

WorkSafe Quarterly Report

1 October to 31 December 2020

This report provides an overview of the previous quarter (Q2). It includes updates on key priorities, progress against our strategic plan, progress against our performance measures and operational focus areas.

Key Strategic Updates

In response to the anticipated increase in **Government infrastructure and construction investment**, we are completing a rapid review to forecast the downstream distribution of risk and harm, and identify those significant opportunities to best direct our efforts - including influencing Government procurement and project design processes.

The establishment of the **Partner's Council**, a group formed of WorkSafe social and Tiriti partners, is underway. Following the Board Chair's attendance at the Iwi Chairs Forum in November 2020, the Economic Subcommittee of the Forum recommended two Iwi members to join the council. WorkSafe's commitment to strategically coordinate with the 29 active iwi relationships will ensure a more coordinated and integrated approach toward enduring health and safety partnerships with Māori.

Key Actions, Opportunities and Deliverables

A number of deliverables were achieved during the quarter including:

Between September 2020 and January 2021, a total of 129 registered **Adventure Activity** operators completed the process to renew their registration. A further 23 operators are expected to complete this process by the end of February 2021.

Guidance being published or submitted for consultation – Workplace Exposure Standards, Welding guidance, Machine lock-out guidance, Site traffic management good practice, Agri-chemicals guidance and In-cab filtration fact sheet.

Communications and Marketing external work – Support and guidance to stakeholders relating to the Whakaari / White Island tragedy, AgFest attendance to promote the use of CPD's and seatbelts, website changes to improve access to HSWA Exemptions and Asbestos Licence Holder Register.

Internal Appointments included 13 Senior Inspectors, Service Design Programme Manager, finalised recruitment in Kaimahi Hauora and portfolio teams.

Key Risks

WorkSafe will perform a focussed session on individual strategic risks at every Board meeting.

The long-term **Financial Risk** remains concerning and is not sustainable at the current level. Without further investment and reprioritisation, strategic and operational deliverables will be impacted. Risk mitigation is underway through the WorkSafe Strategic Baseline Review.

The **Digital Transformation** funding is being held within contingency. The outcome of the Gateway review was positive which is encouraging for the funding drawdown. Funding the ongoing cost of running ICT continues to present challenges. In the short term risk in this area is being managed through planning, re-prioritisation and reforecasting of activities taking place across WorkSafe.

Key Operational Updates

On 30 November 2020 charges were laid against 13 parties arising from the investigation of the **Whakaari/White Island** tragedy. As these cases progress through the Court process WorkSafe will continue to ensure that it keeps victims informed and updated.

There were 3 defended hearings on **HSWA prosecutions** in this period, which is a high number of trials on HSWA matters in a quarter. Prior to 2020, WorkSafe had only had one defended hearing of a HSWA prosecution; in the 2020 calendar year there have been 5 to date. Waste Management Limited was facing charges under section 47 of the HSWA (reckless conduct), and is the first trial on a charge under this section against a PCBU. The Idea Services trial resulted in a guilty plea being entered half way through the hearing.

WorkSafe brought its first prosecution under the **COVID-19** Public Health Response Act 2020 against a café owner for intentional failures to display a QR code.

WorkSafe is one of a number of Government agencies on the **America's Cup COVID-19 response** planning working group. Plans were formed to meet two criteria, the first was the event plan and the second was the business continuity plan for the sailing itself. Both plans were signed off by the Ministry of Health.

Investigations across Operations

Historically our methodology for defining, recording and counting WorkSafe investigations efforts has been inconsistent. The below is a snapshot of our current numbers. Please note that the definition of what is considered an investigation is being reviewed and this snapshot is our best indication at this time.

Specialist Interventions

Investigations Opened

Data source	2018/19	2019/20	2020/21 (to Dec)
Guardian (via Reg Intel)	212	135	64

General Inspectorate

Investigations Opened

Data source	2018/19	2019/20	2020/21 (to Dec)
Local spreadsheet	14	13	6

These investigations are proactive, as opposed to being the result of a notifiable incident.

High Hazards, Energy and Public Safety

Investigations Opened

Team	2018/19	2019/20	2020/21 (to Dec)
Energy Safety*	617	799	452
Major Hazard Facilities**	2	2	3
Petroleum and Geothermal**	1	-	-
Extractives**	1	1	1

* Includes investigations into:

- Notifiable accidents
- Non-notifiable accidents
- Unsafe situations

** Investigations into notifiable events, including serious precursor events. These are manually counted.

Progress against our Strategic Delivery Plan

We'll choose the most effective interventions (1 of 3)

Focus Owner – Insights and Implications

Most initiatives progressed well during Q2, meeting expected milestones and setting a good basis for further progress over Q3 and Q4. The Licencing Refrigeration work has been delayed due to changed timing of the expected regulations, so the programme has been suspended as of December 2020. There has been underspend in ACC funding in some of the programme work – this is currently under review.

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Accelerated Silicosis <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Modernisation Funding)</i>	●	●	A 3-month review was conducted following implementation of the assessment pathway with ACC and Health.	The uptake of workers visiting their GPs and having a claim lodged with ACC was lower than expected; 86 PCBUs visited, 368 fabricators made aware of assessment pathway, and 24 ACC claims lodged. WorkSafe, in partnership with the Dust Diseases Task Force, is seeking ways to increase uptake.
Mentally Healthy Work <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Modernisation Funding)</i>	●	●	Programme status improved due to increased funding and guidance resource progress.	The Mentally Healthy Work and Guidance teams are working together to develop resources. An initial draft has been completed on initial guidance focusing on working away from the office (PCBU guide, SME guide and worker guide). Scoping the guidance requirements for next piece of guidance on stress.
Licencing Refrigeration <i>(Ministerial Expectation)</i>	●	●	Timeframes realigned due to delay in regulations being finalised.	Due to the COVID-19 pandemic, there has been a significant delay in the regulations being finalised. Following careful consideration of both the progress of the finalisation process and progress of the programme, we have decided to realign timeframes. Therefore a hiatus of the Refrigeration Licensing programme is required, effective 18 Dec 2020. WorkSafe continues the review of the existing training unit standards and to assist in development of any new training unit standards.
Carcinogens Multifaceted Interventions <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Modernisation Funding)</i>	●	●	Worker Carcinogens Exposure Survey resource secured.	A New Zealand supplier was contracted in December 2020 to undertake the Worker Carcinogens Exposure Survey, using Curtin University's OccIDEAS questionnaire (adapted for the New Zealand context).
SafePlus <i>(Ministerial Expectation)</i>	●	●	The Training Business case has been approved.	Work is underway in preparation for GETS.

Progress against our Strategic Delivery Plan

We'll choose the most effective interventions (2 of 3)

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Agriculture Programme <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Ministerial Expectation)</i>				
	●	●	<p>Next engagement with industry to confirm implementation plan: Feb 2021</p> <p>CPD next steps are for Operational Policy to liaise with MBIE</p>	<p>WorkSafe and MBIE are working on options for strengthening the regulatory framework for Crush Protection Devices (CPDs) on quad bikes. CPD subsidy offered by ACC extended for 6 months and will be promoted through communications and media channels.</p> <p>Final stages of development for the bird scaring and agri-chemicals guidance will be published in Q3.</p> <p>Pilot using CRM 3.0 predictive data to identify and flatten predictive harm peaks underway. Co-design / participatory workshops with industry (including front-line workers, managers, HSR's and growers – large registered seasonal workforce) completed. Great engagement from 6 large PCBU's – high level of interest in developing initiatives further.</p> <p>Q2 status is amber due to work not progressing toward a mandatory stance for CPDs and limited activity in Agriculture due to overall design and delivery human resource.</p>
Construction programme <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Ministerial Expectation)</i>				
	●	●	<p>Infrastructure Review Completed: Feb 2021</p> <p>Kaiarahi Pilot Launch: Mar 2021</p>	<p>Working on paper to consider options for the update of the Asbestos ACOP and the development of new supporting material.</p> <p>Initial development of draft for Road Worker Safety (civil construction) underway.</p> <p>Infrastructure review initiated in response to the anticipated increase in Government infrastructure and construction investment.</p> <p>The Kaiarahi peer-to-peer mentoring pilot aiming to assist small to medium enterprises (SMEs) within the residential construction sector increase their safety awareness, knowledge and skills is in development. Learning modules for participants scoped and module development underway.</p> <p>Q2 status is amber due to underspend and a need to increase resource and activity in this space – capacity is a limiting factor which is being reviewed during 2021/22 planning.</p>
Manufacturing programme <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Ministerial Expectation)</i>				
	●	●	<p>Range of guidance work progressed.</p> <p>Industry engagement helped to confirm risks and focus for upcoming period.</p>	<p>Welding guidance out for internal consultation.</p> <p>Machine tag out guidance has been updated and will go through final sign-off process in Q3.</p> <p>Scoping work started for the redevelopment of an SME H&S guide for manufacturing.</p> <p>Workshop with key stakeholders in the meat industry held. Industry agreement to focus on cleaning and maintenance of machinery and ammonia risks. A suite of manufacturing interventions are currently being scoped.</p> <p>Q2 status is amber due to underspend and a need to increase resource and activity in this space – capacity is a limiting factor which is being reviewed during 2021/22 planning.</p>

Progress against our Strategic Delivery Plan

We'll choose the most effective interventions (3 of 3)

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Migrant workers and Puataunofo <i>(Health and Safety at Work Strategy) (SPE – Strategic Relationships) (SPE – Harm Prevention) (Ministerial Expectation)</i>	●	●	Programme re-established Phase 2 development underway	<p>Delivery of Puataunofo Come Home Safely programme has been re-established after Auckland COVID lockdown. Interest in workshops is strong and growing outside the Auckland regional boundary area. Focus for the programme continues to be Auckland as a priority with the Manufacturing, Construction and Transport, Postal and Warehousing sectors.</p> <p>Continuing to develop Phase 2 of Puataunofo with a focus on building community reach and a “train the trainer” approach. Identifying key Manufacturing businesses in Auckland with a high Pacific workforce to proactively work on delivery of Puataunofo and build cultural awareness of engaging with Pacific workers.</p>
Vehicle Mobile Plant <i>(SPE – Harm Prevention)</i>	●	●	Seatbelt initial launch (messaging & marketing campaign): Feb 2021 Seatbelt regulatory launch (assessment and enforcement): July 2021 Final supply chain research report: April 2021 Forklift roadshow kick-off: Feb 2021	<p>Site Traffic Management good practice guide signed off ready for publishing in Q3. In cab filtration factsheet in final stages of development due for publication in Q3.</p> <p>Seatbelts: Implementation planning and collateral development largely completed. Use of seatbelts at work project due to publicly launch February 2021 – significant campaign utilising meerkat concept, supported by a guidance for industry (quick guide and fact sheet), supported by inspectorate messaging.</p> <p>Site traffic management: managing work site traffic good practice guide, reversing and spotting best practice quick guide and standard spotting signals flipbook completed and ready to publish. Additional related guides (driven by industry consultation) commissioned. Forklift safety roadshow invitation to approx. 2000 attendees sent, 1000+ registrations received. Expanded scope to incl. engagement with forklift trainers and manufacturers and suppliers.</p> <p>Supply Chain: Research on supply chain pressures incl. literature review and industry engagement (future enquiry workshop with 60+ organisations represented) completed. Development of draft report underway.</p>
WEPR + Health and Safety Reps (HSR) Discovery (Insights project) <i>(Health and Safety at Work Strategy) (SPE – Strategic Relationships) (SPE – Harm Prevention) (Ministerial Expectation)</i>	●	●	Final HSR Discovery Report incl. suite of intervention recommendations : June 2021	<p>HSR Discovery: External Reference Group stood up and will meet again in this quarter. Direct engagement with 350+ HSRs through interviews, workshops, site visits, and conferences. Additional 400 HSRs have replied to our quick-fire mobile survey tool, aimed at engaging harder-to-reach HSRs. Final reports on engagements completed and feeding in to theming, moving towards problem statements and recommendations. Stakeholder feedback will be priority for this coming quarter.</p> <p>WEPR Guidance Review: Approach completed on a review of current WEPR Guidance. Toroawhi Pilot (Roving Champions in Forestry): Early evaluation findings received with positive signals</p>
Significant Core Activities				
Workplace Exposure Standards and Biological Indices	●	●	Publish WES book	<p>Intense consultation on the Workplace exposure standards (WES) and biological exposure index (BEI) reviews has now finished and the final WES book was published in November 2020. WES and BEIs are critical for providing guidance values on exposure standards to PCBUs. They are used as risk criteria for health risk assessment and risk management purposes.</p> <p>We continue to make great progress with the 2020/21 WES reviews with most reviews now completed. We are on target to update all 700+ WES within the next 2 years.</p>

Progress against our Strategic Delivery Plan

We'll make choices based on insights (1 of 1)

Focus Owner – Insights and Implications

As detailed below, work underway is providing a good base to inform some of the choices we make. Further work is required to understand our existing insight sources, where there are gaps and how our information is connected to provide the right insights. This work will take shape as the Service Design project progresses.

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Pūmahara / Evidence-led Decision and Risk (<i>SPE – Harm Prevention</i>) (<i>SPE – Regulatory Effectiveness</i>)				
	●	●	Formal internal consultation on Phase 2 findings was completed	<p>The POC (Phase 2) demonstrated Pūmahara has the potential to provide WorkSafe with valuable insight into where and how WorkSafe might intervene in the system.</p> <p>Stakeholders' feedback on the aims of Pūmahara and aspects of its underlying conceptual framework showed this was positive with a number of stakeholders noting Pūmahara's potential to add value to their respective work programmes.</p> <p>An external peer review of conceptual framework and proof of concept outputs was commissioned in November. This is to address the following 'is Pūmahara an appropriate tool to assist regulatory decision making for a really responsive risk based regulator?'</p> <p>Detailed scoping and planning for Phase 3 (Pilot) and Phase 4 (roll out) was commenced</p>
Project				
Foundational Research to Inform our Investment choices (<i>Health and Safety at Work Strategy</i>) (<i>SPE – Harm Prevention</i>) (<i>SPE – Regulatory Effectiveness</i>) (<i>Ministerial Expectation</i>)				
	●	●	A New Zealand supplier was contracted in December 2020 to undertake the Worker Carcinogens Exposure Survey, using Curtin University's OccIDEAS questionnaire (adapted for the New Zealand context).	Preferred supplier to undertake WorkSafe's Psychosocial Risk Assessment Survey of New Zealand workers (using the internationally validated COPSOQ III questionnaire) identified through open tender on GETS. Contract negotiations are in progress.

Progress against our Strategic Delivery Plan

We'll listen and tell our story (1 of 2)

Focus Owner – Insights and Implications

While core activity is on track, with the exception of social marketing, our key challenge is still the lack of a joined up change and communication approach to Taura Here Waka and our emerging strategy. This will become increasingly important as we engage our stakeholders and our people. There are already strong messages from our people that they do not understand the delivery, change or “what it means for me” stories coming from Taura Here Waka. This will be our priority over the next quarter.

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Planning and performance framework <i>(SPE - Organisational Excellence)</i>	●	●	Confirmed the approach to group level planning and budgeting Planning meetings to be held with BPM leads Complete initial cost centre and reforecasting work	The Audit and Risk Committee is comfortable with WorkSafe's planning approach and progress to build a planning system. Co-design process is underway across the organisation to facilitate and embed strategy aligned group level 3-year plans and budgets for 2021/22. We are integrating core functions that support the planning system (strategy / planning / PMO / Finance / Risk) and working with business groups to confirm priorities.
Agriculture Marketing <i>(Health and Safety at Work Strategy) (SPE - Harm Prevention)</i>				
	●	●	Support for West Coast Agfest Developed content for mentally healthy work and risk management in farming	WorkSafe attended West Coast's Agfest, promoting the use of CPD's, seatbelts in farm vehicles and hazardous substances. Content production focused on mentally healthy work and risk management on farm.
Significant Core Activities				
Maintain and continually improve WorkSafe's website and digital channels <i>(Health and Safety at Work Strategy) (SPE - All)</i>	●	●	New template rolled out for HSWA exemptions	Improved sorting and filtering for summary pages and expanded rates information were rolled out on our Data Centre. Further improvements will happen in the new year. A new template was rolled out on the main website to better present HSWA exemptions and make them easier to access. Searching was also improved on the Asbestos Licence Holder Register.
Engagement, Marketing and Communications <i>(Health and Safety at Work Strategy) (SPE - All)</i>	●	●	Support for Whakaari/White Island announcements	Communications support and collateral was provided for a range stakeholders of the Whakaari/White Island eruption during the lead and announcement of WorkSafe's decision to lay charges. While the decision and process was and remains complex the sentiment analysis across our engagement and communication response was largely positive or neutral.

Progress against our Strategic Delivery Plan

We'll listen and tell our story (2 of 2)

Priority	Q1	Q2	Milestones	Key message for the quarter
Significant Core Activities				
Social Marketing Campaign <i>(Health and Safety at Work Strategy)</i> <i>(SPE – All)</i>	●	●	Survey results received and reviewed for Meerkat campaign	<p>Early survey results were received showing polarising responses to the campaign and some low level confusion. The polarising views are seen as positive as they correlate with memorability of the campaign.</p> <p>To address the confusion further supporting activity across web and social will be developed. This is timed to coincide with the reintroduction of the headline advertising in the New Year and the extension of the campaign creative across WIAV seatbelts activity.</p>
Marketing, Advertising and Content Development <i>(Health and Safety at Work Strategy)</i> <i>(SPE – All)</i>	●	●	Stage 2 of the programme is underway	<p>Starting the move from Stage 1 of social strategy roadmap (establishing strong foundations + benchmarking) to Stage 2 (expanding content and audiences, including development of staff-led content).</p> <p>Amber status is reflective of the need to move more quickly to integrate and align marketing campaign components across the core customer journeys.</p>
Māori Worker Campaign <i>(Health and Safety at Work Strategy)</i> <i>(SPE – All)</i> <i>(Ministerial Expectation)</i>	●	●	Work underway on next version of the Safe Guy campaign.	The next version of the Safe Guy campaign targeting Māori youth will go live in Q4.

Progress against our Strategic Delivery Plan

We'll measure what we do (1 of 1)

Focus Owner – Insights and Implications

The programme and activities under this focus area are tracking well. Effective measurement needs to be implemented across all WorkSafe initiatives to ensure we have an understanding of our effectiveness and performance.

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Enterprise Programme Management (EPMO) <i>(SPE - Organisational Excellence) (Modernisation Funding)</i>				
	●	●	<ul style="list-style-type: none"> Portfolio recruitment and appointment complete. THW delivery board ToR complete and members appointed. Single delivery framework underway. 	<p>Recruitment and appointment of the portfolio roles is complete. The maturity roadmap for the portfolio function has been developed and set out activities and focus areas until 30 June 2021.</p> <p>The Delivery Board Terms of Reference has been developed and approved by the THW Governance Board. The two external board members have been appointed and are now on board.</p> <p>The portfolio office has commenced work on a single delivery framework for WorkSafe. Governance training is scheduled to roll out to all WorkSafe Senior Leaders and is being delivered by IQANZ. The first session was delivered to the Executive Leadership Team in December. Sessions for the Senior Leadership group are scheduled in Q3.</p>
Significant Core Activities				
Adventure Activities Re-registration	●	●	<ul style="list-style-type: none"> Over 50% of expected re-registration applications are complete Support provided to general inspectors around the assessment phase of the project. 	<p>WorkSafe expects ~ 180 re-registration applications during the peak period (Sep 2020 – Feb 2021) including the rafting operators that transferred into the adventure activities regime on 1 October.</p> <p>As at 14 January 2021, a total of 129 registered Adventure Activity operators completed the process to renew their registration.</p> <p>WorkSafe has concurrently provided support to the general inspectors carrying out the assessment phase for the adventure activities project. This project commenced earlier in the year when we identified 42 businesses that may need to be registered under the Adventure Activities Regulations, and 24 registered operators to assess for their management of significant natural hazards.</p>

Progress against our Strategic Delivery Plan

We'll partner across Aotearoa (1 of 1)

Focus Owner – Insights and Implications

Initiatives as they stand are progressing well overall. A gap has been identified in relation to environmental sustainability which will be raised at the next on-ramping session.

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Crown Māori Relationships / Māori Partnership Programme <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (SPE – Strategic Relationships) (Ministerial Expectation)</i>	●	●	A new business model and resources for the Maruiti team agreed in principle. Planning underway for community based harm prevention programme for Māori workers.	In December 2020, WorkSafe agreed in principle to a new Business model and additional resources for the Maruiti team to respond to the accelerated pace of the Māori environment and increased workload of the team. The proposed business model and operating functions will be considered in Q3. Planning has commenced in Te Taitokerau, Tamaki Makaurau, Te Tairāwhiti and Manawatū-Whanganui to deliver Kaupapa Māori community based harm prevention programmes with communities and industry for Māori workers. Delivery of the first wānanga for each area will commence in March-April. Mate Ohorere (sudden death protocols) marae-based training for operational staff will commence in Auckland, Wellington and Christchurch after WorkSafe's Kia Eke Waka workshops in March. Plans to deliver the first year of the Te Ao Māori 3-year capability programme will commence in May 2021.
Significant Core Activities				
Plant and Structures - Stage 1 <i>(SPE – Regulatory Effectiveness) (Ministerial Expectation)</i>	●	●	Contract resource secured	Cabinet decisions regarding drafting new plant and structures regulations will be sought in Q3. Resource has been secured to co-ordinate WorkSafe-wide implementation planning.

Progress against our Strategic Plan

We'll be set up for success (1 of 2)

Focus Owner – Insights and Implications

Projects in this Focus Area represent key initiatives that are being delivered to provide the foundation for improved performance going forward. The majority are progressing well and reflect the importance of both systems development via ICT projects and people development via leadership and values projects which collectively create the foundation required for the future .

Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
Leadership Development Programme <i>(SPE – Organisational Excellence) (Ministerial Expectation)</i>	●	●	First Ilume Cohort graduated	<p>We are observing a step change in the way that Senior Leadership Group members collaborate and approach issues, most of which is attributable to the Senior Leadership development.</p> <p>Half the group have commenced their development programme, the remaining group members will graduate in Q3. WorkSafe is now considering the possibility of a third cohort in this financial year.</p> <p>Building blocks for management capability are being discussed and include HRIS implementation training, Change Management training, tools and training for inducting new managers .</p>
Targeted Development <i>(SPE – Organisational Excellence) (Ministerial Expectation)</i>	●	●	Inspector development program in place Senior Inspectors appointed	<p>Senior Inspector Assessment Centres held and 13 Senior Inspectors appointed during this quarter.</p> <p>Learning Programme development for the Inspector Career Pathways is progressing well. A learning framework is being developed to progress from Trainee to Inspector 1, onto Inspector 2 and for those who wish to apply, onto Senior Inspector.</p>
Matapono (Values) <i>(SPE – Organisational Excellence)</i>	●	●	Advisory group established for values embedding	<p>The current programme of work is to ensure consistency of interpretation of our Matapono (values) and their integration into a wide range of WorkSafe documentation and processes.</p> <p>An Advisory Group has been established to guide phase 2 of the project and foster the level of organisation-wide engagement that was achieved during the development phase.</p>
Service Design <i>(SPE – Organisational Excellence) (Modernisation Funding)</i>	●	●	Programme Manager recruitment complete and a programme team established.	Detailed scoping work is underway in alignment with the Digital Transformation Programme.

Progress against our Strategic Plan

We'll be set up for success (2 of 2)

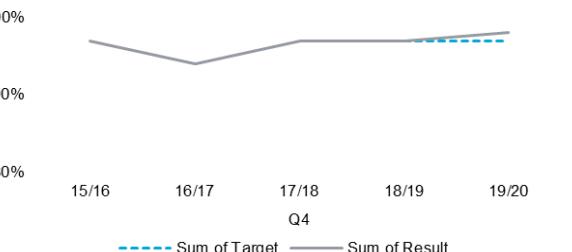
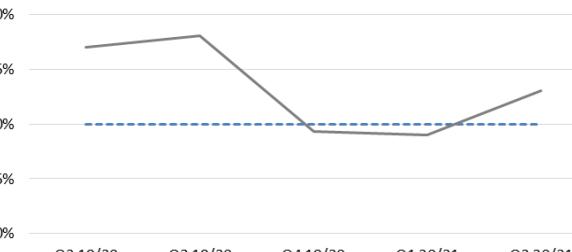
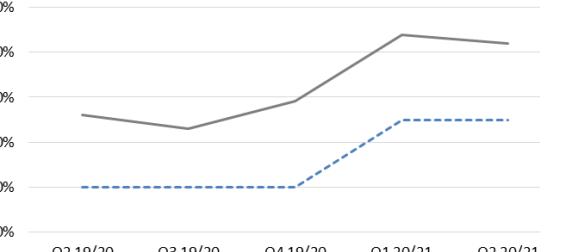
Priority	Q1	Q2	Milestones	Key message for the quarter
Programme				
The Digital Workspace <i>(SPE – Organisational Excellence) (Modernisation Funding)</i>				
	●	●	Independent Quality Assurance review completed.	<p>130 WorkSafe users have been successfully migrated to a newly managed WorkSafe device from an MBIE managed device.</p> <p>Independent Quality Assurance review has been completed and the outcome is that the Programme is well positioned to meet its objectives. Programme status has changed to green due to the recent change request for additional budget.</p>
Project				
HRIS/Payroll and Health and Safety Solution <i>(SPE – Organisational Excellence) (Modernisation Funding)</i>				
	●	●	AMS Payroll transition from MBIE network has commenced.	<p>The go-live for HRIS phase 1 has been delayed for 2 weeks due to COVID-19 impacts to third party vendors. The HR design phase is on target for completion in January 2021 and there are no anticipated delays for overall project delivery for phase 2.</p> <p>Integration between AMS Payroll and HR Dynamics has been deferred from phase 1 to phase 2 of the overall project due to delivery timelines.</p>
Work Related Health Team set-up <i>(Health and Safety at Work Strategy) (SPE – Harm Prevention) (Modernisation Funding)</i>				
	●	●	The Kaimahi Hauora team is now fully staffed with 6 work-related health inspectors	The Mentally Healthy Work team is supporting the development of a mentally healthy work notification pathway in partnership with the Kaimahi Hauora team (who will manage elements of the process). This has included the development of a bespoke digital reporting form for the notification of workplace mental health concerns.

10/16

SPE measures on track

5
Not available1
Impacted by COVID

Statement of Performance Expectations – Activity Measures (1 of 4)

Harm prevention		Target 20/21	Actual	Commentary																		
1. Percentage of people who say our guidance is useful (this measure provides an indication of how we help all parts of the system understand what good health and safety practice looks like). <i>(Annual)</i>	 <table border="1"> <caption>Data for Measure 1: Percentage of people who say our guidance is useful</caption> <thead> <tr> <th>Year</th> <th>Sum of Result (%)</th> <th>Sum of Target (%)</th> </tr> </thead> <tbody> <tr><td>15/16</td><td>100</td><td>97</td></tr> <tr><td>16/17</td><td>92</td><td>97</td></tr> <tr><td>17/18</td><td>97</td><td>97</td></tr> <tr><td>18/19</td><td>97</td><td>97</td></tr> <tr><td>19/20</td><td>97</td><td>97</td></tr> </tbody> </table>	Year	Sum of Result (%)	Sum of Target (%)	15/16	100	97	16/17	92	97	17/18	97	97	18/19	97	97	19/20	97	97	≥ 97%	98%	● WorkSafe reports annually on guidance that was 'very useful' and 'somewhat useful'. Our target is to hold or increase on the target.
Year	Sum of Result (%)	Sum of Target (%)																				
15/16	100	97																				
16/17	92	97																				
17/18	97	97																				
18/19	97	97																				
19/20	97	97																				
2. Percentage of assessments that include interaction with a worker or representative. <i>(Quarterly - YTD)</i>	 <table border="1"> <caption>Data for Measure 2: Percentage of assessments including interaction with a worker or representative</caption> <thead> <tr> <th>Quarter</th> <th>Sum of Result (%)</th> <th>Sum of Target (%)</th> </tr> </thead> <tbody> <tr><td>Q2 19/20</td><td>87</td><td>80</td></tr> <tr><td>Q3 19/20</td><td>88</td><td>80</td></tr> <tr><td>Q4 19/20</td><td>80</td><td>80</td></tr> <tr><td>Q1 20/21</td><td>80</td><td>80</td></tr> <tr><td>Q2 20/21</td><td>83</td><td>80</td></tr> </tbody> </table>	Quarter	Sum of Result (%)	Sum of Target (%)	Q2 19/20	87	80	Q3 19/20	88	80	Q4 19/20	80	80	Q1 20/21	80	80	Q2 20/21	83	80	≥ 80%	83%	● This measure is continuing to increase as the effect of the COVID-19 breach response (where opportunities to speak to an available worker were restricted) decreases. There is a continued expectation for Inspectors to speak with a worker, HSR or both during an assessment where available.
Quarter	Sum of Result (%)	Sum of Target (%)																				
Q2 19/20	87	80																				
Q3 19/20	88	80																				
Q4 19/20	80	80																				
Q1 20/21	80	80																				
Q2 20/21	83	80																				
3. Deliver the three Work-related Roadmap to Healthy Work sub-plans for: Carcinogens and airborne risks, Musculoskeletal disorders, Mentally Healthy Work. <i>(Quarterly - YTD)</i>	<table border="1"> <thead> <tr> <th colspan="3">Roadmap to Healthy Work sub-plans</th> <th>Achieve</th> <th>Commentary</th> </tr> <tr> <th>Carcinogens and airborne risks</th> <th>Musculoskeletal disorders</th> <th>Mentally Healthy Work</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> <td style="text-align: center;">✓</td> <td></td> <td> ● Work is ongoing to provide information about the sub-plans on the WorkSafe website. </td> </tr> </tbody> </table>	Roadmap to Healthy Work sub-plans			Achieve	Commentary	Carcinogens and airborne risks	Musculoskeletal disorders	Mentally Healthy Work			✓	✓	✓		● Work is ongoing to provide information about the sub-plans on the WorkSafe website.						
Roadmap to Healthy Work sub-plans			Achieve	Commentary																		
Carcinogens and airborne risks	Musculoskeletal disorders	Mentally Healthy Work																				
✓	✓	✓		● Work is ongoing to provide information about the sub-plans on the WorkSafe website.																		
4. Percentage of assessments that include a focus on work-related health risks. <i>(Quarterly - YTD)</i>	 <table border="1"> <caption>Data for Measure 4: Percentage of assessments focusing on work-related health risks</caption> <thead> <tr> <th>Quarter</th> <th>Sum of Result (%)</th> <th>Sum of Target (%)</th> </tr> </thead> <tbody> <tr><td>Q2 19/20</td><td>65</td><td>65</td></tr> <tr><td>Q3 19/20</td><td>62</td><td>65</td></tr> <tr><td>Q4 19/20</td><td>70</td><td>65</td></tr> <tr><td>Q1 20/21</td><td>82</td><td>65</td></tr> <tr><td>Q2 20/21</td><td>82</td><td>65</td></tr> </tbody> </table>	Quarter	Sum of Result (%)	Sum of Target (%)	Q2 19/20	65	65	Q3 19/20	62	65	Q4 19/20	70	65	Q1 20/21	82	65	Q2 20/21	82	65	65%	82%	● Work-Related Health continues to be a priority of our assessment activity. We are currently exceeding our targeted expectation in this area. For November and December, the top three areas of focus were COVID-19, Body Stressing and Noise.
Quarter	Sum of Result (%)	Sum of Target (%)																				
Q2 19/20	65	65																				
Q3 19/20	62	65																				
Q4 19/20	70	65																				
Q1 20/21	82	65																				
Q2 20/21	82	65																				

Statement of Performance Expectations – Activity Measures (2 of 4)

Regulatory effectiveness		Target 20/21	Actual	Commentary																														
5. Percentage of prosecutions that are successful. <i>(Quarterly - YTD)</i>	<p>Y-axis: 70%, 80%, 90%, 100%, 110% X-axis: Q2 19/20, Q3 19/20, Q4 19/20, Q1 20/21, Q2 20/21 Legend: Dashed blue line = Sum of Target; Solid grey line = Sum of Result</p>	≥ 80%	100%	● For Q2 2020/21 29 prosecutions initiated 21 prosecutions disposed: <ul style="list-style-type: none">• 21 convicted• 0 unsuccessful• 0 discontinued due an accepted enforceable undertaking																														
6. Percentage of [formal] investigations where a final decision is made and communicated to victims and PCBU's within 12 months of commencement. <i>(Quarterly - YTD)</i>	<p>Y-axis: 85%, 90%, 95%, 100% X-axis: Q2 19/20, Q3 19/20, Q4 19/20, Q1 20/21, Q2 20/21 Legend: Dashed blue line = Sum of Target; Solid grey line = Sum of Result</p>	100%	100%	● There have been 38 files this year to date that required WorkSafe's final decision(s) to be communicated to victims and PCBU's.																														
7. Percentage of energy safety investigations (notifiable/non-notifiable incidents and unsafe situations) involving gas and electricity that are completed within 60 working days. <i>(Quarterly - YTD)</i>	<p>Y-axis: 70%, 80%, 90%, 100% X-axis: Q2 19/20, Q3 19/20, Q4 19/20, Q1 20/21, Q2 20/21 Legend: Dashed blue line = Sum of Target; Solid grey line = Sum of Result</p>	≥ 80%	97%	● For Q2 2020/21 155 of 159 (97%) investigations have been completed within 60 working days. To financial year end, 346 of 358 (97%) investigations have been completed within 60 working days.																														
8. Complete the assessment of all safety cases for existing Major Hazards Facility high hazard establishments by April 2021. <i>(Quarterly)</i>	<table border="1"> <thead> <tr> <th colspan="5">Safety case review schedule</th> </tr> <tr> <th>Step in cycle</th> <th>Dec 19</th> <th>Mar 20</th> <th>Jun 20</th> <th>Oct 20</th> </tr> </thead> <tbody> <tr> <td>Not yet begun</td> <td>10</td> <td>1</td> <td>0</td> <td>0</td> </tr> <tr> <td>In progress</td> <td>5</td> <td>6</td> <td>1</td> <td>0</td> </tr> <tr> <td>Further info required</td> <td>12</td> <td>1</td> <td>0</td> <td>0</td> </tr> <tr> <td>Completed</td> <td>30</td> <td>49</td> <td>57</td> <td>57</td> </tr> </tbody> </table>	Safety case review schedule					Step in cycle	Dec 19	Mar 20	Jun 20	Oct 20	Not yet begun	10	1	0	0	In progress	5	6	1	0	Further info required	12	1	0	0	Completed	30	49	57	57	100%	100%	● Target was met in Q1 2020/21. No further update to be provided prior to year end.
Safety case review schedule																																		
Step in cycle	Dec 19	Mar 20	Jun 20	Oct 20																														
Not yet begun	10	1	0	0																														
In progress	5	6	1	0																														
Further info required	12	1	0	0																														
Completed	30	49	57	57																														

Statement of Performance Expectations – Activity Measures (3 of 4)

System leadership					Target 20/21	Actual	Commentary
9. All WorkSafe-funded partnership agreements with sector groups establish (or have) work programmes that will deliver tripartite health and safety initiatives. <i>(Quarterly)</i>	Shopcare	Forestry Industry Safety Council (FISC)	Construction Health & Safety NZ (CHASNZ)	Agriculture Leaders' Health & Safety Action Group (ALHSAG)	Canterbury Health & Safety Charter	Achieve (new measure)	● A tripartite group comprises government, business and worker representatives. We have the Partnership Council and Pacific Peoples Responsiveness Advisory Group and Worker Engagement, Participation, and Representation (WEPR) as cross-sector tripartite groups. This measure is focussed on groups that we support and provide funding for. No change from last report.
	In progress	✓	✓	In progress	✓		
10. The member of every partnership group funded by WorkSafe 'agree' that they have tripartite arrangements. <i>(Annual)</i>					Achieve	●	New measure. No change from last report.
Survey result to be reported at year-end							
Percentage of people we directly engage with who agreed WorkSafe is: <i>(Annual)</i>					Target 20/21	Actual 20/21	
11. Educative	■ ■					Increase (> 70%) -	The survey results are annual and will be updated when available.
12. Fair	■ ■					Increase (> 91%) -	
13. Proportionate	■ ■					Increase (> 68%) -	
14. Performing effectively	—					Increase (> 70%) -	

Year	Educative (%)	Fair (%)	Proportionate (%)	Performing effectively (%)
16/17	70	85	65	60
17/18	75	90	70	65
18/19	70	92	68	65
19/20	75	91	70	68

Statement of Performance Expectations – Activity Measures (4 of 4)

Organisational excellence		Target 20/21	Actual	Commentary
15. Staff engagement as measured in the 'We Say' survey results. <i>(Annual)</i>		≥ 61%	61%	<ul style="list-style-type: none"> The 2020 We Say survey was delivered in October 2020. The Engagement Score met the 2020/21 goal at 61%.
16. Progress toward achieving strategic goal of becoming a leader in New Zealand health and safety practice. <i>(Annual)</i>		Achieve 'Performing' level	Performing	<ul style="list-style-type: none"> WorkSafe's latest safe plus assessment online survey results (July 2020) show that the "Performing" level has been achieved. Actions aligned with the HSW strategy are underway to support our aim of achieving leading safe plus assessment status by year end 2021/2022. Our next safe plus self-assessment will be scheduled in Q4 2020/2021.

Statement of Intent (1 of 2)

- 0 ● Sol measures on track
- 8 ● Results not available
- 0 ● No longer fit for purpose or not available

People value health and safety: Our work supports people to value health and safety as part of good business								Target 21/22	Actual	Commentary	
1. Percentage of workers in priority sectors who view health and safety as a top priority. <i>(Biannual - WSIP)</i>	100%	50%	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
NB: This is a biannual measure, with no result reported this year.											
2. Percentage of employers in priority sectors who view health and safety as a top priority. <i>(Biannual - WSIP)</i>	100%	50%	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
NB: This is a biannual measure, with no result reported this year.											
3. Percentage of people (workers and employers) who: Made at least one change to improve workplace safety and/or reduce risks to workers health. <i>(Annual - SES)</i>	100%	50%	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Health and safety improves wellbeing: Our work enables good health and safety to improve people's quality of life								Target 21/22	Actual	Commentary	
4. Percentage of employers who have a process for identifying, assessing and managing the business's main health and safety risks, who also regularly review the processes and systems. <i>(Annual - MBIE)</i>	100%	50%	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22

Statement of Intent (2 of 2)

Health and safety improves wellbeing: Our work enables good health and safety to improve people's quality of life								Target 21/22	Actual	Commentary
5. Workers who agreed their workplace has ways for workers to participate in health and safety and raise issues. <i>(Biannual - WSIP)</i>	100%	100%	90%	87%	84.75%	84.75%	84.75%	> 90%	N/A	● We are on track to meet the 21/22 Statement of Intent target with our 18/19 result (87%) exceeding the 18/19 target (84.75%). No change from last report.
NB: This is a biannual measure, with no result reported this year.	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	
6. Employers who agreed their workplace has ways for workers to participate in health and safety and raise issues. <i>(Biannual - WSIP)</i>	100%	100%	90%	87%	84.75%	84.75%	84.75%	> 90%	N/A	● The result for 18/19 is not directly comparable to previous years or the target. The collection method has changed and the target population expanded to make the result more nationally representative. No change from last report.
NB: This is a biannual measure, with no result reported this year.	0%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	
7. More operators respond to potentially dangerous precursor events: Percentage of all precursor events that were adequately responded to. <i>(Annual – High Hazards)</i>	100%	100%	90%	87%	84.75%	84.75%	84.75%	> 99%	N/A	● The results to date are not comparable to the target measure as the definition of precursor event was changed. Interim results for this measure are not reported due to the lag time between events being notified to WorkSafe and being determined as adequately handled or not.
	50%	16/17	17/18	18/19	19/20	20/21	21/22			
	0%									
Collective approach to health and safety: Our work leads the health and safety system towards shared goals								Target 21/22	Actual	Commentary
8. Percentage of people (workers and employers) we engage with who agreed that: WorkSafe is making a real difference to workplace health and safety in New Zealand. <i>(Annual - SES)</i>	100%	100%	90%	87%	70.5%	70.5%	70.5%	> 75%	N/A	● We are on track to meet the 21/22 Statement of Intent target with our 19/20 result (70%) exceeding the 19/20 target (70.5%). No change from last report.
	50%	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	
	0%									

Organisational Risk (1 of 2)

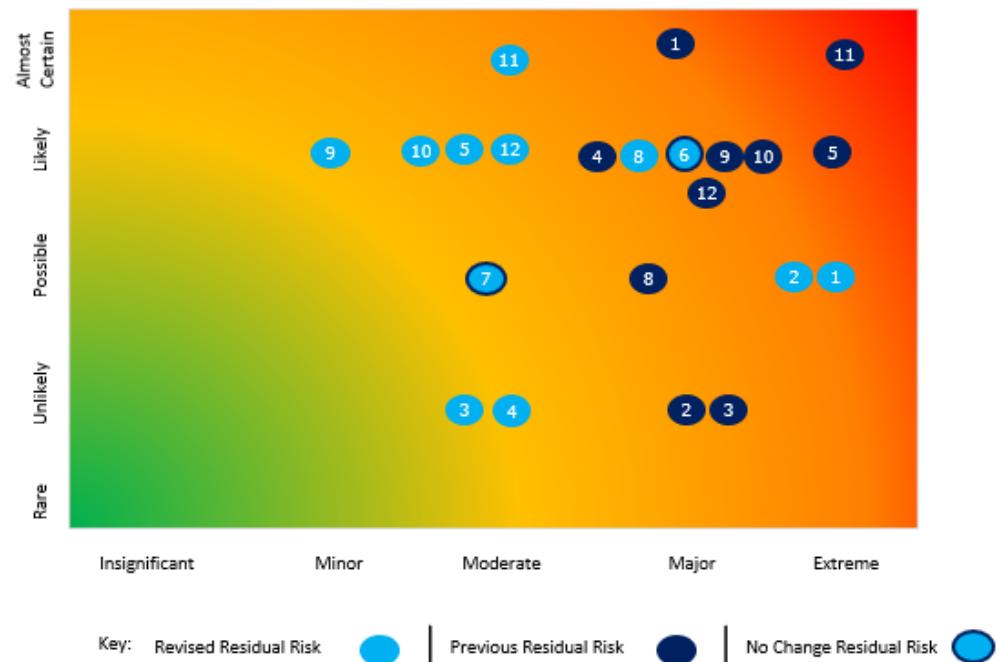
A risk review process has been robustly applied to the strategic risk profile. The revised heatmap illustrates an overall reduction in the risk profile. The control environment has been simplified and reduced to key controls only, with action plans underway and tracked to improve ineffective controls. As a result of the changes, effort is being focussed on the eight controls that manage the four highest risks (detailed on page 20).

From Q2 WorkSafe will introduce a regular operating rhythm of monitoring, assessing and updating the strategic risk profile including any environmental operating changes and impacts.

Overall progress is being made to improve both design and operating effectiveness of controls. It is expected to take an estimated 12 months to reach a fully effective consolidated control environment for the four highest risks.

Based on the existing control environments the main risk on watch is **Risk 6, Funding**, as outcomes on the recent budget bids are awaited whilst mitigations such as re-prioritisation and reforecasting of expenditure continue.

WorkSafe has confidence the right controls, improvement actions and mitigation are in place to manage the strategic risks effectively.



#	Risk	Residual Risk	Owner
1	Loss of support from authorising environment	High	GM S&E
2	Regulatory Failure (Draft)	High	GM Ops
3	External Engagement	Medium	GM S&E
4	External Culture Change	Medium	NMM
5	Prioritisation	High	SRO
6	Funding	High	GM BPF
7	Internal Identity	Medium	GM RE&L
8	Projects	High	SRO
9	People & Capability	Medium	GM PC&S
10	Internal Alignment	High	GM H&TS
11	Processes & ICT Systems	High	GM BPF
12	Internal Health Safety & Wellbeing	High	GM Ops

Organisational Risk (2 of 2)

Strategic Alignment	Highest risks descriptions – Key Controls
Risk 1 We will measure what we do	<p>Risk of loss of support from authorising environment due to lack of/or unclear strategic direction, governance, execution of strategy, operational and/or regulatory failure, poor stakeholder management and lack of staff capacity to deliver resulting in loss of confidence in WorkSafe, inability to influence harm prevention targets, Ministerial and Parliamentary scrutiny, loss of mandate and adverse media and negative reputational impact.</p> <ul style="list-style-type: none"> - Performance and outcome measures are appropriate, tracked and reported along with actions to address issues or gaps to ensure delivery of targets and measures. - Performance measure outcomes and performance story is clear within reporting framework – refresh underway. - Our performance story is told to our stakeholders through a robust stakeholder engagement strategy – Control improvement actions underway. - Sustainable funding over our core activities that achieve regulatory effectiveness – Control improvement actions underway.
Risk 2 (Draft) We will choose the most effective interventions	<p>Risk of Regulatory Failure due to inappropriate, poorly understood, inappropriately applied and/or inadequately communicated regulatory framework, inability to work with other regulators and/or ineffective oversight of third party regulatory regimes resulting in non-compliance with our regulatory obligations, incorrect advice and guidance provided to PCBU's, non-delivery of expected outcomes and/or improvements, loss of authorising environment, loss of confidence in WorkSafe, Ministerial and Parliamentary scrutiny, loss of mandate and adverse media and negative reputational impact.</p> <ul style="list-style-type: none"> - This risk is currently in draft and work is underway to analyse, assess and capture the control environment – Risk and control improvement activities underway.
Risk 6 We will measure what we do	<p>Risk of insufficient funding to enable achievement of strategic objectives due to poor use of funding, increasing cost pressures, lack of alignment across WorkSafe, conflicting priorities, resourcing issues, inability to de-prioritise effectively, poor governance and oversight of investments, incomplete information, lack of delivery model articulation, inaccurate costings, poor processes and systems, inability to meet remuneration expectations resulting in missed innovation opportunities, tactical decision making, loss of key skills, poor work environment, parliamentary scrutiny, loss of license to operate and confidence in Board and Chief Executive</p> <ul style="list-style-type: none"> - Performance and outcome measures are appropriate, tracked and reported along with actions to address issues or gaps to ensure delivery of targets and measures. - Budgeting, forecasting and reporting monthly on baseline. New budget management mechanisms for FY21/22. - Increase organisational alignment by implementing Taura Here Waka into everyday language, framework for measurement, and driver of individual performance plans - Control improvement actions underway. - Sustainable funding over our core activities that achieve regulatory effectiveness (legislative compliance). Control improvement actions underway. - 2020 Budget Bid on sustainable operational funding, Whakaari Island legal proceedings, ICT double run costs and prosecution contingency fund – Control improvement actions underway. - Digital strategy and ICT roadmap (which is aligned to THW) are completed and costed with a clear plan to improve ICT capability and capacity.
Risk 8 We will be set up for success	<p>Risk of failing projects and achievement of objectives due to lack of methodology and integration with operational implementation, disconnected strategic messaging, poor prioritisation, insufficient resourcing, MBIE and third party reliance's, inconsistent project management disciplines and poor business systems and processes resulting in project failure, late or non delivery, public, political and media scrutiny, inability to deliver on objectives, negative impacts on staff welfare, innovation opportunities missed.</p> <ul style="list-style-type: none"> - Portfolio Project Management tool in operation with one project methodology being adopted across the organisation - Control improvement actions underway. - WorkSafe undertakes its procurement and contracting in accordance with recognised good practice - Control improvement actions underway. - Increase organisational alignment by implementing Taura Here Waka into everyday language, framework for measurement, and driver of individual performance plans - Control improvement actions underway. - Clear accountabilities, governance and leadership frameworks in place with robust reporting. Governance training provided to all governance participants - Control improvement actions underway.

People, Culture, Safety and Property (1 of 2)

Senior Leadership Group Development Programme

The programme focusses on self-awareness and self-development and imparting skills to be a more effective leader. We are already observing a step-change in the way participants collaborate and approach issues.

A Cohort of 10 senior leaders completed the programme and graduated during Q2. A second Cohort completed modules during the reporting period, and will graduate in Q3.

Learning and development

Facilitated the development of an Official Information Act e-learning module, Privacy Act 2020 e-learning module and a revamped Internal Health & Safety module.

- A key milestone in Q2 was the appointment of 13 Senior Inspectors: a key component of the Inspector Career Pathway strategy.
- Cohort 19 completed their formal learning early in Q2, and will complete their workplace learning (on-the-job structured practice) during Q3.
- Preparation for the recruitment of Cohort 20 has commenced.

We say survey

The 2020 We Say survey was delivered in October 2020. The Engagement Score met the 2020/21 goal at 61%. We had a 90% response rate (compared to the public sector average of 66%) and our overall engagement-level remained steady, despite a challenging year. Our 2019/20 goal was to meet or exceed the previous year's engagement score. Our areas for improvement were also consistent with the previous year, and uplift programmes of work already underway. The 2021/22 goal is being considered and will be discussed in Q3.

Enterprise Change

Focus areas for Q2 included establishment of a change community of practice, buy-in and procurement of the Prosci Organisational Change Competency (OCC) Licence, development of an Enterprise Change Management Strategy and an implementation plan for deploying change management tools, training and resources across WorkSafe.

Operations Tranche Change Initiatives

In 2018 the journey started to transform the Operations group. The aim was to ensure that long term issues/problems were addressed, regulatory risk was reduced and as a group, Operations could be as effective and efficient as possible.

Tranche 1 focused on the implementation of new functions, including Victim Services and Coronial Services, with the Specialist investigations team. These changes came into effect on 1 October 2020.

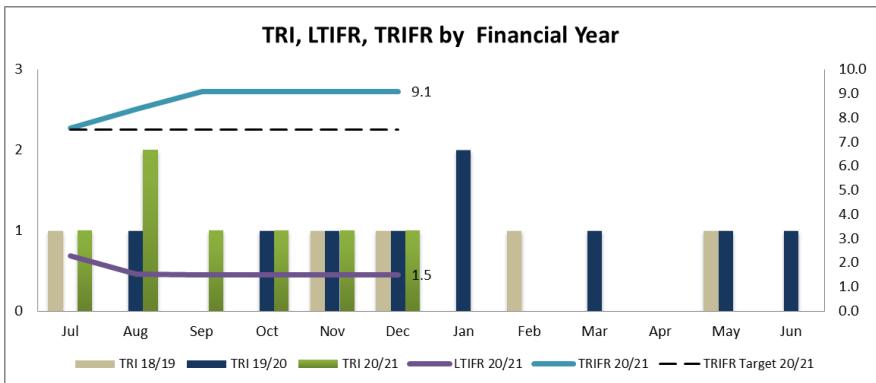
Tranche 2 delivers significant leadership structural change within the General Inspectorate; the establishment and implementation of an Inspector Pathway providing for development for all Inspectors, the creation of a new Senior Inspector level and a National Planning and Support function for Operations. Tranche 2 people related changes come into effect in February 2021. Embedding the change associated with both Tranches will continue throughout 2021.

Property Strategy

Work has commenced on the Property Strategy with the draft due for completion in June 2021. The majority of the CHQ refurbishment work was completed in Q2. L5 Kitchen upgrade was completed in December 2020 and L5 carpet is scheduled for replacement in February 2021. Level 7 works almost complete by end of December, will be in use mid- January 2021.

People, Culture, Safety and Property (2 of 2)

Internal Health and Safety



WorkSafe's TRIFR continues to track above target. We have had three medical treatment injuries this quarter. There are no specific trends appearing from these incidents (1 x dust in eye, 1 x slip/trip/fall, 1 x exposure to trauma).

Resources have been approved to improve Internal HSW's capacity to review and strengthen the HSW management system, reporting and support to the business.

During the recent THW communication sessions, the importance of HSW leadership as a key accountability for leaders and a responsibility for all staff was reinforced.

Note:

Lost Time Injury Frequency Rate (LTIFR) is the number of lost time injuries occurring per million hours worked.

Total Recordable Injury Frequency Rate (TRIFR) is the combined number of lost time injuries and injuries requiring medical treatment per million hours worked.

Turnover (Voluntary) and FTE

		Q1 21	Q2 21	Commentary
Organisation turnover (12 month rolling)		9.2%	10.0%	Staff turnover for the 12 months to December 2020 was 10.0%. This is lower than the core public service turnover rate of 12.1%. It is not uncommon for turnover rate to rise with the introduction of a new strategy. The launch of Taura Here Waka may have an impact on turnover in 2021. Of the 14 voluntary leavers in Q2, six were considered to be high performers; rating 4/5 in their last performance review. There were no specific trends with leavers spread across business units. Any specific areas for improvement identified in exit interviews are considered by PCS and the business.
Organisation FTE (perm and fixed)		621.3	630.8	In Q1 Health and Technical Services came out of Operations and is now a standalone group. WorkSafe is building capability in this area- recruiting; new roles, in Q2 & Q3. With approval of the next phase of Service design, we have also recruited 3 new roles (contract/ fixed) with specialist skills to support this project.

Head Count as at end of Q2 (including non-FTE):

- Public facing / Frontline: 409
- Strategy / Corporate: 232

No significant change from Q1 numbers

WorkSafe Financial Performance (1 of 4)

Finance Key Points

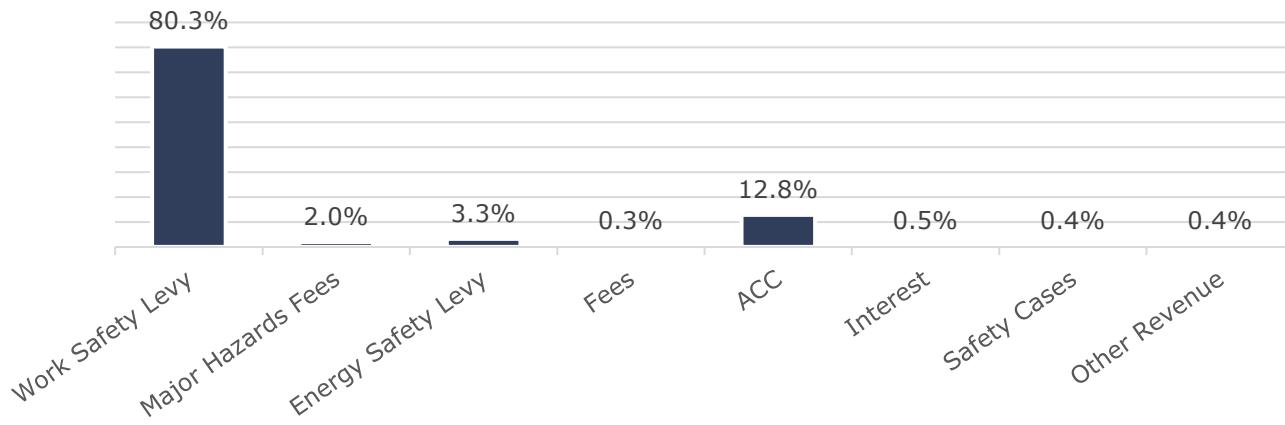
The second quarter of 2020/21 saw spend tracking over budget, largely due to unbudgeted costs for the Whakaari/White Island response, for which a budget bid is being developed. There is slower than expected capital spend, in particularly in ICT.

Financial Performance (Year to Date 31 December 2020)

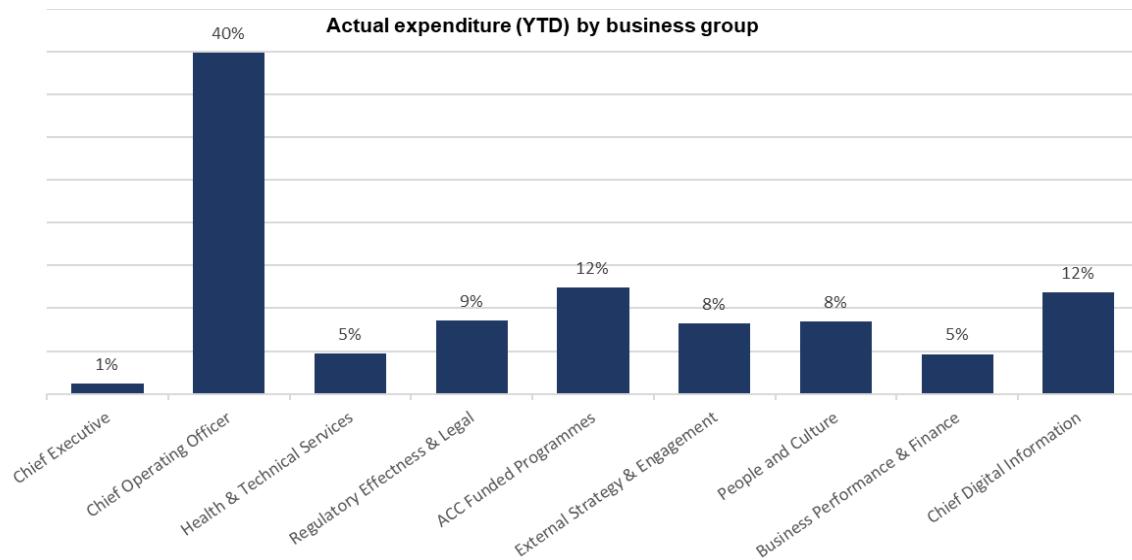
	Actual \$000	SPE \$000	Variance \$000	Full Year SPE \$000	Comment
Revenue					
Revenue Crown	57,732	54,879	2,853	109,728	Crown Revenue and expenditure SPE budget does not include \$7m of additional funding for Refrigeration, B19 Harm Prevention funding and COVID-19 Response.
Interest Revenue	313	281	32	541	
Other Revenue	9,417	10,501	(1,084)	20,906	
Total Revenue	67,462	65,660	1,802	131,205	The net deficit of \$2m is \$1.5m higher than budget, with key factors being:
a. \$3m spend to 31 December on Operation Whakaari/White Island					
b. Incurring double run costs associated with the MBIE Shared Services Fee, due to a slower than planned separation of ICT services and delays in key ICT projects.					
c. There are underspends in part offsetting the above overspends in various parts of the organisation, with the increase in spend associated with various capability build and projects being slower than planned					
Expenditure					
Personnel and contractors	40,048	43,243	3,198	87,390	
Depreciation	1,901	2,350	449	6,035	
Other expenditure	27,536	20,633	(6,903)	41,969	
Total Expenditure	69,485	66,228	(3,257)	135,394	
Surplus/(deficit)	(2,023)	(568)	(1,455)	(4,189)	

WorkSafe Financial Performance (2 of 4)

YTD Actual Revenue Split



Actual expenditure (YTD) by business group



WorkSafe Financial Performance (3 of 4)

Summary balance sheet (as at 31 December 2020)					
	Actual \$000	Budget \$000	Variance \$000	Full Year Budget \$000	Commentary
Cash and bank	8,361	4,412	3,949	5,045	
Investments	17,000	18,000	(1,000)	14,000	
Debtors	10,821	2,632	8,189	1,700	Timing of receipt of funding from ACC (now expected in the 3 rd quarter) & some MHF levies remain outstanding
Fixed Assets	20,192	26,030	(5,838)	24,847	Less spend due to delays in various projects
Total Assets	56,374	51,074	5,300	45,592	
Creditors and Payables	7,378	4,124	(3,254)	5,000	High due to high accruals, particularly with ICT suppliers who are a number of months behind in invoicing. We are working with these suppliers to facilitate faster invoicing.
Employment Liabilities	8,020	6,827	(1,193)	6,000	
Income in Advance	10,245	9,302	(943)	6,693	
Long Term Loan - Refrigeration	985	0	(985)	-	
Total Liabilities	26,628	20,254	(6,374)	17,693	
Net Assets	29,746	30,820	(1,074)	27,199	
Equity					
Opening Equity	31,768	27,051	4,717	27,619	Last year's surplus and capital injection rolled into opening balance
Memorandum Accounts	-	4,337	(4,337)	4,253	
Surplus/(Deficit)	(2,022)	(568)	(1,445)	(4,673)	YTD Surplus
Total Equity	29,746	30,820	(1,074)	27,199	

WorkSafe Financial Performance (4 of 4)

Summary cash flow (as at 31 December 2020)					
	Actual \$000	Budget \$000	Variance \$000	Full Year Budget \$000	Commentary
Operating Cash Flows					
Receipts from Crown	57,732	54,879	2,853	109,758	The movements in cash reflect the lower spend in capital and operating as described above.
Receipts from Other Revenue/Interest	547	8,924	(8,377)	15,767	
Payments to Suppliers/Employees	(71,775)	(71,136)	(639)	(131,127)	
Net Operating Cash Flows	(13,496)	(7,333)	(6,163)	(5,602)	
Investing Cash Flows					
Net Investments	20,500	12,000	8,500	16,000	
Net Asset Purchase	(4,858))	(5,851)	993	(10,950)	
Net Investing Cash Flows	15,642	6,149	9,493	5,050	
Financing Cash Flows					
Capital Contribution	500	500	-	500	
Loan – Refrigeration	985	-	985	-	
Net Financing Cash Flows	1,485	-	985	500	
Cash Movement					
Net (decrease)/increase in cash	3,631	(1,184)	4,316	(51)	
Opening Cash	4,730	5,097	(367)	5,097	
Closing Cash	8,361	4,412	3,949	5,045	

Budget 19 (B19) Funding Deliverables: Dashboard Report

Objectives & Context		Key Indicators	B19 Delivery Confidence							
Investment Objectives: <ol style="list-style-type: none"> Strengthen and sustain harm prevention across New Zealand. Develop and grow our capability and capacity to be a modernised regulator. Build and improve intelligence and digital services. <p>B19 is a key enabler for WorkSafe becoming an intelligence driven regulator by 2022/23, on its journey to become a modern regulator by 2030.</p>		Overall	Gateway Review (Dec 20) concluded the Digital/ICT and Knowledge, Evidence and Insights programmes are investment ready and recommended seeking release of the remaining Budget 19 contingency funding. Delay in original timeframe, and realisation of benefits conditional on the release of B19 contingency funding							
		Budget	Funding for WorkSafe's Digital Transformation is contingent to joint Ministers approval to release to B19 capital funding							
		Scope	Delivery is aligned to scope							
		Key Risks /Issues	Approval / timing of B19 Contingency funding drawdown to support WorkSafe digital transformation. Mitigation: engagement with agencies							
		Resources	Ramp up of resourcing to support Digital programme mobilisation in quarter three							
		Benefits / outcomes	Benefits Realisation Plan updated and agreed. Benefit achievement is reliant on B19 contingency funding							
		Stakeholder	Stakeholder, communication and engagement plan being administered							
		Schedule	Requirement to re-baseline programme key milestones with 2020 external influences.							
Streams	Quarter Two Deliverables	Key milestones			Key indicators		Benefits	Budget 20/21 \$m	Actual To date \$m	Milestone Tracking to Benefits
Work Related Health Harm Prevention	<ul style="list-style-type: none"> Health and Technical Service function fully staffed with 6 work-related health inspectors to deliver core aspects of the WRH Programme Guidance material to support Mentally Health Work Programme Initiated planning for Worker Carcinogens Exposure Survey 	<ul style="list-style-type: none"> Integrate carcinogens action plan into Ministry of Health national cancer action plan by May 21. Complete workers exposure survey based on Australian Workers Exposure Survey (AWES) approach by May 21. Agree approach and option for Exposure Database by May 21. 			1.5% decrease annually from Dec 2022 for work related fatalities, serious non-fatal work related acute injury, week away from work. 1.5% decrease in exposures from Dec 2026 Reduced social cost from WorkPlace harm (<i>targets to be agreed once exposure database is in place</i>)		#1 Fewer people are harmed as a result of work #2 Reduced economic costs to New Zealand from workplace harm	3	0.29^	
Knowledge, Evidence and Insights	<ul style="list-style-type: none"> Continuation of Company Risk Model piloting Independent Review of the Pūmahara / Evidence Led Decision and Risk capability project 	<ul style="list-style-type: none"> Embed the concepts of risk, risk factors and what are modifiable risks at the core of all WorkSafe decision making (through the ELDAR project) by Jun 21. 20% of new interventions started in the previous financial year for MSD and Carcinogens are insights driven informed by a deep and integrated understanding of the system of harm by Jun 22. Smart profiling system to provide the organisation with fast, enhanced and self-service Intel profiles by Jun 2022. 60% of new interventions started in the previous financial year for MSD and Carcinogens and 20% psychosocial are insights driven informed by a deep and integrated understanding of the system of harm by Jun 23. 			Incremental improvements for Work-Related Health Programme initiatives MSD and Carcinogens, and #BetterWork by Jun 21 Knowledge management model by Nov 21 Levers are being adjusted based on insights to better target intervention by Jun 22 <i>(baseline and targets to be agreed for key indicators aligned to dates, refer BRM)</i>		#3 Increased regulatory effectiveness #4 Interventions are targeted for better outcomes for NZ	0.35	0.14	
Digital and Information	<ul style="list-style-type: none"> WorkSafe Digital Strategy and Digital Business Work Plan approved by Board Terms of Reference agreed for timeline and resourcing for WorkSafe's ICT separation from MBIE 	<ul style="list-style-type: none"> Staff surveying to gain staff view on appropriate tools and platforms to do their job effectively Jun 21. Identify efficiency dividend from baseline for 21/22 and for outyears from by Jun 21. 			<i>To be agreed</i> – potential indicators are: Shift from manual processing to automation Responsiveness of systems Staff surveying to confirm staff have the right tools and platforms to be effective.		#5 Increased efficiency through better processes and systems	31.6*	0.0	
People, Culture & Safety	<ul style="list-style-type: none"> Refreshed Values rolled out Learning and development delivered to senior leaders and newly appointed senior inspectors. E-learning modules developed. 	<ul style="list-style-type: none"> Staff's assessment of being a 'secure and supported' to establish baseline in Dec 20. Targeted Development Programme implemented delivered by Mar 21. Cohort training and Inspector development implemented by Mar 21. Define culture today and desired future culture by Apr 21. 			Staff engagement surveys Shift in attrition rate by area and role Shift in capability to better align with becoming a modern regulator		#6 Secure and supported workforce	1.92	0.49	

B19 funding for cost pressure and baseline increases for inspectorates (specialised capability), legal & increased capacity in 'better regulation' to develop education materials has been applied in full.

Modernisation Office funding has supported B19 planning, B19 benefit planning, Taura Here Waka governance established and EPMO function scaling up.

^ Expenditure forecasted to ramp up in Q3 with full HTS team in place and WRH projects underway.

*B19 funding in contingency.