

**ORANGA
TAMARIKI**
Ministry for Children



KO ORANGA
TAMARIKI TENEI

The Oranga Tamariki Affirmation

Ko Oranga Tamariki tēnei
Ka whakamānawatia ngā
tamariki me ngā whānau
Ko te aroha a tētahi ki tētahi te matua
Ka whakamanahia te tangata
Ā mātau mahi katoa, he tika, he pono
He mea hirahira te whakapapa
Ko te oranga te whai
Nōhea ahau e tuku, ka tū tonu
Ko Oranga Tamariki tēnei

I put tamariki and whānau first
I believe aroha is vital
I respect the mana of people
All in what I do is tika and pono
I value whakapapa
We recognise that oranga is a journey
I will not be deterred; I will stand strong
This is the Oranga Tamariki way

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CE Foreword

Tēnā koutou katoa.

Oranga Tamariki has undergone extensive change in 2019. On 1 July, amendments to the legislation that governs our work came into force, and government invested significant funding to implement those changes.

As part of the legislative changes, for the first time in New Zealand, National Care Standards came into effect. These set out clear requirements about the standard of care that should be delivered to tamariki and rangatahi in care, and the support that should be provided to their caregivers.

It also introduced new requirements for providing advice, assistance and support to young people up to the age of 25 as they leave care and transition to life as independent adults. Additionally, 17 year olds have been included in the youth justice system rather than the adult criminal justice system.

Worldwide, we have all faced a difficult year. I am proud of the way that Oranga Tamariki staff and partners have stepped up to the challenges we have all faced as a result of COVID-19, working seamlessly within the New Zealand Alert Levels to ensure that tamariki, rangatahi and whānau were supported safely during this pandemic.

We still don't know how long we will be working under these circumstances, but I do know that Oranga Tamariki will continue to adapt in order to keep tamariki, rangatahi and whānau at the heart of what we do.

This year has also seen the publication of our first section 7AA annual report, a milestone for both Oranga Tamariki and the public sector. Section 7AA requires me to ensure our policies, practices and services have the objective of reducing disparities for tamariki and rangatahi Māori, to have regard to Mana Tamaiti, whakapapa and whanaungatanga, and to develop strategic partnerships with iwi and Māori organisations.

In the first 12 months, there are several encouraging signs that point toward a shift in outcomes for tamariki Māori, with the number of tamariki Māori entering state care dropping to its lowest since 2004.

The journey in front of us is long and challenging. However, I am confident in our kaimahi and our partners, and their commitment to the tamariki, rangatahi and whānau of Aotearoa. We are listening, learning, and changing, and we are moving in the right direction.

Ngā mihi nui.

Gráinne M Moss

Gráinne Moss | Chief Executive



The Oranga Tamariki Story

The Government has a vision to make New Zealand the best place in the world for tamariki (children) and rangatahi (young people), and we are responsible for ensuring that all tamariki are in loving whānau and communities where oranga tamariki can be realised.

We place an emphasis on listening and learning. It's important that the voices of tamariki and rangatahi, families, whānau, hapū, and iwi, alongside caregivers, Māori organisations and non-government organisation (NGO) partners, are at the centre as we work with others to design a new way of doing things.

There have been a number of attempts across the last 30 years to transform outcomes for tamariki and rangatahi who come into contact with the care and protection and youth justice systems. Between 1986 and 2015, 14 reviews and reports of Child, Youth and Family and its predecessor organisations were undertaken.

Together, these reviews shared similar themes, including the need for organisational change to increase cultural capability and understanding of Te Ao Māori, ensure greater clarity of responsibility and accountability in decision-making, and greater involvement of communities in decision-making and delivery of services.

Pūao Te Ata Tū, the report from the Ministerial Advisory Committee on a Māori perspective for the Department of Social Welfare was published in 1986 and remains the most significant and poignant reflection of Māori views on child protection and youth justice. The Committee significantly shaped the principles of the Children, Young Persons and Their Families Act 1989, which is now the Oranga Tamariki Act 1989.

In April 2015, an independent Expert Panel was established with a mandate to determine how to transform the lives of vulnerable tamariki. The Expert Panel published a report in April 2016 which concluded that a bold overhaul of the care and protection and youth justice systems was required.

Oranga Tamariki was established in 2017, following Government decisions on the Expert Panel report. Oranga Tamariki cannot achieve this transformation alone, and success is dependent on our ability to effectively partner with iwi and Māori organisations, other government agencies, NGOs, and communities.

Legislative change was made between 2017 and 2019, with the most wide-reaching and significant changes coming into force on 1 July 2019. In total, over 100 individual legislative changes were made and implemented.

In October 2018, Government agreed to significant changes to the way Oranga Tamariki works and the service response provided to tamariki, rangatahi, and their families and whānau.

These Government decisions paved the way for an investment of \$1.1 billion of new funding through Budget 2019. This new funding builds up over six years, and the new baseline will be fully established on 1 July 2024. The changes being made across the system include:

- significantly lifting the quality of care and protection and youth justice services;
- providing tamariki, rangatahi, and whānau with a broader range of responses and services to meet their needs;
- changing the approach to partnerships with iwi and Māori organisations;
- working more effectively across the children's system, including with NGOs, partners, and communities;
- shifting practice and increasing Māori cultural competence across the workforce; and
- legislative change to support the transformation.

Our progress towards transformation

When Oranga Tamariki was established, there were significant improvements required to what we did, particularly working with families and whānau to prevent harm occurring to tamariki and rangatahi, and working with tamariki and rangatahi who have left state care, or finished a youth justice order.

Over the last three years we have filled some of the system gaps through the expansion of functions and focused on lifting the quality of care for tamariki and rangatahi in the state care and youth justice systems.

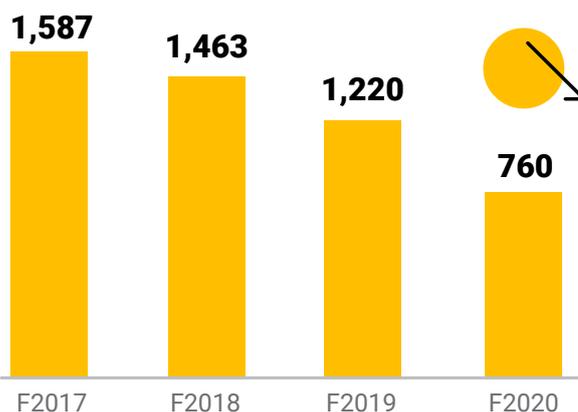
This expansion of what we do is critical to achieving our outcomes, but we also must focus on how we do our work - how we engage with families and whānau to meet their needs, how we connect families and whānau to their communities and support, how we partner with iwi and Māori organisations to improve our response in their community, how we work with children and young people in the care and protection and youth justice systems.

We have lifted the quality of care and youth justice services by:

- increasing the number of frontline social workers by 400 - a 30 percent increase;
- reducing frontline care and protection social worker caseloads from an average of one social worker to 31 children, to one social worker to 21 children;
- introducing the new National Care Standards, and have a continued work programme to more fully implement them;
- increasing support provided to caregivers of children who cannot live with their parents;
- continuing work on the practice framework to implement Māori-centred ways of working;
- implementing new ways of working in Youth Justice Residences, including a new model of restorative practice that incorporates Te Ao Māori;
- establishing a new role of Director for Victim Engagement and Participation and developed a new strategy to improve the engagement of victims of crime committed by young people;
- beginning a shift away from larger institutional settings for high-needs children and young people in state care through the establishment of new specialist group homes which will be built across the next six years; and

- beginning a similar shift in Youth Justice through the establishment of new community-based Remand Homes, and 16 new community-based placement settings being developed in partnership with iwi and Māori organisations over the next four years.

Number of Māori children and young people entering state care:



We have begun to expand our role and the services we provide and fund by:

- setting up new services to provide an intensive response to families and whānau to prevent the need for children and young people to enter state care. This includes collaboratively designing (with iwi) an Intensive Response model (previously referred to as Intensive Intervention) which will start in four locations in 2021; and
- including 17 year olds into the youth justice system as a result of legislative change that came into force on 1 July 2019, and are now providing support through services, programmes and, where required, custody, to that group of young people as an alternative to entering the adult justice system.

We have begun to work differently with iwi and Māori organisations by:

- forming six strategic partnerships with iwi and Māori organisations to work together on transformational change. Four are with iwi (Ngāi Tahu, Ngāpuhi, Waikato-Tainui, and Ngāi Tūhoe), one with a Māori organisation (Māori Women's Welfare League) and one with an iwi alliance (the Eastern Bay of Plenty Iwi Provider Alliance). These partnerships have already started to result in positive change for tamariki, rangatahi and whānau Māori;
- forming eight Whānau Care partnerships with iwi who've asked how we can work together to get better outcomes for tamariki in care who whakapapa to them;

- signing a Memorandum of Understanding between the Ariki of Tūwharetoa iwi and 11 government agencies, including Oranga Tamariki, to establish and promote a collaborate working relationship to improve outcomes for whānau in the Taupō Area;
- delegating family group conference (FGC) services - five iwi social service providers around the country are now providing family group conference services – four for care and protection conferences and one for youth justice conferences;
- delegating statutory functions of the Chief Executive under the Oranga Tamariki Act 1989 to a youth justice social worker employed by Best Care (Whakapai Hauora) Charitable Trust Inc. Whakapai Hauora is the whānau ora, health and social service arm of Rangitaane o Manawatū iwi; and
- establishing the Māori Design Group which provides expert advice to the Chief Executive, including thought-leadership and an independent Māori lens across our policies, practices and services.

We have started to shift our social work practice and improve cultural competence by:

- establishing, and continuing to expand, kairaranga ā-whānau roles on the frontline, which has a direct impact on helping whānau to retain the care of their tamariki and finding whānau, hapū and iwi members to take on the care of tamariki when they cannot remain at home with their parents;
- significantly changing our practice frameworks and the way we guide staff to do their roles, including incorporating the importance of trauma-informed and relational practice; and
- working to lift the cultural competence of frontline and national office practitioners.



Who we are

In 2018, Government agreed that the purpose of Oranga Tamariki is to ensure that all tamariki are in loving whānau and communities where oranga tamariki can be realised. To achieve our purpose, we are responsible for promoting the wellbeing of children and young people who are at risk of harm or offending now or in the future.

Specific responsibilities include:

- assisting families, whānau, hapū, iwi and family groups to fulfil their responsibility to meet the needs of their children and young people at the earliest opportunity; and
- ensuring that when a child or young person has suffered harm, they have a safe, stable and loving home at the earliest opportunity.

Our purpose:

To ensure all tamariki are in loving whānau and communities where oranga tamariki can be realised

We work with children and young people:

- Who are significant risk of harm now and into the future as a consequence of their family environment, and/or their own complex needs
- Who have entered or are at risk of entering the youth justice system

We are committed to our obligations under the Treaty of Waitangi to uphold and protect Māori rights and interests

Our end goals:

Tamariki Māori are thriving under the protection of whānau, hapū, and iwi

Children and young people's wellbeing needs are understood and met

Children are safe and flourishing in their homes

Children do not need to be in our care or custody

Children who have offended do not re-offend

Children in care or custody are safe, recovering and flourishing

Young people leaving care or youth justice get a good start to their adult lives

What it means for Tamariki Māori

Tamariki Māori are connected to, and nurtured by whānau, hapū, and iwi

Ensuring participation in decision-making

We will ensure early participation of whānau, hapū, and iwi in decisions affecting tamariki Māori



Preventing entry into care or custody

We will work with whānau to prevent the entry of tamariki Māori into state care or a youth justice response



Placing with whānau, hapū, and iwi

We will preference placements for tamariki Māori, and their siblings, with members of whānau, hapū, and iwi



Supporting identity and belonging

We will support tamariki Māori to establish, maintain, or strengthen cultural identity and connections to whānau, hapū, and iwi



Leaving care or custody

We will support, strengthen, and assist tamariki Māori and their whānau to prepare for return home or transition into the community



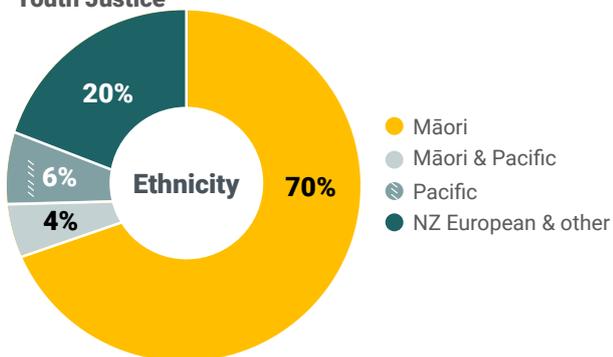
Our responsibilities as a Treaty partner

Disparities in outcomes for, and disproportionate representation of, tamariki and rangatahi Māori throughout the care, protection and youth justice systems are a long-standing issue. This year, 68 percent (4,000) of children and young people in state care were tamariki and rangatahi Māori. 74 percent (74) of children and young people in youth justice custody were tamariki and rangatahi Māori.

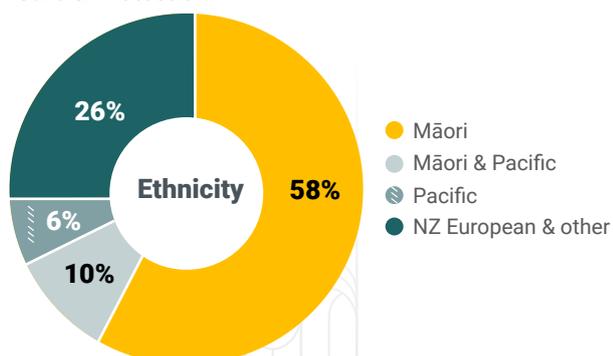
As a Crown agency, we are obliged to uphold the principles of Te Tiriti o Waitangi – Treaty of Waitangi (the Treaty). These principles have been developed through interpretations of the Treaty by the Courts and the Waitangi Tribunal (sometimes referred to as Treaty jurisprudence). Principles of the Treaty that are critical for Oranga Tamariki include, but are not limited to, partnership, active protection and equity, kāwanatanga and rangatiratanga.

In addition to broader Treaty obligations, Oranga Tamariki has specific duties to provide a practical commitment to the principles of the Treaty of Waitangi under section 7AA of the Oranga Tamariki Act 1989. This provision came into force on 1 July 2019, as part of the wider legislative reform.

Youth Justice



Care & Protection



Section 7AA sets out the duties of the Chief Executive to:

- ensure policies and practices have the objective of reducing disparities for tamariki and rangatahi Māori;
- ensure that policies, practices and services have regard to mana tamaiti (tamariki), and the whakapapa of Māori children and young persons and the whanaungatanga responsibilities of their whānau, hapū, and iwi;
- develop strategic partnerships with iwi and Māori organisations, for specific purposes including to provide opportunities, and invite innovative proposals, for those organisations to improve outcomes for tamariki Māori and to provide opportunities for the Chief Executive to delegate functions under the Act to appropriately qualified people within those organisations;
- consider and respond to invitations from iwi or Māori organisations to enter into a strategic partnership; and
- report annually on the measures taken to meet these duties.

In July 2020, the first annual report on progress as required by section 7AA of the Oranga Tamariki Act was published.

The report described the actions we have taken and progress that has been made. It also articulated that together with partners, we share the vision that “no tamaiti Māori needs state care.” This is intended to be achieved through our end goal that tamariki Māori are thriving under the protection of whānau, hapū and iwi underpinned by five mana tamaiti objectives (p8).

Our Year at a Glance

	2019	2020	
Number of social workers	1623	1777	↗
People leaders who are Māori	22.4%	27.9%	↗
Tamariki with family/whānau or caregiver of the same ethnicity	87%	88%	↘
Tamariki in care	6,450	5,950	↘
Oranga Tamariki staff who are Māori	26.5%	26.7%	↗
Rangatahi in Youth Justice custody ¹	140	100	↘
Staff who understand the Oranga Tamariki vision, purpose and values	81%	82%	↗
Entries into care	1,982	1,334	↘
Family/whānau stable placements ²	89%	89%	
Tamariki in care who are Māori ³	69%	68%	↘

¹ Youth Justice in the custody of the CE includes rangatahi on remand and those on a supervision with residence order

² Stable placements refers to the number of tamariki who continue with the same family/whānau care placement

³ Includes tamariki who identify as both Māori and Pacific

Our Work

During 2019/20

Reports of concern	80,928
Tamariki entering care	998
Tamariki exiting care	1,440
Number of days of care placement provided	2,236,669
Number of Care Family Group Conferences held	7,641
Number of rangatahi who entered Youth Justice custody	878
Number of rangatahi who exited Youth Justice custody	899
Number of Youth Justice Family Group Conferences held	4,083
Number of days of custodial placements	56,430

Spotlight on: Children's Experiences Survey

This year, tamariki and rangatahi across the country aged between 10 and 17 were surveyed to help us better understand their experiences in care.

This gave us the opportunity to listen to what some of the tamariki in our care feel are the most important things in their lives. The results will be used to inform how we design, deliver and partner for services, and to improve our practice and policy approaches.

The Children's Experiences Survey is the first national survey of children in care. The annual survey will deliver systematic, robust insights from tamariki and rangatahi, and track these over time. The results of the survey will support Oranga Tamariki to meet a range of obligations and commitments, including listening to the voices of children, and taking children and young people's views into account in decision-making.

The Children's Experiences Survey was designed with help from 100 care-experienced young people. The questions focused on areas that young people said are important to their wellbeing, including belonging, feeling loved and having a say in important decisions.

Overall, the results show that most tamariki rate their experience positively across the survey areas. However, not all responses were positive, and there is still plenty for us to learn from in these results.

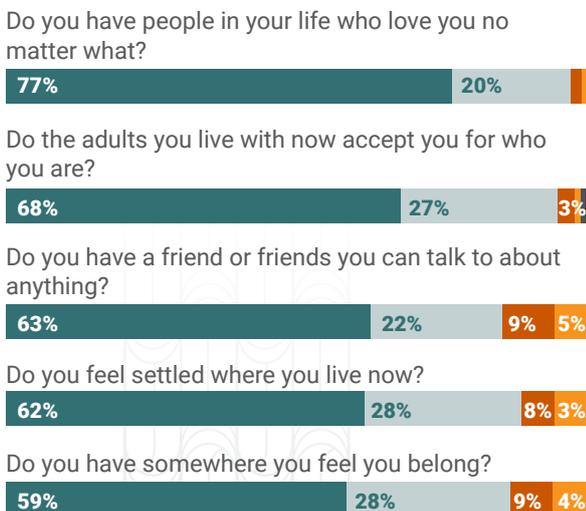
Social workers offered the survey to tamariki and rangatahi aged between 10 and 17 who had been in our Care and Protection Custody for at least 30 days. To date, we have completed the survey in nine of the 12 regions. Of those tamariki eligible, 1,354 (82 percent) were offered the chance to take part, and of those offered, 1,131 (84 percent) agreed to take part.

Of the tamariki who participated *:

- 56%** identified as Māori
- 21%** identified as Pacific
- 9%** identified as Māori/Pacific (Māori and at least one Pacific ethnicity selected)
- 31%** identified as European/Other
- 38%** were aged 10–12 years
- 38%** were aged 13–15 years
- 23%** were aged 16–18 years
- 49%** identified as female
- 50%** identified as male
- 1%** chose 'gender not listed'

*Ethnicity was multiple response, so participants could select as many ethnicities as applied. There is some overlap between the Māori & Pacific/Māori/Pacific groups and as a result the proportions total more than 100%.

What they told us:



Do you get to keep in touch with your birth family/whānau as much as you would like to?



Do you feel you can talk to your social worker about your worries?



Do you get the chance to learn about your culture?



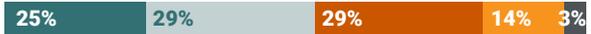
Do you think you will have a good life when you get older?



Does Oranga Tamariki help to make things better for you?



Do you know your ancestry (whakapapa)?



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

- Yes Definitely
- Yes I think so
- No not really
- Not at all
- Other

Do the adults you live with now look after you well?



Does your social worker do what they say they will do?



Do you get to have a say in important decisions about your life?



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

- All of the time
- Most of the time
- Not much of the time
- Never
- Other

The full findings from all sites will be published in a report due in March 2021.

We've already started the process of absorbing this information and how we can improve the Ministry and the broader children's system to respond to what tamariki and rangatahi are telling us – including site-level reflections and actions.

IO MĀTAU WHAKATUTUKITANGA

Our Achievements

This year, there have been many opportunities to listen to people who interact with Oranga Tamariki, and take their feedback on board. Through external reviews and reports, surveys, and conversations, we have a vast amount of information to respond to, and, most importantly, reflect and act on.

Since July 2019, there have been three external reviews completed about aspects of Oranga Tamariki policy and practice. Alongside these, we have completed surveys and engaged in conversations across the country. As a result, we have a range of findings and information to reflect on and respond to. This is shaping policy and practice changes and will continue to do so in future work.

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Voices of tamariki, rangatahi, and whānau

As part of the Children's Experiences Survey, we asked tamariki and rangatahi what is important to them. The full results are on page 10.

In the Survey, tamariki and rangatahi told us they want to feel:

- accepted, respected and connected;
- loved, safe and nurtured; and
- involved and empowered.

The things they told us are important to them, and the ways in which we are responding, are key to how we move forward as a Ministry.

As well as the Children's Experiences Survey, this year tamariki and rangatahi in care have shared their experiences of wellbeing and their views on what it means to have a good life.

The report, called 'What Makes a Good Life? Follow-up Report: Views of Children and Young People in Care on Wellbeing', was jointly released by the Oranga Tamariki Voices of Children and Young People team and the Office of the Children's Commissioner (OCC) in November 2019.

A total of 113 tamariki and rangatahi took part through surveys and focus groups. The report compares their views to what the OCC heard from tamariki and rangatahi not in care.

While the report is not intended to represent all tamariki and rangatahi in care, the findings suggest there are some areas of wellbeing where tamariki and rangatahi in care experience major challenges.

There were five key findings based on the views and experiences shared:

- 1 I want support for my family and whānau.
- 2 I want to feel loved and respected.
- 3 I want the basics.
- 4 Oranga Tamariki has the potential to make things better but may sometimes make things worse.
- 5 Across a range of wellbeing indicators, tamariki and rangatahi in non-whānau care placements generally fare worse than their peers.

The findings reinforce a number of things that we need to do to help improve the wellbeing of tamariki and rangatahi in care. These include ensuring that the rights of all tamariki and rangatahi people in care are upheld, and recognising the challenges that tamariki and rangatahi in care face relative to other tamariki and rangatahi.

1. Tamariki and rangatahi told us they need to feel accepted, respected and connected

A significant focus of our mahi this year has been on helping tamariki and rangatahi feel accepted, respected and connected to their whānau, hapū and iwi. We have done this by prioritising:

- National Care Standards, including All About Me Plans; and
- section 7AA.

National Care Standards

The new National Care Standards came into effect on 1 July 2019. These put in place the steps we need to take to ensure every child and young person receives an excellent standard of care, and every caregiver gets the support they need.

"The Care Standards require us to do things in a way that gives us the best chance of improving the experience of care that tamariki have. It's up to all of us as the adults in the lives of tamariki in care to bring the Standards to life", says Paula Attrill, General Manager International Casework and Adoption.

Through the National Care Standards, we make sure every tamariki and rangatahi in care has a holistic needs assessment that reflects their views, wishes, aspirations and strengths, and that the important people in their life have an opportunity to be heard and contribute.

Nearly 100 percent (more than 6,000) of tamariki and rangatahi in care now have a new support plan (called the All About Me Plan) that's developed alongside them and the significant people in their lives. The plan must meet their needs and be reviewed and updated regularly. These plans are designed to be age-appropriate, and a special child-friendly version, the Tamariki All About Me Plan, has been produced for tamariki. It's completed by the social worker in discussion with the child or young person, and sets out how their needs will be met while they're in care, in a format they can easily understand.

To support the implementation of the National Care Standards, we've developed new resources for tamariki in care, in addition to the All About Me Plans: Life Events books, bags and backpacks, Welcome to Our Home booklets, memory boxes, and My Rights, My Voice booklet and cards.

Additionally, our care and protection social worker caseloads are much improved at 1:21 (from 1:31 three years ago), allowing for better quality social work, and more time spent with tamariki, rangatahi and whānau.

Plans help sharpen practice

Glennis Dennehy, Senior Practitioner at the Blenheim site, agrees that All About Me Plans help to facilitate discussions with tamariki.

"With the older tamariki we go through the plan with them, and with the younger ones we have their caregiver there too. Doing it with them helps to capture their voices and we find out things we didn't know," she says.

"For example, who they say their family is may be different to who we think it is. Going through the plans, some tamariki might say 'this is my family' – and it may include their caregivers and their foster siblings, and not their mum and dad, as that's who they feel safe with."

"They also help us sharpen our practice. We're continually looking at how we can update them. It's good we can carry them with us when we go on home visits, and we can update them bit by bit," Glennis says.

Tamariki All About Me Plan

Central Otago site social worker Samantha Raftery has been using the tamariki-friendly version of All About Me Plans to give a voice to three boys in the area.

Samantha, who has been working with the boys for three years, brought the plan templates when she recently called in to see them.

"I went over the plans with them, and then left them for the boys to complete. Every time I've been back to visit since, they've completed a bit more," she says.

Designed in a format that tamariki can easily understand, the plans successfully hit the mark with the boys.

"They were definitely interested from the beginning. After we'd talked about it, they put it away carefully – they didn't just dismiss it," Samantha says.

"The layout is great – it's big, colourful and child-friendly. It's great for that age group.

"It's good it's so child-focused. It's something they can look back on that tells their life story and shows what was important to them at the time."

The plan template can be used in several different ways, allowing tamariki to express themselves in the way that best suits them.

"The boys are very arty, so they've been filling out their plan with pictures," Samantha says.

"When it came to his doctor's details, he drew a picture of their doctor alongside a picture of himself blowing his nose."

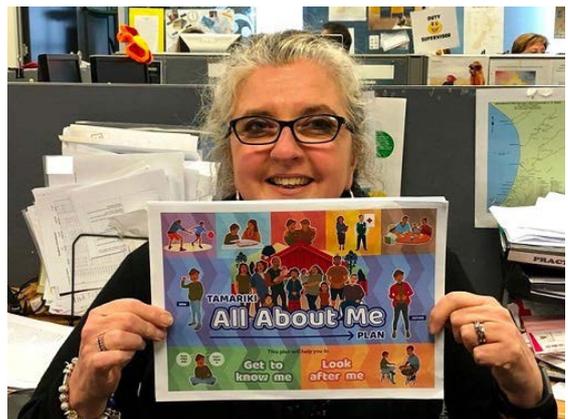
While working through the plans with the boys, their caregiver learned of some of their specific needs.

"With one of the boys, doing the plan brought up conversations about health, and the caregiver found out that they needed to book in a visit to the dentist."

When the boys moved to new caregivers within their whānau, their Tamariki All About Me Plans played an important role in helping them express their needs in their new home.

"When they packed up their belongings to move, they had their plans out on top – right there with their most important things – ready to show their new caregivers," Samantha says.

"They're very proud of their plans and want to show them off, through which they share and engage with their caregiver."



Section 7AA

Section 7AA came into force as part of the broader amendments to the Oranga Tamariki Act on 1 July 2019. It sets out the duties of the Oranga Tamariki Chief Executive to recognise and provide practical commitment to the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

Together with our partners, we share the vision that 'no tamaiti Māori will need state care'.

This is intended to be achieved by one of the "end goals" being sought by the Oranga Tamariki transformation, that tamariki Māori are thriving under the protection of whānau, hapū and iwi underpinned by five mana tamaiti objectives:

Tamariki Māori are connected to, and nurtured by whānau, hapū, and iwi

Ensuring participation in decision-making

We will ensure early participation of whānau, hapū, and iwi in decisions affecting tamariki Māori

Preventing entry into care or custody

We will work with whānau to prevent the entry of tamariki Māori into state care or a youth justice response

Placing with whānau, hapū, and iwi

We will preference placements for tamariki Māori, and their siblings, with members of whānau, hapū, and iwi

Supporting identity and belonging

We will support tamariki Māori to establish, maintain, or strengthen cultural identity and connections to whānau, hapū, and iwi

Leaving care or custody

We will support, strengthen, and assist tamariki Māori and their whānau to prepare for return home or transition into the community

This vision is the focus of our efforts with Strategic Partners (p23) and Whānau Care Partners (p24) and will be realised through more effective prevention, early support and intensive response systems and services to further reduce the entry of tamariki Māori into state care.

At the heart of section 7AA is an expectation that Oranga Tamariki will uphold and protect the familial structures of whānau, hapū and iwi.

As signalled in the many reviews and reports since 1986, and as required by Treaty of Waitangi principles, section 7AA requires a change in the way we develop and deliver policies, practices and services to preference improved outcomes for tamariki Māori, their whānau, hapū and iwi within the context of tikanga Māori.

This year we published our first section 7AA report, outlining the changes we have made at a system level to put in place the right set of parameters to deliver improved outcomes for tamariki Māori.

The report shows that as well as a continuing drop in the number of tamariki Māori entering care, for the first time in a number of years we are seeing a reduction of tamariki Māori in care. On the back of recent policy changes, we have also seen a significant reduction in the number of pēpi Māori (babies) entering care – down to 123 this year (from 313 in 2017).

Kairaranga roles pivotal to transformation

The role of kairaranga ā-whānau is pivotal in the transformation of Oranga Tamariki. They work alongside whānau, hapū, iwi and community partners to continue to improve support for tamariki Māori and keep them safe within their whānau.

There are 42 kairaranga ā-whānau, with at least 20 more roles being developed across the country in 2020/21 alongside sites and mana whenua.

Evaluation has shown the Māori specialist role is having an important impact and is contributing to our section 7AA obligations and mana tamaiti objectives, including:

- improving participation of tamariki and whānau Māori, iwi and Māori NGOs;
- helping whānau to retain the care of their tamariki through hui ā-whānau and community partnerships and support networks;
- securing whānau placements for tamariki through earlier engagement with whānau;
- improving identity and belonging by helping to connect tamariki and whānau with hapū and iwi; and
- building the capability of other practitioners to offer more culturally responsive and relational practice.

2. Tamariki and rangatahi told us they need to feel loved, safe and nurtured

We are helping tamariki and rangatahi to feel loved, safe, and nurtured, with people in their life who care for them and keep them safe. This year, our focus has been on:

- Transitions Support Service.
- Te Awe.
- Raising the age for Youth Justice.
- Whakatakopokai.

Transitions Support Service

The Transitions Support Service was up and running by 1 July 2019. Part of this service is to introduce rangatahi over the age of 15 who are about to leave care or a youth justice residence to a transition worker who will walk alongside them in their transition to adulthood. They'll keep in contact with rangatahi after they leave care and proactively offer them support.

Transition workers provide practical and emotional support to rangatahi – helping to develop their life-skills, learn from their mistakes and plan for their future. They'll help rangatahi develop and achieve their goals, and guide them in accessing the supports and services available to them. Transition workers connect rangatahi to their strengths, their identity and a wider network of support, including whānau, hapū and iwi.

Most importantly, transition workers will support rangatahi through until the age of 21 – continuing to reach out even when things get tough. Rangatahi who have been in care or through the youth justice system are among those with the highest needs and require the most support in New Zealand. We want to make sure they have the right support and access to the services they need – whether that's financial support, knowing how to set up a bank account, advice on flatting, job searches, or immediate crisis support because they can't afford to buy food. Transition Support Workers can help them in all these situations and more.



A dedicated helpline (0800 55 89 89), available until rangatahi reach the age of 25, has been set up to make accessing that support even easier.

We have partnered with 40 community organisations who employ transition support workers. 50 percent of these organisations are Māori or iwi social service providers. These partners were carefully chosen in order to take on a key role as connectors – community organisations are often best placed to identify, strengthen, and maintain links to sources of support.

Te Awe

A new home in Lower Hutt is providing a safe place for tamariki from the Wellington area.

The home, Te Awe, was co-designed by Te Ātiawa iwi and Oranga Tamariki, and provides short stay, emergency or planned respite care for tamariki.

It takes a Te Ao Māori approach to how we care for tamariki and rangatahi with a trauma informed lens.

The values of Te Ātiawa are honoured in the home, and tamariki experience a structured rhythm to their day with practices such as karakia, waiata, hui morning and night, and kai together.

Whānau can connect with their mokopuna at Te Awe, and there's a strong focus on supporting the tamariki to move on to stable, appropriate care as soon as possible.

Tamariki are supported to connect with their whakapapa, and special sensory features help to reduce anxiety.

Kura Moeahu, Chair of Te Runanganui o Te Ātiawa said at the opening of Te Awe it was a wonderful occasion.

"It's a great start to an ongoing partnership - partnership starts with every small step."

He said he was really excited about how the iwi is working with staff in the home – providing ongoing training and guidance and helping to develop local knowledge resources.

"It's about learning Te Ātiawa tikanga."

Youth Worker in the home, Madison, says it's the small changes in the tamariki who stay in the home that mean the most to her, like little improvements in self-care.

"The highlight so far though would be when the first young person in the home said to me – 'I feel safe here'."

Te Ātiawa generously gifted Oranga Tamariki the name 'Te Awe'.

In te reo Māori, Te Awe is the plume of the albatross, which holds special significance to the people of Te Ātiawa Taranaki Whānui: when the plumes of the albatross feathers were gathered together on Toroanui Marae and presented to the Parihaka prophet Te Whiti o Rongomai he acknowledged them as a raukura (a special gift).

Former Minister for Children Tracey Martin attended the opening and experienced the pōwhiri each child going into the home receives.

"These are not facilities," she said. "These are homes – where children who are scared, who don't know what will happen next get a sense of safety, of validation.

"This is the change that we need, for the children that need us here in New Zealand."



New Youth Justice services

A key aspect of the transformation of Oranga Tamariki is to build further on the successes that have been seen by taking a restorative and diversionary approach to offending by tamariki and rangatahi. These are key principles of the New Zealand youth justice system.

The Oranga Tamariki Youth Justice team is making changes and introducing new services to ensure that our responses to tamariki and rangatahi focus on preventing further offending, or offending escalating in seriousness, and are centred on making sure tamariki, rangatahi and their whānau have what they need to make changes. We have also done work to better ensure the needs of victims of offending by tamariki and rangatahi are well responded to.

We are working closely with our partners, and have increased the capacity and reach of preventative and therapeutic support across Youth Justice. These new services, support and approaches are being developed in and with the community to be whānau-focused and locally led, and will support rangatahi by being relational, earning and

maintaining the longer-term trust and confidence of communities and rangatahi and improve whānau and community capability and capacity.

These new services, support and approaches include:

- working towards delivering Functional Family Therapy to rangatahi and their whānau;
- co-designing a Te Ao Māori programme aimed at cognitive thinking and behaviour to reduce the risk of further offending by rangatahi;
- delivering improved supported bail services in order to reduce bail breaches, and therefore reduce rangatahi being remanded in detention by the courts;
- piloting a new restorative approach to behaviour management in residential placements - Whakamana Tangata - in Rotorua; and
- increasing our work in the community on preventative programmes like Oranga Rangatahi - a collaboration with iwi social services, the police, schools and DHBs that involves ensuring the voices of rangatahi are heard and their interests are front and centre, and aimed at preventing rangatahi from offending.

Raising the Age for Youth Justice

Part of continuing the successes seen in the youth justice system was bringing most 17 year olds accused of committing criminal offences into the youth justice system. This was one of the most important changes that came into force on 1 July 2019. This means that 17 year olds are now supported through the restorative Youth Justice process, and more likely to be diverted from formal criminal justice proceedings. It also means if the court places them in custody, they live in a Youth Justice Residence or Community Remand Home, instead of a prison.

The number of 17 year olds coming into our service has steadily increased since the change on 1 July – while overall numbers of tamariki and rangatahi in the youth justice system are decreasing, this particular increase was expected. Over 50 percent of the rangatahi in our custody currently are 17 or over. However, even with this increase in age range, the youth custody population, including remands and sentenced young people, is 19 percent lower now than before the youth justice jurisdictional age was raised to include 17 year olds.

The entry of 17 year olds into the system has seen us working together with our partners and the community, to increase staff numbers and residential placements. Our focus for the new residential placements has been on only

establishing small community-based homes with partners, which mean that rangatahi are more likely to be able to stay close to their whānau and home community while in custody. This has included new community-based remand homes opening their doors in Auckland, Tauranga, and Havelock North, new bail homes in Tauranga, Auckland, Kaponga, and Nelson, and increasing capacity at an existing home in Hamilton.

We have also seen some reductions in demand for residential placements as a result of new processes that have reduced the average time rangatahi are detained, and reductions in severity and frequency of reoffending by other age groups.

So, with a smaller number of rangatahi, whānau and victims needing our help right now, we are taking the opportunity to:

- invest earlier in supporting young people and whānau so we prevent youth crime in the first place;
- support restoration more quickly if there is offending; and
- provide greater intensity and support, including keeping rangatahi as close to the community they come from as possible.

Whakatakopokai

A change to the land use designation for the Whakatakopokai residence in South Auckland was approved by the Environment Court, providing the Youth Justice team with new opportunities to support rangatahi and their whānau.

Until recently, Whakatakopokai had been used as a Care and Protection residence for up to 20 rangatahi. This decision gives us the opportunity to use the secure part of the Whakatakopokai residence for youth justice purposes, helping build the capacity needed to meet the additional demand created by the raising of the youth justice age to 17.

“Providing more placements in Auckland also reduces the need to send young people from the region away from their communities and families, which we know can be really hard for them, and allows us to provide them with continuity of care. It also allows us to provide specialised places for teenage girls and teenage boys with high and complex needs,” says Allan Boreham, Deputy Chief Executive (DCE) Youth Justice Services.

3. Tamariki and rangatahi told us they want to feel involved and empowered

Tamariki and rangatahi need to feel involved and empowered when it comes to making decisions about their lives. They need to be able to trust the adults around them, and to know that they and their whānau are listened to. This year, our focus has been on:

- Better practice when concerns are reported to us;
- Intensive Responses (formerly Intensive Interventions);
- Supporting victims;
- Adoption teams;
- Compliments, Complaints and Suggestions; and
- Empathy for rangatahi.

Better practice when concerns are reported to us

In 2019 we introduced a new approach to simplify and enhance the work we do to identify the needs of tamariki and whānau and find the best help for them when they are reported to us.

Through improved practices and a new assessment method, we are strengthening the intake and early assessment part of our work.

The new approach enables earlier decision-making when we receive a report of concern or notification about a child, as well as stronger partnerships with our community stakeholders.

We’ve made great progress on implementing the new assessment approach across the country, and the stories and practice from our sites show this is making a huge difference for tamariki and whānau.

Sites are telling us that they are much more connected to their stakeholders, and are building relationships with the people who notify concerns about tamariki and rangatahi to us - for example Police and schools - that focus on identifying the needs of tamariki and how they can be met.

We are hearing more that our community partners want to work alongside us with whānau in order to get the best outcomes for tamariki.

Importantly, we are seeing examples of hui-a-whānau where we are ensuring whānau are engaged early when a social worker is concerned and supported to make decisions that keep tamariki safe.

When we receive reports of concern, early and robust decision-making with whānau enables the right pathway to early intervention or, if there are serious care and protection concerns, to Intensive Response.

Intensive Responses (formerly Intensive Interventions)

Budget 2019 provided investment for the establishment of new intensive support services for tamariki at significant risk of harm and their whānau. The first sites involved in these new Intensive Responses are Horowhenua, Ōtāhuhu, Tokoroa and Christchurch East.

We are collaborating with partners in the service design process and listening to the stories and experiences of local communities to understand what works for them. We plan to expand slowly to other communities over the coming years.

Intensive Response is a recognised approach worldwide and it will help families to create safe homes for their tamariki, says Alison McDonald, Deputy Chief Executive Services for Children and Families South.

“It’s based around a high trust relationship between whānau that have children for whom we have care and protection concerns, and an intensive support worker who is available when and where whānau need them.”

This approach signals a shift by Oranga Tamariki from responding to crisis to prevention, Alison says.

“It aligns with our need to take a Māori worldview to support and strengthen whānau and ultimately mitigate risks for tamariki so they can stay out of care.

“We know that wherever possible, the best place for a child is in the safe, loving and stable care of their whānau.”

Alison says this approach will differ depending on the strengths and nature of the communities and that it’s important we take time to develop the new services, particularly with local iwi and Māori organisations.

“Whānau, hapū, and iwi know what their tamariki need, so it’s vital we support them and our NGO partners to find and develop the solutions,” she says.

The iwi, hapū, Māori, Pacific and community organisations we may partner with reflect the whakapapa of the whānau and tamariki and many already have good relationships with them, Alison says.

“We’re excited about the future and the possible opportunities.”

Why supporting victims matters

The effects of crime on victims can be devastating, and wider families and communities can be affected as well. Many rangatahi who need help from Youth Justice may be victims of crime themselves. Understanding the needs and concerns of victims and encouraging them to participate in the Family Group Conference (FGC) process can benefit everyone involved.

Research shows that when victims take part in restorative justice processes they are generally satisfied with the outcome and that procedural fairness (for example, having the opportunity to have their say) is really important to them. Feedback from Youth Justice Coordinators indicates that where victims are present, FGCs tend to be more effective.

Overall participation in the FGC process is low. Current data shows that 40 percent of victims do not respond to contact and only 20 percent of victims physically attend; actual participation may be even lower.

We are supporting several pieces of research that will help our understanding of victim participation and engagement and will provide an evidence base for our work. Additionally, we have created a new role of Director: Victim Engagement and Participation, to improve the support that we offer to victims of youth crime.

Adoption teams

1 July 2019 was the start of the Adoption Service being nationally supported and led, a significant move from the previously regional approach.

The change means that people who approach us about adoption choices, to seek information about their adopted child, their own adoption, or want to apply to adopt a child, are now supported by a service line nationally dedicated to adoption practice.

Our new structure focuses on developing staff to improve the quality and consistency of our social work practice in this area.

Compliments, Complaints, and Suggestions

Among the changes we have been embracing as an organisation is the way we receive feedback.

The legislation that came into effect on 1 July 2019 required us to build mechanisms to provide timely, tamariki-centred and fair complaints processes. We also need to ensure that what we learn from these processes is integrated into our services and policies.

Key to this is a timely and tamariki and whānau-centric approach to complaints. That's why we've developed a feedback system that is easy for tamariki, rangatahi and whānau to access and use, as well as a package of policies and processes to underpin this, and an IT system that supports it all.

The new approach ensures we:

- learn from the feedback we receive, as we know that effective feedback, both positive and negative, strengthens practice;
- focus on resolution as early as possible;
- strengthen knowledge and confidence to constructively apply the feedback principles within sites;
- create an awareness of the benefits of working with the Feedback and Complaints Team when challenges arise; and
- build an understanding of how logging feedback can lead to positive change for te tamaiti, their whānau and the organisation.

Alongside the roll-out of the new IT system, we are continuing to engage at all levels throughout the organisation to ensure everyone is able to effectively respond to feedback, and incorporate things we have heard into policy and practice changes.

We have focused on making sure that the system is more accessible to Māori, and that resolutions focus on restoring relationships and mana. We've worked with Māori advisory groups, including the Oranga Tamariki Māori Design Group and the Independent Child Monitor's Kahui Group, to seek their views on how we can design a complaints system that is accessible to Māori and results in outcomes that are meaningful.

We have heard that early resolution is key. Supporting people in resolving feedback as early as possible has a number of benefits for both whānau and for us as an organisation, and goes a long way towards building constructive engagement with the people we work with.

Voices of caregivers

It's best for tamariki to stay at home safely, and we will work with whānau, hapū and iwi to prevent tamariki and rangatahi from coming into our care. When this is not possible, we look to caregivers who are family, whānau or non-kin to provide a safe, stable and loving home for as long as needed.

Our focus this year to ensure caregivers are listened to, helped and supported has been:

- Caregiver Satisfaction Survey.
- Review of financial assistance for caregivers.
- Caregiver Recruitment and Support.

Caregiver Satisfaction Survey

Early in the year we gave our caregivers the opportunity to share their experiences with us through our Caregiver Satisfaction Survey. This is the first time we've gathered feedback from our caregivers through a New Zealand-wide survey.

We wanted to get a better understanding of how our caregivers feel about the support we offer, and find out where we can do better.

It was also a chance for us to confirm some of the things we've heard from individual caregivers through other feedback mechanisms. This gives us confidence that we have accurate information to guide us in the work we're doing to improve the caregiver journey.

The responses we received means we'll be able to monitor how the support we offer our caregivers improves over time.

- 1 The vast majority of caregivers who responded agreed that they can make a positive difference in the life of a child by becoming a caregiver.
- 2 Many caregivers were satisfied with the process of becoming a caregiver, but some found it frustrating.
- 3 Some caregivers are struggling financially as a result of being a caregiver.
- 4 Caregivers often feel they need more information or communication.
- 5 Many caregivers told us that they don't feel valued or listened to.

Review of financial assistance for caregivers

In June, we released the findings and Cabinet paper for the Review of Financial Assistance for Caregivers. This was a significant milestone on our journey to better support the 14,000 caregivers – who care for around 22,000 children – who receive these payments.

This is the first time we've undertaken a review of the financial assistance available to caregivers. We sought feedback from caregivers, care-experienced young people, our staff, and NGOs – including iwi, Māori and Pacific organisations.

These voices informed the policy proposals and advice provided to Cabinet.

What we heard was that although most caregivers receive a lot of enjoyment from the role, they would also like to feel more valued.

Most said the payment does not adequately cover the costs of having a child in their care, and, for many, becoming a caregiver had impacted them financially. Additionally, the payment systems are too complex, leading to inequities, and are difficult to navigate.

We also heard about the unique challenges faced by Māori and Pacific caregivers, and the need for caregivers to have access to a wide range of support and training.

The Government has agreed we need to make some changes, and we now have a clear direction to work towards creating a fit-for-purpose, equitable and simplified system for caregiver payments.

Initial changes were announced in Budget 2020 – including the \$25 per week increase to the base rates of the caregiver payments and additional support for respite care.

Caregiver Recruitment and Support

Our Caregiver Recruitment and Support Service, established in 2019, is bringing significant benefits for caregiving whānau, caregivers, and social workers.

Through the new service, caregivers are being better supported as we work with them to develop their Caregiver Support Plans and provide training. In terms of caregiver recruitment, we now process provisional assessments for caregivers faster, increasing the number of caregivers we have available for tamariki at any given time.

The preferred placement for tamariki and rangatahi who cannot live with their parents for the time being is with a member of their whānau. We are making significant efforts to better ensure that whānau members are supported to be able to undertake that role, and are establishing whānau care partnerships (p24) to enable this.

More than 62 percent of caregivers are caring for tamariki and rangatahi in their whānau, and we are supporting them to provide the best possible care and make good choices about the care they provide, including ensuring they understand the role that caregivers play and have strategies and plans to keep everyone safe. We have introduced caregiver assessments, support plans, and ongoing training and guidance to make sure whānau caregivers have the help they need.

Since March, 39 new staff have joined the service, and collectively the teams have received more than 1,500 hours of learning and development.

With the new structure and the introduction of the National Care Standards, there's been a greater emphasis on ensuring the needs of both tamariki and their caregivers are met.

The approach supports strong relationships, kōrero, sharing of experiences, and learning from each other, while showing caregivers and caregiving whānau how much we value them.

We know that caring for tamariki and rangatahi can be challenging. Our trauma training recognises this, and helps to equip caregivers and caregiving whānau with the skills they need to look after tamariki. Since March, 277 caregivers have participated in the trauma-informed training pilots and a further 52 have attended trauma-related behaviour training through Caring Families Aotearoa.



Voices of partners

We are part of a broader government and non-government children's system that is responsible for the wellbeing of all children and young people in New Zealand. Part of our transformation is to work with children, young people and their families and whānau earlier to promote their wellbeing and, therefore, prevent harm. As we work more in the Early Support and Intensive Response areas, we become increasingly reliant on other government agencies and our partners.

Oranga Tamariki currently has over 500 partners who provide services to children, young people, their families and whānau. These providers can be NGOs, iwi, or Māori organisations. In 2019/20, approximately \$382 million in funding was used to fund services delivered by external, contracted partners. Since the establishment of Oranga Tamariki there have been significant increases in funding to our partner providers. Current funding to providers is more than \$80 million per year higher than it was in 2017/18.

Our focus this year has been:

- Strategic Partnership with Ngāi Tūhoe.
- Memorandum of Understanding with NZ Māori Council.
- Strengthening our partnership with Waikato-Tainui.
- Expanding Whānau Care.

Strategic Partnership with Ngāi Tūhoe

In August, Oranga Tamariki signed a strategic partnership with Ngāi Tūhoe iwi in Taneatua near Whakatāne. We're now working closely with four iwi as strategic partners. Previous strategic partnerships, with Ngāi Tahu, Te Rūnanga-Ā-Iwi O Ngāpuhi (Ngāpuhi), and Waikato-Tainui, were signed in 2018/19.

This partnership deepens the commitment we have to work together and we are excited about what the Tūhoe strategic partnership agreement will mean for tamariki of Tūhoe descent.

"The agreement is founded on the belief children of Tūhoe are best supported by whānau with unconditional love and support," says Gráinne Moss.

"Our partnership is a commitment to help build capability and capacity to achieve their vision for Tūhoe tamariki."

Memorandum of Understanding with New Zealand Māori Council

The signing of a Memorandum of Understanding (MoU) between the New Zealand Māori Council and Oranga Tamariki in December has been described by the Council as a first step that "will help us all point the waka in the right direction".

The MoU was signed by chief executives of both organisations, and witnessed by the outgoing Chair of the Council, Sir Eddie Taihakurei Durie, and the former Minister for Children Tracey Martin, at a ceremony at Tangatarua Marae in Rotorua.

Under the agreement, we will develop a joint work plan with the Council, including looking at national policy topics and opportunities to cooperate with the Māori warden workforce. Advocacy of whānau wellbeing and responsibility will also be looked at.

Henare Mason, the new Chair of the Council, said arrangements like this are essential to respond to the demand and in the design of kaupapa delivery models. Each rohe, district, iwi and tribe has different needs but if the foundations are right and people are empowered to take the next step then progress can be made, he said.

"Our motivation for embarking on a partnership with the Crown is to further the interests of our people when it comes to tamariki and rangatahi."

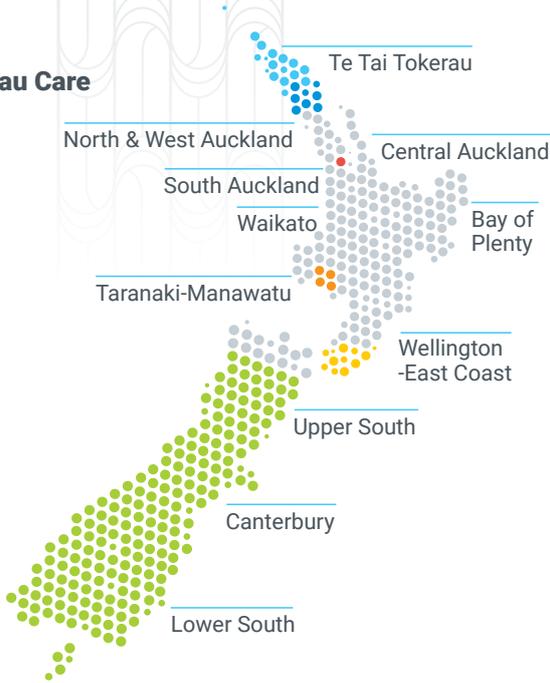
Strengthening partnership with Waikato-Tainui

Last May we signed our strategic partnership with Waikato-Tainui. Since then, the Mokopuna Ora Sustainability Project (MOSP) has been at the heart of the partnership.

MOSP is centred around two sites: Papakura and Waikato Rural North. The partnership objective is to support whānau to prevent mokopuna coming into the care of Oranga Tamariki. Mokopuna Ora supports tamariki to be with whakapapa-whānau caregivers and provides wrap-around supports for parents to achieve wellness. The intention is to reunite tamariki with their parents wherever possible.

The engagement with whānau throughout this process has given confidence that real change can be achieved. There is a strong interest in how the results of this mahi can inform our other strategic partnerships with iwi. We're using the insights gained through our partnerships to develop our services and improve outcomes for tamariki and their whānau.

Whānau Care



Whānau Care partners. As at 30 June 2020

- Waitomo Papakāinga
- Te Rūnanga-Ā-Iwi O Ngāpuhi
- Ngāti Kahu
- Ngāti Kuri
- Ngai Takoto
- Te Aupōuri
- Te Rarawa
- Te Iwi o Ngati Kahu Trust
- Ngāti Ruanui
- Te Roopu Awhina
- Ngāi Tahu

Whānau Care is a significant step towards returning tamariki Māori back into the hands of whānau, hapū and iwi by ensuring our iwi and kaupapa Māori partners are given the capacity and resourcing they require. It was introduced as part of our response to section 7AA and the mana tamaiti objectives. Through partnering with iwi and kaupapa Māori organisations, we co-design ways of caring for tamariki that are responsive to Māori, and support them to determine their own care approach. We want to ensure tamariki Māori in care are connected through their whakapapa to well-supported whānau, hapū or iwi caregivers.

The purpose of Whānau Care is to ensure we are meeting the needs of tamariki Māori, by helping them to remain as closely connected as possible to their whānau, hapū and iwi. For those who are not able to be placed with close whānau, Whānau Care has a wider whakapapa search function to ensure tamariki Māori are placed with members of their hapū or iwi.

Whānau Care is now expanding from when it was set up in 2018. We’ve completed co-design with six of our seven iwi and kaupapa Māori partners, now established under section 396 of the Oranga Tamariki Act 1989⁴.



Waitomo Papakāinga, one of our Whānau Care partners, is a kaupapa Māori organisation in Kaitaia with a team of 25 kaimahi who are supporting their community through a range of social services.

In partnership with the Kaitaia site, they are researching the whakapapa of tamariki to identify and support whānau who can care for them.

Waitomo Papakāinga Chief Executive, Katie Murray, says their mission is to help whānau discover their tino rangatiratanga.

“With support from the Kaitaia office, we are going to re-connect whānau and help them to become accountable for their own.

“This has been our kaupapa for a long time, and this new partnership will enable us to make an even greater difference for our people.”

Kaitaia Site Manager, Hemoata Tauroa, says this Whānau Care partnership is a realised dream for everyone involved.

“Our hopes and dreams are the same for our tamariki and mokopuna. That they are safe and well and cared for by their own.

“As Māori, this tikanga has been with us for ever. Muriwhenua never had mokopuna in state care. They looked after their own.”

Waitomo Papakāinga and the Kaitaia site have been working hard to build relationships between their teams.

With support from Partnering for Outcomes in Te Tai Tokerau, they have developed new ways of working together to better support tamariki and whānau.

For example, Waitomo Papakainga has been facilitating hui a-whānau since October last year. As a result, more than 50 tamariki have not needed to come into care with Oranga Tamariki.

“We work with the Kaitaia site to make sure the children are safe and then work alongside the parents and whānau to help them make better decisions for their tamariki and for themselves,” Katie says.

The aim is to ensure tamariki who need care are living safely with carers who have whakapapa connections to them through whānau, hapū or the five iwi of Te Hiku.

Our Whānau Care team is working to establish partnerships with iwi and Māori organisations across the entire country within the next three to four years.

4 Section 396 of the Oranga Tamariki Act 1989 sets out the organisations, and types of organisations, that are entrusted with the care or custody of children or young people.

Voices of reviews and inquiries

A series of independent reviews took place in 2019/20 into Oranga Tamariki policy and practice and parts of the care and protection system:

- Hawkes Bay Practice Review.
- Children's Commissioner Report.
- Safety of Children in Care Annual Report.
- Royal Commission.
- Whānau Ora Commissioning Agency.

Three further reviews have been released, or are due to be released, in 2020/21 from:

- The Office of the Ombudsman;
- The Office of the Children's Commissioner Review (and subsequent final report) into the bringing of pēpi Māori into state care; and
- Waitangi Tribunal Urgent Inquiry (WAI 2915).

Hawkes Bay Practice Review

The findings of a Practice Review into an attempt to bring a newborn baby into state care at Hastings Hospital were released in November, with Oranga Tamariki announcing immediate changes to ensure greater scrutiny on how tamariki are taken into care. An internal practice review into this case with independent oversight from the Office of the Children's Commissioner and representatives of Ngāti Kahungunu was also completed.

The review identified a range of reasons why our practice standards were not met, and there are insights that have relevance for all of us. All of the recommendations of the review were accepted, with the following changes made immediately:

- Unless there is a clear need for action to protect a child from immediate and imminent danger, staff were directed that all interim custody order applications (made under

section 78 of the Oranga Tamariki Act 1989) be made 'on notice' to ensure the family is given the opportunity to have their say before a judge makes a final decision.

- When staff need to act faster to keep a child safe, every section 78 'without notice' application now goes through additional checks completed by a Regional Legal Manager, with a Site Manager and a Practice Leader all signing off.
- Additional investment has been made into staff training nationwide and greater supervision for Family Group Conferences.
- Our Practice Leaders on every site are looking at all reports of concern for unborn and newborn babies and check that we put the right planning and assessment around vulnerable mothers at the earliest opportunity.
- In Hastings, more resources and training are being provided to staff and a new Regional Supervisor appointed.

We can learn and grow as an organisation from the mistakes that were made, and we need to take positive steps to ensure they are not made again.

Children's Commissioner Report

In January, The Office of the Children's Commissioner (OCC) released statistics on assessments and removals of Māori babies into state care. It provided a snapshot of what currently happens when Oranga Tamariki is notified of care and protection concerns for Māori babies aged 0–3 months.

We welcome the publication and supported OCC in providing data.

It built on our own Practice Review and preceded three other external investigations and reviews into the policies, practice and processes associated with the placement of babies in our care.

Safety of Children in Care Annual Report

This year we released our first Safety of Children in Care Annual Report. The comprehensive report provides data from July 2018 to June 2019 to help us understand the full picture of where harm is occurring and focus on the right actions to keep tamariki in care safe. The annual report provides a baseline with which we can measure the safety of tamariki and rangatahi in our care, says Director Safety of Children in Care Andrea Nichols.

“It provides a full picture of the information related to findings of harm for children in the care or custody of Oranga Tamariki throughout the year. Having that full picture enables us to identify and understand risk factors, themes and patterns and, if necessary, where improvements are needed.

“We release this data because we want to be open, transparent and learn from it. We are wholeheartedly committed to reducing the rates of harm in care, and these measures can help us to fulfil this commitment to tamariki.”

Examining the information related to findings of harm for tamariki in care enables the Safety of Children in Care unit to provide individual case level reflections and learning, and ensures sites can develop their practice in real time. This is a critical support for implementing the National Care Standards, and improving the experiences for all our tamariki in care.

Royal Commission

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission) is examining the nature and extent of the abuse of tamariki, rangatahi and vulnerable adults that occurred in direct or indirect state care and in faith-based institutions, focused on the period 1950–1999. The Royal Commission is also reviewing the current systems for responding to abuse, to ensure such abuse cannot happen again.

The Crown recognises that the independence of the Royal Commission is paramount, and is guided by the Royal Commission’s tikanga. The Crown is a core participant in the Royal Commission’s inquiry, both in examining what occurred in the past and ensuring things are improved in future.

The Crown Response is underpinned by an approach based on six principles: manaakitanga, openness, transparency, learning, being joined up, and meeting obligations under Te Tiriti o Waitangi.

Oranga Tamariki is one of multiple agencies involved in the Crown Response. The inquiry is ongoing, and will present an interim report in December 2020 with any interim recommendations. A final report will be completed by January 2023.

Whānau Ora Commissioning Agency

The report, Ko Te Wā Whakawhiti: It’s Time for Change, was released in February 2020.

The purpose of this Inquiry was to:

- deliver an independent Māori-led inquiry;
- hear the voices of whānau, hāpori (community) and those with lived experience of the policies

and practices of Oranga Tamariki, in particular around the historical and contemporary incidence of removal of tamariki Māori from their whānau, and the adverse effects of this practice;

- review the context and development of Crown policy and practice underpinning the current experiences of whānau Māori in regards to Oranga Tamariki; and
- highlight the changes that need to be made to current Crown approaches and practices in tamariki Māori protection and wellbeing, and to provide action points for change.

We provided a formal statement of response to some of the recommendations.

Voices of our kaimahi

We care about our people and the ways in which they work. Ensuring they are listened to and have safe working environments is a key focus for us:

- Kōrero Mai staff survey.
- Supported practice step.
- Diversity.
- Digital Workplace.
- Flexible working.

Kōrero Mai – Have Your Say, staff survey

This is the third time we’ve run the full annual survey, and the results help us identify what we’re doing well and what we need to strengthen.

Our overall survey score for this year remained the same as last year at 67 percent. Our overall result is 5 percent higher than the New Zealand Public Sector benchmark. Research tells us that the more engaged people are, the better they can serve those that need them. For us, that means better outcomes for the tamariki and whānau that we work with.

Scores improved in many areas, with the highest overall score being the question about how well our staff understand the Oranga Tamariki vision, purpose and values. Our people are confident in their role and how the work they do contributes to better outcomes for tamariki and whānau. It is comforting to recognise we are all on the journey and moving together in the right direction.

There has been significant improvement in our response to technology – this has gone up nine points. Digital Workplace changes (p28) have been well received and people now feel they have the technology to allow them to focus on the things that matter.

We can see positive shifts in the key focus areas that were identified from previous results, strengthening our connection to our vision, purpose and values, kaimahi ora and personal development. We're committed to continuing to work on kaimahi ora, in particular, and it's encouraging to know we're going in the right direction.

We also had more than 4,000 verbatim responses through the survey, all of them representing voices of our people taking the time to give frank input to help make Oranga Tamariki a better place to work.

Supported Practice Step

The supported practice step is an exciting new way we are helping emerging practitioners to embed quality practice at the start of their career. It provides a supported introduction to social work at Oranga Tamariki, and offers new graduates and practitioners the opportunity to learn at a pace that enables them to engage in deep learning about their roles and our organisational processes.

Importantly, it supports our goals to attract and retain social workers, improve kaimahi ora, support quality practice, and maintain manageable case levels for new social workers while they learn and grow.

It was co-designed with the Public Service Association to better support new graduates into their first statutory social work role, and was part of the Pay Equity Terms of Settlement in 2018.

Diversity

We know that in order to fully support our staff, along with the tamariki, whānau and communities they serve, Oranga Tamariki must be a workplace where our people feel valued, respected and comfortable to be themselves.

To meet this goal, we are accountable to the five Papa Pounamu⁵ priority commitments:

5 Papa Pounamu was established in 2017, to bring together diversity and inclusion practices across the Public Service.

1. Addressing bias and discrimination

Although over the last year we have become the first agency to close the gender pay gap overall, we are still showing a gender pay gap in some groups. Starting salary guidelines have been developed and implemented by mid-2020 to provide managers with advice on the recruitment process and hiring employees at an appropriate level without gender bias. We will continue to monitor this by actively tracking starting salary data.

To further address bias and discrimination, we are having a bias conversation with hiring managers during the hiring process, and we are supporting understanding of the impact of bias on decision-making.

2. Strengthening cultural competency

In order to meet all our obligations under Te Tiriti and do better for tamariki Māori, it's crucial that we keep deepening our understanding of key Māori values, concepts, practices, and events, and their impact on Māori. The Māori Cultural Framework is an important step towards this. We are developing the way we work, adapting our practice and responding in culturally appropriate ways. We know that supporting positive cultural identity and connection to whakapapa is critical to enabling tamariki Māori to flourish.

The framework, co-designed in partnership with the Māori Design Group, can help us all identify our own level of understanding, and work on the ways in which we can develop. With five principles oriented around mana, the framework sets standards for all staff to meet, and guides our people to deepen their understanding. The Māori Cultural Framework aims to remove bias and reduce the risk of discrimination in decision-making, and to enable our people to practise consciously and with cultural confidence.

3. Building inclusive leadership

One of the core values of Oranga Tamariki is to put tamariki first, which has required the organisation to critically examine all that we do, to ensure we are living this value. Leaders are critical to changing how we work across the organisation, and in order to maximise these changes we have created a range of programmes aimed at developing leaders and talented people.

Leading the Oranga Tamariki Way is a nine-month leadership programme that has been developed with the aim to strengthen leader capability in values-based leadership, leading through others, collaboration, working with complexity and change, and leading with impact. As of September 2020, 234 participants have been through the programme since 2017, with another 87 currently on the programme.

Alongside this programme, we have supported the capability development of staff through offering a number of Essential Leader Conversations clinics that cover a range of topics such as giving and receiving feedback, having good development conversations, leading and navigating change, and removing bias in our decision-making.

4. Developing relationships that are responsive to diversity

Our connection to our vision, our purpose, and our values drives our determination to develop diversity-responsive relationships. Similarly, our Oranga Tamariki code of conduct leads us to value diversity in both internal and external connections.

5. Supporting and engaging with employee-led networks

As we continue on our journey towards realising oranga tamariki, it is important that the way we engage with our people reflects the way we want our people to interact with our tamariki, whānau, caregivers, and sector partners – by listening to their needs and working with them to create solutions. Our third annual staff engagement survey, Kōrero Mai – Have Your Say, was carried out in October 2019. The survey tool we used promotes an iterative cycle of asking for feedback, acknowledging what people are telling us, and taking action in an inclusive way.

Digital Workplace

A major technology project was rolled out in 2019 and 2020. After staff feedback, a group of predominantly front line staff chose our new two-in-one tablet device. These have replaced all our desktops, laptops and iPads, giving us flexibility in the use of our technology that we hadn't had before. In addition, hard phones were replaced by audio and video calling via laptops and a raft of new ways to communicate, including instant messaging and video chats, usable from wherever our people are, were rolled out. This proved to be invaluable during the COVID-19 lockdown, and enabled the majority of our staff to work effectively from home.

There was a huge effort behind the scenes to get Digital Workplace up and running. A large part of the change was invisible but complex. This included laying and upgrading network cable across 80 plus sites and offices, deploying high speed Wi-Fi to all sites, procuring devices for more than 4,500 staff, introducing improved software, and connecting back into our existing applications.

Flexible working

Flexible working is part of a larger piece of work which supports the Oranga Tamariki Diversity and Inclusion approach. Our Diversity and Inclusion strategy includes "Supporting a Family Friendly environment" and over the past two years there has been a lot of work done to understand what this means for our people. Through various interviews and surveys conducted with a diverse group of people throughout the business, the desire for flexible working was a strong theme that came through.

Our People and Leadership teams have developed a flexible working approach aligned to the cross-agency Gender Pay Gap Action Plan 2018–2020. That plan involves collaboration within and across agencies to focus on four actions, including 'flexible work by default' – that is, treating all roles as flexible unless there is good reason for any role not to be, and ensuring flexible options are equally available to men and women and do not undermine career progression nor pay.

This desire for flexible working has been further strengthened by our employees' experiences during the COVID-19 pandemic (p29).

Our COVID-19 response – the power of a common purpose

We stayed connected with tamariki, rangatahi, whānau, caregivers, kaimahi, and partners throughout the COVID-19 higher alert levels. We carried out pulse surveys to make sure they were all having immediate needs met, and reflected on how the pandemic might change the way we work in the future. We adapted quickly to support tamariki, rangatahi, whānau, caregivers, and partners:

- Pulse surveys.
- Working differently.
- COVID-19 public helplines.
- Transitions Support Services.
- Skype training for emergency caregivers.
- Adoption teams.

Ngā mea me mātua mahi e hāngai ana ki te Hauora me te Akuaku

0800 358 5453



Health and hygiene must-do's

Kia wawe ngā mahi inā puta ai tētahi whakapae, tētahi whakapūmautanga COVID-19 rānei

- Whakapā tika aho ki a Contact Healthline (0800 3585453) mēnā e rongopu ana koe i ngā tohumata, āua hōuoa tētahi kōwhiri ki tētahi e mate ana, ka rongopu pea rānei i ngā tohumata COVID-19

- Kia kotahi aho koe ki te whakamohio me te whakamātau

- Whakamōhiotia tō kaitiaki i te āhua ki tō tāhūa

Respond immediately when COVID-19 is suspected or confirmed

- Contact Healthline (0800 3585453) straight away if you have had contact with someone suspected or confirmed with COVID-19 symptoms

- Self-isolate immediately and get tested

- Advise your manager of your situation



Pulse Surveys: Caregiver COVID-19 Pulse Survey

We followed up with our caregivers during the COVID-19 lockdown, asking about how they and the tamariki they care for were doing. Over 90 percent of the caregivers who responded said that they and the children they take care of were doing okay or better during higher alert levels. Most caregivers said they had enough support but some expressed concern about how children in care would cope transitioning back into school routines. Carers also felt pressured if they were working from home while caring for tamariki.

Technology had been important for tamariki and rangatahi to keep in touch with whānau and friends, but some caregivers wanted more communication with their or their child's social worker during lockdown. Additional financial support for caregivers to help with increased costs for utilities and food, as well as supports for home schooling, was a theme.

Social workers COVID-19 Pulse Survey

Oranga Tamariki social workers were asked about how tamariki and rangatahi were coping and what sort of support they needed during the lockdown, and the period following. Social workers told us that devices and internet access were essential for young people to maintain contact with whānau and that feelings of isolation had led to worry and anxiety. There was also concern about missing school and not being able to catch up properly.

Lockdown situations had proven a challenge for some whānau, but social workers observed that overall tamariki and rangatahi coped well with life under Alert Level 4 and benefited from increased one-on-one time with parents and whānau and the opportunity to do a range of activities.

Provider Pulse Survey

Providers are organisations Oranga Tamariki and the Ministry of Social Development (MSD) partner with to deliver social services. This survey was run jointly with MSD during Alert Levels 2 and 1.

Key concerns were around client wellbeing and inadequate resourcing and funding to support additional demand for services.

Online communications and working from home scenarios had become common amongst providers and most expressed satisfaction with the degree of support from Oranga Tamariki/MSD, but some suggested improved collaboration with Work and Income to support mutual clients.

Oranga Tamariki staff COVID-19 Pulse Survey

Oranga Tamariki staff were surveyed twice, once during Alert Level 4 and then again during Alert Level 3. An average of 82 percent of respondents across both surveys were generally positive about how well supported they had felt.

However, the first survey revealed a degree of concern about the lack of PPE for frontline staff and some frustration with the slow delivery of additional monitors, desks and chairs to support working from home.

Many respondents acknowledged the benefits of the organisation's move to Digital Workplace and the communication from managers and the Leadership Team. Like many other New Zealanders, our staff were affected by the need to juggle home responsibilities, including home schooling children, with work.

The second survey revealed that a number of staff members were concerned about arrangements connected with a return to working at the office, ranging from office health and safety protocols to travelling by public transport.

The change most staff respondents wanted considered as we stepped down through levels was the continued ability to work from home when appropriate.

- 43 percent of staff wanted to retain some ability to work from home. 25 percent were worried about losing the ability to do so.
- Many respondents commented in the text sections that they would like to see Oranga Tamariki incorporate flexible practices even after COVID-19.

Working differently

As we look back on the impact of COVID-19, we are encouraging all of our people to take stock and reflect – to understand how each of us can build on what we have learnt, and be clear about what we choose to strengthen and adopt.

"Rather than going back to what we have always done, we want to know what people have learnt from the past few months and the changes they have made and want to keep. We want to make sure we keep doing the right things to have an even greater positive impact in the way we collaborate with others and how we support tamariki, whānau and caregivers," says Grant Bennett, Chief Social Worker and Deputy Chief Executive Professional Practice.

We want to include and act on ideas that improve the experiences and wellbeing of the people we work with as well as for our kaimahi and partners.

One of our biggest achievements during this time was working closely with whānau and caregivers to keep tamariki in stable placements. In particular, we saw incredible examples of our kaimahi going above and beyond during lockdown to support our tamariki, rangatahi, whānau and caregivers – carrying out actions like arranging urgent respite care, delivering food shopping, and going to doctor's appointments with them.

One social worker in Whangārei made an essential trip outside of her household bubble to provide support for a grandfather who had started caring for his 14 month old mokopuna, helping him understand his legal options and making a plan through hui ā-whānau, food and clothing grants and a weekly benefit. With the baby's basic needs met including a safe and loving home, they didn't need to come into care.

We ran COVID-19 public helplines

Our contribution to New Zealand's pandemic response ramped up early on, with the set-up of two COVID-19 helplines on our very own Contact Centre platform. Chief Technology Officer, Arun Rajamani, says we were in a unique position to help after our cloud-based contact centre platform went live.

"Soon after, we were approached by DIA to use the new platform to support COVID-19 related calls."

Along with the Digital Workplace infrastructure, the new platform allowed contact centre agents to work remotely, and from home.

Transition Support Services – continuing to make a difference for rangatahi

We knew rangatahi might need extra support while New Zealand was in lockdown.

The Transition Support Service is an essential service, and continued to provide support during this time. Rangatahi continued to be contacted by our dedicated team based in the National Contact Centre to let them know that the service was available for them.

The team contacted rangatahi who are living independently and who have left care since 1 July 2019. As some of the rangatahi we support are vulnerable and might have limited family and other support networks, the advice and assistance we provided helped rangatahi with things like accommodation, financial assistance for food, ways to comply with the Government's advice, or transport to get to a supermarket or pharmacy.

Skype training for emergency caregivers

Training for new caregivers is normally a face-to-face practice, so while under COVID-19 Alert Level 4 one of our teams developed a new way of doing this using digital technology. Auckland Placements Manager, Jo Smith, and her team developed a contingency plan to ensure they had a way of staffing the emergency care homes they had set up.

"We had people offering us properties during lockdown, but we needed caregivers to put into them to care for tamariki," she says. "We quickly had to find a small team of caregivers who were prepared to move in, if and when we needed them." The current three-day caregiver training was adapted into a Skype workshop, along with support to set up Skype accounts. With the support of the Casual Worker's Bureau, a group of casual staff volunteered to help, and were trained by the Caregiver Recruitment and Support team. The feedback from the participants was positive, with presentations and URLs shared over Skype, and some in-depth group discussions.

By having this group trained, our Auckland team was better placed to meet the emergency care needs of tamariki over that challenging time.

Lockdown a busy time for Adoption teams

Lockdown didn't slow down our Adoption teams, who continued to support people up and down the country. They took lots of calls from people wanting information about their own adoption, or wanting to explore adoption of a relative or child. They were also busy supporting parents as they made significant life decisions.

In Auckland, Adoption Services Team Leader Ange Baas said social workers in her team had slowed down adoption plans, giving parents more time to consider their options and manage contact with their child under COVID-19 conditions.

"It's really important parents are as clear as they can be about their decision, and that they feel they've taken responsibility for that step."

When a parent confirmed their decision to proceed with adoption, it meant introducing her over Skype to the adoptive family she had chosen.

"It worked really well, and now we're at Level 3 we'll be able to introduce them in person before they finalise their adoption plan," said Ange.

"Everyone is committed to an open adoption continuing for the child, so this relationship building stage is really important."

The teams cover large geographical areas, and despite the lockdown needed to travel long distances.

“We’ve provided a limited searching and information service while working from home, which is a great example of how flexible we’ve become,” said Victoria Wilks, Central Team Leader.

“It’s been an interesting time for all of us, as we’ve had to think creatively about how we can continue to deliver the same service. But we’ve really pulled together as a team, and we’re proud of what we’ve achieved.”

Working together while staying apart

Our Contact Centre staff were busy over lockdown.

When the announcement was made that Aotearoa was going into lockdown, the National Contact Centre had to figure out what to do with more than 160 staff who work across a 24/7 schedule, while keeping all operations running.

The team were part way through our Digital Workplace roll-out, so not all staff had the equipment to work remotely. At the same time, to manage the 1,600 calls we receive in a normal day we got a new telephone system that our staff had to quickly adapt to using. Within four days, we managed to transition all remaining staff to Digital Workplace, order extra monitors and give cell phones to phone staff as back-up. This enabled every single National Contact Centre staff member to work from home during lockdown if they chose to, with the actual Contact Centre remaining open as an essential service with physical distancing for any kaimahi working from there.

With the country in lockdown, the numbers of reports of concern also reduced markedly. At the same time, the National Contact Centre managed to increase our responsiveness to our callers by having shorter wait times to speak to a social worker. We also eliminated many backlogs, helping our sites and partners to have more timely information.



We work closely with our sector partners and colleagues in other agencies to implement policies, strategies and transformation for tamariki and rangatahi:

- Child and Youth Wellbeing Strategy.
- Criminal justice system.
- Aotearoa New Zealand Homelessness Action Plan.

Child and Youth Wellbeing Strategy

The Child and Youth Wellbeing Strategy sets out a shared understanding of what’s important for child and youth wellbeing, what government is doing, and how others can help.

The strategy provides an overarching umbrella for all the work occurring across government to help children thrive, and it is heavily focused on action.

Oranga Tamariki has facilitated the development of the strategy for tamariki with input from over 10,000 New Zealanders, 6,000 of whom were children or young people. It has a particular focus on those experiencing poverty and those with greater needs.

The strategy includes policies, initiatives, programmes and plans the government will deliver over the next five years.

Playing our part in transforming criminal justice system

Our Youth Justice Services team is proud to be part of the work Hāpaitia te Oranga Tangata is doing to transform the criminal justice system.

The Hāpaitia te Oranga Tangata – Safe and Effective Justice initiative was set up by the Minister of Justice in July 2018 to help transform the criminal justice system and create a safer Aotearoa New Zealand. Corrections, Oranga Tamariki, Ministry of Justice, and Police are all represented in the group.

2019 saw the Hāpaitia engagement team, led by Te Uepū Hāpai i te Ora (the independent Safe and Effective Justice Advisory Group), consult widely with Māori, victims and communities, resulting in three reports recommending change.

We were an active member of Hāpaitia since its inception, with Phil Dinham (Director Youth Justice System Development) and Melissa Richards (Youth Justice Manager, Whakatane) two of our most involved members.

“I’ve learnt a lot while I’ve been involved, understanding the wider context of criminal justice, how our work in youth justice is critical to reducing harm and the number of people that go on to harm others, and I especially appreciate our own organisation, Oranga Tamariki.

“In my opinion, we’re streets ahead in the delivery of justice services compared to many other countries around the world. We’re unique in that we have legislation that embeds Family Group Conferences. And working closely with whānau, hapū and iwi, this gives us a solid foundation to do great things for the future of our tamariki, rangatahi and their whānau,” said Melissa.

Aotearoa New Zealand Homelessness Action Plan

On 13 February the Aotearoa New Zealand Homelessness Action Plan (the Action Plan) was launched by the Prime Minister at Auckland City Mission’s Te Whare Hinātore.

There are some key actions in the plan, including increasing the focus on preventing Māori homelessness, as well as 1,000 new transitional housing places by the end of the year.

The Action Plan will continue to develop actions through to 2023, and has four key areas:

- 1 Preventing homelessness
- 2 Increasing supply
- 3 Supporting people
- 4 Enabling the system

Part of the plan will see \$17.5 million available over the next four years for the Transition Support Service to expand the number of supported accommodation placements for rangatahi transitioning from care or a youth justice residence.

“It’s great to see rangatahi supported as part of this plan,” says Duncan Boennic, Director Transition Support Services.

We are working with our partners to help rangatahi into supported accommodation if they need the extra support when they are leaving care.

Nationwide, we have supported living accommodation services in Auckland, Wellington, Dunedin, and Invercargill, offering 66 placements supporting rangatahi transitioning to adulthood.

Our funding will provide an additional 168 placements over four years to extend the number of supported accommodation options available. We’re committed to ensuring rangatahi are supported to live independently and we are working on expanding housing support.



TO MĀTAU
WHAKARITENGA WHAKATUTUKI

Our Performance

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Statement of service performance

Statement of intent – building the foundations

In September 2017, we released the Strategic Intentions 2017-2022 document which explains why we're here, who we are, what we are here to do, and our core values. It speaks to our origins, our history, our challenges and our establishment. It outlines the shape of our business and the gradual adoption of the new strategy to guide our work over five years to:

- stabilise and strengthen our current practice while embedding and extending fundamental reforms;
- use an investment approach that directs resources to areas of need;
- adopt a system-based approach that mobilises resources across the system towards a common goal; and
- take a community-based and partnership-based approach that draws on the expertise and support of all those who work with and close to our children and young people.



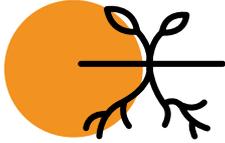
We put **tamariki** first



We respect the **mana** of people



We believe **aroha** is vital



We value **whakapapa**



We are **tika** and **pono**



We recognise that **oranga** is a journey

Transforming Our Service Delivery

In 2019/20, we committed to:

- continuing the delivery of Transition Support Services;
- expanding the scope capability and capacity of care support services;
- implementing Youth Justice services; and
- implementing Intensive Intervention services.

For details of how we are progressing, the achievements and milestones please see the section Investing in Children and Young People (p40).

Our Outcomes Framework

Our Outcomes Framework (p 8) sets out the main services we provide, how we intend to provide them differently from the past, and how we will know we are making a difference for tamariki and whānau.

It also shows how our goals align to Government's vision that New Zealand is the best place in the world for children and young people.

It reflects the emerging operating model for Oranga Tamariki which has been developed to meet the new legislative requirements in force since 1 July 2019.

Setting measurable outcomes for tamariki and rangatahi Māori and reducing disparities

The Outcomes Framework was first published in October 2018. While it has provided a good foundation to establish the core functions of Oranga Tamariki, more was required to reflect the needs and outcomes desired for tamariki and rangatahi Māori who come to the attention of Oranga Tamariki.

Section 7AA (p16) recognises that one of the key levers for generating key shifts in policies and practices is the way in which Oranga Tamariki sets measurable outcomes for Māori.

To be effective in addressing the disproportionate representation of tamariki and rangatahi Māori who come to the attention of Oranga Tamariki, the approach to setting specific and measurable outcomes should be orientated towards tamariki, rangatahi and whānau Māori and informed by Māori models of wellbeing.

Incorporating Māori models of wellbeing into the setting of measurable outcomes will take time to get right. In 2019/20, we updated the Outcomes Framework to set the direction for immediate changes in policies and practices. This provides a clear focus on improving outcomes for tamariki and rangatahi Māori, as well as recognising the whakapapa of these tamariki and rangatahi and the whanaungatanga responsibilities of whānau, hapū and iwi.

Our Outcomes Framework now includes an end goal specific to tamariki Māori. It affirms the “place of the child in Māori society and its relationship with whānau, hapū and iwi structures” as envisaged by Puao-te-Ata-tu. These mana tamaiti objectives firmly place whānau at the core of our efforts at key points across the system to show how we are operationalising our commitments. The objectives will inform the development of policies, practices and services and will be measured through the delivery of services across the Operating Model (p8).

How will we know if we are making a difference?

Our Outcomes Framework aligns to the Government’s priorities and sets out our goals, plus the core functions we must perform to achieve what we say we’ll do. It includes what we will do differently and how we will know we’re making a difference.

Each quarter we publish a Quarterly Report on our website that provides a snapshot of how we are performing in relation to the Framework. It also shows how children and young people move through the system, supported by dedicated services.

Each report provides detailed commentary to support the graphs that show our performance in the period, including more detail around how each measure has been constructed. Our metrics currently focus on Care, Youth Justice⁶, and Transitions. Transitions reporting has been added for 30 June 2020 and currently focuses on the usage of the service. A performance framework to enable us to better report against our Outcomes Framework is under development.

⁶ A number of our appropriation measures have been updated to align to the measures in the quarterly performance report. These have been highlighted in the relevant sections.



Improving Outcomes for tamariki Māori, their whānau, hapū and iwi

As part of our obligations under section 7AA, we are required to report our progress each year.

In July 2020, we published our first section 7AA report. In this report, we describe the changes we have made at a system level to put in place the right set of parameters to deliver improved outcomes for tamariki Māori. These changes reflect the work we have done to:

- identify a vision for section 7AA – “no tamaiti Māori will need state care” – a significant and worthy challenge strongly supported by our iwi and Māori partners;
- reset our Outcomes Framework;
- set key considerations for entering into strategic partnerships;
- strengthen our frontline practice; and
- develop an approach to quality monitoring and reporting.

We also identified a set of nine initial measures for the mana tamaiti objectives. The measures are limited, however, as they are based on data already collected by us. Over the coming years and as our data collection system improves, so too will the measures better align to the intentions of each objective.

In the first 12 months, there are several encouraging signs that point toward a significant shift in

outcomes for tamariki Māori who are interacting with Oranga Tamariki. These include:

- a continuing drop in the number of Māori children entering care;
- seeing, for the first time in a number of years, a reduction of Māori children in care; and
- a significant reduction in the number of Māori babies coming into care.

This shows that we are moving in the right direction, but we know there is still a significant amount of work to be done. Working alongside our partners will help us achieve the results that tamariki Māori need, and we are working more closely than ever before with iwi and Māori organisations, hapū and whānau.

Our partnerships with iwi and Māori providers are both driving and supporting the organisation to work differently. We are beginning to see the positive impact of this work through:

- the increase of relationships between sites and mana whenua;
- the creation of 42 kairaranga ā-whānau roles to ensure tamariki Māori and their whānau are supported as early as possible;
- 75 percent of tamariki Māori and rangatahi placed with caregivers are being looked after by their own whānau or Māori caregivers; and
- a 30 percent increase in funding over the past two years into iwi and Māori community providers.

Mana tamaiti objective

Measure

Ensuring Participation in Decision-making	% of tamariki Māori aged 10–17 who feel they have a say in important decisions about their life	Increase in %
Preventing Entry into Care or Custody	% of all service contract funding contracted with Iwi and Māori organisations	Increase in %
Placing with Whānau, Hapū and Iwi	% of tamariki Māori in an out of home placement for more than three months, who are placed with whānau or with Māori caregivers	Increase in %
Supporting Identity and Belonging	% of tamariki Māori who have identified an iwi affiliation	Increase in %
Supporting Identity and Belonging	% of tamariki Māori aged 10–17 who are in touch with their birth whānau as much as they want to be	Increase in %
Supporting Identity and Belonging	% of tamariki Māori aged 10–17 who know their whakapapa	Increase in %
Supporting Identity and Belonging	% of tamariki Māori aged 10–17 who have the opportunity to learn about their culture	Increase in %
Leaving Care or Custody	% of tamariki Māori referred for another Youth Justice FGC in the 6 months following release	Increase in %
Leaving Care or Custody	% of rangatahi Māori who receive support from Transition Services	Increase in %

Looking ahead, we will ramp up our efforts and prioritise our work in the following three areas:

- improving practice by ensuring whānau participation in decision-making;
- enabling community-led responses to prevent contact with the state system; and
- partnering to enable the Treaty aspirations of Māori.

We acknowledge that we are at the beginning of our journey towards realising our goal that tamariki Māori are thriving in the protection of their whānau, hapū and iwi.

Our output measures

This section reports on our performance against our targets, as included in The Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2020.

Continuing to build our performance measures and targets

As Oranga Tamariki continues to develop, so too do our performance measures and targets. It is important that our performance measures reflect the desired strategic intentions for Oranga Tamariki and that we can see whether or not we are making a difference to children in our care or to children at risk.

With the establishment of our Outcomes Framework in 2018/19, we updated the full suite of measures within our Multi-Category Appropriation (MCA) Investing in Children and Young People to ensure they aligned with outcomes as set out in the Framework and to integrate new elements of our service functions. A number of our new measures are those already included in our quarterly performance report, but in the format of an appropriation measure.

We also revised our suite of Policy Advice measures and standards to align with the refreshed Policy Quality Framework that all agencies are required to use from 1 July 2019.

We continue to report on the quality of our technical advice and Ministerial satisfaction.

All other appropriation measures remain extant.

Who We Support

Appropriation

Children, young people and families	<ul style="list-style-type: none"> — Investing in Children and Young People — Adoption Services
Sector Partners	<ul style="list-style-type: none"> — Connection and Advocacy Services — Reducing Youth Reoffending Social Bond Pilot — Evaluating and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot
Government	<ul style="list-style-type: none"> — Data, Analysis and Evidence Services — Policy Advice — Ministerial Services — Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions
Our Assets	<ul style="list-style-type: none"> — Capital Expenditure

Our Services for Children, Young People and Families

Departmental: Investing in Children and Young People

The single overarching purpose of this appropriation is to ensure New Zealand's vulnerable children and young people have positive outcomes.

This is a Multi-Category Appropriation (MCA) as detailed below:

Intensive Intervention

This category is limited to intensive intervention services for children and young people exhibiting needs which place them at risk of harm and/or requiring a statutory intervention.

Prevention and Early Intervention

This category is limited to providing prevention, awareness and early intervention programmes and services to identify and support children, young people and their families at risk of poor life outcomes.

Statutory Intervention and Transition

This category is limited to providing statutory care and youth justice services, and services to transition children and young people from statutory intervention.

What we intend to achieve with this appropriation

This appropriation is intended to enhance the wellbeing of children and young people, their families, and their communities, who are most in need of extra support.

What we do

We aim to put children's needs at the heart of what we do. Our goal is to work with families, whānau and the wider community to create circles of protection and care around children and young people whose wellbeing is at risk. Our core services for children and young people range from prevention through to early adulthood services.

Intensive Intervention

We support whānau so that tamariki can remain (wherever possible) safely at home with their whānau within their culture and connected to their communities. We will work with our partners to develop models of intensive support based on the nature and needs of each community.

This will involve quality decision-making and intensive support that prioritises a child's need for stable loving care at the earliest opportunity and meets their full range of needs.

Prevention and Early Intervention

We are moving from a system focused on crisis response to one focused on prevention and early intervention, with the aim of having fewer children moving through the system and into care. Early intervention ensures more effective and better targeting of services to meet the needs of children and prevent escalation of risk.

Care Support

Where it is not possible for children and young people to remain safely at home within their birth family, we will find stable homes and loving care for them. We will look to place them firstly within their own families and whānau, but if that is not possible, with a caregiving family that best matches their needs.

They will be supported to maintain relationships with their birth family, if possible, in a way that supports the development of their personal and cultural identity.

We also aim to create a larger and more diverse pool of caregiver families who have the capacity, skills, resources, and support to build and maintain loving, stable, and lifelong relationships.

Youth Justice

We help young people who are alleged to have offended, have offended, or who are at risk of offending and their whānau as well as victims of offending by young people. Our team works with sector and community-based partners to support young people to find new pathways. We want more young people stopping offending before adulthood, fewer young people being escalated within the justice system, more young people being safely managed in the least restrictive appropriate placement, reduced disparities in outcomes and experiences for tamariki Māori and their whānau and for tamariki, whānau, and victims of youth offending to feel better listened to, valued, and understood.

Transition to Adulthood

We will help provide ongoing support as young people find their way in the world and become young adults. This will include helping more young people have safe and stable living arrangements through supported accommodation and honouring

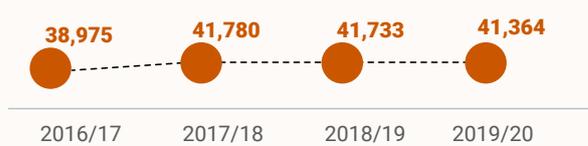
their entitlement to remain or return to living with a caregiver, as well as additional help for our caregivers.

The numbers we work with

80,928 reports of concern



41,364 referrals for assessment or investigation



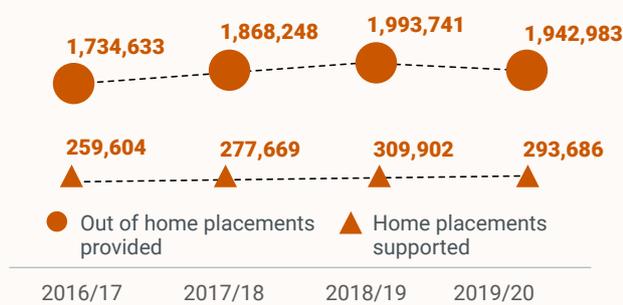
998 children and young people entered care



1,440 children and young people exited from care



2,236,669 days of care placement provided



7,641 family group conferences held



Care & Protection

878 young people entered YJ custody



899 young people exited from YJ custody



4,083 YJ family group conferences held



56,430 days of custodial placement



Youth Justice

Initiatives for which we received additional Government funding

We received additional funding through Budget 2020 towards the delivery of the following initiatives:

- \$1.418m from the Preventing and Reducing Homelessness contingency fund to transition young people leaving care by providing them with supported accommodation;
- \$0.543m for Strengthening Our Two Families Community Support services;
- \$0.090m from Vote Education as a one-off contribution towards educational resources for the youth at Korowai Maanaki; and
- \$0.075m received from the Tindall Foundation⁷ to support the Mana Tamariki Pilot programme.

The year in review

As we entered the third year of our transformation journey, we focused our efforts on not only strengthening what we had built over the first two years but also improving our practice and ensuring whānau participation in decision-making, enabling community-led responses to prevent tamariki from entering care, and establishing innovative ways of working in the future alongside our strategic partners, iwi and Māori organisations. We also worked to ensure the tangible change we strive to deliver through our frontline workforce and partners is broadly understood, to help build public trust and confidence in our operations and the direction of our transformation.

Intakes and early assessments

Anyone who is worried about a child or young person can make a report of concern to Oranga Tamariki or the police. This happens usually when they believe a child or young person has been or is likely to be harmed, ill-treated, abused, neglected or deprived, or they have serious concerns about the child or young person's wellbeing.

Enhancing and simplifying the process

Last year, we focused on embedding our new intakes and assessments process. At the heart of our new approach is earlier decision-making.

Our intake and assessment practice has been strengthened to support earlier decision-making and empower social workers to be more responsive and child-focused. The new approach focuses us on what's best for each individual tamariki that comes to our attention, involves referrers, whānau, and partners earlier, and embeds a range of new legislative requirements into our practice.

Whānau, hapū and iwi are given the opportunity to address concerns about tamariki at the earliest opportunity. Communities are able to help us to understand the needs, strengths, risks and vulnerabilities for tamariki, so that we can more consistently and reliably identify tamariki requiring statutory assessment – and provide them with the appropriate support earlier.



Our Contact Centre

Our National Contact Centre is the first point of contact for people to connect to services within Oranga Tamariki, including receiving reports of concerns regarding a child or a young person. To ensure this critical service could continue to operate remotely during COVID-19 Level 4 restrictions, we successfully transitioned the team to our new Digital Workplace platform (p76). This also meant we could stand up the COVID-19 helpline on behalf of the Government.

In 2019/20, we received 80,928 reports of concern (compared to 87,260 in 2018/19).

While the number of reports of concern have been decreasing year on year, there was a reduction in the number of reports of concern during the country-wide COVID-19 lockdown (as compared to the same time last year). With schools and early learning centres closed, this drop was expected because the eyes and ears that usually identify harm (education, social, and health workers) are not around. As the country prepared for lockdown, rapid work was done with families including re-checking all safety plans, checking that people had the support that they needed, and giving them access to mobile devices when they didn't.

⁷ The Tindall Foundation is a private philanthropic family foundation working throughout Aotearoa New Zealand. You can find out more at tindall.org.nz

Once a report of concern has been received, Oranga Tamariki assesses the child's safety and wellbeing. A social worker's initial contact with the child and their whānau must first answer the question – is the child safe now?

Measuring our performance

There were 5,680 critical or very urgent reports of concern received in 2019/20, of which 5,387 (95 percent) were addressed within operational timeframes. Below are the definitions of critical and very urgent reports of concern:

Critical Reports of Concern

To be addressed within 24 hours

Te tamaiti has been seriously harmed or is at immediate risk of serious harm and requires immediate involvement by Oranga Tamariki to establish safety.

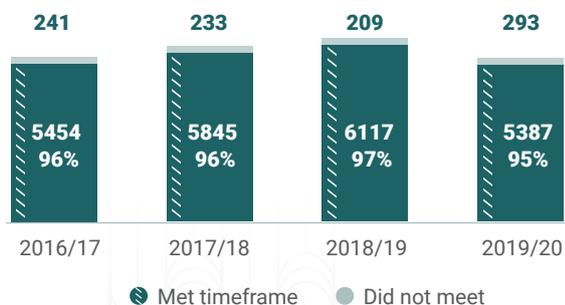
Very Urgent Reports of Concern

To be addressed within 48 hours

Te tamaiti has been seriously harmed or is at risk of serious harm but some protective factors are present for the next 48 hours. However, as the situation and/or need are likely to change, high priority follow-up is required.

In some instances, it is not always possible to meet this timeframe because, even working alongside Police, there are always families who cannot be located, or are actively avoiding engagement.

Critical and very urgent reports of concern



In previous years, the percentage of critical and very urgent reports of concerns completed within operational timeframes were reported as two separate measures. These measures were combined to minimise duplication of what was essentially identical measures. There has been no change to the required performance standard.

Intensive Intervention – strengthening whānau

As part of Budget 2019, we received \$31.6m over four years to establish new models of intensive support for whānau so that tamariki can remain (wherever possible) safely at home with their whānau within their culture and connected to their communities.

Intensive intervention is being designed in collaboration with iwi, Māori and Pacific organisations and the wider community sector. For now, this involves four Oranga Tamariki sites: Christchurch East, Tokoroa, Horowhenua, and Ōtāhuhu.

In 2019/20, we undertook community engagement and designed and developed the tools and processes to support the setup of Intensive Intervention services in the four sites identified above. These areas were chosen based on the number of children and families that could benefit from the service, with Oranga Tamariki site and partner readiness used as secondary criteria. Due to the impact of COVID-19 lockdown and the nature of working in partnerships, there were delays in getting services on the ground. These four sites are expected to be operational as follows:

- **August 2020:** The iwi designed model, Te Kei o Te Waka, was launched in Tokoroa;
- **November 2020:** Christchurch East;
- **Early 2021:** Ōtāhuhu (whakapapa centred design – a joint Māori and Pacific project); and
- **Mid 2021:** Horowhenua, where we are currently engaging with Muāupoko to support iwi capacity.

Alongside the four initial sites, Oranga Tamariki has been working with a range of partners to improve support available to whānau who are at risk of having children and young people taken into care. Through this work we have identified eight existing collaborations which, with further support and development, could be expanded, thus reaching more whānau sooner.

We have established a community of practice across the initial sites, in order to ensure that it is leveraging the lessons learned from all involved in developing Intensive Intervention. The experience of the collaborative design process so far will feed into planning for future work across Oranga Tamariki, for example, in Early Intervention as the resource and time requirements for these kinds of activities are now better understood.

Measuring our performance

Our intensive response service line is currently in its establishment phase. As such our performance measures focus on our accountability for the scaling of this service and illustrating activity volumes and reach of cohort. As our intensive intervention service line reaches maturity, we will augment these measures with more specific outcome measures.

For 2019/20, we were required to establish baselines to measure future performance. These were established for two out of the three measures.

The number of sites offering intensive intervention services will be no less than

5



The number of families who engage with intensive intervention services will be no less than

150



These baselines reflect our commitment to Government to scale up our new services as part of its Budget 19 investment to transform the care system.

Once fully implemented, it will have the potential to reduce the rate of entry and re-entry into state care.

The percentage of children who received intensive intervention services in the last twelve months, who subsequently required an out of home placement, will be no more than

Not established



For our third measure, a baseline could be not established. With our intensive intervention sites yet to be fully established, there is limited data available.

The baseline will be established in 2020/21 when the service is up and running.

Better support for tamariki and rangatahi in care

The new National Care Standards took effect on 1 July 2019, setting out the significantly improved standard of care and support that children in care, and their caregivers are entitled to. Oranga Tamariki received \$524.7m over four years to improve quality of the care it provides to children. This includes:

- recruiting 350 new frontline staff over four years, including social workers to work with children and caregivers;
- providing additional resources and services to ensure children in care have what they need (for example, specialist services such as trauma support and maintaining contact with their families, culture and identity, toys, books, laptops and bags);
- increasing recruitment and retention of caregivers through new partnerships, better support and training, and enhanced information systems; and
- providing more placements for children with very high needs.

In 2019/20, we have:

- recruited 150 social workers. As our social worker capacity and capability grows, we are able to reduce the case load ratio for our social workers. This means more time spent with tamariki and whānau;
- implemented eight new Whānau Care partnerships (p24). We expect this number to increase to 20 over the next four years;
- provided over 22,000 individual resources for children. These include:
 - My Rights, My Voice Booklet to help them understand what they are entitled to expect from Oranga Tamariki and their caregivers;
 - Life Events Book and Kit to record their achievements, relationships and other important events;
 - Memory Box for a child to store memories and treasured items like trophies, teddy bears or other taonga; and
 - Transitions Entitlement Card, an information resource for a young person eligible for Transition Support Services.

150
new social workers in 2019/20



8
new Whānau Care partnerships



22,000
individual resources for children



These resources help tamariki feel safer and more connected to their whānau and communities, take pride in their achievements, nurture their self-esteem, build their mana, and understand their rights and entitlements.

- completed All About Me Plans for 99 percent of tamariki to better capture their health, education and cultural needs. For tamariki in care their All About Me Plan is the primary plan we work from and supports any overarching family group conference or court plan;
- opened Te Awe in October 2019. This group home provides short term respite care for tamariki using a trauma-informed, sensory environment to help reduce anxiety; and
- completed and had approved by Government the detailed business case for the build of 10 new specialist group homes to access the capital funding approved through Budget 19.

25%
drop in social worker caseload since 2017



99%
of tamariki have an All About Me Plan



30%
increase in social workers since 2017



Creating safe, stable, and loving places

Sometimes it's not safe for a child or young person to continue to live at home. For these children and young people, we work to ensure they have a safe, stable and loving place to live; where possible, within their whānau, hapū, iwi, or family group. A key component of this is finding and retaining high quality caregivers and ensuring they are provided with the right support and training.

Our caregivers are at the heart of what we do. The aroha and support they give to children and young people in their care makes an incredible difference, every day. The majority of caregivers have provided continuous care for children and young people through Alert Levels 4 and 3, with very limited access to respite care or their wider support networks.

Dedicated caregiver support service

In 2019/20, we increased the number of dedicated support roles for caregivers by 39.

We also permanently appointed 42 Kairaranga-ā-whānau who promote and support tamariki and rangatahi to be well connected to their whānau, hapū and iwi. Kairaranga ā-whānau work in collaboration with social workers and Family Group Conference coordinators to enable good decision-making for the safety and wellbeing of tamariki and rangatahi, by identifying key people in the wider whānau, hapū, and iwi who will actively contribute to decision-making and be part of the plan.

Established a dedicated caregiver support service



39
new social workers to specifically support caregivers



Introduced specialist trauma training



500
caregivers completed specialist training for the highest needs children



Caregiver support plans

We re-aligned our care services in line with National Care Standards and introduced Caregiver Support Plans to develop caregiver capability and ensure ongoing support to enable them to:

- meet the needs of tamariki and rangatahi;
- connect tamariki and rangatahi to their identity; and
- provide safe and loving care.



All caregivers, regardless of their level of experience, are required to have a support plan which outlines the general training, resources and support needed to build a caregiver's capability to care for tamariki and rangatahi, and where required, the support to meet the unique needs of individual tamariki and rangatahi.

An effective caregiver support plan is built on good communication and respectful collaboration between the caregiver, the caregiver social worker, and the social worker for te tamaiti or rangatahi.

A Caregiver Support Plan is closely linked to a child's All About Me Plan. The All About Me Plan is the key document through which the caregiver is able to understand why te tamaiti or rangatahi can't live with their parents, and the specific support te tamaiti or rangatahi requires from their caregiver.

Whānau Care partnerships

We have implemented eight Whānau Care partnerships with iwi to provide wraparound models of the development and support of whānau caregivers. These partnerships reach nearly half of tamariki Māori currently in care. The partnerships directly provide new placement options which help ensure tamariki Māori can remain as close as possible to their whānau, hapū and iwi, as well as a whānau search function to help find the right placements and ensure tamariki who are not placed with kin are being supported.

Increasing financial support for caregivers

In 2019/20, we undertook the first ever fundamental review of the financial assistance available to caregivers⁸. It covered the Foster Care Allowance, the Orphan's Benefit, the Unsupported Child's Benefit and their associated payments.

More than 14,000 caregivers who care for around 22,000 children receive these payments making it essential that the support they receive meets their needs. To support the review, we undertook an extensive consultation with caregivers, care-experienced young people, our staff and NGOs – including iwi, Māori and Pacific organisations. These voices informed the policy proposals and advice we provided to Government.

The financial support system which supports 14,000 caregivers and 22,000 children needed an overhaul



Our review found that the payment systems were too complex, have led to inequities and have become difficult for caregivers to navigate.

COVID-19 has also put additional financial pressures on many caregiving households, with increased costs for power, internet, groceries, and entertainment.

Through Budget 2020, a suite of initiatives will be introduced from 1 July 2020 to help alleviate the significant pressure on caregiving households. This includes:

- increasing the base rate of the Orphan's Benefit, Unsupported Child's Benefit, and Foster Care Allowance by \$25 per week per child;
- entitling Foster Care Allowance caregivers to 20 days of paid respite over the next year;
- amending legislation to enable short-term caregivers to access the Orphan's Benefit or Unsupported Child's Benefit, provided they meet the other legislative criteria; and
- extending Birthday and Christmas allowances to those receiving the Orphan's Benefit and Unsupported Child's Benefit.

This financial commitment will help to ensure that children and young people being cared for by extended family and whānau or non-kin carers can have the same opportunities we want for all kids in New Zealand.

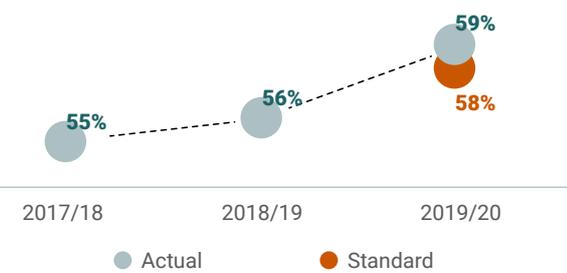
⁸ You can find more details on our website including the Summary of Engagement Findings report and the Cabinet paper and associated minutes for the full scope of the work programme.

Measuring performance

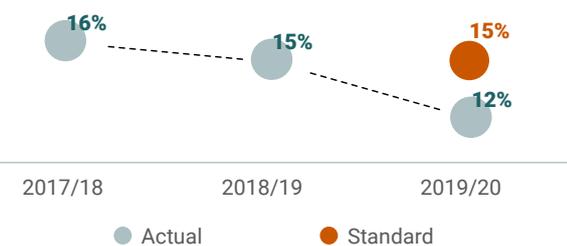
Stable living arrangements can support children in an out of home care to develop and maintain family, peer and community relationships while separated from their families. While some changes can be beneficial, multiple and unplanned care arrangements have been associated with negative outcomes for children and young people.

Through our initiatives highlighted above we have been able to continue to meet the performance measures that measure our ability to provide children and young people with stable and loving care that enables them to be safe, recover and flourish.

The percentage of children in out of home placement more than three months, who are placed with family/whānau, will be no less than 58%



The percentage of children in out of home placement, who have had more than two caregivers over the year, will be no more than 15%



While we have success indicators for our measures, every child and young person we engage with is different and complex – their safety, wellbeing and best interests is the first and most important consideration.

Impact of COVID-19

To support the preservation of bubbles as much as possible, in preparation for and during COVID-19 lockdown:

- there was increased engagement and support by our services to maintain existing placements. This included re-checking all safety plans, checking that people had the support that they needed, and giving them access to mobile devices when they didn't; and
- there was an increase in the use of non-family/whānau and "other" placements upon entry to care as well as an increase in other longer term out of home placements. Finding a new family/whānau placement involves in-person visitations and an assessment to be able to approve them as caregivers. Established caregivers and care providers are able to respond quicker in times of need as they are already approved and prepared. It also would have been harder to switch to a family/whānau placement during this time.

Rates of Harm – the biannual report

The Safety of Children in Care Unit within Oranga Tamariki was established in 2018 to ensure a greater understanding of harm and the circumstances in which it happens. This enables us to understand how to prevent harm to children in care. The Unit provides a dedicated response focused on understanding the elements that provide for the safety of children in care and can promote best practice in this area whilst also providing comprehensive public information.

In March 2019 the Safety of Children in Care Unit published the first of a series of quarterly reports which detailed the findings of harm for children in care using the newly adopted measurement approach. In December 2019 the unit published an Annual Report which provided a greater level of analysis of the findings for the period 1 July 2018 to 30 June 2019. In the Annual Report the intention to publish biannual reports was signalled and in December 2019 the first one of those reports was published.

The report provides detailed information relating to:

- the overall number of individual children who have experienced harm;
- the number of individual children who have experienced each type of harm;
- the number of findings of each type of harm experienced;
- where the child was living when the harm occurred;
- if the harm occurred inside or outside the placement; and
- who is alleged to have caused the harm.

You can view the report on our website under About Us—Reports and Releases (Safety of Children in Care).

Reshaping Youth Justice

Supporting 17 year olds

On 1 July 2019, legislative changes to raise the age for youth services saw 17 year olds come under the umbrella of Youth Justice. Even with this increase in age range, the youth custody population including remands and sentenced young people is 19 percent lower now than before the youth justice jurisdictional age was raised to include 17 year olds. As at 30 June 2020, 33 percent of young people held in our custody were 17 year olds.

We continue to transform our services to be based on a preventative, restorative and rehabilitative model, centred on tamariki and whānau, their culture and community, and on the victim. What we are delivering will be developed in and with the community, whānau-focused and locally led, and we are more relational, earning and maintaining the longer-term trust and confidence of all, and improve whānau and community capability and capacity.

We want this to result in early and sustained exits for tamariki that offend from the justice system by supporting their whānau to succeed; more therapeutic, restorative and rehabilitative environments; embracing Te Ao Māori perspectives; and adding more and safer Youth Justice placements. We also want to offer victims of offending a better experience.

To support this transformation, Oranga Tamariki received:

- (via Budget 18) \$80.3 million over four years to support community-based services; and
- (via Budget 19) \$140 million over four years to fund 100 additional youth justice placements, including 20 beds at Whakatakāpokai and 80 beds in 16 'New Build', community-based homes, and the staff required to support these. This funding also covers pilots of new culturally-based therapeutic programmes to support young people in youth justice custody to stop offending.

Building up Youth Justice spaces

Most young people who need help from our team get that help in their community, but a small group will still need to come into our custody. At any one time around the country, there are fewer than 150 teenagers living in one of our residences or community-based places, most of them waiting on a decision from the Youth Court.

Youth offending continues to fall, but demand for places remains. Custody should be the last resort. The 'first resort' should be community-based and delivered by whānau and hapū, with Government enabling and supporting.

Community-based residential services allow young people to stay connected with their community and support networks when we are providing them with a place to stay while on bail or when they are remanded into our custody. Since 1 July 2019 we have:

- refurbished two 10-bed youth justice residence wings in Korowai Manaaki and Te Puna Wai o Tuhinapo;
- established 39 new community-based remand placements, with eight new homes opened and capacity increased in an existing home; and
- completed the indicative business case for the new youth justice community homes.

The Environment Court also approved a change to the land use designation for the Whakatakāpokai residence in South Auckland. This means more placements are available in Auckland, reducing the need to send young people from the region away from their communities and families, which we know can be really hard for them, and allows us to provide them with continuity of care. It also allows us to provide specialised places for teenage girls and vulnerable teenage boys.

9
community-based



5
community-based residential
homes opened and residential
remand services established



2
bail homes opened



134
rangatahi supported to reduce
offending through partner pilots



Partnered Youth Justice

Working closely with our partners, we have increased the capacity and reach of preventative and therapeutic support across the youth justice system. Examples of this include:

- partnering with Police, Corrections and Youth Horizons Trust on Pae Whakatupuranga, a two-year pilot delivering Functional Family Therapy (125 referred, 44 started intervention);
- co-designing a Te Ao Māori programme aimed at cognitive thinking and behaviour;
- a two-year pilot (of which we are one year in) to improve supported bail services focused on increasing whānau involvement to reduce bail breaches (165 entered programmes); and
- working with local Police and the community in Huntly on Oranga Rangatahi, an early intervention project, with a view to expanding this approach if evidenced as successful.

The right people with the right skills supporting Youth Justice

We continue to invest significantly in our people, recognising that we are a specialised service supporting some of New Zealand's most vulnerable young people, with specific duties and principles set in law and distinct from the adult criminal justice system. We have built both capability and capacity by designing training, bringing new frontline workers onboard, and making system changes to support and recognise best practice. We are also committed to practice improvement and in particular with Talking Trouble⁹ training, which has been extended to over 250 staff at 16 Youth Justice sites, supporting our See and Engage Tamariki practice standard¹⁰.

Measuring our performance

This year's target was to establish performance baselines for three appropriation measures. With the increase in the maximum age for the youth justice jurisdiction, it was important to establish a new baseline to take into account the significant change. We have included our results for up to 16 year olds, which can be compared (where appropriate) to prior year performance.

All baselines were established using information captured within our case management system and adjusted as appropriate to account for the impact of COVID-19 lockdown.

The percentage of under 18 year olds who previously had a Youth Justice family group conference, who had a subsequent Youth Justice family group conference, will be no more than

40%



If youth justice family group conferences (FGCs) are effective, we would expect child and youth offenders' risk factors being addressed and a reduction in the percentage of offenders with repeat FGCs for new offences. A repeat FGC for a new offence indicates that the child or young person has needs and risks that have not been addressed.

The baseline of no more than 40 percent reflects both our current performance and the work underway such as embedding All About Me Plans and Supported Bail¹¹.

Our results for up to 16 year olds have remained consistent with prior years at 39 percent, noting that the overall number of young people with repeat FGCs is reducing.

⁹ Talking Trouble Aotearoa NZ are speech-language therapists addressing the speech, language and communication needs of children, youth and adults involved with justice, care and protection, mental health and behaviour services.

¹⁰ See and Engage Tamariki is one of our practice standards. Practice standards are the benchmark for our practice as we work with tamariki and their whānau, caregiving families and others involved in their lives. For more details please visit <https://practice.orangatamariki.govt.nz/practice-standards>.

¹¹ Supported Bail provides individualised, intensive and structured support to assist young people to comply with their bail conditions and reduce the risk of re-offending. This enables them to remain with their whānau and in the community instead of being in custody.

Young people should be safely managed in the least restrictive placement appropriate. These two measures reflect our success in reducing reliance on residences and police cells for holding young people who are on remand.

The percentages of young people held on remand who are placed within their communities have been relatively comparable for under 18 and under 17 age groups. 18 percent reflect the lowest point in the year, and with the unexpected impact of COVID-19 on 2020/21 results, this has conservatively been adopted as the baseline. Over time, we expect new community placements to support success in this measure.

The percentage of young people held on remand, who are placed within their community, will be no less than

18%

On remand placed in the community %



We will continue to work collaboratively with the New Zealand Police to minimise the duration a young person remains in police custody. Increasing availability of placements so that tamariki can be moved more easily from police custody to a locally available remand placement will see this number reduce over time.

To note, our full year result for under 17 year olds is 91, compared to our full year result of 132 in 2018/19.

The number of young people, held in police custody for more than 24 hours will be less than

140

Transition to adulthood

Why we are here

Leaving home is a fragile time for young adults; the journey to adulthood for anyone is not without its risks and challenges. We want to make sure that more and more rangatahi leaving care and youth justice have access to safe and stable living arrangements, take up education, employment or volunteering opportunities, are healthy and engaged with family or whānau and community groups and have the skills they need to thrive as adults.

How we do this

To support our care and youth justice-experienced young people, over four years we will be providing up to 175 transition support workers through NGO partners, 60 supported accommodation places, and funding to support young people who choose to remain with a caregiver and to provide financial assistance.

Transition workers will work alongside the social worker during the time the rangatahi is in care by assisting to coordinate transition to independence support outlined in their All About Me Plan and promoting a youth-led approach that empowers rangatahi to have more say and increasing responsibility over their next steps.

In supported accommodation, rangatahi can find a safe and secure home where they can increase their knowledge and skills in how to live independently, how to manage a tenancy, build on their leadership abilities, and test their new skills in a safe environment.

78

new transition workers



2500

calls to our dedicated 0800 number



51

community & iwi partnerships



741

rangatahi engaged with transition worker



Increasing our reach

Since Transition Support Services were established in 2018/19, we have:

- partnered with 51 community and iwi providers to provide national coverage. This includes the provision of 78 new transition support workers. At the end of June, there were 741 rangatahi who were actively involved with a transition worker;
- established 30 supported accommodation placements in Auckland, Wellington, Dunedin and Invercargill; and
- introduced an option for young people to return or remain with their caregiver beyond age 18 to offer them the stability and support as they transition to independent adulthood. As at 30 June 2019, nine young people have taken up this entitlement.

In order to improve access to employment, we partnered with employers to provide supported employment placements. Four care-experienced young people have been recruited into the Oranga Tamariki Intern Programme, which ran from January through to the end of September 2020.

Our dedicated 0800 number that offers advice and assistance to young adults received 2500 calls. This includes:

- sourcing emergency accommodation;
- securing access to income support, healthcare and counselling services; and
- providing financial support (e.g. for emergency food or clothing).

During COVID-19 Alert Level 4, our dedicated team based in the National Contact Centre made outbound calls to rangatahi to ensure they were aware of the advice and assistance available for them. It was important they knew we were there to support them during this time.

Embracing social media

While most eligible young people are referred by a social worker, it is important to reach as many rangatahi as possible directly. This year, we promoted a three-part video campaign about the Transition Support Service on Facebook and Instagram to increase the awareness amongst rangatahi who have already left care or youth justice. The campaign introduced the tangible things the service can offer and explained eligibility criteria.

Measuring our performance

Our Transition Support Service line is currently in its establishment phase. As such our performance measures focus on our accountability for building capacity of the Transition Services to support eligible young people. As awareness of this service increases, we expect these measures to trend up. As this service line reaches maturity, we will augment these measures with more specific outcome measures.

For 2019/20, we were required to establish baselines to measure future performance. These have been established for all three measures.

The standard for young people enabled to remain or return is set at 20. This reflects a lower than expected level of awareness and demand for this service.

Surplus capacity is available, and we have programmes in place to build awareness and stimulate demand in out years.

The number of young people eligible to remain or return with a caregiver beyond age 18, who are enabled to do so, will be no less than

20



Young people can remain living with their current caregiver, with the caregiver's agreement, after they turn 18 up until the age of 21.

This measure demonstrates our success in providing a service which is seen as relevant, important, and high quality to the young people it was developed for.

As this service line matures, we expect this percentage to increase.

The percentage of eligible people, who do not opt out from receiving support from a transition support worker, will be no less than



This measure covers the referral rate for young people who have either left care aged 15 or who are aged 16 and over.

All 30 supported accommodation places available are currently in use. The standard of 40 reflects our planned growth in this area, in line with our commitment to Government to have 60 supported accommodation in place by year four of our Budget 19 investment.

The number of eligible young people, who receive supported accommodation, will be no less than



The target group for this service is rangatahi who are transitioning from care to adulthood, aged 16–21 years and over.

We will use information gathered through the first 12 months of operations to promote these services more widely, strengthen support for our referral process, and work with young people before they turn 18 to plan for their transition.

A focus on quality

Our social work is at the heart of how we respond to the needs of tamariki, whānau and caregivers, and the context in which our practitioners are working plays a huge part in setting us up to practise effectively.

Oranga Tamariki Practice Framework

A 2019/20 priority was to make some major enhancements to the Oranga Tamariki Practice Framework which will help us create the organisational shift to a more Māori-centred practice position that we are striving for.

At its core, the framework will support working in ways that enable the inherent mana of those we work with to be enhanced. It will support an understanding of tamariki as being intrinsically connected to their whānau and whakapapa, and a holistic and Te Ao Māori informed framing of oranga as the outcome of our practice. This practice orientation is key to better outcomes for the tamariki and whānau we work alongside, and to achieving our section 7AA aspirations.

The Practice Framework is not just for frontline practitioners but everybody who works for Oranga Tamariki, and will guide those non-frontline roles to better support practice.

This is about making it easier as practitioners to do our job, and complements key organisational initiatives that are already supporting the overall shift to more Māori-centred practice – including new ways of working in partnership with iwi and Māori NGOs to support tamariki, whānau, and caregivers, and increased specialist Māori roles such as kairaranga ā-whānau.

Supporting our practitioners through COVID-19

COVID-19 brought unprecedented change to almost every aspect of life in Aotearoa. Our most vulnerable tamariki, rangatahi, and whānau needed our support more than ever. Drastically reducing person-to-person interaction makes open, collaborative and trusting engagement difficult. We still had a responsibility to meet the safety and wellbeing needs of tamariki and rangatahi we work with and provide support to their whānau, their caregivers, and victims of youth offending while ensuring the safety and wellbeing of our workforce.

To support our practitioners do this, we regularly updated our practice guidance about working in the COVID-19 environment, as we moved through the various COVID-19 Alert Levels.

Monitoring

In 2019/20, we also focused on strengthening and embedding our monitoring and self-assessment mechanisms to encompass the mana tamaiti objectives. These include:

- annual site self-assessments to identify core areas of strength and areas for improvement in practice;
- monthly monitoring of core areas of practice by Practice Leaders using case review methodology;
- independent annual monitoring of all Care and Protection and Youth Justice Residences to assure compliance with the residential care regulations; and
- an annual programme of Practice Checks.

These tools mean that sites and practitioners are now regularly reviewing and taking steps to improve the strength of relationships with iwi and Māori providers and the quality of practice with tamariki and whānau Māori within their site.

Independent Children's Monitor

The Independent Children's Monitor (the Monitor) was established on 1 July 2019 to monitor the system of state care to ensure organisations that look after our tamariki and rangatahi are doing what they need to do, to enable them to reach their potential and thrive.

The Monitor provides assurance to the Minister for Children that the operations and obligations delivered under the Oranga Tamariki Act 1989 and associated regulations are met, including compliance and practice quality through to monitoring outcomes for tamariki and whānau.

The Monitor is still in its establishment phase, currently monitoring two of the National Care Standards Regulations, which focus on allegations of abuse or neglect of tamariki in care. From December 2020, it will monitor all National Care Standards Regulations.

More information about the Independent Children's Monitor and their findings can be found on their website www.icm.org.nz

Measuring our performance

When we intervene in the life of a family/whānau, it is important that we have a clear, outcomes-focused and actionable plan (All About Me Plan – p15) that is developed in partnership with the tamaiti, their family/whānau and others involved with them.

The All About Me Plan helps everyone involved support the needs and objectives of tamariki or rangatahi, by recording planning information that is responsive to their changing needs and circumstances, and advances their long-term goals and outcomes.

Under the National Care Standards, tamariki and rangatahi must be actively involved in developing and reviewing their plan. We must take into account their views, aspirations, and any decisions they have made, and incorporate these wherever possible. They must be kept up to date on the progress of their plan.

Our two quality measures have been put in place to ensure that:

- for tamariki in our care or custody, we have clear plans in place outlining actions to address their needs, with clear timeframes, roles and responsibilities;
- we regularly engage with tamariki in our care or custody so we can build and maintain a trusting relationship with them and ensure their participation and influence in decisions about their safety, care, and wellbeing. Regular engagement ensures our actions and plans are reflecting the changing needs and progress of tamariki and rangatahi to ensure they are kept safe, and that their All About Me Plan meets their goals and needs.

The baselines we have established for these two measures reflect our aspirations and hold us accountable for continuous improvement.

The percentage of children in care for more than three months with an actionable plan will be no less than



The percentage of children in care with regular quality engagement with an Oranga Tamariki practitioner will be no less than



In 2020/21, we continue to build on our quality measures. These new measures are focused on demonstrating our focus on increasing the quality of care, in accordance with the new National Care Standards and our section 7AA obligations, in particular through the lens of the Mana Tamaiti objective 4: Supporting identity and belonging.

Learning from our reviews

In May 2019, our attempt to bring a newborn pēpi Māori (Māori baby) into care in Hastings attracted media and public scrutiny.

This event also led to several reviews and inquiries into the way we work, including the legislation we work under, our policies and practice. These are:

- an internal Hawkes Bay Practice Review;
- the Whānau Ora Commissioning Agency's inquiry;
- The Office of the Children's Commissioner's interim report;
- The Ombudsman's systematic investigation; and
- a Waitangi Tribunal urgent inquiry.

While system changes take time, the reviews have told us change is not happening fast enough and that we are not always working in the right way for Māori. Our reviews have told us:

- Māori want their tamariki at home and supported by their whānau, hapū and iwi;
- parents and whānau Māori aren't getting the right support, in a way that works for them from us or other agencies;
- our staff don't always show respect and understanding of tikanga Māori. Our cultural competency needs work, and bias still exists in the care and protection system; and
- whānau want "by Māori, for Māori, with Māori" services and solutions, with an emphasis on the need for these services and solutions to be collectively, and locally, driven.

We have already made changes and will keep making them in response to these reviews. Some of the changes include (p 25):

- making sure whānau are more involved. Unless there is a clear need to protect a child from immediate and imminent danger, all custody applications are made 'on notice', so whānau know what's happening and are involved in the court's decision;
- when staff need to act faster to keep a child safe, every section 78 'without notice' application will go through additional checks;
- continuing to develop a new intensive intervention service with our partners that focuses on prevention and providing more whānau with the support they need to care for their tamariki;

- working with our partners to ensure whānau, hapū and iwi are involved in decision-making about their tamariki to develop new ways of working together; and
- refreshing our Operating Model to include specific, measurable outcomes for tamariki Māori.

More details about these reviews, their findings and our responses can be found on our website

<https://orangatamariki.govt.nz/about-us/reviews-and-inquiries>

Section 7AA – Quality Assurance Standards

The section 7AA Quality Assurance Standards ensure we meet our legislative obligations in the development of our policies, practices and services. The five standards will help shift the way we develop our work from a monocultural lens to a Māori-centred approach which in turn will improve the effectiveness of policies, practices and services for the majority of those impacted by our Ministry – tamariki Māori, their whānau, hapū and iwi.

We are in the process of implementing these standards into the key practices of four groups¹² across the Ministry primarily responsible for the development of policies, practices and services.

In the coming year, we will implement the standards across other parts of the organisation. We have developed an approach to monitoring and reporting on how well the standards are being applied.

We intend to commence formal monitoring in August 2020 and report on our progress in the next 7AA report.

More information about our s7AA Quality Assurance Standards can be found on our website <https://orangatamariki.govt.nz/about-us/reports-and-releases/section-7aa>

12 Professional Practice Group, Change Programme Management Office, Oranga Tamariki Policy and Partnering for Outcomes.

Working with others

We can't deliver the scope of change that New Zealand needs by ourselves – that's why we are partnering across the social sector with iwi and Māori organisations, community groups, and other non-government organisations.

Section 7AA of the Oranga Tamariki Act provides our practical duty to the Treaty of Waitangi and sets out responsibilities to improve outcomes for tamariki Māori working alongside whānau, hapū, iwi and Māori. We expect partnerships with iwi and Māori to drive change across our core services. We can only do better for tamariki and rangatahi Māori and their whānau in partnership with others.

Partnerships with Māori

The Ministry has a range of relationships with iwi and Māori organisations. These relationships range from formal Treaty-based accords, strategic partnership agreements, memoranda of understanding, localised agreements to support the delivery of services, and relationship agreements to support the day-to-day operation of our sites and residences.

A snapshot of how we work with iwi and Māori and our progress in developing these relationships can be found on our website. This report is published annually.

4

strategic iwi partnerships

4

Memoranda of Understanding

8

whānau care partnerships that could reach 48% of tamariki Māori in care

340

families supported through new intensive support services

13%

increase in the number of iwi and Māori providers since 2017

50%

increase in funding for iwi and Māori providers since 2017

The core focus of our strategic partnerships is to improve outcomes for tamariki, rangatahi and whānau Māori who have come to the attention of Oranga Tamariki. Building strong partnerships

enables us to work with communities and whānau to provide services and care for tamariki, driven by community values. The content of each strategic partnership is shaped by the values and objectives of each strategic partner, but there is a shared vision to reduce the number of tamariki in the care of Oranga Tamariki, supporting vibrant, thriving tamariki connected to Te Ao Māori and loving whānau, hapū, and iwi.

Between 1 July 2019 and 30 June 2020, we:

- signed a new strategic partnership with Ngāi Tūhoe in August 2019. This brings the total number of strategic partnerships to four; and
- received five invitations from iwi and Māori organisations to enter a strategic partnership. We are progressing discussions with four of those organisations and mutually agreed with another not to pursue discussions further at this stage.

We are working to address disparities in funding levels for iwi and Māori service providers that have come about through our procurement practices. We have made significant changes to our procurement practices, including using collaborative rather than competitive processes, making joint procurement decisions with strategic, local or agency partners, and allowing for open dialogue and innovative proposals, through a mixture of written form, verbal presentation, discussion and face-to-face kōrero. We are giving extra weight to providers who are able to meet, and report on their achievements to deliver on, the mana tamaiti objectives.

The percentage of all service contract funding contracted with iwi and Māori organisations will be greater than



Examples of the changes we're making to work in partnership with iwi and Māori organisations as intended through section 7AA are:

- the establishment of 'Mahuru', a specialist one-to-one remand service for Ngāpuhi rangatahi;
- our transition services – half of our providers delivering these services are iwi and Māori organisations;
- establishment of a permanent contract with a Māori provider for caregiver support; and
- Whānau Care Partnerships. The Whānau Care engagement model enables us to commission and co-design with iwi and Māori organisations directly, targeting those with the most tamariki

Māori in care first. With our partners, we are co-designing iwi-led indigenous models of care that enable whanaungatanga, whakapapa and connections between tamariki, their whānau and wider hapū and iwi.

Contract performance and reporting

Significant effort has been put into improving the percentage of providers meeting their reporting requirements, and this is the highest level of provider return performance since 2017. Actions have included targeted communication with providers, many of which are still recovering from the effects of the COVID-19 response, individual follow up of outstanding returns and the reviewing of processes associated with the setting, collection and entry of provider returns.

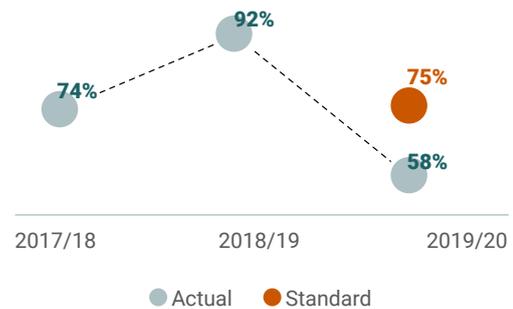
COVID-19 has affected our ability to centralise some reporting through use of the Social Wellbeing Agency Data Exchange. This initiative is in the 2020/21 Oranga Tamariki Business Plan and will significantly reduce the manual effort (and associated costs) required from both providers and Oranga Tamariki for provider reporting and improve data quality and timeliness.

The percentage of providers that meet that contractual reporting requirements will be no less than 100%



While work is ongoing to ensure that contract measures were appropriate to the services and volumes being delivered, COVID-19 Alert Levels 3 and 4 created significant disruption to our providers and their ability to deliver on their primary contracted measure¹³. Many NGOs used resources during this period to support whānau and tamariki in need in other ways. In recognition of the impacts of the COVID-19 response, Oranga Tamariki (and other social service purchasing agencies) notified partners that it would not hold back funding because of under-delivery against contracts. This gave partners certainty of funding in the medium term and the opportunity to deploy their community-based resources to respond to the highest priority needs in communities.

The percentage of contracted services which achieved or exceeded the target for their primary contracted measure will be no less than 75%



¹³ The majority of our contracted services have multiple reporting measures, one of which is designated to be the primary measure. This is usually a quantitative measure, based around the volume of contracted funding.

Where baselines have been established for 2020/21, the measures are marked as 'Achieved'.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
Intensive Intervention			
New Measure for 2019/20	The number of sites, offering intensive intervention services, will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The number of families, who engage with intensive intervention services, will be no less than	Establish baseline	Not achieved
New Measure for 2019/20	The percentage of children who received intensive intervention services in the last twelve months, who subsequently required an out of home placement, will be no more than	Establish baseline	Achieved
Prevention and Early Intervention			
New Measure for 2019/20	Report on the number of strategic partnerships signed with Iwi and Māori organisations over the year	Report On	1 new SPA signed
New Measure for 2019/20	The percentage of all service contract funding contracted with Iwi and Māori organisations will be greater than	23%	23%
92%	The percentage of all contracted services which achieved or exceeded the target for their primary contracted measure will be no less than	75%	58%
85%	The percentage of providers that meet their contractual reporting requirements will be no less than	100%	92%
New Measure for 2019/20	The percentage of critical or very urgent reports of concern, addressed within operational timeframes, will be no less than	95%	95%
Statutory Intervention and Transition			
New Measure for 2019/20	The number of young people eligible to return or remain with a caregiver beyond age eighteen, who are enabled to do so, will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The percentage of eligible young people, who do not opt out from receiving support from a transition support worker, will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The number of eligible young people, who receive supported accommodation, will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The percentage of siblings in out of home placements, who are placed with at least one sibling, will be no less than	73%	75%
New Measure for 2019/20	The percentage of children in out of home placement more than three months, who are placed with family/whānau, will be no less than	58%	59%
New Measure for 2019/20	The percentage of children in out of home placement, who have had more than two caregivers over the year, will be no more than	15%	12%
New Measure for 2019/20	Report on the percentage of children to exit out of home placement in the last eighteen months, who subsequently required an out of home placement	Report On	22%
New Measure for 2019/20	The percentage of children who have been in statutory care for more than six months, who have a completed Gateway assessment, will be no less than	75%	78%
New Measure for 2019/20	Report on rates of harm while in statutory care	Report On	Achieved
New Measure for 2019/20	The percentage of children, in care for more than three months, with an actionable plan will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The percentage of children in care, with regular quality engagement with an Oranga Tamariki practitioner, will be no less than	Establish baseline	Achieved
New Measure for 2019/20	The percentage of under eighteen-year olds who previously had a Youth Justice family group conference, who had a subsequent Youth Justice family group conference, will be no more than	Establish baseline	Achieved
New Measure for 2019/20	The percentage of young people held on remand, who are placed within their community, will be no less than	Establish baseline	Achieved
132	The number of young people, held in police custody for more than 24 hours will be less than	Establish baseline	Achieved

Review of 2020/21 performance measures and targets

In 2019/20, we refreshed our suite of measures for this Multi Category Appropriation (MCA) Investing in Children and Young People, where the majority of our operating funding sits. These measures:

- directly align to the outcomes as set out in the Oranga Tamariki outcomes framework;
- depend on data we and/or our partner providers own, addressing concerns around our reliance on external data and the corresponding time lags and lack of visibility which this created; and
- are specific in the information they provide.

This refresh was the culmination of several consecutive years of change, and as such we have not made any changes to these measures for 2020/21. We have added two additional quality measures which are focused on demonstrating our focus on increasing the quality of care, in accordance with the new National Care Standards, and our section 7AA obligations, in particular through the lens of the Mana Tamaiti objective 4: Supporting identity and belonging.

What it cost Financial Performance (figures are GST exclusive)

	Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue						
958,858	Crown		1,129,219	1,123,551	1,123,551	1,283,839
9,041	Department		9,052	10,535	10,131	9,052
5,017	Other		5,424	6,307	5,962	5,499
972,916	Total Revenue		1,143,695	1,140,393	1,139,644	1,298,390
943,201	Total Expense		1,143,695	1,140,393	1,087,217	1,298,390
29,715	Net Surplus/(Deficit)		-	-	52,427	-

Departmental: Adoption Services

This appropriation is limited to the management of services, incorporating education, assessment, reporting, counselling, and mediation, to all people who are party to adoption-related matters, past or present.

What we intend to achieve with this appropriation

This appropriation is intended to prepare and assess adoptive applicants, support the legal adoption of children by approved parents and to provide access to information on adoptions.

What we do

There are three pieces of legislation which govern the delivery of adoption services: the Adoption Act 1955, Adult Adoption Information Act 1985, and Adoption Intercountry Act 1997.

Adoption legally creates a new parent-child relationship when birth parents choose to place a child for adoption and where parties seek to finalise a surrogacy arrangement. The child's welfare and interests must be the central consideration in any adoption.

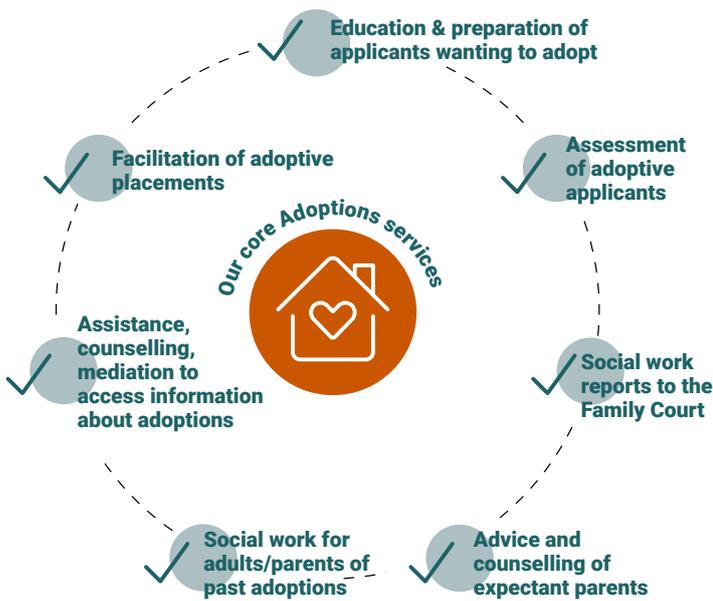
We provide a range of adoption services, including working with families or individuals wanting to adopt, as well as expectant parents who want to place a child for adoption. These services are provided to all people who are party to adoption-related matters, past or present.

All of our adoption services are demand-driven, including timeframes, as clients and applicants can choose to pause or stop action at any time.

Data on adoptions within New Zealand is the responsibility of the Ministry of Justice.

The Department of Internal Affairs is responsible for reporting on intercountry adoptions finalised overseas and recognised in New Zealand.

Oranga Tamariki is responsible for reporting on the number of information requests received under the Adult Adoption Information Act.



The year in review

In 2019/20 we significantly changed how we delivered our adoption services.

The creation of a dedicated adoption service (p20) within Oranga Tamariki involved separating out the adoption functions, developing consistent reporting and data, building quality assurance processes, splitting social worker staffing from the wider Care services, identifying staff training priorities, and completing a stocktake of the service areas to ensure nationally consistent delivery of adoption services to everyone.

Through the development of more open adoptions, we expected to see a reduction in birth parent information requests. This year, the number of information requests received (254) exceeded the expected volume of 150-250. Two thirds of these applications were received in the first six months of the year followed by a gradual decline during the COVID-19 lockdown and the months following. The disruption caused by the pandemic posed some processing delays as our ability to access paper records was limited.

Annual Number of Requests

182	221	257	254
2016/17	2017/18	2018/19	2019/20

Review of 2020/21 performance measures and targets

For 2020/21, we have added an additional measure to demonstrate the timeliness of suitability to adopt assessments.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
257	The number of requests from adults seeking identifying information on birth parents will be between 150 and 250	150-250	254

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
7,502	Crown	7,642	8,482	8,482	9,645
-	- Department	-	-	-	-
-	- Other	-	-	-	-
7,502	Total Revenue	7,642	8,482	8,482	9,645
7,203	Total Expense	7,642	8,482	7,603	9,645
299	Net Surplus/(Deficit)	-	-	879	-

Supporting Sector Partners

Non-Departmental: Connection and Advocacy Services

This appropriation is limited to supporting an independent connection and advocacy service for children and young people in statutory care.

What we intend to achieve with this appropriation

This appropriation is intended to achieve reduced isolation for children and young people in care, by connecting them with each other, and individual and collective advocacy by supporting their voice to be heard and building their leadership.

What is VOYCE – Whakarongo Mai?

VOYCE – Whakarongo Mai (VOYCE) stands for Voice of the Young and Care Experienced. Established in 2017, VOYCE is an independent charitable organisation that helps to advocate for approximately 6,000 children and young people with care experience in New Zealand. It exists to amplify the voices of these children and young people and ensure they are heard so as to positively influence their individual care and to collectively effect change in the wider care system. VOYCE was co-designed by children and young people with care experience, for children and young people with care experience.

It is funded by the Government and four philanthropic partners (Foundation North, the Tindall Foundation, Todd Foundation and Vodafone New Zealand Foundation). Oranga Tamariki distributes funding to VOYCE on behalf of the Government, under a contract that we monitor. The contract is based on VOYCE delivering advocacy and connection services.

For further information visit <https://voyce.org.nz>

The year in review

In 2017/18 VOYCE began to stand up its services, making strong progress in 2018/19.

This year, VOYCE has continued to grow and develop its services in providing advocacy and connection opportunities for children and young people with care experience.

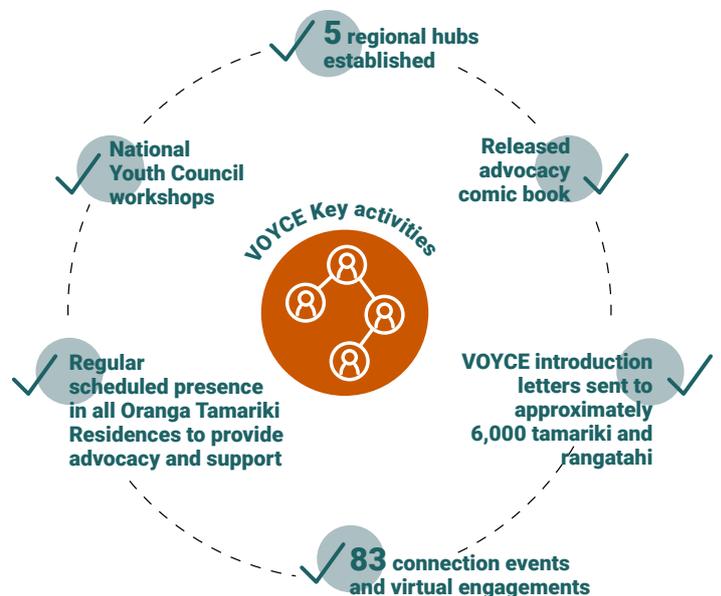
A range of services were provided by VOYCE, including:

- the release of an advocacy comic book;
- VOYCE introduction letters on their services sent to tamariki and rangatahi through their caregivers;
- Youth Council Workshops held;
- establishment of regional hubs; and
- connection events held, including virtual engagements through COVID-19.

We use the Children's Experience Survey to measure performance for this appropriation. These results show that 46 percent of tamariki and rangatahi surveyed were aware of VOYCE, while 29 percent were aware of how to contact the service. The increase in the results reflects VOYCE's success in promoting its services.

We want to see the number of care-experienced children and young people aware of the service growing. We will know that we are making a difference when the result of the below measure trends upwards in the coming years.

VOYCE – Whakarongo Mai 2019/20 key activities



2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
41% aware of the service; 25% know how to contact it	Percentage of 12–17-year-olds who are aware of the independent advocacy service and know how to contact it	41% aware of the service; 25% know how to contact it	46% aware of the service; 29% know how to contact it

Review of 2020/21 performance measures and targets

In 2020/21 we will replace the current performance measure with a measure of how well expenditure supports the delivery of services to children and young people with care experience in accordance with the Ministry’s contracted measurables.

These measurables include: connecting with the care community, establishing geographical service coverage, building rangatahi leadership, and advocacy (individual and systemic).

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
4,000	Total Expense	4,000	4,000	4,000	4,000



Non-Departmental: Reducing Youth Reoffending Social Bond Pilot

This appropriation is limited to the outcome payments incurred under the Reducing Youth Reoffending Social Bond Pilot.

What we intend to achieve with this appropriation

This appropriation is intended to achieve a reduction in reoffending by children and young people.

What is the Social Bond Pilot?

Social bonds are a way for private and not-for-profit organisations to partner with investors to deliver better social outcomes and be rewarded by Government. The pilots are designed so that the Government only pays for outcomes once outcomes are achieved.

Oranga Tamariki is responsible for administering the current reducing youth offending social bond. The funding is paid to G-Fund Limited (part of Genesis Youth Trust), designed to reduce youth reoffending in South Auckland. The social bond is a partnership between the New Zealand Government, youth development agency Genesis Youth Trust and a group of investors including the New Zealand Super Fund, Mint Asset Management Limited and the Wilberforce Foundation.

Outcomes are based on whether tamariki reduced their offending rate, or the severity of their offending has fallen, or a reduction in a risk of offending profile was recorded.

The Bond commenced on 1 July 2017 and is due to expire on 30 June 2023.

How the Bond operates

A young person is eligible for a referral to the Genesis Youth Trust Bond programme if they are on a Police Alternative Action plan, aged between 10 and 17 years old, living in the Counties Manukau area, and have a medium or high Police youth risk assessment screen score.

Once enrolled, tamariki take part in a 20 week intensive programme including mentoring, counselling, social work and parenting programmes, followed by further mentoring and monitoring for 18 months.

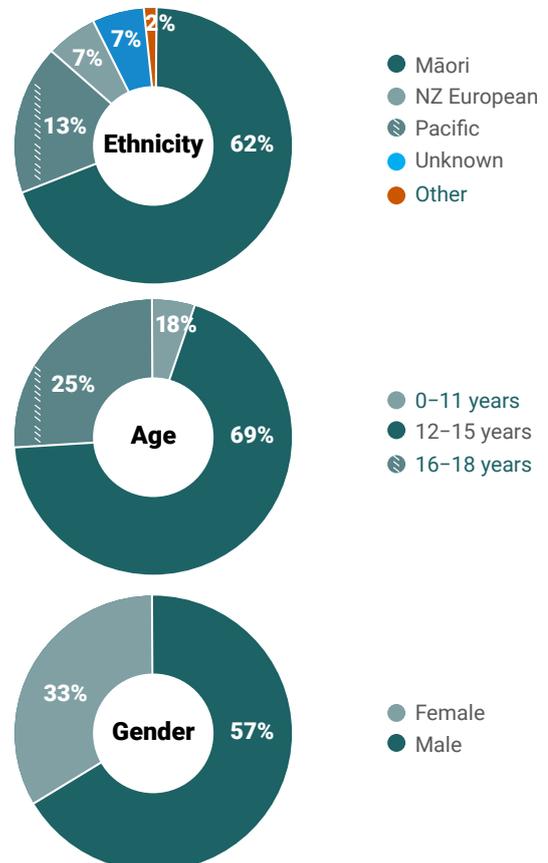
Genesis Youth Trust and New Zealand Police are working closely to help build relationships across the Counties Manukau region, with the emphasis on promoting referrals to ensure the right young people are referred for the programme.

The year in review

From 1 July 2017 to 30 June 2020, there have been 351 enrolments into the programme (and 132 since 1 July 2019). Although this is lower than the anticipated engagement with the programme, there are positive signs of de-escalation, with 87 percent of eligible clients seeing a reduction in their risk score. Although 22 percent of clients reoffended, this was at a lower frequency, and 45 percent at a lower severity, than their original offence(s). Oranga Tamariki continues to work closely with the Police and Genesis Youth Trust to ensure the right young people are being referred and to continue to build understanding of the programme and eligibility.

Since the beginning of the Social Bond Pilot, we have paid \$10,198,937, with the first payment in March 2018. We have paid \$6,495,831 since 1 July 2019.

351 Enrolments as at 30 June 2020



2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
Achieved	The total investment of the Reducing Youth Reoffending Social Bond Pilot will reach 1,000 young people by September 2023 (year 6 of the pilot). Oranga Tamariki will track and report progress annually.	Report progress	Achieved

What it cost

**Financial Performance
(figures are GST exclusive)**

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
3,280	Total Expenditure	9,886	9,886	6,496	4,110



Departmental: Evaluating and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot

This appropriation is limited to the costs of evaluating and auditing the Reducing Youth Reoffending Social Bond Pilot.

What we intend to achieve with this appropriation

This appropriation is intended to achieve effective and efficient evaluations and audits of the Reducing Youth Reoffending Social Bond Pilot.

What we do

We undertake regular evaluations of the programme to assess the effectiveness of the Reducing Youth Reoffending Social Bond Pilot.

The year in review

To meet bond requirements, Oranga Tamariki is required to evaluate the social bond contract at two points in time. The purpose of the first evaluation is to explore how the social bond's contractual arrangement is operating, how the service is operating, and to explore early trends or emerging outcomes. This evaluation was completed by June 2020.

Initial findings suggest:

- the procurement and contractual process was complex and extended over several years. The resulting contract is complex but is working;
- the Social Bond Pilot underpinned substantial organisational changes for Genesis. Although not without challenges, interviewed stakeholders described how it has enabled the transformation of Genesis into a better functioning and more professional organisation that delivers evidence-based and data-driven support to rangatahi. Stable funding and a longer contract term have enabled workforce development; and
- overall, the service is supporting rangatahi as intended although there have been some challenges with referrals, and enrolments are lower than the target numbers.

Analysis of Genesis administrative data found improvements in rangatahi wellbeing as measured by reductions in risk of reoffending scores and reductions in the severity and frequency of offending. Positive changes are seen over all cohorts, including for rangatahi Māori. However, these findings are indicative only and it is too soon to draw quantitative conclusions about the effectiveness of the service on offending-related outcomes. This will be explored in the second evaluation, which will be completed closer to the end of the bond in 2022/23.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
New Measure for 2019/20	Oranga Tamariki will complete an evaluation of the pilot by 30 June 2020	Achieved	Achieved

Review of 2020/21 performance measures and targets

In 2020/21 we will replace this performance measure with a Feasibility Study for the outcomes evaluation and social return on investment analysis, which must be completed by June 2021.

What it cost

Financial Performance (figures are GST exclusive)

	Actual 2019 \$000	Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
10 Crown		75	75	75	140
- Department		-	-	-	-
- Other		-	-	-	-
10 Total Revenue		75	75	75	140
10 Total Expense		75	75	60	140
- Net Surplus/(Deficit)		-	-	15	-

Supporting Government

Departmental: Data, Analysis and Evidence Services

This appropriation is limited to providing data, analytics and evidence services to better inform government decision-making on vulnerable children and young people.

What we intend to achieve with this appropriation

This appropriation is intended to achieve an increase in evidence-based decision-making to improve outcomes for vulnerable children and young people.

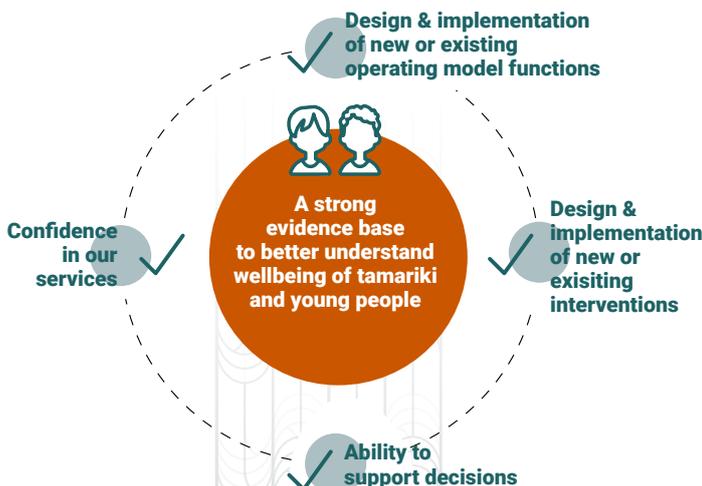
What we do

The Oranga Tamariki Evidence Centre works to build the evidence base that helps us better understand wellbeing and what works to improve outcomes for New Zealand’s children, young people and their whānau.

Developing a strong evidence base supports the design and implementation of new or existing interventions, and operating model functions, so we can be confident they are contributing positively to children and young people’s wellbeing.

Our integrated evidence building cycle allows us, as an organisation, to have information and evidence at the right times to support decision-making

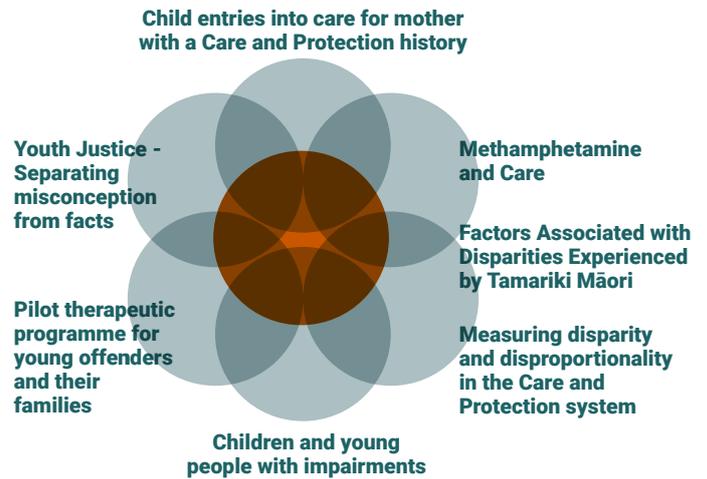
We also hold bi-monthly seminar series, partnering with a range of social sector agencies to present current research and thinking for those working in areas that impact New Zealand’s children and their families.



The year in review

In 2019/20 the Evidence Centre completed 32 studies covering all aspects of the Oranga Tamariki operating model. These studies informed practice changes and supported work on various reviews and enquiries.

Studies carried out in 2019/20



The Evidence Centre also supported the organisation’s understanding of and response to COVID-19 through undertaking a series of pulse surveys of head office staff, social workers, caregivers and providers/NGOs to obtain a sense of how they were managing, what they were seeing and experiencing, and areas where the Ministry could better support them through the various stages of the COVID-19 Alert Levels.

As part of our public seminar series programme, we have showcased research on a number of topics including:

- Youth Justice insights from the Child Wellbeing Model.
- Health insights from the Child Wellbeing Model.
- Understanding Protective and Risk Factors from the Growing up in NZ study.
- Insights from the Youth Line State of the Generation Survey.
- Family Harm and Crime.
- Disability Amongst Families Receiving Family Start.
- Child Support.
- Supporting Teen Parents.

All published reports and seminar presentations can be found on our website <https://www.orangatamariki.govt.nz/about-us/research/our-research>

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
100%	Where appropriate and in the public interest, all Evidence Centre Research and Evaluation products are pro-actively released to the public within six months of completion	100%	100%

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
6,950	Crown	11,018	9,512	9,512	-
-	Department	-	-	-	-
-	Other	-	-	-	-
6,950	Total Revenue	11,018	9,512	9,512	-
5,770	Total Expense	11,018	9,512	8,308	-
1,180	Net Surplus/(Deficit)	-	-	1,204	-

Departmental: Policy Advice

This appropriation is focused on providing advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to children and young people of interest to Oranga Tamariki.

What we intend to achieve with this appropriation

This appropriation is intended to achieve high quality policy decisions in relation to vulnerable children and young people.

What we do

We provide expert policy advice to support quality decision-making. We do this by:

- providing strategic advice to Ministers and our leadership team to help improve outcomes for children; and
- maintaining strong internal and external engagement to ensure our advice reflects children's experiences, best evidence, Treaty obligations, Minister and Ministry needs and the wider context.

The year in review

The policy advice we provide is vital to supporting decision-making by Ministers to achieve Government's aspiration to make New Zealand the best place in the world to be a child or young person. In 2019/20 our work programme included:

- continuing to develop core policy settings for Oranga Tamariki across the operating model;
- advising on children's policy and wider social policy that impacts on tamariki, rangatahi and whānau;
- a package of initiatives to improve financial assistance for caregivers granted through the Budget 2020 COVID-19 Response and Recovery Fund to improve the financial assistance provided to caregivers inside and outside the State care system, and to help alleviate the financial pressure caregivers are facing as a result of COVID-19; and
- an increase to the base rate of the Foster Care Allowance, Orphan's Benefit, and Unsupported Child's Benefit that came into effect in July 2020.

Advice assessed against the Policy Quality Framework



From 1 July 2019, all agencies with a policy appropriation are required to use the refreshed Policy Quality Framework to assess the quality of and report on their policy advice after its delivery.

The new Policy Quality Framework places more emphasis on the following criteria:

- Te Ao Māori and Treaty analysis (as part of the Analysis and Advice sections of the Policy Quality Framework); and
- the need for evaluation and monitoring.

A review of a sample of policy papers against this framework is done by New Zealand Institute of Economic Research. Their report shows that not only have we fully met the performance standards for quality policy advice for the first time this year, but there is also an increase in higher scoring papers (even taking into account the change in the scoring system compared to past years).

The Minister for Children also assesses policy advice through the Ministerial Policy Satisfaction Survey, gauging their satisfaction with the quality, timeliness and value for money of policy advice. For this, Oranga Tamariki received an overall score of 4.025 out of 5.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
New Measure	The score for the Minister's satisfaction with the services provided by the policy function, based on the common Ministerial Policy Satisfaction Survey and on a five-point scale, will be no less than	4	4.025
New Measure	In relation to the quality of policy advice, the average score for policy papers assessed using the common Policy Quality Framework, on a five-point scale, will be at least	3.5	3.64
New Measure	In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework will be no less than:		
	- Score 4 or higher	20%	48%
	- Score 3 or higher	100%	100%

Review of 2020/21 performance measures and targets

In 2020/21, this Policy appropriation will be consolidation with the Ministerial Services appropriation as a single category (Policy Advice and Ministerial Services) within the Multi-Category Appropriation – Investing in Children and Young People.

We will continue to report on policy performance measures.

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
5,097	Crown	5,189	7,700	7,700	-
-	- Department	-	-	-	-
-	- Other	-	-	-	-
5,097	Total Revenue	5,189	7,700	7,700	-
4,926	Total Expense	5,189	7,700	6,596	-
171	Net Surplus/(Deficit)	-	-	1,104	-

Departmental: Ministerial Services

This appropriation is limited to providing services to Ministers to enable them to discharge their portfolio responsibilities (other than policy decision-making) relating to vulnerable children and young people.

What we intend to achieve with this appropriation

This appropriation is intended to achieve efficient and effective ministerial services to support Ministers to discharge their portfolio responsibilities.

What we do

In addition to managing requests under the Official Information Act 1982, the team also manages all Ministerial correspondence, parliamentary questions, any other correspondence that is received directly by Oranga Tamariki as well as running the Annual Review and Estimates Select Committee process, and providing support to the Ministry on preparing advice for the Minister.

The year in review

In 2019/20 we efficiently and effectively delivered ministerial services to support our ministers to discharge their portfolio responsibilities.

Our performance is measured against our timeliness of providing accurate, effective, and robust information in response to ministerial Official Information Act (OIA) requests, ministerial correspondence and Parliamentary questions.

In 2018/19 we invested in our Ministerial Support Team to ensure there is enough capacity to meet the increasing number of information requests. This year we continued to refine our systems and improve our practices. The benefits of the investment can be seen in the improved results across all three of our performance measures.

We received eight ministerial OIA requests, and we responded to 100 percent of these five working days prior to the statutory time limit.

During the year we completed 269 responses to Ministerial correspondence, 99 percent of those within 20 working days of receipt (unless otherwise agreed). The proportion of ministerial responses delivered in the required timeframe increased significantly compared to 2018/19.

We also provided responses to the Minister's Office to 187 Parliamentary Questions, 100 percent of those within parliamentary set timeframes.

 **8**
Requests
Ministerial Official Information Act

 **269**
Responses
To Ministerial correspondence

 **187**
Questions
Parliamentary Questions
responded to

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
92%	The percentage of ministerial OIA request replies completed five working days prior to the statutory time limit (unless otherwise agreed) will be between 95% and 100%	95%-100%	100%
86%	The percentage of ministerial replies completed within twenty working days of receipt by Oranga Tamariki, unless otherwise agreed, will be between 95% and 100%	95%-100%	99%
99%	The percentage of Parliamentary question responses provided to the Minister's Office so that the answers can meet the timeframe set in Parliamentary Standing Orders will be between 95% and 100%	95%-100%	100%

Review of 2020/21 performance measures and targets

In 2020/21, this appropriation will be consolidated with the Policy Advice appropriation as a single category (Policy Advice and Ministerial Services) within the Multi-Category Appropriation – Investing in Children and Young People.

We will continue to report on the above performance measures.

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
1,190	Crown	1,212	1,500	1,500	-
-	Department	-	-	-	-
-	Other	-	-	-	-
1,190	Total Revenue	1,212	1,500	1,500	-
1,053	Total Expense	1,212	1,500	1,204	-
137	Net Surplus/(Deficit)	-	-	296	-

Departmental: Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions

This appropriation is limited to the provision of support to deliver a coordinated and effective Crown response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions.

What we intend to achieve with this appropriation

This appropriation is intended to achieve an effective, timely and joined-up Crown response to, and engagement with, the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions.

The Royal Commission

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (the Royal Commission) is examining the nature and extent of the abuse of children, young people and vulnerable adults that occurred in direct or indirect State care and in faith-based institutions, focused on the period 1950–1999. The Royal Commission is also reviewing the current systems for responding to abuse, to ensure such abuse cannot happen again. The Royal Commission's terms of reference was finalised in November 2018. Under its terms of reference, the Royal Commission is to provide the Governor-General with an interim report by the end of December 2020. The Royal Commission has stated the report will include:

- progress on its work to date, including key themes and common issues;
- analysis on the size of respective groups;
- interim findings and recommendations;
- analysis of the workload remaining to complete its inquiries; and
- an assessment of any additional budget required.

More information about the Royal Commission is available at www.abuseincare.org.nz

The Crown Response to the Royal Commission

The Crown recognises that independence of the Royal Commission is paramount and will be guided by the Royal Commission's tikanga. The Crown is a core participant in the Royal Commission's inquiry, both in examining what occurred in the past and ensuring things are improved in future. In particular, the Royal Commission requires access to records, witnesses and expertise held by the Crown to understand historical policies and practices, and their impacts on people in State care.

Multiple agencies are involved in the Crown Response, including Archives New Zealand, Crown Law, Department of Corrections, Ministry of Education, Ministry of Health, Ministry of Justice, Ministry of Social Development, New Zealand Police, Oranga Tamariki, Public Service Commission, and Te Puni Kōkiri. These agencies or their predecessors have been most directly involved in providing State care, in managing the personal records of those in care, or responding to claims of abuse in State care.

More information about the Crown Response is available at www.abuseinquiryresponse.govt.nz

The year in review

In 2019/20 the focus has been on:

- preparing for hearings, including the Royal Commission's contextual hearing (October–November 2019, and a State redress hearing (delayed by COVID-19 until October–November 2020);
- responding to information requests from the Royal Commission, with agencies directly providing approximately 5,000 documents and making a further 50,000 documents available for the Royal Commission to inspect in the year to 30 June 2020; and
- establishing a Māori Action Plan and working group to ensure both the historic understanding and future-focused improvements that form the Crown Response's focus are informed by Te Ao Māori.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
Achieved	Report progress on the Crown response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions annually	Report on	Achieved

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000		Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
Revenue					
548	Crown	6,748	6,996	6,996	7,964
-	- Department	-	-	-	-
-	- Other	-	-	-	-
548	Total Revenue	6,748	6,996	6,996	7,964
300	Total Expense	6,748	6,996	2,905	7,964
248	Net Surplus/(Deficit)	-	-	4,091	-

Departmental: Capital Expenditure

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry for Vulnerable Children, Oranga Tamariki; as authorised by section 24(1) of the Public Finance Act 1989.

What we intend to achieve with this appropriation

This appropriation is intended to achieve the replacement or upgrade of assets in support of the delivery of the Ministry's services.

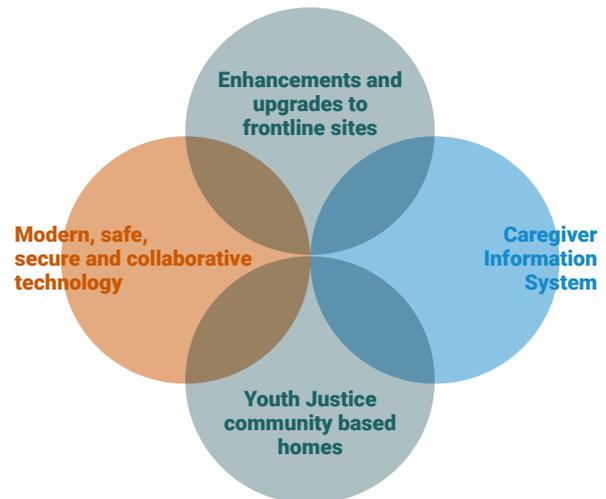
What we do

Our priorities for 2019/20 were:

- modification of frontline sites to allow for the growth in workforce and new ways of working, including greater collaboration with our partners;
- enhancing our secure environments by:
 - converting Whakatakāpokai into a Youth Justice residence; and
 - undertaking residential environment improvement projects at Te Au Rere (Youth Justice residence) and all three Care and Protection residences;
- building more home environments through development and scoping of Youth Justice community-based homes;
- an upgrade of our Caregiver Information System; and
- completing the deployment of our new Digital Workplace.

Oranga Tamariki family homes provide a stepping stone for many of those tamariki and rangatahi deemed at risk if they remained at home with their whānau.

We are investing in our family homes to provide healthy environments that create therapeutic surroundings that promote secure and consistent placement stability. International evidence suggests placement stability reduces harm, offending, hospitalisation and substance abuse.



Initiatives we received additional funding for

An additional \$12.14 million capital injection was made through Budget 2020 towards the delivery of key initiatives such as the Caregiver Information System, Digital Workplace Programme, frontline site improvements, and Youth Justice community-based homes.

How well we delivered it

We received \$21.29 million to begin our four to six-year programme of capital work including:

- upgrading our frontline sites to ensure they are safe and welcoming for whānau and tamariki, and conducive to working productively alongside partners;
- building youth justice community-based placements; and
- upgrading our core information technology systems.

Upgrading frontline sites

In order to allow for growth in our workforce and new ways of working, a key component of our capital plan was to modify our frontline sites. In 2019/20 we commenced the scoping and design work for eight of our priority sites to be upgraded. The new site in Te Awamutu was completed in the year, with a further three new builds and nine refurbishments planned to be completed in 2020/21. Delays with site fitouts occurred due to design principles being reconsidered to ensure they align and support the operating model and take into consideration current environments, including learnings from COVID-19.

Youth Justice Capital Plan

In 2019/20 we began the Whakatakapokai conversion project (p19). This project will convert a part of the Whakatakapokai residence, which has been used as a Care and Protection residence for almost 20 years, into a placement for Youth Justice purposes. We have now received Resource Management Act approval and completed scoping for the security and structural components of the project. This will continue to be delivered in 2020/21.

For the build of the Youth Justice community-based placements in 2019/20 we invested time in building relationships with mana whenua to partner with, select and co-design sites, and gain their support as we seek the right to operate with the affected stakeholders including Councils, hapū, iwi, and local communities. This has caused delays to planned capital spend but will benefit the project in the long term. There were further delays to construction of sites and obtaining Resource Management Act approvals due to COVID-19.

Information Technology System upgrades

As part of our plan to upgrade our core information technology systems, in 2019/20 we continued the upgrade of the Caregiver Information System. We have now delivered 75 percent of our Caregiver Information System upgrade, with the final increment scheduled to be delivered through 2020/21. This upgrade will develop our Caregiver Information System to include enquiry, application, assessment, and ongoing management of caregivers.

We also completed the deployment and rollout of our Digital Workplace. This included providing our staff with technology that is easy to use, modern, safe and secure, and collaborative so that they can access information where and when we require to. As part of our response to COVID-19, we accelerated the rollout of our new Digital Workplace to our National Contact Centre so that our teams could work remotely, and effectively through the pandemic.

Our performance measure is currently based on the percentage of capital spend against the budget. Construction delays related to COVID-19 combined with the reclassification of \$6 million of capital expenditure to operating expenditure, in accordance with the asset accounting policy, both contributed to the result of this measure falling below the standard.

2018/19 Actual	Performance Measure	2019/20 Standard	2019/20 Actual
55%	Capital expenditure projects delivered per plan	100%	35%

Review of 2020/21 performance measures and targets

In 2020/21, we will replace our capital performance measure with one which specifically performance delivery in accordance with the Ministry's annual capital asset managements and long-term capital investment plan priorities.

What it cost

Financial Performance (figures are GST exclusive)

Actual 2019 \$000	Main Estimates 2020 \$000	Supplementary Estimates 2020 \$000	Actual 2020 \$000	Main Estimates 2021 \$000
10,214	9,150	21,294	8,306	70,715

Our Financial Summary

Operating expenditure

In 2019/20 our total operating expenditure was \$1,115 million, up by \$149 million from 2018/19, to run our organisation and provide services to meet the needs of children, young people and their whānau. This was \$61 million lower than our Budget of \$1,176 million, primarily driven by a lower rate of recruitment and delays in project delivery.

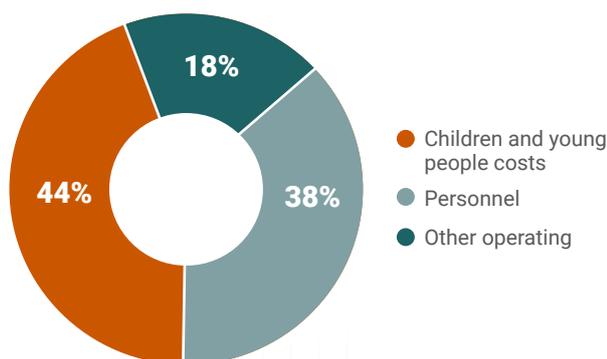
We have approval in-principle from the Minister of Finance and Minister for Children to transfer \$44 million to 2020/21 to continue the delivery of our Transition Support Services, Youth Justice care arrangements, and continue to develop the capacity and capability of our frontline workforce.

Personnel

Our total personnel costs were \$421.2 million (up \$58.3 million from 2018/19). Approximately 94 percent of these costs were directly related to our employees' remuneration costs. A key focus was to build the capability and capacity of our frontline workforce to bring about higher quality assessments and support for children and young people in care. As at 30 June 2020 we had increased the number of our social workers by 150 FTE.

Operating expenditure by categories

Our expenditure includes personnel, children & young people's costs, and other operating costs such as staff travel and professional services.



Children and Young People Costs

The wellbeing of our tamariki continues to be at the forefront of our operations. Through Budget 2019 funding we strengthened the previously established foundations and we spent \$490.4 million (up \$50.6 million from 2018/19), to support tamariki, rangatahi and whānau.

We and our partners provided:

- 6,000 All About Me Plans, and Caregiver Support Plans for 90 percent of our caregivers;
- 3,556 Caregivers – 63 percent of those being Family/Whānau caregivers;
- more meaningful engagement with tamariki and whānau through reduced social worker caseloads – on average 1:21;
- 700 young people with a transition worker and 30 supported accommodation places;
- 8 new whānau care partnerships with iwi and kaupapa Māori organisations;
- statutory care services and arrangements to ensure our tamariki are safe and in loving environments; and
- Youth Justice Services.

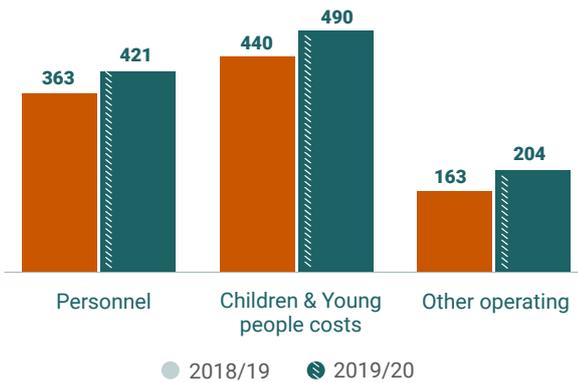
Other operating

Other operating costs for the year were \$203.5 million. This covers professional services, information technology, shared services, and travel. Shared Services fees are paid to the Ministry of Social Development to provide back-office functions such as property management, accounts payable, and shared IT infrastructure (shared platforms, financial management information system, payroll systems). This also includes the cost of property rental.

Comparing our 2018/19 to 2019/20

In 2019/20 we saw a \$149.2 million increase in our total operating expenditure. This represents Government's continued investment in the transformation of the care system. This includes growing our workforce capacity and capability, the increased focus on meeting the needs of tamariki and rangatahi, introduction of new functions and services, and more support being provided to our caregivers. Over the year, our social worker workforce increased by 150, providing extra capacity to work with children in our care. We also invested in bringing 17 year olds into the youth justice system and increasing the awareness of and uptake of our Transition Support Service to ensure care and youth justice experienced young people can get a good start to their adult lives.

Breakdown of 2018/19 and 2019/20 Expenditure by Category (\$ million)



Capital expenditure

In 2019/20 our total capital spend was \$8.3 million. We focused our efforts on the delivery of our Caregiver Information System upgrade and the rollout of our Digital Workplace (p 28). Additionally, we invested into our care environments through designing our site fitouts and the scoping of secure environments.

Future outlook

Government's Budget 2019 investment will see our baseline continue to increase in the out years, enabling us to continue to:

- provide and enhance our Transition Support Services;
- reduce disparities for Māori across all our services;
- raise the quality of care for children and young people in care;
- address early risk factors, establish and stand-up intensive and early intervention services;
- provide Youth Justice Community care arrangements; and
- increase the capacity and capability of our frontline social work staff.

With Budget 2020, the Government has focused on a system-wide response to COVID-19, committing \$481 million through the social sector, to support public health and safety as well as economic resilience. This means that new funding has been focused on cost pressures and is expected to do so for future financial years.

Over four years, Oranga Tamariki will receive:

- \$276 million of operating expenditure to respond to the impacts of COVID-19, fund cost pressures, and invest in joint bids; and
- \$26.7 million of capital expenditure to refurbish several residential environments.

Budget 2020 will enable us to further deliver:

For our caregivers and young people

An increase to the base rate of the Foster Care Allowance by \$25 per week per child, at a cost of \$28.6 million.

The provision of approved respite care so that caregivers of children in state care continue to receive the Foster Care Allowance for up to 20 days while the child they care for is in respite care, at a cost of \$3.3 million.

Connecting government services

Joint bids, at a cost of \$8.1 million for family violence services for children, and \$6 million for the Royal Commission into Historical Abuse of Children in State Care and Faith-Based Institutions.

Support for community service providers

Support towards the work that our iwi, Māori, and NGO partners do to help children, families and communities achieve their goals and improve their wellbeing. We will invest \$57.7 million to support the sustainability and effectiveness of NGO partners currently providing early intervention and similar services.

Our capital plan

Refurbishment of our Youth Justice & Care residential environments at a cost of \$26.7 million.

Four Year Operating Funding (\$ million)



Ā MĀTAU
PŪRONGO PŪTEA

Our Financial Statements

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120	Notes to Non-Departmental Statements & Schedules

Statement of Responsibility

I am responsible, as Chief Executive of Oranga Tamariki—Ministry for Children, for:

- the preparation of the Ministry's financial statements and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by Oranga Tamariki—Ministry for Children, whether or not that information is included in the annual report.

In my opinion:

- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2020 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2021 and its operations for the year ending on that date.



Gráinne Moss | Chief Executive
30 November 2020

Independent Auditor's Report

To the readers of Oranga Tamariki – Ministry for Children's annual report for the year ended 30 June 2020

The Auditor-General is the auditor of Oranga Tamariki–Ministry for Children (the Ministry). The Auditor-General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 83 to 112, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets 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 statement of trust monies for the year ended 30 June 2020 and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Ministry for the year ended 30 June 2020 on pages 34 to 74;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2020 on pages 119 and 120; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 114 to 118 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020;
 - the schedules of expenses; and revenue for the year ended 30 June 2020; and
 - the notes to the schedules that include accounting policies and other explanatory information.
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information of the Ministry on pages 34 to 74:
 - presents fairly, in all material respects, for the year ended 30 June 2020:
 - 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; and
 - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Ministry on pages 119 and 120 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 114 to 118 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020; and
 - expenses; and revenue for the year ended 30 June 2020.

Our audit was completed on 30 November 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 Ministry and the activities it manages on behalf of the Crown. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Opinion

In our opinion:

- the financial statements of the Ministry on pages 83 to 112:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020;
 - its financial performance and cash flows for the year ended on that date; and
 - statement of trust monies for the year ended 30 June 2020; and

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 Ministry as set out in note 18B to the financial statements and pages 40, 41, 44, 45, 47 to 50, 54, 57, 59, 65, 67, 71, 73 and 74 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 Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Ministry for preparing:

- Financial statements that present fairly the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- Performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- Statements of expenses and capital expenditure of the Ministry that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- Schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Chief Executive 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 Ministry, or there is no realistic alternative but to do so.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

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

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

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's strategic intentions 2017-2022 and relevant Estimates and Supplementary Estimates of Appropriations 2019/20, and the 2019/20 forecast financial figures included in the Ministry's 2018/19 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

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 information we audited, 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 Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate the appropriateness of the reported performance information within the Ministry's framework for reporting its performance.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry'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 information we audited 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 Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive 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 Chief Executive is responsible for the other information. The other information comprises the information included on pages 4 to 31 and 75 to 77, but does not include the information we audited, and our auditor's report thereon.

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

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited 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 Ministry 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.

For the year ended 30 June 2020 and subsequently, the independent Chair of the Ministry's Audit and Risk Committee is a member of the Auditor-General's Audit and Risk Committee. The Auditor-General's Audit and Risk Committee is regulated by a Charter that specifies that it provides independent advice to the Auditor-General and does not assume any management functions. There are appropriate safeguards to reduce any threat to auditor independence, as the member of the Auditor-General's Audit and Risk Committee has no involvement in, or influence over, the audit of the Ministry.

Other than in our capacity as auditor, and the relationship with the Auditor-General's Audit and Risk Committee, we have no relationship with, or interests, in the Ministry.



Ajay Sharma | Audit New Zealand

On behalf of the Auditor-General
Wellington, New Zealand

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Oranga Tamariki—Ministry for Children

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2020

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Unaudited Forecast 2021 \$000
Revenue					
980,155	Revenue Crown		1,157,816	1,161,103	1,301,588
9,041	Department Revenue		10,131	9,052	9,052
5,017	Other Revenue	2	5,962	5,424	5,499
994,213	Total revenue		1,173,909	1,175,579	1,316,139
Expenses					
362,887	Personnel costs	3	421,214	434,989	410,124
6,836	Depreciation and amortisation expense	10,11	6,587	8,658	8,954
11,581	Capital charge	4	13,414	11,581	13,624
72,616	Shared service fees		66,701	86,618	74,258
511,051	Other expenses	5	607,196	633,733	809,179
927	Loss on disposal of property, plant & equipment/ write off	6,11	-	-	-
965,898	Total expenses		1,115,112	1,175,579	1,316,139
28,315	Surplus/(deficit)		58,797	-	-
Other comprehensive revenue and expense					
Item that will not be reclassified to net surplus/ (deficit)					
30,542	Gain on property revaluations		-	-	-
30,542	Total other comprehensive revenue and expense		-	-	-
58,857	Total comprehensive revenue and expense		58,797	-	-

Explanations of significant variances against the original 2019/20 budget are provided in Note 20.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Financial Position

As at 30 June 2020

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Unaudited Forecast 2021 \$000
Equity					
126,316	Taxpayers' funds	16	126,316	126,316	144,198
97,244	Property revaluation reserve	16	97,244	66,702	97,244
-	Capital contribution	16	17,882	54,228	69,285
223,560	Total equity		241,442	247,246	310,727
Assets					
Current assets					
68,620	Cash and cash equivalents	7	143,637	85,441	65,777
232	Receivables	8	233	49	52
1,049	Prepayments		1,713	1,474	1,048
18,629	Receivables from Ministry of Social Development		13,358	863	5,509
88,530	Total current assets		158,941	87,827	72,386
Non-current assets					
270,479	Property, plant and equipment	10	267,095	242,557	341,739
2,393	Intangible assets	11	7,498	10,206	6,062
272,872	Total non-current assets		274,593	252,763	347,801
361,402	Total assets		433,534	340,590	420,187
Liabilities					
Current liabilities					
52,153	Payable and accruals	12	70,145	45,577	52,153
65	Income in advance		-	-	-
28,315	Return of operating surplus	13	58,797	-	-
34,169	Employee entitlements	15	42,688	30,124	34,169
2,939	Other provisions	14	5,136	591	2,937
117,641	Total current liabilities		176,766	76,292	89,259
Non-current liabilities					
20,201	Employee entitlements	15	15,326	17,052	20,201
20,201	Total non-current liabilities		15,326	17,052	20,201
137,842	Total liabilities		192,092	93,344	109,460
223,560	Net assets		241,442	247,246	310,727

Explanations of major variances against the original 2019/20 budget are provided in Note 20.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Changes in Equity

For the year ended 30 June 2020

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Unaudited Forecast 2021 \$000
193,018	Balance at 1 July		223,560	193,018	241,442
58,857	Total comprehensive revenue and expense		58,797	-	-
	Owner transactions			-	-
(28,315)	Return of operating surplus to the Crown	13	(58,797)	-	-
-	Capital injections		17,882	54,228	69,285
223,560	Balance at 30 June		241,442	247,246	310,727

Explanations of major variances against the original 2019/20 budget are provided in Note 20.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Cash Flows

For the year ended 30 June 2020

Actual 2019 \$000	Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Unaudited Forecast 2021 \$000
Cash flows from operating activities				
1,010,147	Receipts from Revenue Crown	1,157,751	1,161,103	1,301,588
14,264	Receipts from other revenue	16,006	14,476	14,551
(589,182)	Payments to suppliers	(598,632)	(633,733)	(809,179)
(355,396)	Payments to employees	(413,195)	(434,989)	(410,124)
(11,581)	Payments for capital charge	(13,414)	(11,581)	(13,624)
4,617	Goods and services tax (net)	6,670	-	-
(18,145)	Payments to the Ministry of Social Development	(61,430)	(86,618)	(74,258)
54,724	Net cash flow from operating activities	93,756	8,658	8,954
Cash flows from investing activities				
(10,185)	Purchase of property, plant and equipment	(2,948)	(9,150)	(69,307)
(29)	Purchase of intangible assets	(5,358)	-	(1,408)
(10,214)	Net cash flow from investing activities	(8,306)	(9,150)	(70,715)
Cash flows from financing activities				
-	Capital injections	17,882	54,228	69,285
(10,178)	Return of operating surplus	(28,315)	-	-
(10,178)	Net cash flow from financing activities	(10,433)	54,228	69,285
34,332	Net (decrease)/ increase in cash	75,017	53,736	7,524
34,288	Cash at the beginning of the period	68,620	31,705	58,253
68,620	Cash at the end of the period	143,637	85,441	65,777

Explanations of major variances against the original 2019/20 budget are provided in Note 20.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Cash Flows

For the year ended 30 June 2020

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

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Unaudited Forecast 2021 \$000
28,315	Net surplus/(deficit)		58,797	-	-
	Add/(less) non-cash items				
3,622	Depreciation expense	10	3,148	6,279	7,882
3,214	Amortisation expense	11	3,439	2,379	1,072
6,836	Total non-cash items		6,587	8,658	8,954
	Add/(less) items classified as investing or financing activities				
927	(Gains)/losses on disposal property, plant and equipment or write off		-	-	-
	Add/(less) movements in statement of financial position items				
11,979	(Increase)/Decrease in receivables		5,205	-	-
427	(Increase)/Decrease in prepayments		(665)	-	-
(3,302)	Increase/(Decrease) in payable and accruals		17,991	-	-
4,045	Increase/(Decrease) in employee entitlements		8,519	-	-
2,348	Increase/(Decrease) other provisions		2,197	-	-
16,424	Total net movements in working capital items		33,247	-	-
	Add/(less) movements in non-current liabilities				
3,149	Increase/(Decrease) in employee entitlements		(4,875)	-	-
3,149	Net movements in non-current liabilities		(4,875)	-	-
54,724	Net cash flow from operating activities		93,756	8,658	8,954

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Commitments

As at 30 June 2020

Actual 2019 \$000		Actual 2020 \$000
Operating leases as lessee		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
2,911	Not later than one year	5,085
16,534	Later than one year and not later than five years	19,312
8,474	Later than five years	6,737
27,919	Total non-cancellable accommodation leases	31,134
27,919	Total commitments	31,134

Capital Commitments

Oranga Tamariki—Ministry for Children has no capital commitments (2019: Nil)

Digital Workplace Programme leases

Oranga Tamariki—Ministry for Children leases computer equipment in the normal course of its business. These leases are for laptop computers and mobile phones for the Digital Workplace Programme which have non-cancellable leasing periods ranging from 36 months to 7 years. These non-cancellable operating leases have varying terms, escalations clauses and renewal rights.

Non-cancellable accommodation leases

Oranga Tamariki—Ministry for Children leases property in the normal course of its business. These leases are for premises which have non-cancellable leasing periods ranging from three to 20 years. Oranga Tamariki—Ministry for Children's non-cancellable operating leases have varying terms, escalation clauses and renewal rights.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Contingent Liabilities and Contingent Assets

As at 30 June 2020

Unquantifiable contingent liabilities

There is legal action against the Crown relating to historical abuse claims. At this stage the number of claimants and the outcomes of these cases are uncertain. The disclosure of an amount for these claims may prejudice the legal proceedings.

Oranga Tamariki—Ministry for Children also has other unquantifiable contingent liabilities in relation to potential claims against Oranga Tamariki—Ministry for Children for costs associated with proceedings under the Oranga Tamariki Act 1989 or other civil claims. This unquantified liability only relates to potential claims for court or legal costs.

Quantifiable contingent liabilities

Actual 2019 \$000		Actual 2020 \$000
113	Personal grievances	134
20	Other claims	-
133	Total contingent liabilities	134

Personal grievances

Personal grievance claims are claims raised as personal grievances under the Employment Relations Act 2000 by employees of Oranga Tamariki—Ministry for Children. There are 16 personal grievance claims (2019: 18 personal grievance claims). The assessed contingent liability for personal grievance claims is assessed by Oranga Tamariki—Ministry for Children as the potential compensation payment under section 123(1)(c)(i) of the Employment Relations Act 2000 that may be awarded by the Employment Relations Authority if the employee's claim was successful.

Quantifiable contingent assets

Oranga Tamariki—Ministry for Children has no contingent assets.

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Trust Monies

For the year ended 30 June 2020

Oranga Tamariki—Ministry for Children operates trust accounts as the agent under section 66 of the Public Finance Act 1989. The transactions through these accounts and their balances as at 30 June 2020 are not included in the financial statements for Oranga Tamariki—Ministry for Children.

Actual 2019 \$000		Actual 2020 \$000
William Wallace Trust		
493	Balance at 1 July	525
32	Contributions	43
(15)	Distributions	(24)
15	Revenue	14
525	Balance at 30 June	558
Custody Trust		
6	Balance at 1 July	7
1	Revenue	-
7	Balance at 30 June	7

William Wallace Trust Account

The Prime Minister's Oranga Tamariki Awards are held by Oranga Tamariki—Ministry for Children on an annual basis to celebrate the achievements of young people in care. The William Wallace prizes are given in the form of scholarship funding for tertiary study or a contribution to vocational and leadership programmes at these annual awards. The Trust was established in May 1995 and administered by The Ministry of Social Development (MSD) to hold funds from an estate for the above purpose. The administration of the Trust was transferred to Oranga Tamariki—Ministry for Children from 1 May 2018.

Custody Trust Account

The Custody Trust account has been established and administered by MSD to administer donations received from the public on behalf of children who were under the care and guardianship of the Chief Executive of the Ministry of Social Development. The administration of the trust was transferred to Oranga Tamariki—Ministry for Children from 1 May 2018.

The accompanying notes form part of these financial statements.

Note 1: Statement of Accounting Policies: Departmental

Reporting entity

Oranga Tamariki—Ministry for Children is a government department as defined by section 2 of the Public Finance Act 1989 (PFA) and is domiciled and operates in New Zealand.

The relevant legislation governing the operations for Oranga Tamariki—Ministry for Children includes the PFA, Vulnerable Children Act 2014 and Oranga Tamariki Act 1989. The ultimate parent for Oranga Tamariki—Ministry for Children is the New Zealand Crown.

In addition, Oranga Tamariki—Ministry for Children has reported on trust monies administered by the department and Crown activities that it administers in the non-departmental statements and schedules on pages 118 to 119.

The financial statements were authorised for issue by the Chief Executive of Oranga Tamariki—Ministry for Children on 30 November 2020.

The primary objective for Oranga Tamariki—Ministry for Children is to provide services to support any child in New Zealand whose wellbeing is at significant risk of harm now, or in the future. Oranga Tamariki—Ministry for Children also supports young people who may have offended, or are likely to offend. It is believed the right environment, with the right people surrounding and nurturing them, any child can, and should flourish which in turn will reduce re-offending. Oranga Tamariki—Ministry for Children does not operate to make a financial return.

Oranga Tamariki—Ministry for Children has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

Basis of preparation

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

Statement of compliance

The financial statements of Oranga Tamariki—Ministry for Children have been prepared in accordance with the requirements of the PFA, which includes the requirements to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and Treasury Instructions.

These financial statements have been prepared in accordance with and comply with PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the related party transaction disclosure in note 17. The related party transaction disclosures are rounded to the nearest dollar.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

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

Goods and services tax (GST)

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

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

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

Income tax

Oranga Tamariki—Ministry for Children is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Cost Allocation

Oranga Tamariki—Ministry for Children has determined the cost of outputs using the cost allocation system outlined below.

Input costs can be classified as direct and indirect.

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. These costs are incurred in the operation of Oranga Tamariki—Ministry for Children and are charged to outputs based on cost drivers such as full-time equivalent (FTE) staff or workload information obtained from surveys and/or other data sources, which reflect an appropriate measure of resource consumption or use.

To ensure that corporate costs are allocated, as accurately as possible Oranga Tamariki—Ministry for Children has adopted a three tier corporate allocation methodology:

- The first stage allocates all direct costs to output expenses as and when they are incurred;
- The second stage accumulates and allocates indirect costs to output expenses based on cost drivers, such as FTE staff or workload information obtained from surveys and/or other data sources, which reflect an appropriate measure of resource consumption or use; and
- The third stage accumulates and allocates overhead costs to output expenses based on resource consumption/use where possible, such as the FTE staff ratio, or where an appropriate driver cannot be found then in proportion to the cost charges in the previous two stages.

There have been no changes in cost accounting policies since the date of the last audited financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made 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 in respect of:

Estimating the fair value of land and buildings – see Note 10

Assessing the useful lives of software – see Note 11

Measuring long service leave and retirement gratuities – see Note 15

Critical judgements in applying accounting policies

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

Classification of leases – see Note 5

Budget and forecast figures

Basis of the budget and forecast figures

The 2020 budget figures are for the year ended 30 June 2020. They are consistent with the best estimate financial forecast information for Oranga Tamariki—Ministry for Children submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ending 2019/20.

The 2021 forecast figures are for the year ending 30 June 2021 which are consistent with the best estimate financial forecast information submitted to the Treasury for the Pre-Election Economic and Fiscal Update (PREFU) for the year ending 2020/21.

The forecast financial statements have been prepared as required by the PFA to communicate forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2021 forecast figures have been prepared in accordance with PBE FRS 42

Prospective Financial Statements.

The forecast financial statements were approved for issue by the Chief Executive on 24 July 2020.

The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

While Oranga Tamariki—Ministry for Children regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2021 will not be published.

Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect the purpose and activities of Oranga Tamariki—Ministry for Children and are based on a number of assumptions of what may occur during the 2020/21 year. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Main Estimates were finalised.

The main assumptions, which were adopted as at 24 July 2020, were as follows:

- The activities of Oranga Tamariki—Ministry for Children and output expectations will remain substantially the same as the previous year focusing on the Government's priorities;
- Personnel costs were based on 5,127 FTE staff positions, which take into account staff turnover;
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the best estimate of future costs that will be incurred by Oranga Tamariki—Ministry for Children;
- Remuneration rates are based on current wages and salary costs, adjusted for anticipated remuneration changes;
- Land and buildings are not revalued; and
- Estimated year-end information for 2019/20 was used as the opening position for the 2020/21 forecasts.

The actual financial results achieved for 30 June 2021 are likely to vary from the forecast information presented, and the variations may be material.

Note 2: Revenue

Accounting policy

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

Revenue Crown

Revenue from the Crown is measured based on Oranga Tamariki—Ministry for Children’s funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, Oranga Tamariki—Ministry for Children can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Breakdown of Department and Other Revenue

Actual 2019 \$000		Actual 2020 \$000
5,009	Other recoveries	5,962
8	Gain on foreign exchange	-
5,017	Total revenue other	5,962

Other Recoveries

Oranga Tamariki—Ministry for Children received revenue from child support receipts on behalf of children in the care of the Chief Executive. Revenue is recognised when the obligation is incurred.

Note 3: Personnel costs

Actual 2019 \$000		Actual 2020 \$000
337,594	Salaries and wages	396,445
7,819	Increase/(decrease) in employee entitlements	4,757
9,450	Employer contributions to defined contribution plans	11,189
8,024	Other	8,823
362,887	Total personnel costs	421,214

Accounting policy

Salaries and Wages

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

Superannuation schemes – Defined contribution scheme

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

Note 4: Capital charge

Oranga Tamariki—Ministry for Children pays a capital charge to the Crown on its equity at 31 December and 30 June each financial year. The capital charge rate for the year ended 30 June 2020 was 6% (2019: 6%).

Accounting policy

The capital charge is recognised as an expense in the financial year to which the charge relates.

Note 5: Other expenses

Actual 2019 \$000		Actual 2020 \$000
401	Audit fees ¹⁴	406
8,112	Rental, leasing and occupancy costs	13,189
93	Impairment of receivables	57
214,861	Client financial plan costs ¹⁵	236,875
224,854	Non-specific client costs ¹⁶	253,501
7,285	Office operating expenses	14,634
4,738	IT related operating expenses	44,777
4,983	Travel expenses	4,829
26,101	Consultancy and contractors' fees	19,551
8,636	Professional fees	9,124
10,987	Other operating expenses	10,253
511,051	Total operating costs	607,196

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to the ownership of an asset. 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.

Other expenses

Other expenses are recognised as an expense in the financial year in which they are incurred.

¹⁴ Audit fees includes statutory audit fees only

¹⁵ Client financial plan costs includes monies paid for the provision of the care and protection of children and young persons, and the provision of programmes and services to support the resolution of behaviour and relationship difficulties. A portion of these costs is used to support statutory processes to promote opportunities for family/whānau, hapū/iwi and family groups to consider care and protection and youth justice issues and to contribute to a decision-making process that often removes the need for court involvement.

¹⁶ Non-specific client costs include costs which cannot be attributed to a specific client. It includes costs for maintaining an infrastructure that supports Oranga Tamariki—Ministry for Children to meet its legal and support obligations for the care and protection of children and young persons and the casework resolution process. The costs can be grouped into four main categories:

- family home costs including bed availability allowances, family home supplies and foster parent resettlement grants;
- residential costs including programmes and client costs;
- costs for Care and Protection resource panels of external advisors mandated by the Oranga Tamariki Act 1989, to advise on procedures; and
- external provider contract costs for specific programmes run by non-government organisations to help children and young people.

Note 6: Loss on disposal of property, plant and equipment

During the year, Oranga Tamariki—Ministry for Children did not dispose any property, plant and equipment (2019: Nil).

Note 7: Cash and cash equivalents

Actual 2019 \$000	Actual 2020 \$000
68,620 Cash at bank and on hand	143,637
68,620 Total cash and cash equivalents	143,637

Accounting policy

Cash and cash equivalents includes cash on hand, cash in transit, bank accounts and deposits with a maturity of no more than three months from the date of acquisition.

Oranga Tamariki—Ministry for Children is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

Note 8: Debtors and other receivables

Actual 2019 \$000	Actual 2020 \$000
Trade and other receivables	
368 Debtors (Gross)	426
(136) Less provision for uncollectability	(193)
232 Net debtors	233
232 Receivables from exchange transactions	233
Impairment of trade and other receivables	
43 Balance at 1 July	136
93 Additional provisions made during the year	57
136 Balance at end of the year	193
136 Collective impairment allowance	193
136 Balance at end of the year	193

Note 9: The ageing profile of receivables at year end

The ageing profile of receivables at year end is detailed below:

	As at 30 June 2019			As at 30 June 2020		
	Gross \$000	Provision for uncollectability \$000	Net \$000	Gross \$000	Provision for uncollectability \$000	Net \$000
Not past due	145	-	145	263	(40)	223
Past due 1–30 days	41	-	41	7	(5)	2
Past due 31–60 days	23	-	23	9	(9)	0
Past due 61–90 days	15	(9)	6	7	(7)	0
Past due >91 days	144	(127)	17	140	(132)	8
Total	368	(136)	232	426	(193)	233

Accounting policy

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

Debtors uncollectability

As at 30 June 2020 impairment of trade and other receivables has been calculated based on a review of specific overdue receivables and a collective assessment. The collective impairment provision is based on an analysis of past collection history and debt write-offs.

As at 30 June 2020 Oranga Tamariki—Ministry for Children had no debtors deemed insolvent (2019: Nil).

All receivables more than 30 days in age are considered to be past due.

Note 10: Property, plant and equipment

	Land \$000	Buildings \$000	Furniture & Fittings \$000	Computer Equipment \$000	Motor Vehicles \$000	Plant & Equipment \$000	Total \$000
Cost or revaluation							
Balance at 1 July 2018	73,495	164,121	47	2	2	32	237,699
Additions	-	10,153	-	2	92	-	10,247
Revaluation increase	17,119	5,517	-	-	-	-	22,636
Work in progress movement	-	(3,251)	-	3,182	(1)	8	(62)
Other asset movement	-	-	-	1	-	-	1
Balance at 30 June 2019 and 1 July 2019	90,614	176,540	47	3,187	93	40	270,521
Additions	-	3,408	-	4	-	13	3,425
Work in progress movement	-	(662)	110	-	-	75	(477)
Other asset movement	-	-	-	(3,185)	-	1	(3,184)
Balance at 30 June 2020	90,614	179,286	157	6	93	129	270,285
Accumulated depreciation and impairment losses							
Balance at 1 July 2018	-	4,314	9	-	-	2	4,325
Depreciation expense	-	3,592	9	1	15	5	3,622
Eliminate on revaluation	-	(7,906)	-	-	-	-	(7,906)
Other asset movement	-	-	1	-	-	-	1
Balance at 30 June 2019 and 1 July 2019	-	-	19	1	15	7	42
Depreciation expense	-	3,116	9	1	15	7	3,148
Balance at 30 June 2020	-	3,116	28	2	30	14	3,190
Carrying amounts							
At 1 July 2018	73,495	159,807	38	2	2	30	233,374
At 30 June 2019 and 1 July 2019	90,614	176,540	28	3,186	78	33	270,479
At 30 June 2020	90,614	176,170	129	4	63	115	267,095

The total amount of property, plant and equipment under construction and work in progress is \$924,000 (2019: \$4.586 million).

Accounting policy

Property, plant and equipment consist of the following asset classes: land, buildings, furniture and fittings, computer equipment, motor vehicles, plant and equipment.

Land is measured at fair value and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Individual assets are capitalised if their cost is greater than \$2,000.

Revaluations

Land and buildings are revalued at least every three years to ensure the carrying amount does not differ materially from the fair value. Fair value is determined from market-based evidence by an independent valuer. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure those values are not materially different from fair value. Additions to assets between revaluations are recorded at cost.

Oranga Tamariki—Ministry for Children accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluations are recorded in the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, the balance is expensed in the Statement of Comprehensive Revenue and Expense. Any subsequent increase in value after revaluation that offsets a previous decrease in value recognised in the Statement of Comprehensive Revenue and Expense will be recognised first in the Statement of Comprehensive Revenue and Expense up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable the future economic benefits or service potential associated with the item will flow to Oranga Tamariki—Ministry for Children 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 recognised at its cost.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Disposals

Gains and losses on disposal are determined by comparing the proceeds of disposal with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When a revalued asset is sold, the amount included in the property, revaluation reserve in respect of the disposed asset is transferred to taxpayers' funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable the future economic benefits or service potential associated with the item will flow to Oranga Tamariki—Ministry for Children and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

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 Type	Estimated Life	Depreciation Rate
Buildings (including components)	10–80 years	1.25%–10%
Furniture and fittings	3–5 years	20%–33%
Computer equipment	3–5 years	20%–33%
Motor vehicles	4–5 years	20%–25%
Plant and equipment	3–5 years	20%–33%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment

Oranga Tamariki—Ministry for Children does not hold any cash-generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Non-cash-generating assets

Property, plant and equipment held at cost that have a finite useful life are reviewed for impairment at each balance date 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 its value in use.

Value in use 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 considered to be impaired and the carrying amount is written-down to the recoverable service amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Critical accounting estimates and assumptions

Estimating the fair value of land and buildings

A valuation of land and buildings owned by Oranga Tamariki—Ministry for Children was completed by Quotable Value Limited as at 30 June 2020. Registered valuer David Cornford, from Quotable Value Limited was the project manager.

The valuation involved both full physical inspections and desktop valuations of Oranga Tamariki—Ministry for Children's land and buildings assets and has been completed in compliance with Public Benefit Entity International Public Sector Accounting Standards (IPSAS).

The next full valuation is scheduled for 2021/22.

Land

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the 'unencumbered' land value where there is a designation against the land or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensively.

Buildings

Non-specialised buildings such as, family homes, are valued at fair value using market-based evidence. Market rents and capitalisation rate methodologies were applied in determining the fair value of buildings. Residential centres such as Care and Protection Residences and Youth Justice Residences, have been valued using optimised depreciated replacement cost.

Optimised depreciated replacement cost is used for these buildings because of the specialised nature of the assets.

Restrictions

There are no restrictions over the title of the property, plant and equipment assets for Oranga Tamariki—Ministry for Children; nor are any property, plant and equipment assets pledged as security for liabilities.

Note 11: Intangible assets

	Internally Generated Software \$000
Cost	
Balance at 1 July 2018	9,332
Additions	71
Work in progress movement	(42)
Disposals	(1,855)
Balance at 30 June 2019 and 1 July 2019	7,506
Additions	4,542
Work in progress movement	816
Other asset movement	3,185
Balance at 30 June 2020	16,049
Accumulated amortisation and impairment losses	
Balance at 1 July 2018	2,827
Amortisation expense	3,214
Other asset movement	(1)
Impairment losses	(927)
Balance at 30 June 2019 and 1 July 2019	5,113
Amortisation expense	3,439
Other asset movement	(1)
Balance at 30 June 2020	8,551
Carrying amounts	
At 1 July 2018	6,505
At 30 June 2019 and 1 July 2019	2,393
At 30 June 2020	7,498

The total amount of intangibles in the course of construction is \$816,000 (2019: Nil).

Accounting policy

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the cost of services, software development employee costs, and an appropriate portion of relevant overheads.

Costs associated with maintaining computer software and staff training costs are recognised as an expense when incurred.

Costs of software updates or upgrades are only capitalised when they increase the usefulness or value of the software.

Costs associated with the development and maintenance of the website are recognised as an expense when incurred for Oranga Tamariki—Ministry for Children.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rate is as follows:

Asset Type	Estimated Life	Amortisation Rate
Developed computer software	3–8 years	12.5%–33%

Impairment

Oranga Tamariki—Ministry for Children has recognised an impairment loss of nil for the current year (2019: \$927,000) for internally developed software.

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant and equipment in Note 10. The same approach applies to the impairment of intangible assets.

Critical accounting estimates and assumptions

Restrictions

There are no restrictions over the title of the intangible assets, nor are any pledged as security for liabilities.

Note 12: Payables and accruals

Actual 2019 \$000		Actual 2020 \$000
Payables and deferred revenue under exchange transactions		
1,109	Creditors	2,154
39,845	Accrued expenses	50,123
40,954	Total payables and deferred revenue under exchange transactions	52,277
Payables and deferred revenue under non-exchange transactions		
11,199	GST payable	17,868
52,153	Total payables and accruals	70,145

Accounting policy:

Short-term payables are recorded at the amount payable.

Note 13: Return of operating surplus

Actual 2019 \$000		Actual 2020 \$000
28,315	Net surplus/(deficit)	58,797
28,315	Total return of operating surplus	58,797

The return of operating surplus to the Crown is required to be paid by 31 October of each year.

Note 14: Provisions

Actual 2019 \$000		Actual 2020 \$000
2,939	Other provisions	5,136
2,939	Total provisions	5,136

Accounting policy

A provision is recognised for future expenditure of uncertain amount or time when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated timing of the future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs”.

	Restructure \$000	Others \$000	Total \$000
2019			
Balance as at 1 July 2018	70	521	591
Additional provisions made	-	2,823	2,823
Unused amounts reversed	(70)	(405)	(475)
Balance as at 30 June 2019	-	2,939	2,939
2020			
Balance as at 1 July 2019	-	2,939	2,939
Additional provisions made	-	4,212	4,212
Amounts used	-	(2,015)	(2,015)
Balance as at 30 June 2020	-	5,136	5,136

Others

Oranga Tamariki—Ministry for Children provides an ex-gratia payment to employees related to return to work for a period of time following parental leave. Oranga Tamariki—Ministry for Children anticipates that this provision will be realised within 12 months.

Oranga Tamariki—Ministry for Children has provided for decommissioning costs relating to IT systems being replaced or closed due to the completion or partial completion of IT project upgrades. Oranga Tamariki—Ministry for Children anticipates that this provision will be realised within 12 months.

Note 15: Employee entitlements

Note 15- A: Employee entitlements

Actual 2019 \$000		Actual 2020 \$000
Current liabilities		
7,678	Retirement and long service leave	7,694
26,491	Provision for annual leave	34,994
34,169	Total current portion	42,688
Non-current liabilities		
20,201	Retirement and long service leave	15,326
20,201	Total non-current portion	15,326
54,370	Total employment entitlements	58,014

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 entitlement 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, retiring and long service leave entitlements expected to be settled within 12 months and sick leave.

Oranga Tamariki—Ministry for Children recognises a liability and an expense for performance payments where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Entitlements payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis.

An independent actuarial valuation has been undertaken in the current year and will continue to be undertaken annually to estimate the present value of long service and retiring leave liabilities.

The calculations are based on:

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

Independent valuer David Chamberlain from Melville Jessup Weaver valued the retiring and long service leave as at 30 June 2020.

Critical accounting estimates and assumptions

Long service leave and retirement gratuities

The present value of the retirement and long service leave obligations is determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability are the discount rate and the salary inflation factor. Any changes in these assumptions will have an impact on the carrying amount of the liability.

Oranga Tamariki—Ministry for Children uses the interest rates and the salary inflation factor as supplied and published by the Treasury.

Note 15- B: Discount rates and salary inflation applied

as at 30 June 2019			Employee Entitlement Variables	as at 30 June 2020		
2019 %	2020 %	2021 %		2020 %	2021 %	2022 %
1.26	1.03	2.23	Discount rates	0.22	0.25	0.41
-	2.92	2.92	Salary inflation	2.72	2.72	2.72

Note 15- C: The financial impact of changes to the discount rates and salary inflation variables

Movements	Actual 2019 \$000	Salary + 1% 2019 \$000	Salary - 1% 2019 \$000	Discount + 1% 2019 \$000	Discount - 1% 2019 \$000
Total	23,020	1,345	(1,195)	(1,201)	1,381

Note 16: Equity

Actual 2019 \$000		Actual 2020 \$000
Taxpayers' funds		
126,316	Balance at 1 July	126,316
28,315	Surplus/(deficit)	58,797
-	Capital contribution	17,882
(28,315)	Repayment of surplus	(58,797)
126,316	Balance at 30 June	144,198
Property revaluation reserves		
66,702	Balance at 1 July	97,244
30,542	Revaluation gains	-
97,244	Balance at 30 June	97,244
Property revaluation reserves consists of:		
55,090	Land revaluation reserve	55,090
-	Non-residential building	-
42,154	Building revaluation reserve	42,154
97,244	Total property revaluation reserves	97,244
223,560	Total equity	241,442

Accounting policy

Equity is the Crown's investment in Oranga Tamariki—Ministry for Children and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds and property revaluation reserves.

Property revaluation reserves

These reserves relate to the revaluation of land and buildings to fair value.

Capital management

Oranga Tamariki—Ministry for Children's capital is its equity, which comprise taxpayers' funds and property revaluation reserves. Equity is represented by net assets.

Oranga Tamariki—Ministry for Children manages its revenues, expenses, assets, liabilities and general financial dealings prudently. Oranga Tamariki—Ministry for Children's equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities and compliance with the government budget processes, Treasury Instructions and the PFA.

The objective of managing the equity is to ensure that Oranga Tamariki—Ministry for Children effectively achieves its goals and objectives for which it has been established while remaining a going concern.

Note 17: Related party transactions

Oranga Tamariki—Ministry for Children is a wholly-owned entity of 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 conditions no more or less favorable than those that it is reasonable to expect Oranga Tamariki—Ministry for Children 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 and undertaken in the normal terms and conditions for such transactions.

Transactions with key management personnel

Key management personnel compensation includes the remuneration for the Chief Executive and 9 members of the Senior Management Team (2019: Chief Executive and 10 members of the Senior Management Team).

Actual 2019		Actual 2020
Leadership Team, including the Chief Executive		
\$3,499,855	Remuneration	\$3,606,388
11	Full-time equivalent members	10

The above key management personnel disclosure excludes the Minister for Children. The Minister's remuneration and other benefits are received not only for her role as a member of the key management personnel of Oranga Tamariki—Ministry for Children. The Minister's remuneration and other benefits are set by the Remuneration Authority under the Civil List Act 1979 and are paid under Permanent Legislative Authority and are not paid by Oranga Tamariki—Ministry for Children.

Note 18: Events after the balance sheet date

No significant events, which may have had an impact on the actual results, have occurred between year-end and the signing of the financial statements.

Note 18 B – Impact of COVID-19 on the financial statements

Oranga Tamariki–Ministry for Children has considered the potential impact of COVID-19 on its financial statements and operations. The operations of Oranga Tamariki–Ministry for Children were considered essential and, as such continued to operate through all alert levels, including through the full lockdown period. There has been no material impact on the contracted service arrangements in place with providers, as a result of the COVID-19 alert levels.

This has limited the impact on the Oranga Tamariki–Ministry for Children’s financial statements and operations.

An assessment of the impact of COVID-19 on the department’s balance sheet is set out below, based on the information available at the time of preparing these financial statements.

Balance sheet item	COVID-19 assessment	Note
Cash	No impact to carrying value. All cash is held with Westpac Bank with Standard & Poor’s credit rating of AA.	7
Property, plant and equipment	Oranga Tamariki–Ministry for Children’s land and buildings are held at fair value. A desktop assessment was undertaken at 30 June 2019 and a full revaluation of land and buildings was undertaken at 30 June 2020. Oranga Tamariki–Ministry for Children has no evidence that there has been a decline in the value of these assets post COVID-19.	10
Employee entitlements	An independent actuarial valuation was undertaken at 30 June 2020 to value long service and retiring leave liabilities. Oranga Tamariki–Ministry for Children has no evidence that there has been a significant change in the value of these assets as a result of COVID-19.	15

Note 19: Financial instruments

Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

Actual 2019 \$000		Actual 2020 \$000
Loans and receivables		
68,620	Cash and cash equivalents	143,637
18,861	Receivables	13,591
87,481	Total loans and receivables	157,228
Financial liabilities measured at amortised cost		
52,153	Payables and accruals	70,145
52,153	Total financial liabilities measured at amortised cost	70,145

Financial instrument risks

The activities of Oranga Tamariki—Ministry for Children expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Oranga Tamariki—Ministry for Children has policies to manage the risks associated with financial instruments and seeks to minimise its exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Currency risk and interest rate risk

Oranga Tamariki—Ministry for Children has no exposure to interest rate risk or currency risk on its financial instruments, as there were no foreign currency forward contracts at balance date and Oranga Tamariki—Ministry for Children does not hold any interest-bearing financial instruments.

Credit risk

Credit risk is the risk a third party will default on its obligation to Oranga Tamariki—Ministry for Children, causing Oranga Tamariki—Ministry for Children to incur a loss.

In the normal course of its business, credit risk arises from receivables, deposits with banks and derivative financial instruments.

Oranga Tamariki—Ministry for Children is permitted to deposit funds only with Westpac (Standard & Poor's credit rating of AA-), a registered bank. For its other financial instruments, Oranga Tamariki—Ministry for Children does not have significant concentrations of credit risk.

The maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, receivables, and derivative financial instrument assets. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

Liquidity risk

Liquidity risk is the risk Oranga Tamariki—Ministry for Children will encounter difficulty raising liquid funds to meet its commitments as they fall due.

As part of meeting its liquidity requirements, Oranga Tamariki—Ministry for Children closely monitors its forecast cash requirements with expected cash draw-downs from the New Zealand Debt Management Office. Oranga Tamariki—Ministry for Children maintains a target level of available cash to meet liquidity requirements.

The table below analyses the financial liabilities of Oranga Tamariki—Ministry for Children (excluding derivatives) into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

The amounts disclosed are the contractual undiscounted cash flows.

Actual 2019 \$000		Actual 2020 \$000
Creditors and other payables		
52,153	Less than six months	70,145
52,153	Total creditors and other payables	70,145

Note 20: Explanations of major variances against budget

Explanations for major variances from the estimated figures in the Forecast Financial Statements 2019/20 are as follows:

	Notes	Actual 2020 \$000	Unaudited Budget 2020 \$000	Variance 2020 \$000
Statement of Comprehensive Revenue and Expense				
Expenses				
Personnel costs	f	421,214	434,989	(13,775)
Shared service fees	a	66,701	86,618	(19,917)
Other expenses	b	607,196	633,733	(26,537)
Statement of Financial Position				
Current assets				
Receivables from Ministry of Social Development	c	13,358	863	12,495
Non-current assets				
Property, plant and equipment	d	267,095	242,557	24,538
Current liabilities				
Payable and accruals	e	70,145	45,577	24,568
Statement of Cash flows				
Cash flows from operating activities				
Payments to suppliers	b	(598,632)	(633,733)	35,101
Payments to employees	f	(413,195)	(434,989)	21,794
Payments to the Ministry of Social Development	a	(61,430)	(86,618)	25,188

a. Shared service fees variance against budget is due to an amendment in services provided by MSD to Oranga Tamariki—Ministry for Children, agreed between the two agencies during the year.

b. Other expenses/ payments to suppliers variance to budget is mainly due to underspends in major projects throughout the year and underspends in Child Financial Plans costs. These underspends are mainly due to project changes out of our control throughout the year and under-utilisation in the additional Health and Education funding received through Budget 19 partially offset by rising Board and Bednight costs.

c. The increase in receivables is mainly due to our shared service agreement with MSD and the timing of these payments.

d. Property, plant and equipment variance against budget is mainly due to the revaluation of land and buildings that was performed in the prior year which was not reflected in the budget figures.

e. Payable and accruals are higher than budget due to the growth in the organisation in order to deliver the new operating model and the legislative changes that were implemented from 1 July 2019 onwards.

f. Payment to employees variance to budget is mainly driven by lower recruitment earlier in the year than what was planned.

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**Non-Departmental Financial
Statements & Schedules**



Non-Departmental Statements and Schedules

For the year ended 30 June 2020

The following non-departmental statements and schedules recorded the revenue (Nil), capital receipts (Nil), expenses, assets, liabilities, commitments and contingent assets that Oranga Tamariki—Ministry for Children manages on behalf of the Crown.

Schedule of Non-Departmental Expenses

For the period ended 30 June 2020

Actual 2019		Actual 2020	Unaudited Budget 2020
\$000		\$000	\$000
7,280	Non-departmental output expenses	10,496	13,886
7,280	Total non-departmental expenses	10,496	13,886

Schedule of Non-Departmental Assets

As at 30 June 2020

Actual 2019		Actual 2020	Unaudited Budget 2019
\$000		\$000	\$000
Current assets			
5,312	Cash and cash equivalents	9,210	6,469
5,312	Total current assets	9,210	6,469

Schedule of Non-Departmental Liabilities

As at 30 June 2020

Actual 2019		Actual 2020	Unaudited Budget 2020
\$000		\$000	\$000
Current liabilities			
-	Accruals - other than government departments	-	156
-	Total non-departmental liabilities	-	156

Explanations of significant variances against budget are detailed in Note 2.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2020.

Schedule of Non-Departmental Commitments

As at 30 June 2020

Oranga Tamariki—Ministry for Children on behalf of the Crown has no lease commitments (2019: Nil).

Schedule of Non-Departmental Contingent Liabilities and Contingent Assets

As at 30 June 2020

Unquantifiable contingent liabilities

Oranga Tamariki—Ministry for Children on behalf of the Crown has no unquantifiable contingent liabilities (2019: Nil).

Quantifiable contingent liabilities

There are no quantifiable cases lodged against Oranga Tamariki—Ministry for Children that remain unresolved as at 30 June 2020 (2019: Nil).

Contingent assets

Oranga Tamariki—Ministry for Children on behalf of the Crown has no contingent assets (2019: Nil).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statement of the Government for the year ended 30 June 2020.

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**Part C:
Notes to Non-Departmental
Statements & Schedules**



Notes to the Non-Departmental Statements and Schedules

Note 1: Statement of Accounting Policies: Non Departmental

Reporting entity

These non-departmental statements and schedules present financial information on public funds managed by Oranga Tamariki—Ministry for Children on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2020. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, refer to the Financial Statements of the Government for the year ended 30 June 2020.

Basis of preparation

The non-departmental statements and schedules have been prepared in accordance with the accounting policies of the Consolidated Financial Statements of the Government, Treasury Instructions and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental statements and schedules are consistent with New Zealand generally accepted accounting practice (Tier 1 Public Sector Benefit Entity Accounting Standards) as appropriate for public benefit entities.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

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

Expenses

Expenses are recognised in the period they relate to.

Financial instruments

Financial assets

Cash and cash equivalents includes cash on hand, cash in transit, bank accounts and deposits with a maturity of no more than three months from the date of acquisition.

Financial liabilities

The major financial liability type is accounts payable. This is designated at amortised cost using the effective interest rate method. Financial liabilities entered into with a duration of less than 12 months are recognised at their nominal value.

Commitments

Commitments are future expenses and liabilities to be incurred on non-cancellable contracts entered into at balance date. Information on non-cancellable capital and operating lease commitments are reported in the statement of commitments.

Cancellable capital commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are reported in the statement of commitments at the lower of the remaining contractual commitment and the value of these penalty or exit costs (i.e. the minimum future payments).

Goods and services tax

Items in the non-departmental statements and schedules are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Contingent assets and liabilities

Contingent assets and liabilities are disclosed at the point the contingency is evident.

Critical accounting estimates

There are no 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.

Budget figures

The 2020 budget figures are for the year ended 30 June 2020, which are consistent with the best estimate financial information submitted to the Treasury for the BEFU for the year ended 30 June 2020.

Note 2: Explanation of major variances against budget

Explanations for major variances from the non-departmental budget figures for Oranga Tamariki—Ministry for Children, is as follows:

Schedule of expenses

There are no significant variances against budget.

Schedule of assets and liabilities

There are no significant variances against budget.

Note 3: Financial instruments

Financial instrument categories

Funds must be deposited with Westpac, a registered bank.

The maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired. Other than Westpac bank, there are no significant concentrations of credit risk.

Note 4: Payables

Credit risk

Credit risk is the risk a third party will default on its obligation, causing a loss to be incurred. Credit risk arises from deposits with banks and receivables.

Statement of Budgeted and Actual Expenses and Capital Expenditure incurred against appropriations

For the period ended 30 June 2020

Expenditure including Remeasurements	Appropriation title	Expenditure including Remeasurements	Remeasurements ¹⁷	Expenditure excluding Remeasurements	Main Estimates	Appropriation Voted ¹⁸	Main Estimates	Location of end-of-year performance information ¹⁹
Vote Oranga Tamariki								
Departmental output expenses								
7,255	Adoption Services	7,621	18	7,603	7,642	8,482	9,645	1
300	Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions	2,905	-	2,905	6,748	6,996	7,964	1
5,786	Data, Analytics and Evidence Services	8,318	10	8,308	11,018	9,512	-	1
1,061	Ministerial Services	1,207	3	1,204	1,212	1,500	-	1
4,953	Policy Advice	6,608	12	6,596	5,189	7,700	-	1
19,355	Total departmental output expenses	26,659	43	26,616	31,809	34,190	17,609	
Departmental capital expenditure								
10,214	Ministry for Vulnerable Children, Oranga Tamariki - Capital Expenditure PLA	8,306	-	8,306	9,150	21,294	70,715	1
10,214	Total departmental capital expenditure	8,306	-	8,306	9,150	21,294	70,715	
Non-departmental output expenses								
4,000	Connection and Advocacy Service	4,000	-	4,000	4,000	4,000	4,000	2
4,000	Total non-departmental output expenses	4,000	-	4,000	4,000	4,000	4,000	
Multi-category appropriations								
Investing in Children and Young People MCA								
Departmental output expenses								
274,749	Early and Intensive Intervention	-	-	-	-	-	-	1
10,566	Prevention	-	-	-	-	-	-	1
644,018	Statutory Intervention and Transition	-	-	-	-	-	-	1
17,200	Supporting and Developing Providers and Services	-	-	-	-	-	-	1
-	Intensive Intervention	6,077	2	6,075	11,796	11,828	14,526	1
-	Prevention and Early Intervention	336,383	330	336,053	276,823	338,040	369,635	1
-	Statutory Intervention and Transition	745,933	844	745,089	855,076	790,525	904,552	1
-	Policy Advice and Ministerial Services	-	-	-	-	-	-	-
946,533	Total multi-category appropriations	1,088,393	1,176	1,087,217	1,143,695	1,140,393	1,298,390	
Multi-year appropriations								
Departmental output expenses								
10	Evaluation and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot	60	-	60	75	75	140	1
Non-departmental output expenses								
3,280	Reducing Youth Reoffending Social Bond Pilot	6,496	-	6,496	9,886	9,886	4,110	2
3,290	Total multi-year appropriations	6,556	-	6,556	9,961	9,961	4,250	
983,392	Total annual, permanent and multi-year appropriations	1,133,914	1,219	1,132,695	1,198,615	1,209,838	1,394,964	

¹⁷ The remeasurement adjustment to departmental output expense appropriations relates to movement in the unvested long service leave provision due to changes in discount rates. Oranga Tamariki—Ministry for Children is appropriated for expenditure excluding remeasurements.

¹⁸ These are the appropriations from the Supplementary Estimates, adjusted for any transfers under section 26A of the Public Finance Act.

¹⁹ The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by Oranga Tamariki—Ministry for Children, as detailed below:
i. The annual report for Oranga Tamariki—Ministry for Children.

ii. To be reported by Oranga Tamariki—Ministry for Children in the Vote Ministry Non-Departmental Appropriations Report.

The statements report information about the expenses and capital expenditure incurred against each appropriation administered by Oranga Tamariki—Ministry for Children for the year ended 30 June 2020. They are prepared on a GST exclusive basis.

As part of the Public Finance System Modernisation work programme the following appropriation structure changes have been made to the 2020/21 financial year:

- The Data Analytics and Evidence Services appropriation has been disestablished and the associated funding reallocated across three categories within the Multi-category Appropriation (MCA) Investing in Children and Young People: Intensive Intervention, Prevention and Early Intervention and Statutory Intervention and Transition
- The Policy Advice and Ministerial Services appropriations have been consolidated and included as a category within the MCA Investing in Children and Young People

Transfers approved under section 26A of the Public Finance Act

There were no transfers made under section 26A of the Public Finance Act.

Statement of Expenses and Capital Expenditure incurred without, or in excess of, appropriation or other authority

For the period ended 30 June 2020

Expenses and capital expenditure approved under section 26B of the Public Finance Act

Nil

Expenses and capital expenditure incurred in excess of appropriation

Nil

Statement of Departmental Capital Injections

For the period ended 30 June 2020

Actual capital injections 2019 \$000	Actual capital Injections 2020 \$000	Approved appropriation 2020 \$000	Approved appropriation 2021 \$000
Vote Oranga Tamariki			
- Ministry for Children	17,882	54,228	69,285

Statement of Departmental Capital Injections without, or in excess of, authority

For the period ended 30 June 2020

Oranga Tamariki—Ministry for Children has not received any capital injections during the year without, or in excess of, authority.





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