Office of the

# Children's Commissioner

Te Kaikomihana mō ngā Tamariki Annual Report

for the year ended 30 June 2012

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## Foreword to the Minister for Social Development

Pursuant to the provision of Section 150(3) of the Crown Entities Act 2004, I submit my Annual Report, incorporating the Financial Statements. The report covers the period from 1 July 2011 to 30 June 2012. I am satisfied that the Financial Statements fairly reflect the financial position and operations of the Office of the Children's Commissioner for the reporting period.

Dr Russell Wills

**Children's Commissioner** 

## Commissioner's foreword

This annual report for the Office of the Children's Commissioner for the year ending 30 June 2012 summarises the first year of my term, which commenced on 1 July 2011.

I arrived to an Office with strong foundations in place from my predecessors Dr John Angus and Dr Cindy Kiro. While delivering on the existing SOI, I have asked the Office to focus on fewer objectives and to give more thought to how we demonstrate the impacts and outcomes we make for children. Saying one is the nation's chief advocate for children and New Zealand's leading child advocacy organisation does not make it so – we have to earn that role and we have worked hard over the year to do so.

I looked at the systems for performance reporting of the 13 Children's Commissioners and Child Guardians in the United Kingdom and Australia to identify best practice that could inform our reporting. This report presents our performance story and the Office's journey over the 2011-12 year. Our next Annual Report will demonstrate our progress on the Office's priorities from our new 2012-2015 SOI. The new SOI can be read at <a href="https://www.occ.org.nz/publications">www.occ.org.nz/publications</a>.

The strategic priorities during 2011-12 included to:

- monitor Child, Youth and Family sites and residences, including implementing changes arising out of a 2010 review of the Commissioner's framework for monitoring Child, Youth and Family
- continue to work closely with Child, Youth and Family on responses to recommendations made in reports completed by the Office in 2010-2011 on children in state care and responses to child neglect
- contribute through the Taskforce for Action on Violence within Families to improve responses to children caught up in violence within families
- contribute to the Green Paper and White Paper processes on vulnerable children
- promote the interests of infants and toddlers in high quality education and care, in and out of families
- promote the Convention on the Rights of the Child and follow up the recommendations of the United Nations Committee on the Rights of the Child after their hearing into its implementation in New Zealand.

In addition to these, the Minister has set out in her letter of expectations the following priorities:

- review business continuity plans
- review information and communications systems along with associated policies and update to ensure best practise
- continue to work closely with the Families Commission and identify any further efficiencies
- implement any changes arising out of the 2010 review of the Commissioner's framework for monitoring Child, Youth and Family
- continue to work on the transition of children out of care provisions of the Children, Young Persons, and their Families Act 1989
- monitor actions arising out of the Joint Thematic Review of Young People in Police detention
- work on Government's priorities as identified in the Children's Action Plan.

The monitoring team continued its good work this year visiting eight Child, Youth and Family sites and making four visits to residences and six inspections under our National Preventive Mechanism responsibilities. Good progress continues to be made at Child, Youth and Family, including the emphasis on children's voices in practice and improved support for carers. Of the 200 recommendations we made to Child, Youth and Family this financial year, 145 (73 percent) had been actioned by 30 June and the remainder were being progressed. I note the new strategic direction of

Child, Youth and Family and we look forward to working closely with them over the coming year on this.

The Child Rights Line received 928 calls this year, of which 142 individual cases required further investigation or follow up. Issues were similar to 2010-11. Of those callers surveyed, 92 percent felt the Office's response was timely and 86 percent of callers acted on the advice given. There were many positive comments about the quality of the advice.

Submissions and feedback on policy and Bills continued to be a busy area of work this year. We prepared 19 submissions and pieces of advice against our target of 10. As a result of our advice to the Auckland Council all 20 local boards are establishing processes to engage with children and young people. I am delighted that Auckland Council has made children the top priority in their 30-year strategic plan. This is greatly to their credit and is an example for other local authorities. The Auckland Office continues to work with Auckland Council officials and elected representatives as the plan is implemented.

Our advice was incorporated into a number of new Acts this year. For example, welfare reform legislation was amended to increase access to youth payments and there will be a review of the new information sharing provisions. I was particularly proud of the work Office staff undertook to support young people's submissions to the Green Paper on Vulnerable Children, as well as our own.

The Office has also worked hard this year on how we influence wider public opinion. Office staff carried out training with new Fairfax journalists so their reporting would include children's voices and reflect an understanding of children's issues. Media coverage this year has been extensive with long-format features on key issues for children in several papers and in radio and television. We have also revamped the Office's journal *Children* to present a strongly evidence-based and comprehensive treatment of key issues for children and young people. Topics covered this year included the Green Paper on Vulnerable Children, Child Poverty and Collaboration.

It has been a busy year as I have learnt the ropes of the public service and maintained my clinical workload. I am very grateful for the support and advice of many people both in Wellington and Hawke's Bay. I am proud of the work of the staff of my Office and the Young People's Reference Group this year. Sometimes our task is daunting but I am confident we are making a tangible difference for the children of Aotearoa New Zealand. They deserve nothing less.

Mō tātou, ā, mō ngā uri a muri ake nei.

For us and our children after us.

Russell Wills MB, ChB, Dip Obst, DCH, FRACP, MPH

**Children's Commissioner** 

## From the Young People's Reference Group

New Zealand has the responsibility to put children (0-17 years old) first. Even though children make up a large percentage of the New Zealand population, they don't have a vote, so it is important that decision makers prioritise them. UNCROC stipulates that young people have the right to have their views heard, considered and taken seriously.

Being members of the Young People's Reference Group has given us the opportunity to advocate for the rights of young people. As members of this group, over the past two years we have been able to identify the issues that are relevant to young people. Our main focus has been on the second hand effects of alcohol on children and young people. The reason we chose this issue is because we all identified it as a problem that has a negative impact on the lives of children, yet is ignored in New Zealand. Too often the focus is on young people as the culprits rather than the victims of the alcohol culture.

As part of our focus we made a submission to the Green Paper for Vulnerable Children, and we were able to communicate the ideas we put into this at the Alcohol Action Conference held earlier this year, and through various media outlets. Towards the end of our term we placed more effort on solutions to child poverty in New Zealand and worked with the Office and the Children's Commissioner as this became a major focus.

Dr Russell Wills made it evident that he wanted to incorporate our voices to help convey children and young people's opinions in his work and role. Working with his staff we were able to contribute to publications that were published by the Office. Dr Wills sourced material we wrote in submissions and media work, and we have also had the chance to co-present with him in relation to the second-hand effects of alcohol.

Being on the Young People's Reference Group greatly expanded our views on children and young peoples' place in the world. Coming into the group, we knew where issues facing young people were. However, now we feel we have a much greater understanding of the causes, the current situation and what needs to change for the children of New Zealand to live in a better place. Child poverty in New Zealand was one issue that we didn't realise the scale of until collaborating more with the Office. Putting together a submission on solutions to child poverty to the Expert Advisory Group was our way of expressing our thoughts. With over 270,000 children in New Zealand living under the poverty line, it is most definitely an issue that needs attention now.

Bullying, drug and alcohol abuse and mental health problems are all also consistent issues that we have identified and have been identified by New Zealand society for a long time. It has become very clear to us that the media play a huge part in the cause of these issues – their increasing saturation in children and young people's lives means their ability to dictate social norms has become even greater. It stimulates bullying, normalises drug and alcohol abuse and creates unrealistic expectations and models that young minds unfortunately start to mould to. It is something that as a New Zealand society we need to challenge.

As New Zealanders we need to be critical thinkers when it comes to looking at the issues surrounding children and young people, what it stems from and what the solution may be. As children and young people, often things concerning us are decided by adults – sometimes we need people (especially decision makers) to champion our views and ideas and put the well-being of children first in any decision made.

We encourage Dr Russell Wills to continue to be one of those champions. Working closer together with the new Young People's Reference Group (YPRG) will help you even more with your role and the goals for the Office.

For children and young people, there is a clear need to look at what messages media and society is sending us (the Tui billboards, the stories in the paper, etc.) and try to understand what is the real truth. Understand that we need to be proactive and put ourselves out there. There are a growing number of opportunities for children and young people to push forward and have their voices and ideas heard, and broaden their scope on life. Youth councils, extra-curricular activities and getting involved in community activities can all help with that.

It has been a pleasure working on the Young People's Reference Group for the past two years, with the Office and Dr Russell Wills. For the new group, we hope you learn and develop as much as we did. Say what is on your mind, have the courage to oppose the norm, be connected with your community and take advantage of the opportunities and resources you have as being part of the group. Children and young people are an important part of New Zealand society and you will realise the enormous potential we have as a nation to improve the general well-being of children. Keep an open mind.



Prashan Casinader
Kieran Denton
Alexander Kroch
Ruby Lindstrom
Amanda Ngo
Jessica Palairet
Jacob Smith
Aroha Selwyn
Tawera Taylor
Izaia Tilialo

YPRG members 2009 - 2011

## Nature and scope of functions

## **Purpose**

The Children's Commissioner is an independent advocate for the interests, rights and well-being of New Zealand's children and young people up to the age of 18 on law, policies, practices and other matters that affect them.

We have a particular responsibility to monitor the quality of services provided to children under the Children, Young Persons and their Families Act 1989 (CYPF Act).

The position of Children's Commissioner was established in 1989, separate from the executive and administrative arms of government. Its independence was reinforced in 2003 and 2004 when given its own statute, the Children's Commissioner Act 2003<sup>1</sup>, and the status of an independent Crown entity.

#### Role

The Act sets out two main functions. The first is to monitor, assess and report on services provided under the CYPF Act. We do this by reviewing the strategies, policies and practices of agencies operating under the Act, reviewing operations and obtaining feedback from stakeholders. Much of the focus is on the services of Child, Youth and Family. We review samples of cases, visit sites and residences and talk to children, young people and other stakeholders.

The second main function is to advocate for the interests, rights and well-being of children. This advocacy function is carried out by investigating individual complaints, providing advice to Select Committees, Ministers, Crown entities and local and non-government organisations, advocacy projects and raising awareness of children's interests among New Zealanders generally.

## **Legislative framework**

The Children's Commissioner operates under the Children's Commissioner Act 2003. Our actions are also guided by UNCROC, which New Zealand ratified in 1993. This Convention sets out goals for children's well-being and defines the obligations of governments to take the best interests of children into account in their laws, policies and operations.

We have a statutory responsibility under Section 12 of the Act to raise awareness and understanding of the Convention and to advance and monitor the application of the Convention by departments of State and other instruments of the Crown.

The Children's Commissioner is gazetted as a National Preventive Mechanism (NPM) under the Crimes of Torture Amendment Act 2003.

The Office of the Children's Commissioner administers Vote: Social Development: Non-departmental Output Expense Children's Commissioner and the Minister for Social Development is responsible for its financial performance.

<sup>&</sup>lt;sup>1</sup> See Appendix 1 for a list of the Children's Commissioner's statutory functions.

#### Values of the Office

The Office operates by the following values:

- > Diversity We value diversity and respect the dignity of every person that we engage with. We acknowledge and celebrate diversity, difference and open-mindedness, and recognise the multitude of views and perspectives held by New Zealanders.
- > Sincerity We work to fulfil our purpose. We work with a sincere desire for better outcomes. We assume the best of intentions in others. We are straightforward, direct and engaging.
- > Respecting Tangata Whenua We value and respect the place of Tangata Whenua in New Zealand.
- > Strategically focused We know the big picture. We think about how best to make an impact. We work with others focused on improving outcomes for children in New Zealand.
- > Working with others —We work in partnership with Government, iwi, community organisations and individuals to achieve shared outcomes.
- > Integrity We act in a way that protects the integrity of the Office. We act to build trust through our behaviour
- > Willing spirit We work with a willing spirit. We are positive, responding easily to new challenges and opportunities, taking responsibility for our work. We go the extra mile.
- > Honouring the Treaty of Waitangi We value and respect the Treaty of Waitangi as the founding document of the nation.

We have developed a tikanga framework under the concepts of:

- >**aroha** kōrero, compassion, care and empathy for others and also for the self
- >tika kōrero, doing things right, for the right reasons, for the long term benefit of the collective
- >**pono** kōrero, being truthful and acting with integrity
- >**matauranga** kōrero, knowledge, comprehension, or understanding.

## Strategic context

Children and young people make up a large part of New Zealand's population<sup>2</sup>. Just over one million of New Zealand's citizens are under the age of 18 years (26 percent of the population). Amongst New Zealand's ethnic groups, Māori and Pasifika<sup>3</sup> populations have much higher proportions of children within them.

The majority of New Zealand children and their families enjoy a high quality of life and experience good outcomes. This is reflected in New Zealand's high international ratings in comparative surveys measuring quality of life and in areas such as educational attainment.

However, a significant proportion of New Zealand's children do not experience the good outcomes the majority enjoy. The circumstances of these children are reflected in New Zealand's poor rating in international comparisons of child health and well-being and in our level of investment in young children<sup>4</sup>. The causes of the poor outcomes experienced by children are complex and multi-systemic.

Our 2011-2014 Statement of Intent (SOI) detailed the actions and impacts we planned to undertake to give effect to the outcome: New Zealand is a place where children thrive. In addition it was highlighted that the Office was in a transitional phase with a more refined focus to be articulated in the 2012-2015 SOI. Diagram 1 illustrates the transition between these strategies, but confirms that the primary outcome has remained the same, as have the key activities of advocacy, monitoring and investigations. The foundations of our work have also remained the same:

- Children's Commissioner's Act 2003
- The Treaty of Waitangi
- The United Nations Convention on the Rights of the Child (UNCROC)

Diagram 1 – Contributing outcome comparison

2011-2014 Contributing outcomes Children in New Zealand are safe and well-nurtured in their families/ communities, whanau, hapu and iwi, security and nurturing

Children's rights are understood and respected

Children's right to participate as citizens is fully realised International obligations regarding children, with respect to UNCROC, are met

Primary outcome:

**Key outputs:** 

New Zealand is a place where children thrive

Individual & Systemic Advocacy | Monitoring & investigating

2012-2015 Contributing outcomes

More children grow up healthy

More children grow up with adequate access to resources More children achieve their education potential More children are free from all forms of abuse and neglect

This Annual Report will highlight our key achievements as outlined in the 2011-2014 Statement of Intent, and will also demonstrate how these achievements will support our knowledge base to give effect to the strategies outlined for 2012/13 and beyond. We will also demonstrate, through measurement of impact indicators, how we see that our activities are making an impact on our outcomes. Part Two reports on how our organisational capabilities have supported this work and Part Three includes measuring the performance of our output delivery and management of our financial resources.

<sup>&</sup>lt;sup>2</sup> 2006 Census Statistics. 2006, Statistics New Zealand, Wellington.

 $<sup>^{3}</sup>$  Seven main Island groups are referred to as a reference point for describing Pasifika children.

<sup>&</sup>lt;sup>4</sup> 2009 Doing Better for Children New Zealand Country Highlights, OECD.

## **Key achievements**

This section will highlight our key achievements in 2011-12 and where they have made an impact.

## Services to children under CYPF Act are of high-quality

### Key achievements

The Children's Commissioner's Act 2003 requires the Commissioner to monitor and assess the policies and practices of Child, Youth and Family. The manner in which this should be done is not defined but is outlined in a Monitoring Framework agreed by the Office and Child, Youth and Family. In order to gather the information required to monitor and make an assessment of the quality of service provision, Office staff visit Child, Youth and Family sites and residences, speak with staff, children and young people and external stakeholders, and sample a number of cases held electronically on Child, Youth and Family's database.

#### In 2011-12 we:

- visited eight sites: Mangere, Otahuhu (Youth Justice), Gisborne/Wairoa, Tairawhiti (Youth Justice), West Coast, West Coast (Youth Justice), Taupo and Taupo/Tokoroa (Youth Justice)
- visited four residences: Te Oranga, Korowai Manaaki, Whakatakapokai and Epuni.

Sites are chosen according to criteria including demographics, urban/rural, the period since last visited and concerns raised with our Child Rights Line advisor. A plan for the year is drafted and, after consultation with Child, Youth and Family, is implemented. In this financial year, with an increase in our monitoring team to 2.8 staff, we have exceeded the number of site visits we had planned. Following each site and residence visit, a report was provided to Child, Youth and Family highlighting strengths and areas for improvement and making a number of recommendations for Child, Youth and Family to consider. The report, provided to Child, Youth and Family, reflects the five pillars of their strategy  $M\bar{a}$   $M\bar{a}$ tou,  $M\bar{a}$   $T\bar{a}$ tou:

- Quality social work practice
- Working together with Māori
- Voices of children and young people
- Connecting communities
- Leadership.

Child, Youth and Family respond to each site and residence plan by developing a quality improvement plan which addresses each individual recommendation.

#### Monitoring our impact

Each six months, Child, Youth and Family respond to our reports by providing a summary of what they have acted on or where a response is progressing. As at 30 June 2012, the recommendations made and responded to were:

Sites/Residences	
Total number of recommendations	148
Number of recommendations completed by CYF	98
Number of recommendations progressing by CYF	50

There are many examples of recommendations made to Child, Youth and Family which have been picked up in their quality improvement plans and have resulted in positive action being taken. For example:

- Following a visit to Gisborne site:
  - the Practice Leader position in Gisborne was permanently filled after more than two years of temporary management
  - o a change to site boundaries was made to align Wairoa with iwi (tribal) affiliations
  - the Child, Youth and Family Office in Wairoa is to be staffed three days a week for a six month trial.
- Following a visit to the West Coast site:
  - o establishment of a new 0.5 full-time equivalent (FTE) Practice Leader position
  - o a four wheel drive vehicle was purchased, to enable the site to cope with the difficult terrain of the area.

The Regional Manager Operations and the Site Manager West Coast provided the following comments on our March 2012 site visit report:

'your report is constructive, positive and localised'
'gives us a good start for our self-assessment'
' it is strengths based and can be easily shared with staff'

We believe that, cumulatively, site and residence reports, term reports and on-going discussions with the staff of Child, Youth and Family have influenced the development of Child, Youth and Family's strategic plan. We are pleased to see the inclusion of the specific strategies, 'Working together with Māori' and 'Voices of children and young people' in their Strategic Plan 2012-2015  $M\bar{a}$   $M\bar{a}tou$ ,  $M\bar{a}$   $T\bar{a}tou$ .

## Progress towards positive outcomes for children

Child, Youth and Family report a growing awareness of child abuse in recent years, with the number of notifications coming into Child, Youth and Family rising 150 percent since 2006. We see this as an indication that people are willing to speak up, and get help for children they believe to be at risk and a positive step towards having more children who are free from all forms of abuse and neglect.

## Children's rights, when detained, are upheld and effectively monitored

## Key achievements

During 2011-12 we undertook six inspections of residences under the auspices of the Commissioner's role as a National Preventive Mechanism. We visited Puketai (Care and Protection) in September 2011; Lower North (Youth Justice) in November 2011; Te Maioha (Youth Justice) in February 2012; Te Poutama (Care and Protection) in April 2012 and Te Puna Wai (Youth Justice) unannounced in May 2012 with a follow up visit to Te Puna Wai in June 2012.

During the visits, there were discussions with children and young people, staff, management and the grievance panel. Each visit took three days and required extensive verification of processes to ensure children and young people are not exposed to torture, brutality or inhuman treatment. Following each visit a comprehensive report was completed. No evidence of torture, brutality or inhuman treatment was uncovered. However, every visit finds some areas where there is room for improvement. As an example, the unannounced visit of May 2012 to Te Puna Wai resulted in four recommendations being made to Child, Youth and Family. In this case the recommendations were:

- that the letter produced at the end of an investigation into a grievance is personalised to include context and information about how decisions were reached
- that the grievance panel vacancy be filled without delay
- that the use of quiet time is reviewed to ensure it meets its purpose
- that the unit wide Behaviour Management System (BMS) rewards system is reviewed in regard to the arrival of a new person.

In response we are assured that all of these recommendations have been addressed and completed, with the exception of the grievance panel vacancy which was offered and subsequently declined by the preferred candidate.

## Monitoring our impact

Each six months, Child, Youth and Family have reported to us on how they have acted on or how they are progressing a response. As at 30 June 2012, the recommendations made and responded to were:

Residences	
Total number of recommendations	52
Number of recommendations completed by CYF	47
Number of recommendations progressing by CYF	5

# Individual cases where the Children's Commissioner intervenes have outcomes that improve the interests, rights and well-being of the individual child.

#### Key achievements

Our Child Rights Line provides members of the public with information and advice on issues concerning children. Most of the enquiries come from parents or other adults acting on behalf of children. In 2011-12, the total number of calls received was 928 (2011: 1064) and 142 individual cases required further investigation or follow up.

Many of the calls received are responded to with advice and referral onto an appropriate agency. The Office is unable to investigate any decision or recommendation made by a court or tribunal. In these instances, callers are referred to their nearest Family Court or to their lawyer, Community Law Centre, or lawyer for children.

40 percent of calls were in relation to Child, Youth and Family, 17 percent to education and 43 percent to other issues, including health, legal and media matters. The calls concerning Child, Youth and Family provide another source of information for the Office's monitoring role. Education calls most commonly concerned the processes and effects of suspensions, stand-downs and/or expulsions, bullying, and access to education for children with diverse needs.

The table below presents an overview of call activity in comparison with the previous reporting period:

Reporting period: 1 July 2011 to 30 June 2012 Nature of enquiry	Quantity 2010-2011	Quantity 2011-2012 <sup>5</sup>
Child, Youth and Family	445	370
Education	179	159
Other <sup>6</sup>	440	360
Health		18
Legal		4
Child well-being		16
Media		1
Total	1,064	928

In 2011-12 the Office continued to provide funding to the Wellington Community Law Centre to manage the Parent Legal Information Line (PLINFO), a phone line for access to legal advice on education matters. PLINFO responded to 403<sup>7</sup> inquiries during 2011-12 on a range of issues including suspensions, special needs, bullying, general punishment, privacy, school fees and complaints regarding Boards of Trustees.

<sup>&</sup>lt;sup>5</sup> A review of enquiry keywords was undertaken during 2011-12, additional keywords were introduced as a result.

<sup>&</sup>lt;sup>6</sup> The 'other' category previously included health, media, immigration and legal matters.

 $<sup>^{7}</sup>$  PLINFO figures are separate to the calls responded to via the Office's Child Rights Line.

People who call the Child Rights Line are concerned with a wide range of issues relating to children, including, for example, the legal age for leaving children alone, child custody and bullying in schools. The cases below are given as examples of the types of call received and the nature of the response from the Office.

Case 1: A grandparent phoned the Office to say their grandchild did not want to go to school due to bullying. The Office phoned the school to determine what was being done about the bullying. The school were concerned and said they did not know that the child was being bullied. The school informed this Office that they had worked hard to stop bullying in the school and thought the earlier matters raised were resolved. The school contacted the grandparent, discussed the concerns, and the child returned to school the following day.

Case 2: A hotel manager phoned this Office concerned about a young person, aged 16 years, who had registered into the hotel by herself. The manager was concerned that the young person should not be on her own. The Office provided advice to the manager stating that, under the minor contract law, a young person had to be over the age of 18 to book into a hotel, therefore she should not have been there. The manager was to contact the travel agent who booked the room, to organise for an adult to accompany the young person.

Case 3: A mother phoned about her concerns regarding the manner in which a regional sport club was treating her children. The children were not allowed to play in the local tournaments or the local clubs due to something the parents had allegedly done. The regional executive was slow to do anything about resolving the matter. The parent was advised to go to the national body which they did. This did not get results as there was a review of the national office and staff were changing and nothing was settled. The Office got involved and although it took quite some time, the parties are now going through mediation to resolve the issues.

#### Monitoring our impact

The Office surveyed 62 people who contacted the Office during the 2011-12 reporting period.

The purpose of the survey was to assess the effectiveness of the service provided by the Child Rights Line and to determine what difference the service is making for children and young people. A summary of responses are as follows:

- 92 percent felt the response received by this Office was timely
- 84 percent felt the Office helped them with their concern
- 86 percent of callers acted on the advice provided by this Office.

Many respondents gave feedback on the advice provided by the Office which included being directed to the correct agency, such as Child, Youth and Family, the Family Court and the Confidential Listening Service. Many commented on the good advice provided to them and said that it helped progress their situation.

# Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice

#### Key achievements

The Office has continued to give independent advice and make submissions to Select Committees, Ministers, government and non-government decision-makers, reflecting the interests, rights and well-being of children and young people.

#### **Auckland**

Auckland Council made children the first priority in their 30-year Strategic Plan. Specific actions so far have included the Council producing its inaugural *Children and Young People in Auckland Report* which will be published biannually. This will provide Council and Local Boards with a baseline of children's well-being to inform planning processes and monitoring against planned targets. The Council have established a coordinating mechanism, in the form of a position dedicated to lead and coordinate the Auckland Plan priority to put children and young people first.

The Office's Auckland staff have been actively involved with the Council to co-host a number of hui with internal and external stakeholders to discuss how better outcomes can be achieved for Auckland children and young people. This entailed discussions to determine what could be included in a Children and Young People's Strategic Action Plan. Nearly one third of New Zealand's children live within the Council's boundaries so these actions have a national impact on the well-being of children.

One example of how the Office's advice has been influential is the Office's submission to Auckland Council local boards. As a result, all Boards are now establishing processes for engagement with children and young people in line with our recommendations based on article 12 of UNCROC; children's right to participate in decision-making processes. This will ensure Board's decisions are informed by children's views and better quality decisions are made.

#### **Submissions**

Another example of influence is the Office's written submission to the Social Services Select Committee on the Social Security (Youth Support and Work Focus) Amendment Bill. Staff from the Office appeared before the Select Committee on 19 April 2012.

The Social Services Committee released its report in May 2012 on the Welfare Reform Bill. The Committee has directly implemented into the Bill a key recommendation from the Office's submission:

 specific clauses (new s158(ba)(i)-(iii)) regarding qualification to access youth payments for young people leaving Child, Youth and Family care

Other recommendations in the Office's submission have been reflected in the Committee's Report and the amended Bill, including the:

- addition of a three year review of the information sharing provisions this reflects a recommendation around a review of the impact of the reforms on young people.
- relaxation of the income management provisions of the Bill as well, which is reflective of the tenor and suggestions of the submission.

A full summary of submissions and advice made during 2011-12 is presented in Appendix 3

#### **UNCROC**

On 21 February 2011, the Children's Commissioner convened a meeting of representatives from the non-government sector to address the 2011 Concluding Observations of the UN Committee on the Rights of the Child on New Zealand. This meeting established the UNCROC Monitoring Group, whose members include representatives from UNICEF New Zealand, Action for Children and Youth Aotearoa, Save the Children New Zealand, Every Child Counts and Child Poverty Action Group. The Office of the Children's Commissioner and the Human Rights Commission are also represented.

To summarise its work over the 2011-12 reporting period, the UNCROC Monitoring Group met with the Deputy Chief Executives Social Sector Forum on 31 August 2011 to discuss a framework for monitoring and co-ordinating the implementation of UNCROC in New Zealand. Subsequent to that meeting the Group met quarterly, the outcome of which was the production of an inaugural report for the DCE Social Sector Forum dated June 2012 which makes a number of recommendations regarding UNCROC implementation issues. The UNCROC Monitoring Group met with the DCE Social Sector Forum on 19 July 2012 to discuss the report.

#### Speeches

Office staff also delivered 28 speeches and presentations this financial year (2011: 47). We received a range of positive feedback on these, including:

It is always great to work with the Office and the information they provide is always well thought out and researched. We look forward to the next presentation.

The presentation set the tone of the whole conference to challenge the role of ECE when we have just poor statistics in NZ after so much money in ECE. Will have on-going effect on our critical thinking of ECE. Delighted with the presentation.

A pleasure that we could be supported by Children's Commissioner in our service.

The presentation was insightful and thought provoking. Good to know the additional support that our teachers can access when working with priority children.

It is hoped that members who attended the webinar have been able to make changes to their practice. We would be very interested in hosting further Children's Commissioner webinars on topics relevant to social workers.

The presentation focused on the follow-up of an intervention. Our organisation appreciated seeing the positive impact of an intervention thoroughly carried out and reviewed. We will continue to ensure that we work closely with other organisations to ensure the needs of children are paramount in decisions being made about them.. Our organisation felt more informed after the presentation and more clear about how we will make submissions to the green paper.

## Monitoring our impact

A full summary of submissions, advice and impacts made during 2011-12, and impacts measured to date, is presented in Appendix 3.

# Social attitudes and behaviours change towards better understanding of the key issues for children

#### Key achievements

#### Educating media - reporting on children and young people

New Zealand media are generally responsible and fair when covering stories related to children and young people. On occasion the Office has concerns about the representation of children, particularly breaches of privacy or unfair portrayal of youth justice cases. The Office also considers that news media could strengthen their use of the voices and views of children and young people, particularly on matters that directly impact on their lives and well-being.

In an effort to educate journalists and encourage better reporting on children and young people, the Office approached the Fairfax publication group. Fairfax accepted a proposal to carry out training sessions with their new reporters as part of a workplace training package. In early 2012 the Office conducted two sessions in Auckland and Wellington with reporters from major daily, regional and local newspapers from around New Zealand. The sessions were designed to be interactive, relevant to reporters

I've seen the stories we write in a different light

- we sometimes lose sight of ethics as journalists.

and realistic about the pressures of a demanding newsroom. The sessions covered:

- Youth Justice issues including: how does the youth justice system work? What is the process for children who commit crimes? Do children really 'get away' with crime?
- Privacy and consent including: what are some of the unique rights for children? How do you
  go about getting consent? How do you respect children's privacy and still get a colourful
  story?
- Children's voices including: how could a child's perspective improve your story? Who/where could you go to get voices of children and young people?

The reporters attending the sessions were very responsive, with feedback reflecting the value of the sessions:

This has definitely highlighted different ways to approach stories about young people. Definitely thought provoking with practical ideas.

I will consider including children's voices in stories — something I hadn't considered before or would have known how to go about.

## Monitoring our impact

Since the training for journalists, a number of reporters attending the sessions have approached the Office for further advice or assistance with stories related to young people. In particular, the Waikato Times has covered stories that contain the voices of young people, including a multi-media project with a member of the Commissioner's Young People's Reference Group and a feature on youth justice.

The Office continues to work with media organisations and individual reporters to lift the quality of reporting on children and young people and encourage the inclusion of their voices. This includes a proposal to provide training to the APN publishing group in the 2012/13 year.

#### Children journal - presenting evidence-based issues and informing debate

*Children* has shifted focus in the year, with a new emphasis on journal-style, evidence-based articles on set themes. The journal is now produced three times a year, rather than quarterly.

Over 2500 individuals and organisations throughout New Zealand receive the publication and it is available on the Commissioner's website. Feedback on the publication is excellent, suggesting it is a well-respected and well-read publication across the social, education, health and policy sectors.

Significant effort is made by the Office to present issues holistically. The Office approaches contributors from a wide-range of expertise and with a variety of viewpoints.

The three themes this year were: the Green Paper on Vulnerable Children, Child Poverty and Collaboration.

## Edition 78. Green Paper on Vulnerable Children



As part of the Children's Commissioner's efforts to encourage well-informed submissions on the Green Paper on Vulnerable Children, an edition of *Children* was dedicated to themes in the Paper.

The edition was in two sections; the first on problems and issues, the second on solutions.

Prominent New Zealand experts on children's issues, including Sir Peter Gluckman (Chief Science Advisor), Dr Elizabeth Craig (New Zealand Child and Youth Epidemiology Service), Dr Simon Denny (Centre for Youth Health) and Professor Philippa Howden-Chapman (University of Otago) contributed to the publication. They explored topics such as youth health, housing quality, inequalities and universal versus targeted approaches.

The edition was well-received, with feedback suggesting the publication added to the rigorous debate on the Green Paper by providing well-researched and evidence-based articles.

### Edition 79. Children and poverty: moving beyond the rhetoric

This edition of *Children* set the scene for the formation of the Children's Commissioner's Expert Advisory Group on Solutions to Child Poverty.

It presented the complex issues that contribute to child poverty in New Zealand and discussed the challenges and opportunities for making progress on solutions.

Contributors included Bryan Perry, an expert in poverty measurement from the Ministry of Social Development, economist Dave Grimmond and the CEO of Budgeting and Family Support Services Darryl Evans.

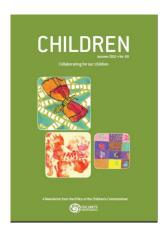
Following publication, copies of the edition were frequently requested by organisations and individuals. Feedback was positive, with comments such as:



It [Children 79] is quite one of the best newsletters that's come out of your office - action packed and plenty of material for us to absorb.

Just wanted to congratulate on the quality of your summer edition of "Children". It claimed to go beyond the rhetoric, and I felt that it did. This is the most solid and meaty edition of Children that I have read. But, more than that. I felt that it did a very important public service. This is easily the most objective compilation on child poverty, and I think the contribution from Bryan Perry is great.

#### Edition 80: Collaborating for our children



With an increased appreciation of the need for agencies, organisations, government and individuals to work collaboratively, this edition looked at examples of collaboration in practice.

The Commissioner's editorial emphasised the value of collaboration in achieving better outcomes for children. He claimed the effort required to work together is time 'well spent' and should become business as usual.

Contributors included Inspector Tusha Penny from New Zealand Police who spoke about the successful collaborative process between police, Child, Youth and Family and health services in addressing child abuse.

Other contributors included Di Grennell from Te Puni Koriki on the whānau ora model and Professor Kay Morris Mathews on collaboration used in the Before-School-Checks.

# Children are able to participate as appropriate in governance and the management of institutions and their voices are heard

#### Key achievements

One way in which the Children's Commissioner hears the voices of children and young people is through his YPRG, a diverse group of ten young people from 13-17 years, who feed into issues and bring a young persons' perspective to the work of the Office. This year, members of the YPRG have:

- presented at the Human Rights Diversity Forum on what human rights means to them and gave a call to action on progress
- hosted two ambassadors from Te Wananga o Aotearoa to examine key issues that tamariki and taiohi are facing
- prepared a submission on the Government's Green Paper on Vulnerable Children
- prepared a submission and presented to Select Committee considering changes to the alcohol laws
- presented with the Commissioner at a major conference on the impact of alcohol on babies and children
- provided feedback on the Office's work programme.

#### Gathering young people's voices on the Green Paper

The Office was also committed to ensuring children and young people had a say on the Green Paper, an issue that directly impacted on them. Four separate submissions on behalf of children and young people were produced with the assistance of the Office.

The Office talked to over 300 children and young people from around New Zealand to get their views. Consultation was conducted with children and young

Fairness means being treated how you wish to be treated and respect each other - primary school child I like it when you come home from school and someone asks how your day was — young person in

residential care

people from eight Child, Youth and Family residences, four primary schools and a number of youth groups. There were some common themes — children and young people said they wanted to be respected, they wanted to be loved and they wanted to feel like they have some control over their lives.

The Office was impressed by the insightful, honest and thoughtful responses from the young people. They wanted adults to respect them. They wanted to be listened to and for the adults in their lives to believe in them and their abilities. They wanted to be with their families and feel safe.

Give children the best environment to grow up in, one which is safe, with responsible adult role models – collective youth voices

Talk to me like I have a brain – young person in residential care

I like that you have asked me about things, that's cool – young person's response via online survey

### Green Paper rap -'I'm a thrive, belong, believe to achieve'

As part of the consultation with young people, the Office visited the Te Maioha o Parekarangi Youth Justice Residence in Rotorua. Several young people in the residence decided to write a rap to tell politicians about the challenges facing young people in New Zealand, and what children need to thrive.

The young people spent a day and a half exploring the issues and writing their rap 'I'm a thrive, belong, believe to achieve'. The result was a powerful representation of their views, experiences and concerns.

The rap was sent to Minister Paula Bennett's office to respect the young people's request that politicians hear their views. The Minister's office then arranged for the musician, producer and ex-Split Enz member Mike Chunn to help the young people re-master their work.

from harm, have positive connection to achieve the strong, see I coming through from residence made the wrong decision and now I'm missing out on the family's presence and its breaking my heart into a thousand pieces changing my mind. Sinking deeper and deeper into my thoughts. I choose to take the right path cos the drugs n crimes in my life aren't making me thrive.

Be healthy, be loved, be protected

A verse from the Green Paper rap

The rap has been viewed almost 600 times on You

Tube and has been used in presentations by the Office to raise awareness of the views of young people.

## Monitoring our impact

Young People's Reference Group members were asked to provide feedback on their experiences of being members of the group. Feedback included the following quotes:

Each meeting has been really enjoyable and I have learnt a lot from each one. One of the main highlights for me has been speaking at the Auckland City Council Hearing about the Super City plan. I also gained a lot from writing the submission for the green paper and found that a really good learning experience.

I have had the opportunity to do such wonderful things which has really developed my public speaking skills. I also really think that I have personally developed so much in my knowledge and passion for things affecting young people which I think has really made me grow as a person which is awesome.

#### Moving forward

A new Commissioner brought a period of consolidation, review and renewal for the Office.

Much of what the Office does will continue forward, building on the legacy and strong track record of work.

The Monitoring and Investigations output and work programme continues with the team evolving and developing their approach and relationships with Child, Youth and Family. The team will start to widen its focus, testing strategies to monitor NGOs providing services under the CYPF Act. We are also regularly seeking young people's views during site, residence and NPM visits.

This work will contribute to a new outcome All children are free from abuse.

The Office values and is committed to our foundations, which remain the same: our Act, the Treaty of Waitangi and UNCROC – these remain pivotal to our work.

Our commitment to bring a child-centred perspective to current policy developments also remains, as does our commitment to listening to children's voices. The YPRG remains a key feature of the Office, although we will change the name to Young People's Advisory Group (YPAG). Communications also remain key (with *Children*, a media and social strategy as main strategies). All of these foundations and values remain as underpinning strategies.

What is evolving is the Office's advocacy work programme. We will focus on three areas – child heath, child poverty and early childhood education (ECE) – and have created a project structure to our work.

The Expert Advisory Group on Solutions to Child Poverty will be a key deliverable under our outcome *All children have access to adequate resources.* A child and youth health compass will drive our outcome that *all children grow up healthy.* Early childhood education research and advocacy will contribute to *all children achieve their education potential* outcome.

Our evolved outcome framework moving forward looks as such.

## New Zealand is a place where children thrive

Capability	Outputs	Results	Impacts	Outcomes	Government Priorities
People	ζζ	Child and Youth Health Compass Disseminate innovation and best practice	Increased focus by DHBs on child Health outcomes	More children grow up healthy	
Communication  Relationships	INDIVIDUAL AND SYSTEMIC ADVOCACY	Advice on solutions to child poverty Generate advice on solutions to reduce child poverty in New Zealand	Fewer children growing up in poverty Reduced impact of poverty on children	More children grow up with access to adequate resources	Support vulnerable children Increase participation in early childhood education More children are safe Better smarter public services
Organisational capability	INDIVID	Report on ECE engagement	More Māori and Pasifika children engage in ECE	More children achieve their	Support vulnerable children Increase participation in early education More children are safe Better smarter public services
Commitment		Advocating for high quality ECE services	ECE services are of higher quality	education potential	Support vulnerable chil Increase participation i education More children are safe Better smarter public s
Commitment to the Treaty of Waitangi  Systems and	MONITORING AND INVESTIGATION	Monitoring Child, Youth and Family Monitor CYF residences and sites	Services delivered under the CYPF Act are of high quality	More children are free from all forms of abuse	Sup     Incr edu     Moi
processes	MONI	Undertake thematic reviews	Services delivered comply with OPCAT	and neglect	

## **STRATEGIES**

**Promoting and raising** Including children's awareness of UNCROC voices

**Child-centred policy** advice

**Advocating for individual** children

## **FOUNDATIONS**

**Children's Commissioner's Act 2003** Treaty of Waitangi

The United Nations Convention on the Rights of the Child (UNCROC)

#### Effective use of our resources

To ensure that we can achieve our outcomes, impacts and outputs, we need a strong foundation of skilled people working together in a well-run organisation.

During the 2011-12 financial year we undertook the following activities to be "more efficient in the public sector":

- We continue to be co-located with the Families Commission in both Wellington and Auckland. The co-location has created savings with rent and utilities. Further efficiencies have been found through shared reception services and meeting room space. Both organisations are now sharing the same IT infrastructure.
- These savings have allowed us to increase the number of staff in our monitoring team from 1.8 to 2.8 FTEs. The number of visits increased over this period and the number will increase again in 2012-13.
- Our outcomes framework 2012-15 will drive the work programme of the Office and the associated activities and underpinning strategies to influence our outcomes. As a result, some work activities have been reprioritised to support the four priorities of child health, child poverty, education and child abuse and neglect.
- Our Office has been restructured into three groups; an Advocacy team led by the Deputy Commissioner, while the Monitoring and Corporate teams are led by the General Manager. This has created the space for both senior managers to provide increased leadership and coaching to all three teams, which is improving performance. All staff have undertaken performance development reviews and have personal development plans.
- Other corporate system improvements include an upgrade of the Office's financial information system and the continuing implementation of the Office's information management strategy – a new file classification structure was rolled out across the Office's electronic and paper records.

## Managing our risks

The following potential risks arose during the year:

- New Commissioner the Commissioner, Dr Russell Wills, has extensive experience in leading local intersectoral projects but little government or policy experience. He managed this by employing a Deputy Commissioner with extensive government and policy experience and relationships and developing supportive relationships with Chief Executives and other leaders within government and the NGO sectors. The Commissioner is grateful for this support.
- Funding this is always a risk. We were able to secure considerable pro-bono support for the Expert Advisory Group on Solutions to Child Poverty and will use reserves to fund this project in 2012-13. We continue to look for savings wherever possible.
- Staffing the Commissioner has led the Office into some challenging and values-laden policy areas. To support staff in this, he has freed up managers' time for coaching, narrowed the focus of the Office and introduced new accountability tools including an Outcomes framework.

## **Managing fraud**

The Office maintains a zero tolerance approach toward internal fraud and the inappropriate misuse of information. This is supported by a formal policy. This policy is reviewed annually and communicated to staff. We also maintain an interests register for the Commissioner and staff to declare any conflicts of interest. The Management team reviews this register regularly. There have been no instances of fraud detected during this reporting period.

## PART 2: ORGANISATIONAL CAPABILITY AND PERFORMANCE

Our objective is to ensure that the Office of the Children's Commissioner is respected as a credible, well-informed and considered advocate for children, and is an active accurate assessor of the quality of services provided to children under the CYPF Act. To deliver our work to most effectively impact on our desired outcomes for children, we must have a strong foundation of skilled people working together, supported by systems and processes that are efficient, effective and honour the Treaty of Waitangi, relationships and partnerships that influence and inform decision-makers and a communications approach that can disseminate our advice, findings and information through a variety of channels.

The Office is led by Dr Russell Wills who began his five year term as the Children's Commissioner on 1 July 2011. He is supported by a management team which includes a Deputy Commissioner, General Manager and an Office Manager, as well as 11 staff. An organisational structure and breakdown of the gender and ethnic workplace profile is provided in Appendix 3.

The high level of activity and the breadth of those who were informed, advised and monitored this year lays testament to the efforts the management team has made to improve the organisation's capabilities and thereby overall performance.

## **Key achievements**

In 2011/12 we had identified four key areas of focus to further develop our organisational capability. Our achievements have continued to build on our solid foundations and have prepared us for a more targeted direction in our work programme for 2012/13.

## We managed resources efficiently

Refer to the section "Effective use of our resources" on page 21.

#### We were prepared

Work was undertaken during 2011-12 to enhance the Office's disaster recovery arrangements. This included reviewing IT arrangements and transferring the provision and delivery of all IT services to the Ministry of Social Development.

#### We followed best practice

The Office's move to all IT services being provided by the Ministry of Social Development will ensure compliance with *Directions and Priorities for Government ICT* and produce better IT services for the same IT spend.

During 2011-12, the Office has reviewed its finance and human resource policies.

#### We enhanced our cultural competencies

The Office has developed its tikanga framework under the framework of tika, pono, aroha and matauranga. During the 2011-12 the Office also undertook work to develop its relationship with the Taranaki Whānui ki Te Upoko o Te Ika.

## Being a good employer

As well as working on these focus areas we continued to work on creating a positive organisational culture to support our most valuable asset; our staff. As a Crown entity supported by the Government, we are committed to being a good employer and providing equal opportunity opportunities. We are a member of the EEO Trust. We value equity and

fairness and this is reflected in our policies and procedures underpinned by our organisational values. There are seven key areas which summarise how we invested our effort and resources to support our staff to achieve in this past year.

## Leadership, accountability and culture

#### **Values**

We operate by the following values:

- Diversity
- Respecting Tāngata Whenua
- Honouring the Treaty of Waitangi
- Working with others
- Willing spirit
- Sincerity
- Strategically focused
- Integrity

In leading our staff we have monthly staff meetings that are chaired by the Commissioner. Staff are encouraged to actively participate in these meetings. Considerable work has been undertaken to explore ways to ensure that staff are engaged and well informed. Staff engage in regular forums to share and connect across the Office on the work programme, as a whole Office as well as within work teams.

Staff have engaged in planning sessions to develop our values and tikanga framework.

## Strategic and business planning

The 2011-2014 Statement of Intent reflects a three-year focus for the work of the Children's Commissioner. The new Statement of Intent 2012-15 was written during 2011-12. The new SOI reflects the four priorities for the remaining four years of the Commissioner's term: to reduce the prevalence and impact of child poverty, increase participation of Māori and Pacific children in quality early childhood education, reduce child abuse and neglect and improve the care received by children in District Health Board (DHB) funded child health services. The SOI is underpinned by an outcomes framework and all staff are aware they need to evidence the impact and outcomes of their work. The Office participated in workshops held by the Office of the Auditor-General to assist agencies improve the quality of their accountability documents.

#### Recruitment, selection and induction

#### Recruitment and selection

Our policy is to not discriminate in employment practices and, when a vacancy exists, the focus is on ensuring that we find the best skilled candidate for the position. This year our recruitment continued to be managed internally, rather than through recruitment agencies, except for the Deputy Commissioner position. This approach has not only provided cost savings, but has developed the skills of managers with respect to the recruitment and selection process. This year we recruited for four permanent positions including the newly created Deputy Commissioner position.

#### Induction

We are committed to providing all new staff with a friendly and informative introduction to the organisation. Key objectives of our induction process are:

• to ensure that the new employee's first experience of the Office's culture is positive and reinforces their decision to join the team

- to make new employees familiar with the Office's strategies, structure, people, systems, policies and procedures
- to make new employees familiar with the systems and practices of their work area, and the people they will be working with on a day-to-day basis
- to explain what the job entails and assist employees in meeting the requirements of the job.

Feedback is sought from new employees with a view to continually improving the programme.

## Employee development, promotion and exit

#### Training and development

Our management team is committed to the continued professional development of the staff and we aim to support and encourage learning and development programmes that will ensure that our staff remain highly skilled and knowledgeable to produce high-quality and timely work in their area of expertise. We undertake to provide for an equitable approach in developing all employees through internal and external training, coaching, mentoring and secondment opportunities.

Internal presentations, sharing of skills and knowledge were actively encouraged to enhance the knowledge culture of the organisation.

#### **Promotion**

We continued to face the challenge of being a small organisation with a very flat organisational structure. As the experience of our staff has increased, we have looked for a variety of ways to provide growth and promotion opportunities. This year, we have supported further study, secondments and mentoring opportunities for staff.

#### Exit

In 2011/12 three staff resigned from the Office for reasons ranging from career progression to retirement. Exit interviews were performed and suggestions for improving the Office discussed.

#### **Recognition and remuneration**

#### Performance planning and appraisals

The objectives of our staff capability and performance system are to:

- build employees' capability and contribution to the organisation
- promote open communication
- encourage the personal development of employees
- ensure organisational success.

These objectives have been achieved through a combination of performance planning and appraisal and supported by personal development and learning. At the beginning of the performance year, two office-wide objectives were set as well as three individual objectives. These objectives were designed to give staff a clear sense of direction that would clearly link their work to the wider strategy undertaken by the Commissioner. To support these objectives, professional development objectives are also discussed and agreed. Staff performance was then actively managed through scheduled individual catch-ups during the year, with performance feedback recognised in real time on an 'as and when' basis. Staff met with their manager at the end of the performance year to review performance for the year.

#### Remuneration

We have continued to ensure that remuneration fairly reflects the relevant job markets, government expectations and the limits of our financial resources. We have continued to monitor roles' compensation levels against market data and adjusted accordingly, based on individual skills and performance and our overall budget.

### Flexibility and work design

We have been committed to providing staff with flexible work arrangements which balance the needs of the Office with their personal obligations. We have openly considered individual staff requests to work part-time or to adjust their working hours to suit their personal circumstances. This year we have had eight staff working part-time.

In addition we have supported staff with a confidential Employee Assistance Programme, a child friendly work environment where it has been acceptable to bring children into the workplace.

### Protection against harassment and bullying

We support and promote the Public Sector Code of Conduct to all of our staff. We have our own specific Code of Conduct which sets out standards of behaviour for all our staff as a formal direction and point of reference. All staff are required to sign this Code which sets down that the Office rejects:

- the discrimination against any person because of their sex, marital status, colour, race, ethnic or national origins, age, political opinion, employment status, family status, sexual orientation, ethnicity, disability or religious or ethical beliefs
- the harassment, bullying, or intimidation of colleagues and clients.

A specific policy addresses the issues of workplace harassment, bullying and/or humiliation and clearly articulates how managers deal with unacceptable behaviours. There have been no reported instances of harassment or bullying during the year in 2011/12.

#### Health and safety environment

We are committed to maintaining a work environment that ensures continuous improvement and high standards of health and safety. This has included complying with all relevant legislation, regulations, codes of practice and safe operating procedures. We maintained a Health and Safety Committee to ensure the safety, health and well-being of our staff. This committee met quarterly and a Hazard Register was maintained and updated regularly. All new staff undertook a workplace assessment at the time of their induction and we supported influenza vaccinations.

Our office is located within a building that is code-compliant under section 95 of the Building Act 2004. We have a business continuity plan in place which includes disaster recovery and was reviewed and updated this year. We provided staff in the office with emergency food, water and first-aid/civil defence supplies. We have staff trained in first-aid. In case of a situation where we cannot access our building our computer network is configured to allow staff to work remotely.

## PART 3: STATEMENT OF SERVICE PERFORMANCE

## Statement of responsibility

In terms of the Crown Entities Act 2004, Section 155, I Russell Peter Wills, the Children's Commissioner:

- accept responsibility for the preparation of these financial statements and statement of service performance, and the judgements made in them
- accept responsibility for the establishment and maintenance of internal controls, designed to provide reasonable assurances as to the integrity and reliability of financial reporting
- submit that these financial statements and statement of service performance fairly reflects the Office of the Children's Commissioner's financial position, operations and cash flows for the year ended 30 June 2012.

Dr Russell Wills

**Children's Commissioner** 

Dr Jo Cribb

**Deputy Children's Commissioner** 

30 October 2012

## Statement of service performance

**Vote Social Development and Employment** 

Non-departmental output expense: Children's Commissioner

## **Description**

This non-departmental output expense provided for services from the Children's Commissioner including the discharge of the Commissioner's duties under the Children, Young Persons and Their Families Act 1989 and the Children's Commissioner Act 2003 in order to contribute to the outcome of:

## New Zealand is a place where children thrive

The outcomes and impacts we sought were:

Impacts	Contributing outcomes
<ul> <li>Services to children under the CYPF Act are of high quality.</li> </ul>	Child safety, security and nurturing.
The rights of children who are detained are upheld and effectively monitored (Crimes of Torture Amendment Act 2003).	Children's interests, rights and well-being.
Individual cases where Children's Commissioner intervenes have outcomes that improve the rights or well-being of the individual child.	Children's interests, rights and well-being.
<ul> <li>Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice.</li> </ul>	Children's participation.
<ul> <li>Social attitudes and behaviours change towards better understanding of the key issues for children.</li> </ul>	New Zealand's international obligations.
> Children's rights to participate as citizens are fully realised.	

Performance measures and standards have been established to monitor the efficiency and effectiveness of managing the activities within our two output categories of: 'Monitoring and Investigating' and 'Individual and Systematic Advocacy'.

## **Monitoring and Investigating**

## **Description**

Through this output the Children's Commissioner monitored and assessed the policies and practices of Child, Youth and Family and other agencies providing services under the CYPF Act. The Commissioner also acted as a National Preventive Mechanism (NPM) under the Crimes of Torture Act 1989 with specific responsibility for monitoring and assessing the safety and treatment of children in Child, Youth and Family residences.

By generating evidence of the quality of services delivered by Child, Youth and Family and other agencies, this output had an impact on two contributing outcomes – *Child safety, security* and *nurturing* and *Children's interests, rights and well-being.* 

## Performance measures and goals

#### **Impact for children:** Services to children under the CYPF Act are of high quality.

## Scope of work

The scope of the work to support this goal in 2011-12 included routine site and residence visits and performance reports, as well as implementing changes which resulted from a review undertaken in 2010 of the effectiveness of the monitoring framework developed to monitor Child, Youth and Family.

Actual 2011	Performance measure	Budget standard	Actual 2012	Comment
QUANTIT	Y			
9	Number of Child, Youth and Family site visits undertaken.	6	8	Exceeded. We are increasing the number of visits to Child, Youth and Family sites and this will increase in 2012-13.
7	Number of performance reports on Child, Youth and Family sites completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family.	6	8	<b>Exceeded.</b> The number of reports will increase in line with site visit activity (see measure above).
4	Number of Child, Youth and Family residence visits undertaken.	4	4	Achieved.
4	Number of performance reports on Child, Youth and Family residences completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family.	4	4	Achieved.

#### Specific for 2011-12

Changes arising out of the 2010 review of the Children's Commissioner's framework for monitoring Child, Youth and Family.

1 Changes

Changes implemented.

Actual 2011	Performance measure	Budget standard	Actual 2012	Comment
TIMELINE	ss			
100%	Activity undertaken in line with agreed standards and timeframes in line with the monitoring framework and schedule of visits agreed with Child, Youth and Family.	100%	100%	Achieved.
Specific fo	or 2011-12			
	Changes arising from review of monitoring framework implemented.	31 December 2011	25 May 2011	Achieved.
QUALITY				
100%	Monitoring of Child, Youth and Family complies with agreed standards and processes established by the memorandum of understanding between the Office and Child, Youth and Family, reported against in the site and residence reports.	100%8	55%	Not achieved. Draft reports were not sent within the four week period after the site/residence visits and therefore did not meet this standard. The average time for presenting draft reports was 8 weeks and two days. The monitoring team carried one vacancy for a significant period during the reporting period. All final reports were sent within a 10 working day period from receiving comments from Child, Youth and Family.
100%	The number of recommendations made to Child, Youth and Family that are implemented or responded to within agreed timeframes.	75%	100%	Exceeded. Child, Youth and Family responded to 148 recommendations made by our Office. Of those, 98 recommendations were completed and 50 were progressing.
100%	Recommendations resulting from the review of the effectiveness of the monitoring framework addressing any areas identified as needing improvement are implemented.	100%	100%	Achieved.

#### Comment

Child, Youth and Family are actively managing the actions and recommendations made in our monitoring reports.

The current jointly agreed monitoring framework has been in place since May 2011 and was set for review in November 2013. Both parties have acknowledged the need to bring the review of the monitoring framework forward to August 2012 in recognition that the

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<sup>&</sup>lt;sup>8</sup> Agreed standards are 1). Draft reports are sent to Child, Youth and Family within 20 working days of site visit for factual feedback; and 2). The final report, with corrections incorporated, to be sent to the Deputy Chief Executive of Child, Youth and Family and the Minister for Social Development within 10 working days of receipt

agreement needs to acknowledge the five priorities of Mā Mātou, Mā Tātou (Child, Youth and Family's strategic plan for 2012 -2015) and the standards for each of the priority areas.

We expect compliance against the monitoring framework (in terms of report delivery timeframes) to improve now that we no longer have vacancies in our monitoring team.

**Impact for children:** The rights of children who are detained are upheld and effectively monitored (Crimes of Torture Amendment Act 2003).

#### Scope of work

The work to support this goal in 2011-12 included visits to residences (including one visit unannounced) to examine conditions of detention and treatment of detainees, making recommendations for improving conditions of detention and treatment of detainees, and for preventing torture or other cruel, inhuman or degrading treatment, and providing a report of compliance for inclusion in the Human Rights Commission's annual report.

Actual 2011	Performance standard	Budget standard	Actual 2012	Comment
QUANTITY				
6	Number of Child, Youth and Family residence NPM <sup>9</sup> visits undertaken.	5	6	Achieved.
5	Number of performance reports on Child, Youth and Family residences in compliance with OPCAT <sup>10</sup> completed and delivered to the Deputy Chief Executive of the Ministry of Social Development responsible for Child, Youth and Family.	5	5	Achieved.
1	A summary compliance report is drafted for inclusion in the Human Rights Commission's annual report.	1	1	Achieved.
TIMELINES	s	·		
30 June 2010	A summary compliance report is drafted for inclusion in the Human Rights Commission's annual report.	30 June 2012	2 20 April 2012	Achieved. The Human Rights Commission's OPCAT Annual Report was released on 20 April 2012. A copy of the report is available at: <a href="http://www.hrc.co.nz/2012/ocat-annual-report-released">http://www.hrc.co.nz/2012/ocat-annual-report-released</a> .

<sup>&</sup>lt;sup>9</sup> National Preventive Mechanism under the Crimes of Torture Amendment Act 2003.

 $<sup>^{\</sup>rm 10}$  United Nations Convention against Cruel, Inhuman, or Degrading Treatment or Punishment.

QUANTITY				
100%	The number of recommendations made to Child, Youth and Family that are implemented or responded to within agreed timeframes.	75%	100%	Exceeded. Child, Youth and Family responded to 52 recommendations made by our Office. Of those, 47 recommendations were completed and 5 were progressing.

#### **Comment**

Child, Youth and Family are actively implementing the actions and recommendations made in our monitoring reports.

We expect compliance against the monitoring framework (in terms of report delivery timeframes) to improve now that we no longer have vacancies in our monitoring team.

# Financial Performance of monitoring and investigation

Actual		Actual	Budget
2011		2012	2012
\$000		\$000	\$000
826	Revenue	733	794
720	Expense	696	760
106	Net surplus/(deficit)	37	34

#### Comment

The monitoring and investigating output was under budget due to vacancies within the monitoring team during 2011-12. Despite this reduced capacity, all planned visits under this output were completed and the Office received 100 percent response to the 200<sup>11</sup> recommendations made by the Children's Commissioner to Child, Youth and Family.

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<sup>&</sup>lt;sup>11</sup> These recommendations are made up of 148 recommendations under the CYPF Act for Child, Youth and Family sites and residences , and 52 recommendations, as National Preventive Mechanism for Child, Youth and Family residences.

# Individual and systemic advocacy

# **Description**

This output gave effect to the general functions of the Commissioner set out in Section 12 of the Children's Commissioner Act 2003, including:

- investigating decisions or recommendations made in individual cases (including within Child, Youth and Family under Section 13 (1) (a)) and making recommendations
- advocating for children's interests generally in the policy and legislative work of government departments and Crown agencies.
- promoting children's interests, rights and well-being, in relation to decisions that affect the lives of children and the participation of children in those decisions
- undertaking public education activities to raise awareness of children's interests, rights and well-being, and of UNCROC.

This output, through high-quality independent advice and advocacy had an impact on three contributing outcomes: Children's interests, rights and well-being, Children's participation and New Zealand's International obligations.

# Performance measure and goals

**Impact for children:** Individual cases where Children's Commissioner intervenes have outcomes that improve the rights or well-being of the individual child.

# Scope of work

The work to support this goal in 2011-12 included maintaining a toll-free Child Rights Line to provide members of the public with information and advice on issues concerning children.

Actual 2011	Performance measure	Budget standard	Actual 2012	Comment
QUANTITY				
Service available during the business hours of 250 working days.	Toll free child rights line offered to members of the public seeking advice and information on issues concerning children.	Service available during the business hours of 250 working days.	Service available during the business hours of 250 working days.	Achieved.
TIMELINES	S			
86%	Respondents' satisfaction with the response time rated as satisfactory or better.	80%	92%	Achieved.
QUALITY				
100%	Respondents' satisfaction with the advice and information provided via the Child Rights Line is rated as satisfactory or better.	80%	84%	Achieved. Result has been derived from the number of responses to the survey question "Did you feel the advice given helped you with your concern?" as "Yes".

#### Comment

We have seen a decrease in the total number of calls received (928 in 2012, compared with 1,064 in 2011). We will be exploring ways to increase the number of calls by promoting the Child Rights Line. New measures for 2012-13 have been introduced to measure the quality of this service, including peer review checks for each case registered.

**Impact for children:** Children's rights are incorporated in New Zealand's law, upheld in policy and delivered in practice.

# Scope of work

The work to support this goal in 2011-12 included the delivery of independent advice that related to the interests, rights and well-being of children to government departments, Ministers, academics and other organisations. We also made submissions to select committees examining Parliamentary Bills and undertaking enquiries. We sought to influence decision-makers to ensure that children's perspectives were taken into account.

# Highlights included:

- children's place in public policy, with a focus on contributing to Government's Green Paper on vulnerable children
- Auckland Local Governance planning.

Actual 2011	Performance measure	Budget standard	Actual 2012	Comment
QUANTITY				
14	Number of submissions provided to select committees examining Parliamentary Bills and/or undertaking enquiries and reports/advice provided to government agencies and Ministers	10	19	Exceeded.
3	Number projects/scoping exercises undertaken.	2	1	Not achieved. Inquiries into the sexual health of young people and services available to them was completed on 30 June 2011. Follow-up work did not commence in 2011/12, due to changed priorities following the appointment of a new Commissioner. Information gathered from this inquiry will feed into the Office's Child and Youth Health Compass project in 2012/13.
				The project on children's place in public policy resulted in submissions on the Government's Green Paper on Vulnerable Children and several submissions to Auckland Council.
TIMELINESS				
100%	Submissions, reports and advice produced within required timeframes where information is clear, accurate and accessible will be no less than.	100%	84%	Not Achieved. Three out of 19 submissions did not meet the timeframe. Time extensions were sought and were accepted by the government department or Select Committee
30 June 2011	Reports on projects/scoping exercises undertaken.	30 June 2012	Not required	<b>Not undertaken.</b> Refer to comment for <i>Number projects/scoping</i> exercises undertaken.

QUALITY				
No reports published in 2011	All published reports are peer reviewed by at least one external expert in the field and comments incorporated into the final report.	100%	Not required	No reports were published in 2012.

#### **Comment**

The Office's focus on influencing policy will continue into 2012-13 as an underpinning strategy. We will continue to monitor the impacts of advice given during 2011-12 and will report ongoing impacts of this work in next year's annual report.

**Impact for children:** Social attitudes and behaviours change towards better understanding of the key issues for children.

# Scope of work

The work to support this goal in 2011-12 included a child rights and education advocacy training programme delivered to community groups and agencies that provided services to children and young people. We delivered speeches, presentations and issued media statements on issues that concern children's interests, rights and welfare, distributed resources and published the journal *Children*.

Actual 20	11 Performance standard	Budget standard	Actual 2012	Comment
QUANTITY				
11	Advocacy training workshops delivered	6	8	Achieved.
47	Speeches and presentations delivered	20	28	Achieved.
4	Editions of <i>Children</i> magazine published	4	3	Not achieved. This publication underwent a review during this reporting period. The result of the review was that the publication has now become a journal that is more indepth and academic and a much larger product. The publication will now be produced three times a year.
TIMELINE	ss			
New measure	Advocacy training workshops delivered within agreed timeframes	100%	100%	Achieved.
New measure	Speeches and presentations delivered within agreed timeframes.	100%	100%	Achieved.
QUALITY				
90%	The percentage of speaking event organisers with a level of satisfaction that the information provided and delivery of speech or presentation were of benefit to them and their audience will be no less than:	75%	92%	<b>Achieved.</b> Result has been derived from the number of responses to the survey question "Achieved workshop purpose" as 4 out of 5 or higher.
97%	The percentage of participants with a level of satisfaction that the workshops and information provided through advocacy training workshops were of benefit to them will be no less than:	75%	93%	Exceeded.

#### **Comment**

The advocacy work programme was reviewed. In 2012-13 the number of editions of *Children* magazine has been reduced from four to three in order to produce larger, more in-depth editions that focus on the Children's Commissioner's key priorities. The Children's Commissioner has developed a new advocacy work programme for 2012-13, with activities developed to influence the outcomes of *more children grow up healthy, more children grow up with adequate access to resources* and *more children achieve their education potential.* 

**Impact for children:** Children's rights to participate as citizens are fully realised.

# Scope of work

The scope of the work to support this goal in 2011-12 was to maintain and support the Young People's reference group, facilitate quarterly meetings and to regularly seek their views and experiences to support the Office's advocacy work.

Actual 2011	Performance standard	Budget standard	Actual 2012	Comment
QUANTIT Y				
4	Number of meetings convened of the Young People's Reference Group.	4	4	Achieved. Meetings convened on the following dates: 2-4 September 2011 11-13 December 2011 17-19 February 2012 4-6 May 2012
QUALITY				
100%	The percentage of the Young People's Reference Group that provide feedback that their views were sought and considered in the work of the Office.	100%	100%	Achieved. Eight out of nine current members of the group responded to a feedback survey. When asked how well the Office asks about their views and experiences and if they have seen these viewpoints used in the work of the Office, 100% rated this as "very well" or "excellent".

#### **Comment**

The Young People's Reference Group continued to actively participate in the Office's work programme. Children and young people outside of this group also participated in various consultations during the 2011-12 financial year, including perspectives on the Government's *Green paper on vulnerable children*. Work will continue within this output to support the Office's underpinning strategy to *include children's voices*.

# Financial Performance of individual and systemic advocacy

Actual		Actual	Budget
2011		2012	2012
\$000		\$000	\$000
1,396	Revenue	1,468	1,404
1,268	Expense	1,497	1,379
128	Net surplus/(deficit)	(29)	25

# Comment

Expenditure has increased under this output. Resources were reallocated to activities supporting the existing work programme as well as new activities to support the Office's work programme in 2012-13, including the Children's Commissioner's Expert Advisory Group on Solutions to Child Poverty and a Child and Youth Health Compass project.

# **Financial Statements**

Statement of Comprehensive Income for the year ended 30 June 2012

	Notes	Actual 2012 \$000	Budget 2012 \$000	Actual 2011 \$000
INCOME				
Revenue from the Crown	2	2,157	2,157	2,157
Other income		2	1	22
Interest		42	40	44
Total income		2,201	2,198	2,223
EXPENDITURE				
Personnel costs	3	1,400	1,475 <sup>12</sup>	1,396
Operating costs	4	601	505	443
Depreciation and amortisation expense	8,9	12	35	24
Project expenses	5	180	124	126
Total expenditure		2,193	2,139	1989
Surplus/(deficit)		8	59	234
Total other comprehensive income		0	0	0
Total comprehensive income/(deficit)		8	<b>59</b> <sup>12</sup>	234

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

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<sup>&</sup>lt;sup>12</sup> A transcription error occurred in the 2011-2014 Statement of Intent that incorrectly showed budgeted personnel costs of \$1,465K and total comprehensive income of \$69K.

# **Statement of Financial Position as at 30 June 2012**

	Notes	Actual 2012	Budget 2012	Actual 2011
		\$000	\$000	\$000
ASSETS				
Current assets				
Cash and cash equivalents	6	437	804	460
Prepayments		0	6	6
Investments – short term deposit	18	544	200	523
Debtors and other receivables	7	626	17	17
TOTAL CURRENT ASSETS		1,607	1,027	1,006
Non-current assets				
Property, plant and equipment	8	8	55	29
Intangible assets	9	1	0	2
TOTAL NON-CURRENT ASSETS		9	55	31
TOTAL ASSETS		1,616	1,082	1,037
LIABILITIES				
Current liabilities				
Creditors and other payables	10	152	150	155
Employee Entitlements	11	58	43	45
Revenue received in Advance		539	0	0
GST payable		55	37	38
TOTAL CURRENT LIABILITIES		804	230	238
Non-current liabilities				
Employee entitlements	11	8	0	3
TOTAL NON-CURRENT LIABILITIES		8	0	3
TOTAL LIABILITIES		812	230	241
Tax Payers Equity		804	852	796
TOTAL FUNDS EMPLOYED		1,616	1,082	1,037

Explanations of major variances against budget are provided in note 21.

The accompanying notes form part of these financial statements.

# Statement of Changes in Equity for the year ended 30 June 2012

	Actual <b>2012</b>	Budget 2012	Actual 2011
	\$000	\$000	\$000
Balance as at 1 July	796	793	562
Other comprehensive income	0	0	0
Surplus/(deficit)	8	59	234
Balance as at 30 June	804	852	796

The accompanying notes form part of these financial statements.

# Statement of Cash Flows for the year ended 30 June 2012

	Actual 2012	Budget 2012	Actual 2011
	\$000	\$000	\$000
Cash flows from operating activities:	•	•	·
Receipts from the Crown	2,157	2,157	2,157
Other income received	15	1	10
Interest received	38	40	44
Goods and services tax (net)	(24)	0	(3)
Payments to suppliers	(872)	(628)	(533)
Payments to employees	(1,327)	(1,475)	(1,396)
Net cash flows from operating activities	(13)	95	279
Cash flows from investing activities:			
Receipts from maturity of investments	0	0	200
Receipts from sale of property, plant			
and equipment	10	(50)	10
Purchase of property, plant and	0	0	0
equipment	0	0	(522)
Acquisition of investments	(20)	0	(523)
Net cash flows from investing activities	(10)	(50)	(313)
Net increase/(decrease) in cash & cash equivalents and investments – short			
term deposits	(23)	45	(34)
Cash & cash equivalents and short term deposits at the beginning of the year	460	759	494
Cash & cash equivalents and short term	700	, 55	727
deposits at the end of the year	437	804	460

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The accompanying notes form part of these financial statements.

# Notes to the financial statements for the year ended 30 June 2012

# 1 Statement of accounting policies

## Reporting entity

The Children's Commissioner is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the Commissioner's ultimate parent is the New Zealand Crown.

The Children's Commissioner was first established on 1 November 1989 under the Children Young Persons and Their Families Act 1989, but those functions were then mandated by the Children's Commissioner Act 2003. Its primary objective is to ensure that the interests and rights of every child and young person are recognised and each enjoys safety, good health and education, economic and sociocultural well-being and opportunities to actively participate in matters that affect them

Accordingly the Children's Commissioner has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to the International Reporting Standards (NZIFRS).

The financial statements report on the activities of the Children's Commissioner for the year ended 30 June 2012. The financial statements for the Children's Commissioner were approved by the Children's Commissioner on 31 October 2012.

# Basis of preparation

## Statement of compliance

The financial statements of the Children's Commissioner have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The financial statements comply with the Framework for Differential Reporting for Public Benefit Entities adopting the NZ equivalents to International Financial Reporting Standards (NZ IFRS) and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Children's Commissioner qualifies for Differential Reporting exemptions as it meets the criteria set out in the Framework for Differential Reporting.

Differential reporting exemptions as available under the Framework for Differential Reporting have been applied where applicable and have been consistently applied to all periods presented in these financial statements and include:

NZ IAS1 – Presentation of Financial Statements (1.122 & 1.125)

NZ IFRS 5 – Non-Current Assets Held for Sale & Discontinued Operation (5.41)

NZ IFRS 7 – Financial Disclosures (7.33, 7.34, 7.37, 7.39 & 7.40)

#### Measurement base

The financial statements have been prepared on a historical cost basis, except where modified by the revaluation of certain items of property, plant and equipment, and the measurement of equity investments and derivative financial instruments which is at fair value.

## Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000), except where otherwise stated. The functional currency of the Children's Commissioner is New Zealand dollars (NZ\$).

#### Changes in accounting policies

There have been no changes in accounting policies. All accounting policies have been applied consistently with the previous year.

The Children's Commissioner has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

 Amendments to NZ IAS 1 Presentation of Financial Statements. The amendments introduce a requirement to present, either in the statement of changes in equity or the notes, for each component of equity, an analysis of other comprehensive income by item. The Children's Commissioner has decided to present this analysis in the Statement of Changes in Equity.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Children's Commissioner, are:

NZ IFRS 9 Financial Instruments will eventually replace NZ IAS 39 Financial Instruments: Recognition and Measurement. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The financial liability requirements are the same as those of NZ IAS 39, except for when an entity elects to designate a financial liability at fair value through the surplus/deficit. The new standard is required to be adopted for the year ended 30 June 2014. However, as a new Accounting Standards Framework will apply before this date, there is no certainty when an equivalent standard to NZ IFRS 9 will be applied by public benefit entities. .

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards framework the Children's Commissioner is classified as a Tier 2 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current international Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Children's Commissioner expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Children's Commissioner is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is

effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

#### Significant Accounting Policies

#### Revenue

Revenue is measured at the fair value of consideration received or receivable.

The Children's Commissioner is primarily funded by the Crown for the purposes and objectives set out in the Statement of Intent.

Revenue for services (Crown and other parties) is recognised when it is earned and is reported in the statement of comprehensive income in the period to which it relates

#### Interest

Interest income is recognised using the effective interest method.

#### **Operating leases**

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Children's Commissioner are classified as "operating leases". Lease payments under an operating lease are expensed as incurred in the Statement of Comprehensive Income. The Children's Commissioner leases Office premises only.

#### Finance leases

The Children's Commissioner does not enter into finance leases.

## Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with domestic banks, other short-term, highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### Debtors and other receivables

Debtors and other receivables are initially measured at face value less any provision for impairment. Impairment of a receivable is established when there is objective evidence that the Children's Commissioner will not be able to collect amounts due according to the original terms of the receivable.

## Bank deposits

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

#### Property, plant and equipment

Property, plant and equipment asset classes consist of office furniture equipment and leasehold improvements and computer equipment. Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

#### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Children's Commissioner and the cost of the item can be measured reliably. Individual assets or groups of assets are capitalised if their costs are greater than \$1,000 (excluding GST). The value of an individual asset that is less than \$1,000 (excluding GST) and is not part of a group of similar assets is expensed. All are recorded at historical cost.

#### **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income.

# Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Children's Commissioner and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as they are incurred.

#### **Depreciation**

Depreciation is provided on a straight-line basis so as to write off the cost of the fixed assets over their useful lives. The depreciation rates of major classes of assets used in the preparation of these statements are:

Office furniture, equipment and 5 years 20%

leasehold improvements

Computer equipment 3-5 years 20 – 33%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end.

## Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Children's Commissioner are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the maintenance of the Children's Commissioner website are recognised as an expense when incurred.

#### **Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the Statement of Comprehensive Income. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

acquired computer software: 5 years, 20%

# Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which

the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

#### Creditors and other payables

Creditors and other payables are initially measured at face value.

#### Employee entitlements

## Short-term employee entitlements

Employee entitlements that the Children's Commissioner expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include annual leave and long-service leave earned, but not yet taken at balance date.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year.

## Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave have been calculated on an actuarial basis using Treasury guidelines.

## **Defined contribution schemes**

Obligations for contributions to Kiwisaver, less the Crown employer subsidy, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are recognised as an expense in the Statement of Comprehensive Income as incurred.

#### **Provisions**

The Children's Commissioner recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event and it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

#### Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Children's Commissioner commitments and contingencies are disclosed exclusive of GST.

#### Income tax

The Children's Commissioner is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision for income tax has been provided for.

# **Budget figures**

The budget figures are derived from the Statement of Intent as approved by the Children's Commissioner at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Children's Commissioner for the preparation of the financial statements.

## Statement of cash flows

'Cash' means cash on hand, deposits held at call with domestic banks, other short-term, highly liquid investments with maturities of three months or less and bank overdrafts.

'Operating activities' include cash received from all income sources of the Children's Commissioner and cash payments made for the supply of goods and services.

'Investing activities' are those activities relating to the acquisition and disposal of non-current assets.

## 2 Revenue from the Crown

The Children's Commissioner has been provided with funding from the Crown for specific purposes as set out in the Children's Commissioner Act 2003 and the government appropriations. Apart from these general restrictions, in 2012 there were no unfulfilled conditions or contingencies attached to government funding (2011: \$nil).

#### 3 Personnel costs

	Actual	Actual
	2012	2011
	\$000	\$000
Salaries and wages	1,363	1,377
Defined contribution plan employer contributions	19	20
Increase/(decrease) in employee entitlements	18	(1)
Total personnel costs	1,400	1,396

Employer contributions to defined contribution plans include contributions to KiwiSaver.

# 4 Operating Costs

	Actual	Actual
	2012	2011
	\$000	\$000
Accountancy fees	40	39
Accounting software installation	7	0
Auditors Remuneration	20	19
Consumables & other expenses	60	66
Contractor fees	17	4
Donations	21	0
Entertainment	3	4
Information systems	51	26
Motor vehicle expenses	0	2
Printing and stationery	12	7
Publication expenses	133	99
Rent, rates and insurance	138	113
Telecommunication expenses	19	22
Travel and accommodation	48	42
Website development expenses	32	0
Total Operating Costs	601	443

# 5 Project Costs

	Actual	Actual
	2012	2011
	\$000	\$000
Investigation and monitoring	28	24
Education and training	6	8
Parent Legal Information Line	20	20
Young People's Reference Group and consultation	46	42
Advocacy	80	32
Total Project Costs	180	126

# 6 Cash and Cash Equivalents

	Actual	Actual
	2012	2011
	\$000	\$000
Cash at bank and on hand		
<ul> <li>Current Account</li> </ul>	180	180
<ul> <li>Ready Access</li> </ul>	257	280
Total cash and cash		
equivalents	437	460

# 7 Debtors and Other Receivables

Debtors and other receivables are as follows:

	Actual	Actual
	2012	2011
	\$000	\$000
Debtors and other receivables	623	17
Accruals	3	0
Total debtors and other		
receivables	626	17

The carrying amount of receivables reflects their fair value. No impairment was expensed in the reporting period (2011: nil).

# 8 Property, Plant and Equipment Schedule

Movements for each class of property, plant and equipment are as follows:

	Office furniture, equipment and leasehold improvements	Computer equipment \$000	Total \$000
	\$000		
Cost or Valuation			
Balance at 1 July 2010	28	104	132
Additions	0	0	0
Disposals	0	0	0
Balance at 30 June 2011	28	104	132
Balance at 1 July 2011	28	104	132
Additions	0	0	0
Disposals	0	(47)	(47)
Balance at 30 June 2012	28	57	85
Accumulated Depreciation and Impairment Losses			
Balance at 1 July 2010	22	61	83
Depreciation Expense	2	18	20
Eliminate on disposal	0	0	0
Balance at 30 June 2011	24	79	103
Balance at 1 July 2011	24	79	103
Depreciation Expense	2	9	11
Eliminate on Disposal	0	(37)	(37)
Balance at 30 June 2012	26	51	77
Carrying Amounts			
At 1 July 2010	6	43	49
At 30 June and 1 July 2011	4	25	29
At 30 June 2012	2	6	8

# 9 Intangible Assets

Movements for intangible assets are as follows:

	Acquired Software \$000	Total \$000
Cost		
Balance at 1 July 2010	8	8
Additions	0	0
Disposals	0	0
Balance at 30 June 2011	8	8
Balance at 1 July 2011	8	8
Additions	0	0
Disposals	0	0
Balance at 30 June 2012	8	8
Accumulated Amortisation and Impairment Losses  Balance at 1 July 2010	4	4
Amortisation Expense	2 0	2
Eliminate on Disposal Balance at 30 June 2011	6	<u> </u>
Balance at 1 July 2011	6	6
Amortisation Expense	1	1
Eliminate on Disposal	0	0
Balance at 30 June 2012	7	7
Datance at 30 June 2012	,	
Carrying amounts		
At 1 July 2010	4	4
At 30 June and 1 July 2011	2	2
At 30 June 2012	1	1

# **10 Creditors and Other Payables**

	Actual	Actual
	2012	2011
	\$000	\$000
Creditors	55	48
Accrued expenses	42	45
Accrued salaries	55	62
Total creditors and other payables	152	155

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates fair value. Accrued salaries include salaries and wages accrued up to balance date.

# 11 Employee entitlements

	Actual 2012	Actual 2011
	\$000	\$000
Current portion		
Annual leave	55	42
Long service leave	3	3
Total current portion	58	45
Non-current portion		
Long service leave	8	3
Total non-current portion	8	3
Total employee entitlements	66	48

# 12 Reconciliation of the net surplus/(deficit) to net operating cash flow from operating activities

	Actual	Actual
	2012	2011
	\$000	\$000
Net surplus/(deficit)	8	234
Add/(less) non-cash items		
Depreciation and amortisation expense	12	24
Add/(less) items classified as investing or financing activities		
(Gains)/losses on disposal of property, plant and equipment	0	(10)
Add/(less) movements in statement of financial position items		
(Increase)/decrease in debtors and other receivables	(609)	(2)
(Increase)/decrease in prepayments	10	1
Increase/(decrease) in GST	55	(3)
Increase/(decrease) in employee entitlements – long service leave	5	(4)
Increase (decrease) in employee entitlements – annual leave	13	3
Increase/(decrease) in accruals	(11)	0
Increase/(decrease) in salary accruals	55	0
Increase/(decrease) in creditors and other payables	(90)	36
Increase/(decrease) in revenue invoiced in advance	539	0
Net movements in working capital items	(33)	31
Net Cash Flow from Operating Activities	(13)	279

# 13 Contingencies

There were no contingent liabilities and assets as at 30 June 2012. (2011: Nil)

# 14 Operating Commitments

	Actual	Actual
	2012	2011
	\$000	\$000
Operating lease commitments		
Less than one year	122	120
One to two years	105	90
Two to five years	39	127
More than five years	0	0
Total	266	337

The significant portion of the total non-cancellable operating lease expense relates to the lease of half a floor in Wellington sublet from the Families Commission. The lease will expire on 30 November 2014.

The Office also leases Auckland office and car parking space sublet from the Families Commission. The lease expires on 30 December 2013.

There are no other operating leases and no restrictions are placed on the Children's Commissioner by any of its leasing arrangements.

## 15 Related party transactions

All related party transactions have been entered into on an arm's length basis.

The Children's Commissioner is a wholly owned entity of the Crown.

Significant transactions with government-related entities

The Children's Commissioner has been provided with funding from the Crown of \$2.2m (2011 \$2.2m) for specific purposes as sent out in its founding legislation and the scope of the relevant government appropriations.

Collectively, but not individually, significant, transactions with government-related entities

In conducting its activities, the Children's Commissioner is required to pay various taxes and levies (such as GST, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. The Children's Commissioner is exempt from paying income tax.

The Children's Commissioner also purchases goods and services from entities controlled, significantly influences or jointly controlled by the Crown. Purchases from these government-related entities for the year ended 30 June 2012 totalled \$0.3m (2011 \$0.2m) These purchases included the purchase of audit services from Audit NZ, IT services from the Ministry of Social Development, rental and associated facility costs through the Families Commission, air travel from Air New Zealand and postal services from New Zealand Post.

The amounts outstanding at year end payable to Government related entities is \$0.6m (2011: \$nil) and receivable from Government related entities is \$0.6m (2011: \$nil). The majority of this relates to Crown funding invoiced for first quarter of the 2012-13 financial year.

# 16 Key management personnel compensation

	Actual	Actual
	2012	2011
	\$000	\$000
Salaries and other short-term benefits	332	210
Post employment benefits	4	4
Total	336	214

Key management personnel includes the Children's Commissioner.

# **Employee remuneration**

The Children's Commissioner is a Crown Entity, and is required to disclose certain remuneration information in their annual reports. The information reported is the number of employees receiving total remuneration and other benefits in their capacity as employees of \$100,000 or more per annum.

The number of employees whose remuneration was within the specified band is set out in the following table:

Remuneration band	Number of employees	
	2012	2011
\$100,000 – 109,999	1	1
\$110,000 – 119,999	1	0
\$120,000 – 129,999	1	0
\$210,000 - 219,999	0	1

The Children's Commissioner is appointed as part-time and is domiciled outside Wellington and therefore travel and accommodation costs have been incurred in carrying out the role. Actual and reasonable costs of \$19,996 have been paid and are not part of the Commissioner's remuneration (2011: \$11,796).

During the year ended 30 June 2012 no employees (2011: one employee) received compensation and other benefits in relation to cessation (2011: \$18,750).

## 17 Events after balance sheet date

There have been no significant events after the Balance Sheet date.

## 18 Financial instruments

The carrying amount of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	Actual	Actual
	2012	2011
	\$000	\$000
Loans and receivables		
Cash and cash equivalents	437	460
Debtors and other receivables	623	17
Short term investments – term deposits	544	523
Total loans and receivables	1,604	1,000
Financial liabilities measured at amortised cost		
Creditors and other payments (excluding income in advance)	152	155
Total financial liabilities measured at amortised cost	152	155

#### 19 Financial instrument risks

The Children's Commissioner is a party to financial instruments as part of its normal operations. These financial instruments include bank accounts, bank, deposits, receivables and payables. Revenues and expenses are recognised in the statement of comprehensive income. The Children's Commissioner's exposure to off-balance sheet financial instruments is limited to operating commitments (refer to the statement of commitments).

The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

#### Credit risk

The financial instruments that expose the Children's Commissioner to credit risk are principally bank balances, deposits and accounts receivable. Bank balances are held with New Zealand registered banks in accordance with Children's Commissioner policy. No collateral is held by the Children's Commissioner in respect of accounts receivable or bank balance. The Children's Commissioner holds cash with Westpac. Westpac is part of the Crown Retail Deposit Guarantee Scheme and so all deposits up to \$1 million held with Westpac are guaranteed by the Crown. The Children's Commissioner does not have any significant concentrations of credit risk.

The Children's Commissioner has a credit card facility of \$20,000 as at 30 June 2012 (2011: \$15,000).

#### Interest rate risk

The Children's Commissioner does not have any significant exposure to interest rate risk. Any risk is managed by only investing with New Zealand registered banks and holding funds at call, or on short-term deposit.

#### Currency risk

The Children's Commissioner does not have any significant exposure to currency risk.

#### Fair value

The fair value of financial instruments is equivalent to the carrying amount disclosed in the statement of financial position.

## 20 Capital management

The Children's Commissioner's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Children's Commissioner is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings acquisition of securities, issuing guarantees and indemnities and the use of derivatives

The Children's Commissioner manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities and general financial dealings to ensure the Children's Commissioner effectively achieves its objectives and purpose while remaining a going concern.

# 21 Significant variances

Explanations for major variances from the Children's Commissioner's budgeted figures in the statement of intent are as follows:

## Statement of comprehensive income

# Personnel expenditure

Personnel expenses were lower than budget due to the Office carrying four staff vacancies at various times during the reporting period.

#### Operating expenditure

Operating expenses were higher than budget due to installation costs for the Office's upgraded IT infrastructure, a planned review of Office's web site, recruitment costs, increased costs for producing the Office's periodical *Children* and increased expenditure on resources to meet demand for these.

#### Statement of financial position

Debtors are higher at year-end, due to the invoicing of the Commissioners main provider in June. This also relates to the increased current liabilities as at year-end.

The Fixed asset variance results from the sale of assets disposed of as at 30 June 2012.

# **Independent Auditor's Report**

# To the readers of the Office of the Children's Commissioner's financial statements and statement of service performance for the year ended 30 June 2012

The Auditor-General is the auditor of the Office of the Children's Commissioner (the Office). The Auditor-General has appointed me, J.R. Smaill, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Office on her behalf.

#### We have audited:

- the financial statements of the Office on pages 39 to 58, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Office on pages 28 to 38.

# **Opinion**

#### In our opinion:

- the financial statements of the Office on pages 39 to 58:
  - o comply with generally accepted accounting practice in New Zealand; and
  - o fairly reflect the Office's:
    - financial position as at 30 June 2012; and
    - financial performance and cash flows for the year ended on that date.
- the statement of service performance of the Office on pages 28 to 38:
  - complies with generally accepted accounting practice in New Zealand;
  - fairly reflects, for each class of outputs for the year ended 30 June 2012, the Office's:
    - service performance compared with the forecasts in the statement of forecast service performance for the financial year; and
    - actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 30 October 2012. 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 Commissioner and our responsibilities, 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 International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of service performance are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Office's financial statements and statement of service performance that fairly reflect the matters to which they relate. We consider internal control 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 Office's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Commissioner;
- the adequacy of all disclosures in the financial statements and statement of service performance; and
- the overall presentation of the financial statements and statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## **Responsibilities of the Commissioner**

The Commissioner is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Office's financial position, financial performance and cash flows; and
- fairly reflect its service performance.

The Commissioner is also responsible for such internal control as is determined necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error.

The Commissioner's responsibilities arise from the Crown Entities Act 2004 and the Children's Commissioner Act 2003.

# Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

# Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

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

J.R. Smaill

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

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# Matters relating to the electronic presentation of the audited financial statements and statement of service performance

This audit report relates to the financial statements and statement of service performance of the Office of the Children's Commissioner (the Office) for the year ended 30 June 2012 included on the Office's website. The Office is responsible for the maintenance and integrity of the Office's website. We have not been engaged to report on the integrity of the Office's website. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of service performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance as well as the related audit report dated 30 October 2012 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

# Appendix 1 – Statutory functions

Under section 12 of the Children's Commissioner Act 2003, the Commissioner's general functions are:

- (a) to investigate any decision or recommendation made, or any act done or omitted (other
  - than a decision, recommendation, or act to which section 13(1)(a) applies), in respect of any child in that child's personal capacity
- (b) to promote the establishment of accessible and effective complaints mechanisms for

children and to monitor the nature and level of complaints

- (c) to raise awareness and understanding of children's interests, rights, and welfare
- (d) to raise awareness and understanding of the Convention
  - (e) to undertake and promote research into any matter that relates to the welfare of children
- (f) to act as an advocate for children's interests, rights, and welfare generally (except before

any court or tribunal), and, in that regard, to advance and monitor the application of the Convention by departments of State and other instruments of the Crown

- (g) if there are issues in proceedings before any court or tribunal that relate to the Convention or to the interests, rights, or welfare of children generally, to present reports on such issues to the court or tribunal, at the request of—
  - (i) the court or tribunal; or
  - (ii) counsel representing any party to the proceedings; or
    - (ii) counsel representing any child who is the subject of the proceedings; or
  - (iv) counsel assisting the court or tribunal:
- (h) to receive and invite representations from members of the public on any matter that

relates to the welfare of children:

- (i) to increase public awareness of matters that relate to the welfare of children:
- (j) to promote, in relation to decisions that affect the lives of children,—
  - (i) the participation of children in those decisions; and
    - (ii) an approach to children's views that, in each case, gives due weight to those views in accordance with the age and maturity of the relevant child:
  - (k) to report, with or without request, to the Prime Minister on matters affecting the rights of children
  - (l) to inquire generally into, and report on, any matter, including any enactment or law, or any practice or procedure, that relates to the welfare of children.

Under section 13 of the Children's Commissioner Act 2003, the Commissioner has specific functions in relation to Children, Young Persons, and Their Families Act 1989:

(a) to investigate any decision or recommendation made, or any act done or omitted, under

that Act in respect of any child or young person in that child's or young person's personal

capacity

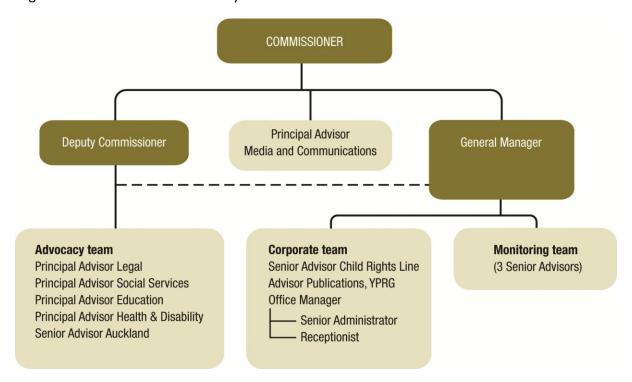
- (b) to monitor and assess—
  - (i) the policies and practices of the department; and
  - (ii) the policies and practices of any other person, body, or organisation that relate to the performance or exercise by the person, body, or organisation of a function, duty, or power under that Act or regulations made under that Act:
- (c) to encourage the development, within the department, of policies and services that are
  - designed to promote the welfare of children and young persons:
- (d) on the Commissioner's own initiative or at the request of the Minister, to advise the Minister on any matter that relates to the administration of that Act or regulations made under that Act
- (e) to keep under review, and make recommendations on, the working of that Act.

# Appendix 2 – Organisational structure and demographics

Dr Russell Wills was appointed as Children's Commissioner on 1 July 2011 for a five-year term.

The Office of the Children's Commissioner is based in an office in Wellington with 14 staff and the Children's Commissioner and a small office in Auckland with two staff.

We ensure an efficient and effective operation that delivers value for money by maintaining a small core staff and contracting out various specialist functions when required. By doing this the Office can remain adaptive and responsive to achieving its outcomes. The Office's organisational structure as at 1 July 2011 is shown below.



The staff establishment of the Office, excluding the Children's Commissioner (0.5 FTE), decreased from 15.4 FTEs on 1 July 2011 to 13.8 FTEs (including one vacancy) on 30 June 2012. The decrease is due to new staff being appointed as part-time.

The gender and ethnic workplace profile for the Office is as follows:

Gender	2010-11	2011-12
Female	10	12
Male	3	3
Ethnicity		
Maori	1	1
Pacific Island		
Asian		
Pakeha/European	12	13
Other ethnic group		

# Appendix 3 – Submissions and advice presented in 2011-12

Submission	Follow up Work <sup>13</sup> :	Monitoring our impact:
Draft Ministry of Education guidelines submitted to the Ministry of Education	Met with Ministry of Education officials on 13 April 2012 regarding possible changes to Education Act 1989	Submission influenced inclusion of reference to UNCROC and Bill of Rights Act in the guidelines
Submission on the Auckland draft local board plans submitted to all 20 Auckland local boards	Work is being done with Auckland Council to seek alignment between the Auckland Plan's priority to put children and young people first, the Long-Term Plan and the work of the 20 Local Board Plans. This work is ongoing.	All local boards are now establishing processes for engagement with children and young people in line with our recommendation to support children's rights under article 12 of the United Nations Convention on the Rights of the Child to participate decision-making processes.
Regulatory Standards Bill submitted to the Commerce Committee	Select Committee hearing pending – submissions yet to be heard	Select Committee hearing pending – Bill's progress has stalled
Draft Christchurch City Plan submitted to the Christchurch City Council	Children's Commissioner met with Christchurch City Council as part of his visit to Christchurch on 27 February 2012	Christchurch City Council carried out a review of how they are currently taking into account the interests and views of children and young people in their work. They have started considering, or giving greater consideration to how the United Nations Convention on the Rights of the Child applies to their work.
Legal Assistance (Sustainability) Bill submitted to the Justice and Electoral Select Committee	Appeared before the Justice and Electoral Select Committee on 16 February 2012.  Subsequent to Select Committee appearance, corresponded with Deputy Secretary of Justice regarding the Bill's proposed changes.	The Bill's progression is currently on hold pending the outcome of the Family Court Review.
Minimum Wage Review 2011 submitted to the Department of Labour	Part of regular engagement with annual Minimum Wage Review process conducted by Department of Labour	Increase in Minimum Wage on 1 April 2012 – 'New Entrants' policy on 16/17 year olds retained

 $<sup>^{\</sup>rm 13}$  Select committee hearings, supplementary hearings, meetings with officials, etc.

Submission	Follow up Work <sup>13</sup> :	Monitoring our impact:
Draft Auckland Plan submission to the Auckland Council	An Auckland-based Senior Advisor leads this work and continues to work with Auckland Council and other stakeholders to	The first of six transformational shifts identified in the Auckland Plan is to dramatically accelerate the prospects of Auckland's children and young people. The Auckland Plan states that children and young people are "the top priority".
	progress the recommendation made by the office over the last three years and identifying other opportunities to influence planning, policy and decision-making to ensure that children's interests and voice are given weight and taken into account in the Auckland local government arrangements.	Auckland Council has now produced its inaugural Children and Young People in Auckland Report which will be published biannually. This will provide Council and Local Boards with a baseline of children's well-being to inform planning processes and monitoring against planned targets.
		Auckland Council have established a coordinating mechanism in Council, in the form of a position dedicated to lead and coordinate the Auckland Plan priority to put children and young people first.
		The staff member acting as the coordinating mechanism is working to develop a regional and local youth participation framework. This includes supporting Local Boards in establishing processes for supporting children and young people's participation in the work of Local Boards.
		The Council is currently developing a Children's and Young People's Strategic Action Plan. Our Office has cohosted hui to support this process and continues to provide Council with advice.
		Auckland Council is currently exploring the use of Child Impact Assessments and Evaluation.
		The Honourable Mayor Len Brown contracted a piece of work to develop an Education and Skills Framework which the Office was consulted on.
		The inclusion of a focus on alcohol harm reduction and injury prevention.
		Further analysis is ongoing.
Cabinet Paper - Compulsory Alcohol and Drug Treatment for Youth submitted to the Ministry of Health	Awaiting further developments	Awaiting further developments – yet to result in any proposed regulatory change
Family Court Review submitted to the Ministry of Justice		On 2 August, the Minister of Justice announced a range of reforms including establishment of a front-end Family Dispute Resolution service (FDR), changes to lawyer for child appointment criteria and changes to Family Court proceedings tracks for Care of Children Act cases. Introduction of legislation to implement the proposed reforms is pending.

Submission	Follow up Work <sup>13</sup> :	Monitoring our impact:
Submissions on the Green Paper on Vulnerable Children to the Ministry of Social Development	The Office's submission on the Green paper consisted of five separate submissions, made up of:  The Children's Commissioner's position on the Green Paper on Vulnerable Children  Young people who are currently cared for by Child, Youth and Family in the residential units Primary school children in Years 7 and 8  The Office's Young People's Reference Group Collective voices of five youth groups from throughout New Zealand	The Minister's White Paper for Vulnerable Children was released in October 2012.
Draft Long-Term Plan 2012-2020 submitted to the Auckland Council	Ongoing advocacy with Auckland Council to progress the recommendation made by the Office. In particular, recommendation made in relation to urban design and planning, the Southern Initiative and transport.	Auckland Council are starting work on developing its Community Development Policy which will interact with the Children and Young People's Strategic Action Plan and will include such areas as alcohol harm reduction, and injury prevention which we made recommendations about.  Auckland Council will work with Local Boards, children, young people, families and other stakeholders to inform the development of spaces, programmes and services. This includes the development of strategies for library services for children, Māori, Pasifika and diverse communities.  COMET education trust resettled into a new trust and will operate throughout the Auckland region.
Inquiry into Well- being of Māori Children submitted to the Maori Affairs Select Committee	Commissioner appeared before Māori Affairs Select Committee on 12 July 2012	Report pending outcomes of Select Committee hearing process

Submission	Follow up Work <sup>13</sup> :	Monitoring our impact:
Inquiry into Wellbeing of Māori Children submitted to the Maori Affairs Select Committee – submission by the Young People's Reference Group	Commissioner appeared before Māori Affairs Select Committee on 12 July 2012	Report pending outcomes of Select Committee hearing process
(Youth Support Principal Advi and Work Focus) appeared bef	Deputy Commissioner and Principal Advisor (Legal) appeared before Select Committee on 19 April	The Social Services Committee released its report in May 2012 on the first welfare reform Bill. The committee has directly implemented into the Bill a key recommendation from our submission:
	2012	The Select Committee has added in specific clauses (new s158(ba)(i)-(iii)) regarding qualification to access youth payments for young people leaving CYF care
		Other recommendations in the Office submission have been reflected in the report and the amended Bill, including:
		<ul> <li>Addition of a three year review of the information sharing provisions - this reflects a recommendation around a review of the impact of the reforms on young people.</li> <li>Relaxation of the income management provisions of the Bill as well, which is reflective of the tenor and suggestions of the Office submission.</li> </ul>
Inquiry into preventing child abuse and improving children's health outcomes	Commissionerand Principal Advisor (Health and Disability) appeared before Health Select Committee on 12 July 2012	Commissioner's recommendations widely reported in the media. The Committee requested additional information from the Office following the Commissioner's hearing. Outcome of Select Committee inquiry pending
Consultation on the Future Role of Residential Special Schools	Ministry report due September 2012	Ministry report yet to be released
Bail Amendment Bill	Deputy Commissioner and Principal Advisor (Legal) appeared before the Law and Order Select Committee on 1 August 2012.	Select Committee report yet to be released
Child Support Bill	Deputy Commissioner and Principal Advisor (Social Services) appeared before Social Services Select Committee on 25 July 2012	Select Committee report yet to be released

Submission	Follow up Work <sup>13</sup> :	Monitoring our impact:
Privacy (Information Sharing) Bill	Principal Advisor (Legal) appeared before the Select Committee on 5 April 2012	Select Committee report yet to be released

# Appendix 4 – Speeches given in 2011-12

- 29 July 2011, Starship Paediatric Grand Round, Starship Hospital, Auckland, Dr Russell Wills. How not to get your photo taken: lessons for a novice Children's Commissioner
- 16 August 2011, Arohata Women's Prison, Dr Nicola Atwool. *The Rights of Children of Incarcerated Parents*
- 24 August 2011, SSPA National Conference, Mangere, Auckland, Dr Nicola Atwool. *Children's Right to Belong*
- 6 September 2011, PHO Mental Health Hui, Trinity Union Church, Newtown, Wellington, Dr Nicola Atwool. *The Importance of Play*
- 24 September 2011, Birthright NZ Inc. Annual General Meeting. Dr Nicola Atwool. *Working Together for Children*
- 3 October 2011, OMEP World Organisation for Early Childhood Education Auckland branch UNITECAuckland, John Hancock and Dr Sarah Te One. *UNCROC and issues for Early Childhood Education in NZ*
- 28 October 2011, SSPA Research Forum, Christchurch, Dr Nicola Atwool. *Children's Right to Belong*
- 9 November 2011, Plunket Conference, Auckland, Dr Jo Cribb. *The Importance of the Early Years: Health and Well Being of Children*
- 17 November 2011, Grandparents Raising Children National Conference, Ellerslie Conference Centre, Auckland, Dr Nicola Atwool. *The Challenges of Kinship Care*
- 20 November 2011, New Zealand Law Society, CLE Family Law Conference, Auckland, Dr Nicola Atwool. *Listening to Children's Voices: The art and science of translation*
- 21 November 2011, Paediatric Society of NZ, Annual Scientific Meeting, Skytower Conference Centre, Auckland, Dr Russell Wills. *Why do we seem to be working so hard?*
- 22 November 2011, Paediatric Society of NZ, Annual Scientific Meeting, Skytower Conference Centre, Auckland, John Hancock. *The right of children, with disabilities, to education*
- 1 December 2011, Footsteps National Conference, Rotorua, Dr Nicola Atwool, *Children's Right to Belong*
- 15 February 2012, Manukau Institute of Technology Human Rights Course, Auckland, John Hancock
- 9 March 2012, National Vision Hearing Technicians Conference 2012, Comfort Quality Hotel, Dr Amanda D'Souza. *Children's interests, rights and welfare: where to next for New Zealand?*
- 14 March 2012, Ministry of Education Early Childhood Education, Ministry of Education, National Office, Wellington, Dr Sarah Te One. *UNCROC and issues for Early Childhood Education in NZ*
- 21 March 2012"Law for Lunch" Seminar Series, Wellington Central Library/Wellington Community Law Centre, Wellington, John Hancock. *Presentation on Youth Justice system in New Zealand*
- 22 March 2012, Babies, children and alcohol conference, Te Papa, Wellington, Dr Russell Wills
- 22 Mar 2012, National Senior Teachers Hui, Novatel, Hamilton, Dr Sarah Te One. *Is this the house that Jack built?*
- 7 May 2012, Royal College of Australasian Physicians Annual Scientific Meeting, Brisbane, Dr Russell Wills. *Addressing child health outcomes and inequalities in Australia and New Zealand*

- 7 May 2012, Aotearoa New Zealand Association of Social Workers Webinar, Wellington, Zoey Caldwell. *Treat me with respect like a taonga*
- 8 May 2012, Every Child Counts Business New Zealand discussion series, Te Papa, Wellington, Dr Jo Cribb. *Business Leadership for NZ Children*
- 14 May 2012, Capital Coast DHB Community & Public Health Advisory Committee and Disability Support Advisory Committee meeting, Wellington Hospital, Wellington, Dr Amanda D'Souza. *Children's health, rights and welfare: where to next for NZ?*
- 14 May 2012, Conectus Opening, University of Auckland, Tamaki, Auckland, Dr Russell Wills. We don't have much money so we'll have to think ...
- 18 May 2012, Christian Early Childhood Education Association of Aotearoa National Conference, Waikanae, Kāpiti, Dr Sarah Te One and Dr Amanda D'Souza. *Keynote presentation: Ask me if you really want to know what I think*
- 21 May 2012, VIP programme managers in DHBs, Turnbull House, Wellington, Dr Russell Wills. *There's a lot going on ...*
- 24 May 2012, Auckland Council launch of their inaugural Children and Young People in Auckland Report and workshop on the development of a Children and Young Peoples Strategic Action Plan, Women's Pioneer Hall, Auckland, Dr Russell Wills. *Creating a Child-Friendly Auckland*
- 25 May 2012, National Council for Fostering Kids, Brentwood Hotel, Wellington, Dr Jo Cribb. Our Unsung Heroes: Foster Families