



2020 – 2021

# Annual Report

Office of the Children's Commissioner



## Contents

Annual Report for the year ended  
30 June 2021

Presented to the House of  
Representatives pursuant to Section  
150(3) of the Crown Entities Act 2004

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## Foreword to the Minister for Social Development and Employment

Pursuant to the provisions of Section 150 and 151(3) of the Crown Entities Act 2004, I submit my Annual Report, incorporating the Financial Statements. The report covers the period from 1 July 2020 to 30 June 2021. I am satisfied that the Financial Statements fairly reflect the financial position and operations of the Children's Commissioner for the reporting period.

A handwritten signature in blue ink, appearing to read "F. Eivers".

Judge Frances Eivers  
**Children's Commissioner**  
Te Kaikomihana mō ngā Tamariki  
17 December 2021





# Message from the Children's Commissioner

E ngā mana, e ngā waka, e ngā hau e whā, tēnā koutou katoa,

I began my term as Children's Commissioner after the period covered by this report. Consequently I have the advantage of looking back at what the Office of the Children's Commissioner set out to achieve in 2020–21, and what actually happened.

That advantage was clarified further because, early in 2021, the Office undertook a process to clarify the Strategic Framework, Te Rautaki, that would guide its work for the next four years. Among other things that framework set out the Office's strategic priorities and how it believes it can achieve positive change for New Zealand's children and young people, tamariki mokopuna.

At the heart of this framework lies the Office's vision, that all mokopuna will be able to live their best lives. In practical terms that means that every child will grow up in a whānau that has what it needs to thrive. For children to thrive, of course, so must their families. And thriving mokopuna will be able to have a say about what matters to them, and know that their rights will be honoured and cherished by those in power.

I am delighted to confirm that the work undertaken by the Office throughout the last year has given concrete expression to what might otherwise have been a purely aspirational goal.

That expression has taken many different forms:

- From calling for system change at Oranga Tamariki in its second report into care and protection issues for pēpi Māori aged 0–3, *Te Kuku o Te Manawa*, to *Life in Lockdown*, a report that recorded and amplified children and young people's reflections on their experience during the seven-week COVID-19 lockdown from March to May 2020;

- From submissions to the Select Committee considering a bill that would have introduced a system of Youth Justice demerit points, to ongoing advocacy through the influential Child Poverty Monitor which continues to highlight the shame and injustice of New Zealand families plagued by poor housing, debt and, quite simply, not enough food.

In each of these examples, and the many other issues the Office has wrestled with during the year, the goal, the moemoeā of mokopuna living their best lives has driven the Office's actions. This report gives clear account of the way the Office's statutory obligations have been effectively discharged and more, through initiatives that, while they have sometimes been demanding, have always contained the seeds of inspiration.

I want to recognise the work of the staff, their expertise, their commitment, and their unswerving focus on their goal for mokopuna. In particular, I want to acknowledge two long serving leaders within the Office.

After more than seven years as Director of Development, Monitoring and Investigations, Liz Kinley decided to shift her focus to her private practice providing supervision, management and organisational coaching, while also freeing time to spend enjoying her mokopuna.

Donna Provoost was Director of Strategy, Rights and Advice for over nine years. In August 2021 she accepted a new position at Waka Kotahi leading a focus on how transport infrastructure can shape and enable wellbeing within the country's long-term social, environmental and economic goals.

The contribution Liz and Donna have made to the life, work, reputation and advocacy of the office is inestimable.

I also want to pay tribute to the previous Commissioner, Judge Andrew Becroft who, over five years, has been relentless in his pursuit of the best life possible for the children of Aotearoa. Children and families throughout the country have benefitted from his vital and vibrant contribution to this role.

In the year ahead, I look forward to continuing to build on the foundations laid by all my predecessors, and I acknowledge each and every one of them. It will be a year of change as new legislation governing advocacy for children and young people and support for their rights is introduced. While there will be change, it will also be a year of continuity as we maintain our focus on doing our absolute best for mokopuna throughout Aotearoa.

*Poipoia te kākano kia puawai*  
Nurture the seed and it will blossom



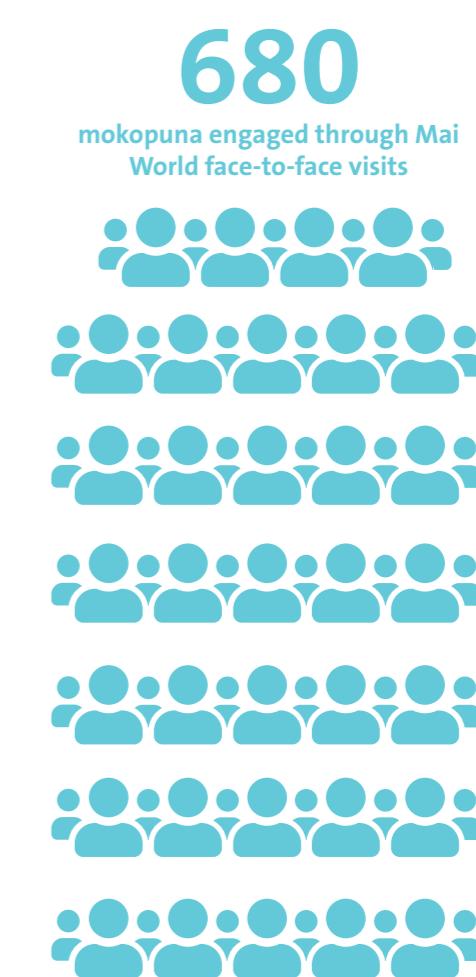
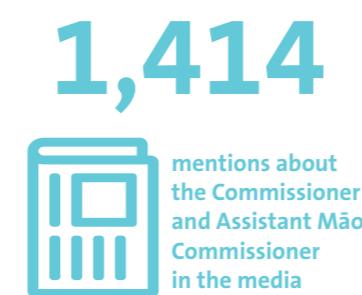
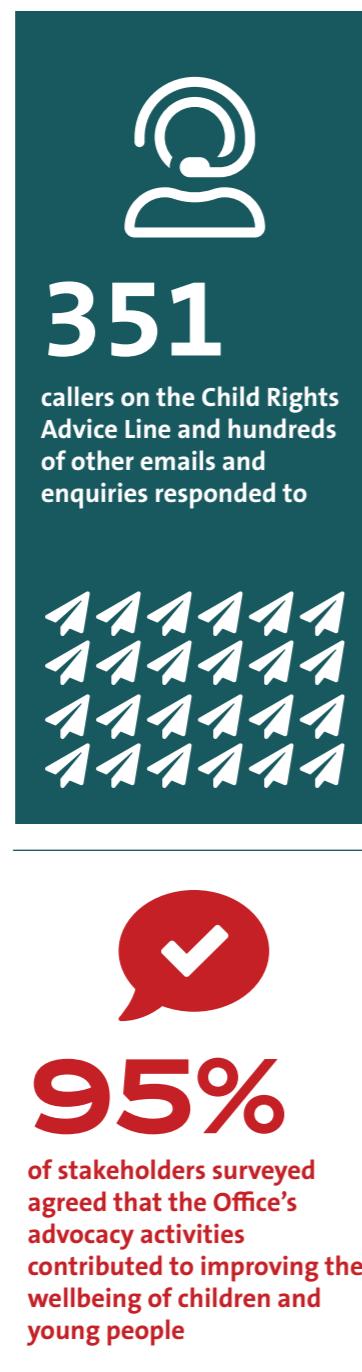
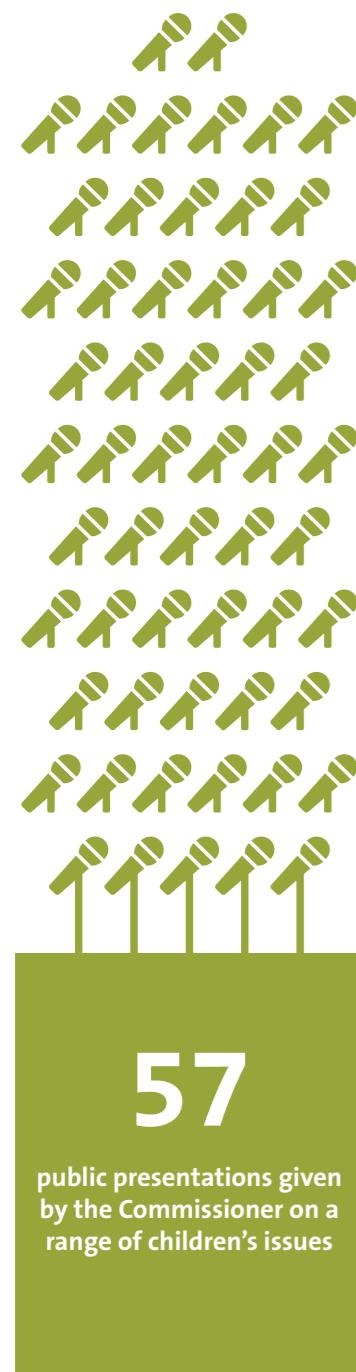
**Judge Frances Evers**  
Children's Commissioner  
*Te Kaikomihana mō ngā Tamariki*



**Poipoia te kākano kia puawai**

**Nurture the seed and it will blossom**

## The Year in Numbers 2020/21



# The Role of the Children's Commissioner

As a nation, we need to come together to ensure that all our children in Aotearoa New Zealand flourish.

We believe that every child and young person has the right to grow up in a family or whānau, and among hapū, iwi and communities, that have the resources to provide them with supportive, loving homes and the best opportunity for a good life.

The Children's Commissioner represents the 1.2 million people in Aotearoa New Zealand under the age of 18. Our Office is an Independent Crown Entity established under the Children's Commissioner Act 2003.

We have broad statutory responsibilities under several other Acts too:

- 1** Oranga Tamariki Act 1989 / Children and Young People's Well-being Act 1989
- 2** Oranga Tamariki (Residential Care) Regulations 1996
- 3** Crimes of Torture Act 1989 (COTA)
- 4** Human Assisted Reproductive Technology Act 2004.

We also advocate for the implementation of the UN Children's Convention: providing expert advice to courts and Government agencies; ensuring the voices of children are heard in decisions that affect them; raising awareness about children's rights and wellbeing; and monitoring the services of Oranga Tamariki, and places where young people are detained.

## Our priorities

In May 2021 the Commissioner set three new strategic priorities for 2021–2024, and the Office is developing programmes of work to sit under each of them:

- 1. Advocating for the elimination of racism in the public sector and advancing by Māori for Māori approaches**
- 2. Prioritising the views of mokopuna and increasing public sector capability to listen and act on them**
- 3. Advocating for improved mental wellbeing for mokopuna and their whānau.**

## PART 1

# The Year in Review: How we made a difference

During Commissioner Judge Andrew Becroft's final full year as Commissioner, the Office of the Children's Commissioner (OCC) revisited its strategic framework. As part of that process, we identified our core responsibilities in seeking to achieve our vision for all mokopuna to live their best lives.

We see those responsibilities as:

- Honouring and embedding Te Tiriti o Waitangi
- Advocating for the rights, interests and wellbeing of mokopuna
- Monitoring places of detention for mokopuna
- Ensuring the voices of mokopuna are heard and acted on by decision makers

Driven by these commitments, the Office recognised seven avenues through which it can exercise these responsibilities and make a positive difference. In this section of the report, we identify each of these channels and consider examples of change generated through them in the year under review.





## Listening to the voices of mokopuna and their whānau to guide our work

The voices of mokopuna and their whānau are a critical guide for OCC. It is these voices that earth and illuminate the Office's understanding of the realities mokopuna and whānau experience. Their frustration and calls for change inform our priorities. Here we outline two good examples of how voices have guided our work in this period. The first is *Te Kuku o Te Manawa - Moe ararā! Haumanutia ngā moemoeā a ngā tūpuna mō te oranga o ngā tamariki*. It is the second and final report in our review into what needs to change to enable pēpi Māori aged 0-3 months to remain in the care of their whānau in situations where Oranga Tamariki is notified of care and protection concerns. The second, *Life in Lockdown*, is a survey of children and young people to understand their experiences of the first lockdown.

### **Te Kuku o Te Manawa - Moe ararā! Haumanutia ngā moemoeā a ngā tūpuna mō te oranga o ngā tamariki**

At the heart of our review are the voices of whānau who have direct experience of having statutory social workers making decisions about who can care for their pēpi.

We used the six areas for change from the first report to construct new lines of inquiry for a further round of interviews with a new group of parents and whānau. To their voices, we added the voices of midwives, community support people, and Oranga Tamariki staff. We engaged with a total of 94 participants as part of this second report, including 19 whānau members.

The evidence presented in this report, and in our first report, show that the statutory care and protection system is continuing to cause ongoing harm to pēpi and their whānau. Māori are still not being treated with humanity or respect in the statutory care and protection system and experience racism and discrimination at structural, institutional, and interpersonal levels.

### **Life in Lockdown**

*Life in Lockdown* is an example of the value of amplifying children and young people's voices. This report draws on an online survey that invited children and young people aged 8-18 years of age to participate, with the support of their school or community youth organisation. 1,373 children and young people participated in the survey through their schools, and 29 through youth organisations.

We asked children and young people about their living situation, their relationships, their learning, and how they spent their time during lockdown. We asked what they liked and didn't like about their experience during this time, and what they would always remember. We also asked about children and young people's wellbeing, comparing with a baseline of self-reported wellbeing levels from 2018.

The report is intended to provide a resource for all with a role in focusing on COVID-19 rebuild efforts and developing associated policy and services. From the responses received, five significant policy implications were identified:

- 1 Recovery efforts need to ensure the wellbeing of different groups of children must each be considered in policy responses, including: mokopuna Māori, Pacific Peoples, disabled children and children who belong to the rainbow community.
- 2 Maintaining the increased work/family-life balance some families experienced will require a re-think of our work structures to allow more time for families and children to be together.
- 3 Fewer activities and more down-time have benefits for children and young people.
- 4 The education system needs to offer young people greater flexibility, including options for more learning on-line. Access to technology for communication and learning is essential, not merely an optional extra.
- 5 Policy must recognise that poverty is an underlying issue driving many inequities. Mental wellness for young people needs particular support.

## Growing understanding of by Māori, for Māori approaches in our work and the public sector

### **Te Kuku o Te Manawa**

In November 2020, when the Office launched *Te Kuku o Te Manawa: Moe ararā! Haumanutia ngā moemoeā a ngā tupuna mō te oranga o ngā tamariki*, it was the second and final report of the thematic review of the policies, processes and practices of Oranga Tamariki relating to care and protection issues for pēpi Māori aged 0-3 months. The focus of this review was informed by an attempt by Oranga Tamariki staff to uplift a pēpi Māori from his mother at Hawke's Bay Hospital in May 2019.

The report recommended a total transformation of the current care and protection system. The new model envisaged would require transferring power and resources from Government to enable by Māori for Māori approaches that keep pēpi Māori in the care of their whānau.

The review found that the state care and protection system has failed mokopuna Māori and too often resulted in their links with whānau, hapū and iwi being severed, creating life-long damage. While there may be times when pēpi need to be away from their birth parents, every aspect of that decision and placement should be managed by Māori, for Māori.

The office chose to undertake this review because of our commitment to advocating for the rights, interest and wellbeing of mokopuna. It was a difficult and often heart-breaking experience for all involved. Staff found it a demanding, traumatic and inspiring experience that contributed to redefining the Office's vision. Its conclusion, the call for well-resourced by Māori, for Māori approaches to care and protection, and youth justice, has provided a single avenue through which OCC can contribute to its mission.

Awareness of the appropriateness and necessity of by Māori, for Māori approaches can be grown through our public statements as well as through structural representation.

The launch of the report attracted the attention of most media outlets including all major television and print channels resulting in 32 discrete media items. Coupled with the reports of the other inquiries into the attempted Hastings uplift, the call for by Māori, for Māori approaches to care and protection has become part of the language of reform of Oranga Tamariki.

### **Submission to The Waitangi Tribunal**

Following the launch of the second report, the Children's Commissioner delivered the report's final recommendations at the Waitangi Tribunal hearing WAI2915 – Oranga Tamariki Urgent Inquiry.

The Tribunal findings referenced the OCC's review and submission extensively. Its advocacy supporting by Māori, for Māori approaches continues to inform and influence the direction of the changes underway in the care and protections system. One respondent in our annual stakeholder survey noted, "OCC contributed to heightened expectation that Oranga Tamariki system needs to change significantly."

The Children's Commissioner and Assistant Māori Commissioner welcomed the Waitangi Tribunal's call for a by Māori, for Māori approach to care and protection of mokopuna Māori following its Oranga Tamariki Urgent Inquiry.

They saw the Tribunal's comprehensive report as the latest evidence that the state care and protection system is not working for Māori and must be completely transformed.

For Assistant Māori Commissioner Glenis Philip-Barbara, the findings affirmed the right of Māori to live as Māori. "It must signal an end to New Zealand's horrible addiction to assimilation", she said. "Mokopuna Māori, like all children, deserve to be both safe, and with their whānau. The idea that it's one or the other is just wrong."



VOYCE – Whakarongo Mai is an independent charity organisation that helps to advocate for the approximately 6000 children with care experience (children in foster or whānau care) in New Zealand.

This year the Assistant Māori Commissioner hosted Tupua Urlich, a Care experienced Advisor on secondelement. Tupua provided invaluable advice to support the Commissioners and the wider office in our work.



## Influencing decision makers to prioritise structural change for the long-term wellbeing of mokopuna

Advocating in specific cases can be an important role. But the long-term wellbeing of all mokopuna also requires structural change. We are fortunate in having the opportunity to both give advice that may lead quickly to change and also, where necessary, lead or build constituencies calling for change.

### **Children's Rights in the COVID-19 response**

One such constituency is the Children's Convention Monitoring Group. It was formed in 2011 to monitor progress being made on implementing the United Nations Convention on the Rights of the Child. It is convened by the OCC and includes representatives from the Human Rights Commission, Children's Rights Alliance, Save the Children New Zealand and UNICEF New Zealand.

In March 2021 the Convention Monitoring Group released Children's Rights in the COVID-19 response, a report outlining what worked for children in the COVID-19 response during the previous year and recommending ways to better implement children's rights in laws, policies and practices.

The report encourages the Government to place children's rights at the centre of the Government's COVID-19 response planning.

It argues that New Zealand has an opportunity to apply the lessons learned from our experience of the pandemic over the past year and redesign our systems to tackle the issues facing children and young people. This should include making child impact assessments mandatory, so all policy and legislation is designed around the rights and wellbeing of children.

The report also argues for emergency planning to be undertaken in partnership with affected communities, including children and young people.

Failure to do constitutes a serious risk. Heidi Coetzee, Save the Children's Chief Executive, has pointed out that the organisation has more than 100 years of experience working on the ground in crisis situations which has taught them that without a dedicated child-centric response, children are missed.

In situations like a pandemic, clear steps need to be taken to ensure all children are cared for and their needs met, and work continues to ensure that children are a focus in the ongoing response and long-term recovery.

### **Children with Offending Behaviour**

"Children with Offending Behaviour" is a thematic review into the statutory response to children aged 10 to 13 years whose offending causes serious concern for their wellbeing. That offending will have led Police to refer them to an Oranga Tamariki Youth Justice Coordinator for a Family Group Conference. Most of these children come from backgrounds of trauma and disadvantage.

In conducting the study, members of our Development, Monitoring and Investigation team talked to 93 individuals or groups in eight different locations across Aotearoa. They spoke with children, their families and whānau.

The purpose of these discussions was to assess what was working well for these mokopuna in order to support positive change, and to understand what gets in the way.

The report was able to identify long standing system deficiencies in response to children who offend. It makes plain that immediate improvements must take place. Simplification of the system is needed – which both whānau and mokopuna told the team they were bewildered by – along with better resourcing enabling the system to support whānau, was necessary to

bring about change in these children's lives. These recommendations are influencing cross-agency work to improve outcomes for children with offending behaviour.

#### **Phased Closure of Care and Protection Residences**

Since 2017 OCC has provided advice that Oranga Tamariki's large Care and Protection Residences should be closed. The mounting claim of that advice reached tipping point in 2021 when a video revealing ill-treatment by staff of young people in care was leaked to the media. The video, screened by most public media, when added to a string of reports from the OCC, was the final straw.

Assistant Māori Children's Commissioner Glenis Philip-Barbara had recalled, in December 2020, "Our office has long advocated for phased closure of secure care and protection residences and dramatically reduced reliance on youth justice residences."

After the video was leaked, the Commissioner echoed the OCC's call once again. "The treatment in the video highlights the fundamental problem with care and protection residences, and the reason why the Office has repeatedly called for their closure.

"On the face of it, the video shows violent attacks on children, by those who are supposed to be caring for them," Commissioner Becroft said. "The concerns raised in the Newsroom video are not new and are well-known to both us and to Oranga Tamariki.

"The behaviour on the video appears to be neither care nor protection; and it should shock every New Zealander to the core."

A day later Assistant Māori Children's Commissioner Glenis Philip-Barbara welcomed Oranga Tamariki's decision to commit to the phased closure of Care and Protection institutional residences.



# Amplifying the voices of mokopuna in decision making

In the last five years we have come a long way in our work engaging with mokopuna, listening to their voices, and enabling them to be heard. We have also worked hard to encourage and support others to do the same. But perhaps most importantly we have advocated for listening to and taking account of the voices of mokopuna to be a normal and normative state of affairs.

That is not yet the case. In the meantime, our role continues to include amplifying the voices of mokopuna so they can be heard and part of the decision-making process.

## “Voices” Reports

Our “voices” reports over the last few years have covered a range of subject areas. *Education Matters to Me* (2018) asked children and young people about their experiences of education. *What Makes a Good Life?* (2019) and its subsequent cohort focusses including *What Makes a Good Life for Tamariki and Rangatahi Māori?* (June 2021) asked children and young people for their views on what wellbeing means to them. *Life in Lockdown* (2020) shared children and young people’s reflections on COVID-19 during the seven-week lockdown at levels 3 and 4 from March to May 2020. Forthcoming is a report into the prevention of bullying at primary schools and kura, called *Our Kind of School*.

These reports have provided a wealth of information on the views of children and young people. The extent to which these reports have been influential in framing policy discussion and direction clearly demonstrates the value of including children and young people’s views. The voices we have already collected and shared continue to be regularly used to shape policy in health, education, justice, youth development and beyond.

A respondent in our annual stakeholder survey commented that OCC is “a voice for children influencing policy and decision-making”. In fact, many agencies, both within and beyond Aotearoa, now contact us for suggestions on how best to engage with children and young people. The number requesting advice is growing rapidly and we are now considered to be the experts on ethical and effective engagement with children and young people by government agencies, academics, and community groups.

*“We met with and received advice from the Office of the Children’s Commissioner (OCC) on youth collaboration, and the skills and expertise to support safe and meaningful engagement with young people. The advice and support of the OCC, and their commitment to ensuring the voice of young people is sought and heard, has been instrumental in our planning and resourcing of the School Based Health Services enhancements programme.”*  
*(Senior Portfolio Manager, Ministry of Health).*

## What Makes a Good Life for Tamariki and Rangatahi Māori?

Towards the end of 2018, the OCC Mai World team and the Oranga Tamariki Voices of Children and Young People team engaged with more than 6,000 children and young people to hear their views on what makes a good life. Of the 423 children and young people we spoke to face-to-face, 175 were tamariki and rangatahi Māori.

This engagement and the subsequent report continue to influence policy, and be a popular request for presentations from the OCC.

In June 2021 the team released a cohort summary report, *What Makes a Good Life for Tamariki and Rangatahi Māori*. Four clear key insights into what a good life means for them emerged:

- 1 We want the opportunity to be our true and best selves as Māori
- 2 We want the education system to work for us
- 3 We want safe, clean and supportive communities
- 4 We need our whānau to be supported so they can support us.

One Rangatahi from Ōtautahi summed up why listening to the voices of mokopuna and their whānau is critical in guiding the work of OCC. “For my voice and others to be heard we need people like you to listen and take in the things we say, not just in one ear and out the other.”

## Our Kind of School

A recent initiative, undertaken by the OCC in collaboration with the Ministry of Education and supported by the Bullying Prevention Advisory Group, decided to find out why some schools and kura are really good at being safe places for students. What are they doing that made their schools places where bullying didn’t take root?

We realised we needed a better understanding of how schools go about creating environments that prevent bullying in the first place. We were interested in the things that support schools to do this, as well as the things that get in the way. These would be *Our Kind of School*, and that’s what we named the project.

Our team designed an engagement approach to hear from hundreds of students, school professionals, whānau and the wider school community to build this understanding.

In developing this project, we hoped to gain fresh perspectives grounded in the experiences of children, school and kura communities in order to promote a new and constructive approach to bullying.

We went to five primary schools, including a Kura Kaupapa Māori, that had each demonstrated effective practice in supporting student wellbeing. The results of the engagement were extremely encouraging. We found six key commonalities across the schools:

- 1 They knew, and met the needs of, each student.
- 2 They had strong and respectful school leadership which laid the foundations for a positive school culture.
- 3 They showed a commitment to tikanga and te reo Māori in the classroom, culture, and community of the school.
- 4 They connected with and included whānau and wider community in school life.
- 5 They valued and celebrated staff and student diversity.
- 6 They responded quickly and effectively to bullying incidents.

Making the commonalities we identified characteristics of all our schools’ cultures would go a long way to eliminating bullying before it happens.

The next step for the OCC is to raise awareness of the insights from the *Our Kind of School* project. Our report will be released in late 2021.



## Monitoring to ensure mokopuna in places of detention are safe and heard

### A “National Preventative Mechanism”

The Children’s Commissioner is designated as a “National Preventative Mechanism” under the Crimes of Torture Act 1989 and has responsibilities under the Optional Protocol to the United Nations Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

This gives OCC a legal rights-based mandate to examine the quality of care and treatment of children and young people who are detained in secure care and protection and youth justice residences.

In addition, by delegation from the Chief Ombudsman, we monitor Mother and Baby Units in the three Department of Corrections Women’s Prison Facilities.

### Mana Mokopuna

Our monitoring framework is a kaupapa Māori approach, Mana Mokopuna. The Mana Mokopuna framework is tamariki and whānau centred. Its six principles can be understood as a child’s journey through life:

- **Whakapapa** recognises that all children have whakapapa – bloodlines as well as a history of people, places and stories – before they are born
- **Whānaungatanga** recognises that all children are born into relationships as part of their family, whānau, hapū, iwi and wider family groups
- **Aroha** recognises that all children have the need to love and be loved
- **Kaitiakitanga** recognises that children’s wellbeing is supported by safe and healthy environments

- **Rangatiratanga** recognises that all children have the right to have their views listened to, and where appropriate, acted on, and to be supported to be leaders in their own lives

- **Mātauranga** recognises that all children need opportunities to learn about the world, their culture and the culture of tangata whenua

By adopting this framework for monitoring we expect those working with mokopuna to enable and support positive connections with their whakapapa. This approach is regarded as best practice by the United Nations.

Our Development, Monitoring and Investigations team visited 10 residences during the 2020/21 year. Normally each visit lasts 2-4 days and team members speak with mokopuna and staff as well as inspecting conditions and treatment. The teams’ reports identify the extent of compliance with OPCAT and recommend changes to improve treatment and conditions for mokopuna. These reports are provided to the Government, the Human Rights Commission (as the central National Preventive Mechanism), the Ombudsman and the sites themselves.

In the past we have identified serious concerns about the safety of some young people in these places of detention. As a result, we plan also to release our reports publicly and are in the process of negotiating an MOU with Oranga Tamariki to reflect that. We are concerned that allegations of abuse and mistreatment of young people in residences are slowly growing for both Care and Protection and Youth Justice residences.

The Government has announced that the large residences will be closed in favour of more and smaller community homes. The OCC has been advocating this for some years.

## Advocating to raise awareness of the rights, interests and wellbeing of mokopuna

In addition to listening to the voices of children and young people, monitoring the safety of those in detention, amplifying and directing mokopuna's views into decision-making processes and encouraging those same decision makers to prioritise children and young people's interests, the OCC also has an ongoing role to actively advocate for children and young people's rights, interests and wellbeing.

### **Submissions on Oranga Tamariki (Youth Justice Demerit Points) Amendment Bill**

A private member's bill, The Oranga Tamariki (Youth Justice Demerit Points) Amendment Bill, was introduced into Parliament in March 2020. It sought to "improve behaviours and increase accountability and transparency within the youth justice system" through "structured interventions".

The OCC considered the bill in some detail and made submissions to the Social Services and Community Select Committee in May 2021. We were concerned that the bill would introduce unnecessary and unhelpful changes to the Youth Justice system. The OCC found the proposed demerit point system lacked both the flexibility and the discretion necessary to take account of a young person's individual circumstances. Consequently, its effect would be to penalise young people instead of helping them and their communities.

Our submission argued that the effect of the bill would be to criminalise an increased number of children and young people, particularly those who are Māori, care experienced or disabled. It would also channel many more young people directly into the adult court system and on to prison.

Later that month Parliament's Social Services and Community Select Committee recommended the bill not proceed and requested it be withdrawn.

The OCC's strong case against the bill and its advocacy – both in and outside the Select Committee - was a significant factor in the bill being withdrawn.

### **Child Poverty Monitor**

The Child Poverty Monitor, a partnership between the JR McKenzie Trust, the University of Otago and OCC has, since 2012, shone a light on the meaning and extent of child and family poverty in Aotearoa. Publication of the Monitor each December has played a major role in focussing media and public attention on the harsh realities of poverty as experienced by children, young people and their families. This, in turn, has helped New Zealanders accept the fact of Child Poverty and call for the political commitment necessary for change.

While so far that change has been well short of transformative, it has been steadily charting a constructive course. As part of Budget 2021, the Government announced increases in benefits for families with children ranging from \$36 to \$55 per week. It has also promised a review of Working for Families tax credits and the accommodation supplement as part of Budget 2021. The effectiveness of the Monitor's advocacy continues to be evident.

Commissioner Becroft welcomed these increases as "an important and significant step forward for children living in poverty and hardship." But he warned that while they will help relieve hardship among some families much more is needed to significantly improve children's lives now, and meet poverty targets in the future.

"Children deserve happy and healthy childhoods now, and that means more big and bold changes both now, and in the future."





## Building community partnerships to expand our impact

The OCC's Mai World Voices team is in ongoing engagement with mokopuna in a wide range of settings. It recognises that mokopuna do not exist in isolation from their whānau and community. Mai World uses a village model to engage with, and hear from, mokopuna. It builds relationships with the village that exists around mokopuna. An authentic relationship with the village is a way to ensure best practise, evidence based, whānau inclusive and village informed engagement. Below are four examples of the many relationships the Mai World team has built.

### South Seas

Mai World has journeyed with Otara based South Seas Healthcare since 2017. This relationship reflects a willingness to stay connected, to share information and space with each other, and to be responsive to what is happening for mokopuna in South Auckland. This year South Seas and their youth hub Bubblegum have been a primary support for Mai World's Polyfest activities. They also made an opportunity to meet with Assistant Māori Children's Commissioner Glenis Philip-Barbara to provide a Pacific lens on youth development.

Throughout the COVID-19 outbreak and lockdowns Bubblegum hosted online check-ins for young people. Members of the Mai World team attended some of these to hear the experiences of the mokopuna and Bubblegum's frontline team. This relationship has an invaluable connection to the everyday experiences of Pacific mokopuna.

### ACE Aotearoa

ACE Aotearoa is the lead-body for Adult and Community Education in Aotearoa. It has supported Mai World's community engagement since 2016. This year the team participated in a number of ACE's community workshops and hui, both online and face-to-face. These served as platforms for frontline community organisations to share the challenges they face that have been amplified by COVID-19, as well as to celebrate their resilience and achievements.

Through ACE Aotearoa we have been able to stay connected to rural communities from Te Tai Tokerau, to Te Tai Rawhiti, and south to Otepōti. Quality relationships with organisations like ACE Aotearoa enable OCC to maintain a genuine connection to the pulse of communities and be better placed to hear mokopuna from diverse communities.

### E Tū Whānau

Although E Tū Whānau is a government team, they boast an extensive network of community organisations working with whānau and individuals who are marginalised. At community hui and sector conversations facilitated by E Tū Whānau, we can share mokopuna voices we hear and be advised by kaimahi and whānau representing communities across the country.

E Tū Whānau was a vital partner during the engagements undertaken for *What Makes a Good Life?*. In July of this year they hosted their PALMS (Peace Action leadership Movement Symposium) hui for rangatahi from Māori, Pacific, Refugee and Migrant backgrounds. This is a unique space and is filled with mokopuna voices wanting positive change for the country.



### Ara Taiohi

Working with kaimahi at the frontline is important for the OCC. Ara Taiohi, the peak body for Youth Development in Aotearoa, connects youth workers across the country who work in diverse sectors.

Mai World is fortunate to count Ara Taiohi as an ally. It often meets them to share advice and ideas. Mai World has participated in Nga Kaihoe and Pacific Warriors, two initiatives supporting Māori and Pacific youth workers. This has helped us explore what good mokopuna engagement looks like for Māori and Pacific communities, and understand the context of Māori and Pacific voices.

Mai World has worked with Ara Taiohi to amplify voices, research and evidence from the youth development sector through community hui, conferences, and social media activities like korero café. One key outcome of our relationship has been our commitment to providing examples of engagement best practise so that government and community organisations are supported when they engage mokopuna.

**PART 2**

# About the Office of the Children's Commissioner



## **Organisational Health and Capability**

Staff are our most valuable asset, and we work to ensure a positive and supportive organisational culture.

### **Leadership, accountability and culture**

All our work is guided by our tikanga framework: The values of Aroha, Pono, Tika and Mātauranga.

Māori staff regularly meet as Te Rōpū to provide professional support to each other and advice for the Office. Te Rōpū has continued to grow and further support its vision of an inclusive office environment, where all staff members feel comfortable participating in Māori practices that adhere to Te Ati Awa tikanga and OCC kawa. Te Rōpū meets regularly to provide advice and support to the office. OCC aspires to lead by example and demonstrate to other organisations how they can shape their practice to better respect Tangata Whēnua, and support staff to learn Te Ao Māori practice.

### **Equal employment opportunities**

We are committed to providing equal opportunities and the Office is a member of the EEO Trust.

### **Recruitment, selection and induction**

When a vacancy exists, we focus on ensuring we find the best skilled candidate for the position. We have an induction process to help staff become familiar with our strategies, structure, people, systems, policies and procedures, and to ensure they understand and can meet the requirements of their role.

### **Employee development, promotion and exit**

We have formal annual performance and personal development agreements with all staff, and support staff development. We have a very effective management structure to ensure our planning

and coaching support to our staff is effective and integrated with our competency framework.

### **Remuneration, recognition and conditions**

We have a capability and performance system to recognise and support performance and development.

### **Flexibility and work design**

We offer flexible work arrangements that balance personal obligations with the needs of the Office, and a child friendly work environment. We also support staff who need school holiday care for their children by providing a care subsidy.

### **Harassment and bullying prevention**

We support and promote the Public Sector Code of Conduct and have our own Code of Conduct which rejects discrimination, harassment, bullying or intimidation based on religious or ethical beliefs. We also have a policy that addresses these issues and sets out how unacceptable behaviour will be dealt with. We have had no reported instances of harassment or bullying during 2020/21.

### **Ongoing review/renewal of programmes and policies**

Our policies and procedures are reviewed on a yearly basis and policies are adjusted on an ongoing basis in line with revised legislation.

### **Safe and healthy environment**

We provide a safe working environment that supports staff health and wellbeing and have a health and safety committee meeting monthly and maintain a hazard register. We have staff trained in first aid, a business continuity plan, emergency food and water, first aid and civil defence supplies, and are located in a building that is code-compliant under section 95 of the Building Act 2004.

## Our staff

As at 30 June 2021, we had 39 employees (31 permanent, 6 fixed-term, and 2 on secondment) totaling 36.4 FTEs, not including the Commissioner.

This year's demographic data was obtained through a staff survey. This means that the data is not complete, including some staff who had already left the OCC, and some who did not complete the survey. These numbers are included in the undisclosed category.

Gender	2021	2020
Female	19	31
Male	7	4
Non-binary	1	-
Undisclosed	12	-
Ethnicity*		
Māori	9	10
NZ European/Pākehā	16	23
Samoan	3	-
Pacific Island	-	2
Chinese	1	-
Other	5	-
Undisclosed	11	-
Age profile	We had 27 responses and the average age was 37 years	
Disability profile	There are 7 employees who identify as having a disability	

\*Figures do not always add to 100 percent as people may identify with more than one ethnicity.

## Appointment of Assistant Māori Commissioner for Children

In November 2020, the first Assistant Māori Commissioner for Children, Glenis Philip-Barbara, was appointed on a one year fixed-term basis. This was the most senior position the Commissioner could make under the current Act. Glenis' appointment followed the work of former Chief Māori Advisor Dr Kathie Irwin, whose job was to scope the role earlier in the financial year. The Commissioner has sought to establish a true partnership as envisaged under Te Tiriti o Waitangi in the leadership of the office. The role has been a central pou of the office's Te Tiriti journey.

## Staff Development

Together with Te Rōpu, Glenis launched Kaupapa Tiriti in March 2021, with a focus on building on the Tiriti o Waitangi journey through embedding by Māori for Māori approaches, a focus on eliminating racism, advancing kaupapa Māori knowledge and supporting the growth of te reo Māori within the office.

## Effective Governance

We have continued to ensure an efficient and effective operation that delivers value for money by maintaining a small core staff and contracting out specialist functions when required.

Our *Statement of Intent* 2017–2021 further refines our strategic outcomes framework focusing on our priorities, and a work plan to support its implementation.

The draft *Statement of Performance Expectations* 2020/21 was submitted to the Minister for Social Development on 30 September 2020 in line with the approved 3-month extension. It was published on our website and tabled in Parliament on 15 February 2021 by the Minister of Social Development.

## Commitment to Te Tiriti o Waitangi

Since the appointment of the Assistant Māori Commissioner, we've agreed to adopt Kaupapa Tiriti as a focus of our wider work and started to embed the strategic priorities for Kaupapa Tiriti for the years 2021–2024.

We look forward to navigating our Te Tiriti o Waitangi journey. We are beginning to learn what it means to share power and to acknowledge a te ao Māori world view.

One way this is demonstrated is through our tikanga values which set out how we do our work.

We continue to hold Pōwhiri or Mihi Whakatau to welcome new staff and poroporoaki to farewell staff.

Our monitoring team has extended its cultural capability to ensure te ao Māori is acknowledged when engaging with tamariki and rangatahi Māori and whānau, Māori staff within Oranga Tamariki sites and residences, and iwi and Māori service providers. A key aspect has been our monitoring team's participation in cultural supervision, so we can continuously strengthen our influence for the tamariki and rangatahi who make up over 65% of Oranga Tamariki's client group.

## Risks

We monitored the risks identified in our Statement of Intent, Statement of Performance Expectations and Memorandum of Understanding with the responsible Minister.

## Consultation and Reporting to the Responsible Minister

The Memorandum of Understanding for the year ending 30 June 2021 with the responsible Minister was signed by the Commissioner on 30 September 2020 and by the Minister on 18 January 2021. We met regularly with the Minister and provided briefings on issues relating to children, provided quarterly reports, and worked on a 'no surprises' basis.

## Future Development and changes to Legislation

The Oversight of Oranga Tamariki System and Children and Young People's Commission Bill aims to provide for strengthened independent monitoring and complaints oversight for Oranga Tamariki, and greater advocacy for children and young people's issues generally, through the creation of a new Children and Young People's Commission. The Bill will have a significant impact on the scope and structure of the office. The Bill replaces the sole Commissioner model with a board of 3–6 members and includes a Te Tiriti o Waitangi model of governance. It expands the functions in the current Children's Commissioner 2003 Act that relate to the participation and rights of children, and also increases the mandate of the Commission to include those under 25 with care experience. The function and power to monitor the care system will move to a separate entity within government and no longer sit with the Children's Commissioner.

The Bill had its first reading on 16 November 2021 and will likely be enacted by early 2023. The Office of the Children's Commissioner will submit on the Bill as it moves through the Social Services and Community Select Committee, with the aim of strengthening both parts of the legislation to deliver for children, young people and whānau. In Budget 2023 we will apply for adequate resourcing to undertake the functions and activities envisaged in the Bill.

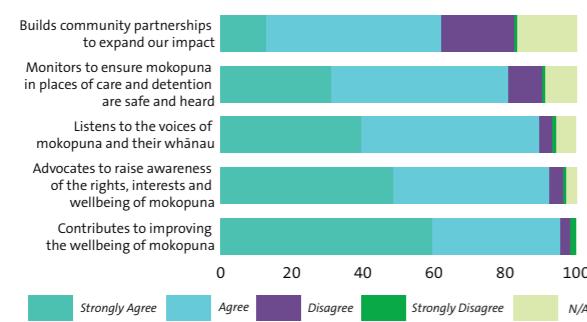
## What our stakeholders told us

Our stakeholders include government agencies, NGOs and community organisations, crown-funded entities, academics, schools and early childhood centres, iwi, local government, and businesses Māori organisations

Every year we survey our stakeholders for their views on how we are contributing to better outcomes for New Zealand's 1.2 million children and young people.

This year, 106 stakeholders responded to our general survey, and a further 11 responded to the Development, Monitoring and Investigations (DMI) Feedback survey.

### For the general survey



95 percent of respondents agree that our advocacy improves the wellbeing of children. Most respondents showed appreciation and gratitude for the work being done by Commissioner Becroft and the Office.

When asked about what contributions they valued, many respondents mentioned our monitoring of Oranga Tamariki, work on child poverty and independent advocacy for children.

Most respondents agreed that we were doing well across every method of change. The strongest agreement was for our advocacy (92%) and the weakest agreement was for our community partnerships (62%).

## In their words...

**“Friendly, engaging and respectful.”**

**“Keeping things informal worked well when engaging with the tamariki in our care at the time.”**

**“The OCC plays an important role in advocacy on specific issues that requires specialist expertise and knowledge such as children and young people in care. The other important function is being an informed voice in public debate regarding child well-being issues.”**

**“Appreciated your transparent approach” The Commissioner and their Office can be counted on to give a knowledgeable, insightful, reasonable and independent comment on all kind of issues.”**

**“Strong advocacy from OCC on poverty, children in care, and the right of children to have a say on education, has helped children feel they have a voice and has contributed to public understanding and discussion.”**

**PART 3**

# Statement of Performance



## The Estimates of Appropriations

The Children's Commissioner is funded through Vote Social Development – Non-Departmental Appropriations – Non-Departmental Output Expense – Children's Commissioner (M63).

This appropriation is limited to the provision of services from the Children's Commissioner including the discharge of the Commissioner's duties under the Children's Commissioner Act 2003, monitoring and reporting on services delivered under the Oranga Tamariki Act 1989, and the identification of aspects of law, policy and practice that might adversely affect children and the development and proposal of remedies.

### Summary of expenditure against the appropriation

	2020/21 Actual \$000	2020/21 Budget \$000	2019/20 Actual \$000
Total appropriation	4,157	4,157	3,157
Children's Commissioner portion of appropriation (Crown Revenue)	4,157	4,157	3,157
Capital contribution	250	250	-
Children's Commissioner expenditure against appropriation	4,231	4,157	3,157

### Performance against the Appropriation

Performance measures and standards	Budget standard	2020/21 Actual	2019/20 Actual	Achievement
The percentage of key deliverables agreed with the Minister for Social Development in the Children's Commissioner's Statement of Performance Expectations completed to agreed standards will be no less than	90%	91%	94%	Achieved
The Office of the Children's Commissioner will upgrade its website and implement a new document management system	Achieved	Partially Achieved <sup>1</sup>	New	Partially Achieved

<sup>1</sup> The funding for these upgrades was only paid over in January 2021. The process through Marketplace was quite time consuming, but the RFQ for the website has been completed and the new supplier will be appointed in July/August 2021. The new document management system is being progressed through MSD and should be in place by the end of 2021/22.



# Development, Monitoring and Investigations

We monitor the policies and practices of Oranga Tamariki, and other organisations contracted by Oranga Tamariki to provide care services for children, young people and their whānau. We have the mandate to investigate any concerns on a case-by-case basis or to monitor Oranga Tamariki's investigation and resolution of any complaint. We work with Oranga Tamariki to support the design, development and implementation of what is intended to be a world-leading care and protection, and youth justice system in Aotearoa, New Zealand.

## Financial Performance of Development, Monitoring and Investigation

2019/20 Actual \$000	2020/21 Actual \$000	2020/21 Budget \$000
1,607 Revenue from the Crown	1,919	1,993
336 Other Revenue	327	335
2,079 Expense	1,991	2,395
<b>(136) Net surplus/(deficit)</b>	<b>255</b>	<b>(67)</b>

## Performance measures

Performance measures and standards	Budget standard	2020/21 Actual	2019/20 Actual	Achievement/Comments
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki secure residences will be at least	8-10	10	14	Achieved
COTA (OPCAT) monitoring review of Kahui Whetu <sup>2</sup> , the Oranga Tamariki secure residential assessment hub in Auckland will be at least	1	1	-	Achieved
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki youth justice remand homes will be at least	4	4	New	Achieved
The number of COTA (OPCAT) monitoring visits to DHB child and adolescent mental health and youth forensic inpatient units will be at least	5	5	New	Achieved
The number of s13 <sup>3</sup> thematic monitoring reviews covering four or more Oranga Tamariki sites will be at least	1-2	1 <sup>4</sup>	2	Achieved
The percentage of findings from monitoring visits that will be reported to Oranga Tamariki within three months of the visit will be no less than	100%	67% <sup>5</sup>	100%	Not Achieved
The percentage of the OCC monitoring of Oranga Tamariki and subsequent reporting that complies with agreed standards and processes established by the Memorandum of Understanding between OCC and Oranga Tamariki will be no less than	100%	100%	100%	Achieved
The percentage of OCC professional advice and assistance into the development and establishment of the new independent monitoring service that complies with agreed standards and processes established by a Memorandum of Understanding between OCC and the Ministry of Social Development will be no less than	100%	100%	100%	Achieved
The number of thematic public reports produced	1-2	2	1	Achieved
The percentage of monitoring report recommendations accepted by Oranga Tamariki - Ministry for Children and/or contracted care providers as evidenced and in line with the provisions of the Oranga Tamariki Act 1989 and Oranga Tamariki - Ministry for Children policies and practices will be no less than	90% <sup>6</sup>	100%	100%	Achieved
The percentage of monitoring report recommendations to Oranga Tamariki and/or contracted care providers that are followed by actions will be no less than	100%	100%	100%	Achieved
The percentage of Oranga Tamariki and contracted care providers experiencing our monitoring services who rate their overall satisfaction with OCC's approach as 'satisfied' or 'very satisfied' will be no less than <sup>7</sup>	80%	100%	89%	Achieved

<sup>2</sup> New name for the Northern Residential Care Services Hub in Auckland

<sup>3</sup> Specified the section in the Children's Commissioners Act 2003 to differentiate it from COTA (OPCAT)

<sup>4</sup> This was a Thematic Review completed in 2019/20, but not reported on due to overlap work completed in 2020/21.

<sup>5</sup> Due to a high staff turnover the reports could not be completed on time.

<sup>6</sup> The measure will be evidenced in the minutes of meetings held between the Office of the Children's Commissioner and Oranga Tamariki – Ministry for Children, to confirm which monitoring recommendations are to be accepted

<sup>7</sup> The survey was conducted via SurveyMonkey, and sent via email to 24 stakeholders. 11 stakeholders provided a response. This is a non-response rate of 54%.



## Strategy, Rights and Advice

We support children and young people to have a say in matters that affect them. We use their views and voices to inform our submissions and advice to Government agencies. We maintain a child's rights and advice service that provides both general and individual advocacy for children in certain circumstances. We advocate for systemic changes to provide better outcomes for children and young people, in line with the UN Children's Convention. We provide independent advice to Select Committees, Ministers, Government Agencies, and Crown Entities on policy and legislation for the interests, rights and wellbeing of children.

### Other deliverables achieved

Deliverable	2020/21 Actual
Monitoring of Corrections Mothers with Babies Units	1

### Outcomes

Throughout the year OCC met regularly with the CE and DCEs from Oranga Tamariki to review progress being made on systems, policy and practice change.

### Financial Performance of Strategy, Rights and Advice

2019/20 Actual \$000	2020/21 Actual \$000	2020/21 Budget \$000
1,550 Revenue from the Crown	2,238	2,164
295 Other Revenue	375	326
1,964 Expense	2,309	2,560
(119) Net surplus/(deficit)	304	(70)



## Performance Measures

Performance measures and standards	Budget standard	2020/21 Actual	2019/20 Actual	Achievement/Comments
The number of items of child-focused policy advice or submissions to Select Committees, government departments and Ministers will be at least	5	14 <sup>8</sup>	15	Achieved
The number of reports published on Child & Youth Voices will be at least	2	2	3	Achieved
The number of reports to advance child rights in Aotearoa New Zealand will be at least	1	3	New	Achieved
Keynote presentations on child rights, wellbeing or voices will be at least	4	8	New	Achieved
Child Poverty Monitor released	Achieved	Achieved	Achieved	Achieved
The percentage of submissions, reports and other pieces of advice that are produced within required timeframes will be no less than	100%	100%	100%	Achieved
The percentage of specified stakeholders <sup>9</sup> that agree that the Office of the Children's Commissioner's advocacy activities contribute to improving the wellbeing of children and young people will be no less than	80%	95%	97%	Achieved
The number of examples of impact achieved by advocacy activities will be at least	2	3*	3	Achieved See examples below
The number of examples of impact achieved by voices of children and young people will be at least	1	1**	New	Achieved See examples below

### \*Example of impacts achieved by advocacy activities

We received complaints from families in Managed Isolation and Quarantine (MIQ) regarding issues for children during their quarantine period, including lack of play facilities and limited access to outdoors. We escalated this issue and had discussion and provided advice to the MBIE officials responsible for

MIQ policy. Following our advice to MBIE the policies at MIQ hotels changed so children have priority for recreation time and areas to play. Improved guidance on child protection, provision and participation was also developed. These changes were implemented immediately, and the facilities for families, particularly with young children, are now more appropriate.

### Advocating for Oranga Tamariki system change

In November we launched Te Kuku O Te Manawa: Moe ararā! Haumanutia ngā moemoeā a ngā tūpuna mō te oranga o ngā tamariki, the second and final report of the thematic review of the policies, processes and practices of Oranga Tamariki relating to care and protection issues for pēpi Māori aged 0-3 months. Following the launch, the Children's Commissioner delivered the final report and recommendations at the Waitangi Tribunal hearing WAI2915 – Oranga Tamariki Urgent Inquiry. The Tribunal findings referenced our review and submission extensively. Our advocacy supporting by Māori for Māori approaches is informing and influencing the direction of the changes underway in the care and protection system. As noted by a respondent in our annual stakeholder survey “OCC contributed to heightened expectation that Oranga Tamariki system needs to change significantly”.

### Preventing unnecessary changes to youth justice

Earlier this year there was a private members Bill, “Oranga Tamariki (Youth Justice Demerit Points) Amendment Bill”, aimed to “improve behaviours and increase accountability and transparency within the youth justice system” through “structured interventions”. The proposed intervention was a demerit point system which would penalise young people instead of helping them and their communities. The OCC submitted to the Social Services and Community Select Committee on the Bill outlining the changes were not only unnecessary but would be harmful for children and young people. Our strong case against the Bill and our advocacy (in and out of the Select Committee) was a key factor in the Bill being withdrawn.

### \*\*Examples of impact achieved by voices of children and young people

Our voices reports over the past few years, including *What Makes a Good Life?*, *Education Matters to Me*, and *Life in Lockdown*, have provided a large wealth of information on the views of children and young people, and also point to the value of including these views in decision-making processes. These reports have been influential in framing policy discussion and direction. The voices we have already collected and shared are being used to shape policy in health, education, justice, youth development and beyond. Additionally, the number and range of agencies contacting us for advice on how to engage with children and young people has increased significantly, and we are seen as the experts on this topic by government agencies, academics, and community, as well as a few international requests. A respondent in our annual stakeholder survey commented that OCC is “a voice for children, influencing policy and decision-making”.

<sup>8</sup> This is a demand-driven measure and difficult to foresee. There was a higher demand on OCC to do submissions, and since we had more staff this year, we were able to do more.

<sup>9</sup> Specified stakeholders are listed in the MOU with the Minister for Social Development and Employment. The result is based on SurveyMonkey result.

# Financial Statements

## Statement of Responsibility

I am responsible for the preparation of the Children's Commissioner financial statements and statement of performance, and the judgments made in them.

I am responsible for any end-of-year performance information provided by the Children's Commissioner under section 19A of the Public Finance Act 1989.

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

In my opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Children's Commissioner for the year ended 30 June 2021.



Judge Frances Eivers  
Children's Commissioner  
Te Kaikomihana mō ngā Tamariki  
17 December 2021





### Statement of Comprehensive Revenue and Expense for the year ended 30 June 2021

	Notes	Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000
<b>REVENUE</b>				
Revenue from the Crown		4,157	4,157	3,157
Interest revenue		1	10	15
Other revenue	2	701	651	616
<b>Total revenue</b>		<b>4,859</b>	<b>4,818</b>	<b>3,788</b>
<b>EXPENSES</b>				
Personnel costs	3	3,712	4,159	3,292
Operating costs	4	493	690	476
Projects costs	5	93	102	264
Depreciation	9	2	4	11
<b>Total expenses</b>		<b>4,300</b>	<b>4,955</b>	<b>4,043</b>
<b>Surplus/(deficit)</b>		<b>559</b>	<b>(137)</b>	<b>(255)</b>
Other comprehensive revenue and expense		0	0	0
<b>Total comprehensive revenue and expense</b>		<b>559</b>	<b>(137)</b>	<b>(255)</b>

Explanations of major variances against budget are provided in note 17.

The accompanying notes form part of these financial statements.

### Statement of Financial Position as at 30 June 2021

	Notes	Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	6	1,748	784	1,000
Receivables	7	91	37	40
Prepayments		2	2	1
GST receivable		1	-	16
<b>Total current assets</b>		<b>1,842</b>	<b>1,073</b>	<b>1,061</b>
<b>Non-current assets</b>				
Property, plant, and equipment	9	7	250	4
<b>Total non-current assets</b>		<b>7</b>	<b>250</b>	<b>4</b>
<b>Total assets</b>		<b>1,849</b>	<b>1,073</b>	<b>1,061</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	11	49	81	175
Employee entitlements	12	278	248	239
Revenue received in advance		15	-	-
Accruals		186	118	131
GST payable		-	2	-
Lease inducement		4	1	8
<b>Total current liabilities</b>		<b>532</b>	<b>450</b>	<b>553</b>
<b>Non-current liabilities</b>				
Employee entitlements	12	10	-	10
<b>Total non-current liabilities</b>		<b>10</b>	<b>-</b>	<b>10</b>
<b>Total liabilities</b>		<b>542</b>	<b>450</b>	<b>563</b>
<b>Net Assets</b>		<b>1,307</b>	<b>623</b>	<b>498</b>

Explanations of major variances against budget are provided in note 17.

The accompanying notes form part of these financial statements.



## Statement of Changes in Equity for the year ended 30 June 2021

	Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000
Balance as at 1 July	498	510	753
Surplus/(deficit)	559	(137)	(255)
Capital Contributions	250	250	-
<b>Balance as at 30 June</b>	<b>1,307</b>	<b>623</b>	<b>498</b>

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

## Statement of Cash Flows for the year ended 30 June 2021

Notes	Actual 2021 \$000	Budget 2021 \$000	Actual 2020 \$000
<b>Cash flows from operating activities</b>			
Receipts from the Crown	4,157	4,157	3,157
Interest received	1	10	15
Receipts from other revenue	650	651	606
Payments to suppliers	(648)	(892)	(622)
Payments to employees	(3,673)	(4,158)	(3,115)
GST (net)	15	17	1
<i>Net cash flow from operating activities</i>	<i>502</i>	<i>(215)</i>	<i>42</i>
<b>Cash flows from investing activities</b>			
Receipts from sale of property, plant and equipment	0		
Receipts from maturity of investments	0	0	250
Purchase of property, plant and equipment	(4)	(250)	0
Acquisition of investments	0	0	(0)
<i>Net cash flow from investing activities</i>	<i>(4)</i>	<i>(250)</i>	<i>250</i>
<b>Cash flows from financing activities</b>			
Capital contributions	250	250	0
<b>Net cash flow from financing activities</b>	<b>250</b>	<b>250</b>	<b>0</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>748</b>	<b>(215)</b>	<b>292</b>
Cash and cash equivalents at the beginning of the year	1,000	999	708
<b>Cash and cash equivalents at the end of the year</b>	<b>6</b>	<b>1,748</b>	<b>784</b>

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

# Notes to the Financial Statements

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2003. The Children's Commissioners' 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 whose 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 recognized, and each enjoys safety, good health and education, economic and socio-cultural wellbeing and opportunities to actively participate in matters that affect them.

The Children's Commissioner has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Children's Commissioner are for the year ended 30 June 2021 and were approved by the Children's Commissioner on 17 December 2021.

## Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

## 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 generally accepted accounting practice in New Zealand (NZ GAAP).

The Children's Commissioner is a Tier 2 entity and the financial statements have been prepared in accordance with PBE Standards.

## 1. STATEMENT OF ACCOUNTING POLICIES

### Reporting entity

The Children's Commissioner is an Independent Crown Entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing the Children's Commissioners' operations includes the Crown Entities Act 2004 and the Children's Commissioner Act



These financial statements comply with PBE Standards Reduced Disclosure Regime.

#### **Presentation currency and rounding**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), except for related party transactions in Note 14, which are rounded to the nearest dollar.

#### **Summary of Significant Accounting Policies**

Significant accounting policies are included in the notes to which they relate and are highlighted with a blue background.

Significant accounting policies that do not relate to a specific note are outlined below.

#### **Goods and services tax**

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, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

#### **Income tax**

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

#### **Budget figures**

The budget figures are derived from the Statement of Performance Expectations 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 in preparing these financial statements.

#### **Cost allocation**

The Children's Commissioner has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be attributed to a specific output in an economically feasible manner.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Depreciation is charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

#### **Critical accounting estimates and assumptions**

In preparing these financial statements, the Children's Commissioner has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Useful lives and residual values of property, plant, and equipment – refer to Note 9.
- Retirement and long service leave – refer to Note 12.

These significant estimates and assumptions are highlighted in the relevant note with a red background.

#### **Critical judgements in applying accounting policies**

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

- Other grants received – refer to Note 2.
- Grant expenditure – refer to Note 5.
- Lease classification – refer to Note 4.

These significant estimates and assumptions are highlighted in the relevant note.

## **2. REVENUE**

#### **Accounting policy**

The specific accounting policies for significant revenue items are explained below.

#### **Funding from the Crown**

The Children's Commissioner is primarily funded from the Crown. This funding is restricted in its use for the purpose of the Children's Commissioner meeting the objectives specified in its founding legislation and the scope of the relevant appropriation of the funder.

The Children's Commissioner considers that there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

#### **Other grants received**

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

#### **Donated assets**

Where a physical asset is gifted to or acquired by the Children's Commissioner for nil consideration or at a subsidised cost, the asset is recognised at fair value. The difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

#### **Interest revenue**

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

#### **Provision of services**

Services provided to third parties on commercial terms are recognised as revenue in proportion to the stage of completion at balance date.

#### **Breakdown of other revenue and further information**

	Actual 2021 \$000	Actual 2020 \$000
JR McKenzie Trust*	52	42
Other revenue**	201	210
Salary recovered***	448	364
<b>Total other revenue</b>	<b>701</b>	<b>616</b>

\* Grant Agreement between the Children's Commissioner and the JR McKenzie Trust to produce and disseminate a snapshot with key facts and messages around child poverty in New Zealand.

\*\* Revenue of \$1,000 from Westpac for our credit card rebate and surplus furniture sold, and a \$200,000 donation by the Ministry of Justice as a contribution to the Commissioner's salary.

\*\*\* Salary recovered from the Ministry of Health for the attendance of a staff member on the ACART Advisory Group, and work progressed with the Ministry of Social Development on the implementation of the Independent Children's Monitor.



### 3. PERSONNEL COSTS

#### Accounting policy

##### Salaries and wages

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

##### Superannuation schemes

##### Defined contribution schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

##### Breakdown of personnel costs and further information

	Actual 2021 \$000	Actual 2020 \$000
Salaries and wages	3,545	3,091
Other personnel costs	71	47
Defined contribution plan employer contributions	90	76
Increase/(decrease) in employee entitlements	6	78
<b>Total personnel costs</b>	<b>3,712</b>	<b>3,292</b>

##### Employee remuneration

	Actual 2021	Actual 2020
Total remuneration paid or payable that is or exceeds \$100,000:		
\$100,000 – 109,999	-	1
\$110,000 – 119,999	1	1
\$120,000 – 129,999	2	3
\$130,000 – 139,999	1	-
\$150,000 – 159,999	2	1
\$160,000 – 169,999		1
\$170,000 – 179,999	1	1
<b>Total employees</b>	<b>7</b>	<b>8</b>

During the year ended 30 June 2021, no (2020: Nil) employees received compensation in relation to cessation (2020: Nil). No (2020: 1) employee received payment of other benefits in relation to medical retirement of (2020: \$20,548.38)

##### Commissioner's total remuneration

	Actual 2021	Actual 2020
Children's Commissioner	272,000	272,000

Judge Becroft is on secondment from the Ministry of Justice (MoJ) and part of the total remuneration disclosed for 2021 is invoiced by MoJ in terms of the remuneration determination for the Children's Commissioner.

Since the Children's Commissioner is a corporation sole member, there are no other Board or committee members.

No indemnity has been provided to the Children's Commissioner or any employee.

The Office of the Children's Commissioner has Management Liability and Public Indemnity Insurance.

### 4. OTHER EXPENSES

#### Accounting policy

##### Operating leases

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

#### Breakdown of other expenses and further information

	Actual 2021 \$000	Actual 2020 \$000
Accountancy fees	22	22
Accounting software fees	1	1
Fees to auditor		
> fees to Audit NZ for audit of financial statements	26	25
Consumables & other expenses	75	61
Consultant fees	13	3
Information Systems	85	91
Power & Heating	6	7
Printing & Stationery	6	3
Publication expenses	19	26
Rent, rates and insurance	112	127
Telecommunication	12	17
Travel and accommodation	91	81
Website expenses	25	12
<b>Total operating costs</b>	<b>493</b>	<b>476</b>

#### Breakdown of operating lease commitments and further information

	Actual 2021 \$000	Actual 2020 \$000
Not later than one year	111	111
Later than one year and not later than five years	48	159
Later than five years		-
<b>Total</b>	<b>159</b>	<b>270</b>

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

### 5. PROJECT COSTS

	Actual 2021 \$000	Actual 2020 \$000
School Review Pilot	-	2
Monitoring & Investigations	10	5
Poverty Measures Partnership	47	49
Voices Project	10	15
Te Kuku o Te Manawa	26	193
<b>Total project costs</b>	<b>93</b>	<b>264</b>

### 6. CASH AND CASH EQUIVALENTS

#### Accounting policy

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.

#### Breakdown of cash and cash equivalents and further information

	Actual 2021 \$000	Actual 2020 \$000
Cash at bank and on hand	1,748	1,000
<b>Total cash and cash equivalents</b>	<b>1,748</b>	<b>1,000</b>

### 7. RECEIVABLES

#### Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Children's Commissioner applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.



Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

#### **Breakdown of receivables**

	<b>Actual 2021 \$000</b>	<b>Actual 2020 \$000</b>
Receivables	91	40
Accruals	0	0
<b>Total receivables</b>	<b>91</b>	<b>40</b>

## **8. INVESTMENTS**

#### **Accounting policy**

##### **Bank term deposits**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

## **9. PROPERTY, PLANT, AND EQUIPMENT**

#### **Accounting policy**

Property, plant and equipment consists of five asset classes, which are measured as follows:

- Land, at fair value.
- Buildings, at fair value less accumulated depreciation and impairment losses.
- Leasehold improvements, at cost less accumulated depreciation and impairment losses.
- Furniture and office equipment, at cost less accumulated depreciation and impairment losses.
- Motor vehicles, at cost less 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.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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 expensed in the surplus or deficit as they are incurred.

#### **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 reported net in the surplus or deficit. When revalued assets are sold, the amounts included in the revaluation reserves in respect of those assets are transferred to the accumulated surplus/(deficit) within equity.

#### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land, at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows:

Furniture and office equipment	5 years	20%
Leasehold improvements	10 years	10%

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

#### **Impairment of property, plant, and equipment**

The Children's Commissioner does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant, and equipment assets 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 service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

#### **Breakdown of property, plant, and equipment and further information**

	<b>Total 2021 \$000</b>
<b>Cost or valuation</b>	
Balance at 1 July 2019	83
Additions	0
Disposals	0
Balance at 30 June 2020	83
Balance at 1 July 2020	83
Additions	4
Disposals	0
<b>Balance at 30 June 2021</b>	<b>87</b>
<b>Accumulated depreciation and impairment losses</b>	
Balance at 1 July 2019	67
Depreciation expense	11
Eliminate on disposal	0
Balance at 30 June 2020	78
Balance at 1 July 2020	78
Depreciation expense	2
Eliminate on disposal	0
<b>Balance at 30 June 2021</b>	<b>80</b>
<b>Carrying amounts</b>	
At 1 July 2019	16
At 1 July 2020	4
<b>Balance at 30 June 2021</b>	<b>7</b>



## 10. INTANGIBLE ASSETS

### Accounting policy

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired computer software	3 to 6 years	16.7%-33.3%
Developed computer software	3 to 6 years	16.7%-33.3%

### Impairment of intangible assets

Refer to the policy for impairment of property, plant, and equipment in Note 9. The same approach applies to the impairment of intangible assets.

The Children's Commissioner doesn't hold any intangible assets.

## 11. PAYABLES AND DEFERRED REVENUE

### Accounting policy

Short-term payables are recorded at the amount payable.

### Breakdown of payables and deferred revenue

	Actual 2021 \$000	Actual 2020 \$000
<b>Payables and deferred revenue under exchange transactions</b>		
Creditors	44	173
Income in advance	15	0
Credit Card	5	2
<b>Payables and deferred revenue under non-exchange transactions</b>		
Taxes payable (GST)	0	0
Grants received subject to conditions	0	0
<b>Total payables</b>	<b>64</b>	<b>175</b>

## 12. EMPLOYEE ENTITLEMENTS

### Accounting policy

#### Short-term employee entitlements

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

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

### Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

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

### Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

### Breakdown of employee entitlements and further information

	Actual 2021 \$000	Actual 2020 \$000
<b>Current portion</b>		
Accrued salaries and wages	110	77
Annual leave	168	162
Long service leave	0	0
<b>Total current portion</b>	<b>278</b>	<b>239</b>
<b>Non-current portion</b>		
Long service leave	10	10
<b>Total non-current portion</b>	<b>10</b>	<b>10</b>
<b>Total employee entitlements</b>	<b>288</b>	<b>249</b>

## 13. CONTINGENCIES

There were no contingent liabilities or assets as at 30 June 2021 (2020: Nil).

## 14. RELATED PARTY TRANSACTIONS

### Accounting policy

The Children's Commissioner is controlled by the Crown.

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

- within a normal supplier or client/recipient relationship.
- on terms and condition no more or less favourable than those that it is reasonable to expect the Children's Commissioner would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies.

### Related party transactions required to be disclosed

The Children's Commissioner didn't enter into transactions with other Crown related entities on non-commercial terms.

### Key management personnel compensation

	Actual 2021	Actual 2020
Remuneration	1,085,369	953,153
Full-time equivalent members	5.85	5.38
<b>Total key management personnel remuneration</b>	<b>1,085,369</b>	<b>953,153</b>
<b>Total full-time equivalent personnel</b>	<b>5.85</b>	<b>5.38</b>

Actual and reasonable costs related to travel, hospitality and other expenses of \$14,025 have been paid and is not part of the Commissioner's remuneration (2020: \$21,679).

## 15. FINANCIAL INSTRUMENTS

	Actual 2021 \$000	Actual 2020 \$000
<b>Loans and receivables</b>		
Cash and cash equivalents	1,748	1,000
Receivables	91	40
Investments - term deposits	0	0
<b>Total loans and receivables</b>	<b>1,839</b>	<b>1,040</b>
<b>Financial liabilities measured at amortised cost</b>		
Payables (excluding income in advance)	49	175
<b>Total financial liabilities measured at amortised cost</b>	<b>49</b>	<b>175</b>

## 16. EVENTS AFTER THE BALANCE DATE

There were no significant events after the balance date (2020: Nil).

## 17. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

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

### Statement of comprehensive revenue and expense

#### Other revenue

Other revenue was more than budgeted by \$50k, mainly due to receiving \$25k more from the JR McKenzie Trust for Child Poverty work, and \$25k more recovered salary from the Ministry of Health for a staff member attending ACART. We had also received \$9k less in interest.

### Operating Expenditure

Operating expenditure was less than budgeted by \$197k due to lower travel and accommodation costs because of the COVID-19 lockdown period, decreased rent, publications, consumables, and information expenses, but increased expenses on Publications due to more resource design and printing being done.

### Personnel expenditure

Personnel expenditure was less than budgeted by \$447k due to staff changes and timing of the appointment of new staff.

### Project expenditure

Project expenditure was less than budgeted by \$9k and relates to an underspend of \$5k for transcription services for DMI, \$20k more spent on the Child Poverty Monitor for the website upgrade (additional funding received from JR McKenzie Trust), overspend of \$6k for the Te Kuku o Te Manawa Project and an underspend on the Voices Project of \$30k.

### COVID-19

There has been no significant or material impact from COVID-19. During the lockdown period we had some savings in our Operating expenditure due to less travel undertaken.

### Statement of financial position

#### Net Assets

The increase in net assets compared to the budget is mainly due to a better than budgeted personnel and operational surplus, resulting in an improved cash and cash equivalent position when compared to budget.

## PART 5

# Independent auditor's report





## Independent Auditor's Report

### To the readers of the Office of the Children's Commissioner's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of the Office of the Children's Commissioner (the Office). The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Office on his behalf.

#### Opinion

We have audited:

- the financial statements of the Office on pages 44 to 56, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Office on pages 34 to 41.

In our opinion:

- the financial statements of the Office on pages 44 to 56:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2021; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Reporting Standards Reduced Disclosure Regime; and

- the performance information on pages 34 to 41:
  - presents fairly, in all material respects, the Office's performance for the year ended 30 June 2021, including:
    - for each class of reportable outputs:
      - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
      - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 17 December 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Commissioner and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### Basis for our opinion

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

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

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

#### Responsibilities of the Commissioner for the financial statements and the performance information

The Commissioner is responsible on behalf of the Office for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Commissioner is responsible for such internal control as she is



necessary to enable her to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Office's statement of performance expectations and the relevant Estimates and Supplementary Estimates of Appropriations 2020/21.

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.
- We evaluate the appropriateness of the reported performance information within the Office's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Commissioner and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

### **Other information**

The Commissioner is responsible for the other information. The other information comprises the information included on pages 1 to 56 but does not include the financial statements and the performance information, and our auditor's report thereon.

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

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

### **Independence**

We are independent of the Office in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and



Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Office.

Ajay Sharma

Ajay Sharma  
Audit New Zealand  
On behalf of the Auditor-General  
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