

# Annual Report Including performance report and financial statements for the year ended 30 June 2022

### **Home and Community Health Association**

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### Chairperson's Report

I am pleased to present the Annual Report and financial statements for the Home and Community Health Association Incorporated for the financial year from 1 July 2021 to 30 June 2022.

This has, once again been a year of continuing special challenges for the sector. The impact of COVID-19 has required many of the issues facing the sector to be delayed while the immediacy of the pandemic was responded to. In addition, the Government changes in the health and disability sector, implemented on 1 July 2022, has also focused attention on this transition to the detriment of finding remedies to the immediate need for a nationally consistent HCSS framework and service specifications and nationally consistent and equitable funding of contracts.

The lack of focus of Government on actions to address the many issues facing the sector have continued to be substantially delayed. This includes the consolidation of the changes arising from pay equity, guaranteed hours, rest breaks and increased training obligations. These workforce initiatives are continuing to create stress on an already stretched sector. The difficulty in interpretation of guaranteed hours and rest breaks, together with the practical difficulties of implementing such a system within the contractual framework of HCSS, has continued to cause tension between Providers and Unions.

The funding mechanisms for these initiatives has also continued to put substantial financial pressure on members and the financial status of members continues to worsen.

The joint work streams (with representation from providers, funders and unions) reviewing the employment model, guaranteed hours, service model and the funding model were suspended for a number of months during 2021-22 due to the COVID-19 response but has now been completed; with the report being forwarded to Government. A Government response to the report has been delayed by the implementation of the health reforms and we recognised that the results of this work will take some time to implement. Given the current financial pressure, we are continuing to advocate for an interim solution to assist the sector during these difficult times.

An added complexity has been the work involved dealing with Care and Support Workers Pay Equity. This work has taken up much time of the Executive and board members as we have grappled with the process for dealing with what has ended up as an extension of the Pay Equity Settlement and then a subsequent Pay Equity Claim. This work will continue to be one of the focus areas of the Association in order to achieve a deal for the sector that both fairly recognises our workforce and ensures that providers are sustainably funded.

You will note that the Association continued to record a small surplus for the 21/22 year. It is anticipated that the costs associated with pay equity will place some financial pressure on the Association in the 22/23 year, however the Association continues to be in a healthy position with reserves in place.

As always, I would like to acknowledge the elected and independent HCHA Board Members for their commitment and contribution to the Association and the sector. These positions are voluntary, and all Board Members give generously of their time and expertise.

In addition, I would like to acknowledge the work of our Chief Executive Officer. He has worked tirelessly again through this year to raise the profile of the Association and advocate on behalf of our sector to government.

#### Murray Penman

### HCHA Board Members 1 July 2021 - 30 June 2022

#### **Appointed Independent Board members**

Julie Haggie (appointed 28 September 2020)

#### **Elected Board members**

Shelley Cunningham (re-elected 1 June 2022) Murray Penman (Chairperson) (elected 1 June 2020) (elected as Chair 28 Jan 2021) Alison Van Wyk (Deputy Chairperson) (elected 1 June 2020) Meng Cheong (re-elected 1 June 2021) Wendy Hoskin (elected 1 June 2022) Carmel Conaghan (elected 1 June 2022)

#### Board members who have left during the period

Andrea McLeod (resigned 31 May 2022) Donna Mitchell (resigned 31 May 2022) Graeme Benny (resigned December 2021)

## Chief Executive Officer Report

The year to 30 June 2022 was once again dominated by the response to COVID-19.

The COVID-19 response, together with the imminent transition of the reforms to the health sector, meant ongoing delays in addressing the multiple issues facing the sector - the continuing implementation of pay equity hours for all staff, guaranteed hours and new training requirements. The working groups associated with addressing these issues, together with addressing the review of the HCSS framework, a commitment to a national service model and a review of the funding model were re-established late in the 2020 financial year and met intermittently through the 2021-22 year.

#### Settlement Parties Action Group (SPAG)

The SPAG working Groups completed their report to Government in December 2021.

This report made 24 specific recommendations as to change in the HCSS model, spanning the employment model, service model, costing model and financial sustainability. All but one of these recommendations were endorsed by Providers, Unions and Government officials – the exception being the recommendation as to the margin to be applied to the costing model.

Unfortunately, the transition to the new health system has resulted in a delay to an appropriate response to these recommendations and it appears that it is unlikely that these issues will be appropriately addressed for some time.

#### **Pay Equity**

The Support Workers (Pay Equity) Settlements Act 2017 expired on 30 June 2022. Prior to this occurring, HCHA and Unions had been strongly urging Government to find a long-term solution to Support Worker Pay Equity issues. Due to Government priorities this did not occur. As a result, the Government has extended the legislation into 2023 in the knowledge that Unions would immediately file new representative support worker pay equity claims against employers.

This occurred in July 2022 and are proceeding in accordance with pay equity legislation.

#### Membership support

- Apart from the substantial advocacy and representation, HCHA also offered ongoing support to members. With the limitations placed by the COVID-19 response, we had to continue to move away from the 'face to face' Leaders Forum to Webinars and more regular newsletters to members.
- HCHA continues to be represented on multiple groups, including:
  - Joint HCSS Working Group
  - Various Pay Equity Working Groups
  - Disability Workforce Working Group
  - Disability Safer Industry Forum
  - Settlement Parties Action Group (including on each of the five workstreams associated with this work)
  - Disability Tripartite Group
  - Kaiāwhina Working Group
  - Quality Standards Review
- HCHA worked closely with NZDSN, Platform and ARC on a range of common community health issues, including pay

equity and issues impacting on the retention of Registered Nurses.

• HCHA has met with Government Ministers, MP's, Unions, the Aged Care Commissioner, officials from MBIE, the Health & Disability Transition Unit, and the Health and Disability Commissioner's office.

Graeme Titcombe

## Strategic Plan 2017-2022



| Vision: High quality<br>home and community |  |  |
|--|--|--|
|  | <b>Advocacy</b><br>Build partnerships<br>Support member priorities | <ul> <li>Outcomes</li> <li>Review how to best support members</li> <li>Sustainable solutions in strategic discussions</li> <li>Evidence based funding</li> <li>Advocacy for alliances with health and disability organisations</li> </ul>                  |
|  | <b>Influence</b><br>Work with government<br>Engage strategically   | <ul> <li>Outcomes</li> <li>Productive engagement with decision-makers</li> <li>Members are fully informed</li> <li>Influence on all relevant matters, especially quality and sustainability</li> <li>Steady media presence</li> </ul>                      |
|  | Innovation<br>Data is better used<br>Support Member innovations    | Outcomes <ul> <li>Partnerships and research that can be used to improve and inform services</li> <li>Promotion of innovation in models of care and consumer centred services</li> <li>Promotion of technology and resources to support services</li> </ul> |