

# WORKSAFE

## Statement of Performance Expectations

2018/2019



# Vision

That everyone who goes to work comes home healthy and safe

# Mission

To transform New Zealand's health and safety performance towards world-class

# Values

**Integrity:** Being fair, firm and consistent, showing respect for those we work with

**Courage:** Standing up for health and safety

**Responsibility:** Being accountable for what we do

---

## ACKNOWLEDGEMENTS

WorkSafe would like to acknowledge the efforts of all the staff who contributed to this publication.

*Whāia e koe ki te iti kahurangi, kia tāpapa koe, he maunga tiketike*

*Follow your treasured aspirations, if you falter, let it be because of insurmountable difficulties*

*Presented to the House of Representatives pursuant to section 149L of the Crown Entities Act 2004*

---



# CONTENTS

---

<b>Who we are</b>	<b>6</b>
Meeting Government expectations	8
Achieving our goals	9

---

<b>Our intentions</b>	<b>11</b>
WorkSafe's strategy: 2018-2022	12
Aligning to our strategic direction	13
Our external focus areas	14
Our operating approach	15
Our internal focus areas	19

---

<b>Measuring our performance</b>	<b>20</b>
Our activities	21
Ministerial expectations	23

---

<b>Budget and financial statements</b>	<b>25</b>
Our reportable outputs	27
Statement of accounting policies	33
Capital intentions 2018/19 to 2021/22	36

---

# Foreword

WorkSafe's mission is to transform New Zealand's health and safety performance towards world-class. This mission is also a call for everyone to step up their commitment to all workers in New Zealand – to work together so that everyone who goes to work comes home healthy and safe.

WorkSafe is nearly five years into our journey, one that will shape the landscape of New Zealand work long into the future.

WorkSafe's core roles encapsulate all of our work as the regulator – harm prevention, regulatory effectiveness and system leadership.

We also have clear goals – for people to value health and safety as part of good business and for health and safety to improve quality of life for all New Zealanders. We also want a collective approach to health and safety, including workers, unions and employers, towards these shared goals.

To grow and sustain good health and safety at work in New Zealand, WorkSafe is taking the opportunity this year to build on our progress to date and set our trajectory for the next four years, as shown in our *Statement of Intent 2018/19-2021/22*.

This Statement of Performance Expectations sets out WorkSafe's priorities in 2018/19. These priorities sit alongside our long-term goals and our core roles, setting out how we will help to reduce the risk of acute, chronic and catastrophic harm.

New Zealand is making progress in protecting our workers and reducing work-related harm,

although it remains at an unacceptable level – 73 people went to work and never returned home in 2016/17, and thousands of others suffered life-changing injuries. Many more had their lives cut short or their quality of life severely impacted by preventable work-related health conditions.

Those people and their families, friends, co-workers and communities know the true cost of poor health and safety.

WorkSafe has refreshed its four-year organisational strategy, which sets out our pathway towards becoming a world-class regulator. In 2018/19 WorkSafe will continue to plan and build our foundation capability and to invest in the development of our people and infrastructure, to ensure a sustained improvement in our performance into the future.

This year also marks the development of the Government's 10-year Health and Safety at Work Strategy, which will set out the Government's overall direction for improving the health and safety of workers. WorkSafe will partner with the Government, advising on the operation of the work health and safety system and what changes are needed to improve it. The Strategy will provide a

shared platform for performance improvement by all participants in the system.

We will continue to undertake all of our regulatory functions, including providing guidance, advice, and information to duty-holders and the public; monitoring and enforcing compliance with health and safety legislation; developing codes of practice and safe work instruments; fostering cooperation and consultative relationships between duty-holders, workers and representatives; and promoting and supporting research, education, and training in work health and safety.

Through our work, we aim to make an important contribution to improving the productivity and wellbeing of all New Zealanders through healthy and safe work. In particular, we will continue to work closely with our social partners, the New Zealand Council of Trade Unions, the Business Leaders' Health and Safety Forum and BusinessNZ, to support New Zealand's progress towards world-class health and safety performance. Our work in 2018/19 will be critical to sustaining our progress in reducing harm now and into the future.



*Ross Wilson*

**Ross Wilson**  
Acting Chair



*Paula Rose*

**Paula Rose**  
QSO, Board Member



---

## Who we are

# WorkSafe's mission is to transform New Zealand's health and safety performance towards world-class.

We are New Zealand's primary workplace health and safety regulator, supporting workplaces to be healthy and safe by effectively identifying and managing risk. Our Chief Executive Nicole Rosie leads over 550 staff based across the country who work to lift health and safety performance, supporting New Zealanders to return from work healthy and safe.

## Our mandate

WorkSafe is a Crown agent, with a statutory objective set out in the *WorkSafe New Zealand Act 2013*: to 'promote and contribute to a balanced framework for securing the health and safety of workers and workplaces' and 'promote and contribute to the safe supply and use of electricity and gas in New Zealand'.

We are responsible for administering the Health and Safety at Work Act 2015 (HSWA), the Gas Act 1992 and the Electricity Act 1992. We also administer a significant number of regulations related to the management of those Acts.

## Our funding for 2018/19

WorkSafe's appropriation for 2018/19 is \$94.157m, which is cost recovered through the Working Safer levy under HSWA. The levy is collected from all businesses by the Accident Compensation Corporation (ACC) on WorkSafe's behalf, to recover the costs to the Crown of delivering WorkSafe's functions.

We also collect revenue through the Major Hazard Facility and Energy Safety levies, as well as targeted fees, for specific regulatory activity undertaken by WorkSafe in these regimes.

A key focus for the year ahead is to ensure we invest in the right foundation capability to deliver across our core roles (harm prevention, regulatory effectiveness, system leadership). This includes working with ACC to confirm a funding pathway to contribute to building our harm prevention function. Confirming our overall funding approach will enable us to start building the capability needed to deliver comprehensive, multi-year harm prevention programmes to improve health and safety performance.

## Accountability

WorkSafe is accountable through our Board to the Minister for Workplace Relations and Safety who, on behalf of the Crown, is accountable to Parliament for our performance. The Ministry of Business, Innovation and Employment (MBIE) monitor's WorkSafe's performance on behalf of the Minister.

## Our core roles

WorkSafe's statutory functions<sup>1</sup> can broadly be summarised under our three core roles of harm prevention, regulatory effectiveness and system leadership.

As the regulator we promote and contribute to energy safety and the workplace health and safety system using our education, engagement and enforcement levers:



### REGULATORY EFFECTIVENESS

- Undertaking regulatory activity – educating, engaging and enforcing – to provide confidence that health and safety is appropriately managed.
- Enabling New Zealand to have confidence in WorkSafe as the primary health and safety regulator.
- Supporting confidence in the effectiveness of the health and safety regulatory regime.



### HARM PREVENTION

- Targeting critical risks at all levels (sector and system-wide) based on evidence.
- Delivering targeted interventions (including on improving workforce capability, worker engagement and effective leadership) to address the drivers of harm.
- Influencing attitudes and behaviour to improve health and safety risk management.



### SYSTEM LEADERSHIP

- Leading, influencing and leveraging the health and safety system to improve health and safety outcomes.
- Promoting and supporting tripartite leadership of health and safety with industry and workers.
- Leading by example through WorkSafe's own health and safety goals.

## Meeting Government expectations

The Minister for Workplace Relations and Safety has set out clear expectations of WorkSafe and we are fully committed to meeting them through our strategic work programme 2018/19, including:

### REGULATORY EFFECTIVENESS

- Supporting regulatory reform.
- Holding duty-holders to account.
- Enhancing the energy safety regulatory framework.
- Supporting victims and their families.

### HARM PREVENTION

- A focus on work-related health.
- Strengthening worker engagement, representation and participation.

### SYSTEM LEADERSHIP

- Work with MBIE to deliver the Health and Safety at Work Strategy.
- Commitment to a tripartite approach.

We will also strengthen our organisational capability and continue to improve our fiscal responsibility and efficiency.

<sup>1</sup> WorkSafe New Zealand Act 2013, section 10.

## Achieving our goals

Health and safety at work protects people from harm, but also contributes to the long-term wellbeing and living standards of New Zealanders. A world-class health and safety at work system enables sustainable, inclusive growth in our economy, without compromising our people and our environment.

## Our context

The Treasury's *Half Year Economic and Fiscal Update 2017*<sup>2</sup> sets out the current economic outlook for New Zealand. It indicates steady growth over the coming years, with falling net migration, growth in construction, and increases in labour costs and the number of people in work among the key features that are expected to affect labour market conditions. These trends also affect work-related injury rates and could also impact the social and economic cost of deaths, injuries and ill-health arising from work, which is estimated at \$3.5 billion every year.

WorkSafe is committed to lifting New Zealand's health and safety performance at work as economic activity increases, and reducing the high level of work-related harm.

While the level of harm has been reducing in recent years, it remains at an unacceptable level. There is an economic cost to this harm, but the social and emotional costs are paid by the families, friends, co-workers and communities of those who are killed, seriously injured or harmed at work.

The current targets for New Zealand include a 25% reduction in work-related fatalities and injuries by 2020, a 50% reduction in asbestos disease by 2040, zero catastrophic events and that fatalities from electrical and gas accidents trend down.

To meet these targets we need to work with others to collectively use our influence, insight and knowledge to embed the conditions for healthy and safe work.

## The Health and Safety at Work system

Many groups influence health and safety at work, including regulators, government agencies, sector groups, practitioners, businesses, workers and unions. These groups together form our health and safety system.

WorkSafe and MBIE are jointly leading the development of the Government's Health and Safety at Work Strategy. This Strategy will set the Government's 10-year vision and priorities to enable a system-wide approach to transforming New Zealand's health and safety performance. The Strategy will support greater integration amongst businesses, workers and unions in collectively driving improved performance across the health and safety system. This will save lives, save money and makes business sense.

Following the public consultation of the draft Strategy, in 2018/19 WorkSafe will contribute to the development of an action plan, working with other system participants to translate the priorities and goals of the Strategy into action.

## WHAT WE'RE AIMING FOR



### People value health and safety

Our work supports people to value health and safety as part of good business



### Health and safety improves wellbeing

Our work enables good health and safety to improve people's quality of life



### Collective approach to health and safety

Our work leads the health and safety system towards shared goals

<sup>2</sup> [www.treasury.govt.nz/budget/forecasts/hyefu2017/hyefu17.pdf](http://www.treasury.govt.nz/budget/forecasts/hyefu2017/hyefu17.pdf)



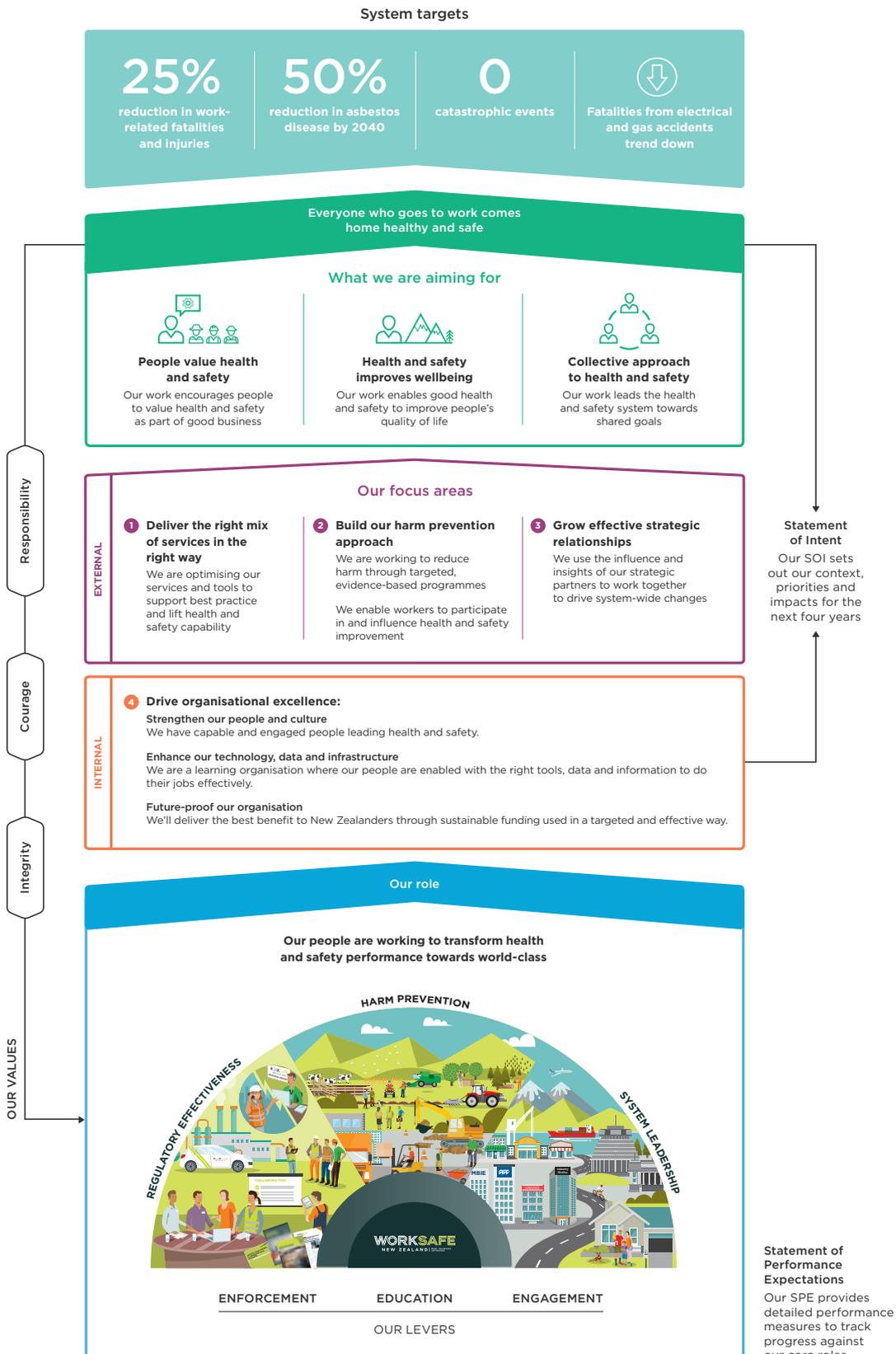
---

# Our intentions



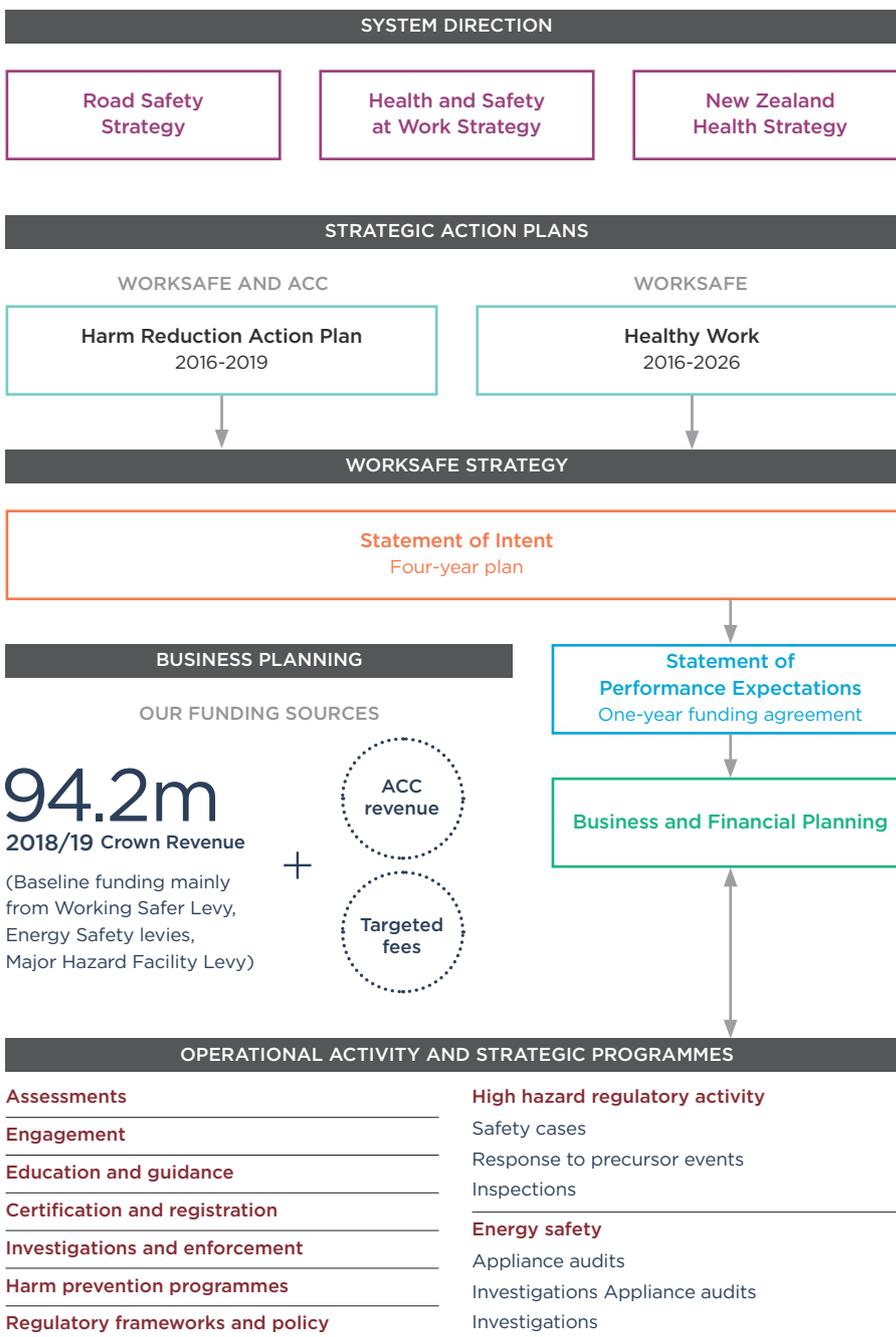
## WorkSafe's strategy: 2018-2022

WorkSafe's four-year strategy, outlined in the *Statement of Intent 2018/19-2021/22*, sets out the improvements we need so that New Zealand can lift its health and safety at work performance towards world-class. We have set clear focus areas that will align our work with our strategic direction and will report annually against these. 2018/19 will be the first year of this longer-term strategy.



## Aligning to our strategic direction

Our work is closely aligned to key Government strategies that seek to improve the health, safety and wellbeing of all New Zealanders. The goals and priorities signalled through these strategies guide our investment and how we work to deliver our activities. The diagram below demonstrates the connection between our activities, planning and investment processes, and strategic direction.



The Government's strategies set the system-level direction and priorities over the long-term

Our strategic action plans set the areas of focus and activities we will undertake over the medium-term in priority areas

The SOI sets our four-year strategic direction, operating intentions and impacts

The SPE sets out how we will work across our core roles to deliver our strategic intent and Government expectations

The planning process sets the annual fiscal envelope and deliverables aligned with our SOI and SPE

Our strategic direction and operating intentions guide our operational activities and programmes

## Our external focus areas

### 1 Deliver the right mix of services in the right way

#### Why this matters

WorkSafe's success relies on the choices that we make as a regulator. We have a limited range of interventions available and need to deploy these in the best way to make the greatest impact.

Our services and tools include everything from providing information and advice to monitoring and enforcing compliance. This involves awareness campaigns, publishing guidance and research, and undertaking targeted assessments of workplaces. It also involves investigating serious health and safety breaches and responding to unsafe incidents and precursor events that have the potential to cause serious harm.

In this first year of our four-year strategy, WorkSafe will make improvements to how we deliver our work. We will target our actions to where they are needed the most and deliver the best value from the funding we are provided.

#### What we intend to achieve in 2018/19

Our goal in the coming year is to make improvements to how and where we target our activity. We will implement a decision-making model that will refine the mix of services we provide and make our interventions more effective in the future.

Treating victims and their families with compassion and respect is central to the way we do our business. This includes continuing to train our staff in areas of cultural sensitivity regarding fatalities and injuries, including a particular focus on Māori and Pacific peoples.

Our specialist high hazard inspectors will continue reviewing safety cases submitted by operators for upper tier Major Hazard Facilities.

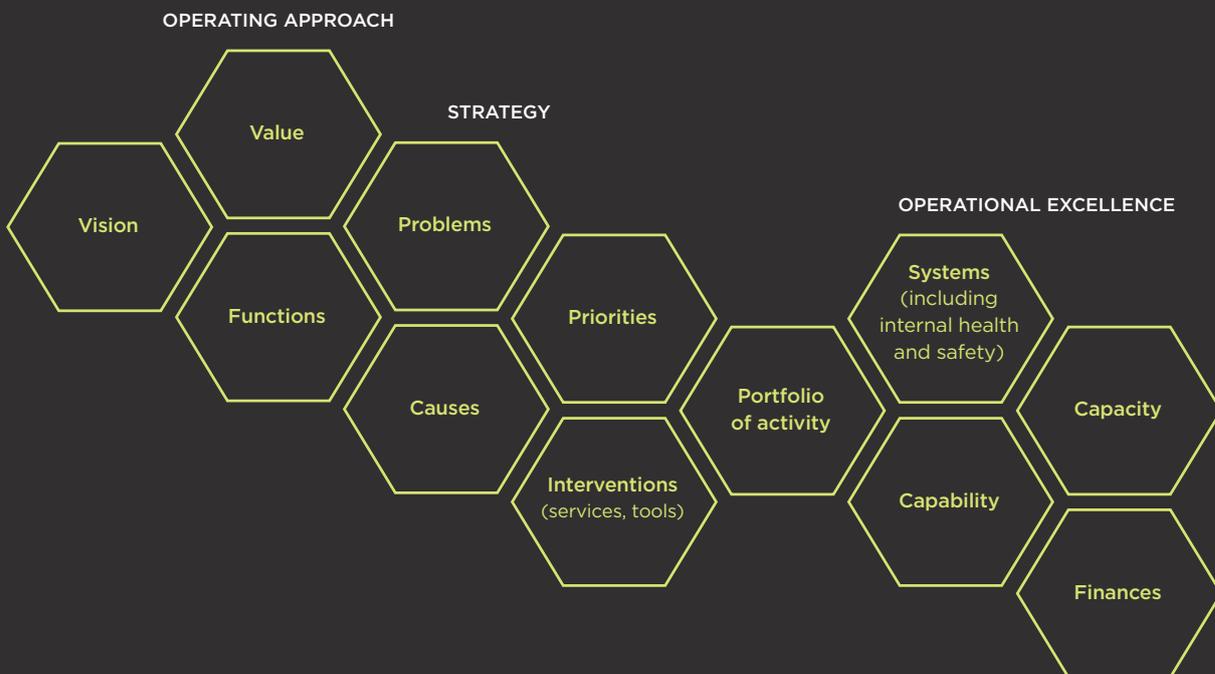
The new Hazardous Substances and Asbestos regulatory regimes are now in effect and we will be clear in our expectations of duty-holders meeting their obligations. Many adventure activity operators will also need to renew their safety audit certificates and be re-registered with WorkSafe this year.

#### CORE ACTIVITY

- Triage approximately 10,000 anticipated issues or incidents of work-related health and safety concerns and respond appropriately.
- Undertake assessments and audits of workplaces, with a focus on higher risk sectors and work-related health.
- Conduct investigations into the most serious breaches of health and safety.
- Enable duty-holders to self-review their health and safety practice following an incident using the Duty Holder Review service.
- Support high hazard operators to effectively manage their critical health and safety risks and meet their legal obligations.
- Promote and contribute to the safe supply and use of electricity and gas in New Zealand, including by auditing gas and electrical products and investigating accidents and unsafe situations.
- Provide certifications, approvals and registrations for sectors and duty-holders requiring specified regulatory oversight.
- Use our range of enforcement tools, from notices through to prosecution, to encourage people to change their behaviour, and to hold people to account.
- Refine and strengthen our approach to using Enforceable Undertakings, an alternative means to prosecution where duty-holders are held to account while delivering benefits to workers, industry and the community.
- Being fair, proportionate and educative in what we do – so we can make a real difference to health and safety in New Zealand.

## Our operating approach

The diagram below outlines the elements that make up our operating approach. Each element informs how we deliver our mix of tools and services. In 2018/19 we will progress work on strengthening how these elements fit together to create an intelligent and responsive operating approach. This will support greater alignment between our strategic direction, regulatory activity and resources.



## 2 Build our harm prevention approach

### Why this matters

New Zealand has made some progress in reducing harm at work, but it is not at the level needed to sustain improvement and make New Zealand one of the best-performing countries in the world.

There are sectors of work where the level of harm is significantly above average, specifically WorkSafe's 'higher risk sectors' of agriculture, forestry, construction and manufacturing. Rates of harm are also high in some other emerging sectors such as transport. We also know that significant work is needed to reduce the level of work-related disease and ill-health, and address health impairments like fatigue that can have a significant impact on people's safety.

A comprehensive approach to harm prevention is needed so that WorkSafe can enable people to address the underlying factors that drive harm at work and manage the risks in their workplace.

### What we intend to achieve in 2018/19

In 2018/19 our focus will be on investing in and building our foundational capabilities – people, resources and systems. These are needed to design and deliver comprehensive, multi-year harm reduction programmes.

We will build capability so we can undertake research and health economics modelling to assess the social and economic costs and benefits of different harm prevention interventions.

Our work with ACC will look at funding pathways that contribute to harm prevention enablers, so we can build the capability we need to deliver further programmes. The evaluation of WorkSafe's Maruiti<sup>3</sup> initiative will inform how we integrate a Māori lens to this work and take a comprehensive and long-term approach to improving outcomes for Māori workers.<sup>4</sup>

We will continue to use our *Healthy Work* strategic plan to set out our approach to work-related health, including undertaking a Worker Exposure Survey to gather better information on the levels of health-related harm New Zealand workers are being exposed to.

We support and contribute to regulatory reforms undertaken by MBIE, particularly in high hazard areas. We will also work with MBIE to review the Energy Safety regulatory framework, to address existing and emerging risks.

### CORE ACTIVITY

- Monitor and communicate the performance of the health and safety system.
- Support MBIE to monitor and evaluate the implementation of the Health and Safety at Work Act 2015.
- Work with MBIE on the Health and Safety at Work regulatory reform programme.
- Use our research, intelligence and evaluation capability to inform our interventions and profile areas of emerging risk.
- Work with our strategic stakeholders and other experts to develop guidance so duty-holders can know what good looks like, how they can effectively manage critical risks and how to engage effectively with workers.
- Help people to manage their obligations by using our tools and resources, and advertising these to a wide range of audiences.
- Continue to support the MBIE-WorkSafe-ACC SafePlus health and safety performance improvement toolkit and enable businesses to use Accredited Assessors to provide tailored recommendations on improvements they can make to their health and safety.

<sup>3</sup> Maruiti is our strategy to work toward improving the health and safety for Māori in the workplace: [worksafe.govt.nz/about-us/who-we-are/our-priorities/maruiti](https://worksafe.govt.nz/about-us/who-we-are/our-priorities/maruiti)

<sup>4</sup> The rate of serious non-fatal injury for Māori has been declining over the last ten years, but while progress has been made, Māori workers are still 44% more likely to be seriously injured at work than the general population.



### 3 Grow effective strategic relationships

#### Why this matters

To achieve the future we want, all parts of the health and safety system need to demonstrate leadership and accountability by working together to address both safety and health.

One of the foundations of good health and safety at work is strong tripartite leadership, ensuring workers, business and system agencies work collectively to improve New Zealand's health and safety performance.

WorkSafe can also influence others to build capability and drive improvements to health and safety at work at a sector level.

As a system leader we are uniquely able to help others form strong, strategic relationships and enable industry to own and lead their own health and safety change.

#### What we intend to achieve in 2018/19

We will refresh our approach to engagement across our key stakeholders as well as governance and senior levels (eg Chambers of Commerce, Institute of Directors).

The work we do with our social partners, the New Zealand Council of Trade Unions and BusinessNZ, as well as other key strategic partners like the Business Leaders' Health and Safety Forum and Institute of Directors, help us understand each other's respective roles and what levers we can collectively use to influence change.

WorkSafe will continue to support existing sector-led groups like the Forest Industry Safety Council and Agriculture Leaders' Health and Safety Forum, along with specialist associations like the Health and Safety Association of New Zealand (HASANZ). We will also take a strong tripartite approach to working with industry in establishing other sector-led health and safety leadership models.

WorkSafe will continue to contribute to and work with other regulators and system agencies to undertake regulatory practice initiatives. This will include working with central and local government networks like the Government Regulatory Practice Initiative and Public Sector Leadership Forum.

Following the development of the Government's Health and Safety at Work Strategy we will work with system participants to design and implement clear actions in line with the Strategy's areas of focus.

Two of the Government's priorities over the next 10 years are the KiwiBuild initiative to build 100,000 affordable homes and the planting of one billion trees. WorkSafe wants to work with those leading and contributing to this work to show how health and safety can be a core part of the work from the very beginning. This includes sharing lessons learnt from the Canterbury Rebuild programme. WorkSafe also intends to further establish relationships with iwi and post-settlement governance entities, particularly including those who are contributing to these projects.

#### CORE ACTIVITY

- Coordinate with our strategic partners - including regulators, agencies and stakeholders - to address health and safety capability and performance issues.
- Undertake knowledge and insight work with other data-focussed agencies (eg Statistics New Zealand, Ministry of Transport, Immigration New Zealand, Labour Inspectorate (MBIE), Ministry of Health).
- Engage with health and safety and other worker representatives when undertaking on-site assessments.
- Connect and engage with a wide range of people across New Zealand in person at roadshows, Fieldays, and other engagements, as well as through social media and our website.
- Contribute to work happening on an international scale, including with other regulators, international high hazard and energy safety bodies, and supporting MBIE's engagement with inter-government bodies like the International Labour Organization.

# WorkSafe needs to enable a sustained approach for future performance.

## Our internal focus areas

WorkSafe is a young organisation that has spent its establishment years building basic systems, processes and capability for us to operate, but we know that what we have now is not sustainable for our future needs. Our organisational strategy sets out where we need to invest within WorkSafe over the next four years to enable a step-change in performance.

### ④ Drive organisational excellence

---

#### Strengthen our people and culture

Our people are our greatest resource, and at WorkSafe we rely on highly-skilled people who undertake challenging work. The capability of our people directly influences the quality and impact our work has on health and safety at work. We want to have a strong organisation with people who feel engaged, connected and valued. We also want to keep our own people healthy and safe.

In 2018/19 we will develop our People Strategy, including progressing an organisation-wide framework to strengthen our culture, supported by leadership and team development programmes.

---

#### Enhance our technology, data and infrastructure

WorkSafe needs to invest in the right information, technology and systems so that our staff can work in a smart, integrated and technology-enabled way. Our ICT systems provide a platform for our work to be organised and efficient, and our data and analytics systems allow us to draw connections between the intelligence and evidence we gather, sharing it not just between our staff but with our stakeholders and the public.

In 2018/19 we will progress our ICT Strategy, setting out the technological capability and systems we need to deliver our work, and begin the transformation work on the technology infrastructure investment required to enable delivery of new, optimised services.

---

#### Future-proof our organisation

The next four years will be a critical time for WorkSafe to invest in itself, making sure we have the right capability, services and interventions in place for WorkSafe to be effective into the future. We need to make sure our funding and resources keep pace with growing demand and new challenges, ensuring we provide confidence to New Zealand that we are well-placed to deliver our strategy and focus on the Government's priorities.

In 2018/19 we will work with MBIE and ACC to ensure WorkSafe has a sustainable funding pathway to deliver its strategic priorities. We will also make improvements to our internal forecasting capability, to better understand our cost pressures and improve decisions over where we invest to best deliver our strategy.

---



---

# Measuring our performance

# WorkSafe's performance indicators all relate to the Vote Labour Market appropriation *Workplace Relations and Safety – Workplace Health and Safety.*

WorkSafe provides performance reports to the Minister for Workplace Relations and Safety each quarter, as well as in the Annual Report.

We measure our performance with a range of indicators. These reflect the activities undertaken by WorkSafe and the commitments WorkSafe has made in response to the Minister's Letter of Expectations 2018/19 (see page 23). WorkSafe's *Statement of Intent 2018/19-2021/22* also looks at the impact and behaviour changes seen in workplaces, and the flow-on impact on the health and safety at work system.

## Our activities

CORE ROLE		LATEST RESULT 2016/17*	TARGET 2018/19
Harm prevention	% of engagements with industry and PCBU <sup>5</sup> in higher risk sectors or other priority areas of focus <sup>6</sup>	95%	≥85%
Harm prevention	% of assessments in priority sectors or other higher risk areas of focus	95%	≥85%
Harm prevention	% of assessments that include a focus on work-related health risks	49% Target 40%	≥50%
Harm prevention	% of assessments that include interaction with a worker or representative <sup>7</sup>	New measure 2018/19	≥80%
Regulatory effectiveness	% of people who agreed they had a good or very good understanding of the cause or causes of an accident or incident as a result of the Duty Holder Review <sup>8</sup>	92%	≥90%
Regulatory effectiveness	% of prosecutions are successful	95%	≥80%

\* As at 31 May 2018, as some year-end results will not be available until after publication.

<sup>5</sup> WorkSafe data. Assessment managers and inspectors undertaking engagement initiatives and/or presentations where there are opportunities to improve health and safety performance or address risks to health and safety.

<sup>6</sup> Higher risk sectors include: agriculture, manufacturing, forestry and construction. Other priority areas of focus include particular regional or national sectors of concern (outside of higher risk sectors) that present a significant actual or potential risk to workplace health and safety (eg hazardous substances, adventure activities).

<sup>7</sup> Workers or representatives are not always available (eg self-employed people). This measure only applies where a worker or representative is available on site. Even when a worker or representative is on site, in some cases they may decline to speak to an Inspector.

<sup>8</sup> Service Excellence Survey (SES). These SES results come from people who have recently undergone the Duty Holder Review process. Responses are based on a five-point scale where 'very good' is the highest rating.

CORE ROLE		LATEST RESULT 2016/17*	TARGET 2018/19
Regulatory effectiveness	% of investigations where a final decision is made and communicated to victims and PCBUs within 12 months of commencement <sup>9</sup>	New measure 2018/19	100%
Regulatory effectiveness	% of energy safety investigations (notifiable/non-notifiable incidents and unsafe situations) involving gas and electricity that are completed within 60 days	93%	≥80%
System leadership	% of people who say our guidance is very useful <sup>10</sup> (this measure provides an indication of how we help all parts of the system understand what good health and safety practice looks like)	56% Provisional result	≥60%
System leadership	Lead a cross-Regulator Chief Executives Group and ensure WorkSafe is participating in senior leadership groups in priority sectors	New measure 2018/19	Achieve

Internal management measures are monitored by the WorkSafe Board

We are also interested in how well people think WorkSafe is undertaking our activities and will continue to monitor, on an annual basis, our stakeholder perceptions:

CORE ROLE		LATEST RESULT 2016/17	TARGET 2018/19
System leadership	Percentage of people we directly engage with who agreed WorkSafe is:		
	<b>Educative</b> (I now know more about what I need to do about health and safety in the workplace)	69%	Increase
	<b>Fair</b> (WorkSafe treated me fairly)	92%	Increase
	<b>Proportionate</b> (WorkSafe's response was in proportion to the level of risk or likely harm that the situation or issue posed to workplace health and safety)	72%	Increase
	<b>Performing effectively</b> (WorkSafe is making a real difference to workplace health and safety in New Zealand)	66%	Increase

Service Excellence Survey, after interaction with a Health and Safety Inspector. 'People' includes workers and employers

<sup>9</sup> Excludes cases where an extension of time has been granted under section 147 of HSWA.

<sup>10</sup> SES. People who agreed that the written WorkSafe guidance they accessed was very useful. These SES results come from people (employers, employees and self-employed) who have had recent contact with a WorkSafe Health and Safety Inspector during an assessment or investigation.

## Ministerial expectations

The Minister for Workplace Relations and Safety has set out his expectations of WorkSafe in the Letter of Expectations for 2018/19. WorkSafe is fully committed to meeting these expectations through our strategic work programme 2018/19.

CORE ROLE	AREA OF WORK	EXPECTATIONS	DELIVERABLES 2018/19
<b>System leadership</b>	<b>Commitment to a tripartite approach</b>	Undertake tripartite consultation.  Promote tripartite representation in industry health and safety leadership bodies and give support to those bodies already in place.	<ul style="list-style-type: none"> <li>- Facilitate sector leadership groups, ensuring strong tripartite representation from business, workers, unions and worker representatives.</li> <li>- Seek worker and business perspectives in the development of policy, harm prevention initiatives, guidance and education.</li> <li>- Publication, promotion and implementation of the joint Health and Safety at Work Strategy.</li> </ul>
<b>System leadership</b>	<b>Strengthening worker engagement, representation and participation</b>	Work with worker representatives and unions, alongside our other social partners, to shape the priorities and actions set out in a clear plan of action to strengthen the influence and contribution of all workers.	<ul style="list-style-type: none"> <li>- Development of WorkSafe's framework to strengthen worker engagement, participation and representation.</li> <li>- Improve inspectorate engagement with workers and worker representatives.</li> <li>- Support MBIE with the first review of the Health and Safety at Work (Worker Engagement, Participation, and Representation) Regulations 2016.</li> </ul>
<b>Harm prevention</b>	<b>Focus on work-related health</b>	Continue delivering in the areas of focus signalled through <i>Healthy Work</i> .  Include a focus on psychosocial and mental health risks, workplace bullying, and sexual harassment.  Maintain a focus on the agriculture, forestry, manufacturing and construction sectors.  Strengthen capability to grow and deliver harm prevention interventions and work with ACC to deliver effective injury prevention activity.	<ul style="list-style-type: none"> <li>- Increase the proportion of assessments with a work-related health focus.</li> <li>- Deliver <i>Healthy Work</i> projects and review the strategic plan to align with the Health and Safety at Work Strategy.</li> <li>- Build work-related health awareness and capability across our people.</li> <li>- Support MBIE with work-related health regulatory work (work-related noise, areas of psychosocial risk).</li> <li>- Undertake Worker Exposure Survey.</li> <li>- Publish guidance and education products to raise awareness of work-related health, with a focus on psychosocial risks.</li> <li>- Input into the Government's Mental Health and Addiction inquiry.</li> </ul>
<b>Regulatory effectiveness</b>	<b>Supporting victims and their families</b>	Continue to work with and support workplace accident victims and victim's families.	<ul style="list-style-type: none"> <li>- Continue to take a victim-centred approach in working with workplace accident victims and their families and provide information on support and advocacy groups for victims and their families.</li> <li>- Explore opportunities to strengthen how WorkSafe supports victims and their families and engage with our social partners to help shape our work in this area.</li> <li>- Include perspective of community and victims in decision-making process for Enforceable Undertakings.</li> <li>- Ensure staff are trained in WorkSafe's sudden death protocol.</li> </ul>

CORE ROLE	AREA OF WORK	EXPECTATIONS	DELIVERABLES 2018/19
<b>Regulatory effectiveness</b>	<b>Holding duty-holders to account</b>	<p>Strengthen organisational capability as a regulator.</p> <p>Consider the role of strategic litigation, where appropriate, in helping to develop the law, including in specific areas of focus (such as upstream PCBU duties, worker participation and engagement, and adverse conduct).</p>	<ul style="list-style-type: none"> <li>- Use our suite of enforcement levers, in a fair and proportionate way, to effectively hold duty-holders to account for their health and safety responsibilities.</li> <li>- Undertake investigations into serious health and safety breaches.</li> <li>- Using the full range of enforcement tools available to WorkSafe (from warnings and notices through to Enforceable Undertakings and prosecutions) to hold duty-holders to account, in a fair and proportionate way.</li> <li>- Identify, in appropriate cases, opportunities for strategic litigation, including in specific areas of focus.</li> </ul>
<b>Regulatory effectiveness</b>	<b>Energy safety</b>	<p>Work with MBIE to enhance the energy safety regulatory framework to proactively address existing and emerging risks in the energy safety framework.</p>	<ul style="list-style-type: none"> <li>- Provide technical expertise and support to deliver the policy priorities agreed in the Workplace Relations and Safety and Energy and Resources portfolios.</li> <li>- Work with MBIE on the effectiveness of the energy safety regulatory framework.</li> <li>- Undertake audit and compliance checks of products and suppliers.</li> <li>- Undertake investigations into accidents involving electricity and gas.</li> </ul>
<b>Improving fiscal responsibility and efficiency</b>		<p>Operate efficiently in delivering priorities and undertaking functions.</p> <p>Provide visibility of fiscal responsibility and efficiency.</p>	<ul style="list-style-type: none"> <li>- Strengthen how we prioritise and allocate funding so we are well positioned to make investment decisions that best support our strategic outcomes.</li> <li>- Undertake analysis to better understanding how we invest and use our current funding.</li> <li>- Improve forecasting capability to better understand our cost pressures.</li> </ul>
<b>General expectations</b>		<p>Support and contribute to the Government's work health and safety policies and regulatory reforms, developed by MBIE.</p>	<ul style="list-style-type: none"> <li>- Support MBIE's regulatory reform work programme.</li> <li>- Continue to embed the new hazardous substances regulatory framework.</li> </ul>
<b>General expectations</b>		<p>Maintain an effective Board.</p>	<ul style="list-style-type: none"> <li>- Select and implement a robust process to guide a self-assessment of the Board, with finding and actions provided to the Minister by 30 September 2018.</li> <li>- Deliver findings of the self-assessment, including actions to respond to these findings.</li> </ul>

---

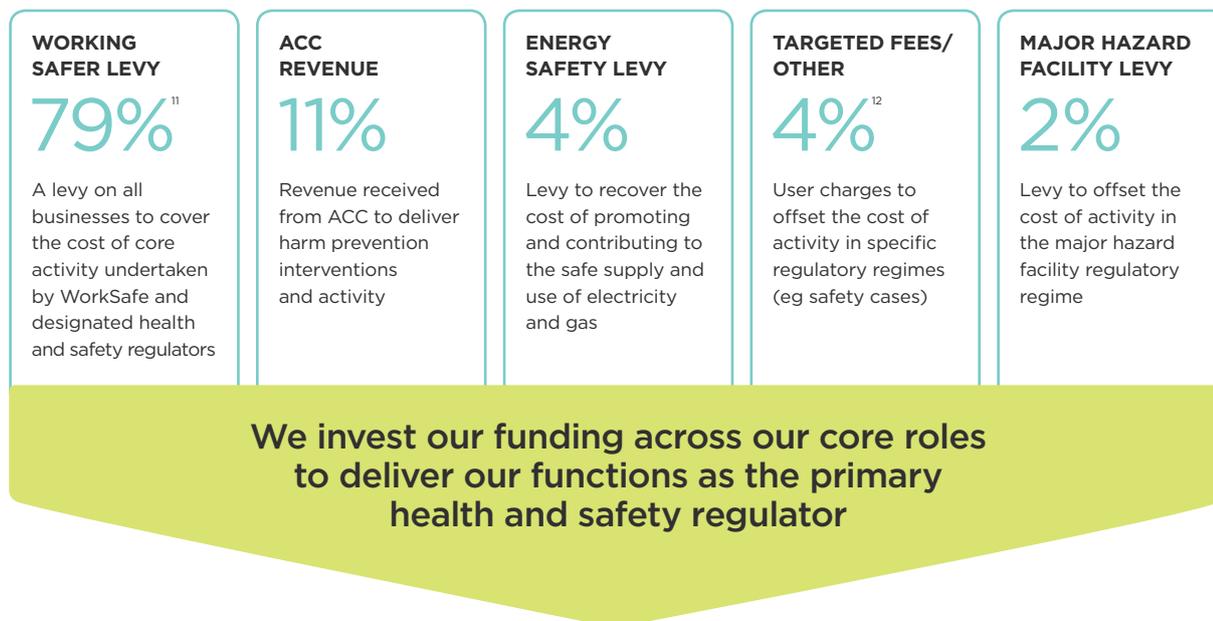
# Budget and financial statements



## Our funding

We have five funding sources that support the delivery of activity across our core roles. The majority of funding is collected through the Working Safer Levy supported with levies and fees for targeted activity we undertake in specific areas of the health and safety regulatory framework.

### OUR FUNDING SOURCES AS AT 2018/19



### HOW WE USE OUR FUNDING



#### REGULATORY EFFECTIVENESS

- Assessments and audits
- Investigations
- Technical services
- Certification, approval and registration
- Enforcement activity
- Development of the policy and regulatory framework



#### HARM PREVENTION

- Design and delivery of comprehensive, multi-year harm prevention programmes
- Education and guidance on health and safety best practice



#### SYSTEM LEADERSHIP

- Supporting the delivery of sector led health and safety leadership models
- Strategic coordination of regulators, agencies and stakeholders to lift health and safety capability and performance
- Measurement and communication of health and safety system performance

<sup>11</sup> Includes a contribution to MHF activities.

<sup>12</sup> Includes interest revenue and tax-funded activities.

# Our reportable outputs

WorkSafe is funded primarily through one appropriation in Vote Labour Market:<sup>13</sup>

## Workplace Relations and Safety – Workplace Health and Safety

The appropriation is limited to the provision of information, education, leadership, standards, support, and enforcement activities relating to the health and safety of workers and workplaces, including responsibilities, functions, and powers under HSWA. The appropriation is intended to achieve healthier, safer, and more knowledgeable workplaces.

The measure used to report against the appropriation is that ‘More people improve their practices as a result of direct interaction with WorkSafe’:

PERCENTAGE OF PEOPLE (WORKERS AND EMPLOYERS) WHO:	RESULT 2016/17	PROVISIONAL RESULT 2017/18	TARGET 2018/19
Made at least one change to improve workplace safety and/or reduce risks to workers’ health	81%	84%	73%

SES after interaction with a Health and Safety Inspector

Funding ceased in 2017/18 for the appropriation *Workplace Relations and Safety – WorkSafe NZ Capability Change Programme*, which provided capital expenditure for our ICT Business Capability programme.

## Cost of service statement

\$000	ESTIMATED ACTUAL 2017/18	FORECAST 2018/19
Revenue from the Crown <sup>14,15</sup>	93,837	94,157
Interest revenue	750	704
Other revenue	3,058	13,222
<b>TOTAL REVENUE</b>	<b>97,645</b>	<b>108,083</b>
<b>TOTAL EXPENDITURE</b>	<b>96,473</b>	<b>111,765</b>
Surplus/(deficit)	1,172	(3,682)

<sup>13</sup> In addition, WorkSafe pays ACC \$869,000 annually for levy-collection services, which is a separate appropriation but is considered an integral part of the cost of delivering Workplace Health and Safety outputs.

<sup>14</sup> From non-departmental output expense *Workplace Relations and Safety – Workplace Health and Safety* (includes both Workplace Health and Safety revenue and Energy Safety revenue) and Working Safer Levy collection services.

<sup>15</sup> Includes \$869,000 for levy-collection services in both 2017/18 and 2018/19.

### Prospective statement of comprehensive revenue and expense for the year ended 30 June 2019

<b>\$000</b>	ESTIMATED ACTUAL 2017/18	FORECAST 2018/19
<i>Revenue</i>		
Funding from the Crown	93,837	94,157
Interest revenue	750	704
Other revenue	3,058	13,222
<b>TOTAL REVENUE</b>	<b>97,645</b>	<b>108,083</b>
<i>Expenditure</i>		
Personnel costs	62,226	70,466
Depreciation and amortisation expense	1,788	3,302
Impairment of intangible assets	1,200	-
Capital charge	-	-
Other expenses	31,259	37,997
<b>TOTAL EXPENDITURE</b>	<b>96,473</b>	<b>111,765</b>
Surplus/(deficit)	1,172	(3,682)
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>1,172</b>	<b>(3,682)</b>

## Prospective statement of financial position as at 30 June 2019

\$000	ESTIMATED ACTUAL 2017/18	FORECAST 2018/19
<i>Assets</i>		
<b>Current assets</b>		
Cash and bank	6,416	3,221
Receivables	2,221	1,000
Investments	26,000	14,000
<b>TOTAL CURRENT ASSETS</b>	<b>34,637</b>	<b>18,221</b>
<b>Non-current assets</b>		
Property, plant, and equipment	5,011	6,980
Intangible assets	8,289	16,603
<b>TOTAL NON-CURRENT ASSETS</b>	<b>13,300</b>	<b>23,583</b>
<b>TOTAL ASSETS</b>	<b>47,937</b>	<b>41,804</b>
<i>Liabilities</i>		
<b>Current liabilities</b>		
Payables	8,148	6,000
Income in advance	4,887	4,914
Employee entitlements	4,116	4,700
<b>TOTAL CURRENT LIABILITIES</b>	<b>17,151</b>	<b>15,614</b>
<b>Non-current liabilities</b>		
Employee entitlements	800	800
Income in advance	1,757	843
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>2,557</b>	<b>1,643</b>
<b>TOTAL LIABILITIES</b>	<b>19,708</b>	<b>17,257</b>
<b>Net assets</b>	<b>28,229</b>	<b>24,547</b>
<i>Equity</i>		
Contributed capital	25,932	25,932
Accumulated surplus/(deficit)	2,297	(1,385)
<b>TOTAL EQUITY</b>	<b>28,229</b>	<b>24,547</b>

**Prospective statement of changes in equity  
for the year ended 30 June 2019**

<b>\$000</b>	ESTIMATED ACTUAL 2017/18	FORECAST 2018/19
Balance at 1 July	17,505	28,229
Total comprehensive revenue and expense	1,172	(3,682)
<i>Owner transactions</i>		
Capital contribution	9,552	-
<b>BALANCE AT 30 JUNE</b>	<b>28,229</b>	<b>24,547</b>

## Prospective statement of cash flows for the year ended 30 June 2019

\$000	ESTIMATED ACTUAL 2017/18	FORECAST 2018/19
<i>Cash flows from operating activities</i>		
Receipts from the Crown	93,837	94,157
Interest received	709	704
Receipts from other revenue	9,450	13,555
Payments to suppliers	(28,768)	(40,444)
Payments to employees	(62,236)	(69,882)
<b>Net cash flow from operating activities</b>	<b>12,992</b>	<b>(1,910)</b>
<i>Cash flows from investing activities</i>		
Receipts from sale of property, plant, and equipment	398	500
Receipts from term deposits	-	12,000
Purchase of property, plant, and equipment	(1,554)	(3,500)
Purchase of intangible assets (ICT)	(7,626)	(10,285)
Purchase of term deposits	(8,000)	-
<b>Net cash flow from investing activities</b>	<b>(16,782)</b>	<b>(1,285)</b>
<i>Cash flows from financing activities</i>		
Capital contribution	9,552	-
<b>Net cash flow from financing activities</b>	<b>9,552</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>5,762</b>	<b>(3,195)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>654</b>	<b>6,416</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,416</b>	<b>3,221</b>

## Key assumptions and changes

The following significant assumptions have been used in preparing the forecast information:

- Financial information is prepared in accordance with generally accepted accounting practice.
- Other Revenue increases due to a partnering agreement with ACC for Harm Reduction.
- Revenue from multi-year programmes such as ACC partner programmes and Major Hazard Facilities Safety Cases are recognised on a percentage of completion basis, with any unspent portion treated as Income in Advance.
- Accumulated surpluses are used where available to supplement revenue.
- Capital expenditure reflects allocation of funding to the ICT capability roadmap. The investment required to deliver this capability will be subject to appropriate business case processes, and our capital plan will be updated once this information is available.

## Statement of accounting policies

### Reporting entity

WorkSafe New Zealand is a Crown Agent as defined by the Crown Entities Act 2004, and was established on 16 December 2013, and is domiciled and operates in New Zealand. The relevant legislation governing WorkSafe's operations includes the Crown Entities Act 2004 and the WorkSafe New Zealand Act 2013. WorkSafe's ultimate parent is the New Zealand Crown. WorkSafe is funded primarily by government through Vote Labour Market.

WorkSafe's primary objective is to provide services to the New Zealand public, as opposed to making a financial return. Accordingly, WorkSafe has designated itself as a public benefit entity (PBE) for financial reporting purposes.

### Basis of preparation

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period.

### STATEMENT OF COMPLIANCE

The financial statements of WorkSafe have been prepared in accordance with the requirements of the Crown Entities Act 2004, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). These financial statements have been prepared in accordance with Tier 1 PBE accounting standards and they comply with PBE accounting standards.

### MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis, except for some non-financial assets and liabilities, which are stated at fair value.

### FUNCTIONAL AND PRESENTATION CURRENCY

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

### Significant accounting policies

The following significant accounting policies, which materially affect the measurement of financial results and financial position, have been applied consistently to all periods presented in these financial statements.

#### REVENUE

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

#### REVENUE FROM THE CROWN

WorkSafe is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of WorkSafe meeting its objectives as specified in its Statement of Performance Expectations and Statement of Intent. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

#### INTEREST

Interest revenue is recognised using the effective interest method.

#### FOREIGN CURRENCY

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions.

#### OPERATING LEASES

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to WorkSafe 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.

#### CASH AND CASH EQUIVALENTS

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 three months or less.

#### DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are measured at fair value, less any provision for impairment. A receivable is considered impaired when there is evidence that WorkSafe will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amount expected to be collected.

#### INVESTMENTS

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.

#### PROPERTY, PLANT, AND EQUIPMENT

The property, plant, and equipment asset classes consist of furniture and office equipment (including building fit-outs), computer hardware, and motor vehicles. Property, plant, and equipment are shown at cost, less any accumulated depreciation and impairment losses.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts of the assets. Gains and losses on disposals are included in the statement of comprehensive revenue and expense.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the item will flow to WorkSafe 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.

### DEPRECIATION

Depreciation is calculated using the straight-line 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 asset have been estimated as follows:

ASSET CLASS	DEPRECIATION METHOD
Furniture and office equipment	General: 5 years 20% straight line (SL)  Leasehold improvements: The shorter of 10 years 10% SL or the remaining term of the lease of the building that has been fitted out
Computer hardware	4 years 25% SL
Motor vehicles	6 years 16.67% SL

The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each financial year end.

### Intangible assets

#### SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

The cost of internally generated computer software represents expenditure incurred in the development phase of the software only. The development phase

occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use the asset; and development expenditure can be reliably measured. Expenditure incurred on the research of an internally generated intangible asset is expensed when it is incurred. When the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

### AMORTISATION

Amortisation begins when an asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the statement of comprehensive revenue and expense.

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

ASSET CLASS	DEPRECIATION METHOD
Acquired computer software	2-5 years 20-50% SL
Developed computer software	5-8 years 12.5-20% SL

### Impairment of non-financial assets

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

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

### Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## Employee entitlements

Employee entitlements that WorkSafe expects to be settled within 12 months of balance date are measured at undiscounted nominal values 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.

WorkSafe recognises a liability and an expense for bonuses where it is contractually obliged to pay them or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Employee benefits that are due to be settled beyond 12 months after the end of the period in which an employee renders a related service, such as long service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, contractual entitlement information, and the present value of the estimated future cash flows.

## Pension liabilities

WorkSafe has obligations for contributions to KiwiSaver. The contributions are recognised as an expense in the statement of comprehensive revenue and expense as incurred.

Obligations for contributions to the State Sector Retirement Savings Scheme and the Government Superannuation Fund are recognised in the statement of comprehensive revenue and expense as they fall due. Any reimbursement of these costs from the State Services Commission is recognised as revenue in the statement of comprehensive revenue and expense.

## Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## Restructuring

A provision for restructuring is recognised when an approved, detailed, formal plan for the restructuring has been announced publicly to those affected, or its implementation has already begun.

## Goods and services tax (GST)

All items in the financial statements are presented exclusive of 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 an operating cash flow in the statement of cash flows.

## Income tax

WorkSafe is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

## Cost allocation

Where cost allocation is required, WorkSafe has derived the cost of service using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on the pro-rata costs of the activities.

The costs of internal services not directly charged to activities are allocated to significant activities based on the pro-rata costs of the activities.

## Critical accounting estimates and assumptions

In preparing these financial statements we have made estimates and assumptions concerning the future. These estimates and assumptions may 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 reasonable under the circumstances.

## Capital Intentions 2018/19 to 2021/22

WorkSafe's capital assets consist primarily of ICT to support business capabilities and a vehicle fleet to support the inspectorate. Funding for capital is a combination of depreciation funding plus capital injections as outlined below:

Category	CAPITAL INJECTIONS \$M			
	2014/15	2015/16	2016/17	2017/18
Additional capital approved Budget 2014	1.876	5.797	-	9.552

Our capital investment intentions to 30 June 2022 are detailed below:

Category	PLANNED INVESTMENT \$M			
	2018/19	2019/20	2020/21	2021/22
ICT	10.585	5.000	2.000	2.000
Motor vehicles	1.000	1.000	1.000	1.000
Leasehold improvements	2.000	1.000	1.000	1.000
Other assets	0.500	0.500	0.500	0.500
	<b>14.085</b>	<b>7.500</b>	<b>4.500</b>	<b>4.500</b>

MBIE provides WorkSafe's core ICT services (including ICT infrastructure) via a shared services arrangement, and WorkSafe pays for those services as an operating expense.

WorkSafe is developing a future road map for ICT capability required to support its organisational strategy. The investment required to deliver this capability will be subject to appropriate business case processes, and our capital plan will be updated once this information is available.

WorkSafe is co-located at some sites that are leased by MBIE; MBIE funds and owns leasehold improvements related to those properties. MBIE recovers this cost by invoicing WorkSafe the annual depreciation and capital charge on the fit-outs as an operating expense. WorkSafe is transitioning to entering its own leases where it is viable to do so and fit-outs on these properties are paid for and owned by WorkSafe.

The planned capital expenditure for motor vehicles and other assets is for the replacement of assets that have reached the end of their useful lives.





## Disclaimer

WorkSafe New Zealand has made every effort to ensure that the information contained in this publication is reliable, but makes no guarantee of its completeness. WorkSafe may change the contents of this publication at any time without notice.

ISSN 2382-0608 (print)

ISSN 2382-0616 (online)

Published: June 2018

PO Box 165, Wellington 6140, New Zealand



Except for the logos of WorkSafe, this copyright work is licensed under a Creative Commons Attribution-Non-commercial 3.0 NZ licence.

To view a copy of this licence, visit <http://creativecommons.org/licenses/by-nc/3.0/nz>

In essence, you are free to copy, communicate and adapt the work for non-commercial purposes, as long as you attribute the work to WorkSafe and abide by the other licence terms.

