



**Statement of  
Performance  
Expectations**



**FOR THE FINANCIAL YEAR  
ENDING 30 JUNE 2021**

**Statement of Performance Expectations for the Office of the Children's  
Commissioner for the year ended 30 June 2021**

Presented to the House of Representatives pursuant to Section 149L(3)  
of the Crown Entities Act 2004



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\*Photo: Hawke's Bay Today

# Statement of Responsibility

**He aha te mea  
nui o te ao?**

**Māku e kī atu,  
he tamariki,  
he taiohi,  
he rangatahi.**

**What  
matters most on  
this earth?**

**I proclaim,  
it is the child,  
the juvenile,  
it is the youth.**



The Children's Commissioner is an Independent Crown entity established under the Children's Commissioner Act 2003. It operates pursuant to the Crown Entities Act 2004 and represents and advocates for the 1.123 million people in Aotearoa under the age of 18, who make up 23 percent of the population of New Zealand.

Our primary responsibilities are to advocate for the interests, rights and wellbeing of children and young people, monitor the services provided under the Oranga Tamariki Act 1989 and develop means of consulting with children and young people.

We also advocate for the implementation of the United Nations Convention on the Rights of the Child.

This Statement of Performance Expectations (SPE) is complemented by our 2017–2021 Statement of Intent (SOI), which describes our strategic intentions and outlines the overall direction and priorities of the Office of the Children's Commissioner (OCC).

The last year has seen great progress in child-centred policy across government and the community generally. This includes the launch of the Child and Youth Wellbeing Strategy, the passing of legislation to ban adult smoking in cars where there are children, and the decision to link benefits – especially those affecting children – to wage growth. I've seen a growing willingness by government agencies and community groups to seek out and be informed by children's voices and perspectives.

Our Office has 39 FTE staff members, who are experts in the various fields of child policy, advocacy and

monitoring, and who are absolutely committed to ensuring that New Zealand is a country where all Aotearoa's children and young people can flourish and thrive.

There are great opportunities in the year ahead, as outlined in this statement. I believe the Office is well placed to grasp these opportunities, and to advocate for greater recognition and prioritisation of children's interests, rights and wellbeing. It remains true, however, that many of our children face unacceptable levels of abuse, neglect and violence, and the rates of relative child poverty and material disadvantage are profoundly concerning. As a country, we can do better. My Office looks forward to continuing to provide a strong and independent voice for children and young people in the year ahead.

There are also particular opportunities to make recommendations and for ongoing advocacy in respect of care and protection and youth justice. For instance, Oranga Tamariki–Ministry for Children (Oranga Tamariki) should transfer resources and power to Iwi and Māori organisations so, that for tamariki and rangatahi Māori, a 'by Māori, for Māori' approach is implemented.



It is crucial that a te ao Māori worldview is embedded into the Office and, that in its structure, the Office models a Te Tiriti o Waitangi partnership. This year, we are appointing an Assistant Māori Commissioner for Children as a step in our own Treaty journey and to better ensure a strong Māori voice in our policy and advocacy and in our monitoring of Oranga Tamariki.

I do need to mention one concern about our funding. In my view, the assumption that the Office's practical baseline is \$3.157m is entirely misconceived. The realistic baseline is actually \$4.157m, which is what we received this year. This was comprised of \$2.157m (technically our historic and outdated baseline since 2010) plus \$1m for extended independent monitoring, and another \$1m for cost pressures and additional capacity. Reducing our budget next year to \$3.157m would constitute a dramatic 25 percent cut to our funding and would result in a significant reduction in our baseline services on behalf of children. The \$3.157m is predicated on the fact that we will soon lose responsibility for the s13 monitoring of Oranga Tamariki and the assumption that the additional \$1m funding for that monitoring will no longer be needed. That assumption is wrong. Our extended OPCAT designations and responsibilities for examining and inspecting places of detention for children and young people will actually require more funding than currently required by our s13 monitoring. In fact, \$4.157m is the minimum required to meet our obligations on behalf of New Zealand's children.

This year, even with our funding of \$4.157m, and \$250,000 in capital expenditure funding, we will actually be spending \$5.205m to be able to deliver on our statutory performance expectations and to grasp the significant opportunities that exist on behalf of children. This amount will come from a combination of generous funds from the Independent Child Monitor (ICM) to support them in setting up their services and from the Ministry of Justice covering part of my salary, with the remainder coming from our reserves.

This is not sustainable for next year and will require additional funding for us to continue with our current level of service, which I regard as our statutory bare minimum. There will be no trade-offs this year, but we will be moving forward with our increased OPCAT delegations. We will prioritise the growing function of our Office, known as 'Mai World', which supports children to share their views in matters that affect them. We will continue to develop a 'hub' or 'centre of

excellence' with specialist expertise to ensure children's participation and views are heard in government policy formulation and community development.

I accept responsibility for the preparation of this SPE, which details our annual performance measures and prospective financial statements. It includes the assumptions on which the financial statements are based, and information on the reportable class of outputs I intend to supply in the 2020/21 financial year. The prospective financial statements have been prepared in accordance with Generally Accepted Accounting Practice (NZ GAAP) and the Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). As a Tier 2 entity with expenditure under \$30 million, under PBE IPSAS we will apply the reduced disclosure requirements for reporting.

The prospective financial statements have been prepared for the purpose of presenting our intentions in Parliament and should not be relied upon by any other party for any alternative purpose without my express written permission. I am of the opinion that these financial statements fairly reflect the expected financial position and operations of the Children's Commissioner.

Ngā mihi,



**Judge Andrew Becroft**

Children's Commissioner

Te Kaikomihana mō ngā Tamariki



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# Overview and Purpose







# Overview and Purpose

## Reportable class of outputs

This Office of the Children's Commissioner (OCC) proposes to supply and deliver on outputs purchased by the Minister for Social Development through the following two outputs:

**1. Development, Monitoring and Investigations of Oranga Tamariki.** This will include policies, practices and decisions arising under s13 of the Oranga Tamariki Act 1989.

We will also be Monitoring of Places of Detention for children and young people as a designated National Preventive Mechanism (NPM) under the Crimes of Torture Act 2003 (COTA), New Zealand's mechanism for implementation of the Optional Protocol to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

**2. Strategy, Rights and Advice.** This will include activity in respect of issues relating to children and young people and developing mechanisms to hear from and collect the voices of children.

The activities of OCC are primarily funded by the Crown through a non-departmental output expense (Children's Commissioner M63) in Vote Social Development. A small amount of funding is received from interest earned on investments. From time to time one-off funding is received from other agencies for specific projects. Any operating deficit will be funded through prior-year surpluses.

## Our vision

New Zealand is a place where all children thrive.

## Why do we have a Children's Commissioner?

Children under the age of 18 are a core part of our society. They account for nearly a quarter of our population (there are 1.123 million under 18-year olds). However, they are not included in our democratic process; they have no vote and often no voice in

major decisions that impact them. Governments can sometimes overlook their interests.

It is the role of the Children's Commissioner to be their voice: to encourage organisations to take more child-centred approaches, to advocate for improving their wellbeing, and to raise awareness of issues that directly or indirectly affect children or where children are not getting a fair go. There are also specific monitoring and other responsibilities in respect of Oranga Tamariki and other places of detention for children and young people. It is also the role of the Children's Commissioner to develop means of consulting with children.

## We monitor how well New Zealand children are doing

OCC monitors how well all children are doing. We consider several perspectives to make that assessment and determine where we should advocate for change. These include a child rights framework based on the United Nations Convention on the Rights of the Child, research, evidence and emerging trends, and, the voices and views of children and young people themselves. Our rights framework is grounded in the Treaty of Waitangi and takes into account mātauranga Māori.

For children in the care and protection, youth justice system and in child and adolescent mental health in-patient facilities, we have an added legislative mandate to monitor to greater depth New Zealand's compliance with the Oranga Tamariki Act 1989, the United Nations Convention on the Rights of the Child, and the Optional Protocol to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. This monitoring enables us to identify areas of concern, to provide advice to Oranga Tamariki, contracted care agencies and District Health Boards, and to advocate for better outcomes for all children.



## What we do

We provide authoritative, independent advice on the wellbeing of children and young people, and a voice for their views and best interests. We review and inform the design and development of, the strategies, policies and practices of Oranga Tamariki, New Zealand's statutory child protection agency. We apply a Mana Mokopuna monitoring approach<sup>1</sup> to visits to Oranga Tamariki sites, residences and community-based remand homes, and talk with children, young people, their families and whānau, Oranga Tamariki staff, iwi and Māori, non-government agencies and other stakeholders. These reviews and consultations allow us to provide evidence-based feedback to Oranga Tamariki on how children, young people, their families and whānau experience statutory services, identifying good practice and areas for improvement. In our role as an NPM, we apply this same approach to monitoring New Zealand's five child and adolescent mental health and youth forensic inpatient units, managed by three District Health Boards, Auckland, Wellington and Christchurch.

As independent experts, we advocate for better wellbeing of children and young people in New Zealand.

We use our expertise and advice to raise awareness of issues, to identify constructive solutions based on best practice and evidence, and to influence government and non-government organisations to prioritise, invest in and improve their services for and to children and young people.

In addition to the priorities set out above, we respond to calls for submissions, inquiries by Parliamentary select committees, and requests for information from stakeholders and members of the public.

## Functions

Our main functions include:

- encouraging the development within Oranga Tamariki of policies and services that are designed to promote the wellbeing of children and young people;
- monitoring and assessing the services provided by Oranga Tamariki;

- investigating the actions of Oranga Tamariki and contracted agencies that provide care services under the Oranga Tamariki Act 1989 (also referred to as the Children's and Young People's Wellbeing Act 1989);
- monitoring the eight Oranga Tamariki care and protection and youth justice Oranga Tamariki residences and the secure residential care hub in Auckland, as well as the youth justice community-based remand homes under our NPM mandate;
- monitoring the three DHB-managed child and adolescent mental health units and the two youth forensic inpatient units, under our NPM mandate;
- systemic advocacy and investigation of issues compromising the interests, rights and wellbeing of children and young people;
- raising awareness and understanding of the United Nations Convention on the Rights of the Child, and advancing and monitoring its application by the State;
- developing mechanisms for hearing and sharing children's voices and perspectives;
- ensuring the voices of children and young people are included in our work and directly inform our monitoring findings and the advice we provide;
- demonstrating best practice in listening to children and using their views in decision-making;
- providing child-centred advice to Select Committees, Ministers, and government and non-government organisations;
- providing support to members of the public relating to their enquiries related to concerns for individual children or issues;
- maintaining membership of and providing advice to the Advisory Committee on Assisted Reproductive Technology (ACART);
- raising awareness of children's interests among New Zealanders generally.

<sup>1</sup> Mana Mokopuna is about how we engage with children and young people (and their families and whānau) to understand their experiences of Oranga Tamariki and its contracted providers. Approximately 30,000 children and young people are in contact with Oranga Tamariki on any given day. Around 6,000 of these are in the care or custody of Oranga Tamariki. Mana Mokopuna has significantly changed the way we monitor the services provided to those children and young people, and the families and whānau who support them. More information is available on our website at <http://www.occ.org.nz/our-work/mana-mokopuna/>.





## Where do we want to see the most change?

### 1. Improved systems, services and supports for mokopuna Māori and their whānau

We see all mokopuna Māori within the context of their whānau, hapū and iwi. We advocate for services and policies to reduce inequalities and improve outcomes for mokopuna Māori. We respect mātauranga Māori, and see it as an integral part of improving systems, services and supports.

Our focus areas:

- Hear the voices and learn from the experiences of mokopuna Māori
- Understand the way whānau work collectively so we can better advocate for their hopes and the aspirations of mokopuna Māori
- Work effectively with whānau, hapū, iwi and communities and influence others to build positive relationships with them.

### 2. Enhanced child wellbeing

We encourage all organisations to take a child-centred approach to enhance the wellbeing of all children. This means considering the best interests of children in the context of their family, whānau, hapū, iwi and wider family group. We promote children's rights, including their right to participate in decisions that affect them.

Our focus areas:

- Encourage government agencies and community groups to prioritise child rights, interests and wellbeing, and to take children's voices into account
- Provide input and advice, underpinned by the rights of all children, on developing the government's Child Wellbeing Strategy
- Advocate for agencies to use child impact assessment tools in policy development
- Provide systemic advocacy and advice to improve the outcomes of all children. We also give advice on how to engage with children.

### 3. Encourage Oranga Tamariki in its transformation of the care and protection and youth justice systems

We advocate for systemic changes that support children and young people to remain within their families,

whānau, hapū, and iwi and wider family group.

Our focus areas:

- Encourage Oranga Tamariki to continue to build respectful and positive relationships with whānau, hapū, and iwi Māori, as tangata whenua, and to support and resource them to care successfully for their own children and young people.
- Encourage Oranga Tamariki to continue to develop and tailor more community-based care options to meet the needs of children and young people who require specialist or custodial care.
- Advocate for the phased closure over time of the national care and protection residences and the reduced use for remand purposes of the national youth justice residences.
- Advocate for removal of the option allowing the Youth Court to remand young people into police cell custody as contained in the Oranga Tamariki Act 1989.

### 4. Access to education for all

We want all children to be able to exercise their right to full-time education that supports them to develop to their full potential. We raise awareness of the experiences of children and young people and how education can be improved, especially for children not currently well served by the system.

Our focus areas:

- Listen to children and take account of their views at all levels of education
- Improve education systems, services and supports for mokopuna Māori
- Improve responses to and prevention of bullying
- Improve support for children with neuro-disabilities and other learning difficulties
- Reduce suspensions and exclusions from school, and support a pilot appeal mechanism for reviewing board decisions
- Ensure children in care of Oranga Tamariki have equitable and stable access to education.



# Appropriation Assessment of Performance





# Appropriation Assessment of Performance

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.

Non-Departmental Output Expense	2019/20 Final Budgeted \$000	2019/20 Estimated Actual \$000	2020/21 Budget \$000
Total appropriation	3,157	3,157	4,157

Non-Departmental Capital Expenditure	2019/20 Final Budgeted \$000	2019/20 Estimated Actual \$000	2020/21 Budget \$000
Total appropriation	–	–	250

Policy Initiatives	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Budget \$000	2022/23 Budget \$000	2023/24 Budget \$000
Baseline Funding	2,157	2,157	2,157	2,157	2,157
State Care for Children and Young people – Improving Outcomes through Independent Monitoring	1,000	1,000	–	–	–
Addressing Cost Pressure and Additional Capacity	–	1,000	1,000	1,000	1,000
Capital Injection	–	250	–	–	–
<b>Total</b>	<b>3,157</b>	<b>4,407</b>	<b>3,157</b>	<b>3,157</b>	<b>3,157</b>

Assessment of Performance	2019/20 Budgeted Standard	2019/20 Estimated Actual Standard	2020/21 Budget Standard
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%	100%	90%
The Office of the Children's Commissioner will upgrade its website and implement a new document management system	–	–	Achieved



OUTPUT  
ONE

# Development, Monitoring & Investigations of Oranga Tamariki





# Output One: Development, Monitoring & Investigations of Oranga Tamariki

## What is intended to be achieved?

This year our monitoring activities will not only include the services delivered under the Oranga Tamariki Act 1989, but also enhanced monitoring of Places of Detention for children and young people as a designated National Preventive Mechanism (NPM) under the Crimes of Torture Act 2003 (COTA).

Through our monitoring activities we aim to support:

- Oranga Tamariki to deliver quality and child focused statutory care and protection and youth justice residential care and social work services, and
- the Auckland, Canterbury and Christchurch DHBs to deliver quality and child-centred in-patient care services for children and young people.

Our monitoring framework takes a broad and systemic approach, and has a strong focus on capturing the voices and service experiences of children and young people. Over this year we will ensure that our monitoring activity continues to support the envisioned transformation of the Oranga Tamariki statutory service delivery system.

Our monitoring activity will identify best practice and areas for development, including recommendations for system and practice changes to improve the service experiences of children, young people, their families and whānau. With a focus on continuous improvement, we will continue to support the effective design and implementation of Oranga Tamariki's new operating model by:

- under our COTA mandate, undertaking performance reviews of all eight Oranga Tamariki secure residences to assess how well they are implementing the changes required to improve outcomes for children and young people in care;
- under our COTA mandate, undertaking a monitoring review of the residential assessment hub in Auckland

which has the facility to provide secure care when needed;

- under our COTA mandate, undertaking a monitoring review of four of the newly established youth justice remand care homes, contracted by Oranga Tamariki to Iwi, Māori and community providers;
- under our Children's Commissioner's Act mandate, s 13 (1) (b), undertaking 1-2 thematic monitoring review across 4 or more Oranga Tamariki care and protection sites;
- under our COTA mandate, monitoring the quality of care and services provided by three DHBs (Auckland, Capital and Coast and Canterbury) for children and young people placed in New Zealand's three child and adolescent mental health and two youth forensic inpatient units;
- reviewing section 47 reports<sup>1</sup>;
- applying our developmental mandate under section 13(1)(c) of the Children's Commissioner's Act 2003 to inform organisational change, new service design and capability development within Oranga Tamariki and/or contracted care providers to mobilise a positive transformation in the service experience of children, young people, their families and whānau;
- robustly and systematically obtaining the views of children and young people in care or custody or involved with other Oranga Tamariki services and their families and whānau;

<sup>1</sup> Under section 47 of the Oranga Tamariki Act 1989, reports must be provided to the Commissioner when a child or young person is released from custody under section 39, 40, 42 and 45(a) before being required to be brought before the court.



- increasing transparency of the monitoring work through publishing one or more public reports on our monitoring activity;
- providing professional advice into the development and establishment of the new independent monitoring service, including assistance with design

of the framework for monitoring the implementation of the Care Standard Regulations, in accordance with the Memorandum of Understanding agreed between the Children's Commissioner and the Ministry of Social Development.

## Expected revenue and forecast expenses

<b>Output One: Development, Monitoring &amp; Investigations of Oranga Tamariki</b>	<b>2020/21 \$000</b>
Crown Revenue	1,993
Other Revenue	335
Expense	2,395
<b>Surplus/(deficit)<sup>1</sup></b>	<b>(67)</b>

<b>Output One: Development, Monitoring &amp; Investigations of Oranga Tamariki – Capital Contribution</b>	<b>2020/21 \$000</b>
Capital Contribution	250

## Outputs

<b>Performance measures and standards</b>	<b>2019/20</b>	<b>2020/21</b>
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki secure residences will be at least	8–12	8–10
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
The number of COTA (OPCAT) monitoring visits to Oranga Tamariki youth justice remand homes will be at least	2	4
The number of COTA (OPCAT) monitoring visits to DHB child and adolescent mental health and youth forensic inpatient units will be at least	New measure 2020/21	5
The number of s13 <sup>3</sup> thematic monitoring reviews covering four or more Oranga Tamariki sites will be at least	2–3	1–2
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%	100%
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%
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%
The number of thematic public reports produced	1	1–2

<sup>1</sup> Deficits are funded by retained equity.

<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)





## Impacts

We will achieve impact when Oranga Tamariki acts on our advice and recommendations. Oranga Tamariki will act on our advice if it is seen as credible and outlines practical and achievable ways to improve outcomes for children and young people.

Impact: Our recommendations for improving Oranga Tamariki systems and services are responded to	2019/20	2020/21
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 <sup>1</sup>	90%	90% <sup>2</sup>
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%
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	80%	80%

## Outcomes

In addition to measuring our own outputs and impacts, we will also monitor Oranga Tamariki’s progress with implementing systems, policy and practice changes designed to ensure that children, young people and their families and whānau have a high-quality service experience and can achieve good outcomes. Our monitoring activity will identify required improvements in the services and care being provided by Oranga Tamariki, other approved care providers and DHBs, for children and young people in the care and protection, youth justice and in-patient mental health systems. Our reports and recommendations are designed to assist Oranga Tamariki, other contracted care providers and the DHBs, to continually improve so that they can more effectively support and enable immediate safety and sustained wellbeing for these children and their families and whānau.

<sup>1</sup> Appropriations Performance Measure

<sup>2</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



OUTPUT  
TWO

# Strategy, Rights & Advice





# Output Two: Strategy, Rights & Advice

## What is intended to be achieved?

This year we will start expanding our Mai World: Child & Youth Voices initiative and we will ensure that children's interest and rights are clearly put before Government decision makers and the public. We aim to improve child wellbeing and outcomes of children and young people by influencing others. To have impact, our advice must be seen as credible and be valued by our stakeholders.

Activities we will undertake include:

- providing advice to agencies on child-centred policy, legislation and services for children;
- continuing to advocate for use of the Child Impact Statement;
- influencing others to take action or to advocate for children and young people based on our advice;
- gathering and sharing the voices, views and opinions of children and young people;
- developing mechanisms for hearing from children and young people;
- providing reports, as requested, to inform judicial hearings;
- raising awareness of issues and needs of children;
- producing an annual Child Poverty Monitor;
- providing advice and support to callers on our Child Rights Line (CRL);
- promoting progressive implementation by the State of the United Nations Convention on the Rights of the Child obligations;
- preparing a detailed submission to the United Nations Committee on the Rights of the Child, for that Committee's five-yearly review of New Zealand's compliance with the Convention
- working towards expanding our existing Mai World: Child and Youth Voices initiative into an independent, world-leading, expert child and youth participation hub for New Zealand to support central government, local government and community agencies to achieve high quality individual and collective participation of children and young people in decisions that affect them.



## Expected revenue and forecast expenses

<b>Output Two: Strategy, Rights &amp; Advice</b>	<b>2020/21 \$000</b>
Crown Revenue	2,164
Other Revenue	326
Expense	2,560
<b>Surplus/(deficit)<sup>1</sup></b>	<b>(70)</b>

## Outputs

<b>Performance measures and standards</b>	<b>2019/20</b>	<b>2020/21</b>
The number of items of child-focused policy advice or submissions to Select Committees, government departments or Ministers will be at least <sup>2</sup>	4	5
The number of reports published on Child & Youth Voices will be at least	2	2
The number of reports to advance child rights in Aotearoa New Zealand will be at least	New measure	1
Key note presentations on child rights, wellbeing or voices will be at least	New measure	4
Child Poverty Monitor released	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%



<sup>1</sup> Deficits are funded by retained equity.

<sup>2</sup> This is a demand-driven service



## Impacts

We advocate for the needs of children to ensure they get the services, supports and resources they need to be kept safe and thrive. We do not provide any direct supports or services to children. We achieve impact by influencing agencies and government departments to consider the needs of children and young people in their policy advice and services. We also achieve impact by consulting with and supporting children to have a voice in matters that impact them, and then incorporating their views in decision making.

Impact: Our advice is valued and sought by stakeholders and is used to shape policy and legislation for children and young people	2019/20	2020/21
The percentage of specified stakeholders <sup>1</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 <sup>2</sup>	80%	80% <sup>3</sup>
The number of examples of impact achieved by advocacy activities will be at least	2	2
The number of examples of impact achieved by voices of children and young people will be at least	New Measure	1



<sup>1</sup> Specified stakeholders will be listed in the Memorandum of Understanding between the Office of the Children's Commissioner and the Minister for Social Development for the new financial year, but subject to change if new work is taken on

<sup>2</sup> Appropriations Performance Measure

<sup>3</sup> The measure will be evidenced by the results from an annual stakeholder survey of specified stakeholders who will be outlined in the Memorandum of Understanding with the Minister





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# Forecast Financial Statements







# Forecast Financial Statements

## Statement of Forecast Comprehensive Revenue and Expense for the Year Ending 30 June 2021

	2019/20 Budget \$000	2019/20 Est. Actual \$000	2020/21 Budget \$000
<b>Revenue</b>			
Revenue from the Crown	3,157	3,157	4,157
Other revenue	230	616	651
Interest	20	14	10
<b>Total revenue</b>	<b>3,407</b>	<b>3,787</b>	<b>4,818</b>
<b>Expenses</b>			
Personnel	3,301	3,292	4,159
Operating	524	464	690
Projects	67	263	102
Depreciation	11	11	4
<b>Total expenses</b>	<b>3,903</b>	<b>4,030</b>	<b>4,955</b>
<b>Surplus/(deficit)</b>	<b>(496)</b>	<b>(243)</b>	<b>(137)</b>
Other comprehensive revenue and expense	0	0	0
<b>Total comprehensive revenue and expense</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Statement of Forecast Financial Position for the Year Ending 30 June 2021

	2019/20 Budget \$000	2019/20 Est. Actual \$000	2020/21 Budget \$000
<b>Assets</b>			
Current assets			
Cash and cash equivalents	281	999	784
Receivables	3	37	37
Investments	–	–	–
Prepayments	14	2	2
GST receivable	3	16	–
<i>Total current assets</i>	301	1,054	823
Non-current assets			
Property, plant, and equipment	5	4	250
<i>Total non-current assets</i>	5	4	250
<b>Total assets</b>	<b>306</b>	<b>1,058</b>	<b>1,073</b>
<b>Liabilities</b>			
Current liabilities			
Payables	33	174	81
Employee entitlements	128	248	248
Revenue received in advance	–	–	–
Accruals	38	118	118
GST Payable	–	–	2
Lease Inducement	11	8	1
<i>Total current liabilities</i>	210	548	450
Non-current liabilities			
Employee entitlements	–	–	–
<i>Total non-current liabilities</i>	–	–	–
<b>Total liabilities</b>	<b>210</b>	<b>548</b>	<b>450</b>
<b>Working Capital</b>	<b>91</b>	<b>506</b>	<b>373</b>
<b>Net Assets</b>	<b>96</b>	<b>510</b>	<b>623</b>



## Statement of Forecast Changes in Equity for the Year Ending 30 June 2021

	2019/20 Budget \$000	2019/20 Est. Actual \$000	2020/21 Budget \$000
Balance as at 1 July	592	753	510
Total comprehensive revenue and expense	(496)	(243)	(137)
Capital contribution	–	–	250
<b>Balance as at 30 June</b>	<b>96</b>	<b>510</b>	<b>623</b>





## Statement of Forecast Cash Flows for the Year Ending 30 June 2021

	2019/20 Budget \$000	2019/20 Est. Actual \$000	2020/21 Budget \$000
<b>Cash flows from operating activities</b>			
Receipts from the Crown	3,157	3,157	4,157
Other income received	230	606	651
Interest received	20	14	10
Goods and services tax (net)	27	1	17
Payments to suppliers	(691)	(622)	(892)
Payments to employees	(3,301)	(3,115)	(4,158)
<b>Net cash flow from operating activities</b>	<b>(558)</b>	<b>41</b>	<b>(215)</b>
<b>Cash flows from investing activities</b>			
Receipts from sale of property, plant and equipment	0	0	0
Receipts from maturity of investments	250	250	0
Purchase of property, plant and equipment	0	0	250
Acquisition of investments	0	0	0
<b>Net cash flow from investing activities</b>	<b>250</b>	<b>250</b>	<b>(250)</b>
<b>Cash flows from financing activities</b>			
Capital contributions	–	–	250
<b>Net cash flow from financing activities</b>	<b>–</b>	<b>–</b>	<b>250</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(308)</b>	<b>291</b>	<b>(215)</b>
Cash and cash equivalents at the beginning of the year	589	708	999
<b>Cash and cash equivalents at the end of the year</b>	<b>281</b>	<b>999</b>	<b>784</b>



# Statement of Accounting Policies for the Year Ending 30 June 2021

## REPORTING ENTITY

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

The Children's Commissioner was first established on 1 November 1989 under the Children, Young Persons and their Families Act 1989 (now the Oranga Tamariki Act). However, the functions of the Commissioner were then separately mandated by the Children's Commissioner Act 2003. Its primary objective is to ensure that the interests and rights of every child and young person are recognised. And that each child enjoys safety, good health and education, economic and sociocultural wellbeing and opportunities to actively participate in matters that affect children.

Accordingly, the Children's Commissioner has designated itself as a public benefit entity for the purposes of International Public Sector Accounting Standards (IPSAS).

The forecast financial statements for the Children's Commissioner are for the year ending 30 June 2021 and approved in September 2020.

## BASIS OF PREPARATION

### Purpose

The forecast financial statements of the Children's Commissioner have been prepared to promote public accountability by providing a base against which its actual performance can later be assessed. The information in these statements may not be appropriate for purposes other than that described.

### Statement of compliance

The financial statements of the Children's Commissioner have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). These forecast financial statements are the second set of prospective financial statements presented in accordance with public benefit entity (PBE) accounting

standards with reduced disclosing requirements, as appropriate for public benefit entities of the size of the Children's Commissioner.

The adoption of these PBE accounting standards has not materially affected financial disclosures in the prospective financial statements or the comprehensive financial information provided.

### Measurement base

The forecast financial statements have been prepared on a historical cost basis.

### Functional and presentation currency

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

### Basis for assumptions, risks and uncertainties

In preparing these forecast financial statements, the Children's Commissioner has made estimates and assumptions concerning the future.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The forecast financial statements have been prepared on a going concern basis. The estimates and assumptions used are consistent with the strategic direction outlined in the Children's Commissioners' Statement of Intent. They also reflect Crown Estimates and existing contractual obligations.

Subsequent actual results achieved for the period may vary from the information presented, and variances may be material.

## SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies, which materially affect the measurement of comprehensive income and expense and financial position, have been applied consistently.

### Revenue

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



The Children's Commissioner is primarily funded by the Crown for the purposes and objectives specified in its accountability documents.

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

### Interest

Interest income is recognised using the effective interest method.

### Operating leases

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

### Finance leases

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

### Cash and cash equivalents

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

### Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### Investments

At each balance sheet date the Children's Commissioner assesses whether there is objective evidence that an investment is impaired.

### Bank deposits

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

## Property, plant and equipment

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

### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Children's Commissioner and the cost of the item can be measured reliably. Individual assets or groups of assets are capitalised if their costs are greater than \$1,000 (excluding GST).

### Disposals

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

### Subsequent costs

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

### Depreciation

Depreciation is charged on a straight-line basis on all property, plant and equipment, 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 assets have been estimated as follows:

Office furniture and equipment	5 years	20%
Computer equipment	3–5 years	20–33%

The residual value and useful life of an asset is reviewed and adjusted if applicable at each financial year end. It is important to note that OCC leases all of its computer equipment from the Ministry of Social Development.





## Intangible assets

### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Software is capitalised if its cost is greater than \$2,000 (excluding GST).

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

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

### Amortisation

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

- acquired computer software: 3 years, 33%
- developed computer software: 4 years, 25%

### Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

## Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

## Employee entitlements

### Short-term employee entitlements

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

### Defined contribution schemes

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

## Provisions

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

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

### Restructuring

A provision for restructuring is recognised when the Children's Commissioner has approved a detailed formal plan for the restructuring which has either been announced publicly to those affected, or for which implementation has already commenced.



### Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

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

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

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 charge for income tax has been provided for.

### Budget figures

The budget figures are approved by the Children's Commissioner for the beginning of the financial year.

The budget figures have been prepared in accordance with PBE accounting standards, using accounting policies that are consistent with those adopted by the Children's Commissioner for the preparation of the financial statements.

### Crown Revenue


Crown Revenue is \$4.157 million and \$250,000 for capital injection for the 2020/21 financial year.

## Statement of Significant Underlying Assumptions

- i. Assumptions underlying the forecast financial statements include:
  - that government funding does not change over the period covered by this statement
  - there is a risk that these events and the associated income and expenditure may not occur
- ii. All figures are GST exclusive
- iii. Financial year end is 30 June.







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