

WorkSafe

TE PŪRONGO O MAHI HAUMARU AOTEAROA

1 January – 31 March 2023

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Quarter 3 at a glance

This report has been reorganised to reflect and incorporate:

- the renaming of some of Hoe Nuku (strategic priorities),
- new content (update of the strategic baseline programme and system performance).

Key performance updates

- **19 out of 22 targets from the Statement of Performance Expectations were met.** Based on performance this quarter, WorkSafe expects to achieve 19 out of 22 targets (86%) for 2022/23.
- All OIA responses have been completed on time.
- Our six Hoe Nuku programmes are rated as follows:
 - Progressing as planned - **Support the worker voice** (Worker Engagement, Participation and Representation (WEPR)), **Promote good work design** (Working Closer to the Source of Influence and Control).
 - Progressing with some risks - **Reduce harmful exposures** (Carcinogens and Airborne Risks), **Protect people from machines** (Plant and Structures), **Digital Transformation** and **Ngā Paiaaka** (strengthen our own operations).
- There were 746 FTEs in Q3, an increase of 46 FTEs compared to Q3 2021/22 (700), and a decrease of 16 from 762 in Q2 2022/23.
- The inspector ratio per 100,000 employed persons continued to decrease (8.4 in 2013 to 6.3 in Q3, 2023). WorkSafe is considering options to increase the ratio of inspectors back to 8.4 over time.
- Staff turnover for the 12 months to Q3 was 16.4%. This is a slight decrease from 17% in Q2.
- WorkSafe has a year-to-date surplus of \$2.4m compared to a budgeted deficit of \$5.3m. This has been driven by slower spend than budgeted in the areas of specific funding e.g., Energy Safety, Plant and Structures and Whakaari. Core Health and Safety Levy has a year-to-date deficit \$3.4m and actions are in place to manage this by year end.
- In January, we reported that *"Analysis of data held by WorkSafe suggests that the overall trend in fatalities over the past decade can be decomposed into a slight upward trend in transport-related fatalities and a slight downward trend in the rate of non-transport fatalities"*.

From this quarter, the latest annual fatality data (broken down by month) is going to be included in this report.

- A programme of work to address the findings and implement recommendations the **Strategic Baseline Review** is underway. Key deliverables critical to full implementation of the review's recommendations and development of a sustainable funding bid are broadly on track.

What's happening at WorkSafe?

- As part of the Solicitor-General's general oversight function for all criminal prosecutions, Crown Law has commenced a review of WorkSafe's prosecution function. Several government agencies have undergone similar reviews. The review will consider all aspects of our prosecution and is expected to be completed by November 2023.
- The new organisational structure was implemented on 3 April. Recruitment for three Deputy Chief Executives has taken place all have now been appointed.

What's coming?

- The **Statement of Performance Expectations 2022/23** will be published by 1 July 2023.
- The **Whakaari/White Island trial** has been set down for 10 July 2023 in Auckland and is expected to last four months. There have been some recent applications by various defendants:
 - ID Tours Limited, one of the operators selling tickets to visit the island, applied to have the charge against it dismissed. This application was declined on the basis that ID Tours Limited owed an obligation to customers, for the role it played as part of a commercial supply chain.
 - GNS applied to have the charge against it heard on its own. The District Court refused, stating that a separate trial would have to occur late into 2024 and a further delay was not appropriate.
 - The National Emergency Management Agency (NEMA) applied for court costs (approx. \$800,000) after having the charge against it dismissed. The Court awarded \$40,000 in costs as the charge against NEMA turned on the interpretation of an issue that had not previously been argued in the New Zealand, and there was no bad faith.

Delivering our strategy

This section is based on the Statement of Performance Expectations 2022/23 (pages 12-14) which supports the Statement of Intent and provides a more detailed plan, including the key priorities and information of what WorkSafe intends to achieve during 2022/23.

Focus areas in 2022/23

1. Targeting our efforts

1.1 Health and Safety at Work Strategy 2018-28

Forestry Circuits Tairāwhiti, Southern and Tai Tokerau

The second Forestry Circuit was undertaken in the Southern region in this quarter. Nine inspectors participated including staff with specialised Māori engagement skills. Twenty-five assessments were undertaken which resulted in fifteen enforcement outcomes. Engagement with industry sector, community groups and Iwi to feedback outcomes has been undertaken and this will help inform the planning approach for the third Forestry Circuit in Tai Tokerau in April.

Harm Reduction Action Plan

Work is progressing to agree a new Harm Reduction Action Plan which is expected to be finalised in Q4. The next plan will signal areas where WorkSafe and ACC will collaborate to maximise impact and look to align with the work MBIE is undertaking to revise the health and safety system performance indicators.

1.2 Supporting effective delivery of system and regime changes

Safe Work Instrument for Competency in the Extractives Industry

Consultation with the extractives industry is planned to commence in April. Once this is completed, the legal team will review and finalise the Safe Work Instrument to meet the 18 July deadline when the certificates of compliance will be required.

2. Influencing health and safety at work practices

2.1 Developing Better Work practices

WorkSafe has developed a prototype resource hub that explains what *BetterWork* is. This will incorporate input from workplaces where related practices have been adopted as well as feedback from New Zealand health and safety professionals.

Over 200 people and businesses attended the launch events for *Docket* in February. This is a free online tool which provides a supply chain sustainability self-assessment for businesses over six key areas: workers' rights, modern slavery, worker health and safety, carbon emissions, reducing waste, and regenerating nature. This was developed in partnership with private and public

entities including WorkSafe, Employment NZ and MBIE and is hosted by the Sustainable Business Network.

2.2 HSWA training for our regulatory partners

WorkSafe's Regulatory Practice team hosted a one-day intensive training session on the HSWA for the Civil Aviation Authority and Maritime New Zealand legal teams. This cross-agency training was designed to improve the understanding of key concepts and application of HSWA and awareness as to how agencies can work together to enforce the act.

2.3 Faculty of Asbestos Management for Australia and New Zealand (FAMANZ) conference - "Collaboration is Key"



WorkSafe attended the FAMANZ Asbestos conference which was opened by Minister Wood and was attended by around 150 participants mainly from Australasia. WorkSafe presented on Challenges in the Asbestos Industry – Regulator's Perspective; and addressed the findings of New Zealand Demolition and Asbestos Association Report.

2.4 Giving particular emphasis to vulnerable groups

Puataunofu Come Home Safely education programme – supporting workplaces to implement culturally appropriate health and safety training for their workers.

- 15 workshops were completed, reaching 284 workers in produce, manufacturing and property maintenance sectors.
- Plans for Puataunofu 2.0 Pasifika Youth has been completed and submitted to the Governance and Leadership for ACC Delivery Group.
- The business proposal for the Train the Trainer component of Puataunofu (to be piloted with Kainga Ora) is progressing in design phase.

Pasifika Responsiveness Plan

- Report related to the community engagement fono held last quarter has been completed and shared with the participants, as well as reviewed by senior leadership.

- We are working on upstream focus activities which includes working with high schools, community and church groups, and tertiary schools, with workshops planned for AUT and MIT trade courses.
- Pasifika facilitator to deliver Hawke's Bay RSE workshop for apple and pear growers has been secured. The workshop will look at interventions with apple and pear growers and attempt to gain commitment from industry to co-design, pilot and implement further workshops.
- Due to the flooding in Auckland, WorkSafe partnering with Auckland metro health primary health organisations (PHOs) and others to focus on connecting Pasifika female workers with better health and wellbeing has been deferred.



The Pasifika team attended the ASB Polyfest event in Auckland to connect with Pasifika youth with the key message 'Raise our voices' and promote engagement with WorkSafe and health and safety at work.

Maruiti strategy: Kaupapa Māori harm prevention and Māori Crown relationships

- Initial conversations relating to harm reduction work in Te Matau-a-Māui with Ngāti Kahungunu have been positive with senior Kahungunu Runanga leadership showing an interest in developing a partnership agreement.
- Regional plan 'Te Kawa a Hangarau' is underway with Iwi, industry, Rūnanga and relevant local Govt departments. The first Wānanga Poumahi for Te Kawa a Hangarau is taking place on April 5, 2023, and additional community resources are being sourced to support Te Kawa a Hangarau to co-designing a series of leadership wānanga over 12 months.

3. Delivering core regulatory services productively and effectively

Targeted Complex Intervention- Talley's Group (TGL)

WorkSafe attended the TGL Governance Advisory Board on 30 March. The information gained at this meeting has allowed WorkSafe to finalise the monitoring and measurement approach. TGL will be briefed on the monitoring plans and schedule in early May enabling transition to the monitoring phase.

Joint work plan with Kāinga Ora

WorkSafe has been undertaking installation audits at Kāinga Ora development sites. The next tranche of projects will be to pilot a train the trainer model for delivery of the Puataunofu programme with the Pasifika Responsiveness Team and a project to explore site-based reporting of health and safety performance.

WorkSafe and Maritime NZ co-ordinated approach

The continued assessment activity at 13 international Ports focussing on risks associated with traffic management, machinery, loading and stacking and worker representation. Monthly meetings with the Port Industry Association have been established to share knowledge.

WorkSafe is supporting MBIE regarding a proposal to widen Maritime New Zealand's designation under HSWA to become the designated health and safety regulator at commercial ports that provide cargo-handling services for containers, logs, and/or bulk cargo.

Auckland Tunnels: City Rail Link and Central Interceptor

WorkSafe is involved in these projects to grow awareness as to WorkSafe's role in health and safety as well as our expectations for government when leading projects of this scale. WorkSafe will attend the City Rail Link Board Meeting early next quarter.

4. Building our capability to deliver effectively

4.1 Evidence based delivery and prioritisation

Complete the Pūmahara project to inform regulatory decision making

There have been issues deploying the first iteration of Pūmahara to the production environment which have now been resolved. General user testing can now commence. June is the planned target date for the general user launch.

New report on Construction Health and Safety by Design

WorkSafe contributed to the research report, Improving Health And Safety Outcomes For The Construction Sector Through Better Design Practice And Safety Outcomes, which was published on chasnz.org. This report will provide a benchmark to other countries looking at similar approaches for their construction sectors and may be adopted for other industries such as forestry and agriculture.

Forestry

WorkSafe's upstream forestry project commenced with:

- A revision of our forestry approved code of practice guidance products.
- Finalising an industry-wide model contract to improve work conditions through improved planning.
- Continuing work with MPI on the development of practice standards for the Log Traders & Forestry Advisors Amendment Bill.

Thriving Infrastructure / Construction Sector Accord update

The Construction Sector Accord accepted a WorkSafe proposal for a Thriving Infrastructure Project in November 2022 and has agreed funding of \$286,000 for phase 1 of the project which will involve stakeholders' participation in innovation trials to tackle complex societal challenges.

Manufacturing

A proposal to Metals NZ Board has received support to develop a partnership. The work will leverage the Advanced Manufacturing Industry Transformation Plan.

Working in and around Vehicles

- WorkSafe engaged with three trucking associations and a key insurer to developing an approach to changing health and safety culture within the sector.
- WorkSafe is assisting Waka Kotahi with the development of the National Road Safety Collaboration Partnership Programme.
- Work with the Livestock sub-sector continues in relation to introducing standardised contracts.

Health and Safety by Design

WorkSafe has worked with the Health Quality & Safety Commission and ACC on the release of the e-learning modules which is targeted to healthcare sector.

4.2 Delivering our core service

Requests under the Official Information Act (OIAs)

In Q3, 146 OIAs were *received* which is 7 less than the 153 *received* in Q2.

All responses in Q3 were *completed* on time. This represents significant progress for the year-to-date.

OIA responded on time

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Number	95	124	200	164	116
%	76%	86%	100%	100%	100%

Implementation of the Strategic Baseline Review

Work to address the findings and implement recommendations of the Strategic Baseline Review continues. Progress over the quarter includes,

- The establishment of a team to deliver a programme implementing the findings and recommendations of the review.
- WorkSafe and MBIE agreement on the programme of work and scope to be delivered, the key workstream and governance arrangements.
- Development of an intervention logic model (ILM) with input from MBIE.
- Preparation for analysis of WorkSafe's activities, priorities, and investment against the ILM has commenced.

Cyclone Gabrielle Response

We have been working with the National Emergency Management Agency, the Civil Defence Emergency Management Groups, and local councils, which are leading the recovery from Cyclone Gabrielle. WorkSafe is taking a proportionate approach to any issues of concern, being mindful of the difficulties that businesses are experiencing. We focused on engagement and education in the first instance and developed a suite of guidance that included working with contaminated soil, using portable generators, asbestos safety, preventing and cleaning up mould. Our work included processing exemptions from regulations for impacted businesses, as required. During Q3:

- WorkSafe held a wānanga in Gisborne to coordinate health and safety approaches for the removal of wood debris, re-entry into forest worksites, windthrow clean-up and working in contaminated and shifted terrain.
- WorkSafe has undertaken an online session for the general inspectorate on the topic of excavations to ensure inspectors have all the expertise required to work in Cyclone affected areas.

Other initiatives

Work-related Musculoskeletal Disorders (WRMSDs)

- WRMSD's classification report is ready for consultation – this will define the revised dataset for WRMSDs reporting.
- Work has commenced to:
 - Build horticulture and construction industry resources.
 - Work with NZDF data related to anthropometry (the measurements and proportions of the body) to create usable New Zealand data tables.

Mentally Healthy Work (MHW)

- Delivery of the Executive Leaders/Senior Managers and Health and Safety Practitioner Mentally Healthy Work training programmes has commenced. This project involves a partnership between WorkSafe and the Government Health and Safety Leads.
- Engagement with Health Protection Officers throughout the country is ensuring that HSWA section 199 notifications are being received for notifiable illnesses and exposures. Related trends are tracked, and responses planned. For example, a significant proportion of notifications relate to blood lead levels. Therefore, we have provided guidance and education exposures.
- WorkSafe has received 418 MHW notifications since the MHW team was established in January 2021.

MHW Notifications received

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Health	9	132	148	172	141
MHW	34	56	54	84	56
Total	43	188	202	256	197

System performance

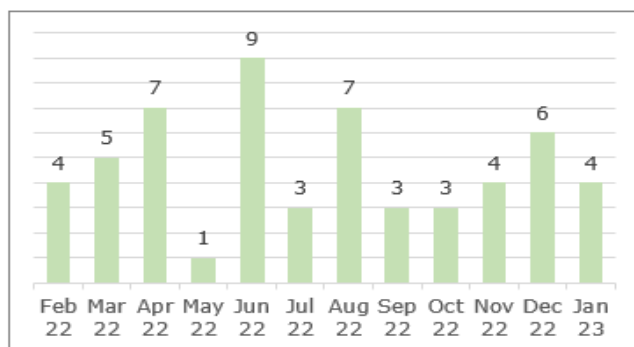
WorkSafe is supporting MBIE to revise new health and safety system targets with a two-tier proposal developed consisting of:

- Establishment of national targets to be in place by mid-2023 using similar acute injury indicators to those in place for the 2020 targets, supplemented by incorporation of data relating to work-related health outcomes.
- Establishment of secondary targets, aimed at focusing efforts in those areas where the greatest gains can be made.

It is expected that these targets will provide an opportunity to enable industries, workers, and other groups to understand how they can contribute to national outcomes.

Key indicator: Fatalities between February 2022 to January 2023 as at 3 April

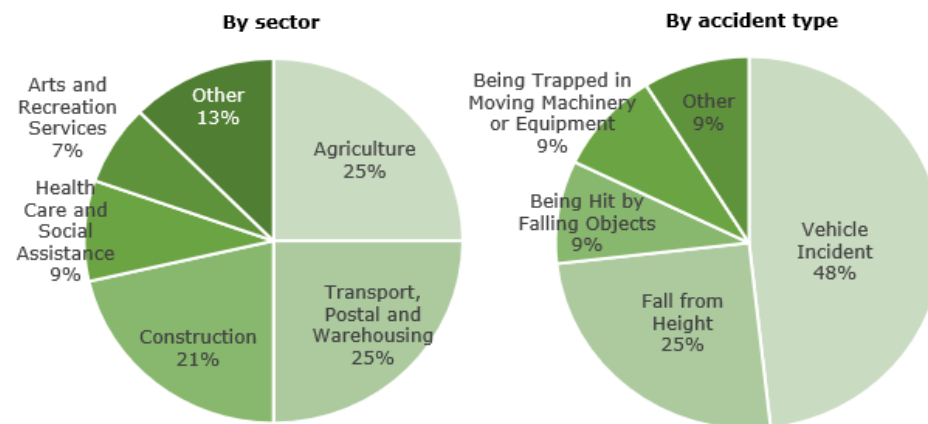
This is a single work-related fatalities dataset, combining notifications to WorkSafe and data from other agencies. It provides a whole-of-system picture of New Zealand’s health and safety performance.



The graph: *includes* workers who die from injuries while working and members of the public who die as a result of someone else’s work activity, and *excludes* deaths from natural causes, self-harm and occupational disease.

Due to an update to the ACC System, there is an additional lag on the approximately 10% of claims managed by accredited employers. This percentage can vary significantly from industry to industry. As a result, fatal claim counts from August 2022 onwards may appear lower than normal.

Breakdown by sector, accident type and age group



By age group

	<20	20-29	30-39	40-49	50-59	≥60
Number	2	7	6	8	9	24
%	4%	13%	11%	14%	16%	43%

Key findings from analysis and our activities to mitigate harms

Seven years of collecting data has shown long-term downward trends in most work-related injuries, except for injuries resulting in more than a week away from work, which have steadily increased over the past decade. Other themes are being addressed by WorkSafe in many areas but efforts to specifically address the harm highlighted include:

- Vehicles are the primary cause of more than half of work-related fatalities, with vehicle-related accidents on farms being the single most common cause - Working in and around Vehicles Programme.
- There continues to be fatalities and serious injuries from eminently preventable causes such as falls from height, workers being struck by falling objects, or being trapped in machinery - Protect People from Machines Programme.
- Official data shows that Māori workers have a significantly higher rate of serious non-fatal injuries than non-Māori – Maruiti Strategy.
- Musculoskeletal injuries account for a dominant and increasing proportion of injuries resulting in more than a week away from work - Work-Related Musculoskeletal Disorders Programme.

Hoe Nuku

Hoe Nuku (Strategic priorities) are the six initiatives/programmes of work that we are prioritising now and in the immediate future. By doing this we will be able to make a larger short-term impact for Aotearoa as we work to transform the organisation over a longer period of time.

Hoe Nuku	Status			Q3 update
	Q1	Q2	Q3	
<p>Support the worker voice</p> <p><i>Help workers drive change and influence work health and safety.</i></p>	●	●	●	<p>Work is underway to progress scoping phase 2 which is an integrated whole of organisation approach to WEPR. The updated project management and delivery plans are to be submitted to governance in July 2023.</p> <p><i>Health and Safety Representatives (HSR) Delivery Project:</i></p> <ul style="list-style-type: none"> • HSR e-newsletter 'NOW' distributed and received the highest 'open rate' of E-newsletters sent by WorkSafe in February. • HSR Connection Point operating with over 600 HSRs now signed up in pilot phase – an increase of 165 from Q2. • Business case for new platform under development with Digital Transformation. • Further HSR role clarity guidance and HSR Development Lead evaluation published. <p><i>WEPR Discovery Project:</i></p> <p>This project gathers information from workers to build harm reduction interventions.</p> <ul style="list-style-type: none"> • Testing of WEPR Vision and Pledge material is complete and being consulted. • WEPR in Te Ao Māori discovery paper draft has been published and is in consultation with stakeholders.
<p>Promote good work design</p> <p><i>Stop work harm before it happens.</i></p>	●	●	●	<p>Planning is underway across the priority high risk sectors including construction, forestry, and healthcare with emphasis on support for internal capability development, clarification of regulatory intervention options and alignment of operational activity with a particular focus on the worst performing PCBUS.</p> <ul style="list-style-type: none"> • An analysis of the legal basis for this work has been completed and a position statement is being developed. • The Better Governance report was delivered by the Business Leaders Health & Safety Forum along with support from Institute of Directors, ACC and General Manager Safety Forum and with funding from WorkSafe. This concluded Phase 1 of the project.
<p>Reduce harmful exposures</p> <p><i>Reduce cancer and respiratory disease caused by dusts and chemicals.</i></p>	●	●	●	<p>! The programme is experiencing resourcing risks</p> <ul style="list-style-type: none"> • A briefing was provided to the Minister on our commitment to take firmer action with businesses that do not manage respirable crystalline silica risks. Monthly updates will be provided to the Minister. • We are working with MBIE on regulatory options for the engineered stone industry. This is due with the Minister by 30 November. • A pilot study led by the Ministry of Health to increase access to the Accelerated Silicosis Assessment Pathway is now underway. • The carcinogens and airborne risks portal of resources for inspectors are completed and can now be accessed. • Commencement of a programme of work to improve management of hazardous substances at timber treatment sites, and to ensure compliance with the Hazardous Substances Regulations and other relevant legislation.
<p>Protect people from machines</p> <p><i>Prevent accidents and injuries caused by machines, vehicles, and structures.</i></p>	●	●	●	<p>! The delayed commencement to the public consultation continues to have a significant impact on the progress and timeframes for the programme. Work cannot progress without greater certainty of the content of the regulations and implementation timing. Once the date for public consultation has been set, the programme can re-plan. It is expected that the delay will have funding implications.</p>

Hoe Nuku	Status			Q3 update				
	Q1	Q2	Q3					
<p>Ngā Paiaka</p> <p><i>Strengthen our own operations and improve how WorkSafe administers its existing regulatory frameworks, empowering our people to be good stewards, and supporting good decision making.</i></p>	●	●	●	<p>Specialist project resources seconded internally to manage the programme have made an improvement. However, issues with the programme’s resourcing continue. To manage these, a proposed reset of a simplified programme structure and incremental delivery approach for its scope to meet the June 2025 completion date is pending approval in April.</p> <p>Despite programme challenges, progress over the quarter includes:</p> <ul style="list-style-type: none"> • <i>Authorisations</i>: The Audit Standard has been revised and is due for provisional approval in April. Final approval and publishing are dependent on the amendments for Adventure Activities regulations that MBIE is leading. This is likely to occur in August however is dependent on MBIE. • <i>Statutory Delegations (SD)</i>: Continues to be on-track to meet the June milestone to complete the end-to-end process work and an implementation plan. • <i>Exemptions</i>: Process design is underway, and an implementation plan is on track for completion in June. Phase two planning activities for implementation of a new team, process and digitisation in Atlas are scheduled for late 2023. • <i>Compliance Certifier Regime</i> project is largely complete, with only the following two outstanding items: <ul style="list-style-type: none"> ○ How WorkSafe works with third parties’ policy: to ensure that WorkSafe can give appropriate support and advice to compliance certifiers (due to be completed by April). ○ Guidance to certifiers related to refusal notifications (due to be completed by August). 				
<p>Digital Transformation</p> <p><i>Provide better services to help achieve better outcomes.</i></p>	●	●	●	<p>! The programme continued to experience resourcing risks.</p> <table border="1"> <tr> <td>MBIE separation activities</td> <td> <p>Work is underway to migrate the following remaining legacy systems from MBIE into the new WorkSafe case management system ‘Atlas’. Progress is as follows:</p> <ul style="list-style-type: none"> • <i>Extractives Notifications and Petrol & Geothermal Notifications</i>: Data has now been migrated from MBIE to WorkSafe and work is now underway to decommission the legacy MBIE system. • <i>Adventure Activities (Notifications and Register) and Energy Safety Customer Relationship Management Tool</i>: These builds are due to commence in April and May respectively. • <i>Remaining forms and registers, including Hazardous Work Notification, Notification of Licensed Asbestos removal and Online Workplace Accident</i>: These builds are due to be completed in June including data migration. • <i>Replacing the MBIE system ‘Guardian’ used by the Inspectorate</i>: This build will be completed in October. However, data migration will be challenging as there are issues separating WorkSafe’s data from MBIE which is being worked through at the present time. </td> </tr> <tr> <td>Other activities</td> <td> <ul style="list-style-type: none"> • <i>WorkSafe Engagement Capture App</i>: This captures and stores data related external engagements. The production release was completed in early April. • <i>Data Management Platform (DMP)</i>: Data from Atlas will be held in the DMP. Data from existing systems in WorkSafe is now in the DMP Production environment. As new registers are migrated from MBIE, WorkSafe will continue data migration activities. </td> </tr> </table>	MBIE separation activities	<p>Work is underway to migrate the following remaining legacy systems from MBIE into the new WorkSafe case management system ‘Atlas’. Progress is as follows:</p> <ul style="list-style-type: none"> • <i>Extractives Notifications and Petrol & Geothermal Notifications</i>: Data has now been migrated from MBIE to WorkSafe and work is now underway to decommission the legacy MBIE system. • <i>Adventure Activities (Notifications and Register) and Energy Safety Customer Relationship Management Tool</i>: These builds are due to commence in April and May respectively. • <i>Remaining forms and registers, including Hazardous Work Notification, Notification of Licensed Asbestos removal and Online Workplace Accident</i>: These builds are due to be completed in June including data migration. • <i>Replacing the MBIE system ‘Guardian’ used by the Inspectorate</i>: This build will be completed in October. However, data migration will be challenging as there are issues separating WorkSafe’s data from MBIE which is being worked through at the present time. 	Other activities	<ul style="list-style-type: none"> • <i>WorkSafe Engagement Capture App</i>: This captures and stores data related external engagements. The production release was completed in early April. • <i>Data Management Platform (DMP)</i>: Data from Atlas will be held in the DMP. Data from existing systems in WorkSafe is now in the DMP Production environment. As new registers are migrated from MBIE, WorkSafe will continue data migration activities.
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Regulatory intervention

Notifications received

The number of notifications related to unsafe conditions increased while the number of injury and illness notifications decreased. COVID-19 notifications remained low. As notifications are driven by the public, we are not always able to explain these changes except in the case of COVID-19 which reflects the removal of the framework.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Injury/illness	617	628	711	859	724
Unsafe conditions	644	599	688	912	1462
Incidents	332	353	414	421	418
HSWA	1,593	1,580	1,813	2,192	2,604
COVID-19	3,001	585	492	60	66
Total	4,594	2,165	2,305	2,252	2,670

Notifications of Concern about Unsafe Conditions include complaints about unsafe work practices or notifications about potentially unsafe conditions. These are not required under the HASWA 2015 but provide valuable information about the health and safety, and sometimes lead to investigations or assessments.

Assessment quality results

Reviewing inspections ensures WorkSafe's regulatory functions are being carried out to expected standards. The table below shows the number of reviews of inspector assessment files that have met the 70% quality assurance and quality control (QA/QC) standard.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Number of reviews	100	116	113	106	146
Pass rate (%)	83%	82%	86%	91%	77%

The QA/QC standard of 70% has been achieved throughout 2022/23.

However, as more reviews (an increase of 38% from Q2) are conducted, more areas for improvement are also identified, resulting in a decrease in pass rate.

The findings highlighted by these QA/QC reviews are used to support the General Inspectorate in increasing their consistency and capability.

General Inspectorate

General Inspectorate assessments and investigations

The General Inspectorate has met its planned delivery expectation for the quarter nationally in terms of achieving one assessment per available day however output has been impacted by flooding and the cyclone.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
HSWA	967	1,490	2,450	2,283	2,177
COVID-19	1,475	73	34	7	2

WorkSafe has identified a small group PCBUs that require further support. It was assessed that some of these PCBUs may require a cultural support in the first instance to help them identify and understand areas of non-compliance on their workplaces. Investigation activity is expected to increase in Q4 as capability building continues.

General Inspectors: Inspector per 100,000 employed persons

When WorkSafe was first set up in 2013, the inspector ratio per 100,000 employed persons was 8.4. Since then, the ratio has decreased over time. The current ratio is 6.3. This is partly due to growth in the number of inspectors not keeping up with growth in the number of employed persons. Currently we have a cohort of 24 inspectors in training and **the ratio is expected to increase to 7.2 in Q4.**

The table below shows the changes in the numbers of inspectors and employed persons.

	2019	Q2 2023	Q3 2023
Trainees included	7.9	6.7	6.3
Trainees excluded	7.4	5.5	5.4
# of inspectors, including trainees	211	190	181
# of employed persons (million)	2.680	2.853	2.855

High Hazards, Energy and Public Safety investigations

Energy Safety investigations have a broad scope. They range from basic enquiries and recording data for monitoring and trend analysis, through to complex, involved investigations for fatalities or major events.

Energy Safety investigations are back to expected levels as industrial action by Fire and Emergency NZ has ended.

High Hazards have made initial enquiries into 6 incidents which have been triaged and do not meet the threshold to be formally investigated.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Energy Safety	130	110	100	59	95
High Hazards*	-	-	-	-	6
Total	130	110	100	59	101

*Covers extractives, petroleum and gas, and major hazard facilities

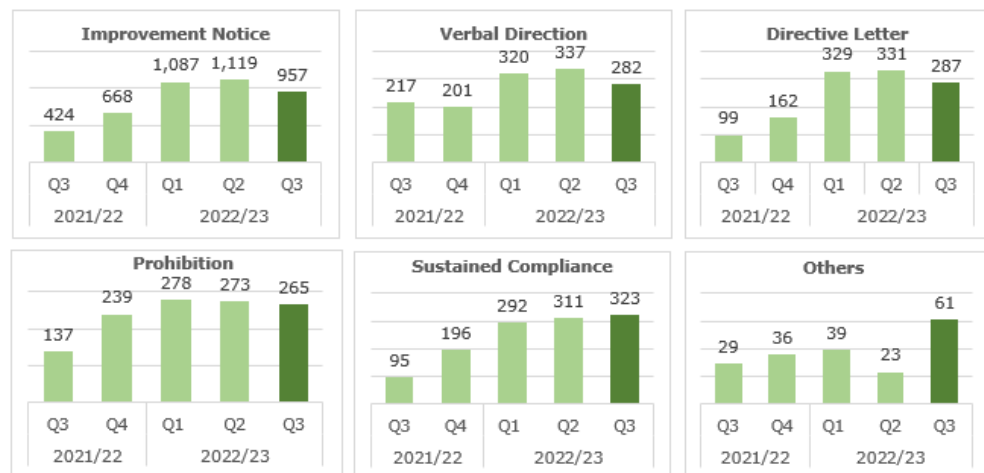
High Hazards, Energy and Public Safety compliance monitoring

Audits carried out by Energy Safety are a mix of in person and phone-based intervention.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Energy Safety Audits	241	321	142	189	119
Extractives Inspections	108	81	81	71	71
High Hazards Inspections	11	26	37	36	21
Total	360	428	260	296	211

HSWA Enforcement activity

There has been a slight decrease in enforcement and assessment activity mainly due to an increase in leave taken and weather events.



The Electricity Act 1992 and Gas Act 1992

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Energy Safety Infringements Issued	5	2	3	2	3
Energy Safety Warnings Issued	18	20	9	4	8

WorkSafe v Gore District Council Prosecution

The *WorkSafe v Gore District Council* prosecution concluded with Gore District Council being sentenced in March. A joint media statement with Water Safety NZ was released highlighting the hazards and risks associated with unfenced ponds.

Specialist Interventions

Specialist Interventions in the Operations Group manage the duty holder review, complex investigations, audit, and enforceable undertakings activities.

Overall, activities in the Specialist Interventions remain steady.

- The number of *Duty Holder Reviews* have dropped below the required level resulting in a change to the triage process to improve results.
- Investigation* numbers remain relatively steady however have been impacted by resourcing capacity, file complexity and effort required on active prosecution files.
- Enforceable Undertakings* are expected to increase as the team, together with the Comms and Media team and Innovations, make a concerted effort to increase understanding and benefits of undertakings to stakeholders.
- We closed one *Regulatory Assurance investigation*, and two investigations are at legal review. We are currently seeking authority to commence a Compliance Certifier investigation.

	2021/22		2022/23		
	Q3	Q4	Q1	Q2	Q3
Duty Holder Reviews	24	18	20	10	4
Investigations	30	27	31	27	33
Enforceable Undertakings	1	3	3	5	3
Audits	3	1	2	0	4
Regulatory Assurance Investigations	9	11	4	20	6
Total	67	60	60	62	50

Statement of performance

The section provides further information about our performance in delivering and achieving **22 service and activity measures and targets** stated in our **Statement of Performance Expectations 2022/23** (pages 16-20). Our performance measures reflect our activities and the success of work we do. They include: the quality, timeliness and effectiveness of our work and asking how well New Zealanders think WorkSafe is doing.

Summary

We have achieved 19 out of 22 targets to date. Of the three targets that are not achieved, one target (measure 2.4) is not going to be achieved at year-end and the other two are also unlikely to be achieved. We are currently forecasting to maintain the current performance at year-end.

Healthy work

The three core activities set out below aim to have the following desired impacts which will, in turn, achieve the 'healthy work' outcome.

- Workers are partners in the health and safety at work system.
- Knowledge and insights inform practice.
- A capable workforce drives sustained health and safety improvements.

	Performance Measure	Target	YTD results
Lead, engage and influence			
1.1	% of partnerships funded by WorkSafe that meet or exceed the agreed partnership outcomes.	100%	95%
1.2	# of collaboratively designed health and safety partnership arrangements established under our Te Ara Tuituinga engagement framework.	≥2	4
1.3	WorkSafe engages with government and industry leadership bodies to promote the integration of health and safety into work planning and design.	Achieved	Achieved
Educate, guide, inform and learn			
2.1	% of people we directly engage with who agree WorkSafe educates.	>65%	57%
2.2	% of people who say our guidance is very useful.	>60%	60%
2.3	% of published WorkSafe guidance that is aligned to one or more of our priority areas: higher risk sectors or industries / cross-sector	≥80%	100%

	Performance Measure	Target	YTD results
	event-types /work-related health exposures /workers at greater risk.		
2.4	WorkSafe informs the public about where health and safety harm is occurring by publishing monthly fatality and notification statistics.	Achieved	Not achieved
Build capability and worker participation			
3.1	# of active health and safety professional workforce development projects that have been co-designed by WorkSafe and the relevant association.	>3	4
3.2	% of WorkSafe assessments that include interaction with a worker or representative where available.	≥80%	93%

Variance explanations

1.1 One of our partners continues to experience delays meeting their milestones. New dates are set but it is unlikely that the target will be met at year-end.

2.1 Due to system and process constraints, this is solely measured on efforts by the General Inspectorate (GI) and no other WorkSafe functions involved with education. GI undertakes education which only forms part of an inspector's role. This measure will be reviewed over 2023/24.

As a part of progressing WorkSafe's Digital Transformation programme, publication of our regular notification statistics was paused between December and February while our new technology systems were implemented. We continued to publish fatality statistics (as well as other statistics) monthly. We have now resumed publication of our notification statistics and expect that they will be up to date as at the end of June 2023.

Note that in Q2, this measure was mistakenly reported as 'Achieved'.

Safe work

The two core activities set out below aim to have the following desired impacts which will, in turn, achieve the 'safe work' outcome.

- Work is safe for workers and those affected by work.
- Work-related risks are identified and eliminated or controlled.

	Performance Measure	Target	YTD results
Investigate, enforce, and hold to account			
4.1	# of energy safety audits (of products, suppliers, networks, distribution systems, installations) completed.	≥413	450
4.2	% of high hazard sites inspected compared to annual operating plan targets for major hazard facilities, petroleum and geothermal, and mining, tunnelling and quarry sites.	≥80%	100%
4.3	% of corrective actions identified as part of the audit process for hazardous substances compliance certifiers that are closed within the specified timeframe, or where further action is taken, in accordance with WorkSafe's Compliance Certifier Audit Policy dated November 2017, is considered.	100%	100%
4.4	% of applications for Controlled Substances Licenses and Hazardous Substances controls processed within three months.	≥80%	91%
4.5	% of Occupational Diving Certificate of Competence applications processed within 20 working days.	≥70%	88%
Authorise, oversee, assess and audit			
5.1	% of investigations where a final decision is made and communicated to victims and persons conducting a business or undertaking within 12 months of commencement.	100%	100%
5.2	% of energy safety investigations (notifiable or non-notifiable incidents and unsafe situations) involving gas and electricity that are completed within 60 working days.	≥85%	92%

	Performance Measure	Target	YTD results
5.3	The WorkSafe Te Mate Ohore protocol is used as a guide for determining the approach to investigating fatalities involving all victims.	100%	100%
5.4	% of investigation files referred to WorkSafe's legal group to initiate a prosecution that meet agreed quality standards.	≥80%	100%

Equitable outcomes

The core activity sets out below aim to have the following desired impact which will, in turn, achieve equitable outcomes.

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

	Performance Measure	Target	YTD results
Innovate, design, implement and evaluate			
6.1	The number of harm prevention programmes targeting high-risk sectors or risks that are common across sectors.	4	7
6.2	The proportion of harm prevention programmes that actively consider health and safety outcomes for Māori and Pacific Peoples.	≥85%	95%
6.3	The percentage of WorkSafe General Inspectorate assessments that include a focus on work-related health risks.	≥75%	83%
6.4	The number of collaboratively designed kaupapa Māori health and safety programmes delivered.	≥3	7

Organisation capability and capacity

Diversity, equity, and inclusion

WorkSafe's Diversity, Equity and Inclusion Approach and organisational objectives were finalised in Q2. This includes the delivery of Kia Toipoto – Closing Gender, Māori, Pacific and Ethnic Pay Gaps, Public Service Action Plan 2021-24.

Gender pay gap (GPG)

- WorkSafe has opted into the Public Service Pay Adjustment (PSPA), however ongoing conversations with the PSA are dependent on obtaining funding through the cost pressure funding bid. Our forecasts show the PSPA will have a positive impact on lower earning employees and over the two years will reduce GPG by 2.2% (all other factors remaining the same).
- To inform our '2023 and Beyond Work Programme' 150 Employee Experience Interviews have been completed and in Q3, the results were analysed. This analysis will be used to improve the induction review, performance management process, communication and engagement processes, and leadership development. Relevant actions have been incorporated into our Kia Toipoto Action Plan.
- Phase 2 of the Aotearoa Inclusivity Matrix Assessment was completed. Insights will be incorporated into our Kia Toipoto Action Plan prior to being finalised in Q4.

Te Ao Māori capability uplift

WorkSafe held an organisation-wide wānanga to introduce guidance on our kawa and tikanga, including a Mihi whakatau how we welcome new kaimahi to our WorkSafe whānau, He Oranga Wairua (how we support kaimahi at all levels in the event of a colleague passing away).

Other organisational development activities

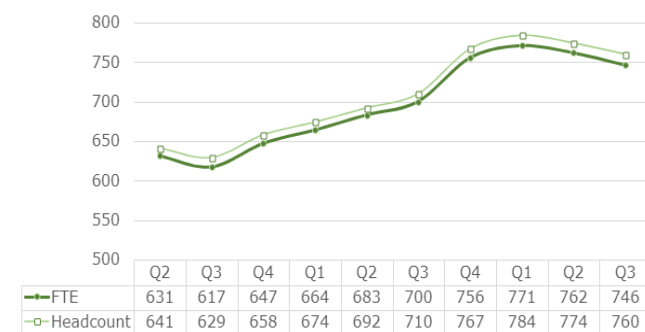
- We are working with employee-led networks to recognise days of significance, deliver targeted learning experiences to develop a diversity accepting workplace. We now have five employee-led networks including the group for disabled people stood up in March.
- To improve our people data, all employee gender and ethnicity data will be updated.

Code of Conduct refresh

WorkSafe launched a new Code of Conduct which is a blueprint for delivering our mahi in a way we can all be proud of.

Staff number

Staff numbers have decreased slightly.

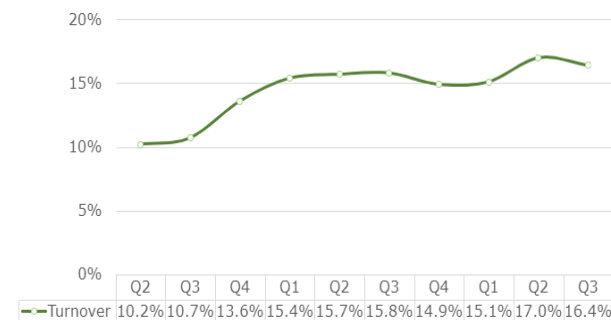


We continue to have additional controls operating to ensure recruitment activity aligns with our organisational priorities and funding. This has continued to result in a decline in recruitment activity and our overall headcount.

A full overview of our consultant engagements over the past 12 months is provided as part of the Estimates questions.

Turnover

Permanent voluntary staff turnover for the 12 months was 16.4%



This was 0.9% lower than the Public Sector Core Unplanned Turnover Rate as of 30 June 2022 which was 17.3%.

WorkSafe has continued to experience higher than pre-COVID-19 turnover rates throughout 2021/22, and into 2022/23.

Current negotiations around PSPA may assist with retention if ratified.

Health, safety and sustainability, and other matters

Health and safety

Incidents	Q3 2021/22	Q3 2022/23	Trend
Lost time Injury	0	0	→
Medical treatment injury	1	1	→
Total recordable injury	1	1	→
Occupational illness	1	4	↑
First aid injury	0	1	↑
Hazard reports	7	16	↑
Near miss	7	6	↓

The new event reporting system that was introduced in Q2, has made it easier for our kaimahi to report events and continues to improve our visibility of what is going on in the organisation. Our injury or illness numbers remain low and combined numbers of hazard and near miss reports continue to increase. Kaimahi reporting hazards and near misses allows us to take preventative steps to avoid related injury or illness.

Sustainability

Carbon Neutral Government Programme

WorkSafe have developed a strategic approach to sustainability that will ensure an intentional and insights-led approach to managing our environmental impact as we mature to become an organisation that considers sustainability by design.

In transitioning to a low-emissions future, our priority to date has been on our fleet transition. 25% of our fleet is expected to be electric by June 2023, targeting emissions savings of up to 95 tonnes of saved or avoided CO₂e emissions each year.

Our Joint Sustainability Working Group with the PSA has been exploring WorkSafe fleet requirements. Future fleet principles have been drafted and are out for worker feedback.

Our next priority area is to explore how to balance travel with reducing our carbon footprint to help achieve an 25% reduction in emissions from 2024/25.

Other matters

Privacy

There have been eight reported privacy incidents in Q3 – an increase of two incidents from Q2. Of the eight, six were actual breaches, one involved a breach by another entity sending WorkSafe information and one was a potential breach (as the background facts could not be substantiated).

Of the seven internal incidents:

- four matters related to emails,
- three related to a lack of internal controls on various records in our SharePoint document management system.

Individual staff have been reminded of the need to be careful regarding the sending of emails. Our IT team have added extra security controls for affected SharePoint documents. No matters required notification to the Privacy Commissioner.

Media

Over this quarter, 138 media queries were received with an average response time of 1.7 working days. This is an increase in number received and a slightly quicker turn-around time than Q2, where there were 131 media queries received with a response time of 1.8 working days.

Organisational risk

Strategic risk profile

#	Risk	Residual Risk
1	A significant disruptive event impacts our ability to continue key business operations	High
2	Our environment does not allow our people to thrive, or our people are harmed as a result of work (Protection)	High
3	Our transformation does not enable us to become a modern, insights driven regulator (Participation)	High
4	We do not deliver on our business and strategic plans	High
5	We fail to meet our regulatory objectives and obligations	High
6	We do not use our funding effectively and/or efficiently to achieve our strategic objectives	High
7	We lose internal or external stakeholder support (Partnership)	Medium
8	Loss of support from authorising environment	High

Overall risk ratings have remained stable throughout 2022/23 with this trajectory expected to continue through Q4. Risk 4 has been placed on watch and whilst the status quo is being maintained, the changing environment (internal and external) may impact controls and/or the likelihood of the risk occurring may increase. Some actions to improve control effectiveness continue to have time frames extended, reflecting the ongoing challenges in capacity for implementing actions.

Several themes continue to cut across many of the strategic risks. These are: prioritising the work we do; telling our story; measurement of progress, outcomes and impacts; and capability and capacity of our people. These themes are reflected in the detailed risk descriptions where relevant and largely relate to causal factors to those risks.

The themes continue to be mitigated and addressed through improved planning, regular prioritisation and telling our performance story in our accountability documents. Further work is required to understand our enterprise resource allocation to ensure our people are focused on the right things at the right time to have the right impact across our core delivery and Hoe Nuku.

Other risk insights

- The outcome of the cost pressure budget bid relating to remuneration, inflation and ICT is awaited. The budget risk for 2023/24 remains. Work continues to analyse the options to manage the uncertainty of future funding with long-term sustainable funding risk remaining. The positive variance against budget is timing related within specific tagged funds and the outyear view continues to pose funding challenges for core delivery with the need to reduce costs.
- The implementation of the ELT review is progressing and presents opportunities for WorkSafe to improve how it manages delivery and transformation. Ongoing management of the people related risk needs close monitoring and active mitigation with internal and external factors continuing to influence. This could contribute to staff turnover increasing due to some remaining uncertainty, difficulty, and delays to recruit in the existing market along with increased costs, and the number of active internal secondments and vacancies on hold.
- Tracking and timely implementation of the large number of required management actions and improvements associated with external reviews, whilst balancing delivery of core activities and transformation needs to be prioritised effectively and balanced well to ensure the right outcomes are achieved and wellbeing impacts to our people are minimised. Prioritisation and the monitoring of progress against key project management plans and milestones will be critical controls to give effect to managing the delivery of our strategy and transformation risks.

Financial performance as at 31 March 2023

Current financial position

WorkSafe has a year-to-date surplus of \$2.4m compared to a budgeted deficit of \$5.3m. This small surplus when compared to budget has been driven by a slower than anticipated spend in areas of specific delivery funding e.g., Energy Safety, Plant & Structures and Whakaari. Spend related to Whakaari is beginning to increase as we move closer to the trial date.

Funding for core delivery functions is under financial pressure with costs rising relating to remuneration, inflation and ICT operating costs. Budget bids for these pressures have been submitted into the Government Budget 2023 process; however, the outcome has yet to be confirmed.

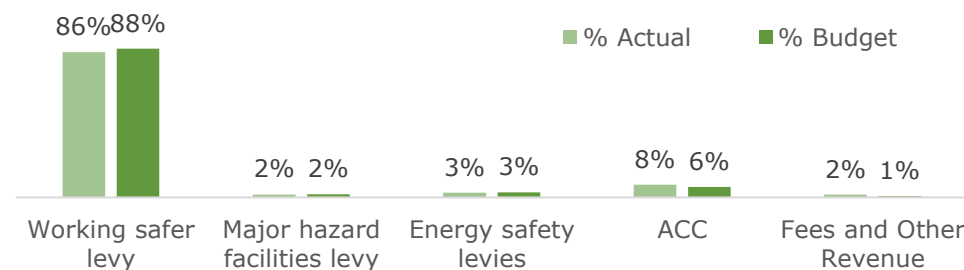
Year-to-date as at 31 March 2023

\$000	Actual	Budget	Variance	Full Year Budget
Revenue				
Revenue Crown	105,844	105,844	-	141,125
Interest Revenue	1,042	405	637	405
Other Revenue	9,686	7,570	2,116	14,329
Total Revenue	116,572	113,819	2,753	155,859
Expenditure				
Personnel	70,308	79,860	5,552	106,235
Contractors	6,687	5,058	(1,629)	6,233
Depreciation	4,614	6,242	1,628	8,388
Other expenditure	28,570	27,977	(593)	39,418
Total Expenditure	114,179	119,137	4,958	160,274
Surplus/(deficit)	2,393	(5,318)	7,711	(4,415)

Revenue

Crown Revenue is in line with Budget. Interest Revenue is \$0.6m higher than budget due to higher interest rates. Other revenue is greater than budget due to \$1.8m more ACC Revenue due to higher activity levels over Q2 & Q3.

Breakdown of revenue as at 31 March 2023



\$000	Actual	Budget	Variance
Working safer levy	100,516	100,516	-
Major hazard facilities levy	2,017	2,017	-
Energy safety levies	3,311	3,311	-
ACC	8,857	7,052	1,805
Fees and Other Revenue	1,871	923	948
Total revenue	116,572	113,819	2,753

Year-to-date expenditure by area as at 31 March 2023

\$000	Actual	Budget	Variance	Full Year Budget
Core Delivery (excl. Depreciation)	79,607	79,661	54	103,112
Depreciation	4,614	6,242	1,628	8,388
Specific Delivery (tagged funds)				
Whakaari	4,084	4,636	552	6,181
Energy Safety/ MHF/P&G	5,012	5,584	572	7,553
Digital Transformation	3,446	4,047	601	5,398
ACC	8,606	6,742	(1,864)	13,000
COVID-19 Enforcement	4,161	4,728	567	6,261
Harm Prevention Programme	2,638	3,298	660	4,785
Plant & Structures	2,011	4,198	2,187	5,597
Total Specific Delivery	29,958	33,233	3,275	48,775
Total Expenditure	114,179	119,136	4,957	160,274

Although Core Delivery costs currently show as tracking to budget, the forecast is to be over budget by \$3m at year end. This is partially due to additional cost pressures, phasing of the budget and timing of costs.

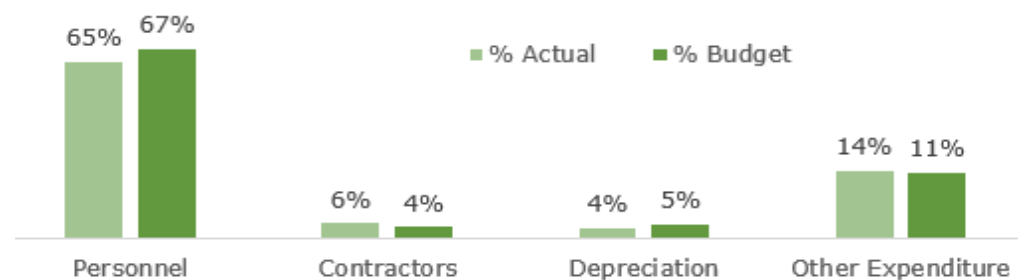
In addition to ongoing operational funding pressures, the budget set had assumed a stronger closing reserves position for 2021/22 and that there would be carry forwards for 2022/23. WorkSafe is taking actions such as holding vacancies, delaying operational initiatives, and reducing expenditure to manage the cost pressures. Achieving a stronger reserve position at the end of 2022/23 is leading to further pressures.

The areas below are driving the variance:

- **Whakaari:** \$0.6m below budget due to the timing of the court case. Spend has started to increase as we move closer to the trial date in July.
- **Digital Transformation:** \$0.6m below budget within operating costs due to timing with focus on CAPEX activities.
- **Plant & Structures:** \$2.2m below budget due to delays in the legalisation being approved. Currently the implementation plan is being rephased to adjust for the revised timeline.

- **ACC:** \$1.9m over budget due to investment in Te Ao Māori and Pasifika programmes and engagement.
- **Core Delivery (excluding depreciation):** on budget, additional costs pressure in Q4 will result in a forecast overspend.
- **Core Delivery Depreciation:** \$1.6m below budget due to timing of capital projects.

Breakdown of expenditure by type as at 31 March 2023



\$000	Actual	Budget	Variance
Personnel	74,308	79,860	5,552
Contractors	6,687	5,058	(1,629)
Depreciation	4,614	6,242	1,628
Other expenditure	28,570	27,977	(593)
Total expenditure	114,179	119,136	4,957

Capital spend

\$000	Actual	Budget	Variance	Full Year Budget
ICT software	11,130	14,790	3,660	18,548
ICT hardware	268	735	467	980
Motor vehicles	1,234	2,160	926	3,673
Leasehold improvements	1,030	1,298	268	1,830
Other assets	-	-	-	-
Total capital spends	13,662	18,984	5,322	25,031

- ICT software spend is lower due to legislative delays for Plant and Structures and the timing of Digital Transformation costs. Digital Transformation is forecast to spend to budget by year end.

- The previous motor vehicle supply chain issues into the country have been resolved, WorkSafe is anticipating delivery before year end. The variance to budget is timing.
- Leasehold improvements budget is materially aligned to the phasing of the spend.

Balance sheet as at 31 March 2023

\$000	Actual	Budget	Variance	Full Year Budget
Cash and bank	5,573	5,855	(282)	7,099
Investments	19,600	16,700	2,900	24,435
Debtors	3,786	7,481	(3,695)	2,585
Fixed Assets	38,255	47,134	(8,879)	46,628
Total Assets	67,214	77,170	(9,956)	80,747
Creditors and Payables	6,202	8,567	2,365	8,567
Employment Liabilities	6,953	8,876	1,923	9,877
Income in Advance	1,082	7,160	6,078	2,389
Crown Loan	11,995	18,657	6,662	24,907
Total Liabilities	40,982	43,260	17,028	45,740
Net Assets	40,982	33,910	7,072	35,007
Equity				
Opening Equity	30,089	29,937	152	30,924
Memorandum Accounts	8,500	5,180	3,320	5,180
Surplus/(Deficit)	2,393	(1,207)	3,600	(1,097)
Total Equity	40,982	33,910	7072	35,007

- **Cash and Investments:** higher than budget which reflects the timing of capital spend, operating surplus related to specific delivery activities.
- **Debtors:** lower due to timing of receiving ACC funding.
- **Fixed Assets:** lower than budget due to lower capital spend and capitalisation of Digital Transformation.
- **Creditors and Payables:** due to lower capital and operating spend.
- **Employment Liabilities:** lower than budget due to timing of payroll and the use of leave.

- **Income in Advance:** lower than budget reflecting utilisation of the ACC funding received in advance and ACC moving to an arrears model for invoicing and payment.
- **Crown Loan:** due to be drawn down in early Q4 (initially budgeted be drawn down in Q3).

Operating cashflow

The overall cash position is materially on budget. The individual difference to Budget reflects the variances in the Profit and Loss and Balance Sheet discussed above.

\$000	Actual	Budget	Variance	Full Year Budget
Operating Cash Flows				
Receipts from Crown	105,844	105,844	0	141,125
Receipts from Other Revenue or Interest	10,728	5,235	5,493	11,377
Payments to Suppliers/Employees	(115,202)	(114,229)	(973)	(151,002)
Net Operating Cash Flows	1,370	(3,150)	4,520	1,500
Investing Cash Flows				
Net Investments	15,917	13,517	2,400	5,782
Net Asset Purchase	(13,663)	(18,415)	4,752	(21,323)
Net Investing Cash Flows	2,254	(4,898)	7,152	(15,541)
Financing Cash Flows				
Capital Contribution	-	2,463	(2,463)	3,450
Crown Loan	-	5,265	(5,265)	11,515
Net Financing Cash Flows	-	7,728	(7,728)	14,965
Cash Movement				
Net (decrease)/increase in cash	3,624	(320)	3,944	924
Opening Cash	1,949	6,175	(4,226)	6,175
Closing Cash	5,573	5,855	(282)	7,099