

STATEMENT OF INTENT

2011–2014

families commission
kōmihana ā *whānau*



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From the Chief Commissioner

This is an exciting time for the Families Commission. In 2010 we thought long and hard about how we can best contribute to the wellbeing of families and whānau in New Zealand. After much consultation with our stakeholders and partners, we decided that the best use of our skills and experience was as **a centre of excellence for knowledge about families and whānau**. That is, by focusing the Commission's efforts on the gathering, researching and sharing of knowledge about those issues that contribute to family and whānau wellbeing.

The key part here is knowledge that *contributes*. In other words, the Commission is not about knowledge for knowledge's sake. We are very much focused on the kind of knowledge that can make a difference for families and whānau. The Commission is committed to using a strengths-based approach that enables us to discover or generate the sort of knowledge that, in turn, can generate long-term solutions.

At the same time, we're committed to finding new ways to 'activate' that knowledge. This flows from recognition that, in order for knowledge to make a real difference to New Zealanders, it must be targeted to reach the right audiences in the right kinds of ways. Only by doing this will the Commission succeed in helping inform decision-makers across the country.

In 2010 we reshaped the Commission to have a stronger focus on gathering, researching and sharing the kind of knowledge that leaders throughout New Zealand can have confidence in.

This, along with our greater focus on in-depth knowledge generation and how we will achieve this, is reflected in this *Statement of Intent*. The three key components of our strategy are:

- > a recognition that the Commission can best serve New Zealand families and whānau when it advocates from a strong evidential base
- > a realisation that developing a robust evidential base means concentrating on a smaller number of relevant and pressing issues at more depth
- > an acknowledgement that there is already a wealth of knowledge about family and whānau wellbeing held by families and whānau themselves, communities, practitioners and researchers throughout New Zealand and internationally. One way we can add value to this knowledge is to bring it together and re-package it for a range of audiences in a way that can have the most effect.

At the same time, we will continue to listen to the voices of families and whānau, through direct engagement, and through strengthened relationships with those who work with them. This will ensure that their interests will also shape the issues the Commission focuses upon to ensure our work remains relevant to the issues of the day, and the needs of family, whānau and the nation, now, and into our futures.

When, in August 2010, I took on the role of Chief Commissioner of the Families Commission I did so with two clear beliefs. The first was that the interests of families and whānau need to be made visible in any debates New Zealand has about its future direction and development. The second was that robust evidence provides the best way to inform these debates. It is by combining both of these – by providing a voice from families and whānau that is informed by the best evidence available anywhere – that the Commission makes a unique and valuable contribution to New Zealand's wellbeing.

Our challenge now, is how to make the most of that contribution. To paraphrase Lyndon B Johnson, “doing what’s right is easy ... the problem is knowing what’s right”.



Carl Davidson
Chief Commissioner



PART ONE

Our operating environment

Nature and scope of functions

Our point of difference

Our point of difference from other government agencies, research institutes and NGOs is that we are focused solely on families and whānau. We achieve this through being:

- > an autonomous Crown entity that can give independent advice
- > able to respond quickly to emerging issues
- > directly mandated through the Families Commission Act 2003, so must stay focused on the family and whānau perspectives.

This enables us to meet to our main function, as stated in the Act, of ***‘acting as an advocate for the interests of families generally’*** by:

- > bringing a family and whānau perspective and focus to current and emerging policy and public debate
- > undertaking family- and whānau-focused research
- > generating new ideas and ways of thinking to provide credible long-term cost-effective solutions for families and whānau.

The importance of families and whānau

The economic and social wellbeing of a society rests on the wellbeing of the nation’s families and whānau. They nurture and support their members, teach values such as tolerance and respect, and develop members’ abilities to be resilient and engaged with their communities and society as a whole. When they are stressed and dysfunctional, society suffers. Families and whānau are the vehicle by which social and cultural values, knowledge and experience are passed between generations.

Families are complex and diverse. In New Zealand there is the added dimension of the whānau structure. Our largest city, Auckland, with a quarter of the population, has been described as the fifth most diverse city in the world.¹ This all means that providing support is complex; one approach will not work for all. Whānau, in particular, desire a more active role in the promotion of policy, research and programmes that serve and shape their own development.

Communities, central and local government, church groups and NGOs all have an important support role. The challenge we have is to identify what support is needed, not only for individual family members, but also for families as a whole; and to find ways to provide that support most effectively so that family and whānau wellbeing and resilience are improved.

Our purpose and scope of work

Our purpose as the Families Commission is to give practical effect to the purpose and functions of the Families Commission Act 2003. We operate within overarching government principles and policies and are accountable to the Minister for Social Development and Employment. Our work is also of interest to other Ministers, including the Minister with responsibility for family violence, Minister for Revenue and Minister of Labour.

¹ Auckland Regional Settlement Strategy 2009–2014. Immigration New Zealand.

Our role

Successful advocacy brings about change. The energy and the knowledge to bring about change will come from many sources, including families and whānau themselves. We act as both a driver of and a focus for change, through the discovery, sourcing, analysis and dissemination of influential knowledge about family and whānau issues.

The Families Commission will be a centre of excellence for knowledge about families and whānau and this will be achieved through the key activities of:

- > targeted research and evaluation
- > analysis and dissemination of family and whānau knowledge
- > management of the New Zealand Family Violence Clearinghouse
- > use of kaupapa Māori modelling tools.

We start with information that is informed by accurate family and whānau perspectives, drawn from families and whānau themselves. We need to be accurate and sensitive, so we honour and respect the people we interact with. Our role is not to be working at the short-term reactionary end of the policy and service spectrum. Rather, we focus on long-term sustainable solutions-based approaches based on evidence of what actually works. We use a strengths-based approach, rather than focusing on problems and deficits. This is the ‘fence at the top of the cliff’ thinking aimed at reducing the need for families and whānau to require much more costly ‘ambulance at the bottom of the cliff’ services.

Through listening and adding value, we act.

Listening	<p>We honour family and whānau</p>	<p>Undertake a family- and whānau-centred perspective in our work as we collect information from them about the key issues.</p> <p>Honour Māori as Treaty partners.</p>
Adding value	<p>We create new solutions</p> <p>We summarise existing knowledge</p>	<p>Create new evidence and knowledge through research to generate long-term cost-effective solutions.</p> <p>Source, contextualise and translate knowledge to provide the best and most up-to-date information for policy and practice stakeholders.</p>
Act	<p>We connect with others</p> <p>We influence through what we know</p>	<p>Exchange knowledge effectively and collaboratively with a wide range of stakeholders.</p> <p>Advise and communicate what we have learned about families and whānau in a distinctive and timely manner, to influence policy and practice.</p>

All of this gives those who implement change the confidence to make decisions that will bring about effective and long-term positive change, despite the fiscal constraints and economic growth challenges facing New Zealand.



PART TWO

Our direction: What we will do



Strategic direction

Key issues for families

New Zealand was already facing economic challenges as it entered 2011, and the additional economic and emotional impact of the Christchurch earthquake will have far-reaching effects on families and whānau in the years to come. This increases the need for service delivery agencies across government, NGOs and communities to provide more with the same, or fewer resources. It means thinking differently about how we do things and where support can be targeted to bring the greatest effect for families and whānau.

The Families Commission plays its part by providing research with a future focus on 'what can be improved for families and whānau', providing impartial practical advice on sustainable and cost-effective solutions and promoting sharing of experiences and programmes that have worked.

Government's priorities

The Government's long-term priority is to grow the New Zealand economy in order to deliver prosperity, security and opportunities for all New Zealanders. Therefore the need to build better results, for less, from the public services is even more imperative.² This has been significantly challenged with the Christchurch earthquake.

In addition, in 2011/12 the Government has specific expectations that the Commission will:

- > complete actions required to make the Commission a centre of excellence for knowledge about families and whānau in keeping with the findings and recommendations of the Families Commission Review carried out in 2010
- > assume responsibility for the New Zealand Family Violence Clearinghouse and ensure it becomes an independent, sustainable, comprehensive one-stop shop for national and international information on family violence
- > review business continuity plans, especially those relating to responding to a major natural disaster and, where necessary, enhance these plans to take account of recent developments
- > review information and communication systems along with associated policies and, where necessary, update these to ensure that they are compliant with the recently promulgated Directions and Priorities for Government ICT.

Outcomes and impacts for families and whānau

The Families Commission contributes towards positive impacts for families and whānau. To be effective in this, we have identified four key outcome areas where we will focus our efforts over the next three years. While focusing on these outcomes, we will ensure our work remains targeted and relevant for the long term and is completed cost effectively.

The Families Commission outcomes framework 2011–2014 on the opposite page summarises how our work will impact on these outcomes.

² Address to Parliament, Rt Hon John Key, 8 February 2011.

Shared outcomes across government

To promote collaboration and understanding, the Families Commission has identified shared outcomes with key government agencies. In maintaining effective relationships with these agencies we ensure that our respective work programmes minimise duplication and enhance knowledge and skills across each agency.

Ministry of Social Development “More children are safe” and “Communities are better able to support themselves”. This complements our work focused on safe and resilient relationships and connected communities and support structures.

Office of the Children’s Commissioner “Children in New Zealand are safe, secure and well-nurtured in their families and communities”. This complements our work with safe and resilient relationships, as these relationships directly impact on the wellbeing of children.

Retirement Commission “New Zealanders are better educated and motivated to make informed financial decisions throughout life”. This complements our work with family and whānau economic wellbeing by identifying resilience factors and support mechanisms needed across cultures to manage economic challenges well.

Te Puni Kōkiri “Whānau Ora – Māori achieve enhanced levels of economic and social prosperity”. This complements our work in our Whānau Strategic Framework and work on whānau rangatiratanga.

Ministry of Pacific Island Affairs “Improved economic wellbeing and living standards for Pacific peoples”. This complements our work on drivers for financial decisions made with Pacific families and how support systems can account for these.

Outcomes framework 2011–2014

Capability	Outputs	Change we seek	Impact	Outcomes
People	Honouring Research and evaluation	Families' and whānau's ability to know how and when to connect to support mechanisms has improved.	Communities and agencies delivering support have an improved understanding of the factors which impact and drive family and whānau decision-making.	Connected communities and support structures Families' and whānau's connection amongst themselves and their communities improves, and when needed, support systems are increasingly effective in their delivery, thereby increasing wellbeing.
		Creating Analysis and dissemination of family and whānau knowledge	Whānau are accessing kaupapa Māori modelling and are using this knowledge to create new futures.	Whānau have greater understanding of, and improved access to, a range of kaupapa Māori-based tools, services and others' experiences of transformational change.
Relationships and partnerships	Summarising Management of the New Zealand Family Violence Clearinghouse		People have increased knowledge and skills on how to balance engagement into the workforce and caregiving responsibilities.	Families and whānau have increased access to the support they need to engage with the workforce and are able to manage their financial resources better.
		Influencing	People know where they can seek help, do so, and access it easily.	Service providers', practitioners' and policy-makers' knowledge of how to promote and support healthy relationships has increased.
Systems and processes			A reduction in the incidence of family violence over time.	Contemporary research on safe and resilient family relationships, including family violence, is easily accessible. Knowledge and understanding to prevent family violence has increased.

3 Whānau taking control of their future.

Operating intentions

Outcome – Connected communities and support structures

Families' and whānau's connection amongst themselves and their communities improves, and when needed, support structures are increasingly effective in their delivery, thereby increasing wellbeing.

Why this is important

Families and whānau do best when they live in supported, well-connected communities with access to facilities and services which are easily accessible and effective in supporting their wellbeing.⁴ In such environments, families and whānau can flourish and when this happens they are better able to support one another and contribute to society. Support is needed from time to time. Some people require more support than others. Better understanding of the drivers and connections of support structures will provide an understanding, so that practical and sustainable solutions can be identified that work for families and whānau within their own communities and across society.

Impact we want to make

Communities and agencies delivering support have an improved understanding of the factors which impact and drive family and whānau decision-making.

Change we seek

Families' and whānau's ability to know how and when to connect to support mechanisms has improved.

Our point of difference

The Families Commission brings, and encourages in others, a whānau and family focus to these issues. Many debates to date have focused on community-led programmes and funding decisions, which have not always identified the strengths, needs and aspirations of families and whānau from their viewpoint.

What we will do

We will focus our research on understanding what works for families and whānau in terms of both current and future services and programmes and how we can improve the effectiveness of existing programmes and services. We will also focus on disseminating our knowledge of what works to funders, policymakers and practitioners.

Who we will work with

Our focus will be families and whānau themselves, iwi, community and other organisations that work with them, local authorities, government, government departments and business – in particular leaders whose work and organisations impact on family and whānau wellbeing.

⁴ *Bowling Alone*, Robert Putman.

How we will measure progress

Actual 2009/10	Measure	Target 2010/11	Target 2011/12
	Impact measure		
New in 2011/12	New Zealanders surveyed on a nationwide omnibus rate their ability to connect with social services as 'very good' or 'excellent'. ⁵	New in 2011/12	66%
New in 2011/12	Organisations ⁶ we have engaged with agree that the Commission's knowledge/advice has impacted on the way they work or decisions taken.	New in 2011/12	80%
	Effectiveness indicator on outcome		
New in 2011/12	The proportion of the population aged 15 years and over who reported that they were 'very satisfied' or 'satisfied' with their life overall, in the New Zealand General Social Survey. ⁷	New in 2011/12	86% ⁸

5 This measure will be benchmarked against '12 big cities' Quality of Life survey, which is the largest quality of life survey run each year in New Zealand.

6 A targeted survey will be conducted with organisations which will include a sample of government agencies, NGOs, local authorities, iwi and, where appropriate, specific Ministers.

7 Social Report 2010, Ministry of Social Development. This is a measure chosen as a proxy indicator of overall life satisfaction, using data from the 2008 New Zealand General Social Survey (NZGSS). It is a measure of people's perceived satisfaction with their lives overall. As noted in the Social Report 2010, "there is an emerging international consensus on the need to go beyond gross domestic product (GDP) per capita as a proxy measure of the wellbeing and progress of societies. The OECD is developing indicators of social and environmental outcomes that can be used to complement the GDP per capita measure. These include indicators of 'subjective wellbeing' – an umbrella term for measures that tap people's own opinions and feelings about their lives."

8 The level of satisfaction in 2008 was 86 percent. Given the current economic experiences and the Christchurch earthquake, the target over the next year is to remain the same with trending to 89 percent over the next three years.

Outcome – Whānau rangatiratanga

Whānau are empowered to achieve rangatiratanga.

Why this is important

Whānau rangatiratanga creates a powerful platform from which whānau can live in rangatira ways. This is about whānau taking control of their futures. In New Zealand today, whānau live diverse realities, including those deeply and richly connected to their turangawaewae and those disconnected from it. Kaupapa Māori processes and tools enable whānau to build capacity and capability to successfully achieve whānau rangatiratanga.

Impact we want to make

Whānau have greater understanding of, and improved access to, a range of kaupapa Māori-based tools, services and others' experiences of transformational change.

Change we seek

Whānau are accessing kaupapa Māori pathways and are using this knowledge to create new futures.

Our point of difference

Whānau is our focus. We take a partnership approach to working with whānau, hapū and iwi to research whānau rangatiratanga using kaupapa Māori research models. We have expertise and published research in this area to build on. We have the capacity to work in kaupapa Māori ways to identify drivers of success and the lessons others may be able to learn from.

What we will do

Families Commission research will focus on effective kaupapa Māori processes, tools and models of whānau rangatiratanga. We will also complete a review paper that draws on and contextualises key internal and external research to summarise the drivers of whānau rangatiratanga, in order to provide advice that identifies the most effective levers for policy change.

Who we will work with

As we conduct our research we will work primarily in partnership with our He waka whanui partners: Ngai Tahu, Māori Women's Welfare League, Te Kōhanga Reo National Trust and Ahi Kaa – Entrepreneurship Trust New Zealand. Other key relationships are with the Commission's Board-appointed Whānau Reference Group, Mana Whenua, who resource our internal te reo and tikanaga programme; research peers; Te Puni Kōkiri and the Ministry of Social Development.

How we will measure progress

Actual 2009/10	Measure	Target 2010/11	Target 2011/12
	Impact measure		
New in 2011/12	Organisations ⁹ we have engaged with agree that the Commission's knowledge/advice has impacted on the way they work or decisions taken.	New in 2011/12	Baseline to be determined in 2011/12
New in 2011/12	Citation survey of published reports. ¹⁰	New in 2011/12	Baseline to be determined in 2011/12
	Effectiveness indicator on outcome		
New in 2011/12	The proportion of the Māori population aged 15 years and over who reported that they were 'satisfied' or 'very satisfied' with their life overall, in the New Zealand General Social Survey. ¹¹	New in 2011/12	82% ¹²

9 A target survey will be conducted with organisations which will include a sample of government agencies, NGOs, local authorities, iwi and, where appropriate, specific Ministers.

10 Citations are used by academics in the tertiary sector as a measure of quality. It is important that the Families Commission uses measures that are recognised across the professional sectors that we wish to engage with. With a new emphasis on being a 'centre of excellence', academics, and the tertiary sector, are amongst the professionals the Families Commission sees as their peers.

11 Social Report 2010, Ministry of Social Development. Refer footnote 7.

12 The level of satisfaction in 2008 was 82 percent. Given the current economic experiences and the Christchurch earthquake, the target over the next year is to remain the same with trending to 87 percent over the next three years.

Outcome – Economic wellbeing

Families and whānau have improved access to and knowledge about the resources they need to support and strengthen their wellbeing.

Why this is important

Lack of financial resources and economic disadvantage is a known risk factor for poor family functioning.¹³ Family living standards are influenced by a wide range of factors, including the state of the economy, welfare and taxation policies, the provision of social, health and educational services, employer practices and participation in the paid workforce. As the Welfare Working Group report¹⁴ indicates, the recent recession has highlighted the need to look more closely at family and whānau economic circumstances and how family members might be supported to participate in paid employment. While income is an important influence on whether families do well, the literature also suggests that financial knowledge, decision-making and support when needed also influence the ability for families and whānau to get the most from their economic resources.

Impact we want to make

Families and whānau have increased access to the support they need to engage with the workforce and are able to manage their financial resources better.

Change we seek

People have increased knowledge and skills on how to balance engagement into the workforce and caregiving responsibilities.

Our point of difference

We will bring a family and whānau perspective to these issues. This perspective has not been included in many of the current debates, where often the focus has been at the systems/ macroeconomic level. This point of difference is important because to maximise the impacts of any programmes it is important to understand the drivers of change from the family and whānau perspective.

What we will do

We will focus our research on how families and whānau in financial hardship can be better supported to improve their economic circumstances. The research will also develop a depth of understanding on the drivers to the decisions they make on how they use their household budgets. Our focus will be to identify and create strengths-based approaches that enable families and whānau to be resilient during challenging times and to make informed decisions for their future.

¹³ Fletcher, M., & Dwyer, M. (2008). *A Fair Go for all Children: Actions to address child poverty in New Zealand*. The Children's Commissioner and Barnardos, Wellington.

¹⁴ Welfare Working Group (Feb 2011). *Reducing Long-term Benefit Dependency*. Recommendations, Welfare Working Group, Wellington.

Who we will work with

Our primary partnerships will be with those agencies working with families, such as the Ministry of Social Development, Inland Revenue, Retirement Commission, Ministry of Pacific Island Affairs, Federated Budgeting Services, Salvation Army, iwi and Māori organisations. We will also engage with agencies as appropriate, that can affect policy changes such as the Treasury, Ministry of Social Development, Inland Revenue Department, Department of Labour, Business New Zealand and Council of Trade Unions.

How we will measure progress

Actual 2009/10	Measure	Target 2010/11	Target 2011/12
	Impact measure		
100%	Organisations ¹⁵ we have engaged with agree that the Commission's knowledge/advice has impacted on the way they work or decisions taken.	75%	80% ¹⁶
New in 2011/12	Reduce the size of the lowest financial knowledge group (New Zealand populations that have the least financial knowledge). ¹⁷	New in 2011/12	33% in 2010 trending to 25% in three years
	Effectiveness indicator on outcome		
74%	The proportion of households that are 'satisfied' or 'very satisfied' with their material standard of living. ¹⁸	75%	70% ¹⁹

15 A target survey will be conducted with organisations which will include a sample of government agencies, NGOs, local authorities, iwi and, where appropriate, specific Ministers.

16 In 2011/12, the target remains at 80 percent, despite 100 percent achievement. This is because a more comprehensive survey will be developed to include targeted stakeholders the Commission believes should be influenced by our work, but may have not received direct advice or knowledge from the Commission.

17 ANZ-Retirement Commission Financial Knowledge Survey managed by the Retirement Commission. A shared measure with the Retirement Commission.

18 Household Economic Survey, 2009.

19 This is a proxy measure where households are seen in the main as representing families/whānau. The level of satisfaction with material living standard indicates that they have the resources to manage their own standards of economic wellbeing. The target has been reduced from 2010/11 to take into account that the impact of the Christchurch earthquake and its immediate effect on the New Zealand economy will most likely have an impact on people's sense of their material standard of living.

Outcome – Safe and resilient relationships

Families and whānau have stronger, safer and more resilient relationships.

Why this is important

Strong, well-functioning and non-violent relationships are the foundation of resilient families and whānau. The ways in which family members interact affect their physical, emotional and spiritual wellbeing and their ability to care for each other, cope with challenging life events and improve their social engagement and productivity. The quality of adult couple relationships can have a significant impact on children's development and wellbeing. To become safe, resilient and function well, families and whānau may need attitude and behavioural change towards their relationships. They may require support and information, which needs to be practical, appropriate and accessible. In addition, service providers, practitioners and policymakers need the best information available about family and whānau relationships and know how to communicate that knowledge effectively.

Impact we want to make

- > service providers', practitioners' and policymakers' knowledge of how to promote and support healthy relationships has increased.
- > contemporary research on safe and resilient family relationships, including family violence, is easily accessible.
- > knowledge and understanding to prevent family violence has increased.

Change we seek

- > people know where they can seek help, do so, and access it easily.
- > a reduction in the incidence of family violence over time.

Our point of difference

We have already made significant investment and carried out extensive research in the area of family relationships, including family violence prevention. Our established strong relationships developed over the past five years also provide us access to other significant studies in this area.

What we will do

We will review, analyse and bring together the best available knowledge to provide targeted advice and solutions to government, NGOs and community leaders. We will also manage the New Zealand Family Violence Clearinghouse (NZFVC) and provide coordination for White Ribbon Day and the associated campaign.

Who we will work with

We will work with the Ministry of Social Development, the Taskforce for Action on Violence within Families, government agencies, communities, iwi, Māori organisations and NGOs. We will also partner with local authorities and key business organisations, NGOs and sports leaders to promote and deliver the messages framed by White Ribbon Day advocacy.

How we will measure progress

Actual 2009/10	Measure	Target 2010/11	Target 2011/12
	Impact measure		
79%	Organisations ²⁰ we have engaged with agree that the Commission's knowledge/advice has impacted on the way they work or decisions taken.	75%	80%
	Effectiveness indicator on outcome		
New in 2011/12	Incidence rates for confrontational offences by partners and by people well known to the victim. Current incidence rate of offences by partners is 14 incidents per 100 people in 2008. ²¹	New in 2011/12	Declining trend
77.9%	Percentage of parents who rated their family's ability to get along with one another as 'excellent' or 'very good'. ²²	80%	80%

20 A target survey will be conducted with organisations which will include a sample of government agencies, NGOs, local authorities, iwi and, where appropriate, specific Ministers.

21 New Zealand Crime and Safety Services (NZCASS) survey, 2008.

22 A Portrait of Health – key results from New Zealand Health Survey, 2007. This measure was chosen as a proxy measure as it may be assumed that one indicator of a positive relationship is parents' confidence that 'getting along' means they are able to effectively deal with life's challenges.

Working with others

Our effectiveness is dependent not only on the quality of the evidence we produce, but also on the quality of the stakeholder relationships we have. These relationships are often the channel through which influence can occur and positive outcomes for families and whānau achieved.

We will develop and implement a stakeholder engagement strategy. This will establish clear priorities and mechanisms to ensure that we are well connected to those who need to be engaged with, to hear from families and whānau about their issues and to share the evidence.

Relationship	Area of focus
Central government	To ensure that public policy is informed and influenced by a family and whānau perspective and that leaders take into account the impact on families and whānau as policy is being developed.
Local government	To promote family and whānau perspectives within local government planning processes, community engagement and service delivery.
Service providers	To develop and broker relationships with, and between, service providers to encourage innovation and cooperation using a family and whānau perspective. Our research shows that when this occurs, service delivery effectiveness improves, costs are held or reduced, duplication is avoided and gaps are filled.
Whānau, hapū, iwi and Māori organisations	To ensure that our work is connected and relevant to whānau, hapū, iwi and Māori organisations. We recognise that working through and with whānau provides the best opportunity to bring about positive and sustainable change for and by whānau.
Communities	To engage with community leaders and groups, recognising that 'place' matters when thinking about resilience and the web of informal supports that are essential for families.

How we will measure success

To measure our success we will monitor three aspects of our activities:

- > cost effectiveness: value-for-money
- > effectiveness measures: impact on outcome
- > output performance measures: performance on core activities.

Cost effectiveness

Providing greater value-for-money is a challenge facing all public sector agencies. The Families Commission will implement a number of initiatives in 2011/12 to work towards achieving further efficiencies and effectiveness:

- > Partnership with Ministry of Pacific Island Affairs to gain their expertise and skills on understanding Pacific peoples' issues and, in turn, building their research unit's capability.
- > Find opportunities with other agencies to share resources, skills and expertise on research projects that can meet the goals of both agencies and avoid duplication of work.

We will continue to refine initiatives already embedded within the Commission:

- > Use of zero-based budgeting when planning.
- > Develop an IT strategy to support the focus of being a centre of excellence for knowledge about families and whānau.
- > Develop a project plan to prioritise and implement the recommendations from an ICT review conducted in 2010/11.

Effectiveness and impact measures

In order to assess the Families Commission's contribution towards progress on the impacts and outcome areas, two types of measurement have been chosen. These measures are grouped under each outcome area, pages 15–21.

Measure	Reason
Impact	To assess what level of influence the evidence, advice and solutions provided by the Families Commission has had with decision-makers.
Effectiveness indicator	As the Families Commission are not the sole contributor to outcomes, social indicators will provide the degree of impact we may be having. We can utilise progress against these indicators to inform our future work programme.

Output performance measures

To measure the quality and timeliness of the Families Commission’s work, performance measures for all key activities have been identified and are detailed as part of the Statement of Service Performance, pages 32–37.

Output	Measure	Reason for measure
Research and evaluation	Quality	External peer review will ensure research is robust and of a high standard and meeting best practice standards. This will provide confidence that the knowledge, advice and solutions provided are credible and evidence-based.
	Timeliness	To ensure research is completed within a timeframe so that it can be most effectively used in making informed decisions.
Analysis and dissemination of family and whānau knowledge	Quality	To ensure that the information collected through engagement processes is done in a manner that works with and is respectful to families and whānau.
	Timeliness	To ensure that relevant knowledge on issues will inform decision-makers better with regard to strategies for the future and is provided within a timeframe that ensures they can utilise it effectively.
Management of New Zealand Family Violence Clearinghouse	Quality	To ensure that the clearinghouse has information available that is relevant and in easily accessible formats, to support anti-violence initiatives and further the knowledge of what is effective to see family violence reducing.
	Timeliness	To ensure that the users of the clearinghouse know that the information is current and that their request for information will be completed in a timeframe that ensures they can utilise it effectively.

Evaluation and reporting of outputs

‘Successful’ achievement requires review and monitoring of outputs and a process of sharing knowledge and improving performance. This will be achieved through the following mechanisms:

- > **Focused meetings with responsible Minister** – focus on upcoming research and ‘no surprises’.
- > **Quarterly reporting against the output agreement** – feedback on performance against Minister’s priorities and key activities within the annual work programme.
- > **Annual reporting against the *Statement of Intent*** – report back to Parliament on financial and non-financial performance for the year.

Assessing organisational health and capability

What we will achieve and how

To deliver efficiently and effectively on the Families Commission's work programme and build for the future, we will maintain a healthy organisation with the skills, knowledge, systems and processes that are flexible and strong enough to adapt quickly to change. Our systems will support and develop staff, ensure financial sustainability and will work to develop, maintain and enhance external relationships. We will continue to contribute to State Services' development goals.

Following an organisational review in October 2010, we realigned the organisation to target our existing capabilities and skills in a manner that would support the new direction: a centre of excellence for knowledge about family and whānau. We will focus our efforts in four key areas.

Our people

Our aim²³ is to attract and retain well-qualified and committed staff. We will focus on an organisational culture which is based on high performance, teamwork and innovative thinking to meet the rapidly changing environment that families and whānau need to navigate through.

We will achieve this by:

- > ensuring that the performance management framework takes into account the cross-team nature of our work and rewards staff for achievement in deliverables and teamwork
- > developing staff's specialist skills through a structured programme of professional training and mentoring
- > reviewing our flexible work and family/whānau-friendly policies, leave policy and other initiatives to best balance the needs of staff and the Commission.

Our kaupapa Māori pathways

Our aim²⁴ is to build capacity to understand the needs, values and beliefs of Māori as tangata whenua and how to listen and communicate effectively to work effectively internally and externally.

We will achieve this by:

- > reviewing and updating the Whānau Strategic Framework with recommendations from the Whānau Reference Group
- > building the skills, knowledge and understanding with staff to deliver on the Whānau Strategic Framework.

²³ This work contributes to the 'Employer of Choice' State Services development goal.

²⁴ This work contributes to the 'Accessible and Trusted State Services' development goal.

Our relationship and partnerships

Our aim²⁵ is to develop and enhance key relationships and partnerships, collaboration skills, processes and systems, in order to extend our networks and expand our influence with decision-makers. This will underpin the goals of being a centre of excellence for knowledge about families and whānau.

We will achieve this by:

- > implementing the Stakeholder Engagement Strategy
- > continuing to develop partnerships which support our Whānau Strategic Framework and associated research programme
- > developing and implementing a comprehensive client relationship management database.

Our systems and processes

Our aim²⁶ is to ensure that systems and processes support the refocused operations, in a manner that is robust, efficient and cost effective, whilst maintaining a culture of continuous improvement.

We will achieve this by:

- > implementing a document management system to provide staff with information across the Commission in a more accessible format
- > developing a project plan to prioritise and implement the recommendations from an ICT review conducted in 2010/11
- > reviewing information and communication systems along with associated policies and, where necessary, updating these to ensure compliance with the recently promulgated Directions and Priorities for Government ICT by 31 December 2011
- > completing a review of the Families Commission business continuance plan, ensuring that the plan responds to managing through a major natural disaster, by 30 September 2011.

25 This work contributes to the 'Accessible and Trusted State Services' and 'Co-ordinated State Agencies' State Services development goals.

26 This work contributes to the 'Value-for-money' State Services development goal.

How we demonstrate success

The table below identifies the impacts the Families Commission is seeking to achieve within the key organisational focus areas. We have identified measures and the indicators which will be used to check progress towards achieving organisational health and capability.

Key focus area	Indicators	Measure
People	<p>Performance management processes are embedded and linked to the deliverables expected of the Commission.</p> <p>Staff are engaged in the organisation and demonstrate progress towards being a 'centre of excellence'.</p>	<p>90% of performance plans are completed by 30 September and 95% of appraisals are completed by 31 July of each year.</p> <p>Staff engagement survey conducted – maintain or increase staff engagement rating of 78 percent.²⁷</p>
Kaupapa Māori pathways	Staff confidence in knowledge and understanding on the actions within the Whānau Strategic Framework is increasing.	Staff survey to set a benchmark of staff understanding and engagement.
Relationships and partnerships	Key stakeholder relationships are established and actively managed demonstrating a level of influence required as being a 'centre of excellence'.	<p>A Client Relationship Management system implemented by 31 December 2011.</p> <p>Stakeholder Engagement Strategy developed and monitoring system being used by 30 June 2012 – benchmark to be set for future surveys.</p>
Systems and processes	Information is easily accessible and being actively shared within the Commission in order to demonstrate that the Commission is credible in its ability to manage, analyse and disseminate knowledge to external parties.	<p>Implement a document management system (DMS) by 31 December 2011.</p> <p>Survey of staff on use of information following DMS implementation by 30 June 2012 – benchmark to be established for future surveys.</p>

²⁷ The performance target was chosen as a benchmark from the 2009 staff engagement survey result of 78.3 percent.

Managing in a changing operating environment

Risk and fraud

Specific risks faced by the Commission

With ongoing economic challenges and the government priorities, there are a number of external risks that need to be managed, including:

- > failure to respond quickly to changing priorities
- > failure to produce timely research for effective decision-making by government
- > unable to respond due to lack of expertise
- > producing outputs that are not relevant.

We also face ongoing internal operational risks which, if not addressed, could impact on the delivery of the work programme:

- > loss of key management personnel
- > resignation of the Chief Commissioner
- > failure of management systems to have the flexibility to respond to changing priorities.

How we manage risk

The Board, Chief Executive and Leadership Team are responsible for management of risk, ensuring that policies and processes are in place to identify, monitor and mitigate it. The Board has developed an annual risk framework based on the work programme, and reviews this quarterly to evaluate current risk and capture new risk. The Audit and Risk Subcommittee of the Board provides independent assurance that risks to the organisation are being proactively reviewed and managed, and that systems, processes and accountabilities within the organisation are working as intended.

How we manage fraud

We have a zero tolerance to fraud and this is supported by a comprehensive policy. The policy is reviewed and communicated to staff and Commissioners on an annual basis. In addition we have an interests register for Commissioners, senior management and staff. Declaring any interest and reviewing the status of the register is completed monthly by the Board and annually for staff.

PART THREE

**Prospective statement of service
performance and financial information**

Statement of responsibility

The Families Commission is an autonomous Crown entity working within the Crown Entities Act 2004 and the Families Commission Act 2003 to advocate for the interests of families and whānau generally.

The Board and management of the Families Commission accept responsibility for the preparation of the *Statement of Intent*, prospective financial statements, including the assumptions on which the financial statements are based, and the statement of service performance.

The prospective financial statements have been prepared in accordance with NZ IFRS. The Commission does not intend to update and republish the prospective financial statements.

The prospective financial statements have been prepared in accordance with NZ IFRS for the purpose of presenting the Commission's intentions in Parliament, and should not be relied upon by any other party for any alternative purpose without the express written permission of the Commission. The Board and management are of the opinion that these financial statements fairly reflect the expected financial position and operations of the Families Commission.

We have authorised the issue of the financial statements and statement of service performance on this day, 20 May 2011.

Signed on behalf of the Board:



Carl Davidson
Chief Commissioner



Bruce Pilbrow
Deputy Chief Commissioner

Statement of service performance

This section sets out the activities the Families Commission will carry out in 2011/12 to achieve its outcomes. This includes defining the activity, how it contributes towards the outcomes, the cost to deliver that work and the performance measures and standards required to ensure effective, timely and high-quality outputs. It is important to provide a clear link between the annual activities of the Commission and the achievement of its longer-term outcomes.

The Commission's activities are primarily funded by the Crown through Vote Social Development, Non-departmental output expense – Families Commission. Minor funding is received from interest earned on investments and recovery of costs related to a rental sublease. On occasion, one-off funding is received from other agencies for a specific project. Deficits have been funded through prior year surpluses.

The output structure has been restructured in this Statement of Intent to reflect the changing nature of the Families Commission's work programme following its organisational review in 2010/11. Because of this, no past comparative data has been disclosed.

The Output Agreement for 2011/12 with the Minister for Social Development and Employment expands on the work programme and details performance measures relevant to specific initiatives.

Summary of resources 2011/12

Output	Revenue \$000	Expense \$000	Surplus/(deficit) \$000
Research and evaluation	3,255	3,354	(99)
Analysis and dissemination of families and whānau knowledge	4,654	4,756	(102)
Management of New Zealand Family Violence Clearinghouse	402	402	0
Total	8,311	8,512	(201)

Output: Research and evaluation

Description

Through this output the Commission provides research and evaluation services on issues that impact upon family and whānau wellbeing, using family and whānau perspectives. The services will focus on giving the Government, and other key leaders, knowledge that supports their decision-making on key issues for families and whānau. The focus will be on in-depth research on two to three issues of importance each year during the next three years. This output contributes to all outcomes. Research and evaluation activities relating to whānau issues contribute to the outcome *Whānau rangatiratanga*. Research related to supporting people back into work will contribute to the outcomes *Connected communities and support structures* and *Economic wellbeing*.

Scope

The scope of the work in 2011/12 will be to design and begin to deliver a three-year research work programme and research with a particular focus on the effective design, implementation and evaluation of social services and how families and whānau can best be supported back into employment.

Performance measures and standards

Quantity and timeliness

Measure	Standard 2010/11	Standard 2011/12
Three-year work programme developed for Minister's consideration	New measure	31 August 2011
Research reports completed	New measure	2 by 31 March 2012
Whānau research reports completed	New measure	2 by 30 June 2012

Quality

Actual 2008/09	Measure	Standard 2009/10	Standard 2010/11
100%	All published reports or research briefs are formally peer reviewed by at least one external expert and one internal expert in the field of study and comments incorporated into the final report where appropriate, will be no less than: ²⁸	100%	100%

Resources (GST exclusive)

Budget 2012 \$000	Revenue	Expense	Surplus/ (deficit) ²⁹
	3,255	3,354	(99)

²⁸ This measure was chosen to reflect that external parties with expertise in the subject matter will be utilised to ensure that Families Commission research is robust. Feedback is sought and taken into account when finalising the report. The peer review process is built into the project plan.

²⁹ Deficit is funded from previous years' surpluses.

Output: Analysis and dissemination of family and whānau knowledge

Description

Through this output the Commission will gather, review and analyse information and research in order to build the Commission's knowledge base on families and whānau. In addition, this output will provide targeted advice and solutions to government, NGOs and local government. It will include dissemination of information in the form of published research reports, submissions to select committees and other government working groups, position papers, journal articles, research briefs and targeted forums and seminars. This output contributes to all the outcomes depending on the family or whānau issues being addressed. White Ribbon Day activities and the publication of the family violence statistics report contribute to the outcome *Safe and resilient relationships*. Analysis and advice relating to whānau issues contribute to the outcome *Whānau rangatiratanga*.

Scope

The scope of work in 2011/12 will be a review of existing Families Commission and other relevant research on issues important for families and whānau, in order to identify the most effective levers for policy change. In addition, coordination of activities that promote White Ribbon Day 2011 will be provided and a report on family violence statistics and at least six research reports will be published.

Performance measures and standards

Timeliness

Actual 2009/10	Measure	Standard 2010/11	Standard 2011/12
New in 2011/12	Research reports from awarded research fund grants are approved by the Board within 60 working days of completion of final report from grant recipient, will be no less than:	95%	90%

Quantity and timeliness

Actual 2009/10	Measure	Standard 2010/11	Standard 2011/12
–	Research briefs completed	New measure	2 by 31 March 2012
–	Written submissions to select committees	New measure	4 by 30 June 2012
12	Grant research report published	10	4 by 30 June 2012
5	Other research reports published	5	2 by 31 December 2011
144	Reported events held nationwide for White Ribbon Day 2011	90–100	100–120 ³⁰
–	Report on family violence statistics completed	New measure	by 30 June 2012

Quality

Actual 2009/10	Measure	Standard 2010/11	Standard 2011/12
100%	All published reports or research briefs are formally peer reviewed by at least one external expert and one internal expert in the field of study and comments incorporated into the final report where appropriate, will be no less than. ³¹	100%	100%

Resources (GST exclusive)

Budget 2012 \$000	Revenue	Expense	Surplus/ (deficit) ³²
	4,654	4,756	(102)

30 The targeted activities are less than actual in 2010/11 due to the known reduced funding available to NGOs and the General Election being held in November 2011.

31 This measure was chosen to reflect that external parties with expertise in the subject matter will be utilised to ensure that Families Commission research is robust. Feedback is sought and taken into account when finalising the report. The peer review process is built into the project plan.

32 Deficit is funded from previous years' surpluses.

Output: Management of the New Zealand Family Violence Clearinghouse

Description

Through this output the Commission will manage the New Zealand Family Violence Clearinghouse (NZFVC), which will provide timely access to contemporary research and good practice information on family violence. The primary users of NZFVC are those working within the field such as practitioners, researchers, policy advisors and advocates. Having access to quality information is critical to ensuring family violence prevention strategies and initiatives have the greatest impact possible and assists with cross-sector consistency in approaches to family violence prevention. In addition, informing the public about the nature, causes and effects of violence in families and whānau is an important component of any prevention and early intervention initiatives of government. This output contributes directly to the outcome *Safe and resilient relationships*.

Scope

The scope of work in 2011/12 will be to oversee the implementation of the new contract to provide NZFVC services, following the transition of management of NZFVC from the Ministry of Social Development in February 2011. The primary focus will be launching a new website, which will provide improved access to information pertaining to family violence. In addition, the clearinghouse will update its previous factsheet on family violence statistics and produce a variety of information products.

Performance measures and standards

Timeliness

Actual 2009/10	Measure	Standard 2010/11	Standard 2011/12
New in 2011/12	The NZFVC website will be available for searching and placing requests for information over a 24/7 basis (allowing for scheduled maintenance or an unplanned systems outage), no less than:	New in 2011/12	95%

Quantity and timeliness

Projects to be delivered in 2011/12	Timing
Launch of the new website for NZFVC	31 December 2011
Report on usage and promotion strategies	29 February 2012
Information products published (Issues Papers, Factsheets)	2 by 30 June 2012

Quality

Measure	Standard 2011/12
Evaluation of the services provided by NZFVC which will make recommendations for improvements to the services provided and establishment of satisfaction of service baselines.	Report completed by 30 June 2012

Resources (GST exclusive)

Budget 2012 \$000	Revenue	Expense	Surplus/ (deficit)
	402	402	0

Our financial information

Prospective statement of comprehensive income	2011/12 \$000	2012/13 \$000	2013/14 \$000
Income			
Revenue from Crown	8,124	8,124	8,124
Interest income	60	60	60
Rental income	127	127	127
Total income	8,311	8,311	8,311
Expenditure			
Commissioners' fees	269	250	250
Personnel expense	4,101	4,104	4,104
Other expenses	4,040	3,843	3,818
Depreciation and amortisation expense	102	114	139
Total expenditure	8,512	8,311	8,311
Net surplus/(deficit) and total comprehensive income/(expenditure)	(201)	0	0

Prospective statement of comprehensive financial position	2011/12 \$000	2012/13 \$000	2013/14 \$000
Assets			
Current assets:			
– Cash and cash equivalents	849	831	832
– Debtors and other receivables	0	0	0
– GST receivable	71	69	69
Total current assets	920	900	901
Non-current assets:			
– Property, plant and equipment	214	167	186
– Intangible assets	47	42	31
Total non-current assets	261	209	217
Total assets	1,181	1,109	1,118
Liabilities			
Current liabilities:			
– Creditors and other payables	637	565	574
– Employee entitlements ³³	299	299	299
Total current liabilities	936	864	873
Net assets	245	245	245

³³ Employee entitlements include annual leave liability and accrued salaries.

	2011/12 \$000	2012/13 \$000	2013/14 \$000
Equity			
General funds	245	245	245
Total equity	245	245	245

Prospective statement of changes in equity	2011/12 \$000	2012/13 \$000	2013/14 \$000
Balance at 1 July			
Amounts recognised directly in equity	446	245	245
Surplus/(deficit) for the year	(201)	0	0
Balance at 30 June	245	245	245

Prospective cash flow statement	2011/12 \$000	2012/13 \$000	2013/14 \$000
Cash flows from operating activities			
Receipts from Crown revenue	8,124	8,124	8,124
Interest received	60	60	60
Receipts from other revenue	127	127	127
Payments to suppliers	(4,542)	(4,357)	(4,258)
Payments to employees	(3,857)	(3,859)	(3,859)
Goods and services tax (net)	(64)	(64)	(64)
Net cash from operating activities	(152)	31	130
Cash flows from investing activities			
Purchase of property, plant and equipment	(118)	(29)	(109)
Purchase of intangible assets	(63)	(20)	(20)
Net cash from investing activities	(181)	(49)	(129)
Net (decrease)/increase in cash and cash equivalents	(333)	(18)	1
Cash and cash equivalents at the beginning of the year	1,182	849	831
Cash and cash equivalents at the end of the year	849	831	832

Notes:

- (i) Assumptions underlying the prospective financial statements include:
 - that government funding does not change over the three years covered by this statement
 - there is a risk that these events and the associated income and expenditure may not occur
 - the budget reflects staffing levels of 38 FTEs to meet the work programme.
- (ii) The Commission's accumulated surplus is being reduced by operating deficits over the three-year period.
- (iii) All figures are GST exclusive.
- (iv) Financial year end is 30 June.

Statement of accounting policies

Reporting entity

The Families Commission ('the Commission') is a Crown entity as defined by the Crown Entities Act 2004 and domiciled in New Zealand. As such, the Commission's ultimate parent is the New Zealand Crown.

The Commission was established as a body corporate on 1 July 2004 by the Families Commission Act 2003. Its primary purpose is to provide public services to the New Zealand public under this Act, rather than making a financial return.

Accordingly, the Commission has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to the International Reporting Standards (NZ IFRS).

The prospective financial statements for the Commission are for the years ended 30 June 2012 and out-years, and were approved by the Board on 21 April 2011.

Basis of preparation

Statement of compliance

The financial statements of the Commission have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ('NZ GAAP').

The financial statements comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Measurement base

The prospective financial statements have been prepared on a historical costs basis, except where modified by the revaluation of certain items of property, plant and equipment, and the measurement of equity investments and derivative financial instruments at fair value.

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Commission is New Zealand dollars.

Significant accounting policies

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

Revenue

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

> Revenue from the Crown

The Commission is primarily funded through revenue from the Crown, which is restricted in its use for the purpose of the Commission meeting its objectives as specified in the *Statement of Intent*. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

> Interest

Interest income is recognised using the effective interest method. Interest income on an impaired financial asset is recognised using the original effective interest rate.

> Rental income

Lease receipts under an operating sub-lease are recognised as revenue on a straight-line basis over the lease term.

> Provision of services

Revenue derived through the provision of services to third parties is recognised in proportion to the stage of completion at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed.

> Vested asset

Where a physical asset is gifted to or acquired by the Commission for nil or nominal costs, the fair value of the assets received is recognised as income. Such assets are recognised as income when control of the asset is obtained.

Grant expenditure

Grants awarded by the Commission are discretionary in nature. The Commission has no obligation to award on receipt of the grant application and the grant is recognised as expenditure when approved by the Commission's Board and the approval has been communicated to the applicant.

Leases

> Finance leases

The Commission does not enter finance leases.

> Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Commission are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the statement of financial performance. Lease incentives received are recognised in the statement of financial performance over the lease term as an integral part of the total lease expense.

Cash and cash equivalents

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

Debtors and other receivables

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

Investments

At each balance sheet date the Commission assesses whether there is objective evidence that an investment is impaired.

> Bank deposits

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method. For bank deposits, impairment is established when there is objective evidence that the Commission will not be able to collect amounts due according to the original terms of the deposit.

> Equity investments

The Commission does not enter into equity investments.

Property, plant and equipment

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

Individual assets, or groups of assets, are capitalised if their costs are greater than \$2,000 (excluding GST). The value of an individual asset that is less than \$2,000 (excluding GST) and is part of a group of similar assets is capitalised. All are recorded at historical cost.

Initial cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition required for its intended use.

Fixed assets are written down immediately if any impairment in the value of the asset causes its recoverable amount to fall below its carrying value.

> Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that the future economic benefits or service potential associated with the item will flow to the Commission and the cost of the item can be measured reliably. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

> Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance. The Commission does not hold assets which are revaluable in nature.

> Subsequent costs

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

Depreciation

Depreciation is 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 assets have been estimated as follows:

	Useful life	Depreciation rate
Leasehold improvements	4 years	20–25%
Computer equipment	3 years	33%
Furniture	5 years	20%
Office equipment	5 years	20%

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

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year-end.

Intangible assets

> Software acquisition and development

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

Costs that are directly associated with the development of software for internal use by the Commission are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of the Commissions website are recognised as an expense when incurred.

> Amortisation

The carrying value of an 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 period is recognised in the statement of financial performance.

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

	Useful life	Amortisation rate
Acquired computer software	3 years	33%
Developed computer software	4 years	25%

Impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Commission would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a revalued amount, the reversal of impairment is recognised in the statement of financial performance.

Creditors and other payables

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

Employee entitlements

> Short-term employee entitlements

Employee entitlements that the Commission expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date, and sick leave.

The Commission recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date; to the extent the Commission anticipates it will be used by staff to cover future absences.

The Commission recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Superannuation schemes

> Defined contribution schemes

Obligations for contributions to KiwiSaver and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation scheme and are recognised as an expense in the statement of financial performance as incurred.

Provisions

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

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

> Restructuring

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

Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Commission is a public authority and consequently is exempt from payment of income tax. Accordingly, no charge for income tax has been provided for.

Budget figures

The budget figures are derived from the *Statement of Intent* as approved by the Board for the beginning of the financial year.

The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by the Commission for the preparation of the financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements the Commission has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no known significant risks within these estimates and assumptions that would cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical judgements in applying the Commission's accounting policies

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

Make good lease provisions

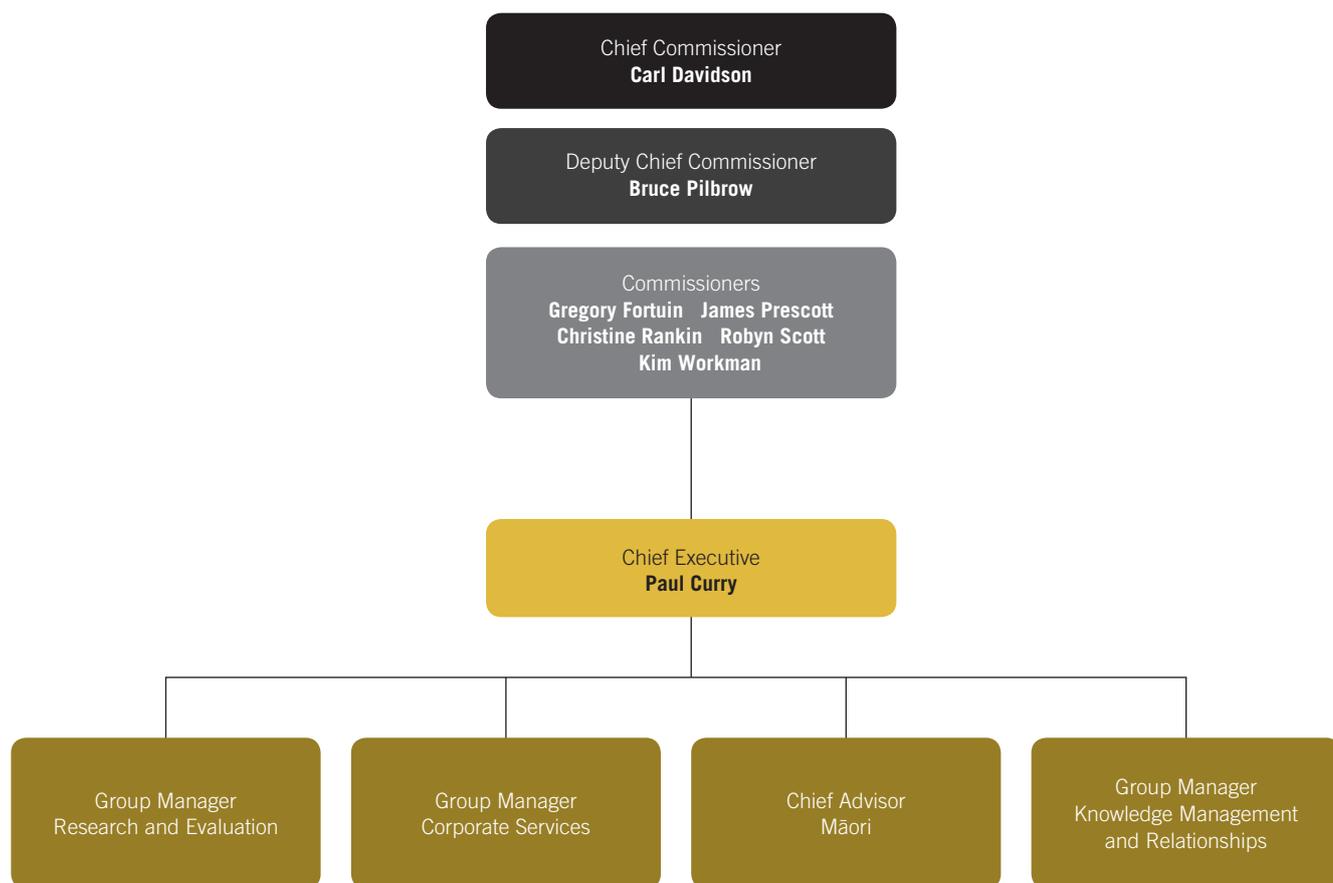
Upon reviewing its lease agreements, the Commission determined that no make good was required and therefore no provision made.

APPENDICES



Appendix One – Governance and accountability

Organisational structure



The Families Commission Board

The Board is the Commission's governing body. It is appointed by the Minister for Social Development and Employment and consists of at least three, but not more than seven, Commissioners. The Minister must appoint one of the Commissioners as the Chief Commissioner and may appoint another Commissioner as the Deputy Chief Commissioner. Each appointment is for up to three years with the potential for reappointment. The Commission currently has a Chief Commissioner, Deputy and five Commissioners all working on a part-time basis. The Board reports to the Minister quarterly against its Output Agreement.

Board's role and responsibilities

The Crown Entities Act 2004 sets out the collective and individual duties of Board members. The Board's role is to:

- > oversee the governance and performance of the Commission
- > set the strategic direction and priorities of the Commission
- > select and appoint a Chief Executive and monitor the Chief Executive's performance
- > approve the annual work programme and budget of the Commission
- > approve the key annual accountability documents (eg the *Statement of Intent*, the Output Agreement and the *Annual Report* to Parliament).

Chief Commissioner

The Chief Commissioner is the senior statutory appointment of the Commission and is responsible for:

- > leading, chairing and managing the Board
- > providing leadership and guidance for the Commissioners
- > providing the public face of the Commission as its senior public appointment
- > working with, and providing guidance to, the Chief Executive on strategic matters, work programme priorities, public or media matters and any performance matters.

Commissioners

Commissioners are statutory positions, appointed on a part-time (up to half-time) basis. Commissioners are responsible

for carrying out Board responsibilities in their capacity as Board members. They are also responsible, in their role as Commissioners, for:

- > providing expertise, advice and input into issues and work the Commission is considering or undertaking
- > providing the public face of the Commission through engaging on a regular basis with the community (at national, regional and local levels)
- > undertaking elements of the Commission's annual work programme.

Board meetings

The Board meets monthly. Less formal meetings are also used as an opportunity for Commissioners to discuss strategic and project matters. Additionally, presentations to the Board from community leaders, researchers and others interested in families routinely occur.

Board subcommittees

Committees of the Board are convened to deal with specific governance issues.

Finance, Budgeting and Resources

The purpose of this committee is to:

- > monitor finance and budget matters and make recommendations to the Board where deviations are necessary
- > provide assurance to the Board that the strategic direction of the organisation is being maintained and, when necessary, make recommendations to the Board for structural changes including changes in staff establishment
- > provide the Chief Executive with a forum to discuss budget and staffing issues.

It meets monthly just prior to the full Board meeting.

Audit and Risk

The purpose of this committee is to provide independent assurance to the Board that the Commission's systems, processes and operations are based on best practice. The subcommittee has an external independent Chair to ensure robust and transparent advice on risk and assurance audit. It meets four times a year.

Research Ethics

The purpose of this committee is to provide the Board with an assurance that researchers whose work involves human participants, will conduct their work with appropriate regard for ethical principles and cultural value and in accordance with the Treaty of Waitangi. It meets as required.

Whānau Reference Group

The purpose of this reference group is to assist the Commission to identify issues and priorities for Māori families. The reference group will also provide strategic advice to the Commission to ensure that the aspirations of Māori, especially as they relate to whānau wellbeing, are addressed in all Commission programmes and activities. It meets twice a year, or more often if required.

Ethnic Reference Group

The purpose of this reference group is to assist the Commission to identify issues and priorities for ethnic families from national, regional and local perspectives. This is limited to the interests of families within the scope of the Commission's mandate. It meets twice a year, or more often if required.

Chief Executive Recruitment and Performance

This committee is for the purpose of recruiting and measuring the performance of the Chief Executive. It meets annually, or as required.

Management structure

Research and Evaluation group

The Research and Evaluation group is responsible for the Commission's research and evaluation activities. The focus of the group is on undertaking in-depth research and evaluation to inform policy development and practice. The group's research is characterised by its applied nature and focus on practical solutions. Research projects are undertaken collaboratively with the Knowledge Management and Relationships group and other external research partners.

Knowledge Management and Relationships group

The Knowledge Management and Relationships group is responsible for sourcing, contextualising and translating

knowledge on families and whānau to provide the best and most up-to-date information for policy and practice stakeholders to make decisions. In addition, this group will target key decision-makers and influencers across government agencies, local government, communities and NGOs as well as providing direct advice to Ministers. The group coordinates the targeted distribution of the Commission's knowledge through a range of communication channels.

Corporate Services group

The Corporate Services group is responsible for managing the Commission's activities relating to strategic planning, accountability reporting, financial management, human resources, IT systems, operational policies and general administration.

Chief Advisor advice

In addition to management roles, the Commission has established three Chief Advisor positions to support the strategic leadership of the organisation.

> Chief Advisor Māori

The purpose of this role is to provide a central leadership role in the Commission on issues of Māori, iwi and whānau. This role has well-developed links with the policy and research community, and will use their skills and experience to contribute to the development and implementation of the Commission's Whānau Strategic Framework. This position reports to the Chief Executive.

> Chief Advisor Research

The purpose of this role is to provide strategic research advice on the priorities, issues and methods best utilised in developing and implementing the Commission's research programme. This position reports to the Group Manager Research and Evaluation.

> Chief Advisor Strategic Engagement

The purpose of this role is to lead the development, and support the implementation, of a stakeholder engagement strategy. This role will support the Commission to develop and maintain key external relationships and to engage with and influence stakeholders to promote positive outcomes for families and whānau. It is based in Auckland and reports to the Group Manager Knowledge Management and Relationships.

Appendix Two – Families Commissioners’ biographies



Carl Davidson (Chief Commissioner) is a Director of Research First Ltd, the South Island’s largest market research company. He has been involved in research in New Zealand for over 20 years, and has written and lectured extensively about research practice in New Zealand.



Bruce Pilbrow (Deputy Chief Commissioner) is the CEO of Parents Inc and is responsible for the strategic, marketing and business direction of this parenting organisation. He also manages the key relationships with major sponsors. Bruce has an extensive background in marketing and commercial business.



Gregory Fortuin is a former Race Relations Conciliator and South African Honorary Consul. He is involved in Porirua community issues and in mentoring young people. Gregory is currently involved with the Prison Fellowship New Zealand, Crown Forest Rental Trust and Whitireia Community Polytechnic.



Dr James Prescott is a senior lecturer in accounting and finance at AUT. His research interest is in Pacific business sustainability and he is involved in developing and coordinating social services for at-risk families in West Auckland. James is on the board of several community organisations, including Kelston Girls’ College, United Church of Tonga, South Seas Healthcare Trust and the National Pacific Radio Trust.



Christine Rankin was recently elected to the Waitemata District Health Board and the Upper Harbour Local Board in the new Auckland Council, having previously been a member of the Auckland Regional Authority.



Robyn Scott joined Philanthropy New Zealand in 2003 as Executive Director after a varied career including 16 years as a primary school teacher and more recently managing a small not-for-profit organisation. She is actively involved in the not-for-profit sector and enjoys the variety of work that it offers.



Kim Workman, QSO, is of Ngati Kahungunu and Rangitāne descent. He is a former senior public servant, and for eight years was National Director of Prison Fellowship New Zealand. Kim is currently Executive Director of the Robson Hanan Trust, which administers the Rethinking Crime and Punishment project. He is also involved with a number of Māori Trusts.

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