



HEALTH & DISABILITY COMMISSIONER
TE TOIHAU HAUORA, HAUĀTANGA

E.17

Pūrongo ā-Tau Annual Report

2023





**Tuia tō mana kia māia
Tuia tō mauri kia mau**

**Horahia te mātauranga
Kia puta ko te māramatanga**

**Whakakotahi ai te wairua
Kia tipu, kia hua, kia puāwai ngā mahi**

**Haumi e, hui e,
Tāiki e!**

*Retain and hold fast to your mana, be bold, be brave
Be widespread with knowledge to empower understanding
By working together we will grow, flourish and prosper
Join all together, bind all together, let it be done!*

Presented to the House of Representatives pursuant
to section 150 of the Crown Entities Act 2004
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Ngā kaupapa

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Kupu whakataki a te Kaikōmihana

Commissioner's foreword

//MORAG MCDOWELL



I am pleased to present the Health and Disability Commissioner's Annual Report for 2022/23. This year was one of significant change in the health and disability system with the enactment of the Pae Ora (Healthy Futures) Act, the establishment of Te Whatu Ora, Te Aka Whai Ora and Whaikaha, and the reverberations of COVID-19 being felt by a health system under considerable pressure.

The HDC is not immune from such pressures, and on-going increases in complaint volumes (36% above pre-COVID-19 levels), combined with having to respond to changes in the structure of the health and disability system as well as increases in complex and novel issues being raised in complaints, have posed significant challenges as well as opportunities.



Notwithstanding these pressures, we succeeded in closing a record number of complaints this year — 16% more complaints than the previous year, including 156 investigations.

However, there continues to be a gap between the number of complaints we receive and the number we can conceivably close. Regrettably, this has resulted in an increasing number of complaints under assessment at year end and an aging profile of complaints.

In a constrained environment with limited resources, we have continued to work on finding efficiencies and focusing on people-centred and early resolution where possible. For example, in 2022/23 we introduced fast-track processes and clinical navigator roles to assist people in understanding their care and the clinical information provided, and we re-configured our triage process to focus on early resolution and equity. However, process change remains extremely difficult within the current context in which we are operating.

I give my heart-felt thanks to my team, whose hard mahi and passion has led to the successes of this year. Working in complaints means often having to navigate challenging and at times distressing circumstances, and I am always impressed by the resilience, compassion, and dedication shown by HDC's staff in this context.

The Advocacy Service has a valuable role to play in assisting HDC to enhance our contribution to early resolution. My team and I have worked closely with the Advocacy Service in 2022/23 to strengthen the strategic alignment between our two organisations and understand the operating experience of the service that is at the front line. My thanks to the Advocacy Service for the important contribution it makes to promoting and protecting consumer rights.

In 2022/23 HDC maintained a focus on becoming a culturally safe organisation and enhancing our contribution to an equitable health and disability system. With the support of our Kaitohu Mātāmua Māori | Director Māori we have continued to improve the cultural competence of our organisation and the responsiveness of our complaints process to Māori. In this respect, I have been pleased to see the continuing success of our hui-ā-whānau in bringing a te ao Māori approach to complaints resolution, and in assisting whānau to feel heard, as well as improving the cultural response of providers.

In November I was delighted to announce the launch of our online learning modules to support providers' understanding of their obligations under the Code. These modules have been positively received by the sector, with 3,332 providers accessing them. This is an encouraging reflection of the commitment of providers to upholding the Code. An animated video on the Code was launched in September 2023, which was designed in consultation with consumers. This will be a significant opportunity to lift the general public's awareness and understanding of the Code.

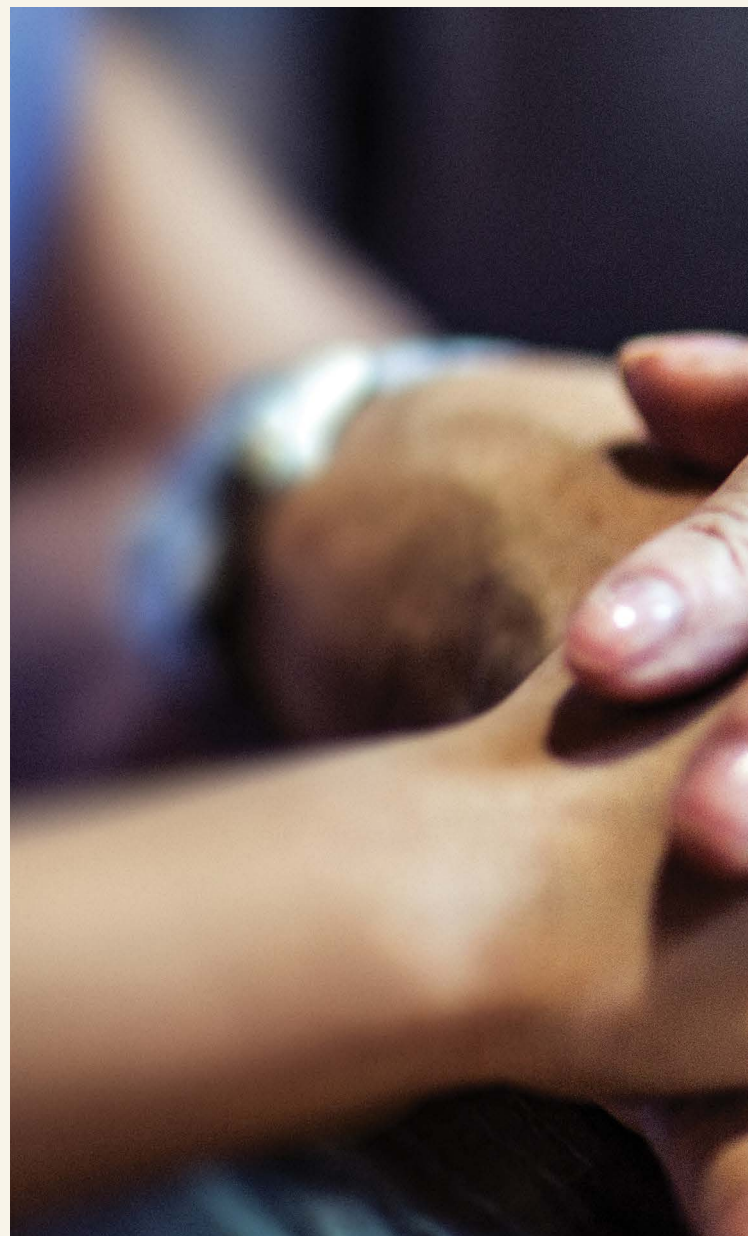
In 2022/23 I undertook a Commissioner-initiated investigation into cancer care delays in the Southern region after concerns were raised with my Office. I found that poor clinical governance and quality systems had led to a failure to take reasonable actions regarding the clinical risk posed to patients by these delays. The findings of this investigation were widely reported and represented an important opportunity for HDC to speak into the system and contribute to broader systemic change.

Our complaints data is grounded in the consumer and whānau voice, and we have continued to proactively seek opportunities to share insights from complaints and to work collectively with other agencies, where

appropriate, on areas of shared concern. We have also sought to establish relationships with new entities in the health and disability system. For example, in 2022/23 we raised issues and worked with other agencies in relation to the safety of surgical mesh, inconsistencies in informed consent processes, the quality of maternity care, and the impact on patients from current delays in planned and emergency care.

Looking forward, HDC will play an important role in contributing to the Government's priorities, as set out in the New Zealand Health Strategy, to place the consumer voice at the heart of the system and foster a learning culture. We will be seeking opportunities to work collectively with Manatū Hauora, and other agencies, in this respect.

It is a privilege to serve as the Health and Disability Commissioner. The Code of Rights is the benchmark for consumer-centred care in Aotearoa New Zealand, and I remain committed to advocating for a system that amplifies the consumer voice and places people at the centre.



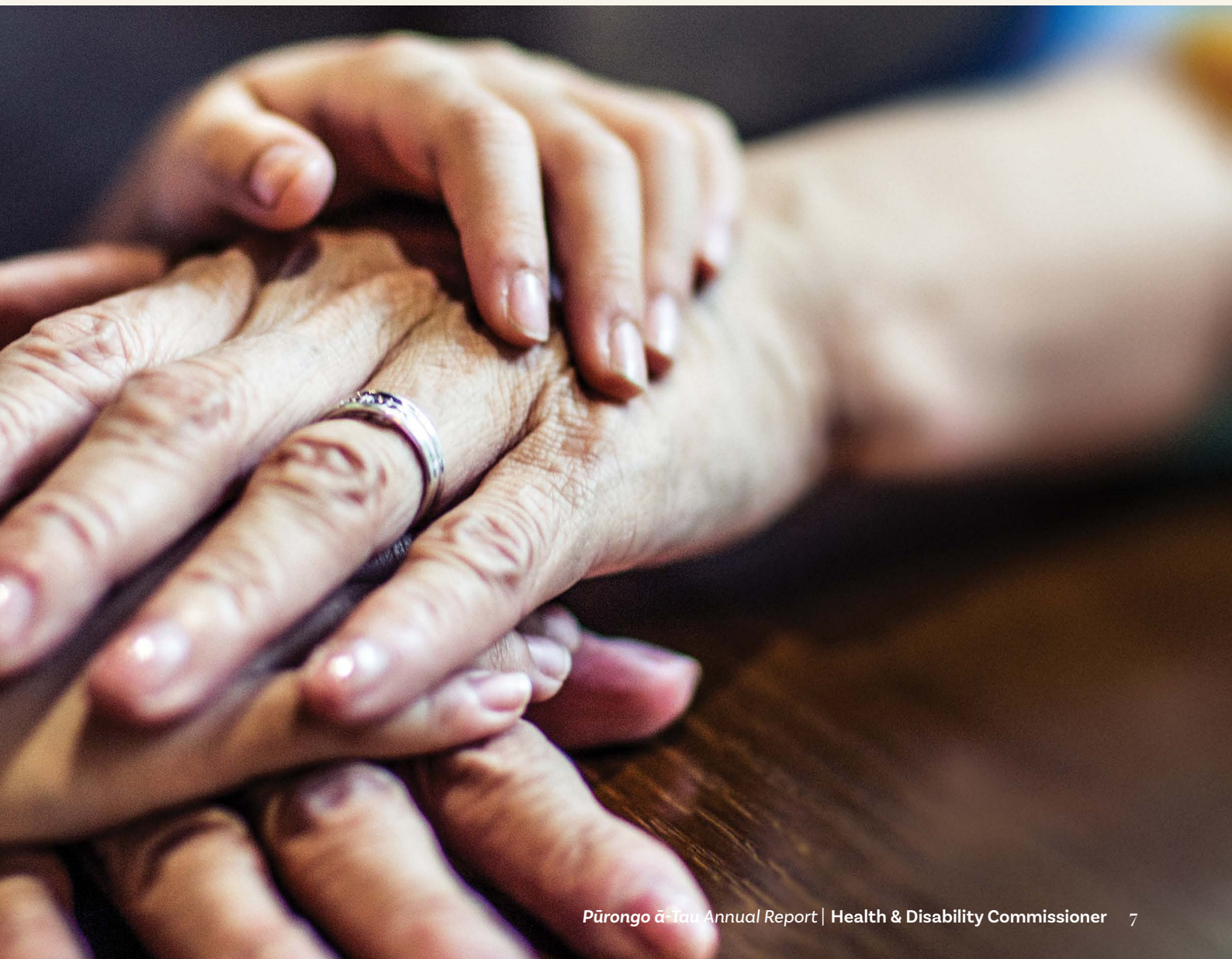
HDC has a significant role in the promotion and protection of the rights of disabled people, and I remain concerned that areas of the disability community do not access our services. I am also mindful that we do not have an understanding of many disabled people's experience of health and disability services. Disability will be an area of increased focus for the HDC in 2023/24 and I envisage us working collaboratively with other agencies to bring effect to this important priority. In the meantime, we have begun work to develop a monitoring framework in relation to the performance of the sector in upholding the rights of disabled people, and I look forward to this work taking greater shape in the coming years.

In 2022/23 HDC scoped a review of the HDC Act and Code and will be undertaking public consultation in 2024. This review will ensure the Act and Code remain effective and modern mechanisms for the promotion and protection of people's rights, and is a significant piece of work for the HDC.

It is a privilege to serve as the Health and Disability Commissioner. The Code of Rights is the benchmark for consumer-centred care in Aotearoa New Zealand, and I remain committed to advocating for a system that amplifies the consumer voice and places people at the centre.

Ngā mihi nui

Morag McDowell
Health and Disability Commissioner



Kupu whakataki a te Kaikōmihana

//MORAG MCDOWELL



Tēnei te tāpae atu i te pūrongo ā-tau a te Kaikōmihana o Te Toihau Hauora, Hauātanga mō te tau 2022/23. I te tau kua hipa ake nei, he nui ngā huringa i roto i te pūnaha mō te hauora me te hauātanga, arā, ko te whakapūmautanga o te Pae Ora (Healthy Futures) Act, ko te whakatūnga o Te Whatu Ora, o Te Aka Whai Ora, me Whaikaha, ā, tae atu ki ngā pānga o te KOWHEORI-19 ki te pūnaha hauora e raru ana i ngā kawenga taumaha tonu o te wā.

E pā mai ana hoki ērā taumahatanga ki te HDC. Kei te piki haere tonu te maha o ngā nawe e tāpaea mai ana ki te HDC (kua 36% te pikinga i te rahi o mua i te KOWHEORI-19), ā, me urupare mātou ki ngā huringa o te hanganga o te pūnaha mō te hauora me te hauātanga, me te pikinga o ngā nawe e hou ana, e pīroiroi ana hoki ngā take. E pēhia ana tō mātou nei umanga e ēnei taumahatanga.

Ahakoā ēnei taumahatanga, he maha ake ngā nawe i oti i a mātou te whakataui i tēnei tau, tērā i ngā tau katoa o mua – i 16% te nui ake i ō tērā tau, ka mutu, 156 ngā tūhuratanga.

Heoi, he maha ake ngā nawe e taetae mai ana i te maha ka taea e mātou te whakaea. E pōuri ana, i te mea ko te hua o tēnei āhuratanga, kei te nui ake ngā nawe e aromatawai tonutia ana i te paunga o te tau, ā, kei te roa ake te wā e ea ai ngā nawe.

Kei te kimi tonu mātou i ngā ara e tere ake ai ngā mahi, me te whai kia aro ngā whakataunga ki te tangata, ā, kia wawe ngā whakatauranga, ina taea te pērā. Hei tauira, i te tau 2022/23, i whakarite mātou i ētahi tukanga ara tere me ētahi tūranga clinical navigator hei āwhina i ngā tāngata ki te mārāma ki ngā mahi a ō rātou kaimahi hauora me ngā pārongo e tukuna atu ana, ā, i hurihia tā mātou tukanga whakaarotau kia noho ai te whakataunga wawe me te tautika hei aronga matua. Heoi anō, he tino uaua ngā huringa tukanga i roto i te horopaki e mahi nei tātou i tēnei wā.

E rere ana ngā mihi o tōku ngākau ki taku tīma nā rātou rā ngā whakapaunga kaha, nō rātou rā te whiwhita i eke ai ngā āngitu o te tau. Ko tā te kaiwhakataui nawe he whakahaere i ngā take uaua, ā, mīharo ai au ki te manawaroa, ki te aroha ki te tangata, me te manawanui o ngā kaimahi o te HDC i tēnei horopaki.

He nui te wāhi ki a Ngā Kaitautoko i roto i te āwhina i tā te HDC mahi kia wawe ake ai ngā whakaeatanga. I te tau 2022/23, i mahi ngātahi mātou ko taku tīma ki a Ngā Kaitautoko ki te whakakaha i te whakahāngaitanga ā-rautaki i waenga i ō mātou umanga e rua, ki te mārāma hoki ki ngā wheako mahi o te ratonga e tū rā i te aroaro-ā-kapa. E mihi ana au ki a Ngā Kaitautoko i te nui o tā rātou mahi ki te whakatairanga, ki te tiaki i ngā mōtika o te kiritaki.

I te tau 2022/23, i aro tonu te HDC ki tā tātou huri hei umanga e tiaki ana i te haumarutanga ā-ahurea, me tā mātou hāpai i te tautika o te pūnaha mō te hauora me te hauātanga. I runga i te tautoko a tō mātou Kaitohu Mātāmua Māori, e whakakaha tonu ana mātou i te āheinga ahurea o tō mātou nei umanga me te kaha o tā mātou tukanga nawe ki te urupare ki a ngāi Māori. E koa ana au i ngā hua e puta tonu ana i ā mātou hui-ā-whānau e kawē nei i tētahi tikanga ao Māori ki te mahi whakaea nawe, e āwhinatia ai ngā whānau ki te whakaputa i ō rātou whakaaro, e whakapaingia ai hoki ngā urupare ā-ahurea a ngā kaiwhakarato.

I te Noema, i harikoa ahau ki te pānui i te whakarewanga o ā mātou akoranga ā-ipurangi hei tautoko i te mārama o ngā kaiwhakarato ki ō rātou haepapa i raro i te Code. He pai ngā kōrero a te rāngai mō ngā akoranga nei, ā, kua uru mai i te 3,332 ngā kaiwhakarato. E whakaata ana tēnei i te manawanui o ngā kaiwhakarato ki te hāpai i te Code. Hei te Hepetema 2023, ka whakarewa mātou i tētahi kiriata pakiwaituhi mō te Code, he mea hoahoa i te taha o ngā kiritaki. He arawātea nui tēnei ki te hāpai ake i te mōhiotanga me te māramatanga o te marea ki te Code.

I te tau 2022/23, i whakahaere au i tētahi tūhuratanga i whakaarahia e te Kaikōmihana hei tiroiro i ngā āhuatanga takaroa i roto i te tiaki i ngā tūroro mate pukupuku i te rohe o te tonga, i muri i te tāpaetanga mai o ētahi āwangawanga ki a mātou. Ko tāku i kite ai, nā te ngoikore o

te hautūtanga haumanu me ngā pūnaha tiaki kounga, kāore i tutuki ngā mahi e tika ana hei whakaiti i ngā mōrea ka pā atu ki ngā tūroro nā runga i ēnei takaroatanga. I kōrero whānuitia ngā kitenga o tēnei tūhuratanga, ā, i whakaata i tētahi arawātea hira e tuku whakaaro ai te HDC ki roto i te pūnaha me te whai wāhi atu ki ngā panonitanga pūnaha whānui.

Ko te tuāpapa o ā mātou raraunga nawe ko te reo o te kiritaki me te whānau, ā, e rapu whiwhita tonu ana mātou i ngā arawātea ki te whakaatu i ngā whakamāramatanga e ahua ana i ngā nawe, ki te mahi ngātahi hoki ki ētahi atu umanga, i ngā wā e tika ana, i roto i ngā kaupapa pātahi. Kei te whai hoki mātou kia whakaritea ngā hononga i waenga i a mātou ko ngā hinonga hou o te pūnaha mō te hauora me te hauātanga. Hei tauira, i te tau 2022/23, i whakaara mātou i



ētahi take, ā, i mahi ngātahi ki ētahi umanga e pā ana ki te haumarutanga o te surgical mesh, ki ngā rerekētanga i roto i ngā tukanga o te whakaaetanga whai mōhio, ki te kounga o te maimoatanga i te hunga whakawhānau pēpi, me ngā pānga ki ngā tūroro i ngā takaroatanga o te wā nei i ngā mahi tiaki hauora kua whakamaheretia me ngā mahi ohotata anō hoki.

Ki te titiro whakamua tātou, ka nui te wāhi ki te HDC i roto i ngā whakaarotau a te Kāwanatanga i whakatakotoria ai i roto i te Rautaki Hauora o Aotearoa kia noho ko te reo o te kiritaki ki te pū o te pūnaha, ā, kia whakatipuria he ahurea ako. Ka kimi mātou i ngā arawātea ki te mahi ngātahi ki a Manatū Hauora me ētahi atu umanga i runga i tēnei kaupapa.

He nui hoki te wāhi ki te HDC i roto i te

whakatairanga me te tiaki i ngā mōtika o te hunga hauā, ā, kei te āwangawanga tonu au i te korenga o ētahi wāhanga o te hāpori hauā e toro mai ki ā mātou ratonga. Ka kaha ake tā te HDC arotahi ki te taha hauātanga. Kei te whakarite mātou i tētahi anga aroturuki mō tā te rāngai hāpai i ngā mōtika o te hunga hauā, ā, e titiro whakamua ana au ki te whanaketanga o tēnei mahi i ngā tau e heke mai nei.

I te tau 2022/23, i whakamahere te HDC i tētahi arotake o te Act me te Code o te HDC, ā, ka tonoa ngā whakaaro o te hunga tūmatanui ā te tau 2024. Mā te arotakenga nei e whaihua tonu ai te Act me te Code, e tika ai hoki mō ngā wā e tū mai nei, hei whakatairanga, hei tiaki i ngā mōtika o tātou te tangata. He mahi hira tēnei mā te HDC.

E waimarie ana au i taku tū hei Kaikōmihana mō Te Toihau Hauora, Hauātanga. Ko te Ture Tiaki i ō Tika (Code of Rights) te paerewa mō te āta aro ki ngā kiritaki i roto i ngā mahi manaaki hauora i Aotearoa, ā, ka kōkiri tonu au kia whakanui te pūnaha i ngā kōrero a ngā kiritaki, kia arotahi hoki ki te tangata i te pū o te pūnaha.

Ngā mihi nui

Morag McDowell
Te Toihau Hauora Motuhake

E waimarie ana au i taku tū hei Kaikōmihana mō Te Toihau Hauora, Hauātanga. Ko te Ture Tiaki i ō Tika (Code of Rights) te paerewa mō te āta aro ki ngā kiritaki i roto i ngā mahi manaaki hauora i Aotearoa, ā, ka kōkiri tonu au kia whakanui te pūnaha i ngā kōrero a ngā kiritaki, kia arotahi hoki ki te tangata i te pū o te pūnaha.



1

Ko wai mātau

Who we are

Ko koe, ko au
Ko au, ko koe

You are I and I am you

The Health and Disability Commissioner (HDC) promotes and protects the rights of all people who use health and disability services.

HDC is an independent Crown entity. It is independent of government, which enables the Office to be an effective and impartial guardian/kaitiaki of consumers' rights.

Our funding

We are funded under the Monitoring and Protecting Health and Disability Consumer Interests Appropriation in Vote Health. In the year ended 30 June 2023, HDC received \$18,944,000 from this appropriation to fund six output classes as set out in our Statement of Performance Expectations.

Our functions

Complaints resolution: we assess and resolve complaints about health and disability services.

Advocacy: we contract the National Advocacy Trust to provide advocacy services to support people to resolve their complaints directly with the provider and promote the Code in the community.

Proceedings: we can refer providers who are found in breach of the Code to the Director of Proceedings (an independent, statutory function), who then decides whether legal proceedings should be taken.

Education and analysis: we use insights from complaints to influence policies and practice across the health and disability system and deliver educational initiatives to improve knowledge of the Code.

Disability: the Deputy Commissioner, Disability has a focus on promoting and protecting the rights of tāngata whaikaha (disabled people).

Aged care: the Aged Care Commissioner advocates for older people and their whānau to receive better services in the health and disability system and provides strategic oversight to drive quality improvement.

Our executive leadership team as at 30 June 2023

Morag McDowell

Health and Disability Commissioner

Te Toihau Hauora Motuhake

Rose Wall

Deputy Health and Disability Commissioner,
Disability

Te Toihau Hauātanga Tuarua

Dr Vanessa Caldwell

Deputy Health and Disability Commissioner

Toihau Tuarua Hauora, Hauātanga

Carolyn Cooper

Aged Care Commissioner

Te Toihau Tautiaki Kaumātua

Deborah James

Deputy Health and Disability Commissioner,
Complaints Resolution

Toihau Tuarua, Whakatau Amuamu

Ikimoke Tamaki-Takarei

Kaitohu Mātāmua Māori

Director Māori

Courtney McCulloch

Director of Proceedings

Pouārahi o Ngā Hāmenetanga

Mark Treleaven

Associate Commissioner, Complaints Resolution

Toihau Tuarua

Jane King

Associate Commissioner, Legal

Toihau Tūhono, Ture

Dr Cordelia Thomas

Associate Commissioner

Toihau Tuarua

Jason Zhang

Corporate Services Manager

Pouwhakahaere Rangatōpū

Kevin Allan

(Acting) Director of Advocacy

Pouārahi Taunaki Motuhake

2

Ōu mōtika ina whakamahi koe i tētahi ratonga hauora, hauātanga rānei

Your rights when you use a health or disability service

The rights of people who use health and disability services are set out in the Code of Health and Disability Services Consumers' Rights (the Code). These rights apply to all health and disability services.

HDC resolves complaints about the infringement of those rights, holds service providers to account, and uses complaint findings to improve the quality of services, at the individual provider level and across the health and disability system.

Tuia tō mana, kia māia

Retain and hold fast to your mana



10 Consumers' rights

1 

Whakamana

Respect

2 

Manaakitanga

Fair treatment

3 

Tu rangatira motuhake

Dignity and independence

4 

Tautikanga

Appropriate standard of care

5 

Whakawhiwhitinga whakaaro

Effective communication

6 

Whakamōhio

Full information

7 

Whakaritenga mōu ake

Informed choice and consent

8 

Tautoko

Support

9 

Ako me te rangahau

Teaching and research

10 

Mana to amuamu

Right to complain

3

Te whakarato i tā tātau rautaki Delivering our strategy

We have developed a comprehensive strategic work programme to support our strategic objectives in the Statement of Intent, assist us to honour our responsibilities under Te Tiriti o Waitangi and enhance our contribution to an equitable system.

This work programme is focused on achieving the following outcomes:

- **Being an inclusive and culturally safe organisation**
- **Having a timely, people-centred complaints process**
- **Enhancing our focus on rights promotion**
- **Demonstrating tangible system impact**
- **Responding sustainably to growing demand**

Te amorangi ki mua, te hapai o ki muri

Collective leadership enables success

HDC is committed to honouring our responsibilities under Te Tiriti o Waitangi and is working to ensure this commitment is central to everything we do. Our Kaitohu Mātāmua Māori | Director Māori and his team have been focused on improving internal cultural knowledge and competence across HDC and our ability to respond to Māori complainants and complaints with a cultural dimension.

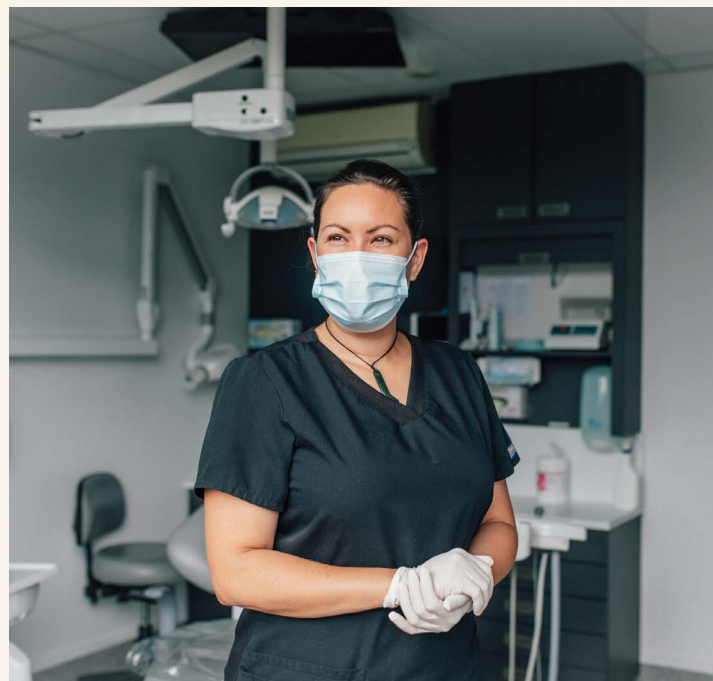
HDC's Consumer Advisory Group is another important mechanism to ensure we are acting in a culturally safe, consumer-centred way. HDC has been focusing on strengthening the diversity of representation on our Consumer Advisory Group. Recently, we expanded the group, and currently have representation from LGBTIQ Takatāpui, youth, disability, Pacific peoples, Iwi, Asian, older people, and mental health and addiction lived experience communities.

A key part of our strategic work programme is our review of the HDC Act and Code. In 2022/23 HDC undertook scoping work for this review. The review will be an opportunity to ensure the Act and Code remain fit for purpose in the new health and disability landscape and continue to be effective mechanisms for the promotion and protection of the rights of all people using health and disability services.

Code of expectations for health entities' engagement with consumers and whānau (code of expectations)

While the Pae Ora (Healthy Futures) Act 2022 does not require HDC to act in accordance with the code of expectations, we will continue to ensure that the principles and intent of the code are built into our work. Some of the ways in which we have done this in 2022/23 are:

- Using our complaints data to highlight the consumer and whānau voice in quality and safety
- Engaging with our Consumer Advisory Group to assist in identifying organisational priorities and issues of strategic importance in the health and disability system
- Developing an equitable engagement strategy, in consultation with Māori, for our upcoming review of the Act and Code
- Monitoring consumer and whānau experience of our complaints process and using this information to inform quality improvement in those processes
- Refreshing our promotional material, in consultation with our Consumer Advisory Group, to ensure it is fit for purpose, culturally appropriate, and accessible
- Developing, in consultation with consumers, an online education resource to raise awareness among consumers of their rights and how to exercise them
- Working with our Kaitohu Mātāmua Māori to improve the responsiveness of our complaints process to Māori
- Using HDC's levers to promote equitable health outcomes, and collaborating with other agencies to share information and take action in regard to equity
- Funding the Nationwide Health and Disability Advocacy Service (the Advocacy Service) to undertake community-level promotion of the Code and mitigate the power imbalance by working with consumers to resolve complaints directly with the provider



Our four strategic objectives

1. Te whakatau amuamu | Resolution of complaints

The assessment and resolution of complaints is our central function and the primary vehicle for the protection of consumers' rights. Where appropriate, we focus on facilitating early resolution. In this respect, the work of the Advocacy Service is significantly aligned with the work of HDC.

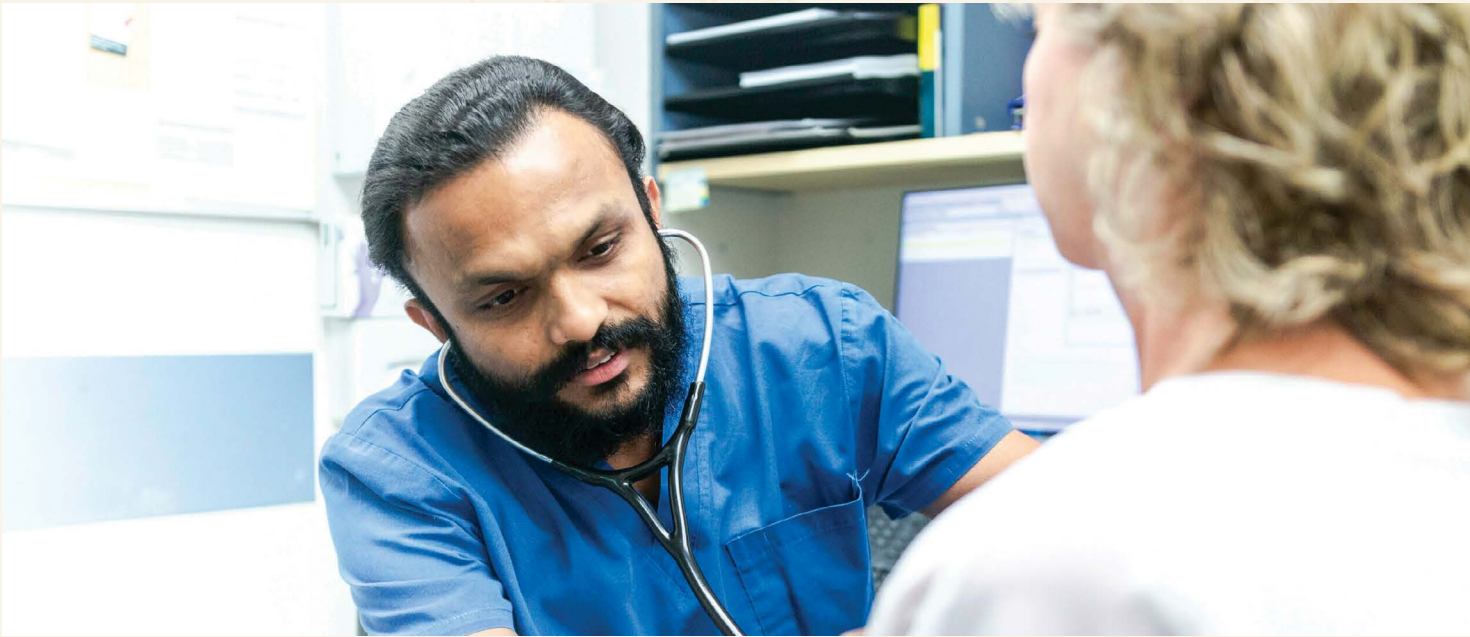
HDC has worked to improve our ability to respond to complaints with a cultural dimension, with a particular focus on Māori. We have established a small cultural team within HDC to provide cultural oversight of complaints and the option of hui-ā-whānau. In addition, we have re-designed our complaints triage process to place a greater emphasis on equity.

The volume and complexity of complaints has increased considerably in recent years placing significant pressure on the time it takes to assess and resolve them. This has

led to a growing number of complaints under assessment and an aging profile. Currently, we are trialling and implementing process re-design changes to make processes more streamlined and efficient, as well as more people-centred and culturally appropriate, with a stronger focus on early resolution. We have introduced clinical navigator roles and modified our triage process to place a greater emphasis on early resolution. However, delivering such change while managing increasing volumes of complaints, novel issues, out-dated electronic systems, and a growing file load, remains extremely challenging.

The implementation of process re-design changes will be a long-term process. However, we continue to undertake regular complainant and provider experience surveys to provide insights on how we can improve people's experience, with a focus on how different communities experience our process.





2. Kia piki ake te māramatanga ki ngā tika | Improved understanding of rights

Promoting understanding of the Code is central to our purpose. There are communities who experience barriers to accessing our services, and who may not be empowered to exercise their rights. We centre our promotional activities around these communities, with a particular focus on Māori and tāngata whaikaha.

Our Kaitohu Mātāmua Māori | Director Māori undertook a series of regional engagements across the motu in 2022/23, concentrating on promoting the work of HDC within Māori communities and supporting culturally appropriate complaints resolution for Māori whānau.

In 2022/23 we refreshed our promotional material to ensure it is fit for purpose, culturally appropriate, and accessible. We also developed, in consultation with consumers, an online education resource to raise awareness among consumers of their rights and how to exercise them.

The Advocacy Service is funded by HDC to undertake community-level promotion of the Code. Around 73.5% of the Advocacy Service's community networking activities are focused on more marginalised or vulnerable communities (such as people in residential facilities).

We also worked to raise providers' awareness of their obligations under the Code and how to apply the Code in their day-to-day practice. Our online education modules, which were released in November 2022, have been accessed by 3,332 health and disability service providers. We undertake many face-to-face educational initiatives each year with consumer and sector groups, to improve understanding of the Code, the factors that support early resolution, and HDC's complaints process.

3. Kia piki ake te tauritenga o ngā āwhina me te haumaruru | Better, safer, more equitable care

We closely monitor trends that emerge across complaints, and aim to take a timely, collaborative approach to raising issues of systemic concern. We work closely with other agencies in the sector to amplify the consumer voice and ensure that timely action is taken in relation to public safety concerns.

In 2022/23 we undertook 325 stakeholder engagements; and on 177 occasions HDC provided Mānatu Hauora, Whaikaha, Te Whatu Ora, and other relevant agencies, with early notification where the ongoing safety and wellbeing of consumers was of concern, or there were systemic issues in relation to complaints.

We also use the insights gained from complaints to influence legislation, policies, and practice, including through submissions and strategic engagement. For example, in 2022/23 HDC provided feedback to Mānatu Hauora on the suite of Health Strategies developed under the Pae Ora (Healthy Futures) Act to ensure these reflected the Code of Rights and the concerns people raise with us.

The Aged Care Commissioner has a mandate to monitor and work to address quality and safety issues for older people in the aged care and wider health and disability sector. Carolyn Cooper was appointed to the role in 2022, and in 2022/23 she worked on establishing effective relationships and meaningful engagement with stakeholders, including older people, to inform her insights report into the performance of the sector for older people.

We hold a key role in improving quality of care for tāngata whaikaha, and this will be an area of increasing focus in the future. In 2022/23 we began work on developing a monitoring framework to assess the performance of the health and disability sector in relation to upholding the rights of disabled people. However, there are key challenges and opportunities for HDC in promoting and protecting the rights of tāngata whaikaha. While data indicates that around 25% of consumers whose care is

complained about identify as having a disability, those who may be particularly vulnerable (such as people in residential facilities) and tāngata whaikaha Māori and Pacific peoples are under-represented in complaints to HDC. We are intent on removing barriers to accessing our services for disabled people, tāngata whaikaha Māori, and others with accessibility needs.

We made 592 quality improvement recommendations in relation to individual complaints in 2022/23. HDC's recommendations have a high compliance rate at around 96%. In 2022/23 a review was undertaken to identify opportunities to improve our recommendations and enhance their contribution to quality and safety. The people or agencies to whom the recommendations are directed are always able to provide feedback on proposed recommendations, and HDC also follows up when recommendations are not implemented to a satisfactory level.

In 2022/23 we made improvements to our data collection methods to align them with new structures in the health system, and to allow us to report on equity issues more comprehensively. This includes Māori experience of care and the experience of disabled people and older people in the health and disability system. However, in the context of an outdated digital complaints management system that requires manual analysis, comprehensive analysis of our data remains a challenge.

Our ability to contribute to equitable health outcomes within the health and disability sector relies on us making sure that the way we operate is equitable, accessible, and culturally safe. With the support of our Kaitohu Mātāmua Māori | Director Māori we have been working to improve the cultural capability of HDC.

In addition, we have been scoping a review of our Act and Code. Ensuring our ability to contribute to equitable health outcomes will be a focus of this review.



4. Kia tika ngā mahi o ngā ratonga | Provider accountability

HDC is an important mechanism for providers to be held to account for failing to uphold consumers' rights. Accountability, where required, is vital to protecting people's rights and improving the quality of care provided. This is particularly so when we consider that the New Zealand environment has an enforceable Code of Rights, but an otherwise no-fault system. Our accountability mechanism is important for maintaining public trust in the health and disability system and ensuring that people's resolution needs are met, and their rights upheld.

We may formally investigate a complaint where a provider's actions appear to be in breach of the Code. Investigations ensure providers and organisations are held to account where needed,

public safety is protected, recurrent behaviour and systemic issues are addressed, preventative action is taken, and public trust is strengthened. We completed 156 investigations in 2022/23.

In addition, through the making and monitoring of recommendations, HDC also holds the system to account to ensure that learning and change occur.

Providers can be referred to the Director of Proceedings to consider legal action for the most serious breaches of the Code. The work of the Director helps to set professional standards and maintain public confidence in the quality and safety of services. In 2022/23 16 providers were referred to the Director.

Te whakatutukitanga mō ngā mahi hira

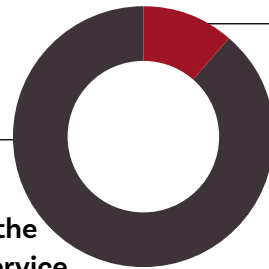
Performance on key functions

Whāia te iti kahurangi ki te tūohu koe
mehemea he maunga teitei

Pursue excellence



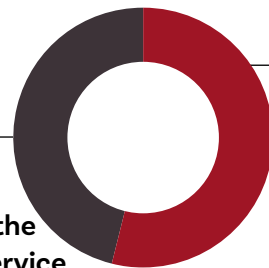
21,738*
enquiries
received by the
Advocacy Service



2,768
enquiries received
by HDC



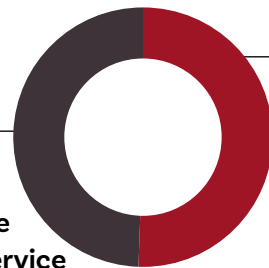
2,857
complaints
received by the
Advocacy Service



3,353
complaints
received by HDC



2,980
complaints
closed by the
Advocacy Service



3,048
complaints
closed by HDC –
a 16% increase on
the previous year

*The Advocacy Service figure includes the HDC and Advocacy Service 0800 numbers

1,352

education sessions
(1,314 advocacy + 38 HDC)
held by HDC and the
Advocacy Service

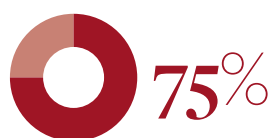
3,351 

visits and meetings with
community groups and
provider organisations by
the Advocacy Service

3,332

providers accessed HDC's
online learning modules

HDC



complaints
resolved within
12 months

156

completed investigations

96 

published investigation
decisions, which generated
715 media stories

16 providers referred
to the Director of
Proceedings

2,768 
enquiries received

325 engagements
with key external
stakeholders



compliance achieved
with quality improvement
recommendations

HDC achieves its strategic objectives through six key functions:

1 Complaints resolution

4 Education

2 Advocacy Service

5 Disability

3 Proceedings

6 Aged care

4.1

Complaints resolution

Resolving complaints in a fair, simple, speedy, and efficient way is central to our role of promoting and protecting the rights of people using health and disability services. We focus on resolution at the lowest appropriate level and have several resolution pathways to do this.

These include referring the complaint to the provider, or the Advocacy Service, for direct resolution between the provider and consumer. In these cases, we have a report-back procedure to ensure that complaints have been resolved appropriately. In 2022/23 35% of complaints closed were referred for direct resolution between the parties, often with the assistance of the Advocacy Service.

In some cases, further action may not be needed – for example, where an initial assessment shows the provider has taken reasonable steps to address the issue. Sometimes it may be more appropriate to take an educational approach where areas for improvement are identified (including recommending system changes). In a small number of cases, we may notify a formal investigation to consider whether a breach of the Code has occurred.

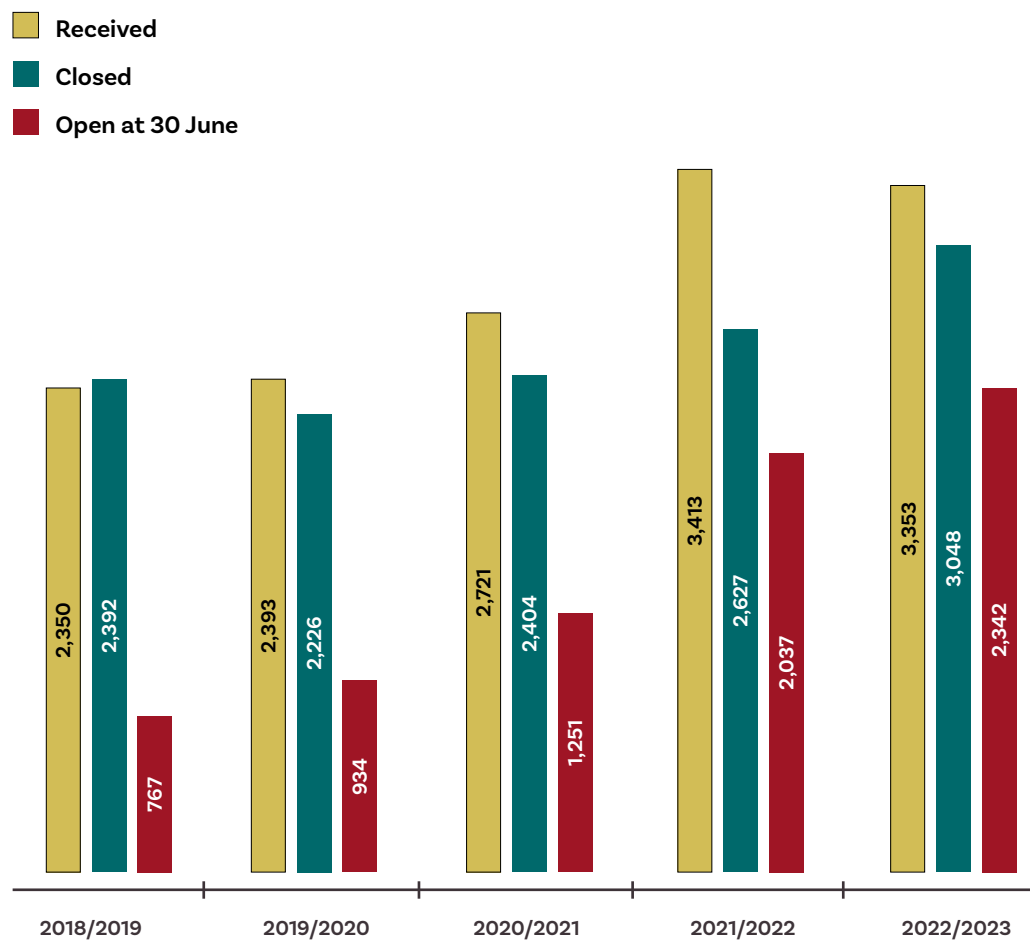
//INCREASING VOLUMES

The volume of complaints we receive has increased significantly in recent years. In 2022/23 we received 3,353 complaints and, while this represents a very small decrease (2%) on the number of complaints received in the previous year, it was still a 36% increase on the pre-COVID-19 volume. The volume of complaints has increased by 43% over the past five years.

In the context of a recent pandemic, and a health and disability system under pressure and system change, we have also seen an increase in novel issues that require significant time and senior resource to formulate an approach.

Sixty-six and a half percent of complaints to HDC are closed within three months, showing our focus on early resolution. HDC closed 3,048 complaints in 2022/23 – a 16% increase on the number of complaints closed in the previous year. However, while in 2022/23 HDC closed more complaints than ever before, significant increases in the volume of complaints mean that we receive more complaints than we can close, and this has led to a growing number of open complaints. At the end of 2022/23, 2,342 complaints remained under assessment. Unfortunately, the pressure HDC is under has also led to an aging profile of open complaints, with around 11% of open complaints aged over two years as at 30 June 2023.

FIGURE 1. Number of complaints received and closed over the past five years



//PROCESS IMPROVEMENT

We are working on several initiatives to improve the efficiency and timeliness of our complaints process, with the aim of becoming more people-centred and focusing on early resolution, where appropriate. However, an external review of our processes undertaken in 2022 identified significant barriers to increasing our efficiency due to our out-dated IT infrastructure. Undertaking process change in the context of our IT environment, as well as the increasing volumes of complaints, is extremely difficult. Whilst a proposal to upgrade our digital systems to be in line with current Government expectations was unsuccessful, we will continue to work with Government in respect of this and look for areas where we can achieve further efficiencies wherever possible.

Recent initiatives include:

- Introducing processes to fast-track some complaints, where appropriate
- Modifying our 'front door' triage process to focus on equity and support early resolution, where possible
- Introducing clinical navigator roles (see below) to guide people through the complaints process and support early resolution
- More proactively working with complainants and providers to achieve earlier resolution of more complex complaints
- Developing processes to support the culturally appropriate resolution of complaints

//INTRODUCING CLINICAL NAVIGATORS

In 2022/23 we introduced clinical navigators to support consumers through the complaint process and support early resolution where possible. Navigators have a health background (primarily nursing) and can assist people to clarify their clinical concerns and better understand the care provided to them. Clinical navigators also play a crucial role in HDC's triage process, applying a clinical lens to complaints to assist HDC to decide on the most appropriate resolution path.

In 2022/23 68 complaints were referred to our Kaitohu Mātāmua Māori | Director Māori.

//BEING CULTURALLY RESPONSIVE

We have focused on improving our cultural knowledge and incorporating a te ao Māori perspective into our complaints assessment process. Supported by our Kaitohu Mātāmua Māori | Director Māori, we have focused on improving our internal capability and strengthening our ability to recognise and respond effectively to Māori complainants and complaints with a cultural dimension. Several initiatives have improved the cultural responsiveness of our process, including:

- Inclusion of cultural advice early in the complaints assessment process
- Providing people with an option to receive cultural support/oversight with their complaint
- Implementation of a hui-ā-whānau option for Māori consumers and their whānau

In 2022/23 HDC undertook 26 hui-ā-whānau. The hui addressed a wide range of concerns, including clinical, equity, and cultural safety issues. Whānau spoke positively of the hui providing them with a voice and allowing them to share their story and be heard. Providers also spoke of the opportunity to improve their cultural response.

In 2022/23 68 complaints were referred to our Kaitohu Mātāmua Māori | Director Māori. Currently, demand outstrips the capacity of our small cultural team, making it difficult for them to provide timely cultural input and leading to delays in receiving cultural advice and undertaking hui-ā-whānau. This, in turn, limits our ability to consider the broader application of these hui in complaints resolution. However, HDC is exploring further investment in cultural support to increase our ability to consider the broader application of these hui in complaints resolution as well as ensure an appropriate cultural response to complaints resolution.

//SYSTEM IMPACT

In 2022/23 we made 592 recommendations designed to improve the quality of services.

HDC's recommendations have a high level of compliance, with 96% of recommendations being complied with in 2022/23. This year, the most common themes in our recommendations were around:

- Evaluation of processes and tools supporting documentation and safety netting
- Review of operational procedures in clinical care and coordination between services or clinicians
- Delivery of education on effective communication with consumers and their whānau, informed consent processes, and maintenance of professional/ethical standards
- Evaluation of resource management processes to meet service demands
- Evaluation of the effectiveness of changes made in response to a complaint

We also made several recommendations to improve cultural safety. These focused on improving knowledge of tikanga and other important cultural practices, maximising use of existing cultural support channels for Māori and their whānau, and strengthening culturally appropriate complaints resolution options offered by providers.

In 2022/23 HDC developed and implemented a quality monitoring framework for our recommendations to assist in ensuring they are contributing to quality and safety. We also introduced a staff education programme on recommendations, including issuing a recommendation-making guideline, commencement of routine staff education sessions on recommendations, and a staff survey to further identify staff learning needs.

HDC also aims to work closely with other agencies that have a responsibility for quality and safety, and to escalate issues in the public interest in a timely way. On 177 occasions in 2022/23 we undertook early notification of systemic issues in relation to complaints, to Mānatu Hauora, Whaikaha, Te Whatu Ora, and other relevant agencies.

//IMPACT OF COVID-19

We continue to monitor the trends for complaints about COVID-19. In 2022/23 we received 410 complaints about care concerning COVID-19. This represented a 53% decrease on the 879 COVID-19-related complaints received in 2021/22. COVID-19-related complaints made up around 12% of all complaints received by HDC in 2022/23, compared to 26% of all complaints received in 2021/22.

Common issues raised by complainants about COVID-19 in 2022/23 included:

- **The impact of COVID-19 on the health and disability system (33%) – including delayed or restricted access to care and issues related to short-staffing**
- **Vaccine issues (28%) – many of these relate to concerns around adverse reactions to the vaccine and informed consent**
- **COVID-19 policies/procedures (23%) – these complaints primarily relate to visitor restrictions/access to support people, and infection control policies in health and disability settings**
- **Treatment of COVID-19 (15%) – including issues with care provided in COVID-19 isolation rooms and access to/use of anti-virals**

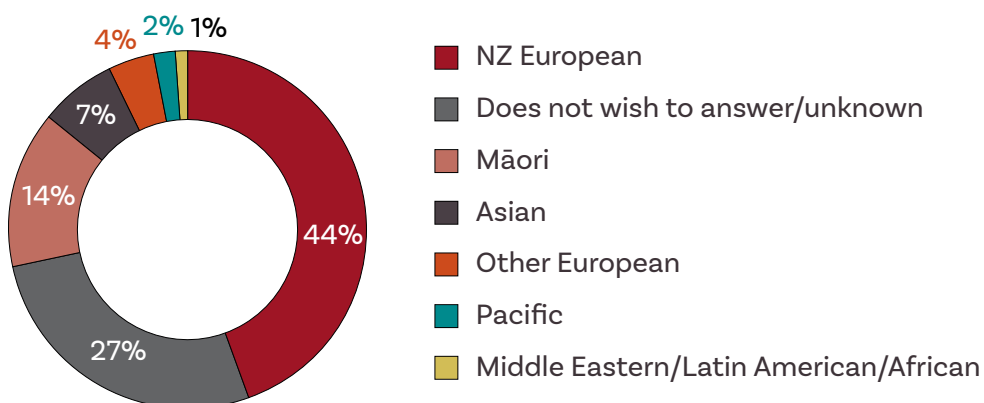
Key facts

TABLE 1. Outcomes of complaints closed by HDC in 2022/23

| Outcome | Number of complaints closed |
|---|-----------------------------|
| Investigation | 156 |
| Breach finding | 114 |
| No breach finding with adverse comment and recommendations | 21 |
| No breach finding | 2 |
| Referred to regulatory authority | 6 |
| No further action with recommendations or educational comment | 4 |
| Assessment concluded; no further action needed | 7 |
| Withdrawn | 2 |
| Other resolution following assessment | 2,723 |
| No further action with recommendations or educational comment | 244 |
| Referred to regulatory authority | 26 |
| Referred to other agency | 55 |
| Referred to provider | 636 |
| Referred to Advocacy Service | 422 |
| Assessment concluded; no further action needed | 1,219 |
| Withdrawn | 121 |
| Outside jurisdiction | 169 |
| TOTAL | 3,048 |

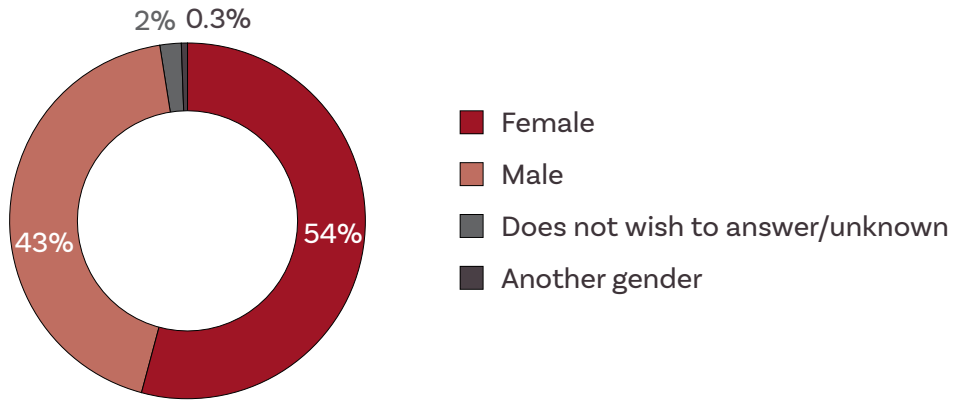
Whose care was complained about?

FIGURE 2. Ethnicity of consumers whose care was complained about in 2022/23



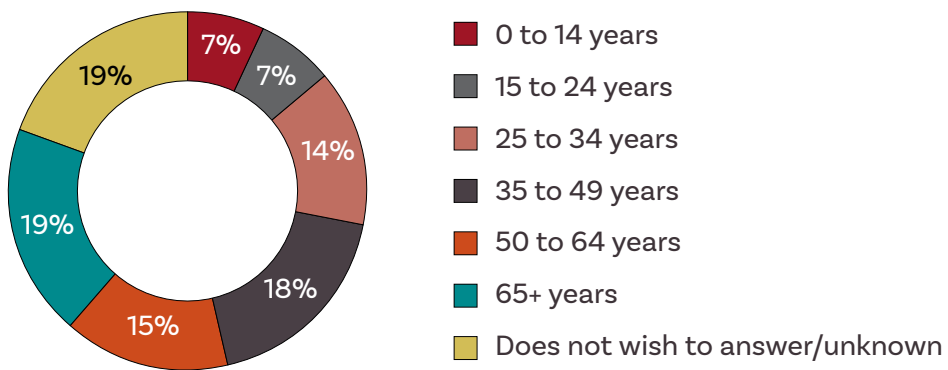
There was a very small increase in the proportion of consumers who identified as Māori in 2022/23 (from 11% to 14%). This may reflect a greater focus by HDC on engaging with iwi in 2022/23, as well as a greater national focus on Māori health outcomes with the establishment of Te Aka Whai Ora.

FIGURE 3. Gender of consumers whose care was complained about in 2022/23



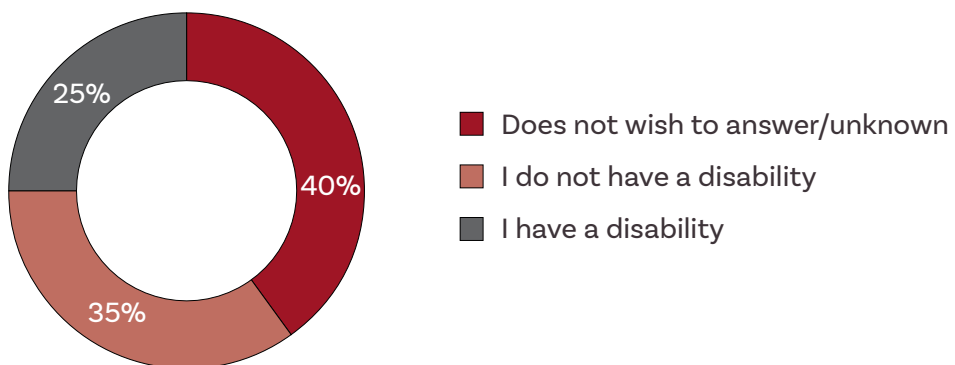
- (Similar to previous years' figures)

FIGURE 4. Age of consumers whose care was complained about in 2022/23



- (Similar to previous years' figures)

FIGURE 5. Disability status of consumers whose care was complained about in 2022/23



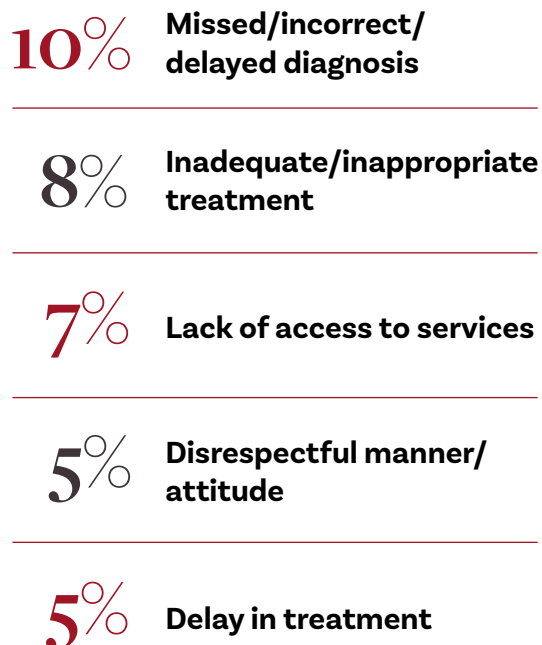
What issues were complained about?

TABLE 2. Most common primary issues in complaints

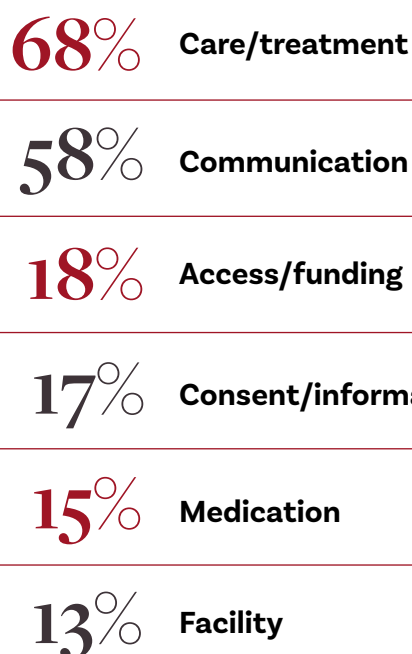
| Primary issue | 19/20 | 20/21 | 21/22 | 22/23 |
|--|-------|-------|-------|-------|
| Inadequate/inappropriate treatment | 199 | 228 | 186 | 302 |
| Missed/incorrect/delayed diagnosis | 194 | 205 | 240 | 246 |
| Lack of access to services | 115 | 97 | 119 | 176 |
| Failure to communicate effectively with consumer | 104 | 132 | 136 | 151 |
| Disrespectful manner/attitude | 125 | 127 | 163 | 138 |
| Delay in treatment | 89 | 127 | 116 | 135 |
| Inadequate/inappropriate examination/assessment | 103 | 144 | 144 | 131 |
| Unexpected treatment outcome | 109 | 92 | 90 | 122 |
| Waiting list/prioritisation issue | 62 | 53 | 70 | 108 |

- In 2022/23 the largest increases in complaints related to 'lack of access to services', 'inadequate/inappropriate treatment' and 'waiting list/prioritisation issue'.

Most common primary issues complained about in relation to care provided to Māori consumers:



When all issues raised in complaints are considered – not just primary issues – the most common complaint issue categories in 2022/23 were:



This is generally in line with what was seen last year; however, complaints involving access/funding issues showed a small increase (from 13% to 17%) and complaints about facility-related issues showed a small decrease (from 18% to 13%). The decrease in complaints about facility-related issues was consistent with a decrease in complaints about COVID-19-related restrictions.

Complaints about providers

TABLE 3. Most common organisations complained about

| Type of organisation | 19/20 | 20/21 | 21/22 | 22/23 |
|--------------------------------|-------|-------|-------|-------|
| Te Whatu Ora/DHB | 1,004 | 1,099 | 1,243 | 1,377 |
| Medical centre | 534 | 595 | 805 | 786 |
| Aged residential care facility | 169 | 151 | 183 | 185 |
| Pharmacy | 59 | 70 | 111 | 114 |
| Prison health services | 110 | 112 | 73 | 112 |
| Dental clinic | 67 | 96 | 86 | 98 |
| Home services provider | 63 | 81 | 103 | 83 |
| Specialist clinic | 30 | 45 | 45 | 70 |
| Disability services provider | 50 | 69 | 60 | 64 |

- We note an increase in complaints about Te Whatu Ora services.
- We note a small increase in the number of prison health services, dental clinics and specialist clinics complained about, and a small decrease in the number of home care service providers.

TABLE 4. Most common providers complained about

| Occupation | 19/20 | 20/21 | 21/22 | 22/23 |
|------------------------------|-------|-------|-------|-------|
| General practitioner | 300 | 308 | 364 | 371 |
| Midwife | 60 | 91 | 79 | 86 |
| Nurse | 60 | 57 | 62 | 74 |
| Psychiatrist | 56 | 46 | 65 | 68 |
| Dentist | 60 | 58 | 64 | 58 |
| Orthopaedic surgeon | 50 | 30 | 51 | 50 |
| Internal medicine specialist | 37 | 33 | 58 | 49 |
| Psychologist | 38 | 48 | 67 | 46 |
| Obstetrician & gynaecologist | 28 | 28 | 41 | 39 |
| General surgeon | 35 | 30 | 23 | 27 |

- This is generally consistent with previous years.

Consumer's concerns addressed through educational approach

Following hip replacement surgery, a man was admitted to hospital with a severe localised infection. During his admission, which lasted several weeks, he was treated with IV antibiotics. A few days prior to his discharge, the man's antibiotics were stopped in error due to confusion around the end date for the treatment, and he experienced challenges getting the antibiotic treatment resumed.

Following his discharge from hospital, the man was also prescribed an incorrect medication, which had a similar name to the medication he was meant to have. Fortunately, the error was corrected before the medication was taken, but this involved delays.

The initial error, prior to discharge, occurred because staff were uncertain about the plan for the IV antibiotics, due to a lack of documentation. Despite the error being corrected and the medication reinstated, opportunities were missed at that time to discuss the issue with the consumer and his wife and reassure them. Subsequently, the error was shared at ward meetings to discuss quality issues and improvements.

The second error, which occurred following the man's discharge from hospital and involved his prescription, occurred because of a selection error in the electronic prescription form. The prescription software used 'tall man lettering' (a combination of upper- and lower-case letters) designed to prevent errors. However, the lettering emphasised the start of the medication name (phenoxylmethyl), rather than the end (penicillin), which the medication is known as.

Given the possibility of a widespread risk, HDC shared the error with Te Whatu Ora, so the issue would be included in the multi-agency safer prescribing work programme. The provider also shared this case in the orthopaedic grand round and complications meeting on two occasions. It has also been included in the house officer orientation programme for educational purposes.

The complainant was satisfied that the complaint had been taken seriously and that staff were being educated on the error to avoid it happening again.

Investigations

An investigation is a comprehensive process.

Under the HDC Act, a formal investigation is taken where an action is, or appears to be, in breach of the Code. Investigations tend to focus on more serious departures from acceptable standards, professional boundaries, and public safety. They may also address wider systems or equity matters.

When a complaint is investigated, evidence is gathered from multiple parties, including the consumer, provider or providers, and, where relevant, other agencies such as ACC or the Coroner. We may also seek independent clinical advice from a relevant professional peer. When all relevant evidence is gathered and assessed, the Commissioner or Deputy Commissioner prepares a provisional opinion outlining their findings and proposed recommendations.

In 2022/23 we made recommendations on 88% of completed investigations. Examples of some of the more systemic recommendations we made in 2022/23 are detailed at page 35.

Key facts

In 2022/23 we completed 156 investigations – the highest number completed in more than 10 years.

- **30 completed investigations were referred to the Director of Proceedings in relation to 16 providers**
- **Breaches of the Code were found in 114 completed investigations**
- **We made adverse comment in relation to 21 providers**
- **We commenced 178 investigations (a 9.2% increase from 2021/22)**
- **We made recommendations on 88% of closed investigations**



Commissioner-initiated investigation finds Te Whatu Ora Southern breached Code in provision of non-surgical cancer services

In this case the Health and Disability Commissioner found that Te Whatu Ora Southern (formerly Southern DHB) breached the Code in relation to delays in the provision of non-surgical cancer services between 2016 and 2022.

The Commissioner found that due to poor clinical governance systems, including inadequacies in quality measures and indicators, and poor relationships between clinicians and executive leadership, Te Whatu Ora Southern failed to recognise and respond to the clinical risk associated with a lack of capacity and consequent delays within its non-surgical cancer service. As a result, people with cancer were harmed. In respect of this case, the Commissioner commented:

‘Providers owe a duty of care to people waiting for resource-constrained specialist procedures, particularly when the intervention is time-critical ... An effective accountability and performance framework where patients are the focus and patient safety concerns are signalled, acted upon and evaluated is a vital component of quality and risk management ... This case is a salutary reminder of the detrimental physical and psychological outcomes for patients when the system does not adequately provide for timely cancer care.’

The Commissioner was also critical of the level of communication and support provided to people on the waitlist. She noted that patients and their whānau would have benefited from a more consumer-centric approach that included a single point of contact within the district to ensure they were well informed, supported, and knew what to do if their circumstances changed.

Ms McDowell recommended that Te Whatu Ora Southern:

- Consider establishing a single point of contact for patients on the waiting list for a first specialist assessment
- Report back on the implementation of recommendations from two previous external reviews, in particular progress with the design, implementation and embedding of an accountability framework, the establishment of a clear clinical governance framework, the cancer services recovery plan, and the implementation of a three-year workforce plan

Ms McDowell recommended that Te Whatu Ora national office update HDC on work to address geographic disparities in patient access to cancer services nationally, focusing on timely access to service, the impact of new technologies, and new medication. She also recommended that Te Aho o Te Kahu | the Cancer Control Agency provide HDC with an update on progress of its work with Te Whatu Ora Southern to address cancer service delays.

//SOME SYSTEMIC RECOMMENDATIONS MADE
BY HDC IN 2022/23

- In response to a complaint where a man suffering from heavy cobalt toxicity was treated with expired medication due to the rare nature of the antidote, the Deputy Commissioner recommended Te Whatu Ora consider developing a national strategy to establish a central storage of antidotes and rarely used medicines.
- In a case where there was a delayed diagnosis of cancer for a woman who was seeing multiple GPs at a medical centre, the Deputy Commissioner commented on the importance of the medical centre having in place clear policies and processes to support a shared-care model. She asked the medical centre to make improvements to ensure clarity on which GP has primary responsibility for individual patient care, and to facilitate timely and effective communication and co-operation between GPs working in a shared-care model.
- Following two cases involving the retention of Alexis wound retractors after surgery, the Commissioner asked Te Whatu Ora to ensure all hospitals are aware of the risks of Alexis wound retractor retention and include these retractors as part of nationally consistent surgical count policies.
- In a complaint relating to inadequate processes for the transfer of a critically ill baby from a rural hospital to a larger hospital, HDC's independent advisor identified that a lack of a centralised and standardised 'transfer desk' resulted in each region having its own practices and systems for transfers, leading to poor clinical outcomes. In response, the Deputy Commissioner asked Te Whatu Ora to consider implementing a centralised 'transfer desk'.
- Following a case where the cultural needs and beliefs of a kaumātua were not upheld by a regional hospital, the Aged Care Commissioner asked the hospital to review its protocols around its cultural support pathway at the time of admission – acknowledging the option of cultural services should be provided in the first instance and not as an afterthought.
- For a complaint where a disability service was found in breach of the Code for the care provided to a woman with complex mental health needs, the Deputy Commissioner recommended the disability service, ACC, and Te Whatu Ora provide an update to HDC on further steps to improve co-ordination and co-operation between rehabilitation and mental health services.
- In response to a complaint where a woman died following the administration of a medication to which she was allergic, the Commissioner recommended that Te Whatu Ora work with the district to support it to implement electronic prescribing.

4.2

Advocacy Service

HDC contracts the Nationwide Health and Disability Advocacy Service to provide advocacy services to support people to resolve their complaints, and to promote the Code in the community. The Advocacy Service plays a vital role in working with people to resolve their concerns as early as possible. In doing so, the Advocacy Service supports HDC's goal to ensure that complaints processes are people-centred with a focus on early resolution.

Advocates guide people to clarify their concerns and the outcomes they want and facilitate effective responses from providers – a process that often helps rebuild relationships. Advocates also support timely resolution, with almost all complaints (98.5%) closed within six months.

The Advocacy Service has re-configured its services and the way in which advocates are able to engage with people in order to continue to meet demand with limited capacity. There are advocates throughout Aotearoa New Zealand, but the number of advocates has reduced from 48 in 2013/14 to 24 in 2022/23. This reduction is a concern to HDC, and we will be working with the Advocacy Service and the Government to ensure the future sustainability and reach of this valuable resource.

In 2022/23 the Advocacy Service received 21,738 enquiries and 2,857 complaints — a small decrease on the 2,971 complaints received in the previous year.

The Advocacy Service achieves high satisfaction rates, with 95% of consumers and 95% of providers satisfied or very satisfied with the complaints management processes in 2022/23.

In 2022/23 the Advocacy Service received 21,738 enquiries and 2,857 complaints – a small decrease on the 2,971 complaints received in the previous year. The Advocacy Service closed 2,980 complaints, which was similar to the number closed in the previous year (2,922 complaints).

The Advocacy Service achieves high satisfaction rates, with 95% of consumers and 95% of providers satisfied or very satisfied with the complaints management processes in 2022/23.

FIGURE 6. Number of complaints received and closed by the Advocacy Service each year

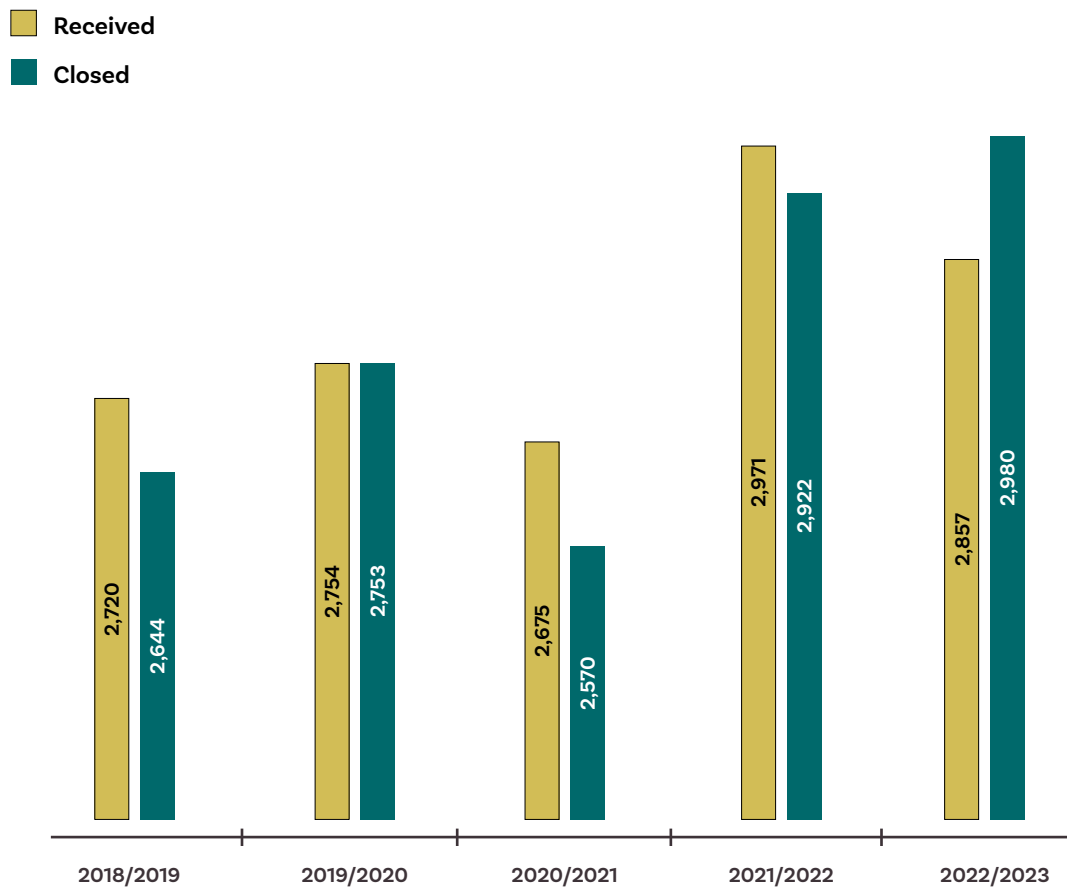


FIGURE 7. Ethnicity of complainants to the Advocacy Service in 2022/23

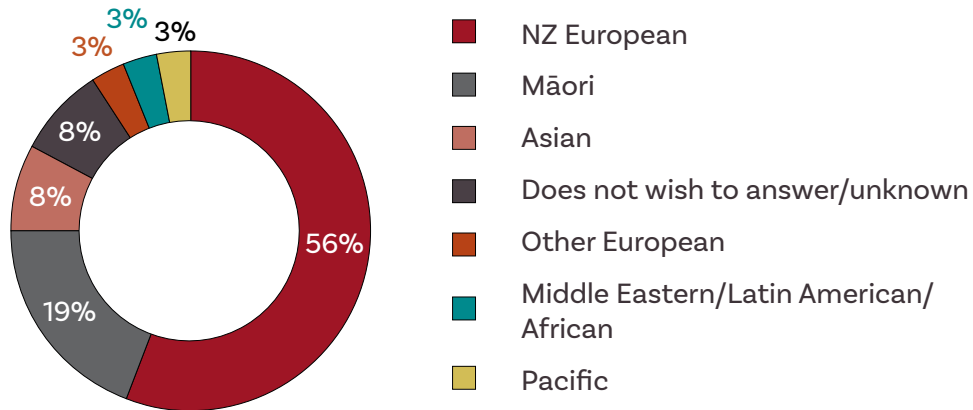
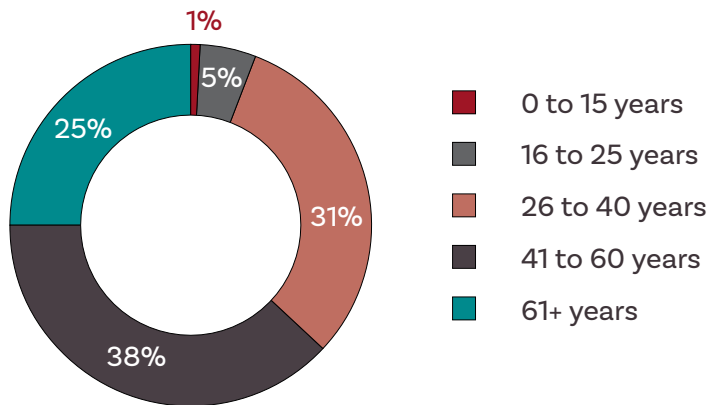
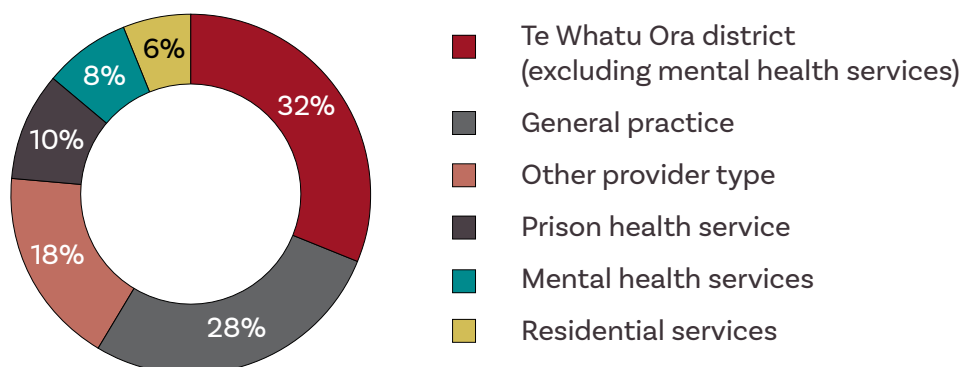


FIGURE 8. Age of complainants to the Advocacy Service between 1 July and 31 December 2022¹



Demographic trends are similar to previous years and to what is seen for HDC. The age profile of complainants to the Advocacy Service tends to be older than what is seen for HDC.

FIGURE 9. Providers complained about in complaints received by the Advocacy Service in 2022/23



¹Please note that due to issues resulting from a change in IT systems, age of complainants can be extracted only for complaints made between 1 July 2022 and 31 December 2022.

These results are similar to previous years, although there was a small decrease in residential services complained about (from 11% to 6%). This is comparable to complaints to HDC, although the Advocacy Service receives a higher proportion of complaints about prison health services.

Education and networking

HDC funds the Advocacy Service to promote the Code through community-level educational initiatives. Advocates build and maintain relationships in the community to raise awareness of the Code and avenues for complaints.

In their promotional work, advocates focus on marginalised communities, and services that support people who may be least able to self-advocate and whose welfare may be most at risk, such as those residing in aged care and disability residential facilities.

The Advocacy Service carried out 3,351 networking visits with community groups and provider organisations across the motu in 2022/23. Of those visits, 76% focused on priority communities, including people in residential settings, Māori, Pacific peoples, refugee and migrant populations, and disabled people.

In 2022/23 advocates delivered 1,314 education sessions across Aotearoa New Zealand, and 91% of respondents reported being satisfied with the sessions.

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NGĀ MĀTAI TAKE | CASE STUDY

Advocacy Service supports consumer to resolve complaint with provider following misdiagnosis

Following a shoulder injury, a man attended a physiotherapist appointment at a wellbeing clinic. The physiotherapist made a diagnosis and prescribed a course of treatment, but after four months the man's injury had not improved. The clinic's head physiotherapist then referred the man to a sports clinic for a consultation. At that stage, an MRI revealed a different injury. The man was told that he should have had orthopaedic surgery and, due to the misdiagnosis, had received the wrong treatment for four months. This created significant delays in his recovery.

The man contacted the Advocacy Service, and an advocate wrote to the clinic on his behalf asking for an explanation for the incorrect treatment and requesting that the clinic review its practices. The clinic advised the advocate that it had undertaken an investigation, and it gave a detailed explanation of how the error had occurred. The clinic confirmed that it had provided its physiotherapists with further training on the treatment of shoulder injuries. The man was happy with this response, having been assured that the likelihood of this happening to another person was reduced.

4.3

Proceedings

In 2022/23 the Director successfully prosecuted four health practitioners before the Health Practitioners Disciplinary Tribunal (HPDT) for professional misconduct and filed proceedings in the HPDT against two further practitioners.

The Director also concluded two proceedings in the Human Rights Review Tribunal (HRRT) against providers (one against a group provider and one against an individual provider). As at 30 June 2023, the Director was waiting for decisions from the HRRT in another two proceedings. During 2022/23, the Commissioner referred 16 providers to the Director of Proceedings in respect to 30 complaints. This included a Commissioner-initiated investigation relating to 11 complaints. The Director had 43 referrals in progress as at 30 June 2023. In September 2022, after five years in the role, Kerrin Eckersley resigned as Director of Proceedings. The current Director, Courtney McCulloch, was appointed in October 2022. Ms McCulloch is grateful to the outgoing Director, as well as staff and counsel of the Proceedings team, for their mahi and dedication throughout another very busy year.

TABLE 5. Referrals received in the 2022/23 year by provider type²

| Type of provider | No. referred in 2022/23 |
|------------------------|-------------------------|
| GP | 3 |
| Radiographer | 2 |
| Registered nurse | 3 |
| Public health provider | 4 |
| Maternity service | 1 |
| Midwife | 1 |
| Massage therapist | 1 |
| Dentist | 1 |
| Total | 16 |

²In this table, each provider is counted only once, regardless of the number of referrals received. For example, two or more complaints may be received in relation to a particular provider, but the provider is counted only once.

Director of Proceedings prosecutes GP who failed to identify lethal melanoma

This case was referred to the Director of Proceedings, who prosecuted it in the HPDT. The case involved a GP who failed to act on a patient's histology report that found that a lesion the GP had removed was an invasive primary melanoma with superficial spreading and required wider excision. Instead, the GP advised the man that the lesion was not cancer. The GP also failed to refer the man for further specialist assessment, management, and treatment.

The man became aware of his condition only when he presented to a different GP at the practice, with a lump in his right armpit. Sadly, the man died because of the metastatic melanoma.

The HPDT found that the GP's failure to act on the advice of the histology report, or in accordance with clinical guidelines, was a severe departure from accepted standards of care. It further found that the GP's failure to examine the man for lymph node enlargement was a significant departure from accepted standards of care.

The HPDT considered that the GP's omissions in the man's care were a serious departure from the professional standards expected of a general practitioner. It imposed a penalty of censure, suspension from practice for three months, and a \$5,000 fine.

The GP has retired from medical practice and no longer lives in New Zealand.

Read the full decision here:

<https://www.hpdt.org.nz/portals/0/1298Med22554D.pdf>

4.4

Education and analysis

Informing people about their rights under the Code is central to our role. We undertake several initiatives to do this, which are complemented by community-level educational initiatives led by the Advocacy Service.

In 2022/23 we delivered 38 educational presentations to providers and consumers to support their understanding of the Code, factors that support early resolution of complaints, and key themes in complaints. Feedback has been positive, with 100% of people who responded to the survey reporting that the presentation had increased their understanding of the Code.

In 2022/23 we initiated a series of regional engagements across the motu focused on promoting the Code and work of HDC within Māori communities and supporting culturally appropriate complaints resolution for Māori whānau. Engagements have been undertaken in Christchurch, Waikato, Rotorua, Hawke's Bay, and Lakes, with connections made with iwi, and within Te Aka Whai Ora and Te Whatu Ora in each area.

We also refreshed our promotional materials, in consultation with the Consumer Advisory Group, to ensure that our material remains fit for purpose, culturally appropriate, and accessible.

Online learning

In 2022/23 we developed and released three online learning modules focused on providing contemporary education for providers to increase their understanding of the Code, informed consent, and complaints management. The modules are free of charge and can be accessed on our website. They have been designed for all health professionals, irrespective of their role, and completion of the modules is awarded continuing professional development points.

The modules have proved popular. As at 30 June 2023, 3,332 providers had accessed the modules, with:

- 2,995 completing the Code of Rights module
- 2,500 completing the informed consent module
- 2,359 completing the complaints management module

Anecdotal feedback has been very positive:

'Congratulations on release of such an amazing resource for the health sector.'

'Just to let you know that I thought the modules were excellent and I will be recommending that our Customer Support Team complete this ...'

'The modules were great! I have dealt with quite a few complaints, but still learnt a bit! A good introductory course for the patient rights!'

In 2022/23 we also developed, in consultation with consumers, an animated video to support people's understanding of their rights under the Code. The animation was launched in September 2023 and will be available in English and te reo Māori with closed captions in both languages.

//PROMOTING THE CODE

We have reviewed and updated promotional material to ensure that the Code is accessible in multiple formats and languages in a contemporary style. This has included a new Code of Rights poster and pocket cards featuring Aotearoa New Zealand's three national languages, and we have updated our pamphlets to ensure that they are in plain English and are available in te reo Māori.

Key facts

Insights from our online modules told us that common professions that engaged in these modules were:

36% Nurses

16% Support workers/
healthcare assistants

15% General practitioners

7% Allied health providers

Demographics of learners:

83% female

49% NZ European

14% Māori

14% Asian

6% Pacific peoples

//USING COMPLAINT TRENDS TO SUPPORT QUALITY IMPROVEMENT

We offer a unique lens on the health and disability system. Our intelligence reflects the experiences of consumers and their whānau, and we use these insights to influence policies and practices, improve quality, and support systemic change.

In 2022/23 we made several improvements to our data collection methods. This allowed us to report more comprehensively on equity, including Māori experiences of care in the health system and the experience of tāngata whaikaha in the health and disability system.

Our insights also inform our submissions on policy and legislation. In 2023/23 we made 17 submissions, with a focus on the Health Strategies under the Pae Ora (Healthy Futures) Act. We made submissions on a range of standards and guidelines for the sector, including the foundational documents of the Chinese Medical Council, the consensus statement into informed consent for medical student involvement in care, and proposed changes to the enrolled nurse scope of practice. We also provided feedback on a range of legislation, including the Therapeutic Products Bill and the review of adult decision-making capacity law.

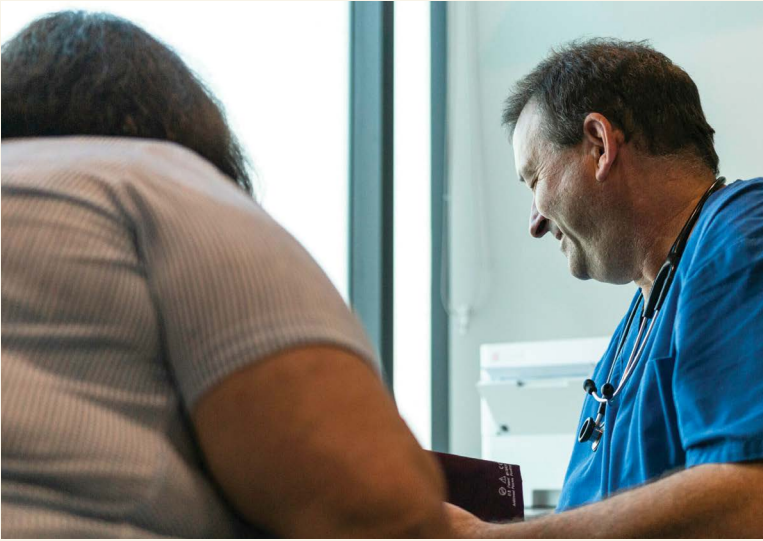
We ensure that insights from complaints are available to the sector and the public by publishing key individual decision reports (96

were published in 2022/23). We work with the media to create greater public awareness of HDC decision reports and other matters of public interest that affect consumer rights. In 2022/23 715 stories were generated from our media releases.

In 2022/23 HDC undertook a review of some of our data collection and reporting to align with the new structures in the health system. We reconfigured our 20 DHB complaint trend reports into a single regional report for Te Whatu Ora. This six-monthly report outlines the trends in complaints about care provided by the districts within each region. We have also developed a complaint dashboard that allows the sector and the public to view a summary of the trends in complaints about Te Whatu Ora districts more easily.

HDC also worked with the Registrar (assisted dying) to ensure that we both have oversight of the trends in complaints about assisted dying, including providing the Registrar with quarterly trend reporting.

However, in the context of an out-dated digital complaints management system, much of our data analysis requires manual workarounds. This means that it remains challenging for us to undertake regular comprehensive analysis of our data.



In 2022/23 715 stories
were generated from our
media releases.

//EXAMPLE OF SUBMISSION: THE WOMEN'S HEALTH STRATEGY

We provided a submission to Manatū Hauora on the specific and structural issues we routinely see in complaints which we believed may benefit from being areas of focus in the Women's Health Strategy in March 2023.

The Women's Health Strategy represents a positive and important opportunity to raise the profile of women's health, address the compounding inequities many women face in the health and disability system, and ultimately to assist in ensuring women's rights when using services are upheld. While we have been pleased to see health outcomes for women are generally improving, HDC has long been concerned about a lack of tangible progress regarding many quality and safety issues in women's health. Unfortunately, we continue to hold concerns about the lack of improvement over time regarding systemic issues within maternity care.

Whole-of-system issues

Currently, the health system for women is fragmented, siloed, and difficult to navigate, with multiple agencies and services involved at different times. In our view, important enablers of the Strategy will include a focus on breaking down established silos, considering multi-disciplinary models of care, and balancing a requirement for both national and community-led solutions. Whole-of-system issues raised by HDC regarding women's health included:

- Inequities and structural barriers to care for women, including the importance of prioritising models of care that address the particular needs of women and addressing structural inequities and discrimination against wāhine Māori
- Gender bias and discrimination requiring action on a number of fronts, including greater gender parity in clinical leadership, designing services in partnership with women, and closing the gap in terms of medical training on women's health issues
- Workforce sustainability



Specific issues

HDC also outlined the specific issues we see in complaints that affect women, including:

- Informed consent – women are over-represented in complaints to HDC regarding inadequate information provision and informed consent
- Quality of maternity care – in our view, the quality of maternity care in Aotearoa New Zealand, and in particular the unacceptable inequities experienced by Māori, Pacific, Indian and young women and their babies, is the most pressing quality and safety issue in women's health
- Maternal mental health – complaints to HDC highlight concerns around regional variability in available services and the fragmented nature of maternal mental health services
- Treatment for substance use disorders – women are not well serviced by existing addiction treatment options in Aotearoa, New Zealand
- Gender safety, including safety in inpatient and residential care settings and sexual boundary violations committed by health professionals
- Inequities in access to contraception
- Delayed diagnosis and treatment of gynaecological cancers
- Delayed diagnosis and treatment of endometriosis and other pelvic pain conditions
- Information, support and services for women experiencing menopause
- Dementia care, including significant gaps in kaupapa Māori services, and a need for better diagnosis and gender-responsive, culturally safe services for women with dementia



//ENGAGEMENT WITH HEALTH AND DISABILITY SECTOR

HDC also contributes to quality improvement by taking a collaborative approach to working with other agencies and the health and disability sector to share information from complaints, highlight the issues consumers and their whānau are concerned about, and address issues of shared concern. In 2022/23 HDC undertook 325 engagements with key sector stakeholders. HDC also regularly takes part in multi-agency forums designed to facilitate information sharing and improve quality of care, including the National Quality Forum and the Surgical Mesh Roundtable and Safer Prescribing and Dispensing hui.

In 2022/23 HDC raised concerns and worked with other agencies in relation to the following issues: safety of surgical mesh, inconsistencies in informed consent practices, informed consent for student involvement in care, the quality of maternity care, radiology systems, geographical inequities in timeliness of cancer care, inadequate home and community support services, and patient impact of current delays in planned and emergency care.

//REVIEW OF THE ACT AND CODE

In 2022/23 we scoped the review of the HDC Act and the Code. The review itself will be undertaken in 2024 and will include targeted and public consultations. Recommendations will be made to the Minister of Health towards the end of 2024.

This is an opportunity to ensure that both mechanisms are fit for purpose in the new health and disability environment, and that they remain effective for promoting and protecting the rights of all people using health and disability services. We are developing an equitable engagement strategy that prioritises access for Māori and tāngata whaikaha.

4.5

Disability

Our Deputy Commissioner, Disability is responsible for ensuring that HDC is accessible and responsive to tāngata whaikaha. Our priorities are monitoring the standard of care, empowering disabled people to exercise their rights under the Code, and promoting quality improvement. In 2022/23 around 25% of consumers whose care was complained about identified as having a disability.


There remain key challenges and opportunities for HDC to enhance our role in relation to upholding the rights of tāngata whaikaha. While around a quarter of our complaints involve disabled people, we are aware that several communities are not engaging with us effectively and may not be aware of their rights, including people in residential facilities and tāngata whaikaha Māori and disabled Pacific people.

Complaints received about disability services

Disability-related complaints are reviewed regularly to identify emerging trends and concerning issues that require further action. Complaints are addressed, and we share information with other agencies about risks to consumers' immediate safety and wellbeing, to encourage a common understanding of the experience of tāngata whaikaha in the health and disability system, and to facilitate collaborative solutions.

In 2022/23 we received 101 complaints about disability services providers. The issues complained about were similar to previous years and included:

- Inadequate care and support provided
- Lack of access to services and funding
- Failure to communicate effectively with the consumer and their whānau
- Inadequate staffing levels or rostering concerns
- Delays in treatment
- Inadequate coordination of care



Home and community services contribute to the health and wellbeing of many people, supporting many tāngata whaikaha to live safely and independently in their own homes. In 2022/23 we saw a decrease in the number of complaints about home care support providers (63 complaints were received in 2022/23 as compared to 103 in 2021/22). While this is a positive indication, staffing and rostering issues, including availability of support workers and sudden withdrawal of services, remains a key concern. This is significant in the context of the reliance of disabled people on the care they receive from home and community care providers.

HDC has been scoping a monitoring framework to measure and report on the performance of the health and disability sector in relation to

upholding the rights of tāngata whaikaha. As a first step, we have been working to improve our data collection in relation to the disability status of people whose care is complained about. This will allow us to better analyse and report on disabled people's concerns and their experience of both mainstream health services as well their experience with disability support services.

Over the past year we have focused on reviewing and refreshing our disability-related resources to ensure that they remain accessible, modern, and culturally appropriate. HDC's complainant experience survey allows us to monitor the experience of tāngata whaikaha in HDC's complaints process. We will continue to focus on improving the accessibility and responsiveness of our process to the needs of disabled people.

In 2022/23 around 25% of consumers whose care was complained about identified as having a disability.

DHB referred to Director of Proceedings for death of disabled man

In this case, Waitematā District Health Board (now Te Whatu Ora Waitematā) was referred to the Director of Proceedings concerning the death of an elderly patient.

Waitematā District Health Board was found to have breached the Code in relation to the death of a significantly disabled patient whose dietary plan was not followed.

The patient was admitted to Waitakere Hospital with a chest infection and a urine infection. He was an older man with intellectual disabilities and limited ability to communicate. He had resided in residential care for most of his life and required support with all aspects of daily living.

The man's usual caregivers provided information about the man's dietary plan, which outlined that he needed to be supervised appropriately and that his food needed to be puréed owing to his risk of choking and aspiration.

Following the man's transfer from the emergency department to the assessment and diagnostic unit, and two subsequent ward transfers, his dietary requirements and the level of care he required were not handed over adequately between staff or documented clearly. His dietary plan with the care facility was not adhered to and, tragically, he choked and passed away.

Deputy Health and Disability Commissioner Rose Wall found that Waitematā DHB breached Right 4(1) of the Code, which gives consumers the right to have services provided with reasonable care and skill. She also found that the DHB breached Right 4(3), which gives consumers the right to have services provided in a manner consistent with their needs.

A number of changes occurred following the events. Ms Wall made several recommendations and referred Waitematā DHB to the Director of Proceedings.

Read the full decision here: <https://www.hdc.org.nz/media/5dfmtpcb/21hdc02016.pdf>



4.6

Aged care

Raising the profile of older people in the health and disability sector

The role of the Aged Care Commissioner was developed to provide strategic oversight and stronger sector leadership over health and disability services for older people. As a Deputy Health and Disability Commissioner, the Aged Care Commissioner is a statutory decision-maker on complaints and formal investigations about care provided to older people. However, the role has a wider mandate. A significant part of the role is to amplify the voices of older people and their whānau (including carers) and support networks, and to raise the profile of older people as key consumers of health and disability services.

Carolyn Cooper took up the position in March 2022. In 2022/23, the first year of the role, she focused on establishing a team of policy, cultural, and clinical advisors, as well as supporting increased resource for the assessment of complaints with a focus on older people (including senior investigators, complaints assessors, and clinical navigators).



//ENGAGING WITH OLDER PEOPLE'S HEALTH AND DISABILITY SERVICES

A significant part of the 2022/23 year was spent connecting with key stakeholders and older people to ensure their views and concerns were heard and also to build knowledge of older people's rights under the Code and how the Aged Care Commissioner's role can support this. This included engaging with organisations such as Grey Power and Age Concern. The Aged Care Commissioner also met with organisations that

work with older people, as well as representatives of HDC's Consumer Advisory Group. With our Kaitohu Mātāmua Māori | Director Māori we began engaging with kaumātua and whānau across different regions with 'connection and collaboration hui'. Ongoing connection and collaboration hui also included older people from diverse communities, including Pacific, Asian, disabled, Rainbow, and rural older people.





//INSIGHTS REPORT

Insights from the hui, stakeholder engagements, and available quantitative data have been used to create a baseline report entitled ‘Amplifying the Voices of Older People Across Aotearoa’ (due for release late 2023). The report’s insights cover six broad areas where the Aged Care Commissioner would like to see changes in the future:

- **Access** – meeting the needs of older people across the continuum of care requires system-wide future planning and must include ‘by Māori for Māori’ solutions
- **Options** – investment is needed to develop age-friendly alternative modes of care that take a strengths-based approach; this includes for the growing population of people living with dementia mate wareware
- **Safety and wellness in care** – services should deliver culturally safe care and empower older people to be partners in ageing well
- **Diversity, equity, and inclusion** – we need equity measures to ensure good outcomes across diverse groups of older people
- **Data** – there are significant gaps in the use of data on older people’s health and disability care, and improvements in data analysis is needed for better planning.
- **Sustainable workforce** – providing a continuum of care for older people requires a sustainable workforce with specialised skills

These themes will remain areas of focus for the Aged Care Commissioner in the coming years.

Complaints

Around 20% of complaints to HDC relate to the care of older people. A primary theme in complaints concerning aged care providers and the care of older people relates to capacity constraints in the system, mostly due to workforce challenges. There is a risk to the quality and safety of care provided to older people due in part to current workforce challenges across the sector.

Poor communication with consumers and their whānau is also seen frequently in complaints about care provided to older people, as well as clinical issues such as the failure to escalate care, inadequate pain management, poor care coordination, inadequate management of behaviours associated with distress, and inadequate medication management.

Around 20% of complaints to HDC relate to the care of older people.

Culturally safe care

This case highlights the importance of a culturally appropriate assessment pathway in the care of a kaumātua whose cultural needs were not upheld while he was an inpatient in a regional hospital for around four weeks.

Aged Care Commissioner Carolyn Cooper noted that consideration of the cultural needs of the kaumātua, and appropriate options, should have been made available from the time of the kaumātua's admission to hospital. This would have enabled his whānau to exercise control in caring for him in accordance with their tikanga (custom) and mana motuhake (self determination). Instead, the whānau were left to self-navigate the health services to seek the support available to their koroua (male elder).

Ms Cooper highlighted whānau involvement as fundamental in the health and wellbeing of whanaunga (kin). She recommended that the hospital:

- **Facilitate a whānau hui to allow the kaumātua's whānau to speak of the pain they experienced while their koroua was a patient in hospital, and to allow the hospital to apologise**
- **Reflect on the whānau experience and consider how the navigation of separate health services for kaumātua and whānau can improve**
- **Review its protocols, outlining the cultural support pathway at the time of admission for all Māori patients, taking into consideration the whānau's choice to engage in Māori services, and provide cultural services in the first instance and not as an afterthought**
- **Outline in its kaupapa training framework how the practice of tikanga is developed with all hospital staff, and ensure that this framework aligns with the aspirations of Te Aka Whai Ora (Māori Health Authority) and Pae Ora (Healthy Futures)**

5

Te hauora me te kaha o te whakahaere Organisational health and capacity

Leading our team

The Commissioner, along with our four Deputy Commissioners and Kaitohu Mātāmua Māori | Director Māori, form our governance group, which is responsible for leading our strategic direction and work programme. The group is supported by an executive leadership team, which is responsible for leading a supportive, equitable performance culture and managing operational matters.

HDC works collectively to promote and protect the rights of people who use health and disability services. Our staff bring skills and expertise, including governance, leadership, investigation, disputes resolution, policy, legal advice, litigation, clinical practice, research, information technology, communications, cultural advice, and financial management. Most staff hold professional qualifications with backgrounds in law, health, or disability.

As at 30 June 2023 we had 137 staff (117.33 FTE equivalent).

Oranga taiao, oranga tāngata

Healthy environment, healthy people

Equal employment opportunities

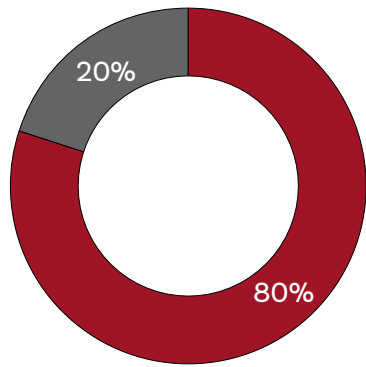
Developing a workforce that reflects the diversity of Aotearoa New Zealand is a priority. We promote and maintain equal employment opportunities. Our Good Employer Employment Opportunities Policy supports fair and equitable opportunities for employment, promotion, and training. These commitments are integrated into the recruitment process and throughout the employment cycle.

We benefit from a diverse workforce with ethnicities including New Zealand European, Māori, Pacific, Asian, and others, and ages ranging from 20 years to over 60.

HDC employees and other workers must take responsibility to ensure that the objectives in the New Zealand Disability Strategy are put into practice. HDC works to ensure that regular training and information is available to staff to improve their understanding of the experience of tāngata whaikaha and the impacts of ableism. We aim to ensure that HDC provides an accessible work environment and are working to become an employer of choice for disabled people.

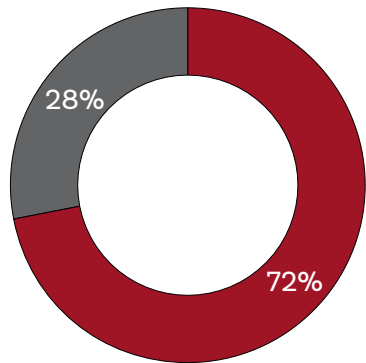
In the 2022/23 year we continued a focus on increasing our internal cultural capability. We acknowledge being at the start of our journey in this respect. We undertake weekly whole-of-organisation karakia and waiata sessions. Our Kaitohu Mātāmua Māori | Director Māori holds weekly drop-in sessions for staff to provide them with an opportunity to obtain advice on cultural issues. We also held Te Tiriti o Waitangi workshops for all staff. These workshops focused on improving people's historical and cultural understanding of Te Tiriti o Waitangi through a te ao Māori lens and applying this knowledge in practice to improve our processes. We continue to encourage the use of te reo Māori in our daily communications, with the aim not just to honour it as an official language of Aotearoa New Zealand, but to promote its normalcy.

We routinely highlight different cultures and cultural celebrations and experiences on our intranet. This provides staff with insights into our diverse communities and the diverse experiences of staff.



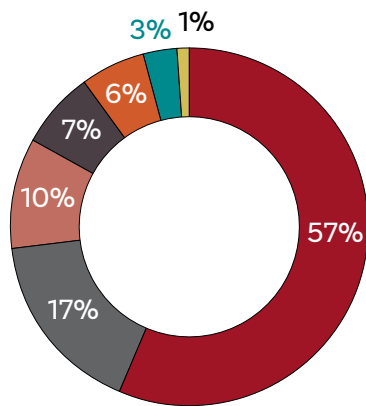
Gender:

- Female
- Male



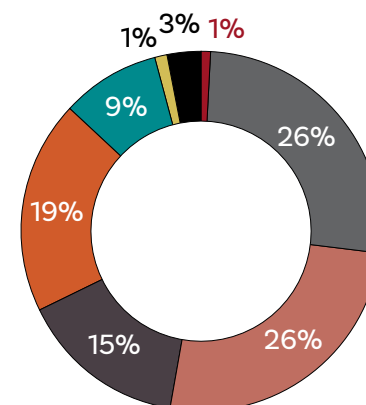
Staff in full-time and part-time positions:

- Full time
- Part time



Ethnicity

- NZ European
- Asian
- Other European
- Pacific
- Māori
- Undeclared
- Middle Eastern/Latin American/African



Age

- 20 or below
- 21-30
- 31-40
- 41-50
- 51-60
- 61-70
- 70+
- Undeclared

Good employer obligations

//LEADERSHIP, ACCOUNTABILITY, AND CULTURE

Our staff work collaboratively to achieve HDC's strategic objectives. Our managers are responsible for leading a supportive, equitable performance culture.

In 2022/23 a new HDC staff charter was developed to articulate our intentions for being a high-performing organisation while growing our supportive and collaborative internal culture. Central to the charter are the ideas of He tina ki runga, he tāmōre ki raro (in order to flourish above, one must be well supported below) and Kia tipu, kia hua, kia puāwai (plant the aspirations, nurture the aspirations for all aspirations to flourish).

The Commissioner provides all staff with regular updates via our 'Mahi Tahī' newsletter and weekly karakia, and pānui gathering to share current issues and recognise team achievements and successes.

//RECRUITMENT, SELECTION, AND INDUCTION

Our recruitment policy and practices ensure that the best qualified people are recruited using the principles of equal employment opportunities. We also provide career development for existing employees. When vacancies are advertised, they are shared throughout the office. In 2022/23 we established a new recruitment system to improve efficiency, reporting, and the candidate experience.

Our comprehensive induction process ensures that new staff have a good understanding of our vision, mission and values, health and safety processes, privacy and IT policies, information management, and other role-specific training. We also undertake fresh eyes surveys to obtain useful feedback from staff to improve our induction process.

// REMUNERATION, RECOGNITION, AND CONDITIONS

HDC has developed an action plan under Kia Toipoto, the Public Service Commission's Public Service Pay Gaps Action Plan, and will continue to progress this work to support pay equity.

Our remuneration is based on position accountability and market movement, while taking into account our resource constraints and Government expectations in relation to pay restraint. We recognise staff achievements in several ways, including at all-staff pānui, directly by managers, and through other channels such as internal newsletters and our intranet.

We offer long-service leave in addition to standard leave to acknowledge the commitment and dedication of our long-serving staff. To contribute to staff wellbeing, we also provide all staff with extra leave days between Christmas and New Year.

//EMPLOYEE DEVELOPMENT, PROMOTION, AND EXIT

We support professional development and promotion. Training and development, and career development needs are identified as part of the performance appraisal process. Staff members develop a performance agreement with their manager, which is tailored to their role and personal status, with clear objectives, performance measures, and a supporting development plan. Ongoing professional development for employees is encouraged, and financial assistance and/or study leave may be granted by the Commissioner.

We also provide acting-up and internal secondment opportunities to support staff development and retention. Some staff take the opportunities and then move into the role on a permanent basis following a recruitment process.

Usually, staff who leave HDC do so for further development or personal reasons, and may offer valuable feedback on their departure, which supports continuous improvements to HDC.

//FLEXIBILITY AND WORK DESIGN

We offer flexible working arrangements across the organisation. This includes supporting working from home with extra IT equipment and tools and providing flexible work times where possible to support whānau and other commitments. Several staff work hours that enable them to study as well as gain valuable work experience. We continued to recruit remote workers from regions outside Auckland and Wellington (where our offices are located).

//HARASSMENT AND BULLYING PREVENTION

We have an 'anti-harassment' policy and do not tolerate any forms of harassment or bullying. In addition, we promote and expect staff to comply with the State Services Standards of Integrity and Conduct.

This year we provided training to all managers on the new Protected Disclosures Act and handling concerns raised by staff.

//A SAFE AND HEALTHY ENVIRONMENT

Our staff can be exposed to challenging complaints. In 2022/23 we undertook an external health and safety review through Impac to assess how we support staff to manage unreasonable conduct. The review found that we are providing staff with good support. In addition, we added a statement to our website outlining the behaviour for those interacting with our staff in relation to complaints.

Our health and safety committee continued to meet regularly to address issues that arose during the year. 'Health and safety' was a regular agenda item for the executive leadership team, and staff were encouraged to raise with health and safety representatives any health and safety issues.

We have an Unsafe Visitor process for dealing with on-site unacceptable and abusive communication and behaviour. We support staff wellbeing by offering Employee Assistance Programme (EAP) confidential counselling services, providing fresh fruit in offices, offering influenza vaccinations, providing sit/stand desks at work, organising a series of activities to coincide with Mental Health Awareness week, and having open-door policies for managers. Our staff intranet was populated with useful tips and guidance on self-care and wellbeing initiatives.

Many staff choose to work remotely one or two days a week. We continue to ensure staff wellbeing and health and safety for all staff working remotely. This includes advice on workstation set-up and healthy work habits; extra IT equipment to support an ergonomic work set-up at home; frequent support from managers; buddy systems within teams; use of video-conferencing and regular all-staff video conferences; and provision of EAP services to support staff in managing difficult calls. Plans are currently underway to provide frontline staff with professional supervision for 2023/24.

We upgraded our Wellington office to deliver a better work environment with greater opportunities for a more flexible working approach, for example by providing more spaces to undertake virtual meetings. Currently we are in the process of upgrading our Auckland office.

Processes and technology

//TECHNOLOGY

HDC proactively manages its IT security arrangements using specialised support as required. Key technology solutions are reviewed regularly, data is backed up frequently, and the IT disaster recovery plan is tested annually. We have a rolling programme of work to review and enhance systems to meet the organisation's requirements and enhance staff productivity. We continue to make investments in our technology to support a 'paperless' working process and hybrid working arrangement.

While HDC has a secure and reliable internal IT platform, an external review of our IT infrastructure found that our digital case management system is out-dated, which creates significant additional time and manual 'work-arounds' for staff when managing complaints, as well as obstacles for our interactions with consumers and providers. Our business case for a new digital case management system was unsuccessful, but we will continue to work with Mānātu Hauora regarding funding for a more modern IT infrastructure environment.

In the meantime, we continue to work on modest technological initiatives where possible that may result in greater efficiency. In 2022/23 we undertook preparatory work to migrate all staff from the Lotus Notes email system to Microsoft Outlook 365, which took place on 1 July 2023. We also implemented the OfficeMaps application to better support hybrid working and hot-desking arrangements.

Sustainability

We work to reduce our impact on the environment and reduce costs. This includes the use of a recycling programme; buying locally where possible; close monitoring of travel, including encouraging use of virtual meetings; encouraging staff use of public transport where appropriate; and purchasing environmentally friendly products and services where possible.

//PHYSICAL ASSETS AND STRUCTURES

We manage our assets cost-effectively. We continue to review business requirements for the future and improve the usability of existing workspaces and physical resources. We maintain and care for our assets to ensure that we maximise their useful life.

We maintain and care for our assets to ensure that we maximise their useful life.

6

Tauāki whakatutukitanga Statement of Performance

Statement of Compliance

The Statement of Service Performance of the Health and Disability Commissioner has been prepared in accordance with the requirements of the Crown Entities Act 2004, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

6.1 Output Class — Complaints Resolution

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 10,399,038 | 10,180,000 | 9,989,201 |
| Expenditure | 10,522,897 | 10,741,000 | 9,647,657 |
| Net surplus/(deficit) | (123,859) | (561,000) | 341,544 |

//OUTPUT 6.1 – COMPLAINTS MANAGEMENT

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|---|--|
| 6.1.1 Efficiently and appropriately resolve complaints (which contributes to achievement of Strategic Objectives 1, 3, and 4 – see Section 2). | Close an estimated 2,700–2,900 complaints. The above figure includes an estimated 180–200 investigations. | 3,353 complaints were received (2022: 3,413). 3,048 complaints were closed, including 156 investigations (2022: 2,627 complaints closed, including 121 investigations). Target achieved. |
| Assume 3,200–3,400 complaints will be received. | Manage complaints so that of closed complaints ¹ : <ul style="list-style-type: none"> • At least 60% are closed within 3 months • At least 80% are closed within 12 months • At least 95% are closed within 24 months | <ul style="list-style-type: none"> • 66.5% of closed complaints were closed within 3 months (2022: 71%). Target achieved. • 74.9% of closed complaints were closed within 12 months (2022: 87%). Target not achieved. • 93.5% of closed complaints were closed within 24 months (2022: 96%). Target not achieved.² |
| | Manage complaints so that of open complaints: <ul style="list-style-type: none"> • No more than 4–6% are over 24 months old | There were 2,342 open files at 30 June 2023. <ul style="list-style-type: none"> • 11.4% (267)³ of open complaints were over 24 months old (2022: 6.09%). Target not achieved. |

¹ HDC has changed its timeliness measure to focus on time to closure rather than age of open complaints as it better captures HDC's focus on early resolution and that investigations can take up to two years to close. HDC has retained a target in regard to age of open complaints over 24 months old, as this takes into consideration the time to closure for investigations. HDC will also continue to monitor, report, and publish the age of open files in its annual report.

² HDC's 2022/23 total closure was 16% above the previous year. This had an impact on the lower percentage of older complaint closures.

³ HDC has developed a backlog plan to reduce the number of older complaints.

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|--|--|
| Use HDC's levers effectively and appropriately to resolve complaints (which contributes to achievement of Strategic Objectives 1, 2, 3 and 4) (new measures for 2022/23). | <p>Report on:</p> <ul style="list-style-type: none"> • % of complaints referred for resolution directly between the parties • # of complaints in which recommendations are made • # of complaints notified • # of complaints referred to Director of Proceedings | <p>As at 30 June 2023:</p> <ul style="list-style-type: none"> • 35% (1,058⁴) of complaints closed were referred for resolution directly between the parties • 231 complaints had recommendations made • 178 complaints were notified • 30 complaints were referred to the Director of Proceedings |
| | <p>Provide early notification of systemic issues to the Ministry and/or other relevant agencies. Report on total number.</p> | <p>As at 30 June 2023, early notification of systemic issues was made to the Ministry and other relevant agencies on 177 occasions, covering 228 specific complaints. Target achieved.</p> |

//OUTPUT 6.1.2 – QUALITY IMPROVEMENT

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|---|--|
| 6.1.2 Use HDC complaints management processes to facilitate quality improvement (which contributes to achievement of Strategic Objective 3). | <p>Make recommendations and educational comments to providers to improve quality of services, monitor compliance with the implementation of recommendations, and encourage better management of complaints by providers:</p> <p>Providers make quality improvements as a result of HDC recommendations and/or educational comments. Verify provider's compliance with HDC's quality improvement recommendations, with a target of 97% compliance.</p> | <p>As at 30 June 2023, a total of 632⁵ recommendations due for completion had been reviewed, of which:</p> <ul style="list-style-type: none"> • 96.2% had been fully complied with (2022: 98%). Target not achieved. <p>Of the 3.8% of recommendations that had not been complied with, 19 were due to changes in the provider's circumstances rendering implementation infeasible (eg, individual provider ceasing practice, changes to service delivery, or training no longer available). Providers explicitly refused to comply with five recommendations. These providers were referred to their regulatory authority.</p> <p>HDC continues to monitor recommendations that are overdue for response, and those that require further action/information from providers for full compliance.</p> |

⁴ This includes the assistance of the Advocacy Service.

⁵ This only includes the due recommendations with responses that were able to be fully assessed for compliance. Recommendations overdue for provider response, due recommendations with response awaiting review, and recommendations with granted response extension are excluded. In addition, recommendations involving apologies are also excluded, as these relate to restorative process rather than service quality improvement.

6.2 Output Class — Advocacy

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 4,314,705 | 4,120,000 | 4,338,992 |
| Expenditure | 4,366,095 | 4,347,000 | 4,190,637 |
| Net surplus/(deficit) | (51,390) | (227,000) | 148,355 |

//ADVOCACY OUTPUT 6.2.1 – COMPLAINTS MANAGEMENT

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|--|--|
| Efficiently and appropriately resolve complaints (which contributes to achievement of Strategic Objective 1). | | As at 30 June 2023: 2,857 new complaints had been received by the Advocacy Service (2022: 2,971). |
| Assume 2,600 to 3,100 complaints will be received. | Close an estimated 2,600 to 3,100 complaints. | 2,980 complaints had been closed by the Advocacy Service (2022: 2,922). Target achieved. |
| | Manage complaints so that: <ul style="list-style-type: none"> • 80% are closed within 3 months • 95% are closed within 6 months • 100% are closed within 9 months | As at 30 June 2023: <ul style="list-style-type: none"> • 76% of complaints were closed within 3 months (2022: 78%). Target not achieved. • 96% of complaints were closed within 6 months (2022: 97%). Target achieved. • 99% of complaints were closed within 9 months (2022: 100%). Target not achieved. |
| Consumers and providers are satisfied with Advocacy's complaints management processes (which contributes to achievement of Strategic Objective 1). | Undertake consumer satisfaction surveys, with 80% of respondents satisfied with Advocacy's complaints management processes. Undertake provider satisfaction surveys, with 80% of respondents satisfied with Advocacy's complaints management processes. | As at 30 June 2023, 95% of consumers and 95% of providers who responded to satisfaction surveys were either satisfied or very satisfied with the Advocacy complaints management process (2022: 92% of consumers and 96% of providers). Target achieved. |

//ADVOCACY OUTPUT 6.2.2 – ACCESS TO ADVOCACY

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|---|--|
| Network to promote awareness of the Code and access to the Advocacy Service in local communities (which contributes to achievement of Strategic Objective 2). | Advocates carry out 3,500 scheduled visits or meetings with community groups and provider organisations for the purpose of providing information about the Code, HDC, and the Advocacy Service. | For the year ended 30 June 2023, the Advocacy Service had carried out 3,351 ⁶ networking visits across the motu (2022: 3,304). Target not achieved. |
| | At least 75% of these visits and meetings are focused on vulnerable consumers (including those in residential aged care and disability services, inpatient mental health services, and prisons) and the family/whānau members who support them. | 73.5% (2,463) of these visits were focused on vulnerable consumers (2022: 80%). Target not achieved. |

⁶ The ability to carry out networking visits and deliver education sessions in person was impacted by several factors, eg, two staff suffered long-term sickness, and available resources were re-prioritised to respond to incoming enquiries and complaints.

//ADVOCACY OUTPUT 6.2.3 – EDUCATION

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|---|---|
| Promote awareness of, respect for, and observance of, the rights of consumers and how they may be enforced (which contributes to achievement of Strategic Objective 2). | Advocates provide an estimated 1,500 education sessions. Consumers and providers are satisfied with the education sessions. | For the year ended 30 June 2023, the Advocacy Service had delivered 1,314 ⁶ education sessions across the motu (2022: 851). Target not achieved. |
| | Seek evaluations on sessions, with 80% of respondents satisfied. | 91% of survey respondents were satisfied with the education session they attended (2022: 88%). Target achieved. |

6.3 Output Class — Proceedings

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 756,312 | 802,000 | 597,815 |
| Expenditure | 765,320 | 846,000 | 577,375 |
| Net surplus/(deficit) | (9,008) | (44,000) | 20,440 |

//OUTPUT 6.3 – PROCEEDINGS

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|--|--|
| 6.3.1 On referral of a complaint from the Commissioner, a decision is made to take further action (including disciplinary or HRRT proceedings, or resolution by way of a restorative approach) where it is appropriate to do so (which contributes to achievement of Strategic Objective 4). | Proceedings are taken where appropriate. Report on the number of proceedings taken. | For the year ended 30 June 2023, 21 new referrals had been received (relating to 30 complaints and 16 providers). Four decisions to take proceedings were issued. |
| 6.3.2 Professional misconduct is found in disciplinary proceedings (which contributes to achievement of Strategic Objective 4). | Professional misconduct is found in 75% of disciplinary proceedings. | For the year ended 30 June 2023, professional misconduct was found in 100% (4 of 4) of disciplinary proceedings (2022: 100%, 2 of 2 professional misconduct proceedings heard by the HPDT). Target achieved. |
| 6.3.3 A breach of the Code is found in HRRT proceedings (which contributes to achievement of Strategic Objective 4). | A breach of the Code is found in 75% of HRRT proceedings. | For the year ended 30 June 2023, a breach of the Code was found in 100% (2 of 2) of HRRT proceedings (2022: 100%, 12 out of 12 HRRT proceedings). Target achieved. |
| 6.3.4 An award is made where damages are sought (which contributes to achievement of Strategic Objective 4). | An award of damages was made in 75% of cases where damages were sought. | For the year ended 30 June 2023, a negotiated outcome was reached in 100% (5 of 5) of cases where damages were sought (2022: 100%, 10 of 10 cases). Target achieved. |
| 6.3.5 Where a restorative approach is adopted, an agreed outcome (involving compensation or other negotiated terms or conditions) is reached between the parties (which contributes to achievement of Strategic Objective 4). | An agreed outcome is reached in 75% of cases in which a restorative approach is adopted. | For the year ended 30 June 2023, an agreed outcome was reached in 100% (2 of 2) of cases where a restorative approach was adopted (2022: 100%, 4 of 4 cases). Target achieved. |

⁶ The ability to carry out networking visits and deliver education sessions in person was impacted by several factors, eg, two staff suffered long-term sickness, and available resources were re-prioritised to respond to incoming enquiries and complaints.

6.4 Output Class — Education and Analysis

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 1,149,536 | 1,254,000 | 1,000,336 |
| Expenditure | 1,163,227 | 1,323,000 | 966,133 |
| Net surplus/(deficit) | (13,691) | (69,000) | 34,203 |

//EDUCATION AND ANALYSIS OUTPUT 6.4.1 – SYSTEM LEVEL INTELLIGENCE, INSIGHT, AND IMPACT

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|---|--|
| Monitor complaint trends and provide regular reports to Health New Zealand and the Māori Health Authority, and other stakeholders as relevant (<i>which contributes to achievement of Strategic Objectives 2 and 3</i>). | Publish six-monthly complaint trend reports. | Two six-monthly complaint trend reports were provided to Te Whatu Ora. Target achieved. HDC has reviewed and refreshed this report to ensure that it aligns with new structures in the system. HDC has also created a dashboard-style summary report. |
| | Provide quarterly reports on assisted dying complaints to the Registrar (assisted dying). | Four quarterly reports on complaints received by HDC relating to assisted dying were provided to the Registrar. Target achieved. |
| Engage with key sector stakeholders to promote the Code, share intelligence and insights relating to complaint trends, and collaborate on issues of shared concern (<i>which contributes to achievement of Strategic Objectives 2, 3, and 4</i>). | Maintain engagement with key sector stakeholders to share intelligence, collaborate on issues of shared concern, and promote people's rights. Report on number of engagements. | During the year ended 30 June 2023, HDC undertook 325 engagements with key sector stakeholders (2022: 239). Target achieved. |
| | Provide briefings or make recommendations, suggestions, or submissions to any person or organisation in relation to the Code and/or issues or trends identified through complaints. Report on total number. | During the year ended 30 June 2023, HDC made 17 submissions on various issues (2022: 26). Target achieved. |
| | Participate in the National Quality Forum with the purpose of sharing intelligence and collaborating with other agencies on areas of shared concern. Report on activity quarterly. | During the year ended 30 June 2023, HDC attended four National Quality forums. Target achieved. |
| Review the HDC Act and Code to ensure fit for purpose in a transformed health system (<i>which contributes to achievement of Strategic Objectives 1, 2, and 3</i>). | Scope review of Code and operation of HDC Act. Report on activity quarterly. | <p>HDC completed the scoping phase of the Act and Code review after engagements with key stakeholders and has identified four priorities as well as language improvements and minor and technical amendments. The priorities are:</p> <ol style="list-style-type: none"> 1. Giving practical effect to Te Tiriti o Waitangi in the Act and Code 2. Making the Act and Code work for disabled people 3. Helping resolve complaints in a timely, closer-to-source and relational manner 4. Considering options for a right of appeal for HDC decisions <p>To come to a view on priorities, HDC wrote to 49 individuals and organisations seeking input into the scope of the review. HDC received 28 written responses and met with 12 individual organisations. HDC also considered previous Act and Code reviews, analysed feedback from our hui ā-whānau and consumer and provider surveys, and sought feedback from staff.</p> <p>HDC is working with stakeholders to further develop the issues, with a view to consulting publicly in early 2024. Target achieved.</p> |

//EDUCATION AND ANALYSIS OUTPUT 6.4.2 – INFORMATION AND EDUCATION FOR PROVIDERS

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|--|---|
| Assist providers to improve their responses to complaints (<i>which contributes to achievement of Strategic Objectives 1, 2, and 3</i>). | Provide four complaints resolution workshops to providers. Report on total number of workshops provided and the approximate number of people who attended. | During the year ended 30 June 2023, HDC held one complaints resolution workshop for providers (2022: Five). Target not achieved. In November 2022, HDC released an online education programme for providers to assist their practical understanding of the Code and managing complaints. In the seven months till the end of 30 June 2023, 3,332 providers had registered for the modules, with 2,995 providers completing the Code of Rights module, 2,500 completing the module on informed consent, and 2,359 undertaking the complaints management module. |
| | Seek evaluations of the workshops, with 80% of respondents finding the session useful for improving complaints resolution. | 93% of respondents (13 out of 14) found the session useful for improving complaints resolution (2022: 100%). Target achieved. |

//EDUCATION AND ANALYSIS OUTPUT 6.4.3 – INFORMATION AND EDUCATION FOR CONSUMERS AND PROVIDERS

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|---|--|
| Promote awareness of, respect for, and observance of, the rights of consumers and how they may be enforced (<i>which contributes to achievement of Strategic Objective 2</i>). | Provide educational presentations. Report on total number of presentations provided and who they were provided to. | During the year ended 30 June 2023, HDC provided 38 educational presentations (2022: 30). Target achieved. |
| | Seek evaluations on presentations, with 80% of respondents reporting that the presentation improved their awareness and understanding of HDC and the Code of Rights. | 100% of respondents surveyed (7 of 7) reported that the presentation improved their awareness and understanding of HDC and the Code. Target achieved. |
| | Develop and implement five online education modules for consumers and providers to promote understanding of the Code and how it applies in practice, and methods for measuring reach and effectiveness. Report on activity. | <p>Education modules</p> <p>During the year ended 30 June 2023, three online education modules were made available for providers to improve their understanding and knowledge of</p> <ul style="list-style-type: none"> • The Code and how it applies in practice • The complexities of informed consent and how to apply this in practice • Their legal obligations in relation to complaints management and factors that encourage early resolution <p>As at 30 June 2023, 3,332 providers had registered to undertake the modules.</p> <p>In 2022/23, HDC developed, in consultation with consumers, an animated video to assist in raising consumers' awareness of their rights under the Code and avenues for complaint. This digital resource was deemed more accessible, engaging, and educational for consumers and replaces two consumer online modules. Target achieved.</p> |

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|---|--|
| | <p>Develop and implement approach to partner with other agencies to raise awareness of consumer rights and reduce barriers to resolving complaints for Māori, Pasifika, and other priority communities. Report on activity.</p> | <p>HDC used its available data to assess which groups are accessing HDC and their experience when they do, and insights shared by consumers and whānau, and engaged the following agencies or groups in 2022/23 to gain further insights, raise awareness of consumer rights, and reduce barriers to resolving complaints for Māori, Pacific peoples, and other priority communities. HDC continues to monitor the type and rates of complaints from these communities and feedback from consumers and complainants from these groups. HDC:</p> <ul style="list-style-type: none"> • Met with the Ministry of Ethnic Communities in July 2022 to discuss a series of joint workshops to assist ethnic communities to understand their rights under the Code and avenues for complaint • Held a series of meetings with the Human Rights Commission to discuss methods of working together in regard to the prohibition of Conversion Practices, including setting up a process to ensure warm referrals of complaints between agencies • Engaged with consumer representatives from the addiction community to begin planning a series of engagements with addiction services consumers to raise awareness of their rights and avenues to resolve complaints • Met with Noku te Ao and a representative from the Ministry of Health to discuss the issues arising in complaints for this population and protect their rights • Began discussions with Māori leaders and consumer representatives in other agencies to build relationships, share insight, and identify opportunities to collaborate • Engaged with a range of other rights-focused agencies, consumer advocacy groups, including disabled people's organisations, and lived experience leaders in other organisations, to better understand current barriers to people understanding and exercising their rights under the Code and opportunities to address this in the Act and Code Review • Kaitohu Mātāmua Māori continued to build relationships with various regional visits to Te Waipounamu (Christchurch), Te Matau a Maui (Hawke's Bay), Te Arawa (Lakes), Te Manawa Taki (Waikato) and Te Pare a Toi (Whakatane) <p>Target achieved.</p> |
| <p>Respond to queries from consumers, providers, and other agencies about the Act, the Code, and consumer rights under the Code (<i>which contributes to achievement of Strategic Objective 2</i>).</p> | <p>Provide responses to queries as requested. Report on the total number.</p> | <p>During the year ended 30 June 2023, HDC received 2,768 enquiries, including 914 simple enquiries and 1,854 extended enquiries (2022: 2,482). Target achieved.</p> |
| <p>Make public statements and publish reports in relation to matters affecting the rights of consumers (<i>which contributes to Strategic Objectives 2 and 3</i>).</p> | <p>Produce and publish key Commissioner decision reports and related articles on the HDC website. Report on total number. Work with the media to generate 50 media stories on HDC decision reports or other matters of public interest that affect consumer rights.</p> | <p>During the year ended 30 June 2023, HDC published 96 decisions on the website (2022: 83). Target achieved.</p> <p>During the year ended 30 June 2023, HDC issued 103 media releases, with 715 stories generated from the releases (2022: 233 media stories generated). Target achieved.</p> |

6.5 Output Class — Disability

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 675,563 | 733,000 | 587,845 |
| Expenditure | 683,609 | 773,000 | 871,066 |
| Net surplus/(deficit) | (8,046) | (40,000) | 16,779 |

//DISABILITY OUTPUT 6.5 – DISABILITY EDUCATION

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|--|---|
| Promote awareness of, respect for, and observance of, the rights of disability services consumers (<i>which contributes to achievement of Strategic Objective 2</i>). | Publish on the HDC website (and make accessible to people who use ‘accessibility software’) educational resources for disability services consumers and disability services providers. Report on number of resources published. | During the year ended 30 June 2023, five educational resources were developed for disability services consumers and disability services providers (2022: two): <ul style="list-style-type: none"> • Easy Read ‘My Health Passport’ in Te reo Māori • A pocket card listing the Code • A poster listing the Code • An easy-read version of the Code of Rights poster • A pamphlet titled ‘Your Rights When Using a Health or Disability Service & What to Do If You Have Any Concerns’ Target achieved. |
| Monitor complaint trends in relation to disability and collaborate with other agencies to protect and promote the rights of disability services consumers (<i>which contributes to achievement of Strategic Objectives 2, 3, and 4</i>). | Scope a monitoring framework to measure the performance of the sector against the Code of Rights. Report on activity. Maintain engagement with key sector stakeholders to share intelligence, collaborate on areas of shared concern, and promote disabled people’s rights. Report on number of engagements and who we are engaging with. | The scoping of a disability monitoring framework continued, with the HDC complaint form amended to record information from complainants who identify as having a disability. Disability-related complaints continue to be monitored to identify emerging trends. During the year ended 30 June 2023, the Deputy Commissioner, Disability held 89 engagements with sector stakeholders. Target achieved. |

6.6 Output Class — Aged Care

Financial Performance for the year ended 30 June

| | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|----------------------|
| Revenue | 2,023,000 | 2,023,000 | 800,000 |
| Expenditure | 2,067,673 | 2,073,000 | 500,360 |
| Net surplus/(deficit) | (44,673) | (50,000) | 299,640 |

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|--|--|--|
| <p>Provide strategic oversight and leadership to drive quality of care improvements to aged care services (which contributes to achievement of Strategic Objective 3).</p> | <p>Monitor and analyse issues and trends identified by HDC complaints and the Advocacy Service. Report on activity.</p> <hr/> <p>Develop effective relationships with key sector stakeholders and monitor sector performance information to keep informed about service issues and trends. Report on activity.</p> <hr/> <p>Provide briefings to the Minister as required. Report on activity.</p> | <p>The main theme from the complaints related to aged care and the health and disability care of older people continues to be capacity constraints mostly due to workforce challenges. There is a risk to the quality and safety of services caused partially by inadequate staffing levels in hospitals, primary care, home and community support services (HCSS), and aged residential care (ARC). The theme of constrained capacity of services is reflective of the challenges in the sector around:</p> <ul style="list-style-type: none"> • Workforce • Communication between consumers, whānau/ enduring powers of attorney and clinical teams, and between the clinical team members themselves • Clinical issues – failure to escalate care, inadequate pain management, care coordination, managing behaviours associated with stress and distress, and errors in administering medication <p>Target achieved.</p> <hr/> <p>During the year ended 30 June 2023, the Aged Care Commissioner undertook 85 stakeholder engagements with a wide range of stakeholders to keep informed about service issues and trends. These relationships support her mandate of quality improvement of health and disability services for older people. Target achieved.</p> <hr/> <p>The Aged Care Commissioner briefed the Associate Minister of Health responsible for Older People’s Health, Hon Barbara Edmonds, in April 2023, and socialised our approach to monitoring and reporting. The Aged Care Commissioner has further ministerial briefing planned for August/ September 2023 regarding the monitoring report. Target achieved.</p> |
| <p>Monitor the performance of the aged care sector and identify emerging issues and priorities (which contributes to achievement of Strategic Objective 3).</p> | <p>Develop an approach to, and framework for, monitoring and reporting on the performance of the sector in relation to older people’s health and aged care services. Report on activity.</p> <p>Complete a baseline report on the performance of the aged care sector, with a particular focus on equity.</p> | <p>A monitoring framework was developed and tested with core stakeholders and will be published as a report in late 2023.</p> <p>Our approach is based on Te Tiriti o Waitangi (the Aged Care Commissioner mandate includes supporting the Government commitment to Te Tiriti); a person-centered approach to care, including the Code of Rights; human rights, including disability rights and the rights of indigenous peoples; and equity. The Aged Care Commissioner will outline changes we want to see.</p> <p>In April 2023 we met and socialised our approach to monitoring and reporting with Minister Barbara Edmonds.</p> |

| Output and Assumptions | Performance Measures and Targets | Actual Performance |
|---|---|---|
| <p>Provide enhanced advocacy on behalf of older consumers and their whānau and support commitments to Te Tiriti o Waitangi.</p> | <p>Actively engage with older consumers and their whānau from all communities and reflect their perspectives in the Aged Care Commissioner's work. Report on number of engagements.</p> | <p>During the year ended 30 June 2023, 104 engagements were held with older people, their whānau and stakeholders working on older people's health and wellbeing. These included meetings with a diverse range of older people's groups and making visits to, and speaking with, people living in aged residential care (ARC) facilities. Target achieved.</p> |
| | <p>Make submissions, recommendations, and public statements on issues of relevance to the Aged Care Commissioner's role. Report on total number.</p> | <p>During the year ended 30 June 2023, the Aged Care Commissioner:</p> <ul style="list-style-type: none"> • Made a submission to the Social Services and Community Select Committee on the role and priorities of the Aged Care Commissioner • Made a submission to the Law Commissioner Te Akua Matua o te Ture from the lens of health and disability care for older people, on the law affecting decision-making including enduring powers of attorney (EPAs), advance care directives, and advance care planning. This was a standalone submission to accompany the main submission by the Health and Disability Commissioner • Wrote to Manatū Hauora raising concerns about service disruptions in HCSS and the need for better monitoring of consumer experience, health and wellbeing of older people, and equity of access • Wrote three opinion pieces on matters affecting older people and their whānau, including the need for collective action regarding the challenges facing the aged care sector • Collaborated with the 'Hello' project to raise awareness of older people living alone and encourage people to check on older neighbours during the festive season • Released a statement on nurses for International Nurses' Day on 12 May, and on elder abuse for International Elder Abuse Awareness Day on 15 June • Provided input into HDC's submission on the Women's Health Strategy, with an older women's health lens, including language on older people • Provided analysis of the main Pae Ora strategies, including the New Zealand Health Strategy; the Rural Health Strategy; Pae Tū: Hauora Māori Strategy; the Mana Ola Pacific Health Strategy; and the Interim Health of Disabled People Strategy to ensure that inclusion of older people was submitted. <p>Target achieved.</p> |
| | <p>Develop meaningful and authentic advocacy partnerships with kaumātua, whānau, hapū, and iwi. Report on activity.</p> | <p>HDC's Kaitohu Mātāmua Māori, in partnership with the Aged Care Commissioner and team, has recruited two Senior Advisors Māori and Pacific peoples who will support the focus on improving health and disability services provided to kaumātua. One Senior Advisor started in the role in February 2023 and has worked with the Aged Care team on resolving complaints, as well as contributing to the monitoring report and community engagement. A second Senior Advisor is due to begin in September 2023.</p> |

7

Ngā tauākī pūtea

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2023

| | Notes | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|--|-------|----------------------|----------------------|----------------------|
| Revenue | | | | |
| Funding from the Crown | | 18,944,000 | 18,944,000 | 17,070,000 |
| Interest revenue | | 227,588 | 45,000 | 43,117 |
| Other revenue | 2 | 146,567 | 123,000 | 186,622 |
| Total revenue | | 19,318,155 | 19,112,000 | 17,299,739 |
| Expenditure | | | | |
| Personnel costs | 3 | 12,685,270 | 12,832,437 | 10,215,024 |
| Depreciation and amortisation expense | 8,9 | 174,101 | 212,863 | 222,523 |
| Advocacy services | | 3,588,060 | 3,688,000 | 3,535,151 |
| Other expenses | 4 | 3,121,391 | 3,369,900 | 2,463,255 |
| Total expenditure | | 19,568,822 | 20,103,200 | 16,435,953 |
| Surplus/(deficit) | | (250,667) | (991,200) | 863,786 |
| Total comprehensive revenue and expense | | (250,667) | (991,200) | 863,786 |

Explanations of major variances against budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of financial position for the year ended 30 June 2023

| | Notes | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|----------------------------------|-------|----------------------|----------------------|----------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 5 | 3,492,165 | 2,694,470 | 3,775,647 |
| Receivables | 6 | 21,303 | 30,000 | 12,350 |
| Prepayments | | 147,713 | 50,000 | 73,461 |
| Inventories | 7 | 21,300 | 20,000 | 13,438 |
| Total current assets | | 3,682,481 | 2,794,470 | 3,874,896 |
| Non-current assets | | | | |
| Property, plant, and equipment | 8 | 293,098 | 208,212 | 286,819 |
| Intangible assets | 9 | 2,317 | 36,056 | 26,194 |
| Total non-current assets | | 295,415 | 244,268 | 313,013 |
| Total assets | | 3,977,896 | 3,038,738 | 4,187,909 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Payables | 10 | 604,652 | 630,678 | 606,612 |
| Employee entitlements | 11 | 798,704 | 650,000 | 756,090 |
| Total current liabilities | | 1,403,356 | 1,280,678 | 1,362,702 |
| Total liabilities | | 1,403,356 | 1,280,678 | 1,362,702 |
| Net assets | | 2,574,540 | 1,758,060 | 2,825,207 |
| Equity | | | | |
| Contributed capital | 13 | 788,000 | 788,000 | 788,000 |
| Accumulated surplus | 13 | 1,786,540 | 970,060 | 2,037,207 |
| Total equity | | 2,574,540 | 1,758,060 | 2,825,207 |

Explanations of major variances against budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2023

| | Notes | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|--|-------|----------------------|----------------------|----------------------|
| Balance at 1 July | | 2,825,207 | 2,749,260 | 1,961,421 |
| Total comprehensive revenue and expense for the year | | (250,667) | (991,200) | 863,786 |
| Balance at 30 June | 13 | 2,574,540 | 1,758,060 | 2,825,207 |

Explanations of major variances against budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2023

| | Notes | Actual 2023 \$ | Budget 2023 \$ | Actual 2022 \$ |
|---|-------|----------------------|----------------------|----------------------|
| Cash flows (used in)/from operating activities | | | | |
| Receipts from the Crown | | 18,944,000 | 18,944,000 | 17,070,000 |
| Interest received | | 233,107 | 45,000 | 39,012 |
| Receipts from other revenue | | 134,214 ⁸ | 65,000 | 49,647 |
| Payments to suppliers | | (6,814,353) | (7,027,093) | (5,786,354) |
| Payments to employees | | (12,642,657) | (12,832,437) | (9,994,689) |
| GST (net) | | 18,710 | - | 98,013 |
| Net cash (used in)/from operating activities | | (126,979) | (805,530) | 1,475,629 |
| Cash flows used in investing activities | | | | |
| Purchase of property, plant, and equipment | | (156,503) | (141,000) | (166,989) |
| Purchase of intangible assets | | - | (45,000) | (4,390) |
| Net cash used in investing activities | | (156,503) | (186,000) | (171,379) |
| Net increase/(decrease) in cash and cash equivalents | | (283,482) | (991,530) | 1,304,250 |
| Cash and cash equivalents at beginning of the year | | 3,775,647 | 3,686,000 | 2,471,397 |
| Cash and cash equivalents at end of the year | 5 | 3,492,165 | 2,694,470 | 3,775,647 |

Explanations of major variances against budget are provided in Note 17.

The accompanying notes form part of these financial statements.

⁷ The IT costs related to the National Advocacy Trust have been offset against the contribution from the National Advocacy Trust by the same amount.

Notes to the financial statements

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//1 STATEMENT OF ACCOUNTING POLICIES

Reporting entity

The Health and Disability Commissioner (HDC) has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Health and Disability Commissioner are for the year ended 30 June 2023, and were approved by the Commissioner on 13 October 2023.

Basis of preparation

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

Statement of compliance

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

The financial statements have been prepared in accordance with PBE Standards Reduced Disclosure Regime (RDR). The criteria under which the Health and Disability Commissioner is eligible to report in accordance with PBE Standards RDR is that its total expenses are less than \$30 million and has no public accountability.

Presentation currency and rounding

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

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.

Goods and services tax (GST)

Items in the 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 IRD is included as part of receivables or payables in the 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 Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Health and Disability Commissioner is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of Performance Expectations as approved by the Health and Disability Commissioner at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Health and Disability Commissioner for the preparation of these financial statements.

Cost allocation

The Health and Disability Commissioner has determined the cost of outputs using the cost allocation system outlined below:

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

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Depreciation is charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements the Health and Disability Commissioner has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are evaluated continually 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.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Leases classification – refer to Note 4.

//2 REVENUE

Accounting policy

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

Funding from the Crown (non-exchange revenue)

The Health and Disability Commissioner is primarily funded from the Crown. This funding is restricted in its use for the purpose of the Health and Disability Commissioner meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder.

The Health and Disability Commissioner considers that there are no conditions attached to the funding, and it is recognised as revenue at the point of entitlement.

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

Interest revenue

Interest revenue is recognised using the effective interest method.

Sale of publications

Sales of publications are recognised when the product is sold to the customer.

Sundry revenue

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date.

Breakdown of other revenue and further information

| | Actual 2023 \$ | Actual 2022 \$ |
|---|----------------------|----------------------|
| Sale of publications | 66,700 | 46,882 |
| Advocacy Trust contribution to IT costs | 59,367 | 135,260 |
| Sundry revenue | 20,500 | 4,480 |
| Total other revenue | 146,567 | 186,622 |

//3 PERSONNEL COSTS

Accounting policy

Defined contribution schemes

Employer contributions to defined contribution plans include contributions to KiwiSaver and the Government Superannuation Fund. The obligations to make employer contributions are recognised as an expense in the surplus or deficit as incurred.

Breakdown of personnel costs and further information

| | Actual 2023 \$ | Actual 2022 \$ |
|--|----------------------|----------------------|
| Salaries and wages | 12,349,198 | 9,772,991 |
| Employer contributions to defined contribution plans | 292,837 | 222,319 |
| Increase/(decrease) in employee entitlements | 43,235 | 219,714 |
| Total personnel costs | 12,685,270 | 10,215,024 |

Employee remuneration

The Health and Disability Commissioner is a Crown entity and is required to disclose certain remuneration information in its annual reports. The information reported is the number of employees receiving total remuneration of \$100,000 or more per annum.

Remuneration of employees over \$100,000 per annum

| Total remuneration paid or payable: \$ | Actual 2023 No. of employees | Actual 2022 No. of employees |
|---|------------------------------------|------------------------------------|
| 100,000 - 109,999 | 7 | 4 |
| 110,000 - 119,999 | 5 | 1 |
| 120,000 - 129,999 | 4 | 3 |
| 130,000 - 139,999 | 3 | 1 |
| 140,000 - 149,999 | - | 3 |
| 150,000 - 159,999 | 4 | 1 |
| 170,000 - 179,999 | 1 | - |
| 180,000 - 189,999 | - | 2 |
| 190,000 - 199,999 | 2 | - |
| 210,000 - 219,999 | - | 1 |
| 220,000 - 229,999 | - | 1 |
| 230,000 - 239,999 | 1 | 1 |
| 260,000 - 269,999 | 4 | 1 |
| 260,000 - 369,999 | - | 1 |
| 370,000 - 379,999 | 1 | - |
| Total | 32 | 20 |

During the year ended 30 June 2023, one employee received compensation and other benefits in relation to cessation totalling \$ 7,555 (2022: nil).

Commissioner's total remuneration

In accordance with the disclosure requirements of sections 152(1)(a) of the Crown Entities Act 2004, the total remuneration paid to the Commissioner during the year from 1 July 2022 to 30 June 2023, including all benefits, is set out below.

| Name | Position | Actual 2023 \$ | Actual 2022 \$ |
|----------------|------------------------------------|----------------------|----------------------|
| Morag McDowell | Health and Disability Commissioner | 376,600 | 369,100 |

//4 OTHER EXPENSES

Breakdown of other expenses

| | Actual 2023 \$ | Actual 2022 \$ |
|---|----------------------|----------------------|
| Advertising | 17,474 | 16,805 |
| Audit fees | 56,368 | 52,292 |
| Clinical and legal advice | 459,752 | 355,336 |
| Communications & IT | 839,645 | 681,687 |
| Educational publication & eLearning | 123,992 | 49,930 |
| Write-off of property, plant, and equipment | 4,851 | - |
| Operating lease expense | 718,827 | 566,637 |
| Policy and operational consultancy | 276,197 | 328,928 |
| Staff travel and accommodation | 129,821 | 33,437 |
| Other expenses | 494,464 | 378,203 |
| Total other expenses | 3,121,391 | 2,463,255 |

Accounting policy

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. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

| | Actual 2023 \$ | Actual 2022 \$ |
|---|----------------------|----------------------|
| Not later than one year | 852,775 | 722,181 |
| Later than one year and not later than five years | 3,724,334 | 6,255 |
| Later than five years | 1,036,160 | - |
| Total non-cancellable operating leases | 5,613,269 | 728,436 |

The Health and Disability Commissioner leases two properties – one in Auckland and one in Wellington.

A significant portion of the total non-cancellable operating lease commitment relates to the lease of these two offices and office equipment (2022: two office leases and office equipment). The Auckland office lease expires in September 2029 and the Wellington office lease expires in June 2029. Both leases have an option to vacate the premises at the end of the current leases. HDC has assumed that it will not vacate the premises at the end of the current leases.

//5 CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

| | Actual 2023 \$ | Actual 2022 \$ |
|--|----------------------|----------------------|
| Cash on hand and at bank | 3,492,165 | 2,275,647 |
| Term deposits with maturities less than 3 months | - | 1,500,000 |
| Total cash and cash equivalents | 3,492,165 | 3,775,647 |

As at 30 June 2023, the Health and Disability Commissioner holds no unspent grant funding received that is subject to restrictions (2022: nil).

//6 RECEIVABLES

Accounting policy

Short-term receivables are recorded at their face value, less any allowance for credit loss.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

The allowance for credit loss in 2023 is \$4,173 (2022: \$2,395).

| | Actual 2023 \$ | Actual 2022 \$ |
|--|----------------------|----------------------|
| Trade receivables | 25,476 | 9,226 |
| Less: allowance for credit loss | (4,173) | (2,395) |
| Other receivables | - | 5,519 |
| Total receivables | 21,303 | 12,350 |
| Total receivables comprise: | | |
| Receivables from the sale of goods (exchange transactions) | 21,303 | 12,350 |

//7 INVENTORIES

Accounting policy

Inventories held for use in the provision of goods on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The amount of any write-down from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

| | Actual 2023 \$ | Actual 2022 \$ |
|-------------------------------|----------------------|----------------------|
| Commercial inventories | | |
| Publications held for sale | 21,300 | 13,438 |
| Total receivables | 21,300 | 13,438 |

The write-down of inventories in 2023 amounted to \$2,244 (2022: \$364).

//8 PROPERTY, PLANT, AND EQUIPMENT

Accounting policy

Property, plant, and equipment consist of the following asset classes: computer hardware, communication equipment, furniture and fittings, leasehold improvements, motor vehicles, and office equipment.

Property, plant, and equipment are measured at cost less accumulated depreciation 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 the Health and Disability Commissioner and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

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.

Disposals

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

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Health and Disability Commissioner and the cost of the item can be measured reliably.

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

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

| | | |
|-------------------------|---------|-----|
| Leasehold improvements | 3 years | 33% |
| Furniture and fittings | 5 years | 20% |
| Office equipment | 5 years | 20% |
| Motor vehicles | 5 years | 20% |
| Computer hardware | 4 years | 25% |
| Communication equipment | 4 years | 25% |

The residual value and useful life of an asset is reviewed annually, and adjusted if applicable.

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

At each reporting date the Health and Disability Commissioner reviews the useful lives and residual values of its property, plant, and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires the Health and Disability Commissioner to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Health and Disability Commissioner, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact the depreciation expense recognised in the surplus or deficit, and the carrying amount of the asset in the Statement of Financial Position. The Health and Disability Commissioner minimises the risk of this estimation uncertainty by:

- physical inspection of assets; and
- aligning estimates of useful lives to asset replacement programmes.

The Health and Disability Commissioner has not made significant changes to past assumptions concerning useful lives and residual values.

Movements for each class of property, plant, and equipment are as follows:

| | Computer Hardware \$ | Comms equip \$ | Furniture and fittings \$ | Leasehold improvements \$ | Office \$ | Total \$ |
|---------------------------------|-------------------------|-------------------|------------------------------|------------------------------|--------------|-------------|
| Cost or valuation | | | | | | |
| Balance at 1 July 2021 | 780,432 | 6,744 | 199,616 | 675,340 | 70,947 | 1,733,079 |
| Balance at 30 June 2022 | 913,100 | 11,970 | 213,322 | 675,340 | 80,729 | 1,894,461 |
| Additions | 119,010 | 3,803 | 33,100 | 5,442 | - | 161,355 |
| Disposals | (34,886) | - | (7,357) | - | (1671) | (43,914) |
| Balance at 30 June 2023 | 997,224 | 15,773 | 239,065 | 680,782 | 79,058 | 2,011,902 |
| Accumulated depreciation | | | | | | |
| Balance at 1 July 2021 | 551,675 | 4,812 | 169,602 | 667,132 | 56,601 | 1,449,822 |
| Balance at 30 June 2022 | 663,873 | 9,208 | 193,835 | 672,809 | 67,917 | 1,607,642 |
| Depreciation expense | 113,000 | 3,895 | 29,840 | 4,345 | 7,642 | 150,224 |
| Disposals | (30,731) | - | (7,357) | - | (974) | (39,062) |
| Balance at 30 June 2023 | 746,142 | 13,103 | 207,820 | 677,154 | 74,585 | 1,718,804 |
| Carrying amounts | | | | | | |
| At 1 July 2021 | 228,757 | 1,932 | 30,014 | 8,208 | 14,346 | 283,257 |
| At 30 June 2022/1 July 2022 | 249,227 | 2,762 | 19,487 | 2,531 | 12,812 | 286,819 |
| At 30 June 2023 | 251,082 | 2,670 | 31,245 | 3,628 | 4,473 | 293,098 |

There are no restrictions on the Health and Disability Commissioner’s property, plant, and equipment.

During the year, the Health and Disability Commissioner disposed of some furniture and fittings that had reached the end of its useful life. The net loss on all disposals was \$4,851 (2022: nil).

There were no capital commitments for the acquisition of property, plant, and equipment at balance date (2022: nil).

//9 INTANGIBLE ASSETS

Accounting policy

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include software development, employee costs and relevant overheads.

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 maintenance of the Health and Disability Commissioner’s website are recognised as an expense 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 on which the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

| | | |
|-------------------|---------|-----|
| Computer software | 3 years | 33% |
|-------------------|---------|-----|

Movements for each class of intangible asset are as follows:

| | Acquired software \$ | Total \$ |
|---|-------------------------|-------------|
| Cost | | |
| Balance at 1 July 2021 | 762,080 | 762,080 |
| Balance at 30 June 2022/1 July 2022 | 766,470 | 766,470 |
| Additions | - | - |
| Balance at 30 June 2023 | 766,470 | 766,470 |
| Accumulated amortisation and impairment losses | | |
| Balance at 1 July 2021 | 681,180 | 681,180 |
| Balance at 30 June 2022/1 July 2022 | 740,276 | 740,276 |
| Amortisation expense | 23,877 | 23,877 |
| Balance at 30 June 2023 | 764,153 | 764,153 |
| Carrying amounts | | |
| At 1 July 2021 | 80,900 | 80,900 |
| At 30 June 2022/1 July 2022 | 26,194 | 26,194 |
| At 30 June 2023 | 2,317 | 2,317 |

There were no capital commitments for the acquisition of intangible assets at balance date (2022: nil).

//10 PAYABLES

Accounting policy

Short-term payables are recorded at their face value.

Breakdown of payables and deferred revenue

| | Actual 2023 \$ | Actual 2022 \$ |
|---|----------------------|----------------------|
| Payables under exchange transactions | | |
| Creditors | 200,422 | 172,560 |
| Accrued expenses | 147,205 | 190,682 |
| Deferred lease incentive | - | 10,593 |
| Total payables under exchange transactions | 347,627 | 373,835 |
| Payable under non-exchange transactions | | |
| Taxes payable (GST, PAYE and rates) | 257,024 | 232,777 |
| Total payables under non-exchange transactions | 257,024 | 232,777 |
| Total current payables | 604,651 | 606,612 |
| Total payables | 604,651 | 606,612 |

//11 EMPLOYEE ENTITLEMENTS

Accounting policy

Short-term employee entitlements

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

Employee entitlements

| | Actual 2023 \$ | Actual 2022 \$ |
|------------------------------------|----------------------|----------------------|
| Annual leave | 798,703 | 756,090 |
| Total employee entitlements | 798,703 | 756,090 |

//12 CONTINGENCIES

Contingent liabilities

As at the reporting date there were no contingent liabilities (2022: nil).

Contingent assets

The Health and Disability Commissioner has no contingent assets (2022: nil).

//13 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; and
- accumulated surplus or deficit.

| | Actual 2023 \$ | Actual 2022 \$ |
|--------------------------------|----------------------|----------------------|
| Contributed capital | | |
| Balance at 1 July | 788,000 | 788,000 |
| Capital contribution | - | - |
| Balance at 30 June | 788,000 | 788,000 |
| Accumulated surplus | | |
| Balance at 1 July | 2,037,207 | 1,173,421 |
| Surplus/(deficit) for the year | (250,667) | 863,786 |
| Balance at 30 June | 1,786,540 | 2,037,207 |
| Total equity | 2,574,540 | 2,825,207 |

//14 RELATED PARTY TRANSACTIONS

The Health and Disability Commissioner is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Health and Disability Commissioner would have received in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Ministry of Health, Ministry of Inland Revenue, ACC, and New Zealand Post) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

| | Actual 2023 \$ | Actual 2022 \$ |
|------------------------------|----------------------|----------------------|
| Leadership Team | | |
| Remuneration (\$) | 2,674,012 | 2,271,977 |
| Full-time equivalent members | 11.67 | 10.01 |

//15 FINANCIAL INSTRUMENTS

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

| | Actual 2023 \$ | Actual 2022 \$ |
|--|----------------------|----------------------|
| Financial assets measured at amortised cost | | |
| Cash and cash equivalents | 3,492,165 | 2,275,647 |
| Term deposits with maturities less than 3 months | - | 1,500,000 |
| Receivables | 21,303 | 12,350 |
| Total financial assets measured at amortised cost | 3,513,468 | 3,787,997 |
| Financial liabilities measured at amortised cost | | |
| Payables (excluding deferred lease incentives and taxes payable) | 347,627 | 363,243 |
| Total financial liabilities measured at amortised cost | 347,627 | 363,243 |

//16 EVENTS AFTER THE REPORTING DATE

HDC entered two office lease agreements, which commenced after 30 June 2023.

//17 EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variances from the Health and Disability Commissioner's budgeted figures in the Statement of Performance are as follows:

Statement of Comprehensive Revenue and Expense

Total Revenue

The interest revenue was higher than budgeted due to the increase in interest rate.

Total expenditure

Personnel costs were lower than budgeted due to staff vacancies during the year.

Advocacy services costs were lower than budgeted as the National Advocacy Trust was transitioning to new leadership in the previous year, which delayed the implementation, and related costs, of several initiatives.

Other expenses were lower than budgeted mainly because the scoping of the Act and Code review and most Commissioner-initiated inquiry work were completed with in-house resources instead of using external contractors. Also, while external clinical advice costs increased compared to last year due to increasing costs for the advice and an increase in the number of cases requiring advice, these costs were lower than budgeted as HDC was able to employ more in-house clinical advisors.

Statement of Financial Position

Cash and cash equivalents were higher than budgeted owing to the lower than budgeted deficit for the year.

Statement of Changes in Equity

The closing equity balance was higher than budgeted because of the lower than budgeted deficit.

Statement of Cash Flows

The higher net cash movement was mainly as a result of the favourable variances in interest revenue, personnel costs and other operating expenses noted above.

8

Tauāki kawenga

Statement of Responsibility

We are responsible for the preparation of the Health and Disability Commissioner's financial statements and statement of performance, and for the judgements made in them.

We are responsible for any end-of-year performance information provided by the Health and Disability Commissioner under section 19A of the Public Finance Act 1989.

We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Health and Disability Commissioner for the year ended 30 June 2023.



Morag McDowell
Health and Disability Commissioner



Jason Zhang
Corporate Services Manager

13 October 2023

Pūrongo ōtita

Auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Health and Disability Commissioner's financial statements and performance information for the year ended 30 June 2023

The Auditor-General is the auditor of Health and Disability Commissioner. The Auditor-General has appointed me, René van Zyl, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Health and Disability Commissioner on his behalf.

Opinion

We have audited:

- the financial statements of the Health and Disability Commissioner on pages 72 to 87 that comprise the statement of financial position as at 30 June 2023, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Health and Disability Commissioner on pages 16 to 21 and 62 to 71.

In our opinion:

- the financial statements of the Health and Disability Commissioner on pages 72 to 87:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and

- the Health and Disability Commissioner’s performance information on pages 16 to 21 and 62 to 71:
 - presents fairly, in all material respects, the Health and Disability Commissioner’s performance for the year ended 30 June 2023, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 13 October 23. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Health and Disability Commissioner and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Health and Disability Commissioner for the financial statements and the performance information

The Health and Disability Commissioner is responsible on behalf of the Health and Disability Commissioner for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Health and Disability Commissioner is responsible for such internal control as is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Health and Disability Commissioner is responsible for assessing the Health and Disability Commissioner's ability to continue as a going concern. The Health and Disability Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Health and Disability Commissioner, or there is no realistic alternative but to do so.

The Health and Disability Commissioner's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Health and Disability Commissioner's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health and Disability Commissioner's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Health and Disability Commissioner.
- We evaluate the appropriateness of the reported performance information within the Health and Disability Commissioner’s framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Health and Disability Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Health and Disability Commissioner’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Health and Disability Commissioner to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Health and Disability Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Health and Disability Commissioner is responsible for the other information. The other information comprises the information included on pages 2 to 15, 22 to 61, 88 and 93, but does not include the financial statements and the performance information, and our auditor’s report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Health and Disability Commissioner in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Deborah James was appointed as Deputy Health and Disability Commissioner, Complaints Resolution in August 2021. Prior to this, Deborah held the role of Sector Manager at the Office of the Auditor-General. During the audit period, there were appropriate safeguards to reduce any threat to auditor independence, as Deborah had no involvement in, or influence over, the audit of the Health and Disability Commissioner.

Other than the audit and the relationship with the Deputy Health and Disability Commissioner, Complaints Resolution, we have no relationship with, or interests, in the Health and Disability Commissioner.



René van Zyl
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand





Whakakotahi ai kia tipu, kia
hua, kia puāwai

*Working together we will grow,
flourish and prosper*



HEALTH & DISABILITY COMMISSIONER
TE TOIHAU HAUORA, HAUĀTANGA

P O Box 1791
Auckland 1140
45 Queen Street
Auckland 1010
Ph: 09 373 1060
Fax: 09 373 1061
Freephone: 0800 11 22 33
www.hdc.org.nz