

WORKSAFE

Te Tāhuhu Whakaneinei Mahi

Statement of Performance Expectations

2022/23



Ngā tūruapō

VISION

Ka haere ngā tāngata katoa ki te mahi, ka hoki hauora, haumaruru mai ki te kāinga

Everyone who goes to work comes home healthy and safe

Te aronga

MISSION

Kia tāhū nui te hauora, te haumaruru i ngā wāhi mahi o Aotearoa

To transform Aotearoa's workplace health and safety performance towards world-class

Ngā mātāpono

VALUES

Whakakotahi - Kia whakakotahi, kia aronui tahi tātou

We're united in a strong purpose

Tiakina mai - Kia tiakina i roto i ngā mahi katoa

We're entrusted with a duty of care

Kōrero mai - Kia whakapāpā tahi tātou

We engage meaningfully





Kupu whakataki

Foreword



Ross Wilson
Chair



Phil Parkes
Chief Executive

WorkSafe New Zealand's vision is that everyone who goes to work comes home healthy and safe. Achieving this means ensuring that work is done well, regardless of wherever and however it is being done.

Through concerted effort and cooperation Aotearoa is making good progress on improving work health and safety, but there is much more to be done. It takes everyone in our health and safety system – workers, businesses, employers, government and the public – to support our vision for better, healthier and safer work.

This Statement of Performance Expectations (SPE) outlines our commitment to this kaupapa. It sets out the outcomes, measures and activities that contribute to our vision, and shows how the work we do helps to meet our aspirations for health and safety in New Zealand. It is an important document, but more important is what it represents: our work to prevent work harm from occurring, lifting standards for health and safety across the country and holding people to account when things go wrong.





Our vision is reflected in our three outcome focus areas: healthy work, safe work and equitable outcomes.

Healthy work means preventing harm before it occurs, and protecting people from exposure to things that can affect their health and wellbeing, especially where the effects may not be seen for some time (including mental health and wellbeing). A key focus within healthy work is ensuring worker engagement, participation and representation – by ensuring workers have a voice, we can lift health and safety standards across New Zealand and support them to create better work.

Safe work means reducing the high rates of harm arising from work in New Zealand, including physical and acute harm experienced by workers and the public. We work with workers, businesses and other organisations to improve health and safety through guidance and education; and undertake regulatory activities including authorising and monitoring compliance. While our focus is on preventing harm before it occurs, we also need to intervene when things go wrong to ensure accountability.

Equitable outcomes means ensuring that different groups of people in New Zealand can expect the same outcomes. We don't experience this currently, with rates of harm experienced by Māori, Pacific Peoples and vulnerable worker groups (including migrant workers) exceeding harm to other groups. This is fundamentally wrong and not consistent with the Aotearoa that New Zealanders expect – so we are working hard to change this. A key focus is ensuring harm prevention activities are reflective of the communities we deliver them to; and that workers and communities are given the tools they need to meet their own aspirations for health and safety.

The activities and measures set out in the SPE support and reinforce these aspirations. WorkSafe looks forward to reporting on progress against them as we work to lift health and safety outcomes throughout the system.

He kawenga Tauākī

Statement of responsibility

This Statement of Performance Expectations sets out our proposed performance targets and forecast financial information for the year 1 July 2022 to 30 June 2023.

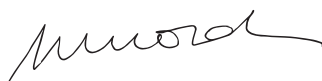
We are responsible for the Financial Statements and Statement of Non-Financial Performance Expectations contained in this document. We consider that the Financial Statements and Statement of Non-Financial Performance Expectations fairly reflect the organisation's expected financial position and performance results for the year ending 30 June 2023, in accordance with the Crown Entities Act 2004.



Ross Wilson

Chair

June 2022

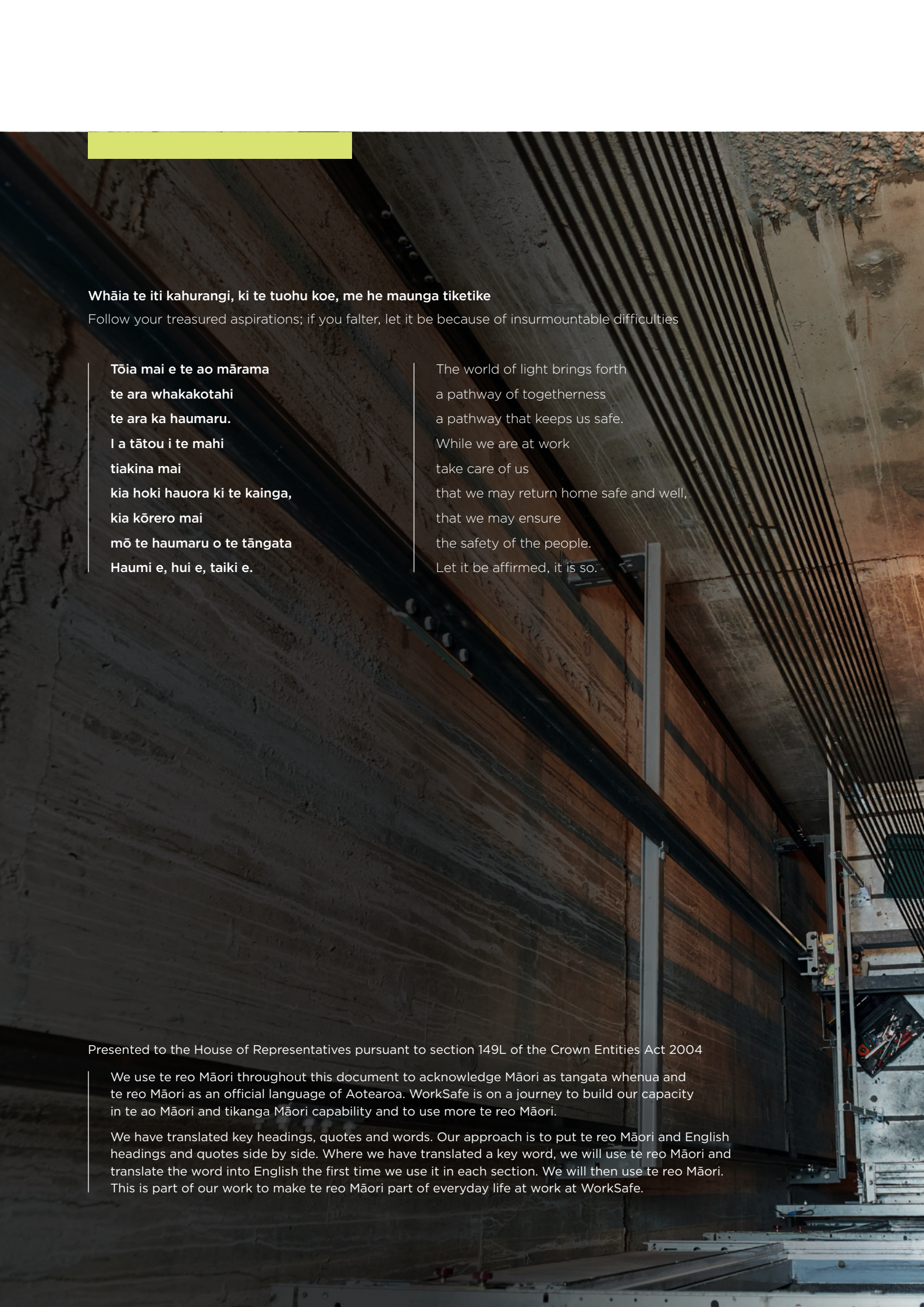


Bill Moran

Deputy Chair

June 2022





Whāia te iti kahurangi, ki te tuohu koe, me he maunga tiketike

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

Tōia mai e te ao mārama
te ara whakakotahi
te ara ka haumaruru.
I a tātou i te mahi
tiakina mai
kia hoki hauora ki te kainga,
kia kōrero mai
mō te haumaruru o te tāngata
Haumi e, hui e, taiki e.

The world of light brings forth
a pathway of togetherness
a pathway that keeps us safe.
While we are at work
take care of us
that we may return home safe and well,
that we may ensure
the safety of the people.
Let it be affirmed, it is so.

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

We use te reo Māori throughout this document to acknowledge Māori as tangata whenua and te reo Māori as an official language of Aotearoa. WorkSafe is on a journey to build our capacity in te ao Māori and tikanga Māori capability and to use more te reo Māori.

We have translated key headings, quotes and words. Our approach is to put te reo Māori and English headings and quotes side by side. Where we have translated a key word, we will use te reo Māori and translate the word into English the first time we use it in each section. We will then use te reo Māori. This is part of our work to make te reo Māori part of everyday life at work at WorkSafe.



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Hei Whakarāpopoto WorkSafe at a glance

We are New Zealand's primary workplace health and safety regulator

763

People working across Aotearoa

16

Offices across Aotearoa

We have seven business groups



Regulatory Effectiveness and Legal



Health and Technical Services



Business Performance and Finance



Digital Information Services



People, Culture, Safety and Property



External Strategy and Engagement



Operations
(General Inspectorate, Specialist Interventions, High Hazards, and Energy and Public Safety)

We have

9

Executive Leadership Team of nine who are responsible for running day-to-day WorkSafe business

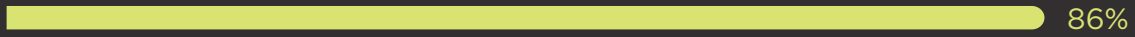
9

Board members who bring a wide range of skills and experience to their role

4

Board sub-committees to support the Board

We have five funding sources



Working Safer Levy



ACC Revenue



Energy Safety Levy



Major Hazard Facility Levy



Other revenue

Our core regulatory activities



Lead, engage and influence



Educate, guide, inform and learn

The foundation for our role comes from the Health and Safety at Work Act 2015 and the WorkSafe New Zealand Act 2013. We are also responsible for regulating the Gas Act 1992 and the Electricity Act 1992



Build capability and worker participation



Innovate, design, implement and evaluate



Authorise, oversee, assess and audit



Investigate, enforce and hold to account

Te Mātai Rautaki

Strategic directions and intentions



Our strategic directions and intentions are focused on achieving our vision:

**Ka haere ngā tāngata katoa ki te mahi,
ka hoki hauora, haumaru mai ki te kāinga**

Everyone who goes to work comes home
healthy and safe

Harm prevention is at the heart of what we do, and our values and strategic delivery plan – Taura Here Waka – which guides how we work.

Who we are

We are the Government's primary health and safety regulator, established under the WorkSafe New Zealand Act 2013. Our foundation for achieving our vision is the Health and Safety at Work Strategy 2018–2028 and its vision: *Work is healthy and safe for everyone in New Zealand*. We are a Crown agent and operate under the legislative framework set by the Crown Entities Act 2004.

WorkSafe leads, contributes to and promotes improved health and safety at work, and energy safety. The foundation for our role is the Health and Safety at Work Act 2015 and the WorkSafe New Zealand Act 2013. We are also responsible for regulating the:

- Gas Act 1992 enacted to protect the public in relation to gas and provide for the regulation, supply and use of gas
- Electricity Act 1992 enacted to protect the public in relation to electricity and provide for the regulation, supply and use of electricity.

What we do

We work across all Aotearoa's wāhi mahi, including major hazard facilities, the petroleum, geothermal and extractive industries and tunnelling and quarrying operations. We also regulate high-risk activities, such as adventure activities, scaffolding and powder-actuated tools. We are responsible for energy safety, including the safe production, supply and use of energy and the safety of gas and electrical products.

Our mission is to transform Aotearoa's health and safety at work performance towards world-class. We strive to be a health and safety regulator that inspires others across Aotearoa and internationally to create and do better work.

How we will achieve our outcomes

We are focused on enabling work to be healthy and safe for everyone in New Zealand, and addressing inequities in health and safety at work outcomes. By reducing the levels of work-related ill health, and injury and fatality rates, especially for workers at greater risk of harm, we can make a measurable difference. It will also make a difference to workers, their whānau, and hāpori whānui. It will allow them to be present and productive at work, supporting businesses and organisations to thrive.

WorkSafe also plays an important role supporting public safety. We are responsible for energy safety, and regulating the Major Hazard Facilities, petroleum, geothermal and extractive industries, and tunnelling and quarrying operations. We also regulate high-risk activities, such as adventure activities and rafting. Our public safety work is focused on ensuring hazardous industries, facilities, activities and substances are managed in a way that protects everyone from harm.

We are constantly working to improve our organisation; to become a modern, insights-led regulator for New Zealand. Our Strategic Outcomes Framework will help us track progress being made against our goals. Our indicators will help us understand the impact we make through our regulatory work. These are set out in our Statement of Intent 2021/22–2024/25.

This document provides an annual view of WorkSafe’s performance expectations against the medium to long term intentions in our Statement of Intent. The targets and deliverables in this document are informed by our governing legislation, together with the priorities of the Government and our Minister (set out in the annual Letter of Expectations) for us to play a pivotal role in improving health and safety at work in Aotearoa.

To achieve this, we are focused on being a modern insights-driven regulator that:



targets our efforts to have the biggest positive impact on harm reduction



addresses inequities in health and safety at work outcomes for Māori and Pacific Peoples



promotes and incentivises better work practices that prevent and reduce harm from work

Our planned work for the year, and how we intend to measure our success, is set out in the following pages.

The impact of COVID-19 on WorkSafe’s delivery and activities

COVID-19 continues to have an impact on our mahi. Events associated with COVID-19 have required us to manage complex and unique challenges, while prioritising the wellbeing of our people as well as workers, sectors, businesses, and employers. This has meant developing new processes, promptly reprioritising our mahi and supporting the All-of-Government responses.

We will continue to support the Government’s response to COVID-19 through our regulatory work. This will evolve along with the Government’s policies. We are continuing to support sector and industry leadership groups to maintain their core health and safety-focused activities, while expanding efforts to address the risk presented by COVID-19.

We will also continue to assess how workplaces are ensuring the safety of their kaimahi and others in response to COVID-19, with a focus on engagement and education. Aotearoa’s response to COVID-19 has been built on a shared understanding of responsibility and this will continue.

WorkSafe remains committed to our health and safety leadership role and to achieving our performance measures included in this Statement of Performance Expectations.



Te pou rautaki me ngā whakaaro Strategic outcomes framework

Health and Safety at Work Strategy

Work is healthy and safe for everyone in New Zealand

Our vision

Ka haere ngā tāngata katoa ki te mahi, ka hoki hauora, haumaru mai ki te kāinga
Everyone who goes to work comes home healthy and safe

Our outcomes for Aotearoa New Zealand

HEALTHY WORK

Work is healthy for workers and those affected by work

SAFE WORK

Work is safe for workers and those affected by work

EQUITABLE OUTCOMES

Work is healthy and safe for all in Aotearoa

The impacts we want our mahi to have



Health and safety is integrated into work design, set-up and practice



A capable workforce drives sustained health and safety improvement



Workers are partners in the health and safety at work system



The health and safety at work system works with and for Māori, Pacific Peoples and all workers



Knowledge and insights inform practice



Work-related risks are identified, and eliminated or controlled

Our values

WHAKAKOTAHI

We are united in a strong purpose

TIAKINA MAI

We are entrusted with a duty of care

KŌRERO MAI

We engage meaningfully

Our core regulatory activities



Lead, engage and influence



Educate, guide, inform and learn



Build capability and worker participation



Innovate, design, implement and evaluate



Authorise, oversee, assess and audit



Investigate, enforce and hold to account

Ngā Pae Herenga

Connections between WorkSafe's outcomes, impacts, and core regulatory and delivery activities

LONG/MEDIUM-TERM			MEDIUM-TERM	MEDIUM/SHORT-TERM (ANNUAL PLAN)					
Outcomes			Impacts and measures	Supporting regulatory activities					
Healthy work	Safe work	Equity		Lead, engage and influence	Educate, guide, inform and learn	Build capability and worker participation	Authorise, oversee, assess and audit	Investigate, enforce and hold to account	Innovate, design, implement and evaluate
			New Zealand regulatory regime is required to be fit-for-purpose in each of the impact areas						
●	●	●	Health and safety is integrated into work design, set-up and practice: <ul style="list-style-type: none"> - more people in Aotearoa value health and safety at work - more businesses and organisations incorporate health and safety into business as usual. 	●			●	●	●
●	●	●	A capable workforce drives sustained health and safety performance: <ul style="list-style-type: none"> - more employers and workers have the appropriate capabilities for healthy and safe work - more businesses, organisations and workers have access to the advice of health and safety professionals. 	●	●	●		●	
●	●	●	Workers are partners in the health and safety at work system: <ul style="list-style-type: none"> - more workers report effective worker engagement and participation practices - the presence of capable health and safety representatives in business and organisations increases. 	●	●	●	●		●
●	●	●	Knowledge and insights inform practice: <ul style="list-style-type: none"> - the accessibility and quality of information and guidance on health and safety at work improves - data on key system indicators is publicly available, sufficiently detailed and regularly updated. 		●		●	●	
	●		Work-related risks are identified and eliminated or controlled: <ul style="list-style-type: none"> - high hazard operators proactively identify and respond to notifiable incidents - more businesses and organisations meet regulated standards for identifying and addressing risks. 	●	●	●	●	●	●
		●	The health and safety at work system works with and for Māori, Pacific Peoples and all workers: <ul style="list-style-type: none"> - Māori, pacific and all workers are equally likely to report effective worker engagement and participation practices and to receive health and safety information they find useful and relevant - there are more formal processes for Māori partnership in the health and safety system. 			●			●

Ngā Aronga matua

Focus areas
in 2022/23



As the Government's primary health and safety regulator, WorkSafe is focused on achieving healthy and safe work and equitable outcomes for all New Zealanders that create Better Work. To that end, we have an enduring commitment to being a modern insights-led regulator that:

- targets our efforts to have the biggest positive impact on harm reduction
- influences those who control workplace practices to make work healthy and safe for all people
- delivers core regulatory services productively and effectively
- builds our capability to do this effectively and efficiently.

COVID-19 has also highlighted the importance of responding with agility to our changing environment, to ensure we carry out our core roles and deliver on the annual expectations set by the Minister for Workplace Relations and Safety in a context appropriate way.

Targeting our efforts

Health and Safety at Work Strategy 2018-2028

In 2022/23, we will focus on the following system priorities:

- giving particular emphasis to vulnerable groups such as Māori and Pacific Peoples who are over-represented in work related harm statistics within the overall programme to reduce work-related harm
- advancing the work-related health programme, including for mentally healthy work, focusing on what will make the biggest difference to reduce work-related ill health
- investigating ways to reduce harm in the system through improved procurement practices, (especially from publicly funded construction) by prioritising what WorkSafe alone can do and leveraging off the skills and obligations of others.

Supporting effective delivery of system and regime changes

Together with the Ministry of Business, Innovation and Employment (MBIE), we will focus on the Health and Safety Action Leadership Council as a vehicle to support and challenge sector leaders to:

- own harm reduction
- lead on the big issues
- identify gaps and opportunities to improve health and safety outcomes.

Continued regulatory reform combined with industry partnerships and leadership will be the key to our success.

A more complete and coherent legislative health and safety framework for New Zealand is being developed to enable the health and safety system.

In 2022/23, we will:

- be prepared for, and effectively implement, regulations swiftly once regulations are made, including but not limited to the new plant and structures regulations
- continue to identify what improvements or alternative models could be used to address risks, system gaps or barriers, and maintain the integrity of authorisation processes, including third-party certification systems.

Influencing health and safety at work practices

Improving worker engagement, participation, and representation

To build the maturity of sector leadership groups, we will support, engage and work with sector and industry leadership groups, in particular towards tripartite ways of working. In 2022/23, we will focus on:

- improving worker engagement, participation, and representation practices by working alongside workers, employers, industry groups, unions and other key stakeholders
- strengthening the effectiveness of health and safety representatives, through improved guidance, post training support, and actions to support quality training
- contributing to policy and legislative processes led by MBIE to improve worker representation and preparing for and implementing legislative changes when they are passed.

Developing Better Work practices and giving particular emphasis to vulnerable groups

To reduce harm, and achieve more equitable outcomes, we will focus on changing industry and workplace perceptions of health and safety from that of a compliance activity to achieving Better Work that is healthy, safe, purposeful and productive.

A programme of work and supporting initiatives are underway to build understanding of and engagement in Better Work practices. By June 2023, we will have:

- engaged with representative groups and forums, and other communities of interest on the value of Better Work, and how people can be involved in how work is designed, organised, incentivised, and delivered
- identified opportunities to incorporate Better Work thinking and practices as part of the regulatory framework
- partnered with Māori to explore and co-create ways to re-indigenise work through the wisdom and knowledge of mātauranga and tikanga Māori
- created accessible learning experiences and collateral to help people understand Better Work
- identified pathways to reach new groups to engage in, shape and influence the way work is thought about and done to achieve Better Work
- used our insights about Better Work to inform our own approach to how our people can be involved in how work is designed, organised, incentivised, and delivered at Work Safe so we can lead by example.

Delivering core regulatory services productively and effectively

We will continue to deliver our core functions as government primary health and safety regulator by raising awareness, providing guidance, and monitoring legislative compliance, so health and safety in work is seen as a priority – including taking enforcement action where appropriate.

Building our capability to deliver effectively

Evidence based delivery and prioritisation

To support a modern, insights-driven approach to regulation, we will continue to develop the tools we have to collect, analyse, use, and share data and information. In 2022/23, we will:

- deploy the full range of regulatory tools to address system risks and deficiencies, giving continued priority to areas where
 - the greatest harm originates
 - the greatest risk of harm and risks impacting the integrity of the regulatory system itself arise
 - the intervention by WorkSafe will result in the greatest impact
- focus our research, intelligence, and evaluation programmes to optimise access to sound evidence to inform our strategic prioritisation decisions, with clear links between delivery of initiatives and benefits realised against WorkSafe's strategic outcomes framework
- complete the Pūmahara project, to inform regulatory decision making through better use of empirical evidence, data analytics and subject matter expertise
- use our insights to inform our own practices as an organisation to ensure and model Better Work.

Delivering core services

In order to achieve all the above and deliver the important outcomes we are looking for, we also need to be an organisation that delivers on our core services. This means that we will:

- deliver on our strategy agreed through our Statement of Intent
- demonstrate robust longer term financial forecasting
- continuously develop and build our people and capability
- meet our statutory obligations such as responding to official information requests in a timely manner.

We will also continue to develop technology that supports our mahi across WorkSafe, and with partners and stakeholders through our digital transformation programme. During 2022/23, we will continue to progress important ICT system and process initiatives through our digital transformation programme. The new technology will enable us to increase our capacity and capability, and increase efficiency through improved systems and processes:

EXTERNAL

- The self-service portal for members of the public, and persons conducting a business or undertaking is live.
- Ability to submit notifications to WorkSafe digitally through our portal enabled, and then managed internally in a centralised way.
- Education that relates to Health and Safety regulation is delivered by digital channels. The intent of the education is that it will have an impact on how the system works so that Persons Conducting a Business or Undertaking can understand risks in the environment they are working in.

INTERNAL

- Phase 1 of Core Case Management platform build will be completed, and Operational Insights start to become available in an integrated system.

Te Paearamahi kore utu

Statement of
non-financial
performance
expectations



This section sets out the core regulatory activities that WorkSafe is funded to engage in, in order to deliver outputs (that is, goods and services) and the standards against which we will assess our service delivery performance. The measures and standards have been developed in accordance with PBE FRS 48 Service Performance Reporting Standard.

Outcome 1: Healthy work

Work is healthy for workers and those affected by work.

WorkSafe works to achieve the vision set out in the Health and Safety at Work Strategy 2018–2028 that work is healthy and safe for everyone in New Zealand. This requires us to lead, engage and influence all system participants to shift their thinking about health and safety. If good health and safety is considered at the outset, and mahi is designed, set up and done in the right way, it will help to prevent work-related ill health and reduce injuries and fatalities at work. We will make a measurable difference.

There are four impact areas we are seeking to influence through our core regulatory activities. These impacts are:

- health and safety is integrated into work design, set-up and practice
- a capable workforce drives sustained health and safety improvement
- workers are partners in the health and safety at work system
- knowledge and insights inform practice.

We do this through:

- leading and engaging at multiple levels throughout the health and safety at work system
- contributing to the international arena on health and safety at work, and energy safety
- improving health and safety practice by promoting and targeting our guidance and education materials and tools
- building our understanding of the system by learning from our engagements and regulatory activities
- developing and supporting health and safety leadership programmes
- developing and supporting capability-building programmes for the health and safety workforce
- monitoring legislative compliance including taking enforcement action where appropriate.

Performance will be monitored using the information in the following tables.

CORE REGULATORY ACTIVITY 1

ARAHANGA, WHAKAPĀPĀ ME TE WHAKAPAKEPAKE
LEAD, ENGAGE AND INFLUENCE

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
1.1 The proportion of partnerships funded by WorkSafe that meet or exceed the agreed partnership outcomes	100%	100%	100%
1.2 The number of collaboratively-designed health and safety partnership arrangements established under our Te Ara Tuituinga engagement framework	>2	3	>2
1.3 WorkSafe engages with government and industry leadership bodies to promote the integration of health and safety into work planning and design	Achieved	Achieved	Achieved

CORE REGULATORY ACTIVITY 2

WHAKAAKO, AWHINA, WHAKAMOHI ME TE AKO
EDUCATE, GUIDE, INFORM AND LEARN

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
2.1 The percentage of people we directly engage with who agree WorkSafe educates	>65%	60-65%	>65%
2.2 The percentage of people who say our guidance is very useful	>60%	55-60%	>60%
2.3 The proportion of published WorkSafe guidance that is aligned to one or more of our priority areas: - higher risk sectors or industries - cross-sector event-types - work-related health exposures - workers at greater risk	≥80%	≥80%	≥80%
2.4 WorkSafe informs the public about where health and safety harm is occurring by publishing monthly fatality and notification statistics	Achieved	Achieved	Achieved

CORE REGULATORY ACTIVITY 3

KIA WHAI ĀHEITANGA, KIA KANOHI KITEA NGĀ KAIMAHI
BUILD CAPABILITY AND WORKER PARTICIPATION

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
3.1 The number of active health and safety professional workforce development projects that have been co-designed by WorkSafe and the relevant association	>3	≥3	>3
3.2 The percentage of WorkSafe assessments that include interaction with a worker or representative where available	≥80%	≥80%	≥80%

Outcome 2: Safe work

Work is safe for workers and those affected by work.

WorkSafe is responsible for a range of authorisation regimes that help keep kaimahi healthy and safe at work, and protect public safety. We assess and audit workplaces to monitor compliance with the law and to ensure good health and safety.

We also play an essential role in ensuring that employers and businesses who do not meet their obligations are held to account. Our enforcement activities are specific to the situation they seek to address and to the seriousness of the breach that we identify. We investigate where something has gone wrong and where kaimahi are at risk or have been harmed at work.

Our proactive regulatory activities are about being present and engaged, building relationships, providing information and educating, and undertaking enforcement measures before things go wrong.

There is one impact area we are seeking to influence through our core regulatory activities in this area. This impact is:

- work-related risks are identified and eliminated or controlled.

We do this through:

- developing legal standards and instruments to set minimum standards for health and safety at work
- overseeing authorisation regimes¹ for regulated people, places and activities
- assessing and auditing regulated people, places and activities
- using enforcement tools² to improve health and safety practice and prevent harm
- supporting businesses and organisations to self-review to help them improve their health and safety practice
- holding those who do not meet their health and safety obligations to account
- agreeing enforceable undertakings when work systems and processes require change.

Performance will be monitored using the information in the following tables.

¹ Authorisation regimes are administrative schemes established by regulation and administered by WorkSafe. There are currently 13 regimes.

² WorkSafe's enforcement tools include infringement notices, prohibition notices, urgent instructions, warnings, advisories and prosecutions.

CORE REGULATORY ACTIVITY 4

WHAKAMANA, HE WHAKAHAERE, HE AROMATAWAI ME TE AROTAKA
AUTHORISE, OVERSEE, ASSESS AND AUDIT

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
4.1 The number of energy safety audits (of products, suppliers, networks, distribution systems, installations) completed	≥650	500	≥550
4.2 The percentage of high hazard sites inspected compared to annual operating plan targets for major hazard facilities, petroleum and geothermal, and mining, tunnelling and quarry sites	100%	80%	≥80%
4.3 The percentage of corrective actions identified as part of the audit process by hazardous substances compliance certifiers: - that are closed within the specified timeframe, or - where further action is taken, in accordance with WorkSafe's Compliance Certifier Audit Policy dated November 2017, is considered	100%	100%	100%
4.4 The percentage of applications for Controlled Substances Licences and Hazardous Substances controls processed within three months An application is complete when processing fee has been paid and adequate information has been received to make an assessment and excludes time spent waiting for an applicant to provide additional information necessary to make a decision	New Measure	80%	≥80%
4.5 The percentage of Occupational Diving Certificate of Competence applications processed within 20 working days	New Measure	50%	≥70%

CORE REGULATORY ACTIVITY 5

HE KETUKETU, HE WHAKAURUHI, ME TE NOHO HAEPAPA
INVESTIGATE, ENFORCE AND HOLD TO ACCOUNT

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
5.1 The percentage of investigations where a final decision is made and communicated to victims and persons conducting a business or undertaking within 12 months of commencement	100%	99%	100%
5.2 The percentage of energy safety investigations (notifiable or non-notifiable incidents and unsafe situations) involving gas and electricity that are completed within 60 working days	≥80%	85%	≥85%
5.3 The WorkSafe Te Mate Ohorere protocol is used as a guide for determining the approach to investigating fatalities involving all victims	100%	100%	100%
5.4 The percentage of investigation files referred to WorkSafe's legal group to initiate a prosecution that meet agreed quality standards	≥80%	80%	≥80%

Outcome 3: Equitable outcomes

Work is healthy and safe for all in Aotearoa.

WorkSafe estimates that 750–900 people die from work-related diseases each year, and 5,000–6,000 hospitalisations each year are associated with work-related ill health.

Traditional sectors remain high-risk in relation to acute injuries, and we are seeing new sectors, industries and mahi practices emerging as high-risk. Businesses and organisations need to consider the health and safety risks of workers in and around vehicles, and of new machinery, systems and processes that support change and innovation in the workplace.

We have one impact area where we seek to influence through our core regulatory activity. This impact is:

- the health and safety at work system works with and for Māori, Pacific Peoples and all workers.

We achieve this through:

- focusing on reducing ill health, injuries and fatalities by developing and supporting harm prevention programmes
- identifying and eliminating the risk of catastrophic events
- developing kaupapa Māori harm prevention approaches with and for Māori
- measuring and evaluating how effective our programmes and interventions are.

Performance will be monitored using the information in the following table.

CORE REGULATORY ACTIVITY 6

KIA AUAHA, KIA HOAHOA, KIA WHAKATINANA ME TE AROTAKI
INNOVATE, DESIGN, IMPLEMENT AND EVALUATE

MEASURE	TARGET 2021/22	FORECAST ACTUAL 2021/22	TARGET 2022/23
6.1 The number of harm prevention programmes targeting high-risk sectors or risks that are common across sectors	4	4	4
6.2 The proportion of harm prevention programmes that consider health and safety outcomes for Māori and Pacific Peoples	100%	100%	100%
6.3 The percentage of WorkSafe General Inspectorate assessments that include a focus on work-related health risks	≥65%	75%	≥75%
6.4 The number of collaboratively designed kaupapa Māori health and safety programmes delivered	≥3	3	≥3





He pūtea
tauākī
Financial
statements

Our reportable outputs

WorkSafe is funded primarily through the Vote Labour Market Appropriation Workplace Relations and Safety – Workplace Health and Safety.

The appropriation is limited to information, education, leadership, guidance, support, and enforcement relating to the health and safety of workers and workplaces. This 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)	ESTIMATED ACTUAL 2021/22	TARGET 2022/23
Percentage of people (workers and employers) who made at least one change to improve workplace safety and/or reduce risks to workers’ health, after interaction with a Health and Safety Inspector	85%	≥85%

Results will be available after September 2022 from the Impacts Effect Monitor. 2020/21 result – 81%.

Cost of service statement

\$000	ESTIMATED ACTUAL 2021/22	FORECAST 2022/23
Revenue from the Crown ^{3,4}	132,849	141,125
Interest revenue	250	405
Other revenue	12,449	14,180
TOTAL REVENUE	145,548	155,710
TOTAL EXPENDITURE	143,733	160,125
Surplus/(deficit)	1,815	(4,415)

³ 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.

⁴ Includes \$869,000 for levy-collection services in both 2021/22 and 2022/23.

Prospective statement of comprehensive revenue and expense for the year ended 30 June 2023

\$000	ESTIMATED ACTUAL 2021/22	FORECAST 2022/23
<i>Revenue</i>		
Funding from the Crown	132,849	141,125
Interest revenue	250	405
Other revenue	12,449	14,180
TOTAL REVENUE	145,548	155,710
<i>Expenditure</i>		
Personnel costs	88,750	99,870
Other expenses	47,628	52,237
Depreciation and amortisation expense	7,355	8,018
TOTAL EXPENDITURE	143,733	160,125
Surplus/(deficit)	1,815	(4,415)
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	1,815	(4,415)

**Prospective statement of financial position
as at 30 June 2023**

\$000	ESTIMATED ACTUAL 2021/22	FORECAST 2022/23
<i>Assets</i>		
Current assets		
Cash and cash equivalents	6,175	7,099
Receivables and Prepayments	7,481	2,585
Investments	30,217	24,435
TOTAL CURRENT ASSETS	43,873	34,119
Non-current assets		
Property, plant and equipment	10,336	11,444
Intangible assets	22,988	35,184
TOTAL NON-CURRENT ASSETS	33,324	46,628
TOTAL ASSETS	77,197	80,747
<i>Liabilities</i>		
Current liabilities		
Payables and provisions	8,567	8,567
Revenue in advance	10,389	2,389
Employee entitlements	8,417	9,417
TOTAL CURRENT LIABILITIES	27,373	20,373
Non-current liabilities		
Employee entitlements	460	460
Crown loan	13,392	24,907
TOTAL NON-CURRENT LIABILITIES	13,852	25,367
TOTAL LIABILITIES	41,225	45,740
Net assets	35,972	35,007
<i>Equity</i>		
Capital reserves	27,474	30,924
Memorandum accounts	5,180	5,180
Accumulated surplus/(deficit)	3,318	(1,097)
TOTAL EQUITY	35,972	35,007

**Prospective statement of changes in equity
for the year ended 30 June 2023**

\$000	ESTIMATED ACTUAL 2021/22	FORECAST 2022/23
Balance at 1 July	33,317	35,972
Total comprehensive revenue and expense	1,815	(4,415)
<i>Owner transactions</i>		
Capital contribution	840	3,450
BALANCE AT 30 JUNE	35,972	35,007

Prospective statement of cash flows for the year ended 30 June 2023

\$000	ESTIMATED ACTUAL 2021/22	FORECAST 2022/23
<i>Cash flows from operating activities</i>		
Receipts from the Crown	132,849	141,125
Interest received	290	405
Receipts from other revenue	9,221	10,972
Payments to suppliers	(43,645)	(52,133)
Payments to employees	(93,289)	(98,869)
Net cash flows from operating activities	5,426	1,500
<i>Cash flows from investing activities</i>		
Receipts from sale of property, plant and equipment	484	-
Purchase of property, plant and equipment	(5,254)	(4,180)
Purchase of intangible assets	(12,823)	(17,143)
Receipts/(payments) for new term deposits	(1,567)	5,782
Net cash flow from investing activities	(19,160)	(15,541)
<i>Cash flows from financing activities</i>		
Capital contribution	840	3,450
Crown Capital Loan	13,392	11,515
Net cash flows from financing activities	14,232	14,965
Net increase/(decrease) in cash and cash equivalents	498	924
Cash and cash equivalents at the beginning of the year	5,677	6,175
Cash and cash equivalents at the end of the year	6,175	7,099

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.
- Revenue from multi-year programmes such as ACC partner programmes and major hazard facility 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 WorkSafe's capital plan will be updated once this information is available.

He tauākī o ngā kaupapa here kaute

Statement of accounting policies

Reporting entity

WorkSafe New Zealand is a Crown Agent as defined by the Crown Entities Act 2004, 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 public 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.

The Board authorised these prospective statements for issue on 16 May 2022.

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\$).

Standard early adopted

No Standards have been early adopted during this financial year.

Standards issued and adopted

Standards and amendments, issued and come into effective, and are relevant to WorkSafe are:

AMENDMENT TO PBE IPSAS 2 STATEMENT OF CASH FLOWS

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on and after 1 January 2022, with early application permitted. WorkSafe is complying with the requirements of this standard.

PBE IPSAS 41 FINANCIAL INSTRUMENTS

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023, with earlier adoption permitted. WorkSafe has assessed that there will be little change as a result of adopting the new standard, as the requirements are similar to those contained in PBE IFRS9.

Revenue

Revenue is measured at fair value and is recognised when earned. It 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.

PROVISION OF SERVICES

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date. The liability for any revenue not recognised at balance date is shown in the statement of financial position as revenue in advance.

INTEREST REVENUE

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

RENTAL REVENUE

Lease receipts under an operating sublease are recognised as revenue on a straight-line basis over the lease term.

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.

Receivables and other receivables

Short-term receivables are recorded at the amount due, less an allowance for credit losses. WorkSafe applies the simplified expected credit loss model of recognised lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and shown as receivable.

Property, plant and equipment

The property, plant and equipment asset classes consist of furniture and office equipment, leasehold improvements, 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. Work in progress is recognised at cost less impairment and is not depreciated.

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 statement of comprehensive revenue and expenses as they are incurred.

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 expenses.

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 below.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

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

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	5–6 years 16.67% – 20% SL

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	2-8 years 12.5-50% SL
Developed computer software	5-8 years 12.5-20% SL

Impairment

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.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

Creditors and other payables

Creditors and other payables are non-interest-bearing and are normally settled within 30 days, and their carrying value approximates their fair value.

Employee entitlements

Employee entitlements WorkSafe expected to be settled within 12 months of balance date are measured at accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and leave earned but not yet taken at balance date.

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.

SUPERANNUATION SCHEMES

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 expenses.

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.

Good 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.

Commitments and contingencies are disclosed exclusive of GST.

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.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

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. There are no critical assumptions to detail specifically.

Capital intentions 2022/23 to 2025/26

WorkSafe's capital assets consist primarily of ICT to support business capabilities, leasehold facilities, office equipment and a vehicle fleet to support the inspectorate. Funding for capital is a combinations of depreciation funding plus capital injections as required.

Our capital investment intentions to 30 June 2026 are detailed below:

	PLANNED INVESTMENT \$000			
	2022/23	2023/24	2024/25	2025/26
ICT software	17,143	5,335	2,238	3,000
ICT hardware	400	300	300	300
Motor vehicles	2,380	1,500	1,500	1,500
Leasehold improvements	1,120	500	500	500
Other assets	280	-	-	-
	21,323	7,635	4,538	5,300



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.

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