



MANAAKITIA Ā TĀTOU TAMARIKI  
**Children's  
Commissioner**



2019 - 2020

# Annual Report

OFFICE OF THE CHILDREN'S  
COMMISSIONER

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## Annual Report for the year ended 30 June 2020

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



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Level 7, 110 Featherston Street  
Wellington 6011  
PO Box 5610  
Wellington 6140

+64 4 471 1410

✉ [children@occc.org.nz](mailto:children@occc.org.nz)

📍 Children's Commissioner NZ

[www.occc.org.nz](http://www.occc.org.nz)





## 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 2019 to 30 June 2020. I am satisfied that the Financial Statements fairly reflect the financial position and operations of the Children's Commissioner for the reporting period.

Under section 149C(1)(b) of the Crown Entities Act 2004, you approved a three-month extension to prepare and submit our draft Statement of Performance Expectations 2020/21 by 31 July 2020 with a final version by 30 September 2020. This extension was provided to consider the outcomes of Budget 2020 as well as the impacts of COVID-19 on our current and future operations.

**Judge Andrew Becroft**  
Children's Commissioner  
Te Kaitiakihara mō ngā Tamaiti  
15 December 2020



# Message from the Children's Commissioner

Tēnā koutou katoa,

Like most New Zealanders, our Office aspires for New Zealand to be the best place to be a child – where all children, no matter their background, grow up knowing they belong among loving and supportive families and whānau who have what they need to flourish.

This goal drives everything we do, whether that's listening to and amplifying the voices of children, advocating for progress on child wellbeing, or monitoring and recommending improvements in the work of Oranga Tāmaki.

For about 70 percent of Aotearoa New Zealand's 1.2 million children that goal is fulfilled. By and large they are doing well. But for 30 percent of children and young people there is much work to do to ensure they can also thrive. On many measures, about 20 percent are doing it tough, and 10 percent experience persistent, intergenerational, life-damaging disadvantage.

Foundations laid over the past three years provide hope and the opportunity to make progress for children. Government targets to halve child poverty in the next ten years will be challenged by the economic fallout from COVID-19, but we believe these are still appropriate and very much achievable.

COVID-19 has highlighted the opportunities and the inequities facing young people and whānau. It has illustrated how some people face impossible situations during unusually difficult times. It has also proven that society's priorities, systems and resources can be redesigned – sometimes so that every family and all children have what they need to flourish.

I believe we have never had a greater challenge, nor greater opportunity, to do better for the 1.2 million children and young people in Aotearoa New Zealand. COVID-19 is a reason to do more for our children, not an excuse to do less.

## What we achieved in 2019/2020

- We continued to focus on child poverty and wellbeing, providing advice to Government on the Child and Youth Wellbeing Strategy launched in August 2019. Meanwhile, we continued to advocate for meeting targets to reduce poverty and hardship through our partnership in the Child Poverty Monitor project and other advocacy work. While we're pleased with the foundations laid by the Government – through the Child Poverty Reduction Act 2018, the Child and Youth Wellbeing Strategy, and the decision to link benefits to wages – we still need to see big bold changes to improve the wellbeing of children and young people.
- We elevated the views and voices of children and young people. This year, through Mai World, we listened to 1,490 children and young people – including their experiences during COVID-19 lockdown. Children have a right to have a say about decisions that affect them. Their voices always add value and improve policy.
- We advised on the Education and Training Bill. We advocated for shifts to a more child-centred approach, better governance in schools, and changes to ensure students are listened to and have a means to provide input into decisions by boards of trustees.
- We continued to advocate for major transformative changes to Oranga Tāmaki, especially for Tāmaki and whānau Māori. While Oranga Tāmaki has made some changes in practice, it's our view that a fundamentally new approach is needed, by Māori for Māori. We published *Te Kūku o Te Mōnawa* – the first report in a major two-part review of the practices, policies and processes of Oranga Tāmaki. The report focused on the changes needed for pēpi Māori (aged 0-3 months) to remain in the care of their whānau in situations where Oranga Tāmaki is notified of care and protection concerns.

- We continued to assist with the establishment and structure of the new Independent Children's Monitor (ICM) and to prepare for our new, increased monitoring role under the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).
- We delivered on our statutory duty to advocate for the implementation of the UN Convention for Children and ensure it is written into New Zealand's laws, policies and practices.

## The year ahead

Our Office is in a strong position to advise and support government and other organisations to take a child-centred approach to policy and decisions. In particular we aim to form a "hub", or centre of excellence out of Mai World; this is the name for our work supporting children to share their views about matters that affect them. Our expertise in this area is increasingly called on by government agencies looking to include the voices of children in policy and will be instrumental to a successful Child and Youth Wellbeing Strategy. However, significant increases in funding will be needed to establish a credible "hub".

We will keep a close watch on the development of the ICM to ensure a fit-for-purpose monitoring system focused on improving the wellbeing of children and young people in state care. We will also continue to work with MSD to revise our new legalisation in order to give strengthened advocacy for children and young people.

We also look forward to navigating our Te Tiriti o Waitangi journey and taking a Te Ao Māori approach guided by our newly appointed Assistant Māori Commissioner for Children. We are sure that by working together, we can better serve all children of Aotearoa New Zealand.

On behalf of Aotearoa New Zealand's 1.2 million children and young people, I would like to thank the small but growing team in our Office. I can think of no better people to work with. I am constantly moved by, and thankful for, their energy, passion and dedication – usually far beyond the call of duty – to do their utmost for all of Aotearoa New Zealand's children.

Ngā mihi,



**Judge Andrew Becroft**  
Children's Commissioner  
*Te Kaitiakihianga mō ngā Tāmaki*

\*Acknowledgement: We are grateful to Dr Karana Kelly for translating the Dr Seuss quote into te reo Māori.

# The Year in Numbers 2019/20



66 public presentations given by the Commissioner on a range of children's issues



408

callers on the Child Rights Advice Line and hundreds of other emails and enquiries responded to



97%

of stakeholders surveyed agreed that the Office's advocacy activities contributed to improving the wellbeing of children and young people



3 reports on Child & Youth Voices published



15 submissions on child-centred legislative and policy changes



1072

mentions about the Commissioner in the media

14

monitoring visits to Oranga Tamariki secure residences completed



120



children and young people were interviewed during monitoring visits; their experiences informed our monitoring findings and recommendations

1

thematic monitoring public report produced



94%

of our key deliverables completed to agreed standards



2

thematic reviews monitoring reviews conducted

9

across



Oranga Tamariki site locations



89%

of Oranga Tamariki and contracted care providers experiencing our monitoring services were satisfied or very satisfied

1490

children and young people engaged through Mat World online surveys and interviews



# 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

At the start of 2019/2020, the Commissioner set five priorities for the Office. These priorities guide and inform our work.

1. **Advocating for improved systems, services and supports for mokopuna Māori and their whānau**

We will place a special emphasis on the interests of tamariki Māori in all we do and encourage others to

do the same by advocating for culturally responsive policies and services across government and NGOs to enhance the mana of tamariki.

2. **Improving child wellbeing through a child-centred approach**

Child-centred means whānau-centred. We work with government agencies, the courts, and other organisations to include children in decisions that affect them and promote the implementation of the UN Children's Convention.

3. **Transforming Oranga Tamariki care and protection and youth justice systems**

We advocate for system changes that support children and young people to remain within their families, whānau, hapū, iwi and wider family group.

4. **Improving children's engagement in and access to education**

We raise awareness of the experiences of children and young people and provide expert guidance on how education can be improved, especially for children who are not well served by the system now.

5. **Advocating for children's interests, rights and wellbeing in the public**

An important role for the Commissioner is promoting children's rights and interests as issues are raised in the media and through other public forums.

## PART 1

# The Year in Review: How we made a difference

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# 1. We advocated for pēpi Māori

## Independent oversight for Oranga Tamariki Practice Review into Hastings Case

During 2019, our Office carried out an independent oversight role for the Practice Review into the Hastings Case currently undertaken by the Chief Social Worker and the Professional Practice Group at Oranga Tamariki. The senior advisor from our Development, Monitoring and Investigations team who carried out this role on behalf of the Children's Commissioner has extensive experience in statutory care and protection practice. As a member of the oversight group, they provided advice and feedback throughout the course of review and as Oranga Tamariki's public report was drafted. We acknowledge the care taken by the Chief Social Worker to ensure key stakeholders, including whānau, had an opportunity to engage with the review.

### 'Te Kuku o Te Manawa' – a thematic review for pēpi Māori

With leadership from Māori staff, our Office worked across teams to scope and design this substantial two-part review of the care and protection practice, policies, and processes of Oranga Tamariki, framed around the following question:

*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?*

Stark statistics pointed us towards this review. In 2018 and 2019, pēpi Māori were five times more likely to be taken into care than non-Māori. Public concern was also mounting about the removal of pēpi following publicity of the experience of whānau in Hastings. Hawke's Bay.

**Stage One** of the review involved the development of several resources for whānau, iwi and communities. These resources included an accessible visual process map of key decision-making points to show how the statutory care and protection system processes are intended to work; a statistical snapshot of Oranga Tamariki data about pēpi Māori and a summary of the rights framework underpinning the care and protection system.<sup>1</sup>

The most substantial work of Stage One was carefully designed fieldwork across six locations, gathering the experiences of the whānau of 13 pēpi who had been the subject of a report of concern to Oranga Tamariki. Our report on this first set of findings was published in June 2020 and named *Te Kuku o Te Manawa - Ka puta te hiri, ka momori te ngākau, ka heke ngā roimata mo tōku pēpi*.<sup>2</sup>

In **Stage Two**, further interviews were carried out with a broader group, including whānau, midwives, iwi and Māori organisations and other NGOs working with these whānau and Oranga Tamariki staff.

The second stage of fieldwork continued throughout February and March 2020, just before New Zealand went into COVID-19 Level 4 lockdown. The design of this stage was informed by the insights gathered from whānau in Stage One.

Careful analysis of our second set of fieldwork findings took place over several months, as staff were working from home until June 2020. For this reason, and to allow for the delayed general election in October, publication of this report was delayed until November 2020.

Our final report and recommendations would be published in November 2020 and named *Te Kuku o Te Manawa - Ka puta te hiri, ka momori te ngākau, ka heke ngā roimata mo tōku pēpi*.<sup>3</sup>



"I'd been a mum from 16 to 24 and I didn't know anything else. I'd worked really hard and I was just in a really bad relationship and had severe depression and instead of being given support they took those children... they're keeping the kids forever and my whole heart broke in that moment and I just gave up."

WHĀNĀU PARTICIPANT, REPORT ONE, 'TE KUKU O TE MANAWA'

"My whole pregnancy was pretty good, like no issues. Everything was up to date, never missed, did everything possible like parenting courses, the whole shebang. I did everything possible to make sure that I was proving to [CYF] that I'm doing right for my unborn... it wasn't till I was halfway through labour I found out there was already an automatic uplift and then it went to sh\*\* straight up."

WHĀNĀU PARTICIPANT, REPORT ONE, 'TE KUKU O TE MANAWA'

1 <https://www.occ.org.nz/assets/uploads/2020/01/16-CCC-ProcessMap2.pdf>  
<https://www.occ.org.nz/assets/uploads/2020/01/16-CCC-StatisticalSnapshot2.pdf>  
<https://www.occ.org.nz/assets/uploads/2020/01/16-CCC-RightsFramework2.pdf>

2 <https://www.occ.org.nz/assets/uploads/2020/06/20-JUNE2020-Final.pdf>

3 <https://www.occ.org.nz/publications/reports/aktm-report-2/>

## 2. We focused on the wellbeing of children and young people during COVID-19 lockdown

The issues facing many children as a result of COVID-19 were not new, but the impacts of the pandemic have exacerbated them. Children's rights to health, education, housing, safety, play, food and financial security have all been impacted.

When New Zealand's response to COVID-19 moved from Alert 2 to 4 on 25 March 2020, we re-assessed our work programme, established priority-focus areas for our advocacy, and began considering our role to ensure children and young people had their needs met during and beyond lockdown.

To inform our COVID-19 response we actively monitored media, and regularly engaged with stakeholders including the Children's Convention Monitoring Group<sup>4</sup>, to keep abreast of emerging issues. We worked with cross-agency groups to provide advice on engagement activities with children and young people during lockdown.

Our COVID-19 response included a survey of researchers and academics to find out who was conducting research about the wellbeing of children and young people during the pandemic. Information received from youth helplines helped us to gain a broader understanding of the issues children and young people are facing as a result of COVID-19.

### Our advocacy and engagement highlights included:

- Advocating alongside the Human Rights Commission and the Ombudsman for government sites of quarantine and managed isolation, to be considered places of detention under OPCAT

- Undertaking a survey through our existing Mai World school and community network of over 1,400 children and young people about their experiences of life in lockdown
- Developing a tool to help children and young people learn about their rights to have a say during COVID-19 and the recovery phase<sup>5</sup>
- Advocating for the inclusion of the needs of children with disabilities to ensure they have equitable access to education.

### 'Virtual' OPCAT Monitoring of the Oranga Tamariki and Barnardo's secure residences during lockdown

When New Zealand moved into Alert Level 3 and then Level 4 lockdown, from March to May, there were implications for children and young people living in the Oranga Tamariki secure care and protection and youth justice residences.

From the time of the Prime Minister's first announcement of a lockdown on 21 March, we had a weekly teleconference with the Oranga Tamariki national managers and staff holding responsibility for the eight residences and the youth justice community-based remand homes. We appreciated these regular updates on the way the residences were rapidly adapting to the

"Online school was hard at times when we were learning about something new and the teacher couldn't really explain to us that well."

12 YEAR OLD TAMARIKI\*

4 The Children's Convention Monitoring Group (CMG) monitors the New Zealand Government's implementation of the United Nations Convention on the Rights of the Child (Children's Convention) and its optional protocols. The OCJ convenes this group and its permanent members include Children's Rights Alliance Aotearoa, the Human Rights Commission, Save the Children New Zealand, and UNICEF NZ.

5 <https://www.ocj.govt.nz/publications/resources/qr-rights-now-a-resource-to-support-conversations-with-children-and-young-people-on-covid-19/>.

\*Quote on the opposite page is from the *Life in lockdown report*: <https://www.ocj.govt.nz/publications/reports/life-in-lockdown/>



*"I'm pretty sure it was one of the most significantly distinctive experiences of my life. I loved it, got scared at times, and it made me want to continue online school forever. But I did miss my friends so much."*

14 YEAR OLD GIRL\*

COVID-19 context and the open communication about the impacts of the lockdown for children, young people and staff.

Visits to places of detention are particularly important in situations where civil liberties have been severely restricted because of serious health risks. Under our Crimes of Torture Act mandate, we had an immediate responsibility to monitor the rights, safety and wellbeing for children and young people when the lockdown was implemented. Our usual on-site visiting approach was not possible because all our Office staff were confined to their homes. Working from home and making all the arrangements by phone, Zoom and audio-visual link, we quickly shifted our monitoring approach from our usual face-to-face interviews into the 'virtual' environment.

Planning the logistics for each 'visit' in consultation with Oranga Tamariki's national office and residence managers, we made use of video calls and phone calls to connect with as many children and young people at each residence as possible. We wanted to understand their experience of being confined in lockdown within their unit, 'bubble' and to ensure their rights were being upheld during this time. We carried out 'virtual' interviews with Residence Managers and Health staff. However, in recognition of the significant pressures on residence staffing at this time, we did not ask to interview other residence staff, as would be usual practice during an on-site visit.

Each residence received high-level verbal feedback shortly after the 'virtual' visit. This was followed by a short written 'children's voices' report capturing the experiences of the children and young people. Our high-level findings from both the care and protection and youth justice residence visits were condensed into two A3 reports which the Children's Commissioner sent to the Oranga Tamariki Chief Executive and Leadership Team.

More detailed information about the processes we used to engage 'virtually' with children and young people, including a video and the two sets of A3 monitoring findings, can be found on the Office's website.<sup>6</sup>

**We reviewed Oranga Tamariki's COVID-19-related practice guidance during Levels 3 and 4**

During the Alert Level 4 lockdown and then in preparation for the shift back to Alert Level 3, we engaged closely with the Chief Social Worker and senior managers in the Oranga Tamariki Professional Practice Group. We offered our support and advice, as context-specific statutory practice guidance was drafted and implemented to support safe service delivery in these extraordinary circumstances. We provided our advice in accordance with the Children's Commissioner's s13 (1) (c) developmental monitoring mandate.

We reviewed policy drafts at pace and offered feedback on the content of practice guidance designed to ensure the maintenance of essential services for children and young people, families, whānau and caregivers in circumstances where face-to-face engagement was significantly restricted. Overall, we were impressed with the quality and comprehensiveness of the COVID-19 practice guidance the Chief Social Worker and his Professional Practice Group team put into place, working under considerable time pressure.

6 <https://www.occc.org.nz/our-work/monitoring/COVID-19-monitoring/>

\*Quotes on this page and the opposite page are from the *Life in Lockdown* report: <https://www.occc.org.nz/publications/qipots/life-in-lockdown/>



*"Going for walks with my Dad. I felt happy because we could walk and talk. It was fun because we got to spend more time together."*

11 YEAR OLD BOY\*

### 3. We listened to and amplified the voices of children and young people

Children have a right to have a say in decisions that affect them.

Through our *Mar World: Child and Youth Voices* work, we collect and share the views of children and help government agencies, schools and NGOs build their capability to listen to children and consider their views. These perspectives help agencies make better decisions, and better policy.

#### We shared the findings of ‘What Makes a Good Life?’

Throughout the year we have continued to roll out the findings from the *What Makes a Good Life?* report (February 2019) and we produced two additional summary reports – *What Makes a Good Life for Young Parents* and *What Makes a Good Life? Follow up report: Views of children and young people in care.*<sup>7</sup>

Additional analysis of the voices we heard from Pacific children through the *What Makes a Good Life?* engagements was made available to the Human Rights Commission for their Pacific Strategy. We also used the findings in our work to support the implementation of the Child and Youth Wellbeing Strategy.

The findings from *What Makes a Good Life?* are reflected in the Government’s Child, Youth and Wellbeing Strategy. To share the lessons learned in this process we contributed an article to the March 2020 edition of *Policy Quarterly*. The article was titled *Engaging Children and Young People in the Policy Process – lessons learned from the development of the Child and Youth Wellbeing Strategy*.<sup>8</sup>

<sup>7</sup> <https://www.oce.org.nz/publications/reports/what-makes-a-good-life/>  
<sup>8</sup> <https://ojs.victoria.ac.nz/paj/article/view/6349>

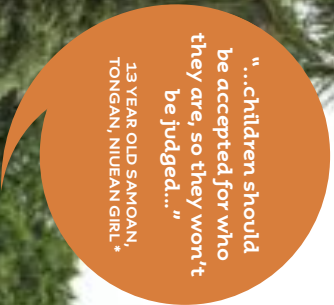
<sup>9</sup> Quote on this page is from the *What Makes a Good Life?* report <https://www.oce.org.nz/assets/Uploads/What-makes-a-good-life-report-OC-COT-2019-WEB2.pdf>



#### We heard from children and rangatahi about Life in Lockdown.

In May 2020 we launched an online survey inviting children and young people aged 8 to 18 years to tell us about their experiences of COVID-19 lockdown under Levels 3 and 4. The survey asked for their perspectives on:

- Their living situations during lockdown
- Access to technology and data
- What they did in their bubble during lockdown
- The positive and negative aspects of life during lockdown
- Eighteen elements of wellbeing
- The report would be published later in 2020.



#### Students told us about ways to improve education

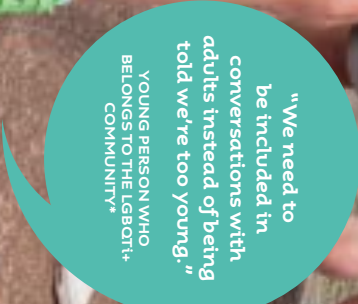
At the request of the Minister of Education, we initiated work to review children and young people’s participation in school/kura governance and provide recommendations on how to involve them in more systematic and meaningful ways. We sought the views of children and young people through an online survey and in face-to-face engagements. COVID-19 impacted on how we were able to carry out face-to-face engagements. We were able to hold one engagement with the Youth Advisory Group prior to lockdown. The rest were done in small groups online.

We published *A Hard Place to be Happy* – the voices of children and young people in care and protection residences, in October 2019.

This public report shared insights from 52 children and young people who were living in secure care and protection residences run by Oranga Tamariki and Barnardos between August 2017 and September 2018. In consultation with Oranga Tamariki and in the context of its work to improve its residential services, we decided it would be useful to draw on interviews carried out for the purposes of monitoring individual residences, so the insights these children and young people had shared could inform the programme of change Oranga Tamariki was undertaking. The five key themes that emerged from our analysis of these voices were:

- Being in a secure residence is hard
- This place doesn’t always work for me
- People who work with me can help
- Contact with my family and friends is important
- My culture matters.

<sup>10</sup> Quotes on this page are from the *What Makes a Good Life?* report <https://www.oce.org.nz/assets/Uploads/What-makes-a-good-life-report-OC-COT-2019-WEB2.pdf>





## 4. We monitored the safety and wellbeing of children and young people in state care and held in detention facilities

The Children's Commissioner is designated as a National Preventive Mechanism (NPM) under the Crimes of Torture Act (COTA) 1989 which is the Act implementing New Zealand's ratification of the United Nations Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

This designation gives our Office a legal, rights-based mandate to examine the quality of care and treatment for children and young people who are detained in secure care and protection and youth justice residential settings. Seven of these facilities are managed by Oranga Tamariki. One special purpose facility is managed by Barnardos NZ. We also monitor the Mothers with Babies Units in the three Department of Corrections Women's Prison Facilities, carrying out this work by delegation from the Chief Ombudsman who holds the designation for the Women's Prisons.

During the past year, we carried out six on-site inspections of Oranga Tamariki secure care and protection and youth justice residences and one on-site visit to a Mothers with Babies Unit. These visits took place prior to NZ shifting into COVID-19 lockdown in late March 2020.

During the COVID-19 lockdown in April 2020, we became an 'essential service' so our monitoring staff could go into our Office when needed, with appropriate social distancing, to undertake eight additional 'virtual' care and protection and youth justice residence visits by phone, video-link and Zoom.

The high-level findings from these virtual visits were published on our website, together with a video and narrative description of the way this monitoring took place.<sup>9</sup>

Headline findings from all 14 residence visits carried out during the past year will be published shortly in the Human Rights Commission's annual NZ OPCAT report.

### We oversaw Whaia Te Maramatanga – the Oranga Tamariki residential grievance (complaints) system for children and young people in secure residences

The Children's Commissioner has continued to carry out his role as a Grievance Stakeholder in accordance with the Residential Care Regulations 1996 (the Regulations (s.31 (5))). This has involved co-chairing and providing secretariat support for the quarterly Grievance Monitoring Oversight Committee (GMOC) meetings attended by Oranga Tamariki, Senior Grievance Panel representatives and Joyce Whakarongomai.

During Level 4 lockdown, staff supporting GMOC across the participating agencies met virtually on a fortnightly basis to ensure the grievance system was operating as required in those extraordinary circumstances. These meetings have been so productive that to keep systems improvements continuing they will continue into the year ahead.

Six children and young people in residences escalated their grievances for independent review by our Office in the past financial year. This happens when they are not happy with the outcome of the investigation of their complaint by the residence or the subsequent review decision made by the residence's Grievance Panel. We have noticed that there is a close correlation between the sources and numbers of escalated grievances and the timing and regularity of our OPCAT monitoring visits



when children and young people get to engage with our monitoring staff face-to-face. Assessing the extent to which children and young people's rights are being protected, including their access to a well-functioning and responsive grievance system, is an integral part of our OPCAT monitoring.

### We monitored a Mothers with Babies Unit (MBU) at a Women's Prison

Our Office has applied its specialist skills in child-centred monitoring to carry out OPCAT monitoring of the MBUs since their inception in 2013. We carry out this role by agreement with the Chief Ombudsman who holds the NPM designation for monitoring of the Women's Prison facilities, within which the MBUs are located. Our focus during MBU visits is the wellbeing of the babies and their mothers. We consider the treatment and protection of mothers from the time pre-birth that they apply to have their baby with them in an MBU, through their baby's delivery and then, if they and their baby are accepted into the MBU, the care and support they and their baby receive within the MBU.

We undertook one MBU visit immediately prior to lockdown, so our analysis of findings took place during Level 4 lockdown, resulting in our draft report being presented to the Department of Corrections in June. We have a well-established monitoring relationship with the Department of Corrections and have been encouraged by their demonstrated commitment to addressing issues needing attention for mothers and their babies.

### We advocated for the closure of secure residential care facilities

We support Oranga Tamariki in its commitment to implementing the recommendation made by the Expert Advisory Panel on Child, Youth and Family in 2016: to transition away from secure care and protection residences, replacing them with small specialised family-like care environments tailored to the high and complex care needs of children and young people who, for a period of time, are not able to be cared for by their families, whānau or communities. It is encouraging that one large, outdated secure care and protection residence has already closed. We will continue to work alongside Oranga Tamariki supporting them to achieve their commitment to phased closure of the remainder of these residences while developing alternative well-resourced care options designed specifically for this group of children and young people.

### We visited an Oranga Tamariki Care and Protection Supervised Group Home

As part of understanding what forms of care might best replace the care and protection residences for those children and young people who need a high level of specialised professional care and support, we monitored one of Oranga Tamariki's Supervised Group Homes under our Children's Commissioner Act 2003 s13 (1) (c) developmental mandate. Our intention was to understand the environment for children and young people who were cared for in a staffed group home facility and consider the contribution these homes might make within a future set of specialised care options.

We designed our monitoring inquiry in consultation with Oranga Tamariki, carried out the fieldwork early in 2020 and were encouraged by the constructive action taken to address our findings and recommendations. We had hoped that we would be able to visit three further

<sup>9</sup> <https://www.occc.org.nz/our-work/monitoring/covid-19-monitoring/>

<sup>10</sup> Quote on this page is from the *Whāia Te Maramatanga Good Life?* report <https://www.occc.org.nz/assets/uploads/Whaia-makes-a-good-life-report-OCCT-2019-19EBZ.pdf>



supervised group homes during the past year, but the COVID-19 lockdown meant this was not possible, as these visits need to be undertaken face-to-face.

### **We informed and supported changes to Oranga Tamariki community-based youth justice services**

During the past two years, we have undertaken and/or published three thematic monitoring reviews, each co-designed with Oranga Tamariki Youth Justice, to inform planned changes to community-based youth justice services. These substantial reviews, across multiple Oranga Tamariki sites and communities, have been carried out under our mandate to monitor the policies and practices of the Ministry in accordance with s13(1)(b) and (c) of the Children’s Commissioner’s Act 2003.

The three reviews have been closely interconnected with a focus on improving community-based services for young people in the youth justice system, their families and whānau. We have been encouraged to see the findings from all three reviews directly informing the design and planning of youth justice service development throughout the past year. The three reviews are:

#### **1. We monitored impact from our thematic review on what it takes to keep young people on remand in their communities**

This review focused on what’s needed to enable young people on remand to stay in their communities on bail rather than being remanded into Oranga Tamariki custody by the Youth Court and placed in a secure residence.

While this review was published in May 2019, its findings continued to have a direct influence on youth justice policy and service development through the past year, informing initiatives to strengthen access to supported bail services and the piloting of small, home-like bail homes where young people who can’t live with their family or whānau can stay in their communities on bail rather than being remanded into Oranga Tamariki custody and placed in a secure custodial youth justice residence.

#### **2. We produced a thematic monitoring review on the quality and effectiveness of transitions back to community for young people on Youth Court Section 31.1 Supervision with Residence orders**

The report on our findings from this review was finalised in September 2019. It presented Oranga Tamariki with a range of opportunities to improve outcomes for this cohort of young people by building into their plan, a set of well-resourced services and supports for them and for their families and whānau. It’s encouraging to see a number of initiatives being tested to improve transitions for these young people, including support from Voyce Whakarongomai and the new Transitions services for care experienced young people, with the intention of reducing the likelihood that they will return to a residence for a further custodial sentence.

#### **3. We produced a thematic review of the extent to which the new youth justice remand homes are meeting the needs of young people on remand and their whānau**

In the past year we completed the fieldwork component for this review, visiting the four remand homes directly managed and staffed by Oranga Tamariki. The purpose of the Community Remand Homes is to support young people who, while detained in custody, are considered at lower risk of absconding and likely to benefit from a home-like environment that protects them from the adverse impacts of secure youth justice residential care.

Our intention was to help Oranga Tamariki continue building on the significant strengths in this initial while identifying and addressing the developmental aspects inherent to any new specialist care service. While our report on this review will be published in the coming year, this quote from a young person sums up the overall feedback we heard from young people living at the homes:

*“It’s just kind of like, the environment. Its caring. Most people like us don’t have that.”*

The recommendations in our report were co-constructed with Oranga Tamariki and we are heartened that action is already being taken to address them, in ways that further maximise the benefits these homes are offering this group of rangatahi.

## 5. We supported the strengthening of oversight of Oranga Tamariki

### **We provided advice on the ICM Monitoring Assessment Framework**

At the invitation of the new Monitor for the ICM in January 2020, we involved three experienced members of our monitoring team in the ICM’s Advisory Group to help develop the monitoring assessment framework, in readiness for monitoring the new Care Standard Regulations.

During Alert Levels 4 and 3, we continued to have regular contact with the Chief Assessor, offering our advice and support on:

- the completion of the ICM Outcomes Framework
- recruitment of candidates for senior ICM leadership and management positions.

During this time, we were pleased to offer a significant contribution of monitoring expertise and experience through one of our Senior Advisors who worked closely with the ICM establishment team, helping them weave the core elements of our Office’s Mana Mōkōpuna Te Ao Māori-principled monitoring framework into the ICM’s new Outcomes Framework

### **We participated in regional consultation hui**

Senior staff from the Office attended each of the 18 regional hui that the new Independent Children’s Monitor (ICM) held around the country between January and early March. The purpose of these hui was to inform communities about the intended role of the ICM and of the other organisations in the newly forming ICM system (the Monitor, our Office, the Ombudsman’s Office) as well as the developmental policy and legislative work that was being undertaken to establish the new monitoring system.



## 6. Child poverty



Child poverty remains a significant focus for our Office. We've worked in partnership with the JR McKenzie Trust and the University of Otago since 2012 on the production of an annual report highlighting a range of indicators and measures of child poverty. This has played an important role in getting child poverty on the national political agenda.

In December 2019, we released the annual Child Poverty Monitor and an updated interactive website [www.childpoverty.org.nz](http://www.childpoverty.org.nz)

"We look forward to the Government making the big and bold changes necessary for its child poverty targets under the Child Poverty Reduction Act 2018.

"Not being able to afford things - like sports or activities. People try to help us to make it easier but it's shameful."

CHILD FROM GISBORNE<sup>1</sup>

"I would make it compulsory for teachers to learn about mental health as 80% of the teachers I have couldn't give a rat's [!@\*] about how we feel."

SECONDARY SCHOOL STUDENT, NZ EUROPEAN/MIDDLE EASTERN<sup>1</sup>

"Assistance with mental health issues like anxiety and depression."

16 YEAR OLD NEW ZEALAND EUROPEAN BOY<sup>2</sup>

"I think that it is incredibly important that families have enough money to be able to pay for basic things like food, clothing, bills and other necessities. When children go to school hungry or without enough warm clothing it impacts their ability to learn, communicate and participate in class. Without being able to do these basic things, it can impact their future career, and most importantly their wellbeing."

15 YEAR OLD NEW ZEALAND EUROPEAN GIRL<sup>2</sup>

"Better job opportunities and a higher minimum wage so my parents have more time to spend with me, my brothers, and sister."

13 YEAR OLD BOY FROM OTARA<sup>2</sup>



## 7. The Children's Commissioner in the community

An important priority for the Children's Commissioner is advocating for the rights, interests and wellbeing of children and young people in the media and public spaces. We need to be able to represent the interests of children as issues emerge throughout the year.

The Children's Commissioner was regularly interviewed in the media over the year, highlighting a range of issues for children ranging from the need to increase the age of criminal responsibility, the need for police to stop pursuing young drivers or vehicles where children and young people are passengers, and the need for smoking in cars to be banned.

- He featured in 1,072 media articles over the reporting period.

- He gave 66 public presentations on a range of children's issues.
- Three Twitter accounts and two Facebook accounts associated with the Office, the Commissioner and the Child Poverty Monitor regularly engaged with the public and media. These highlighted the work of the Office and issues related to the rights, interests and wellbeing of children and young people.

1. From the *Education Matters to Me* report: <https://www.oce.org.nz/publications/reports/education-matters-to-me-key-insights/>  
 2. From the *What Makes a Good Life?* report: <https://www.oce.org.nz/assets/uploads/What-makes-a-good-life-report-OCC-OT-2019-WREB.pdf>

## 8. Helping decision makers take a child-centred approach

We see all mokopuna Māori within the context of their whānau, hapū and iwi. Taking a child-centred approach means taking a family- and whānau-centred approach.

As an impact of our advocacy, we are regarded as credible experts on children's rights, interests and wellbeing. We add value to the policy, programme and service design of other agencies.

Part of this is apparent from the over-achievement of our performance measures on child-focused policy advice or submissions to Select Committees, Government departments or Ministers. But more importantly, we are seeing a significant increase in requests from agencies to be part of working groups, to comment on cabinet papers in the development phase, and provide workshops and advice. Our staff are sought out as members to advisory groups and committees to bring independent and expert advice through a child-centred lens.

### We helped achieve important child-centred education and reforms in schools

During the year we worked with the NZ School Trustees Association (NZSTA), the Human Rights Commission and Youth Law to raise awareness of the fact that there is no formal, free, independent and timely recourse for a student or parent to challenge a school board's decision, such as a suspension.

Our response to the first draft of the Education and Training Bill was that it had failed to include an appeal process or review mechanism. Subsequently the Ministry and Minister included a provision in the proposed legislation for an independent Disputes Resolution Panel to review decisions of boards and make recommendations to schools that would address disputes.

The legislation will be passed in July 2020 and provides an independent dispute resolution process for schools and students. This will make our education system fairer for the children and young people who are excluded from education or have other disputes with their school boards. The independent dispute resolution process aligns with the general principles that guide the Children's Convention's Optional Protocol on a Communications Procedure, yet to be ratified by New Zealand.

### Legislation was passed to ban smoking in cars carrying children under 18 years old

We provided both a written and oral submission on the Smoke Free Environments (Prohibiting Smoking in Motor Vehicles Carrying Children) Amendment Bill in support of cars containing children to be smoke free. The law was passed in May this year and makes it an offence to smoke in a motor vehicle carrying anyone under 18 years old.

### We offered child-centred advice and made many submissions

In addition to the above, we provided expert child-centred advice and submissions<sup>10</sup> which included:

- Written advice on Oranga Tāmaki's proposed implementation of the ZAA amendments to the Oranga Tāmaki Act 1989.
- A position paper on the minimum age of criminal responsibility.

- Input into the development of the civics education curriculum from a child rights perspective.
- Written and oral submissions to the Royal Commission of Inquiry into Historical Abuse in Care.
- A workshop for staff from Parliamentary services about being more child-centred in their processes to support children and young people to have a say.
- Advice on the Ministry of Youth Development's Youth Plan Cabinet paper.

- The development of tools to help policy advisors consider all elements of the Child and Youth Wellbeing Strategy framework, especially Outcome 5 (accepted, respected and connected) and Outcome 6 (involved and empowered). This was provided during the time of rapid policy response to COVID-19.
- Feedback to MSD on the ratification of the Children's Convention's Optional Protocol on a Communications Procedure, and advice on children's rights training, and the promotion and use of the Child Impact Assessment tool.

### We supported the Minister of Health's Advisory Committee on Assisted Reproductive Technology (ACART)

Under the Human Assisted Reproductive Technologies Act 2005 section 34(5), a member of the advisory committee (ACART) is required to be the Children's Commissioner or his representative or employee. This year ACART completed its advice on Guidelines for Family Gamete and Embryo Donations and Surrogacy<sup>11</sup>. We bring child rights in to these decisions.

10 <https://www.oce.org.nz/publications/submissions/>

11 <https://act.health.govt.nz/publications-and-resources/guidelines-and-advice/assisted-rear/guidelines-family-gamete-donation>



## 9. Children’s rights and the UN Children’s Convention

### We reported to the UN

In March 2020, as part of our statutory mandate to advance and monitor the application of the UN Children’s Convention, we submitted a report to the UN Committee on the Rights of the Child to inform the ‘List of Issues Prior to Reporting’ for New Zealand’s 6<sup>th</sup> periodic review. This was followed by a supplementary report in the fourth quarter, reporting on the impacts of COVID-19.<sup>12</sup>

### We supported the children’s rights symposium

In August 2019 we were involved with the delivery of a two-day children’s rights symposium hosted by the Law School at Victoria University of Wellington. The symposium was an opportunity to learn from international children’s rights experts Professor Laura Lundy, Professor Ursula Kilkelly, Scottish Children’s Commissioner Bruce Adamson and Acting Chief Justice Vui Clarence Nelson from Samoa, and to share knowledge about children’s rights. A collection of reflections from the Symposium Children’s Rights in Aotearoa New Zealand was published.<sup>13</sup>

### We celebrated the 30<sup>th</sup> anniversary of the UN Children’s Convention

On International Children’s Day in November 2019, to mark the 30<sup>th</sup> anniversary of the Children’s Convention, we held an event at parliament and launched a new pocket edition of the Children’s Convention in both te reo Māori and English.<sup>14</sup>

We also successfully advocated for the New Zealand Government to join the global pledge of recommitment to the Children’s Convention as part of the anniversary events. To highlight their commitment to the promotion, protection and realisation of the rights of the child, the Government pledged to implement the Child and Youth Wellbeing Strategy launched in August 2019.<sup>15</sup>

## PART 2

# About the Office of the Children’s Commissioner



<sup>12</sup> <https://www.occ.org.nz/publications/submissions/supplementary-report-to-the-un-crec-covid-19-for-new-zealand/>

<sup>13</sup> [https://www.wikiwifoundation.org.nz/wp-content/uploads/2019/12/2018\\_45\\_31-Childrens-rights-symposium\\_reflections\\_Online-Version\\_rcd312.2019.pdf](https://www.wikiwifoundation.org.nz/wp-content/uploads/2019/12/2018_45_31-Childrens-rights-symposium_reflections_Online-Version_rcd312.2019.pdf).

<sup>14</sup> <https://www.occ.org.nz/publications/resources/uncrc-30th-edition/>

<sup>15</sup> <https://www.mta.govt.nz/assets/Peace-Rights-and-Security/Human-rights-New-Zealand-pledge-CKC30.pdf>

# About the Office of the Children's Commissioner

## Organisational Health and Capability

Staff are our most valued 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 Matauranga.

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 Ahi Awa tikanga and the Office of the Children's Commissioner kawa. Te Rōpū meets regularly to provide advice and support to our Office. The Office of the Children's Commissioner aspires to lead by example and demonstrate to other organisations how they can shape their practice to better respect Tangata Whēna, and support staff to learn Te Ao Māori practice.

### Equal employment opportunities

We are committed to providing equal opportunities.

### 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, and remuneration that is measured against market data.

### 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 2019/20.

### 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. We have a health and safety committee meeting monthly and we 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 2020, we had 35 employees (27 permanent, 6 fixed-term, 1 on secondment and 1 part-time contractor) totalling 31.03 FTEs, not including the Commissioner.

Gender	2020	%	2019
Female	31	89%	25
Male	4	11%	5
Ethnicity			
Māori	10	28.6%	9
Pacific Island	2	5.7%	2
Asian	-	-	-
Pākehā/ European	23	65.7%	19
Age profile	Average age is 42 years		
Disability profile	There are 3 employees with a disability.		

### Staff Development

#### Education and professional development

The Director of the Strategy, Rights and Advice team embarked on a 3-month Harkness Fellowship to the United States from September 2019, investigating how government policy can better enable children's sense of belonging, identity and own agency. We will be integrating her insights into our work. One of our Senior Advisors also completed her work as part of Minister Little's Te Uepū Hāpai i te Ora - the Safe and Effective Justice Advisory Group.

#### Chief Māori Advisor

With the appointment of the Chief Māori Advisor, Dr Kathie Irwin, in February 2020, she has progressed the work programme by upholding our Office's obligations under Te Tiriti o Waitangi through all our work, drafting and providing reports and providing support and advice to the Commissioner. Dr Irwin has played a key role in contributing to the thinking and writing of Part 2 of our Te Kukurū report. Dr Irwin also helped to scope and design the role for the first-ever Assistant Māori Commissioner for Children who would be appointed later in 2020.

### 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 will be published on our website and tabled in Parliament as soon as agreed to by the Minister of Social Development and Employment.

### Commitment to Te Tiriti o Waitangi

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 Powhiri or Mihi Whakataua to welcome new staff and poroaki to farewell staff.

Our monitoring team has extended its cultural capability to ensure Te Ao Māori is acknowledged when engaging with tamarii 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 tamarii and rangatahi who make up over 65 percent 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 still needs to be signed. We met regularly with the Minister and provided briefings on issues relating to children, provided quarterly reports, and worked on a 'no surprises' basis.



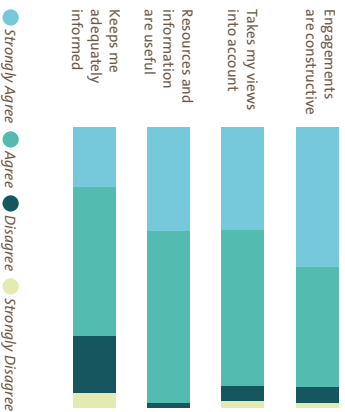
## What our stakeholders told us

Our stakeholders include government agencies, NGOs and community organisations, crown-funded entities, academics, schools and early childhood centres, iwi, local government, businesses and 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, 88 stakeholders responded to our general survey and a further 55 responded to the Development, Monitoring and Investigations (DMI) Feedback survey.

### For the general survey



97 percent of respondents agreed or strongly agreed that "The advocacy activities of the OCC and the Children's Commissioner contribute to improving the wellbeing of children and young people in Aotearoa New Zealand."

The feedback from stakeholders particularly reflected their awareness of our work in the Oranga Tamariki space and the high media profile of the Commissioner.

When asked about dealings with the OCC staff, overwhelmingly more than 98 percent of respondents considered our staff to be knowledgeable, professional, approachable, and respectful.

Most respondents found interactions with the OCC to be constructive, inclusive and useful.

### For the DMI survey



Of those who responded to the DMI survey, 89 percent were either very satisfied or satisfied with our service; 82.6 percent of respondents felt they were respected "fairly well" or "very well" and 73.9 percent felt our feedback and reports helped organisations understand the actions needed to improve their service.

## In their words...

"A strong voice independent of Oranga Tamariki to support change and the need for change. An important voice to challenge society assumptions regarding care and protection of children and their whānau."

"Judge Becroft is an active and effective advocate & communicator."

"The strongest independent voice for children we have."

"The office has been responsible for making sure Oranga Tamariki treat our kids with increasing care and respect."

"They challenge agencies to think about how decisions impact children, and how to include children's voices."

"A voice for people who normally don't have one."

"They have provided our staff with easy-to-follow frameworks for incorporating children's voices and needs. They advise us on projects that relate to young people and children."

# 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 Tāmaki 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

	2019/20 Actual \$000	2019/20 Budget \$000	2018/19 Actual \$000
Total appropriation	3,157	3,157	3,157
Children's Commissioner portion of appropriation (Crown Revenue)	3,157	3,157	3,157
Children's Commissioner expenditure against appropriation	3,420	3,673	3,246
<b>Net surplus/(deficit)</b>	<b>(263)</b>	<b>(516)</b>	<b>(89)</b>

### Performance against the Appropriation

Performance measures and standards	Budget standard	2019/20 Actual	2018/19 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%	94%	100%	<b>Achieved</b>
The percentage of monitoring/report recommendations accepted by Oranga Tāmaki – Ministry for Children and/or contracted care providers as evidenced and in line with the provisions of the Oranga Tāmaki Act 1989 and Oranga Tāmaki – Ministry for Children policies and practices will be no less than	90%	100%	100%	<b>Achieved</b>
The percentage of specified stakeholders <sup>16</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%	97%	95%	<b>Achieved</b>

<sup>16</sup> Specified stakeholders are listed in the MOU with the Minister for Social Development and Employment. The result is based on SurveyMonkey result.



# 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 Investigations

	2019/20 Actual \$000	2019/20 Actual \$000	2019/20 Budget \$000
Revenue from the Crown	1,742	1,607	1,691
Other Revenue	187	336	118
Expense	1,806	2,079	2,081
<b>Net surplus/ (deficit)</b>	<b>123</b>	<b>(136)</b>	<b>(272)</b>

## Performance measures

Performance measures and standards	Budget standard	2019/20 Actual	2018/19 Actual	Achievement/ Comments
The number of monitoring visits to Oranga Tamariki secure residences will be at least	8-12	14	13	Achieved
Systemic review of the Northern Residential Care Service, including visiting the three care facilities within the Service: the hub and the two specialised group homes will be at least	1	-	New	Not achieved due to COVID-19 impact <sup>17</sup>
The number of monitoring visits to Oranga Tamariki youth justice remand homes will be at least	2	4	New	Achieved
The number of thematic reviews covering four or more Oranga Tamariki sites will be at least	2-3	2	3	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%	100%	100%	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%	New	Achieved
The number of thematic public reports produced	1	1	2	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>18</sup>	80%	89%	82%	Achieved

## Other deliverables achieved

Deliverable	2019/20 Actual
547 Reports reviewed and responded to	6
Monitoring of Corrections Mothers with Babies Units	1

## Outcomes

Throughout the year OCC met regularly with the CE and DCEs from OT to review progress being made on systems, policy and practice change. Our monitoring activity as reported, tracked changes being implemented at sites and residence level. When the COVID-19 lockdown was announced the Office provided independent review and advice to OT on their COVID-19 related policies.

<sup>17</sup> We were unable to travel during lockdown to do the required face-to-face monitoring and virtual monitoring was not able to be achieved if we visited the service hubs.

<sup>18</sup> The result is based on SurveyMonkey result.

## 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 rights, interests and wellbeing of children.

### Financial Performance of Strategy, Rights and Advice

2018/19 Actual \$000	2019/20 Actual \$000	2019/20 Budget \$000	2019/20 Budget \$000
1,415	Revenue from the Crown	1,550	1,466
287	Other Revenue	295	132
1,549	Expense	1,964	1,822
<b>153</b>	<b>Net surplus/(deficit)</b>	<b>(119)</b>	<b>(224)</b>

### Performance Measures

Performance measures and standards	Budget standard	2019/20 Actual	2018/19 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	4	15 <sup>19</sup>	15	Achieved
The number of reports published on Child & Youth Voices will be at least	2	3	2	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 number of examples of impact achieved by advocacy activities will be at least	2	3*	3	Achieved See examples below

<sup>19</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.

#### \* Example 1:

**Dispute Resolution Panels included in Education and Training Bill.** Currently there is no formal, free, independent and timely recourse for a student or parent to challenge a school board decision, such as a suspension or exclusion. The Office of the Children’s Commissioner (OCC) has worked with NZ School Trustees Association (NZSTA) to raise awareness of this issue, alongside others such as the Human Rights Commission and Youth Law. NZSTA and OCC also planned a pilot ‘appeal’ or review mechanism using independent panels to be tested voluntarily in a number of schools. The intent and design of this pilot panel process was shared with Education Ministers and the Education Ministry.

When the first draft of the Education Bill was shared with OCC for departmental feedback, we responded that it was a lost opportunity as it failed to include an appeal process or review mechanism as previously shared. The Ministry and Minister reconsidered this and subsequently included a provision in the proposed legislation for an independent Disputes Resolution Panel to review decisions of boards and make recommendations to schools that would address disputes (for example reinstating the enrolment of an excluded student, or providing learning supports to remain at school). The Commissioner supported the new provision in the Bill in our submission to the Select Committee in February. The legislation, when passed, will provide an independent dispute resolution process for schools and students. This provision will contribute to New Zealand’s progressive implementation of the Children’s Convention. The independent dispute resolution process also aligns with the general principles that guide the Optional Protocol to the Convention on a Communications Procedure, yet to be ratified by New Zealand.

Having an independent dispute resolution process will make our education system fairer for the children and young people who are excluded from education or have other disputes with their school boards. Without the advocacy efforts by OCC, this change would not be included in the education system reforms.

#### Example 2:

**OCC seen as credible experts on wellbeing of children and young people:** As an impact of our advocacy, OCC have increasingly been seen as experts that can add value to the policy, programme and service design of other agencies. Part of this is apparent from the over-achievement of our performance measure on the number of items of child-focused policy advice or submissions to Select Committees, government departments or Ministers. But more importantly, we are seeing a significant increase in requests from agencies to be part of working groups, to comment on cabinet papers in the development phase, and provide workshops and advice. The demand for our services is evidence of OCC being seen as credible experts, adding value to the work of other agencies.

#### Example 3:

**Increase in the number and type of organisations seeking to hear the voices and views of young people:** Advocating for children and young people to have a say on matters that affect them has been a key part of all our rights, child-centred advice and *Mai World* voices work over a number of years. We are now seeing signs of change. There has been an upswing in the interest from government and community agencies in considering views of children and young people. Key reports led by OCC, including *What Makes a Good Life?* and *Education Matters to Me*, have been instrumental in demonstrating the value of listening to children and young people, and have inspired other agencies to undertake similar work. Some of this is evidenced in our CMG report *Are We Listening: Children’s participation rights in government policy* from June 2019. More recently, we witnessed a range of organisations undertaking surveys and engagements to hear from young people during and soon after the COVID-19 lockdown. Some of these include: Ministry of Youth Development; Education Review Office; VOYCE (Whakarangomai); Youthline; Youth Law; Barnardos.



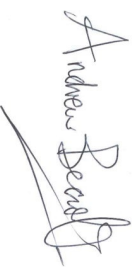
## Statement of Responsibility

I am responsible for the preparation of the Children's Commissioner financial statements and statement of performance, and the judgements 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 2020.



**Judge Andrew Becroft**  
Children's Commissioner  
Te Kaitiaki hana meo nga Tamarii  
15 December 2020

## Financial Statements

## Statement of Comprehensive Revenue and Expense for the year ended 30 June 2020

	Notes	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
<b>REVENUE</b>				
Revenue from the Crown		3,157	3,157	3,157
Interest revenue	2	15	20	28
Other revenue	2	616	230	446
<b>Total revenue</b>		<b>3,788</b>	<b>3,407</b>	<b>3,631</b>
<b>EXPENSES</b>				
Personnel costs	3	3,292	3,301	2,733
Operating costs	4	476	524	468
Projects costs	5	264	67	133
Depreciation	9	11	11	21
<b>Total expenses</b>		<b>4,043</b>	<b>3,903</b>	<b>3,355</b>
<b>Surplus/(deficit)</b>		<b>(255)</b>	<b>(496)</b>	<b>276</b>
Other comprehensive revenue and expense		0	0	0
<b>Total comprehensive revenue and expense</b>		<b>(255)</b>	<b>(496)</b>	<b>276</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 2020

	Notes	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	6	1,000	281	708
Receivables	7	40	3	103
Investments	8	-	-	250
Prepayments		1	14	2
GST receivable		16	3	16
<b>Total current assets</b>		<b>1,057</b>	<b>301</b>	<b>1,079</b>
<b>Non-current assets</b>				
Property, plant, and equipment	9	4	5	16
<b>Total non-current assets</b>		<b>4</b>	<b>5</b>	<b>16</b>
<b>Total assets</b>		<b>1,061</b>	<b>306</b>	<b>1,095</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	11	175	33	132
Employee entitlements	12	239	128	133
Revenue received in advance		-	-	10
Accruals		131	38	46
Lease inducement		8	11	11
<b>Total current liabilities</b>		<b>553</b>	<b>210</b>	<b>332</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>563</b>	<b>210</b>	<b>342</b>
<b>Net Assets</b>		<b>498</b>	<b>96</b>	<b>753</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 2020

	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
Balance as at 1 July	753	592	477
Surplus/(deficit)	(255)	(496)	276
<b>Balance as at 30 June</b>	<b>498</b>	<b>96</b>	<b>753</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 2020

	Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000
<b>Cash flows from operating activities</b>			
Receipts from the Crown	3,157	3,157	3,157
Interest received	15	20	28
Receipts from other revenue	606	230	345
Payments to suppliers	(622)	(691)	(574)
Payments to employees	(3,115)	(3,301)	(2,720)
GST (net)	1	27	9
<i>Net cash flow from operating activities</i>	<i>42</i>	<i>(558)</i>	<i>245</i>
<b>Cash flows from investing activities</b>			
Receipts from sale or maturity of investments	250	250	0
Acquisition of investments	0	0	0
Acquisition of property, plant and equipment	0	0	(26)
<i>Net cash flow from investing activities</i>	<i>250</i>	<i>250</i>	<i>(26)</i>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>			
Cash and cash equivalents at the beginning of the year	708	589	489
<b>Cash and cash equivalents at the end of the year</b>	<b>6</b>	<b>281</b>	<b>708</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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## 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 Commissioner's

operations includes the Crown Entities Act 2004 and the Children's Commissioner Act 2003. The Children's Commissioner's ultimate parent is the New Zealand Crown.

The Children's Commissioner was first established on 1 November 1989 under the Children, Young Persons and Their Families Act 1989, but 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 2020 and were approved by the Children's Commissioner on 15 December 2020.

### 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.

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.

### Standard early adoption

In line with the Financial Statements of the Government, the Children's Commissioner has elected to early adopt PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement.

### 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, theIRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from theIRD, 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.

### 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 interest and other revenue and further information

	Actual 2020 \$'000	Actual 2019 \$'000
Interest revenue	15	28
JR McKenzie Trust*	42	37
Other revenue**	210	306
Salary recovered***	364	103
<b>Total other revenue</b>	<b>631</b>	<b>474</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 \$10,000 from the Ministry of Education for a Pilot of the School Exclusions Review Panel, 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 ACTAR Advisory Group, and work progress with the Ministry of Health on development of the implementation of the Independent Children Monitor (ICM).



### 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 2020 \$000	Actual 2019 \$000
Salaries and wages	3,091	2,597
Other personnel costs	47	58
Defined contribution plan employer contributions	76	65
Increase/(decrease) in employee entitlements	78	13
<b>Total personnel costs</b>	<b>3,292</b>	<b>2,733</b>

#### Employee remuneration

	Actual 2020	Actual 2019
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	3	1
\$140,000 – 149,999	-	1
\$150,000 – 159,999	1	2
\$160,000 – 169,999	1	1
\$170,000 – 179,999	1	-
<b>Total employees</b>	<b>8</b>	<b>6</b>

During the year ended 30 June 2020, no (2019: Nil) employees received compensation in relation to cessation (2019: Nil). One (2019: Nil) employee received payment of other benefits in relation to medical retirement of \$20,548.38 (2019: Nil)

#### Commissioner's total remuneration

	Actual 2020	Actual 2019
Children's Commissioner	272,000	272,000

Judge Bercroft is on secondment from the Ministry of Justice (MoJ) and part of the total remuneration disclosed for 2020 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 2020 \$000	Actual 2019 \$000
Accountancy fees	22	22
Accounting software fees	1	1
Fees to auditor		
> fees to Audit NZ for audit of financial statements	25	25
Consumables & other expenses	61	55
Consultant fees	3	4
Information Systems	91	73
Power & Heating	7	10
Printing & Stationery	3	4
Publication expenses	26	22
Rent, rates and insurance	127	128
Telecommunication	17	12
Travel and accommodation	81	95
Website expenses	12	18
<b>Total operating costs</b>	<b>476</b>	<b>469</b>

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

	Actual 2020 \$000	Actual 2019 \$000
Not later than one year	111	111
Later than one year and not later than five years	159	270
Later than five years	-	-
<b>Total</b>	<b>270</b>	<b>381</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 2020 \$000	Actual 2019 \$000
School Review Pilot	2	New
Monitoring & Investigations	5	0
Poverty Measures Partnership	49	30
Voices Project	15	24
Weaving Strengths	0	1
Te Kūku o Te Manawa	193	New
Swedish Delegation	0	10
Child Wellbeing	0	68
<b>Total project costs</b>	<b>264</b>	<b>133</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 2020 \$000	Actual 2019 \$000
Cash at bank and on hand	1,000	708
<b>Total cash and cash equivalents</b>	<b>1,000</b>	<b>708</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**

	Actual 2020 \$000	Actual 2019 \$000
Receivables	40	102
Accruals	0	1
<b>Total receivables</b>	<b>40</b>	<b>103</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.

**Breakdown of investments and further information**

	Actual 2020 \$000	Actual 2019 \$000
<b>Current portion</b>		
Term deposits	0	250
Total current portion	0	250
<b>Total investments</b>	<b>0</b>	<b>250</b>

**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:

Asset Class	Useful Life	Rate
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**

	Total 2020 \$000
<b>Cost or valuation</b>	
Balance at 1 July 2018	56
Additions	27
Disposals	0
Balance at 30 June 2019	83
Balance at 1 July 2019	83
Additions	0
Disposals	0
<b>Balance at 30 June 2020</b>	<b>83</b>
<b>Accumulated depreciation and impairment losses</b>	
Balance at 1 July 2018	46
Depreciation expense	21
Eliminate on disposal	0
Balance at 30 June 2019	67
Balance at 1 July 2019	67
Depreciation expense	11
Eliminate on disposal	0
<b>Balance at 30 June 2020</b>	<b>78</b>
Carrying amounts	
At 1 July 2018	10
At 1 July 2019	16
<b>Balance at 30 June 2020</b>	<b>4</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 2020 \$'000	Actual 2019 \$'000
<b>Payables and deferred revenue under exchange transactions</b>		
Creditors	173	124
Income in advance	0	10
Credit Card	2	8
<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>175</b>	<b>142</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 2020 \$'000	Actual 2019 \$'000
<b>Current portion</b>		
Accrued salaries and wages	77	49
Annual leave	162	84
Long service leave	0	0
<b>Total current portion</b>	<b>239</b>	<b>133</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>249</b>	<b>143</b>

## 13. CONTINGENCIES

There were no contingent liabilities or assets as at 30 June 2020 (2019: 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 2020	Actual 2019
Remuneration	953,153	885,462
Full-time equivalent members	5.38	4.95
<b>Total key management personnel remuneration</b>	<b>953,153</b>	<b>885,462</b>
<b>Total full-time equivalent personnel</b>	<b>5.38</b>	<b>4.95</b>

Actual and reasonable costs related to travel, hospitality and other expenses of \$21,679 have been paid and are not part of the Commissioner's remuneration (2019: \$25,384).

## 15. FINANCIAL INSTRUMENTS

	Actual 2020 \$'000	Actual 2019 \$'000
<b>Loans and receivables</b>		
Cash and cash equivalents	1,000	708
Receivables	40	103
Investments - term deposits	0	250
<b>Total loans and receivables</b>	<b>1,040</b>	<b>1,061</b>
<b>Financial liabilities measured at amortised cost</b>		
Payables (excluding income in advance)	175	132
<b>Total financial liabilities measured at amortised cost</b>	<b>175</b>	<b>132</b>

## 16. EVENTS AFTER THE BALANCE DATE

There were no significant events after the balance date (2019: 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 \$386k, mainly due to receiving \$343k from the Ministry of Social Development for staff working on the establishment of the Independent Child Monitor, \$15k more from the JR Mckenzie Trust for Child Poverty work, \$10k from the Ministry of Education for the Schools Project on Exclusion Reviews and \$18k recovered salary from the Ministry of Health for a staff member attending ACART. We had also received \$5k less in interest.

#### Operating Expenditure

Operating expenditure was less than budgeted by \$61k mainly due to lower travel and accommodation cost (\$43k) because of the COVID-19 lockdown period. We underspent on consumables but overspent on publications due to more resource design and printing being done. Information services was overspent due to more electronic devices required and increased operational costs for increased staff.

#### Personnel expenditure

Personnel expenditure was less than budgeted by \$9k due to staff changes and timing of the appointment of new staff.

#### Project expenditure

Project expenditure was more than budgeted by \$197k and relates to the additional costs of \$5k for transcription services for DMI being covered by the ICM funding, \$22k for CPM for the website upgrade (money from the previous year was set aside to offset this), \$2k for the Schools Review Pilot, \$193k for the Te Kōkiri o Te Marawa Project and an underspend for the Voices Project of \$25k.

#### 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.

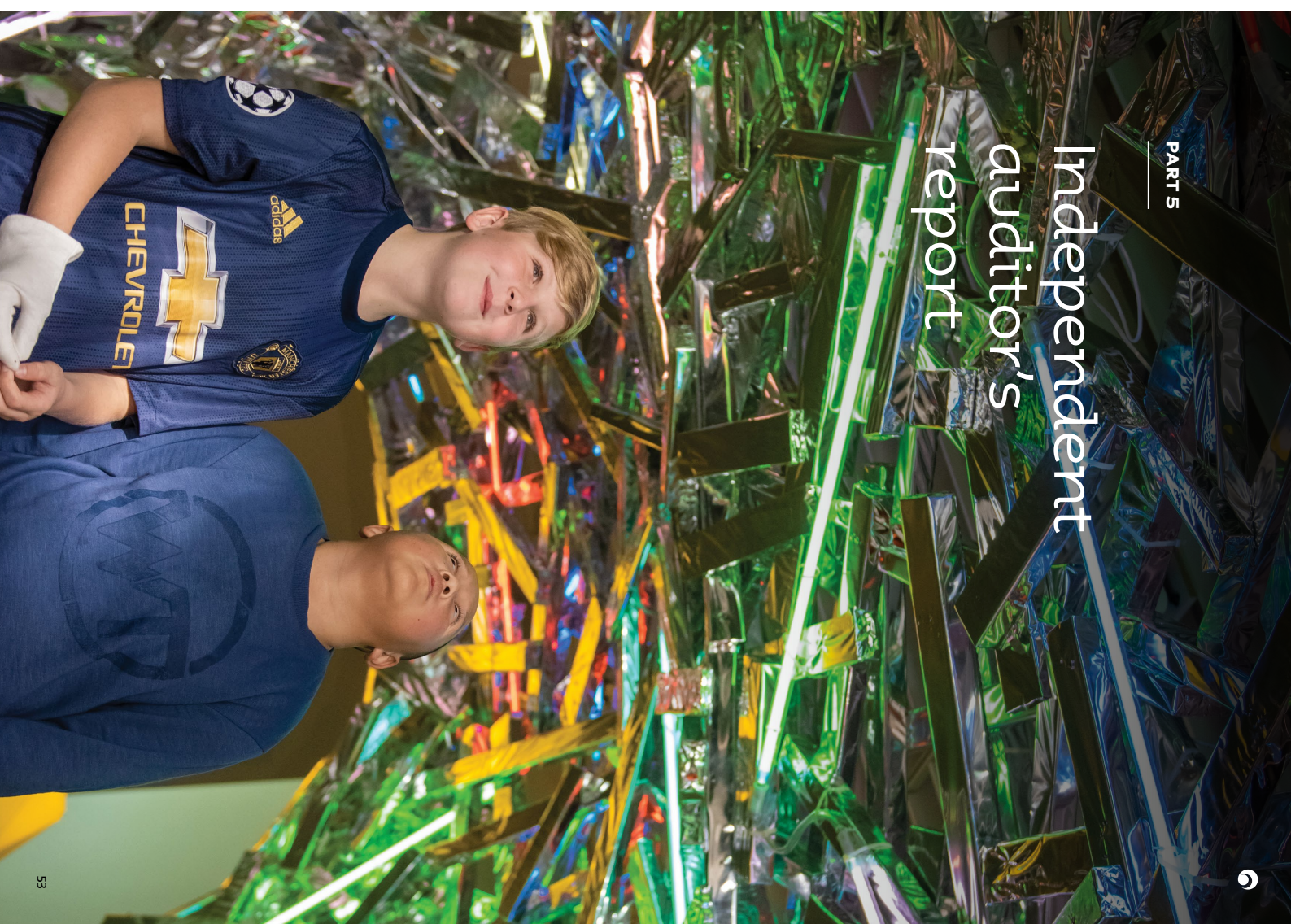
### Statement of financial position

#### Net Assets

The increase in net assets compared to the budget is mainly due to a better than budgeted 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 2020

The Auditor-General is the auditor of the Office of the Children's Commissioner (the Office). The Auditor-General has appointed me, Alay 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 39 to 52, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expense, 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 32 to 37.
- In our opinion:
- the financial statements of the Office on pages 39 to 52:
    - present fairly, in all material respects:
      - its financial position as at 30 June 2020; and
      - its financial performance and cash flows for the year then ended; and
    - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and

- the performance information on pages 32 to 37:

- presents fairly, in all material respects, the Office's performance for the year ended 30 June 2020, 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 15 December 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of Covid-19 on the Office. 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.

#### Emphasis of matter – Impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Office as set out in note 1.7 to the financial statements, and page 35 of the performance information.

#### 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 he determines is necessary to enable him to prepare financial statements and performance information that is 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 relevant Estimates and Supplementary Estimates of Appropriations 2019/20.

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 31, 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  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand




MANAAKITIA Ā TĀTOU TAMARIKI  
**Children's  
Commissioner**

Level 7, 110 Featherston Street  
Wellington 6011  
PO Box 5610  
Wellington 6140

 +64 4 471 1410

 [children@occ.org.nz](mailto:children@occ.org.nz)

 Children's Commissioner NZ

[www.occ.org.nz](http://www.occ.org.nz)