



Annual Report



TOITŪ TE WAIORA

**Community, Health, Education
and Social Services**

Workforce Development Council

2024

[Toitūtewaioara.nz](https://toitutewaioara.nz)

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Karakia

- Toitū Toitū
(sustainability)
- Toitū te waiora e
(protect/preserve wellbeing)
- Toitū to tinana
(physical/body)
- Toitū te hinengaro
(mind/intellect)
- Toitū te wairua
(spiritual)
- Toitū te whānau
(family)
- Toitū te waiora e
(protect/preserve wellbeing)

*The Toitū te Waiora karakia was
gifted to us by Nā Wini Geddes
and Brenda Smith*

Co-Chair introduction



David Waters

It has been our pleasure to steward Toitū te Waiora over the past year. The Council Board continues to be impressed with the large number of achievements kaimahi have had over the past year.

We have watched the organisation grow in capacity and capability which has meant kaimahi have been able to respond more to our sectors, industries and learners.



Matt Tukaki

With our Statement of Strategic Direction 2023–2028 embedded, we know we are fit for the future to deliver our strategic objectives, despite the continuing uncertainty of the Vocational Education and Training system reforms.

Our kaimahi are resilient and committed to achieving our overarching goal of a skilled and qualified workforce for Aotearoa New Zealand.

David Waters
Co-Chair

Matt Tukaki
Co-Chair

Chief Executive introduction



Sean McKinley

I'm extremely proud of our kaimahi and everything we have achieved over the past year, particularly at a time of uncertainty with the vocational education and training system.

It has been a year of firsts for Toitū te Waiora. Our first major qualifications review ever undertaken is progressing well, with the review of eight health and wellbeing qualifications and the largest amount of engagement with stakeholders Toitū te Waiora has ever done.

We also had a brand-new micro-credential, and two associated skill standards approved by the New Zealand Qualifications Authority (NZQA) to enhance services for Fetal Alcohol Spectrum Disorder (FASD), the first of its kind in Aotearoa New Zealand.

We know our work is going to have a big impact on professionals working in social services, health, justice and education sectors, addressing an urgent need for specialised training for those working with FASD clients and their whānau.

We've worked hard to better understand the needs of our stakeholders with our first of an ongoing series of comprehensive stakeholder surveys and have committed to making this an area of focus heading into next year.

We've worked hard to better understand the needs of our stakeholders with our first comprehensive stakeholder survey and have committed to making this an area of focus heading into next year.

We are confident our new operating model and first Statement of Strategic Direction will help us continue to deliver for our sectors and industries. I am proud of the way we have responded to the needs of our stakeholders during this time of change and look forward to supporting through the vocational education and training system reforms.

Sean McKinley
Chief Executive

About us



Toitū te Waiora is the Workforce Development Council for Community, Health, Education, and Social Services.

Our name Toitū te Waiora represents protecting and preserving health and wellbeing now and in the future. Toitū is often referred to as the elevated kōrero and thinking in relation to our health and wellbeing:

- **Toitū te Oranga Wairua** – spiritual
- **Toitū te Mauri Ora** – life principle
- **Toitū te Waiora** – uplifting health and wellbeing.

We are one of six Workforce Development Councils. We represent sectors and industries that support New Zealanders from the cradle to the grave – covering maternity and midwifery, youth services, disability services, education and educational support services, health services, mental health and addiction services, care services, emergency services, and funeral services. We also represent public order safety, regulatory services, skin and nail therapy services, social services, and urban pest control services.

We are tasked with:

- Skills leadership for our industries, by identifying current and future workforce needs, and advocating for those needs to be met.
- Developing and setting standards, capstone assessments, and qualifications; ensuring skill standards, unit standards, micro-credentials, qualifications, national curricula, and capstone assessments are based on the needs of our industries.
- Endorsing programmes developed by providers and moderating assessments to ensure standards are met.
- Advisory and representative role to provide brokerage and advisory services to our industries and to advise the Tertiary Education Commission about the mix of and investment in vocational education and training.

Te Tiriti o Waitangi

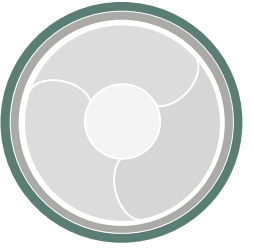
Te Tiriti o Waitangi represents a partnership. For us, that means having meaningful engagement and building strong relationships. We are committed to providing Māori with a stronger voice in vocational education and training across our industries, and we prioritise engagement activities and collaborative mahi with iwi and Māori organisations.

Tāngata whenua make up a growing share of the workforce of Aotearoa New Zealand, and the Māori economy continues to increase its contribution to Aotearoa New Zealand. It is vital that we understand the aspirations of our Māori learners and their whānau, the aspirations of iwi and Māori, and the aspirations of Māori employers and education and training providers in our sectors. We must work in partnership to design and deliver vocational education and training that supports achieving those aspirations.

We are committed to providing Māori with a stronger voice in vocational education and training across our industries.

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Our Te Tūāpapa framework ensures that Te Tiriti o Waitangi remains the foundation for all our mahi. Tūāpapa provides a reflective tool for our Council Board, management, and all our kaimahi which informs our mahi, and helps us improve our knowledge and application of Te Tiriti.



Governance and accountability

Te Tūāpapa is based on the principles for the primary health care system which are applicable to our work, and are common within our industries:

Tino rangatira

The guarantee of tino rangatiratanga, which provides for Māori self-determination and mana motuhake in the design, delivery, and monitoring of community, education, and health and disability services.

Equity

Our commitment to achieving equitable health, social and economic outcomes for whānau, hapū, iwi, Māori across the industries we advocate for.

Active protection

We will act, to the fullest extent practicable, to achieve equitable health, social and economic outcomes for Māori. This includes ensuring that our Tiriti partners are well informed on the extent and nature of Māori outcomes and efforts to achieve equity for Māori across the industries we advocate for.

Options

We advocate for properly resourced kaupapa Māori health and disability, education, and social services, and to support mahi that ensures services across our industries are provided in a culturally appropriate way that recognises and supports the expression of kaupapa Māori models.

Partnership

We will work in partnership with Māori in governance, design, delivery, and monitoring of the services that our industries provide.

Although we have an obligation to elevate and advocate for Māori, it is also intrinsic in everything we do. Toitū te Waiora has strong te ao Māori foundations, with 27 percent of our own kaimahi identifying as Māori.

Authorising environment

Our functions are set out in the **Education and Training Act 2020**. Our **Order in Council** is set by the Governor-General on the Minister's recommendations. Our Order in Council sets out the requirements for how we operate, including the form, nature, and functions of our Council Board, the sectors and industries within our remit, and the requirement to collaborate with industry and other Workforce Development Councils.

We are a public entity, covered by Schedule 4 of the Public Audit Act, and a body corporate. We are also a registered charity.

Our mahi gives effect to the five objectives of the Tertiary Education Strategy set by the Ministry of Education:

- 1 Learners at the centre:**
Learners with their whānau are at the centre of education
- 2 Barrier free access:**
Great education opportunities and outcomes are within reach for every learner
- 3 Quality teaching and leadership:**
Quality teaching and leadership make the difference for learners and their whānau
- 4 Future of learning and work:**
Learning that is relevant to the lives of New Zealanders today and throughout their lives
- 5 World class inclusive public education:** Aotearoa New Zealand education is trusted and sustainable

Governance

Through the functions established by our Order in Council and the Education and Training Act, to respect Te Tiriti o Waitangi, and to honour the meaning of Toitū te Waiora, we operate under Māori and non-Māori co-chairs. This demonstrates a genuine partnership approach to governance and ensures that te ao Māori approaches are infused in everything we do as standard kawa and tikanga.

Collectively, the Council Board is responsible for ensuring we carry out our functions and achieve our strategic direction. Individually, members of the Council Board have proven governance and leadership skills and bring a diverse range of public and private sector experiences from across our sectors of community, education, health, and social services.

Full profiles of our current **Council Board members** are available on our website. A list of Council Board membership, terms, attendance, and payments can be found in Appendix One.



Our strategy



Our goal is to have a skilled and qualified workforce for Aotearoa New Zealand.

To achieve this overarching goal, we have three strategic goals: be the voice of industry, deliver responsive qualifications, and provide influential advice. For each strategic goal, we have identified meaningful performance measures that will demonstrate our progress towards those goals. We have also prioritised our workplan to focus on success in each of those goals.

To support achievement of these strategic goals, we need the organisational capability to deliver our mahi, underpinned by Te Tiriti o Waitangi.

To facilitate the voices of our industries, we work with a range of stakeholders including industry and employer groups, large employers, iwi and Māori organisations, unions, and vocational education and training providers.

Our work takes into account the needs of employers and employees in our specified industries, considering national and regional interests. We have regard to the needs of Māori and other priority population groups identified in the Tertiary Education Strategy, and work collaboratively with other Workforce Development Councils, NZQA, and regulatory bodies relating to the occupations within our specified industries.

*Success means:

- Improved delivery of community, health, education, and social services through a skilled and qualified workforce that represents the communities it serves.
- Supply of a skilled and qualified workforce that meets the needs of the communities it serves.
- Supply of a skilled and qualified workforce that meets demand, now and in the future.
- Growth of our national workforce base.
- Improved outcomes for our graduates.



Figure 1: Our Strategic Direction

Achieving our strategy



All the activities in our workplan contribute to achieving one or more of our strategic goals. This Annual Report highlights our key achievements over the year, and which strategic goals they have contributed to.

The specific performance measures for each strategic goal are reported in the Statement of Service Performance section.



Our stakeholders

By collaborating with industry leaders, educational institutions, and government agencies, we advocate for the development of qualifications and training programmes that meet industry needs.

This year we completed industry stakeholder mapping which has identified more than 1000 stakeholders. Our industry partners and stakeholder contacts continue to grow. To prioritise our engagement focus, we evaluate our partners' and stakeholders' interest in, and influence on, our mahi. We have identified ways of engaging with each stakeholder according to their needs. We are now implementing that plan through a variety of engagement activities:

- Active Engagement (12–18 months before scheduled qualification reviews): We check if qualifications need a review based on industry feedback. If qualifications are deemed suitable, a detailed review might not be necessary. If there's an urgent issue, it will be prioritised. This phase also involves setting up advisory groups and supporting relevant research.

This year we completed industry stakeholder mapping which has identified more than 1000 stakeholders.



- Maintenance Engagement: During scheduled qualification reviews, we make sure any changes to qualifications reflect industry needs.
- Schools Engagement: We connect with school principals and careers counsellors to improve vocational education offerings in schools and support career development.
- Pathways Engagement: We work with industries that do not currently have sub-degree qualifications to see if there's a need for new qualifications or micro-credentials to address skills shortages and create pathways from vocational education and training to higher education.
- Iwi Engagement: We work with Māori businesses and iwi through a collaborative approach led by Te Roopu Kaitakawaenga (the group of Māori engagement leaders across the six Workforce Development Councils).
- Memorandum of Understanding/ Statement of Shared Objectives Engagement: Engagement based on existing and new partnership agreements to carry out specific work.

- **Regional Engagement:** We interact with regional partners, Chambers of Commerce, and Economic Development Agencies to strengthen regional networks and address workforce needs. Regional engagement has been an increasing focus since the disestablishment of the Regional Skills Leadership Groups.
- **Responsive Engagement:** We stay flexible to address unexpected or unscheduled engagement requests.
- **Strategic Engagement:** Led by senior leadership, this involves high-level discussions and collaboration with other agencies and ministries to improve responsiveness and address specific qualifications issues and other workforce matters.

We engage with a diverse range of partners and experts, including Māori businesses, iwi, Pacific stakeholders, and other industry representatives. This is crucial in guiding our qualification development and review processes, ensuring that they meet the needs of various sectors.

Despite having a small engagement team of just five kaimahi this past year, they played a crucial role in driving the industry voice in our qualification reviews. However, it's important to note that the engagement numbers for the qualification review consultation groups are not captured in the following engagement figures.¹

Total number of engagements by sector:

Sector	Engagement numbers	Other	Engagement numbers
Community	79	Government	32
Health	239	Cross-Workforce Development Councils	16
Education	6	Tertiary Education Organisations	20
Social Services	41	Unions	1
Other (breakdown in separate table)	126	Regional Interests	25
Total	491	Iwi Māori	24
		Pacific	4
		Tāngata Whaikaha	4
		Total	126

1. The engagement figures do NOT include National Industry Advisory Groups meetings, consultation groups, or engagements specific to qualifications reviews.



Case study



Partnership with Te Rūnanga o Ngāti Hine

Toitū te Waiora is dedicated to building and strengthening a partnership with Te Rūnanga o Ngāti Hine, an iwi based in Te Tai Tokerau, to explore how both parties could mutually benefit from working together.

At the start of the relationship, four Toitū te Waiora kaimahi were based in Te Tai Tokerau with connections to Ngāti Hine, which helped to naturally establish the relationship.

An initial hui was held with leaders who had various business interests across Ngāti Hine. By discussing the aspirations of Ngāti Hine, we could draw connections to the benefits that skill standards and micro-credentials could bring in supporting their goals.

The leaders represented included Ngāti Hine Health Trust, Ngāti Hine Forestry Trust, and Radio Ngāti Hine as well as other members of Te Rūnanga o Ngāti Hine.

Everyone at the hui agreed that it was a kaupapa worthy of mahi tahi and kia horo te ata haere, which translates as working together and taking our time to do things well. Toitū te Waiora coordinated a follow-up hui with all six Workforce Development Councils, given the interests of Ngāti Hine span the full spectrum of our collective sector coverage.

We progressed with a Statement of Shared Objectives (SoSO) to include a programme of work across the Workforce Development Councils with clear, actionable and monitorable objectives. Ngāti Hine believed this shared kaupapa would enable them to give effect to part of their mahere tāngata or people strategy.

Nine shared key objectives were agreed to, with responsibility sitting across all Workforce Development Councils. Toitū te Waiora is responsible for the hauora, education, and health leadership objectives. The objectives focus on developing fit for purpose qualification products led by industry and iwi with mātauranga Māori integrated throughout. This involves providing targeted advice for the Health and Wellbeing Review and addressing skills gaps in the workforce through development planning.

Ngāti Hine will collaborate with Toitū te Waiora to discuss workforce and qualification needs and inform us about skills gaps in the hauora workforce. Additionally, Ngāti Hine will support any related qualification efforts within the agreement's timeframe.

We agreed to collaboratively explore and scope what a Te Tū o Ngāti Hine qualification might look like for the iwi, to recognise current health leaders who may not have qualifications and develop rangatahi of Ngāti Hine into leaders to stand with confidence anywhere in the world.

Ngāti Hine are supporting our large-scale Health and Wellbeing Qualifications Review, providing nominated health representatives to be on advisory and consultation groups to inform the review.

The next step is working with Ngāti Hine to identify their hauora workforce and any known skills gaps, along with their qualification needs.

The experience and process for this Ngāti Hine partnership has demonstrated that having a complement of Toitū te Waiora kaimahi across the country with regional connections allows for streamlining of engagement events and faster buy-in into how our work can be beneficial to whatever organisation, rūnanga, provider we are engaging with.

We hope to build and nurture similar partnerships with other iwi across the motu in the future.



9 key shared objectives



National Industry Advisory Groups



This year we established National Industry Advisory Groups as part of our effort to better align workplace training with industry needs. National Industry Advisory Groups consist of key decision-makers who offer insights into the training requirements of their respective sectors. Currently, we have four operational National Industry Advisory Groups, which are Beauty Services, Youth Work, Naturopathy, and Whaikaha (Disability) which have been used across qualification reviews and we plan to establish more in the coming year. We also have a number of consultation groups with industry expertise working with us on specific qualification review projects.

Four operational NIAGs

- 1 Beauty Services
- 2 Youth Work
- 3 Naturopathy
- 4 Whaikaha (Disability)



Whaikaha voice



As disability services fall under our sector coverage, we have made it a priority to gain insights and feedback from the disability community and are committed to ensuring that new qualifications better support the practical needs of disabled people. When we consider Whaikaha perspectives, we consider the disability specific qualifications within our gazetted coverage, the Whaikaha community as consumers of the services provided by our sectors, and the Whaikaha community employed in our sector workforces.

We know that a significant majority of the Whaikaha community don't believe the current qualifications assist people to become adequately equipped and trained to meet the practical support needs of disabled people, their families and whānau. Our challenge has been to find ways to practically involve disabled people and their whānau more actively in the review and development of services, delivery, and assessment of our qualifications.

In June 2024 we were a major partner of the New Zealand Disability Support Network conference. We took the opportunity to survey conference participants to understand their perspectives on Health and Wellbeing qualifications.

Of the 61 respondents, 85 percent expressed a preference for developing a new qualification specifically for disability support. In response, we are currently developing a New Zealand

Certificate in Disability Support (Level 3) and committing to the development of a new qualification at Level 4.

Much of the feedback centred around the specifics of training and educational qualifications, such as their relevance, structure, accessibility and how they align with job roles or pay scales. Respondents raised concerns about the modularity of training (micro-credentials) and the potential for cross-crediting qualifications was prominent.

Economic challenges were also highlighted, with a focus on the affordability of training and the need for economic support to close the pay gap. There was also an emphasis on innovative solutions to make training more accessible and affordable.

We know these qualifications need to adapt to reflect changes in the disability sector over time.

We have listened to this feedback which is now shaping the next stage of the Health and Wellbeing Qualifications Review. We have also formed a Toitū te Waiora Whaikaha advisory group to consult and hear how our qualifications can best work for the Whaikaha community and the workforce that supports them. The advisory group will prioritise their recommendations and hold us accountable for the actions we take in response.

The next step is the development of a Whaikaha action plan for Toitū te Waiora as an organisation, which the advisory group is supporting the design of.

Empowering Pacific learners, businesses, and employers



Along with the six other Workforce Development Councils, we signed a Memorandum of Collaboration with the Pacific Business Trust. It aims to enhance career pathways and build a strong pipeline of Pacific talent. This partnership is dedicated to aligning industry needs with the skills of Aotearoa New Zealand’s current and future Pacific workforce.

The Memorandum merges the collective Workforce Development Councils’ expertise in vocational education with the Pacific Business Trust’s extensive business and community connections. This collaboration ensures the workforce is equipped to meet industry demands and drive transformational change to achieve business goals.

- Specifically, the memorandum promises:
- A productive partnership between Workforce Development Councils and the Pacific Business Trust to benefit Pacific learners, employees, and businesses.
 - Provision of relevant qualifications that meet current and future industry needs.
 - Enhanced coordination to eliminate duplication and improve vocational training outcomes.
 - Innovative solutions to create meaningful career pathways and support sustainable growth.
- The Pacific Business Trust highlights the significance of this collaboration, emphasising its role in preparing Pacific businesses for future success and ensuring they have access to skilled talent.

Standard setting



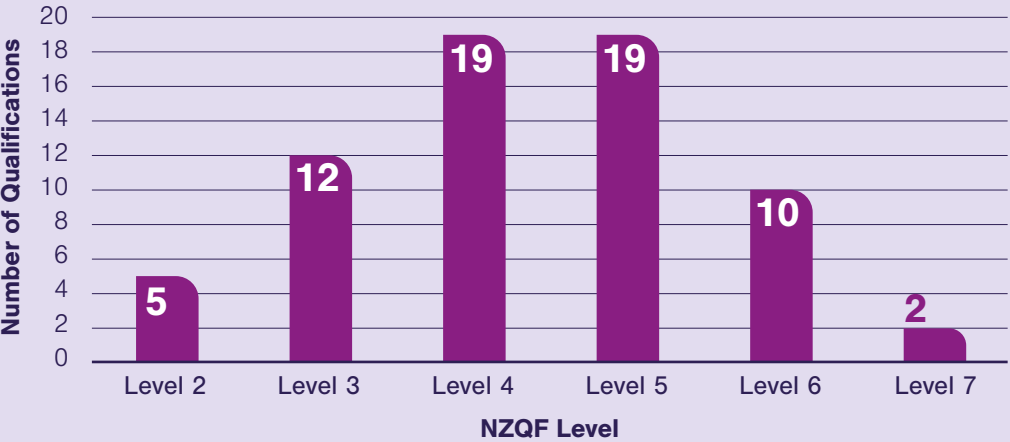
Toitū te Waiora is a standard setting body that ensures that all qualifications under its coverage are aligned with sector needs and expectations, helping graduates to be employable. This is achieved through two main processes:

reviewing and maintaining existing qualifications and developing new ones. We collaborate with industry and sector specialists to keep qualifications relevant and to create new products for listing on the New Zealand Qualifications and Credentials Framework (NZQCF).

Figure 2: Qualifications as at 30 June 2024

Type of qualification	Number of qualifications	Qualifications by sectors	Count of sector
Certificate	43	Community	21%
Diploma	24	Education	15%
Total Qualifications	68	Health	38%
		Other ²	6%
		Social Services and Other Services	21%
		Grand Total	100%

Qualifications by Level



2. The qualifications listed as “other” are due to the mapping not being agreed upon across data sources. We are working to resolve this through our own research using the Statistics New Zealand’s Integrated Data Infrastructure. These qualifications include New Zealand Certificate in Fire and Rescue Services (Vegetation) (Level 3), New Zealand Certificate in Emergency Communications Centres (Level 3) with optional strand in Dispatch, and the New Zealand Diploma in Psychology (Level 5).



Qualification reviews



Qualification reviews are important to ensure that qualifications meet sector needs and prepare graduates for the workforce. We conduct these reviews by consulting with various sector stakeholders through surveys, individual discussions, and consultation groups. Consultation groups ensure we have representation and insight across different specialist areas of the sector. Current providers help us identify areas for improvement, while we also collaborate with industry to spot workforce gaps and sector priorities. After consultation, we give our stakeholders a chance to review and comment on the proposed changes before finalising them.

A comprehensive review of the *Level 5 New Zealand Diploma in Health Science* prompted the creation of the *New Zealand Diploma in Holistic Health Advocacy*. This new qualification will supersede the existing Health Science diploma by the end of 2025. The review process involved a broad consultation with professionals and education groups, ensuring the new diploma aligns closely with current industry needs and practices.



The qualification reviews completed in 2023/24 were:

Qualifications Reviews	
3511 New Zealand Diploma in Holistic Nutrition (Level 6)	Minor changes were made to this qualification to ensure it was consistent with NZQA requirements.
2448 NZ Certificate in Youth Work (Level 3) V2 2449 NZ Certificate in Youth Work (Level 4) V2 4795 NZ Diploma in Youth Work (Level 5) V1 3803 NZ Diploma in Youth Work (Level 6) V1	The qualifications were reviewed to ensure they meet both current and future needs while reflecting the latest research and frameworks. This included incorporating Mana Taiohi and Te Tiriti o Waitangi, addressing the social and digital environments of young people, and considering the impacts of trauma, family violence, and mental health on their wellbeing. Consultation involved Iwi, Pacific, faith-based, community-related organisations, youth work sector peak and professional bodies, and training providers.
2658 NZ Certificate in Prisoner Management (Level 3) V2 2659 NZ Certificate in Prisoner Management (Level 4) V2 3877 NZ Certificate in Prisoner Management (Level 5) V1	We were pleased to be able to align these qualifications with amendments to the Corrections Act 2004 and in line with best practice in prisoner management in the Aotearoa New Zealand context. Extensive industry consultation took place, incorporating insights from stakeholders across the Prisoner Management sector. Contributions from the Corrections Association of New Zealand (CANZ), Serco, and the New Zealand Corrections Government Training Establishment (NZCGTE) were integral to the process. Changes were made based on feedback from the sector and from public consultation.
2859 NZ Diploma in Hearing Therapy (Level 6) V2	This was a collaborative project with Your Way Kia Roha, which has played a key role in keeping the qualification current and aligned with sector needs. Your Way Kia Roha is a charitable trust which provides a range of services to disabled people.

Case study



Sector engagement drives Health and Wellbeing Qualifications Review

Our most significant qualifications project this year has been the Health and Wellbeing Qualifications Review. Since late 2023, we have worked and continue to work on a comprehensive review of eight health and wellbeing qualifications to ensure they are fit for purpose for the health sector and graduates can meet the requirements of the health and wellbeing workforce.

The review covers various levels of the New Zealand Certificate in Health and Wellbeing, from newborn hearing screening and orderly services to rehabilitation support, diversional therapy and mental health and addiction support, to name but a few. The New Zealand Certificate in Public Health and Promotion (Level 5) is also under review.

This is the first large-scale review undertaken by Toitū te Waiora and has required thoughtful consideration of how best to engage with the various stakeholders and partners throughout the project.

Engagement with the health sector showed the need to take a collaborative approach, reviewing the qualifications together in partnership, to identify gaps in qualification pathways and to ensure a big picture view. We have learned that the qualifications are working well for some parts of the health sector but for others, the career pathways need to be strengthened.

In January 2024, a survey was launched to ascertain whether the current qualifications were fit for purpose or not. The survey also asked stakeholders how they'd like to be engaged with throughout the review, to determine the level of interest and involvement.

We had a very high response rate of 62 percent, receiving 230 responses from sector peak bodies, industry, providers, iwi, Pacific, Tāngata Whaikaha and other stakeholders. This was due to the strategic engagement prior to the survey which informed the stakeholders about the Health and Wellbeing Qualifications Review and helped generate interest. This helped us to shape various consultation groups, and the engagement team conducted 40 one-to-one kōrero requested by some of our partners.

The 62 percent response rate is the highest we've ever had to a stakeholder survey, and it was clear this was a group that was highly engaged and extremely eager to be part of the major review.

More than a hundred people requested specific involvement in consultation groups to offer their skills and knowledge with a vested interest in shaping these qualifications, our largest response to a qualifications review yet. This hui series is expected to be completed by September 2024. We have ensured that Māori and

Pacific communities, sector experts and businesses are well represented and are active participants within the project.

One of the key learnings from the engagement process was the need for a National Industry Advisory Group to provide a Whaikaha perspective across three areas – Whaikaha employed in our workforces, delivery of Whaikaha services, and Whaikaha as consumers of health and wellbeing services.

With eight qualifications under review, covering 15 different strands, this project has significantly used up our engagement resources to ensure comprehensive support and demonstrate to our partners and stakeholders that their time and involvement are valuable. The focus on effective engagement has allowed us to involve a broad and diverse range of stakeholders, setting a benchmark for future large-scale reviews.

This project will be completed in late 2025. A self-reflection period will be built into the completion of the project to help us streamline our approach to reviewing projects of this size and scale in the future.



62%
Jan 2024 survey
response rate

230
Jan 2024
survey responses



Micro-credentials and skill standards



Toitū te Waioira has had a year of firsts in developing new qualification products in response to industry need, including three new micro-credentials and two new skill standards.

Micro-credentials are short, standalone awards with specific learning outcomes. They recognise skills, experience, or knowledge and respond to demand from employers, industry, and communities.

Skill standards are the key parts of vocational qualifications. They combine industry skills and learning goals into one clear guide. This helps make

programmes and assessments more consistent and makes it easier for students to move between provider-based learning and workplace learning. Skill standards are new qualification products introduced in 2023, and ours are among the first to be developed in Aotearoa New Zealand.

We are shifting our focus towards skill standards as opposed to unit standards, as they offer greater inclusivity and flexibility for learners compared to unit standards, which tend to be more defined and prescriptive in nature. When specific providers prefer to use or can only offer unit standards, we are collaborating with them to review and design unit standards to suit industry needs.



Case study

Bespoke Fetal Alcohol Spectrum Disorder Qualification for frontline professionals: first of its kind in Aotearoa New Zealand

In June 2024, NZQA approved a brand-new micro-credential and two associated skill standards to enhance services for FASD across Aotearoa New Zealand. This new qualification addresses an urgent need for specialised training for professionals in social services, health, justice, and education sectors.

In early 2023, Toitū te Waioira began collaborating with the Fetal Alcohol Spectrum Disorder-Care Action Network (FASD-CAN), a charity dedicated to supporting whānau, strengthening communities, and educating about FASD in Aotearoa New Zealand.

Discussions highlighted significant knowledge gaps among professionals and the need for specific training tailored to FASD. University of Auckland Knowledge, Attitudes and Practice surveys showed that professionals in the social and community sectors lacked the necessary knowledge to effectively meet the needs of their FASD clients.

The qualification titled “Support a Person with Fetal Alcohol Spectrum Disorder (FASD)” (micro-credential, Level 4, 10 credits) and the two new skill standards were developed to address the unique needs of individuals with FASD. FASD-CAN supported the development of the qualifications by providing

professional expertise alongside the lived experience of its staff and board.

The micro-credential aims to enhance professional development across health and non-health sectors, while the skill standards are designed for integration into various NZQA programmes of study. Understanding FASD through a brain-based approach is crucial for effective support and intervention, potentially reducing the social investment required for managing mental health issues, justice system interactions, and other related challenges.

The new qualification products align with the Government’s revitalised FASD Action Plan (2016–2019), focusing on improving frontline professionals’ ability to recognise and compassionately respond to FASD and other neurodevelopmental impairments. By addressing misunderstandings, stigma, and inequities, these qualification products aim to significantly benefit individuals with FASD and their whānau.

Since the micro-credential and skill standards were approved, we’ve been working with the Ministry of Health to promote use of the qualification products across the health and wellbeing sector.



Case study



Collaboration with National Cervical Screening Programme sees development of new micro-credentials to support registered health workers

The incidence of cervical cancer has decreased by about 50 percent since the National Cervical Screening Programme began in 1990, with the rate as of 2017 at 6.1 per 100,000 people with a cervix. The goal of Human Papillomavirus (HPV) Primary Screening is to reduce this rate to below 4 per 100,000.

Deaths caused by cervical cancer have reduced by over 60 percent since the National Cervical Screening Programme was introduced, with cervical cancer mortality in 2016 standing at 1.7 per 100,000 people with a cervix.³

Cervical screening tests must be performed by a 'responsible clinician'. There are more than 12,000 accredited cervical smear takers, or health professionals with cervical sample taking within their scope of practice, such as a GP or midwife.

This year, we worked with the National cervical Screening Unit at Health New Zealand | Te Whatu Ora to develop a micro-credential specifically for cervical screening. This micro-credential provides registered health practitioners with the essential knowledge and skills to qualify as 'responsible clinicians' capable of conducting cervical screening.

Upon successful completion of the micro-credential, participants will be accredited as cervical sample takers. This accreditation is crucial for ensuring effective screening and contributing to improved health outcomes in cervical care.

Toitū te Waiora undertook this initiative in response to changes in cervical screening practices to include HPV screening. It is now a legal requirement for responsible clinicians to complete this qualification.

3. Health New Zealand | Te Whatu Ora

Health of older people



In June 2024, a new micro-credential was introduced to enhance support for older adults in the community. *Health of the older person – kaiāwhina-led non-complex support plan review (Level 3, 3 credits)* was developed to empower kaiāwhina to carry out thorough reviews of non-complex support plans for older adults living in the community. The term kaiāwhina encompasses non-regulated roles within the health and disability sector. Kaiāwhina represents the essence of a dedicated workforce that is passionate, resilient, diverse, and skilled, committed to supporting the holistic wellbeing (hauora) of everyone in Aotearoa New Zealand.

Kaiāwhina will complete this micro-credential under the guidance of a Registered Nurse. The aim is to equip health services with individuals capable of performing comprehensive non-complex support plan reviews, thus alleviating pressure on nurses and allowing them to concentrate on their specialised tasks. The micro-credential's approval by NZQA represents a significant advancement in providing effective community-based support for older adults.



Micro-credential application support



If a provider builds their own micro-credential within our industry qualifications, they need our support before the micro-credential can be registered with NZQA. We review micro-credential applications against the following criteria:

1. Does it add value to industry, learners, and community?
2. Does it meet an industry need?
3. Does it have a coherent structure?
4. Does it address a skills or pathway gap?

This year we completed 15 micro-credential support projects, and the 13 we supported covered the following areas:

- Care and support for people with dementia
- Working safely in residential care
- Health and safety
- Aroma science
- Managing church organisations
- Ministry supervision
- Christian leadership foundations
- Ethnic-specific service delivery models when working with family violence
- Playcentre education



Unit standards

A unit standard outlines what a learner is expected to know and be able to do. In late 2023 and early 2024, we introduced two new unit standards to address evolving needs in health support and first aid training.

Unit Standard 33286 – ‘Provide physical health support to people experiencing mental health challenges or addiction issues’ was developed to offer specialised assessment for those supporting individuals with mental health or addiction issues. Created in collaboration with Careerforce Te Toi Pūkenga and Te Pou, this Level 4 standard was approved in October 2023. The unit standard can be used either as part of a new micro-credential or as an assessment within broader study programmes. The development involved consultation with a reference group established by the collaborating organisations.

Unit Standard 33319 – ‘Instruct how to provide basic life support’ was introduced as a progressive alternative to the existing Unit Standard 6402. This Level 2 standard enables individuals who cannot physically perform life support to guide others in best practices. Developed in collaboration with the Association of Emergency Care Training Providers and published in January 2024, it can be utilised by providers already accredited in First Aid without needing additional approval from Toitū te Waiora.

This new standard empowers members of the Whaikaha community who are physically unable to perform life support to instruct and support others in executing these crucial techniques during emergencies.



A unit standard outlines what a learner is expected to know and be able to do.

Transforming localised qualifications

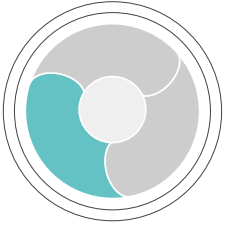


In late 2023, the NZQA set a new requirement for providers to develop replacement New Zealand Diploma qualifications if they wished to continue programme delivery of their Level 7 Diploma content. Toitū te Waiora undertook a range of work with providers to develop replacements this year.

As a result, several new Level 7 New Zealand diplomas emerged, including the *New Zealand Diploma in Healthcare (Management)*, the *New Zealand Diploma in Montessori Early Childhood Education*, and the *New Zealand Diploma in Natural Medicine (Naturopathy and Nutrition)*. These updated diplomas, published between March and May 2024, replaced the previously localised qualifications and were developed with extensive input from industry experts and stakeholders.

The new qualifications are subject to NZQA consistency reviews and fall under the gazetted coverage of Toitū te Waiora.

Quality assurance



The purpose of the quality assurance and moderation function is to ensure learners have met the required standard when they are awarded a skill standard, qualification or credential. Our external quality assurance activities confirm that assessment materials developed by tertiary education organisations are fit for purpose and that assessment decisions are fair, valid, and consistent with the national standard, irrespective of the mode and place of learning. We manage the national external moderation for the qualifications within our gazetted coverage.

The quality assurance team undertakes moderation, programme endorsement and consent to assess applications. This work provides a direct connection between Toitū Te Waiora and the providers of programmes and qualification achievement.

This year we completed 30 applications from 21 providers to endorse their vocational education programmes, and 67 applications from 36 providers to endorse changes to their existing programmes.

There are two types of national external moderation activities. These are:

1 Pre-assessment moderation:

Assessment materials are moderated prior to use with candidates. This year, we completed 376 applications for pre-assessment moderation from 73 providers, covering a total of 474 unit standards and including 213 unique unit standards.

2 Post-assessment moderation:

Assessor decisions are moderated after the assessment has taken place. This year, we completed 212 applications for post-assessment moderation from 163 providers, covering a total of 393 unit standards and including 119 unique unit standards.

Moderators play a crucial role in ensuring that the assessment materials cater to trainees with diverse learning capabilities, allowing for different forms of assessment presentation, such as multimedia, audio, and visual elements. Where issues are identified in the assessment materials, our moderators make recommendations for change.

This year we completed 30 applications from 21 providers to endorse their vocational education programmes, and 67 applications from 36 providers to endorse changes to their existing programmes.



Improving our quality assurance practices

Consents to assess are the process by which a provider gains approval to deliver, assess and award unit standards that sit under our gazetted coverage. A provider applies to us for support and if they demonstrate the ability to comply with an established set of criteria contained in the Consent and Moderation Requirements

document, we will issue a letter of support. The application and letter of support are then sent on to the NZQA for final approval. This year we completed 39 consents to assess from 32 providers, covering a total of 278 unit standards and including 215 unique unit standards.



Collaboration has been at the heart of our quality assurance improvements. We've been working closely with other Workforce Development Councils to share insights and knowledge about Aka Kōrero, the software used to manage qualifications and quality assurance workflows. This ongoing dialogue ensures that any major enhancements to the system are well-informed and widely supported.

We've reviewed and simplified all templates used within the system. This reduction in administrative complexity has not only streamlined workflows but also minimised the time spent on routine tasks.

In a bid to enhance our operations and streamline our processes, along with the other Workforce Development Councils, we have embarked on a series of significant upgrades to Aka Kōrero and Aka Pārongo, the Provider Portal. Stakeholder feedback has informed improvements to functionality and usability of these systems and our kaimahi are getting regular training.

Another key improvement has been the consistent recording of engagement activities with providers. By reducing the duplication of effort across multiple platforms, we've made it easier to maintain a clear record of interactions with providers. Each provider might work with more than one Workforce Development Council.

We've also improved how we manage our data, by creating, reviewing, and maintaining specific data views within Aka Kōrero. These views are crucial for both internal and external reporting, ensuring that the data we rely on is both accurate and easily accessible.

These comprehensive changes have significantly bolstered our ability to draw meaningful data, analyse it effectively, and leverage these insights for better decision-making and process improvements. As a result, we're better equipped to refine our practices and achieve our strategic goals.

To evaluate our progress and drive continuous improvement within the team, we've defined and implemented new performance measures for external reporting. This includes refined methods for tracking throughput, such as processing times, and ensuring that withdrawn applications are excluded from these metrics. This means our reporting is now more transparent and reflective of actual performance.

These comprehensive changes have significantly bolstered our ability to draw meaningful data, analyse it effectively, and leverage these insights for better decision-making and process improvements.



Investment advice



Each year, we provide the Tertiary Education Commission with advice on the mix and volume of vocational education and training provision. This year we provided investment advice for the 2025 academic year, and 100 percent of our recommendations were accepted and included in the Tertiary Education Commission’s Plan Guidance for providers. Providers then develop their investment plans, and funding is allocated accordingly.

To provide that advice, we draw on information from our stakeholders, through our engagement activities, through the National Industry Advisory Groups, and through our qualification activities. We also draw on a range of data from sources such as Ngā Kete (the Tertiary Education Commission’s data hub), and Statistics New Zealand’s Integrated Data Infrastructure.

This year we provided investment advice for the 2025 academic year, and 100 percent of our recommendations were accepted and included in the Tertiary Education Commission’s Plan Guidance for providers.

Insights improvement

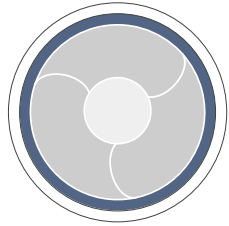


This year, our ‘insights improvement programme’ saw us implement a range of activities to improve performance information and systems, to strengthen analytic processes, and build analytic capability. This included setting new performance measures, identifying and acquiring the data we needed to conduct robust workforce analysis, and strengthening the policy, analysis, and research capability and capacity of our team.

This year, we made submissions to Statistics New Zealand on the review of the Australia New Zealand Standard Classification of Occupations and the Australia New Zealand Standard Industrial Classifications. Many of the industries and occupations in our coverage are not well represented in these classification systems, making it difficult to conduct the workforce modelling needed to provide robust investment advice. We will continue to advocate for our industries and proactively work with Statistics New Zealand as these reviews progress.



Organisational capability



This year we set a new strategic direction (as described earlier), supported by meaningful strategic and operational performance measures, improved project management, and improved performance reporting to our Council Board.

We also re-set our organisational structure to ensure that all our roles were focused on delivering our core functions and that each part of the organisation supported the work of the other parts. The changes focused on improving the delivery of core

functions, boosting the capacity of the engagement and qualifications functions, positioning our qualifications team to be more responsive to the voice of industry, and strengthening policy, research, and analytic capability and capacity. As a result, we have been able to undertake more new qualification product development, particularly of micro-credentials and skill standards. The new structure has been well embedded, and we are recruiting to fill all the roles in our new structure.

We conducted an employee engagement survey in December 2023, then worked with kaimahi on three main focus areas: decision-making, collaboration and communication, and innovation. We increased opportunities for face-to-face meetings, created an innovation champions group and a process for kaimahi to pitch ideas to senior leadership, and improved transparency of senior leadership and Council Board meetings.

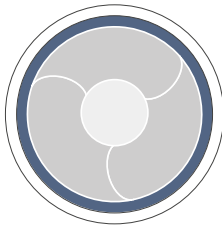
We worked with kaimahi on three main focus areas: decision-making, collaboration and communication, and innovation.

In April 2024, a pulse check employee engagement survey showed a positive increase in enablement, action, and in the three focus areas. However, wellbeing scores decreased. Conscious of the ongoing uncertainty and impending vocational education and training system change announcements, we provided kaimahi with wellbeing workshops which covered building a culture of respect, understanding and managing stress, navigating change and uncertainty, and dealing with conflict.

We also rolled out kaimahi induction and development sessions to ensure all our people understood our authorising environment, our strategy, and our day-to-day operations. We continue to provide opportunities to upskill and learn from each other. We reviewed corporate policies, and where it was needed, created new ones or tightened up existing policies. We completed robust strategic and operational planning, culminating in the delivery of the 2024/25 Operating Plan and Budgets.



Organisational capability performance measures



The following measures demonstrate our organisational capability performance. These are all new performance measures for 2023/24; however, we have provided historic results for comparison where possible.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Proportion of kaimahi with development plans in place	100 percent	Not reported	100 percent of kaimahi had performance and development plans in place as at 30 June 2024. We are committed to growing our people, with performance and development planning, regular reviews, and internal kaimahi development programmes.
Health, Safety, and Wellbeing Index	78 percent	57 percent	By 30 June 2024, we had achieved a 78% compliance score in the Safe 365 Health & Safety assessment, reflecting significant improvements in reporting, emergency preparedness, audit activities, and both worker and director knowledge of health and safety. This score confirms our compliance with the Health and Safety at Work Act (2015).
Independent review of Council	Achieved	Achieved	The independent review of the Council Board was conducted by the Institute of Directors in June 2024. The review identified three focus areas: stakeholder engagement, professional development of Council Board members, and building their understanding of the organisation's purpose and our stakeholders.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Risk management	Achieved	Achieved	This year we thoroughly reviewed our risk profile. All identified risks have corresponding mitigation activities, and progress on these activities is reported regularly to our Council Board. Risk and issues registers are reviewed quarterly.
Budget performance	Achieved	Achieved	This year we performed under-budget and hold reserves that provide financial stability for future commitments. Savings were mainly caused by savings in travel, people, and shared services costs. We managed our limited resources well, through strategic planning and prudent financial management.
Reduction in leave liability	Achieved	Not reported	We have actively managed leave and leave liability, with the average number of days of annual leave dropping from 10.4 days on 30 June 2023 to 9.52 days on 30 June 2024.

Our kaimahi

as at 30 June 2024



41
kaimahi

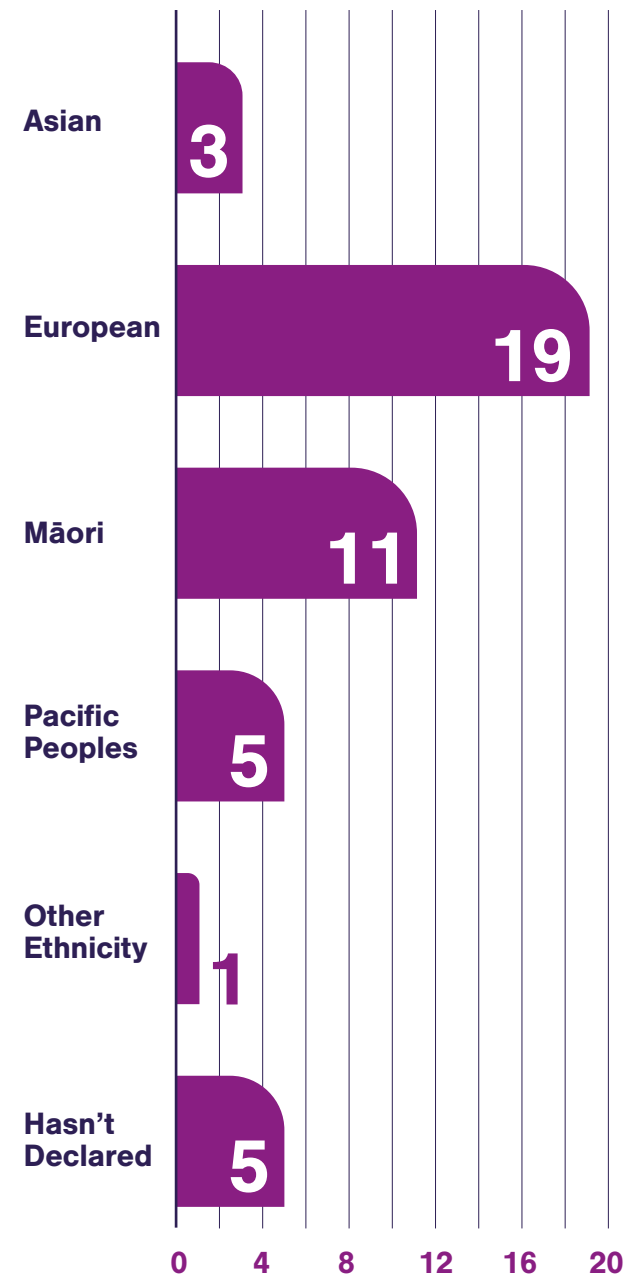
Full time
equivalent 39.68

76% female
24% male



48 years
average age

Ethnicity*



*Kaimahi self-select their ethnicity upon onboarding, they can choose up to three ethnic groups. We use total response ethnicity reporting and report using the Level 1 group as set by Statistics NZ. Under the 'total response' ethnicity approach, people can appear more than once in our reporting, so ethnic group totals will add to more than 100 percent of kaimahi.

Location

8
Auckland

18
Wellington

15
Remote



Our sectors, industries, and learners



Toitū te Waiora has the broadest scope of all the Workforce Development Councils, spanning community, health, education, and social services sectors.

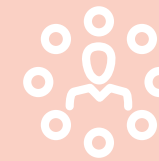
We work 'from the cradle to the grave' – from midwifery to tangihanga and funeral services.

Women represent a significant portion of the workforce within our industries, making up 74.7% compared to 47.8% in Aotearoa New Zealand as a whole.⁴

In the 2023 year, our combined industries contributed 14.1% of the national Gross Domestic Product of Aotearoa New Zealand (\$53,102,000).⁵

Scope of Toitū te Waiora

Community



Health



Education



Social services



Cradle to grave

We work 'from the cradle to the grave' – from midwifery to tangihanga and funeral services



74.7% women

Women make up 74.7% of our industries' workforce, compared to 47.8% in Aotearoa New Zealand as a whole

14.1%

In the 2023 year, our combined industries contributed 14.1% of the national Gross Domestic Product of Aotearoa New Zealand (\$53,102,000)

4. WDC dashboard – Toitū te Waiora / infometrics (2023)

5. WDC dashboard – Toitū te Waiora / infometrics (2023)

Figure 3: Toitū te Waiora Sectors and Industries

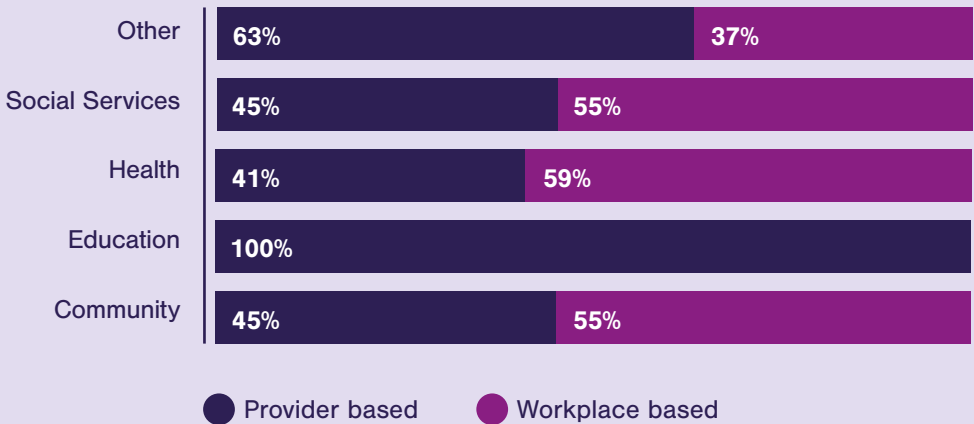
Community	Health	Social services and other services	Education
Urban pest control <ul style="list-style-type: none">• Building Pest Control Services Public order and safety <ul style="list-style-type: none">• Fire protection and Other Emergency Services• Correctional and Detention Services• Other Public Order and Safety Regulatory services	Health care and health services <ul style="list-style-type: none">• Hospitals (except Psychiatric Hospitals)• Psychiatric Hospitals• General Practice Medical Services• Specialist Medical Services• Pathology and Diagnostic Imaging Services• Dental Services• Optometry and Optical Dispensing• Physiotherapy Services• Chiropractic and Osteopathic Services• Other Allied Health Services• Other Health Care Services n.e.c.	Social services <ul style="list-style-type: none">• Care Services<ul style="list-style-type: none">– Aged Care Residential Services– Other Residential Care Services– Child Care Services• Disability Services Other services <ul style="list-style-type: none">• Diet and Weight Reduction Centre Operation• Funeral; Crematorium and Crematory Services• Religious Services• Private Households Employing Staff• Undifferentiated Goods<ul style="list-style-type: none">– Producing Activities of Private Households for Own Use• Undifferentiated Service<ul style="list-style-type: none">– Producing Activities of Private Households for Own Use• Hairdressing and Beauty Services• Skin and Nail Therapy Services	Education and education support services <ul style="list-style-type: none">• Preschool Education• Primary Education• Secondary Education• Combined Primary and Secondary Education• Special School Education• Technical and Vocational Education and Training• Higher Education• Arts Education• Adult; Community and Other Education n.e.c.• Educational Support Services

The following figures⁶ profile the learners engaged in education and training within our sectors.⁷

All sectors except education provide qualifications that learners can complete either at a provider location or in the workplace.

The chart below shows that many learners are taking advantage of upskilling opportunities on the job. This helps them stay current with changes in their industries and supports our goal of building a skilled and qualified workforce for Aotearoa New Zealand. Figure 4 refers.

Figure 4: Enrolment learner type and by sector⁸



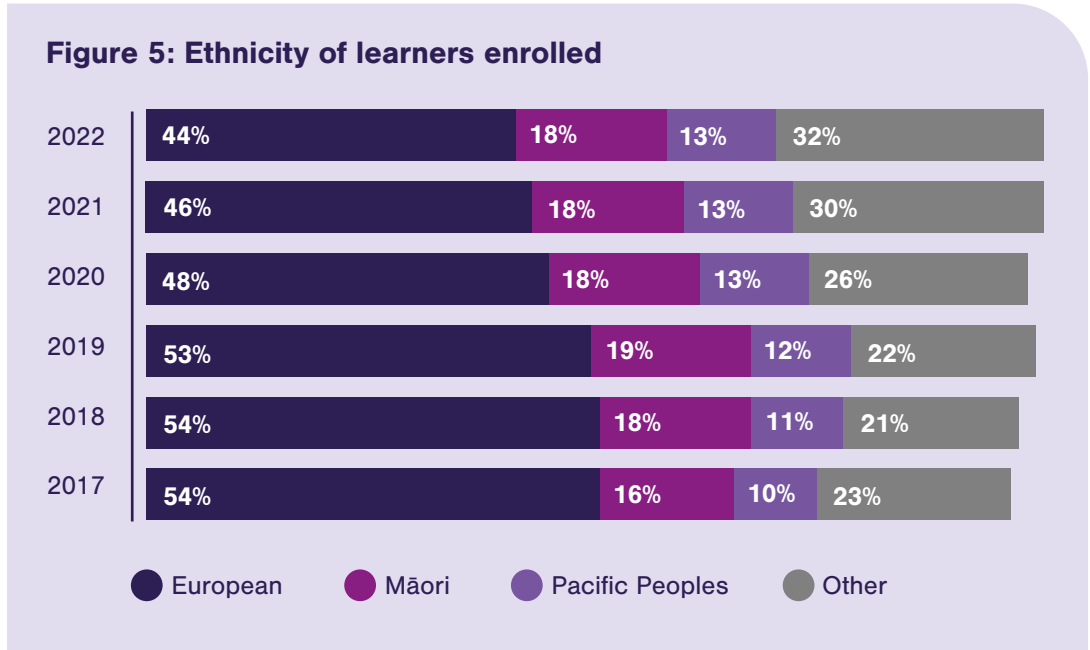
6. This excludes demographic enrolment data for qualifications listed in Appendix Two.

7. Source: Learners » Workforce Development Council (www.workforceskills.nz) Tertiary Education Commission

8. This data relates to the 2022 academic year

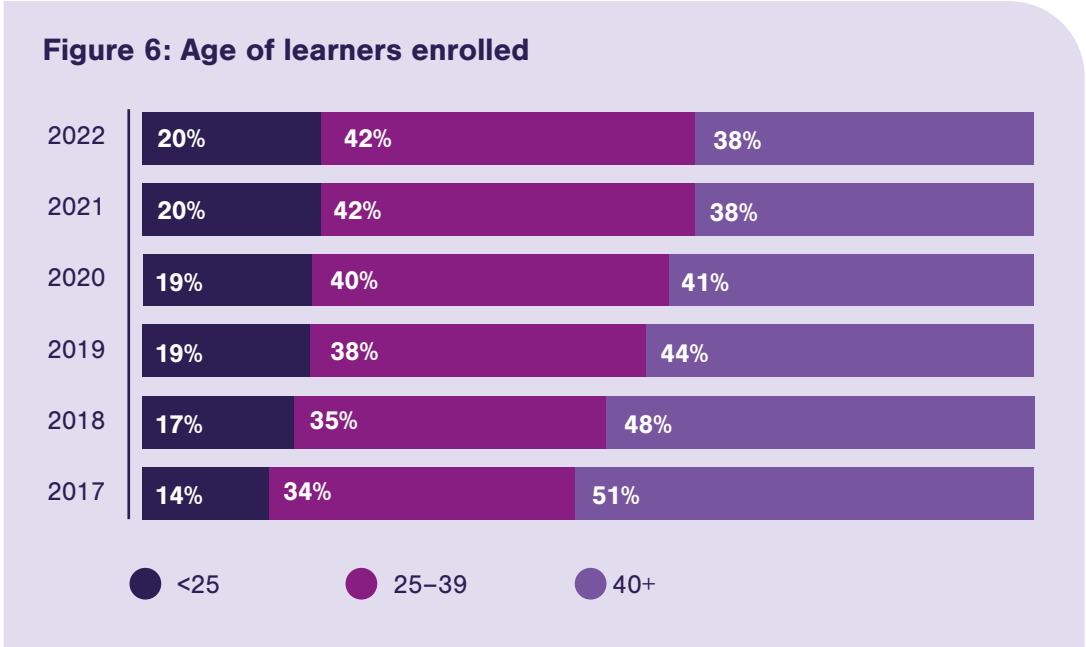
The proportion of Māori and Pacific learners of our qualifications has remained fairly static over time. However, there has been a noticeable increase in the proportion of 'Other' learners, with a corresponding decrease in

European learners. This data uses total response ethnicity reporting. With the 'total response' approach, individuals can be counted in more than one ethnic group, so the totals exceed 100 percent of learners. Figure 5 refers.



The proportion of younger learners of our qualifications is increasing, with the under-25 age bracket growing seven percent from 2017 to 2022. The 25–39 age bracket has also experienced an

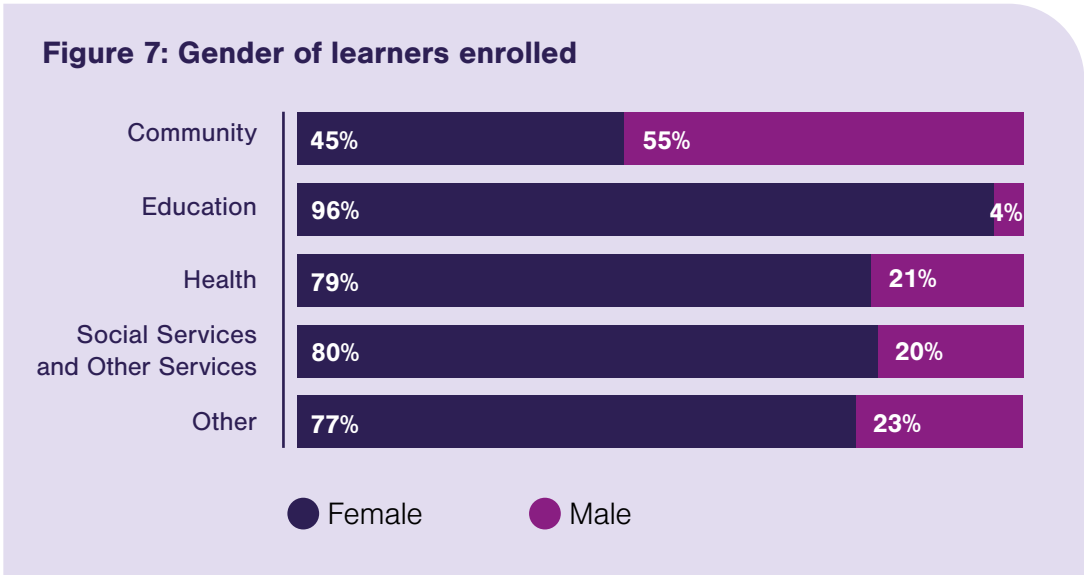
increase of eight percent. In contrast, the 40-plus age category experienced a decline of 13 percent during the same period. Figure 6 refers.



Most learners in our qualifications are female, which aligns with our industry workforce statistics. However, the community sector is slightly more male-dominated due to traditionally male-dominated occupations in those sectors, such as fire protection, emergency services, correctional services, and other public order and safety roles.

The qualifications listed as “other” are due to the mapping not being agreed

upon across data sources. We are working to resolve this through our own research using the Integrated Data Infrastructure. These qualifications include New Zealand Certificate in Fire and Rescue Services (Vegetation) (Level 3), New Zealand Certificate in Emergency Communications Centres (Level 3) with optional strand in Dispatch, and the New Zealand Diploma in Psychology (Level 5). Figure 7 refers.

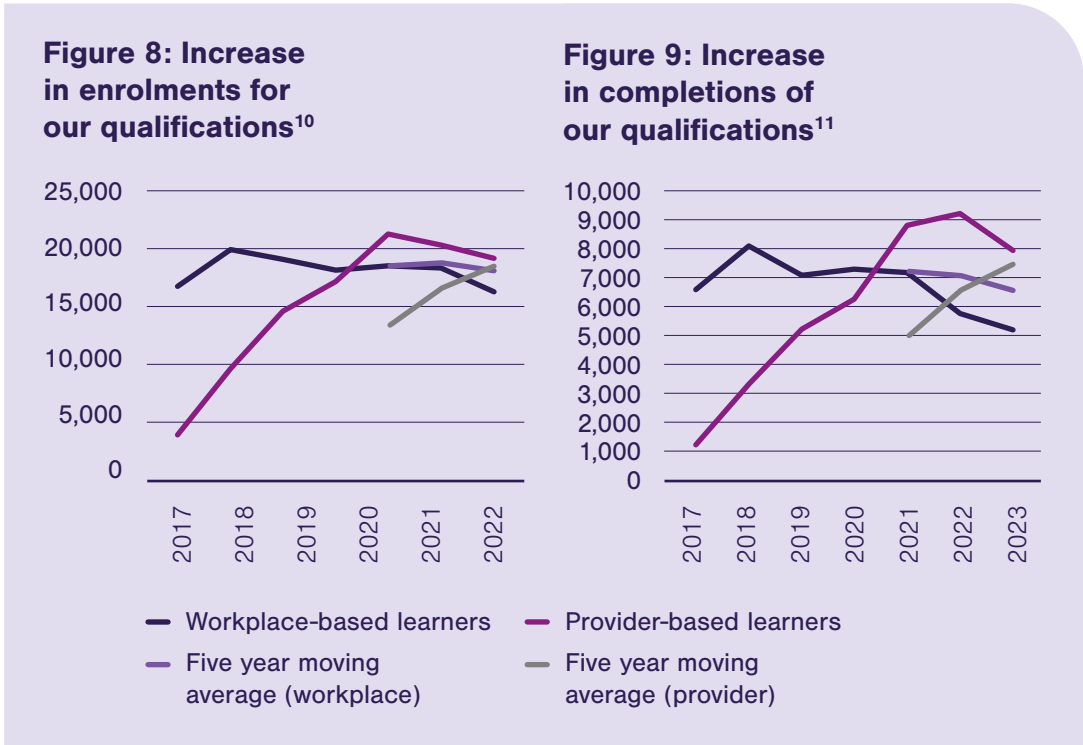


Our strategic goal is a skilled and qualified workforce for Aotearoa New Zealand. One of the ways we can observe this is by measuring the increase in enrolments and completions in our qualifications. These performance measures are not directly attributed to our mahi. They are affected by settings and conditions across education, economic, employment, and other contexts.

Since 2017, enrolments in our qualifications have steadily increased, with a slight drop from 2021–2023. However, the five-year moving average shows an overall upward trend.

Completions of our qualifications have also risen since 2017, despite a small decline in 2021–2023. This may reflect the decrease in enrolments from 2021 to 2023, depending on the length of the courses. The five-year moving average for completions also indicates a general upward trend.

The following figures illustrate the enrolment and completion numbers for our qualifications over the past five years, including the five-year moving average. Note that learners may be enrolled in both provider-based and work-based learning programmes.⁹ It is important to note that the completions data refers to the volume of completions in that year, regardless of year of enrolment. Figures 8 and 9 refer.



9. Source: Tertiary Education Commission, August 2024
10. This excludes enrolment data for qualifications listed in Appendix Two
11. This excludes completion data on qualifications listed in Appendix Two

Future focus



Over the last year, we worked through substantial change and delivered considerable improvements across all our functions. The year ahead provides similar opportunities.

The Government’s recent proposals for redesign of the vocational education and training system have significant implications for the future of Workforce Development Councils and our kaimahi. Although we are facing uncertainty, we still have an important job to do and statutory functions to perform.

Our strategic direction will keep us steady as we navigate this change, and we have a robust operating plan through 2024/25 and beyond that sets a clear work programme to deliver our functions well and build on our achievements this year.

Our priorities for the future are:

-  Recruiting to full establishment and ensuring we have the right capability and capacity to deliver our ambitious workplan.
-  Strengthening our partnership and engagement function to ensure we represent the voice of industry. This includes the establishment of more National Industry Advisory Groups, more targeted and purposeful engagement with our stakeholders, and increased regional engagement.
-  Supporting the Government to implement its direction for the vocational education and training system.

Statement of Service Performance

As part of developing our Statement of Strategic Direction 2023–2028, we applied the PuMP performance measurement methodology to confirm our strategic goals, identify and define meaningful performance measures, and improve our performance reporting.¹²

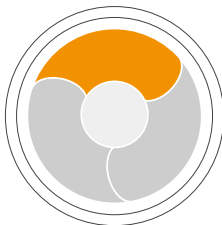
We now have a refined performance framework, which has been consulted on with key partners and stakeholders including the Tertiary Education Commission. Each performance measure is clearly defined, and we have been working to capture

historical performance data so that we can undertake trend analysis to understand what is driving shifts in our performance. In 2024/25 we will use that historic data analysis to determine ‘targets’ for our performance measures.



12. More information on the PuMP performance measurement methodology can be found here: [About the PuMP Approach to Performance Measurement and KPIs \(staceybarr.com\)](#).

Voice of Industry



Stakeholder satisfaction survey results are an important performance measure for Toitū te Waiora in 2023/24 and outyears. It provides important evidence of progress towards the strategic goal of ‘industry voice’, evidence that we understand our sectors and industries, and evidence our mahi addresses their workforce needs.

We developed and ran a stakeholder survey for the 2023–2024 period and had a response rate of 29%. The Vocational Education and Training measures are set by the Tertiary Education Commission, and the results are on the next page. Note that these are new performance measures for our Statement of Service Performance in 2023/24.



Vocational Education and Training System Outcome Measures

Measure	2023/24 Result	2022/23 Result	Comment
Stakeholder satisfaction (stakeholders and partners)	87 percent	Not reported	87 percent of partners and stakeholders that we surveyed have a generally positive opinion of Toitū te Waiora.
The proportion of partners and stakeholders that agree Toitū te Waiora understands stakeholder priorities ¹³	76 percent	Not reported	76 percent agreed or strongly agreed that we understood their priorities.
The proportion of partners and stakeholders that agree Toitū te Waiora effectively communicates stakeholder priorities	47 percent	Not reported	47 percent agreed or strongly agreed that Toitū te Waiora effectively communicated those priorities.
The proportion of partners and stakeholders that agree graduates HAVE the relevant skills ¹⁴	56 percent	Not reported	56 percent agreed or strongly agreed that graduates of Toitū te Waiora qualifications HAVE the relevant skills (noting, this includes qualifications with other standard setting bodies prior to our establishment)
The proportion of partners and stakeholders that agree graduates WILL HAVE the relevant skills ¹⁵	76 percent	Not reported	76 percent agreed or strongly agreed that graduates of Toitū te Waiora qualifications WILL HAVE the relevant skills

13. The Tertiary Education Commission asks for the percentage of key industry and Māori sector stakeholders who agree their priorities and understood and effectively communicated by Workforce Development Councils. Overall, 61 percent agreed or strongly agreed.

14. The Tertiary Education Commission asks for the percentage of key industry and Māori sector stakeholders that agree graduates have the relevant skills.

15. The Tertiary Education Commission asks for the percentage of key industry and Māori sector stakeholders that are confident graduates will have the relevant skills.

Responsive qualifications



Performance Measure	2023/24 Result	2022/23 Result	Comment
Evidence that the self-assessment report has been accepted by NZQA	Achieved	Achieved	The NZQA EQAF/NEM Self-Assessment Report was submitted on the due date of 1 August 2024. NZQA does not provide 'acceptance' of the report.
Stakeholder satisfaction (providers)	82 percent	Not reported	82 percent of providers that we surveyed have a generally positive opinion of Toitū te Waiora. ¹⁶

16. New measure for 2023/24.

The table below shows the volumes of the qualifications and qualification maintenance submitted to NZQA. While some recent submissions may still be awaiting approval, their figures are included in our performance measure results, which track qualifications and maintenance submitted to NZQA.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Qualifications			
Number of new qualifications submitted to NZQA	4	0	The New Zealand Advanced Diploma in Health Sciences (Naturopathy and Nutrition) (Level 7) 3727 The New Zealand Diploma in Healthcare (Management) (Level 7) 4969 The New Zealand Diploma in Montessori Early Childhood Education (Level 7) 5048 New Zealand Diploma in Holistic Health Advocacy (Level 5) 4915
Number of qualifications maintained and submitted to NZQA	24	20	This figure includes: <ul style="list-style-type: none">Nine qualification reviewsLast day of assessment extension granted for 15 qualifications
Micro-credentials			
Number of new micro-credentials submitted to NZQA	4	0	Support a Person with Fetal Alcohol Spectrum Disorder (FASD) (Level 4) 5076 Conduct Cervical Screening (Level 6) 5037 Health of the older person – kaiāwhina-led non-complex support plan review (Level 3) 5038 Apply and manage first aid in an emergency situation (Level 3) (awaiting approval) There hasn't been any maintenance required for micro-credentials as the first micro-credentials have only recently been approved.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Micro-credential Support			
Number of micro-credential support applications completed	15	4 (all were supported)	<ul style="list-style-type: none"> 13 applications were supported Two were not supported
Proportion completed within 20 working days	67%	25%	Overall, 10 out of 15 applications were completed within 20 working days during the 2023–2024 period. In cases providers did not submit the correct information, which led to longer durations as we had to request further information. We also held meetings to further support providers with their applications.
Average duration (days)	26	22	The year-to-date average duration experienced an increase, largely influenced by two projects in May that each took 72 and 88 days to complete. Procedures regarding requests for further information and on-hold statuses have been tightened since then.
Skill standards/ Unit standards			
Number of new skill standards submitted to NZQA	2	0	<ul style="list-style-type: none"> Demonstrate knowledge of FASD Support people with FASD
Number of new unit standards submitted to NZQA	1	1	Unit Standard 33319 – Instruct how to provide basic life support
Number of unit standard maintenance submitted to NZQA	28	11	<ul style="list-style-type: none"> 13 Revisions and extension of last date of assessment completed Six reviews completed Last date of assessment extensions granted for seven unit standards Two revisions completed

We have worked hard in the past year to tighten up our processes for Quality Assurance which has resulted in gradual improvements for our timeliness measures. The number of working days mentioned in the performance measures represents the timeframe outlined in our service level agreement (SLA) for completing applications.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Programme Endorsements			
Number of programme endorsement applications completed	30	45	
Proportion completed within 20 working days	48%	56%	Delays attributed to waiting for requests for further information from the providers, and their staffing shortages and capability constraints.
Average processing time overall (days)	33	18	We continue to show improvement following a peak in February, during which some providers submitted more information after their applications were initially declined. Providers are now required to open a new application if they are declined in the first instance.
Existing Programme Change Endorsement			
Number of existing programme change endorsement applications completed	67	47	There was a surge in applications in October 2023 due to the NZQA annual submission deadline.
Proportion completed within 20 working days	66%	85%	Performance is improving and the 20 working day time frame was met in April, May, and June.
Average processing time overall (days)	20	12	Completion times have improved since we have negotiated a process change with NZQA where a consent to assess application is needed.

Performance Measure	Actual 2023/24	Actual 2022/23 (not audited)	Comment
Consent to assess			
Number of consent to assess applications completed	39	12	
Proportion completed within 20 working days	41%	8%	The proportion of applications that were completed within 20 working days for the 2023–2024 year is 41%, we are trending upwards towards better performance since the start of 2024.
Average processing time overall (days)	30	48	The average processing time has steadily been improving since January 2024 and the average amount of days has significantly decreased.
Pre-assessment moderation			
Pre-assessment moderation applications completed	376	342	
Proportion completed within 20 working days	47%	31%	The proportion of applications that were completed within 20 working days for the 2023–2024 year is 47%, we are trending upwards towards better performance since February 2024.
Average processing time overall (days)	27	32	The average processing time has steadily been improving since February 2024 and the average number of days has significantly decreased.
Post-assessment moderation			
Post-assessment moderation applications completed	212	145	
Proportion completed within 30 working days	63%	68%	Improvement in meeting the service level agreement of 30 working days is expected to continue after an increase in staffing and improvements to the process. The improvements to the provider portal will also improve throughput.
Average processing time overall (days)	26	31	

Performance Measure	Actual 2023/24	Actual 2022/23	Comment
Proportion of investment [advice] recommendations accepted by Tertiary Education Commission	100 percent	Not reported ¹⁷	100 percent of our Investment Advice recommendations for the 2025 academic year were accepted by the Tertiary Education Commission and included in their Plan Guidance



17. New measure for 2023/24.

Financial statements

Independent auditor’s report

To the readers of Toitū te Waiora – Community, Health, Education and Social Services Workforce Development Council’s financial statements and statement of service performance for the year ended 30 June 2024.

The Auditor-General is the auditor of Toitū te Waiora – Community, Health, Education and Social Services Workforce Development Council (“the Council”). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements and statement of service performance of the Council on his behalf.

Opinion

We have audited:

- the financial statements of the Council on pages 65 to 87, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Council on pages 51 to 59.

In our opinion:

- the financial statements of the Council on pages 65 to 87:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; 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 Reporting Standards issued by the New Zealand Accounting Standards Board; and

- the statement of service performance on pages 51 to 59:
 - presents fairly, in all material respects, the Council’s service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 30 June 2024; and
 - complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards issued by the New Zealand Accounting Standards Board.

Our audit was completed on 30 October 2024. 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 Council and our responsibilities relating to the financial statements and the statement of service performance, 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 opinion.

Responsibilities of the Council for the financial statements and the statement of service performance

The Council is responsible on behalf of the Council for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Council is also responsible on behalf of the Council for preparing a statement of service performance that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Council is responsible on behalf of the Council for assessing the Council’s ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Council intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

The Council’s responsibilities arise from the Order in Council made under section 363 of the Education and Training Act 2020 and the Charities Act 2005.

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, 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 statement of service performance.

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the Council’s approved budget.

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

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 statement of service performance, 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 Council’s internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate the appropriateness of the reported performance information within the Council’s framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council’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 statement of service performance 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 Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Council 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.’

Emphasis of Matter

Uncertainty over the future of Toitū te Waiora – Community, Health, Education and Social Services Workforce Development Council

Without modifying our opinion, we draw attention to note 1 on page 70, which outlines uncertainties over the future of Toitū te Waiora – Community, Health, Education and Social Services Workforce Development Council due to the government’s ongoing review of vocational education and training. The financial statements have been prepared on a going concern basis of accounting (see note 1), because a final decision has not yet been made by the Government at the date of the audit report.

Other information

The Council is responsible for the other information. The other information comprises the information included on pages 1 to 50 and pages 88 to 92, but does not include the financial statements and the statement of service performance, and our auditor’s report thereon.

Our opinion on the financial statements and the statement of service performance 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 statement of service performance, 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 statement of service performance 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 Council 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.

Other than the audit, we have no relationship with or interests in the Council.



Geoff Potter
BDO Wellington Audit Limited
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Responsibility

Toitū te Waiora is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance about the integrity and reliability of reporting. The Council is responsible for the preparation of the Statements of Performance, under the Public Finance Act 1989, and Financial Statements for Toitū te Waiora and for the judgements made within them.

In the Council's opinion:

The Statement of Performance fairly reflects the performance of Toitū te Waiora for 1 July 2023 to 30 June 2024.

The Financial Statements fairly reflect the financial position and operations of Toitū te Waiora for 1 July 2023 to 30 June 2024.

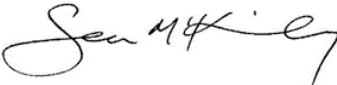
Signed by:



Mathew Tukaki
Co-Chair
30 October 2024



David Waters
Co-Chair
30 October 2024



Sean McKinley
Chief Executive
30 October 2024

Statement of Comprehensive Revenue and Expense

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

All in \$000s	Note	Actual 2024	Budget 2024	Actual 2023
Revenue				
Government funding	2	9,439	9,439	9,439
Grants funding	2	-	-	184
Interest revenue	2	115	173	60
Total revenue		9,554	9,612	9,683
Expenditure				
People related expenses	3	5,683	5,815	6,068
Hāpaitia Limited – Shared Council services ⁽¹⁾	3	1,473	1,562	1,604
Administration and other expenses	3	805	1,691	1,243
Total expenditure		7,961	9,068	8,915
Surplus/(Deficit)		1,593	544	768
Other comprehensive revenue and expense				
		-	-	-
Total comprehensive revenue and expense		1,593	544	768

1. Hāpaitia Ltd provides the Workforce Development Councils with shared services including Finance, IT, People and Culture, and Office Management services.

Explanations of major variances against budget are provided in Note 12.
The accompanying notes form part of these financial statements.

Statement of Financial Position

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

All in \$000s	Note	Actual 2024	Budget 2024	Actual 2023
Assets				
Current assets				
Cash and cash equivalents	4	5,160	4,295	1,644
Short-term investments	5	-	-	2,000
Trades and other receivables	6	867	853	911
Prepayments		35	-	16
Total current assets		6,062	5,148	4,571
Total assets		6,062	5,148	4,571
Liabilities				
Current liabilities				
Trade and other payables	8	340	350	532
Employee entitlements	9	374	131	284
Total current liabilities		714	481	816
Total liabilities		714	481	816
Net assets		5,348	4,667	3,755
Equity				
Accumulated surplus	11	1,495	2,849	971
Operating reserve	11	2,360	1,160	1,160
Capital reserve	11	665	658	796
Special projects reserve	11	700	-	700
Te Kahui Ahumahi reserve	11	128	-	128
Total equity attributable		5,348	4,667	3,755

Explanations of major variances against budget are provided in Note 12.
The accompanying notes form part of these financial statements.

Statement of Changes in Net Assets/Equity

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

2024							
All in \$000s	Note	Accumulated surplus	Operating reserve	Capital reserve	Special projects reserve	Te Kāhui Ahumahi reserve	Total net assets/equity
Balance at 1 July 2023	11	971	1,160	796	700	128	3,755
Total comprehensive revenue and expense for the year		1,593	-	-	-	-	1,593
Transfers between reserves							
Operating reserve		(1,200)	1,200	-	-	-	-
Capital reserve		131	-	(131)	-	-	-
Special projects reserve		-	-	-	-	-	-
Te Kāhui Ahumahi reserve		-	-	-	-	-	-
Total transfers		(1,069)	1,200	(131)	-	-	-
Balance at 30 June 2024		1,495	2,360	665	700	128	5,348
2023							
All in \$000s	Note	Accumulated surplus	Operating reserve	Capital reserve	Special projects reserve	Te Kāhui Ahumahi reserve	Total net assets/equity
Balance at 1 July 2022	11	927	1,160	900	-	-	2,987
Total comprehensive revenue and expense for the year		768	-	-	-	-	768
Transfers between reserves							
Operating reserve		-	-	-	-	-	-
Capital reserve		104	-	(104)	-	-	-
Special projects reserve		(700)	-	-	700	-	-
Te Kāhui Ahumahi reserve		(128)	-	-	-	128	-
Total transfers		724	-	(104)	700	128	-
Balance at 30 June 2023		971	1,160	796	700	128	3,755

The accompanying notes form part of these financial statements.

Statement of Cash flows

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

All in \$000s	Note	Actual 2024	Budget 2024	Actual 2023
Operating activities				
Receipts from Government		9,439	9,439	9,438
Receipts of interest		121	173	-
Receipts of other revenue		-	-	73
Goods and services tax (net)		7	573	(53)
Payments to people		(4,666)	(5,478)	(5,957)
Payments to suppliers		(3,416)	(4,046)	(3,079)
Net cash flows from operating activities		1,485	661	422
Investing activities				
Purchase of Term Deposits		-	-	(2,000)
Sale of Term Deposits		2,000	-	-
Net cash flows from investing activities		2,000	-	(2,000)
Financing activities				
Advances to Hāpaitia		-	-	(372)
Advances repaid by Hāpaitia		31	-	-
Net cash flows from financing activities		31	-	(372)
Net (decrease)/increase in cash and cash equivalents		3,516	661	(1,950)
Cash and cash equivalents at beginning of the period		1,644	3,634	3,594
Cash and cash equivalents at end of the period		5,160	4,295	1,644

Explanations of major variances against budget are provided in Note 12.
The accompanying notes form part of these financial statements.



Notes Index

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

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Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

1. Statement of accounting policies

Reporting entity

Toitū te Waiora is domiciled in Aotearoa New Zealand and is a charitable organisation registered under the Charities Act 2005. The Council is a body corporate established in October 2021 through Orders in Council (OIC) and in accordance with section 363 of the Education and Training Act 2020. The role of Toitū te Waiora is to ensure the vocational education system meets industry needs and gives a stronger voice to Māori business and iwi development. Toitū te Waiora will give their industries and employers greater leadership and influence across vocational education. Success for Toitū te Waiora will mean employers – including Māori business owners – are confident that vocational education graduates are ready for work and that the future skills needs of their industry will be addressed by the vocational education system.

Governance responsibilities are held by a Council, comprising Councillors who act in similar capacity to Directors on a Board of Directors

Toitū te Waiora is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period. This means accounts have been produced on the assumption that we will continue to operate for the foreseeable future (a period of greater than 12 months after the reporting date). Preparing the accounts on a going concern basis will be subject to an annual assessment and declaration as part of the audit of the Annual Report and Financial Statements.

Management has identified the following material uncertainties that may cast significant doubt on the entity’s ability to continue as a going concern:

1. *Changes in law or regulation or government policy expected to adversely affect the entity.*

The government has sought feedback from the public through consultation on proposed reforms to replace the current vocational education and training system. The consultation period closed 12 September 2024. The proposed reforms do not include an option to retain the current system and so depending on the outcome of the consultation process the Toitū te Waiora Workforce Development Council may ultimately be disestablished. Should the reform lead to the disestablishment of the Toitū te Waiora Workforce Development Council then Toitū te Waiora may be unable to realise its assets and discharge its liabilities in the normal course of business or at the values expressed in these financial statements.
2. *No indication of funding beyond 30 June 2025.*

At the time of executing these financial statements the entity has only secured government funding until 30 June 2025. Given that government funding is the sole revenue source for the entity’s operations, failure to secure further funding will result in Toitū te Waiora being unable to continue operations. Should funding not be secured beyond 30 June 2025 Toitū te Waiora Workforce Development Council may be unable to realise its assets and discharge its liabilities in the normal course of business or at the values expressed in these financial statements.

Significant assumption applied in determining the appropriateness of the going concern assumption:

If, as an outcome of the consultation, the government decides to disestablish the workforce development councils, new legislation would need to be drafted and approved by Parliament. At the time of signing the financial statements there is no indication on what the final decisions will be or if and when the government will act on its proposals or the consultation outcome, therefore it was concluded that the going concern assumption is appropriate until that time.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

1. Statement of accounting policies (continued)

Reporting period

The reporting period for the current year is for the 12-month period 1 July 2023 to 30 June 2024 with the comparative year also reflecting 12 months of activities.

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity (PBE) Accounting Standards Reduced Disclosure Regime (RDR) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for public sector entities. For the purposes of complying with NZ GAAP, the Council is a public sector public benefit entity and is eligible to apply Tier 2 Public Sector PBE Standards RDR on the basis that it does not have public accountability and it is not defined as large. The Council members have elected to report in accordance with Tier 2 Public Sector PBE Accounting Standards RDR and in doing so have taken advantage of all applicable RDR disclosure concessions.

The Council has complied with its obligations under the Charities Act 2005.

These financial statements were authorised for issue by Toitū te Waiora Council on 30 October 2024.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars which is the functional currency of Toitū te Waiora, and all values are rounded to the nearest thousand dollars (\$000). There has been no change in the functional currency of the controlling entity or any significant foreign operations during the year.

Budget figures

Budget figures provided in the annual financial reports will be derived from the financial budget approved by the Council at the beginning of the financial year. The budget figures were prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements made in applying accounting policies that have had significant effects on the amounts recognised in the financial statements include the following:

- has exercised judgement when recognising grant revenue to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract
- judgement was also required when distinguishing between the research and development phase of projects and whether software costs meet the recognition criteria for capitalisation.

Goods and services tax (GST)

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the 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

Toitū te Waiora is exempt from Income Tax as it is a registered Charity under the Charities Act 2005. Accordingly, no provision will be made for Income Tax.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

2. Revenue

Accounting Policy

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to Toitū te Waiora, and measured at the fair value of consideration received or receivable. The following specific recognition criteria in relation to revenue streams must also be met before revenue is recognised.

Revenue from Exchange Transactions

Interest and dividends

Interest revenue is recognised on an accrual basis, using the effective interest rate. Dividends are recognised when the right to receive payment has been established.

Revenue from Non-Exchange Transactions

Non-exchange transactions are those where we receive an inflow of resources (e.g., cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return. With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- it is probable that the associated future economic benefit or service potential will flow to the entity, and
- fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- it is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- the amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to our non-exchange transaction revenue streams must also be met before revenue is recognised.

Government Funding

Funding under the Workforce Development Council Fund is the main source of operational funding for Toitū te Waiora from the Tertiary Education Commission (TEC). Toitū te Waiora considers this funding to be non-exchange revenue and recognises the TEC funding as revenue when received. The TEC funding has stipulations, and they take the form of restrictions not conditions.

Grants

The recognition of non-exchange revenue from grants depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (e.g., present obligation) rather than the immediate recognition of revenue.

Other grants received

The recognition of non-exchange revenue from grants depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (e.g., present obligation) rather than the recognition of revenue. Stipulations that are ‘conditions’ specifically require the return of the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as a non-exchange revenue as and when the ‘conditions’ are satisfied. Stipulations that are ‘restrictions’ do not specifically require the return of the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

2. Revenue (continued)

All in \$000s	Actual 2024	Actual 2023
Government funding classified as non-exchange transactions		
Government funding classified as non-exchange transactions	9,439	9,439
Project grant funding classified as non-exchange transactions	-	184
Total Government funding	9,439	9,623
Other revenue classified as exchange transactions		
Interest revenue	115	60
Total other revenue	115	60
Total revenue	9,554	9,683
Revenue classification		
Non-exchange revenue	9,439	9,623
Exchange revenue	115	60
Total revenue	9,554	9,683

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

3. Expenditure

The table below provides detail regarding key areas of expenditure shown in the Statement of Comprehensive Revenue and Expense.

All in \$000s	Actual 2024	Actual 2023
People related expenses		
Wages and salaries	4,757	5,617
Contractors	601	45
Councillors and board expenses	307	340
Other employee expenses	18	66
Total	5,683	6,068
Hāpaitia Shared Council Services⁽¹⁾	1,473	1,604
Administrative and other expenses		
Consultancy costs		
Consultancy costs	50	178
Audit expenses ⁽²⁾	38	56
Legal fees	18	242
Total	106	476
People and Culture costs		
Other staff costs	131	40
Recruitment costs	1	19
Total	132	59
Information Technology costs		
Subscriptions and memberships	34	6
Total	34	6
Office and other costs		
General expenses	176	104
Travel and engagement costs	276	365
Communication and marketing	81	49
Project costs	-	184
Total	533	702
Total administration and other expenses	805	1,243
Total expenditure	7,961	8,915

1. Hāpaitia Ltd provides the Workforce Development Councils with shared services including Finance, IT, People and Culture, and Office Management services.
2. Audit expenses paid or payable to BDO for the audit of financial statements.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

4. Cash and cash equivalents

Accounting Policy

Cash and cash equivalents include cash on hand, cash in transit, in bank accounts and deposits with an original maturity of no more than three months. They are reported initially and subsequently at amount invested. If there are bank overdrafts these are shown in current liabilities in the Statement of financial position.

All in \$000s	Actual 2024	Actual 2023
Bank deposits	104	1,644
Call deposits	5,056	-
Total	5,160	1,644

There are no restrictions over any of the cash and cash equivalent balances held by Toitū te Waiora. A Call account was held with the Bank of New Zealand with variable interest rates (2023: Nil).

5. Short-term investments

Accounting Policy

Deposits with an original maturity of more than three months and less than one year are recognised as short-term investments.

All in \$000s	Actual 2024	Actual 2023
Term deposits	-	2,000
Total	-	2,000

At 30 June 2024 there were no term deposits held. (2023: At 30 June 2023 there was one term deposit of \$1.15 million with ASB with a maturity date of 8 December 2023 and with an interest rate of 6.43% per annum. There was a second term deposit of \$500,000 with BNZ with a maturity date of 5th December 2023 and with an interest rate of 5.55% per annum).

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

6. Trade receivables and other receivables

Accounting Policy

Receivables are recognised initially at fair value plus directly attributable transaction costs and subsequently at amortised cost, using the effective interest method, less impairment losses.

For trade receivables from exchange transactions impairment losses are based on an assessment of the lifetime expected credit loss conducted at the end of each reporting period. That is, at each reporting date, the entity is required to assess whether it expects to recover all receivable balances outstanding and, if not, perform an assessment of the amount of loss expected to be suffered over the life of the receivable.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults and adjustments for future economic indicators.

The amount of the loss is measured as the difference between the receivables carrying amount and the present value of estimated future cash flow. The carrying amount of the asset is reduced and the amount of the loss is recognised in surplus or deficit.

In a subsequent period, if the amount of the impairment loss decreases, the reversal of previously recognised impairment loss is recognised in the surplus or deficit.

There are no amounts overdue or to be impaired at the reporting date and no balances were written off to bad debts during the reporting period.

There are no recoverables from non-exchange transactions at reporting date.

Advances

Advances have been made to Hāpaitia for shared services to be provided. As provided in the Service Contract with Hāpaitia further advances are made on request from Hāpaitia and should the contract be terminated at any time, once all obligations of the Council to Hāpaitia have been met the balance of the advance account would be payable to the Council. The advance to Hāpaitia, an associate, is non-interest bearing (Note 15).

All in \$000s	Actual 2024	Actual 2023
Trade receivables		
Trade receivables from exchange transactions	-	6
Net trade receivables from exchange transactions	-	6
Receivables from non-exchange transactions		
GST receivable	73	80
Advances to Hāpaitia Limited	794	825
Total receivables from non-exchange transactions	867	905
Total receivables	867	911

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

7. Associates

Accounting Policy

Associates

An associate is an entity over which Toitū te Waiora has significant influence, but not control, over the financial and operating policies and that is neither a subsidiary nor an interest in a joint venture.

Investments in associates are accounted for in the financial statements using the equity method of accounting. Investments in associates are measured at cost, including directly attributable transaction costs, in our financial statements, and there is no quoted market value for determining the fair value of the investment in the Associate.

Toitū te Waiora holds significance over the following entity, which is accounted for using the equity method:

Name	Voting rights and Ownership interest
Hāpaitia	16.67%

Hāpaitia, shared services provider for the Workforce Development Councils, operates on a break-even basis and hence there are no accumulated revenues and expenses to be carried forward. Each Council was issued with one equal share, unpaid. Therefore no Investment in associate balance is reported in the Council Statement of Financial Position.

Hāpaitia has the same reporting date as Toitū te Waiora, being 30 June. The company is domiciled in Aotearoa New Zealand and is a Limited Liability company. There are no significant restrictions regarding the distribution of dividends or repayments of loans from Associates. There were no contingent liabilities in relation to the associate, Hāpaitia, as at reporting date.

Management determined that Toitū te Waiora had significant influence over Hāpaitia even though it held less than 20% of the voting rights because it has one representative on the board of directors of Hāpaitia and has the same voting rights as the other five shareholders in Hāpaitia, all of whom are Workforce Development Councils.

8. Trade and other payables

Accounting Policy

Short-term payables are initially recognised at fair value plus directly attributable transaction costs and subsequently at amortised cost, using the effective interest method. Payables are non-interest bearing and are normally settled on the 20th day of following month or earlier per due date.

All in \$000s	Actual 2024	Actual 2023
Trade payables	277	428
Accruals	55	102
Other payables	8	2
Total	340	532

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

9. Employee benefit liabilities

Accounting Policy

Short-term employee benefits

Short-term employee benefit liabilities are recognised when there is a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which employment services are provided. These include salaries and wages accrued up to reporting date, annual leave earned but not yet taken at reporting date.

Long-term employee benefits

Long-term employee benefits are those that are due to be settled beyond 12 months after the reporting date in which the employee provides the related service, such as long service leave and retirement gratuities, and have been calculated on an actuarial basis. The calculations are based on:

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

Annual leave and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of reporting are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans such as KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset (prepayment) to the extent that a cash refund or a reduction in future payments is available.

Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

All in \$000s	Actual 2024	Actual 2023
Current		
Short-term employee benefits	374	284
Current portion of long-term employee benefits	-	-
	374	284

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

10. Financial instruments

Toitū te Waiora initially recognises financial instruments when Toitū te Waiora becomes a party to the contractual provisions of the instrument. Toitū te Waiora derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by Toitū te Waiora is recognised as a separate asset or liability. Toitū te Waiora derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Financial assets and financial liabilities are also derecognised when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid. Financial assets and liabilities are

offset, and the net amount presented in the statement of financial position when, and only when, Toitū te Waiora has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Toitū te Waiora classifies financial assets and financial liabilities as amortised cost. Financial instruments are initially measured at fair value plus directly attributable transactions costs. Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies provided in notes 5 and 8 and below.

i) Classification of financial instruments

The tables below show the carrying amount of our financial assets and financial liabilities at the reporting date.

2024		Financial Assets	Financial Liabilities	
All in \$000s	Note	Amortised cost	Amortised cost	Total
Subsequently not measured at fair value				
Cash and cash equivalent (assets)	4	5,160	-	5,160
Receivables	6	794	-	794
Payables	8	-	(340)	(340)
		5,954	(340)	5,614

2023		Financial Assets	Financial Liabilities	
All in \$000s	Note	Amortised cost	Amortised cost	Total
Subsequently not measured at fair value				
Cash and cash equivalent (assets)	4	1,644	-	1,644
Short-term investments	5	2,000	-	2,000
Receivables	6	831	-	831
Payables	8	-	(532)	(532)
		4,475	(532)	3,943

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

10. Financial instruments (continued)

ii) Fair value through surplus or deficit

These assets arise principally from the provision of goods and services to customers (e.g., trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within PBE International Public Sector Accounting Standards (IPSAS) 41 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in surplus or deficit. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Toitū te Waiora financial assets measured at amortised cost comprise trade receivables from exchange transactions and other receivables and cash and cash equivalents in the statement of financial position. Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

iii) Amortised cost financial liabilities

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. They are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Toitū te Waiora financial liabilities measured at amortised cost comprise trade and other payables and accruals in the statement of financial position.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

11. Equity

Accounting Policy

Our equity comprises accumulated revenue, expenses and reserves. Equity is represented by net assets. Toitū te Waiora manages its equity by prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that it achieves

its objectives and purpose, while remaining a going concern. As provided in the Prudent Reserves policy movements in reserves, both inward and outward, must be approved by the Council. The prudent reserves policy provides guidelines for determining the appropriate level of capital, operating and other reserves for the Council to hold each year to maintain its financial health.

All in \$000s	Actual 2024	Actual 2023
Equity		
Accumulated revenue and expenses	1,495	971
Reserves		
Operating reserve	2,360	1,160
Capital reserve	665	796
Special projects reserve	700	700
Te Kāhui Ahumahi reserve	128	128
Total reserves	3,853	2,784
Total equity	5,348	3,755

All in \$000s	Actual 2024	Actual 2023
Accumulated revenue and expenses		
Balance at 1 July	971	927
Surplus/(deficit) for the year before other comprehensive revenue and expenditure	1,593	768
Allocation from/(to) operating reserve	(1,200)	-
Allocation from/(to) Special projects reserve	-	(700)
Allocation from/(to) Te Kahui reserve	-	(128)
Allocation from/(to) capital reserve	131	104
Balance as at 30 June	1,495	971

The operating reserve was established by Council under the Prudent Reserves policy to receive an allocation of operating surplus for the financial year and funds from which could be applied with the approval of the Council for special initiatives or future operating deficits.

All in \$000s	Actual 2024	Actual 2023
Operating Reserve		
Balance at 1 July	1,160	1,160
Allocation from/(to) accumulated revenue and expense	1,200	-
Balance as at 30 June	2,360	1,160

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
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For the year ended 30 June 2024

11. Equity (continued)

The Capital Reserve was established by Council under the Prudent Reserves policy to receive an allocation of any operating surplus for the financial year which could be applied for the purchase of Capital Assets in the future with the approval of the Council. The reserve would also be applied to cover the annual cost of leasing assets purchased by Hāpaitia upon the establishment of the Workforce Development Councils.

All in \$000s	Actual 2024	Actual 2023
Capital Reserve		
Balance at 1 July	796	900
Allocation from/(to) accumulated revenue and expense	(131)	(104)
Balance as at 30 June	665	796

The Special Projects Reserve is a reserve established by Council under the Prudent Reserves policy to receive an allocation of operating surplus for the financial year which could be applied to fund future special projects and initiatives with the approval of the Council.

All in \$000s	Actual 2024	Actual 2023
Special Projects Reserve		
Balance at 1 July	700	-
Allocation from/(to) accumulated revenue and expense	-	700
Balance as at 30 June	700	700

The Te Kāhui Ahumahi reserve is a reserve established by Council under the Prudent Reserves policy to receive an allocation of operating surplus relating to funding received for budgeted Te Kāhui Ahumahi expenditure that was unspent during the financial year that may be called upon for future mahi by Te Kāhui Ahumahi and approved for use by the Council at a future date.

All in \$000s	Actual 2024	Actual 2023
Te Kāhui Ahumahi Reserve		
Balance at 1 July	128	-
Allocation from/(to) accumulated revenue and expense	-	128
Balance as at 30 June	128	128

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

12. Major budget variations

Explanations for major statement of comprehensive revenue and expense budget variations from the 2024 Toitū te Waiora budget are detailed below:

All in \$000s	Actual 2024	Budget 2024	Variance
Revenue variances			
Government funding	9,439	9,439	-
Project grants funding	-	-	-
Interest revenue	115	173	(58)
Expenditure variances			
People related expenses	5,683	5,815	(132)
Shared services	1,473	1,562	(89)
Administration and other expenses	805	1,691	(886)
Total comprehensive revenue and expense	1,593	544	1,049

Interest revenue was slightly less than budget due to lower levels of term deposits than expected when preparing the budget. Employee expenses were lower than budgeted due to unfilled vacancies during the year. Shared services expenses were lower than expected due to lower costs incurred by Hāpaitia Ltd (shared services company) during the year. Administration and other expenses were lower than budgeted primarily due to savings in research and travel costs.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
Workforce Development Council

For the year ended 30 June 2024

12. Major budget variations (continued)

Explanations for major statement of financial position budget variations from the 2024 Toitū te Waiora budget are detailed below:

All in \$000s	Actual 2024	Budget 2024	Variance
Statement of financial position			
Current assets	6,062	5,148	914
Current liabilities	714	481	233
Equity	5,348	4,667	681

Current assets were higher than budgeted due to higher than expected cash balances resulting from lower levels of expenditure than planned. Current liabilities were higher than budgeted due to higher employee entitlements accrued at the end of the financial year. Equity reserves were higher than budgeted due to the higher level of surplus at the end of the year

Explanations for major statement of cash flow budget variations from the 2024 Toitū te Waiora budget are detailed below:

All in \$000s	Actual 2024	Budget 2024	Variance
Statement of cash flows			
Cash flow from operating activities	1,485	661	824
Cash flow used in investing activities	2,000	-	2,000
Cash flows from financing activities	31	-	31
Net increase/(decrease) in cash and cash equivalents	3,516	661	2,855
Cash and cash equivalents at beginning of the year	1,644	3,634	(1,990)
Total cash and cash equivalents at end of the year	5,160	4,295	865

Cashflows from operating activities were higher than budgeted due to lower payments to people and suppliers resulting from lower than planned levels of expenditure. Investments in Term Deposits and a partial repayment of the advance to Hāpaitia were not budgeted.

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
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13. Operating leases

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. Leases that are not finance leases are classified as operating leases. Operating leases are not recognised in our statement of financial position.

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. We have entered leasing arrangements with our associate Hāpaitia Limited for computer and office equipment as part of the Service contract between both parties (Note 15).

Toitū te Waiora has a commitment under the service contract with Hāpaitia to meet its computer and office equipment lease and continuing operating cost commitments for the life of the assets and lease commitments made by Hāpaitia.

All operating leases have been signed through Hāpaitia and costs are recharged to the WDCs. Toitū te Waiora has no other operating leases.

14. Commitments and contingencies

Accounting Policy

Commitments are future expenses and liabilities to be incurred, on contracts that have been entered into at reporting date.

Commitments

Toitū te Waiora has a commitment under the service contract with Hāpaitia to meet its computer and office equipment lease obligations and continuing operating cost commitments for the life of the assets and lease commitments made by Hāpaitia during the term of the contract.

The annual operating lease value for the computer and office equipment is variable depending on the quantum of assets leased, with an approximate annual lease cost of \$118,519 (2023: \$111,200). The lease commitment continues until either party terminate the contractual arrangement.

Hāpaitia has ongoing contractual commitments including operating leases. Each WDC is required under the terms of the service contract to meet these commitments for the life of any contracts executed during the period of the service contract. The value of this commitment for Toitū te Waiora, at the 30 June 2024, was \$141,147 (2023: \$226,607).

Contingent Liabilities

The funding from the TEC sourced from the WDC Fund (“Fund”) has been assessed as being without conditions and recognised as revenue when received.

There are some circumstances when some or all of this funding could be required to be repaid (including receiving funding that we are not actually entitled to) but the triggers for this contingent liability are very unlikely given the governance and management oversight processes in place.

The quantity of any contingent liability is difficult to quantify as even if events triggered a liability there is extreme variability in what this liability would be.

Capital Commitments

There are no capital commitments at reporting date (2023: Nil).

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
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For the year ended 30 June 2024

15. Related party transactions and key management personnel

Accounting Policy

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that are reasonable to expect that we would have adopted in dealing with the party at arm’s length in the same circumstances.

Further, transactions with government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with normal operating arrangements and undertaken on the normal terms and conditions for such transactions.

i) Key management personnel remuneration

Toitū te Waiora classifies its key management personnel into one of two classes:

- Members of the governing body
- Senior executive officers, responsible for reporting to the governing body

Members of the governing body are paid annual fees in accordance with the Cabinet Office Circular CO-(22) 2 Revised Fees Framework for members appointed to bodies in which the Crown has an interest, dated 6th October 2022. Senior executive officers are employed as employees of Toitū te Waiora on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in ‘people’ for Members of the governing body, and ‘full-time equivalents’ (FTEs) for Senior executive officers) in each class of key management personnel is presented here:

All in \$000s	Actual 2024	Actual 2023
Key management personnel related party transactions		
Council members		
Number of Council members ⁽¹⁾	0.21	0.22
Remuneration	289	328
Senior executive officers		
Full-time equivalent members ⁽²⁾	5.17	7.3
Remuneration	894	1,918
Total full-time equivalent members	5.38	7.52
Total key management personnel remuneration	1,183	2,246

1. There were eleven members of council throughout the period of 1 July 2023 to 30 June 2024. five were employed for the full period, one resigned in August 2024 and five started on 1 September 2023. (2023: There were nine members of council throughout the period of 1 July 2022 to 30 June 2023. Seven were employed for the full period, two resigned in June 2023.)
2. There were seven members of the senior management team considered to be key management personnel. Four members were employed throughout the period 1 July 2023 to 30 June 2024 resulting in a full-time equivalent figure of 5.17. Three members resigned throughout the year. One in July, one in May and one in August. (2023: There are eight members of the senior management team considered to be key management personnel. Four members were employed throughout the period 1 July 2022 to 30 June 2023 resulting in a full-time equivalent figure of 7.3. One member was only employed for eight months, one member resigned in April and two members resigned in May).

Notes to the Financial Statements

Toitū te Waiora – Community, Health, Education and Social Services
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For the year ended 30 June 2024

15. Related party transactions and key management personnel (continued)

ii) Other related parties

During the reporting period Toitū te Waiora transacted with the following related parties:

2024	Related Party	Goods/Services Provided	Transaction Value (\$000's)	Transaction Value (\$000's)	Accounts Payable (000's)	Accounts Receivable (000's)	Advances made (000's)
			Paid	Received	As at June 30	As at June 30	As at June 30
	Hāpaitia Ltd	Shared Corporate Services including Finance, IT, People & Culture, and Office Management)	1,517	-	169	-	794
	Hanga-Aro-Rau	Shared project and operational costs recharged	-	-	-	-	-
	Muka Tangata	Shared project and operational costs recharged	19	-	6	-	-
	Ringa Hora	Shared project and operational costs recharged	12	-	-	6	-
	Toi Mai	Shared project and operational costs recharged	-	-	-	-	-
	Waihanga Ara Rau	Shared project and operational costs recharged	-	-	-	-	-
	Institute of Directors	Professional Development	4	-	-	-	-
	Total		1,552	-	175	6	794

2023	Related Party	Goods/Services Provided	Transaction Value (\$000's)	Transaction Value (\$000's)	Accounts Payable (000's)	Accounts Receivable (000's)	Advances made (000's)
			Paid	Received	As at June 30	As at June 30	As at June 30
	Hāpaitia Ltd	Shared Corporate Services including Finance, IT, People & Culture, and Office Management)	3,152	59	373	-	825
	Hanga-Aro-Rau	Shared project and operational costs recharged	1	28	-	-	-
	Muka Tangata	Shared project and operational costs recharged	-	30	-	-	-
	Ringa Hora	Shared project and operational costs recharged	-	30	-	-	-
	Toi Mai	Shared project and operational costs recharged	-	32	-	-	-
	Waihanga Ara Rau	Shared project and operational costs recharged	-	-	-	-	-
	Total		3,153	179	373	-	825

16. Events after reporting date

On 1 August 2024, the New Zealand Government announced a review of vocational education and training, which may affect the future operations of the Workforce Development Councils (WDCs) and their shared services entity, Hāpaitia Ltd. As of the date of this report, the

potential impact of this review remains uncertain and cannot be quantified. The Government is expected to make a final decision on this matter by late November 2024. (2023: Nil).

Appendices

Appendix One: Council Board membership, attendance, and fees

Council Board member	Sub-committee memberships	Term	Attendance ¹⁸	Fees Paid
David Waters	Co-chair	30 June 25	9 out of 9	\$51,491
	Finance, Audit, and Risk			
	People, Remuneration, and Culture			
Matthew Tukaki	Co-chair	30 June 25	8 out of 9	\$53,730
	Finance, Audit, and Risk (Chair)			
Glenn Barclay	Finance, Audit, and Risk	30 June 25	9 out of 9	\$22,130
	People, Remuneration, and Culture (Chair)			
Dr Vanessa Caldwell	Finance, Audit, and Risk	31 August 25	8 out of 8	\$22,357
Grant Cleland	Finance, Audit, and Risk	31 August 25	7 out of 8	\$18,133
	People, Remuneration, and Culture			
Lealamanu'a Aiga Caroline Mareko	Finance, Audit, and Risk	31 August 25	7 out of 8	\$22,357
	People, Remuneration, and Culture			
Maria Ngawati	Finance, Audit, and Risk	31 August 26	7 out of 9	\$30,853
Tofilau Talalelei Taufale	People, Remuneration, and Culture	31 August 26	6 out of 9	\$26,829
Hikitia Ropata	Finance, Audit, and Risk	30 June 25	8 out of 8	\$22,357

18. Attendance includes scheduled Council Board meetings and out-of-cycle Council Board meetings in the period of the member's term. Excludes attendance at sub-committee meetings. We had five new Council Board members start after the first meeting into the 2023/24 financial year – which is why some are totalled out of 8 instead of 9.

Appendix Two: Qualification data caveats

Enrolment demographic data for the following qualifications was not available:	
1833	New Zealand Certificate in Fire and Rescue Services (Level 2)
1836	New Zealand Certificate in Fire and Rescue Services (Urban Fire and Rescue Operations (Level 4)
1837	New Zealand Certificate in Fire and Rescue Services (Aviation Rescue Fire Fighting (Level 3)
1838	New Zealand Certificate in Fire and Rescue Services (Aviation Rescue Fire Fighting (Level 4)
1853	New Zealand Certificate in Fire and Rescue Services (Vegetation) (Level 4)
1943	New Zealand Diploma in Embalming (Level 5)
2887	New Zealand Diploma in Pregnancy, Childbirth and Early Parenting Education Level 5
3021	New Zealand Certificate in Emergency Response (Level 2)
3457	New Zealand Certificate in Spa Therapy (Level 5)
3458	New Zealand Certificate in Specialised Epilation Therapy (Level 6)
3511	New Zealand Diploma in Holistic Nutrition (Level 6)
4392	New Zealand Diploma in Transition to Parenting Education (Level 5)

Enrolment data for the following qualifications was not available:	
1836	New Zealand Certificate in Fire and Rescue Services (Urban Fire and Rescue Operations) (Level 4)
1838	New Zealand Certificate in Fire and Rescue Services (Aviation Rescue Fire Fighting) (Level 4)
1853	New Zealand Certificate in Fire and Rescue Services (Vegetation) (Level 4)
2762	New Zealand Certificate in Out of School Care (Level 4)
3021	New Zealand Certificate in Emergency Response (Level 2)
3027	New Zealand Certificate in Fire and Rescue Services (Workplace Response) (Level 3)
3028	New Zealand Certificate in Fire and Rescue Services (Workplace Response) (Level 4)
3458	New Zealand Certificate in Specialised Epilation Therapy (Level 6)
4392	New Zealand Diploma in Transition to Parenting Education (Level 5)

Completion data for the following qualifications was not available:	
1836	New Zealand Certificate in Fire and Rescue Services (Urban Fire and Rescue Operations) (Level 4)
1837	New Zealand Certificate in Fire and Rescue Services (Aviation Rescue Fire Fighting) (Level 3)
1838	New Zealand Certificate in Fire and Rescue Services (Aviation Rescue Fire Fighting) (Level 4)
1853	New Zealand Certificate in Fire and Rescue Services (Vegetation) (Level 4)
2762	New Zealand Certificate in Out of School Care (Level 4)
3021	New Zealand Certificate in Emergency Response (Level 2)
3027	New Zealand Certificate in Fire and Rescue Services (Workplace Response) (Level 3)
3028	New Zealand Certificate in Fire and Rescue Services (Workplace Response) (Level 4)
3458	New Zealand Certificate in Specialised Epilation Therapy (Level 6)
3511	New Zealand Diploma in Holistic Nutrition (Level 6)
4392	New Zealand Diploma in Transition to Parenting Education (Level 5)

The following qualifications were not offered by providers

2763	New Zealand Certificate in Holistic Education (Level 4)
3516	New Zealand Diploma in Organisational Psychology (Level 6)
3517	New Zealand Diploma in Child and Adolescent Psychology (Level 6)
4348	NZQF Certificate in Early Childhood Education (Level 4)

The following qualifications were added to the New Zealand Qualification framework in 2023/24 and enrolment and completion data is not available:

4795	New Zealand Certificate in Youth Work (Level 5)
4915	New Zealand Diploma in Holistic Health Advocacy (Level 5)
4969	New Zealand Diploma in Healthcare (Management) (Level 7)
5048	New Zealand Diploma in Montessori Early Childhood Education (Level 7)



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