



# RINGA HORA

Annual Report 2022



**RINGA HORA**  
**Services**

Workforce Development Council

# HINERANGI EDWARDS

## COUNCIL CHAIR REPORT HE KŌRERO NĀ TE TIAMANA MANUKURA



The last few years have been ones that have tested our industries. We have had to adapt, and some of our people have had to change careers because of difficult circumstances. We acknowledge you all, the million plus New Zealanders who work or are studying towards a role in the Services sector. We celebrate the educators, including employers and co-workers, providers and union members. We seek to co-create a system that enables us all to thrive because we have access to quality qualifications and learning experiences. We support those who deliver learning, to know that their qualifications are, and will be, relevant for work. This is a big task, especially when our world is changing so rapidly.

As a 13-year-old, I was given the opportunity of weekend work in my friend's parents' dairy, in Hawera, Taranaki. One day an old kuia|female elder who was a regular in the shop came in. I decided that day I would speak my limited reo Māori|Māori language to her, to acknowledge and greet her. I chatted a little, where I could. After she paid for her goods, she looked at me and asked "Are you a Māori?" I said yes, and told her who my grandfather (her cousin) was. The look on her face was one of surprise and confusion. Hearing te reo Māori from a shop assistant or youth was unheard of back then. Seeing Māori youth working in the front-of-house was also not common. I won't say what year it was!

The moral of the story is: some things change over time, yet other things remain. Service is still at the centre of our sectors, be that in a tourist attraction in Queenstown, a wharekai or kitchen of a Pacific church, a call centre operator working from their home, or a cleaner in one of our public service offices. There are so many contexts that our people work in.

As we celebrate one year since we opened the doors of Ringa Hora Services Workforce Development Council, we report to you on our beginnings, and commit to being of service. On behalf of the board and kaimahi, we look forward to building on top of our foundations, and connecting with you.

**HINERANGI EDWARDS**

**Council Chair**

# KARI SCRIMSHAW

## CHIEF EXECUTIVE REPORT HE KŌRERO NĀ TE TĀHŪHŪ RANGAPŪ



On 4 October 2021, fourteen of us sat around a table together. Excited, nervous, and all with very different understandings and expectations, about what our newly formed entity, Ringa Hora Services Workforce Development Council, should do and what our role looked like in the vocational education system.

This inaugural annual report charts our origins and haerenga | malaga | journey towards the Reform of Vocational Education (RoVE). Implementing new and innovative ways to help our sector through skills shortages and a depleted workforce post-COVID, we are extremely optimistic and future-focused on the needs of our tamariki and mokopuna.

At pivotal times like these the mātauranga | knowledge from our tūpuna | ancestors continues to provide sound guidance when we need it the most and, in this instance, through the mana of the taura whiri | plaited rope, which we've chosen as our logo.

Whakawhanaungatanga | building trusted relationships is our strength and our Ringa Hora way. We are a single strand, and when we whiri | plait together with industry we unite our strengths and lift the workforce up as one unit over its hurdles, ready to go.

Like many other businesses, COVID did slow us down. Amid travel restrictions, business interruption and illness, we had to manage much of our first year online – adding to the complexity of starting up a new organisation. Despite the delays, we always focused on being true to our name and our values.

We did this by:

- Recruiting new kaimahi to complement our original 14 members – seeking those that would be excited by the kaupapa of transformation and mārama | clarity, understanding and wisdom, not just reform.
- Exploring what being a Te Tiriti o Waitangi embedded organisation meant for us – being pono | genuine and acting in good faith, protecting the space for the development of trust and relationships to grow.
- Introducing ourselves to industry, engaging with them about their needs – we have sought to do so with aroha | compassion, taking the time needed for whakawhanaungatanga, during a period when new connections were limited to being online.
- Preparing our reports, including the Operational Plan, Investment Advice, and the drafting of our first Workforce Development Plan – we sought to be tika | honest and open in what we knew but especially in what we didn't.

This annual report outlines how we have sought to deliver on this expectation – and I'd like to be clear that we are not there yet. For those businesses and people that shared your time, insights and stories with us this year, thank you. For those we haven't had the pleasure of meeting yet, we look forward to connecting with you soon. Meanwhile, we invite you to see what we see, ngā kora | the sparks of potential and opportunity. Let's work together and overcome the challenges of today for ngā whakatupuranga kei te heke mai | future generations of tomorrow.

Mauri Ora.

**KARI SCRIMSHAW**

Chief Executive

## Kupu Whakataki

**Te kura i huna**

**Te kura i tipua**

**Te kura i tawhito**

**Te kura i tiki mai i Hawaiki**

**Ki te whai ao, ki te ao mārama**

The knowledge of universal lore

The knowledge that is forever evolving

The knowledge of antiquity

The knowledge transmitted forth from the ancestral homeland

To the world of life, to the world of light

*This is a section of a karakia that was recited at the ceremonial opening of the Workforce Development Councils' building at 49 Tory Street, Wellington on 7 October 2021. The context in which this karakia was imparted was to acknowledge the journey of learning and teaching in the pursuit of wisdom and understanding. It acknowledges the intangible and tangible development and growth, and that new knowledge created is based on the collective experience of our past.*

### **Publisher**

Ringa Hora Workforce Development Council.

Publishing Unit, 49 Tory Street, Tower B,  
PO Box 445, Wellington 6140

Tel: 04 909 0288

This publication is available on the Ringa Hora  
website at [www.ringahora.nz](http://www.ringahora.nz)

Further copies may be requested from  
[info@ringahora.nz](mailto:info@ringahora.nz)

ISSN No. 2815-9977 (print)

ISSN No. 2815-9985 (online)



**RINGA HORA**  
**Services**

Workforce Development Council

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**MOEMOEĀ**  
*VISION*

*Skills for life,  
wherever it takes you*

## Values

During the establishment phase of Ringa Hora, a set of interim values was gifted to us and we have used these values to guide our work to date.



### Pono

We are genuine and act in good faith



### Tika

We are honest and open



### Mārama

We seek clarity, understanding and wisdom



### Aroha

We are compassionate and caring

## Purpose

Build the talent required for the future of work for the services Sector and Aotearoa.

## Key goals as set out in our 2022/23 Operational Plan:

01

Growing a Te Tiriti embedded organisation

02

Channelling and amplifying the voice of the Service sector

03

Driving transformation in the vocational education system

04

Building a high-performing team

# ABOUT RINGA HORA

Ringa Hora Services Workforce Development Council is one of six Workforce Development Councils (WDC) established by the Education and Training Act 2020, as part of the Reform of Vocational Education (RoVE).

We have a once-in-a-generation opportunity to transform Aotearoa's workforce. By partnering with industry, iwi, hapū and mātauranga Māori experts, our goal is to equip learners and employers, with the skills needed so our communities will thrive locally and globally, for generations to come.

This delivers on RoVE's four key promises, which aim to build a vocational education system that:

- honours Te Tiriti o Waitangi and supports Māori Crown relationships
- is industry-led
- is regionally responsive, accessible, and relevant
- demonstrates excellence in vocational education.

Our name 'Ringa Hora' is made up of the words 'ringa' meaning 'hands', and 'hora' meaning 'spread out' and, in this case, facing upwards. Ringa Hora: the upturned, outspread hands, symbolising manaakitanga, the life force of the entire Service sector.

Our role is to amplify and project the Service sector voice within the vocational education system.

This is achieved through partnering with industry, highlighting their needs and advocating (along with others) on their behalf to bring about system changes. Specifically, we provide investment advice to the Tertiary Education Commission, help shape the vocational education curriculum, set learning standards, and develop qualifications.

Our aim is to support Service industries, as they adjust to the future of work while strengthening their skills base and tackle shortages to access the right training at the right time.





*Nugget Point, Otago | Ōtākou  
Tourism & Travel*

## GIVING EFFECT TO TE TIRITI O WAITANGI

We want to become an organisation that gives effect to Te Tiriti o Waitangi in an equitable and inclusive way, while supporting authentic Māori Crown relationships.

To effectively embed Te Tiriti o Waitangi into our work, we are weaving and laying a whāriki | mat as we go beneath our six Workforce Development Councils, creating space and inviting tāngata whenua, and all manuhiri | visitors to connect with us.

Our interim Manukura, Brenda Smith, led this work along with the Poumatua / Manukura of our other wāhanga | councils.

We know the processes of whakawhanaungatanga | relationship building, and hononga | establishing connection, take time. We also know doing things in a way that is tika | genuine and pono | honest will tautoko | support us, as we invite Māori, iwi and hapū to meet and kōrero with us in good faith. Our sole focus is to enter into trusted, meaningful, and empowering work, based on relationships that are mutually beneficial and longstanding.

While this work is in progress, we will continue to practise mana-enhancing approaches with Māori, iwi, hapū led businesses, and Māori organisations. When seeking opportunities for relationships to be established at the governance level, guidance from the Ringa Hora governance group and Te Kāhui Ahumahi will be sought. Te Kāhui Ahumahi is made up of Māori board members from across all Workforce Development Council governance groups.

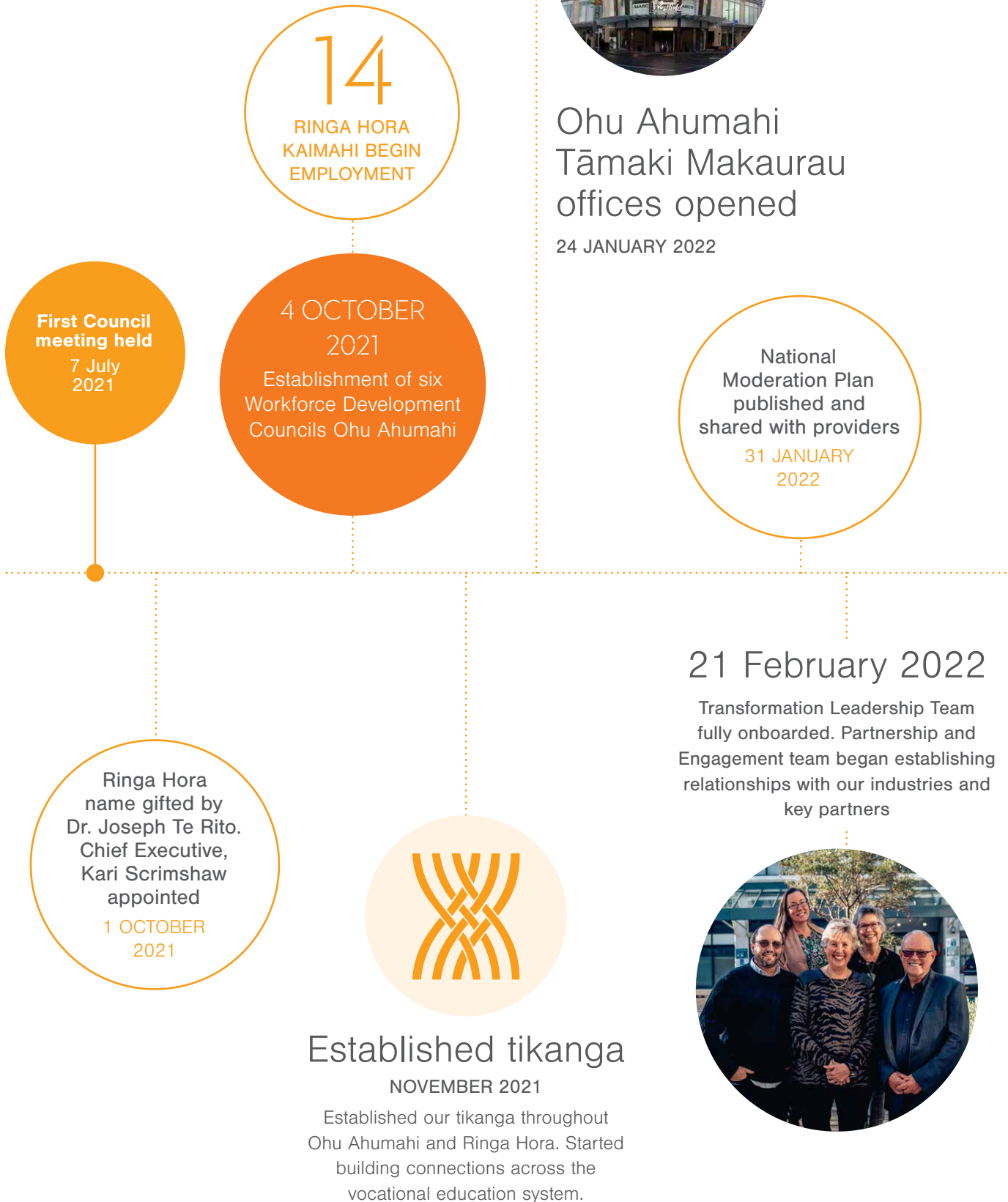
Within our team, we are deliberately filling key capability gaps in the te ao Māori and mātauranga Māori space. Our aim is to better understand, build, and support insights and data, so we can see and experience achievement and success within the vocational education system through Māori eyes.



Weaving a taura whiri with muka

# ESTABLISHING A NEW ORGANISATION TIMELINE

## KEY MILESTONES



ServiceIQ gifts insights reports as part of the Hinonga Kōkiri / Head Start Project

28 FEBRUARY 2022



ServiceIQ transferred funding to Ringa Hora

28 FEBRUARY 2022

28 APRIL 2022

TEC funding confirmed for Workforce Mobility Project

Ringa Hora Operational Plan submitted to TEC

28 APRIL 2022

1 JUNE 2022

Ringa Hora begins its programme endorsement function



14&15 June 2022

Ringa Hora all staff team days, Te Whanganui-a-Tara | Wellington

35%

OF RINGA HORA KAIMAHI ARE OF MĀORI AND/OR PACIFIC DESCENT



35th kaimahi appointed.

27 JUNE 2022

Ringa Hora Investment Advice and initial Workforce Development Plan submitted to TEC

30 JUNE 2022

# GOVERNANCE AND ACCOUNTABILITY – OUR RINGA HORA COUNCIL MEMBERS

## Council profiles



### Hinerangi Edwards ONZM – Chair

Hinerangi Edwards, Taranaki, Ngāruahine, Ngāti Ruanui, Te Arawa, and Samoan heritage, is an executive director and co-owner of AATEA, a kaupapa Māori professional services consultancy. She was also the co-chair of the interim Establishment Board for the Primary Industries Workforce Development Council, and is a member of the Māori Economic Development Advisory Board, and a director of Korou Digital Agency in Te Wairoa.

Hinerangi has previously held governance roles with a number of other organisations including as a Māori Language Commissioner, a councillor at Western Institute of Technology (WITT), a board member of Parinihi ki Waitotara, and a trustee for several charitable trusts. She has a background in career planning and employment and was a national moderator in the public sector for 10 years.



### Jamie Williams – Deputy Chair

Jamie Williams, Ngāti Kahu, Ngāti Kahungunu, Ngāti Porou, is CEO and founder of Kāpura, a Wellington based hospitality business with 40 venues covering restaurants, events, and catering. Kāpura employs nearly 1,000 people and has been in the top 10 of the Deloitte Fast50 ‘masters of growth’ category every year for the past five years.

Jamie is a committee member of Te Awe Wellington Māori Business Network and operates his business under tikanga Māori principles of manaakitanga, kotahitanga and whanaungatanga. He has a focus on giving back to the community and, during the COVID-19 lockdown in 2020, Kāpura’s vulnerable food response delivered over 220,000 meals to Wellingtonians in need.



### Alastair Carruthers CNZM

Alastair Carruthers is the co-founder and director of Homeland NZ Enterprises (a restaurant, cooking school and food embassy based in Auckland). He is the chair of the New Zealand Film Commission (NZFC) and a trustee of Cornwall Park. He has been chair of the Allpress Espresso group, co-chair of Te Papa Foundation, chair of the NZ Arts Council and its investment board, and a member of supervision boards for the Transport and Statistics Ministries. He has also participated on a Ministerial policy task force concerning philanthropy and taxation.

Alastair is a member and former chair of the Services WDC interim Establishment Board and is a former council member and interim CEO of Unitec. He was Commissioner of the official NZ exhibition at the 2017 Venice Biennale of Art, and has over 20 years’ prior experience as the CEO of two leading NZ corporate and commercial law firms.



### Desmond Flynn

Prior to his recent retirement, Des Flynn was the Corporate Affairs Partner for The Warehouse Group and has previously held a range of executive roles in the retail sector including Chief Executive of Warehouse Stationery, Acting Chief Executive for Life Pharmacy, and Chief Executive for Foodtown Supermarkets.

Des is also the chair of the Board of Directors for Retail New Zealand, the chair of the Industry Advisory Board for the Massey University Business School, a former member of the Service IQ Board, and a member of the interim Establishment Board for the Services Workforce Development Council.



### Hinurewa te Hau

Hinurewa te Hau, Whakatōhea, Ngāti Hine, Ngāti Kahungunu, Maniapoto, Tūwharetoa, Ngāti Raukawa and Samoan heritage. Based in Whangārei, she is an experienced business leader and a consistent champion of effective Te Tiriti o Waitangi partnership, and the realisation of tikanga Māori values across private sector boards, not-for-profit organisations, and government.

She has honed her skills in public policy, cultural tourism, small business management, and local economic development.

Hinurewa was a member of the interim Establishment Board for the Creative, Cultural, Recreation and Technology (Toi Mai) Workforce Development Council. Her past governance experience includes chairing the Tāmaki Makaurau Matariki Festival Trust, as well as being the founder and director of the Matariki Cultural Foundation. Hinurewa also chairs the World Music Pan Indigenous Network, representing over 34 countries.

Previous board positions Hinurewa has held include, Q Theatre Limited, and the Otamatea Pioneer and Kauri Museum based in the Kaipara.

She has also recently been appointed as a director to the board of Auckland Unlimited.



### Jill Hatchwell

Jill Hatchwell was previously chair of the interim Establishment Board for the Services Workforce Development Council. She sits on several boards including ServiceIQ (until 31 August 2022), the Civil Aviation Authority, WellingtonNZ as well as listed companies Aorere Resources Ltd, and Chatham Rock Phosphate Ltd.

Jill was previously a shareholder and director of Vincent Aviation Ltd, one of New Zealand's largest, privately owned international airlines and is a director of AOC-holder Air Ops (a member of Aviation New Zealand, the Industry Association) as well as a number of private companies.



### Paul Retimanu

Paul Retimanu is the managing director of Manaaki Management Ltd, which operates Karaka Café and Kawakawa Eatery as well as three function centres in Wellington. He is the president of the Wellington branch of Hospitality NZ, a board member of Hospitality NZ, and chair of the Wellington College Board.

Paul has strong connections with both Māori and Pasifika business and is chair of the Wellington Pacific Business Network, and deputy chair for Te Awe Māori Business Network.



### Loren Heaphy

Loren Heaphy, Te Atiawa, is the General Manager Destination and Attraction at ChristchurchNZ. She has previously held roles in a number of organisations in the tourism and events sector including ATEED, Ngāti Whātua ki Ōrākei, Nelson Tasman Tourism, Nelson Marlborough Institute of Technology and World of Wearable Arts (WoW).

Loren is chair of the New Zealand Event Association and was previously the chair and co-founder of YoungTEC, an association focusing on upskilling and inspiring young people into pursuing tourism as a career path. She is a board member of Tourism Export Council of New Zealand and an independent director of Medical Kiwi Ltd.



### Maxine Gay

Maxine Gay is the General Manager of Pillars Ka Pou Whakahou, a charitable organisation that aims to help create positive futures for the children of people in prison in Aotearoa/New Zealand. Prior to joining Pillars in 2018, she worked in unions for 35 years, holding a variety of leadership roles. Her last role was Retail, Finance & Commerce Secretary for FIRST Union. Maxine has represented New Zealand unions at the ILO and was president of the Asia Pacific Women's Committee for UNI, a global union federation for the skills and service sectors.

Maxine was a member of the Services WDC interim Establishment Board and the WDC Design Reference Group. She is a former director of Service IQ, the Industry Training Organisation for the Services Sector, and was previously a director for Retail Institute, the Industry Training Organisation for Retail.

## Council Membership

In addition to formal committee meetings, our Council members regularly meet with the Ringa Hora management teams, to provide guidance on specific operational matters. Our Council members are also instrumental in connecting us with the wider Service sector network, forming a key pou | pillar in our engagement activities.

In our foundational year, we wish to acknowledge the large amount of work our Council put in to enable the stand-up of Ringa Hora prior to 4 October 2021. With no operational leadership, many Council members, especially the Chair, debated and agreed to a huge number of operational decisions that were required from July 2021 onwards.

Without their commitment of time, which is unaccounted for in the figures on the following page, we would not have been able to recruit a chief executive, agree to and support the shift of Transitional Industry Training Organisation (TITO) staff to Ringa Hora, or agree to the many basics of information technology, property, and other systems, enabling us to be operational on day one.

We also want to acknowledge the amount of time and work our Council Members have contributed within the Kāhui Ahumahi and Pacific Fono, writing policy, establishing tikanga, and providing support and strategic advice.

Rear L-R: Kari Scrimshaw, Maxine Gay  
Front L-R: Alastair Carruthers, Jill Hatchwell, Desmond Flynn





Councillor	Other Roles	Start date of appointment	Term of appointment	Council fee received (\$)	Council meetings attended	Appointed by
<b>Alastair Carruthers</b>	<ul style="list-style-type: none"> <li>Member of Finance, Audit, and Risk Sub-committee</li> </ul>	7 July 2021	30 June 2022	20,000	Attended 15 Council and Sub-committee meetings with an overall attendance rate of 100%	Council appointment
<b>Desmond Flynn</b>		7 July 2021	30 June 2022	20,000	Attended 7 Council meetings with an overall attendance rate of 87.5%	Ministerial appointment
<b>Hinerangi Edwards</b>	<ul style="list-style-type: none"> <li>Council Chair</li> <li>Member of Finance, Audit, and Risk Sub-committee</li> <li>Member of People, Culture and Capability Sub-committee</li> <li>Member of Pacific Fono</li> <li>Member of Te Kāhui Ahumahi</li> </ul>	11 June 2021	10 June 2023	40,000	Attended 28 Council and Sub-committee meetings with an overall attendance rate of 90%	Ministerial appointment
<b>Hinurewa te Hau</b>	<ul style="list-style-type: none"> <li>Member of Finance, Audit, and Risk Sub-committee</li> <li>Member of Pacific Fono</li> <li>Member of Te Kāhui Ahumahi</li> </ul>	7 July 2021	30 June 2022	20,000	Attended 19 Council and Sub-committee meetings with an overall attendance rate of 65%	Council appointment
<b>Jamie Williams</b>	<ul style="list-style-type: none"> <li>Council Deputy Chair</li> <li>Member of People, Culture and Capability Sub-committee</li> <li>Member of Te Kāhui Ahumahi</li> </ul>	11 June 2021	10 June 2023	25,250	Attended 10 Council and Sub-committee meetings with an overall attendance rate of 100%	Council appointment
<b>Jill Hatchwell</b>	<ul style="list-style-type: none"> <li>Chair of Finance, Audit, and Risk Sub-committee</li> </ul>	11 June 2021	10 June 2023	20,000	Attended 15 Council and Sub-committee meetings with an overall attendance rate of 100%	Ministerial appointment
<b>Paul Retimanu</b>	<ul style="list-style-type: none"> <li>Chair of Engagement Sub-committee</li> <li>Member of Pacific Fono</li> </ul>	11 June 2021	10 June 2024	20,000	Attended 8 Council and Sub-committee meetings with an overall attendance rate of 89%	Ministerial appointment
<b>Loren Heaphy</b>	<ul style="list-style-type: none"> <li>Member of Engagement Sub-committee</li> </ul>	7 July 2021	30 June 2024	20,000	Attended 7 Council and Sub-committee meetings with an overall attendance rate of 78%	Council appointment
<b>Maxine Gay</b>	<ul style="list-style-type: none"> <li>Member of People, Culture and Capability Sub-committee</li> </ul>	7 July 2021	30 June 2024	20,000	Attended 10 Council and Sub-committee meetings with an overall attendance rate of 100%	Council appointment

## Our Ringa Hora Leadership Team

During the 2021/2022 establishment year of Ringa Hora, we proactively initiated industry relationships while building our organisation and operating infrastructure from the ground up. During this start up period, our focus was careful and deliberate.

We appointed key personnel with the right expertise and experience, to scan the Service sector horizon, troubleshoot for future and current challenges and provide vocational education with a fresh standard of excellence.

As of 30 June 2022, we are proud to say we have filled 34 out of 59 permanent roles.

We aim to build a well-rounded team, by identifying any capability gaps and recruiting the best person for the role rather than filling the vacancies at speed. We expect most vacancies to be filled by the end of 2022 including in our specialist areas of te ao Māori and mātauranga Māori.

### The Ringa Hora Leadership Team are:



**Kari Scrimshaw**  
Chief Executive



**Mel Harrington**  
General Manager,  
Partnership and Engagement



**Brenda Smith**  
Interim Manukura  
to June 2022



**Leo Shen**  
General Manager  
Strategy and Advice



**Te Oho Reedy**  
General Manager Qualifications  
and Quality Assurance



# AT A GLANCE

RINGA HORA

We represent ▼ sector groups of:

# 10

Aviation & Airport; Business & Professional; Cleaning; Contact Centres & Industry Support; Financial & Advisory; Hospitality & Food; Government, Security & Defence; Real Estate & Rental; Retail & Distribution; Travel & Tourism

## Our Team

as of June 2022



# 35

Staff Members



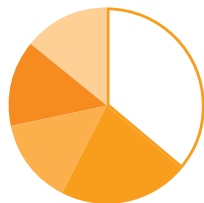
# 9

Council Members

57% of roles filled

## Diversity Breakdown<sup>1</sup>

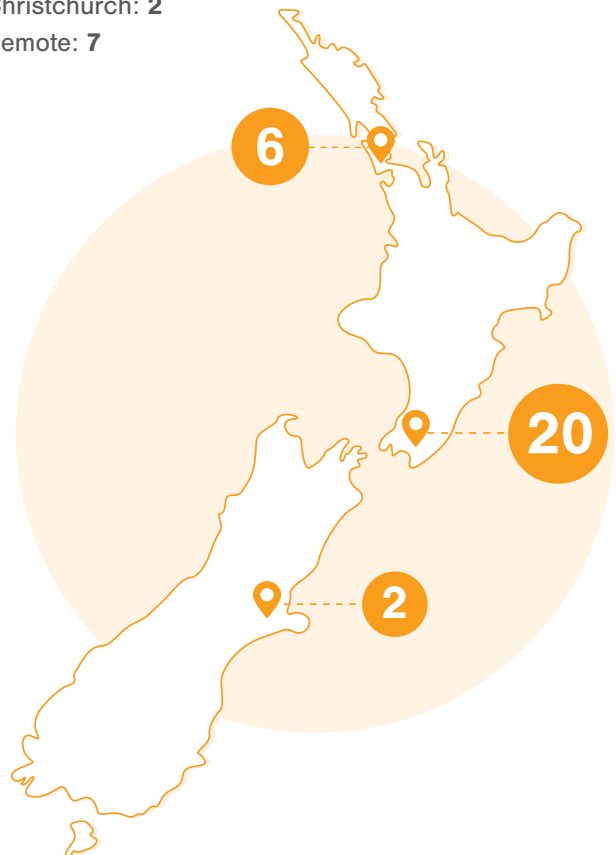
- 36% NZ European
- 21% Māori
- 14% Pasifika
- 14% Asian
- 14% Other



<sup>1</sup> Based on self-identified internal Staff survey

## Staff Location Breakdown

Auckland: 6  
 Wellington: 20  
 Christchurch: 2  
 Remote: 7



## Our coverage



Qualifications



Unit Standards;  
of which



Qualifications are  
under review in 2022



Unit standards are  
under review in 2022

## Responsible for moderating:



Providers  
and schools



Unit standards

## New function:



New programme  
endorsements

## Engagement

70%

of our priority industries

100%

Industry Associations representing our  
service sectors

# OUR PURPOSE, VALUES AND GOALS IN ACTION

## Ohu Ahumahi – working collaboratively

Ringa Hora Services is one of six Workforce Development Councils (WDCs).

With our name centred around reciprocity, Ringa Hora prioritised working collaboratively with other WDCs when performing our functions during the early establishment period. Ohu Ahumahi – a cross council tikanga | appropriate practice, was established by Brenda Smith, our acting Manukura, to bring our combined organisational values to life, while still retaining our individual identities.

The tikanga of Ohu Ahumahi established mihi whakatau | formally welcoming new staff, daily karakia | a time of reflection and to start the day fresh, and weekly waiata practice.

This proved critical during COVID lockdowns, when offices were closed and the only place to connect was online. Mihi whakatau, karakia and waiata shifted to our screens, keeping our whakawhanaungatanga | relationship building and hononga | connectedness intact.

Ohu Ahumahi tikanga became ‘He Whare Hauora’: a house of wellbeing where staff from around the country could meet, collaborate, and show aroha to each other, at a time when the Service sector was under enormous pressure.

The Pacific Fono.

L to R: Pu’e Jerome (Muka Hanga-Aro-Rau), Tofilau Talalelei Taufale (Toitū te Waiora), Mele Wendt (Chair, Toi Mai), Hinurewa Te Hau (Ringa Hora), Hinerangi Edwards (Ringa Hora), Paul Retimanu (Ringa Hora)



## Ohu Ahumahi – Working Inclusively

Under the umbrella of Ohu Ahumahi, a number of cross WDC initiatives flourished including:

### Te Kāhui Ahumahi

A tāngata Māori, cross council governance group giving effect to Te Tiriti o Waitangi and supporting equitable, inclusive and authentic Māori - Crown relationships, while effectively embedding Te Tiriti o Waitangi into our work.

### Pacific Fono

A tāngata moana group of collective members providing WDCs with support and strategic advice on how best to connect with Pacific industry, business, and communities. The Fono also advised on the WDC's obligations to Pacific learners and āiga | families as well as best practice approaches to Pacific related work programmes.

### Tāngata Whaikaha

Tāngata Whaikaha Disabilities General Manager is a new role created by Ohu Ahumahi leadership. In June 2022, Roger Herangi was appointed to work across WDCs ensuring those living with a disability can access vocational education in their chosen pathway.

### Tāngata Whaikaha Caucus

A caucus of 14 tāngata whaikaha from Ohu Ahumahi leadership provide advice and guidance for all six WDCs, alongside the Tāngata Whaikaha Disabilities General Manager to:

- ensure equitable access to vocational education pathways for all learners who identify as disabled
- ensure the voice of disabled people directly informs the development of qualifications and standards available to the disability workforce
- provide strategic advice on all issues, including access at both governance and operational levels for disabled learners, WDC employees, and the development of the disability workforce.

## Workforce Development Councils and Communities of Practice

Nine Communities of Practice have been set up to inform good and consistent practice on a range of subjects such as strategy and advice, programme endorsement, engagement and partnerships, vocational pathways, qualifications, skill standards, and quality assurance and capstone assessments.

The Communities of Practice work across all WDCs to:

- Serve industries, providers, and learners
- Incorporate Te Tiriti o Waitangi as part of best practice
- Create and standardise best practice and continuous improvement
- Engage collaboratively in agile and innovative practice
- Shape transformation as a by-product of best innovative practice

This closer collaboration between WDCs is a new feature of standard-setting bodies which is a direct result of RoVE.

### Shared Data Platform

A cross-WDC and Regional Skills Leadership Group (RSLG) project to develop a Shared Data Platform is currently underway. The aim is to provide consistent, rigorous, common data intelligence that is simple to use and accessible throughout the vocational education ecosystem.

The Shared Data Platform is working under a governance structure that includes Poumatua/Manukura and a Subject Matter Expert on Māori data sovereignty. It is expected that WDCs, RSLGs, and other partners across the vocational education system (providers, industry, iwi, hapū, regions, etc.) will be able to access the platform from 2023.







**OUR  
QUALIFICATIONS  
AND STANDARDS**

## QUALIFICATIONS AND STANDARDS STOCKTAKE

During the establishment phase, Ringa Hora did a stocktake of the status of qualifications and unit standards across the Service sector, including how well they are being used.

There are 44 qualifications and 635 unit standards undergoing review in 2022. A further nine qualifications and 122 unit standards are due for review in 2023.

So far, we have identified 415 unit standards that have had no usage over the last 3 to 5 years and have been analysing these unit standards to determine why zero use occurred. They will be retired or expired if there is no future interest in them from industry and Tertiary Education Organisations.

Workforce Development Councils (WDC) have worked collectively to ensure standards within their coverage areas were in the correct WDC. As a result, Ringa Hora received nine qualifications and 232 standards and transferred three qualifications and six unit standards to another WDC.

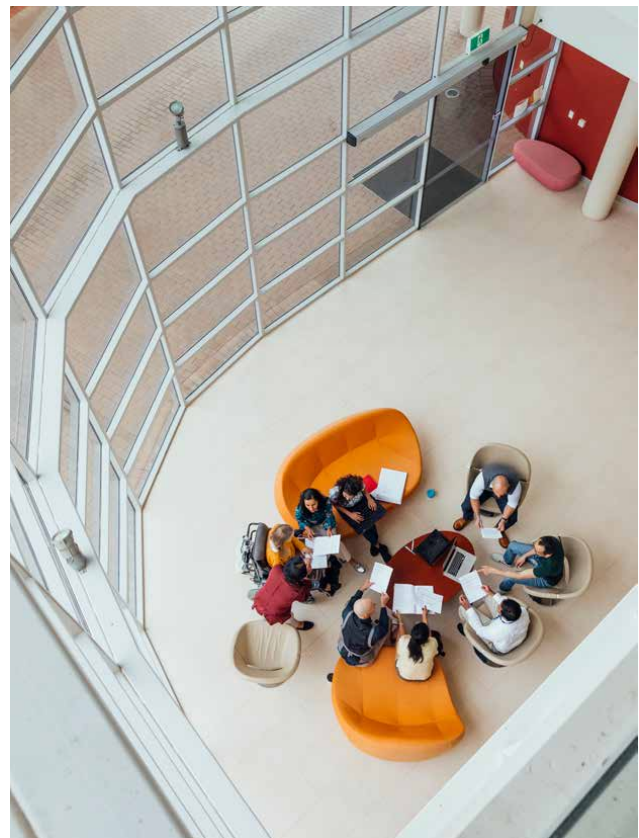
As of July 2022, Ringa Hora has 108 qualifications and 1,946 unit standards. (See Appendix One: Ringa Hora Qualifications System Products Coverage for a breakdown by sector.)

### New projects

Since its establishment in October 2021, Ringa Hora, alongside the other WDCs, has been partnering with the New Zealand Qualifications Authority (NZQA) to simplify the New Zealand Qualifications Framework and Quality Assurance Requirements. This includes the design of skill standards and national curricula and will continue throughout 2023.

As a result of these framework changes, Ringa Hora in partnership with Te Pūkenga, initiated a pilot project to transform the structure and essence of Hospitality qualifications and programmes. This pilot project is well underway and will continue in 2022 and 2023, progressing work on product prototypes that are flexible, have interchangeable components, and are suitable and helpful to the industry.

Ringa Hora has also established representation on the Ministry of Education (MoE) led vocational pathways advisory and working groups, to explore a Vocational Entrance Award (name provisional) and confirm unit standards that can contribute to these awards.



# QUALITY ASSURANCE

Ringa Hora carries out moderation and programme endorsement functions, within the standard-setting coverage of the Service sector. Our Quality Assurance team works closely with the Qualifications and Industry Engagement teams by supporting, collaborating, and sharing advice to inform unit standards, qualifications, and programme endorsement.

## Moderation

Our moderation function is a quality assurance activity that benefits the industry, providers (including schools), and ultimately ākonga| learners. We ensure all ākonga have met the correct requirements when they are awarded a unit standard or qualification. Working alongside providers, Ringa Hora external moderation activities confirm that the assessment materials providers developed are fit for purpose and that assessment decisions are fair, valid, and consistent with the national standard, irrespective of the mode and place of learning.

At the start of 2022, we published our National External Moderation Plan and sent it out to providers with consent to assess all Ringa Hora unit standards. The plan gives information and relevant details about Ringa Hora proposed moderation activities. Our preferred approach to moderation is engagement and building relationships with providers, which we believe leads to better outcomes for all students over time.

Ringa Hora uses a shared risk-based approach across all Workforce Development Councils (WDCs) to determine post-moderation focus, for example, how often a provider gets moderated and what for. Pre-assessment moderation is generally provider-driven; we have little control or visibility of how much pre-assessment moderation providers will request.

## Programme endorsement

Ringa Hora is committed to supporting providers to develop, and gain approval, for high-quality programmes. WDC considerations for programme endorsement differ from NZQA approval criteria and look to prioritise the vocational education training needs for both industry and ākonga.

The endorsement of programmes that providers develop is a new component of quality assurance for which WDCs became responsible on 1 June 2022. We believe this new function presents a massive opportunity for us to bring the voice of industry more actively into the programme approval process.

Since October 2021, all WDCs have worked together alongside the Tertiary Education Commission, Ministry of Education and NZQA to develop a model and associated processes, for endorsing programmes before providers submit them to NZQA for evaluation and approval.

WDCs focus on the following six considerations for new programme endorsement:

- Ngā whakamārama - Programme content
- Mana ōrite mō te hunga ako - Equity for learners
- Torotoronga me te kimi whakaaro - Programme engagement and consultation
- Te ao Māori
- Te akoako me ngā reo o Te Moana-nui-a-Kiwa - Pacific languages and learners
- Tāngata Whaikaha - Disabled people

We intend to move programme approval away from being a rigorous compliance exercise to one that is more reflective of industry needs. We will work with Tertiary Education Organisations at the beginning of their programme development process to ensure they have the support they need for a successful outcome.

For the period 1 June 2022 to 30 June 2022, Ringa Hora received 8 programme endorsement requests, with two requests being Type 2 changes only. Under the New Zealand Qualifications Framework (NZQF) Programme Approval and Accreditation Rules 2021, a Type 2 change means one or more changes to components of an approved programme which do not impact on the programme as a whole. Type 2 changes must be endorsed by a WDC then approved by NZQA prior to implementation.

# JNP AVIATION TRAINING – FROM AIRPORT SERVICES TO TRAINING PROVIDER

## PROVIDER CASE STUDY

JOSH PAYNE (CEO) AND  
ALICE JONES (ACADEMIC LEAD)

Registered with NZQA in August 2021, JNP Aviation Training is a new training provider, backed by its parent company JNP Aviation with over 15 years' experience within the aviation industry. When asked about the journey from the provision of airport services to training, JNP CEO Josh Payne's face lights up.



“In our industry, it’s highly regulated; it’s safety focused. We’re dealing with millions of dollars’ worth of machines on a daily basis. It’s a lot of money, a lot of gear, a lot of assets. That requires our guys to be on point all of the time. They are highly skilled. However, that skill set wasn’t recognised as a qualification in the ground operations industry – for our guys that are loading the bags, that are refuelling the aircraft, marshalling the aircraft – or that are catering aircraft and I wanted to bring some recognition into what our guys actually do. It is just as an important part of the puzzle as the pilots and flight attendants who are certified.”

That’s where Alice Jones, Academic Lead, came in. Her education background started at what’s now Toi Ohomai, teaching marine studies and environmental management for about 10 years, then she moved into tertiary and industry education working for Arahanga Associates, developing programmes, applications, moderating, and helping establish Private Training Establishments (PTEs).

“I met Josh and his team a couple of years ago because they wanted to develop the school,” she says. “I worked with Arahanga Associates to assist Josh and his team establish their PTE training provider and then... I just haven’t left! I’ve stayed on, and then we became registered, and we’ve just been slowly developing the capabilities and creating the right environment for our students.”



“There’s a lot of difference between industry training and a learning environment in an education setting. These ‘rampies’ [ground handlers] are fully trained in this high safety regulated environment and they are trained exceptionally well, but by giving them an opportunity to also embark on a New Zealand Certificate means that they get that extra support, learning and the communications side rather than just the hands-on doing. You’re also adding value to what somebody has already in industry by giving them the chance to get that qualification.”

The team at JNP Aviation Training [JNPAT] now offer the New Zealand Certificate in Aviation Ground Handling (Level 3) Ramp Operations strand,

a 4098 Assessing in Industry mini certification, and have more in development with a micro credential in aviation security, aircraft cleaning and ‘front of house’ qualifications all seeking NZQA approval. As part of the Certificate’s programme development, Alice worked through the pre-assessment moderation with Ringa Hora’s Quality Assurance team.

“To have Ringa Hora as support – has been fantastic when it came to all these industry assessments. There were areas where me and the Subject Matter Experts were developing the assessments for new students, but also needed them to work for trainees already in industry. The moderators were awesome when at times I had to think..., how can I assess this? Can I do that particular bit like this?,

and they helped me nut through this, which has been such a valuable part of the process.”

“There’s so much going on in aviation and so much development with industry. I have good support with NZQA. There are particular people there that I can call and ask, ‘how can I do this?’ and now it’s great to have another supporting external body like Ringa Hora to that I can ring up or email just to check in.”

# PUBLIC SECTOR

## INDUSTRY SPOTLIGHT

Jane Krammer, Qualifications Manager at the Ministry of Social Development (MSD), is proud of MSD's ability to provide employees with pathways to progress in their careers. With nearly 10,000 employees, MSD is a substantial, nationwide employer committed to upskilling and enhancing its workforce.

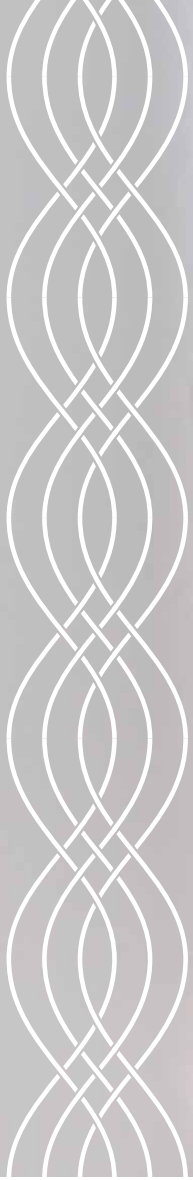
MSD has a comprehensive qualifications programme, offering its employees the opportunity to upskill across a wide range of formal qualifications, including contact centre operations, case management, and government regulatory compliance, from Level 3 certificates up to Level 6 diplomas.

"Our qualifications programmes are available to all staff who have worked with us for more than a year. They help our employees develop and build their capability, especially at our front line where they're working with our clients, New Zealand's most vulnerable group of people," Jane explains.

Jane sees the benefit of their development strategy as two-fold: as the employer, MSD gains a fit-for-purpose, professional workforce which provides excellent customer service, while MSD employees gain a sense of achievement, value, transferrable skills and recognised qualifications.

"Every year, we have a series of whakanui where we celebrate our graduates and their successes, and everyone gets their certificates. There's a huge sense of achievement for our learners. Our qualifications are all work-based learning, so some are based on reflective practice."





So they are gaining credentials and proving their skills and abilities in the job they already do. It makes them feel valued.

“Our people have told us their experience and the qualifications they’ve gained at MSD mean they’re looked upon favourably when they apply for roles outside of MSD. So we feel really proud of that.”

The MSD Qualifications team moderate roughly half the qualifications MSD offers while their providers – Skills and Careerforce – moderate the rest. This year the MSD team has assessed and moderated around 200 learners. Jane is looking forward to working with Ringa Hora on moderation and qualification reviews in the future.

“We are professional in that we are running programmes that would stand up in a polytechnic or a university. Our moderation and assessor team have all been in the business a long time; they’re all very experienced. We do voluntary moderation as part of our professional identity, so I’d like to see more communication about Ringa Hora’s moderation plan so that we can prepare.”

“I’m very excited about Ringa Hora’s involvement with qualification reviews, for example, I’m looking forward to the opportunity to review our Case Management qualifications with Ringa Hora to support best practice in case management.”

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### Key future focus

1. Continue to engage with and invite employers and the wider industry to participate in our qualification reviews, including new product developments or innovations.
  2. Work alongside organisations to provide quality assurance and moderation, with clear communication of our role, requirements, processes and timeframes.
-







# OUR INDUSTRIES

# PARTNERSHIP AND ENGAGEMENT

*Ka taka te kirikiri i roto i te wai marino, he wai poto noa iho.  
Engari, he haere tonu i te pūngarungaru i te kore he mutunga.*

*A drop of a pebble into the still water, is but a short splash, but, the ripples will last forever.*

Our initial months of start-up, focused on building internal capability, and embedding best practice across Ohu Ahumahi. Business mapping identified key organisations to engage with, a blend of existing and new relationships to strengthen connections and raise visibility.

## Our strategic foundations

Our goal in 2021/2022 has been to establish connections, raise our profile, and add value. We want to build trusted, enduring, sustainable relationships, that recognise the importance of whanaungatanga and finding common ground.

Our focus in the past year has been to:

- Build awareness of who we are and how we can support industry through genuine relationships in person as well as through online engagement
- Build trust through the development of a Māori strategy that recognises kanohi ki te kanohi | face to face engagement, and also has the capacity to handle broader mahi occurring across Ohu Ahumahi
- Establish connections throughout the shift of functions from TITOs to Ringa Hora and attend key industry events to connect with organisations and businesses
- Add value by taking a joined-up approach across industry and agencies, collectively problem solving the challenges facing the Service sector now and in the future.

## Our highlights this year:

- Being active contributors to the National Tourism Industry Transformation Plan as the standard and industry setting body for the sector, providing input into the vocational education and training priority areas
- Gathering insights through our online and kanohi ki te kanohi engagements for our initial Workforce Development Plan
- Developing Pacific business network engagement in the central North Island, including key central government agencies such as the Pacific Business Trust, Ministry of Pacific Peoples, and Pacific community groups
- Being an industry supporter and connector, bringing industry partners to the table and helping to inform qualification review processes
- Negotiating challenges across cutting-edge issues and connecting the Service sector by bringing parties together to reach solutions and explore opportunities that support the current and future workforce.

## OUR INDUSTRY SERVICE SECTORS

Providing industry with a voice and greater leadership across vocational education and training is at the heart of the Reform of Vocational Education (RoVE). It's the key to addressing skills shortages and ensuring workforce training and development is fit and ready for the world of work.

From 4 October 2021 to the end of June 2022, we had engaged with 70% of our industries and all Industry Associations within the Service sector – a total of 170 engagements. Of these, 40% were businesses and employers, and 34% were providers, Private Training Establishments (PTEs) and community groups.

As many of our industries rebuild from COVID, we are committed to making it easy for them to work with us. This means we need to be in spaces and places where they already are. We attended four industry events and conferences between February and June 2022 and have a calendar of key events scheduled for the year ahead. We are prioritising speaking engagements, workshop facilitation, and trade booths to raise awareness and encourage wānanga with industry.

Next year we will keep listening to the voice of our industries and supporting vocational education engagements as one eco-system made up of employers, businesses, industries, providers, communities, and learners.

*Commercial Bay, Tāmaki Makaurau | Auckland  
Retail & Distribution*



# TRAVEL

## INDUSTRY SPOTLIGHT

GREG HAMILTON,  
CEO, TAANZ

“We want to grow people who will be our future leaders, who can build an industry that increases its productivity and contributes to the economy.”



“We want to grow people who will be our future leaders, who can build an industry that increases its productivity and contributes to the economy.”

“Kiwis love to travel – and they are. The industry has come back with absolute gusto. In May and June 2022, we handled the same volumes as in May and June 2019, pre-COVID, so the industry is coming back from being decimated. We went from having front-line staff of about 3,000 down to about 1,700. We’ve estimated we’re back to around 2,500 now, but not all our people have returned. It turns out travel agents are very much in high demand. That’s because they are very people orientated, they’re all about customer service, they’re multi-taskers, and they’re used to working under much pressure – so they’ve been snapped up quickly in other industries.”

Quietly spoken yet obviously passionate about the travel industry, Greg Hamilton was appointed CEO of the Travel Agents Association of New Zealand (TAANZ) in January 2022. He brings with him over 20 years of experience within the travel industry. He’d like to see others take his career path from consultant to a business owner to industry leader.

“Staffing is one of our biggest issues, as it is for everyone. We need to promote the Travel industry as an attractive career proposition. People can move into management, product, finance, and marketing, and it’s an entrepreneurial environment. There are opportunities to be a business owner and go on to be an employer.”

With newcomers to the industry to meet the staff shortage comes the need for on-job learning.

“Many agencies are looking for the right person and running them through their induction programmes. The challenge will be determining the qualifications and diplomas offered to the new staff. As an industry, we need to take a brand-new approach. In the short term, we need to shore things up. Seeing the travel industry utilise the new micro-credential approach would be great. That will help induct people while putting them on a pathway to qualification.”

“One thing we’ve been discussing with Ringa Hora is how we ensure that training is transformative. Our travel agents have shown they have transferrable skills. They have to deal with things that are very complex and challenging.



We want to look at the commonalities in the wider Service sector, where there's a need for sales, people management, and customer service so that the sector gets people who can start in travel and then be in hotels, for instance.

“In the long term, we have an excellent opportunity to invite Ringa Hora to look at the challenges with TAANZ. Over the last couple of years, industries have changed as people's requirements have changed. Travel is a classic example of that. Careers and workforce development is a key pillar of our business strategy. We need someone to help make these things happen, so having a true partnership with Ringa Hora is valuable to us.”

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### Future focus

1. Raise the perceptions of Service sector careers, particularly for young people and their whānau.
  2. Core skills, such as customer service, form the foundation of careers in industries and jobs. To recognise the value of these skills and the opportunities they create and their transferability across different industries and sectors.
  3. Develop stackable micro-credentials to accelerate skills uptake.
-

# SECURITY

## INDUSTRY SPOTLIGHT

### JOHN TAIA, DUTY SUPERVISOR AND CAROLINE HALTON, BUSINESS MANAGER – SERVICE AND OPERATIONS, CITYGUARD

John Taia, Duty Supervisor, was attracted to Cityguard’s clear purpose: to change the perception of the Security industry. “Security is seen as low-pay jobs for those who can’t get a job anywhere else,” John explains, “but that isn’t the case. I was invited by a friend to jump on a security job, and I loved it.” John loved it so much that he left his career in sales and marketing eight years ago and hasn’t looked back. “I enjoy meeting different people and being responsible for our operations and the health and safety of our guards.”

“Our purpose is evident in everything we do and every decision we make,” says Caroline Halton, Business Manager – Service and Operations. “Our goal is to demonstrate that Security is a viable career opportunity. Our focus on recruitment, training and development pathways is about allowing people to make this industry a career.”

Cityguard runs mandatory and specialist training programmes and site-specific daily scenario training. They also have an assistant supervisor training scheme for those who demonstrate growth potential. “This 8 -12 month course that exposes candidates to all operational aspects of our business. In addition we share our knowledge and procedures pertaining to our health and safety, human resources and our management decision making processes.

At the end of the course they have become qualified to be able to apply for the next opening within the Supervisor team. This would be the equivalent as an operations manager in other organisations.”

Caroline sees recruitment and training as key to Cityguard’s success. “Over 80% of our growth comes from existing clients or referrals due to the services delivered by our team of officers.”

“Training gives our team the confidence to share with and support other team members. It strengthens their opportunities within the business. Most of our current supervisors have undertaken this course, and we currently have four assistant supervisors starting the programme.”

The assistant supervisor programme was a key driver for John. He enjoyed learning every role and seeing how the company operates. “I now have the skills to help others in their role. I want to learn to roster next and aim for a management role.”

For the wider industry, Caroline would like to see more consistency, affordability, availability, and support for those undertaking training. “A clear and concise plan as to what is available for our team which outlines cost, delivery, timeframes, external auditing, and opportunities for further development is needed.”




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#### Future focus

1. Find solutions for the challenge of under-developed career structures in selected industries like Security.
  2. Partner with providers, industry bodies and employers, promoting credentialised learning for businesses, showcasing the value and skills of the current and future workforce.
-



# TRANSFORMATION AND EQUITY

***Rae ki te Rae  
Mana ki te Mana  
Mahi ki te Mahi  
Kanohi ki te Kanohi***

The transformation process is unique in that it can provide a lens to view our current state of equity, as well as what future success could look like. This lens gives us the opportunity to address any equity imbalance now, ensuring that all learners in vocational education settings experience the achievement and success levels they are capable of today and in the future.

Grounded in Te Tiriti o Waitangi, work is already underway in our Service sectors establishing and maintaining strategic partnerships that will provide equitable outcomes. We will continue to take a whole of Ohu Ahumahi approach, identifying potential industry partners as we move to co-create new products and to innovate in a co-ordinated, connected way.

Engagement begins with listening to iwi, hapū, whānau and rūpū Māori, trying to understand how to best support our shared aspirations of transformation, within community, business, and vocational education settings.

Building on our engagement approach, our next step is to meet people where they are at, apply an unrelenting equity lens, and design where appropriate, bespoke or tailored solutions as required. Our priority communities are Māori, Pacific, and those living with a disability or who have learning support needs. Successful early engagement is already underway in some communities, from the Bay of Plenty, Waikato, and Wellington regions.

Our end goal is for ākonga within the Service sector to experience better outcomes and success, enabling them to thrive now and for future generations to come.

## Our future plans

- Co-ordinated, strategic engagement with industry, iwi Māori and key partners across the vocational education eco-system
- Partnership with Regional Skills Leadership Groups (RSLGs), particularly where our Service sector is in alignment with a regional and provincial engagement focus
- Co-create and co-design new product developments with industry and key partners
- Building and supporting cultural capability across Ringa Hora
- Enabling effective partnerships with Māori, iwi, hapū, business, Pacific peoples, and people with disabilities. This will be done by putting in place mechanisms with a focus on equitable outcomes for all learners
- Ensuring cultural authenticity and credibility when supporting Mātauranga Māori led by iwi, hapū, and Māori business
- Continuing to strengthen the Ringa Hora team.





# STRATEGY AND ADVICE

The Ringa Hora Strategy and Advice team supports the Tertiary Education Commission (TEC) and others to address future workforce development needs within the Service sector. This includes how the vocational education and training system can meet those needs, as well as creating a thriving and resilient future sector.

Since Ringa Hora was established in October 2021, we have been actively building our organisation, maturing our operations, and engaging with and developing industry partnership. As we move out of our establishment phase, with the core elements of our business now in place, we enter into a new phase where we continue to strengthen our organisation for the remainder of 2022 and beyond.

We are building the capabilities, expertise and experience required to meet the challenges and opportunities presented by the Service sector. We are well placed to deliver on our commitments and excited by the prospect.

Starting from scratch, we now have a core Strategy and Advice team in place who can respond to a number of system challenges facing the Service sector, as well as wider issues affecting all Workforce Development Councils regarding the Reform of Vocational Education. Although confident we are on the right path, clear messages from our sector groups and partners, signal that more in depth work is needed to fill gaps in our own understanding of how the Service sector is currently operating. This will enable us to accurately assess the current and future needs of the sector, and affect the system changes required for sustained growth.

## Highlights

- Completed Ringa Hora draft and final Operational Plan
- Delivered Investment Advice on time to TEC
- Put internal policies and processes in place
- Produced Ringa Hora first Workforce Development Plan
- Provided input into a range of government policy initiatives
- Collaborated with other WDCs to develop a Shared Data Platform to enable and encourage evidence-based decision making
- Undertook research into Service sector workforce mobility during COVID
- Worked alongside TEC and our industries to help shape the Unified Funding System and ensure it considers the needs of the Service sector.

## Workforce Development Plan

The Strategy and Advice team drafted and published its first Workforce Development Plan in August 2022. This initial plan presents a high-level summary of the people working in the Service sector today, factors that will shape the workforce in the coming years, and actions we could take to develop the future workforce together. As our first plan, it is based on readily accessible, quantitative information, and qualitative insights gleaned from the many early conversations we've had with people within the Service sector.

## Future focus

The Strategy and Advice team will continue to play a crucial role in the collation and analysis of information. This will help us respond to the skills needs in the Service sector through the provision of workforce development plans and vocational education investment advice. We aim to continue on a transformational path, towards an industry-led system that is Te Tiriti o Waitangi-partnered, regionally responsive and delivers learner excellence.

# MARISA BIDOIS

## INDUSTRY SPOTLIGHT

### RESTAURANT ASSOCIATION OF NEW ZEALAND

“Hospitality brings people together. It creates memorable moments that often stay with people for the rest of their lives.”



“Food has always been a big part of how we have connected as a culture and family,” Marisa begins, brimming with the passion and warmth of someone who has clocked hundreds of nights working lunch and dinner service in hospitality. “Food played a foundational role in the early part of my life and has remained important so I’m really passionate about all aspects of food and specifically hospitality.”

Appointed as the Chief Executive of the Restaurant Association of New Zealand in 2011, Marisa Bidois, Ngāti Ranginui, leadership has seen the association grow and develop into an organisation that is agile to respond to industry needs and trends as they happen, yet impactful enough to enact meaningful change.

“People congregate in our businesses and so we are that connecting point within our communities. We’re also a barometer in the economy as well. Our businesses will often feel the impacts of any kind of economic change before other businesses, because we are a discretionary spend and often the first to feel the impact of any downturn in the economy. “In terms of our recovery



St Kevin's Arcade, Tāmaki Makaurau | Auckland Hospitality & Food



over the next few years, there are some key areas that we really need to focus on. I'm looking at how we're creating a skills pipeline to shore up a skilled local workforce for the future, whilst ensuring that our immigration policy meets the needs of our industry. Those are the things that, at the Restaurant Association, we've been really focused on. There are some things that don't change over time, but there are a lot of things that do evolve so we need our training to be responsive to the needs of the industry – and the only way to do that is to really keep closely connected with industry to understand their needs.”

In the wake of the pandemic, the Restaurant Association has established multiple programmes that prioritise industry training, not just for the existing hospitality workforce, but also for people entering the sector for the first time. “We have been really focused on creating opportunities to link practical training with businesses. The programmes that we run focus on upskilling people and increasing their opportunities for employment within our industry. Ultimately, we want to create sustainable businesses where our workers see career potential in hospitality.”

When asked, “what kinds of people thrive in your industry?”, Marisa replies, “it is really about people. I just keep coming back to that. If you like engaging with people then you're going to do well in hospitality. It's all about having the right sort of attitude. If you are willing to learn, like to be busy and like meeting people from all walks of life, then hospitality is the industry for you.”

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### Future focus

1. Continue to connect with industry to further understand their needs and help attract the future workforce
  2. Work with providers and the industry to help promote successful programmes to potential learners and explore delivery changes to better suit those already in employment, with the overall aim of accelerating the supply of skilled workers in industries badly impacted by COVID-19
  3. Recognising the value of soft skills is an important area for qualification development.
-

# RIVER PRICE

## INDUSTRY SPOTLIGHT



### GO WITH TOURISM

“I want to let students know there are other places that you can go to that’s not just university”

Whether it is managing a gelato shop, leading people from across the world through Hobbiton, checking IDs outside bars or sharing virtual reality experiences of skydiving with rangatahi at Career Expos, River Price is what the Services sector might call an ‘all-rounder’.

Like many with an adventurous spirit, River was won over by the exciting opportunities for travel and new experiences that tourism had to offer. “Tourism ended up being my career path once I saw [an ad for the] New Zealand School of Tourism. They were advertising that you can go to Disney World, and I was like, ‘I wanna go to Disney World... let’s do it.’

River is currently the regional coordinator for the upper North Island for Go With Tourism, which plays a significant networking role for the industry. When she isn’t in the classroom inspiring rangatahi, she is helping the organisation support the industry in the wake of the pandemic. “Obviously there is a job shortage throughout all industries in New Zealand. We help people get connected with jobs as well as working with a whole bunch of other businesses and people who are also helping people look for jobs.”

River advocates for empowering students beyond shepherding them toward university as a one-size-fits-all approach. “There are other industries or education that students can get into. In my school there were a lot of rangatahi who would leave in year 12 or 13 and I just didn’t feel like there were pathways created for those students who didn’t want to go to university.”

Among the wealth of experience River has gained across multiple industries within the Services sector, it is equally evident that she is passionate about providing rangatahi with opportunities to succeed that aren’t through the conventional pipeline of tertiary education.

“Currently I am going into schools and into the classroom and just trying to change the perception around tourism and hospitality. It can be a career, not just a part-time job, because there are a lot of parents out there – and maybe a few other people outside of being parents – that just think that, you know, ‘it’s just a part time job’. Most schools, or especially when I was in school, they kind of push students to try to go to university, be doctors, or engineers.”

As someone with lived experience in foster care, River emphasises the value that her career across these roles has on her discovering her potential. Tourism has also given her the opportunity to travel the world and build a real sense of community that she now belongs to. “[The industry has] taken me where I needed to be. I’ve made lifelong friends, I’ve got an extended family, a really good support network. Being in the tourism industry, like Hobbiton, was probably like the greatest four years of my life. I have a great support network there and I’ve made friends all over the world. Now when I do choose to travel, hopefully at the end of the next year, there’s so many people I can meet up with.”

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### Future focus

1. Create and support mana-enhancing jobs and opportunities
  2. Contribute to TEC Career Services enabling positive transitions from secondary schools into the labour market.
-



*Kawarau Bungy, Queenstown*



*Hobbiton, Matamata  
Tourism & Travel*



## TE ANGA WHAKAMUA – MOVING FORWARD

A genuine commitment to Te Tiriti o Waitangi underpins and informs everything we do.

That seed of commitment to Te Tiriti o Waitangi has been sown deeply, developing strong root networks that bind and connect our entire workplace practice strongly in place.

This is a regenerative model benefitting not only our individual kaimahi but our entire organisational structure and Council composition. It's critical Ringa Hora is seen as an organisation whose people function in this way, demonstrating tika, pono, mārama, and aroha. Our success hinges on the way industry, hapū and iwi Māori organisations see us, which is why we focused on growing our values during this introductory phase.

Since Ringa Hora began in October 2021, we've developed and implemented an Establishment Plan as directed by the Crown and the Tertiary Education Commission (TEC). We are an organisation on the move, exiting out of an establishment phase and entering into an operational one. It means working out the best way to measure our performance so far, which we are currently doing.

Looking ahead, a Statement of Strategic Direction will capture our future key deliverables, outcomes and how we are measuring success over the next 5 years.

We have received clear feedback that a deeper connection with the industries, partners and learners we serve is of the utmost importance and value. This ensures the sector insights and voice rigorously underpin how resources and funding are allocated and used to transform the vocational education system overall, including the design of qualifications and programmes. As signalled in our 2022/23 Operational Plan, further investment in these areas is our key focus in the coming year.

Our people, our Ringa Hora.

Mauri ora.

# STATEMENT OF SERVICE PERFORMANCE

Ringa Hora Workforce Development Council  
For the nine months ended 30 June 2022

**Our Statement of Service Performance for 2021/22 is based on the following:**

- Our Order in Council
- That Letter of Expectation from Tertiary Education Commission and Funding Letters
- The Education and Training Act 2020 (Section 366 - 369)
- Our Establishment Plan





## Skills Leadership

Provide skills and workforce leadership for the specified industries including by identifying their current and future needs and advocating for those needs.

### Key Achievements 4 October 2022 – 30 June 2022

- Investment Advice, delivered on time to the Tertiary Education Commission on 30 June 2022.
- Workforce Development Plan, drafted in 21/22 and published in August 2022

Advocate for industries and promote career opportunities with the aim of achieving a balance in the supply and demand for skilled kaimahi.

### Key Achievements 4 October 2021 – 30 June 2022

Collaborated with TEC by providing insights on high priority jobs, skills shortages, and areas where Māori and Pacific peoples are under-represented within the Service sector for the new Tahatū careers website. Provided connections to employers and employees to be profiled in the Tahatū 'day in the life of' videos.

Undertake research to gather industry insights

### Key Achievements 4 October 2021 – 30 June 2022

Qualitative and quantitative research has been undertaken to understand the environment in which our industries are operating and issues they are facing. These insights are captured in our initial Workforce Development Plan. Quantitative research is also made available through the ten Industry Snapshots available for download at [ringahora-wdp.nz](http://ringahora-wdp.nz).

## Industry Engagement

Building on strong connections with industry groups and other Workforce Development Councils demonstrating the involvement of industry in development of plans and ensuring industry qualifications and skills standards are relevant, readily accessible and support improved outcomes for learners and employers.

### Key Achievements 4 October 2021 – 30 June 2022

*Industry engagement events showing the building of connections with industry*

- Developed a Partnership and Engagement Plan
- Engaged with industry to establish relationships and ask for input and advice on the drivers for change in the sector and the impacts this will have on the future of vocational education and training
- Conducted 170 industry meetings, as part of our Engagement Plan
- Attended industry events and conferences between February and June 2022
- Developed a calendar of events to focus on in the future.

**Table: Industry events attended by industry group (October 2021 – June 2022)**

	No. of Events attended
<b>Sector groups</b>	#
Aviation & Airport Services	5
Business & Professional	5
Cleaning	-
Contact Centre & Industry Support	2
Financial & Advisory	-
Hospitality & Food	2
Public sector/Government	2
Real Estate & Rental	1
Retail & Distribution	-
Technology	1
Tourism & Travel	4
Vocational Education	7
<b>Focus area</b>	
Pasifika community/business networks	4
<b>Total</b>	<b>33</b>

See page 34 for more detail.

## Qualifications System Products

Developing and setting standards, capstone assessments and qualifications.

### Key Achievements 4 October 2021 – 30 June 2022

- Developed Qualifications System Products workplan
- Completed development, review and maintenance activity for standards and qualifications across the sector. These are summarised in the table below.

**Table: Volume of work on review of qualifications and standards by industry group (October 2021 – June 2022)**

Sector Groups	Unit Standards	Qualifications
	#	#
Aviation & Airport Services	8	2
Business & Professional	1	10
Cleaning	17	-
Contact Centre & Industry Support	2	-
Financial & Advisory	-	-
Government, Defence & Security	7	3
Hospitality & Food	75	-
Real Estate & Rental	31	-
Retail & Distribution	-	2
Tourism & Travel	1	4
<b>Total</b>	<b>142 (7.3% of total)</b>	<b>21 (21.3% of total)</b>

See page 26 and Appendix One: Ringa Hora Qualifications System Products Coverage for more detail.

## Endorse Programme and Moderation Activities

Work collaboratively with providers to ensure education perspectives are appropriately considered as final design and development of qualifications and standards is determined.

### Key Achievements 4 October 2021 – 30 June 2022

On 1 June 2022, the new programme endorsement function went live. WDCs worked together with NZQA to agree on our considerations and process for the programme endorsement service. For the period 1 June to 30 June 2022, Ringa Hora received 8 programme endorsement requests, with two requests being Type 2 changes. See page 27 for more detail.

Ringa Hora has worked collaboratively with providers who have sought consent to assess, pre-assessment moderation, or been called for post-assessment moderation. The outcome of the moderation functions is to ensure that the assessment decisions of educational organisations with consent to assess are fair, valid, and consistent with the national standard.

The number of consent to assess applications, assessment resources pre-moderated, and the number of assessment decisions post moderated are summarised in the table on the next page.

**Table: Volume of Quality Assurance work (October 2021 – June 2022)**

	Approved	Not yet approved	Withdrawn / not approved	Number of samples or applications	Number of unit standards	Number of providers / schools
Pre-assessment moderation	107	8	3	118	276	
Post-assessment moderation	266	93	28		387	226
Consent to assess	46	7	3	56	486	

See Appendix Two: Quality Assurance for more detail.

## Collaboration

Work collaboratively with providers, other Workforce Development Councils, NZQA and any other relevant regulatory body.

### Key Achievements 4 October 2021 – 30 June 2022

- Cross collaboration with WDCs see page 22
- Active contributors to the National Tourism Industry Transformation Plan, providing input into the vocational training, education priority focus area as the standard and industry setting body for the Tourism sector.

## TEC Advisory Function

Ringa Hora provided three pieces of advice to the TEC in the year ending 30 June 2022

- Investment Advice: interim advice delivered in April 2022 and final advice in June 2022
- Workforce Development Plan: drafted in 2021/22 and published in August 2022.

## Operating Model and Organisational Structure

Establish operating organisation including the development of organisation systems, policy and procedures.

### Key Achievements 4 October 2022 – 30 June 2022

Ringa Hora was stood up and has operated successfully. The key achievements in relation to our operating model and structure are listed below:

- Refined our organisational structure and capabilities, and recruited 35 staff
- Managed expenditure within 2021/22 TEC funding
- Completed the draft and final Operational Plan, including budget for 2022/23
- Health & Safety Committee established
- Developed and began executing a marketing and communications plan.



A man in a dark suit and light-colored shirt is seated at a wooden table in a modern office. He is looking down at a stack of papers, with his hands resting on them. The office has large windows and glass partitions, and the lighting is warm and focused on the man. The overall atmosphere is professional and serious.

# FINANCIAL STATEMENTS



BDO Wellington Audit Limited

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF RINGA HORA - SERVICES WORKFORCE DEVELOPMENT COUNCIL'S FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

The Auditor-General is the auditor of Ringa Hora - Services Workforce Development Council (the Council). The Auditor-General has appointed me, Geoff Potter, using the staff and resources of BDO Wellington Audit Limited, to carry out the audit of the financial statements and statement of service performance of the Council on his behalf.

#### Opinion

We have audited:

- the financial statements of the Council on pages 58 to 81, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Council on pages 48 to 51.

In our opinion:

- the financial statements of the Council on pages 58 to 81:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2022; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the statement of service performance on pages 48 to 51:
  - presents fairly, in all material respects, the Council's service performance achievements as compared with the forecast outcomes included in the investment plan for the year ended 30 June 2022 and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 15 December 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 Council and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

#### Basis for our opinion

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

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

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



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

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

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

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

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

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

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

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

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

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

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



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

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate the appropriateness of the reported performance information within the Council's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Council is responsible for the other information. The other information comprises the information included on pages 2 to 47, page 84, and pages 88 to 91 but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

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

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





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### Independence

We are independent of the Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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

A handwritten signature in blue ink, appearing to read 'GP', with a long horizontal flourish extending to the right.

Geoff Potter

**BDO WELLINGTON AUDIT LIMITED**

On behalf of the Auditor-General

Wellington, New Zealand

# STATEMENT OF RESPONSIBILITY

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

In the Council's opinion:

The Statement of Performance fairly reflects the performance of Ringa Hora for 4 October 2021 to 30 June 2022.

The Financial Statements fairly reflect the financial position and operations of Ringa Hora for 4 October 2021 to 30 June 2022.

Signed by:



**Hinerangi Edwards**  
Council Chair  
15 December 2022



**Kari Scrimshaw**  
Chief Executive  
15 December 2022

## Statement of Comprehensive Revenue and Expense

Services Workforce Development Council  
For the nine months ended 30 June 2022

All in \$000s	Note	Actual	Budget
<b>Non-exchange revenue</b>			
Government funding	2	8,531	8,191
Project grants funding	2	65	-
Service IQ funds		2,609	-
<b>Total non-exchange revenue</b>		<b>11,205</b>	<b>8,191</b>
<b>Total revenue</b>		<b>11,205</b>	<b>8,191</b>
<b>Expenditure</b>			
Employee expenses	3	2,794	3,415
Hāpaitia Limited - Shared Council services	3	927	685
Administration and other expenses	3	413	2,070
<b>Total expenditure</b>		<b>4,134</b>	<b>6,170</b>
<b>Surplus/(Deficit) for the 9 months ended 30 June 2022</b>		<b>7,071</b>	<b>2,021</b>
<b>Other comprehensive revenue and expense</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive revenue and expense</b>		<b>7,071</b>	<b>2,021</b>
<b>Total comprehensive revenue and expense for the period attributable to:</b>			
Services Workforce Development Council		7,071	2,021
<b>Total</b>		<b>7,071</b>	<b>2,021</b>

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

## Statement of Financial Position

Services Workforce Development Council  
as at 30 June 2022

All in \$000s	Note	Actual
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	4	7,543
Accounts receivable	5	105
Advances	5	458
Prepayments	5	7
<b>Total current assets</b>		<b>8,113</b>
<b>Total assets</b>		<b>8,113</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	7	617
Employee entitlements	8	241
Revenue received in advance	9	184
<b>Total current liabilities</b>		<b>1,042</b>
<b>Total liabilities</b>		<b>1,042</b>
<b>Net assets</b>		<b>7,071</b>
<b>Equity</b>		
Accumulated revenue and expense	11	308
Operating reserve	11	1,884
Capital Reserve	11	1,200
Special projects reserve	11	1,000
Te Kāhui Ahumahi reserve	11	70
Service IQ Reserve	11	2,609
<b>Total equity attributable to Services Workforce Development Council</b>		<b>7,071</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Net Assets/Equity

Services Workforce Development Council  
For the nine months ended 30 June 2022

All in \$000s	Note	Accumulated revenue and expense	Operating reserve	Capital reserve	Special projects reserve	Te Kāhui Ahumahi reserve	Service IQ reserve	Total net assets/equity
<b>Balance at 1 October 2021</b>	<b>11</b>	-	-	-	-	-	-	-
<b>Total comprehensive revenue and expense for the year</b>		<b>7,071</b>						<b>7,071</b>
Transfers between reserves								
Operating reserve		(1,884)	1,884					
Capital reserve		(1,200)		1,200				
Special projects reserve		(1,000)			1,000			
Te Kāhui Ahumahi reserve		(70)				70		
Service IQ reserve		(2,609)					2,609	
<b>Total transfers</b>		<b>(6,763)</b>	<b>1,884</b>	<b>1,200</b>	<b>1,000</b>	<b>70</b>	<b>2,609</b>	<b>-</b>
<b>Balance at 30 June 2022</b>		<b>308</b>	<b>1,884</b>	<b>1,200</b>	<b>1,000</b>	<b>70</b>	<b>2,609</b>	<b>7,071</b>

The accompanying notes form part of these financial statements.

## Statement of Cash flows

Services Workforce Development Council  
For the nine months ended 30 June 2022

All in \$000s	Note	Actual
<b>Operating activities</b>		
Receipts from Government		11,388
Goods and services tax (net)		(10)
Payments to employees		(1,975)
Payments to suppliers		(1,860)
<b>Net cash flows from operating activities</b>		<b>7,543</b>
<b>Investing activities</b>		
<b>Net cash flows from investing activities</b>		<b>-</b>
<b>Financing activities</b>		
<b>Net cash flows from financing activities</b>		<b>-</b>
Net (decrease) increase in cash and cash equivalents		<b>7,543</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>-</b>
<b>Cash and cash equivalents at end of the period</b>	<b>4</b>	<b>7,543</b>

The accompanying notes form part of these financial statements.

## NOTE INDEX

Services Workforce Development Council  
For the nine months ended 30 June 2022

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# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 1. STATEMENT OF ACCOUNTING POLICIES

### Reporting entity

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

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

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

### Basis of preparation

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

### Reporting period

Ringa Hora began operations on 4th October 2021 and therefore the reporting period for the financial statements is for the nine months from 4 October 2021 to 30 June 2022 and as such there is no comparative period.

### Statement of compliance

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

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

These financial statements were authorised for issue by the Ringa Hora Council on 15 December 2022.



# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

### Presentation currency and rounding

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

### Budget figures

Budget figures provided in annual financial reports will be derived from the financial budget approved by the Council at the beginning of the financial year. The Council did not approve a Statement of Financial Position, Statement of Changes in Net Assets/Equity or Cashflow budget for the year ended 30 June 2022. Where revised budgets are submitted to and approved by the Council during the financial year, the most recent revised budget for that year will be used for management accounting reports only.

### Early Adoption of Accounting Standards

Ringa Hora has chosen to early adopt PBE IPSAS 41 *Financial Instruments*. This standard is effective for periods beginning on or after 1 January 2022 and establishes requirements for the recognition and measurement of financial instruments. Disclosures are provided in note 10 to the Financial Statements.

### Use of judgements and estimates

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

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

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

### Goods and Services Tax

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

### Income Tax

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

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 2. REVENUE

### Accounting Policy

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

### Revenue from Exchange Transactions

#### Interest and dividends

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

### Revenue from Non-Exchange Transactions

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

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

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

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

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

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

### Government Funding

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

### Grants

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

### Other grants received

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

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 2. REVENUE (CONTINUED)

All in \$000s	Actual 2022
<b>Government funding classified as non-exchange transactions</b>	
Government funding classified as non-exchange transactions	8,531
<b>Total Government funding</b>	<b>8,531</b>
<b>Project grant funding classified as non-exchange transactions</b>	
Project grant funding classified as non-exchange transactions	65
<b>Total project grant funding</b>	<b>65</b>
<b>Other revenue classified as non-exchange transactions</b>	
Service IQ funds	2,609
<b>Total other revenue</b>	<b>2,609</b>
<b>Total revenue</b>	<b>11,205</b>
<b>Revenue classification</b>	
Non-exchange revenue	11,205
<b>Total revenue</b>	<b>11,205</b>

Service IQ transferred funds to Ringa Hora in order to enable Ringa Hora to fund the development of service industry specific projects outside of Ringa Hora core business but of benefit for industry and its workforce. Ringa Hora will administer and oversee these funds, which can be accessed through the development of a funding proposal that must be approved by the relevant service sector representatives outlined in the funding agreement. The funds will be held in a special reserve (Note 11).

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 3. EXPENDITURE

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

All in \$000s	Note	Actual 2022
<b>Employee benefits expenses</b>		
Wages and salaries		2,124
Contractors		418
Councillors and board expenses	15	230
Other employee expenses		22
<b>Total</b>		<b>2,794</b>
<b>Hāpaitia Limited Shared Council Services<sup>1</sup></b>		<b>927</b>
<b>Administration and other expenses</b>		
<b>Consultancy and audit costs</b>		
Consultancy costs		14
Audit expenses <sup>2</sup>		38
Legal fees		2
<b>Total</b>		<b>54</b>
<b>People and culture costs</b>		
Other staff costs		8
Recruitment costs		67
<b>Total</b>		<b>75</b>
<b>Information Technology costs</b>		
Subscriptions and memberships		42
<b>Total</b>		<b>42</b>
<b>Office and other costs</b>		
Travel and engagement		76
Project costs		65
Communication and marketing		14
General expenses		87
<b>Total</b>		<b>242</b>
<b>Total administration and other expenses</b>		<b>413</b>
<b>Total Expenditure</b>		<b>4,134</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 4. CASH AND CASH EQUIVALENTS

### Accounting Policy

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

All in \$000s	Actual 2022
Bank deposits	7,543
<b>Total cash and cash equivalents</b>	<b>7,543</b>

There are no restrictions over any of the cash and cash equivalent balances held by Ringa Hora.

No interest bearing accounts were held at 30 June 2022.

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 5. ACCOUNTS RECEIVABLE

### Accounting Policy

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

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

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

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

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

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

### Advances

Advances have been made to Hāpaitia Limited for shared services to be provided. As provided in the Service Contract with Hāpaitia Limited further advances. The advance to Hāpaitia Limited, an associate, is non-interest bearing (Note 15).

All in \$000s	Actual 2022
<b>Trade receivables from exchange transactions</b>	
Trade receivables from exchange transactions	76
<b>Net trade receivables from exchange transactions</b>	<b>76</b>
<b>Receivables from non-exchange transactions</b>	
GST Receivable	29
Advances to Hāpaitia Limited	458
<b>Total receivables from non-exchange transactions</b>	<b>487</b>
<b>Total receivables</b>	<b>563</b>
<b>Prepayments and other assets</b>	
Prepayments	7
<b>Total prepayments and other assets</b>	<b>7</b>

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 6. ASSOCIATES

### Accounting Policy

#### Associates

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

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

Ringa Hora holds significance over the following entity, which is accounted for using the equity method:

Name	Voting rights & Ownership Interest
Hāpaitia Limited	16.67%

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

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

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

## 7. TRADE AND OTHER PAYABLES

### Accounting Policy

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

All in \$000s	Actual 2022
Trade payables	452
Accruals	162
Other payables	3
<b>Total</b>	<b>617</b>

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 8. EMPLOYEE BENEFIT LIABILITIES

### Accounting Policy

#### Short-term employee benefits

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

#### Long-term employee benefits

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

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

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

#### Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans such as KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset (prepayment) to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

All in \$000s	Actual 2022
<b>Current</b>	
Short-term employee benefits	241
Current portion of long-term employee benefits	-
	<b>241</b>
<b>Non-current</b>	
Non-current portion of long-term employee benefits	-
<b>Total employee benefit liability</b>	<b>241</b>



# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 9. REVENUE RECEIVED IN ADVANCE

### Accounting Policy

Project funding received has been recognised as income as expenditure directly related to project deliverables has been incurred. The remaining funding has been recognised as revenue in advance and is expected to be released to the Statement of Comprehensive Revenue and Expense as the various project deliverables are completed. Unspent project funding at the conclusion of the project, as provided in the grant funding agreement, will be returned to the funder.

All in \$000s	Actual 2022
<b>Revenue received in advance</b>	
Project funding	184
<b>Total</b>	<b>184</b>
Current portion	184
<b>Total revenue received in advance</b>	<b>184</b>

## NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

### 10. FINANCIAL INSTRUMENTS

Ringa Hora initially recognises financial instruments when Ringa Hora becomes a party to the contractual provisions of the instrument. Ringa Hora derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by Ringa Hora is recognised as a separate asset or liability. Ringa Hora derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Financial assets and financial liabilities are also derecognised when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid. Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, Ringa Hora has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Ringa Hora classifies financial assets and financial liabilities as amortised cost. Financial instruments are initially measured at fair value plus directly attributable transaction costs. Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies provided in notes 5 and 7 and below.

#### i) Classification of financial instruments

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

	Note	Carrying amount (\$'000)		
		Financial Assets	Financial Liabilities	Total
		Amortised cost	Amortised cost	
Subsequently not measured at fair value				
Cash and cash equivalent (assets)	4	7,543	-	7,543
Receivables	5	563	-	563
Payables	7	-	(617)	(617)
		<b>8,106</b>	<b>(617)</b>	<b>7,489</b>

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 10. FINANCIAL INSTRUMENTS (CONTINUED)

### ii) Amortised cost financial assets

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

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

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial

asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

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

### iii) Amortised cost financial liabilities

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

Ringa Hora financial liabilities measured at amortised cost comprise trade and other payables and accruals in the consolidated of financial position.

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 11. EQUITY

### Accounting Policy

Equity comprises accumulated revenue and expenses and reserves. Equity is represented by net assets. Ringa Hora manages its equity by prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that it achieves its objectives and purpose, while remaining a going concern. As provided in the Prudent Reserves policy movements in reserves, both inward and outward, must be approved by the Council. The prudent reserves policy provides guidelines for determining the appropriate level of capital, operating and other reserves for the Council to hold each year to maintain its financial health.

All in \$000s	Actual 2022
<b>Equity</b>	
Accumulated revenue and expenses	308
<b>Reserves</b>	
Operating reserve	1,884
Capital reserve	1,200
Special projects reserve	1,000
Te Kāhui Ahumahi reserve	70
Service IQ reserve	2,609
<b>Total Reserves</b>	<b>6,763</b>
<b>Total Equity</b>	<b>7,071</b>

All in \$000s	Actual 2022
<b>Accumulated revenue and expenses</b>	
At 4 October 2021	-
Surplus/(deficit) for the year before other comprehensive revenue and expenditure	7,071
Allocation to reserves	6,763
<b>Balance as at 30 June 2022</b>	<b>308</b>

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

All in \$000s	Actual 2022
<b>Operating Reserve</b>	
At 4 October 2021	-
Allocation from accumulated revenue and expense	1,884
<b>Balance as at 30 June 2022</b>	<b>1,884</b>

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 11. EQUITY (CONTINUED)

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

All in \$000s	Actual 2022
<b>Capital Reserve</b>	
At 4 October 2021	-
Allocation from accumulated revenue and expense	1,200
<b>Balance as at 30 June 2022</b>	<b>1,200</b>

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

All in \$000s	Actual 2022
<b>Special Projects Reserve</b>	
At 4 October 2021	-
Allocation to Te Kāhui Ahumahi reserve	1,000
<b>Balance as at 30 June 2022</b>	<b>1,000</b>

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

All in \$000s	Actual 2022
<b>Te Kāhui Ahumahi Reserve</b>	
At 4 October 2021	-
Allocation from accumulated revenue and expense	70
<b>Balance as at 30 June 2022</b>	<b>70</b>

The Service IQ Reserve is a reserve established by Council to receive the funds from Service IQ which can be applied to fund future projects that meet the specifications for distribution established under the funding agreement between Service IQ and Ringa Hora.

All in \$000s	Actual 2022
<b>Service IQ</b>	
At 4 October 2021	-
Application of funds for Service IQ reserve	2,609
<b>Balance as at 30 June 2022</b>	<b>2,609</b>

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 12. MAJOR BUDGET VARIATIONS

The Board approved the budget in two tranches, the first, the expenditure budget was approved in October 2021 and the second tranche in February 2022 once funding letters were received from TEC and approved by the Board. Explanations for major statement of comprehensive revenue and expense budget variations from the 2022 Ringa Hora budget are detailed below in this table:

All in \$000s	Actual	Budget	Variance
<b>Revenue variances</b>			
Government funding	8,531	8,191	340
Project grants funding	65	-	65
Service IQ funds	2,609	-	2,609
<b>Expenditure variances</b>			
Employee expenses	2,794	3,415	(621)
Shared services	927	685	242
Administrative and other Expenses	413	2,070	(1,657)
<b>Total comprehensive revenue and expense</b>	<b>7,071</b>	<b>2,021</b>	<b>5,050</b>

Government funding is higher than budget due to the receipt of additional funding from TEC that was distributed from unspent funds remaining after the TEC Establishment unit concluded its mahi. COVID-19 Project funding received was not factored into the budget. Employee expenses were less than budget due to delayed recruitment of staff positions which also led to a reduction in other administration and operating expenses. Some shared services costs were included in Administration and other expenses in the budget. As establishment of the Workforce Development Councils and Hāpaitia Limited took place variations were made to services to be provided which resulted in transferring costs from Administration and other to Shared services. Key savings came in the form of personnel costs from Hāpaitia Limited.

## 13. OPERATING LEASES

### Accounting Policy

#### Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Leases that are not finance leases are classified as operating leases. Operating leases are not recognised in the Ringa Hora Statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease.

Ringa Hora has entered leasing arrangements with its associate Hāpaitia Limited for computer and office equipment as part of the Service contract between both parties (Note 15).

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

All operating leases have been signed through Hāpaitia Limited and costs are recharged to the Workforce Development Councils. Ringa Hora has no other operating leases.

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 14. COMMITMENTS AND CONTINGENCIES

### Accounting Policy

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

### Commitments

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

The annual operating lease value for the computer and office equipment is variable depending on the quantum of assets leased, with an approximate annual lease cost of \$93,700. The lease commitment continues until either party terminate the contractual arrangement.

Hāpaitia Limited has ongoing contractual commitments including operating leases. Each Workforce Development Council is required under the terms of the service contract to meet these commitments for the life of any contracts executed during the period of the service contract. The value of this commitment for Ringa Hora, at the 30 June 2022, was \$1,187,000.

### Contingent Liabilities

The funding from the Tertiary Education Commission sourced from under the Workforce Development Council Fund ("Fund") has been assessed as being without conditions and recognised as revenue when received.

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

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

### Capital Commitments

There are no capital commitments at reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 15. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

### Accounting Policy

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

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

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

### i) Key management personnel remuneration

Ringa Hora classifies its key management personnel into one of two classes:

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

Members of the governing body are paid annual fees in accordance with the Cabinet Office Circular CO-19 Revised Fees Framework for members appointed to bodies in which the Crown has an interest, dated 29 January 2020. Senior executive officers are employed as employees of Ringa Hora on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in 'people' for Members of the governing body, and 'full-time equivalents' (FTE's) for Senior executive officers in each class of key management personnel is presented to the right:

All in \$000s	Actual 2022
<b>Key management personnel related party transactions</b>	
Council members	
Number of Council members*	0.19
Remuneration	226
<b>Senior executive officers</b>	
Full-time equivalent members*	2.4
Remuneration	521
<b>Total full-time equivalent members</b>	<b>2.59</b>
<b>Total key management personnel remuneration</b>	<b>747</b>

*\*\*There are 4 members of the senior management team considered to be key management personnel. These members were employed throughout the period 4 October 2021 to 30 June 2022 resulting in a full time equivalent figure of 2.4.*

### ii) Other related parties

During the reporting period Ringa Hora transacted with the following related parties:

Related Party	Goods/Services Provided	Transaction Value 2022 (\$'000)	Accounts Payable (000's)	Accounts Receivable (000's)
Hāpaitia Limited	Shared Corporate Services including Finance, IT, People & Culture, and Office Management)	927	277	76



# NOTES TO THE FINANCIAL STATEMENTS

Services Workforce Development Council  
For the nine months ended 30 June 2022

## 16. COVID-19

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 a pandemic, and two weeks later the New Zealand Government declared a State of National Emergency. Since March 2020, New Zealand has experienced several lockdowns and various alert levels which have affected the operations of business throughout the country.

Most staff have worked in flexible conditions either working in the office or from home.

The main impacts on the financial statements due to COVID-19 are explained below:

Revenue	No effect
Suppliers	The majority of suppliers are based in New Zealand, so the COVID-19 effect on supply was minimal.
Employees	The majority of staff were able to carry out their duties with minimal disruption to productivity.
Liquidity	Sufficient working capital reserves to meet day to day cash requirements have been held. COVID-19 has had limited effect on going concern status.

## 17. EVENTS AFTER REPORTING DATE

There have been no events, since reporting date, that have led to material effect on the interpretation of the financial statements presented.



The image features a collection of cleaning tools, including a tall ladder and a floor buffer, silhouetted against a bright, high-contrast background. The background is divided into horizontal bands of color: a bright white top section, a thin orange band, a thin green band, and a light grey bottom section. The silhouettes are dark and detailed, showing the structural elements of the equipment.

# SUPPLEMENTARY INFORMATION

## REMUNERATION - EMPLOYEE

The Council has employees, not including Councillors, who received total remuneration greater than \$100,000 for the 9 month period ending 30 June 2022.

The employee counts are shown in the table below:

Total remuneration paid or payable	Number of Employees
\$100,000 - \$109,999	1
\$110,000 - \$119,999	-
\$120,000 - \$129,999	-
\$130,000 - \$139,999	1
\$140,000 - \$149,999	-
\$150,000 - \$159,999	-
\$160,000 - \$169,999	-
\$170,000 - \$179,999	-
\$180,000 - \$189,999	-
\$190,000 - \$199,999	-
\$200,000 - \$209,999	-
\$210,000 - \$219,999	-
\$220,000 - \$229,999	-
\$230,000 - \$239,999	1
\$240,000 - \$249,999	-
\$250,000 - \$259,999	-

### Cessation Payments

There were no payments of compensation or other benefits paid or payable to persons who ceased to be members, committee members or employees during the 9 month period 4 October 2021 to 30 June 2022.







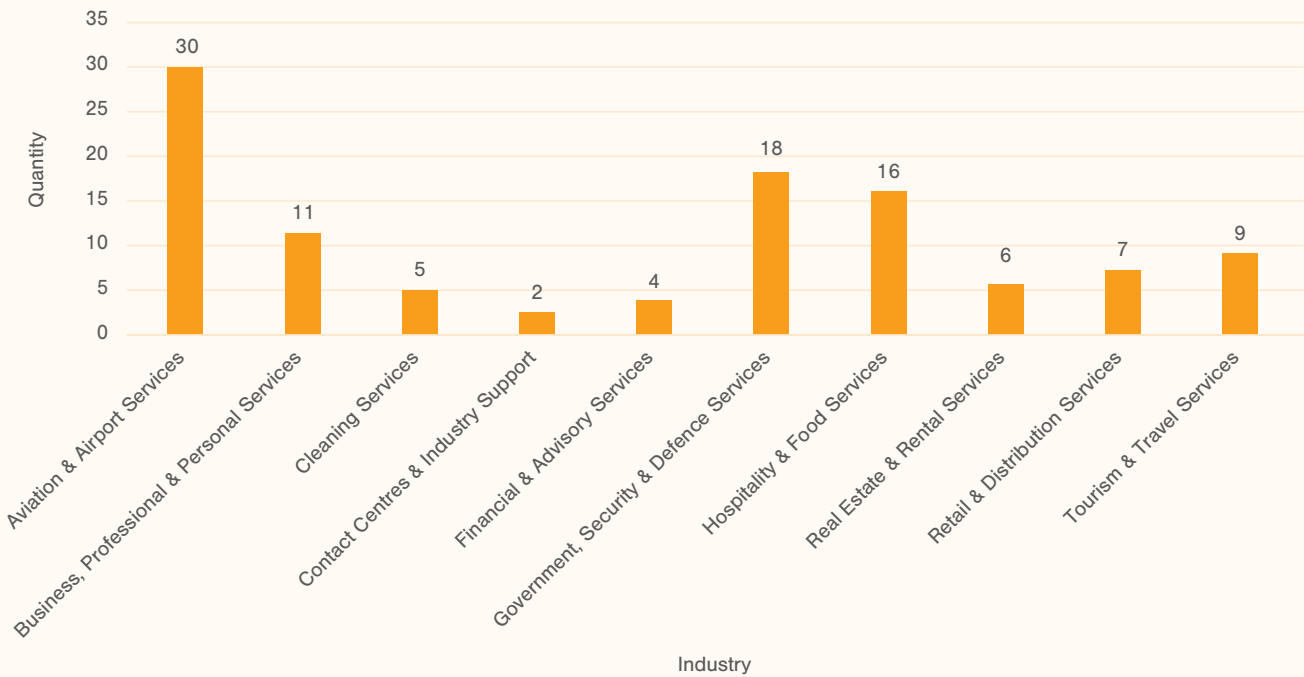
# APPENDICES

# APPENDIX

## APPENDIX ONE: RINGA HORA QUALIFICATIONS SYSTEM PRODUCTS COVERAGE

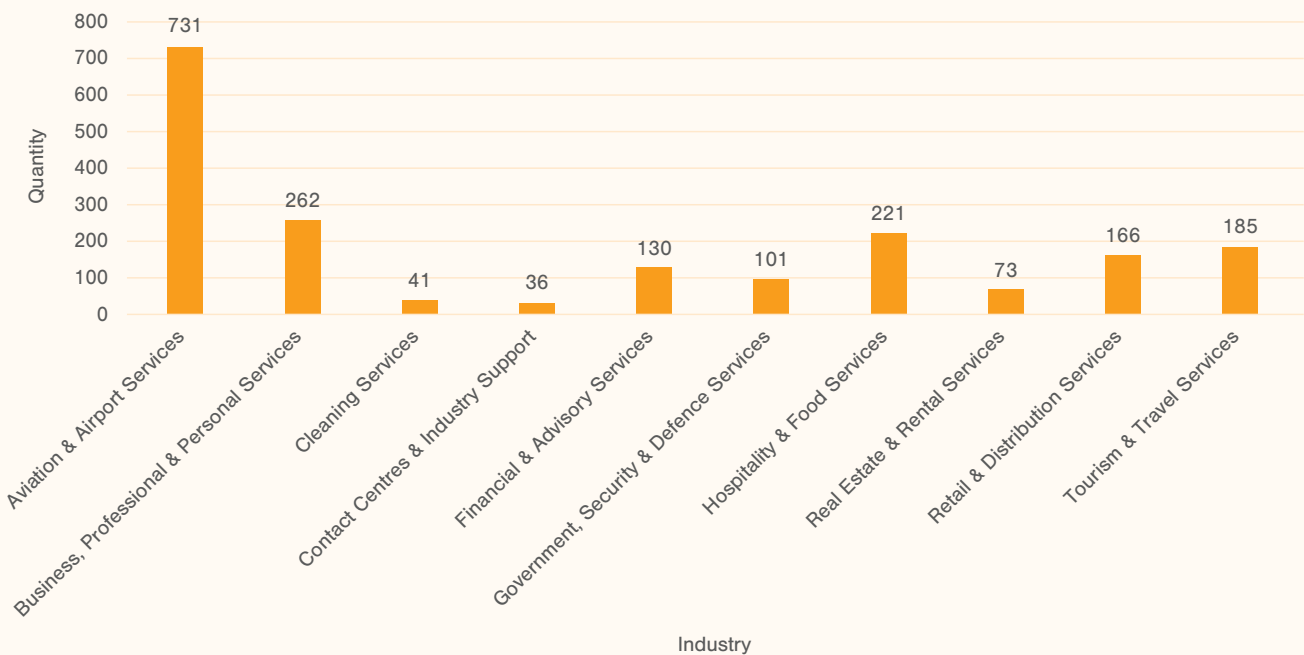
### Qualifications (July 2022)

n=108



### Unit Standards (July 2022)

n=1946





## APPENDIX TWO: QUALITY ASSURANCE

### Overarching information

The Quality Assurance team supports 491 active providers who deliver unit standard assessment, including 338 secondary schools.

### Consent to assess

	Number of applications	Number of associated unit standards
Applications supported	46	422*
Applications not yet supported (further information required)	7	59
Applications withdrawn	3	5
<b>Total number of applications</b>	<b>56</b>	<b>486</b>

Note that 4 of the supported applications, covering 196 USs, were related to transition of TITOs to PTEs.

### Consent to assess applications by industry

Sector group	Number of associated unit standards
Aviation & Airport	30
Business & Professional	66
Cleaning	6
Contact Centres & Industry Support	14
Financial & Advisory	16
Government, Defence & Security	29
Hospitality & Food	160
Real Estate & Rental	82
Retail & Distribution	37
Tourism & Travel	46

## Pre-moderation

	Number of submissions	Number of associated unit standards pre-moderated
Submissions approved (including approved with modifications)	107	243
Submissions not yet approved (resubmission required)	8	19
Submissions withdrawn	3	14
<b>Total number of submissions</b>	<b>118</b>	<b>276</b>

## Pre-moderation submissions by industry

Sector group	Number of associated unit standards pre-moderated
Aviation & Airport	43
Business & Professional	47
Cleaning	17
Financial & Advisory	37
Government, Defence & Security	18
Hospitality & Food	35
Real Estate & Rental	21
Retail & Distribution	43
Tourism & Travel	15

## Post-moderation

Note that post-moderation requests only began in 2022. This data covers the requests for the first two quarters of 2022. Post-moderation was requested from 226 individual providers.

Moderation outcomes	Number of unit standards post-moderated
Acceptable	159
Acceptable with changes	107
Not acceptable	28
Not yet submitted or not yet moderated	93
<b>Total</b>	<b>387</b>

## Post-moderation submissions by industry

Sector group	Number of associated unit standards requested for moderation
Aviation & Airport	11
Contact Centres & Industry Support	2
Cleaning	4
Financial & Advisory	4
Government, Defence & Security	32
Real Estate & Rental	4
Tourism & Travel	330

## APPENDIX THREE: FRAMEWORK INCLUDING SOURCE OF REQUIREMENT AND AUDIT EVIDENCE TO BE PROVIDED

Performance Requirement	Requirement	Audit evidence source
<ul style="list-style-type: none"> <li>Provide skills and workforce leadership for the specified industries including by identifying their current and future needs and advocating for those needs.</li> <li>Advocate for industries and promote career opportunities with the aim of achieving a balance in the supply and demand for skilled kaimahi.</li> <li>Undertake research to gather industry insights.</li> </ul>	<ul style="list-style-type: none"> <li>ETA 2020 S366</li> <li>Orders in Council</li> </ul>	<ul style="list-style-type: none"> <li>Research reports/results</li> <li>Copies of Skills and Workforce Development Plans</li> <li>Advocacy engagements</li> <li>Copy of Skills and Workforce Development Plan</li> </ul>
<ul style="list-style-type: none"> <li>Building on strong connections with industry groups and other Workforce Development Councils demonstrating the involvement of industry in development of plans and ensuring industry qualifications and skills standards are relevant, readily accessible and support improved outcomes for learners (including Māori, Pacific learners and people with disabilities) and employers. Amplify the voices of industries.</li> </ul>	<ul style="list-style-type: none"> <li>TEC Expectations Letter</li> <li>Orders in Council</li> </ul>	<ul style="list-style-type: none"> <li>Copy of Industry engagement work plan, notes from industry engagement events/press releases from events.</li> <li>Industry Stakeholder Group meeting notes/papers</li> <li>National Industry Advisory Group Meeting notes</li> </ul>
<ul style="list-style-type: none"> <li>Developing and setting standards, capstone assessments and qualifications.</li> </ul>	<ul style="list-style-type: none"> <li>ETA 2020 S366</li> </ul>	<ul style="list-style-type: none"> <li>Copy of Qual System Products work plan</li> <li>Aka Korero</li> <li>List of standards and quals that fall within the remit of represented industries and indicate units standards and qualifications that have been prioritised for review</li> </ul>
<ul style="list-style-type: none"> <li>Endorsing programmes and moderating assessments Work collaboratively with providers to ensure education perspectives are appropriately considered as final design and development of qualifications and standards is determined.</li> </ul>	<ul style="list-style-type: none"> <li>ETA 2020 S366</li> <li>TEC Expectations Letter</li> </ul>	<ul style="list-style-type: none"> <li>Aka kōrero</li> <li>Copy of workplan for Endorsement function</li> <li>Copy of workplan for Moderation function</li> </ul>
<ul style="list-style-type: none"> <li>Advisory and representative role including provision of brokerage and advisory services, advisory services to TEC.</li> </ul>	<ul style="list-style-type: none"> <li>ETA 2020 S366</li> </ul>	
<b>Collaboration</b>		
<ul style="list-style-type: none"> <li>Work Collaboratively with providers, other workforce development councils, NZQA and any other relevant regulatory body.</li> </ul>	<ul style="list-style-type: none"> <li>ETA 2020 S366</li> <li>Orders in Council</li> </ul>	<ul style="list-style-type: none"> <li>Case Study example of collaboration – e.g Hāpaitia is collab with other WDC's. MOU's entered with other organisations</li> </ul>
<ul style="list-style-type: none"> <li>Work closely and constructively with New Zealand Qualifications Authority (NZQA) in its qualification and standards approval role and to ensure assessment is appropriately moderated.</li> </ul>	<ul style="list-style-type: none"> <li>TEC Expectations Letter</li> </ul>	
<b>TEC Advisory Function</b>		
<ul style="list-style-type: none"> <li>Provide advice to TEC that will assist TEC to make decisions about sector strategies, inform guidance to Tertiary Education Organisations on how to shape their offering of learning and training and inform funding decisions for vocational education and contribute to TEC careers advice and information.</li> </ul>	<ul style="list-style-type: none"> <li>TEC Expectations letter</li> </ul>	<ul style="list-style-type: none"> <li>Copy of Investment Advice provided to TEC</li> <li>Copy of Mix of Training advice provided to TEC</li> </ul>
<b>Honouring Te Tiriti</b>		
<ul style="list-style-type: none"> <li>WDC Structures, and activities are designed and undertaken in a way that contributes to an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relations and ensures fair and equitable outcomes for all.</li> </ul>	<ul style="list-style-type: none"> <li>Order in Council</li> </ul>	
<ul style="list-style-type: none"> <li>Establish operating organisation including the development of organisation systems, policy and procedures.</li> </ul>		<ul style="list-style-type: none"> <li>Copy of Org docs, policies, risk register etc</li> <li>Copy of operational plan submitted to TEC</li> <li>Financial Statements</li> <li>Copy of Governance Documents</li> </ul>

# Services

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