

Te Hiringa Hauora | Health Promotion Agency

Statement of Intent

2020 – 2024

Statement of Performance Expectations

2020/21



PO Box 2142
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New Zealand

hpa.org.nz

June 2020

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Foreword

I am pleased to introduce a combined Statement of Intent 2020 – 2024 and Statement of Performance Expectations 2020/21. We have combined these documents this year to reflect an upcoming period of considerable change - for Te Hiringa Hauora/Health Promotion Agency, for the health sector as a whole as the result of a number of important sector reviews, and for New Zealand with the ongoing effects of the COVID-19 global pandemic. 2020/21 will be a transitional year.

Te Hiringa Hauora has worked hard to produce a strategy to 2030 which has guided both our Statement of Intent and Statement of Performance Expectations. While the strategy will continue to evolve, it will shape the future of the work of this organisation. Most importantly it signals a move to a life course approach to health promotion, and an ongoing focus on wellbeing.

Our goal is to achieve intergenerational change in health and wellbeing for those whose needs are greatest. Ensuring more New Zealanders can enjoy good health and wellbeing requires tackling the long-term challenges many New Zealanders face. Our long term priorities will be the health and wellbeing of pēpē, tamariki and rangatahi, whānau and communities, and promoting human rights and health. Three pou underpin all that we do: Te Tiriti o Waitangi, equity and sustainability.

COVID-19 has affected all New Zealanders, and we are no different. The work we have done on COVID-19 has disrupted our planned work programme for 2019/20, but also provided important lessons for our future work. I anticipate the need to be agile and responsive to changing environments will continue to affect our work during 2020/21.

I am confident that Te Hiringa Hauora can continue to step up and provide expertise on health promotion during the coming years. As a Board we believe that undertaking the activities outlined in the following pages will ensure Te Hiringa Hauora continues to make a significant contribution to improving the wellbeing of New Zealanders, their whānau and their communities.

Ko te waka hauora
E whakaterere ki tawhiti
Ki a ngā whetū e arorangi

*May we on this waka
Navigate to the morning dawn
Guided by our celestial ancestors¹*



Jenny Black
Chair
Te Hiringa Hauora



Dr Monique Faleafa
Deputy Chair
Te Hiringa Hauora

¹ This whakataukāki was given to us by Te Hiringa Hauora kaumātua Tau Huirama (Tainui Waikato).

Board statement

In signing this statement we acknowledge that we are responsible for the information contained in the Statement of Performance Expectations for the Te Hiringa Hauora. This information has been prepared in accordance with the Crown Entities Act 2004 and to give effect to the Minister of Finance, the Minister of State Services and the Associate Minister of Health expectations of Te Hiringa Hauora.



Jenny Black
Jenny Black
Chair
17 June 2019



Dr Monique Faleafa
Dr Monique Faleafa
Deputy Chair
17 June 2019

Te Hiringa Hauora Board

Te Hiringa Hauora is governed by a Board appointed by the Associate Minister of Health.

Board members are:

- Jenny Black, Chair
- Dr Monique Faleafa, Deputy Chair
- Dr Mataroria Lyndon (Ngāti Hine, Ngāti Whātua, Waikato, Ngāti Toa)
- Dr Teuila Percival
- Karaitiana Tickell (Ngāi Tahu, Ngāti Toa, Ngāti Raukawa)
- Mafi Funaki-Tahifote
- Professor Boyd Swinburn

The Chief Executive is Tane Cassidy (Ngāpuhi).

About this document

For the 2020/21 financial year, Te Hiringa Hauora has combined the Statement of Intent and Statement of Performance Expectations.

The Statement of Intent 2020 – 2024 sets out our overarching framework, derived from a new organisational strategy to 2030. The strategy continues to evolve. It is also likely we will need a new Statement of Intent before the end of this four year period, to reflect changes expected to come in the health sector.

Our Statement of Performance Expectations begins at page 18. It reflects that 2020/21 is a transitional year, which sees Te Hiringa Hauora move from an issues based approach to health promotion, to a life course approach reflecting our new strategy. It is also a year of development, where programmes of work will be scoped and decided upon, working closely in collaboration with others. Data to indicate the success of this work will, in many cases, not be available until the following year.

About Te Hiringa Hauora

Te Hiringa Hauora is a Crown agent established by the New Zealand Public Health and Disability Act 2000.

Our overall function is to lead and support activities to:

- promote health and wellbeing and encourage healthy lifestyles
- prevent disease, illness and injury
- enable environments that support health, wellbeing and healthy lifestyles
- reduce personal, social and economic harm.

We have alcohol-specific functions to:

- give advice and make recommendations to government, government agencies, industry, non-government bodies, communities, health professionals and others on the sale, supply, consumption, misuse and harm of alcohol as those matters relate to Te Hiringa Hauora general functions
- undertake, or work with others, to research alcohol use and public attitudes to alcohol in New Zealand, and problems associated with, or consequent on, alcohol misuse.

As a Crown agent Te Hiringa Hauora is required to give effect to government policy when directed by the responsible Minister. In delivering our alcohol-specific functions, Te Hiringa Hauora must have regard to government policy if so directed by the Minister.

Te Hiringa Hauora publishes a Statement of Intent covering a four year period. Our previous Statement of Intent was for 2017 – 2021. The Statement of Intent provides a view of our medium term strategy, our plans for the future, and the ways we contribute to health and wellbeing in New Zealand.

Te Hiringa Hauora publishes a Statement of Performance Expectations for each financial year, setting out what will be delivered, how performance will be assessed, with specific measures, and forecasting financial information including expenditure in each class of outputs.

We report quarterly to the Minister of Health, and publish an annual report for each financial year. Te Hiringa Hauora is funded from Vote Health and from the levy on alcohol produced or imported for sale in New Zealand.

Our name

Te Hiringa Hauora was adopted as our official name on 16 March 2020. The name was gifted to the Health Promotion Agency by the late respected kaumātua New Amsterdam (Amster) Reedy – (Ngāti Porou – Te Aitanga a Mate, Putaanga, Te Whānau a Tūwhakairiora, Ngāti Uepohatu).

Te Hiringa Hauora is described as “the unrelenting pursuit of wellbeing”.



This taonga celebrates our name. It is shaped in the form of a taurapa (stern) of a waka taua (carved war canoe) and symbolises the journey to wellbeing.

The taurapa represents the balance and harmony between all things connected with hauora.

Lewis Gardiner of Rākai Jade in Rotorua crafted our taonga.

Our operating environment

Government priorities for wellbeing

The Government's wellbeing goals are to:

- Ensure everyone who is able to, is earning, learning, caring or volunteering
- Support healthier, safer and more connected communities
- Ensure everyone has a warm, dry home
- Make New Zealand the best place in the world to be a child.

Child and Youth Wellbeing Strategy

Government launched the Child and Youth Wellbeing Strategy in August 2019, setting out a shared understanding of what is important for child and youth wellbeing, what Government is doing, and how others can help. The Strategy includes a Framework to provide a shared understanding of what young people need and want, and a Current Programme of Action, which sets out the policies, initiatives, programmes and plans to help achieve the vision and outcomes².

Health sector outcomes

The Ministry of Health has worked with Ministers to identify the outcomes the health and disability system needs to collectively focus on to achieve Pae ora – healthy futures. These are:

- We live longer in good health
- We have improved quality of life
- We have health equity for Māori and all other people.

The Minister of Health has five health priorities:

- Improving child wellbeing
- Improving mental wellbeing
- Improving wellbeing through prevention
- Better population health outcomes supported by a strong and equitable public health and disability system

- Better population health outcomes supported by primary health care.

Across these five priorities, there is an overarching goal of achieving equitable outcomes for all people.

Enduring Letter of Expectations

The Enduring Letter of Expectations was received in October 2019. It sets out Government's expectations of the Boards of Crown Entities as employers and as stewards of the Crown's ownership interest and the Agency's performance.

Government wants to embed a wellbeing approach across the public sector. There are three elements:

- Taking a whole of government approach – stepping out of the silos of agencies and working seamlessly together to assess, develop and implement plans to improve wellbeing
- Looking at intergenerational outcomes – focussing on meeting the needs of present generations at the same time as thinking about the long-term impacts on future generations
- Moving beyond narrow measures of success and considering impacts, both positive and negative, across a broader set of areas.

Letter of Expectations

We receive an annual Letter of Expectations from the Minister responsible for Te Hiringa Hauora. The Letter of Expectations for 2020/21 outlines Government's intention to deliver long term, sustainable change to support improved wellbeing for New Zealanders. Wellbeing and equity underpin the priorities for the health system, which include:

- Improving child wellbeing
- Improving mental wellbeing
- Improving wellbeing through prevention
- Better population outcomes supported by a strong and equitable public health and disability system
- Better population health and outcomes supported by primary health care.

² Available at: <https://childyouthwellbeing.govt.nz/>

Across these priorities there are expectations of Te Hiringa Hauora:

- Achieving equity - the consideration of achieving equity across all population groups, including improving health outcomes for Māori and Pasifika, and addressing racism and discrimination in all forms across all aspects of our operations
- Embedding Te Tiriti o Waitangi and achieving Pae ora (healthy futures for Māori – enabling iwi, hapū, whānau and Māori communities to exercise their authority to improve their health and wellbeing
- Governance and financial management – ensuring there are clear processes in place to assist with the financial and clinical sustainability of the health system. Effective health promotion and preventative behaviours can, and will reduce health system costs along the treatment pathway.
- System-wide working – remaining a key player within the wider health and disability system. This will require Te Hiringa Hauora to continue to work closely with the Ministry of Health and district health boards (DHBs) on shared priorities. Continued effective health promotion activity is critical to the performance of the whole system.
- Environmental sustainability – contribute to Government's priority outcomes around environmental sustainability. The SOI should reflect Te Hiringa Hauora work to further progress actions that mitigate and adapt to the impacts of climate change and enhance the co-benefits to health from these actions.

In addition, expectations for core activities of Te Hiringa Hauora are outlined:

- Working across the sector to maximise contribution to key population health initiatives including immunisation, screening programmes, child wellbeing, smoking cessation, healthy eating and healthy weight, and in particular working closely and in a complementary way with DHBs
- Identifying and developing innovative and effective health and wellbeing initiatives with a sound evidence base

- Working collaboratively across the health and social sectors to maximise contribution to the Government's priority areas, including a strong focus on equitable health outcomes
- Working collaboratively with the Ministry of Health, particularly on the content of research and policy work to ensure alignment with the Ministry work programme.

The Minister's expectations also place emphasis on reducing alcohol-related harm and continuing our contribution towards achieving Smokefree 2025.

An environment of change

As we prepare this Statement of Intent, the health system is entering a period of what is likely to be significant change.

COVID-19 Pandemic

The last quarter of the 2019/20 financial year has been greatly affected by the COVID-19 pandemic. This will have huge and ongoing ramifications for New Zealand, for people's health and wellbeing and for health and many other sectors. It means that we need to build in flexibility to adapt to changing needs of people and the government. Te Hiringa Hauora is already involved in supporting the Government's response to COVID-19 and this work will continue into 2020/21.

Health and Disability System Review

The final report of the Health and Disability System Review was released in June 2020. The Review's recommendations include:

- Shifting to a greater focus on population health
- Creating a new Crown Entity, provisionally called Health NZ, focused on operational delivery of health and disability services and financial performance
- Reducing the number of DHBs from the current 20 down to 8 to 12 within five years, and moving to fully appointed Boards
- Creating a Māori Health Authority to advise on all aspects of Māori health policy and to monitor and report on the performance of the system with respect to Māori
- Greater integration between primary and community care and hospital/specialist services.

Wai 2575

The first set of findings from the Waitangi Tribunal's Health Services and Outcomes Kaupapa Inquiry (Wai 2575) were reported in June 2019.

The Waitangi Tribunal found that the Crown has breached the Treaty of Waitangi by failing to design and administer the current primary health care system to actively address persistent Māori health inequities and by failing to give effect to the Treaty's guarantee of tino rangatiratanga (autonomy, self-determination, sovereignty, self-government). Hearings will continue over the life of this Statement of Intent and may have an impact on how we deliver health promotion.

Māori Health Action Plan

New Zealand's Māori Health Strategy, He Korowai Oranga was updated in 2013/14. The Ministry of Health is working with the health and disability sector to develop a Māori Health Action Plan to support and further embed He Korowai Oranga. The work on the Action Plan also contributed to the Māori response plan for COVID-19. The Strategy sets the overarching framework that guides the Government and the health and disability sector to achieve the best health outcomes for Māori. Te Hiringa Hauora will support this Action Plan.

Pacific Health Action Plan

The Ministry of Health is also working on a new Pacific Health Action Plan as the successor to 'Ala Mo'ui: Pathways to Pacific Health and Wellbeing 2014-2018. The Plan will build on 'Ala Mo'ui's work to achieve equitable health outcomes for Pacific peoples in Aotearoa New Zealand, while being more responsive to the needs of Pacific fanau and communities.

Cancer Action Plan

The New Zealand Cancer Action Plan 2019 - 2029 provides a pathway to improve cancer outcomes for all New Zealanders. It sets out four main goals:

- New Zealanders have a system that delivers consistent and modern cancer care
- New Zealanders experience equitable cancer outcomes
- New Zealanders have fewer cancers
- New Zealanders have fewer cancers New Zealanders have better cancer survival, supportive care and end-of-life care.

The Cancer Control Agency will drive the implementation of the Cancer Action Plan 2019–2029, and Te Hiringa Hauora will work closely with the agency.

Our place in the health sector

Te Hiringa Hauora will continue to be an integral part of the health sector. Our Chief Executive is now a member of the Health and Disability System Leadership Council established by the Director General of Health, bringing together leaders of health sector organisations. Our Chief Executive has also become a member of the Public Health Clinical Network. Te Hiringa Hauora is leading collaboration between health-related non-government organisations.

Who we work with

Te Hiringa Hauora works with a large number of organisations, including health sector agencies, particularly the Ministry of Health, DHBs including public health units, primary health organisations (PHOs), primary health services and health professional associations, other central government agencies, communities, industry groups, territorial authorities, iwi and Pacific, and other health providers and policymakers, academics and researchers.

Te Hiringa Hauora:

- Works with communities to help them develop local solutions to local problems, particularly with communities where the need is greatest
- Undertakes and supports research and provides advice to inform Te Hiringa Hauora work and the work of others
- Offers specialist knowledge and undertakes work to improve how health promotion is incorporated in workplace, sport and education settings
- Influences the development and implementation of policies and laws by contributing to interagency policy processes and making submissions to central and local government and by providing evidence based research.

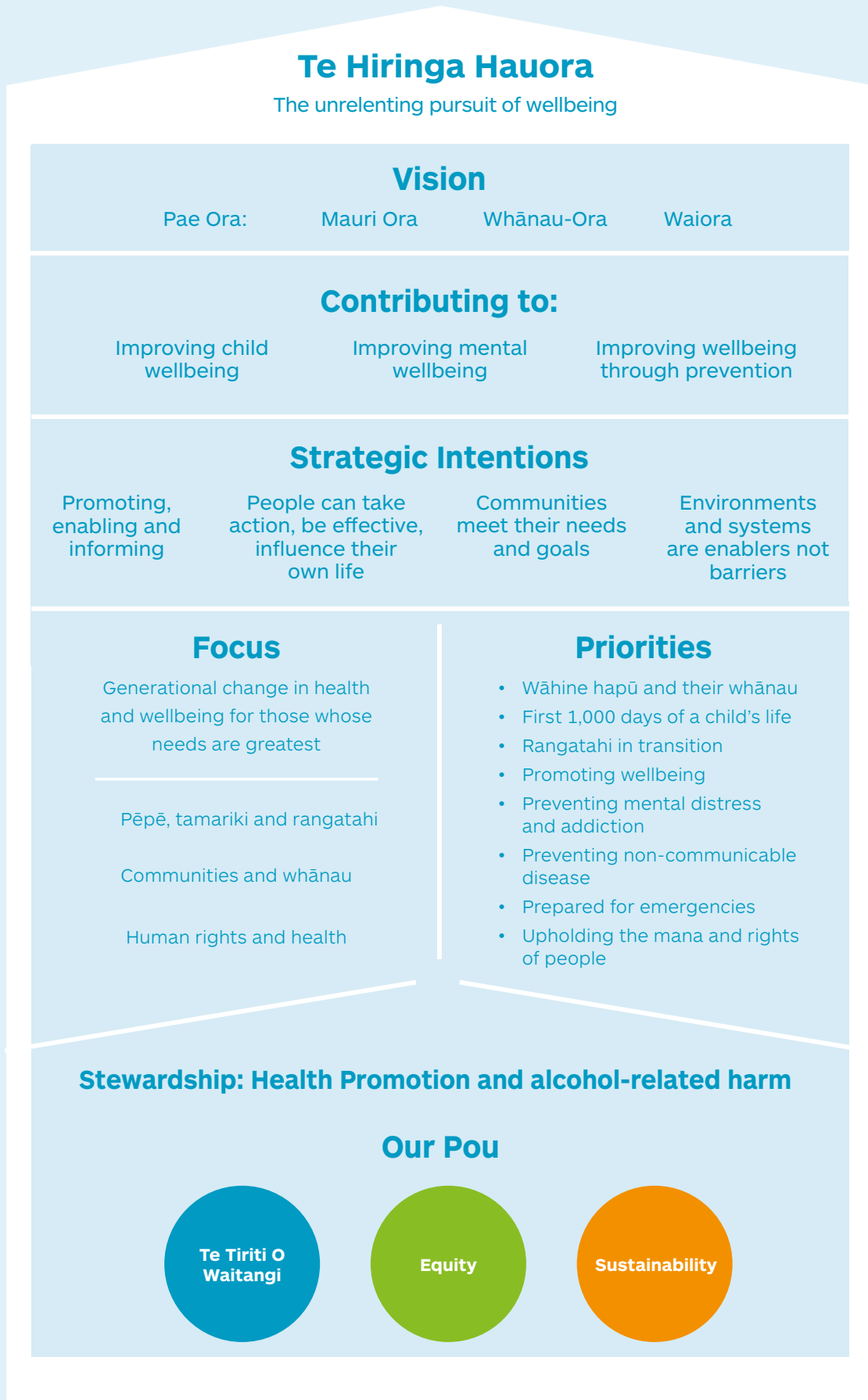
Te Hiringa Hauora - the unrelenting pursuit of wellbeing

Looking forward - Our strategy to 2030

Te Hiringa Hauora has developed a strategy for the next 10 years. Our goal is intergenerational change in health and wellbeing for those whose needs are greatest. We know that some New Zealanders face greater challenges to achieve health and wellbeing. We will deliberately focus our energy and resources to work with communities where needs are greatest. We want to make a difference where it's needed most, now and for future generations. Our new strategy sets out how we will do that over the next 10 years. It is ambitious. It requires changes in what we do and how we do it. It is a living document and will continue to evolve, ensuring we are responsive to changes around us.

On the following page is a summary of that strategy showing how it provides context for our strategic intentions. The elements of the strategy are then described in detail.

Strategic framework



Our goal

Our goal is to achieve intergenerational change in health and wellbeing for those whose needs are greatest.

Our foundations

Everything that we do, from the programmes we deliver to the way our organisation works, is built on three pou – our commitments to Te Tiriti o Waitangi, to achieving equitable health outcomes and to a sustainable future.

Te Tiriti o Waitangi and Te Hiringa Hauora

Above all, Te Hiringa Hauora has a responsibility to contribute to the Crown meeting its obligations under Te Tiriti to uphold and protect Māori rights and interests. This means that what Te Hiringa Hauora does must be effective in realising the goals and aspirations of Māori, and that these goals and aspirations must be authentically Māori.

We will reflect this in our practical and measurable actions outlined annually in our Statement of Performance Expectations, tied back to the articles of Te Tiriti that will drive strategy and operational activities across the business.

Equity and Te Hiringa Hauora

Te Hiringa Hauora recognises that not all people have the same health and wellbeing outcomes. This is especially so for Māori and Pacific peoples and their whānau. Unless we change what we do and the way we work, we will be less effective. Achieving equitable outcomes will drive all our work.

Sustainability and Te Hiringa Hauora

Te Hiringa Hauora recognises the significance of te taiao (the natural world) as essential to all areas of health - physical, environmental, mental, emotional and spiritual. We recognise the long standing relationship with te taiao for Māori and we support Māori in their role as kaitiaki of their taonga.

We recognise that there are opportunities to improve population health and wellbeing through policies and programmes that acknowledge the interconnection between te taiao and wellbeing and that address environmental challenges in ways that protect and promote health.

We are committed to reducing our own environmental impact as well as supporting communities with their aspirations for sustainable wellbeing. We will partner with others that share our values.

Leadership and stewardship

Under the New Zealand Public Health and Disability Act 2000, Te Hiringa Hauora is empowered to lead and support activities to promote health and wellbeing and provide advice about reducing harm from alcohol.

Health Promotion and Prevention

We will be at the forefront of health promotion in New Zealand, using our influence, knowledge and skills to influence both people and environments. We will work with others, including but not restricted to, communities, iwi and hapū, DHBs, Public Health Units, Primary Health Organisations, and non-government organisations. We seek to have the greatest impact, through strategic alignment and collaborative action. This includes helping build health promotion capacity and capability.

Key to this will be the way we engage with the sector and lead efforts to address key public health issues.

Alcohol

We will be leaders in reducing alcohol harm in New Zealand. Our founding legislation gives us the mandate to be a voice for change. We will base our drive for change on the World Health Organization's SAFER framework³.

The SAFER framework has five high impact strategies:

- Strengthen restrictions on alcohol availability
- Advance and enforce drink driving counter measures
- Facilitate access to screening, brief interventions and treatment
- Enforce bans or comprehensive restriction on alcohol advertising, sponsorship, and promotion
- Raise prices on alcohol through excise taxes and pricing policies.

We will continue to strengthen the evidence base for action on alcohol and will advocate for policy change at local, regional and national levels that will support a New Zealand that is free from alcohol-related harm.

³ Available at: https://www.who.int/substance_abuse/safer/en/

Strategic intentions

Te Hiringa Hauora will focus on our priorities to 2024, by undertaking the activities identified in our output classes. It takes a range of activities to realise our strategic intentions.

Our strategic intentions are:

- people can take action, be effective, and influence their own life
- communities meet their needs and goals
- environments and systems are enablers not barriers.

Output classes

To support our leadership role and legislative mandate, we bring a unique set of skills and experience, identified in our output classes:

Output class one - Promoting: Knowledge and skills to catalyse change. Our knowledge and skills will translate into information, tools and advice for behaviour change. Our work will be at a national scale but have local relevance. We will use our resources to test and trial what works, whether that is existing or new and innovative, and spread good practice.

Output class two - Enabling: Influence and advocacy to drive cultural acceptance of healthy behaviours and to support other government levers such as legislation, strategies and action plans. We will galvanise and amplify the efforts of those working to improve health and wellbeing.

All of our resources will be used for impact. We will use our people, funding, and time to work with others for greatest collective impact.

Output class three - Informing: Insights and evidence for building on, and contributing to, the evidence base for key public health challenges, for understanding what works and for measuring our own impact. Our insights will be useful and usable and we will share this with communities and the organisations we work with. We will privilege the voices of Māori, Pacific peoples and people with lived experience of discrimination and prejudice in our research.

The need for change

Change from generation to generation is needed if we are going to have an impact on equitable health outcomes. To help achieve this, we will place children, young people and communities at the core of what we do. For the future to be different, we will do what we can to help children and young people thrive. To do this we will take life course and wellbeing approaches. Our strategy to 2030 ensures we will move from an issue based focus to a life course focus. With this Statement of Intent and Statement of Performance Expectations we begin this transition.

Why take a life course approach?

A person's physical and mental health and wellbeing are influenced throughout life by the wider determinants of health, which are a diverse range of social, economic and environmental factors, alongside behavioural risk factors, which often cluster in the population, reflecting real lives. These factors can be categorised as protective factors or risk factors. Rather than focusing on a single condition at a single life stage, a life course approach considers the critical stages, transitions and settings where large differences can be made in promoting or restoring health and wellbeing.

Adopting a life course approach means identifying key opportunities for minimising risk factors and enhancing protective factors through evidence-based interventions at key life stages, from preconception to early years and adolescence, working age, and into older age.

Wellbeing

Wellbeing is when people are able to lead fulfilling lives with purpose, balance and meaning to them. Giving more New Zealanders capabilities to enjoy good wellbeing requires tackling the long-term challenges New Zealanders face, like the mental health crisis, child poverty and domestic violence. It means improving the state of our environment, the strength of our communities and the performance of our economy⁴.

The Wellbeing budget of 2019⁵ and the report of the Inquiry into Mental Health and Addiction⁶ firmly established a holistic view of wellbeing in New Zealand, which includes good health.

Wellbeing is more than simply the absence of distress or illness. There is a context for poor health and wellbeing. It includes historical disadvantage and alienation, poverty and poor living environments. It includes discrimination, prejudice and injustice. The health of people in Aotearoa New Zealand today reflects our history and the history of the Pacific. It continues to have an impact particularly on the lives of Māori and Pacific peoples.

Poorer wellbeing outcomes are also related to things such as income, employment, housing quality and education. But they are also related to a person's connection, and sense of identity and belonging. The presence of discrimination, prejudice and injustice excludes people from being able to exercise their rights and participate, by choice, in the ordinary activities of the community⁷.

Some of the consequences include lower life expectancy, higher rates of disease and harm and exposure to prejudice and discrimination. Other consequences are related to particular risk factors for wellbeing, mental health and addiction and non-communicable diseases. These are further outlined in Appendix 1.

Te Hiringa Hauora is mindful of the power of health promotion and prevention activities to contribute to wellbeing as a whole.

4 The Wellbeing Budget available at: <https://www.budget.govt.nz/budget/2019/wellbeing/approach/index.htm>

5 ibid

6 Available at: <https://mentalhealth.inquiry.govt.nz/inquiry-report/>

7 Stories of Success. Mental Health Foundation 2014. Available at: <https://www.mentalhealth.org.nz/assets/Uploads/Stories-of-Success-26-05-14.pdf>

Our focus 2020 – 2024

We will focus on those communities and groups where needs are greatest. This means a focus on Māori and Pacific whānau and communities and will also include other groups, depending on need. Our focus for 2020-2024 is on:

- **Pēpē, tamariki and rangatahi**
 - Wāhine hapū and their whānau
 - First 1,000 days of a child's life
 - Rangatahi in transition
- **Whānau and communities**
 - Promoting wellbeing
 - Preventing mental distress and addiction
 - Preventing non-communicable disease
 - Emergency preparedness
- **Human rights and health**
 - Upholding the mana and rights of people to the highest attainable standard of health.

Pēpē, Tamariki and Rangatahi

The focus of Te Hiringa Hauora will be pēpē, tamariki, and rangatahi. In the long term, intergenerational change begins with them.

The best outcomes occur when there is quality early support - early in the life of the child or early in the life of the problem. Adverse experiences early in a child's life can magnify and accumulate beyond childhood and adolescence, with life-long negative impacts.

The early years, particularly from conception to around two, provide a unique period of opportunity and challenge. The foundations for later life are laid down and the health and wellbeing of mums is crucial. Becoming a mum is a critical window for influence and change. It can also amplify existing stresses, anxieties and past trauma. Strong and supportive parenting practices can override the effects of poverty on a child's life-long outcomes.

Young people face many new challenges and experiences, particularly at key change points in their lives such as leaving school or home. While there are many factors that contribute to their wellbeing, lifting levels of belonging, connectedness and sense of identity are especially important for young people. We can help by supporting work that builds young people's self-determination, improves their ability to participate in their community; creates layers of positive

relationships (eg whānau, friends, school, work, community etc); and helps them deal with challenges and risks when they happen.

Whānau and community

Health and social services for Māori have not typically been designed to take a whānau-centred approach, focusing instead on individuals and single-issue problems. As a result, delivery of many different services to whānau has often been fragmented, lacking integration and coordination across agencies and social service providers, and unable to address complexities where several problems coexist.

Te Hiringa Hauora will build on the key features of a whānau and community approach to promote health and wellbeing to help prevent non-communicable diseases and supporting mental wellbeing and preventing mental distress and addiction.

Whānau and community approaches mean establishing effective relationships, recognising rangatiratanga and building whānau and community capability, with whānau and community needs and aspirations at the centre. Supportive environments are also important.

Te Hiringa Hauora is sometimes called upon to be part of a health sector response to emergency or unforeseen events. We will continue to support communities in these circumstances.

Human rights and health

Eliminating all forms of discrimination is at the centre of a human rights approach to health. Stigma, including self-stigma is an important area of work for Te Hiringa Hauora. Our focus is on the mana and rights of people. For the first two years our efforts will focus on people with the experience of mental distress through the Like Minds, Like Mine programme. We will consider through this work how we can apply it to other areas such as addictions.

Outcomes framework

It is important that we are able to measure the difference we are making, particularly in regard to addressing inequity in health outcomes. Te Hiringa Hauora undertakes a range of research that is used both by Te Hiringa Hauora and others to inform policy, practice and future research.

During 2020/21, Te Hiringa Hauora will develop an Outcomes Framework that will clearly show how we will deliver on our strategic priorities and our goal. We expect to publish the document at the end of 2020/21. The Outcomes Framework will help to ensure our work is founded on Te Tiriti, equity and sustainability, and make explicit how the work carried out by Te Hiringa Hauora contributes to wider health sector outcomes, as well as our direct impact on improved health outcomes for New Zealanders.

Te Hiringa Hauora will continuously improve our ability to measure the effectiveness of our interventions and our overall impact. We will monitor and report on our progress annually.

The impact of our health promotion work, both in marketing campaigns and working with communities, is monitored and evaluated. As part of the Outcomes Framework development we will review what research and evaluation needs to be in place to monitor our progress.

Organisational health and capability

Te Hīringa Hauora continually seeks opportunities to improve its organisational health and capability and implement good employer strategies. We are striving to be a diverse and inclusive organisation with staff who are high performing and engaged. We will be data driven, insights led and technology enabled.

Diverse and inclusive staff who are high performing and engaged

Our focus to deliver this includes:

- Ensuring staff are able to apply the Te Tiriti o Waitangi to our work and we have the cultural competence and confidence to engage and work with Māori
- Prioritising the health, safety and wellbeing of our staff
- Implementing structured learning and development programmes to focus on improving our own capability with a view to developing public health leaders of the future
- Attracting, retaining and motivating the best people, challenging them and keeping them focussed on significant work
- Developing a fun, permissive, focused, supportive and inclusive culture, including having a zero tolerance for harassment and bullying in the workplace.

To enable this work we will:

- Develop a people strategy that focuses on diversity and inclusion, flexible working arrangements and appropriate remuneration. We will review our current policies and procedures to ensure they promote equity and fairness
- Develop a learning and development strategy with a focus on leadership development, cultural competency, sustainability leadership, challenging conversations and unconscious bias
- Create an operating model that enables us to deliver on our strategy.

This builds on the work we have already started including:

- Establishment of an annual employee survey to gather feedback from staff and understand where we have areas for improvement as well as areas to celebrate
- Running Te Tiriti o Waitangi training for all staff
- Enabling flexible working practices where practical
- Reviewing and refining policies and procedures to support staff and how we operate effectively
- Having staff-led networks and committees including:
 - Health, safety and wellness committee
 - Rainbow group
 - Sustainability group
 - Kaikōrero group – equity champions group
 - Nga Mokopuna a Maui – Māori and Pacific staff group
 - Organisational development group.

Fit for purpose processes and systems

Our focus to deliver this will be:

- Developing real time financial reporting and data and business insights to support decision making
- Implementing a modern digital workplace enabling staff to work from anywhere.

We will invest in our systems and technology. In 2020 we began a programme for all staff to have laptops, and an upgrade to Windows 10. We also started a significant review of our end to end processes and systems and will replace or implement systems to enable fully digital processes.

Statement of Performance Expectations - our work for 2020/2021

Programme of work 2020/21

The work we have done on the COVID-19 pandemic has disrupted our work programme for 2019/20 and some programmes and activities have slowed or paused. As a result, we expect some overflow into our 2020/21 work programme. It is likely that situation will evolve as the 2020/21 year unfolds. We will report in the 2021 Annual Report on the effect this had on our work programme.

Pēpē, tamariki, and rangatahi

General	<p>Develop a comprehensive programme of work to address:</p> <ul style="list-style-type: none">• first one thousand days of a child's life including:<ul style="list-style-type: none">• provision of quality resources and advice which includes nutrition, play and sleep information that align to the New Zealand Eating and Activity Guidelines.⁸• continued development of approaches for wahine hapū and their whānau to respond to wellbeing needs.• rangatahi in transition:<ul style="list-style-type: none">• First phase of youth wellbeing campaign (in conjunction with other government agencies).
Alcohol	<p>Support wahine hapū drinking moderately to hazardously who could become pregnant to not drink (Fetal Alcohol Spectrum Disorder prevention).</p> <p>Support teenagers under 18 years to not drink or delay escalation of drinking.</p> <p>Support young adults aged 18 to 24 years towards greater wellbeing and to reduce their consumption to low-risk levels.</p>
Mental Wellbeing	<p>Review the Lowdown website and associated activities to assist young people particularly at times of transitional vulnerability.</p>
Tobacco	<p>Develop a Smokefree campaign which will protect pēpē, tamariki and rangatahi from the effects of second-hand smoke.</p>

⁸ Available at: <https://www.health.govt.nz/our-work/eating-and-activity-guidelines>

Child and family health	<p>Provide communications and marketing support for the National Immunisation programme:</p> <ul style="list-style-type: none"> • Promote immunisations for babies, children, adolescents and adults throughout the year and in response to disease outbreaks ensuring an approach that contributes to health equity • Work closely with the Ministry of Health to increase whānau awareness of immunisation <p>Motivate young people to be SunSmart.</p>
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Whānau and communities

Emergency preparedness	<p>Respond to ongoing needs for information and resources arising from the COVID-19 pandemic particularly in mental health, but also in research and other areas.</p> <p>Consider ways in which Te Hiringa Hauora can help communities manage emergencies and recovery from disruption in ways that focus on health and wellbeing needs.</p>
Mental Wellbeing	<p>Build whānau and community capacity to understand their mental wellbeing and the importance of korero and connection to sustaining mental wellbeing.</p> <p>Review the strategic objectives of the National Depression Initiative while continuing to provide quality information and tools to manage anxiety and depression through The Journal and other associated resources.</p>
Non-communicable diseases	<p>Support and implement a wellbeing community and whānau approach to prevent non-communicable diseases (NCDs) through healthy lifestyle messages. This will be developed in partnership with relevant government and non-government organisations including Māori and Pacific health organisations.</p>
Alcohol	<p>Consider ways to progress the World Health Organization's recommended 'best buys' to reduce alcohol-related harm (price, availability and advertising of alcohol).</p> <p>Invest in co-developed community and iwi based alcohol harm reduction projects.</p> <p>Focus on adults in mid-life (45 to 65 years) whose drinking is putting them at risk of experiencing alcohol-related health issues.</p> <p>Review and improve the alcohol.org website to provide information for whānau and communities.</p>
Tobacco Control	<p>Motivate and support quit attempts through a cessation campaign, including development and promotion of digital tools.</p> <p>Support the tobacco control sector with quality resources, and advice.</p>

Minimising Gambling Harm	<p>Focus our activities on behaviour change and start addressing stigma as a barrier to help-seeking. Our work will be reflective of changes in the gambling environment, including an increased focus on online gambling.</p> <p>Support the preventing and minimising gambling harm sector by providing advice, support, grants and evidence-based resources to support message delivery at a local level.</p> <p>Continue to support gambling venues, particularly pubs and clubs with pokie machines (Class 4 venues) to minimise harm with resources and materials for staff. Opportunities to work with the New Zealand Racing Board, Lotto New Zealand, casinos, and other industry groups will be explored.</p>
Nutrition and Physical Activity	<p>Support the nutrition and physical activity sector with quality advice, evidence and resources to support New Zealanders to eat healthy foods, be active and promote sleep that align with the New Zealand Eating and Activity Guidelines.⁹</p>
Skin Cancer Prevention	<p>Develop quality information and advice for relevant organisations and for our Wellplace web platform targeting the behaviours of those most at risk eg, young adults and outdoor workers.</p>

Human rights and health

Mental Wellbeing	<p>Continue with our Like Minds, Like Mine national marketing, robust research and evaluation to promote inclusive attitudes, behaviours and environments for people with experience of mental distress.</p>
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Non-baseline funding

As well as the activities outlined in the work programme above, Te Hiringa Hauora leads and supports other additional projects with external agencies, usually the Ministry of Health, throughout the year. In 2019/20 this included developing and delivering a campaign around Cervical Screening initiation, developing a Sexual Health approach around the increase of syphilis, developing a three year programme of work around Stroke FAST messages and delivering a kick-off public health campaign around COVID-19.

These are non-baseline funded projects that may be completed within a financial year, or may carry over from one year to the next. For example, Stroke, and Sexual Health.

Te Hiringa Hauora will continue to be responsive to these requests and will report on any non-baseline initiatives in our 2021 annual report.

Measuring success

All of our measures will be further informed by the development of an outcomes framework in 2020/21. Our foundations, Te Tiriti, equity and sustainability are the basis for all our work and will be important factors in considering the success of what we do.

Output class one performance measures

Promoting health and wellbeing – education, marketing and communications

Knowledge and skills to catalyse change. Our knowledge and skills will translate into information, tools and advice for behaviour change. Our work will be at a national scale but have local relevance. We will use our resources to test and trial what works, whether that is existing or new and innovative, and spread good practice.

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
1	The alcohol.org.nz website and our resources aim to provide information, advice and research to help prevent and reduce alcohol-related harm.	Review and improve resources for whānau and communities, including the alcohol.org website.	Directly comparative data is not available. Te Hiringa Hauora websites have regularly performed very well.	The alcohol.org.nz website will be redeveloped by 30 June 2021. Performance measures for the website will be developed at the same time. Collection of performance data will be provided for.	We will report on factors which may include numbers of visits to the new website, consumer or stakeholder experience of the website, and quality perceptions when the data is available. We will report on this in the 2022 Annual report.
2	Provide mental health and wellbeing support for New Zealanders.	Upgrade or develop digital resources and tools.	New measure.	Performance measures will be developed at the same time as a digital tool. Collection of performance data will be provided for. The upgrade or development will be reported in the 2021 annual report.	We will report on factors such as the reach resources achieve, consumers experience, and quality perceptions when the data is available expected to be for the 2022 Annual report.

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
3	Our minimising gambling harm work will focus on behaviour change and start to address stigma.	Develop and deliver a new campaign, including a new campaign brand, to reduce the impact of gambling harm in New Zealand.	New measure.	<p>The campaign will be developed and in market by 30 June 2021.</p> <p>The campaign will be evidence informed in order to target populations that will benefit most from interventions. Equity of health outcomes will be a priority.</p> <p>We will report on this development and delivery. Quality metrics will be developed along with the campaign. Collection of performance data will be provided for.</p> <p>This will be reported in the 2021 Annual Report.</p>	<p>We will report on quality focussed campaign metrics after the campaign has been in the market for some time and data is available. This will be reported in the 2022 Annual Report. Impact analysis will be ongoing.</p>

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22	
4	Motivate and support smoking quit attempts.	Develop and deliver a new campaign to share Smokefree messages and support quit attempts.	New measure.	<p>The campaign will be developed and delivered by 30 June 2021.</p> <p>The campaign will be evidence informed in order to target populations that will benefit most from interventions. Equity of health outcomes will be a priority.</p> <p>We will report on this development and delivery. Quality metrics will be developed along with the campaign. Collection of performance data will be provided for.</p> <p>This will be reported in the 2021 Annual Report.</p>	<p>We will report on quality focussed campaign metrics after the campaign has been in the market for some time and data is available.</p> <p>This will be reported in the 2022 Annual Report. Impact analysis will be ongoing.</p>	
Revenue		\$14,990,000	Expenditure	\$15,390,000	Surplus/(deficit)	(\$400,000)

Output class two performance measures

Enabling health promoting initiatives and environments – advice, resources and tools

Influence and advocacy to drive cultural acceptance of healthy behaviours and to support other government levers such as legislation, strategies and action plans. We will galvanise and amplify the efforts of those working to improve health and wellbeing.

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
5	Te Hiringa Hauora works in collaboration with Non-Government Organisations (NGOs) and other sector leaders to promote healthy lifestyles and help whānau and communities to prevent non-communicable diseases. The approach will be targeted to address health equity, aiming to make a difference for populations where it is most needed.	Develop and implement the first stage of a community and whānau wellbeing approach, commencing with a focus on preventing type 2 diabetes.	New measure.	An approach with a focus on preventing type 2 diabetes will be implemented by 30 June 2021. We will report on the development and initial delivery of the approach. Performance and quality metrics will be developed at the same time. This will be reported on in the 2021 annual report.	Initiatives for preventing non-communicable diseases will continue to be developed. Quality and success will be reported on in the 2022 annual report.
6	Te Hiringa Hauora provides tools, resources, and advice to a wide range of users, across a range of health and wellbeing subjects.	At least 85% of users of advice, resources and tools, agree they were useful and/or helped them do their work. This measure will be across all of our work.	2018/19 87% of sample satisfied or very satisfied with the resources, tools, or advice they received.	When resources, forums, workshops or other events are produced or conducted by Te Hiringa Hauora, information about the quality of the resources or event will be sought from users and participants. This will be reported on in the 2021 annual report.	

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
7	Te Hiringa Hauora will reduce alcohol-related harm in our communities. We will work in cooperation with whānau and communities.	Co-develop and commence implementation, alongside Māori, of a new equity-focused approach to reduce alcohol related harm.	New measure.	Implementation will commence for both measures by 30 June 2021.	We will report on the quality and success of the approach and initiatives in the 2022 annual report.
8		Implement at least two new initiatives in communities in line with Te Hiringa Hauora role to reduce alcohol-related harm.	New measure.	Te Hiringa Hauora will develop quality measures along with the initiatives. We will develop methods to seek information from the communities we work with about the success of the implementation. We will report on the development and implementation of an approach, and initiatives in the 2021 annual report.	

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
9	Implement a new Like Minds, Like Mine strategic direction with a kaupapa Māori focus.	A kaupapa Māori strategy will be developed. Te Hiringa Hauora will fund Māori organisations as a result of the procurement process by 30 June 2021.	New measure.	The kaupapa Māori strategy will be developed by 30 June 2021. Measures of quality and success of the strategy will be identified, along with the means of collecting information.	Quality and success will be reported on in the 2022 annual report.
Revenue		\$9,715,000			
		Expenditure	\$10,015,000	Surplus/(deficit)	(\$300,000)

Output class three performance measures

Informing health promoting policy and practice – policy advice and research

Insights and evidence for building on, and contributing to, the evidence base for key public health challenges, for understanding what works and for measuring our own impact. Our insights will be useful and useable and we will share this with communities and the organisations we work with. We will privilege the voices of Māori, Pacific peoples and people with lived experience of discrimination and prejudice in our research.

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
10	Te Hiringa Hauora will develop an Outcomes Framework that will clearly show how we will deliver on our strategic priorities and our goal. The Outcomes Framework will make explicit how the work carried out by Te Hiringa Hauora contributes to wider health sector outcomes, as well as our direct impact on improved health outcomes for New Zealanders.	A new framework for measuring the impact of Te Hiringa Hauora interventions, and a monitoring and evaluation plan will be developed.	New measure.	An Outcomes Framework including a monitoring and evaluation plan for 2021-2025 will be agreed by the Te Hiringa Hauora Board by 30 June 2021.	Quality and success measures will be developed and reported on in 2021/22.
11	Provide high quality and relevant research, Te Hiringa Hauora monitors, data analysis and outputs to support Te Hiringa Hauora programme and external stakeholders.	Publish at least three evaluations of Te Hiringa Hauora interventions.	New measure.	Evaluations commissioned and published by 30 June 2021.	n/a

No.	Activities	Performance measures	Comparative data	Indicators and source Year One 2020/21	Indicators and source Year Two 2021/22
12	Provide high quality and relevant research, Te Hiringa Hauora undertakes monitors, data analysis and outputs to support Te Hiringa Hauora programme and external stakeholders.	Embed kaupapa Māori research principles into the way Te Hiringa Hauora undertakes research.	New measure.	Tukutuku Rangahau framework implemented by 30 June 2021.	Quality and success will be reported on in the 2022 annual report.
13		Publish the results of the new Alcohol Use in New Zealand survey.	New measure.	Topline report completed and on-going analysis of data commenced by 30 June 2021.	n/a

Revenue	\$3,053,000	Expenditure	\$3,353,000	Surplus/(deficit)	(\$300,000)
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Prospective Financial Statements

Prospective Statement of Comprehensive Revenue and Expense for the year ended 30 June 2021

SPE Budget 2019/20 \$000	Estimated Actuals 2019/20 \$000		Budget 2020/2021 \$000
		Revenue	
11,530	11,530	Alcohol levy	11,530
16,048	16,048	Funding from the Crown - baseline	16,048
-	3,909	Funding from the Crown - additional	-
130	225	Interest	180
-	2,260	Other	-
27,708	33,972	Total revenue	27,758
		Expenditure	
58	58	Audit fees	60
158	153	Board	153
82	86	Depreciation	109
470	421	Equipment, supplies and maintenance	430
-	84	Health Safety & Wellness	74
691	731	Occupancy	751
464	515	Other operating	524
10,267	10,227	Personnel	10,653
15,518	20,697	Programmes	16,004
27,708	32,972	Total expenditure	28,758
-	1,000	Surplus/(deficit)	(1,000)

Prospective Statement of Comprehensive Revenue and Expense

Restated by Revenue Source

SPE Budget 2019/20 \$000	Estimated Actuals 2019/20 \$000		Budget 2020/21 \$000
		Alcohol	
		Revenue	
11,530	11,530	Levy	11,530
30	52	Interest	75
-	95	Other revenue	-
11,560	11,677	Total revenue	11,605
11,560	11,177	Total expenditure	12,105
		All other	
		Revenue	
16,048	16,048	Funding from the Crown - baseline	16,048
	3,909	Funding from the Crown - additional	-
100	1173	Interest	105
-	2,165	Other revenue	-
16,148	22,295	Total revenue	16,153
16,148	21,795	Total expenditure	16,653
27,708	33,972	Grand total revenue	27,758
27,708	32,972	Grand total expenditure	28,758
-	1,000	Surplus/(deficit)	(1,000)

Prospective Financial Statements

Prospective Statement of Cash Flows for the year ended 30 June 2021

	Notes	Budget 2020/21 \$000
Cash flows from operating activities		
Receipts from levy		10,569
Receipts from the Crown		16,048
Receipts from interest revenue		180
Payments to suppliers		(17,995)
Payments to employees		(10,387)
Net cash flow from operating activities		(1,585)
Cash flows from investing activities		
Receipts from sale of investments		1,500
Purchase of property, plant and equipment		(905)
Net cash flow from operating activities		(595)
Net increase (decrease) in cash and cash equivalents		(990)
Cash and cash equivalents at the beginning of the year		250
Cash and cash equivalents at the end of the year	5	(740)

Prospective Statement of Cash Flows for the year 30 June 2021

Reconciliation of net surplus/(deficit) to net cash flow from operating activities

	Budget 2020/21 \$000
Net surplus/(deficit)	(1,000)
Add/(less) non-cash items	
Depreciation and amortisation expense	109
Total non-cash items	<u>109</u>
Add (less) movements in statement of financial position items	
(Increase)/decrease in receivables	(960)
Increase/(decrease) in payables and revenue in advance	266
Net movements in working capital items	<u>(694)</u>
Net cash flow from operating activities	<u><u>(1,585)</u></u>

The accompanying notes form part
of these financial statements.

Prospective Statement of Changes in Equity

Budget 2020/21

SPE Budget 2019/20 \$000		Budget 2020/21 \$000
2,658	Balance at 1 July	3,658
1,000	Total comprehensive revenue and expense for the year	(1,000)
<u>3,658</u>		<u>2,658</u>

Prospective Statement of Financial Position as at June 2021

SPE Budget 2019/20 \$000		Notes	Budget 2020/21 \$000
	Assets		
	Current Assets		
250	Cash and cash equivalents		260
5,000	Investments	1	2,500
2,200	Receivables	2	3,160
7,450	Total current assets		5,920
	Non-current assets		
230	Property, plant and equipment	5	1,112
230	Total non-current assets		1,112
7,680	Total assets		7,032
	Liabilities		74
	Current liabilities		
3,422	Payables		
600	Employee entitlements	3	3,774
4,022	Total current liabilities	4	600
3,658	Net assets		2,658
	Equity		
2,658	Contributed capital		3,658
1,000	Accumulated surplus/(deficit)		(1,000)
3,658	Total equity		2,658

Notes

1. Represents the balance of funds on term deposit. All deposits will mature within 12 months.
2. Includes levies collected by NZ Customs.
3. Includes payables, accrued expenditure, salary accrual and taxes.
4. Includes annual and long service leave.
5. Represents net book value, i.e. cost less provision for accumulated depreciation.

Notes to the Prospective Financial Statements

Note 1. Statement of accounting policies

Reporting entity

Te Hiringa Hauora/Health Promotion Agency is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand, with offices in Wellington, Auckland and Christchurch. The relevant legislation governing Te Hiringa Hauora operations includes the Crown Entities Act 2004 and the New Zealand Public Health and Disability Act 2000. Te Hiringa Hauora ultimate parent is the New Zealand Crown.

Te Hiringa Hauora has an overall function to lead and support activities for the following purposes:

- Promoting health and wellbeing and encouraging healthy lifestyles
- Preventing disease, illness and injury
- Enabling environments that support health and wellbeing and healthy lifestyles
- Reducing personal, social, and economic harm.

It also has functions specific to providing advice and research on alcohol issues.

Te Hiringa Hauora does not operate to make a financial return.

Te Hiringa Hauora has designated itself as a public benefit entity (PBE) for financial reporting purposes.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The prospective financial statements of Te Hiringa Hauora have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards.

The prospective financial statements comply with PBE accounting standards.

Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

Goods and services tax (GST)

Items in the prospective financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the prospective statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the prospective statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Te Hiringa Hauora is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Cost allocation

Te Hiringa Hauora has determined the cost of its three output classes using the cost allocation system outlined below.

Direct costs are costs directly attributed to an output class. Indirect costs are costs that cannot be identified to a specific output class in an economically feasible manner.

Direct costs are charged directly to output classes. Indirect costs are charged to output classes based on the proportion of direct programme costs within each output class.

Personnel and other indirect costs are assigned to output classes based on cost drivers and related activity or usage information.

Critical accounting estimates and assumptions

In preparing these prospective financial statements, Te Hiringa Hauora has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Useful lives and residual values of property, plant, and equipment – refer to Note 8.
- Useful lives of software assets – refer to Note 9.
- Retirement and long service leave – refer to Note 11.

Note 2: Revenue

Accounting policy

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

Te Hiringa Hauora is primarily funded from the Crown. This funding is restricted in its use for the purpose of Te Hiringa Hauora meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder - Ministry of Health (MOH).

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Alcohol levy

Te Hiringa Hauora is also funded from a levy imposed for the purpose of recovering the costs it incurs in

- Addressing alcohol-related harm
- Its other alcohol-related activities.

This levy is collected by New Zealand Customs acting as Te Hiringa Hauora agent.

Levy revenue is recognised as revenue in the accounting period when earned and is reported in the financial period to which it relates.

Interest revenue

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

Note 3: Personnel expenses

Accounting policy

Superannuation schemes

Defined contribution schemes

Employer contributions to KiwiSaver and the ASB Group Master Trust are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

Te Hiringa Hauora makes contributions to the ASB Group Master Trust Scheme (the scheme). The scheme is a multi-employer defined benefit scheme.

Note 4: Other expenses

Accounting policy

Grant expenditure

Discretionary grants are those grants where Te Hiringa Hauora has no obligation to award the grant on receipt of the grant application. For discretionary grants without substantive conditions, the total committed funding over the life of the grant is expensed when the grant is approved by the Grants Approval panel and the approval

has been communicated to the applicant. Discretionary grants with substantive conditions are expensed at the earlier of the grant invoice date or when the grant conditions have been satisfied. Conditions can include either:

- specification of how funding can be spent with a requirement to repay any unspent funds; or
- milestones that must be met to be eligible for funding.

Te Hiringa Hauora provides grants to community based organisations to enable them to work in partnership with Te Hiringa Hauora or to progress messages or outcomes that Te Hiringa Hauora and the community has in common.

Te Hiringa Hauora makes a large number of small grants in each financial year, across a range of health topics, for purposes that include:

- activities to support national projects
- delivering an event, activity or services to promote Te Hiringa Hauora messages
- specific one-off projects.

A letter to the recipient of each grant specifies the purpose of the grant and the requirements for the recipient to provide reports to Te Hiringa Hauora. Reports are required at project milestones, and /or on completion of projects.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Te Hiringa Hauora leases office equipment and premises.

Te Hiringa Hauora leases two properties - its main office situated in Wellington and the regional office in Auckland.

The office equipment that Te Hiringa Hauora leases are printers. These are due for replacement in Jan 2017.

Te Hiringa Hauora does not have the option to purchase any of these assets at the end of any of the lease terms.

There are no restrictions placed on Te Hiringa Hauora by any of its leasing arrangements.

Critical judgements in determining accounting policies

Grant expenditure

Te Hiringa Hauora has exercised judgement in developing its grant expenses accounting policy above as there is no specific accounting standard for grant expenditure. The accounting for grant expenditure has been an area of uncertainty for some time, and, as a result, there has been differing accounting practices for similar grant arrangements. With the recent introduction of the new PBE Accounting Standards, there has been debate on the appropriate framework to apply when accounting for grant expenses, and whether some grant accounting practices are appropriate under these new standards. A challenging area in particular is the accounting for grant arrangements that include conditions or milestones. Te Hiringa Hauora are aware that the need for a clear standard or authoritative guidance on accounting for grant expenditure has been raised with the New Zealand Accounting Standards Board. Therefore, we will keep the matter under review and consider any developments.

Note 5: Cash and cash equivalents

Accounting policy

Cash and cash equivalents includes cash on hand and deposits held on call with banks with original maturities of three months or less.

Note 6: Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

A receivable is considered uncollectable when there is evidence the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

NZ Customs Service (acting as Te Hiringa Hauora agent) determines the uncollectability of the alcohol levy receivables.

Note 7: Investments

Accounting policy

Bank term deposits

Investments in bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and shown as a receivable until the term deposit matures.

Note 8: Property, plant and equipment

Accounting policy

Property, plant and equipment consists of multiple asset classes, which are all measured at cost less accumulated depreciation (if any) and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Te Hiringa Hauora and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

The costs of day-to-day servicing of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Leasehold Improvements*	3 years	33%
Furniture	10 years	10%
Office Equipment	5 years	20%
Motor Vehicles	5 years	20%
Computer hardware & software	3 years	33%
Books and films	10 years	10%
Artwork		0%

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

Impairment of property, plant and equipment and intangible assets

Te Hiringa Hauora does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash-generating assets

Property, plant and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable

amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Critical accounting estimates and assumptions

Estimating useful lives and residual values of property, plant and equipment

At each balance date, the useful lives and residual values of property, plant and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by Te Hiringa Hauora, and expected disposal proceeds from the future sale of the asset

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. Te Hiringa Hauora minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programs;
- review of second-hand market prices for similar assets; and
- analysis of prior asset sales.

Te Hiringa Hauora has not made significant changes to past assumptions concerning useful lives and residual values.

Note 9: Intangible assets

Accounting policy

Software acquisition

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of Te Hiringa Hauora website are expensed when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the

asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is expensed in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 years	33%
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Impairment of intangible assets

Refer to the policy for impairment of property, plant and equipment in Note 8. The same approach applies to the impairment of intangible assets.

Critical accounting estimates and assumptions

Estimating useful lives and residual values of intangible assets

In assessing the useful lives of software assets, a number of factors are considered, including:

- the period of time the software is intended to be in use;
- the effect of technological change on systems and platforms; and
- the expected timeframe for the development of replacement systems and platforms.

An incorrect estimate of the useful lives of software assets will affect the amortisation expense recognised in the surplus or deficit, and the carrying amount of the software assets in the statement of financial position.

Note 10: Payables

Accounting policy

Short-term payables are recorded at the amount payable.

Note 11: Employee entitlements

Accounting policy

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of period in which the employee provides the related service, such as long service leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave and the current portion of vested long service leave are classified as a current liability.

Non-vested long service leave, expected to be settled within 12 months of balance date is classified as a current liability.

All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

Measuring long service leave obligations

The present value of long service leave obligations depends on a number of factors that are determined on an actuarial basis.

Two key assumptions used in calculating this liability include the discount rate and the salary inflation factors. Any changes in these assumptions will affect the carrying amount of the liability.

Note 12: Equity

Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Contributed capital;
- Accumulated surplus/(deficit)

Capital management

Te Hiringa Hauora capital is its equity, which comprises accumulated funds. Equity is represented by net assets.

Te Hiringa Hauora is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which imposes restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

Te Hiringa Hauora manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure that Te Hiringa Hauora effectively achieves its objectives and purpose, while remaining a going concern.

Appendix 1 - The challenges

Mental Health and Wellbeing

Four in five adults (aged 15 years or more) know someone or have personally experienced mental distress in their lifetimes¹⁰. Importantly, personal experiences of mental distress¹¹ or low mental wellbeing¹² are not evenly distributed across our population. For example, Māori¹³, young people, LGBTQI people¹⁴, women and those living in the most deprived areas¹⁵ experience higher rates of psychological distress¹⁶. There may also be differences within Pasifika for the prevalence of mental distress within their lifetime¹⁷.

A sense of belonging (often thought of as loneliness), along with other aspects of social connectedness such as socialising and social support, are linked to positive mental wellbeing and ability to participate in society^{18,19}. Out of range of wellbeing indicators, loneliness was the wellbeing indicator most strongly associated with low mental health wellbeing²⁰.

Alcohol-related harm

The harmful use of alcohol is one of the leading risk factors for premature death and disability in New Zealand and an important driver of inequities. An estimated 800 New Zealanders (aged 0 to 79) die each year as a result of alcohol, with the death rate for Māori, 2.5 times that of non-Māori. Young people are at particular risk from the more immediate alcohol-related harms, such as injury, alcohol poisoning, suicide and fetal alcohol spectrum disorder (FASD). In older age groups, the longer-term impacts of alcohol use on chronic conditions, including cancers and cardiovascular disease, is becoming increasingly evident. Across all age groups, alcohol is

known to affect mental health.

Alcohol is known to be a factor in 1 in 5 fatal crashes between 2015 and 2017. It is also a factor in 15% of serious injury crashes and 10% of minor injury crashes.

2 in 5 violent interpersonal offences in 2014 are known to involve alcohol with either the offender, the victim or both drinking at the time of the offence. Women (30%) are less likely than men (51%) to be the victim where they and/or the offender had been drinking. Alcohol is also involved in 1 in every 3 family violence incidents in 2018²¹.

Tobacco use

New Zealand has a goal to achieve a Smokefree 2025, and New Zealand has made considerable gains in reducing smoking rates since the adoption of the goal in 2011. For example, youth rates of smoking have dropped to their lowest rates ever, at 3%²². However there is still work to be done. Approximately 12.5%²³ of New Zealanders smoke daily, but Māori (31%), especially Māori women (33%), and Pacific (21%) are over-represented. People living in the most deprived areas are almost three times as likely to smoke daily, and rural areas have a higher proportion of smokers than urban areas.

10 Kvalsvig, A. (2018). Wellbeing and mental distress in Aotearoa New Zealand: Snapshot 2016. Wellington: Health Promotion Agency.

11 Ibid

12 Brown, S. (2019). Wellbeing and mental health: An analysis based on the Treasury's Living Standards Framework. Analytical paper 19/01. Wellington: Treasury.

13 Ministry of Health, 2019; Russell, 2018

14 Ibid

15 Ibid

16 As indicated by their psychological distress scores in the past four weeks, relative to non-Māori/non-Pacific peoples, aged 25 or more, heterosexual people, men, and those living in the least deprived areas, respectively.

17 (Ataera-Minster & Trowland, 2018)

18 Ministry of Social Development. (2018). The measurement of social connectedness and its relationship to wellbeing. Wellington: Ministry of Social Development.

19 Kvalsvig, A. (2018). Wellbeing and mental distress in Aotearoa New Zealand: Snapshot 2016. Wellington: Health Promotion Agency.

20 Brown, S. (2019). Wellbeing and mental health: An analysis based on the Treasury's Living Standards Framework. Analytical paper 19/01. Wellington: Treasury.

21 This and more information is available at alcohol.org.nz

22 New Zealand Health Survey 2018/19, Ministry of Health sourced from: https://minhealthnz.shinyapps.io/nz-health-survey-2018-19-annual-data-explorer/_w_73311bd2/#!/explore-topics

23 New Zealand Health Survey 2018/19, Ministry of Health sourced from: https://minhealthnz.shinyapps.io/nz-health-survey-2018-19-annual-data-explorer/_w_73311bd2/#!/explore-topics

Gambling-related harm

Research shows that one in five New Zealand adults (22%) is affected at some time in their lives by their own gambling or the gambling of others. Estimates suggest that, in New Zealand in 2017, 37,000 people aged 15 years or older were at high risk of harm from gambling or are 'problem gamblers', about 47,000 were at moderate risk and a further 106,000 were at low risk but would experience gambling-related harm during their lifetime.²⁴

Māori and Pacific peoples, some Asian communities and people on lower incomes disproportionately experience gambling harm. Gambling harm is experienced disproportionately by those living in areas with a high social deprivation index score (8/10 or higher), who were 4.5 times as likely to experience gambling-related arguments or money problems related to gambling²⁵. Māori, Pacific peoples and Asian peoples are each more than twice as likely to experience moderate to severe gambling harm than the European/other population²⁶.

Cancer prevention

In September 2019 the New Zealand Cancer Action Plan was published. According to the Cancer Action Plan, Cancer is the leading cause of death in New Zealand. Each year, around 23,000 people are diagnosed with cancer and 10,000 die from cancer. Māori are 20 percent more likely to get cancer than non-Māori, and nearly twice as likely as non-Māori to die from cancer. Mental health service users, people with multiple health conditions, and Pacific peoples also have poorer survival. Tobacco smoking, obesity, alcohol consumption, poor nutrition, occupational risks, physical inactivity, chronic infection and harmful ultra-violet radiation (UVR) exposure are the leading preventable and modifiable risk factors for cancers.

According to the Cancer Society, coordinated efforts are needed to address equity and prevention of cancer including strategies such as reducing the supply of tobacco, proportionate e-cigarettes solutions, restriction of unhealthy food advertising and commercial promotion, nutrition labelling standards, reformulation and a sugar levy, reduced affordability of alcohol and tobacco, sustained social marketing campaigns and increased investment in SunSmart schools and shade²⁷.

Skin Cancer Prevention

New Zealand and Australia top the world for melanoma deaths²⁸. Skin cancer is the most common cancer in New Zealand, estimated to account for just over 80% of all new cancers diagnosed annually. Melanoma was the third most commonly registered cancer in 2017 for both men and women, accounting for 10.4% of all registrations²⁹. In 2018, it is projected that over 90,400 New Zealanders will be diagnosed with at least one in situ or invasive non-melanoma skin (Keratinocytic [KC]) cancer³⁰.

Melanoma incidence and mortality are substantially lower among New Zealand Māori and Pacific peoples than among New Zealand Pakeha/Europeans. In 2017, the age-standardised incidence of melanoma in non-Māori was about 5 times higher than in Māori New Zealanders. However, Māori and Pacific peoples in New Zealand have a higher than expected risk of thick and more advanced melanoma, with poorer prognosis³¹.

Approximately 90% of skin cancers are preventable. Ultraviolet radiation (UVR) exposure is the leading cause of skin cancer worldwide³².

24 New Zealanders' Participation in Gambling: Results from the 2016 Health and Lifestyles Survey metaanalysis. . (p7)

25 Gambling Report – results from the 2016 Health and Lifestyles Survey. Available at https://www.hpa.org.nz/sites/default/files/Final-Report_Results-from-2016-Health-And-Lifestyles-Survey_Gambling-Feb2018.pdf

26 Measuring the Burden of Gambling Harm in New Zealand. Central Queensland University and Auckland University of Technology. 2017. Measuring the Burden of Gambling Harm in New Zealand. Wellington: Ministry of Health. Available at: <https://www.health.govt.nz/publication/measuring-burden-gambling-harm-new-zealand>

27 Te Hiringa Hauora NGO workshop 19 November 2019.

28 <http://www.healthdata.org/gbd>

29 <https://www.health.govt.nz/publication/new-cancer-registrations-2017>

30 Sneyd, M.J. and Gray, A. (2018). Expected non melanoma skin (Keratinocytic) cancer incidence in New Zealand for 2018. Wellington. Health Promotion Agency.

31 Sneyd, M.J. & Cox, B. (2009). Melanoma in Māori, Asian and Pacific Peoples in New Zealand. *Cancer Epidemiol Biomarkers Prev*, 18(6)

32 Armstrong BK. (2004). How sun exposure causes skin cancer: an epidemiological perspective.

Child and family health

November 2018 saw the publication of He Ara Oranga, the report of the Government Inquiry into Mental Health and Addiction³³. The report clearly highlights the importance of good nutrition in communities in New Zealand struggling with poverty, abuse and deprivation to become well. Sleep, nutrition, exercise and time outdoors were identified as factors that would help recovery.

New Zealand has the fourth highest rate of obesity (after the United States, Chile and Mexico) for adults within OECD countries³⁴. The New Zealand Health Survey (2018/19) found that around one in three adults in New Zealand are obese; for Māori adults, 48.2% are obese, and for Pacific adults, 66.5% are obese. Among children (age 2 to 14 years), overall, one in nine are obese. Among Māori children, 15.5% are obese, and among Pacific children 28.4% are obese³⁵.

Excess body weight is one of the most important modifiable risk factors for a number of important diseases, including type 2 diabetes, ischaemic heart disease, ischaemic stroke and several common cancers. Obesity among children is also of concern as obese children are at increased risk of remaining obese into adulthood³⁶.

Poor sleep habits in early life are consistently associated with poorer health outcomes in later childhood. Infants, toddlers and pre-schoolers who regularly sleep less than the recommended amount each day are more likely to watch more TV/other electronic media and have higher BMIs, greater risk of obesity and lower health-related quality of life than children who met the recommended daily amount of sleep³⁷.

33 Available at: <https://mentalhealth.inquiry.govt.nz/inquiry-report/he-ara-oranga/>

34 www.oecd.org/health/obesity-update.htm, obesity rates reported from 2016 or latest year available

35 New Zealand Health Survey 2018/19. <https://www.health.govt.nz/nz-health-statistics/health-statistics-and-data-sets/obesity-statistics>

36 Ministry of Health. 2015. Understanding Excess Body Weight: New Zealand Health Survey. Wellington: Ministry of Health.

37 Allen and Clarke. 2016. Review of Physical Activity Guidance and Resources for Under-Fives. Wellington: Allen and Clarke. Policy and Regulatory Specialists Ltd.

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