



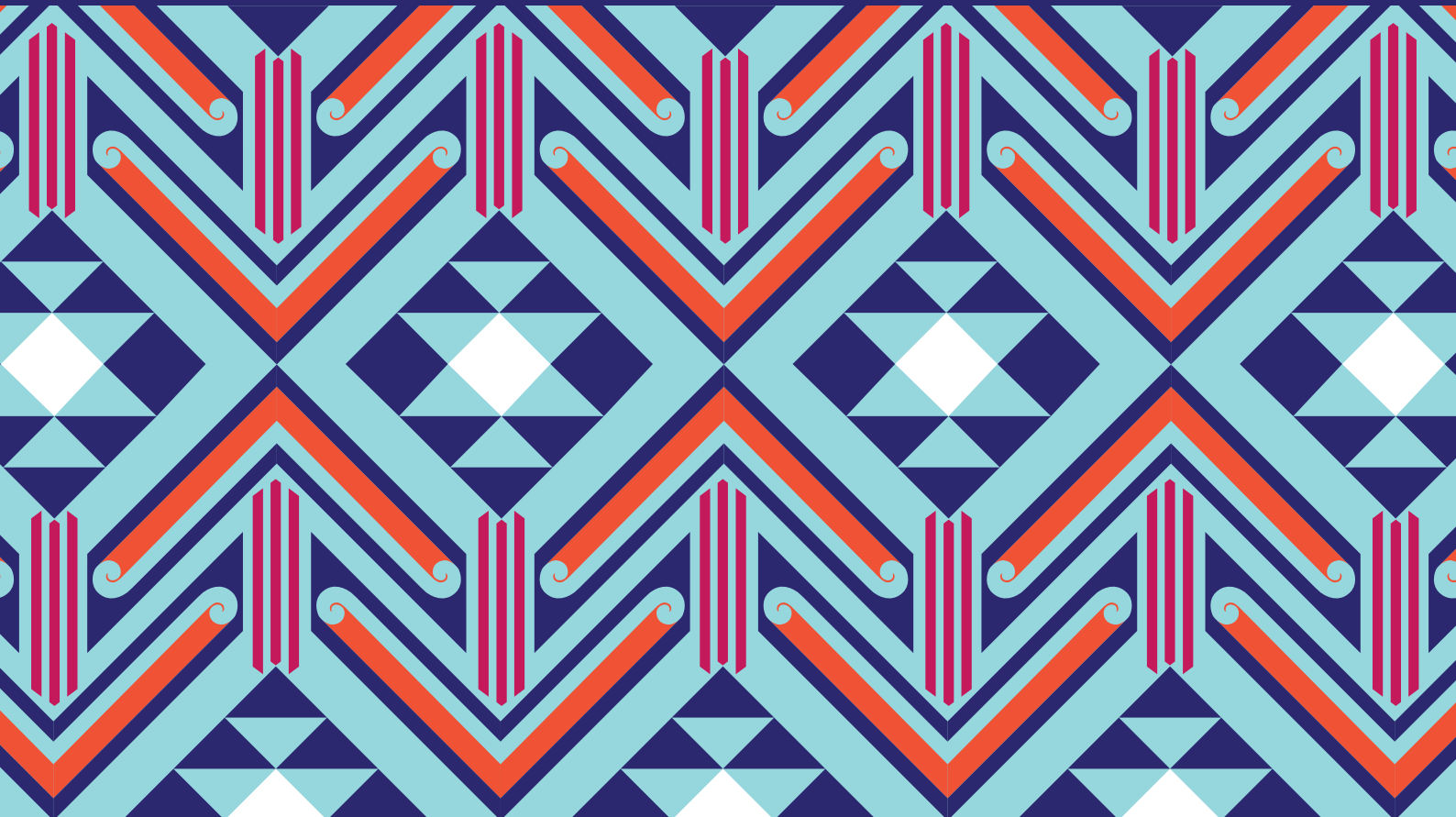
Te Tāhū Hauora
Health Quality & Safety
Commission

Ngā Paearu Mahi

Statement of Performance Expectations

2024/25

(updated October 2024)





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section 149L of the Crown Entities Act 2004

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Kōrero takamua

Foreword

Te Tāhū Hauora Health Quality & Safety Commission (Te Tāhū Hauora) is a trusted voice, offering independent and expert assessment of quality and safety opportunities and challenges, and working with others to address them. Within the context of the ongoing changes across the health sector, our voice is needed more than ever.

We are working closely with Te Whatu Ora | Health New Zealand as it continues to establish itself, and with Manatū Hauora | Ministry of Health as it completes its restructuring process. These health sector reforms come alongside growing demand for services and the financial constraints of Aotearoa New Zealand's economy, which affect both the health and public sectors, including Te Tāhū Hauora.

Our expertise, measurement systems and tools have a strong track record for supporting improvement in our areas of focus. We will build on our successful 2023/24 year by continuing to grow our influence and impact on the quality and safety of health services and health care in 2024/25.

This year, Te Tāhū Hauora is delivering a more clearly defined programme of work focusing on our core role as set out in legislation. We have recently undergone a restructure process to right-size the organisation, from executive level down, in line with the Government's expectations that publicly funded entities focus on their core roles and deliver value for money. These changes have seen the departure of some long-serving members of our whānau. I would like to thank them for their mahi over many years, helping to build the organisation and position it where it stands today – a crucial independent voice in the health system pushing for improved engagement

with consumers and whānau and quality and safety while remaining true to Te Tiriti o Waitangi and striving for equity.

The Minister of Health has been clear about the areas he wishes us to focus on through his Letter of Expectations for 2024/25, with a further request to provide oversight reporting on system safety. The *Government Policy Statement on Health 2024–27*¹ also provides clear direction for key priorities. This Statement of Performance Expectations focuses on these priorities, and on seven key deliverables – some existing and some new. We have modified some of our deliverables from 2023/24 to reflect work that has progressed. This year we are including case studies, in addition to surveys, to further demonstrate and measure the downstream impact of our work – impact that we know can take time to occur. Strengthening our focus on primary and community care in 2024/25 will be a particular priority, given the critical role this sector plays in supporting peoples' health and wellbeing.

This promises to be another challenging and rewarding year. We are confident in our ability to continue demonstrating our value in leading and supporting the health system to deliver quality and equitable health services for all New Zealanders.

¹ Minister of Health. 2024. *Government Policy Statement on Health 2024 – 2027*. Wellington: Ministry of Health. URL: www.health.govt.nz/publication/government-policy-statement-health-2024-2027

Tauākī a te poari

Board statement

In signing this statement, we acknowledge we are responsible for the information contained in the Statement of Performance Expectations for Te Tāhū Hauora Health Quality & Safety Commission. This information has been prepared in accordance with the requirements of the Public Finance Act 1989 and the Crown Entities Act 2004 and to give effect to the Minister of Health's Letter of Expectations and the Enduring Letter of Expectations from the Minister of Finance and the Minister for the Public Service. It is consistent with our appropriations.



Rae Lamb
Chair
31 October 2024



Dr Andrew Connolly
Deputy chair
31 October 2024



1. Te ārahi atu me te awe, te pānga hoki

Leading out with influence and impact

Te Tāhū Hauora Health Quality & Safety Commission (Te Tāhū Hauora) provides an independent and trusted voice, distinct from the roles of commissioning, performance management and regulation. This allows us to offer a neutral, credible assessment of quality improvements and challenges throughout the health sector.

We lead and coordinate work to address the health quality challenges of today and to prepare for those of the future. We do this by measuring and monitoring the quality and safety of services to lead improvement within the health system so everyone can experience health services that meet their health needs and aspirations. We help providers, both private and public, to improve the quality and safety of health services and therefore the outcomes for all who need to use these services in Aotearoa New Zealand. A summary of our legislative functions is in [Appendix 1](#).

Since our establishment in 2010,² we have built strong networks and partnerships, and engaged in effective collaboration, to allow us to maintain and expand the impact of our work to advance health quality and safety in Aotearoa New Zealand. More recently, our role has been strengthened under the Pae Ora (Healthy Futures) Act 2022 (the Pae Ora Act).³ We can now make recommendations to improve the health quality and safety of health services, in addition to the recommendations we make within the national mortality review function. We are also leading the implementation of the code of expectations for health entities' engagement

with consumers and whānau⁴ with named health entities,⁵ including ourselves. Through this work, we are demonstrating and increasing our value and impact. These tools, alongside those we are already using, allow us to demonstrate and increase our value and impact.

We continue to be well positioned to guide and support the health system to achieve better health outcomes for New Zealanders.⁶ Te Tāhū Hauora plays a central role in supporting the Minister of Health to deliver on the five priorities – access, timeliness, quality, workforce and infrastructure – set for the health system in the *Government Policy Statement (GPS) on Health 2024–2027*.⁷ We are focused on supporting the Government's expectation that health care and services delivered in New Zealand are safe, easy to navigate, understandable and welcoming to users, and are continuously improving.

² Te Tāhū Hauora was established by the 2010 amendments to the New Zealand Public Health and Disability Act 2000.

³ Pae Ora (Healthy Futures) Act 2022. URL: www.legislation.govt.nz/act/public/2022/0030/latest/versions.aspx

⁴ Health Quality & Safety Commission. 2022. Code of expectations for health entities' engagement with consumers and whānau. URL: www.hqsc.govt.nz/consumer-hub/engaging-consumers-and-whanau/code-of-expectations-for-health-entities-engagement-with-consumers-and-whanau

⁵ Under the Pae Ora Act, the health entities that must give effect to the code are Health New Zealand, Pharmac, the New Zealand Blood Service and Te Tāhū Hauora (Te Aka Whai Ora | Māori Health Authority also had to before its disestablishment).

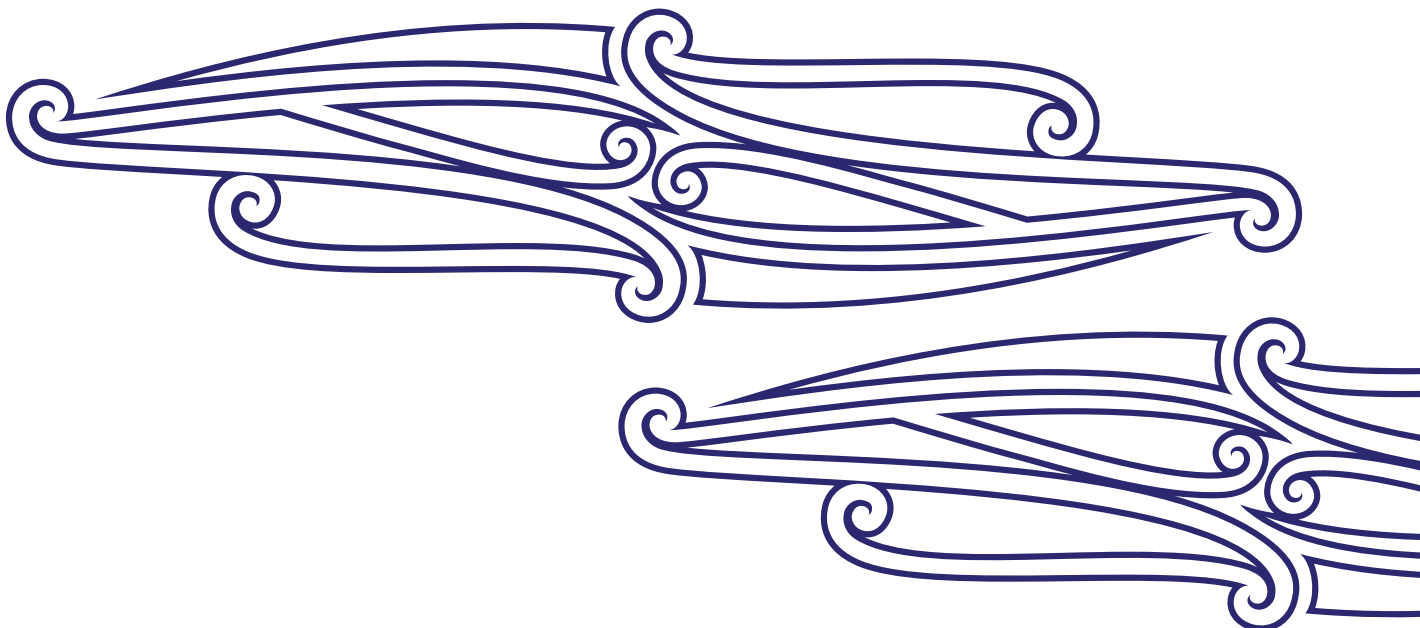
⁶ Reti S. 2024a. Health targets will deliver better outcomes for New Zealanders. URL: www.beehive.govt.nz/release/health-targets-will-deliver-better-outcomes-new-zealanders

⁷ Minister of Health 2024, *op. cit.*

We are supporting this by:

- improving data quality and its accessibility
- creating stronger mechanisms for gathering and responding to patient experiences
- empowering consumers and whānau to engage with health system and service design
- facilitating clinical governance and effective partnerships across health organisations
- working with the health workforce and people with lived experience
- developing a system safety strategy with a focus on continuous improvement as part of a learning health system.

Our proven expertise in bringing people together and developing measurement systems (including health targets) that are both meaningful and useful, alongside wider system processes, leads to genuine improvement in the quality and safety of health services.



2. Te ine i tā mātou mahi

Measuring our performance

Te Tāhū Hauora uses information, intelligence and evidence to identify quality and safety challenges and potential solutions, and help others, including the health system and government, implement the **changes** that will lead to improved results and **outcomes**.

Improved results and outcomes take place over time. The effects of our work on policy, service provision and improved health outcomes within any given year may not be seen until several years later. This has implications for reporting the measurable impact of our work within the one-year timeframe of this Statement of Performance Expectations (SPE). We continue to report on longer-term impacts through other accountability mechanisms.

Figure 1: Measuring our performance and impact over time



Within the first year, we can report on whether we have **delivered** the products and services we said we would. Although we have robust **quality** design and assurance processes for these, assessing their quality – how well they have met the needs of our stakeholders – often requires more rigorous evaluation, which typically takes at least 6 months after delivery.

The purpose of all our deliverables is to **change** the way things are done within the health sector. Typically, these changes take time to enact and embed. Our experience indicates

that accurately assessing a change in process or behaviour typically takes 18-24 months following the delivery of a given product or quality improvement effort.

Similarly, our experience indicates that confirming changes in **outcomes** takes longer still. For proximal outcomes closely linked to the change in practice being promoted, this confirmation can take 3-5 years. For broader **societal impacts**, such as overarching mortality rates, it can take even longer, and demonstrating the causal link with certainty may be more challenging.

3. Te rautaki me ngā kawenga

Our strategic intent and expectations

Our vision

The vision of Te Tāhū Hauora is:

Hauora kounga mō te katoa | Quality health for all

Our mission

Our mission is central to the way we work to deliver on our vision. It is essential to our ability to have influence and impact. Our mission statement is:

**Whakauru. Whakamōhio. Whakaawe. Whakapai ake.
Involve. Inform. Influence. Improve.**

Many of the challenges facing the system today cannot be addressed fully by any one single health entity; instead, they require mutual support, partnership and collaboration among agencies. Together, we can achieve our goals.

Our work

Key to our role is leading and facilitating efforts across the health system to improve the quality and safety of health services for consumers and whānau. We achieve impact from our work through the following.

Strong partnerships and collaboration (involve)

Working alongside people who can influence and impact health quality improvement, such as people in government agencies; the health workforce; and consumers, whānau and communities, particularly those experiencing health inequity, and working in partnership with Māori.

Measuring, analysing, sharing and advising (inform)

Informing those who can influence the quality and safety of services, we gather and use the information that they share for improvement. We share knowledge and data, and we make information transparent and available.

Influencing thinking and action (influence)

Influencing people's knowledge, awareness and capability, and strengthening their ability to understand and act for improvement. We encourage them to use their influence to improve health services.

Coordinating, supporting and facilitating measurable improvement (improve)

Building improvement capability and providing expertise to support quality improvement programmes in the sector, we lead improvement in specific agreed areas.

Our enduring priorities

‘Embedding and enacting Te Tiriti o Waitangi’ and ‘pursuing health equity’ underpin all our work, as our enduring priorities. These priorities align with the clear direction set out in the Pae Ora Act.

Embedding and enacting Te Tiriti o Waitangi

We prioritise our commitment to meaningful engagement with, and to improving the health and wellbeing of, Māori. This includes supporting the health sector to do the same. The evidence clearly indicates that Māori are living a greater proportion of their already-shorter lives sick, injured or disabled.^{8,9,10,11}

We continue to prioritise trusted and constructive partnerships with Māori leaders who work alongside us as experts and within advisory groups. We actively seek partnerships with tangata whenua in the design, development and assessment of our work. We pursue opportunities to work with iwi and hapū through organisations that have direct relationships with them.

In 2024/25, we are working with iwi-Māori partnership boards supporting the access to data and information they need to lead the provision of high-quality services for their communities. More information is provided within discussion of SPE deliverable 5.

Pursuing health equity

We are equally committed to improving the quality of health care for all people who experience health inequity.^{12,13} Health equity means that everyone has the opportunity to achieve good health outcomes, no matter what their background or circumstances.

This focus supports improved health quality for priority populations¹⁴ who are experiencing persisting inequities at all stages of life and avoidable mortality¹⁵ and morbidity.

Our analysis by population groups helps us understand how the health sector is progressing toward health equity. Further, we maintain and promote strong relationships with groups experiencing health inequity.

⁸ Stats NZ. 2021. Growth in life expectancy slows. URL: www.stats.govt.nz/news/growth-in-life-expectancy-slows

⁹ Te Tāhū Hauora Health Quality & Safety Commission. 2023. *A window on the quality of Aotearoa New Zealand's health care 2019 – A view on Māori health equity | He matapihi ki te kounga o ngā manaakitanga ā-hauora o Aotearoa 2019 – he tirohanga ki te ōritenga hauora o te Māori*. URL: www.hqsc.govt.nz/resources/resource-library/a-window-on-the-quality-of-aotearoa-new-zealands-health-care-2019-a-view-on-maori-health-equity-2

¹⁰ Health and Disability Commissioner Te Toihau Hauora, Hauātanga. 2024. *Amplifying the Voices of Older People across Aotearoa New Zealand: Report by the Aged Care Commissioner*. URL: www.hdc.org.nz/our-work/aged-care-commissioner/amplifying-the-voices-of-older-people-in-aotearoa-new-zealand

¹¹ Stats NZ. 2014. Disability survey: 2013. URL: www.stats.govt.nz/information-releases/disability-survey-2013

¹² Reti S. 2024b. Dr Shane Reti's speech to iwi-Māori partnership boards, Christchurch. URL: www.beehive.govt.nz/speech/dr-shane-retis-speech-iwi-maori-partnership-boards-christchurch
Ibid.

¹³ Te Tāhū Hauora describes health inequities as avoidable and unfair differences in health outcomes.

¹⁴ Aligned with the *Government Policy Statement on Health 2024–27* (Manatū Hauora Ministry of Health 2024, op. cit.), priority populations include Māori, Pacific peoples, disabled people, women and people living rurally.

¹⁵ Avoidable mortality refers to death that is preventable (for example, through health promotion campaigns or public policy) and treatable (through the provision of safe, effective health services).

Our strategic priorities

Our strategic priorities align with our legislative functions and direct what we are working towards. Each priority requires active and focused advancement of our enduring priorities through our ways of working (our mission).

Improving experience for consumers and whānau

Enabling the workforce as improvers

Strengthening systems for quality services

Leading health quality intelligence

Guiding improvement to prevent avoidable mortality

Improving experience for consumers and whānau

Consumer and whānau engagement is a foundation of health quality and safety. Te Tāhū Hauora is leading the way at all levels of the health sector in building a system more strongly centred on consumers and whānau with a focus on modelling this to the sector.

Our efforts to enable and amplify the voices of consumers and whānau have significantly expanded in recent years. The Pae Ora Act specifically tasks Te Tāhū Hauora with supporting the health sector to engage with consumers and whānau to ensure their perspectives are reflected in the design, delivery and evaluation of health services, giving effect to the code of expectations. More information is provided within discussion of SPE deliverable 1 following.

Our leadership in convening the consumer health forum Aotearoa supports consumers and whānau in building knowledge and enabling them to further engage with the health system, with a focus on increasing the diversity of consumer and whānau voices engaged in the health sector and guiding active partnerships between communities

and the sector. More information is provided within discussion of SPE deliverable 2 following.

All Te Tāhū Hauora programmes are supported to include consumer and whānau representation and are informed by both larger patient surveys and smaller, more specific surveys of whānau and consumer experience of their engagement (or lack of engagement) with the health system.

Enabling the workforce as improvers

The health workforce¹⁶ makes a critical contribution to improving the quality and safety of health care.¹⁷ Te Tāhū Hauora works widely across and with the health sector to build sector leadership and influence people's understanding, knowledge and capability, strengthening their ability to understand and actively improve health quality and the experience of care for consumers and whānau at all levels.

We support teams across the health system in building capability in consumer and whānau engagement and co-design; embedding Te Tiriti o Waitangi; achieving health equity; understanding bias in health care; healing, learning and improving from harm; and using and promoting

¹⁶ Under the Pae Ora Act, 'provider' means a person who provides or arranges for the provision of services. When we use the term 'workforce', we are referring to the provider workforce, which includes the clinicians, leaders, managers, quality improvers and everyone else involved in providing health care to people in Aotearoa New Zealand. The term includes the workforce nationally, regionally and locally across hospitals, primary care services, community care services, Māori and Pacific services and specialist health services.

¹⁷ Nundy S, Cooper LA, Mate KS. 2022. The quintuple aim for health care improvement: a new imperative to advance health equity. *Journal of the American Medical Association* 327(6): 521-22. DOI: 10.1001/jama.2021.25181.

restorative approaches | hohou te rongo.¹⁸ More information is provided within discussion of SPE deliverable 3 following.

In 2024/25, we will continue working with Health New Zealand –Te Whatu Ora (Health New Zealand) to leverage opportunities that strengthen each organisation’s capability-building efforts and avoid duplication across our work.

Strengthening systems for quality services

We need strong system foundations to provide people with quality, safe and equitable health services that meet their needs. We play an active and vital role in identifying opportunities to reduce harm. Te Tāhū Hauora works to identify and pursue opportunities to collaborate with stakeholders to develop shared understandings of quality and safety. Quality health care requires strong partnerships of trust, open communication, a willingness to share and learn and the capability and support to use information faster and more proactively.

Alongside Manatū Hauora | Ministry of Health (Ministry of Health), we convene the National Quality Forum, supported by the Health Leadership Forum. The National Quality Forum is a core part of our work collaborating with other entities to achieve health gains and reduce health care harms. It brings together key national agencies and stakeholder representatives to share insights and information from across the sector to address system-wide quality and safety concerns that cannot be managed within localities or regions or that require cross-health-sector or cross-government attention and intervention. In our convening role, we lead member agencies to act, monitor and adjust accordingly. We will continue to look for opportunities to strengthen the Quality Forum’s position in the system and support the health system in measuring its performance for improved health care.

In 2024/25, we are supporting the health sector to improve clinical leadership, providing national clinical governance guidance and actively engaging with the wider sector in the implementation of this. We will also lead a collaborative approach in developing a system safety strategy for the health sector as set within the priorities of the *GPS on Health 2024-27*.¹⁹ More information is provided within discussion of SPE deliverable 7.

¹⁸ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Mahi haumanu, hohou te rongo | Restorative practice and hohou te rongo. URL: www.hqsc.govt.nz/our-work/system-safety/healing-learning-and-improving-from-harm-policy/restorative-practice-and-hohou-te-rongo

¹⁹ Manatū Hauora Ministry of Health 2024, *op. cit.*

Leading health quality intelligence

Our health quality intelligence function is widely recognised as adding value to the health system. We provide the sector with trusted, credible analysis; reporting; and monitoring of key quality indicators within key focus areas over time. We have a track record of designing measurement systems that are meaningful and useful and have led to genuine improvement. These systems and tools include:

- quality and safety markers²⁰
- the health system quality dashboard²¹
- the Atlas of Healthcare Variation²²
- patient experience explorers²³
- the Measures Library²⁴
- the adverse events dashboard.²⁵

Our ongoing measurement and intelligence work is essential to our role and responsibilities within the *GPS on Health 2024-27*.²⁶ We support the health sector to understand whether improvement efforts are working across the identified health targets (including non-communicable diseases and modifiable factors) as enablers of change, to bring urgency and accountability. More information is provided within discussion of SPE deliverable 4 following.

We also publish in a range of publications such as academic journals, popular press and formal Te Tāhū Hauora publications, such as our annual *A window on the quality of Aotearoa New Zealand's health care series*.²⁷ Our information is transparent and readily available to the sector. We make our data, information and evidence readily accessible to the public via our website.²⁸

We know that those we work with, and consumers and whānau themselves, hold valuable intelligence that can help us to improve quality and safety in the health sector. We work to share and spread their knowledge, and in turn we share what we know with them.

Guiding improvement to prevent avoidable mortality

Our work reviewing mortality in Aotearoa New Zealand produces information regarding avoidable mortality to support the improvement of systems and practice within services and communities with an aim to reduce morbidity and mortality.

Te Tāhū Hauora has held legislative responsibility for the national mortality review function since our establishment, and now under section 82 of the Pae Ora Act. The National Mortality Review Committee (the Committee),²⁹ established in July

²⁰ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Quality & Safety Markers | Ngā tohu kounga, tohu haumarū. URL: www.hqsc.govt.nz/our-data/quality-and-safety-markers

²¹ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Dashboard of health system quality. URL: www.hqsc.govt.nz/our-data/quality-dashboards/dashboard-of-health-system-quality

²² Health Quality & Safety Commission. 2021. Atlas of Healthcare Variation | Mapi Hauora Kē. URL: www.hqsc.govt.nz/our-data/atlas-of-healthcare-variation

²³ Health Quality & Safety Commission. 2022. The Health Quality & Safety Commission launches Experience Explorer. URL: www.hqsc.govt.nz/news/the-health-quality-and-safety-commission-launches-experience-explorer

²⁴ Health Quality & Safety Commission. 2022. He Kete Rauemi | Measures Library. URL: www.hqsc.govt.nz/our-data/measures-library

²⁵ Health Quality & Safety Commission. 2021. Learning from adverse events annual reports. URL: www.hqsc.govt.nz/our-work/system-safety/adverse-events/learning-from-adverse-events-reports

²⁶ Manatū Hauora Ministry of Health 2024, *op. cit.*

²⁷ This provides a snapshot of the quality of health care in the country. For more information, see Te kounga o te tauwhiro hauora | Window on the quality of health care. URL: www.hqsc.govt.nz/our-data/window-on-the-quality-of-health-care

²⁸ Hamblin R, Bohm G, Gerard C, et al. 2015. The measurement of New Zealand health care. *New Zealand Medical Journal* 128(1413): 50-64.

²⁹ Te Tāhū Hauora Health Quality & Safety Commission. (nd). About the National Mortality Review Committee. URL: www.hqsc.govt.nz/our-work/national-review-of-avoidable-deaths/national-mortality-review-committee

2023,³⁰ is the primary advisor on mortality review to the board of Te Tāhū Hauora.

The Committee is tasked with reviewing and reporting on specified classes of deaths of persons, or deaths of persons of specified classes, with a view to reducing the numbers of deaths of those classes or persons, and with pursuing continuous quality improvements through the promotion of ongoing quality improvement programmes. The Committee can also develop specific, actionable and evidence-based recommendations on any other matters related to mortality that the board of Te Tāhū Hauora specifies.³¹

We are committed to doing this well, particularly through understanding what helps to make a recommendation effective and incorporating this learning into our practice. We are also developing new pathways for disseminating findings and recommendations for maximum impact. The Committee, with the resource and support of Te Tāhū Hauora, works collaboratively with agencies, health care providers, policy makers and those with lived experience to reduce harm and avoidable mortality and morbidity.

Mortality review can be applied to both current and emerging priority areas, strategically, to align with the needs of the health sector and the priorities of the Government as well as the people of Aotearoa New Zealand. The Committee aligns its decision-making, assessment and way of working with that of Te Tāhū Hauora, particularly in terms of our enduring priorities. This is achieved through the application of Te Pou, a tikanga-based framework for reporting on Māori mortality.³² In addition, the Committee's decision-making is guided by He Puna Whakatau, developed in 2023.³³ He Puna Whakatau provides

a framework for the critical assessment of inequities and differences between population groups. More information on this is provided within discussion of SPE deliverable 6.

Our directions from the Minister of Health

In addition to the Government's and Minister's priorities,^{34, 35} we also have specific expectations that the Minister of Health sets for us in the Letter of Expectations each year. The Minister of Health has noted that our continued focus should be on delivering our statutory objectives and that this needs to be undertaken in an efficient and fiscally responsible manner. The Minister has directed us to:

- identify and pursue any opportunities to work collaboratively and collectively with other entities where this will result in health gains or enable efficiencies
- support the design of how targets are implemented. This should include working with the Ministry of Health and Health New Zealand to roll out the approach to monitoring targets and wider performance and support the development of Health New Zealand's own related internal performance framework
- continue to ensure that our executive staff are providing the right information to enable the board to make the right strategic decisions and to undertake assessment and learning activities to improve the performance of our board members in their important role
- prioritise efforts and resources in areas where Te Tāhū Hauora can add the most value to

³⁰ The formal statutory powers that previous mortality review committees had under Schedule 5 of the Pae Ora Act transferred to the National Mortality Review Committee on 1 July 2023.

³¹ Section 82 of the Pae Ora (Healthy Futures) Act 2022.

³² Health Quality & Safety Commission. 2022. *Te Pou – Māori responsive rubric and guidelines*. URL: www.hqsc.govt.nz/resources/resource-library/te-pou-maori-responsive-rubric-and-guidelines

³³ Te Tāhū Hauora Health Quality & Safety Commission. (nd). Overview of He Puna Whakatau. URL: <https://www.hqsc.govt.nz/assets/Our-work/Mortality-review-committee/Images/HePunaWhakatau.png>

³⁴ Luxon C. 2024. Prime Minister launches Government Targets. URL: www.beehive.govt.nz/release/prime-minister-launches-government-targets

³⁵ Reti 2024a, *op. cit.*

our collective understanding, while ensuring we remain within our financial parameters. This might mean we prioritise our work programme to focus on areas where we can achieve the most gain, as well as avoiding duplication of work undertaken by other entities

- continue to work collaboratively and collectively with other entities as appropriate in all areas of our work. The National Quality Forum is an example of this. We should continue to drive to improve the National Quality Forum to ensure that quality and safety issues discussed in the Forum are appropriately prioritised and have clear responsibilities, outcomes and actions. This includes establishing clear links and working relationships with Health New Zealand's clinical networks and clinical governance approach
- have a focus on primary and community care, while also maintaining a presence in other areas, such as infection prevention and control and optimal use of medicines

- build on New Zealand's commitment to minimise avoidable harm in health care and improve patient safety through the development of a systems safety strategy that defines quality and safety for the New Zealand health system
- explore opportunities to improve methods of delivery of our education programmes so we can build capability in quality improvement science
- continue our work to establish and regularly assess entities' compliance with the code of expectations, and to target support where needed to address issues; and also act in accordance with the code and report against it
- engage with Health New Zealand as it develops Te Pae Tata (the New Zealand Health Plan).³⁶

In August 2024, the Minister requested regular updates on our view of safety within the health system. In response, we committed to delivering regular insight reports informed by data from Te Tāhū Hauora and Health New Zealand, as well as insights from the health workforce, consumers, with input from a cross-sector panel of health leaders and experts.

³⁶ Not yet released at time of publication. Interim document, *Te Pae Tata New Zealand Interim Health Plan 2022*, released at: www.tewhātuora.govt.nz/corporate-information/our-health-system/nz-health-plan

4. Ngā mahi hei aronga mō 2024/25

Priority work areas of focus in 2024/25

Our SPE is made up of seven deliverables that we will focus on over 2024/25 and that contribute to our one output class (supporting and facilitating improvement) covering the functions outlined within our mission: involve, inform, influence and improve. Our enduring priorities are the key influence in our approach to developing our work programmes. All our work aims to improve the quality and safety of health services for consumers and whānau by leading and facilitating efforts for change in the health system. A focus on Māori health outcomes and on improving the quality of health care for people who experience the greatest need underpins the way in which we work and who we work with. It also underpins the changed behaviours, improved results and broader societal impacts we expect (see Figure 1).

We have modified some of our deliverable measures (eg, deliverable 5) from 2023/24 as programmes of work have progressed. Additionally, this year we are including case studies, in addition to surveys alone, to further demonstrate and measure the downstream impact of consumer or stakeholder engagement with our work (eg, for deliverables 1 and 2).



Deliverable 1: Ongoing implementation of the code of expectations for health entities' engagement with consumers and whānau

Our work contributes to enabling and increasing consumer and whānau voice being sought as a matter of course in all aspects of system design.

Since the release of the code of expectations in August 2022, Te Tāhū Hauora continues to support its implementation and socialisation within the health sector and among consumer, whānau and community organisations. As a named health entity, Te Tāhū Hauora itself must also give effect to the code of expectations.

In 2023/24, we developed guidance on applying the code as part of our role in supporting the health sector to engage with consumers and whānau so their perspectives are reflected in the design, delivery and evaluation of health services. We worked with the relevant health entities as they developed their organisational response to the code and reported on this publicly through the consumer and whānau engagement quality and safety marker.

In 2024/25, we are building on this work and the continuation of our application of the code at an organisational level and across all programmes to identify areas of excellence and areas for improvement. As required, the code will be reviewed in 2024/25 and updated, if necessary, to ensure it remains fit for purpose.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Guide health entities to involve consumers and whānau at all levels of the health system through the implementation of the code of expectations for health entities' engagement with consumers and whānau	Engage at least quarterly with the relevant health entities that need to give effect to the code, support its implementation and develop capability in this area Include guidance on consumer and whānau engagement in the primary care context in the implementation guide for the code of expectations by 30 June 2025	Develop the approach for supporting the sector with an advisory group comprising consumers, whānau and health entity representatives. Use feedback from health entities in developing an approach for how we can best support the entities	We will report on health entities' self-assessment of their maturity in engaging with consumers and whānau to ensure their perspectives are reflected in the design, delivery and evaluation of the health system over time We will publish at least four case studies from health entities and primary care providers on the implementation and impact of the code

Deliverable 2: Supporting the consumer health forum Aotearoa

Our work increases consumer and whānau confidence and knowledge to engage in the design, delivery and evaluation of the health sector.

Established in November 2021, the consumer health forum Aotearoa comprises over 1,000 members. The objective of the forum is to facilitate confident engagement of consumer, whānau and community voices, particularly of those within priority populations across the health sector, and guide active partnerships between communities and the sector.

Over 2024/25, Te Tāhū Hauora continues to build the diverse representation of groups on the forum, in alignment with our enduring priorities. We track the representation of different groups in the forum and assess our efforts to attract and retain key groups.

Both deliverables 1 and 2 centre on consumers and whānau with a focus on modelling this to the sector.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Support and equip consumers and whānau to enable increased engagement with the health system and health service improvement activities through the consumer health forum Aotearoa	Plan and facilitate two regional workshops to support consumers to engage in health service improvement activities, including in primary care, by 30 June 2025. These workshops will focus on priority populations; at least 60 percent of attendees will identify with one or more of these priority populations Provide consumer health forum Aotearoa members with opportunities to engage in health service improvement activities	Engage widely with the health sector and consumer groups, specifically with primary care and priority populations, to develop content for the regional workshops so they are meaningful to consumers and whānau	We will publish three case studies reporting on the impact of, and consumer experience with, engagement in the health service through opportunities provided via the consumer health forum Aotearoa. Case studies will cover both the experience for the consumer(s) and the impact of their involvement on the success of the advertised opportunity

Deliverable 3: Building capability in quality improvement science in the health sector³⁷

Our work contributes to building knowledge, skills, ability and confidence in quality improvement within the health workforce to improve the quality of health services.

The Ako tahi hei whakapai ake i te kounga | Improving together: Building capability for quality and safety education programme provides an effective foundation for affordable and accessible capability building in quality improvement and system safety for the health workforce.

The programme has five options, aimed at supporting all levels of the health workforce. The programme also supports the health system to apply mātauranga Māori and make te ao Māori approaches central in quality improvement capability.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Build the capability of the health workforce in quality improvement science in the health sector through education programmes	Deliver quality improvement programme, Improving together, by 30 June 2025. At least 20 health sector staff will enrol in the programme ³⁸	Ensure that at least 70 percent of participants who complete the programme meet the learning objectives	<p>A pre- and post-programme self-assessment of knowledge and skills will show that at least 70 percent of participants who completed the programme have better knowledge of quality improvement methodology and approaches to improvement</p> <p>We will carry out an evaluation to show that 70 percent of participants who completed the programme reported how they will apply knowledge they gained through the programme to support services to work better</p>

³⁷ This measure relates to our Vote Health Estimate measures for 2024/25: 'Support the health workforce to build capability in quality improvement through provision of a course by 30 June'.

³⁸ In 2024/25, we are collaborating with Health New Zealand to deliver the Improving Together programme. We aim to leverage each organisation's capability-building expertise and improve the methods of delivering education programmes for greater impact.

Deliverable 4: Influence improvement through the reporting and publication of health information³⁹

Our work contributes to the rapid response to emerging quality risk areas and better supports health quality insights in health system delivery.

Each year, we perform rigorous measurement and analysis of health data. This work provides numerous interactive analytic and reporting tools for sector and public use, and we publish the insights we gain from our analysis to inform policy and practice in our health system.⁴⁰ In this way, Te Tāhū Hauora identifies current health care quality and safety changes and gaps, which can then contribute to evidence-informed quality improvement initiatives.

We routinely record and analyse how users are responding to the tools through various means, including a case tracking system and communication files. We also regularly update our tools and monitor their quality to ensure that they are timely, relevant and fit for purpose.

We publish for a variety of audiences (including professionals, experts and the public) in a range of publications (including academic journals, popular press and formal Te Tāhū Hauora publications such as our annual *A window on the quality of Aotearoa New Zealand's health care* series).⁴¹

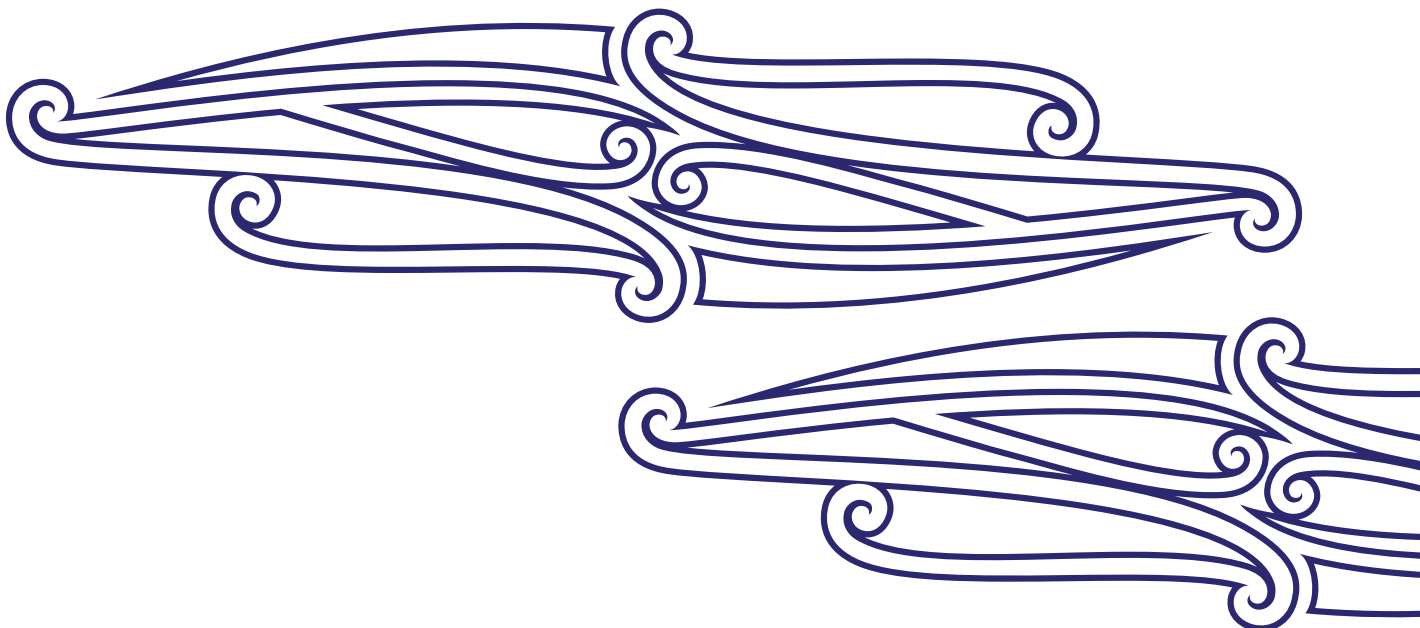
The *Window* publications draw on national data sets via robust and validated indicators and other evidence to provide insights into the quality and safety of Aotearoa New Zealand's health care. In 2024/25, Te Tāhū Hauora will publish the 2024/25 *Window on disability*. It will be co-developed and co-produced with the disability community. We will gather and curate useful and actionable data on health status, quality and outcomes for people living with disability and analyse and interpret that data in partnership with those from the community with lived experience.

³⁹ This measure relates to our Vote Health Estimate measures for 2024/25: 'A publication on the quality of Aotearoa New Zealand's health care is provided by 30 June' and 'Provide tools (for example the atlas of healthcare variation, quality and safety markers, and quality dashboard) to allow the system and public to explore the quality and safety of services by 30 June'.

⁴⁰ Hamblin et al 2015, *op. cit.*

⁴¹ For more information, see *Window on the quality of health care | Te kōunga o te tauwhiro hauora*. URL: www.hqsc.govt.nz/our-data/window-on-the-quality-of-health-care

Deliverable	Timeliness/quantity	Quality (process)	Impact
<p>Provide usable and reliable publications and tools that report on the quality and safety of the health system for the health sector and the public to facilitate rapid response to emerging quality and safety risk areas</p>	<p>Update three tools each quarter, across the year ending 30 June 2025</p> <p>Complete three publications by 30 June 2025</p>	<p>Ensure that each publication and tool analyses and reports results for priority populations</p> <p>Ensure robust sign-off processes before publication</p> <p>Complete analysis and interpretation of the data for the 2024/25 <i>Window on disability</i> in partnership with lived-experience representatives</p> <p>Work with Health New Zealand and engage with others while we are considering, developing and testing priorities and intelligence tools</p>	<p>Information about the quality and safety of the health system and emerging quality risk areas will be appropriately disseminated to key partners. We will analyse and report on how the tools are being used in the sector. Information will be provided by case tracking system and communication files, enabling follow-up to ensure they are fit for purpose and being used appropriately</p>



Deliverable 5: Supporting iwi-Māori partnership boards with meaningful data and intelligence

Our work supports iwi-Māori partnership boards in their role in local decision-making and the planning and delivery of health care in their communities with quality measurement systems.⁴²

We continue to support and work in partnership with three iwi-Māori partnership boards to develop ways to provide meaningful data and intelligence about their specific regions. This collaboration aims to support the boards' ability to lead and understand their priorities alongside the needs of the wider community⁴³ by identifying and supporting local solutions to local health challenges.

As we advance from establishing the prototype relationship in 2023/24, our measures change to reflect the next stage of testing and evaluating our new data intelligence methods and tools.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Maintain and build relationships with iwi-Māori partnership boards to establish data intelligence methods and tools	Work with three iwi-Māori partnership boards to identify priorities and the most relevant tools for this work by 30 June 2025	Regularly meet with iwi-Māori partnership boards to support the ongoing testing, improvement of processes and implementation of the tools	Implementation of methods and tools will enable iwi-Māori partnership boards to identify, plan and support local solutions

Deliverable 6: Mortality review - addressing inequities in avoidable mortality

Our work guides the improvement of systems and services to prevent and reduce avoidable mortality and morbidity.

Nearly half of all deaths of Pacific peoples (47.3 percent) and over half of Māori deaths (53.0 percent) can be attributed to avoidable mortality, compared with less than one-quarter (23.2 percent) of deaths of non-Māori, non-Pacific.⁴⁴ Although the life expectancy gap between Māori and non-Māori has narrowed,⁴⁵ on average Māori women die 7 years earlier than European/other women, Māori men die 8 years earlier than European/other men and Pacific women and men die 6 years earlier than European/other people.⁴⁶

⁴² Reti 2024b, op. cit.

⁴³ *Ibid.*

⁴⁴ Walsh M, Grey C. 2019. The contribution of avoidable mortality to the life expectancy gap in Māori and Pacific populations in New Zealand - a decomposition analysis. *New Zealand Medical Journal* 132(1492): 46-60. URL: <https://nzmj.org.nz/journal/vol-132-no-1492/the-contribution-of-avoidable-mortality-to-the-life-expectancy-gap-in-maori-and-pacific-populations-in-new-zealand-a-decompositio>

⁴⁵ Stats NZ. National and sub-national period life tables 2017-2019. URL: www.stats.govt.nz/information-releases/national-and-subnational-period-life-tables-2017-2019

⁴⁶ Health New Zealand. 2024. *Aotearoa New Zealand: Health Status Report 2023*. URL: www.tewhātuora.govt.nz/publications/health-status-report

As the first year of operations under the transformed national mortality review structure,⁴⁷ 2023/24 saw refinements to the national mortality review function. This included exploring new areas for mortality review, introducing new ways to share findings and recommendations, and enhancing relationships with key health and social system entities.

In 2024/25, the National Mortality Review Committee (the Committee) is starting a 4-year work programme that will establish an evidence-based, networked approach to developing local and national policies and practices, embed family experiences of avoidable mortality in the work and target key drivers of inequity in avoidable mortality, such as those in the context of Pacific maternal and perinatal health and in the context of diabetes-related death. The Committee will draw on national and local data to monitor the progress of the work programme.

The work programme will introduce new ways of working for the Committee, entailing closer working relationships with families and communities, health and social system agencies and entities, and professional groups. This work will facilitate opportunities to develop an understanding of the actions and relationships that enhance the likelihood that recommendations will be actioned and develop new pathways for disseminating findings and recommendations.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Publish reliable quantitative and qualitative information for providers, agencies and other stakeholders with influence in system change	<p>Establish baseline reporting by 30 June 2025</p> <p>Complete at least two publications by 30 June 2025. Use a range of publication options to ensure the information is in a useable format for the intended audience</p> <p>Deliver a 'progress and challenges' report that includes a recommendation monitoring framework for the future by June 2025</p>	<p>Ensure publications are peer reviewed by established subject matter expert groups (including representation from relevant communities) and the National Mortality Review Committee before submission to the board</p> <p>Establish formal relationships with both Coronial Services of New Zealand and the Health and Disability Commissioner to discuss recommendations, identify alignments and resolve discrepancies</p>	<p>Understanding and awareness of the impact of avoidable mortality will increase, both within and outside of the health system. Recommendations for the improvement of systems and services to prevent and reduce avoidable mortality and morbidity will be co-designed alongside those impacted (families, whānau and services)</p>

⁴⁷ Health Quality & Safety Commission. 2022. Changes planned to improve Aotearoa New Zealand's mortality review function. URL: www.hqsc.govt.nz/news/changes-planned-to-improve-aotearoa-new-zealands-mortality-review-function

Deliverable 7: Development of a system safety strategy

Our work contributes to improving system (patient) safety through the establishment a collective statement of commitment for system learning.

We are leading a collaborative approach to the development of a system safety strategy to build on Aotearoa New Zealand’s commitment to minimise harm in health care and improve safety, as specified in the *GPS on Health 2024-27*.⁴⁸ The strategy will define system (patient) safety and set expectations for the health system, using international practice as a standard.

In the initial development phase of the strategy over 2024/25, Te Tāhū Hauora will lead the coordination and connection of multiple stakeholders to scope and establish a combined understanding of system safety, reflective of the unique context of Aotearoa New Zealand. Stakeholders will include consumers, the wider health workforce, health agencies⁴⁹ and the primary and community health care sector.⁵⁰ An agreed strategy will be completed and released in 2025/26.

Deliverable	Timeliness/quantity	Quality (process)	Impact
Coordinate the scoping phase with the wider health sector to develop a strategy that defines system (patient) safety	<p>Establish a system safety strategy rōpū comprising multiple key stakeholders by 30 September 2024</p> <p>Complete a literature review by 31 December 2024</p> <p>Confirm a health sector engagement strategy and schedule by 31 December 2024</p> <p>Regularly convene hui as determined by the rōpū (a minimum of four by 30 June 2025)</p>	<p>Ensure the literature review includes 'grey literature' from international patient safety strategies</p> <p>Collate and analyse information from key stakeholders, the health workforce, and consumers and whānau</p> <p>Actively seek and include mātauranga Māori in the literature review and sector feedback for inclusion in the system safety strategy</p> <p>Engage with priority stakeholders (as determined by the rōpū) and include their feedback in scoping</p>	<p>Thorough scoping and involvement of key stakeholders, we will facilitate a shared understanding and ownership of core components for a national system safety strategy that is fit for purpose and reflective of the unique context of Aotearoa New Zealand. This will enable the development and dissemination of a final strategy</p>

⁴⁸ Manatū Hauora Ministry of Health 2024, *op. cit.*

⁴⁹ Health agencies include the Ministry of Health, Health New Zealand, the Health and Disability Commission, the Accident Compensation Corporation (ACC), Pharmac, the Mental Health and Wellbeing Commission and WorkSafe.

⁵⁰ Primary and community health care includes a very wide range of services based in the community, including Māori and Pacific providers, mātanga rongoā and rongoā service providers, general practitioners, pharmacists, midwives, allied health professionals, dentists and dental therapists, aged care and home care workers, disability support service providers, nurse practitioners, community and practice nurses, the non-clinical workforce, district nurses, community mental health and addiction services, public health nurses, non-governmental organisations and in some cases rural hospitals. See Manatū Hauora Ministry of Health. (nd). Primary and community healthcare. URL: www.health.govt.nz/our-work/primary-and-community-healthcare

Collaboration across the health sector

Our relationships with health agencies

Te Tāhū Hauora will continue to collaborate and collectively work with other health agencies to improve health quality and safety in all areas of our work.

We continue to build strong relationships with other agencies, including the Ministry of Health, Health New Zealand, the Health and Disability Commissioner, the Accident Compensation Corporation (ACC), Pharmac, private health care providers, Whaikaha - Ministry of Disabled People and iwi-Māori partnership boards, as well as with consumers and whānau and professional bodies.

Our activities in this area include:

- working with the Ministry of Health and Health New Zealand to roll out the approach to monitoring targets and wider performance and support the development of Health New Zealand's internal performance framework
- convening the National Quality Forum to address and prioritise cross-system quality and safety challenges, with linkages with Health New Zealand's clinical networks
- providing regular updates and sharing insights from the Health and Disability Commissioner to the board of Te Tāhū Hauora to highlight issues of national significance that can then be raised at the National Quality Forum
- working with Health New Zealand to:
 - » apply the clinical governance framework within districts
 - » develop Te Pae Tata (the New Zealand Health Plan)
 - » contribute towards the goal of zero seclusion by reducing seclusion rates in all inpatient mental health and addiction settings
 - » test an implementation package for early recognition and timely treatment of sepsis patients in three health settings (hospital, ambulance and urgent care) to reduce harm from sepsis

- » reduce *Staphylococcus aureus* bacteraemia from peripheral intravenous lines
 - » continue the surgical site infection improvement programme for orthopaedic and cardiac surgery
 - » continue and review the Hand Hygiene New Zealand programme
- partnering with iwi-Māori partnership boards to provide meaningful data about their regions
 - working with ACC to provide quality improvement expertise, analytical support and project leadership for the Trauma National Clinical Network
 - facilitating networks of health professionals such as the Primary Health Organisations Quality Improvement Network
 - engaging in quality improvement projects across hospital and community services; for example, testing the feasibility of a deterioration early warning system in aged residential care.

Increasing our focus on primary and community care

Most health care delivery occurs within primary care services and communities.

We are therefore increasing our focus on these settings and developing relationships that support primary care and community providers to improve the quality and safety of their services.

We work in partnership with those who can influence and support quality improvements to shape tools, measures and programmes that are meaningful and fit for purpose.

Our support includes working with primary care clinicians to develop an updated clinical governance framework that applies to their settings. The framework will guide the health system to improve transitions of care between primary and secondary care providers (general practitioner and hospital and hospital and general practitioner). We are working within primary care to demonstrate how the new framework can be used to establish strong clinical governance structures that support improved quality of care. We envisage these structures will enable primary

care to better use learning from harm, patient experience surveys and local data to drive internal quality improving activities.

We are identifying areas for improvement through our primary care patient experience survey, which is a unique source of intelligence.

We are working with iwi–Māori partnership boards to help them lead and understand their priorities alongside the needs of the wider community. We will support their role in local decision-making and the planning and delivery of health care in their communities with quality measurement systems.⁵¹

Third-party partnerships

In addition to carrying out the work funded by our Vote Health allocation, Te Tāhū Hauora partners with third-party agencies on common goals. Health New Zealand, ACC and the Ministry of Health have contributed funding to the following projects.

Healthcare-associated infections

Health New Zealand funds the infection prevention and control programme, which aims to reduce healthcare-associated infections. The following are key activities for the programme in 2024/25.

- Hand Hygiene New Zealand programme: Continue surveillance programme. Action recommendations from the 2022 programme review to increase sector capacity for hand hygiene auditing and auditor training.
- Healthcare-associated *Staphylococcus aureus* bacteraemia: Continue infection source reporting (which began in 2022) and complete analysis at one year.
- Reducing peripheral intravenous catheter-associated bloodstream infections: Scope and start a pilot quality improvement collaborative.

- Surgical site infection improvement programme: Continue surveillance programme. Evaluate findings of the 5-year cardiac and orthopaedic surgical site infection data analysis to identify improvement opportunities.
- Scope an expansion of the healthcare-associated infection surveillance and improvement programme based on data from the 2021 healthcare-associated infection point prevalence survey.
- Work with Te Pou Hauora Tūmatanui – the Public Health Agency within the Ministry of Health and Health New Zealand to improve the collection and warehousing of national healthcare-associated infection surveillance data.

Major trauma quality improvement programme

ACC is funding Te Tāhū Hauora to provide intelligence and improvement support to the Trauma National Clinical Network from July 2023 to June 2025.

Mental health and addiction quality improvement programme

Health New Zealand is funding the mental health and addiction quality improvement programme until the end of the 2024/25 financial year to continue its work of supporting the mental health and addiction sector to make improvement in the areas of:

- maximising physical health through a focus on cardiovascular disease screening and treatment
- reducing seclusion, focusing on reducing the number of occurrences and the length of seclusion of adults.

⁵¹ Reti S. 2024b. Dr Shane Reti's speech to iwi–Māori partnership boards, Christchurch. Wellington: New Zealand Government. URL: www.beehive.govt.nz/speech/dr-shane-retis-speech-iwi-maori-partnership-boards-christchurch



Patient experience surveys

On behalf of Health New Zealand, Te Tāhū Hauora manages and delivers the collection of patient-reported measures through validated and standardised primary care and adult hospital inpatient experience surveys, which enable systematic collection, analysis and reporting.

The adult hospital inpatient experience survey has been running quarterly since 2014, the adult primary care patient experience survey since 2016 and the adult hospital outpatient experience survey since June 2023. The adult hospital inpatient experience survey invites around 50,000 patients a year and receives feedback from around 12,000.

Surveys are one of most effective ways of understanding the experience of a large population such as people receiving health care. Evidence shows that regularly undertaking, and then sharing and publishing the results of, surveys is a way of improving performance, both directly and indirectly.⁵²

We have aligned our surveys with the consumer and whānau engagement quality and safety marker,⁵³ which aims to improve consumer involvement (one of the lowest-scoring areas of the survey). We have worked with the Ministry of Health to include a requirement for Health New Zealand to incorporate patient experience as a key performance measure in Te Pae Tata (the New Zealand Health Plan), reinforcing to the sector the importance of this factor in quality improvement planning. One of our key areas of focus is to improve patient experience survey representativeness, particularly for groups experiencing health inequity.

Our work on developing a national approach to patient-reported outcome measures continues; an ongoing proof of concept and a pilot project are planned. Our expansion of the experience programme continues with the development of a survey of consumers receiving home and community support services. We are planning work on a survey of maternity services for 2024/25.

⁵² Fung C, Lim Y, Mattke S, et al. 2008. Systematic review: the evidence that publishing patient care performance data improves quality of care. *Annals of Internal Medicine* 148: 111–23. DOI: 10.7326/0003-4819-148-2-200801150-00006.

⁵³ Health Quality & Safety Commission. 2022. Consumer engagement quality and safety marker | Te tohu hononga ā-kiritaki kounga. URL: www.hqsc.govt.nz/consumer-hub/consumer-engagement-quality-and-safety-marker

5. Te whakahaere hauora me te matatau

Organisational health and capability

As an improvement organisation, Te Tāhū Hauora prioritises our own capability and capacity, so we can best support the health sector to improve. This section outlines our areas of focus for continued improvement to our organisational health and capability in 2024/25.

Supporting our people

Our people are our greatest asset. We strive towards a culture where kotahitanga (working together) and mahitahitanga (partnership, collaboration and cooperation) are firmly embedded and our people demonstrate these values in all their work and ways of working.

At Te Tāhū Hauora, we continue to define and develop the skills we need to provide better support and the capability we need to improve health quality and achieve health equity across the health sector. Mahitahitanga is intrinsic to our success, as the ability to work together and share resources, knowledge and expertise is pivotal in delivering and achieving our objectives and making a lasting impact.

We recognise the Crown's obligations under Te Tiriti o Waitangi and the aspirations of Māori, and how important it is that human resources, infrastructure and leadership reflect those obligations and aspirations. We are committed to developing our organisation to be a more effective Te Tiriti o Waitangi partner.

In 2024/25, we will build on last year's activities to strengthen our understanding of and ability to effectively serve priority populations. This involves integrating the mātauranga Māori systems change framework through an antiracism plan that will be implemented in late 2024.

Governance and strategic advice

Te Tāhū Hauora is governed by a board of up to nine members appointed by the Minister of Health under section 28 of the Crown Entities Act 2004. Rae Lamb is the chair of the board. Board members⁵⁴ provide advice and direction on our strategic intentions and future direction.

The board works alongside our Māori advisory rōpū, Te Kāhui Piringa,⁵⁵ and our consumer advisory group, Te kāhui mahi ngātahi,⁵⁶ to put both Māori world views and lived experience at the centre of our work.

The board also has an audit subcommittee, which provides assurance and assistance to the board on our financial statements and internal control systems.

Work programmes of Te Tāhū Hauora also receive specific programme-related content advice from expert advisory groups and the National Mortality Review Committee.

⁵⁴ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Ngā kanohi o te Poari | Board members.
URL: www.hqsc.govt.nz/about-us/our-people/board-members

⁵⁵ Te Tāhū Hauora Health Quality & Safety Commission. 2023. Te Kāhui Piringa.
URL: www.hqsc.govt.nz/about-us/te-kahui-piringa

⁵⁶ Te Tāhū Hauora Health Quality & Safety Commission. 2024. Te kāhui mahi ngātahi | Our consumer advisory group.
URL: www.hqsc.govt.nz/consumer-hub/partners-in-care/our-consumer-advisory-group



Board members of Te Tāhū Hauora. Left to right: Shenagh Gleisner, Dr Tristram Ingham, Tereki Stewart, Professor Peter Crampton, Rae Lamb (chair), David Lui, Professor Ron Paterson, Dr Andrew Connolly (deputy chair), Dr Jenny Parr.

Environmental sustainability strategy

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

Through Toitū Envirocare's carbonreduce programme, we record our annual greenhouse gas emissions and develop targets for reducing them. Our baseline figure is 736 tonnes for 2018/19. By reducing our emissions by about 3.5 percent a year, we will be able to meet our overall target. We continue to regularly report our progress in 2024/25.

We have seen a significant reduction in carbon emissions since our base year due to reduced travel from COVID-19 restrictions, use of sustainable electricity providers, reduced paper use and reduced freight costs. We continue to sort our office waste, including by separating out composting and recycling. Although travel restrictions have now been lifted nationally, we remain committed to keeping our travel emissions sustainable.

Information technologies security

Information technologies (IT) and the cyber security policy of Te Tāhū Hauora aim to keep information safe. All our cyber security practices are focused on keeping electronic data free from unauthorised access. Our system focuses on protecting important data and applies to both digital and analogue information.

In 2024/25, we will continue to focus on implementing recommendations from an independent review requested by the audit and risk committee from a prior year, which detailed a review of our security and storage.

Operational projects are under way to fit all our computers with Microsoft Intune, complete with endpoint security provided by Microsoft Defender for Endpoint. This improves on the existing vendor-provided solutions. We have embedded an ongoing organisation-wide IT security 'phishing' education programme called KnowBe4.

We regularly review our IT security systems and processes to check they are fit for purpose, given the sensitivity of the information we hold.

Furthermore, in our commitment to Te Tiriti o Waitangi, we are piloting work to apply Māori data sovereignty principles⁵⁷ to our IT security to protect and respect Māori data and information and use it in a manner that aligns with Māori cultural values and aspirations. We continue working to build trust, foster meaningful relationships and promote responsible and ethical use of Māori data within our IT security context and policies.

⁵⁷ Te Mana Raraunga | Māori Data Sovereignty Network. 2018. *Principles of Māori Data Sovereignty*. Brief #1. URL: static1.squarespace.com/static/58e9b10f9de4bb8d1fb5ebbc/t/5bda208b4ae237cd89ee16e9/1541021836126/TMR+Ma%CC%84ori+Data+Sovereignty+Principles+Oct+2018.pdf

6. Ngā pūrongo tahua mō te 4 tau nei atu ki te 30 o Pipiri 2027

Prospective financial statements for the 4 years ending 30 June 2027

Prospective statement of comprehensive revenue and expense

	Planned	Forecast	Planned	Planned	Planned
	12 months to 30 June 2024	12 months to 30 June 2024	2024/25	2025/26	2026/27
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Revenue from Crown	18,887	18,127	16,666	16,666	16,666
Interest revenue	190	250	208	208	208
Other revenue	4,717	5,032	4,173	4,173	4,173
Total operating revenue	23,794	23,409	21,047	21,047	21,047
Expenditure					
Salaries	14,860	14,920	12,647	12,647	12,647
Travel	460	498	460	460	460
Consultants and contractors	304	334	304	304	304
Board	218	218	218	218	218
Committees	253	253	253	253	253
Printing/communication	223	193	223	223	223
Lease costs	555	655	655	655	655
Overhead and IT expenses	1,082	1,362	1,376	1,376	1,376
Other expenses	23	23	23	23	23
Total internal programme and operating expenditure	17,978	18,456	16,159	16,159	16,159
Quality and safety programmes	4,231	3,811	3,520	3,559	3,353
Mortality review programmes	1,333	813	1,143	1,143	1,143
Total external programme expenses	5,564	4,624	4,663	4,702	4,686
Depreciation and amortisation	252	234	225	186	202
Total expenditure	23,794	23,314	21,047	21,047	21,047
Operating surplus/deficit	0	95	0	0	0

Note: Numbers are rounded.

Te Tāhū Hauora has put forward a balanced budget for 2024/25 that allows for the delivery of all our proposed SPE measures (and all other non-SPE programme activity). No new activity (without a revenue stream) is included within these assumptions.

For 2024/25, revenue assumptions include:

- \$14.466 million Crown revenue (this has reduced by \$1.400 million in 2024/25 with previous 3-year additional cost pressure resource funding ceasing)
- \$2.200 million Crown revenue for continued funding for the patient reported outcomes, consumer and whānau voices programme
- \$1.500 million from Health New Zealand as revenue associated with the mental health and addiction quality improvement programme
- \$1.228 million from Health New Zealand for the national data warehouse and surgical site infection improvement programme
- \$0.833 million from ACC to provide support for the Trauma National Clinical Network
- \$0.562 million from Health New Zealand for the primary care patient experience survey
- \$0.215 million for the Australian and New Zealand Intensive Care Society Centre for Outcome and Resource Evaluation registry
- \$0.025 million conference and event revenue
- \$0.208 million interest.

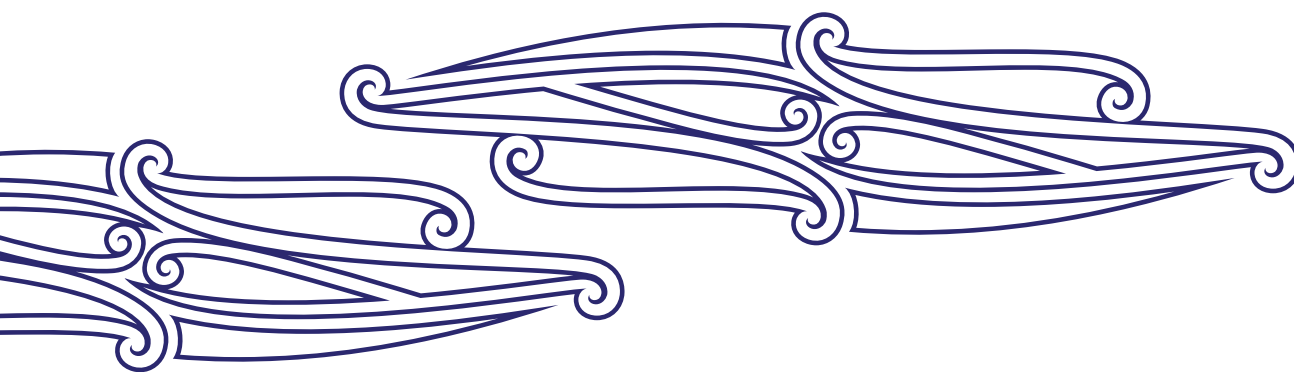
For 2025/26 and 2026/27 revenue forecasts align with current Vote Health Estimates. They do not include any inflation or cost pressure increases as Te Tāhū Hauora has been asked to prioritise efforts and resources in areas where we can add the most value to our collective understanding, while ensuring we remain within our financial parameters. Salary growth of around 3 percent would be the equivalent of a minimum of around \$0.350 million per annum.

No revenue or cost pressure increases will mean that, to remain within available out-year revenue assumptions, salary growth would need to be found from within existing budgeted salary levels for 2024/25 or reducing external programme expenditure.

Prospective statement of changes in equity

	Planned	Forecast	Planned	Planned	Planned
	12 months to 30 June 2024	12 months to 30 June 2024	2024/25	2025/26	2026/27
	\$'000	\$'000	\$'000	\$'000	\$'000
Contributed capital					
Balance at 1 July	500	500	500	500	500
Repayment of capital	0	0	0	0	0
Balance at 30 June	500	500	500	500	500
Accumulated surplus/(deficit)					
Balance at 1 July	2,235	1,704	1,799	1,799	1,799
Net surplus/(deficit) for the year	0	95	0	0	0
Balance at 30 June	2,235	1,799	1,799	1,799	1,799
Total equity	2,735	2,299	2,299	2,299	2,299

Note: Numbers are rounded.



Prospective statement of financial position

	Planned	Forecast	Planned	Planned	Planned
	12 months to	12 months to	2024/25	2025/26	2026/27
	30 June 2024	30 June 2024			
	\$'000	\$'000	\$'000	\$'000	\$'000
Accumulated funds	2,735	2,299	2,299	2,299	2,299
Represented by current assets					
Cash and cash equivalents	3,599	3,074	3,028	3,125	3,233
GST receivable	335	315	315	315	315
Debtors and other receivables	295	315	261	261	261
Prepayments	60	52	60	62	64
Total current assets	4,289	3,755	3,664	3,763	3,873
Non-current assets					
Property, plant and equipment	360	107	332	236	124
Intangible assets	0	0	0	0	0
Total non-current assets	360	107	332	236	124
Total assets	4,649	3,862	3,996	3,999	3,997
Current liabilities					
Creditors	1,057	883	967	970	969
Employee benefit liabilities	857	680	730	730	730
Revenue in advance	0	0	0	0	0
Total current liabilities	1,914	1,563	1,697	1,700	1,699
Total liabilities	1,914	1,563	1,697	1,700	1,699
Net assets	2,735	2,299	2,299	2,299	2,299

Note: Numbers are rounded.

Prospective statement of cash flows

	Planned	Forecast	Planned	Planned	Planned
	12 months to 30 June 2024	12 months to 30 June 2024	2024/25	2025/26	2026/27
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows used in operating activities					
Cash provided from:					
Crown revenue	18,887	18,127	16,666	16,666	16,666
Interest received	190	250	208	208	208
Other income	4,725	5,633	4,227	4,173	4,173
Cash disbursed to:					
Payments to suppliers	(8,723)	(8,042)	(8,099)	(8,213)	(8,202)
Payments to employees	(14,683)	(15,383)	(12,597)	(12,647)	(12,647)
Net GST	14	(175)	0	0	0
Net cash flows from (used in) operating activities	410	410	404	187	198
Cash flows used in investing activities					
Cash disbursed to:					
Purchase of property, plant, equipment and intangibles	(80)	0	(450)	(90)	(90)
Net cash flows (used in) investing activities	(80)	0	(450)	(90)	(90)
Cash flows used in financing activity					
Equity injection	0				
Net cash flows (used in) finance activities	0	0	0	0	0
Net increase/(decrease) in cash and cash equivalents	330	410	(46)	97	108
Plus, projected opening cash and cash equivalents	3,269	2,664	3,074	3,028	3,125
Closing cash and cash equivalents	3,599	3,074	3,028	3,125	3,233

Note: Numbers are rounded.

Declaration of the board

The board acknowledges its responsibility for the information contained in the Te Tāhū Hauora forecast financial statements. The financial statements should also be read in conjunction with the statement of accounting policies on page 35.

Key assumptions for proposed budget in 2024/25 and out years

In preparing these financial statements, we have made estimates and assumptions about the future, which may differ from actual results.

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events believed to be reasonable under the circumstances.

As we emerge from the COVID-19 pandemic in Aotearoa New Zealand, we see both direct impacts on the health and disability sector and effects on our economy and businesses. In this time of uncertainty, our engagement with partners and consumers has been affected, as others in the sector have experienced. The financials of this SPE may need to change to accommodate the viability and achievability of our deliverables as the sector recovers from the impacts of COVID-19 and continues its reforms.

In Budget 2021, the Government provided additional historical cost pressure funding of \$1.4 million per year to support our work. In Budget 2022, it provided a further \$0.583 million. Additional cost pressure funding of \$0.692 million was included for 2023/24. This additional funding enabled us to sustain our work programmes in response to government and sector demands while allowing us to respond appropriately to emerging quality issues. The historical cost pressure funding of \$1.4 million per year ceased for 2024/25, so budgeted expenditure and resourcing has decreased accordingly.

Te Tāhū Hauora is considered strong in its financial management, enabling it to deliver better services and outcomes for New Zealanders. The forecast financial statements for

the 2024/25 year and out-years are in line with generally accepted accounting practices. The statements include:

- an explanation of all significant assumptions underlying these financial statements
- other information needed to reflect our forecast financial operations and financial statements fairly.

Key assumptions are listed below.

- Although personnel costs have been assessed on the basis of expected staff mix and seniority, these may vary. Total expenditure will be maintained within forecast estimates, even if individual line items vary. There may be movements between salary, contractor and programme costs.
- Out-year costs in the operating budget are based on a mix of no general inflationary adjustment and limited general inflationary adjustment.
- The timing of the receipt of Crown revenue is based on quarterly payments made at the beginning of the quarter on the fourth of the month.
- Salary budgets currently include minimal general remuneration increases for 2024/25. Any increases that do occur would have to be funded from within existing budgeted salary levels for 2024/25 or via a reduction in programme expenditure. Limited salary increases may be a risk for staff retention; however, Te Tāhū Hauora is following the *Government Workforce Policy Statement on the Government's expectations for employment relations in the public sector*.⁵⁸
- Te Tāhū Hauora is working within the assumption of keeping reserve levels of around \$1.5 million. This means approximately \$0.5 million of reserves is available as a contingency for any additional one-off costs or activity associated with the health sector reforms.
- A total of \$0.04 million per year for furniture and other equipment replacement is planned across 2024/25 to 2026/27. Also planned is IT replacement of \$0.45 million for the full laptop fleet in 2024/25 and \$0.05 million each for 2025/26 and 2026/27.

⁵⁸ Public Service Commission. 2021. *Government Workforce Policy Statement on the Government's expectations for employment relations in the public sector*. URL: www.publicservice.govt.nz/assets/Statement-Government-Workforce-Policy-Statement-on-Employment-Relations.pdf

7. Pūrongo o ngā kaupapa here kaute

Statement of accounting policies

Reporting entity

Te Tāhū Hauora is a Crown entity as defined by the Crown Entities Act 2004 and the Pae Ora Act and is domiciled in Aotearoa New Zealand. As such, Te Tāhū Hauora is ultimately accountable to the New Zealand Crown.

The primary objective of Te Tāhū Hauora is to provide public services to New Zealanders rather than to make a financial return. Accordingly, Te Tāhū Hauora has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards.

Basis of preparation

Statement of compliance

These prospective financial statements have been prepared in accordance with the Crown Entities Act 2004. This includes meeting the Act's requirement to comply with the New Zealand generally accepted accounting principles (NZ GAAP).

The prospective financial statements have been prepared in accordance with tier 2 public benefit entity accounting standards.

The prospective financial statements have been prepared for the special purpose of this SPE to the New Zealand Minister of Health and Parliament. They are not prepared for any other purpose and should not be relied on for any other purpose.

These statements will be used in the annual report as the budgeted figures.

The preceding SPE narrative informs the prospective financial statements, and the document should be read as a whole.

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual financial results achieved for the period covered are likely to vary from the information presented, and variations may be material.

Measurement system

The financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars. The functional currency of Te Tāhū Hauora is New Zealand dollars.

Significant accounting policies

The accounting policies outlined will be applied for the next year when reporting in terms of section 154 of the Crown Entities Act 2004 and will be in a format consistent with NZ GAAP.

The following accounting policies, which significantly affect the measurement of financial performance and of financial position, have been consistently applied.

Budget figures

Te Tāhū Hauora has authorised these prospective financial statements for issue in June 2024.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies Te Tāhū Hauora adopted to prepare the financial statements. Te Tāhū Hauora is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosure. It is not the intention to update the prospective financial statements after they have been published.

Revenue

Revenue is measured at fair value. It is recognised as income when earned and is reported in the financial period to which it relates.

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 Te Tāhū Hauora meeting its objectives as specified in this SPE. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest

Interest income is recognised using the effective interest method.

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 in the prospective statement of financial performance.

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 three months or less.

Debtors and other receivables

Debtors and other receivables are measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

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.

Inventories

Inventories held for sale (if any) are measured at the lower of cost (calculated using the first-in first-out basis) and net realisable value.

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 shown 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 included in the prospective statement of financial performance.
- Costs incurred after 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 prospective statement of financial performance as they are incurred.

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 follows:

- Computers 3 years 33% SL
- Office equipment 5 years 20% SL
- Furniture and fittings 5 years 20% 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 developing and maintaining the Te Tāhū Hauora website are recognised as an expense when incurred.

Amortisation

- Amortisation begins when the asset is available for use and ceases at the date the asset is de-recognised.
- The amortisation charge for each period is recognised in the prospective statement of financial performance.
- The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:
Acquired computer software
3 years 33% SL

Impairment of non-financial 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 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.



Āpitihanga 1: He whakarāpopotonga o ā mātou whāinga me ā mātou āheinga

Appendix 1: Summary of our objectives and functions

1. Our objectives in legislation are to lead and coordinate work across the health sector for the purposes of:
 - a. monitoring and improving the quality and safety of services; and
 - b. helping providers to improve the quality and safety of services.⁵⁹
2. Our functions in legislation can be summarised as follows:
 - a. to advise the Minister of Health on health quality, safety, epidemiology and mortality
 - b. to determine measures and other key quality information
 - c. to publicly report and disseminate information about the quality and safety of services
 - d. to promote and support better quality and safety in services
 - e. to support the health sector to engage with consumers and whānau to ensure their perspectives are reflected in the design, delivery and evaluation of services
 - f. to develop a code of expectations for consumer and whānau engagement in the health sector
 - g. to make recommendations related to health quality.⁶⁰
3. Te Tāhū Hauora is also charged with appointing mortality review committees and directing their functions; supporting their administration, legal framework and work programme; and reporting on their progress.⁶¹
4. Importantly, in performing its functions, Te Tāhū Hauora must, to the extent it sees as appropriate, work collaboratively with a wide range of stakeholders: the Ministry of Health; the Health and Disability Commissioner; Health New Zealand; providers and professional bodies; consumer groups; and any other organisations, groups or individuals with an interest in our work.⁶²

⁵⁹ Section 79 of the Pae Ora (Healthy Futures) Act 2022.

⁶⁰ Section 80(1) of the Pae Ora (Healthy Futures) Act 2022.

⁶¹ Section 82 of the Pae Ora (Healthy Futures) Act 2022.

⁶² Section 80(2) of the Pae Ora (Healthy Futures) Act 2022.



Te Kāwanatanga o Aotearoa
New Zealand Government