

New Zealand Government

QUARTERLY REPORT

Quarter 1: 1 July to 30 September 2015



WORKSAFE
NEW ZEALAND | MAHI HAUMARU
AOTEAROA

SNAPSHOT OF QUARTER

WorkSafe New Zealand's highlights for the quarter include:









- Continuing work with the State Services Commission, the Ministry of Business, Innovation and Employment, Public Sector Chief Executives, and internal and external stakeholders on the scope, content, and implementation of the HSW Act.
- Discussions are also continuing with high-risk agencies (including Defence, Police, and Corrections) about their health and safety leadership and the new legislation.
- The Health and Safety at Work Act passed into law in August, with an in-force date of 4 April 2016.
- Over 2,500 attendees at 22 events of the National Construction Roadshow, with 12 events to go.
- Agreement from the ACC and WorkSafe Boards to an investment framework and process for joint injury prevention initiatives across sector, regional, company, and system levels.
- Preparing for the Safety Star Rating Scheme pilot.

Leadership and Engagement

The Board has had regular visitors to its meetings over the quarter, including representatives from the Business Leaders' Health and Safety Forum and BusinessNZ, and the Chair of the Health and Safety Association of New Zealand. Board member Paula Rose also spoke at the Chartered Accountants Australia and New Zealand Conference, and Board Chair Professor Gregor Coster and Chief Executive Gordon MacDonald met with the Ports' Chief Executive Group.

Gordon and members of the Senior Leadership team also attended the second Agriculture CEO's forum, Crane Association Conference, Energy CEO Forum, Hire Industry Association Conference/Elevated Work Platform Association, Scaffolding, Access and Rigging New Zealand Conference, and the Civil Contractors New Zealand Conference. Gordon was also invited to attend a meeting of the New Zealand Institute of Safety Management Executive Committee and the Construction Safety Council.

Performance Dashboard – Recent Results

2015-16 to 30 September		Target Key	N/A	On track	Below	Not on track
	Fatalities	WorkSafe has confirmed 14 fatalities (5 Agriculture, 2 Forestry, 7 other). This is a subset of all workplace fatalities ¹ . <i>Over the same period in 2014-15 there were 11 confirmed fatalities.</i>				
	Serious Harm	2,467 notifications received for triage (<i>205 fewer than in the same 2014-15 period</i>).				
	Inspector Numbers	188 Health and Safety Inspectors, 19 High Hazard Unit Inspectors. (<i>Target of 200 Health and Safety Inspectors by 30 June 2016</i>)				
	Prosecutions	73% of files (8/11) recommended for prosecution met quality criteria (<i>target 80%</i>). 90% of prosecutions (19/21) successful (<i>target 80%</i>) YTD 24 prosecutions initiated, 21 disposed, 81 active.				
	Assessments	4,180 assessments undertaken (<i>180 above forecast</i>) ² 91% in primary focus areas (<i>target 80%</i>). 29% involved an Occupational Health focus.				
	Investigations	280 investigations currently underway. YTD 113 initiated and 126 completed.				
	Budget	\$0.1m deficit against budgeted deficit of \$2.5m year to date. The deficit is forecast to pick up and grow to \$6.1m by the end of the financial year as planned, using up surpluses generated in 2013/14 and 2014/15 (see page 12).				
	OIAs	97% of responses (104/107) completed on time (<i>target 90%</i>).				

¹ WorkSafe uses preliminary, ACC-blended data to provide an indicative fatality count. Statistics New Zealand publishes official and comprehensive workplace health and safety data annually.

² Forecast volumes are unevenly distributed across months to reflect phasing in service delivery.

KEY PRIORITIES UPDATE

The updates below relate to key Ministerial and WorkSafe Board priorities for 2015/16

Targeting risk

Occupational Health

Development of WorkSafe's strategic approach to Occupational Health is underway. The priorities work will help clarify our approach and interpretation of key occupational health issues and drive our future Occupational Health Position. The development of a strategic dashboard for occupational health has also begun, which will increase internal monitoring of performance by the Board.

A review of our response triage policy is underway to enable stronger responses to notifications of potential occupational health risks. Initial data has highlighted areas of interest, for example 29% of all recorded proactive assessments in the quarter had a partial focus on an occupational health risk, predominantly noise and respiratory hazards in the construction and manufacturing sectors.

The occupational health van, silica dust programme, noise and vibration, and Mental Health Foundation work programmes in Canterbury continue, and a baseline data-gathering project about noise risk management has begun with implementation due for mid-2016. WorkSafe is strengthening its research and evaluation base and data-analysis to support an evidence-based approach to where we target our work.

Clean Air project

WorkSafe has been delivering nation-wide workshops for the inspectorate on the Clear Air programme (including silica and solvents). The workshops aim to improve inspectorate capability and give inspectors the tools they need to carry out control-based assessments.

To help target inspectorate activity, changes have been made to WorkSafe's triage process to highlight airborne contaminant notifications as a priority area, and ongoing support is being put in place for inspectors carrying out clean air assessments.

A public 'soft launch' of the Clean Air programme took place in September 2015 with the publication of an article by Gordon MacDonald in *Safeguard* magazine. Building on the influencing model successfully applied by the UK's Health and Safety Executive, engagement is underway with key stakeholders to inform them about the programme and seek their feedback.

Injury Prevention Plan

The ACC and WorkSafe Boards have agreed an investment framework and process for joint injury prevention initiatives. We are working together to develop a medium- and long-term portfolio of initiatives as part of a joint workplace injury prevention action plan.

To influence change at sector, regional, and company levels, and at a systems-level through cross-cutting initiatives, WorkSafe and ACC can work together in a range of ways. Both agencies have experience in injury prevention, working in partnership with business, access to valuable data, and intelligence and knowledge. By developing a balanced portfolio of initiatives and taking a tactical and strategic approach to harm reduction, we will more effectively attack the causes of harm over a longer period, and be smart and targeted in the way we focus our efforts.

We have identified areas of work with ACC for 2015/16, including four high-risk sectors and industries we consider make the largest contribution to serious injuries, fatalities, and injury claims (agriculture, construction, manufacturing, and forestry). The Injury Prevention Plan will provide an opportunity to ask strategic questions about if we have the right combination of activities at the right levels to achieve our 2020 targets.

Agriculture

Strong media attention on farm health and safety has continued. The calving media release 'August a Peak Period for Farm Injuries' had a good reach, being picked up by 18 publications. The docking and tailing media release in October 2015 of 'Watch Your Back this Spring' has been picked up by six publications.

The second Safer Farms Safety Leadership Group meeting was held in September 2015. ANZCO, Beef + Lamb, DairyNZ, Federated Farmers, FMG, Landcorp, OSPRI, Primary ITO, ACC, and HortNZ all attended this productive session. It was agreed that a subcommittee would be set up by OSPRI to look at developing a mobile application farmers can use to manage hazards. The second Agriculture CEO's forum was also held in September 2015 with the CEOs of WorkSafe, Federated Farmers, Beef + Lamb, and DairyNZ. A major discussion was about ongoing work to develop illustrative scenarios about the impact of the HSW Act on farmers and farms.

WorkSafe is working with key industry organisations to deliver tailored training content to farmers. The Federated Farmers workshops are complete and we are assisting with developing their training programme. We are also working with QSI and Beef + Lamb to develop their programme; Beef + Lamb's first workshop was trialled in Hawkes Bay in September with outstanding acceptance by farmers. Work has begun with Agri-Women's Development Trust on their culture change-focused training programme that will pilot in November 2015.

Forestry

Two fatalities in September were a reminder that despite a 40% reduction in notified serious harm incidents over 2008-2014 and a marked reduction in fatalities since 2013 the sector remains high-risk. On a positive note, the ratio of enforcement actions to assessment visits sits around 3:10 (from a peak of over 22:10 in 2014), reflecting higher levels of safety performance on the ground. Work with stakeholders has continued to clarify expectations regarding Tree-Felling around power lines and Machine Assisted Felling.

Fiona Ewing has begun work as the National Safety Director of the Forest Industry Safety Council (FISC) and has attended a meeting with the Forestry Operations team. WorkSafe has promoted a joint FISC action group to develop an industry approach to maximising the opportunities arising from the HSW Act.

The Forestry section of WorkSafe's website has been updated, and design and content has been completed for the Industry landing pages (as well as those for Construction and Manufacturing). WorkSafe has also contributed to the content of the joint ACC-industry Safetree website by ensuring that material complies with accepted practice and providing our contractor database for an ACC-funded promotional mailout.

Inspectorate work has focussed on the final development phase of the new Forestry Assessment tools. The tools now better align with our Enforcement Decision Making model (EDM) and provide a better screening tool for inspectors, allowing them to focus more on systems and risk management. Inspectors were familiarised with the tool at the Forestry Inspectorate National Hui on 14-15 October 2015, and implementation will begin in mid-November 2015.

Construction

As part of joint intervention planning with ACC on the three-five year Construction Intervention Plan, two external construction stakeholder workshops took place in Auckland on 14 August and Wellington on 16 September 2015. The workshops presented serious harm data and headline findings from the Nielsen Attitudes and Behaviours research, using this to seek views on whether participants recognised this picture and then exploring underlying root causes. Workshop participants identified possible solutions, prioritised them, and examined how WorkSafe and the sector should continue to work on them together.

WorkSafe's fourth annual National Construction Roadshow, targeting the 'busy builder and tradie', began in September, and will run through to November 2015. The roadshows deliver WorkSafe's health and safety messages, information, and tools directly, involving 34 events around the country. There have been over 2,500 attendees over the 22 events so far, with large numbers expected at the remaining 12 South Island events. WorkSafe is also supporting a series of ten ITM safety events around the country, coinciding with ITM Cup matches from August through to October 2015.

ACC is funding the reprint of 100,000 copies of the Absolutely Essential Toolkit, which will be distributed through a number of delivery channels including an MBIE database of 25,000 Licensed Building Practitioners and through Trade associations and Trade suppliers. This will be supported by a suite of articles in industry e-Newsletters and Trade Journals. A mobile-friendly version of the Toolkit was launched in September, allowing ready access to those already using mobile technology in their day-to-day business.

Manufacturing

As a follow up to the July 2015 stakeholder workshops, WorkSafe held a small workshop in October 2015 that was supported by world-renowned health and safety expert Lawrence Waterman, OBE. Results from this workshop will help to develop strategic responses to the problem definitions and priorities that were identified in the workshops. This work will significantly shape the manufacturing sector plan and also be included in the joint Injury Prevention Plan.

A Manufacturing Business Case to identify funding as part of the Joint Injury Prevention Action plan is also underway, based on work we have done with industry to develop a shared view of the problem and how to achieve lasting change in health and safety performance.

The Annual Manufacturing Roadshow was completed in July 2015 and an evaluation report is being produced from survey data. There were 1,400 attendees to the roadshow and 325 responses to the survey. The influence/reach of the roadshow based on the survey responses is estimated to be about 65,000 workers, and there is substantial appetite for another roadshow in 2016. Of most interest to the respondents was updates on the HSW Act, how to engage workers in health and safety, and health and safety risk management.

Canterbury

The Canterbury Rebuild programme continues to provide strong health and safety leadership and engagement. Assessment visits to construction sites in Canterbury have significantly increased, from 399 in 2012 to 2,881 assessments in 2014/15. Enforcement notices have also increased markedly, from 122 in 2012 to 1,926 enforcement notices issued in 2014/15. Over 5,000 people have attended WorkSafe (including Canterbury Rebuild Safety Charter) health and safety events since the launch of the programme in the middle of 2013.

There are now over 260 signatories and endorsees of the Canterbury Rebuild Safety Charter. Signatories are now paying Charter levies to support the development of Charter materials. Signatories are on track to exceed the \$100,000 target for the 2015/16 financial year. Charter members also have access to a comprehensive set of tools to support health and safety improvements, including a self-assessment tool, performance improvement plans, and a personal leadership assessment tool. A larger suite of documents is now available to support signatories in the improvement of their Charter performance. These documents include shared internal documents by Charter members.

Research First, on behalf of the Charter, has developed a survey for Charter signatories' workers on their views on health and safety. The Charter Officer, Libi Carr, has engaged over 2,000 workers on 60 sites, with over 700 workers completing the survey.

The Silica Dust Pilot Project has been completed and WorkSafe is developing toolbox talks and other guidance material on dust with the Canterbury Rebuild Safety Forum. A report is being finalised based on the results of the July 2015 occupational health 'mini-health check' van visits to 272 workers on Canterbury construction sites. As part of the Beat Fatigue campaign, we have visited 50 sites and 1,000 workers over the two-week periods in 2015 to date. WorkSafe continues to focus on vulnerable workers, in particular migrant workers, with the MBIE Immigration and Labour Inspectorates. This includes joint audit work and selected assessments in the manufacturing, construction, and agriculture sectors.

Extractives

The Extractives team is taking a joint approach with the New Zealand Transport Authority on health and safety risks of tunnels. A policy paper for both organisations' senior management outlining identified risks and recommendations is being prepared for consideration in November.

Good progress is being made on creating a database of quarry/alluvial sites and visiting sites to complete risk assessments. The risk assessments will inform WorkSafe's intervention strategy and regulatory approach in this sector, as well as coverage by inspectors.

WorkSafe is working with Straterra on changes to the Mining Regulations to agree a transition approach. Codes and guidance writing and publication work continues, in particular the interpretative guidelines for surface mining has been released with positive reaction from MINEX. The joint Mine Management Project with New Zealand Petroleum and Minerals also continues and vendors are now being considered.

Major Hazard Facilities (MHF), Petroleum and Geothermal

The MHF team has been integral in MBIE's development of the MHF Regulations. The team has made excellent progress engaging with potential MHFs and consolidating our understanding of the type and nature of facilities in New Zealand. The team will be expanded, initially with an additional Deputy Chief Inspector and Support Officer. Early next year Inspectors will be increased to administer the new MHF regulations when they become law in April 2016.

The Petroleum and Geothermal team continues with its planned inspection programme and has played a major role in assisting the ICT Programme with preparations for the new system pilot in November. Following the success of WorkSafe's attendance at the World Geothermal Congress, WorkSafe is also seeking International Monetary Fund funding to host the International Geothermal Regulators' Forum.

WorkSafe is also continuing to meet regularly with the Environmental Protection Authority and Maritime New Zealand to coordinate our offshore oil regulatory activities.

Energy Safety

Energy Safety's work targeting high-risk work and product areas is also continuing well. Two significant sentences were handed down in the quarter: a fine of \$28,600 to 1-Day Limited for the sale of unsafe and unapproved bubble machine, and \$70,000 to Mobile Station for the supply of electrically unsafe fittings.

The team continues to connect with key stakeholders, including addressing association conferences and tradeshows. Highlights have included the six-monthly Electrical Equipment Working Group meeting on inter-jurisdictional co-ordination as part of the Electrical Regulatory Authorities Council; Energy Safety representatives meeting with the Taiwan Trade and Cultural Office to discuss on-going co-operation; and work as a committee member of the Plumbers, Gasfitters and Drainlayers Board to support work reviewing continuing professional development for staff in those sectors.

Working together

Memoranda of Understanding

Significant progress has been made to a new form of MoU with transport agencies, which is on track to be finalised by the end of 2015 (with schedules agreed by April 2016 when the HSW Act comes into force).

Stakeholder engagement

The permanent Stakeholder Engagement team is now mostly on board. A key priority is contributing to stakeholder engagement and communications work to implement the new regulatory framework (see below). The team has also started work on an organisational engagement framework and strategy that will aim to bring a more purposeful, prioritised, and outcomes-focussed approach to our investment in stakeholder relationships. This includes current work with National Programmes and other key teams and projects to fine-tune their approaches.

Worker engagement and participation

The focus in this quarter has been to implement, align, and communicate the new legislative requirements. Ongoing work includes formal guidance, case studies, illustrations of good worker engagement and participation in different kinds of workplaces, website updates with information and tools, staff training, new policies and procedures for new functions, and assessment protocols for inspections.

Phase 1 of WorkSafe's focus is an overview of existing initiatives across WorkSafe that help strengthen worker engagement and participation, including strategic implementation of the new regime. This was due to be published by 30 November 2015, however additional resources are required to coordinate implementation work. The aim for internal publication and sharing with social partners is now by 29 February 2016.

Environmental Protection Authority

The EPA and WorkSafe have been working together for the last two years on transferring people, systems, and knowledge. This has included work to incorporate some of the existing Hazardous Substances and New Organisms (HSNO) risk control measures that help businesses manage chemicals in their workplace.

Work has continued this quarter on the project to provide 'key risk controls' information. The EPA has transferred an existing Hazardous Substances Calculator tool to WorkSafe that provides access to a controls database (currently held by the EPA) to businesses.

In Quarter 2 WorkSafe and the EPA will continue work to ensure that when the new hazardous substance regulations come in on 1 July 2016 businesses can access up-to-date information on controls and HSNO information from both WorkSafe and the EPA. Both agencies are also updating and reconfiguring their systems at the same time.

Working Smarter

Implementing the Regulatory Framework

WorkSafe is now focussed on finalising HSW regulations and implementation. Prioritisation of guidance to be published in 2015/16 is nearly complete. Its production has been adjusted to reflect anticipated completion of regulations in February 2016.

The engagement strategy has been drafted and a new project focussing on its delivery and our internal and external communications approach has been established. In partnership with the State Services Commission, Ministry of Business, Innovation and Employment (MBIE), and others, WorkSafe has contributed to a work programme to support implementation in the public sector. This includes:

- extensive engagement with Public Sector Chief Executives to help them to respond to the new duties applying under the new legislation, and to encourage leveraging of the sector's purchasing power to influence better health and safety practices in the supply chain
- evolving conversations with high-risk agencies, which show a maturing of the health and safety conversation from one of compliance to one of leadership and culture change
- delivering presentations to internal and external stakeholders and inspectors on the scope and content of the new legislation
- producing a range of communications conveying key messages
- co-opting and leveraging the communications reach of a wide range of stakeholder organisations and supporting them to help spread the messaging widely.

A cross-agency Collateral Group reviewing messages contained in guidance and communications material has been established with WorkSafe, MBIE, ACC, and business.govt.nz. The Civil Aviation Authority and Maritime New Zealand are also members.

Safety Star Rating Scheme

The focus this quarter has been on progressing scheme design and preparing for the pilot of the Scheme. WorkSafe and an industry expert design group have developed a tailored set of 15 health and safety standards, focussing on risk awareness and management, leadership, and engagement. Maturity thresholds for each standard have also been developed to assess businesses against.

An assessment methodology for the proposed scheme has also been developed. These include an online self-assessment tool and tools for on-site assessments to be undertaken by the Scheme assessors that have been recruited and trained for the pilot. Prospective medium-to-large businesses for the pilot have

been identified and evaluated as suitable, and include the construction, manufacturing, transport, public administration, and warehousing and distribution sectors.

Workforce Development

The workforce development team has now been established, and will deliver a workforce development plan by mid-2016. The plan will outline how WorkSafe and key stakeholders can work to bridge health and safety capability and capacity gaps contributing to serious harm and fatalities in workplaces. The team is currently developing a 'current state' picture of capability and capacity levels across the workforce, focusing on areas of high-risk. This includes occupational health, forestry, agriculture, manufacturing, construction, hazardous substances, and education and training.

Some workforce development initiatives are already underway and making good progress, including development of a unit standard for Health and Safety Representative (HSR) training, delivering courses to existing HSRs via Safety n' Action Limited, participating in the review of generalist health and safety qualifications, the review of workplace health and safety unit standards, continuing development of the NZISM Accreditation project, and support to the HASANZ professional body.

Strengthening our organisation

Strategic Planning

WorkSafe is developing an Organisational Strategy that sets out our internal pathway to reach our strategic goals. It articulates our future state, including the Government's expectations for how WorkSafe should operate effectively as an educator, engager, enforcer, and influencer of the health and safety system. It places this within the wider context of our four-year horizon – the big opportunities, risks, and barriers we need to leverage and manage. This work will help us to prepare for our 4-year strategic plan, our response to the Targeted Independent Review (which is looking at WorkSafe's stakeholder engagement approach), the 2016 Funding Review, and 2016-17 Statement of Performance Expectations.

ICT project

A preferred supplier has been selected, and the programme is in a period of due diligence leading up to confirmation of the vendor by the end of October 2015. The programme is running under-budget.

Resolution of findings from the due diligence process has meant a delay to the signing of the Master Services Agreement. This means the planned implementation date for Release One (the first pilot) will be extended. Releases Two (second pilot at Palmerston North) and Three (the main rollout) will also be re-planned as a result of the legislation in-force date and second pilot being so close together. A re-planning process in mid-October 2015 will update the schedule and establish a new baseline.

Enforcement Decision-Making Model

The Enforcement Decision-Making Model (EDM) is a part of the wider decision-making framework WorkSafe uses, and has been developed as part of our intervention approach. The EDM helps staff identify how to choose the appropriate enforcement tool (e.g. prohibition notices, written warnings, prosecution) in circumstances where enforcement action is required.

The inspectorate training programme continued through the quarter, and was completed on 30 October 2015 with 91% of inspectors and Managers trained. Further training sessions will be held during November and December 2015. Phase 2 of the EDM implementation plan will begin in November 2015, focussing on manager oversight and review to ensure enforcement decisions are made in accordance with EDM. The EDM will also be amended to reflect the changes from the HSW Act, and work continues to embed EDM into the new ICT system.

FOCUS FOR NEXT QUARTER

Our focus in Quarter 2 will include:

Our Delivery

- ICT – Finalising terms and conditions, signing contract with the preferred supplier, and commencing configuration of the new system.
- Establishing a business case process for National Programmes funding, including monitoring and evaluation frameworks.
- Online foundation-level e-learning to provide understanding of the HSW Act will be available for all WorkSafe employees and contractors at all levels from November 2015. Completion will be required for all employees prior to 4 April 2016. WorkSafe is also working with regulatory partners to make this learning available to them.
- Workshops for Inspectorate Leaders will begin in November and provide an overview of our Inspectorate Good Practice curriculum. The workshops have been designed to enable Leaders to embed the principles of Good Practice into the organisational culture (in local offices). The Good Practice curriculum has been developed to support consistency in practice.

Other business

- Supporting Doug Martin with the Targeted Independent Review of WorkSafe, focussing on our engagement with stakeholders and alignment with *Working Safer* and Government priorities and expectations.
- Data collection for the 2016 Health and Safety Attitudes and Behaviours Survey (Nielsen Survey) will be completed by 30 October. Data analysis will be completed during Quarter 2, with preliminary reporting in Quarter 3. Additional fact sheets using the 2014 Health and Safety Attitudes and Behaviours Survey results will also be published, starting with a fact sheet on worker participation and one on the agriculture sector.
- The 2015/16 Service Excellence Survey is underway. A sample of clients of Health and Safety and HSNO inspectors will be interviewed in Quarters 2 and 3, with results towards the end of Quarter 3.
- A review of the Service Excellence Survey will begin in Quarter 2 to provide WorkSafe the opportunity to make changes to the survey scope and content, and enable it to run the 2016/17 survey independently from MBIE.

HEALTH AND SAFETY IMPACTS

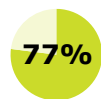
The 2014/15 Service Excellence Survey provides a rich set of results about WorkSafe's workplace health and safety education, engagement, and enforcement activities. The main goal of the survey is to measure the experience of workplaces that we recently assessed or investigated.

The results show there is room for improvement, especially around consistency, being seen as value for money, and going the extra mile to make sure people have what they need. They also suggest that businesses have an appetite for information about health and safety to help them ensure they are complying with current legislation, delivered through a range of channels. Overall, the results provide WorkSafe with a strong base to build overall satisfaction with its services in the long-term. Lessons from the survey are being integrated with inspector training, the design of guidance, and our engagement strategy, so that WorkSafe can be as effective as possible.

There were around 400 participants overall (employers, employees, and self-employed/contractors), with results focussing on WorkSafe wanting its health and safety inspectors to be:

Seen as fair

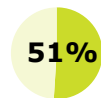
77% agreed that they were treated fairly during their experience with an inspector, and in feedback about overall services, 'fairness' appeared frequently, focussing on impartiality, having a good attitude, listening, and understanding individuals' circumstances.



"I thought they were policemen, out there to nail you, [but] the guy took a training approach to what we were doing, making sure we were doing it properly. It was [like] education, it wasn't intimidating. It was good to have someone there to teach you the rules and spend time with you."

Seen as consistent

51% agreed that WorkSafe applies rules in a consistent manner, the lowest result of the survey. We are looking to see a significant increase in this area in 2015/16 and have several initiatives underway to support more consistent decision-making and style of engagement.



"Improve the consistency of compliance interpretation between Inspectors. I have become aware that the standard of compliance instructions varies widely between Inspectors. This is based on discussions and site visits to other engineering and manufacturing companies. Differing Inspectors have differing requirements in their interpretation of what actions must be taken to meet compliance for similar situations. The playing field is uneven in my view."

Seen as good value

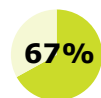
55% agreed WorkSafe was good value for tax dollars spent, a significant increase on 48% last year, but still lower than most other attributes measured in the survey. There was a strong connection with two other statements in the survey, about being competent (70%) and going the extra mile (60%, a significant increase from last year).



"[Guidance was] easy to understand and anything I didn't know, I could ring her straight away. They're willing to help at any time."

Providing good services

67% reported they were satisfied or very satisfied with their most recent contact with a health and safety inspector, a significant improvement from last year (56%). The number of people who were dissatisfied also decreased significantly (from 19% to 11%). Recommendations on how to improve services (made by 57% of respondents) were varied, but included a more cooperative attitude, providing more information and training, greater consistency, and improving contact/communication channels.



"I think the major thing is to improve the training of their staff that go into sites so they can establish rapport and respect from the people that they go and visit. And then consider asking the people on site about what they are doing before making decisions about whether it is appropriate or not."

Providing good guidance

66% accessed WorkSafe guidance material as part of their most recent interaction with a health and safety inspector, particularly Guidelines (52%) and Approved Codes of Practice (43%). Over half the people who accessed material found it very useful, and only 3% did not find it useful at all.



"Basically, it took out a lot of the guess work, a lot of the laws that are written today have a lot of grey areas. They basically help us work out what those grey areas where and what your requirements were."

Encouraging better practice

The results above all affect the primary goal of our interactions, which is that people make changes to their practices to improve health and safety. 83% of respondents reported at least one change in their workplace practices as a result of contact with WorkSafe, primarily around:



- the safe use of equipment (58%)
- increased employee participation in health and safety (52%), and
- changes to health and safety training (50%).

A follow-up question asked if people (apart from those who said no changes were necessary) were aware of any future changes planned for their workplace as a result of contact with WorkSafe. 53% reported changes to practice were planned in the areas above, as well as to how hazards are identified and/or managed (13%) and increased employee participation (12%).

However people who were dissatisfied with the overall quality of service received from WorkSafe were significantly less likely than all respondents to report that at least one change had been made (59%).

"If they are helpful and backing up their literature and their education with actually making sure that things are actually sort of happening, then that's better than being the policeman. And it's still an on-going education sort of thing, but I guess if they are doing that and approaching people on site in a manner that's actually sort of guiding them, as opposed to being a policeman type scenario. That is, if everybody is communicating, [to] actually end up in an end result of everybody getting to go home safely."

OUR ENABLERS

Training and Development

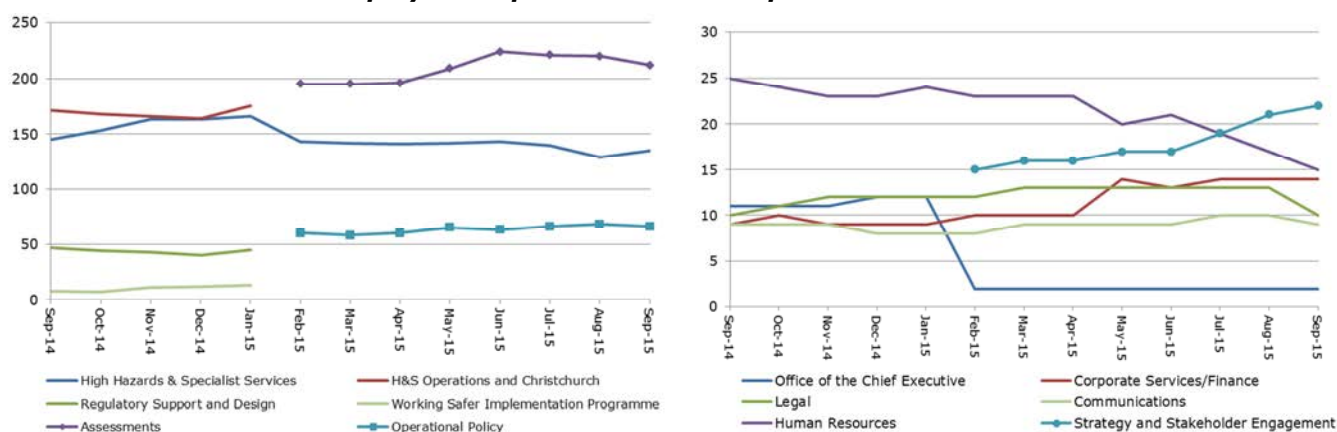
Two cohorts of trainee Inspectors commenced this quarter (32 trainees in total) and are working through the Inspectorate Learning pathway at Level 1.

Redevelopment of Level 1 Occupational Health training was completed and delivered to new trainees in September. Scoping work on 'Good Practice – Advanced Assessments' has begun, with development beginning in April/May and delivery after the new legislation training in May-June 2016.

Staff (as at 30 September 2015)

Branch	Total Staff	Branch	Total Staff
Assessments	215	Corporate/Finance	24
High Hazards and Specialist Services Response and Investigations, High Hazards Unit, Technical Support Services, Energy Safety	141	Human Resources	17
Operational Policy	84	Legal	13
Strategy and Stakeholder Engagement	29	Communications	9
		Office of the Chief Executive	2
Total		532 (485 Permanent/Temporary employees; 41 contractors; 6 employees yet to start)	

Number of WorkSafe Employees September 2014 – September 2015



Inspectorate* (as at 30 September 2015)

	Chief Inspectors	Managers	Response/Assessment/Investigations Inspectors	Assistant Inspectors	Trainee Inspectors	Duty Holder Review Officers	Admin Support/Others	TOTAL
Response & Investigations	1	9	36	4	-	6	9	65
Assessments – Northern	1	6	17	11	14	-	8	57
Assessments – Central	1	6	18	14	13	-	7	59
Assessments – Southern	1	5	13	9	12	-	7	47
Canterbury	-	4	6	9	6	-	2	27
Total	4	30	90	47	45	6	33	255

188 Health and Safety Inspectors

Inspector Current Warrant Status	No Warrant	HSE Warrant only	HSE and HSNO Warrant	TOTAL
Response & Investigations	6	18	22	46
Assessments – Northern	11	16	15	42
Assessments – Central	10	26	9	45
Assessments – Southern	10	12	12	34
Canterbury	6	14	1	21
Total	43	86	59	188

* Excludes High Hazards Unit (19 Inspectors). 3 Quarry Inspectors in the HHU are included in the 200 target for 30 June 2016.

Finance

The timing of the HSW Act has resulted in the peak activity planned for the first six months being delayed, but likely to continue into the second half of the financial year. This has resulted in an underspend for Quarter 1, which will be offset in the later part of the financial year as activity to implement the legislation is extended from the original timeframe.

Work is under way to reforecast the remainder of the financial year, with cost pressures arising from stretching implementation over a longer timeframe needing to be offset from savings made.

The year to date position is a \$0.143m deficit, which at this point is lower than the planned deficit of \$2.454m. The result is split as follows:

- Workplace Health and Safety– \$0.316m deficit
- Energy Safety – \$0.173m surplus

There are no specific issues and risks to report.

Financial Performance (1 July 2015 to 30 September 2015)					
\$000	YTD Actual (Q1)	YTD Budget	Variance	Estimated Outturn (year-end estimate)	SPE Budget (year-end estimate)
Revenue					
Revenue Crown	21,715	21,498	217	85,994	85,994
Interest Revenue	224	188	36	750	500
Other Revenue	363	270	93	951	841
Total Revenue	22,302	21,956	346	87,694	87,335
Expenditure					
Personnel & Contractors	14,209	15,526	1,317	58,162	55,161
Other Expenditure	7,936	8,429	493	33,495	36,368
Depreciation	255	305	50	1,575	1,533
Capital Charge	45	150	105	600	600
Total Expenditure	22,445	24,410	1,965	93,832	93,662
Surplus/(Deficit)	(143)	(2,454)	2,311	(6,138)	(6,327)

We forecast that the deficit will continue to grow towards the \$6m expected deficit. This is expected to use up surpluses generated in 2013/14 and 2014/15.

Changes in Equity (as at 30 September 2015)			
\$000	YTD Actual (Q1)	Estimated Outturn (year-end estimate)	SPE Budget (year-end estimate)
Equity at beginning of year	17,549	17,549	17,761
Transfer of assets from MBIE	-	-	-
Capital contribution from the Crown†	-	4,415	4,415
Repayment of Energy Safety surplus to the Crown	-	(827)	(850)
Net Surplus/(Deficit)	(143)	(6,138)	(6,327)
Equity as end of the period	17,406	14,999	14,999

† A capital contingency for WorkSafe was approved in Budget 2014 comprising \$14.0m for investment in ICT and \$3.225m for motor vehicles and equipment. The detailed business case required to draw down the capital injection was approved by Joint Ministers on 5 September 2014. The ICT Capability programme is a three-year programme of work. The forecast drawdowns by category are detailed in the table below:

Category	2014/15	2015/16	2016/17
Supporting ICT business capabilities	-	\$3.066m	\$10.935m
Vehicles and office equipment for additional staff	\$1.876m	\$1.349m	-

Summary Balance Sheet (as at 30 September 2015)			
\$000	YTD Actual (Q1)	Estimated Outturn (year-end estimate)	SPE Budget (year-end estimate)
Assets			
Cash and Bank	21,256	8,146	3,389
Debtors	523	687	500
Fixed Assets	7,080	15,908	16,699
Total	28,859	24,741	20,588
Liabilities			
Creditors and Payables	4,622	4,814	849
Employment Liabilities	5,450	4,101	3,890
Energy Safety Surplus	1,381	827	850
Total	11,453	9,742	5,589
Equity			
Opening equity	17,549	17,549	17,761
Movement in equity	-	3,588	3,565
YTD surplus	(143)	(6,138)	(6,327)
Grand Total	17,406	14,999	14,999