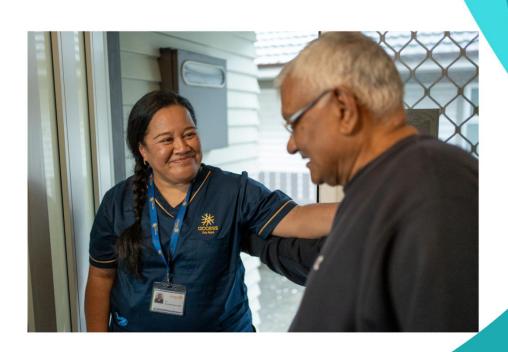


ANNUAL REPORT 2024/2025 HOME AND COMMUNITY HEALTH ASSOCIATION



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Chairperson's Report 2024-2025



Murray Penman

Chairperson

Home and Community Health Association

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 2024 to 30 June 2025.

This has, once again been a year of continuing special challenges for the sector. Uncertainty from funders and Government has remained a particular challenge.

For much of this year, many of our members put time and resource into making progress on Support Worker Pay Equity claims. This involved steering and working group meetings and for some providers large data capture exercises. Unfortunately, this work was in vain due to legislation being changed and we are yet to understand how any pay equity claims for this workforce that are raised by unions may progress in the future. I know many providers and the workforce was disappointed by the claims being cancelled however, I am proud of how we all worked together as a sector on these claims.

This year has been a year of significant engagement with Government. The Board and the CEO have met with Ministers and Government officials to discuss the challenges we face, and I am thankful from the support from providers who have hosted MPs. This increased engagement raises the profile of our sector and the important work we do to ensure that people who need support to remain living in the community can do safely with high quality support.

The coming year will raise new challenges in how the government will respond to the Sapere Review and plan for the inevitable changes that will be required to sustainably support an ever-increasing group of older people who wish to continue living in the community.

I want to sincerely thank the members of the association for your ongoing support and for generously sharing your knowledge. Your contributions are deeply appreciated and play a vital role in strengthening our advocacy efforts. It is through kotahitanga-unity-that we can drive meaningful and lasting change together.

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 Lisa Foster. She has worked tirelessly this year, and it is directly through her efforts that the profile of the HCHA has been significantly raised across government. With her leadership we continue to grow from strength to strength.

Ngā mihi

Murray Penman

HCHA Board Members 1 July 2024 - 30 June 2025

Appointed Independent Board members

Alison Van Wyk (Deputy Chairperson) (Appointed Independent Board Member March 2023) Penny Hanning (Appointed Independent Board Member 9 November 2023)

Elected Board members

Shelley Cunningham (re-elected 1 June 2025)
Murray Penman (Chairperson) (re-elected 1 June 2023)
Meng Cheong (re-elected 1 June 2024)
Wendy Hoskin (elected 1 June 2025)
Carmel Conaghan (elected 1 June 2025)
Androulla Kotrotsos (re-elected 1 June 2023)

Board members who have left during the period

No Board members departed during the period.

Chief Executive's Report 2024-2025



Lisa Foster

Chief Executive Officer, Home and Community Health Association

HCHA: A Year in Review

Kia Ora Koutou Katoa,

This past year, from July 2024 through June 2025, was a period of unprecedented upheaval, relentless uncertainty, and ongoing transformation within the Home and Community Support Services (HCSS) and wider health sector. What once felt like temporary disruption became our new normal - a landscape that required constant adaptation and vigilance for our members and HCHA. In this climate, ensuring members are well-informed, strongly represented, and supported through clear advocacy became more critical than ever.

HCHA rose to meet this challenge, working tirelessly to raise awareness of the essential role of home and community care while building a significantly stronger profile with both decision-makers and the public.

Each engagement and advocacy initiative strengthens the fabric of our members and a sector that is both adaptable and forward-looking.

Amplifying Our Collective Voice

This year marked a significant expansion in our engagement strategy, with every initiative designed to elevate member voices and strengthen our sector's influence. Through 133 direct updates and 12 comprehensive newsletters, we ensured members remained informed and connected to critical developments. Our advocacy gained momentum through 36 targeted events, 15 formal government submissions, and 6 strategic site visits that brought decision-makers face-to-face with the reality of our essential services. This multifaceted approach, supported by our growing social and media presence, positioned our organisation as the peak body and authoritative voice in policy discussions. We strengthened sector capability and connection through regular Māori providers' hui and established valuable international connections with Ageing Australia and InterRAI. These efforts contributed to steady growth, with membership

reaching 40 providers by June 2025 – each addition strengthening our collective influence and expertise.

Advocacy That Delivers

Our systematic approach meant that key messages from our members reached the people who matter most. We created multiple pathways for member voices to influence decision-making, from formal policy submissions to strategic stakeholder engagement. We developed key messages documents and communication material that simplified and gave an overview on vital points for Ministers to understand and members to repeat with their MPs or with key senior public servants. This comprehensive advocacy strategy not only elevated our profile but has established HCHA as a trusted and influential voice in the health sector.

Government Engagement: A Breakthrough Year

A defining achievement this year has been the remarkable surge in government engagement, providing genuine hope for our sector's future. Ministerial meetings rose from just 4 last year to 34 - a 750% increase that clearly reflects our growing influence and the effectiveness of our advocacy efforts.

Throughout the year, we engaged with the Ministers of Health, Seniors, Disability Issues, and Vocational Education, as well as key leaders within Disability Support Services, numerous MPs, and most members of the Health Select Committee. Across all these discussions, we consistently reinforced the cost-effectiveness of home and community care and its vital role in achieving national health goals- easing hospital pressures, supporting timely discharges, and enabling proactive health monitoring.

We also maintained a positively persistent focus on the sector's sustainability challenges, emphasising that appropriate, sustainable, funding not only safeguards services but also unlocks opportunities for innovation and improved outcomes.

We deepened engagement with government through member site visits from Ministers and regular engagement with the Health Select Committee members. These visits provided decision-makers with vital insights into the everyday impact of our services within homes and communities, helping shift perceptions and build understanding of the scale and significance of our work.

Strengthening Connections: The Power of Kotahitanga - Unity

Bringing members and leaders together remains at the heart of our work, exemplified by the CEO Forum 'Kotahitanga' held at Te Papa in November 2024. This forum provided a valuable opportunity to reflect on challenges faced and opportunities ahead, learning from the Te Whatu Ora, Director of Ageing Well, Andy Inder, Careerforce whilst reinforcing the strength and unity of our sector.

Pay Equity: A Journey of Commitment and Disappointment

One of the most significant challenges our members faced during this reporting period was the conclusion of the complex pay equity process under the Equal Pay Amendment Act. What began as a pathway toward fair recognition unfortunately ended in profound disappointment when statutory amendments to the legislation were made in May 2025.

Throughout this process, HCHA, alongside other peak bodies, served as a vital sector bridge and hybrid representative for our member providers. We dedicated substantial resources to working groups, pre-bargaining meetings, Te Whatu Ora data gathering exercises, communication with Te Whatu Ora and input into expert advisory sessions – a significant commitment that reflected our steadfast belief in achieving a sector-wide solution for sustainable fair pay.

While this chapter concluded without the resolution our sector deserved, it has only strengthened HCHA's unwavering commitment to securing sustainable funding models that enable innovation, strengthen margins, and recognise the value of our essential workforce. Viable funding remains a cornerstone for workforce stability, attraction, and retention – all vital to our members' growth and the wellbeing of the communities they serve. Achieving this requires a genuinely collaborative approach with Government to shape a responsive and resilient sector that benefits all.

We remain steadfast in advocating for solutions that recognise the preventative impact of home and community care, impact that directly supports Minister Brown's health targets and fully harnesses the immense value our members and their teams bring to New Zealand's health system.

Funding uplift processes were slow and inconsistent across multiple funders, with system upgrades further delaying progress and creating uncertainty for many members. HCHA, alongside other peak body partners, has continued to advocate for improvements and to keep this issue front of mind for members. While Te Whatu Ora delivered a general 3.0% uplift in 2025, other funding sources fell considerably short, ACC uplifts for some remained disappointingly low some at just 0.6–1.1%, and DSS provided a 2% uplift that is still awaiting finalised contract variations to reach providers.

Te Waipounamu

During the year, a significant development was led by Te Whatu Ora, which introduced a new regional bulk funding model and RFP process. This change, which will be implemented from July 2025, consolidated contracts and providers under a single regional agreement. While Health New Zealand has emphasised the potential for greater consistency and improved data clarity through this approach, several areas still require refinement. In particular, the impact on Māori whānau underscores the

importance of authentic engagement and meaningful feedback before similar regional changes are rolled out elsewhere.

HCHA remains steadfast in its commitment to advocating for transparency, equity, and inclusion for all members, with the aim of developing long-term funding models that are genuinely sustainable and balanced.

Amplifying your collective voice, your issues and concerns and sharing your solutions - remains our core aim. This includes ensuring adequate investment in smarter systems and digital tools to support sustainable, efficient service delivery across all regions.

The Aged Care Funding & Service Models Review

A critical development affecting our sector during 2024/25 was awaiting the outcomes of Health New Zealand's review of aged care services, which began in July 2023. This review aimed to ensure appropriate care is available when and where needed, ease hospital pressures, and improve service utilisation across the system. While the aspirations were commendable, the review process resulted in significant delay to the phase two section with no substantive actions, funding model changes, or budget prioritisations during our reporting period.

Yet the review's scope reflected the significant scale of New Zealand's aged care needs:

- Around 33,000 people in aged residential care (ARC) during 2024/25
- > A further 80,000 older people receiving home and community support services

Phase One identified critical issues directly impacting our members including the fact that HCSS are significantly under-funded, with current funding models no longer fit for purpose. That material ethnic inequities exist in accessing aged care services and the sector faces significant workforce pressures particularly in regional and rural Aotearoa. These findings validated longstanding concerns HCHA has raised about sector sustainability and equity.

Phase Two: Commencing in January 2024, yet not released until August 2025, this phase extended well beyond our reporting period. Throughout this period, HCHA remained actively engaged, advocating for member interests, lodging an OIA to prompt the report's release, and ensuring the essential role of home and community support services was clearly represented in discussions on the future of aged care in Aotearoa.

The recommendations re-emphasise underfunding and that funding models are no longer 'fit for purpose' with a need to invest in a skilled, culturally competent workforce.

Looking ahead to next year, and following release of this report, there is a concern that Te Whatu Ora may continue to prioritise cost containment, including specific reference to 'In Between Travel' as a cost component, without equal focus on service sustainability, quality, and equity. While prudent cost management is important, it must

not come at the expense of maintaining accessible, quality, equitable, and sustainable services. This highlights the importance of meaningful provider input into implementation planning to ensure that any changes genuinely improve client outcomes while maintaining service accessibility and provider viability

Workforce Development: Building Our Future

A strong and capable workforce remains the foundation of sector sustainability. This area has been a key change area and under significant reform, led by Hon Penny Simmonds as Minister for Vocational Education. HCHA actively participated in consultations on vocational reforms, ensuring our members had opportunities to be included and heard during this process. We continue advocating for clarity on stalled Kaiāwhina workforce plans and potential budget allocation for work plans such as CSW cadetships to grow both diversity and much-needed capacity within our sector.

Innovation and Partnership: The National Experience Survey

A highlight of our partnership approach was launching the first national HCSS Experience Survey in collaboration with Te Tāhū Hauora, Health Quality & Safety Commission. This gathered feedback from over 5,500 people, three-quarters of whom live with disability, providing invaluable insights. While overall satisfaction was encouraging, the survey highlighted areas for improvement, particularly in communication and scheduling. These findings reinforced the critical connection between adequate funding and the delivery of high-quality outcomes.

Looking Forward: Data, Stories, and Sustainable Solutions

Te Whatu Ora have developed updated National Service Specifications, and HCHA provided opportunities for member input. Looking ahead, Te Whatu Ora have shared details on the National Data Platform, which intends to standardise data collection, enable benchmarking, and support continuous service improvements. HCHA anticipate meaningful involvement with members to ensure insights, expertise of the realities and barriers are taken into consideration and fed back to the collective. The effectiveness of these tools relies on genuine, sustained engagement and it has been repeated by members that it is essential that pūrākau - stories and lived experiences - are woven into the data analysis to ensure modelling reflects real-world conditions rather than being developed in isolation. As many have learned in the past - when planning incorporates the sector's lived expertise, costly and preventable unintended consequences can be avoided.

Our Commitment: Kotahitanga

As we look to the future, HCHA remains steadfast in its mission: to champion the vital role of home and community care, and to secure sustainable funding models that ensure long-term viability for providers, workers, and the people we serve.

Our collective strength- our kotahitanga, our unity- and our pride in being the beating heart of healthcare will continue to be the foundation of our success. With persistence and shared purpose, we are committed to elevating the voice of our members and creating meaningful opportunities for engagement and influence.

We extend our heartfelt thanks for your continued support, dedication, and collaboration. Together, we will ensure that HCSS is recognised as an essential part of the solution to Aotearoa's evolving health needs.

Ngā manaakitanga,

Lisa Foster