



PŪRONGO Ā TAU

Annual Report
2021/22



ORANGA TAMARIKI
Ministry for Children



This work is licensed under the Creative Commons Attribution 3.0 New Zealand licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms.

To view a copy of this licence, visit: <https://creativecommons.org/licenses/by/3.0/nz/>

Please note that no departmental or Governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981.

Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

Published October 2022

Presented to the House of Representatives pursuant to section 44 of the Public Finance Act 1989

Oranga Tamariki—Ministry for Children
PO Box 546, Wellington 6140, New Zealand
Telephone: 0508 326 459

Email: info@ot.govt.nz

Web: www.orangatamariki.govt.nz

ISBN: 978-0-9951121-0-0

OUR
ACHIEVEMENTS 11

OUR
PERFORMANCE 47

OUR
FINANCIALS 81

He Kupu Takamua nā te Tumu Whakarae

Tēnā koutou katoa.

I tēnei tau, ko tā Oranga Tamariki he aro ki ngā urupare i hua ake i ngā kōrero i rangona mai i te hunga mahi, e manaakitia ana, e tautokotia ana hoki e mātou. Kua parahia he ara ahungaroa mō mātou e kitea ai te rerekē o tā mātou whāinga me ngā tikanga mahi, kia noho ko ngā tamariki me ngā whānau te pūtake, ā, kia noho hoki te mana whakahaere me ngā rauemi ki ngā ringaringa o ngāi Māori me ngā hapori.

Ko tā mātou Mahere Ara Ahungaroa he uruparenga mō Hipokingia ki te Kahu Aroha Hipokingia ki te Katoa (ko te pūrongo a te Poari Whiriwhiri a te Minita) me ētahi atu arotakenga, tae noa ki te pūrongo a Te Rōpū Whakamana i te Tiriti o Waitangi. Mā tēnei ka pai ake tā Oranga Tamariki whakatutuki i āna putanga ki ngā tamariki me ngā whānau, me te whakamana i āna kaimahi kia eke ki taumata kē, kia āhei ngā whāinga ā-rohe me te noho hoki hei tari ārahi puta noa i te pūnaha.

Hei tautoko i tēnei ara ahungaroa, kua whakahouhia ā mātou whakahaere kia hua mai ai te whakapūmautanga o te Kāhui Hautū hou, Te Riu¹. Mā Te Riu e hūnuku ai a Oranga Tamariki mai i te iho o te pūnaha tamariki ki te whakapakari i ngā kaihautū kei ngā hapori. Ko tō mātou whakakitenga, mā ngāi Māori, mā ngā rōpū hapori, ina rā, ko ā mātou kōtuinga, kaiwhakarato hoki, e ārahi i te ahunga tuku tautoko i ngā tamariki me ngā whānau kei te rohe, hapori hoki.

E herea ana mātou e ngā pūkenga me te remurere o ā mātou kaimahi o Oranga Tamariki, ā, puta noa i ngā rāngai kōtuinga tamariki e angitū ai mātou i tēnei nekehanga me ngā wero o ia rā ki te tiaki i ā mātou tamariki e taka nei ki te hē. Mātua rā, kāore i kō atu i tō rātou ngākau nui me tā rātou ū ki te haumarutanga, ki te toiora o ngā tamariki me ngā whānau, tae noa ki ngā hapori e noho ai rātou.

Ko te mea nui, kia mauroa tonu ai ngā tūhononga i waenganui i a ngāi Māori me ngā kōtuinga hapori. Mārama pū ana rātou ki ngā āhuatanga papai mō ā rātou tamariki me ngā whānau, nā reira, ko tā mātou aronga he mahi tahi me tēnei hunga, me te whakarangatira hoki i a rātou kia pūmau ai ngā tautoko me ngā ratonga e whakapono nei rātou.

Kei te manawanui au ki te ārahi i a Oranga Tamariki i te ara e noho ai te toiora me ngā hiahia a ngā tamariki me ngā whānau hei pūtaketanga mō ā mātou mahi, ā, kia taea ai ngā rohe te tuku tautiakitanga mō ngā tamariki me ngā whānau ā tōna wā.

He wā hiamō tēnei mō mātou, i runga i ngā āheinga maha kia tika ai te kōkiri whakamua. Ka hua ake ngā wero i tēnei huarahi, engari, e mau titikaha ana au ka taea e tātou katoa ēnei wero te kaupare atu.

Noho ora, noho haumaruru hoki koutou katoa.



Chappie Te Kani

Hēkeretari Tamariki/Tumu Whakarae
Oranga Tamariki

30 o Hepetema 2022



¹Te Riu is the Māori term for the hull of a waka. Its job is to steady the canoe and to make sure it does not get pushed off course.

Chief Executive's Foreword

Tēnā koutou katoa,

This year, Oranga Tamariki has focused on responding to what we have heard from those we work with, care for and support. We have created a future direction for the organisation that shifts our approach and practice towards being truly tamariki- and whānau-centred and putting more authority and resources into the hands of Māori and communities.

Our Future Direction Plan responds to *Hipokingia ki te Kahu Aroha Hipokingia ki te Katoa* (the report of the Ministerial Advisory Board), as well as other reviews and the Waitangi Tribunal report. It positions Oranga Tamariki to deliver better outcomes for tamariki and whānau, empower staff to excel, enable local approaches, and lead across the system.

To support this future direction, we have started an organisational reset that has seen the establishment of a new Leadership Team, Te Riu². Te Riu will help to move the Ministry from its position at the centre of the children's system to being an enabler of community leadership. Our vision is that Māori and community groups, including our partners and providers, lead the approach to supporting tamariki and whānau in their region or community.

We are dependent on the skills and passion of our kaimahi, within Oranga Tamariki and across our children's sector partners, to succeed in this shift, and in the everyday challenges of caring for our most vulnerable tamariki. Their dedication and service to the safety and wellbeing of tamariki and whānau, and the communities in which they live, is paramount.

Continuing to build strong and lasting relationships with Māori and community partners is going to be key for us. They know what works best for their tamariki, and whānau, so we are focused on working alongside them, and empowering them to put in place the supports, the solutions, and the services that they believe in.

I am determined to steer Oranga Tamariki in the direction that places the wellbeing and needs of tamariki and whānau at the centre of all that we do and moves us to a place in which the care and protection of tamariki and whānau is locally led and centrally enabled.

It is an exciting time for us, with many opportunities to make positive shifts. There will be challenges along the way, but I am confident that we can navigate these together.

Noho ora, noho haumaruru hoki koutou katoa.



Chappie Te Kani
Secretary for Children/Chief Executive
Oranga Tamariki

30 September 2022

²Te Riu is the Māori term for the hull of a waka. Its job is to steady the canoe and to make sure it does not get pushed off course.



Chief Social Worker's Foreword

All children are taonga, and childhood is the most important period in all human development for determining a future life where they are healthy and well. It is the inherent mana, uniqueness, and potential of each child, and a vision where all children are safe, loved and nurtured by whānau and supported by communities, that drives us forward in our work.

Social work exists to engage people and structures to address life challenges and enhance wellbeing. Social workers are champions for our country's vision for children, and champions for equity. This vision for tamariki and whānau is intrinsically linked to our vision of good practice. And at the heart of good practice are trusting relationships.

Throughout the last 5 years within Oranga Tamariki, I have regularly seen and experienced examples of life-changing practice, where restoration, healing and hope have been achieved. The mixture of knowledge, skills, humanity and teamed-up approaches that practitioners demonstrate should be celebrated. During COVID-19 lockdowns and the wave of sickness, the creativity and tireless commitment of youth workers, social workers, caregivers, site teams and community partners must also be acknowledged and not underestimated.

The impact of COVID-19 has shown us more than ever that family and community structures matter, and need to be invested in. It has also shone a light on inequities that persist, and while innovations in technology are enablers for communication, the importance of kanohi ki te kanohi—wairua ki te wairua connections cannot be replaced.

Our organisation and our practice are going through a period of immense change. In recent years we have been moving away from a traditional child protection statutory model, influenced by a western neo-liberal paradigm—practice that at times resulted in children disconnected from their whakapapa, and families on the end of short-term intervention responses that have not gone to the heart of the support required. The shift we are making in our practice pushes us towards supporting family and community structures, ensuring safety and oranga needs for children are met within family, wider family and community wherever this is possible – while not compromising on standards of safety.

The aspiration for generational change relies on our practice and wellbeing response to be broad, deep and sustained.

We know that the structural and practice enablers for this way of working are not yet fully in place. Ensuring that they are is vital if we are to achieve truly consistent relational, inclusive and restorative whānau focused and supportive responses.

Kua tae mai te wā, e whakapuru ai tātou i ngā kōwhao o te waka "The time has come when together we must plug the holes in the canoe"
Metge, J. (1995)

The foundation of Te Tiriti o Waitangi, our enabling legislation, reports such as Te Kahu Aroha and the recent Oranga Tamariki Action Plan provide us with clear direction. Likewise, our new Oranga Tamariki Practice Framework, at its core, has been built on rights, values and professional social work obligations. It is framed by Te Tiriti o Waitangi based on a mana-enhancing paradigm for practice that draws from Te Ao Māori principles of Oranga, which views children within the context of their whakapapa.

The professional voice of social work being lifted and heard is central to future success.

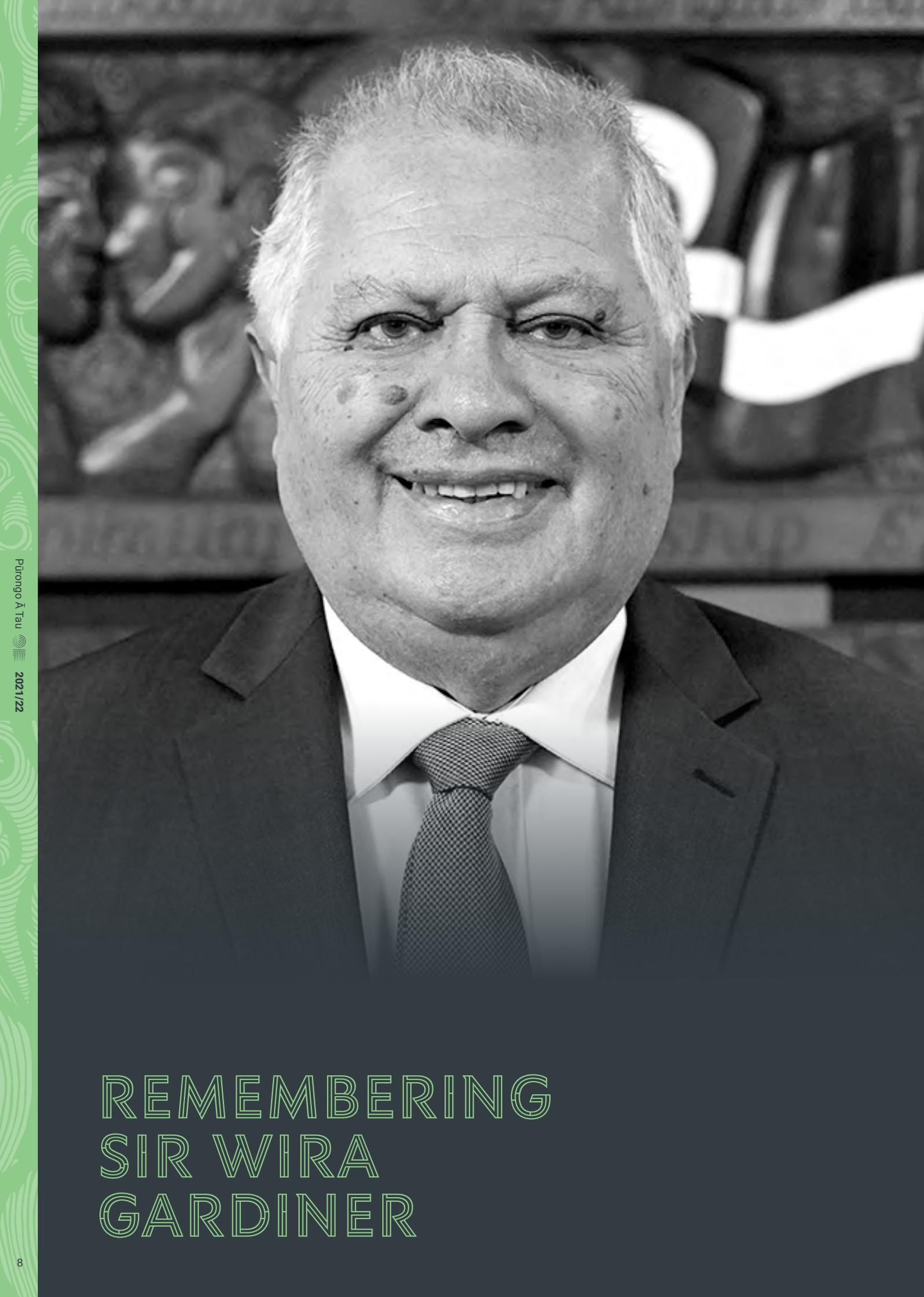
Let us be relentless in our duty to care, ensuring safety, protection and wellbeing. In the spirit of kotahitanga, we will continue to strive towards our vision through our front line being enabled to do their best work.



Peter Whitcombe
Chief Social Worker
Oranga Tamariki

30 September 2022





REMEMBERING SIR WIRA GARDINER

Remembering Sir Wira Gardiner

Tēnā tataua katoa me te rite tonu te tuku mihi ki ngā tini āhuatanga katoa o te wā, i runga anō hoki i te maumāhara ki a Tā Harawira [Wira] Tiri Gardiner.

In the way that you are all acknowledged, together we must also acknowledge the myriad of occurrences that impact on our environment, and especially as we pay homage to the late Sir Wira [Harawira Tiri] Gardiner.

Ahakoā kua ngaro ā tinana ai koe, ko o tini mahi, ko o wawata mo te Aotearoa tūhono, ko ngā tapuwae e waihohia e koe hei whāinga mo mātau katoa. No reira e Tā, te mōkai o ngā momo tāngata katoa, te tipua, te taniwha, te rangatira, te whatukura o Te Whānau ā Apanui, o Ngāti Awa, o Te Whakatōhea, o Ngāti Pikiao haere, haere, haere.

For although we will no longer experience your physical presence, your countless deeds, your dreams for a united Aotearoa and the many things you championed remain as challenges for all of us to pursue. Therefore, the SIRvant of all peoples, the foci of admiration, the formidable one, the extolled chief and the uri of prowess from Te Whānau ā Apanui, Ngāti Awa, Te Whakatōhea, Ngāti Pikiao, farewell, farewell.

Tā Wira joined Oranga Tamariki as Acting Secretary for Children and Chief Executive in March 2021, and played a major role in guiding the Ministry towards the transformational change needed to improve the children's care and protection system. He challenged the Ministry to always put the child at the centre. In doing so he wanted to ensure that the Ministry's operations are worthy of our children, of public trust and confidence, and to explore how resources and decision-making can be shared with whānau, hapū, iwi and communities to enable more localised and community-driven approaches to the care and protection of our children.

When Tā Wira took on this role he said:



Me kii pēnei ki a koutou katoa:
Kia kaha. Kia maia.
Kia ū tātou.
Continue to be strong.
Be courageous.
And you will succeed.
Your success is
our success.



Tā Wira had whakapapa to Te Whānau ā Apanui, Ngāti Awa, Te Whakatōhea, Ngāti Pikiao.

His career started in the army, serving in South Vietnam, and when he retired from the army 20 years later, he had risen to the rank of Lieutenant-Colonel. This first career was a strong platform for the distinguished public service leader he became, as well as an enduring connection to the military histories he wrote, honouring generations of soldiers for their contributions.

Tā Wira was deeply involved as a leader in the relationship between Iwi and the Crown, along with Māori communities throughout the country. He brought organisational skills, a pragmatic outlook, a generous heart, and an ever present sense of humour. He was the first director of the Waitangi Tribunal and the establishment chief executive of Te Puni Kōkiri. He was chair of Te Māngai Pāho, the funding agency for Māori broadcasting, the deputy chair of Te Ohu Kaimoana, the chair of Te Papa and the Tertiary Education Commission, among others.

Let us remember his legacy and his leadership.

Nō reira,

E hotuhotu rā ko te manawa o te iwi Māori, mou, kua riro nei.

The hearts of the people are struck because you have been lost.

In recognition of Tā Wira's 59 years of service across the public sector, the public service, co-led by Oranga Tamariki and Te Kawa Mataaho, is partnering with Te Whare Wānanga o Awanuiārangi to establish the Tā Harawira Gardiner Centre for the Child and Endowed Chair. Tā Wira was passionate about the wellbeing of all children, and the Centre for the Child will focus on culturally enriching interventions to enhance the wellbeing of all children in Aotearoa New Zealand.





OUR ACHIEVEMENTS

Who we are.....	12
Marking five years of Oranga Tamariki.....	14
Five years at a glance.....	15
Our year at a glance.....	22
Renewing our focus.....	25
Our achievements.....	28
Sustainability.....	39
Our context.....	43

Who we are

Our vision

All children and whānau are safe, loved and nurtured by whānau, and supported by thriving communities.

Our core purpose

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

Our role

A high-performing, highly trusted statutory care and protection and youth justice agency that works in an integrated way with other agencies and communities, including supporting the social work workforce.

An enabler and coordinator for Māori and communities, to empower them to put in place the support, the solutions and the services they know will work for their people to prevent the need for Oranga Tamariki to become involved with tamariki.

Our values

Our values, as illustrated on page 13, were developed by Te Whānau Aroha, the Youth Advisory Panel for the Expert Advisory Group, and gifted to Oranga Tamariki. Everyone who works at Oranga Tamariki is encouraged to bring these values into their day-to-day work.

Our values still hold strong and present our aspirations to ensure that New Zealand is the best place in the world to be a child.

We put
tamariki first

We will challenge when things are not right for the child.



We respect the
mana of people

We listen, we don't assume, and we create solutions with others.



We are
tika and pono

We do what we say we'll do.



We recognise that
oranga is a journey

We understand the long-term impacts of our actions today.



We
value whakapapa

Tamariki are a part of a whānau and community.



We believe
aroha is vital

It keeps us focused on what's right.



Marking five years of Oranga Tamariki

In May 2016, Cabinet agreed to the creation of a new, stand-alone agency to provide a single point of accountability for services for tamariki and to drive the much-needed transformation of the child protection system³. In April 2017, the child protection and youth justice functions held by the Ministry of Social Development were transferred to the newly created agency, Oranga Tamariki—Ministry for Children (originally the Ministry for Vulnerable Children, Oranga Tamariki).

New legislation has also been introduced to support the required transformation. Changes since 2017 have included:

- raising the age of care and protection to include 17-year-olds
- requiring a practical commitment to Te Tiriti o Waitangi (section 7AA of the Oranga Tamariki Act 1989) to improve outcomes for tamariki Māori and their whānau, hapū and iwi⁴
- ensuring tamariki are at the centre of decision-making while considering them within the context of their whānau, hapū, iwi, family groups, and broader networks and communities
- introducing National Care Standards regulations⁵
- allowing rangatahi to remain or return to living with a caregiver until the age of 21, with transition support and advice available up to age 25⁶
- strengthening information sharing provisions to keep tamariki safe from harm⁷
- extending the youth justice system to include most 17-year-olds (those charged with specified serious offences will be directed to the adult courts).

The first five years of Oranga Tamariki were focused on establishing the new agency, building systems and services to deliver on the new legislative obligations, and starting the transformation of the child protection system. The recommendations from the Expert Advisory Panel⁸ set the trajectory for this first phase of transformation. It required a fundamental and significant shift in our approach, operating model and social work practice to be tamariki and whānau-centred.

³ Cabinet paper: Establishment of the Ministry for Vulnerable Children—Oranga Tamariki – Transition arrangements: allocation of capability and appropriations, and arrangements for corporate services (www.msd.govt.nz/documents/about-msd-and-our-work/work-programmes/investing-in-children/establishing-mvcot/establishment-of-the-ministry-for-vulnerable-children-oranga-tamariki-transition-arrangements.pdf)

⁴ Section 7AA report (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/section-7aa/section-7aa-report/)

⁵ What do the National Care Standards mean for caregivers? (<https://www.orangatamariki.govt.nz/children-in-our-care/national-care-standards/>)

⁶ Transition from care to adulthood (www.orangatamariki.govt.nz/support-for-families/how-we-support-whanau/from-care-to-adulthood)

⁷ Improving confidence to share information (www.orangatamariki.govt.nz/about-us/news/improving-confidence-to-share-information)

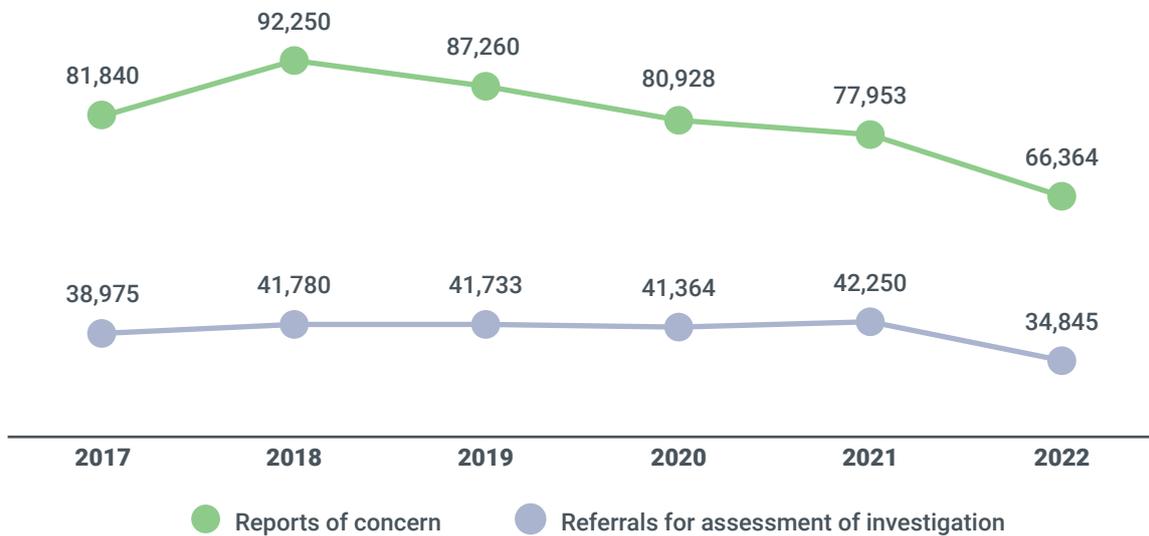
⁸ Expert Panel final report: Investing in New Zealand's children and their families (www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/corporate/expert-panel-cyf/investing-in-children-report.pdf)

Five years at a glance

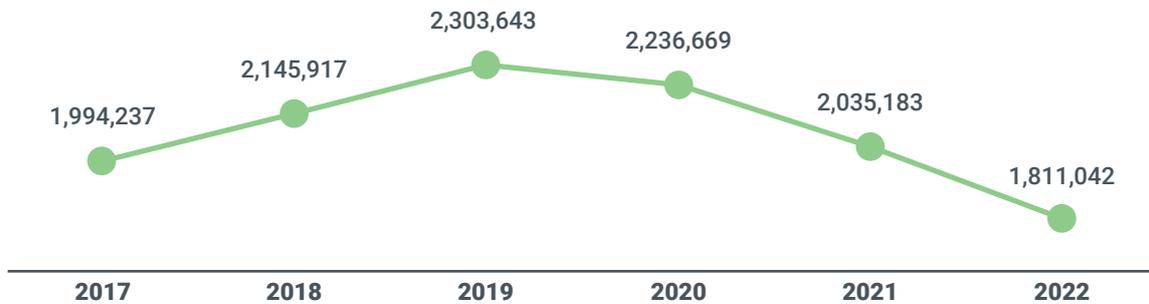
Care and Protection⁹



Reports of concern and referrals for assessment or investigation, in 12 months to 30 June, 2017 to 2022



Days of out-of-home placements provided in 12 months to 30 June, 2017 to 2022



⁹ Care numbers (entries into care, in care, and exits from care) do not include warrants (sections 39, 40, 42 and 48 of the Oranga Tamariki Act 1989) as they are generally shorter than five days.

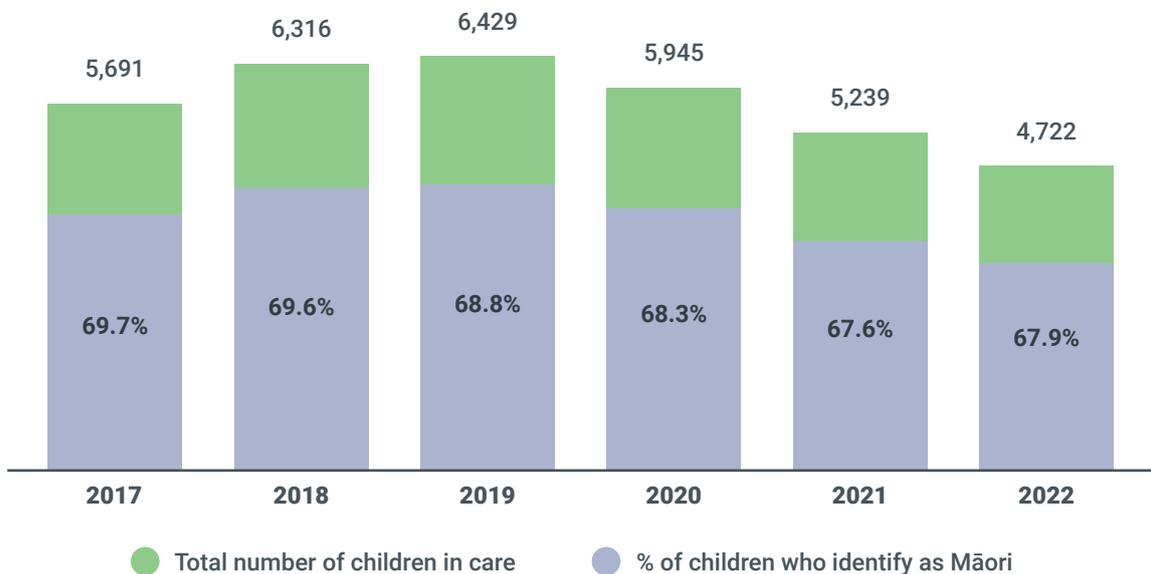
Number of care and protection family group conferences held, in 12 months to 30 June, 2017 to 2022



Entries in to care and exits out of care, in 12 months to 30 June, 2017 to 2022



Number of children in care, as at 30 June, 2017 to 2022, and percentage of those children who identify as Māori¹⁰



¹⁰ The number of children in care will vary depending on the date the data is extracted.

Youth Justice



**Days of custodial placements
in 12 months to 30 June, 2017 to 2022**



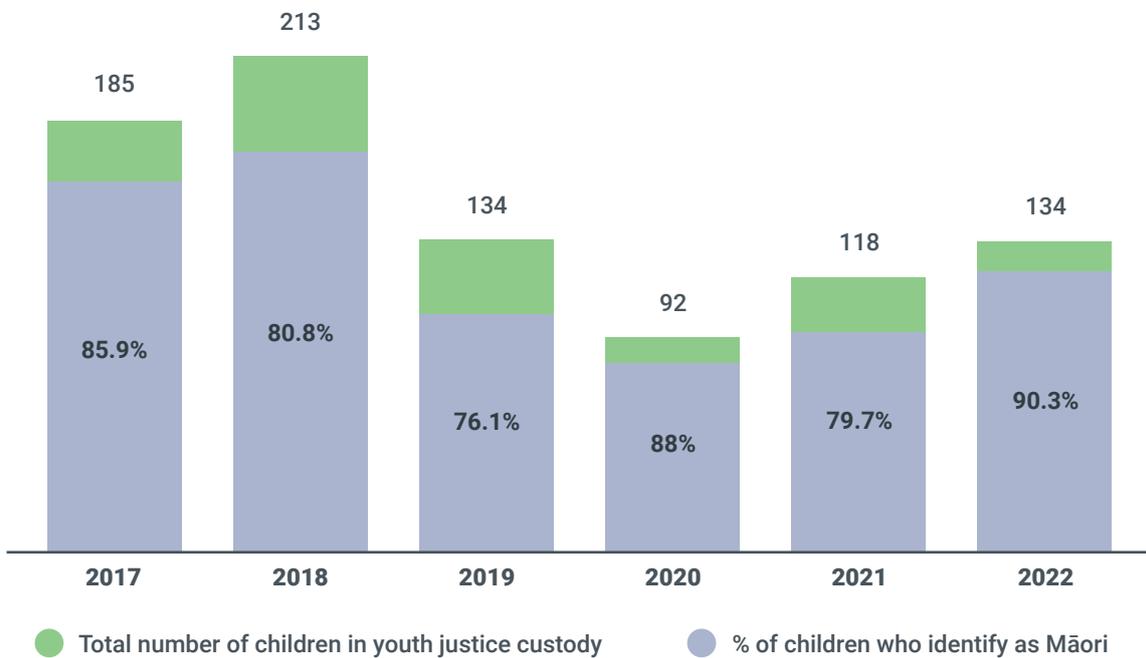
**Number of youth justice family group conferences held,
in 12 months to 30 June, 2017 to 2022**



Entries in to youth justice custody, and exits out of youth justice custody, in 12 months to 30 June, 2017 to 2022



Number of children in youth justice custody, as at 30 June, 2017 to 2022, and percentage of those children who identify as Māori¹¹



¹¹ The number of children in youth justice custody will vary depending on the date the data is extracted.

Partnering

2017



2022

0	Number of Whānau Care Partnerships	15	↑
11	Number of iwi or Māori partners providing care for tamariki	23	↑
\$55m	Funding for iwi or Māori partners (all services)	\$174m	↑
0	Strategic Partnerships	9	↑

Staffing

2017



2022

1:31	Care and protection social worker average caseload	1:16	↓
------	--	------	---

Legend

	Increase in result	Decrease in result
Positive trend	↑	↓
Negative trend	↑	↓

Much has been accomplished in the past five years

Over the past five years we have seen a great deal of change to the child protection system as Oranga Tamariki started to build the foundations and services for the new Ministry.

Social work practice

- We successfully developed and introduced the National Care Standards.
- We have introduced a practice framework that sets out and explains our new approach to social work practice, shifting us from a western/Eurocentric position to a Māori-centred position.
- We have created Māori specialist roles, including kairaranga ā-whānau and Kai Arahi (Regional Māori Practice coaches).
- We agreed a pay equity settlement for Oranga Tamariki social workers.
- We made social worker registration and competence certification mandatory.

Support for caregivers

- We set up the Caregiver Recruitment and Support Service.
- We conducted a review of the financial assistance provided to caregivers, leading to increased financial (and non-financial) support for caregivers.

The voices of tamariki

- We have continued to strengthen the Youth Advisory Group (YAG).
- We successfully ran and reported on Te Tohu o te Ora, the first national survey of tamariki in care.

Working in partnership

- We have formed nine strategic partnerships with Māori to help tamariki and rangatahi thrive in the care and protection of their whānau, hapū and iwi.
- We are increasingly investing in iwi/Māori and community organisations and working with them to design and develop new services and programmes.
- We have used new information sharing legislation to support us to work more closely with our partners across the wider child protection sector.

Evidence, data and insights

- We established the Evidence Centre to support evidence-based decision-making and we created the Children's Wellbeing Model, a powerful dataset that supports us to explore multiple aspects of child wellbeing.
- We developed and rolled out a new performance improvement tool for social workers (called Whiti). It provides information in one place to help manage work, and supports social workers to act based on data and insights.

Youth justice

- We have adopted a new approach to youth justice based around a preventative, restorative and rehabilitative model.
- We have adapted to new legislation that sees most 17-year-olds accused of committing criminal offences now being brought into the youth justice system.

Supporting rangatahi leaving care

- We have established the Transition Support Service to support rangatahi to successfully transition to adulthood.
- We have extended rangatahi entitlement to care and support to up to the age of 25 if they want it.

Cultural capability

- We established the Treaty Response Unit to support the organisation to respond to section 7AA¹².
- We successfully launched Te Hāpai Ō, a programme of work to build Māori cultural capability at Oranga Tamariki.
- We launched a Pacific Strategy and established a Chief Advisor Pacific position.

¹² Section 7AA is a 2019 amendment to the Oranga Tamariki Act that places obligations on Oranga Tamariki to reduce disparity for tamariki Māori, develop strategic partnerships with iwi and Māori organisations, and ensure all policies, practices and services have regard to the whakapapa of tamariki Māori and the whanaungatanga responsibilities of their whānau, hapū, and iwi.

While some solid foundations have been established, we still have much more to accomplish

While the work Oranga Tamariki has done over the last five years has moved the organisation in the right direction, many have criticised the organisation for not going far enough or fast enough. New Zealand is still not delivering significant improvements in child wellbeing outcomes when compared to other OECD countries¹³ and where there have been child-related tragedies or other failures by the Ministry, Oranga Tamariki has received direct and clear criticism.

For an agency with such an important role in the care, protection and wellbeing of tamariki, it is important that we are scrutinised, challenged and held to account by monitoring agencies for the Crown, but also by communities and the public, and by the media.

Following an enforced uplift of a baby in 2019, there have been several reviews, including:

- The Hawke’s Bay Practice Review¹⁴
- Ko te Wā Whakawhiti – the inquiry led by the Whānau Ora Commissioning Agency¹⁵
- Te Kuku o te Manawa – the Office of the Children’s Commissioner review¹⁶
- He Take Kōhukihuki | A Matter of Urgency – Ombudsman inquiry¹⁷
- He Pāharakeke, he Rito Whakakīkinga Whāruarua – Waitangi Tribunal inquiry: WAI 2915¹⁸
- The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (ongoing)¹⁹.

Many of the findings from these reviews highlighted significant failings in systems and practice and have sharpened our focus on the challenges ahead.

In response to the Waitangi Tribunal Urgent Inquiry in November 2020, Oranga Tamariki made some formal concessions on behalf of the Crown. We acknowledged:

- the Crown’s failure to implement the recommendations of the 1988 report Pūao Te Ata Tū in a comprehensive and sustained manner
- the presence and impacts of structural racism within the care and protection system and reiterated our commitment to addressing this
- Māori perspectives and solutions in the care and protection system have been ignored.

Early in 2021, the Ministerial Advisory Board was appointed to provide independent advice and assurance to the Minister for Children. Its initial report, *Hipokingia ki te Kahu Aroha Hipokingia ki te Katoa* (Te Kahu Aroha), has helped to reset the focus for the transformation for Oranga Tamariki and the child protection system, and in particular focused effort on working more closely with our Tiriti partners, and Māori and communities as we do this.

¹³ New report card shows that New Zealand is failing its children | UNICEF

(www.unicef.org.nz/stories/new-report-card-shows-that-new-zealand-is-failing-its-children)

¹⁴ Hawke’s Bay Practice Review (www.orangatamariki.govt.nz/about-us/news/hawkes-bay-practice-review/)

¹⁵ Ko te Wā Whakawhiti – the Māori-led inquiry (Whānau Ora Commissioning Agency) (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/reviews-and-inquiries/ko-te-wa-whakawhiti-the-maori-led-inquiry-whanau-ora-commissioning-agency)

¹⁶ Te Kuku o te Manawa – the Office of the Children’s Commissioner report (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/reviews-and-inquiries/te-kuku-o-te-manawa-the-office-of-the-childrens-commissioner-report)

¹⁷ He Take Kōhukihuki | A Matter of Urgency – Ombudsman inquiry (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/reviews-and-inquiries/he-take-kohukihuki-a-matter-of-urgency-ombudsman-inquiry)

¹⁸ He Pāharakeke, he Rito Whakakīkinga Whāruarua – Waitangi Tribunal inquiry: WAI 2915 (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/reviews-and-inquiries/he-paharakeke-he-rito-whakakikinga-wharuarua-waitangi-tribunal-inquiry-wai-2915)

¹⁹ Royal Commission of Inquiry (www.orangatamariki.govt.nz/about-us/performance-and-monitoring/reviews-and-inquiries/royal-commission-of-inquiry)

Our year at a glance

Care and Protection²⁰



2021

2022

822

Entries to care
(in 12 months to 30 June)

753



5,239

Total number of children in care
(in 12 months to 30 June)

4,722



Youth Justice



2021

2022

727

Entries to YJ custody
(in 12 months to 30 June)

846



118

Total number of children in YJ custody
(in 12 months to 30 June)

134



²⁰ Care numbers (entries into care, in care, and exits from care) do not include warrants (sections 39, 40, 42 and 48 of the Oranga Tamariki Act 1989) as they are generally shorter than five days.

Transitions



2021

2022

1,275

Young people with a transition worker
(as at 30 June)

1,516



46

Entitlement to Remain or Return²¹ (transitions)
(in 12 months)

61



107

Supported accommodation placements achieved for young people
(in 12 months)

136



²¹ This is a voluntary living arrangement for care experienced rangatahi who have left care or custody and who are entitled to remain with or return to living with a caregiver.

Staffing



2021

2022

4,977	Employees	4,665	↘
27.1%	Māori Staff	28.2%	↗
16.3%	Pacific Staff	16.9%	↗
28.8%	Managers who identify as Māori	27.0%	↘
12.6%	Managers who identify as Pacific	14.1%	↗
1,835	Social Workers	1,795	↘
10.8%	Staff Turnover whole of Oranga Tamariki	15.7%	↗
8.2%	Staff Turnover Social Workers	10.3%	↗
84	Specialist Māori roles (headcount)	100	↗
124	Specialist Māori roles (positions)	140	↗

Renewing our focus

The focus for the past year has been on building off the foundations of the first four years, reorienting our transformation effort, and beginning the next stage of the transformation of Oranga Tamariki and the child protection system.

The Ministerial Advisory Board's report *Hipokingia ki te Kahu Aroha Hipokingia ki te Katoa* (Te Kahu Aroha) was accepted by Cabinet in August 2021 and provides clear direction for Oranga Tamariki.

Te Kahu Aroha provided three overarching recommendations for change:

- Māori and community collectives must be strengthened, restored and empowered to lead the prevention of harm for tamariki and their whānau.
- The purpose of Oranga Tamariki must be clarified, and the mana of the core social work function rebuilt and properly supported.
- A National Oranga Tamariki Governance Board should be established to oversee the diversity and depth of changes needed.



Community-led prevention is the biggest thing for me from this report – our communities have the answers and Oranga Tamariki needs to work with them to stop children entering into care.

**Hon Kelvin Davis,
Minister for Children**



It is clear that Oranga Tamariki and the state have been at the centre of the child protection system for too long. We recognise that it is the tamariki and their whānau who should be placed at the core, surrounded by loving whānau, supporters and communities, with Oranga Tamariki supporting and working alongside them, as part of a wider social ecosystem. Communities and whānau know what is best for their tamariki and the right support, resources and guidance will enable them to better support our most vulnerable.

This is leading to a fundamental shift in how we work, as decision-making and resources begin to transfer to whānau and communities, empowering communities to work with Oranga Tamariki in the prevention of harm against tamariki.

Refreshing our strategic intentions

After the first four years focused on establishing the Ministry and putting in place new structures, services and practices to respond to new child protection legislation, it was time to refresh the Ministry's strategic intentions and map out our objectives and areas of focus for the next four years. The refreshed strategic intentions document highlights the new vision for Oranga Tamariki – **that all children are safe, loved and nurtured by whānau, supported by thriving communities**. The focus is to reposition the agency as an enabler across the child protection system and to support the system to transform to better meet the needs of tamariki and whānau.

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

To achieve our intentions and our end goals as outlined in our Strategic Intentions²², we are working alongside partners and other groups that share our vision. We are building on the work already completed and speeding some things up to enable and empower communities and whānau, and to better support their needs and aspirations. A discussion on the frameworks that guide our practice in achieving our end goals, our performance measures and the progress that we have made against those measures are provided in our performance section from page 50.

²² Oranga Tamariki Strategic Intentions 2021-2025, (www.orangatamariki.govt.nz/assets/Uploads/About-us/Corporate-reports/Strategic-intentions/Strategic-intentions-2021-2025)

Shifting to locally led, centrally enabled

Locally led means decision-making happens as close as possible to tamariki and whānau. Over time, we want to move to a way of working where decision-making and resources are shared with communities. There will need to be a balance between local responses and national consistency.

Being centrally enabled will bring national alignment across what is happening in different areas, help coordinate a national system (including calling for action from other agencies) and ensure cost-effective services and functions that should be provided nationally.

Mapping out our future direction

Following on from Te Kahu Aroha and the refreshed strategic intentions 2021–2025, our Future Direction Plan provides more detail about how Oranga Tamariki will deliver on its new strategic intentions in the next two to five years.

Our new direction is being developed with our kaimahi and in partnership with iwi, Māori and communities. Our practice approach will draw from tikanga Māori knowledge, methods and principles, which are by their nature relational, restorative and inclusive.

Oranga Tamariki is committed to becoming a high-performing, highly trusted statutory care and protection and youth justice agency. We must also be an enabler and coordinator for Māori and communities, to empower them to put in place the support, the solutions and the services that they know will work for their people. The Future Direction Plan work programme, agreed by Cabinet in August 2021, focuses on delivering the transformational change needed to achieve this.

The Future Direction Plan aims to:

- ensure that the intent of Te Kahu Aroha is realised
- rebuild trust and confidence in Oranga Tamariki
- strengthen engagement to embed the perspectives of Māori, Pacific peoples, disabled people and social workers
- ensure the Ministry's functions support a high-performing statutory care and protection agency
- enable Māori and communities to care for their tamariki
- support a locally led, centrally enabled structure
- deliver significant organisational and structural changes

- support evidence-based decision-making, improved performance and improved outcomes for tamariki and whānau.

In line with our strategic intentions 2021–25, we are focusing on five key areas to deliver our future direction



Organisational Blueprint

To support and deliver transformation, we need a structure that aligns functions to best effect, has clear accountabilities, and supports joined-up approaches across functions that need to work together.



People and culture

The long-term success of transformation change hinges on the creation of a culture that acts as an accelerator of positive change.



Social work practice

We will enhance the mana of social workers across both the agency and the wider care and protection sector, so we can better support tamariki, rangatahi and whānau needs.



Relationships, partnering, and decision making

To put children and whānau at the centre of the system, we will build required levels of trust and capability, alignment, and transparency to achieve authentic and genuine partnership and participation, including the participation of tamariki and rangatahi.



Data, insights and evidence

Ensure robust data, research, and information flows that support ongoing transformation. This includes ensuring our understanding of how tamariki are experiencing care is current, accurate and equitable.

Realising the aspirations of Pūao Te Ata Tū

We have known for some time that tamariki Māori are over-represented within the child protection system and are not well served by it. Pūao Te Ata Tū (day break) is a 1988 report on A Māori Perspective for the Department of Social Welfare in New Zealand. It was a detailed commentary and enquiry into racism within New Zealand society and within the Department of Social Welfare, and set a reform agenda for child protection.

Te Kahu Aroha highlights that the aspirations of Pūao Te Ata Tū have still not been realised and that every review of the care and protection system up to the Waitangi Tribunal's findings in 2021 has produced similar recommendations, calling for both shared responsibility with Māori and more equitable resourcing, and for more to be done. The vision of Oranga Tamariki aims to finally realise the aspirations of Pūao Te Ata Tū.



Kia tawhiti ke to haerenga mai,
kia kore e haere tonu

He nuirawa o mahi, kia kore e
mahi tonu

We have come too far to not
go further

We have done too much not to
do more

**Tā James Clendon (Himi Te Nana)
Tau Hēnare**



Pūao Te Ata Tū is a waiata (song) regularly used by kaimahi (staff) of Oranga Tamariki. The waiata reminds us of the aspiration of that seminal report, and that at Oranga Tamariki we have a critical role, serving the aspirations of our communities to enhance the oranga (wellbeing) of tamariki and whānau across Aotearoa.

Pūao te ata tū

Anei ra aku ringa
he ringaringa māu
Pūao te ata tū

Pupuritia kia mau
Hei kaimahi māu
Pūao te ata tū

Ko te manawanui
Me te tūmanako
Kia ea ngā wawata a tō iwi e
Pūao te ata tū

A new dawn

I offer you my hands
(so our work may be done)
(Pūao te ata tū)

Hold fast to our purpose
and our commitment
(Pūao te ata tū)

With unwavering dedication and enduring
hope the aspirations of our communities
will be realised
(Pūao te ata tū)

Our achievements



Organisational blueprint

New organisational structure – Te Riu

The Public Service Commissioner announced in December 2021 that Chappie Te Kani, Acting Secretary for Children and Chief Executive of Oranga Tamariki, would remain in the role for a further 12 months.

The Chief Executive is leading a transformation programme which includes an internal change programme to realign the leadership team and reset the organisation. The Te Riu leadership team came into effect in April 2022 with a new set of accountabilities designed to lift the organisation's performance and credibility. The organisational reset provides the platform for the new leadership team to develop a locally led, centrally enabled way of working and to better support tamariki and whānau.

Te Riu will lead the shift that sees Oranga Tamariki become an enabler of community leadership. Iwi, hapū, and community groups and providers have the experience, skills and commitment to the kaupapa of Oranga Tamariki to steady our waka as we travel together in a new direction.

Organisational reset: Changing the way we work

Our organisational reset provides the foundation to fulfil our dual role as envisaged in the Future Direction Plan and embed changes in how we work to deliver more effectively for those we serve. It signals the reorientation of Oranga Tamariki away from being the centre of the child protection system, to be firmly positioned alongside communities, iwi and hapū to deliver statutory services in partnership.



Our biggest tasks are the development of a new regionally based way of working and the organisational strategy to support it. Together, they will make up the largest change to Oranga Tamariki since our formation five years ago.

Chappie Te Kani,
Chief Executive



Oranga Tamariki needs to not only become an organisation that whānau and tamariki can rely on for help, but also an organisation that enables communities, drawing on their collective strength and proximity to tamariki and whānau, to put in place the support, solutions and services they know will work for their people and prevent tamariki becoming involved with the agency.



Tumu Whakarae
Secretary for Children and
Chief Executive of Oranga Tamariki
Chappie Te Kani

Tumu Tauwhiro
Chief Social Worker
Peter Whitcombe

**Tumu Tuarua – Te Kounga
o te Mahi me ngā Wheako**
DCE Quality Practice
& Experiences
Nicolette Dickson

**Tumu Tuarua – Ngāi Māori,
Te Kōtuinga, me ngā Hapori**
DCE Māori, Partnerships
& Communities
Darrin Haimona

**Tumu Tuarua – Te Arataki
Pūnaha**
DCE System Leadership
Jaimee Barwood

**Tumu Tuarua – Te Tangata,
te Ahurea, me ngā Ratonga
Whakatutuki Mahi**
DCE People, Culture
& Enabling Services
Darrin Sykes

Tumu Tuarua – Te Tuku — Transitional
Ratonga Associate DCEs
DCE Service
Delivery
Rachel Leota

Shaun Brown
Dee McManus-Emerly

Director
Office of the Chief Executive
Jane Fletcher

Director
Transformation
Hannah Scherwitzel

Royal Commission
Alana Ruakere

A story on Whare Whakaruruhau Ōtepoti: Locally and partner-led and centrally enabled

Kaimahi working on the Whakaruruhau Project celebrated a special local milestone, led by Matapura Ellison of Kāti Huirapa ki Puketeraki and Matt Matahaere of Ōtākou Rūnaka (Ngāi Tahu).

In accordance with local tikanga, mana whenua led a karakia whakawātea, to prepare the land ahead of construction of the new Whare Whakaruruhau, which will provide a safe home and support for tamariki with high and complex needs. The karakia whakawātea also prepares the site as a safe environment for tamariki by signifying the intended use of the whenua for that purpose.

Cementing our partnership

When complete, the four-bedroom home in Dunedin will be the second Whare Whakaruruhau built. Oranga Tamariki has partnered with Ōtākou Health Ltd (OHL), a Dunedin-based, mana whenua-established and mandated kaupapa Māori health and social service provider. We will co-design the building and landscaping and the operating model for the home, which OHL will then run. OHL will manaaki small groups of tamariki in a home environment, which is embedded in the Ōtākou village of Hauora.

Whare Whakaruruhau also signals a partnership that places tamariki in the centre of the kaupapa, leading to enhanced tamariki wellbeing by better connecting them to their whānau and whakapapa.

Manaaki Kōrero: Refreshing the complaints system

Oranga Tamariki is committed to strengthening its feedback and complaints system to make it 'fit-for-whānau' and ensure that tamariki and their whānau have their voices heard and have confidence in the process. Under the Manaaki Kōrero project, Oranga Tamariki has partnered with VOYCE – Whakarongo Mai to facilitate co-design with tamariki and whānau of a blueprint for a feedback, complaints, information and advice system that meets their needs.

As part of Manaaki Kōrero, Oranga Tamariki spearheaded work to improve the residential grievance process based on what tamariki and rangatahi have already told us, as well as what those involved in the operation and oversight of the grievance process have to say. VOYCE – Whakarongo Mai has been leading the co-design work.

The complaints system refresh continues to make improvements and includes: improving the language and accessibility of tools and resources, developing multiple mechanisms to support tamariki and rangatahi in residences to make a complaint, improving investigation standards and training for kaimahi in residences, increasing the profile of advocacy in residences and teaching self-advocacy as a social skill.

Insights gained from Manaaki Kōrero will not only help inform wider work in the Oranga Tamariki Future Direction Plan but also drive continuous improvement and systemic change in the overall management of our responses to feedback and complaints across all services to tamariki and whānau.





People and culture

Diversity and inclusion

Oranga Tamariki is focused on living its values every single day and creating a workplace where all our staff feel valued, respected and comfortable to be themselves.

Guided by the five Papa Pounamu priority commitments²³, we will address bias, strengthen cultural competence, provide inclusive leadership, build supportive relationships, and actively encourage employee-led networks.

Pay equity

Taumata Utu, our new remuneration framework, has made significant progress in addressing gender pay gaps in like-for-like roles that have been present across our workforce. Taumata Utu is designed to emphasise equity in our pay practices and remove bias in starting salaries and progression decisions to ensure gaps do not re-emerge. Our 2022/23 Action Plan will focus on eliminating ethnicity bias with specific focus on Māori and Pacific staff.

The latest analysis (2021/22) shows an overall gender pay gap of -3.5%. This means, on average, women are paid slightly more than men at Oranga Tamariki.

Addressing unconscious bias

We continue to identify and eliminate any lingering bias within our recruitment and people practices. Having diverse recruitment panels is one way we are addressing unconscious bias. Our new recruitment strategy provides hiring managers with tools to support their decision-making when recruiting and ensuring the right people are placed in positions that support tamariki.

Inclusive leadership

Our flagship leadership programme, Leading the Oranga Tamariki Way, focuses on a range of inclusive leadership skills including recognising, respecting and valuing cultural differences and diversity of perspective. In addition, staff have access to a range of Essential Leaders Conversations – 90-minute bite-sized learning sessions designed to increase leaders' capability to support kaimahi with psychologically safe kōrero.

Actively encouraging employee-led networks

Currently there are 16 employee networks within Oranga Tamariki, representing different areas of diversity, including Māori, Pacific, Rainbow and Serious Illness. We have actively engaged with our internal networks to create an Employee Led Networks Hub on our intranet, which allows all networks access to guidance around establishing, maintaining and communicating to their networks, as well as channels to feed back the insights and experiences of staff.

A new focus on disability

Oranga Tamariki has appointed a Chief Advisor Disability to support the organisation to improve outcomes and services for tamariki and whānau living with disabilities. Although our primary focus is to improve the experience and outcomes for disabled tamariki we work with, the vision for a person-centred rights-based approach to disability will also apply to our disabled staff.

²³ Papa Pounamu was established in 2017 to bring together diversity and inclusion practices across the public service and to support public sector chief executives to meet their diversity and inclusion obligations and goals.

Building Māori cultural capability at Oranga Tamariki

In order for Oranga Tamariki to better serve tamariki and whānau, a shift to a workforce and an organisational culture within our Ministry underpinned by strong cultural capability is critical. Te Hāpai Ō is our approach to grow Māori cultural capability at Oranga Tamariki.

Te Hāpai Ō approach prioritises two areas for development:

- **Staff development** – tools and resources to develop and grow the cultural capability of Oranga Tamariki staff by building knowledge, skills and confidence to apply Te Ao Māori in their workspaces. This is supported through the Tū Māia training programme and Te Hāpai Ō suite of online learning resources.
- **Organisational development** – tools and resources to develop and grow an organisational environment to support our cultural capability. This is supported by the baseline cultural capability survey, evaluation approach and Te Reo Māori strategy.

Achievements to date

- Designed, launched and continued to deliver the Tū Māia training programme with around 500 staff taking part in the first cohort.
- Delivered the first tranche of Te Hāpai Ō suite of online learning resources.
- Conducted the baseline cultural capability survey of staff. The results of this survey are being analysed and will help inform next steps.
- Started work on developing the evaluation approach and Te Reo Māori strategy.

Tū Māia training programme

Tū Māia is a 21-week learning programme delivered across three papers. It incorporates online learning, online support and face-to-face noho wānanga.

Tū Māia builds on the legacy of the late Tā Wira Gardiner, who had a vision to develop a Māori cultural capability programme for all staff at Oranga Tamariki. His vision included that the programme be designed and delivered in partnership with Te Taihū o Ngā Wānanga,

a collective of New Zealand's leading Māori tertiary providers:

- Te Wānanga o Raukawa
- Te Wānanga o Aotearoa
- Te Whare Wānanga o Awanuiārangī.

Here is what some of our staff participating in the Tū Māia kaupapa told us:



I learnt that I could incorporate kaupapa tuku iho into my everyday life and to think more about what this all means. To see, hear and feel kaupapa tuku iho, not just see these as words or values but to really embrace them.



The kaupapa is ka pai, the manaaki certainly helped ease anxieties—and big whanaungatanga in the whare was primo, it settles the mauri and set the tone.



The Tū Māia programme has been selected as a finalist in the Te Tohu mō te Tūhonotanga a Ngāi Māori me te Karauna | Māori Crown Relationships Award category in this year's Te Hāpai Hapori, Spirit of Service Awards.

Te Atarangi Whiu, Director Cultural Programmes, says that our Māori–Crown relationship for Tū Māia is testament to Tā Wira's legacy, where it has delivered on both counts: the design and delivery of Tū Māia, and a positive working relationship between Te Taihū o Ngā Wānanga and Oranga Tamariki.



Social work practice

We continue our efforts to make a fundamental shift in our approach to social work practice within Oranga Tamariki – to help us work more effectively with tamariki and whānau Māori, and all children and families we work with.

The Ministerial Advisory Board report, Te Kahu Aroha, identified the need to develop and strengthen the systems that support quality social work practice. As set out by the Future Direction Plan, Oranga Tamariki is committed to enhancing the mana of social workers across both the agency and the wider care and protection sector.

Our shift in practice is framed by te Tiriti o Waitangi supported by a mana-enhancing paradigm for practice, and draws on Te Ao Māori principles of oranga (wellbeing), which are relational, restorative and inclusive, and therefore have benefits for all children and families.

To support and guide the practice shift, we launched a new practice framework last year. The framework sets out our practice approach within the context of our role in statutory Child Protection and Youth Justice in Aotearoa. The framework also guides principled and relational practice, and supports social workers to apply a range of models and tools while reinforcing the importance of professional social work supervision, and a coaching and learning culture.

We organised 29 regional hui to socialise our shift in social work practice within Oranga Tamariki with all kaimahi, and to support them to embrace the shift and work effectively within it. This paradigm shift sees a shift from a western, Eurocentric practice position, where risk was the sole focus to resolve, to the Māori-centred position, where we work with risk and worries through an oranga framing.



From

To



Privileging Tauwi beliefs, values and knowledge (ongoing colonisation)



Preferencing Te Ao Māori beliefs, values and knowledge

Te Ao Māori knowledge is an 'add on' to mainstream way of working



Tauwi bodies of knowledge are included when there is evidence of benefits for tamariki Māori

Child-centric social work practice; dominated by risk



Tamariki are understood in context of whakapapa with oranga as the frame

Managerial practice (e.g. unchallenged biases) driving practice and decision making



Rights-based and mana-enhancing approaches driving practice and decision making

Muted social work voice



Strong social work reasoning and advocacy

Working largely in isolation from our iwi, Māori, and community partners



Working with iwi, Māori, and community in ways that promote relational, inclusive and restorative outcomes for tamariki, children, whānau and families



Relationships, partnering and decision-making

In recent years, Oranga Tamariki has significantly increased investment with iwi, Māori and community partners, including new investment in Budget 2022.

For most of the new services being designed and developed, we have worked with iwi and Māori partners to better meet the needs of tamariki and whānau Māori. We have partnered to deliver many services across prevention and early support, harm reduction and intensive response to keep tamariki out of care, to support tamariki in care and youth justice services, and to support rangatahi as they transition to adulthood²⁴. For example, in May 2022, Oranga Tamariki had agreements with:

- 73 community and iwi organisations to support tamariki in statutory care, 36% of which are iwi and Māori providers
- 81 community and iwi organisations to support rangatahi as they get ready to leave care or custody, 43% of which are iwi and Māori providers.

Strategic partnerships with Māori

Strategic partnerships are enabled by section 7AA of the Oranga Tamariki Act 1989 and intended to support the Crown to meet its commitment to Te Tiriti o Waitangi. So far, Oranga Tamariki has nine strategic partnership agreements with iwi and Māori organisations.

Since July 2021, a refreshed agreement has been signed with Ngāi Tahu, with Oranga Tamariki committing resources to support their aspirations and priorities, and work is underway to refresh two further existing agreements. Further discussions are ongoing with several iwi and Māori organisations.

Each opportunity to enter into a strategic partnership agreement is unique and supports iwi and Māori partners to reflect their own priorities and the outcomes they seek for their tamariki and their whānau.

A story on Ngāi Tahu partnership



The recent signing of our renewed strategic partnership agreement and investment in the Ngāi Tahu-led Whānau as First Navigators programme indicates that major transformation is already occurring in Oranga Tamariki. We see this as an exemplar of what all partnerships between iwi and Oranga Tamariki should look like.

**Arihia Bennett, Chief Executive,
Te Rūnanga o Ngāi Tahu**



Reconnecting Ngāi Tahu tamariki in care with whānau, hapū and iwi is fundamental to our partnership with Te Rūnanga o Ngāi Tahu, the largest iwi in Te Waipounamu.

Our refreshed agreement is focused on prevention and early support to stop tamariki and their whānau coming into care. It also sees investment in the Ngāi Tahu-led Whānau as First Navigators initiative – an iwi-designed, Crown-supported programme.

This programme addresses the upstream risk factors for poor outcomes that overly impact on Māori through the social system. The initiative provides opportunities for whānau to engage with the appropriate services and supports to enhance their wellbeing and whānau rangatiratanga.

²⁴ Further information is provided in the performance section.

Enabling Communities

Enabling Communities is a key component of the Future Direction Plan and articulates how we are beginning to restore and empower Māori and community collectives to lead prevention of harm for tamariki and their whānau. It is firmly anchored in preventing the escalation of tamariki and their whānau into a statutory response, through increased involvement and decision-making at a community level. It supports the Ministry's core purpose, particularly that tamariki Māori thrive under the protection of whānau, hapū and iwi.

A dual approach to Enabling Communities

Our approach to Enabling Communities is based on two workstreams.

The first will continue building on the momentum already established across a number of sites and regions. This includes:

- sharing decisions with Māori and communities that have historically been made by Oranga Tamariki alone
- supporting Māori and communities to lead where Oranga Tamariki is currently leading.

The second will focus on a collective effort and investment in five identified communities to support them to create a 'future system' that prevents harm and responds to tamariki and whānau in need. The five communities – in Waikato, Heretaunga/Ahuriri, Ōtautahi, Taumarunui and Te Tai Tokerau – will play a critical role in helping us to understand what community-led looks like, the outcomes being achieved for tamariki and their whānau, and any financial impacts.

What we learn from working with these five pilot communities will help us to work more effectively and efficiently with those that follow. So far, we have been working with our Treaty partners in these communities to establish an approach. Our Treaty partners are driving the process, with Oranga Tamariki supporting these communities to lead and work at their pace.

Waikato-Tainui Mokopuna Ora partnership with Oranga Tamariki



Waikato-Tainui Mokopuna Ora vision is for mokopuna to thrive in a safe and nurturing whaanau environment, further strengthened by their hapuu and iwi whakapapa. This is done by supporting whaanau to care for their mokopuna by creating pathways through a whaanau-led and mokopuna centred approach that helps them achieve mana motuhake.

Waikato-Tainui Mokopuna Ora is an iwi-led holistic concept that looks to include whaanau at the heart of the decision-making process that facilitates growth and development and wherever possible, keeps tamariki and mokopuna with their whaanau.

Marae Tukere | Tumu Kootuinga (Chief Operating Officer)



Based on our strategic partnership and investment in Mokopuna Ora we are now working with Waikato-Tainui to expand the initiative, and to start the process of responding to the recommendations outlined in the Wai 2915 Report.

Waikato-Tainui has committed to leading next steps, all with the overt intent of designing, developing and enabling marae, hapū, iwi and haponi to deliver an iwi-led, whānau-informed model of care and protection.

Whānau Care

Through fifteen Whānau Care partnerships, Oranga Tamariki supports iwi and Māori organisations to realise their aspirations for their tamariki in the care of Oranga Tamariki. These partnerships have been nurtured through purposeful whanaungatanga that gives effect to Te Tiriti o Waitangi and section 7AA of the Oranga Tamariki Act, and are an example of an authentic and genuine way of partnering that the Future Direction Plan seeks to achieve. Through this initiative the Chief Executive of Oranga Tamariki, who has formal custody of tamariki in care, entrusts the responsibility of day-to-day care to a Whānau Care partner to wrap support around tamariki, including facilitating connection to their whakapapa and whānau.

Whānau Care partners are iwi-mandated or kaupapa Māori organisations that have the social service credentials and networks to facilitate safe and loving care arrangement connections between tamariki and their whānau, hapū and iwi, which is fundamental to upholding the mana of tamariki Māori.

Each Whānau Care partner designs their own model of care based on their vision and aspirations for their tamariki and whānau, which is driven by tikanga and supported by a practical operational approach, and is inherently embedded with dual responsibilities to:

- the partnership with Oranga Tamariki
- whānau, hapū and iwi communities to whom they are accountable.

By 30 June 2022, our partnerships had recruited over 200 caregivers (approved or in the process of approval). According to the iwi affiliation data, 71% of the current tamariki Māori in care will have whakapapa connections to our Whānau Care partners, once fully operational. This is an increase from 62% since June 2021, with two new developed partnerships.

Whānau Care Partners

- Waitomo Papakāinga
- Ngāpuhi Iwi Social Services
- Te Hau Ora o Ngāpuhi
- Te Whānau o Waipareira Trust
- Te Iwi o Ngāti Kahu
- Taumarunui Community Kokiri Trust
- Ngāti Kahungunu Iwi Incorporated
- Ngāti Porou
- Te Atākura o Ngāti Ruanui
- Tupoho Iwi and Community Services Trust
- Ngāti Kahungunu ki Tāmaki-Nui-ā-Rua
- Ngāti Kahungunu ki Wairarapa
- Ngāti Toa
- Tiaki Taoka





Data, insights and evidence

Whiti – a new performance reporting tool for frontline staff

Whiti is a new performance reporting tool that pulls together the information frontline staff need from core systems, such as the Care and Protection, Youth Justice, Residential and Adoption Services (CYRAS) case recording system.

Whiti works at three levels:

- It is a tool that helps frontline staff have an overview of the tamariki they are working with and gives them access to information which assists in planning and prioritising their work.
- It provides a more agile and responsive set of reporting tools and functions that can be used to understand and inform practice at a team, site, region and national level.
- It offers a wider range of sources for data to be used and displayed.



Whiti means staff can access the up-to-date information they need in a simple and convenient way. It provides a view of all current mahi on hand and work coming up – all in one place. Whiti is tailored to support professional practice and resourcing decisions. For our social work staff, Whiti provides a snapshot of information such as workloads, custody orders, where tamariki are living as well as iwi and education information on tamariki they are supporting in their site and region.

Yvonne Hore
Product Owner



Whiti was released to early release regions in May 2022. It went live for all Services for Children and Families sites and regions in late June 2022. Training for all staff in those sites is due to be completed by September 2022.

The emphasis has been on weaving Whiti into normal business activities, meetings, site operating rhythms and processes – to reduce pressure on the frontline and to enable staff to see how Whiti supports their day-to-day mahi.

Sustainability

Oranga Tamariki has a vision of contributing to a sustainable social sector which recognises that oranga occurs within a social and environmental ecosystem, and understands that our actions today have long-term impacts. The Ministry has a part to play in contributing to a future where tamariki can thrive and acknowledges the effect of climate change on communities, and particularly those with fewer resources.

We are committed to meeting the requirements of the Carbon Neutral Government Programme (CNGP) and operating in an emissions- and energy-efficient environment. Management of our emissions is a principal component of our environmental and sustainability objectives.

We have chosen financial year 2021/22 as our base year. Our emissions have been reported and independently verified.

Independent verification

We are proud to be a Toitū²⁵ carbonreduce organisation, which means we are measuring, managing and reducing our emissions according to ISO 14064-1:2018 and Toitū requirements. Toitū carbonreduce certification is accredited by the Joint Accreditation System of Australia and New Zealand (JAS ANZ) and ISO 14065.

A copy of our Toitū carbonreduce certification disclosure can be viewed on the Toitū website.



Total annual emissions and their source

In financial year 2021/22, we emitted 6,672 tCO²-e (tonnes of carbon dioxide equivalent). Most of our emissions came from electricity, petrol (fleet cars) and car rental or staff commuting emissions.

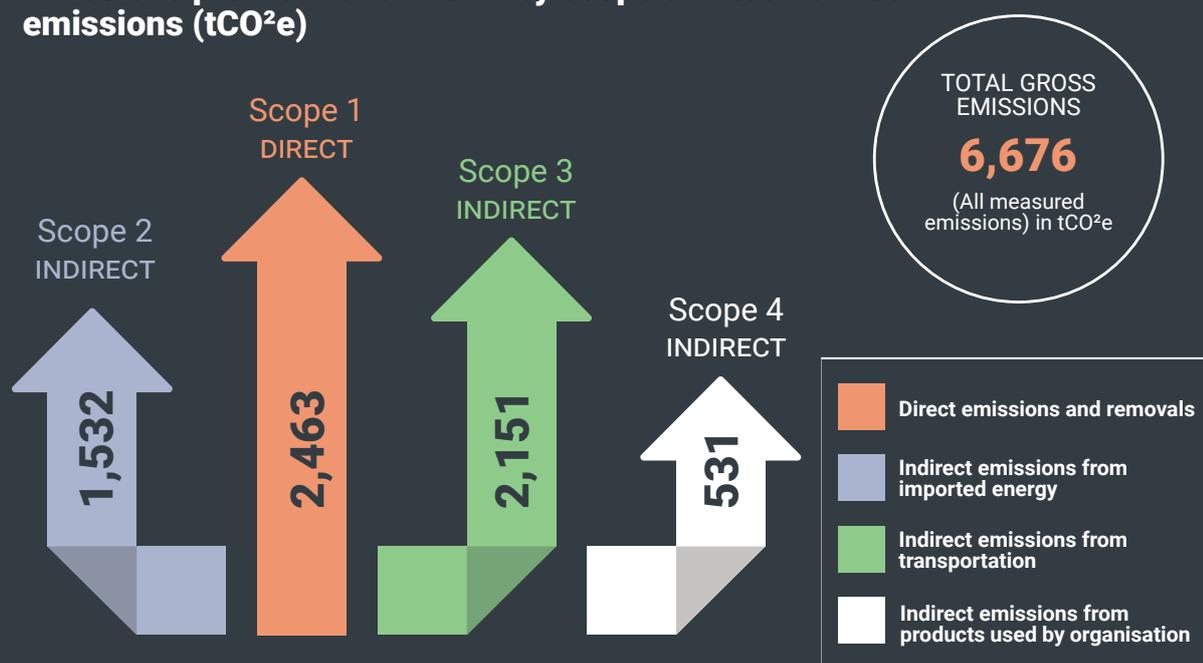
Oranga Tamariki is aware that the reporting year chosen is a disruptive base year given COVID-19 related restrictions in both travel and office use. This will need to be considered when tracking future emissions and reduction targets.

Many of our work environments are shared with the Ministry of Social Development (MSD), which resulted in a highly manual process of assessing split use of space for each agency per building and calculating emissions from shared Oranga Tamariki and MSD reports. In future we will look to make improvements and refinements to our data gathering and processing, in particular for waste management, water use and wastewater.

We will get a clearer understanding of the number of commuters and frequency of staff working from home to determine these emissions more accurately.

²⁵Toitū Envirocare (Enviro-Mark Solutions Limited), a wholly owned subsidiary of Manaaki Whenua Landcare Research.

Emissions profile broken down by scope and total annual emissions (tCO²e)



Total emissions breakdown by emission by sources 2021/22

Sources	2021/22 tCO ² e	Percentage
Electricity	1,671	25.0%
Petrol (Fleet cars)	1,654	24.8%
Car Rental and Staff Commute	1,548	23.2%
Air Travel	463	6.9%
Natural Gas	454	6.8%
Diesel (Fleet cars)	247	3.7%
Wastewater	180	2.7%
Waste	145	2.2%
Refrigeration	126	1.9%
Accommodation	84	1.3%
Paper use–default	28	0.4%
Freight (pre-verified tCO ² e)	22	0.3%
Water supply	14	0.2%
Bus travel (average)	14	0.2%
Taxi (regular)	11	0.2%
Working from home	8	0.1%
LPG stationary commercial	7	0.1%

These emissions results align with the Ministry for the Environment's 2022 Measuring Emissions Guidance, which uses the 100-year Global Warming Potentials (GWPs) in the IPCC Fourth Assessment Report (AR4) – the national standard for government-published emissions.

Our reduction targets

Oranga Tamariki has set science-aligned emissions reduction targets to keep global warming to less than 1.5 degrees of warming as required under the CNGP.

Our gross emissions reduction targets

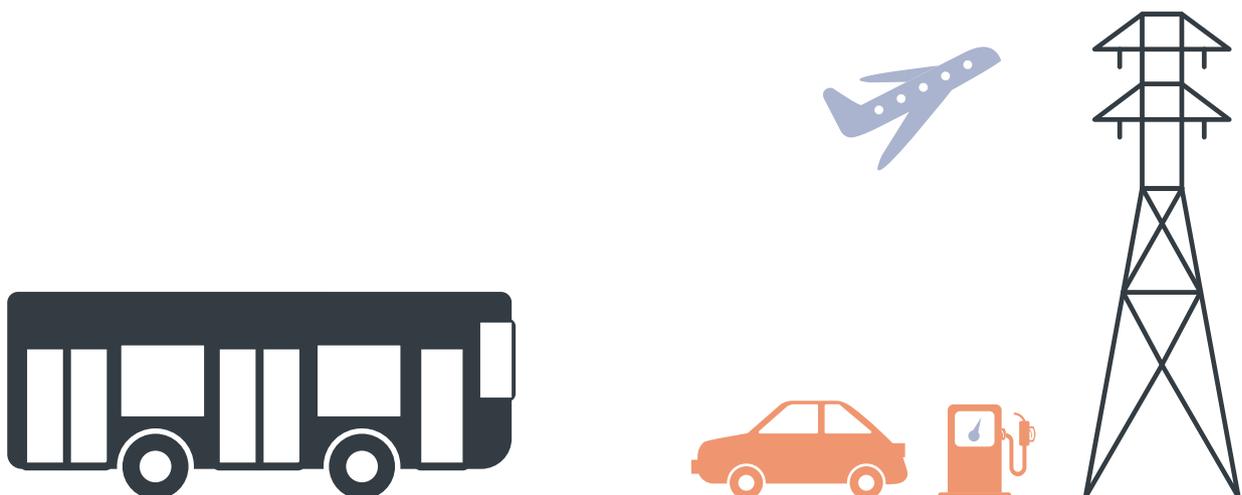
Target 2025	Target 2030
-21%	-42.0%

These targets are in line with 1.5 degree pathway. The intention is to offset remaining gross emissions from 2025 to achieve carbon neutrality.

Our target also aligns to the requirements of the Toitū carbon reduce programme.

The government includes sustainability targets for each agency, as part of broader outcomes initiatives that are driven by procurement. Central to these targets is electrification of the public service vehicle fleet and ensuring home/office assets are built and maintained in an environmentally sustainable manner.

Our Spaces and Places programme continues to focus on creating warm, welcoming environments that respect the whenua and local surroundings.





Our context

The Oranga Tamariki Action Plan

The Oranga Tamariki Action Plan is the push within the Child and Youth Wellbeing Strategy to create a children's sector that works the hardest for tamariki with the greatest needs. It is a collective commitment to prevent harm, and promote wellbeing, for the tamariki in the populations of interest to Oranga Tamariki. It requires the children's agencies – Oranga Tamariki, New Zealand Police, and the Ministries of Justice, Health, Education and Social Development – and other involved agencies to collectively dismantle and solve systemic problems, and each take full responsibility to transform the supports provided to this cohort.

Under the Children's Act 2014, the Oranga Tamariki Action Plan must set out how children's agencies will work together to achieve the outcomes set out in the Child and Youth Wellbeing Strategy for those with the greatest needs.²⁶

Bringing the Oranga Tamariki Action Plan to life

Tamariki already experiencing great challenges in their lives should not need to navigate the challenges that exist within our support systems. Those challenges were the unintended results from agencies' siloed ways of working in past decades, and it is our duty to remove those challenges, or to navigate the challenges for them. To do this, we need to work together differently. We will ensure that social workers, carers and others who work with tamariki are able to access services and supports for them in a timely way. It will also become easier to collaborate across agencies and with whānau and communities to pursue the best solutions for the tamariki they work with, making better use of the resources available. To the child or young person, this looks like getting the right supports, when they need it, without the process itself contributing to the difficulties they are experiencing.

On 4 April 2022, Cabinet endorsed the Oranga Tamariki Action Plan and noted that it would be published alongside an Implementation Plan. This was a huge milestone. The Implementation Plan required an intense, multi-agency focus over three months prior to its endorsement on 4 July. Now we have the mandate and a plan to drive new ways of working.

“

We are proud of the mahi that everyone has done to get to this point and are excited about working with kaimahi across the organisation and children's sector to translate intent into a new way of working that makes a difference for children, young people, families and whānau.

Charlotte Beaglehole,
General Manager Policy

”

²⁶ The Child and Youth Wellbeing Strategy provides a unifying framework of outcomes that the government, with communities and partners, will work towards for all children.



Providing support during COVID-19

Oranga Tamariki, together with government agencies that fund social services, took a shared approach to supporting welfare and social services for whānau and communities throughout the pandemic.

A range of services was provided during the lockdown and across all alert levels, including food delivery, support around family violence, and mentoring and wellbeing support for rangatahi.

For example, in Te Tai Tokerau, Oranga Tamariki partnered with Te Iwi o Ngāti Kahu to deliver kai to people heavily impacted by the lockdown restrictions. This included immune-compromised people and those without access to transport, including kuia and kaumātua who are kaitiaki for their mokopuna.

Under the COVID-19 Protection Framework set up in October 2021, a Care in the Community initiative was established to ensure people's health and welfare needs could be comprehensively met if they contracted COVID-19 and/or needed to self-isolate. Care in the Community is a high-trust, locally led and centrally supported approach where regions and communities are supported to operationalise it in ways that work best for them.

Care in the Community recognises that Oranga Tamariki, along with other agencies and community providers, should be involved at key operational decision-making and response points. Oranga Tamariki regional managers play a key role at a strategic level in linking in with Care Coordination Hubs, and ensuring we are connected at an operational level with local health and welfare responses.

Our role in providing additional supports to tamariki in care or custody and their caregivers and whānau is pivotal and, in April 2022, Cabinet approved an additional \$25.037 million for Oranga Tamariki from the COVID-19 Response and Recovery Fund. This was to recognise the increased costs incurred through our work with iwi and tauwiwi partners and providers to meet a range of new and increased needs, including additional costs associated with providing safe spaces to isolate, staffing (including for partner non-government organisations), and purchasing protective equipment and COVID-19 testing kits.

“

Our partners, including community groups and providers, hapū, iwi, and other government agencies, play a critical role in supporting tamariki and whānau, and they have done some extraordinary work during this latest lockdown.

**Rachel Jones,
Acting Deputy Chief Executive,
Partnering for Outcomes**

”





OUR PERFORMANCE

Our 2021/22 performance at a glance	48
Understanding our performance	50
Detailed performance information	58

Our 2021/22 performance at a glance

Things shaping performance in 2021/22

How we've worked this year has been shaped by:

- a new leadership structure – see page 28
- an evolving strategic focus – see page 25
- trusting partners and communities – see page 26
- fewer staff – see page 24
- managing through the COVID-19 environment – see page 45.

Overall results

24 of our 38 performance measure targets have been met this year, compared with 29 out of 38 last year²⁷.

	Prevention and Early Support	2/5 targets achieved this year (2/5 last year)
	Intensive Response	3/3 targets achieved this year (2/3 last year)
	Care	5/10 targets achieved this year (5/8 last year + 2 baselines established)
	Youth Justice	5/5 targets achieved this year (5/5 last year)
	Transitions	2/3 targets achieved this year (3/3 last year)
	Other work and across everything we do	7/12 targets achieved this year (10/12 last year)

²⁷ Note that there are 38 targets across 37 measures, including one Policy Quality measure with two targets. These are reported separately in the detailed performance information.

Two targets have been adjusted from last year, including 'the percentage of assessments of suitability to adopt for that are completed within three months will be no less than' from 95% to 90% and 'the number of supported accommodation places available to young people will be no less than' from 40 to 150.

How we're tracking

Prevention and Early Support

Prevention and Early Support continues to be about finding a balance between working flexibly in partnership, and administering and overseeing a consistent standard of early responses. We continue to make headway by working in partnership with iwi and Māori organisations, and with our strategic partners. We also continue to have reporting challenges, both internally to show we are responding to critical and very urgent reports of concern on time, and externally to demonstrate that our providers are achieving what they set out to do. For more information, see page 59.

Intensive Response

The reach of Intensive Response continues to grow. The first service was launched in Tokoroa in August 2020, and is now available in 8 locations supporting 419 families. The programme has now run for more than 12 months and we have been able to set the baseline for how many tamariki receiving services in the last year required an out-of-home placement. Our 2021 developmental evaluation highlights that Intensive Response has been a journey of learning about partnering authentically to find better solutions. For more information, see page 62.

Care

A part of our role is to be a high-performing, highly trusted statutory care and protection agency. Last year we added two new measures to track the quality of our practice and we have set ambitious targets to hold ourselves to. As part of our Future Direction Plan, we are currently progressing a range of initiatives to enhance the mana of social workers and continue to build the quality of practice for tamariki and their whānau. This will support a strengthened focus on quality engagement and planning with tamariki to meet their needs, support the connection of tamariki to their whakapapa, and build their sense of belonging through cultural identity and connection to whānau, hapū and iwi. We are also looking at opportunities to continue to strengthen our practice quality appropriations measures to ensure they appropriately reflect our expectations of practice in this area.

The percentage of out-of-home placements with whānau is below our target this year. Under our dual role we are focusing on those with critical needs while also enabling communities to prevent tamariki from needing our intervention. As we receive fewer reports of concern and more tamariki leave care, we require fewer out-of-home placements and, where an out-of-home placement is required,

additional or specialist support is more likely to be required. This has meant that the proportion of tamariki in our care who are placed with whānau decreases. For more information, see page 64.

Youth Justice

Youth Justice performance measures continue to be on track. This has been possible through more availability of community beds, customised practice approaches and wrap-around services, and our ongoing work alongside Police to reduce and avoid escalation through the Youth Justice system. For more information, see page 65.

Work continues on an innovative social bond pilot with the Genesis Youth Trust to reduce youth reoffending. Referrals have picked up this year and a mid-way evaluation is showing promising results, particularly as COVID-19 restrictions eased and face-to-face engagement resumed. The appropriation for the pilot is scheduled to end September 2022. For more information, see page 75.

Transitions

This year we have shifted out our targets to reflect our continued growth and the embedding of our transition services. The standard for young people receiving supported accommodation has increased from 40 to 150, which we fell just short of with 134, as we focused our budget on meeting demand for higher-support, higher-cost placements. Accessing of other entitlements continues to grow as our staff are trained up and promote them. For more information, see page 65.

Other work

Three measures on providing information were not achieved – one for Adoption Services, and two for Ministerial Services. The volume of birth parent information requests is driven by demand, impacting our ability to control the results for this Adoption Services target. We also have ambitious Ministerial Services targets to respond in a timely way which we were not able to achieve as our capacity and processes were tested this year by organisational changes and COVID-19 disruptions. For more information on Adoption Services see page 69, and Policy Advice and Ministerial Services see page 67.

Other measures that do not have specific targets, including for our capital investment and Crown Response to the Royal Commission of Inquiry into Historical Abuse, are reported on in the detailed performance information.

Understanding our performance

What we do

Our mandate

Oranga Tamariki has clear duties set out in legislation and international commitments which we are funded by the Government to undertake. These duties keep us focused on supporting tamariki who are the least safe, as well as their whānau and communities. We want all tamariki to be safe, loved and nurtured by whānau, hapū and iwi, and connected to thriving communities.

Oranga Tamariki works within a range of statutes, both solely and jointly alongside other agencies:

- Oranga Tamariki Act 1989 (administered by Oranga Tamariki)
- Children’s Act 2014 (administered by Oranga Tamariki and the Ministry of Education)
- Adoptions Act 1955 (administered by the Ministry of Justice)
- Adoptions (Intercountry) Act 1997 (administered by the Ministry of Justice)
- Adult Adoption Information Act 1985 (administered by the Ministry of Justice)
- Care of Children Act 2004 (administered by the Ministry of Justice).

We have an obligation to uphold people’s rights, including those set out in Te Tiriti o Waitangi, the United Nations Convention on the Rights of the Child (UNCROc), the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD).

In undertaking these duties, Oranga Tamariki has two roles:

- a high-performing, highly trusted statutory care and protection and youth justice agency that works in an integrated way with other agencies and communities
- an enabler and coordinator for Māori and communities, to empower them to put in place the support, the solutions and the services they know will work for their people to prevent the need for Oranga Tamariki to become involved with tamariki.

Through these two roles, we are focused on supporting communities, hapū and iwi as they prevent harm to tamariki and their whānau. There are situations where more intensive support and protection is needed than communities can provide, but our work as a

statutory care and protection and youth justice agency should be designed with communities, delivered in partnership where possible, and ultimately support communities.

A new strategic direction

Our new strategic focus reflects the call for change and represents a fundamental shift for Oranga Tamariki. At present our practice is guided by two important frameworks:

- Our Outcomes Framework sets out our end goals to keep us focused on making significant change that aligns with governmental priorities.
- Our Performance Framework maps out what we need to do to reach these objectives.

These frameworks were developed before the release of Te Kahu Aroha, the Ministerial Advisory Board’s report and recommendations, which we have accepted and used to develop our future direction. These frameworks are still foundational guides for us, but they will be reviewed and adapted as we evolve to reflect our new strategic aspirations and partnered way of working.

Our Outcomes Framework—our guiding road map to seven 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

We pursue these goals through partnership and provision of these core services:



Early Support



Care Support



Transition Support Service



Intensive Response

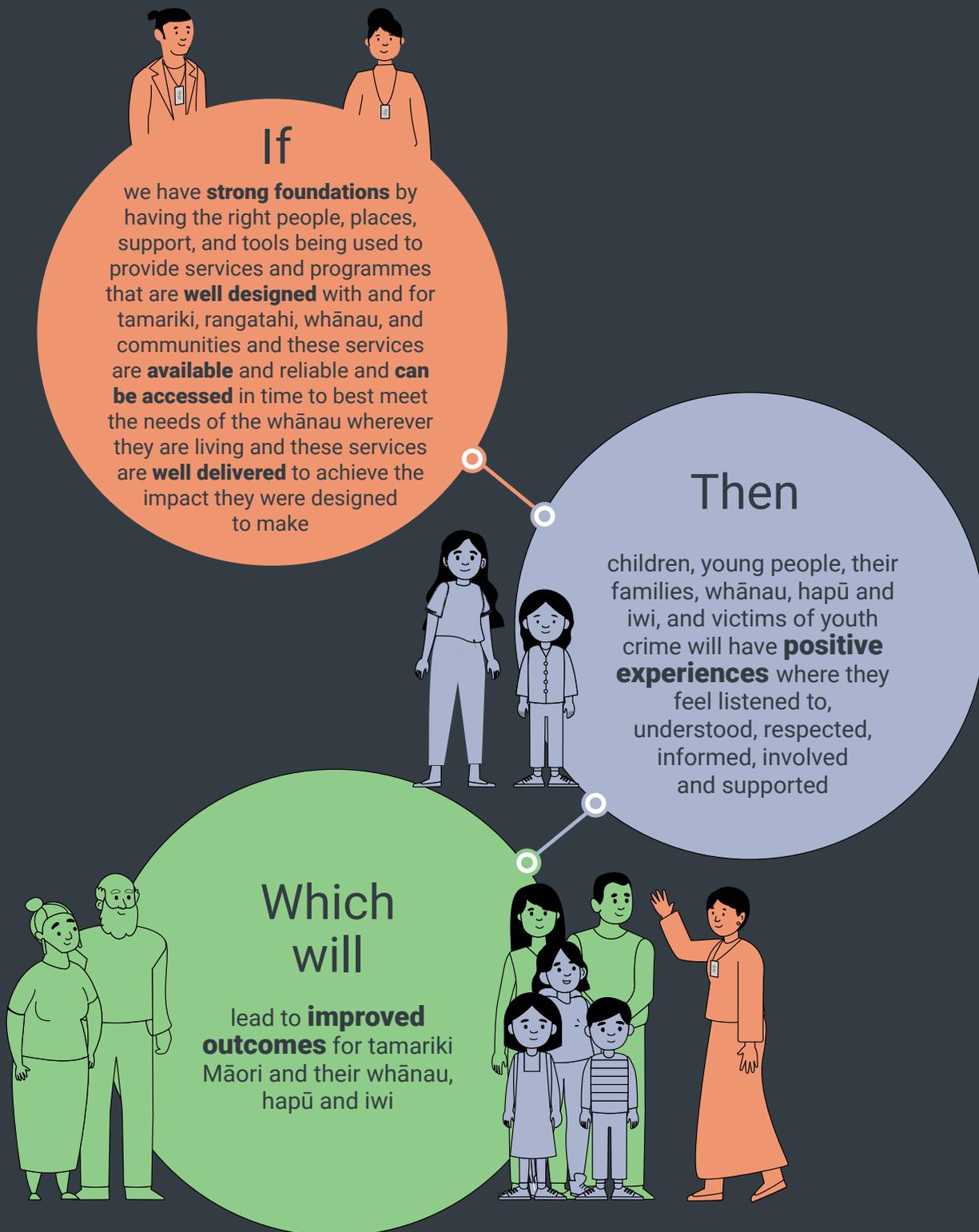


Youth Justice



Other roles

Our Performance Framework – what we need to deliver positive outcomes



In the long term, we want to see that strong foundations and well-designed, well-delivered and accessible services lead to the seven end goals in our Outcomes Framework that guide our work.

Understanding our performance

What we do	How we will know we are making a difference
 <p>Early Support</p> <p>We identify the needs of tamariki and whānau notified to us and find the best help for them, and we coordinate support and services for tamariki and whānau showing early signs of need.</p>	<ul style="list-style-type: none"> – More whānau are connected to appropriate support services. – Fewer tamariki and whānau require statutory intervention. – Fewer rangatahi offend.
 <p>Intensive Response</p> <p>We partner to provide culturally responsive, intensive and sustained support for tamariki and whānau to prevent entry to care or support tamariki to return home safely to whānau.</p>	<ul style="list-style-type: none"> – More tamariki and their whānau are safe and flourishing at home. – Whānau are better supported to provide safe, stable and loving homes. – Fewer tamariki need to enter or re-enter care. – Tamariki and whānau have their needs addressed earlier, preventing escalation.
 <p>Care</p> <p>We keep tamariki in the custody of the Chief Executive safe and promote their wellbeing.</p>	<ul style="list-style-type: none"> – More appropriate care arrangements are available for tamariki in care. – Caregivers are better supported to provide safe, stable and loving homes. – More tamariki in care have their full range of needs met. – Tamariki in care are better supported to remain and return home successfully.
 <p>Youth Justice</p> <p>We support rangatahi, whānau and victims of youth crime to restore their mana.</p>	<ul style="list-style-type: none"> – More rangatahi stop offending before adulthood. – Fewer rangatahi are escalated within the justice system. – More rangatahi are safely managed in the least restrictive placement appropriate.
 <p>Transitions</p> <p>We prepare and support rangatahi leaving care and youth justice to transition successfully to adulthood.</p>	<ul style="list-style-type: none"> – More rangatahi have safe and stable living arrangements. – More rangatahi have the life skills they need to thrive as adults. – More rangatahi are healthy and recovering from trauma. – More rangatahi have a trusted adult in their lives and are engaged with whānau, cultural and community groups. – More rangatahi are in education, training, employment or volunteering.
 <p>Other work and across everything we do</p> <p>We administer adoptions law in New Zealand including adoption in New Zealand, adopting tamariki from overseas, surrogacy and adoption, and helping people find their birth families.</p> <p>We advise the Minister to develop and update policy, legislation and sector stewardship strategies as a children's agency.</p> <p>We respond to reports, reviews, information requests and enquiries into state care and other key functions we hold.</p>	<ul style="list-style-type: none"> – Reduced disparities in outcomes and experiences for tamariki Māori and their whānau. – Tamariki and their whānau and communities feel more listened to and better understood.

How we measure our performance

Our current suite of appropriation measures are important elements of our Performance Framework, and are reviewed annually. This year we continue to report on the same measures as last year. As we evolve as an organisation, these measures will be adjusted accordingly to be less narrowly focused on outputs and volumes, and also to include measures that reflect our new aspirations, strategy and desired outcomes.

It is important that our appropriation measures are:

- relevant
- a faithful representation
- understandable
- timely
- comparable, and
- verifiable.

The tables below explain what we measure, why we measure it, this year's result, and whether it's trending positively or negatively from the previous year. We use these measures to indicate how we are making a difference and our end goals as set out in the previous table – see 'Understanding our performance'.

Legend

	Increase in result	Decrease in result	No change
Positive trend			
Negative trend			
Neutral trend			

Measures where the target is **not achieved** are shown with an *

Understanding our performance measures

Early Support

What we measure	Why we measure this	2021/22 result
Report on the number of strategic partnerships signed with iwi and Māori organisations over the year	We are committed to building new and enduring relationships with hapū, iwi and Māori organisations in order to reduce the number of tamariki in care, strengthen cultural and whānau connections and improve outcomes.	0 new, 9 total 
The percentage of all service contract funding contracted with iwi and Māori organisations will be greater than 23%	The majority of tamariki in care, and young people in custody, are Māori. This measurement shows our commitment to procuring iwi and Māori organisations that can play a unique role in supporting, strengthening and culturally connecting tamariki Māori, supplemented by specialist tauwiwi services.	29% 
The percentage of all contracted services which achieved or exceeded the target for their primary contracted measure will be no less than 75%	Most of our Early Support work is delivered by service partners who are contracted to reach certain volumes, or specific results, with the goal that more whānau receive appropriate support, and fewer tamariki require statutory intervention. Working in partnership with providers enables our social workers to focus on case management if or when issues eventuate or compound.	56%* 
The percentage of providers that meet their contractual reporting requirements will be no less than 100%	For contracts, we want to be assured through provider reporting on their spend and service delivery that public funding is being used appropriately.	88%* 
The percentage of critical or very urgent reports of concern addressed within operational timeframes will be no less than 95%	When a critical or very urgent report of concern is made, it indicates that a tamaiti may have been seriously harmed or be at risk of serious harm and we need to know we are responding in an appropriate timeframe, based on the level of risk identified, and properly recording our work.	81%* 

Intensive Support

What we measure	Why we measure this	2021/22 result
The number of families who engage with intensive response services will be no less than 150	We want our growing intensive response services to be accessible to whānau that would benefit from wrap-around support. The number of whānau our partners are engaging with is closely linked to how many sites are offering this service, and the models of support available.	419 families 
The percentage of children who received intensive response services in the last twelve months who subsequently required an out-of-home placement will be no more than 3%	Stopping re-entry to care through effective intensive response is an early but significant step towards breaking cycles of harm.	0.002% 
The number of sites offering intensive response services will be no less than 5	We want our intensive response services to be available in areas where they will have the most impact for whānau that would benefit from their wrap-around support.	7 

Care

What we measure	Why we measure this	2021/22 result
The percentage of siblings in out-of-home placements who are placed with at least one sibling will be no less than 73%	Keeping siblings together is key to healing from harm and avoiding trauma when staying at home isn't safe. Siblings must be placed together where possible and practical unless there are safety concerns (such as family abuse) that are being addressed.	74% 
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%	Ideally, we want tamariki to safely remain within their wider whānau when they're away from home, but the situation of each tamaiti is unique and complex, and their safety, wellbeing and best interests are the most important consideration.	55%* 
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%	Stable living arrangements can support tamariki living away from home. While some changes can be beneficial, multiple and unplanned care arrangements have been associated with negative outcomes for tamariki.	10% 
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%	A gateway assessment is an interagency process that helps to clarify and identify ways to address the health and education needs of tamariki we work with. A gateway assessment referral should be made within 10 working days of entering our care but the assessment process can take time to complete.	83% 
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	We want to decrease and prevent tamariki re-entering our care where possible. However, it's important that tamariki are able to return to care if their home life becomes unsafe again. Therefore, there is no target for this measure.	22% 
Report on rates of harm while in statutory care	We want to decrease harm rates for tamariki when they are in statutory care. However, we also want to ensure that any harm that may occur is reported to us, so we may respond appropriately. Therefore, this measure on the reporting of rates of harm doesn't include a target.	Achieved 
The percentage of children in care for more than three months with an actionable plan will be no less than 95%	Each tamaiti in our care must have a clear plan for how their unique circumstances and needs will be supported. An example of an actionable plan is the All About Me plan, which includes detailed and comprehensive information about their interests, needs and goals, and how these will be met while they're in care.	79%* 
The percentage of children in care with regular quality engagement with an Oranga Tamariki practitioner will be no less than 95%	We want to be confident that our visits to tamariki in care include quality engagement and give the tamaiti the opportunity to safely share any concerns, and that this engagement is occurring regularly, as set out in their All About Me plan.	59%* 
The percentage of children in care for more than three months whose plan reflects actions to establish, maintain or strengthen connection with members of their family, whānau and/or family group will be no less than 95%	It is important for tamariki to be cared for within their whānau to protect or strengthen their sense of belonging through their cultural identity and connections to their ancestors and whakapapa.	83%* 
The percentage of tamariki Māori in care for more than three months whose plan reflects actions to establish, maintain or strengthen connections with marae, hapū or iwi will be no less than 95%	This measure is important as it focuses not just on the importance of tamariki being able to keep connected with their whānau (as above), but it also reflects quality practice based on having clear plans set with and by tamariki to ensure their needs are met.	34%* 

Youth Justice

What we measure	Why we measure this	2021/22 result
The percentage of under 18-year-olds who previously had a youth justice family group conference and who had a subsequent youth justice family group conference will be no more than 40%	Youth justice family group conferences give rangatahi, along with their whānau, victims and professionals, a chance to help find solutions when they have offended. We want to strengthen this practice and avoid reoffending that leads to repeat family group conferences.	37% 
The percentage of young people held on remand who are placed within their community will be no less than 18%	We want to keep rangatahi who have offended close to their support networks, so they more easily settle back into their community after rehabilitation. More community-based remand options will help rangatahi remain home (with added supports) or within their local community in a bespoke home.	30% 
The number of young people held in police custody for more than 24 hours will be less than 140	We want to ensure that rangatahi spend as little time as possible in police custody after their arrest. Although Police respond in the first instance, we want young people to be redirected to safer placements.	45 
Reducing Youth Reoffending Social Bond Pilot The Reducing Youth Reoffending Social Bond Pilot will be offered to a maximum of 1000 young people by September 2023 (year 6 of the pilot). Oranga Tamariki will track and report progress annually.	In 2017 Oranga Tamariki entered into a six-year Social Bond agreement with the Genesis Youth Trust to deliver a programme designed to reduce the frequency and severity of youth reoffending in South Auckland. The Social Bond would pay for services for a maximum of 1000 young people over five years, with investors getting returns linked to the results of the programme.	758 referrals to date  577 enrolled clients
Evaluation and Auditing Expenses for Reducing Youth Reoffending Social Bond Pilot Phase 1 Outcomes Evaluation – effectiveness of the Social Bond Pilot on rangatahi reoffending and educational outcomes completed by June 2022	The pilot is innovative in a New Zealand context. Having a clear evaluation will help apply our findings more widely and give key information for the decision on whether to embed the pilot.	Achieved 

Transitions

What we measure	Why we measure this	2021/22 result
The number of young people eligible to return to or remain with a caregiver beyond age 18 who are enabled to do so will be no less than 40	Rangatahi in care shouldn't be kicked out the door the day they turn 18. Like all tamariki, they should be welcome to continue to stay in their home with their caregiver as long as they need to.	61 
The number of supported accommodation places available to young people will be no less than 150	For rangatahi leaving care, getting into their first flat can be hard. Supported accommodation entitles rangatahi to access safe accommodation up to age 25 with support to increase their knowledge and skills in how to live independently in a safe environment.	134* 
The percentage of eligible young people who are referred for support from a transition support worker will be in the range of 55% to 65%	To enable rangatahi to be well supported and confident to leave care, they should have the opportunity to connect with a transition social worker if they want or need.	60% 

Other work—Adoption services

What we measure	Why we measure this	2021/22 result
The number of requests from adults seeking identifying information on birth parents will be between 150 and 250	We are responsible for helping adopted people source their birth information and improving the quality and availability of the data we hold. Open adoption practices may be contributing to a decreasing need for official adoption information.	143* 
The percentage of assessments of suitability to adopt that are completed within 3 months will be no less than 90%	We handle adoption assessments in a timely way to make the process quick, while still being thorough.	98% 

Other Work—Policy advice and ministerial services

What we measure	Why we measure this	2021/22 result
The score for the Ministers' 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 4.0	From the survey, we aim for the Minister and Associate Minister to be mostly satisfied with our policy services. The survey covers engagement through the policy process, feedback being taken on board, ability to access relevant expertise, understanding priorities and context, and being received within agreed timeframes.	Minister's score 3.5  Associate Minister's score 4.25 Average 3.875*
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	From the survey, we aim for the Minister and Associate Minister to have quality policy advice most of the time, including clarity of the problem and/or opportunity and rationale, with Te Tiriti o Waitangi analysis and other relevant research, longer-term implications understood, and clear next steps.	3.80 
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%	From an independent external assessment, we aim for at least a fifth of our papers reviewed to be assessed as high quality.	53% 
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 3 or higher 100%	From an independent external assessment, we aim for all of our papers to be above average.	93%* 
The percentage of Ministerial Official Information Act request replies completed five working days prior to the statutory time limit (unless otherwise agreed) will be between 95% and 100%	We aim to meet Official Information requests early to give people timely access to information or reasons why it cannot be provided.	94%* 
The percentage of Ministerial replies completed within twenty working days of receipt by Oranga Tamariki, unless otherwise agreed, will be between 95% and 100%	We aim to provide a timely response for questions from the public to the Minister or Associate Minister for a written answer.	98% 
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%	We aim to provide a timely response for questions from opposition members in the House of Parliament to the Minister or Associate Minister for a written or oral answer.	88%* 

Other work – Responding to reviews and inquiries

What we measure	Why we measure this	2021/22 result
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	We are coordinating information to enable the Royal Commission to review the issue of historic abuse and deliver a report that covers their Terms of Reference on time.	Achieved 

Across everything we do

What we measure	Why we measure this	2021/22 result
<p>Capital Expenditure</p> <p>Expenditure is in accordance with the Ministry's annual capital asset management and Long-Term Capital Investment Plan priorities which relate to developing and improving:</p> <ul style="list-style-type: none"> our core technology platforms our residential spaces our community sites 	<p>It takes time to get the right buildings, equipment and systems in place. To be able to deliver on our strategy in the future, we need to be investing in the right assets and infrastructure now, with a plan in place that we're tracking towards, and good capital project management.</p>	<p>Achieved </p>
<p>Connection and Advocacy Service</p> <p>Expenditure supports the delivery of services to children and young people with care experience in accordance with the Ministry's contracting measurables, which are:</p> <ul style="list-style-type: none"> connecting with the care community establishing geographical service coverage building rangatahi leadership advocacy – individual and systemic 	<p>VOYCE – Whakarongo Mai is an independent charity that helps to advocate for those in care or formerly in care, driving better outcomes for tamariki. We contribute funding to help enable their connection and advocacy work.</p>	<p>60 connection events </p> <p>5 regional hubs with kaiwhakamana in 10 locations</p> <p>641 new individual advocacy cases opened</p>

DETAILED PERFORMANCE INFORMATION

Departmental: Investing in Children and Young People (Multi-Category Appropriation)	59
Departmental: Adoption Services	69
Departmental: Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions	71
Non-departmental: Connection and Advocacy Service	73
Non-departmental: Reducing Youth Reoffending Social Bond Pilot	75
Multi-Year Appropriation: Evaluation and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot	76
Capital Expenditure	77

Departmental: Investing in Children and Young People (Multi-Category Appropriation)

The single overarching purpose of this appropriation is to ensure New Zealand's vulnerable tamariki have positive outcomes.

What we intend to achieve with this appropriation

This appropriation is intended to enhance the wellbeing of tamariki, their whānau, and their communities, who are most in need of extra support.

What we do

Our goal is to work with whānau and the wider community to create circles of protection and care around tamariki whose wellbeing is at risk. Our core services for tamariki range from prevention through to early adulthood services.

The year in review – Prevention and Early Support

This category is limited to providing prevention, awareness and early support programmes and services to identify and support tamariki and their whānau at risk of poor life outcomes.

Strategic partnerships with iwi and Māori organisations

Our strategic partnerships are primarily focused on improving outcomes for tamariki and whānau Māori who we are working with. Under section 7AA of the Oranga Tamariki Act 1989, any iwi or Māori organisation may invite our Chief Executive to enter into a strategic partnership, and all invitations must be considered and responded to. Through strategic partnerships we invite innovation and enable genuine dialogue and the ability to delegate functions under the Act to appropriately qualified people within our strategic partner organisations.

Each strategic partnership agreement (SPA) is unique and shaped by the values and objectives of each strategic partner. For more information on our strategic partners and partnership agreements see 'Strategic partnerships with Māori' on page 35 or visit www.orangatamariki.govt.nz/about-us/how-we-work/strategic-partnerships-with-maori

We also prepare a separate annual report as part of our section 7AA obligations that shows how we are tracking against our Treaty commitments and mana tamaiti objectives.

This will be available on our website in November: www.orangatamariki.govt.nz/about-us/performance-and-monitoring/section-7aa/section-7aa-report

Working with contracted partners

Working in partnership is an essential part of transitioning to a more locally led and centrally enabled system. This year we have exceeded the target for percentage of contract funding with iwi and Māori organisations. As we continue to look for more opportunities to develop collaborative relationships, and more iwi and Māori organisations grow their social services in more locations, the more these partnerships will flourish. You can read about our partnerships with Māori and communities in 'Relationships, partnering and decision-making' on page 35.

This year, contracted services did not achieve the target for meeting or exceeding their primary contracted measures, or for meeting their contractual reporting requirements. These results are partly due to COVID-19 response restrictions that have impacted our providers' ability to deliver some of the

services specified in their contracts; in many cases they have paused or altered their contracted services to meet the demands of the pandemic environment, including pivoting to services such as vaccination drives or food parcel delivery. Providers have also had ongoing difficulties meeting the contractual reporting requirement measure, with added challenges this year partly due to the impact of the Omicron resurgence on providers' capacity to complete returns in the required timeframe and the capacity of Oranga Tamariki contract management staff to ensure returns are received and reviewed.

Responding quickly to critical or very urgent reports of concerns

We did not meet our standard for addressing critical or very urgent reports of concern about the safety or wellbeing of a tamaiti within operational timelines. Of the 4,821 critical and very urgent reports of concern, we know that 4,193 of these were responded to within operational timeframes. There are a number of factors that impact this target, including practice and recording issues that need improvement. This year, we reviewed 164 reports of concern with critical or very urgent timeframes that had not been met from across the 6 lowest-performing sites. Of the 164 reviewed:

- 105 were due to recording mistakes by staff which can be corrected, but those not detected and corrected impact this performance measure
- 40 were administrative errors or classed as 'undetermined' for reasons including being sent to the wrong site internally or tamariki included in the report of concern incorrectly
- 19 were for reasons such as being unable to find or engage with the whānau.

The action of conducting a review in itself brings attention to this area and encourages sites to improve. We also continue to work with all levels of staff to ensure the importance of accurate recording is understood. Our new Whiti performance improvement tool has a feature that provides sites with information about the cases that were not addressed in the timeframes, so they can directly check for accuracy of recording themselves rather than this being driven centrally. However, a barrier to improving this measure is the need to internally prioritise system and recording training.

Even if the initial response timeframe is missed, the safety and wellbeing of a tamaiti is still assessed. In most cases, this is usually within a short period of time after the target timeframe. In all cases a core assessment

is completed before determining whether the tamaiti and their whānau need support, including ongoing statutory involvement.

Teaching the teachers – knowing what to look for

Oranga Tamariki receives reports of concern from the public, teachers, health professionals, the Police and other groups who work closely with tamariki. We rely on these groups to let us know when a tamaiti might be currently experiencing or at risk of harm.

We have partnered with Te Rūnanga o Waihao and Te Rūnanga Arowhenua, the Ministry of Education and STOP (a Christchurch-based non-government organisation) to deliver a pilot raising awareness of concerning and harmful sexual behaviour. This is a first-time collaboration between STOP and mana whenua on this important kaupapa. It aims to help educators in Mid and South Canterbury recognise the signs to watch for and to do this in a culturally responsive way.

To strengthen the cultural competence of those involved in the pilot and to uphold meaningful engagement with mana whenua, the rūnanga has appointed two cultural advisors. The advisors are involved in all aspects of the pilot, to ensure the needs of Ngāi Tahu tamariki and whānau are met. Arowhenua Whānau Services staff also participate in the training, are responsible for relationship management, and provide contract oversight as mandated by mana whenua.



Knowing that the cultural advisors are from the iwi and working with our whānau in the community ensures the continuity of the cultural experience for all of the participants.

Maria Parish, Kaiwhakahaere, Arowhenua Whānau Services



For more information on the pilot, visit www.orangatamariki.govt.nz/about-us/news/pilot-raises-awareness-of-harmful-sexual-behaviour

2021/22 Prevention and Early Support performance measures and targets

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
Report on the number of strategic partnerships signed with iwi and Māori organisations over the year	5 new SPAs signed	No new SPAs signed	Report on
The percentage of all service contract funding contracted with iwi and Māori organisations will be greater than	23%	29%	23%
The percentage of all contracted services which achieved or exceeded the target for their primary contracted measure will be no less than	61%	56%	75%
The percentage of providers that meet their contractual reporting requirements will be no less than	87%	88%	100%
The percentage of critical or very urgent reports of concern addressed within operational timeframes will be no less than	82%	81%	95%

The year in review – Intensive Response

This category is limited to Intensive Response services for tamariki exhibiting needs which place them at risk of harm and/or requiring a statutory intervention.

Shifting life courses through partnership

In the 2019 Budget, Cabinet approved \$31.6 million over four years to establish a new, partnered approach for tamariki at risk of harm and their whānau. Cabinet agreed this should be a phased 'learn and grow' model, and we have taken this to heart.

Three years later, Intensive Response is an area of significant growth, with two of these appropriation measures exceeding our expectations. This year, seven locations were offering Intensive Response support to whānau. In addition, we had a partner kaimahi seconded into Oranga Tamariki at an eighth location while the local service is being designed. The number of whānau who have engaged with Intensive Response services is well over the expected target, with 419 whānau reached in this financial year, partly due to the models of support available in the new locations. Work to establish a baseline measure for the percentage of tamariki who received Intensive Response services in the last twelve months who subsequently required an out-of-home placement is currently underway. This year's results indicate that tamariki from just one whānau came into care (0.002%). From this result, and expected results as the programme grows, a standard

has been recommended of 3%. This target may be updated as the service progresses over time and service providers grow their capability to address more complex whānau needs. A new formalised approach to reporting across the Intensive Response sites will provide a more consistent approach to the collection of partner data in future years.

We currently have contracts with eight partners in eight locations.

- Nelson
- Tokoroa
- Christchurch East
- Kaitaia
- Hamilton
- Wairarapa
- Porirua
- Dannevirke (in design).

Intensive Response is an example of how we support iwi, Māori partners and community-led service design. We have learnt a lot through this work around the principles of partnering and what we can do to position our partners to make meaningful change. These are captured in our Intensive Response Developmental Evaluation – synthesis report 2021: www.orangatamariki.govt.nz/about-us/research/our-research/intensive-response-developmental-evaluation

2021/22 Intensive Response performance measures and targets

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
The number of families who engage with Intensive Response services will be no less than	150	419	150
The percentage of children who received Intensive Response services in the last twelve months and who subsequently required an out-of-home placement will be no more than	Not achieved	2021/22 result: 0.002% New standard: 3%	Establish baseline
The number of sites offering Intensive Response services will be no less than	6	7	5



The year in review – Statutory care, Youth Justice and Transition services

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

Helping keep tamariki safe and connected with whānau

A focus on quality social work practice, with the intent to better understand and meet the full range of needs of tamariki in care, and keep them safe and connected with their whānau, are significant priorities for Oranga Tamariki under the new strategy and Future Direction Plan. Success continues this year for the percentage of children in out-of-home placements who have had more than two caregivers. This year we have continued to provide more stable placements through a wider, more diverse, and supported pool of caregivers.

We didn't meet our target for the percentage of tamariki in an out-of-home placement for more than three months who are placed with whānau, but keeping tamariki with whānau is our mandate when it is safe and in their best interests. Declining numbers of tamariki entering care and increasing numbers exiting care will be impacting this result. While this measure is not achieved, the underlying results may reflect a positive outcome, as overall, fewer tamariki are coming into care and remaining safely with their whānau. Those that are still coming into care may have more complex needs that are less able to be addressed in a typical whānau-based caregiving arrangement.

Working towards quality practice

We aim for all tamariki to be well and do well while they are in care. For this, we have set aspirational targets for our four quality of care measures:

- The percentage of children in care for more than three months with an actionable plan will be no less than 95%
- The percentage of children in care with regular quality engagement with an Oranga Tamariki practitioner will be no less than 95%
- The percentage of children in care for more than three months whose plan reflects actions to establish, maintain or strengthen connection with members of their family, whānau and/or family group will be no less than 95%

- The percentage of tamariki Māori in care for more than three months whose plan reflects actions to establish, maintain or strengthen connections with marae, hapū or iwi will be no less than 95%

These quality measures are assessed by analysing a sample of cases in CYRAS, our case management system. The samples are considered to be representative of all tamariki in care for more than three months. Results depend on our social work practice, how things are recorded in the system, and our review methodology. We are yet to meet our targets for quality practice.

Our case file analysis found 70% of cases reviewed had evidence of regular engagement with an Oranga Tamariki practitioner, and 76% had evidence of quality engagement. However, only 58% of cases reviewed evidenced both regular and quality engagement. Fully embedding the National Care Standards is an ongoing process, and we have implemented strengthened operational oversight of visits to tamariki in care to ensure tamariki are receiving quality visits that meet their needs. Ensuring regular quality engagement with tamariki in care, high quality planning, and accurate recording of practice and decision-making remain core priority areas in our practice.

Our review also found only 34% of tamariki Māori had plans to strengthen connections with marae, hapū or iwi. Actual results are expected to be higher. Case file analysis identified that our review methodology is possibly missing site level engagement with marae, hapū and iwi that is not reflected in case recording. Changes to our review methodology will better reflect the work of kaimahi and sites next year.

Reporting on rates of harm in care

We publish annual reports on the rates of harm in care prepared by the Safety of Children in Care unit that reviews and measures the findings of harm for children and young people in care. This enables us to better understand what is happening for children in our care, and work to prevent future harm.

In February 2022 we published our 2020/21 Safety of Children in Care annual report, and expect to publish our 2021/22 annual report early next year. To read these and past reports, visit www.orangatamariki.govt.nz/about-us/performance-and-monitoring/safety-of-children-in-care/

Addressing youth crime with restorative justice

Youth crime and truancy rates have dominated the headlines in the latter part of this year, although youth crime figures still appear to be on a downwards trajectory overall. We've seen a positive trend in the indicators of quality youth justice practice, driven by a collaborative approach by youth justice sector agencies to improve these services, including early wrap-around support for those needing a youth justice family group conference and a concerted focus on victim and whānau participation.

The decrease in the total number of young people held in Police custody for more than 24 hours is a result of greater collaboration between representatives from both New Zealand Police and Oranga Tamariki, using the most up-to-date intelligence to explore alternative placement options to remaining in Police custody.

More young people who have offended have been able to stay in their community, with new remand beds established through service providers in Hamilton, Tauranga and Gisborne. We continue the shift from traditional residences to more localised therapeutic environments through our service providers, and are, where possible, increasingly supporting rangatahi into youth justice community homes, instead of secure residential placements. The COVID-19 environment has reduced the available options for rangatahi in residence and this has created a positive pressure on us to consider more customised practice approaches and resourcing for young people to move closer to their communities. Having more available options for rangatahi also helps us move young offenders out of police custody more quickly.

Transitioning to adulthood

Our Transition Support Services are designed to ensure that rangatahi who have been in care have positive life pathways and future opportunities. Transition helpline and support workers from our partner organisations can walk alongside rangatahi to help them navigate their transition to independence and support them in many areas, including gaining employment, training and obtaining their driver's licence.

Transition services are slowly becoming more widely known, with referral figures only experiencing a slight increase but within the target range. New training has been developed for frontline kaimahi to better understand our obligations and the transition process and this

will continue to be a key focus through the 2022/23 year, with more targeted support to regions with lower referral rates.

The range and availability of supported accommodation for young care-leavers has increased significantly from the previous year. We aim to provide a number of supported accommodation places with our available budget. This year, we have responded to the need for a few higher-support, higher-cost placements. As a result, we have not been able to support as many rangatahi as planned for with our available funding by instead focusing on providing the right level of support. Our target has also increased from 40 to 150 this year, so although the number of places provided has increased, the new standard has not been met.

Transition support out in the wild

This year, three Rotorua rangatahi had an overnight camp on Motuhua Island off Tauranga. Our community partner managed to fit a lot of learning and new life skills into two days, including connecting back with the land and gathering kai, as well as budgeting, cooking, cleaning and goal setting.

“

It was a gangster trip. It was mean to be doing something that was fun, but we could learn as well. It was cool because I got to show the bros how to tie knots and stuff because I've done fishing heaps when I was younger.

”



2021/22 Statutory Intervention and Transition performance measures and targets

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
The percentage of siblings in out-of-home placements who are placed with at least one sibling will be no less than	75%	74%	73%
The percentage of children in out-of-home placements more than three months who are placed with family/whānau will be no less than	57%	55%	58%
The percentage of children in out-of-home placements who have had more than two caregivers over the year will be no more than	10%	10%	15%
The percentage of children who have been in statutory care for more than six months and who have a completed gateway assessment will be no less than	81%	83%	75%
Report on the percentage of children to exit out-of-home placements in the last eighteen months who subsequently required an out-of-home placement	21%	22%	Report on
Report on rates of harm while in statutory care	Achieved	Achieved	Report on
The percentage of children in care for more than three months with an actionable plan will be no less than	91%	79%	95%
The percentage of children in care with regular quality engagement with an Oranga Tamariki practitioner will be no less than	60%	59%	95%
The percentage of children in care for more than three months whose plan reflects actions to establish, maintain or strengthen connection with members of their family, whānau and/or family group will be no less than	Baseline established	83%	95%
The percentage of tamariki Māori in care for more than three months whose plan reflects actions to establish, maintain or strengthen connections with marae, hapū or iwi will be no less than	Baseline established	34%	95%
The percentage of under 18-year-olds who previously had a youth justice family group conference and who had a subsequent youth justice family group conference will be no more than	38%	37%	40%
The percentage of young people held on remand who are placed within their community will be no less than	26%	30%	18%
The number of young people held in police custody for more than 24 hours will be less than	57	45	140
The number of young people eligible to return to or remain with a caregiver beyond age 18 who are enabled to do so will be no less than	46	61	40
The number of supported accommodation places available to young people will be no less than	107	134	150
The percentage of eligible young people who are referred for support from a transition support worker will be in the range of	59%	60%	55–65%

The year in review – Policy Advice and Ministerial Services

This category is limited to providing policy advice and other support to the Ministers in discharging their policy decision-making and other portfolio responsibilities.

What we do

As the Ministry for Children, we provide policy advice to Minister for Children Kelvin Davis and Associate Minister for Children Poto Williams.

We aim for this advice to be robust, providing context, analysis and advice, and identifying action to inform our Ministers on critical issues.

Significant policy advice provided this year has led to:

- the publication of an Oranga Tamariki Action Plan and Implementation Plan
- the implementation of the holiday allowance and birthday allowance for caregivers
- the introduction of the Oranga Tamariki Amendment Bill, including repeal of the subsequent child provisions
- extending voluntary information sharing powers under the Oranga Tamariki Act 1989 to additional government agencies.

Making information available

As a government agency we collect and produce a wide range of information in order to carry out our responsibilities. It is important that we are transparent and make information available, while maintaining the privacy of the individuals and groups we work with.

We provide information to the public through Official Information Act requests, Ministerial replies and Parliamentary questions. Internal disruption due to managing through organisational change has led to a decline in all three measures for our Ministerial Services. Our Ministerial Services team has a plan in place to face the challenges from this year, including the need for more team capacity and stability, and clear, consistent and efficient processes.

Linking up for child welfare and protection

Within New Zealand, child welfare and protection agencies work together to keep tamariki safe and well. On 14 July 2022, this group of agencies expanded to include Customs, the Department of Internal Affairs, the Ministry of Foreign Affairs and Trade, and the Ministry of Business, Innovation and Employment. This will enable Oranga Tamariki and other agencies to exchange information when there are concerns for the safety or wellbeing of tamariki at the earliest point possible, and allow them to support whānau if necessary.

We work with these agencies daily on a range of child protection issues emerging within and across New Zealand's borders that contain an international element such as child trafficking, modern slavery and online exploitation of children. With them now included as 'child welfare protection agencies' under the Oranga Tamariki Act 1989, we will be more able to share information and work together on issues quickly.

2021/22 Policy Advice and Ministerial Services performance measures and targets

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
The score for the Ministers' 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	3.3	Minister's score 3.5, Associate Minister's score 4.25. Average 3.875	4
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	4.07	3.80	3.5
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	67%	53%	20%
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 3 or higher	100%	93%	100%
The percentage of Ministerial Official Information Act request replies completed five working days prior to the statutory time limit (unless otherwise agreed) will be between	100%	94%	95–100%
The percentage of Ministerial replies completed within twenty working days of receipt by Oranga Tamariki (unless otherwise agreed) will be between	100%	98%	95–100%
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	100%	88%	95–100%

2021/22 Investing in Children and Young People financial performance

Actual 2021 \$000		Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
Revenue					
1,261,475	Crown	1,338,012	1,380,536	1,380,536	1,310,610
12,489	Department	10,333	15,162	10,124	5,194
6,300	Other	5,424	7,250	6,737	5,424
1,280,264	Total Revenue	1,353,769	1,402,948	1,397,397	1,321,228
1,277,902	Total Expense	1,353,769	1,406,162	1,389,720	1,321,228
2,362	Net Surplus/(Deficit)	–	(3,214)	7,677	–

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

The appropriation is intended to achieve the legal adoption of tamariki by approving potential adoptive parents, and providing access to information on adoptions.

What we do

Oranga Tamariki plays a key role in the adoption process, from engaging with birth parents who want to place their tamaiti for adoption, to assessing and approving adoptive applicants seeking to adopt within New Zealand or between countries, reporting to the Court and responding to requests for information from parties to an adoption.

The year in review – Adoption Services

Reforming adoption legislation in New Zealand

The Aotearoa New Zealand Adoption Act 1955 has not been substantially updated since its enactment and no longer reflects society's values or the human rights obligations of Aotearoa. The Government is committed to reforming and updating the adoption laws and, in June 2021, the Ministry of Justice published a discussion document and carried out a public call for submissions, as well as targeted engagement. Feedback from these has now informed an updated discussion document, and the Ministry has several more targeted consultations underway and a public consultation which closed for submission on 7 August 2022. Oranga Tamariki is working closely with the Ministry of Justice to support the consultative process.

For more information on the reform process, including the results from the first round of engagement in 2021, visit www.justice.govt.nz/justice-sector-policy/key-initiatives/adoption-law-reform-options-for-creating-a-new-system.

Information seeking

The number of adults seeking identifying information on their birth parents continued to decrease this year. The open adoption practice since the 1990s has contributed to the decreased need for adopted adults to use the Adult Adoption Information Act 1985 to seek information as contact with birth parents has become more common. Over the last 18 months, we have focused on improving the quality of data we hold and improving the experience for those seeking information.

Adults seeking identifying information on birth parents



Timely assessment

Adoptions can be hard and emotionally draining processes. We aim to make the process as short as reasonably possible, completing suitability assessments within three months. A suitability check requires us to gather and consider specific information about individuals, such as police vetting and referee checks, to inform our overall assessment of suitability and risk. The majority of assessments were completed to time this year, and the three instances where there were delays have been reviewed and plans put in place to avoid these happening again.

2021/22 Adoption Services performance measures and targets

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
The number of requests from adults seeking identifying information on birth parents will be between	189	143	150–250
The percentage of assessments of suitability to adopt that are completed within 3 months will be no less than	94.4%	98%	90%

2021/22 Adoption Services financial performance

Actual 2021 \$000		Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
Revenue					
10,548	Crown	9,996	10,165	10,165	10,020
8	Department	19	36	24	19
–	Other	–	–	–	–
10,556	Total Revenue	10,015	10,201	10,189	10,039
10,375	Total Expense	10,015	10,248	9,694	10,039
181	Net Surplus/(Deficit)	–	(47)	495	–

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

Appropriation measures

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 of Inquiry

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 historical abuse and neglect of tamariki and vulnerable adults in state care and faith-based institutions, between the years 1950–99. The work began with the setting of the Terms of Reference in November 2018, followed by an information and evidence gathering phase that currently has nine investigations underway, with information gathered from private sessions with survivors, witness statements and documentary evidence.

The Inquiry's progress is publicly reported on and all reports can be accessed here: www.abuseincare.org.nz/our-progress/reports

In July 2021, five key changes to the Terms of Reference of the Inquiry from the April 2021 Amendment Order were finalised. Most significantly, the Inquiry is able to make recommendations to help avoid future abuse, based on the lessons of the past, and to improve redress systems, and can continue to hear from survivors about issues and experiences up to the present day.

The terms of reference for the Royal Commission can be found here: www.abuseincare.org.nz/our-progress/library/v/3/terms-of-reference

What we do: The Crown Response to the Abuse in Care Inquiry

The Crown is a core participant in the Inquiry and the Crown Response Unit (the Unit) is an autonomous group housed within Oranga Tamariki. The Unit:

- coordinates the supply of information to the Royal Commission
- develops frameworks and templates for agency responses on specific issues
- is the government response's primary contact point with the Commission.

The year in review – the Crown Response

This year the Crown Response has coordinated the cross-agency response to the Royal Commission's redress report and worked on development of a new, independent trauma-informed redress system. We continue to review documents for public disclosure and provide the Royal Commission with a large amount of documentation, as well as prepare for and attend Royal Commission hearings: this year this included Pacific peoples' experiences, Marylands School, Māori experiences, Foster Care experiences and the Health and Disability Hearing. The final reporting date for the Royal Commission's enquiry is 30 June 2023.

2021/22 Crown Response to the Royal Commission performance measure and target

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
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	Achieved	Achieved	Report on

2021/22 Crown Response to the Royal Commission financial performance

Actual 2021 \$000		Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
Revenue					
10,055	Crown	8,489	13,189	13,189	8,955
	– Department	–	–	–	–
	– Other	–	–	–	–
10,055	Total Revenue	8,489	13,189	13,189	8,955
5,230	Total Expense	8,489	13,189	6,755	8,955
4,825	Net Surplus/(Deficit)	–	–	6,434	–

Non-departmental: Connection and Advocacy Service

Appropriation measures

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

What we intend to achieve with this appropriation

This appropriation is intended to achieve reduced isolation for tamariki 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 we do

VOYCE – Whakarongo Mai, established in 2017, is an independent non-government organisation that offers advocacy and community for tamariki in care, or previously in care, aged up to 25 years old. VOYCE was co-designed by tamariki with care experience to amplify their voices, and to positively influence individual care and collective change in the wider care system. Oranga Tamariki distributes funding and monitors the contract with VOYCE on behalf of the government.

The year in review – VOYCE – Whakarongo Mai

VOYCE – Whakarongo Mai has had a busy year providing advice and input on a number of issues including the Adoption Law Reform, the Tertiary Education Commission strategy, and the Select Committee process. They have supported a rangatahi advisory group to provide bi-monthly insights and advice to the Ministerial Advisory Board, and with other young people have worked on a cross-organisation partnership project to address the barriers that rangatahi face when opening, accessing and operating bank accounts.

This year VOYCE also supported young people with care experience to understand and form their own opinions of the Oversight of Oranga Tamariki System and Children and Young People's Commission bill. They observed that many young people found the submission process challenging, particularly the timeframes, and alongside the Children's Commissioner have been instrumental in making significant changes to the submission process for young people that give them more procedural information and more time to present, and set aside particular days for young people to present.

A voice advising the Minister

VOYCE – Whakarongo Mai and the Oranga Tamariki Youth Advisory Group provided feedback that there should be the voice of youth with recent lived care experience advising the Minister. In December 2021, Minister Davis announced that Mana Williams-Eade, the current co-chair of VOYCE – Whakarongo Mai and an experienced policy advisor, would join the Oranga Tamariki Ministerial Advisory Board.

2021/22 Connection and Advocacy Service performance measure and target

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
Expenditure supports the delivery of services to children and young people with care experience in accordance with the Ministry's contracting measurables, which are: <ul style="list-style-type: none"> – connecting with the care community – establishing geographical service coverage – building rangatahi leadership – advocacy – individual and systemic 	Achieved	VOYCE: 60 connection events 5 regional hubs with kaiwhakamana in 10 locations 641 new individual advocacy cases opened	Report on

2021/22 Connection and Advocacy Service financial performance

Actual 2021 \$000	Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
4,000	Total Expense	4,000	4,000	6,075

Non-departmental: Reducing Youth Reoffending Social Bond Pilot

What is the Reducing Youth Reoffending Social Bond Pilot?

Social bonds are a mechanism for private and not-for-profit organisations to partner with investors to improve social outcomes, with the return on investment depending on the achievement of agreed outcomes. The Reducing Youth Reoffending Social Bond Pilot is an initiative designed to reduce youth offending in South Auckland, with the Genesis Youth Trust providing the programme to a maximum of 1,000 young people over six years.

Appropriation commenced: 1 July 2017

Appropriation ends: 30 June 2022

Eligibility for the pilot

A young person is eligible for a referral to the Genesis Youth Trust programme if they are on a Police Alternative Action plan, aged between 10 and 17, live in the Counties Manukau area and have a medium-to-high Police youth risk assessment screen score. The young person takes part in a 20-week intensive programme that includes mentoring, counselling, social work and parenting programmes, followed by further mentoring and monitoring for 18 months.

The year in review – Reducing Youth Reoffending Social Bond Pilot

As at 31 May 2022, the total number of young people reached by the programme:

758 referrals
577 enrolments
22 in progress

This programme has been significantly affected by the COVID-19 response settings. With restrictions easing this year, the provider was able to engage face-to-face with rangatahi, which has likely increased enrolment: they have enrolled at least 10 rangatahi a month for the last 5 months, the best uptake since 2019. Five of the enrolled rangatahi are known to the public as 'ram-raiders' – the provider is singling them out as a priority to work with.

2021/22 Reducing Youth Reoffending Social Bond Pilot performance measure and target

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
The Reducing Youth Reoffending Social Bond Pilot will be offered to a maximum of 1000 young people by September 2023 (year 6 of the pilot). Oranga Tamariki will track and report progress annually.	Achieved – programme reported on	Achieved – programme reported on	Report on

2021/22 Reducing Youth Reoffending Social Bond Pilot financial performance

Actual 2021 \$000	(Figures are GST exclusive)	Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
8,623	Total Expense	5,172	5,172	4,934	–

Multi-Year Appropriation: Evaluation and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot

Appropriation measures

We undertake regular evaluations of the programme to assess the effectiveness of 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 review and evaluate the funding, process and effectiveness of the social bond pilot. We publish our findings from these reviews on our website.

The year in review – Evaluating and Auditing the Social Bond Pilot

In August 2021, Oranga Tamariki commissioned a mid-process evaluation of the pilot. Overall, despite a slow start, the contractual arrangement appears to be working well, and the pilot is supporting young people as intended, with participants' likelihood of reoffending, number of offences (if any) and offence severity all declining following enrolment. A further outcome evaluation will be conducted towards the end of the contract.

The full report is available here: www.orangatamariki.govt.nz/about-us/research/our-research/reducing-youth-offending-pilot

2021/22 Evaluating and Auditing the Social Bond Pilot performance measure and target

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
Phase 1 Outcomes Evaluation – effectiveness of the Social Bond Pilot on rangatahi reoffending and educational outcomes completed by June 2022	Achieved	Achieved	Achieved

2021/22 Evaluating and Auditing the Social Bond Pilot financial performance

Actual 2021 \$000	Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
Revenue				
7 Crown	75	223	223	-
- Department	-	-	-	-
- Other	-	-	-	-
7 Total Revenue	75	223	223	-
7 Total Expense	75	223	105	-
- Net Surplus/(Deficit)	-	-	118	-

Capital Expenditure

Appropriation measures

This appropriation is limited to the purchase or development of assets by and for the use of Oranga Tamariki—Ministry for Children, 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

We invest in:

- platforms to collect, securely store and use information – particularly to support tamariki, rangatahi and whānau
- work environments to keep the front door of Oranga Tamariki a safe, private space
- home-like and secure environments for tamariki.

The year in review – Capital Expenditure

Core technology platforms

As part of our plan to replace high-risk, out-of-date critical information systems, we are near completion of the upgrades of both our finance system, which helps us manage our budgets, spending and forecasts, and our HR system, which supports us to manage our people.

Our Caregiver Information System has been rolled out to our regional teams. This system has been designed to support kaimahi to meet the needs of caregivers and captures the end-to-end journey of caregiver information with Oranga Tamariki – enquiries, applications, assessments, reviews, support, learning, communication and more.

Work environments

The Spaces & Places programme is providing safe and welcoming environments that enable 'co-location' alongside our partners – for example, family group conferences are held in community spaces and we are working alongside other kaimahi, mana whenua and other partners in their spaces, or in places that we are co-developing alongside them. This is based on feedback from the communities we work with about what they wanted to experience in our frontline sites. The programme provides an opportunity to reshape the experiences of tamariki, rangatahi and whānau.

In these new environments we are aiming to provide private, comfortable, quiet, warm spaces that are a reflection of the community rather than formal government spaces. Oranga Tamariki signage is kept to an absolute minimum.



Our new Bay of Plenty regional office and Ngā Parirau site in Pāpāmoa.

Home environments

Whakaruruhau (Specialist Group Homes) are small group homes that offer 24/7 specialist care in a healthy home environment that incorporates therapeutic design elements, such as use of natural materials, soft textures, plenty of natural light and indoor/outdoor flow and multiple health and safety features to support delivery of the care model. One is now built and construction on the second has begun.

We are upgrading our existing homes to Healthy Homes Standards (with five completed, and 61 underway and due for completion by December 2022). While this upgrade programme will address the environmental health and feel of the homes, replacing the aged infrastructure and future proofing these facilities requires significant investment.

Early evidence from a research project of 28 young people who have been placed in specialist care environments has shown that providing these supportive environments for young people with high and very high support needs is creating the opportunity for recovery and growth.



He Tīmatanga Hou – our new specialist care home

Secure environments

The raising of the age in the youth justice residences, combined with aged infrastructure, has resulted in secure environments that are no longer adequate to meet the needs of the young people and the staff in residences. The current capital programme is focused on improving the security measures, therapeutic spaces, whānau spaces and end-of-life assets that have been identified through multiple reports. Our next objective is to seek funding for vocational facilities, which will enable the older age group now in residence to develop skills and experience to aid them in returning to the community.

2021/22 Capital Expenditure performance measure and target

Performance measure	2020/21 Actual	2021/22 Actual	2021/22 Standard
Expenditure is in accordance with the Ministry's annual capital asset management and Long-Term Capital Investment Plan priorities which relate to: <ul style="list-style-type: none"> – developing and improving our core technology platforms to fully support frontline services – developing and enhancing our residential spaces to improve the experience and wellbeing of tamariki and rangatahi in our care – upgrading our community sites to ensure they are safe, welcoming and conducive to productive work alongside partners 	Achieved	Achieved	Achieved

2021/22 Capital Expenditure financial performance

Actual 2021 \$000	(Figures are GST exclusive)	Main Estimates 2022 \$000	Supplementary Estimates 2022 \$000	Actual 2022 \$000	Main Estimates 2023 \$000
53,852	Capital Expenditure (PLA)	85,518	69,725	13,314	83,318





OUR FINANCIALS

Statement of Responsibility	82
Independent Auditor's Report.....	83
Financial Statements	87

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 annual report fairly reflects the operations, progress, and the organisational health and capability of Oranga Tamariki—Ministry for Children;
- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2022 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 2023 and its operations for the year ending on that date.



Chappie Te Kani

Hēkeretari Tamariki/Tumu Whakarae
Oranga Tamariki

30 September 2022

Independent Auditor's Report

To the readers of Oranga Tamariki—Ministry for Children's annual report for the year ended 30 June 2022

The Auditor-General is the auditor of Oranga Tamariki – Ministry for Children (the Ministry). The Auditor-General has appointed me, John Whittal, 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 87 to 115, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2022, the statement of comprehensive revenue and expense, statement of changes in equity, statement of cash flows for the year ended on that date, and the statement of trust monies for the year ended 30 June 2022 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 2022 on pages 48 to 79;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2022 on pages 122 to 123; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 117 to 121 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2022;
 - the schedules of expenses; and revenue for the year ended 30 June 2022; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Ministry on pages 87 to 115:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022;
 - its financial performance and cash flows for the year ended on that date;
 - statement of trust monies for the year ended 30 June 2022; and
 - 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 48 to 79:
 - presents fairly, in all material respects, for the year ended 30 June 2022:
 - 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 122 to 123 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 117 to 121 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 2022; and
 - expenses; and revenue for the year ended 30 June 2022.

Our audit was completed on 30 September 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Chief Executive for the audited information

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 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 audited information

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 information on strategic intentions for the period 2021–2026 and relevant Estimates and Supplementary Estimates of Appropriations 2021/22, and the 2021/22 forecast financial figures included in the Ministry's 2020/21 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 3 to 45, 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.

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



John Whittal | 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 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited Forecast 2023 \$000
Revenue					
1,282,085	Revenue Crown		1,404,113	1,356,572	1,329,585
12,497	Department Revenue		10,148	10,352	5,213
6,300	Other Revenue	2	6,737	5,424	5,424
1,300,882	Total revenue		1,420,998	1,372,348	1,340,222
Expenses					
494,473	Personnel costs	3	528,663	439,168	517,664
8,508	Depreciation and amortisation expense	10,11	8,597	18,124	26,089
12,158	Capital charge	4	20,021	11,934	16,046
56,351	Shared service fees		19,186	74,258	43,254
722,024	Other expenses	5	829,807	828,864	737,169
1,293,514	Total expenses		1,406,274	1,372,348	1,340,222
7,368	Net Operating Surplus/(deficit)		14,724	-	-
Remeasurements					
1,072	Unrealised (loss)/gain in fair value in discount rates for retiring and long service leave		1,989	-	-
1,072	Total Remeasurements		1,989	-	-
8,440	Net surplus/(deficit)		16,713	-	-
Other comprehensive revenue and expense					
Item that will not be reclassified to net surplus/(deficit)					
91,525	Gain on property revaluations		71,636	-	-
91,525	Total other comprehensive revenue and expense		71,636	-	-
99,965	Total comprehensive revenue and expense		88,349	-	-

Explanations of significant variances against the original 2021/22 budget are provided in Note 20.

Oranga Tamariki—Ministry for Children

Statement of Financial Position

As at 30 June 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited Forecast 2023 \$000
Equity					
144,198	Taxpayers' funds	16	195,866	211,659	273,547
188,769	Property revaluation reserve	16	260,405	97,244	188,769
67,461	Capital contribution	16	77,681	72,806	67,318
400,428	Total equity		533,952	381,709	529,634
Assets					
Current assets					
147,702	Cash and cash equivalents	7	132,212	84,048	147,008
2,330	Receivables	8	6,107	35	62
5,551	Prepayments		6,239	1,713	5,554
-	Crown receivable	9	58,529	19,965	-
15,280	Receivables from Ministry of Social Development		6,967	13,556	17,548
170,863	Total current assets		210,054	119,317	170,172
Non-current assets					
396,888	Property, plant and equipment	10	482,427	354,893	500,073
14,571	Intangible assets	11	8,292	40,790	21,321
411,459	Total non-current assets		490,719	395,683	521,394
582,322	Total assets		700,773	515,000	691,566
Liabilities					
Current liabilities					
82,027	Payable and accruals	12	81,421	70,142	82,028
22,199	Crown payable		-	-	2,234
1,435	Income in advance	12	947	-	1,435
8,440	Return of operating surplus	13	16,713	-	8,442
47,322	Employee entitlements	15	50,321	42,688	47,322
5,625	Other provisions	14	3,992	5,135	5,625
167,048	Total current liabilities		153,394	117,965	147,086
Non-current liabilities					
14,846	Employee entitlements	15	13,427	15,326	14,846
14,846	Total non-current liabilities		13,427	15,326	14,846
181,894	Total liabilities		166,821	133,291	161,932
400,428	Net assets		533,952	381,709	529,634

Explanations of significant variances against the original 2021/22 budget are provided in Note 20.

Oranga Tamariki—Ministry for Children

Statement of Changes in Equity

For the year ended 30 June 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited Forecast 2023 \$000
241,442	Balance at 1 July		400,428	308,903	462,316
99,965	Total comprehensive revenue and expense		88,349	-	-
	Owner transactions				
(8,440)	Return of operating surplus to the Crown	13	(16,713)	-	-
46,755	Capital injections	16	76,556	72,806	67,318
-	Capital withdrawal	16	(15,793)	-	-
20,706	Capital injections - non cash	16	1,125	-	-
400,428	Balance at 30 June		533,952	381,709	529,634

Explanations of significant variances against the original 2021/22 budget are provided in Note 20.

Oranga Tamariki—Ministry for Children

Statement of Cash Flows

For the year ended 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited Forecast 2023 \$000
Cash flows from operating activities				
1,304,285	Receipts from Revenue Crown	1,323,385	1,336,607	1,329,585
16,790	Receipts from other revenue	13,109	15,776	10,637
(709,763)	Payments to suppliers	(829,485)	(828,864)	(735,935)
(487,160)	Payments to employees	(522,610)	(439,168)	(518,898)
(12,158)	Payments for capital charge	(20,021)	(11,934)	(16,046)
(4,468)	Goods and services tax (net)	1,965	-	-
(58,273)	Payments to the Ministry of Social Development	(10,873)	(74,258)	(43,254)
49,253	Net cash flow from operating activities	(44,530)	(1,841)	26,089
Cash flows from investing activities				
(22,096)	Purchase of property, plant and equipment	(20,290)	(45,600)	(72,300)
(11,050)	Purchase of intangible assets	(2,991)	(39,918)	(11,018)
(33,146)	Net cash flow from investing activities	(23,281)	(85,518)	(83,318)
Cash flows from financing activities				
46,755	Capital injections	76,556	72,806	67,318
-	Capital withdrawal from the Crown	(15,793)	-	-
(58,797)	Return of operating surplus	(8,442)	-	-
(12,042)	Net cash flow from financing activities	52,321	72,806	67,318
4,065	Net (decrease)/increase in cash	(15,490)	(14,553)	10,089
143,637	Cash at the beginning of the period	147,702	98,601	136,919
147,702	Cash at the end of the period	132,212	84,048	147,008

Explanations of significant variances against the original 2021/22 budget are provided in Note 20.

Oranga Tamariki—Ministry for Children

Statement of Cash Flows

For the year ended 30 June 2022

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

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited Forecast 2023 \$000
8,440	Net surplus/(deficit)		16,713	-	-
Add/(less) non-cash items					
4,532	Depreciation expense	10	7,513	6,300	9,520
3,975	Amortisation expense	11	1,084	11,824	16,569
-	Adjustment as a result of software as a service change	11	8,186	-	-
8,507	Total non-cash items		16,783	18,124	26,089
Add/(less) movements in statement of financial position items					
(3,928)	(Increase)/decrease in receivables		(76,191)	(19,965)	-
(3,816)	(Increase)/decrease in prepayments		(688)	-	-
34,062	Increase/(decrease) in payable and accruals		(605)	-	-
1,435	Increase/(decrease) in revenue received in advance		(488)	-	-
4,634	Increase/(decrease) in employee entitlements		2,998	-	-
398	Increase/(decrease) other provisions		(1,633)	-	-
32,785	Total net movements in working capital items		(76,607)	(19,965)	-
Add/(less) movements in non-current liabilities					
(479)	Increase/(decrease) in employee entitlements		(1,419)	-	-
(479)	Net movements in non-current liabilities		(1,419)	-	-
49,253	Net cash flow from operating activities		(44,530)	(1,841)	26,089

The accompanying notes form part of these financial statements.

Oranga Tamariki—Ministry for Children

Statement of Commitments

As at 30 June 2022

Actual 2021 \$000		Actual 2022 \$000
	Operating leases as lessee	
	The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:	
17,135	Not later than one year	24,128
42,492	Later than one year and not later than five years	48,247
8,432	Later than five years	3,121
68,059	Total non-cancellable accommodation leases	75,496
68,059	Total commitments	75,496

Capital Commitments

The Ministry has no capital commitments (2021: 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, escalation 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.

Oranga Tamariki—Ministry for Children

Statement of Contingent Liabilities and Contingent Assets

As at 30 June 2022

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 it 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 2021 \$000	Actual 2022 \$000
112 Personal grievances	515
112 Total contingent liabilities	515

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 61 personal grievance claims (2021: 15 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

The Ministry has no contingent assets (2021: Nil).

Oranga Tamariki—Ministry for Children

Statement of Trust Monies

For the year ended 30 June 2022

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 2022 are not included in the financial statements for Oranga Tamariki—Ministry for Children.

Actual 2021 \$000		Actual 2022 \$000
William Wallace Trust		
558	Balance at 1 July	559
41	Contributions	41
(50)	Distributions	(55)
10	Revenue	4
559	Balance at 30 June	549
Custody Trust		
7	Balance at 1 July	63
63	Contributions	-
(7)	Distributions	-
-	Revenue	1
63	Balance at 30 June	64

William Wallace Trust Account

The Prime Minister's Oranga Tamariki Awards are held 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 is administered by Oranga Tamariki—Ministry for Children.

Custody Trust Account

The Custody Trust account has been established and administered by Oranga Tamariki—Ministry for Children to manage donations received from the public on behalf of children who were under the care and guardianship of the Chief Executive.

Oranga Tamariki—Ministry for Children

Notes to financial statements

Note 1: Statement of Accounting Policies: Departmental

Reporting entity

Oranga Tamariki—Ministry for Children is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the operations for Oranga Tamariki—Ministry for Children includes the Public Finance Act 1989 (PFA), Public Service Act 2020, 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 117 to 121.

The financial statements were authorised for issue by the Chief Executive of Oranga Tamariki—Ministry for Children on 30 September 2022.

The primary objective of 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 that with the right environment and 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 disclosures in note 17. The related party transaction disclosures are rounded to the nearest dollar.

Changes in accounting policies

Software as a Service (SaaS) arrangement – PBE IFRS 31 *Intangible Assets*

Following the publication of an agenda decision by the International Financial Reporting Interpretations Committee (IFRIC) in April 2021 and the guidance released by the Treasury, the Ministry has changed the accounting treatment of its Software as a Service (SaaS) arrangements where the criteria of an intangible asset per PBE IFRS 31 are not met.

The Ministry revised its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements from 1 July 2021 to be consistent with the IFRIC agenda decision. Comparative information has not been restated as the Ministry evaluated that effect was immaterial. Refer to Note 11 for further information.

Standards issued and not yet effective and not early adopted

PBE IPSAS 41 *Financial Instruments*

PBE IPSAS 41 replaces PBE IFRS 9 *Financial Instruments* and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Ministry has assessed that there will be little change as a result of adopting the new standard, as the requirements are similar to those contained in PBE IFRS 9.

PBE FRS 48 *Service Performance Reporting*

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 *Presentation of Financial Statements* and is effective for the year ending 30 June 2023, with earlier adoption permitted. The Ministry has determined the main impact of the new standard is that additional information will need to be disclosed on those judgements that have the most significant effect on the selection, measurement, aggregation, and presentation of service performance information.

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 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.

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 2022 budget figures are for the year ended 30 June 2022. 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 30 June 2022.

The 2023 forecast figures are for the year ending 30 June 2023 which are consistent with the best estimate financial forecast information submitted to the Treasury for the BEFU for the year ending 30 June 2023.

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 2023 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 7 April 2022.

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 2022 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 2022/23 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 7 April 2022, 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 historical cost.
- 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.
- Estimated year-end information for 2021/22 was used as the opening position for the 2022/23 forecasts.

The actual financial results achieved for 30 June 2023 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 2021 \$000	Actual 2022 \$000
6,300 Other recoveries	6,737
6,300 Total revenue other	6,737

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 2021 \$000	Actual 2022 \$000
462,412 Salaries and wages	495,875
5,226 Increase/(decrease) in employee entitlements	3,570
13,174 Employer contributions to defined contribution plans	14,195
13,661 Other	15,023
494,473 Total personnel costs	528,663

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 2022 was 5% (2021: 5%).

Accounting policy

The capital charge is recognised as an expense in the financial year to which the charge relates.

Note 5: Other expenses

Actual 2021 \$000		Actual 2022 \$000
418	Audit fees ²⁸	430
22,197	Rental, leasing and occupancy costs	36,275
58	Impairment of receivables	112
295,793	Client financial plan costs ²⁹	334,405
296,819	Non-specific client costs ³⁰	332,432
11,667	Office operating expenses	9,331
44,317	IT related operating expenses	44,141
7,544	Travel expenses	3,558
19,260	Consultancy and contractors' fees ³¹	42,433
11,646	Professional fees	14,430
12,305	Other operating expenses	12,260
722,024	Total operating costs	829,807

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.

²⁸ Audit fees includes statutory audit fees only.

²⁹ Client financial plan costs include monies paid for the provision of the care and protection of children and young people, 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.

³⁰ 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 people 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
- external provider contract costs for specific programmes run by non-government organisations to help children and young people.

³¹ The contractor & consultant expenditure has been split between operating and capital expenditure. Both the operating & capital expenditure has been adjusted for the Software as a Service (SaaS) accounting treatment in 2021/22.

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 (2021: Nil).

Note 7: Cash and cash equivalents

Actual 2021 \$000		Actual 2022 \$000
147,702	Cash at bank and on hand	132,212
147,702	Total cash and cash equivalents	132,212

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 2021 \$000		Actual 2022 \$000
By type		
2,330	Trade and other receivables	6,107
2,330	Total receivables	6,107
By maturity		
2,330	Expected to be realised with one year	6,107
2,330	Total receivables	6,107
Trade and other receivables		
2,581	Debtors (Gross)	6,470
(251)	Less provision for uncollectability	(363)
2,330	Net debtors	6,107
2,330	Receivables from exchange transactions	6,107
Impairment of trade and other receivables		
193	Balance at 1 July	251
58	Additional provisions made during the year	58
251	Balance at end of the year	309
251	Collective impairment allowance	363
-	Individual impairment allowance	-
251	Balance at end of the year	363

The ageing profile of receivables at year end is detailed below:

	As at 30 June 2021			As at 30 June 2022		
	Gross \$000	Provision for uncollectability \$000	Net \$000	Gross \$000	Provision for uncollectability \$000	Net \$000
Not past due	2,430	(107)	2,323	4,294	-	4,294
Past due 1–30 days	6	(4)	2	307	-	307
Past due 31–60 days	9	(9)	-	129	-	129
Past due 61–90 days	7	(7)	-	400	-	400
Past due >91 days	129	(124)	5	1,340	(363)	977
Total	2,581	(251)	2,330	6,470	(363)	6,107

Accounting policy

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

Debtors uncollectability

As at 30 June 2022 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 2022 Oranga Tamariki—Ministry for Children had no debtors deemed insolvent (2021: Nil).

All receivables more than 30 days in age are considered to be past due.

Note 9: Crown receivable

Crown receivable represents cash yet to be drawn down from the Treasury. As at 30 June 2022, crown receivable was \$58.529 million (2021: Nil).

Note 10: Property, plant and equipment

	Land \$000	Buildings \$000	Furniture & Fittings \$000	Computer Equipment \$000	Leasehold Improvement \$000	Motor Vehicles \$000	Plant & Equipment \$000	Total \$000
Cost or revaluation								
Balance at 1 July 2020	90,614	179,286	157	6	-	93	129	270,285
Additions	16,859	8,971	6	17	13,073	-	17	38,943
Revaluation increase	69,361	15,747	-	-	-	-	-	85,108
Work in progress movement	-	1,419	2,530	-	-	-	-	3,949
Other asset movement	-	-	-	-	-	-	(91)	(91)
Balance at 30 June 2021 and 1 July 2021	176,834	205,423	2,693	23	13,073	93	55	398,194
Additions	559	6,088	7	-	8,076	-	-	14,730
Revaluation increase	42,118	25,707	-	-	-	-	-	67,825
Work in progress movement	-	6,313	(501)	-	-	874	-	6,686
Other asset movement	-	54	-	-	-	-	-	54
Balance at 30 June 2022	219,511	243,585	2,199	23	21,149	967	55	487,489
Accumulated depreciation and impairment losses								
Balance at 1 July 2020	-	3,116	28	2	-	30	14	3,190
Depreciation expense	-	3,301	16	4	1,175	15	22	4,533
Eliminate on revaluation	-	(6,417)	-	-	-	-	-	(6,417)
Other asset movement	-	-	-	(1)	-	-	1	-
Balance at 30 June 2021 and 1 July 2021	-	-	44	5	1,175	45	37	1,306
Depreciation expense	-	3,803	10	6	3,669	16	9	7,513
Eliminate on revaluation	-	(3,765)	(46)	-	-	-	-	(3,811)
Other asset movement	-	54	-	-	-	-	-	54
Balance at 30 June 2022	-	92	8	11	4,844	61	46	5,062
Carrying amounts								
At 1 July 2020	90,614	176,170	129	4	-	63	115	267,095
At 30 June 2021 and 1 July 2021	176,834	205,423	2,649	18	11,898	48	18	396,888
At 30 June 2022	219,511	243,493	2,191	12	16,305	906	9	482,427

As at 30 June 2022 buildings in the course of construction total \$8.455 million (2021: \$2.142 million), furniture and fittings in the course of construction total \$2.139 million (2021: \$2.640 million), and motor vehicles in the course of construction total \$874,000 (2021: \$Nil). No other asset classes have assets in the course of construction.

Accounting policy

Property, plant and equipment consist of the following asset classes: land, buildings, leasehold improvements, 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 and groups of like 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%

Leasehold improvements are depreciated over the unexpired period of the lease.

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 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 Telfer Young Limited as at 30 June 2022. Registered valuer Hayden Doody from Telfer Young Limited was the project manager.

The valuation involved 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 2024/25.

Land

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

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 2020	16,049
Additions	6,295
Work in progress movement	4,755
Other asset movement	-
Balance at 30 June 2021 and 1 July 2021	27,099
Additions	-
Work in progress movement	2,759
Other asset movement	(10,861)
Balance at 30 June 2022	18,997
Accumulated amortisation and impairment losses	
Balance at 1 July 2020	8,551
Amortisation expense	3,975
Other asset movement	2
Balance at 30 June 2021 and 1 July 2021	12,528
Amortisation expense	1,084
Other asset movement	(2,907)
Balance at 30 June 2022	10,705
Carrying amounts	
At 1 July 2020	7,498
At 30 June 2021 and 1 July 2021	14,571
At 30 June 2022	8,292

The total amount of intangibles in the course of construction is \$8.330 million (2021: \$5.571 million).

Accounting policy

Change in accounting treatment for Software as a Service (SaaS) assets

An in-depth entity's analysis of all SaaS arrangements has been completed and adjustments have been made in the financial statements.

All current and prior year costs associated with the Caregiver Information System, Human Resource Information System and Financial Management Information System have been expensed in the current financial year as they do not meet the criteria for an intangible asset under PBE IFRS 31 *Intangible Assets*.

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 life 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 (2021: Nil) 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 2021 \$000		Actual 2022 \$000
Payables and deferred revenue under exchange transactions		
1,536	Creditors	859
1,435	Income in advance	947
67,091	Accrued expenses	65,196
70,062	Total payables and deferred revenue under exchange transactions	67,002
Payables and deferred revenue under non-exchange transactions		
13,400	GST payable	15,366
83,462	Total payables and accruals	82,368

Accounting policy

Short-term payables are recorded at the amount payable.

Note 13: Return of operating surplus

Actual 2021 \$000		Actual 2022 \$000
8,440	Net surplus/(deficit)	16,713
8,440	Total return of operating surplus	16,713

The return of operating surplus to the Crown is required to be paid by 31 October of each year.

Note 14: Provisions

Actual 2021 \$000		Actual 2022 \$000
5,625	Other provisions	3,992
5,625	Total provisions	3,992

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”.

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 a lump sum payout to affected employees related to the annual remuneration review work and one-off payment for union members completed by the Ministry prior to the end of the financial year. 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 2021 \$000		Actual 2022 \$000
Current liabilities		
8,335	Retirement and long service leave	9,982
38,987	Provision for annual leave	40,339
47,322	Total current portion	50,321
Non-current liabilities		
14,846	Retirement and long service leave	13,427
14,846	Total non-current portion	13,427
62,168	Total employment entitlements	63,748

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 entitlement.
- 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 2022.

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 2021			Employee Entitlement Variables	As at 30 June 2022		
2022 %	2023 %	2024 %		2023 %	2024 %	2025 %
0.38	0.81	1.18	Discount rates	3.34	3.70	4.29
3.08	3.08	3.08	Salary inflation	3.01	3.01	3.01

Note 15-C: The financial impact of changes to the discount rates and salary inflation variables

Movements	Actual 2022 \$000	Salary + 1% 2022 \$000	Salary - 1% 2022 \$000	Discount + 1% 2022 \$000	Discount - 1% 2022 \$000
Total	23,409	1,059	(954)	(937)	1,059

Note 16: Equity

Actual 2021 \$000		Actual 2022 \$000
Taxpayers' funds		
144,198	Balance at 1 July	211,659
8,440	Surplus/(deficit)	16,713
46,755	Capital Contribution	76,556
-	Capital Withdrawal	(15,793)
20,706	Capital Contribution - non cash	1,125
(8,440)	Repayment of surplus	(16,713)
211,659	Balance at 30 June	273,547
Property revaluation reserves		
97,244	Balance at 1 July	188,769
91,525	Revaluation gains	71,636
188,769	Balance at 30 June	260,405
Property revaluation reserves consists of:		
124,451	Land revaluation reserve	166,569
64,318	Building revaluation reserve	93,836
188,769	Total property revaluation reserves	260,405
400,428	Total equity	533,952

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 comprises 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 six members of the Senior Management Team (2021: Chief Executive and 10 members of the Senior Management Team).

Actual 2021		Actual 2022
\$3,785,753	Leadership Team, including the Chief Executive Remuneration	\$3,609,636
11	Full-time equivalent members	7.9

The above key management personnel disclosure excludes the Minister for Children. The Minister's remuneration and other benefits are received not only for his 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

There have been no significant events after balance date.

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 2021 \$000		Actual 2022 \$000
Financial assets measured at amortised cost		
147,702	Cash and cash equivalents	132,212
17,610	Receivables	71,603
165,312	Total financial assets measured at amortised cost	203,815
Financial liabilities measured at amortised cost		
70,062	Payables and accruals (excluding taxes payable)	67,002
70,062	Total financial liabilities measured at amortised cost	67,002

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 2021 \$000		Actual 2022 \$000
Creditors and other payables		
70,062	Less than six months	67,002
70,062	Total creditors and other payables	67,002

Note 20: Explanations of major variances against budget

Explanations for major variances from the estimated figures in the Forecast Financial Statements 2021/22 are as follows:

	Notes	Actual 2022 \$000	Unaudited Budget 2022 \$000	Variance 2022 \$000
Statement of Comprehensive Revenue and Expense Expenses				
Revenue				
Revenue Crown	a	1,404,113	1,356,572	47,541
Expenses				
Personnel costs	b	528,663	439,168	89,495
Shared service fees	c	19,186	74,258	(55,072)
Statement of Financial Position Current assets				
Non-current assets				
Property, plant and equipment	d	482,427	354,893	127,534
Current liabilities				
Payables and accruals	e	81,421	70,142	11,279
Statement of Cash Flows				
Cash Flows from operating activities				
Receipts from Revenue Crown	a	1,323,385	1,336,607	(13,222)
Payments to employees	b	(522,610)	(439,168)	(83,442)
Payments to the Ministry of Social Development	c	(10,873)	(74,258)	63,385

a. Revenue Crown variance to budget is primarily from the additional funding received from the COVID-19 Response and Recovery Fund, accessing funding from the Budget 21 contingency for Supporting Partners and Enhancing the Wellbeing of Tamariki and Whānau in Greatest Need and the conversion of capital funding to operating to account for change in accounting treatment for Software as a Service (SaaS).

b. Personnel cost variance to budget is mainly driven by the change in the remuneration framework, which promotes fairness, transparency, objectivity, and consistency in relation to remuneration for all permanent and fixed term staff.

c. Shared service fees variance against budget is due to a reduction in services provided by MSD to Oranga Tamariki—Ministry for Children, agreed between the two agencies during the year.

d. Property, plant and equipment variance against budget is mainly due to the revaluation of land and buildings that has seen the value of both asset classes increase.

e. Payable and accruals are higher than budget due to the growth in the organisation in order to deliver the services required.

NON-DEPARTMENTAL
STATEMENTS
& SCHEDULES



Non-Departmental Statements and Schedules

For the year ended 30 June 2022

The following non-departmental statements and schedules record the revenue (Nil), capital receipts (Nil), expenses, assets, liabilities, commitments, contingent liabilities, contingent assets and trust accounts that Oranga Tamariki—Ministry for Children manages on behalf of the Crown.

Schedule of Non-Departmental Expenses

For the year ended 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited Budget 2022 \$000
13,433	Non-departmental output expenses	10,671	10,462
1,955	GST input tax	1,445	1,667
15,388	Total non-departmental expenses	12,116	12,129

Explanations of significant variances against budget are detailed in Note 2.

Schedule of Non-Departmental Assets

As at 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited Budget 2022 \$000
Current assets			
9,243	Cash and cash equivalents	10,665	9,210
9,243	Total current assets	10,665	9,210

Explanations of significant variances against budget are detailed in Note 2.

Schedule of Non-Departmental Liabilities

As at 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited Budget 2022 \$000
Current liabilities			
163	Accruals - other than government departments	406	-
163	Total non-departmental liabilities	406	-

Explanations of significant variances against budget are detailed in Note 2.

Schedule of Non-Departmental Commitments

As at 30 June 2022

Oranga Tamariki—Ministry for Children on behalf of the Crown has no commitments (2021: Nil).

Schedule of Non-Departmental Contingent Liabilities and Contingent Assets

As at 30 June 2022

Unquantifiable contingent liabilities

Oranga Tamariki—Ministry for Children on behalf of the Crown has no unquantifiable contingent liabilities (2021: Nil).

Quantifiable contingent liabilities

There are no quantifiable cases lodged against Oranga Tamariki—Ministry for Children that remain unresolved (2021: Nil).

Contingent assets

Oranga Tamariki—Ministry for Children on behalf of the Crown has no contingent assets (2021: Nil).



NOTES TO THE
NON-DEPARTMENTAL
STATEMENTS
& 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 2022. 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 2022.

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.

Presentation currency and rounding

The non-departmental statements and schedules are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

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 2022 budget figures are for the year ended 30 June 2022, which are consistent with the best estimate financial information submitted to the Treasury for the BEFU for the year ended 30 June 2022.

Note 2: Explanation of major variances against budget

Explanations for major variances from the non-departmental budget figures for Oranga Tamariki—Ministry for Children are 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 year ended 30 June 2022

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 2022. They are prepared on a GST exclusive basis.

Expenditure including Remeasure-ments	Appropriation title	Expenditure including Remeasure-ments	Remeasure-ments ³²	Expenditure excluding Remeasure-ments	Main Estimates	Appropriation voted ³³	Main Estimates	Location of end-of-year performance information ³⁴
2021 \$000		2022 \$000	2022 \$000	2022 \$000	2022 \$000	2022 \$000	2023 \$000	
Vote Oranga Tamariki Departmental output expenses								
10,360	Adoption Services	9,665	(29)	9,694	10,015	10,248	10,039	1
5,230	Crown Response to the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-Based Institutions	6,755	-	6,755	8,489	13,189	8,955	1
15,590	Total departmental output expenses	16,420	(29)	16,449	18,504	23,437	18,994	
Departmental capital expenditure								
53,852	Oranga Tamariki—Ministry for Children - Capital Expenditure PLA	13,314	-	13,314	85,518	69,725	83,318	1
53,852	Total departmental capital expenditure	13,314	-	13,314	85,518	69,725	83,318	
Non-departmental output expenses								
4,000	Connection and Advocacy Service	4,000	-	4,000	4,000	4,000	6,075	2
4,000	Total non-departmental output expenses	4,000	-	4,000	4,000	4,000	6,075	
Multi-category appropriations								
Investing in Children and Young People MCA Departmental output expenses								
18,607	Intensive Response	18,033	(7)	18,040	23,566	22,387	13,538	1
402,595	Prevention and Early Support	439,142	(540)	439,682	403,736	417,077	395,154	1
846,426	Statutory Intervention and Transition	922,558	(1,389)	923,947	916,674	956,705	902,958	1
9,217	Policy Advice and Ministerial Services	8,027	(24)	8,051	9,793	9,993	9,578	1
1,276,845	Total multi-category appropriations	1,387,760	(1,960)	1,389,720	1,353,769	1,406,162	1,321,228	
Multi-year appropriations Departmental output expenses								
7	Evaluation and Auditing Expenses for the Reducing Youth Reoffending Social Bond Pilot	105	-	105	75	223	-	1
Non-departmental output expenses								
8,623	Reducing Youth Reoffending Social Bond Pilot	4,935	-	4,935	5,172	5,172	-	2
810	Independent Advice on Oranga Tamariki	1,737	-	1,737	1,290	2,390	480	
9,440	Total multi-year appropriations	6,777	-	6,777	6,537	7,785	480	
1,359,727	Total annual, permanent and multi-year appropriations	1,428,271	(1,989)	1,430,260	1,468,328	1,511,109	1,430,095	

³² 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.

³³ These are the appropriations from the Supplementary Estimates, adjusted for any transfers under section 26A of the Public Finance Act.

³⁴ 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:

1. The annual report for Oranga Tamariki—Ministry for Children.

2. To be reported by Oranga Tamariki—Ministry for Children in the Vote Ministry Non-Departmental Appropriations Report.

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 2022

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 2022

Actual capital injections 2021 \$000		Actual capital injections 2022 \$000	Approved appropriation 2022 \$000
Vote Oranga Tamariki			
67,461	Ministry for Children	77,681	77,681

Statement of Departmental Capital Injections without, or in excess of, authority

For the period ended 30 June 2022

Oranga Tamariki—Ministry for Children has not received any capital injections during the year without, or in excess of, authority.





**ORANGA
TAMARIKI**
Ministry for Children

Te Kāwanatanga o Aotearoa