



**Home &
Community
Health**
Association

Annual Report

**Including performance report and financial
statements for the year ended 30 June 2023**

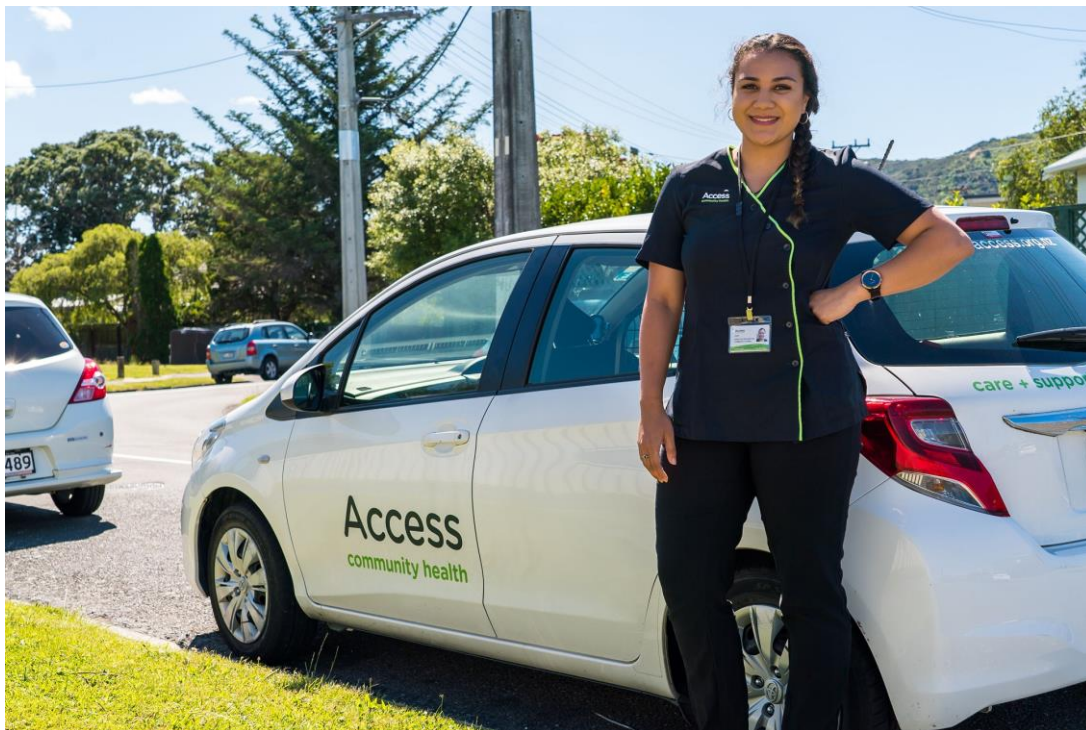


Photo: Access Community Health

Home and Community Health Association

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Photo: Healthvision NZ Ltd

Chairperson's Report



Kia ora koutou

I am pleased to present the Annual Report and financial statements for the Home and Community Health Association for the financial year from 1 July 2022 to 30 June 2023.

The year has seen us continue in a recovery and restorative mode in a post COVID-19 environment, with the added challenges of climate change. These factors have made things challenging for us all, as we continue to care for our clients, our workforce, and our own sustainability as providers.

I acknowledge the commitment and immense contribution made by Graeme Titcombe to both the Association and the broader sector. I am sure you will join me in wishing him a long and happy retirement. Graeme provided valuable insights, guidance and advocacy for the Association and sector through some of the most pressing times, as we navigated our way through COVID-19 and the many challenges encountered.

In March 2023 we warmly welcomed Carmela Petagna as incoming CEO following Graeme's retirement.

At a Board level we welcomed Alison Van Wyk (Executive General Manager, ProPharma) to the role of appointed Independent Board Member. Alison was previously an Elected Board Member.

Following Alison's change in role, we welcomed Androulla Kotrotsos, CEO of Access Community Health, into the role of Elected Board Member.

Currently across the health sector we continue to grapple with the evolving health reforms, and it has only been in the early part of 2023 that clarity has emerged on the operating model across Te Whatu Ora, and in particular the

Commissioning structure, which will have significant impact on our sector, especially as the Aged Care Review progresses. I am aware there is a degree of cynicism across the provider sector about what lies ahead, but let's take a positive stance and influence the possibilities and opportunities that these changes might bring for us all.

What has been signaled is a willingness to work with us more closely and involve expertise, from the sector, into the Te Whatu Ora strategic design networks. We are also seeing an expanded 'ageing well' team structure at a national and regional level as we would expect, given the ageing population trajectory for NZ.

The new operating structure, with a strengthened regional approach, will likely mean we need to strengthen our regional presence, so we have direct relationships with the new and emerging regional integration teams and regional improvement teams, overseen by the four Te Whatu Ora Regional Wayfinders.

Sustainable and equitable funding is never far from our minds, and this year we had to manoeuvre our way through a challenging 'general funding uplift' from Te Whatu Ora, which was effective from 1 July 2023. The funding mechanisms have continued to put pressure on provider members and their financial stability. On a positive note, and working with other Peak Body colleagues and employer representatives, we were able to influence the involvement of other key funders in this process who support our sector, including and not limited to ACC and Whaikaha.

Turning our mind to some of the COVID-19 related decisions, the fallout from the decision to overturn the vaccine mandate for family carers has been challenging for a number of our providers.

We are now seeing the return to previous settings for the provision, distribution, and use of PPE, which is transitioning from central supply to local sourcing. HCHA will be exploring whether there are efficiencies / economies of scale that can be progressed for our providers.

Pay Equity across the care and support workers claim, and the frontline managers / service coordinators claim has continued to feature heavily as a workload 'that just keeps giving'. It has continued to absorb much time from our Executive and Board members as we have continued to support the progression of key milestones, before formal bargaining could commence. At the time of writing, we have hit a stumbling block which we are trying to navigate our way through. This relates to the proposed independent review, driven by Te Whatu Ora, to validate the methodology used for the estimation of the undervaluation that has been assessed. We are advocating strongly that the pay equity process must continue with urgency, any barriers removed, and the benefits of the claim are able to be extended to the broader sector.

For those providers involved in the representative claim, and also sitting on a number of working groups, I express my sincere thanks and support. For those that are not, you must take confidence that we (HCHA and the representative employer group), have the interests of the broader home and community services sector at heart.

This work will continue to be a focus area for the Association in order to achieve a deal for the sector that both fairly recognises our workforce and ensures that providers are sustainably funded.

Overall, there has been slow progress by our funders to address many of the long-standing issues, for the home and community support services sector, which continue to add stress on an already stretched sector. This includes the ongoing challenges arising from nursing pay parity uplifts and the cost of fuel for support workers. We hope that these issues will be considered in the Aged Care Review. This review is looking at current pressures and future service and commissioning design, in a two phased approach. We will continue to advocate for a nationally consistent HCSS framework and service specifications, with consistent and equitable funding of contracts. The second phase of this review will look at "re-imagining" service design and delivery, so as a sector we need to be very invested in that process.

As referenced in the Chief Executive's report, the difficulty in interpretation of guaranteed hours and rest breaks, together with the practical difficulties of implementing such a system within the contractual framework of HCSS, has continued to cause tension between Providers and Unions, and remains unresolved.

You will note that the Association has reported a deficit for the year. This has been due to additional costs, especially those related to pay equity and legal costs. Cost pressures will continue for the Association in the 23/24 year; however, the Association continues to be in a healthy position with reserves in place.

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

In closing I would like to acknowledge the work of our Chief Executive Officer. In the short time in her role so far, she has worked tirelessly to raise the profile of the Association and advocate on behalf of our sector to Government.

Ngā mihi

[Murray Penman](#)

HCHA Board Members 1 July 2022 - 30 June 2023

Appointed Independent Board members

Julie Haggie (appointed 28 September 2020)

Alison Van Wyk (Deputy Chairperson) (appointed Independent Board Member March 2023)

Elected Board members

Shelley Cunningham (re-elected 1 June 2022)

Murray Penman (Chairperson) (re-elected 1 June 2023)

Meng Cheong (re-elected 1 June 2021)

Wendy Hoskin (elected 1 June 2022)

Carmel Conaghan (elected 1 June 2022)

Androulla Kotrotsos (re-elected 1 June 2023)

Board members who have left during the period

No Board members departed during the period.

Chief Executive Officer's Report



Kia ora koutou

I am pleased to be writing this CEO report, to accompany the financial statements for the Home and Community Health Association for the year from 1 July 2022 to 30 June 2023.

I stepped into the role at the end of March 2023 and valued the transition period with retiring CEO Graeme Titcombe. There were big shoes to fill given the breadth of his experience across the sector, his financial savvy and institutional knowledge. I have also welcomed the support of Murray Penman as Chair, Board members, and Executive office staff who have been pivotal in helping to manage our 'business as usual' activity. It is truly a team effort.

What brought me to this role was my past experience at Te Whatu Ora, where I led a team committed to supporting how people prevent and manage the impacts of chronic conditions such as diabetes, cardio-vascular disease, stroke and gout. Also, what further influenced me was my own personal experience in supporting the care of my elderly mother, who continues to receive care in her own home, but is now also challenged with advancing dementia. I wanted to know more about how this sector operated and how I might add value.

Key priorities

I have gained a deeper understanding of the breadth of issues being faced by the home and community support services sector. A 'baptism by fire' was the startling revelation of the complexity around pay equity and all that it entailed. A continued high priority is to support the progression and settlement of the two pay equity claims- the Care and Support Workers' Claim and the Frontline Managers' and Service Co-ordinators' Claim. While, as a peak body, we are not party to the Claims, we represent several employers in a hybrid capacity, so I had to quickly get my head around the most pressing issues.

Thank you to all those involved in the working groups to support both claims, as this is an unprecedented workload, on top of their usual 'day jobs'. The benefits once these claims are settled, will be transformative for workers. We will continue to strongly advocate that both claims are settled with urgency, and that the benefits are sector wide.

The pay equity workload and advice required has placed pressure on our finances, and it is likely we will be asking members for a voluntary contribution towards additional pay equity associated costs next year. HCHA has managed costs, in particular legal costs, as prudently as possible and they are shared across the peak bodies involved.

In terms of achievements, my priorities have been to re-engage with our members and increase the exchange of information through more regular Pānui (newsletters); conducting a brief survey across members to ensure we are meeting members' needs now and into the future; facilitating learning and training hui; setting up specific hui with our Māori Roopu; and set up monthly CEO's breakfast hui. Positive feedback has been received on all these initiatives, and the approach can be further refined in 2024, as planning is underway to host a Leadership Forum in Wellington in May 2024.

One of the challenges has been the inability to resolve additional funding relating to 'rest breaks'. Even with the facilitated effort in bringing funders, unions and providers together, an impasse was reached and could not be resolved without additional funding. This means that the issue of rest breaks, and how they should be reflected and funded in a service / costing model, will need to be addressed in the upcoming Aged Care Review, in particular, for the home and community support services sector.

Engagement

An area to explore is whether we need to strengthen our regional presence, to engage directly with the regional improvement teams, and regional integration teams being established by Te Whatu Ora. This is 'work in progress' and we will explore what mechanisms are in place for us to ensure we do this well. The establishment of Te Aka Whai Ora has seen increasing direct engagement with our Māori providers, and I know this has been welcomed. HCHA will look to strengthen our partnerships and relationships with all central agencies, and we are mindful of what changes may be required once the new Government is in place.

At a national level, we continue to spread our engagement across CEOs of other agencies, funders, NGOs and key stakeholders with an interest and influence across our sector. For example, we have hosted guest speakers at our Board meetings including Dr Claire Achmad, former CEO, Social Service Providers Aotearoa; Carolyn Cooper, Aged Care Commissioner; and Abbe Anderson, National Director Commissioning at Te Whatu Ora.

Profile

We have completed a website upgrade which has achieved a fresh look, an additional section on pay equity, and an easier to navigate toolbar. We want to use this as our main information channel, bringing people to the website. It would be ideal to have up to date information profiled on each of your membership listings, so please check these and come back to us with any updates necessary.

We encourage you to make use of the Members-only webpage, and if there are useful resources or information to share, that we don't necessarily want to be in the public domain, then this is the place for it.

We have established a LinkedIn profile page, and we would welcome any information you would like to share. It is really pleasing to report we have reached 130 followers; this is excellent given the short time it has been in existence. I encourage you to follow the page, as it is a great way of keeping up to date with current influencers, information sharing and general developments/ discussions.

Partnerships

HCHA has continued to work closely with NZDSN, Platform-Atamira and the NZ Aged Care Association, on a range of common issues, including pay equity and the nursing pay parity initiatives, both of which have significant impact on recruitment and retention issues across our four sectors. Looking ahead we will continue to strengthen our partnerships, especially if there are projects where there are economies of scale or collective gains to be made.

Financials

Importantly, we need to comment on the financial reports for the year to 30 June 2023. You can see a deficit has been reported. There have been some extraordinary expenses incurred in legal fees, recruitment and staffing costs. With the modest increase in member subscription fees for the 2023-2024 year, this will offset some of the deficit heading into a new year, but in reality, we will continue to be challenged, and will need to draw on reserves to ensure we can complete our work priorities, with the staff support and other resources needed.

To demonstrate where our effort has gone, and the impact of our work, please refer to the [visual of our performance impact report](#).

An area we will need to explore is grant applications for any specific projects we embark on, which may include training and education, health and safety, quality improvement initiatives, and networking events. We will be exploring this during the 2023-2024 year.

Looking Ahead

Partnerships: There are a range of forums where HCHA will continue to represent the interests of the home and community support services sector such as the Funded Sector Tripartite Forum, the Kaiāwhina Workforce Advisory Group, the HCSS Joint Working Group, and the Whaikaha Tripartite Forum, to name a few. In addition, the employer working group, and the joint working group with unions, will continue to support the pay equity claims.

Aged Care Review: It is important that we have a strong voice in the workstreams of the Aged Care Review being led by Te Whatu Ora. The first workstream (focused on current pressures) is due for completion by December 2023, and the second phase on service models and design / commissioning due for completion by June 2024.

National client / whanau experience of care survey: It is exciting to be working with partner agency Te Tāhū Hauora, in the development of a national client / whanau experience of care survey across the HCSS sector. It's early days, but there is good engagement from providers with an interest in being involved, and the work will continue through the upcoming year.

Te Mauri o Rongo: The need for Te Mauri o Rongo - The NZ Health Charter was recognised early in the reforms and developing the charter has been a requirement of the Pae Ora (Healthy Futures) Act 2022. It is a statement of the values, principles and behaviour that all health workers and organisations need to demonstrate. We will explore how providers can be supported to embed this across their organisations and in all aspects of their operations and service delivery.

Final Words

In closing, I thank all board members for their continued support. They have a wealth of experience, wisdom and knowledge and we are very fortunate to have them give their time so willingly to support the work of the Association.

I also want to thank you all, as providers and members, for your words of encouragement and responses when asked to contribute to all our requests and sharing your ideas and concerns so we make sure we are responding in the right areas.

We need to continue to grow our profile and ensure we are seen as a critical partner in the evolving health and social system. We value all our members and want to ensure we are advocating on your behalf to meet the needs of our sector, our workforce, and the clients we support.

Ngā mihi

Carmela Petagna

Strategic Plan 2022-2023

The strategic direction for the HCHA is being refreshed and will be visualized into a new framework as soon as available. For the year in review, we have continued to report against the current strategic framework outlined below. In addition to the visual impact report, a statement of service performance is contained in the financial accounts to show the core activities of focus during the year.



Vision: High quality, sustainable, home and community health services

Mission: Representation and support for members

Purpose: Advocacy, influence, innovation

