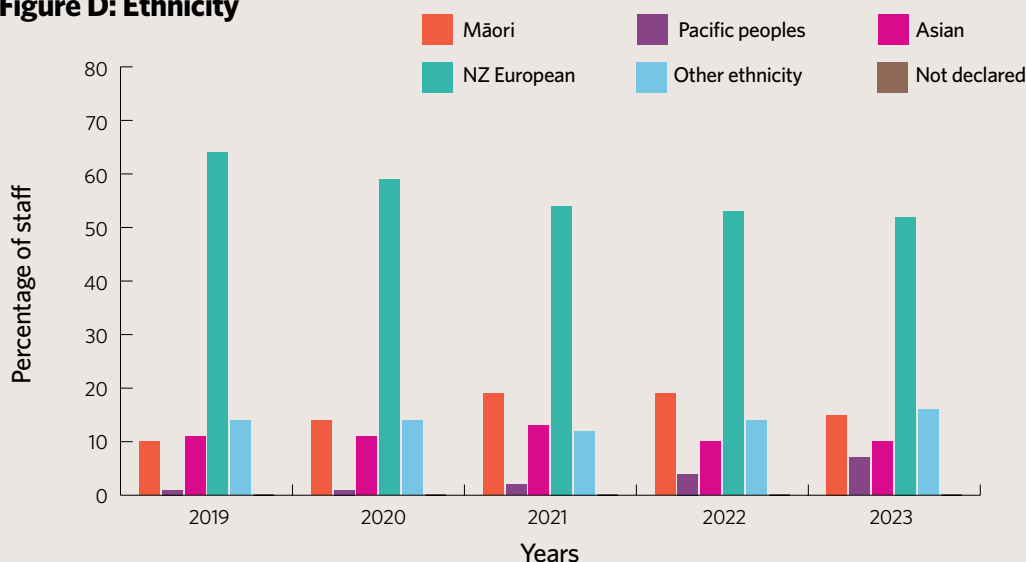
In 2022/23, we began to specifically focus on supporting staff who identify as having a disability. We recruited a senior advisor, disability for the first time, and we will continue work in this space.

Our organisation is committed to creating a supportive and truly inclusive and accepting work environment for our takatāpui and LGBTQIA+ staff and visitors. We have a strong and engaged rainbow staff network - Mana takatāpui | Rainbow connection - for our takatāpui and LGBTQIA+ kaimahi and allies, which meets regularly and plays a key role in ensuring that Te Tāhū Hauora continues to make progress. The rainbow connection group represent us at the cross-agency rainbow network monthly hui.

Remuneration

We have shown pay restraint during the past 3 years in response to the COVID-19 pandemic and as advised by Te Kawa Mataaho Public Service Commission.

Figure D: Ethnicity



Staff who were employed in their current role before 31 December 2021, and were permanent or on a fixed-term employment agreement of more than 12 months, were eligible to be considered for an increase in this year's remuneration review process. The increase in salary for those eligible was between 1 and 3 percent, and the total cost implications were approximately \$0.250 million.

Gender pay equity

We are developing our annual action plan in accordance with *Kia Toipoto Public Service Pay Gaps Action Plan*,⁴⁵ in consultation with our employees. This will be published in 2023/24.

Median pay rates were similar between genders for the 2022/23 year, but the average salary gender pay gap increased for 2022/23 to 13 percent (up from 4 percent in 2021/22). We are unable to calculate a 'motherhood penalty' total because we do not collect this level of personal detail from staff.

Flexibility and work design

We support flexible work arrangements for employees who have carer responsibilities⁴⁶ and for other reasons, such as study and career development. Flexible work arrangements may include:

- » changes to hours of work
- » part-time work
- » working from home.

Our information technology and communication technologies also help staff work more flexibly. We continue to support a hybrid approach to working from the office and elsewhere.

Staff wellness and wellbeing

Our staff invest a lot of energy and passion into their work, and in return we place immense value on supporting staff, using the concepts of Te Whare Tapa Wha. We recognise that the work environment has changed since the COVID-19 pandemic, and we offer hybrid or flexible working arrangements so staff can work remotely or from home to allow whānau/family

and work balance and encourage time for external interests. We provide access to Vitae, a free wellbeing employee assistance programme. We also encourage upskilling in the workplace and provide advice on career development. We want to be an employer of choice and recognise that a holistic approach is required to retain the best people for our work.

Over the 2022/23 year, we encouraged staff to engage with our advancements, including the launch and celebration of our new name and visual identity and virtual presentations on and celebrations of individual, team and wider Te Tāhū Hauora achievements.

We continue to offer in-house and online learning opportunities in te reo Māori and waiata, to encourage exercise through gym membership and walking groups and to offer trauma and life cover insurance to all eligible staff, based on age range.

Health and safety

We have a primary duty of care to ensure the health and safety of our staff, contractors and visitors. To meet this duty of care, we take collective responsibility for proactively promoting and encouraging safe and healthy work practices. Managers, staff, contractors, facilities contractors and the health, safety and wellness committee all have a role in supporting the health, safety and wellbeing within Te Tāhū Hauora.

Our health, safety and wellness committee is made up of representation from our various work teams and regions. They meet monthly and regularly update our board via our chief executive on all matters relating to health and safety within our organisation. Managers maintain a watching brief and are proactive in addressing and minimising any potential situations where stress or fatigue could develop.

Staff who experience a workplace injury or illness receive appropriate rehabilitative care. Staff can also take part in any external health and safety audits that are conducted. In all cases, we encourage staff to take part in wellness activities while receiving ongoing education about health and safety. All health, safety and wellness committee representatives are required to undergo training relevant to their health and safety duties.

⁴⁵ Te Kawa Mataaho Public Service Commission. 2021. *Kia Toipoto Closing Gender, Māori, Pacific and Ethnic Pay Gaps. Public Service Action Plan 2021-24*. Wellington: Te Kawa Mataaho. URL: www.publicservice.govt.nz/system/public-service-people/pay-gaps-and-pay-equity/kia-toipoto/

⁴⁶ Meeting the provision of Part 6AA of the Employment Relations Act 2000.

Third-party-funded work

We also partner with other organisations with common interests to undertake work that contributes to 'quality health for all'. We are working across a range of programmes that are funded through partnerships with third parties.

Mental health and addiction improvement

The mental health and addiction improvement programme continued to work with Te Whatu Ora project teams over 2022/23 on projects agreed through national sector leadership. Our Zero seclusion: safety and dignity for all project continued with substantive provider team engagement. An article discussing the demonstrable closing of the equity gap for Māori was accepted for publication in the *Australasian Psychiatry*.⁴⁷ The Maximising physical health project continued, with two supra-regional hui held in June 2023 (Auckland and Wellington). Our Te hiringa kounga Māori (Māori advisory group) and consumer advisory group continued to provide advice and support for programme activities.

A programme evaluation is being managed by Litmus. This will determine the sector views about programme achievements and potential future workpieces and provide information to assist out-year funding discussions.

Major trauma quality improvement programme

Te Tāhū Hauora continued to provide intelligence and improvement support to Te Hononga Whētuki-a-Mōtu | The National Trauma Network. The national rehabilitation collaborative concluded with a series of published case studies disseminated to inform and inspire the spread of improved models of care. The serious traumatic brain injury collaborative was completed by two tranches of teams, with the first having five teams and the second having four teams. Each team has committed to improving the consistency and reliability of post-traumatic amnesia assessment. This work will help measurement of injury severity

and allow us to better monitor patient outcomes from existing care pathways.

A number of dashboards – New Zealand Trauma Registry, ACC and patient-reported outcome measures (PROMs) – were published and shared with regional trauma networks and ACC to interact with New Zealand Trauma Registry and rehabilitation data.

Finally, Te Tāhū Hauora, the National Trauma Network and Te Whare Wānanga o Ōtākou | University of Otago continue to work towards collecting 24-month PROMs data. This data will contribute to a national conversation on how we might systematically collect PROMs on a larger scale and how ACC and the National Trauma Network optimise the longer-term outcomes for those who experience major trauma.

Advance care planning

The Tō tātou reo | Advance care planning programme continues to support providers to bring the whānau voice into clinical conversations for shared decision-making across all levels of health care. This is a practical enactment of the principles of rangatiratanga and mana motuhake for consumers and their whānau.

During 2022/23, six new sites adopted shared goals of care. We also accredited 65 new district trainers to deliver serious illness conversation workshops, and 22 new district trainers to deliver 1-day advance care planning workshops which led to 419 clinicians attending a 1-day advance care planning skills workshop and 421 clinicians attending the Serious Illness Conversation Guide training.⁴⁸ In addition, 1,889 clinicians completed at least one healthLearn e-learning module, and 891 finished all four modules.

⁴⁷ Bensemman C, Maxwell D, O'Keeffe K, et al. 2023. Closing the equity gap as we move to the elimination of seclusion: Early results from a national quality improvement project. *Australasian Psychiatry* [online ahead of print]. DOI: 10.1177/10398562231202125.

⁴⁸ Te Tāhū Hauora Health Quality & Safety Commission. Tō tātou reo: serious illness conversations. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.myacp.org.nz/serious-illness-conversations

We also created an advance care planning resource, by Samoans for Samoans, and an advance care planning training package for Māori community champions. The Samoan resource was piloted this year and was very positively received by the Samoan community. The training package for Māori community champions will be piloted in 2023/24. We also made progress in the mental health sector, undertaking sector scanning and detailed district-level engagement about mental health advance preference statements. As a result, we developed a business case for a national approach to the use of these.

Healthcare-associated infections

Work continues on surgical site infection improvement and hand hygiene programmes in all districts. Findings from a hand hygiene programme review were published on the Te Tāhū Hauora website,⁴⁹ and work to implement the review recommendations has started.

The aggregated national healthcare-associated *Staphylococcus aureus* bacteraemia (HA-SAB) rate has continued to increase over the past 5 years. In July 2022, the sources of all HA-SAB cases were collected and reported on a quarterly basis. The majority of HA-SAB cases involved a vascular access device (peripheral intravenous catheter or central venous catheter). With confirmation that peripheral catheters contributed to a significant amount of HA-SAB, we undertook scoping work for a national peripheral intravenous catheter-related bloodstream infection quality improvement initiative, which included four regional workshops (Auckland, Christchurch, Hamilton, Wellington). A summary of the information collected from the workshop is available on our website.⁵⁰

Findings from the first point prevalence survey⁵¹ of healthcare-associated infections in public hospitals in Aotearoa New Zealand were released in May 2022 and were published in the *Journal of Hospital Infection* this year.⁵² The survey provided useful insights into healthcare-associated infections in public hospitals and will help identify quality improvement opportunities to achieve better health outcomes for patients. We engaged stakeholders to consider further improvement activities based on the findings of the study.

We published the findings from a stocktake of the current management of sepsis in Aotearoa New Zealand that was undertaken in 2022.⁵³ The stocktake explored the current clinical practices, guidance and protocols used in public hospitals, private surgical hospitals, ambulance services and a selection of emergency and urgent care clinics.

We planned and facilitated an infection services hui in partnership with Te Whatu Ora and Te Aka Whai Ora. This hui served as a precursor to the establishment of a national infection services clinical network. This will be the part of the first tranche of clinical networks established by Te Whatu Ora in 2023/24.⁵⁴

⁴⁹ Health Quality & Safety Commission. 2022. *A review of the Hand Hygiene New Zealand programme | He arotake o tā Te Horoi Ringa Aotearoa Hōtaka*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/a-review-of-the-hand-hygiene-new-zealand-programme

⁵⁰ Te Tāhū Hauora Health Quality & Safety Commission. 2023. He pokenga pū ā-iaia | Peripheral intravenous catheter infections. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/our-work/infection-prevention-and-control/our-work/healthcare-associated-s-aureus-bacteraemia-ha-sab/peripheral-intravenous-catheter-infections

⁵¹ Health Quality & Safety Commission. 2022. Inaugural point prevalence survey provides useful insights into healthcare-associated infections in public hospitals across Aotearoa New Zealand. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/news/inaugural-point-prevalence-survey-provides-useful-insights-into-healthcare-associated-infections-in-public-hospitals-across-aotearoa-new-zealand

⁵² Health Quality & Safety Commission. 2022. *The prevalence of healthcare-associated infections in New Zealand public hospitals, 2021*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/the-prevalence-of-healthcare-associated-infections-in-new-zealand-public-hospitals-2021

⁵³ Health Quality & Safety Commission. 2022. *Stocktake of sepsis management in Aotearoa New Zealand*. Wellington: Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/stocktake-of-sepsis-management-in-aotearoa-new-zealand

⁵⁴ Te Whatu Ora - Health New Zealand. National clinical networks. URL: www.tewhātuora.govt.nz/whats-happening/what-to-expect/national-clinical-networks

Patient experience surveys

Quarterly delivery of the adult hospital inpatient experience survey (AHS-I) and the adult primary care patient experience survey (APCS) continued. This included quarterly updates to the sector reporting portal and public reporting via Experience Explorer. Over the year, 53,630 invitations were sent for the AHS-I, and 13,360 responses were received. For the APCS, 886,000 invitations were sent, and 140,750

responses were received. Both questionnaires were reviewed, leading to minor amendments to the AHS-I and larger amendments to the APCS. These changes will be implemented over 2023/24.

We regularly met with the sector to support engagement in the programme and provide a forum to share work across the sector and promote collaboration. These were well attended and included one full-day meeting.



3

Our financial statements
Pūrongo pūtea



Managing our finances

Te Tāhū Hauora has always worked carefully within its funding levels and to deliver annually on the government's expectations.

In 2022/23 and after the COVID-19 restrictions lifted, we did see a significant increase in travel costs. However, we will continue to use modern communication systems such as videoconferencing to work differently and reduce in-person meetings. Our accommodation and associated costs have increased but continue to be lower than those of most similar agencies. In addition, we keep costs low by outsourcing corporate support services, such as legal, human resources and information technology services, where possible.

We maintain sound management of public funding by complying with relevant requirements of the Public Service Act 2020, the Public Finance Act 1989 and applicable Crown entity legislation. The annual audit review from Audit New Zealand provides useful recommendations on areas for improvement. We implement these recommendations, with the oversight of our audit committee.

Compliance

We meet our good employer requirements and obligations under the Public Finance Act 1989, the Public Records Act 2005, the Public Service Act 2020, the Health and Safety at Work Act 2015, the Crown Entities Act 2004 and other applicable Crown entity legislation through our governance, operational and business rules. We continue to use the ComplyWith cloud-based legislative compliance information, monitoring and reporting programme, which shows we have a consistently high level of overall legislative compliance. We will continue to comply with all legislative requirements and proactively implement processes to address any issues that arise wherever possible.

Risk management

All our staff are aware of the process for risk identification and management. Our board, chief executive, senior management team and programme managers identify strategic and operational risks in consultation with their teams, as appropriate. Programme managers are accountable for risks in their programmes.

Risk management is a standing agenda item at each board meeting. Our audit committee provides independent assurance and support to the board on our financial statements and the adequacy of systems of internal controls. Over the 2022/23 year, we continued to focus on reviewing data use, on strengthening IT systems and on data storage risks.

Financial statements

Revenue/expenses for output classes for the year ended 30 June 2023

	Output class: supporting and facilitating improvement \$000s		Total \$000s	
	Actual	Budget	Actual	Budget
Revenue				
Crown revenue	17,701	18,006	17,701	18,006
Interest revenue	203	6	203	6
Other revenue	5,218	4,662	5,218	4,662
Total revenue	23,122	22,674	23,122	22,674
Expenditure				
Operational and internal programme costs	18,166	16,306	18,166	16,306
External programme costs	5,487	6,368	5,487	6,368
Total expenditure	23,653	22,674	23,653	22,674
Surplus/(deficit)	(531)	0	(531)	0

Since the 2020/21 financial year, we have combined the previous two output classes 'improvement' and 'intelligence' into one output class called 'supporting and facilitating improvement'. The change was because of the size of our organisation and because most planned activities related to both output classes. Therefore, separate output classes are no longer provided within the SPE.

Statement of comprehensive revenue and expenses for the year ended 30 June 2023

Actual 2022 \$000		Notes	Actual 2023 \$000	Budget 2023 \$000
Revenue				
15,343	Revenue from Crown	2	17,701	18,006
33	Interest revenue		203	6
5,380	Other revenue	3	5,218	4,662
20,756	Total revenue		23,122	22,674
Expenditure				
11,814	Personnel costs	4	14,107	13,541
199	Depreciation and amortisation	12, 13	245	175
2,804	Other expenses	6	3,814	2,590
3,796	External quality and safety programmes		3,939	4,955
1,517	External mortality programmes		1,548	1,413
20,130	Total expenditure		23,653	22,674
626	Surplus/(deficit)		(531)	0
0	Other comprehensive revenue		0	0
626	Total comprehensive revenue		(531)	0

Explanations of major variances against budget are provided in note 27.

The accompanying notes form part of these financial statements.

Statement of financial position as of 30 June 2023

Actual 2022 \$000		Notes	Actual 2023 \$000	Budget 2023 \$000
Assets				
Current assets				
3,663	Cash and cash equivalents	7	2,653	3,215
77	Goods and services tax receivable		140	342
527	Debtors and other receivables	8	915	291
133	Prepayments		424	60
4,400	Total current assets		4,132	3,908
Non-current assets				
508	Property, plant and equipment	12	352	427
0	Intangible assets	13	0	0
508	Total non-current assets		352	427
4,908	Total assets		4,484	4,335
Liabilities				
Current liabilities				
1,042	Creditors and other payables	14	1,137	1,100
851	Employee entitlements	16	1,056	713
180	Revenue in advance		0	0
2,073	Total current liabilities		2,193	1,813
Non-current liabilities				
100	Employee entitlements	16	87	0
100	Total non-current liabilities		87	0
2,173	Total liabilities		2,280	1,813
2,735	Net assets		2,204	2,522
Equity				
		17		
500	Contributed capital		500	500
2,235	Accumulated surplus		1,704	2,022
2,735	Total equity		2,204	2,522

Explanations of major variances against budget are provided in note 27.

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2023

Actual 2022 \$000		Notes	Actual 2023 \$000	Budget 2023 \$000
2,109	Balance at 1 July		2,735	2,522
	Comprehensive revenue and expenses for the year			
626	Surplus/(deficit)		(531)	0
	Owner transactions			
0	Capital contribution			
2,735	Balance at 30 June	17	2,204	2,522

Explanations of major variances against budget are provided in note 27.

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2023

Actual 2022 \$000		Notes	Actual 2023 \$000	Budget 2023 \$000
Cash flows from operating activities				
15,343	Receipts from Crown		17,421	18,006
5,296	Other revenue		4,930	4,707
33	Interest received		203	6
(7,960)	Payments to suppliers		(9,497)	(9,042)
(11,670)	Payments to employees		(13,915)	(13,508)
122	Goods and services tax (net)		(63)	(8)
1,164	Net cash flow from operating activities	18	(921)	161
Cash flows from investing activities				
(548)	Purchase of property, plant and equipment		(89)	(70)
0	Purchase of intangible assets		0	0
(548)	Net cash flow from investing activities		(89)	(91)
Capital flows from financing activities				
0	Capital contribution		0	0
0	Net cash flows from financing activities		0	0
616	Net (decrease)/increase in cash and cash equivalents		(1,010)	(91)
3,047	Cash and cash equivalents at the beginning of the year		3,663	3,124
3,663	Cash and cash equivalents at the end of the year	7	2,653	3,215

Explanations of major variances against budget are provided in note 27.

The accompanying notes form part of these financial statements.

Notes to the financial statements

Note 1: Statement of accounting policies

Reporting entity

Te Tāhū Hauora Health Quality & Safety Commission (Te Tāhū Hauora) is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in Aotearoa New Zealand. The ultimate parent of Te Tāhū Hauora is the New Zealand Crown.

The primary objective of Te Tāhū Hauora is to provide services to the New Zealand public. Te Tāhū Hauora does not operate to make a financial return. Accordingly, Te Tāhū Hauora has designated itself as a public benefit entity for financial reporting purposes.

The financial statements for Te Tāhū Hauora are for the year ended 30 June 2023 and were approved by the board on 28 November 2023.

Basis of preparation

The financial statements of Te Tāhū Hauora have been prepared on a going-concern basis. The accounting policies have been applied consistently throughout the period.

New or amended standards adopted

PBE IPSAS 41 financial instruments

In March 2019, the external reporting board (XRB) issued PBE IPSAS 41 financial instruments, which supersedes both PBE IFRS 9 financial instruments and PBE IPSAS 29 financial instruments: recognition and measurement. Te Tāhū Hauora has adopted PBE IPSAS 41 for the first time this year. There has been little change as a result of adopting the new standard, because the requirements are similar to those contained in PBE IFRS 9.

PBE FRS 48 service performance reporting

This standard establishes new requirements for the selection and presentation of service performance information. Te Tāhū Hauora has adopted PBE FRS 48. The main change between PBE FRS 48 and PBE IPSAS 1 presentation of financial statements is that PBE FRS 48 requires additional information to be disclosed on the judgements that have the most significant effect on the selection, measurement, aggregation and presentation of service performance information. This is disclosed on page 40 of the service performance information.

Standards issued not yet effective and not early adopted

Standards and amendments issued but not yet effective that have not been early adopted and that are relevant to Te Tāhū Hauora are as follows.

PBE IPSAS 16 investment property

The amendments clarify that fair value measurement of self-constructed investment property could begin before the construction is completed.

PBE IPSAS 17 property, plant and equipment

The amendments change the accounting for any net proceeds earned while bringing an asset into use by requiring the proceeds and relevant costs to be recognised in surplus or deficit rather than being deducted from the asset cost recognised.

PBE IPSAS 30 financial instruments: disclosures

The amendment specifically refers to disclosing the circumstances that result in fair value of financial guarantee contracts not being determinable.

PBE IPSAS 19 provisions, contingent liabilities and contingent assets

The amendments clarify the costs of fulfilling a contract that an entity includes when assessing whether a contract will be loss-making or onerous (and therefore whether a provision needs to be recognised).

Statement of compliance

These financial statements have been prepared for Te Tāhū Hauora in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

These financial statements have been prepared in accordance with and comply with tier 2 PBE accounting standards. These financial statements comply with the PBE Standards Reduced Disclosure Regime.

Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of certain items of property, plant and equipment and the measurement of equity investments and derivative financial instruments at fair value.

Budget figures

The budget figures are derived from the SPE as approved by the board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP using accounting policies that are consistent with those adopted by the board in preparing these financial statements.

Functional and presentation currency

The functional currency of Te Tāhū Hauora is New Zealand dollars (NZ\$). The financial statements are presented in NZ\$, and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

There have been no changes in accounting policies.

Critical accounting estimates and assumptions

In preparing these financial statements, the board has made estimates and assumptions concerning the future. These estimates and assumptions might differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no estimates and assumptions for 2022/23 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant accounting policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the Crown

Te Tāhū Hauora is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of meeting the Te Tāhū Hauora objectives as specified in the SOI. Te Tāhū Hauora considers no conditions are attached to the funding, and it is recognised as revenue at the point of entitlement. The fair value of Crown revenue has been determined to be equivalent to the amounts due in the funding arrangements.

Other revenue

Other revenue is recognised as revenue when it becomes receivable unless there is an obligation in substance to return the funds if conditions of the other revenue are not met. If there is such an obligation, the other revenue is initially recorded as other revenue received in advance and recognised as revenue when conditions of the other revenue are satisfied.

Interest

Interest income is recognised using the effective interest method.

Foreign currency transactions

Foreign currency transactions (including those for which forward foreign exchange contracts are held) are translated into NZ\$ (the functional currency) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to Te Tāhū Hauora are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease and its useful life.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of 3 months or less.

Debtors and other receivables

Debtors and other receivables are measured at face value less any provision for impairment. No provisions for impairment are in place in the 2022/23 year.

Short-term receivables are recorded at the amount due, less an allowance for credit losses. Te Tāhū Hauora applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or a failure to make contractual payments for a period of greater than 90 days past due.

Bank deposits

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Inventories

Inventories held for sale are measured at the lower of cost (calculated using the first-in, first-out basis) and net realisable value. No inventories were held for sale in the 2022/23 year.

Property, plant and equipment

Property, plant and equipment asset classes consist of building fit-out, computers, furniture and fittings and office equipment.

Property, plant and equipment are measured at cost, less any accumulated depreciation and impairment losses.

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Te Tāhū Hauora and the cost of the item can be measured reliably.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the surplus or deficit.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Te Tāhū Hauora and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired, and the carrying amount is written down to its recoverable amount. For revalued assets, the impairment loss is recognised in other comprehensive revenue and expense and decreases the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in surplus or deficit. The reversal of an impairment loss on a revalued asset is recognised in other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of an impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

Depreciation

Depreciation is provided using the straight-line (SL) basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as:

- » building fit-out (over the term of building lease)
10 years 10 percent SL
- » leasehold improvements
10 years 10 percent SL
- » computers
3 years 33 percent SL
- » office equipment
5 years 20 percent SL
- » furniture and fittings
5 years 20 percent SL

Intangibles

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with the development and maintenance of the Te Tāhū Hauora website are recognised as an expense when incurred. Costs associated with staff training are recognised as an expense when incurred.

Amortisation

Amortisation begins when the asset is available for use and stops at the date the asset is de recognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as:

- » Acquired computer software
3 years 33 percent SL.

Impairment of property, plant and equipment and intangible assets

Te Tāhū Hauora does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash-generating assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Goods and services tax

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position. The net GST paid to or received from Inland Revenue, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Te Tāhū Hauora is a public authority and consequently is exempt from paying income tax. Accordingly, no provision has been made for income tax.

Creditors and other payables

Short-term creditors and other payables are recorded at their fair value.

Employee entitlements

Salary and wages are recognised as the employees provide services.

Short-term employee entitlements

Employee benefits due to be settled wholly within 12 months after the end of the reporting period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where there is a contractual obligation or past practice that has created a constructive obligation.

Long-term employee entitlements

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- » likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information
- » the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave and vested long-service leave are classified as current liabilities. Non-vested long-service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as current liabilities. All other employee entitlements are classified as non-current liabilities.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to KiwiSaver, the government superannuation fund and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

Note 2: Revenue from the Crown

Te Tāhū Hauora has been provided with funding from the Crown for specific purposes as set out in the New Zealand Public Health and Disability Act 2000 and the scope of the 'National Contracted Services - Other' appropriation.

Apart from these general restrictions, no unfulfilled conditions or contingencies are attached to government funding.

Crown revenue for 2022/23 materially matched budgeted levels except for \$0.315 million related to patient experience surveys that was received from Te Whatu Ora rather than Manatū Hauora in 2023.

Note 3: Other revenue

Total other revenue received was \$5.218 million (2022: \$5.380 million), consisting of:

- » \$1.500 million (2022: \$1.500 million) from Te Whatu Ora (districts) for the mental health and addiction quality improvement programme
- » \$0.000 million (2022: \$0.895 million) from the Department of the Prime Minister and Cabinet for the consumer and whānau voice framework in Crown funding for 2023
- » \$1.081 million (2022: \$0.868 million) from Te Whatu Ora districts for the advance care planning programme
- » \$1.228 million (2022: \$1.224 million) from Te Whatu Ora districts for infection prevention and control
- » \$0.046 million (2022: \$0.036 million) from additional workshop and event revenue
- » \$0.903 million (2022: \$0.800 million) from ACC for the National Trauma Network
- » \$0.015 million (2022: \$0.021 million) from adverse events training workshops
- » \$0.025 million (2022: \$0.025 million) from Pharmac towards communicating about medicines to consumers
- » \$0.092 million (2022: \$0.008 million) from ACC and Pharmac for e-learning and Patient Safety Week
- » \$0.315 million (2022: \$0.000 million) from Te Whatu Ora for the patient experience surveys (was Ministry of Health in 2022)
- » \$0.013 million (2022: \$0.013 million) other revenue.

Note 4: Personnel costs

	Actual 2022 \$000	Actual 2023 \$000
Salaries and wages	10,759	13,083
Recruitment	143	165
Temporary personnel	460	323
Membership, professional fees and staff training and development	161	169
Defined contribution plan employer contributions	243	260
Increase/(decrease) in employee entitlements	48	107
Total personnel costs	11,814	14,107

Employer contributions to defined contribution plans include KiwiSaver, the government superannuation fund and the National Provident Fund.

Note 5: Capital charge

Te Tāhū Hauora is not subject to a capital charge because its net assets are below the capital charge threshold.

Note 6: Other expenses

	Actual 2022 \$000	Actual 2023 \$000
Audit fees to Audit New Zealand for financial audit	50	54
Staff travel and accommodation	134	534
Printing and communications	148	236
Consultants and contractors	471	489
Board costs	190	179
Mortality review committees	206	328
Lease rental	598	594
Outsourced corporate services and overheads	1,003	1,387
Other expenses	4	13
Total other expenses	2,804	3,814

Note 7: Cash and cash equivalents

	Actual 2022 \$000	Actual 2023 \$000
Cash at bank and on hand	3,663	2,653
Total cash and cash equivalents	3,663	2,653

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term, highly liquid investments with original maturities of 3 months or less.

While cash and cash equivalents at 30 June 2023 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Note 8: Debtors and other receivables

	Actual 2022 \$000	Actual 2023 \$000
Debtors and other receivables	527	915
Less: provision for impairment	0	0
Total debtors and other receivables	527	915

Fair value

The carrying value of receivables approximates their fair value.

Impairment

The impairment of short-term receivables is now determined by applying an expected credit loss model.

All receivables greater than 30 days in age are considered to be past due.

Note 9: Investments

Te Tāhū Hauora had no term deposit or equity investments at balance date.

Note 10: Inventories

Te Tāhū Hauora had no inventories for sale in 2022/23.

Note 11: Non-current assets held for sale

Te Tāhū Hauora had no current or non-current assets held for sale in 2022/23.

Note 12: Property, plant and equipment

Movements for each class of property, plant and equipment are as follows.

	Computer \$000	Furniture and office equipment \$000	Leasehold improvements \$000	Total \$000
Cost or valuation				
Balance at 1 July 2021	460	409	85	954
Additions	525	23	0	548
Disposals	(282)	(121)	(13)	(416)
Balance at 30 June/1 July 2022	703	311	72	1,086
Additions	51	26	12	89
Disposals	0	0	0	0
Balance at 30 June 2023	754	337	84	1,175
Accumulated depreciation and impairment losses				
Balance at 1 July 2021	367	357	71	795
Depreciation expense	171	21	7	199
Elimination on disposal	(282)	(121)	(13)	(416)
Balance at 30 June/1 July 2022	256	257	65	578
Depreciation expense	214	23	8	245
Elimination on disposal	0	0	0	0
Balance at 30 June 2023	470	280	73	823
Carrying amounts				
At 1 July 2021	93	52	14	159
At 30 June and 1 July 2022	447	54	7	508
At 30 June 2023	284	57	11	352

Te Tāhū Hauora does not own any buildings or motor vehicles. There are no restrictions over the title of Te Tāhū Hauora assets nor any assets pledged as security for liabilities.

Note 13: Intangible assets

Te Tāhū Hauora has no intangible assets.

Note 14: Creditors and other payables

	Actual 2022 \$000	Actual 2023 \$000
Creditors	558	778
Accrued expenses	474	352
Other payables	10	8
Total creditors and other payables	1,042	1,138

Creditors are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

Note 15: Borrowings

Te Tāhū Hauora does not have any borrowings.

Note 16: Employee entitlements

	Actual 2022 \$000	Actual 2023 \$000
Current portion		
Accrued salaries and wages	283	368
Annual leave and long-service leave	568	688
Total current portion	851	1,056
Non-current portion long-service leave	100	87
Total employee entitlements	951	1,143

No provision for sick leave or retirement leave was made in 2022/23 as these have been assessed as immaterial. Provision for long-service leave was made in 2022/23.

Note 17: Equity

	Actual 2022 \$000	Actual 2023 \$000
Contributed capital		
Balance at 1 July	500	500
Capital contributions	0	0
Repayment of capital	0	0
Balance at 30 June	500	500
Accumulate surplus/(deficit)		
Balance at 1 July	1,609	2,235
Surplus/(deficit) for the year	626	(531)
Balance at 30 June	2,235	1,704
Total equity	2,735	2,204

There are no property revaluation reserves because Te Tāhū Hauora does not own property.

Note 18: Reconciliation of net surplus/(deficit) to net cash flow from operating activities

	Actual 2022 \$000	Actual 2023 \$000
Net operating surplus/(deficit)	626	(531)
Non-cash items		
Depreciation	199	245
Add/movements in working capital items		
(Increase)/decrease in receivables	(96)	(388)
(Increase)/decrease in prepayments	(12)	(291)
Increase/(decrease) in GST receivables	122	(63)
Decrease/(increase) in payables and accruals	169	95
Increase/(decrease) in employee entitlements	144	192
Increase/(decrease) in revenue in advance	12	(180)
Net movements in working capital	339	(635)
Net cash flow from operating activities	1,164	(921)

Note 19: Capital commitments and operating leases

Capital commitments

There were no capital commitments at balance date (2022: nil).

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows.

	Actual 2022 \$000	Actual 2023 \$000
Not later than 1 year	502	599
Later than 1 year and not later than 5 years	783	422
Later than 5 years	0	0
Total non-cancellable operating leases	1,285	1,022

At balance date, Te Tāhū Hauora leased a property (from 1 March 2014) at levels 8 and 9, 17 Whitmore Street, Wellington. The lease has expires in March 2025. The value of the lease to March 2025 is \$0.985 million.

Te Tāhū Hauora does not have the option to purchase the asset at the end of the lease term.

Te Tāhū Hauora subleases an office space at 650 Great South Road, Penrose, Auckland, from the Ministry of Health for up to 10 staff. The sublease expiry date is December 2023.

There are no restrictions placed on Te Tāhū Hauora by its leasing arrangement.

Note 20: Contingencies

Contingent liabilities

Te Tāhū Hauora has no contingent liabilities (2022: \$nil).

Contingent assets

Te Tāhū Hauora has no contingent assets (2022: \$nil).

Note 21: Related party transactions

All related party transactions have been entered into on an arm's length basis.

Te Tāhū Hauora is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Te Tāhū Hauora would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (eg, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel

Salaries and other short-term employee benefits to key management personnel⁵⁵ totalled \$1.293 million, four FTE (2022: \$1.257 million, four FTE).

⁵⁵ Key management personnel for 2022/23 included the chief executive, director of health quality intelligence, medical director and chief financial officer. Board members are reported separately.

Note 22: Board member remuneration and committee member remuneration (where committee members are not board members)

The total value of remuneration paid or payable to each board member (or their employing organisation*) during the full 2022/23 year was as follows.

	Actual 2022 \$000	Actual 2023 \$000
Dr Dale Bramley* (chair) - until March 2023	29	22
Mr Andrew Connolly	6	15
Dr Jennifer Parr	15	15
Philomena Antonio	15	0
Dr Collin Tukuitonga - until April 2023	15	12
Professor Peter Crampton*	15	15
Raewyn Lamb (deputy chair and acting chair)	18	22
Shenagh Gleisner	15	15
Dr Tristram Ingham	15	15
Dr Wil Harrison	7	15
Total board member remuneration	150	146

* means the member was paid by their employing organisation.

Fees were in accordance with the Cabinet's Fees Framework.

Te Tāhū Hauora has provided a deed of indemnity to board members for certain activities undertaken in the performance of Te Tāhū Hauora functions.

Te Tāhū Hauora has taken directors' and officers' liability and professional indemnity insurance cover during the financial year regarding the liability or costs of board members and employees.

No board members received compensation or other benefits in relation to cessation.

Members of other committees and advisory groups established by Te Tāhū Hauora are paid according to the Cabinet's Fees Framework, where they are eligible for payment. Generally, daily rates for these committees and advisory groups are \$463 per day for chairs and \$330 per day for committee members.

Note 23: Employee remuneration

Total remuneration paid or payable in the 2022/23 year was as follows.

	Employees 2022	Employees 2023
\$100,000-\$109,999	4	11
\$110,000-\$119,999	6	11
\$120,000-\$129,999	7	9
\$130,000-\$139,999	4	6
\$140,000-\$149,999	1	2
\$150,000-\$159,999	2	3
\$160,000-\$169,999	6	3
\$170,000-\$179,999	1	2
\$180,000-\$189,999	2	1
\$190,000-\$199,999	1	1
\$200,000-\$209,999	0	1
\$210,000-\$219,999	0	0
\$220,000-\$229,999	2	2
\$230,000-\$239,999	0	0
\$240,000-\$249,999	1	1
\$250,000-\$259,999	0	0
\$260,000-\$269,999	0	0
\$270,000-\$279,999	1	0
\$280,000-\$289,000	0	2
\$290,000-\$299,999	0	0
\$300,000-\$309,999	0	0
\$310,000-\$319,999	1	1
\$350,000-\$359,999	0	1
\$420,000-\$429,999	1	0
Total employees	40	57

During the 2022/23 year, no employees received compensation or other benefits in relation to cessation.

Note 24: Events after the balance date

There were no material events after the balance date.

Note 25: Financial instruments

The carrying amounts of financial assets and liabilities are shown in the statement of financial position.

Note 26: Capital management

The capital of Te Tāhū Hauora is its equity, which comprises accumulated funds. Equity is represented by net assets.

Te Tāhū Hauora is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowing, acquisition of securities, issues of guarantees and indemnities and the use of derivatives.

Te Tāhū Hauora manages its equity as a by-product of prudently managing revenue, expenses, assets, liabilities, investments and general financial dealings to ensure Te Tāhū Hauora effectively achieves its objectives and purpose while remaining a going concern.

Note 27: Explanation of major variances against budget

Explanations for major variances from the Te Tāhū Hauora budgeted figures in the 2022/23 SPE follow.

Statement of comprehensive revenue and expenses

The financial results show a year-end deficit of \$0.531 million compared with a budgeted break-even. The year-end surplus variance is mainly associated with:

- » an unbudgeted increase of additional annual leave expense during the year of \$0.125 million
- » one-off information technology network strengthening and data management and data archiving costs
- » additional rent review expenditure of \$0.50 million
- » additional legal costs
- » additional recruitment costs for senior roles (including the new chief executive officer and director of mortality review)

- » additional travel expenditure (both price and volume related) that was not offset in the last quarter of the year from forecast programme savings across the organisation that did not materialise.

Statement of financial position

Cash and cash equivalents were lower than budgeted because expenditure on both staffing and programmes was higher than budgeted.

Employee entitlements are \$0.430 million higher than budgeted mainly due to a significantly higher level of accrued annual leave while staff deferred taking holidays since COVID-19 lockdowns, plus an additional 1-day additional payroll accrual as at 30 June 2023.

Equity levels at the end of June 2023 are \$2.201 million (2021: \$2.735 million).

Statement of changes in cashflow

Because Te Tāhū Hauora had a deficit in 2022/23, 'payments to suppliers' and 'payments to employees' were higher than budgeted figures.

Cash balances were also lower at 30 June due to outstanding revenue ('other revenue') from Te Whatu Ora being higher than budgeted, with June 2023 not received until July 2023. Prepayment of expenses was also higher than budgeted at year end.

Note 28: Acquisition of shares

Before Te Tāhū Hauora subscribes for purchase or otherwise acquires shares in any company or other organisation, it will first obtain the written consent of the Minister of Health to do so. Te Tāhū Hauora did not acquire any such shares and currently does not plan to do so.

Note 29: Responsibilities under the Public Finance Act

To comply with responsibilities under the Public Finance Act 1989, Te Tāhū Hauora reports here the activities funded through the Crown Vote Health and how performance is measured against the forecast information contained in the Estimates of Appropriations 2022/23 and as amended by the Supplementary Estimates.

Monitoring and protecting health and disability consumer interests (M36)

This appropriation is intended to achieve: provision of services to monitor and protect health consumer interests by the Health and Disability Commissioner, district mental health inspectors and review tribunals and Te Hiringa Mahara | Mental Health and Wellbeing Commission.

Output class financials	Actual 2022/23 \$000	Budget 2022/23 \$000	Location of end-of-year performance information
Crown funding (Vote Health – Monitoring and Protecting Health and Disability Consumer Interests (M36))	17,304	17,304	The end-of-year performance information for this appropriation is reported in the 'Our performance statement' section (page 28).

Te Tāhū Hauora also received Crown funding of:

- » \$0.400 million from Vote Health – Mental Health.

We assessed the impact of the global COVID-19 pandemic on Te Tāhū Hauora. We also reviewed our financial statements on a line-by-line basis and made any adjustments necessary in accordance with NZ GAAP. Overall, the impact of the COVID-19 pandemic was not material to the entity's operations or current year financial statements. The main factors contributing to this conclusion are as follows.

- » *Revenue* – This is mainly Crown and health district revenue, which was not impacted by COVID-19.
- » *Cash* – There was no impact to the carrying value of cash on hand.
- » *Receivables* – There was no impact to the expected credit loss model when calculating impairment losses. Te Tāhū Hauora deals with customers with little or no credit risk.
- » *Property, plant and equipment* – Te Tāhū Hauora purchases plant and equipment mainly from the all-of-government panel of suppliers.
- » *Payables* – No accrued costs related to the expected impact of COVID-19 have been made.
- » *Employee liabilities* – No changes have been assessed as being required for calculations of employee liabilities associated with COVID-19.

Budget significant initiatives

Name of initiative	Budget year funded	Location of performance information
Health reform - consumer/ whānau voice framework	2022/23	<p>Funding for the consumer and whānau voice initiative was received for the resources, capability and supporting infrastructure to develop, implement and maintain the consumer and whānau voice framework that will support the health system to continuously use consumer and whānau voices in the design, delivery and evaluation of health services. This initiative includes:</p> <ul style="list-style-type: none"> » developing and maintaining the code of expectations for health entities' engagement with consumers and whānau (pages 14 and 30) » the centre of excellence for consumer and whānau engagement (Ngā Pae Hiranga) (page 49) » the consumer health forum Aotearoa (pages 15 and 49) » the expansion of our survey programme (page 19).
Additional resourcing	2021/22	<p>This funding has been used to sustain and develop Te Tāhū Hauora work programmes in response to sector needs. We grew our FTE in policy and strategy, health quality intelligence, data management and health equity (Pacific and disability) (page 48).</p>

4

Statement of responsibility
He kupu haepapa



The board is responsible for the preparation of the Te Tāhū Hauora financial statements and statement of performance and for the judgements made in them.

The board is responsible for any end-of-year performance information provided under section 19A of the Public Finance Act 1989.

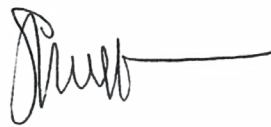
Te Tāhū Hauora is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the board's opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Te Tāhū Hauora for the year ended 30 June 2023.

Signed on behalf of the board:



Rae Lamb
Chair, Board
31 October 2023



Shenagh Gleisner
Chair, Audit Committee
31 October 2023

Auditor's report

Pūrongo tātari

Independent Auditor's Report

To the readers of the Health Quality and Safety Commission's financial statements and performance information for the year ended 30 June 2023

The Auditor-General is the auditor of Health Quality and Safety Commission (the Commission). The Auditor-General has appointed me, Stephen Usher, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Commission on his behalf.

Opinion

We have audited:

- » the financial statements of the Commission on pages 60 to 79, that comprise the statement of financial position as at 30 June 2023, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- » the performance information which reports against the Commission's statement of performance expectations and appropriation for the year ended 30 June 2023 on pages 28 to 40, 59, 79 and 80.

In our opinion:

- » the financial statements of the Commission:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclose Regime; and
- » the Commission's performance information for the year ended 30 June 2023:
 - presents fairly, in all material respects, for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and

- presents fairly, in all material respects, for the appropriation:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure appropriated or forecast to be incurred; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 31 October 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Commission for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Commission for assessing the Commission's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Commission, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Commission's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- » We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- » We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- » We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission.
- » We evaluate the appropriateness of the performance information which reports against the Commission's statement of performance expectations and appropriation.
- » We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- » We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board are responsible for the other information. The other information comprises the information included on pages 3 to 27, 42 to 58, 81, 83 and 89 but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Commission in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Commission.

A handwritten signature in blue ink, appearing to read 'S. Usher', with a stylized flourish at the end.

Stephen Usher

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Appendix 1: Our outcomes
framework, clarified in our
2022/23 SPE

**Tā mātou anga putanga,
i whakamāramatia i tā
mātou SPE 2022/23**



Government's wellbeing objective

Government's budget policy area of focus

Government's overarching system priorities for reform

OUR VISION

OUR STRATEGIC PRIORITIES – and the outcomes we seek

OUR MISSION

OUR WORK (our output class)

Our enduring priorities set the foundation of our work

Physical and mental wellbeing

Supporting improved health outcomes for all New Zealanders, minimising COVID-19 and protecting our communities

Embedding health reforms

Supporting a joined-up and prepared health system

Embedding Te Tiriti o Waitangi

Laying the foundations for the future system

Keeping people well and independent at home

Achieving equity in system performance

Developing the workforce of the future

Quality health for all

Improving the experience for consumers and whānau

People and whānau will be at the centre of the health system and will partner actively in their care

Embedding and enacting Te Tiriti o Waitangi, supporting mana motuhake

The health system will support and partner with Māori to achieve the health outcomes that they decide on as priorities

Achieving health equity

Health equity will be embedded into all aspects of the health system and into the care relationship

Strengthening systems to provide quality health services

A stronger health system that can proactively anticipate quality and safety issues is led authentically, with a commitment to trust, partnerships and knowledge sharing

Involve. Inform. Influence. Improve.

Supporting and facilitating improvement

Improving the quality of health and disability services for consumers and whānau by leading and facilitating efforts in the health and disability system, including:

- » partnership and collaboration (involve)
- » measuring, analysing, sharing and advising (inform)
- » influencing thinking and action (influence)
- » coordinating, supporting and facilitating measurable improvement (improve)

Kāwanatanga

partnering and shared decision-making

Tino rangatiratanga

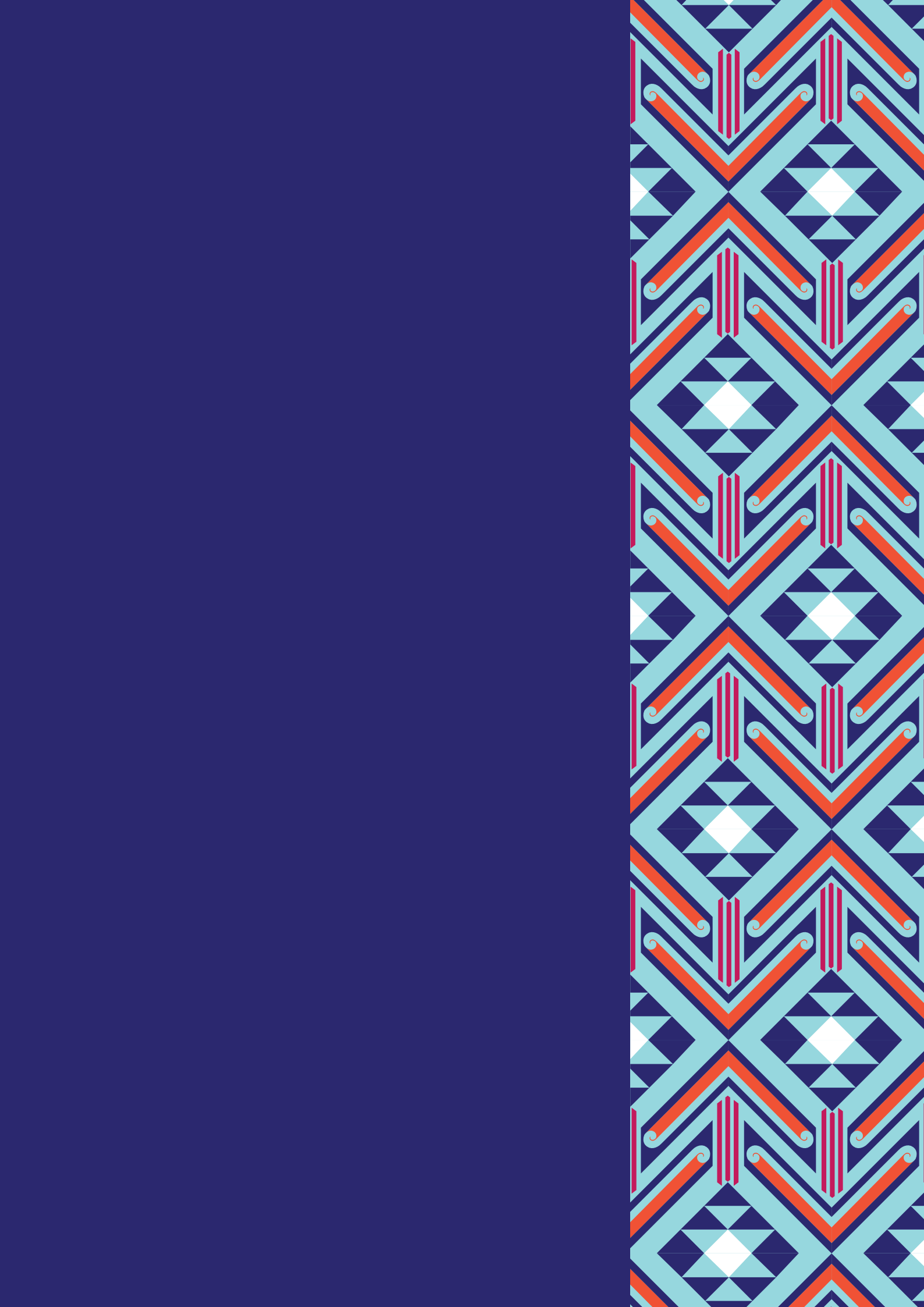
recognising Māori authority

Ōritetanga

equity

Wairuatanga

upholding values, belief systems and world views





**Te Kāwanatanga
o Aotearoa**
New Zealand Government

