



Te Hiringa Mahara

Annual Report

2021/22



Te Hiringa Mahara

Mental Health and Wellbeing Commission

Te Hiringa Mahara Annual Report 2021 / 22

A report issued by Te Hiringa Mahara - the Mental Health and Wellbeing Commission.

Presented to the House of Representatives pursuant to section 149 of the Crown Entities Act 2004.



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[ISSN 2744-743X](#) (Print)

[ISSN 2744-7448](#) (Online)

Te Hiringa Mahara – the Mental Health and Wellbeing Commission was set up in February 2021 and works under the Mental Health and Wellbeing Commission Act 2020. Our purpose is to contribute to better and equitable mental health and wellbeing outcomes for people in Aotearoa New Zealand.

For more information, please visit our website:

www.mhwc.govt.nz

Te Hiringa Mahara – the Mental Health and Wellbeing Commission (2022).

[Te Hiringa Mahara Annual Report 2021 / 22](#). Wellington: New Zealand.

Published by Te Hiringa Mahara November 2022

Foreword | One year on

Te Hiringa Mahara, the Mental Health and Wellbeing Commission (Te Hiringa Mahara), is a kaitiaki of mental health and wellbeing in New Zealand. We are mandated to contribute to better and equitable mental health and wellbeing outcomes for all people in Aotearoa. Te Hiringa Mahara signifies positive energy, thoughtfulness, encouragement, confidence and strength.

We are excited to share our second annual report, which covers our first full year of operation from 1 July 2021 to 30 June 2022.

Te Hiringa Mahara is inclusive of all peoples, tangata whenua and tangata Tiriti. We pride ourselves on the relationships we have formed and strengthened this year with both mana whenua and key agencies in the sector.

Board Chair

Hayden Wano



Our first annual report focused on laying the foundations so that we can move ahead with purpose and at pace. We have a clear statement of our commitment to Te Tiriti o Waitangi that is the foundation of our organisational strategy, along with a taonga (our ingoa) and a brand co-designed with Māori experts. This year, we grew our people capacity and organisational capability to fulfil our objective and functions.

During the year we have engaged widely, published baseline reports that assess wellbeing and report on the performance of the mental health and addiction services. We have advocated for improvement through submissions on legislation and policy changes. We are excited to share our performance story with you and look forward to a future where people who experience mental distress or addiction, and their whānau, their broader supports and their advocates, have the support they need, when they need it.

Ngā manaakitanga,

Chief Executive

Karen Orsborn



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Introduction

We have been established to contribute to better and equitable mental health and wellbeing outcomes for all people in Aotearoa New Zealand, through having oversight of the system, advocacy, and monitoring.

We are an independent Crown entity recognised by the Mental Health and Wellbeing Commission Act 2020 (the Act), as part of the Government's response to He Ara Oranga: Report of the Government Inquiry into Mental Health and Addiction.¹ The Act was passed in June 2020, and we began our work on 9 February 2021.

This report outlines the work of our first full year of operation and has four sections.

- **Section one** talks to our strategic direction, our name, our branding assets and our commitment to be grounded in Te Tiriti o Waitangi. We highlight how we position ourselves and our work in the mental health, addiction, and wellbeing system.
- **Section two** describes our strategic priorities and our performance story against our Statement of Performance deliverables since 1 July 2021.
- **Section three** reflects on our aim to be a high performing agency (building our organisational capability) and having the right people in the right roles (our people).
- **Section four** gives you an overview of how we have managed our finances during our year in review and working within financial constraints (our financial story).

¹ Government Inquiry into Mental Health 2018 He Ara Oranga Report of the Government Inquiry into Mental Health Wellington: Government Inquiry into Mental Health Recommendation 9.

Section one | Who we are and what we do

As an independent Crown entity, we provide system-level oversight of mental health and wellbeing in New Zealand, holding the Government of the day and other decision makers to account for the mental health and wellbeing for people in Aotearoa.

Our functions are to:

- assess and report publicly on:
 - the mental health and wellbeing of people in Aotearoa
 - factors that affect people's mental health and wellbeing
 - the effectiveness, efficiency, and adequacy of advocacy approaches to mental health and wellbeing
- make recommendations to improve the effectiveness, efficiency, and adequacy of approaches to mental health and wellbeing
- monitor mental health services and addiction services and advocate for improvements to those services
- promote alignment, collaboration, and communication between entities involved in mental health and wellbeing. Through our work, we will be a thought leader, influencing

and driving positive improvement in the mental health and addiction, and wellbeing sectors. These improvements will be for those that use, need, and engage with those services, and the organisations that provide mental health and addiction, and wellbeing services in the system.

We will advocate for the collective interests of people who experience mental distress or addiction (or both), and those that support them. We will also advocate for the collective interests of the groups most likely to experience distress that are listed in the Mental Health and Wellbeing Commission Act 2020.

We will monitor and assess mental health services and the system they work within. We take a strengths-based approach on reporting what we find, shine the light on what's working well and why, and make recommendations where improvement can occur. Our legislation makes it clear that we must uphold Te Tiriti o Waitangi and that we must take deliberate action to achieve equitable mental health and wellbeing outcomes for Māori.

Our Commitment to Te Tiriti o Waitangi

We are an organisation committed to being grounded in Te Tiriti o Waitangi and improving mental health and wellbeing outcomes for Māori and whānau.

Through our Te Tiriti o Waitangi Position Statement,² we have pledged to acknowledge the past of wrongdoings to Māori, commit to doing no further harm to Māori, and to support, act on and adopt Te Tiriti o Waitangi as the framework by which

our decisions, actions, and deliverables will be regularly measured and assessed.³

This voyage of discovery has helped us form and strengthen relationships that set the platform for enduring partnerships and collaborative future endeavours. Ultimately, we pledge to advocate for tāngata whaiora, their whānau and priority populations we are mandated to serve.



Te Tauraki ki Te Tiriti o Waitangi

We, Te Hīringa Mahara, recognise Te Tiriti o Waitangi as the legal instrument that allows Government to exercise kāwanatanga in Aotearoa New Zealand.

We acknowledge past failures to uphold Te Tiriti o Waitangi have had a harmful impact on the wellbeing of Māori as tāngata whenua, and that alienation and racism have caused trauma. We commit to doing no further harm to Māori as tāngata whenua and to being an organisation grounded in Te Tiriti o Waitangi. We support healing and the improvement of Māori mental health and wellbeing.

We will function as authentic partners with tāngata whenua through all aspects of our work. We adopt Te Tiriti o Waitangi as the framework to use in regularly measuring and assessing our decisions, actions, and deliverables. Our goals and our way of working translate to each of the articles of Te Tiriti o Waitangi in the following ways.

<p>Ko te Tuatahi - Article One Kāwanatanga Mana Whakahaere – Good Governance</p> <p>We are established to monitor the mental health and wellbeing system of the kāwanatanga or government.</p> <p>We will actively monitor racism and discrimination across all mental health, addiction, and wellbeing services.</p> <p>We will advocate for approaches and programmes across the system that address racism and discrimination in all its forms when it is identified.</p>	<p>Ko te Tuarua - Article Two Tino Rangatiratanga Mana Motuhake – Te hoi Unique and indigenous</p> <p>We embrace Mātauranga Māori as an evidence base. We actively support and advocate for more kaupapa Māori choices for whānau accessing mental health, addiction, and wellbeing services.</p> <p>We support iwi approaches to mental health, addiction, and wellbeing service delivery based on their own mātāuranga, pūkenga, and tikanga.</p> <p>We will advocate for increasing access to rangōa and Māori healing methods across the mental health and wellbeing sector.</p>	<p>Ko te Tuatoru - Article Three Ōritetanga Mana Tangata Fairness and Justice Equity for Māori is a priority</p> <p>We will be courageous in prioritising Māori through affirmative action.</p> <p>We will challenge systems, structures, and services to address inequity and discrimination.</p>
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Whakapaikātanga: Kupu Tauāki - Declaration - Ritenga Māori
Mana Māori - Cultural Identity and integrity

We will be explicit in our expectation that all mental health, addiction, and wellbeing services should be culturally competent, and we will actively monitor this. We acknowledge wairuatanga and spirituality as a key contributor to mental wellbeing and inclusiveness. We will advocate for access to traditional healing and treatment methods grounded in te ao Māori and celebrate inclusiveness.

Nōku te Hē - When we get it wrong

Being a Te Tiriti o Waitangi grounded organisation means knowing we will make mistakes, but being committed to learning from these, and making things right. We will collaborate with Māori partners to ensure we:

- correct our mistakes
- learn from our mistakes
- focus on moving forward to achieve shared goals in Māori mental health and wellbeing.

Te Hīringa Mahara
Mental Health and Wellbeing Commission



Te Hīringa Mahara

Te Tauraki ki Te Tiriti o Waitangi

Kupu whakataki

E tūtōhu ana mātou o Te Hīringa Mahara i Te Tiriti o Waitangi hei tālapapa ture mō te mana kāwanatanga ki Aotearoa nei.

E tūtōhu ana mātou ki ngā takahitanga kino o Te Tiriti o Waitangi, ki ōna pānga ki te toiora o te Māori me tōna noho hei Tangata Whenua, ki te ngaukano o ngā rauapatu me te iakiri. E 6 ana mātou ki te whakamutu i ngā mahi tikōi o te Māori, hei Tangata Whenua, otiā kia tūturu ki Te Tiriti o Waitangi. E taukoto ana mātou i te mahi whakaoa, me te whakapaipanga ake o te hauora o te Māori.

Ka noho mātou hei hōa pūmau ki Te Tangata Whenua puta noa i ā mātou mahi katoa. Ka mutu, ka noho ko Te Tiriti o Waitangi hei tauwhaho ki te whakamine me te tātari i ā mātou mahi katoa.

<p>Ko te Tuatahi - Whiti Tuatahi: Kāwanatanga Mana Whakahaere – Ngā Whakahaere Tau</p> <p>He mea whānanga a Te Hīringa Mahara hei aroturuki i te pūnaha o te hauora hinengaro me te toiora a te kāwanatanga. Ka whakapau kaha mātou ki te aroturuki i te kaitiaki me te toiora puta noa i ngā ratonga o te hauora hinengaro, o te waranga me te toiora. Ka whakakanohi mātou mō ngā huarahi me ngā hōtaka o te pūnaha e whakatau ana i te kaitiaki me te toiora ina ka tūtuhia māi.</p>	<p>Ko te Tuarua - Whiti Tuarua: Tino Rangatiratanga Mana Motuhake – Te hoi Taketake Ake</p> <p>Ka tauwhiri mātou i te Mātauranga Māori hei tālapapa tauaki. Ko tā mātou anō, he taukoto, he whakakanohi kia rahi ake ngā kōwhirianga kaupapa Māori mō ngā whānau e whakatau ana ki ngā ratonga o te hauora hinengaro, o te waranga me te toiora. Ka tauaki anō mātou i ngā huarahi a ngā iwi ki te oranga hinengaro, ki ngā waranga me ngā ratonga toiora, i runga i ō ratou mātāuranga, pūkenga, tikanga hoki. Ka whakakanohi anō mātou kia piki ake te whai whātanga ki ngā rangōa me ngā āhau whakaoa a te Māori puta noa i te whānanga hauora hinengaro, toiora hoki.</p>	<p>Ko te Tuatoru - Whiti Tuatoru: Ōritetanga Mana Tangata – Kia Tika, kia Ōtika – He Hāpapa Mātua te Mana Tauite mō te Mana Tangata</p> <p>Ka maraumanui mātou ki te whakahaepapa i te Māori mā ngā hōhonga whakaitiā. Ka wero mātou i ngā pūnaha, i ngā hanganga, i ngā ratonga hoki, he whakaitiā i ngā tōtiringa me ngā toiora.</p>
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Whakapaikātanga: Kupu Tauāki - Ritenga Māori
Mana Māori – Te Ahurea Tiaki me te Ngākau Tahi

Ka whakahaunga e mātou tēnei kawotau, anō, me matatau ngā ratonga o te hauora hinengaro, o te waranga me te toiora, ki ngā tikanga āhurea, ā, mā mātou tēnei e āta aroturuki. E whakaae atu ana mātou ki te nui whakahainga o te wairuatanga hei kaupapa whakaoa, kaupapa whai whāi hoki. Ka whakakanohia e mātou te whai whāi atu ki ngā tikanga tāturu o te ao Māori e whakamā ana i te whai whātanga.

Nōku te Hē - Inā ka hē mātou

Nā tō mātou tū hei whakahaeranga ē ki Te Tiriti o Waitangi, e pono ana he wā kua hapa mātou, heoi, e 6 ana mātou kia ake ki ō mātou hapa, kia pai ai te whakaitiā. Ka mahi tāhi atu mātou ki te Māori:

- Ki te whakaitiā i ō mātou hapa
- Ki te ake i ō mātou hapa
- Ki te arotahi ki te anga whakamua e eke ai ngā whānau i roto i te whānanga

² <https://www.mhwc.govt.nz/assets/Te-Tiriti-Position-Statement/Te-Tiriti-Doc-Te-Reo.pdf>

³ Te Hīringa Mahara Position Statement - Te Tauāki ki te Tiriti o Waitangi, Wellington: Te Hīringa Mahara August 2022: www.mhwc.govt.nz/about-us/our-guiding-documents/ (accessed 21 September 2022).

Output and funding

Te Hīringa Mahara is an independent Crown entity operating under the Mental Health and Wellbeing Commission Act 2020. We report to the Minister of Health. The Ministry of Health is the monitoring agency, with advice from the Social Wellbeing Agency. We have a broad statutory mandate and in 2021/22 had funding of \$4.876 million.

Monitoring our performance

Te Hīringa Mahara provided the Minister of Health and Ministry of

Health with information to allow monitoring of its performance. This includes:

- a quarterly statement of financial performance, financial position, and contingent liabilities
- a quarterly report on progress against our performance measures
- an annual report in accordance with the Crown Entities Act 2004^{4 5}

Our monitoring agency

We receive funding through an appropriation within Vote Health. Actual revenue and expenditure against forecast by output class is detailed below.

Output Class	Revenue			Costs		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Establish Te Hīringa Mahara	465	465	-	2,215	2,165	(50)
Establish Te Hīringa core systems			-	1,923	1,610	(313)
Develop an approach to Te Tiriti o Waitangi as an organisation committed to being grounded in Te Tiriti o Waitangi	465	465	-	292	555	263
Monitoring and reporting	3,315	3,315	-	1,966	2,215	249
Advocacy and engagement	1,096	1,096	-	1,324	1,128	(196)
Total	4,876	4,876	-	5,505	5,508	3

⁴ This report complies with both Public Finance Act 1989 and its amendments in 2004 Section 3 and Public Finance Act No 44.

⁵ The Reserve Bank Act 2021 updates our high-level objectives, functions, governance and funding arrangement and came into effect 1 July 2022.

Section two | Our priorities

In this section we report on our progress with the commitments we made in our Statement of Performance Expectations 2021/22.

Priority one: Establishment and leadership

We continue to take up the wero of what it means to be Te Hiringa Mahara. In doing so, in 2021/22, we improved and maintained our systems across the organisation, recruitment and appointments, policies and processes and building key relationships to ensure we have the capability and capacity to uphold Te Tiriti o Waitangi.

Our Te Tiriti o Waitangi Position Statement cements this commitment and is the foundation for our strategy and priorities. We strengthened our relationship with mana whenua and Māori experts, who developed and guided us on our organisation name and a suite of brand assets that reflect what Te Hiringa Mahara should prioritise and focus on. They have shared knowledge about their journey with Te Tiriti o Waitangi in an all-of-staff wānanga held earlier in the year and led protocol for the launch of our brand and te reo Māori name. We are truly grateful for their guidance and support as we navigate our hikoi in our quest to be grounded in Te Tiriti o Waitangi.

We have put further stakes in the ground with the completion of our

organisational strategy.⁶ Our strategic framework brings the key elements of our strategic plan into one place. Our Pou Rama is standing strong, grounded in the articles of Te Tiriti o Waitangi and shining bright on who we are, our areas of focus and what we do. It is supported by our vision, our mission and our values.⁷

Our operating model has been agreed. Appointments have been made to key roles and our leadership team is complete. As of the end of June 2022, most systems and controls, infrastructure, operational policies, and processes are in place to enable us to become a fully functioning independent Crown Entity.

During the year, we prioritised developing effective relationships with key stakeholders across Government in the wellbeing system and in the mental health and addiction sectors. As we grow as an organisation, as a trusted advocate for the mental health and addiction sector, and as an advisor to Government, we will continue to develop positions on emerging issues and take a public stance through our system oversight role.

⁶ Te Hiringa Mahara, Strategy on a Page 2022-2026, Wellington: Te Hiringa Mahara: www.mhwc.govt.nz/about-us/our-guiding-documents/ (accessed 22 September 2022).

⁷ Ibid.

Our achievements II Establishment and leadership

	Outputs	Measure / s	Result
1	Te Hiringa Mahara has the capability and capacity to fulfil our objective and functions.	An operating model with permanent roles established and recruited, and capability gaps identified, and mitigations identified and addressed.	Achieved ^{8,9}
2	Te Hiringa Mahara has a clear organisational strategy (including strategic priorities, values, principles, and approach to deliver on commitments to Te Tiriti o Waitangi).	Te Hiringa Mahara has a strategy and performance measurement framework to guide its work, including to deliver on its commitment to Te Tiriti o Waitangi	Achieved ¹⁰
		Te Hiringa Mahara is implementing its commitment to be an organisation that is grounded in Te Tiriti o Waitangi.	Achieved ¹¹
	Te Hiringa Mahara has all systems and policies for operating independently.	Systems and policies for managing finance, human resources, information technology, and meeting statutory machinery of government are in place.	Achieved ¹²
3	Te Hiringa Mahara is developing effective relationships with key stakeholders across Government in the wellbeing system, and mental health and addiction sectors.	Relationships with Māori as tangata whenua show developing partnership according to our Te Tiriti o Waitangi position statement.	Achieved ¹³
		A pro-active approach to developing relationships across Government, in the wellbeing, mental health and addiction sectors and building on relationships started in 2020 / 21.	Achieved ¹⁴

⁸ Ngā mema Poari/our board members: www.mhwc.govt.nz/about-us/our-board-members/

⁹ Te rangapū ārahi / our leadership team: www.mhwc.govt.nz/about-us/our-leadership-team/

¹⁰ A Performance Measurement Framework was approved 9 November 2021 by Finance, Assurance and Risk Committee.

¹¹ Te Hiringa Mahara, Te Tiriti o Waitangi Position Statement: <https://www.mhwc.govt.nz/assets/Te-Tiriti-Position-Statement/Te-Tiriti-Doc-English.pdf>

¹² All systems and policies, machinery of government processes are in place for operating independently. See Ngā tono Ture Pārongo Ōkawa / Official Information Act requests: www.mhwc.govt.nz/about-us/official-information-act-requests/

¹³ Our stakeholder and engagement database outlines who we have engaged with, the purpose and when.

¹⁴ Ibid.

Priority two: Monitoring and Reporting

Te Hiringa Mahara oversees the performance of the mental health and wellbeing system, providing leadership and support, and challenging it to perform better. In 2021/22, we developed a monitoring strategy that plans the shift from now into the future. This strategy will evolve over time responding to the refinements we make to our focus and approach over five years. It will enable us to provide timely answers on critical issues in an effective way.

We continue to take a strengths-based approach to our monitoring and reporting and system leadership roles in the mental health and addiction sector and the services that work within it. We are working hard to achieve a genuinely joined-up, whole-of-government, collaborative approach. Like many others, we need to work collaboratively across the system.¹⁵

During the year we published three monitoring reports. Our report on the [Access and Choice Programme](#) highlights the importance of improving access and choice for mental health and addiction services in Aotearoa. This report found that the programme has put much-needed investment into primary and community care in line with many of the recommendations in

He Ara Oranga.

[“Steps need to be taken to accelerate the roll-out for Māori, Pacific, and youth services” – Access and Choice Report](#)

We released [Te Rau Tira Wellbeing Outcomes Report 2021](#). It reports on wellbeing using measures from our He Ara Oranga Wellbeing Framework, which we developed alongside communities and created with people with lived experience of poor wellbeing.

It reflects what people say matters to them. We found that most communities in Aotearoa tend to experience good wellbeing, most of the time. However, a concerningly large minority of people and communities experience persistently poor wellbeing.

[We released Te Huringa: Change and Transformation. Mental Health Service and Addiction Service Monitoring Report 2022 \(Te Huringa\).](#)

[“Transformation requires an approach where the voices of Māori and tāngata whaiora can be prioritised” – Te Huringa Report](#)

Te Huringa monitors the performance of mental health services and addiction services between 2016/17 and 2020/21. The report covers primary mental health and addiction services and

¹⁵ Our partners and stakeholders include Iwi, hapū, people with lived experience and their supporters, whānau Māori, Pacific peoples, priority populations, clinicians, government agencies, academics, non-government organisations, health sector workforce, and professional health bodies.

specialist mental health services and addiction services, funded by the public health system.¹⁶

We have created a framework called He Ara Āwhina, which means pathways to support. He Ara Āwhina describes what an ideal mental health and addiction system looks like. We will use it to assess, monitor, and advocate for

improvements to Aotearoa's mental health and addiction system, including services. He Ara Āwhina has intentionally been written to amplify the most important voices – tāngata whaiora and whānau as leaders of their wellbeing and recovery, while the system responds to their needs and aspirations.

Our achievements II Monitoring and reporting

	Outputs	Measure / s	Result
4	A baseline report on mental health and wellbeing in Aotearoa (using He Ara Oranga wellbeing outcomes framework and/or other relevant frameworks).	A published report on wellbeing.	Achieved ^{17,18}
5	Completion of a framework or approach to monitoring and reporting on mental health and addiction services and a baseline report.	A published baseline report on mental health and addiction services and supports.	Achieved ^{19, 20}
6	Develop a strategy to give effect to Te Hiringa Mahara assessment, monitoring, and reporting functions.	A strategy is developed and implemented across all monitoring and reporting deliverables.	Achieved ²¹
		Responses on Government consultations on topics related to mental health and wellbeing.	Achieved ²²

¹⁶ Te Huringa: Change and Transformation: Mental Health Service and Addiction Service Monitoring Report 2022: www.mhwc.govt.nz/assets/Te-Huringa/FINAL-MHWC-Te-Huringa-Service-Monitoring-Report.pdf

¹⁷ Te Hiringa Mahara. 2021. Te Rau Tira: Wellbeing Outcomes Report 2021. Wellington: Te Hiringa Mahara. www.mhwc.govt.nz/assets/Te-Rau-Tira-Wellbeing-Outcomes-Report-2021/Te-Rau-Tira-Wellbeing-Outcomes-Report-2021-FINAL-WEB.pdf (Accessed 27 September 2022).

¹⁸ Te Hiringa Mahara. 2022. Access and Choice Programme: Report on the first two years – Te Hōtaka mō Ngā Whai Wāhitanga me Ngā Kōwhiringa: He purongo mō te rua tau tuatahi. Wellington: Te Hiringa Mahara. <https://www.mhwc.govt.nz/assets/Access-and-Choice/MHWC-Access-and-Choice-report-Final.pdf> (accessed 27 September 2022).

¹⁹ Te Hiringa Mahara. 2022. Te Huringa: Change and Transformation: Mental Health Service and Addiction Service Monitoring Report 2022. Wellington: Te Hiringa Mahara. www.mhwc.govt.nz/assets/Te-Huringa/FINAL-MHWC-Te-Huringa-Service-Monitoring-Report.pdf

²⁰ Ibid.

²¹ A monitoring strategy – our approach to assessing, monitoring, and reporting 2021-2026 is approved by the Board: www.mhwc.govt.nz/assets/Uploads/Board-summaries/03.3-FINAL-Te-Hiringa-Mahara-Board-Meeting-Summary-20-16-June-2022.pdf

²² Our submissions and advice are monitored regularly, maintained through follow ups submissions register.

Priority three: Advocacy and Engagement

As we work towards transforming the approach to mental health and wellbeing in Aotearoa, we have a specific responsibility to people who have experienced mental distress or addiction. We are obliged to effectively seek and hear the views of people with lived experience – reflecting these voices in the work that we do; and we have a unique role to advocate for the collective interests of people who experience mental distress or addiction (or both). The draft version of He Ara Āwhina (Pathways to Support) went out for public consultation for six weeks from 8 March to 19 April 2022. During the public consultation process, we received more than **260** submissions across all our priority population and lived experience groups. Through a dedicated Māori engagement team, we achieved strong input from Māori, including tāngata whaiora, whānau, and Kaupapa Māori supports and services.

Overall, 130 submissions were from people with personal lived experience, their networks, and organisations. Of these, 123 identified that they had experienced mental distress while 48 identified they had experiences of addiction.

Public consultation feedback has actively shaped changes to the framework. Te Hiringa Mahara

published the final version of He Ara Āwhina on 30 June 2022.

We take an integrated approach to our engagement, assessment, monitoring, and advocacy, to influence and effect change. We monitor, drawing on our community engagement, then report our findings and advocate for improvement. Our advocacy on our monitoring findings will align to our issues management approach, communications plan, and advocacy agendas. We will integrate advocacy alongside monitoring by a) coupling all our monitoring findings with recommendations or calls to action, b) keeping a focus on critical issues by monitoring progress against our previous calls to action and c) assessing what further advocacy is needed for each set of monitoring findings to influence change and to hold the appropriate decision-makers to account.

During 2021/22, we met and engaged with **440** organisations and support networks, including lived experience groups, individuals and peer support groups. Of these, **265** were priority population engagements and **175** were lived experience engagements. These connections gave us insight into the mental health and addiction and wellbeing issues that are important to diverse populations and those people and services supporting those with complex mental issues, substance abuse and traumatic distress throughout Aotearoa.

As an integral part of our advocacy work, Te Hiringa Mahara often comments on and, makes recommendations in response to consultation documents, regulations, draft bills, and regulations that may impact on the mental health and wellbeing of people in Aotearoa. We advocate for the collective interests of people and groups most likely to experience distress. These groups are prioritised as listed in the Mental Health and Wellbeing Commission Act 2020. We recognise that our advocacy function gives us a unique mandate that no other agency has, and we

choose to enact this advocacy role 'alongside' (rather than on behalf of) lived experience communities wherever we can. During the year, we set our advocacy agendas, engaged with communities of support (networks, peer supports, priority populations) and set the foundation for developing a Position Statement on Lived Experience in the new financial year. We intend to share this with other government agencies, services, and support networks that help those who suffer with mental health or addiction (or both), distress or trauma abuse.

Our achievements II Advocacy and engagement

	Outputs	Measure	Results
7	An approach and ongoing work to engage with people who experience mental distress or addiction (or both) and the persons (including family and whānau) who support them.	Te Hiringa Mahara is actively engaging with a wide range of people who experience mental distress or addiction (or both), the persons (including family and whānau) who support them, and related organisations – and their voices are reflected in Te Hiringa Mahara work.	Achieved ²³
8	An approach and ongoing engagement with Māori as tangata whenua, and priority groups and populations.	Te Hiringa Mahara is actively engaging with Māori as tangata whenua and priority groups and populations, and the organisations that support them and their voices are reflected in Te Hiringa Mahara work.	Achieved ²⁴
9	Develop an approach to give effect to Te Hiringa Mahara role to advocate for the collective interests of people	An advocacy approach ensures Te Hiringa Mahara reflects and balances, in all its work, the views of; Māori as tangata whenua, people with lived experience and the whānau, family and people who support them, and priority groups and populations.	Achieved ²⁵

²³ He Ara Āwhina in draft form went out for public consultation for six weeks from 8 March to 19 April 2022. A publication on voices and perspectives from this consultation is in the latter part of October 2022.

²⁴ Te Hiringa Mahara. 2022. He Oranga Wellbeing Outcomes Framework. Wellington: Te Hiringa Mahara. www.mhwc.govt.nz/assets/He-Ara-Oranga-wellbeing-outcomes-framework/30-June-2022/HAA-population-indicators-FINAL.pdf. (accessed 27 September 2022). Indicators will be regularly reviewed as suitable data are made available.

²⁵ Te Hiringa Mahara 2022, He Ara Āwhina, op cit. www.mhwc.govt.nz/assets/He-Ara-Awhina/HAA-framework-30-June-2022/30-June-2022/He-Ara-Awhina-Framework-full-.pdf

Our strategic direction

Our first priority was to develop our Te Tiriti o Waitangi Position Statement. This commitment formed the foundation of our organisational strategy and all the establishment work that has followed, such as our operating model approach to monitoring and advocacy, our ingoa, and our brand.

Our name Te Hiringa Mahara – The Mental Health and Wellbeing Commission²⁶ (Te Hiringa Mahara), proclaims our promise to ignite positive energy, to be thoughtful in our narrative and provide encouragement, confidence and strength to those that we serve under He Ara Oranga. To be a kaitiaki of mental health and wellbeing in Aotearoa.

Our name is the result of wānanga, Māori knowledge, expertise and tikanga. Our ingoa exudes courage, clarity, understanding, connectedness, and inclusiveness. Our tohu, the two manaia that wrap our pou and form part of our brand assets, represent the connection from Te Hiringa Mahara to the people and the organisations that work in service to those with lived experience of mental health and distress, substance abuse, trauma and wellbeing.

As reflected in this annual report our initial priorities were:

1. Establishment and leadership
2. Monitoring and reporting
3. Advocacy and engagement.

Our new strategy signals a shift from our initial strategy and moves towards four enduring priorities:²⁷



1. Advancing mental health and wellbeing outcomes for Māori and whānau
2. Achieving equity for priority populations
3. Advocating for a mental health and addiction system that has people and whānau at the centre
4. Addressing the wider determinants of mental health and wellbeing.

²⁶ Te Hiringa Mahara - Te hinengaro tūmata tōrunga pai o te whakaaro nui. This translates as igniting minds through positive energy and thoughtfulness.

²⁷ Refer to Statement of Intent 2022 – 2026: <https://www.mhwc.govt.nz/assets/Statement-of-Intent-/SOI-Document-F-Online.pdf> page 17.

Section three | Building our organisational capability

Our people

Our people are our greatest asset. We continue to ensure our organisation is resourced with the right people, appointed at the right time, with the right skills to do the job. This ensures our workforce planning is fit for purpose, now and in the future. Our operating model is finalised with permanent roles appointed. We continue to improve our induction process and dedicate time and effort to workforce planning across the organisation.

Supporting our people

We provide equal employment opportunities and ensure our policies, practices and processes are fair and equitable for all job applicants and employees.

We recognise the Crown's obligations under Te Tiriti o Waitangi and the aspirations of Māori, Pacific peoples, other ethnic or minority groups, people with disabilities, and people who have lived experience of mental distress or addiction. For example, a number of members in our Board, our leadership team and our staff, have lived experience of mental distress, or experience a form of disability, and all

groups are inclusive of diversity.

Wherever possible we ensure that our workplace environment is suitable for people who experience a disability.

Te Hiringa Mahara will be organising training with Ministry of Social Development in the 2022/23 year, to prepare for the development of an accessibility charter in 2023/24 year. We ensure our recruitment policies, practices and processes are fair and equitable for all applicants and employees.

We continue our intersectional approach²⁸ to diversity and inclusion at all levels of the organisation. Our intersectional approach includes taking the lead and opening ourselves up to recognising employees' different lived experiences. This promotes and creates a diverse and inclusive working environment. Recognising the importance of staff wellbeing, we have focused on planning, implementing, and monitoring initiatives that promote the wellbeing of all staff.

We also ran an organisational pulse survey with staff to get an idea of what is working well, where can we improve, and what we as leaders, can do to improve and support staff development and career progression.

²⁸ Intersectionality is a way of understanding how and why every individual's view of the world is different. From disability to race to age inclusivity, none should be tackled in isolation.

An organisational development plan will be developed in the 2022/23 financial year.

Our people objectives:

- reduced ethnic/gender pay gaps
- active flex-by-default work policies
- increasing the diversity of our staff through our recruitment plans
- diversity of gender expression and sexuality
- gender-neutral recruitment and talent management
- ethnic and cultural diversity including religion
- particular focus on Māori and Pacific peoples
- accessibility and impairment for disabled employees.

Building confidence within Te Hiringa Mahara whānau in te reo Māori

Māori in the public service often have multiple lines of accountability. Māori are accountable to their whānau, their hapū, and their iwi as well as to their employer. This leads to feeling compromised when fronting decisions that are not in the best interests of Māori or working in ways that do not reflect tikanga. The weight of cultural responsibilities in tandem with employment expectations can cause stress, particularly for Māori in middle management, who hold responsibility for implementation but may not be able to meaningfully impact decisions

and outcomes. Mindful of this potential issue we have formed a rūpū 'Ngā Ringa Raupā' to support Māori within Te Hiringa Mahara, share the mahi and enable a Māori worldview over our work, our engagement with Māori practice, and our policies that may impact on our Māori and Pacific workforce.

Our work on a Te Tiriti o Waitangi Capability Plan has begun. This is heavily influenced by the guidelines set out in Whāinga Amorangi provided by Te Arawhiti – Office for Māori Crown Relations. It will inform our internal staff capability findings.

Te Hiringa Mahara is committed to increasing staff capability to understand and work in ways appropriate to Māori. In 2021/22 we developed a capability survey – Te Tūrama (to give light to our learning and to illuminate understanding). We deployed it in May 2022 for all staff and Board members to take part in. Through this exercise, we got a baseline of the participants' knowledge of Māori concepts, cultural norms, and values, and how we engage and include Māori in system design, policy writing, and co-design options in programme development.

Our Te Tūrama survey showed staff and Board members wanted to learn more about te reo Māori. As a result, our 2022/23 organisation plan will extend opportunities for staff to broaden their knowledge in reo Māori, how to engage with Māori, and how to be supported with a variety of learning such as wānanga, reo Māori signage, and purākau sessions.

A work programme is in development to increase capability in the areas for improvement identified in the survey. This work responds to an all-of-government approach to lifting te reo Māori in the public sector. An organisational development plan will incorporate key activities to increase our capability in te reo Māori, as identified in the baseline survey in the 2022/23 financial year.

Gender of our people

Our gender profile across tier 1 and 2 management level (leadership team), is **60% female, 20% male and 20% other** in 2022. We will continue to drive organisational initiatives that positively

impact on gender balance. Our people are reflective of the communities that we serve.

A breakdown of our workforce by ethnicity follows. New Zealand European (57%), Māori (35%),²⁹ staff who identified as Pacific (17%), and Asian (9%).

As of 30 June 2022, Te Hīringa Mahara employee demographics were as follows:

Number of our people

Total number of our people	Number
Fixed term	4
Permanent	19
Total	23

Age profile

Age group	Headcount
20-29	3
30-39	8
40-49	3
50-59	5
60-69	4
Total	23

²⁹ 13% of our workforce that identified with both Māori and Pacific ethnicity and have been reflected in both the total Māori percentage and the Pacific percentage.

Remuneration and key management information

Employee remuneration

Total Remuneration paid or payable that is or exceeds \$100,000:

	Actual 2022 \$000	Actual (5 months) 2021 \$000
\$100,000 - \$109,999	1	1
\$110,000 - \$119,999	3	
\$130,000 - \$139,999	3	
\$140,000 - \$149,999	1	
\$150,000 - \$159,999	1	
\$180,000 - \$189,999	1	
\$230,000 - \$239,999	1	
\$310,000 - \$319,999	1	

The above disclosure shows the total remuneration paid or payable to employees for the period that Te Hiringa Mahara has been operating. No employees have received compensation or other benefits in relation to cessation.

Staff wellness

Our staff remain passionate about their work and invest time and energy to make a difference by improving mental health and wellbeing with people they engage with, and through their work within the organisation. We are committed to supporting staff, encouraging work life balance and offering flexible working arrangements so they can carry out their work and still have time for their whānau and outside-of-work interests, as well as being supported to maintain wellbeing.

Health, Safety and Wellbeing

Te Hiringa Mahara has a primary duty of care to ensure the health, safety, and wellbeing of its staff, contractors, and visitors. The Health, Safety, and Wellness committee, Te Hiringa Mahara staff and contractors, take collective responsibility, for proactively promoting and encouraging safe and health work practices whilst working within the facility. Health and safety is a standing item and discussed at each Board meeting and each all-of-staff meeting. Staff can participate in risk and hazard identification and regularly review work and systems to minimise any risks. Staff who may be at risk of suffering from a workplace injury or illness receive appropriate rehabilitative care. Staff can also participate in any external health and safety audits that may be conducted. In all cases, staff are encouraged to participate in wellness

activities whilst receiving on-going education about health and safety. All representatives on the Health, Safety, and Wellness Committee have management support and are offered training to carry out their health and safety duties.

Environmental Sustainability

The Government's Climate Change Response (Zero Carbon) Amendment Act 2019 sets a clear requirement for the public sector in Aotearoa to be net carbon neutral by 2025. While Te Hiringa Mahara is a small agency, we aim to make a difference through our all-of-government procurement of services and savings on carbon by opting to use virtual technology where we can and promoting energy efficiency. We will be implementing an environmental sustainability action plan by the end of June 2023.

Governance

The Board has a duty to ensure that we meet our obligations under Te Tiriti o Waitangi and fulfil our objectives and functions in a way that is effective and efficient. It will carry out this duty in the spirit of public service and collaboration with other public entities, while ensuring prudent financial management. Our Board is comprised of seven members with diverse backgrounds in terms of culture, demographics, and work experience. Members have different levels of knowledge, understanding, and experience of te ao Māori, tikanga Māori, mātauranga Māori, and whānau-centred approaches to wellbeing. For some, their knowledge is in-depth, based on cultural identity and/or work experience in a setting involving te ao Māori. Pacific lived experience or leadership. Others have knowledge based on alcohol and substance abuse, and issues that impact on good mental health and wellbeing.

Board Fee Remuneration

Member	Actual	Actual
	2022 \$000	(5 months) 2021 \$000
Hayden Wano (Chair)^	82	42
Kevin Hague (Deputy Chair)	23	15
Alex El Amanni	33	17
Jemaima Seath^	16	10
Sunny Collings*^	13	9
Taimi Allan	33	11
Tuari Potiki (appointed 9 February 2022)	7	-
Total Board member remuneration	207	104

*This Board members' remuneration also includes membership of the Finance, Audit and Risk committee. ^These Board members fees were paid to the entity that this Board member is employed by.

Te Hiringa Mahara has obtained Professional Indemnity, and Directors' and Officers' Liability insurance for Board members. No Board members have received compensation or other benefits in relation to cessation. There have been payments made to independent committee members appointed by the Board during the year.

Permission to act despite being interested in a matter

Section 68(6) of the Crown Entities Act 2004 requires the Board to disclose any interests to which a permission to act has been granted, despite a member being interested in a matter.

Finance, audit and risk committee

Te Hiringa Mahara has established a Finance, Audit, and Risk Committee to help the organisation manage the risk, issues and challenges facing Te Hiringa Mahara.

The primary functions of this Board sub-committee are to:

- promote accountability
- support measures to improve management performance and internal controls
- oversee and monitor the external audit, internal audit, and the risk functions
- oversee the integrity of our financial reporting systems
- ensure effective management of the variability of our delivery of outputs, impacts, and outcomes.

This committee contains one Board member, has an independent Chair and is supported by staff. In addition, an independent member will begin their appointment in 2022/23, completing this committee.

Appointments and Remuneration Committee

Te Hiringa Mahara established an Appointments and Remuneration Committee to help the Board manage its performance reviews and remuneration settings. Together, the three members of the committee

ensure appropriate delegated authority policies exist in relation to appointments and remuneration.

Progressive procurement

The Government has agreed to being part of a whole-of-government progressive procurement policy. Te Hiringa Mahara will be a participating agency and has an aligned procurement policy that will contribute to improving economic outcomes for Māori. We also report on this as part of our diversity and inclusion process.

We worked with 20 businesses that identify themselves as a Māori business. This represents 16% of the total number of businesses we worked with in 2021/22.

Public Service Pay Gaps Action Plan

In our first annual report, Te Hiringa Mahara was not required to formally report on pay gaps following only four months of activity (9 February – 30 June 2021). This year, we are developing an action plan and will submit it in December 2022 in line with requirements. Kia Toipoto Public Service Action Plan 2021 – 24 has shaped our guidance.

Audit Report

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INDEPENDENT AUDITOR'S REPORT

To the Readers of Te Hiringa Mahara (the Mental Health and Wellbeing Commission) Annual Report for the Year Ended 30 June 2022

The Auditor-General is the auditor of Te Hiringa Mahara. The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements and the performance information of Te Hiringa Mahara on his behalf.

Opinion

We have audited:

- the financial statements of Te Hiringa Mahara on pages 28 to 44, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the period ended on that date and the notes to the financial statements including the statement of accounting policies; and
- the performance information of Te Hiringa Mahara on pages 7 to 13.

In our opinion:

- the financial statements:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the period then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards (Reduced Disclosure Regime); and
- the performance information:
 - presents fairly, in all material respects, Te Hiringa Mahara performance for the period ended 30 June 2022, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with outcomes included in the statement of performance expectations for the financial year; and

- its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
- what has been achieved with the appropriations; and
- the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
- complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 8 November 2022. 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 Board, our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of Te Hiringa Mahara Board for the financial statements and the performance information

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

Baker Tilly Staples Rodway Audit Limited, incorporating the audit practices of Christchurch, Hawkes Bay, Taranaki, Tauranga, Waikato and Wellington.

Baker Tilly Staples Rodway Audit Limited is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.

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

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

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

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

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

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to Te Hīringa Mahara's statement of performance expectations.

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

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

We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Te Hiringa Mahara internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within Te Hiringa Mahara framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Te Hiringa Mahara ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Te Hiringa Mahara to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within Te Hiringa Mahara to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and performance of Te Hiringa Mahara audit. We remain solely responsible for our audit opinion.
- We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and the performance information, and our auditor's report thereon.

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

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

Independence

We are independent of Te Hiringa Mahara 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 Te Hiringa Mahara.



Chrissie Murray
Baker Tilly Staples Rodway Audit Limited

On behalf of the Auditor-General
Wellington, New Zealand

Section four | Managing our finances

We maintain sound management of public funding by complying with relevant requirements of the Public Service Act 2020, the Public Finance Act 1989 and applicable Crown entity legislation. The annual audit review from Audit New Zealand provides useful recommendations on areas for improvement. We will implement these recommendations, with oversight by our finance, audit and risk committee.

Compliance

We meet our good employer requirements and obligations under the Public Finance Act 1989, the Public Records Act 2005, the Crown Entities Act 2004, the Mental Health and Wellbeing Act 2020 and other applicable Crown entity legislation through our governance, operational and business rules.

Risk management

All Te Hiringa Mahara staff are aware of the process for risk identification and management. The Board, Chief executive, senior management team and programme leaders identify strategic and operational risks in consultation with their teams, as appropriate. The Director Corporate Services is accountable for the remaining risks in the establishment programme and across the organisation.

Te Hiringa Mahara 2021 / 22

Financial Statements

This section sets out the financial statements, notes to the financial statements and other explanatory information. These financial statements are for the period 1 July 2021 to 30 June 2022. The 2021 period was for 9 February 2021 to 30 June 2021.

Statement of comprehensive revenue and expense for the period 1 July 2021 to 30 June 2022

	Note	Actual 2022 \$000	Budget 2022 \$000	Actual (5 months) 2021 \$000
REVENUE				
Funding from the Crown	2	4,876	4,876	4,001
Interest Income	2	32	2	5
Total Revenue		4,908	4,878	4,006
EXPENSES				
Personnel costs	3	3,183	3,416	810
Other Expenses	4	2,282	1,938	958
Depreciation	8	40	154	2
Total expenses		5,505	5,508	1,770
Surplus/(Deficit) and total comprehensive revenue and expense		(597)	(630)	2,236

The accompanying notes form part of these financial statements. Explanations of major variances against budget are provided in Note 17.

Statement of financial position as at 30 June 2022

	Note	Actual 2022 \$000	Budget 2022 \$000	Actual 2021 \$000
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	780	989	1,611
Term Deposits	6	2,505	-	2,500
Receivables	7	78	-	29
Prepayments		14	-	23
Total current assets		3,377	989	4,163
NON-CURRENT ASSETS				
Property, plant, and equipment	8	88	783	75
Total non-current assets		88	783	75
Total assets		3,465	1,772	4,238
LIABILITIES				
CURRENT LIABILITIES				
Payables	9	388	149	701
Employee entitlements	10	188	71	51
Total current liabilities		576	220	752
Total liabilities		576	220	752
NET ASSETS		2,889	1,552	3,486
EQUITY				
Contributed capital	13	1,250	1,250	1,250
Accumulated funds	13	1,639	302	2,236
TOTAL EQUITY		2,889	1,552	3,486

Statement of changes in equity for the period 1 July 2021 to 30 June 2022

	Note	Actual 2022 \$000	Budget 2022 \$000	Actual (5 months) 2021 \$000
BALANCE AT 1 JULY 2021		3,486	2,182	0
Total comprehensive revenue and expense for the period	13	(597)	(630)	2,236
Capital injection	13	0	0	1,250
BALANCE AT 30 JUNE 2022		2,889	1,552	3,486

Statement of cash flows for the period 1 July 2021 to 30 June 2022

	Note	Actual 2022 \$000	Budget 2022 \$000	Actual (5 months) 2021 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from the Crown		4,876	4,876	4,001
Interest received		19	2	-
Payments to employees and suppliers		(5,469)	(6,337)	(1,193)
Goods and Services Tax (net)		(199)	348	130
Net cash flow from operating activities		(773)	(1,111)	2,938
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash invested in Term Deposits		(5)	-	(2,500)
Purchase of Property, plant, and equipment	8	(53)	(200)	(77)
Net cash flows from investing activities		(58)	(200)	(2,577)
CASH FLOWS FROM FINANCING ACTIVITIES				
Capital injection	13	0	0	1,250
Net cash flows from financing activities		0	0	1,250
Net (decrease)/increase in cash and cash equivalents		(831)	(1,311)	1,611
CASH AND CASH EQUIVALENTS AT 30 JUNE 2022		780	989	1,611

Note 1: Statement of accounting policies

Reporting entity

Te Hiringa Mahara – The Mental Health and Wellbeing Commission (Te Hiringa Mahara) is an independent Crown entity as defined by the Crown Entities Act 2004. It was established under the Mental Health and Wellbeing Commission Act 2020 and its parent is the Crown. Te Hiringa Mahara primary objective is to provide services to the public. The organisation does not operate to make a financial return.

Te Hiringa Mahara is a public benefit entity (PBE) for financial reporting purposes. The entity was created when the enabling legislation received Royal Assent on 30 June 2020 with a Chair and Board appointed. The 2021/22 financial statements for Te Hiringa Mahara cover the period from 1 July 2021 to 30 June 2022 and were approved by the Board on 15 September 2022.

Basis of preparation

The 2021 financial statements cover a period of less than 12 months as Te Hiringa Mahara was established on 9 February 2021. The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

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

Te Hiringa Mahara has applied the suite of Tier 2 Public Benefit Entity International Public Sector Accounting Standards in preparing the 30 June 2021/22 financial statements. As Te Hiringa Mahara has expenses of less than \$30 million, it is eligible to report in accordance with the PBE Standards Reduced Disclosure Regime. These financial statements comply with the PBE Standards Reduced Disclosure Regime.

Presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Standard of early adopted

Te Hiringa Mahara has not early adopted any accounting standards.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Goods and services tax

All items in the financial statements are presented exclusive of goods and services tax (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 GST recoverable from, or payable to, Inland Revenue (IR) is included as part of receivables or payables in the Statement of Financial Position.

The net amount of GST paid to, or received from, IR, 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

Te Hiringa Mahara is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Budget figures

The budget figures are as approved by the Board and published in the Statement of Performance Expectations. The budget figures have been prepared in accordance with NZ GAAP, using the accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Cost allocation

Direct costs are costs directly attributed to an output. Personnel costs are allocated to outputs based on time spent. The indirect costs of support groups and overhead costs are charged to outputs based on the proportion of direct costs of each output.

Critical accounting estimates and assumptions

In preparing these financial statements, Te Hiringa Mahara has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- useful lives and residual values of property, plant, and equipment – refer Note 8.

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

- classification of the rental lease as an operating lease – refer note 4.

Note 2: Revenue

Accounting policy

Funding from the Crown

Te Hiringa Mahara is primarily funded through revenue from the Crown. Revenue receipts from the Crown transactions are considered to be non-exchange transactions. The funding is restricted in its use for the purpose of Te Hiringa Mahara meeting its objectives as specified in its founding legislation and the scope of the relevant Government appropriations. Apart from these general restrictions, Te Hiringa Mahara considers there are no conditions attached to the funding. Revenue from the funding is recognised in the financial period to which the appropriation relates. The fair value of the revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Interest revenue

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

Note 3: Personal Costs

Accounting policy

Salaries and wages

Salaries and wages costs are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employer contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are expensed as they occur.

	Actual 2022 \$000	Actual (5 months) 2021 \$000
Salaries and wages	2,876	698
Increase in employee entitlements	84	21
Defined contributions scheme employer contributions	82	14
Recruitment	97	65
Training	36	11
ACC	8	1
Total personnel costs	3,183	810

Note 4: Other expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised as a reduction of rental expenses over the lease term.

	Actual 2022 \$000	Actual (5 months) 2021 \$000
Audit fees	42	38
Board costs	239	140
Consultants and contractors	931	626
Technology expenses	123	49
Building costs	180	48
Travel and Accommodation	4	3
Marketing and Communications	276	20
Other expenses	487	34
Total other expenses	2,282	958

Operating leases as lessee

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

	Actual	Actual (5 months)
	2022	2021
	\$000	\$000
No later than one-year	201	76
Later than one year and no later than five years	3	4
Later than five years	-	-
Total non-cancellable operating leases	204	80

The non-cancellable lease expense relates to the lease of Level 5, Civic Assurance House, 116 Lambton Quay, Wellington, and the lease of a Canon multi-function printer.

There are no restrictions placed on Te Hiringa Mahara by any of the operating lease arrangements.

On 6 September 2021 a deed of extension was signed for the building lease for the period 1 January 2022 to 30 June 2023 at \$200,400 per annum.

Note 5: Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand and deposits held at call with banks.

	Actual 2022 \$000	Actual 2021 \$000
Current account	56	61
Cash at call	724	1,550
Total cash and cash equivalents	780	1,611

Note 6: Investments

Accounting policy

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to sundry debtors.

Note 7: Debtors and other receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. Te Hiringa Mahara applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. Short-term receivables are written off when there is no reasonable expectation of recovery. There were no receivable write-offs in the period.

	Actual 2022 \$000	Actual 2021 \$000
Other receivables	12	29
Taxes receivable (GST)	66	-
Total other receivables	78	29

Note 8: Property, plant and equipment

Accounting policy

Property, plant, and equipment consists of the following asset classes: information technology equipment, furniture and fixtures and leasehold improvements. All items are measured at cost less accumulated depreciation and impairment losses. The capitalisation threshold is \$1,000.

Additions

An item of property, plant and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to Te Hiringa Mahara beyond one year or more and the cost of the item can be measured reliably. Property, plant, and equipment is initially recorded at its cost. Subsequent expenditure that extends the useful life or enhances the service potential of an existing item of property, plant and equipment is capitalised. All other costs incurred in maintaining the useful life or service potential of an existing item of property, plant and equipment are expensed in the surplus or deficit as they are incurred. Work in progress is recognised at cost and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains or losses arising from the sale or disposal of an item of property, plant and equipment are recognised in the surplus or deficit in the period in which the item of property, plant and equipment is sold or disposed of.

Depreciation

Depreciation is provided on a straight-line basis on all asset components at rates that will write off the cost of the assets to their estimated residual values over their useful life. Leasehold improvements are depreciated over the unexpired period of the lease. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use. Any impairment losses are recognised in the surplus or deficit. At each balance date, the useful lives and residual values of the assets are reviewed.

The estimated useful lives of major asset classes are:

	Estimated life 2022 Years
Information technology equipment	3 years

The breakdown of property, plant and equipment is as follows:

	Information technology equipment \$000	Total \$000
Cost or valuation		
Balance at 9 February 2021	-	-
Additions	77	77
Balance at 30 June 2021	77	77
Balance at 1 July 2021	77	77
Additions	53	53
Balance at 30 June 2022	130	130
Accumulated depreciation		
Balance at 9 February 2021	-	-
Additions	2	2
Balance at 30 June 2021	2	2
Balance at 1 July 2021	2	2
Additions	40	40
Balance at 30 June 2022	42	42
Carrying value		
At 30 June 2021	75	75
At 30 June 2022	88	88

Capital commitments

The amount of contractual commitment for the acquisition of property, plant and equipment at 30 June 2022 is:

	Actual 2022 \$000	Actual 2022 \$000
Leasehold improvements	40	-
Total capital commitments	40	-

As at 30 June 2022 \$39,932 is committed to complete a fit-out alteration – to level 5 of Civic Assurance House (2021: \$Nil)

Note 9: Payables

Accounting policy

Short term payables are recorded at the amount of the payable.

Breakdown of payables	Actual 2022 \$000	Actual 2021 \$000
Payables under exchange transactions	185	234
Accrued expenses		
Creditors	203	337
Payables under non-exchange transactions		
Taxes payable (GST)	-	130
Total payables	388	701

Note 10: Employee entitlements

Accounting policy

Short-term employee entitlements

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

Long-term employee entitlements

Te Hiringa Mahara does not have long-term employee entitlements.

Breakdown of employee entitlements	Actual	Actual
	2022	2021
	\$000	\$000
Accrued leave	116	32
Accrued salaries and wages	72	19
Total employee entitlements	188	51

Note 11: Provisions

Accounting policy

A provision is recognised for future expenditure of an uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditure will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Te Hiringa Mahara has no provisions at 30 June 2022 (2021 – nil).

Note 12: Contingencies

Te Hiringa Mahara has no contingent liabilities and no contingent assets at 30 June 2022 (2021: nil).

13: Equity

Accounting policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated into the following components:

- contributed capital
- accumulated surplus

Breakdown of equity	Actual 2022 \$000	Actual 2021 \$000
Contributed capital		
Balance at 1 July	1,250	-
Capital injection	-	1,250
Balance at 30 June	1,250	1,250
Accumulated surplus		
Balance at 1 July	2,236	-
Surplus/(Deficit) for the period	(597)	2,236
Balance at 30 June	1,639	2,236

Te Hiringa Mahara is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives. Te Hiringa Mahara manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure we effectively achieve our objectives and purpose, while remaining a going concern. This includes achieving a surplus at year end to be able to meet all obligations as they fall due.

Note 14: Financial instruments

Accounting policy

Categories of financial instruments

All financial assets and liabilities held by Te Hiringa Mahara are recognised at amortised cost. The carrying amount of financial assets and liabilities in each category of the financial instruments are:

	Actual 2022 \$000	Actual 2021 \$000
Financial assets measured at amortised cost		
Cash and cash equivalents	780	1,611
Term deposits	2,505	2,500
Receivables	12	29
Total financial assets measured at amortised cost	3,297	4,140
Financial liabilities measured at amortised cost		
Payables	360	571
Employee benefits	188	51
Total financial liabilities measured at amortised cost	548	622

Note 15: Related party transactions

Te Hiringa Mahara is a wholly owned entity of the Crown. Related party disclosures have not been made for transactions with related parties that are within a normal supplier of client/recipient relationship on terms and conditions no more or less favourable than those that are reasonable to expect Te Hiringa Mahara to have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel

Board members are appointed by the Governor General and are the Board for the purposes of the Crown Entities Act 2004. In addition to their role with Te Hīringa Mahara, Board members have other interests and may serve in positions with other organisations, including organisations to which Te Hīringa Mahara is related. Interests are declared in the interests register and they are then assessed as to whether there are any actual or perceived conflicts of interest.

Key management personnel compensation	Actual 2022	Actual (5 months) 2021
Board Members	\$ 207,139	\$ 103,610
Full-time equivalents	0.7	0.9
Leadership Team	\$ 1,330,810	\$ 378,131
Full-time equivalents	5.7	4.5
Total key management personnel remuneration	\$ 1,537,949	\$ 481,741
Total full-time equivalent personnel	6.4	5.4

The Board member remuneration relates to the period from their appointment until 30 June 2022.

Full-time equivalent values reflect the period worked in the period covered by these financial statements. No other related party transactions were entered into during the year with key management personnel.

Note 16: Events after balance date

There were no significant events after the balance date 30 June 2022 that require recognition or disclosure in the financial statements.

Note 17: Explanation of major variance against budget

Equity at year-end is materially higher than forecast. This reflects higher than forecast equity at the end of 2020/21. This is reflected in significantly higher balance in term deposits at 30 June 2022 than forecast.

Note 18: Impact of COVID-19

COVID-19 has had an impact on the operations of Te Hīringa Mahara, delaying some activities and reprioritising other programmes of work. There are, however, no financial impacts required to be reflected in these financial statements. There was no need to impair any fixed assets and collectability of revenue was not affected.

Statement of Responsibility

We are responsible for the preparation of Te Hiringa Mahara - the Mental Health and Wellbeing Commission (Te Hiringa Mahara) financial statements and statement of performance, and for the judgements made in them.

We are responsible for any end of year performance information provided by Te Hiringa Mahara under section 19A of the Public Finance Act 1989.

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

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Te Hiringa Mahara for the period ended 30 June 2022.

Te Hiringa Mahara and these financial statements and statements of performance reflect activity from 1 July 2021 to 30 June 2022.

Signed on behalf of the Board:

Board Chair

Hayden Wano



A blue ink signature of Hayden Wano, written in a cursive style.

4 November 2022

Deputy Board Chair

Kevin Hague



A blue ink signature of Kevin Hague, written in a cursive style.

4 November 2022



Te Hīringa Mahara

Mental Health and Wellbeing Commission

Te Kāwanatanga o Aotearoa
New Zealand Government