

The Psychotherapists Board of Aotearoa New Zealand

Te Poari o nga Kaihaumanu Hinengaro o Aotearoa

THE PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

Annual Report

Year Ending 30 September 2018

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Acronyms used in this report

ACC	Accident Compensation Corporation
APC	Annual Practising Certificate
CRC	Competence Review Committee
HDC	Health and Disability Commissioner
HPCAA	Health Practitioners Competence Assurance Act 2003
HRANZ	Health Regulatory Authorities of New Zealand
HPDT	Health Practitioners Disciplinary Tribunal
MoU	Memorandum of Understanding
PCC	Professional Conduct Committee
PRG	Partner Regulatory Group
RA	Responsible Authority
SLA	Service Level Agreement

1. Governance

The Psychotherapists Board of Aotearoa New Zealand (the Board)

The Board's role is to implement the Health Practitioners Competence Assurance Act 2003 (HPCAA), fulfil the principal purpose as set out in section 3 and the functions as set out in section 118 of the HPCAA.

The Board has made a commitment to ensure that issues of diversity and equality are valued, upheld, promoted and underpin all aspects of the Board's work according to the:

- Health and Disability Commissioner Act 1994 – Code of Health and Disability Services Consumers' Rights
- Health and Disability Services Act 1993
- Health and Safety at Work Act 2015
- Privacy Act 1993 – Health Information Privacy Code 1994
- Human Rights Act 1993

Duties and functions as set out in section 118

The functions of each authority appointed in respect of a health profession are to:

- Prescribe the qualifications required for scopes of practice within the profession and, for that purpose, to accredit and monitor educational institutions and degrees, and courses or programmes of study.
- Authorise the registration of health practitioners under this Act, and to maintain registers.
- Consider applications for annual practising certificates.
- Review and promote the competence of health practitioners.
- Recognise, accredit and set programmes to ensure the ongoing competence of health practitioners.
- Receive and act on information from health practitioners, employers and the Health and Disability Commissioner about the competence of health practitioners.
- Notify employers, the Accident Compensation Corporation (ACC), the Director-General of Health and the Health and Disability Commissioner if the practice of a health practitioner may pose a risk of harm to the public.
- Consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession.
- Set standards of clinical competence, cultural competence and ethical conduct to be observed by health practitioners of the profession.
- Liaise with other authorities appointed under this Act about matters of common interest.
- Promote education and training in the profession.
- Promote public awareness of the responsibilities of the authority.
- Exercise and perform any other functions, powers, and duties that are conferred or imposed on it by or under this Act or any other enactment.

Chair report

This report highlights the activities of the Psychotherapists Board of Aotearoa New Zealand (Board) for the period 1 October 2017 to 30 September 2018.

Board membership

Membership of the Board remains unchanged since the previous annual report, and the Board has continued with the work of: registration; annual audits of 100 practitioners per annum; operational committee work which involves professional advisors; and the continuation of consultation to produce minimum standards for training providers. Board members are all experienced and continue to contribute constructively to all Board work. The Board continues to work towards improved governance practices with increased clarity about Governance versus Operational work. Lay members of the Board have provided valuable input into this work.

Miriana Stephens (layperson) is not seeking reappointment following the end of her term (September 2018). Miriana has been a valuable Board member who contributed significantly to the Board with her knowledge and frameworks from the business sector. The Board would like to thank Miriana for her effective and valued contributions over the last 4 years. Miriana will be missed both professionally and personally.

All Board members participate in an annual performance review of Board functioning and the performance of the Chair. The latest review indicates the Board and Chair are working effectively.

Employees

The Board continues to benefit from the experience, abilities and knowledge of our long-term employees: Jacquelyn Manley (Registrar) and Eva Petro (Registration Officer).

Accreditation of training programmes

The Board's largest project currently is the development of accreditation criteria for psychotherapy training programmes and pathways.

This year the Board held its third consultation on the draft Accreditation Standards for a Psychotherapy Education Programme, and its second consultation the draft Accreditation Standards for a Psychotherapy Professional Development Pathway. In conjunction with this, face to face consultation meetings were held with training providers¹.

Engagement with other agencies

Engagement with practitioners continues via the Board's monthly newsletter, consultation, face to face meetings, online and telephone surveys, and responses to individual inquiries and concerns. The Board also engages with stakeholder groups, such as Professional Associations.

Board members, indicated in our strategic plan, continue to remain informed about mental health concerns apparent in Aotearoa/New Zealand currently. The Board is informed by the mental health priorities reviewed by the Ministry of Health, and by social and clinical discussion and research. The Board recognises our role within the wider health sector.

¹ This work has been reported on later within the Annual Report.

This year Board members participated in a workshop to review our policy, focusing on 'Te Tiriti o Waitangi in carrying out the Board's regulatory functions under the HPCAA'. Following this workshop, the Board is investigating the formation of a bicultural Tiriti o Waitangi partnership Group which would consist of both Māori and Pakeha psychotherapists and Board representatives. The Board envisages that the contributions from this Group will include improved engagement with Maori psychotherapists and training providers, with a view to the potential increase in the numbers of Maori psychotherapists utilising a Maori world view. Potentially, this could increase Maori access to psychotherapy. If this Roopū/group proceeds, Terms of Reference will be developed.

This year the Registrar, Chair and another Board member attended the 5th CLEAR (Council on Licensure, Enforcement & Regulation) International Congress in Melbourne. The sharing of perspectives, experience and diversity added to attendees' appreciation of the potential Regulatory Authorities have in promoting and enabling public participation and in working within cultural partnership.

This year, the Board has participated in discussion and consultation processes with the Ministry of Health and made written and verbal submissions to Parliamentary Select Committee in relation to the HCPAA Amendment Bill.

Collaboration with other Responsible Authorities

The Board's Partner Regulatory Group (PRG) service level agreement was reviewed, and the Board continues to appreciate working within this agreement. Shared premises and shared accounting and secretariat services are working well and provide a broad range of benefits including sharing of knowledge and resources.

Professional Advisors

Current Professional Advisors are making a significant contribution to Board Operational Committees. The Board currently has two (2) Professional Advisors and appreciates the work undertaken by these experienced psychotherapists.

Budget

Our budget review shows that the Board's income, mainly from practitioners' annual practising certification fees, supplies sufficient funds for ongoing projects, such as accreditation of training programmes and Board office technological upgrades.

The 2017/2018 year end resulted in a small Budget surplus. This surplus will be used in the development, consultation and implementation of accreditation processes, and for the development of a Ti Tiriti of Waitangi Roopū. The Board has sufficient reserves which in part have been allocated to projects that include upgrading the Board's IT systems i.e. database, website and document management systems.

Closing Comment

The Board continues to work well, with some change in membership expected with one layperson about to step down.

The Board is aware that psychotherapists are an aging workforce and will continue to consider this alongside training providers in order to facilitate future access to psychotherapy for the New Zealand public.

Board member details

The Minister of Health appoints Board members for terms up to three years, in accordance with sections 120-122 of the HPCAA. The Chairperson and Deputy Chairperson are appointed by the Board at its first meeting of each year.

Board membership as at the 1st October 2017 was as follows:

Ms Suzanne Johnson (Chair, Wellington)
 Ms Miriana Stephens (Deputy Chair² and layperson, Motueka)
 Mr Hamish Brown (Deputy Chair³, Auckland)
 Ms Anna Hedley (Auckland)
 Mr Bill Grant (Wellington)
 Ms Megan Campbell (layperson, Hamilton)
 Mr Simon Hall (Christchurch)

Ms Suzanne Johnson (Chair)

Ms Johnson is a psychotherapist working in private practice in Wellington and was appointed to the Board in May 2013. Ms Johnson's original psychotherapy training was in transactional analysis and her therapy approach is informed by relational, intersubjective, psychoanalytic and mind/body theories. Ms Johnson is interested in cultural theory and the development of language, thinking, ethics and identity within cultural contexts. Ms Johnson has been on the NZAP Council as Chair of Public Issues and is currently a member of Wellington Transactional Analysis Training Institute, which provides training and clinical supervision to psychotherapy students. Before private practice, Ms Johnson worked as a clinical nurse specialist in Wellington's Mental Health Service.

Mr Hamish Brown (Deputy Chair)

Mr Brown is a practitioner Board member appointed in 2016. He was raised in the small country town of Kaikohe in the far north of the North Island. For over 20 years he has been living and working in Auckland. He has a Bachelor of Arts (Philosophy and Ethics) from Victoria University in Wellington, and a Master's Degree in Business Administration (Dispute Resolution) from Massey University. Mr Brown is certificated as a Psychodramatist by the Aotearoa New Zealand and Australian Psychodrama Association (AANZPA) and holds a Post Graduate Diploma in Health Science (Psychoanalytic Psychotherapy) from Auckland University of Technology.

Mr Brown has worked as an organisational consultant for 20 years in the areas of leadership development and change. He runs public programmes in group facilitation, and he co-founded Phoenix Facilitation Ltd in 2008. He has been in private practice as a psychotherapist since 2002 and is on the staff of the Auckland Training Centre for Psychodrama (ATCP). Mr Brown is currently the Chair of the Ethics committee for AANZPA. He is raising two school aged daughters with his partner Johanna in West Auckland.

Ms Miriana Stephens (lay member)

Ms Stephens was born and raised in Motueka by her grandparents. She has a Bachelor of Arts majoring in New Zealand History from Canterbury University and a law degree from Waikato University majoring in Commercial Law and Māori Land Law.

Ms Stephens is currently a director of Aotahi Limited (Aotahi) which is a Māori-owned and managed business based in Te Kuiti that specialises in developing and managing educational programmes and resources for entrepreneurs / small business owners throughout Aotearoa.

² Ms Stephens was Deputy Chair, October 2017 – March 2018

³ Mr Brown is the current Deputy Chair

Ms Stephens is also a director for Wakatū Incorporation (Wakatū). Wakatū is a family business whose owners descend from the original Māori landowners of the Nelson, Tasman and Golden Bay region. She is a director on the property division, is a member of the audit and risk committee and also holds horticultural directorships on behalf of Wakatū and Kono NZ (the Food and Beverage business of Wakatū). Ms Stephens is also trustee for Te Āwhina Marae and Motueka High School and currently resides in Motueka with her children.

Ms Anna Hedley

Ms Hedley was appointed to the Board in May 2013 as a practitioner member. She graduated with a Diploma in Psychotherapy (AIT) in 1996 and a Master of Health Science (first class honours) in 2003. She has worked as a psychotherapist at ADHB for over twenty years. She is the clinical coordinator of the Regional Eating Disorders Service and was the Professional Leader for the ADHB psychotherapists for six years. She has a special interest in health law, and completed a PG paper in health law at AUT in 2013.

Ms Hedley lives with her partner John in central Auckland and enjoys a busy family life. They have an adult family and two young grandchildren.

Mr Bill Grant

Mr Grant was appointed to the Board in February 2011. He was raised and educated in Clyde and Dunedin. He has degrees in German and English, and spent ten years teaching in the Cook Islands, New Zealand, and Germany before starting an apprenticeship in psychotherapy under the NZAP programme. He undertook this while working at an adolescent inpatient psychiatric training unit in Dunedin, attached to the Department of Psychological Medicine at the university. This led to work as a visiting guidance counsellor, a clinic manager in the University of Otago, a private practitioner, a trainer of clinicians in several disciplines and programmes, a clinical advisor in the ACC Sensitive Claims Unit, and in an advisory role for the Health and Disability Commissioner. He has also served as Ethics Secretary for the New Zealand Association of Counsellors, managing their complaints service, and as lay member of a New Zealand Law Society Standards Committee, providing advice on complaints. He continues to work as a private psychotherapist in central Wellington.

Ms Megan Campbell (lay member)

Ms Campbell is a lay member of the Board and was first appointed in September 2014. Ms Campbell has qualifications in Arts, Commerce, and Policy. She has worked in advocacy, policy and communications roles within central government, Parliament, and the not-for-profit sector. Ms Campbell has also provided government relations advice to many New Zealand companies and not-for-profits. Ms Campbell has extensive governance experience and serves on several boards across New Zealand, particularly within the health, education and sport sectors.

Mr Simon Hall

Mr Hall is a practitioner Board member appointed in August 2015. He is a child and adolescent psychotherapist with over 20 years' experience working with children, adolescents and their families. He has worked in private practice, charitable and District Health Board settings in both New Zealand and the United Kingdom. Mr Hall has acted on the executive of the New Zealand Association of Child and Adolescent Psychotherapists for nine years. He has also acted as an expert advisor for the Health and Disability Commission and has been on the PBANZ Professional Conduct Committee since 2012. He is based in Christchurch and has an adult daughter.

Board Member Fees

Fees are paid to members for work undertaken on behalf of the Board. These rates have remained unchanged since 2009.

Board Chairperson \$90.00 per hour.

Board members \$80.00 per hour.

Board strategic plan

The Board has set strategic objectives for a 5-year period. These are as follows:

1. Section 118 functions; to meet the statutory functions outlined in the Health Practitioners Competence Assurance Act 2003 (HPCAA).
2. Governance performance; to be accountable and operate effectively and efficiently within agreed policy.
3. Finance and risk: the finance and risk strategy will support the Board to fulfil its functions.
4. Communications and Information Management Systems: to engage in active transparent engagement with stakeholders.
5. Education and Innovation: to provide relevant training opportunities. Remain aware of relevant innovation.

In addition to the 5-year strategic plan the Board has an Annual Plan which prioritises the annual strategic deliverables each year. The Board reviews the Annual Plan progress at each Board meeting.

2. Secretariat

Board meetings

Agendas and supporting papers are prepared for each Board meeting; formal minutes record the proceedings of each meeting. A quorum of four Board members, including at least one member who is a layperson, is required for the Board to transact Board work. All members are required during meetings to declare any conflict of interest with agenda items.

Collaboration and collocation

To support business process and collaboration on areas of common interest the Board continues to be collocated with the Nursing Council of New Zealand (NCNZ) and nine other Responsible Authorities (RAs). The Memorandum of Understanding and Service Level Agreement (SLA) with the NCNZ have been successfully reviewed and renewed. The SLA covers core services such as property, facilities management, IT support, finance and payroll.

The Board and the secretariat continue to be pleased with the premises, the SLA and the networking opportunities provided by this collaboration.

Meetings of the Board

There were four meetings held between 1st October 2017 and 30th September 2018:

- 24th and 25th November 2017
- 18th and 19th March 2018
- 25th and 26th May 2018

- 19th and 20th August 2018

Board committees

The Board Committees remain unchanged and assist with undertaking its statutory functions:

- Accreditation Committee
- Finance and Risk Committee
- Personnel Committee
- Fitness to Practise Operational Committee
- Notifications and Complaints Operational Committee
- Recertification and Audit Operational Committee
- Qualifications Operational Committee

These committees undertake various functions in line with matters that fall within their respective portfolios. Each committee conducts itself according to Terms of Reference. Work is undertaken through email, the Board Only Site⁴, teleconference and face-to-face meetings, committees often using a combination of communication methods. Some committees have delegated decision making powers, and all committees report to the Board and provide regular updates on progress.

3. Registration of, and practising certificates for, health practitioners

Part two of the HPCAA

Psychotherapist Scopes of Practice

Under section 11 of the HPCAA, the Board has authorised three Psychotherapist Scopes of Practice:

1. Psychotherapist Scope of Practice.
2. Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism.
3. Interim Psychotherapist Scope of Practice.

No amendments were made to the scopes of practice during the reporting year.

The Board has currently has two pathways to registration. Acceptable qualifications are being grandparented until the accreditation⁵ of psychotherapy training programmes is completed.

The two pathways are:

1. Tertiary Programme; and
2. Professional Development Programme or Course of Study.

Persons seeking registration under a Tertiary Programme must hold a Masters level qualification in psychotherapy or a comparable qualification. The Board has a 'Policy statement on Criteria Expected for Comparable Qualifications'.

Persons seeking registration under the Professional Development Programme or Course of Study must successfully complete a final clinical assessment through a Board approved organisation. Organisations currently approved to conduct these assessments during grandparenting are the Australian and New Zealand Society of Jungian Analysts (ANZSJA), New Zealand Association of Psychotherapists (NZAP) and New Zealand Association of Child and Adolescent Psychotherapists (NZACAP).

⁴ A site accessible only to Board members.

⁵ See the accreditation section of this report for an update on this progress.

Accreditation

Under section 12(2)(b) and 118(a) of the HPCAA the Board is required to prescribe the qualifications needed for scopes of practice and, for that purpose, to accredit and monitor educational institutions and degrees and courses or programmes of study.

Over the last year the Board and the Accreditation Committee have continued to refine the draft Accreditation Standards.

In June 2018 consultation with training providers took place. The Board consulted on:

1. Accreditation Standards for a Psychotherapy Education Programme⁶
2. Accreditation Standards for a Psychotherapy Professional Development Pathway⁷
3. Accreditation Standards; costs, process and monitoring

Prior to the above consultation period closing on Friday 24th August 2018 the Board invited training providers to attend facilitated meetings in Christchurch, Wellington and Auckland. These meetings were to provide an opportunity for training providers and Board members to gather together to discuss the draft Standards, hear and discuss concerns, and seek clarity so that the standards have meaning and relevance for psychotherapy training.

Board representatives found those meetings valuable and appreciated the opportunity to listen to and talk face to face with attendees. Feedback received from training providers indicated that training providers found the consultation meetings useful. Further to this some training providers raised significant concerns about the potential change that accreditation may bring to psychotherapy training once accreditation is finalised.

Following the close of the consultation period the Board received ten (10) written responses. Feedback was varied. For example, some feedback suggested moving requirements to meta level statements, while other feedback indicated that requirements should be more informative/prescriptive.

The Board and the Committee acknowledge that psychotherapy is a complex profession with multiple modalities and training options, many of which are Australasian. This adds to the challenge of developing Standards that communicate minimum standards that are accepted by all psychotherapy training providers. The Board and the Accreditation Committee will continue to work on developing Standards that reflect the reality of psychotherapy training and meet the requirements of the HPCAA.

Wider consultation will take place as soon as practicable. This will involve programme providers, practitioners, stakeholders and the public. In the meantime, the Board continues to keep stakeholders, training providers and psychotherapists updated on progress through its newsletters and electronic communications.

⁶ Name yet to be finalised, this was the third consultation for this programme or course of study

⁷ Name yet to be finalised, this was the second consultation for this programme or course of study (pathway)

Registration

Registration provides an assurance to the public that psychotherapists are fit to practise, hold the qualification/s prescribed by the Board and are competent to practise within the scope that they are registered.

The Board maintains a public Register which includes names, the qualification used for registration and the registration dates of all psychotherapists. The public Register is available for viewing on the Board's website: www.pbanz.org.nz

Applications for registration within the reported year

HPCAA section	Scope	Number	Registered	Registered with conditions	Not Registered
15	Interim Psychotherapist Scope of Practice	16	16	0	-
15	Psychotherapist Scope of Practice	9	9	0	-
15	Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism	1	1	0	

Annual Practising Certificates (APC)

Annual Practising Certificates (APC) provide assurance to the public that a psychotherapist is competent and fit to practise their profession. Each year psychotherapists are required to declare that they have maintained their competence and fitness to practise. If the Board is not satisfied that a psychotherapist has met these standards, then an APC application can be declined, and resubmitted.

The cost of the Annual Practising Certificate remains unchanged.

Applications for Annual Practising Certificates

Total Applications	APCs with conditions	No APC
546	1	-

70 psychotherapists held a non-practising status.

4. Competence, fitness to practise, and quality assurance

Part 3 of the HPCAA

Under section 36(4) of the HPCAA the Board may review the competence of a psychotherapist at any time or in response to a concern regarding their practice. Competence reviews are not punitive and are designed to review, remediate and educate. Competence concerns can be raised by a colleague, patient, employer, the Ministry of Health, ACC and/or the Health and Disability Commissioner.

The Board will undertake initial inquiries into a psychotherapist's competence following a notification or expression of concern regarding competence (reviews are undertaken to

ensure that notifications are not frivolous or vexatious). Following consideration, possible outcomes could be: no further action; an individual recertification programme is established; or a review of a psychotherapist's competence is undertaken.

Performance

There were no competence reviews completed during the timeframe covered by this report.

Recertification and continuing competence

The Board considers engagement in ongoing professional development an important factor in maintained competence.

The Board continues to audit 100 psychotherapists annually. Overall the audit process continues to be successful with the Board receiving encouraging and positive feedback from many psychotherapists. Feedback indicated that psychotherapists are finding the self-reflective process beneficial and useful to their practice.

The Recertification Plan tips continue to be useful and are updated annually; the tips outline information that psychotherapists engaged in audit may find useful. The audit tips are advertised on the Board's website. These tips will shortly be supported by audit exemplars.

Health/fitness to practise

A physical or mental health problem may impair a psychotherapist's ability to practise safely, and endanger clients and the public. Practitioners and employers have a legal obligation to notify the Board if there is any reason to be concerned about a psychotherapist's health or fitness to practise.

During this reporting period the Board finalised one formal existing health notification under section 45 of the HPCAA; the health practitioner was deemed fit to practise.

Two (2) health practitioners made health related notifications; these were reviewed and finalised within the reporting year. Both health practitioners were deemed fit to practise.

5. Complaints and discipline

Part 4 of the HPCAA

Complaints fall into two broad categories: those that allege the practitioner or conduct of a practitioner has affected a health consumer, and those that do not directly involve a health consumer.

Under section 64(1) of the HPCAA the Board must promptly forward to the HDC any complaint alleging that the practice or conduct of a health practitioner has affected a health consumer. The HDC may or may not investigate the complaint. The Board is unable to act on a conduct issue while the HDC is investigating; however, the Board can investigate competence or health concurrently.

Notifications or complaints that do not allege that a health consumer has been affected are reviewed on a case-by-case basis. Each notification or complaint is investigated, and the Board decides whether it should be handled as a competence, conduct or health issue.

Complaints from various sources and outcomes

The Board received two (2) new complaints⁸ during the period covered in this report; both complaints are open and ongoing.

Professional Conduct Committee

A Professional Conduct Committee (PCC) investigates complaints that relate to practitioners' conduct.

During the timeframe covered by this report there were no complaints referred to a PCC.

Health Practitioners Disciplinary Tribunal (HPDT)

The HPDT hears and decides disciplinary charges brought against registered health practitioners. Charges may be brought by a Professional Conduct Committee or the Director of Proceedings of the Health and Disability Commissioner's office.

The Board had no cases before the HPDT during the timeframe covered by this report.

6. Appeals and judicial reviews

Decisions of the Board may be appealed to the District Court or, in some cases, judicial review sought in the High Court.

There were no judicial reviews or appeals during the timeframe covered by this report.

7. Linking with stakeholders

The Board is responsible for communicating with psychotherapists, liaising with health regulatory authorities, the Ministry and other stakeholders over matters of common interest and to promote public awareness of the Board's role.

The Board does this by regularly communicating with the public, Ministry of Health, stakeholders and psychotherapists via the Board's website, newsletters, consultation documents, consultation feedback documents, face-to-face meetings, annual reports and attendance at conferences and meetings.

Board representatives attended conferences held by the New Zealand Association of Psychotherapists and the New Zealand Association of Child and Adolescent Psychotherapists.

Written and face to face consultation occurred with training providers regarding draft Accreditation Standards. This work is ongoing⁹.

In the reporting year the Board submitted both a written and oral presentation to the Health Select Committee in relation to the HPCAA Amendment Bill. The Board also communicated with the Coroner's office following a Certificate of Findings into the death of a New Zealander.

⁸ Both complaints were outside of the HDC's jurisdiction

⁹ This was reported on above.

The Board values all communication it receives from stakeholders and remains committed to meeting with Associations, Responsible Authorities, Ministry agencies and all stakeholders for general discussion or matters of common interest.

8. Health Regulatory Authorities New Zealand collaborations

The Board is required under the HPCAA section 118(j) to liaise with other authorities appointed under the HPCAA about matters of common interest.

Health Regulatory Authorities of New Zealand (HRANZ) forum is made up of all 16 health Responsible Authorities. Although the forum hasn't met strategically in the last two years, this is about to be reinvigorated with many RAs agreeing to commit to an upcoming meeting. The Operational Group (CEO/Registrars) continued to meet periodically to discuss matters of common interest. The Board and the Registrar continue to support and encourage this collective. HRANZ has a key role to play with discussing matters of common interest, including joint training, responses to relevant consultation and ministry consultations and documents such as the amendment Health Practitioners Competence Assurance Act 2003 (HPCAA) Bill.

9. Contact details

All correspondence should be addressed to:

The Registrar
The Psychotherapists Board of Aotearoa New Zealand
PO Box 9644
Wellington 6141

Secretariat:

The Psychotherapists Board is currently supported by two staff (1.6 FTE)
Jacquelyn Manley (Registrar)
Eva Petro (Registration Officer)

The Board's physical address is:

Level 5
22 Willeston Street
Wellington 6011

Telephone: +64 4 918 4727
Email: registrar@pbanz.org.nz
Website: www.pbanz.org.nz

10. Financial statements

Audited accounts

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND'S PERFORMANCE REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The Auditor-General is the auditor of the Psychotherapists Board of Aotearoa New Zealand (Psychotherapists Board). The Auditor-General has appointed me, Carolyn Jackson, using the staff and resources of Staples Rodway Audit Limited, to carry out the audit of the performance report of the Psychotherapists Board on his behalf.

Opinion

We have audited the performance report of the Psychotherapists Board on pages 1 to 9, that comprise the entity information, the statement of financial position as at 30 September 2018, the statement of financial performance, the statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the performance report that include accounting policies and other explanatory information.

In our opinion the performance report of the Psychotherapists Board on pages 1 to 9, present fairly, in all material respects:

- the entity information,
- its financial position as at 30 September 2018; and
- its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)

Our audit was completed on 16 November 2018. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the performance report, and we explain our independence.

Basis of opinion

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

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

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

Responsibilities of the Board for the performance report

The Board is responsible for preparing the performance report that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board is responsible on behalf of the Psychotherapists Board for assessing the Psychotherapists Board's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Psychotherapists Board or to cease operations, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

Responsibilities of the auditor for the audit of the performance report

Our objectives are to obtain reasonable assurance about whether the performance report, as a whole, is 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 performance report.

We did not evaluate the security and controls over the electronic publication of the performance report.

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 performance report, 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 Board's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governing body.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the governing body and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Psychotherapists Board'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 performance report 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 Psychotherapists Board to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibility arises from the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

Independence

We are independent of the Psychotherapists Board in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): *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 Psychotherapists Board.



Carolyn Jackson
Staples Rodway Audit Limited
On behalf of the Auditor-General
Wellington, New Zealand

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
PERFORMANCE REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

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PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

Entity Information

"Who are we?", "Why do we exist?"

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Legal Name of Entity:

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

Type of Entity and Legal Basis :

The Psychotherapists Board of Aotearoa New Zealand (the Board) is a body corporate established by the Health Practitioners Competence Assurance Act 2003 (HPCAA) and is a Responsible Authority under that Act.

Entity's Purpose or Mission:

The Board's role is to ensure the implementation of the HPCAA and fulfil the principal purpose as set out in Section 3 and the functions as set out in Section 118 of the HPCAA. The Board has made a commitment to ensure that issues of diversity and equality are valued, upheld and promoted, and underpin all aspects of the Board's work and therefore to being familiar with, and operating according to the principles of natural justice and administrative law: Te Tiriti o Waitangi; Health and Disability Commissioner Act 1994 - Code of Health and Disability Services Consumers' Rights; Health and Disability Services Act 1993; Trans-Tasman Mutual Recognition Act 1997; Health and Safety Work Act 2016; Privacy Act 1993 - Health Information Privacy Code 1994; Human Rights Act 1993.

The Board has been set up to protect the health and safety of members of the public by providing for mechanisms to ensure that health practitioners are competent and fit to practise their professions. The functions of the Board are to:

1. Prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor educational institutions and degrees, courses of studies, or programmes;
2. Authorise the registration of health practitioners under this Act, and to maintain a register;
3. Consider applications for Annual Practising Certificates (APCs);
4. Review and promote the competence of health practitioners;
5. Recognise, accredit, and set programmes to ensure the ongoing competence of health practitioners;
6. Consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession;
7. Promote education and training in the profession;
8. Promote public awareness of the responsibilities of the authority; and
9. Exercise and perform any other functions, powers, and duties that are conferred or imposed on it by or under this Act or any other enactment.

Entity Structure:

The Board has seven (7) members. Five (5) psychotherapists and two (2) lay members to represent public interests. Board Members are appointed by the Minister of Health.

Main Sources of the Entity's Cash and Resources:

The Board receives its main income from APC Fees paid by registered psychotherapists.

Additional Information:

To protect the public, the Board is also responsible for making sure that psychotherapists continue to maintain their competence once they have entered the workforce.

General Description of the Entity's Outputs:

To protect the health and safety of members of the public by providing for mechanisms to ensure that psychotherapists are competent and fit to practise.

Contact Details:

Physical Address: Level 5, 22 Willeston Street, Wellington 6011

Phone: 04 - 9184727

Email: registrar@pbanz.org.nz

Website: www.pbanz.org.nz



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF FINANCIAL PERFORMANCE
"How was it funded?" and "What did it cost?"
FOR THE YEAR ENDED 30 SEPTEMBER 2018

		2018	2017
		\$	\$
Revenue	NOTE		
APC fees		391,122	380,578
Non-practising fees		3,226	3,774
Registration fees		14,435	16,207
Other revenue		3,077	3,538
Interest		25,930	22,361
Total Revenue		437,789	426,458
Expenditure			
Board & committees	1	145,409	117,410
Secretariat	2	229,939	201,914
Total expenditure		375,348	319,323
Net surplus		62,442	107,135

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	2018	2017
	\$	\$
Accumulated funds at the beginning of period	572,936	465,801
Net surplus for the period	62,442	107,135
Accumulated funds at the end of period	635,378	572,936

The accompanying notes form part of these financial statements



**PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF FINANCIAL POSITION**

"What the entity owns?" and "What the entity owes?"

AS AT 30 SEPTEMBER 2018

	NOTE	2018 \$	2017 \$
Equity	3	635,378	572,936
Current assets			
Cash and bank		248,749	369,727
Investments - Term Deposits		813,780	625,368
Accrued income		9,857	12,346
Prepayments		9,943	12,880
Total current assets		1,082,329	1,020,321
Non-current assets			
Property, plant equipment	4	14,758	18,546
Total assets		1,097,087	1,038,867
Current liabilities			
Goods and Services Tax		47,631	48,396
Accounts payable		14,849	22,593
Accrued expenses		13,562	8,901
Employee costs payable	5	19,063	18,676
Income in advance	6	358,791	361,694
WHT payable		7,814	5,671
Total current liabilities		461,710	465,931
Total liabilities		461,710	465,931
Accumulated Funds		635,377	572,936

For and on behalf of the Board.


Suzanne Johnson

Board Chair
Dated:

16/11/2018


Jacquelyn Manley

Registrar

Dated:

16/11/2018

The accompanying notes form part of these financial statements



**PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF CASH FLOWS**

**"How the entity has received and used cash"
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	2018 \$	2017 \$
Cash flows from operating activities		
Cash was received from:		
APC fees	388,220	384,587
Non-practising & registration income	17,922	19,980
Other fees	2,816	3,538
Interest revenue	20,007	9,404
Cash was applied to:		
Board and committees expenditure	(151,010)	(91,118)
Secretariat expenses	(216,102)	(216,054)
Net cash flows from operating activities	<u>61,852</u>	<u>110,337</u>
Cash flows from investing and financing activities		
Cash was applied to:		
Purchase of fixed assets	(2,830)	(2,225)
Short-term investments	(180,000)	(160,000)
Net cash flows from investing and financing activities	<u>(182,830)</u>	<u>(162,225)</u>
Net decrease in cash	<u>(120,979)</u>	<u>(51,888)</u>
Opening cash brought forward	<u>369,727</u>	<u>421,615</u>
Closing cash carried forward	<u><u>248,748</u></u>	<u><u>369,727</u></u>
 Represented by:		
Cash and cash equivalents	248,749	369,727

The accompanying notes form part of these financial statements



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF ACCOUNTING POLICIES
"How did we do our accounting?"
FOR THE YEAR ENDED 30 SEPTEMBER 2018

STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

The Board is a body corporate established by the Health Practitioners Competence Assurance Act 2003 and is a Responsible Authority under that Act.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and have been prepared on the basis of historical cost.

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

SPECIFIC ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents includes petty cash, deposits at cheque account and saving account with banks.

Receivables

Receivables are stated at estimated realisable values.

Property, plant & equipment

Initially stated at cost and depreciated as outlined below. Initial cost includes the purchase consideration plus any costs directly attributable to bringing the asset to the location and condition required for its intended use. Property, plant & equipment are shown at original cost less accumulated depreciation.

Depreciation

Depreciation of property, plant & equipment have been assessed based on the useful lives of each asset class. The following rates have been used:

Computer equipment 50% - 60% diminishing value

Office equipment 20% diminishing value

Office refit 20% Straight Line Method

Impairment

At balance date, the Council reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impaired loss.

Intangible Assets

Intangible Assets comprise non-physical and non-financial assets which have a benefit to the Board for periods extending beyond the year the costs are incurred.

Amortisation

Intangible assets are amortised over the period of benefit to the Board at the following rate:
Website/Database 5 years straight line.

Leases

Payments made under operating leases are recognised in the statement of financial performance on a basis representative of the pattern of benefits expected to be derived from the leased asset.

Employee entitlements

Provision is made in respect of the Board's liability for annual leave at balance date. Annual leave has been calculated on an actual entitlement basis at current rates of pay. No provision is made for sick leave entitlement as this does not accumulate.

Taxation

The Board is exempt from Income Tax.

The Board is registered as a charitable entity under the Charities Act 2005.

Investments

Investments are recognised at cost. Investment income is recognised as an accrual basis where appropriate



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF ACCOUNTING POLICIES
"How did we do our accounting?"
FOR THE YEAR ENDED 30 SEPTEMBER 2018

STATEMENT OF ACCOUNTING POLICIES (continued)

Income recognition

Fees received for the issue of APCs and register maintenance are recognised in the year to which the fees relate. All other fees are recognised on receipt.

Interest Revenue

Interest revenue is recognised when it becomes receivable on a proportional basis taking into account the interest rate applicable to the financial assets.

Expenses

Expenses are recognised as incurred in surplus or deficit on an accrual basis.

Creditors and Other Payables

Trade creditors and other payables are stated at cost.

Goods & Services Tax

The Board is registered for GST, and all amounts are stated exclusive of Goods & Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

Comparatives

Some prior year comparative figures have been reclassified to match current year disclosure.

Changes in accounting policies

All policies have been applied on a consistent basis with those of the previous period.



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
NOTES TO THE PERFORMANCE REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	NOTE	2018 \$	2017 \$
1. BOARD & COMMITTEES			
Fees		87,098	76,261
Meeting expenses, training ,travel & others		58,310	31,238
Legal, investigation and hearing expense (Discipline)		0	9,910
		<u>145,409</u>	<u>117,410</u>
2. SECRETARIAT			
Audit fees		6,432	6,182
Depreciation & amortisation		6,512	6,656
Occupancy		16,698	16,990
Other costs		32,763	30,405
Personnel & professional fees		167,041	140,517
Printing and stationery		493	1,163
		<u>229,939</u>	<u>201,914</u>
3. EQUITY			
General Reserve			
Accumulated surpluses with unrestricted use			
Balance at 1 April		463,760	346,715
Surplus for year		62,442	117,045
Balance at 31 March		526,201	463,760
Discipline Reserve			
Balance at 1 April		109,177	119,087
Surplus for year		0	(9,910)
Balance at 31 March		109,177	109,177
Total Reserves		<u>635,378</u>	<u>572,936</u>

General reserve is used for operating expenses;
Discipline reserve is used for the Professional Conduct Committees and Health Practitioners
Disciplinary Tribunal costs.



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
NOTES TO THE PERFORMANCE REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

4.PROPERTY, PLANT & EQUIPMENT

	Opening Carrying account	Current year additions	Current year Sales/disposals	Current Year Depreciation and Impairment	Closing carrying Value
At 30 September 2018					
Computer Equipment	4,700	2,830	(105)	(3,140)	4,285
Office equipment	7,343	0	0	(1,469)	5,875
Fixtures and Fittings	6,503	0	0	(1,903)	4,600
	18,546	2,830	(105)	(6,512)	14,758
At 30 September 2017					
Computer Equipment	5,392	2,225	0	(2,917)	4,700
Office equipment	9,179	0	0	(1,836)	7,343
Fixtures and Fittings	8,405	0	0	(1,902)	6,503
	22,976	2,225	0	(6,655)	18,546

	2018	2017
5.EMPLOYEE COSTS PAYABLE	\$	\$
PAYE owing	3,676	1,862
Holiday pay accrual	14,271	16,071
Kiwisaver contributions owing	1,116	743
Salaries and Wages owing	0	0
	19,063	18,676

6.INCOME IN ADVANCE

	2018	2017
	\$	\$
Fees received relating to next year		
APC fees	356,722	358,894
Non-Practising fee	2,070	2,800
	358,791	361,694

7.SHARED SERVICES

In 2015/16, Nursing Council of New Zealand, Occupational Therapy Board of New Zealand, Podiatrists Board of New Zealand, Dietitians Board, Midwifery Council of New Zealand, Psychotherapists Board of Aotearoa New Zealand, Osteopathic Council of New Zealand, Chiropractic Board, Psychologist Board, and Optometrists & dispensing Opticians Board entered into an agreement to co-locate to 22 Willeston Street, Wellington. The lease agreement for 22 Willeston Street (signed solely by Nursing council of New Zealand) is for five years taking effect from 1st February 2016 and expiring on 1st February 2021.

To facilitate the management of shared resources, including a joint lease agreement for office rental purposes and corporate supports, the ten RAs entered into an agreement for the provision of corporate services.



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND **NOTES TO THE PERFORMANCE REPORT** **FOR THE YEAR ENDED 30 SEPTEMBER 2018**

8.CREDIT CARD FACILITY

There is a visa credit card with \$7,000 limit, held with Westpac.

9.COMMITMENTS

The Board have an agreement with the Nursing Council of New Zealand for the provision of back office corporate services. The Service Level Agreement is for an initial period of five years. The future estimated commitments based on the expected costs included in this agreement as at 30 September 2018 are: property \$9,707; corporate services \$25,054; total \$34,761 per year.

Corporate services	2018	2017
	\$	\$
Due in 1 year	25,054	21,330
Due between 1-2 years	25,054	21,330
Due between 2-5 years	9,953	29,862
	<u>60,061</u>	<u>72,522</u>

Contractual commitments for operating leases of premises
Level 5, 22 Willeston Street Wellington

	2018	2017
	\$	\$
Due in 1 year	9,707	9,710
Due between 1-2 years	9,707	9,710
Due between 2-5 years	3,856	13,594
	<u>23,270</u>	<u>33,014</u>

The figures disclosed above reflect the Board's rent, as currently payable.
The lease agreement is in the name of Nursing Council of New Zealand.

10.CAPITAL COMMITMENTS

There were no capital commitments at balance date. (2017: \$Nil)

11.CONTINGENT LIABILITIES

There were no contingent liabilities at balance date. (2017: \$Nil)

12.RELATED PARTY TRANSACTIONS

There were no related party transactions involving related parties during the financial year. (2017: \$Nil)

13.EVENTS AFTER BALANCE DATE

There were no events that have occurred after balance date that would have a material impact on the Performance Report. (2017: \$Nil)



