

New Zealand Government

# QUARTERLY REPORT

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Quarter 1: 1 July to 30 September 2016



**WORKSAFE**  
NEW ZEALAND | MAHI HAUMARU  
AOTEAROA

# SNAPSHOT OF QUARTER

WorkSafe New Zealand's highlights for the quarter include:

- The launch of WorkSafe and ACC's *Harm Reduction Action Plan*, setting out our joint areas of focus and work in partnership with businesses and stakeholders to reduce harm at work.
- The launch of *Healthy Work*, WorkSafe's ten-year work-related health strategic plan.
- The inaugural Health and Safety Association of New Zealand (HASANZ) conference.
- Detailed work to support the WorkSafe Funding Review.

## Performance Dashboard – Recent Results

2016-17 to 30 September		Monitor/forecast only	On track	Issues identified	Not on track
System Targets	 Fatalities	WorkSafe has confirmed 12 fatalities YTD (6 Agriculture, 2 Transport, Postal Warehousing, 1 Forestry, 1 Manufacturing, 1 Mining, 1 Health Care and Social Assistance). This is a subset of all work-related fatalities <sup>1</sup> . <i>Over the same 2015-16 period there were 15 confirmed fatalities.</i>			
	 Non-fatal incidents	WorkSafe has received 1,041 notifiable injury incidents YTD. <i>Over the same 2015/16 period there were 1,014 notifications of serious harm received<sup>2</sup>.</i> There have been 26,212 claims for injuries for more than a week away from work over the 12 months ending June <sup>3</sup> . <i>This is 5% higher than the 25,058 reported in the 12 months ending June 2015.</i>			
Activities	 Engagements	855 with industry and PCBUs in priority areas by assessment staff. These are significant engagements including meetings, presentations, workshops, or field events in priority areas by assessment staff.			
	 Assessments	YTD 3,489 assessments (full-year forecast 16,000) undertaken and completed, 94% in priority areas. Agriculture 353, Construction 1,935, Forestry 262, Manufacturing 425, Hazardous Substances [secondary focus area] 629, Adventure Activities 2.			
	 Quality of assessment files	YTD 82% of assessment files reviewed met quality standards ( <i>target 80%</i> )			
	 WRH focus	YTD 33% (1,148) assessments undertaken and completed targeted towards work-related health risks ( <i>target 30%</i> )			
	 Duty-Holder Reviews	55 reviews in progress. YTD 112 reviews received ( <i>full-year forecast 400-600</i> )			
	 Investigations	Approximately 300 investigations currently underway. YTD 100 initiated and 159 completed (average of 53 per month, full-year forecast 600)			
	 Prosecutions	80% of prosecutions successful ( <i>target 80%</i> ) YTD 26 prosecutions initiated, 20 disposed. 16 were convicted and 4 were withdrawn.			
	 Quality of prosecution files	75% of files (12/16) recommended for prosecution met quality standards ( <i>target 80%</i> )			
Resources	 Inspectorate	Current Inspectorate: 185 H&S Inspectors; 21 Specialist Inspectors 100/182 Inspectors have dual warrants.			
	 Internal health and safety	YTD Total recordable injury rate is 2.28 (target <1.5), Lost time injury rate is 0.62 (target <0.5).			
	 Budget	\$3.8 million underspend. The slow start to spending for the financial year has been exacerbated by a mix of permanent and timing differences. See page 15.			

<sup>1</sup> Statistics New Zealand publishes official and comprehensive workplace health and safety data annually, using information from WorkSafe, ACC, other regulators and hospitalisation data.

<sup>2</sup> Notifications are not directly comparable due to the change in legislation. Notification levels do not necessarily represent the actual level of serious harm; increases often accompany increased awareness of reporting requirements.

<sup>3</sup> Measured using ACC weekly compensation claims. Reported with a five-month lag to reduce statistical volatility.

# UPDATE ON KEY PRIORITIES

The updates below relate to key Ministerial and WorkSafe Board priorities for 2016/17 as set out in our Statement of Performance Expectations 2016/17.

## Evidence-based risk targeting at all levels

### Approach to harm reduction

*Targeting effort, identifying causes of harm and effect of intervention*

WorkSafe continues to improve our injury prevention approach by building operational data, research and evaluation to target our effort and intervention mix.

- Surveys looking at the broader workplace health and safety system include the Health and Safety Attitudes and Behaviours Survey (A&B Survey) and National Survey of Employers. **2015 survey results are due to be published on WorkSafe's and MBIE's websites** at the end of 2016. The A&B Survey focusses on four priority sector reports (Agriculture, Construction, Manufacturing and Forestry) and will inform programme business cases and intervention design. Content of the 2016 A&B Survey is agreed and the survey starts in Q2.
- Proposals for a revised Service Excellence Survey have been made (updating and extending the survey to provide consistent feedback from most of WorkSafe's client groups). The survey will be implemented from Q2.
- See *Research strategy and plan* below for programme evaluations.
- The Company Risk Model (CRM) provides analysis of companies, a business risk rating tool for inspectors (traffic light model), and local intervention strategies to better target our engagements and report on the effect of specific interventions. **Phase 1 of the CRM roll-out is complete**, with Christchurch, Albany and Wellington offices piloting the CRM from February 2016. Phase 2 will commence in November 2016, rolling out to all other regional offices and beginning to implement the traffic light model and locally-tailored risk intervention strategies.
- See page 5 for updates on SWIFT.

### Harm Reduction Action Plan (HRAP) implementation

*Extending our focus on workplace health and safety in collaboration with ACC*

#### Embedding the HRAP

- The joint WorkSafe/ACC HRAP was launched in July.** Work plans for the cross-cutting programmes have been developed and shared with the joint Injury Prevention Governance Group.
- Work is underway on shaping the 'Work in and around Vehicles' business case and opportunities for collaboration on core programmes (body stressing etc.) are being identified.
- The new WorkSafe organisational structure includes a Programme Management Office and Strategy team. Current focus areas include: development of both the Investment Framework and Partnership Agreement with ACC, and associated tools, templates and processes.
- The Champions network of Inspectors continues to meet twice a year for each priority programme area and has been a forum to share ideas, updates and examples of both challenges and good practice.

Programme updates:

#### Agriculture/Safer Farms

**While WorkSafe has made good progress engaging with the agricultural community and shifting attitudes and awareness towards health and safety, this has not yet translated into reduced harm.**

- Over the last 18 months there has been greater acceptance of the WorkSafe role, and the sector itself reports anecdotally that discussion is turning from compliance resistance to health and safety practices.
- Supporting material for the sector includes the new interactive farm map and other updates made to [saferfarms.org.nz](http://saferfarms.org.nz).
- The Business Leaders' Health and Safety Forum Agriculture Health and Safety Group (Pan-Industry Agriculture Group) meeting in September included attendance by chief executives of major agricultural and pastoral communities, along with WorkSafe CE Gordon MacDonald and the Minister for Workplace Relations and Safety. The group is industry-led and aims to set a programme of work to influence

change in health and safety practice across the sector.

- A new programme business case is being prepared to secure further agriculture-related funding from ACC.

#### Forestry

**While serious harm and entitlement claim rates continue to decline within the Forestry sector, there have been four fatalities since 1 January 2016.**

- We continue to urge industry to respond publicly with safety leadership messages and to remind operational staff and managers to ensure safety critical tasks and systems are being appropriately assessed in our visits. Work continues with the Forest Industry Safety Council (FISC) to finalise its 2017 work programme.
- A 'problem profile' workshop with WorkSafe, the Ministry for Primary Industries, Scion (Forest Research Consultancy) and FISC was held in September to inform WorkSafe's interventions, looking at small-scale forestry and the wider factors that may influence health and safety outcomes.
- ACC has approved funding of \$30,000 to support improving health and safety outcomes for Māori forestry workers. This pilot is a Maruiti team initiative (see page 8 below) for an iwi-based programme working with Ngāti Porou.

#### Manufacturing

- Under the Safer Manufacturing Programme, WorkSafe continues to develop initiatives with sectors to help them to improve health and safety performance in their workplaces. **We are working with business leaders in manufacturing on the best way to engage with the sector and sub-sectors on health and safety issues** that will increase the visibility and impact of health and safety leadership. Work is also continuing to assist specific industries (e.g. metal products) identify and fill gaps in the health and safety information resources available to their businesses.
- WorkSafe is investigating more effective and efficient ways of working with businesses that have multi-site operations. The meat processing industry has potential for piloting an approach that focusses on a company-wide rather than individual site basis.

#### Construction

- **WorkSafe continues to shape the 3-5 year Construction intervention programme.** This is being informed by our environmental scan, bow-tie analysis of the four major harms and industry feedback. Our Inspectors continue to target small and large construction sites, focussing on falls from height, excavations, Clean Air and mobile plant.
- This year's Construction Roadshow began in September and presentations across the country will continue into November.
- Risk evaluation workshops with WorkSafe and ACC have been held on falls from height, body stressing and working in and around vehicles. Further workshops on worker performance and cutting and grinding will be held in October.
- Work continues with BRANZ, NZIER and MBIE on the cost-benefit analysis around falls from height.
- Factsheets on Electrical Supply and Safety are due for release in mid-October, and the Good Practice Guidelines for Scaffolding in late November.

#### Canterbury Rebuild

- WorkSafe continues to work well with industry to ensure a Safe Rebuild. The programme evaluation will be completed in October/November including a cost benefit analysis by MartinJenkins.
- **There are now over 350 Charter signatories and endorsees.** The Charter has been revised to maximise HSWA alignment and all Charter materials have been updated.
- The work-related health (WRH) in Canterbury work programme is underway:
  - WorkSafe and the Charter have led workshops, trade breakfasts and events focussed on WRH, including asbestos, worker engagement, Health and Safety Representatives, and alcohol and other drugs.
  - We are preparing the 'Dust Monitoring Project' to follow up on the results of the Silica Dust Pilot Project 2015. This will determine if interventions have had an

	effect on the management of dust, in particular silica, in Canterbury.
Work-related Health (WRH)	<ul style="list-style-type: none"> <li>▪ <b>WorkSafe’s ten-year WRH strategic plan <i>Healthy Work</i> was launched in August.</b> All associated publications, videos of the launch and summaries of the strategic plan and position on WRH are now available on our website.</li> <li>▪ Preparations are underway to develop a strategic monitoring framework to help us understand how the activities within <i>Healthy Work</i> are progressing and if any work needs to be revised or adapted.</li> <li>▪ An independent review was undertaken analysing the quality of data collected from assessments and its suitability to form WRH baselines. <b>The review indicated that we do not yet have suitable data for WRH baselining.</b> A triangulation approach is proposed, with indicators to be developed over the next three years related to prevalence of WRH conditions, industry management of risks and worker exposure to WRH hazards, attitudes and behaviours of workers and employers, and WorkSafe engagement and education activities.</li> <li>▪ Work with Statistics NZ continues, with initial questions on WRH added to the December Household Labour Force Survey (HLFS).</li> <li>▪ Work continues alongside the Ministry of Health on the possibility of including WRH measures in the 2018/19 National Health Status Survey. The survey will undergo a major review at the end of 2016 and WorkSafe has been invited to be on the review team. The inclusion of WRH questions would for the first time provide national data on occupational disease and injury in New Zealand and allow for international comparison.</li> <li>▪ Significant WRH engagements include: <ul style="list-style-type: none"> <li>○ Work with ACC on the Sport Smart campaign and with the Health Promotion Agency on their SunSmart campaign.</li> <li>○ Engagement with the cross-organisational <i>Health Benefits of Good Work New Zealand</i> group, which aims to increase recognition and practice related to enabling individuals to return to work earlier and to remain in work for longer.</li> <li>○ Case studies reflecting good examples of WRH, including Mercy Hospital’s management of electro-surgical smoke plume that won them the Occupational Health category at the 2014 NZ Workplace Health &amp; Safety Awards.</li> <li>○ Attending the inaugural informal Health &amp; Wellbeing Leadership networking event run by Fonterra and Z Energy.</li> </ul> </li> <li>▪ <b>WRH guidance and education has continued to be published and promulgated to stakeholders.</b> Topics include risk-based information (biological, chemical, ergonomic, health-related safety, physical, psychosocial and impairment) and guidance on Clear Air. The WRH van project report on the results of the health checks completed in 2015 is now available on WorkSafe’s website.</li> <li>▪ A hazardous substances project is underway to assess targeted sites containing used waste oil or methyl bromide or involving timber treatment. The work will look at areas like certification, safety management of contractors, and compliance with codes of practice.</li> </ul>
ICT system <i>Rollout new system (Awhina) to support a smarter, more targeted approach</i>	<p><b>While the ICT project is on track overall, it is being actively managed week-by-week to ensure deployment remains on track.</b></p> <ul style="list-style-type: none"> <li>▪ Awhina – WorkSafe is working with Noggin to confirm current resourcing and delivery, and options for any slippage are being developed. The final configuration of the system for the Palmerston North deployment on 5 December is being confirmed. Independent assurance to WorkSafe on the time, scope, budget and customisation levels of the project has also been scoped with KPMG. Staged rollout across all of WorkSafe is scheduled to commence in March and will incorporate lessons from the Palmerston North deployment. Functionality development continues and has been well-received to date.</li> <li>▪ The payroll/HRIS project remains on track and the request for tender process has progressed to vendor demonstrations.</li> </ul>
System for Work-related Injury Forecasting and Targeting (SWIFT)	Work is underway to provide ACC with the injury mechanism data that WorkSafe produces from ACC’s work-related claims data. <b>This will allow WorkSafe and ACC to have a shared view of the causes of work-related injury.</b>

<p><i>Evidence-based targeting, latest insights into work-related harm, quality of data collection</i></p>	
<p>Research strategy and plan <i>Research and evaluation programme and evaluations</i></p>	<p><b>WorkSafe has continued to make good progress with both primary research and evaluations.</b></p> <ul style="list-style-type: none"> <li>▪ The research and evaluation strategy and plan is developing in line with the HRAP, <i>Healthy Work</i> and organisation business plans. The WRH component will be presented to the Occupational Health Advisory Group at their October meeting.</li> <li>▪ An evaluation on changes that have occurred in the Forestry sector's rates of fatality and serious harm, and the factors involved in this, has been completed and the report will be finalised in October. This includes further primary research of nine reports currently being written to inform the forestry programme.</li> <li>▪ Research investigating the support needs of Health and Safety Representatives (HSRs) and Managers will investigate ways to support HSRs to engage with PCBUs and workers to improve health and safety as part of the Harm Reduction Action Plan. Qualitative fieldwork conducted in Auckland, Napier, New Plymouth and Nelson was completed in August and a survey will be conducted in Q2, with the research report due in December 2016.</li> <li>▪ Evaluations are underway for Clean Air and the Canterbury Rebuild. This will involve estimating the impacts the programmes have had on injury rates and providing insights into funding options being considered later this year. They are due to be completed in November.</li> </ul>

**Using the right intervention mix (engaging, educating, enforcing)**

<p>Understanding HSWA in practice <i>Deliver key messages, guidance and support</i></p>	<p>See <i>HSWA implementation and embedding</i> below.</p>
<p>Stakeholder engagement strategy <i>Analysis of customers and stakeholders, overview of information channels and way of working</i></p>	<p>Work is progressing steadily on multiple fronts including:</p> <ul style="list-style-type: none"> <li>▪ <b>Work underway developing the joint Engagement and Comms Strategy</b>, including a framework, stakeholder analysis and an initial stakeholder plan for the incoming WorkSafe CE. Next steps will include a range of internal discussions to test and refine the framework and input to the stakeholder analysis. The organisational restructure has affected the progress of this work as new teams are put into place.</li> <li>▪ We are continuing to deliver user-centric tools to support businesses with HSWA, taking a collaborative and co-creative approach. For example, the online, interactive 'Around the Block' tool is being launched in early November. It helps SMEs get started with managing health and safety risks, taking users on a journey through a typical city block with clickable risk/guidance hotspots within each business shown. 13 business types are included in the first release – including a café, hair salon, medical centre and petrol station. Over time, more will be added.</li> <li>▪ <b>WorkSafe continues to respond to media attention on HSWA and to address issues and myths.</b> Proactive media activity in Q2 will include supporting release of the new Asbestos ACOP, a focus on trampoline parks, and a campaign to raise awareness of particular airborne contaminants.</li> <li>▪ Guidance and information on HSWA and other areas continues to be published on the website and through various channels (including LinkedIn, Facebook and Twitter). The 'Home Time' television commercial and 'Rog on the Rock' radio spots have also continued; preliminary analytics indicate good coverage of our target audiences.</li> <li>▪ The User Experience programme aims to provide people with the right information, tools and resources to enable them to participate in improving New Zealand's health and safety performance. The programme focus is on a customer-centric approach to education, engagement and end-to-end service design, including optimising interactions through WorkSafe's website, contact centre and response centre, and understanding and improving cross-channel interactions. It has two</li> </ul>

	<p>core streams of work: the Response/Contact Centre project (see page 10) and the Digital Platform project.</p> <ul style="list-style-type: none"> <li>Work is progressing well on the Digital Platform project, which focusses on improving the online customer experience and will consolidate WorkSafe's eight websites onto a single, improved platform.</li> </ul>
<p>Safety Star Rating initiative (SSR)</p> <p><i>Completing pilot, further guidance and tested incentives for businesses</i></p>	<p>WorkSafe continues to develop the SSR:</p> <ul style="list-style-type: none"> <li><b>The independent evaluation of the SSR pilot was completed by Research NZ and their final report accepted.</b> A report was also produced on the technical performance findings from the pilot. Both reports will soon be released.</li> <li>Lessons from the pilot are being incorporated into final SSR design proposals – including revising the SSR requirements and maturity scales for the SSR Tool, refining assessment methodology, developing assessor guidance, and defining the competencies that will be required of assessors. This work will continue into Q3.</li> <li>Options for the proposed use of the SSR Tool as an injury prevention initiative under the HRAP are being developed in collaboration with ACC and MBIE.</li> </ul>
<p>Workplace assessments</p> <p><i>In priority areas</i></p>	<p><u>Assessments</u></p> <ul style="list-style-type: none"> <li>WorkSafe is making steady progress on assessments. YTD 3,489 assessments have been undertaken and completed, 94% in priority areas and 33% targeted towards WRH risks.</li> <li><b>The recently introduced Company Risk Model is helping Inspectors to target high-risk companies</b> within our priority sectors of Agriculture, Construction, Forestry, Manufacturing and Adventure Activities.</li> <li>For updates on programmes see <i>HRAP implementation</i> above.</li> </ul> <p><u>High Hazard sectors and Energy Safety</u></p> <p>WorkSafe continues to maintain a steady state and focus on core activities needed to bed in the relevant regulation changes.</p> <ul style="list-style-type: none"> <li>Work designating Major Hazard Facilities (MHFs) in accordance with legislated timeframes is on track. The MHF Amendment Regulations came into force on 1 September.</li> <li><b>WorkSafe successfully hosted the petroleum and geothermal International Regulators' Forum in October.</b> An inspection tool developed and piloted by WorkSafe has been adopted by the UK and Norway, two of the world's biggest offshore oil jurisdictions, as a part of their inspection programmes.</li> <li>The recruitment process for the Mining Board of Examiners has been completed, with offer letters to the successful candidates being sent early in November. The inspection of quarries and mine sites is progressing.</li> <li>The Energy Safety programme of work is on track, including support being given to the Government initiative to increase the use of electric vehicles in New Zealand and ensure safety. Recruitment of additional technical officers has begun.</li> <li>Regular meetings have been set up with various industry bodies and regulatory agencies, including the Commerce Commission, the Gas Industry Company and the Electricity Engineers' Association. Regular inter-agency operational meetings with Maritime NZ and the EPA have continued. Support has been provided to a range of policy initiatives being worked on by MBIE, as well as to an inter-agency body working on the decommissioning of offshore petroleum installations. Work with the electricity sector on live line working matters is progressing.</li> </ul>
<p>Investigating incidents</p> <p><i>Investigation of serious incidents and DHR support</i></p>	<p><u>Investigations</u></p> <ul style="list-style-type: none"> <li>Work on functions to support the structure of investigation work continues. A central repository for external experts to assist with investigations is scheduled to be developed and the functionality in Awhina to record causation information is being built into the system. Meanwhile, this is being recorded in the existing case management system.</li> </ul> <p><u>Duty Holder Reviews (DHR)</u></p> <ul style="list-style-type: none"> <li>The first newsletter for the 122 construction-based duty-holders who have completed a DHR has been sent. Information and guidance was included on the Construction Roadshow, the new excavation guidelines and Clean Air resources.</li> </ul>

	<ul style="list-style-type: none"> <li>Presentations by the DHR team about the process have had positive feedback and targeted a range of audiences, including FISC and Forestry companies, the Construction sector on new Excavation Guidelines and Clean Air, and a Wellington DHR forum with 120 attendees including stakeholder partners such as NZISM, ACC, Inland Revenue, FISC and the Civil Aviation Authority (CAA). Upcoming presentations include to the Electricity Engineers Association at their Annual Safety Forum, a Workers' Engagement and Participation presentation at NZ Post and an Auckland DHR Forum in November.</li> </ul>
Prosecution activity	<p><b>Prosecution activity has been steady.</b> YTD 26 prosecutions have been initiated and 20 disposed. 16 were convicted and 4 were withdrawn. 80% of prosecutions have been successful.</p> <p>Most HSE Act charging decisions are now completed as we have reached 6 months after the introduction of HSWA; however a couple of incidents with late notification to WorkSafe are ongoing. HSWA investigation files are starting to arrive in Legal Services with associated requests to the business regarding Enforceable Undertakings. WorkSafe is awaiting decisions on these. No prosecutions have been commenced or charges filed under HSWA as yet.</p> <p>High-profile prosecutions initiated/completed in the year to date include:</p> <ul style="list-style-type: none"> <li>Sir Edmund Hillary Collegiate Trust – a school board which has been prosecuted in relation to an incident in which a caretaker fractured his neck in a fall from height.</li> <li>The Hamilton City Council – prosecuted after a worker was killed at the Hamilton Zoo by a Sumatran tiger. The Council was fined \$38,250 and ordered to pay \$10,000 reparation (on top of sums already paid).</li> <li>Lyttelton Port Company Limited – prosecuted in relation to a no harm incident where a worker was tasked to use a faulty cherry picker (weeks after a fatal incident had occurred in similar circumstances). It was fined \$75,000.</li> </ul>

## Influencing system leadership (align partners, agencies and sector leaders)

<p>Shared goals and initiatives</p> <p><i>With regulatory partners and strategic stakeholders and influencers</i></p>	<p><u>Memoranda of Understanding (MOU)</u></p> <ul style="list-style-type: none"> <li><b>An MOU with Inland Revenue is now operational</b>, enabling information sharing to support prosecutions.</li> <li>WorkSafe is building our relationship with designated agencies and other regulatory partners through discussions regarding policy positions and work plan alignment. MOUs to govern WorkSafe's relationship with NZTA, Maritime NZ, CAA and NZ Police are in development.</li> <li>The need to support WorkSafe's operations with robust policy and the challenges of aligning capacity across multiple agencies are causing delays to the planned work programme of MOUs.</li> </ul> <p><u>Hazardous Substances Implementation (HSI) Project</u></p> <ul style="list-style-type: none"> <li>The joint WorkSafe/MBIE/Environmental Protection Authority HSI Project is making positive progress, in particular with planning the work required to deliver the regulatory changes into WorkSafe. Timelines and targets will be updated by MBIE and a report back from WorkSafe and EPA to Ministers will be provided on the Joint IT Options for the Controls Database at the end of October.</li> </ul>
<p>Workplace health and safety system mapping</p> <p><i>Identify leverage points and parties involved to help others understand the systems, skills and shared interests</i></p>	<p><b>Work on this initiative is less advanced.</b> The high level Health and Safety at Work Strategy framework and performance system will be discussed by the Board in November. This will support early development work for the new Health and Safety Strategy.</p>
<p>Māori Strategy Maruiti 2025</p> <p><i>Leadership and governance; Māori operating model; value and recognition for Māori roles;</i></p>	<p><b>Good progress has been made on the delivery of Te Timatatanga</b>, year one of Maruiti, which sets out two goals:</p> <ol style="list-style-type: none"> <li>Build internal Te Ao Māori capability and capacity to lead delivery.</li> <li>Reduce the Māori contribution (29%) to injuries requiring more than a week away from work by 4.8%.</li> </ol>

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and engagement models with Māori

- The National Māori positions have been filled and the three Māori champions are being established. The Maruiti Advisory Group has also been established to ensure Māori initiatives are aligned to the Maruiti outcomes.
- A draft Kaupapa Māori training programme has been developed to build Te Ao Māori capability for the leadership team and all staff. A WorkSafe Te Ao Māori learning digital application (Te Kete Maruiti) has also been approved for delivery for WorkSafe staff.
- A Te Ao Māori Marae-based Health and Safety learning programme has been developed and agreed with ACC, Te Runanga o Ngāti Porou and Forestry owners.
- A Māori business owner-led water and drainage infrastructure is being promoted on WorkSafe's website for its Tikanga-based Health and Safety approach.
- A strategic Crown-Iwi engagement model is being developed to lead the Māori work programme with Iwi, Hapu and whanau.

**Building overall health and safety system capability (workforce development, worker participation)**

Worker engagement, participation and representation (WEPR)  
*Educating about what effective engagement and participation look like and ways to put HSWA responsibilities in practice. Begin working in partnership with Iwi to strengthen WEPR for Māori. Engagement with social partners and stakeholders to gather more information and insights.*

**We continue to strengthen the way our engagement, education and regulatory activities support WEPR in health and safety.** This includes:

- Internal initiatives to orient operational guidance, policies and practice to support businesses, workers and representatives to communicate, share responsibility and collaborate to control risk.
- Developing further WEPR educational material and case studies for our website, sector roadshows and newsletters, social media, unions and presentations at the HASANZ conference and by regional staff.
- Engagement with social partners and stakeholders on ways to support WEPR, including major public sector organisations.
- Field research around New Zealand on the health and safety support needs of HSRs and health and safety managers.
- Embedding stronger WEPR as an objective of *Healthy Work* and HRAP.

Workforce development  
*Workforce development plan, opportunities to influence education and training, support to HASANZ*

**We continue to progress workforce development initiatives;** these are being delivered with stakeholders from the education and training sector.

Workforce Development plan

Several workforce development initiatives to build capability within the workplace health and safety system have been delivered or are underway, for example:

- Contributing to the Targeted Review of Health and Safety Qualifications (including level 3 and 4 qualifications registered to the New Zealand Qualifications Framework) and Unit Standards review – ensuring robust health and safety qualifications (for example hazardous substances unit standards).
- Contributing to delivery of four new asbestos unit standards, ensuring there is measurable training for workers removing, supervising and assessing the handling of asbestos in New Zealand – these are now going through the registration process.
- **Successfully completing the HSR transition training period**, training a total of 9,025 existing HSRs to HSWA requirements.
- Using the platform of HSR transition training on HSWA requirements to look at ways to support HSRs (also a WEPR initiative).
- Continuing support of HASANZ and delivery of the register of health and safety professionals.
- Delivering the NZISM accreditation project.
- Supporting the delivery of the health and safety literacy and numeracy programme led by the Tertiary Education Commission and exploring opportunities to improve workplace health and safety literacy and numeracy.
- Contributing to the Massey University review of the Graduate Diploma OSH.

Health and Safety Association of New Zealand (HASANZ)

**The inaugural HASANZ conference took place over 8-9 September** at Te Papa in Wellington, with WorkSafe as the main sponsor. The conference attracted over 400

	<p>attendees over the two days and was very well received by conference delegates. The conference also included a Parliamentary Reception hosted by Minister Woodhouse. Gordon MacDonald's keynote speaker session at the end of the conference highlighted how a change in culture will create compliance and reflected on the changes in attitude and behaviour that WorkSafe has seen over the past two years as New Zealand moves into a new attitude on health and safety at work. The next conference is expected to be in 2018.</p> <p>HASANZ has appointed an IT project manager to assist with the HASANZ register of workplace health and safety professionals project. Procurement documentation to source a software vendor to build the website and database has been prepared and will be released in mid-October. The register is expected to be live in mid-2017.</p>
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## Implementing the new regulatory framework

<p>HSWA implementation and embedding</p> <p><i>Operational policy and external guidance</i></p>	<p>WorkSafe has been developing the material needed to embed HSWA. <b>Internally we have developed multiple operational policies with detailed guidance material and supporting training activities for our inspectors.</b> Material is accessed via our Practice Framework internally and on our website externally, highlighting our Enforcement Decision-making Model and processes. This work will continue in Q2 along with implementation of a Quality Assurance Framework.</p> <p>External guidance has been developed to support organisations to implement and embed HSWA, as well as to support specific industries. The majority of initial documentation identified as required to support the implementation is now published. Planned activity is regularly reviewed to ensure deliverables meet the needs of our audience.</p>
<p>HSWA duties</p>	<p>HSWA has been in force for six months. <b>WorkSafe is reviewing its interim approach to implementation</b>, and will be considering when we expect duty-holders to fully meet all new duties under HSWA.</p>
<p>Inspectorate and HSWA</p> <p><i>Alignment of practice, procedures and assessment tools</i></p>	<ul style="list-style-type: none"> <li>▪ See <i>HSWA implementation and embedding</i> above for Practice and Quality Assurance frameworks and Enforcement Decision-making Model integration.</li> <li>▪ <b>Over Q1 a number of WorkSafe inspectorate staff have been seconded to roles</b> supporting development of practice, procedures and assessment tools, including contributions to the QA Framework and continued refinement of our transitional approaches.</li> </ul>

## Consolidating our organisation

<p>WorkSafe consolidation</p>	<p><u>Organisational Strategy</u></p> <ul style="list-style-type: none"> <li>▪ <b>WorkSafe has made excellent progress implementing phase one of the Organisational Strategy.</b> A Maturity Model has been developed as part of the Funding Review, we have developed a clear operating model across our education and engagement functions and we have continued to build learning system foundations (data, intelligence, ICT, technical capabilities and performance measures).</li> </ul> <p><u>Awhina</u></p> <ul style="list-style-type: none"> <li>▪ See <i>ICT system</i> above.</li> </ul> <p><u>Inspectorate development</u></p> <ul style="list-style-type: none"> <li>▪ The focus in Q1 has been on delivering HSNO training to develop Inspectorate hazardous substance capability and enable all inspectors to be double-warranted before the new Hazardous Substances Regulations come in in 2017.</li> <li>▪ Behavioural Good Practice training for experienced Inspectors has continued with the delivery of Advanced Assessment Good Practice and briefings for managers. Litigation Process and Mock Trial Training for Investigations-experienced Inspectors continues.</li> <li>▪ Our 12<sup>th</sup> cohort commenced their six month HSWA Identity Card training.</li> </ul> <p><u>Review of Response functions</u></p> <ul style="list-style-type: none"> <li>▪ In Q1 WorkSafe invested in a comprehensive review of our Response functions. This business function is critical to WorkSafe responding effectively and efficiently to health and safety matters and enabling sound choices to be made in managing</li> </ul>
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	<p>risks and deploying resources.</p> <ul style="list-style-type: none"> <li>▪ <b>WorkSafe is scoping a programme of work to make system-wide improvements to Response functions.</b> This will include future-proofing, including effective use of digital channels, intelligence sources, current resources and engagement with third party providers (MBIE Service Centre and after-hours service, including scene clearance/ preservation). Q2 will focus on internal response workflows, triage choices, services on general enquiries and fine-tuning of the after-hours function.</li> </ul>
<p>Targeted Independent Review (TIR)</p> <p><i>Progress against recommendations</i></p>	<p><b>Overall, WorkSafe has made steady progress against the commitments made in our TIR response.</b> Major work includes:</p> <ul style="list-style-type: none"> <li>▪ Leveraging education and engagement opportunities associated with implementing HWSA, particularly providing information and support to the public about what the changes mean for them.</li> <li>▪ Developing the HRAP with ACC, the <i>Healthy Work</i> strategy and the <i>Maruiti 2025</i> Māori strategy.</li> <li>▪ Supporting the Funding Review and undertaking organisational structure changes which are helping WorkSafe to bed in its whole-of-organisation functions and reach a more steady state.</li> </ul>
<p>Fees and Levy Review and Funding Review</p>	<ul style="list-style-type: none"> <li>▪ Cabinet agreed to the package of fees and levies for the Major Hazard Facilities (MHF) regime in June. Policy processes to implement the fees and levies continues.</li> <li>▪ <b>MBIE is working towards a Cabinet paper with funding recommendations and WorkSafe is preparing an initiative for Budget 2017.</b> WorkSafe is supporting this work by providing information and cost/benefit analysis work that will accompany the Cabinet paper.</li> <li>▪ The Value for Money and Better Administrative Support and Services reports have been received and are also being used to support the Funding Review.</li> </ul>

# FOCUS FOR NEXT QUARTER

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Our focus in Quarter 2 will include:

## *External-facing*

- Developing *Harm Reduction Action Plan* programmes with ACC, including finalisation of the Partnership Agreement and Investment framework.
- Continue delivering on work-related health initiatives under the *Healthy Work* Strategy.
- Developing and implementing the Hazardous Substances work programme.
- Progressing our User Experience Strategy and reviewing, with MBIE, the operation of the Call Centre.
- Further progressing the Guidance and Education Development Tranche 2 work programme

## *Internal-facing*

- Welcoming our new Chief Executive, Nicole Rosie, and embedding the recent organisational restructure changes.
- Progressing the Funding Review with MBIE.
- Continuing the ICT Business Capability Programme, including pilots in assessment and investigation teams from October.
- Commencing Guidance and Education Development work to support the High Hazards work programme.

# HEALTH AND SAFETY IMPACTS

## Absolutely Essential Health and Safety Toolkit for Construction

This Toolkit identifies common health and safety issues on small construction sites. It helps PCBUs manage these issues or avoid them to ensure the health and safety of everyone on or around a worksite, including workers, clients and the public.

1,453 people responded to a survey (run by Nielsen for WorkSafe and ACC) to identify how the toolkit is being used and what impact it is having on health and safety. This provides good insights for WorkSafe and ACC to produce similar products in the future so that more people in workplaces are confident about their obligations, understand how to comply and have the skills and knowledge to keep healthy and safe.

Overall, the results show the Toolkit is well used and making a difference to health and safety on construction sites. Key results from the survey were:

- **The Toolkit is hitting its mark.** 58% of people (workers, employers and self-employed) said they had at least looked at or seen the Toolkit, and eight in ten of these people (79%) had read at least some of it or referred to it. Half of those surveyed said they had a personal copy.
- **The Toolkit is a catalyst for change.** 97% of people who had at least looked at or seen the Toolkit had taken action or made changes since getting or seeing the Toolkit:
  - most common actions were referring to the checklists (58%) or taking steps to improve health and safety (47%)
  - on average, the number of actions taken or changes made was 3.6, which shows the Toolkit is definitely having a positive impact on those who have seen it.
- **Current content meets users' needs.** A few people suggested improvements, which included more information about HSWA and a way to provide updates. Making it physically more robust may encourage more people to carry it around – comments suggested that people were concerned that the Toolkit would not last if it was carried around and they did not think they could get a replacement for it.
- **Hard copy and mobile format is preferred.** The two most preferred formats for resources like the Toolkit were the current hard-copy format (preferred by 78% of all survey respondents), particularly those aged 50 years and over, and a mobile phone or tablet app (46%), particularly those aged under 50. Comments suggested that hard copy needs to be available for those who do not have smartphones or are not permitted to use phones on site. An app also would need to work offline, as some sites have no Wi-Fi access.
- **Trade suppliers are an easy way to get the toolkit to those who need it.** Getting the Toolkit through a trade supplier was considered the easiest way to obtain a copy of the Toolkit (67% of all survey respondents; although only 9% with a copy actually obtained it this way). The results show that it is important to get the Toolkit to the primary audience, i.e. those who do construction work. If the Toolkit is sent to an office as part of a mail out, it may not reach those working onsite.

*"It covers everything I need in my business, it's the right size and well made. Real easy to flick to the area needed and get a handle on what I need to do to comply. Well done with this aid."*



# ENABLERS AND RESOURCES

## Staff (as at 30 September 2016)

Total people by Group					
Operations and Support	302	High Hazards and Energy Safety	57	Legal	16
Better Regulation	72	Corporate Services/Finance	36	Communications	5
Strategy and Performance	59	Human Resources	21	Office of the Chief Executive	2
<b>Total</b>	<b>570</b> (495 Permanent/Temporary Employees; 72 Contractors; 3 Employees yet to start)				

## Inspectorate\* (as at 30 September 2016)

	Chief Insp	Managers	Inspectors	Assistant Insp	Trainee Insp	Duty Holder Review Officers	Admin Support/ Others	Total
Response & Investigations	1	9	34	7	5	6	11	73
Assessments – Northern	1	6	28	8	1	-	7	51
Assessments – Central	1	8	39	8	-	-	10	66
Assessments – Southern	1	7	27	9	2	-	6	52
Secondees	-	-	10	1	-	-	-	11
<b>TOTAL</b>	<b>4</b>	<b>30</b>	<b>138</b>	<b>33</b>	<b>8</b>	<b>6</b>	<b>34</b>	<b>253</b>
<b>185 Health and Safety Inspectors</b>								

## Inspector current warrant status

	No Warrant	HSWA Warrant only	HSWA and HSNO Warrant	Total
Response & Investigations	11	19	22	52
Assessments – Northern	1	12	24	37
Assessments – Central	-	20	27	47
Assessments – Southern	2	16	20	38
Secondees	-	4	7	11
<b>TOTAL</b>	<b>14</b>	<b>71</b>	<b>100</b>	<b>185</b>

\* Excludes High Hazards Unit (21 Inspectors).

## Finance

The year to date position is a \$2.05m surplus, compared to a planned deficit of \$1.72m. The result is split as follows:

- Workplace Health and Safety– \$2.0m surplus against \$1.7m planned deficit
- Energy Safety – \$0.05m surplus against \$0.02m planned deficit.

Expenditure has been slow in Q1 owing to the timing of activities and is expected to pick up as we move further into the financial year. WorkSafe forecasts that the current YTD actual surplus of \$2.05m will move to a deficit position and will mostly likely exceed the originally planned \$2.15m year-end deficit. This is mostly due to MBIE/Treasury indicating the \$11m capital to operating swap is unlikely to occur until 2017/18. The estimated year-end position also assumes WorkSafe exploring the option of deferring the offsetting \$9.5m capital injection planned in 2016/17 due to the delay in the capital to operating swap.

Financial Performance (1 July 2016 to 30 September 2016)					
\$000	YTD Actual (Q1)	YTD Budget	Variance	Estimated Outturn (year-end estimate)	SPE Budget
<b>Revenue</b>					
Revenue Crown	21,847	21,898	(51)	86,492	87,592
Interest Revenue	158	45	113	460	180
Other Revenue	894	1,425	(531)	7,675	7,803
<b>Total Revenue</b>	<b>22,899</b>	<b>23,368</b>	<b>(469)</b>	<b>94,627</b>	<b>95,575</b>
<b>Expenditure</b>					
Personnel & Contractors	13,925	16,200	2,275	61,470	60,841
Other Expenditure	6,659	8,629	1,970	35,679	1,739
Depreciation	215	224	9	1,175	145
Capital Charge	47	33	(14)	123	35,000
<b>Total Expenditure</b>	<b>20,846</b>	<b>25,086</b>	<b>4,240</b>	<b>98,447</b>	<b>97,725</b>
<b>Surplus/(Deficit)</b>	<b>2,053</b>	<b>(1,718)</b>	<b>(4,709)</b>	<b>(3,820)</b>	<b>(2,150)</b>

Changes in Equity (as at 30 September 2016)			
\$000	YTD Actual (Q1 16/17)	Estimated Outturn (year-end estimate)	SPE Budget
Equity at beginning of year	22,511	22,511	20,531
Capital contribution	-	-	9,552
Capital withdrawal	-	-	(11,000)
Net Surplus/(Deficit)	2,053	(3,820)	(2,150)
<b>Equity as end of the period</b>	<b>24,564</b>	<b>18,691</b>	<b>16,933</b>

<b>Summary Balance Sheet (as at 30 September 2016)</b>			
<b>\$000</b>	<b>YTD Actual (Q1 16/17)</b>	<b>Estimated Outturn (year-end estimate)</b>	<b>SPE Budget</b>
<b>Assets</b>			
Cash and Bank	23,148	9,486	7,652
Debtors	944	310	500
Fixed Assets	11,638	18,747	18,581
<b>Total</b>	<b>35,730</b>	<b>28,543</b>	<b>26,733</b>
<b>Liabilities</b>			
Creditors and Payables	5,709	5,345	4,600
Employment Liabilities	5,457	4,507	5,200
<b>Total</b>	<b>11,166</b>	<b>9,852</b>	<b>9,800</b>
<b>Equity</b>			
Opening equity	22,511	22,511	20,531
Capital contribution	-	-	9,552
Capital withdrawal	-	-	(11,000)
YTD Energy Safety Surplus/(Deficit)	50	(404)	96
YTD Workplace Health and Safety Surplus/(Deficit)	2,003	(3,416)	(2,246)
<b>Grand Total</b>	<b>24,564</b>	<b>18,691</b>	<b>16,933</b>