



**Social Workers
Registration Board**
Kāhui Whakamana Tauwhiro

Aotearoa New Zealand's social worker regulator

ANNUAL REPORT
2019–2020

Presented to the House of Representatives
pursuant to section 150 of the Crown
Entities Act 2004

New Zealand Government

Our impact

1. The safety of members of the public is protected
2. Social worker professionalism is enhanced:
 - Competent
 - Safe to practise
 - Accountable

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OUR YEAR IN NUMBERS

2019/20 was the first year of our transition from a voluntary towards a mandatory regime for the registration of social workers as a result of amendments to the Social Workers Registration Act 2003 in 2019.

From 27 February 2021, social workers must be registered with the SWRB and hold a practising certificate to practise social work in Aotearoa New Zealand.

We have seen an increase in numbers for many of the transactions we process. Here are figures for some of the transactions for 2019/20 compared to 2018/19. Note there was a delay in processing practising certificates that meant 1,503 were not issued until July 2020. These have not been included in the 'practising certificates processed' figure below.

8,642

Total registered social workers in 2019/20

2018/19: 7,812

895

New to register in 2019/20

2018/19: 698

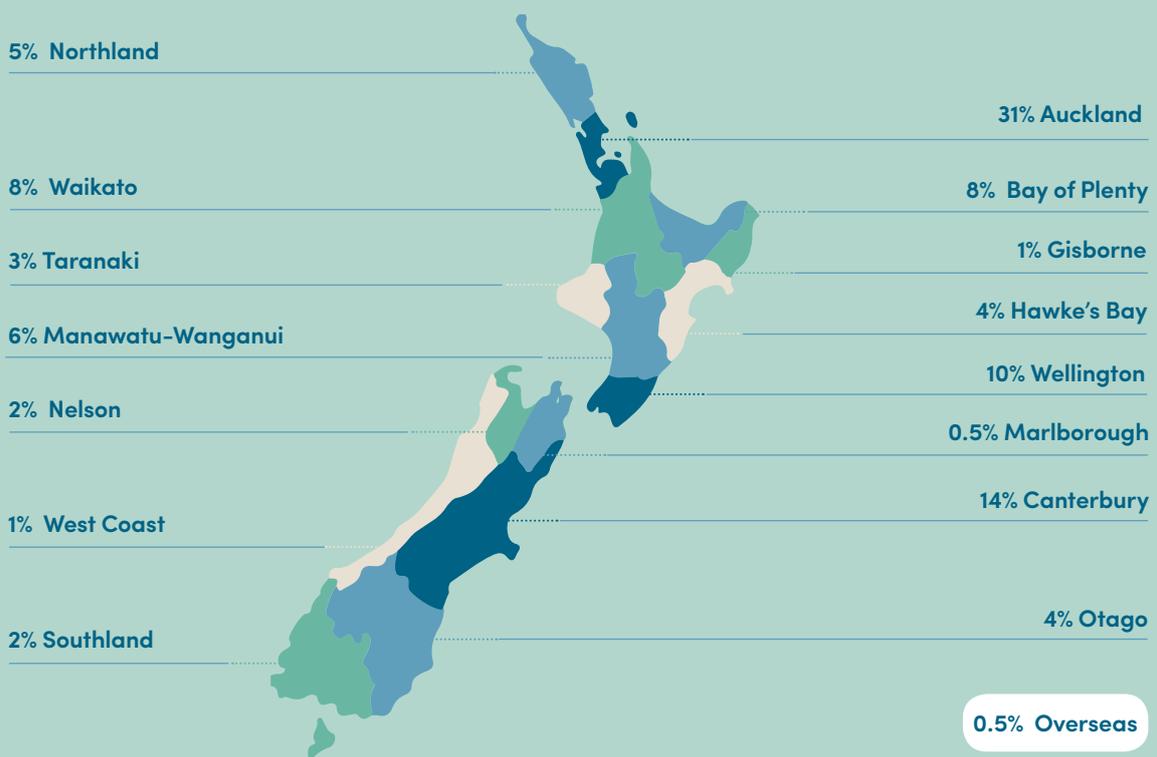
4,830

Practising certificates processed in 2019/20

2018/19: 5,108



Registered social workers by location:



25

Professional Conduct
Committee cases
open in 2019/20

2018/19: 14



3

Social worker Disciplinary
Tribunal hearings open in
2019/20

2018/19: 2

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OUR YEAR IN REVIEW

INTRODUCTION FROM THE CHAIR AND CHIEF EXECUTIVE

We are pleased to present the Social Workers Registration Board Kahui Whakamana Tauwhiro Annual Report 2019–2020, which records our results for the year against our Statement of Intent 2017–2021 and Statement of Performance Expectations 2019–2020.

*Korihi ake ngā manu, tākiri mai te ata
Ka ao, ka ao, ka awatea, tihei mauri ora!*

*The birds sing, the morning has dawned, a fresh
day unfurls, behold there is life!*

This year our focus was on our change programme, over two years, to modernise our operations and develop the policy required to meet the expectations of us under the amended Social Workers Registration 2003.

As is common with multi-year change programmes executed by small organisations, the mid-point is a period of ambiguity. Changes have to occur at the same time as providing regular services – ‘building the plane while flying it’, which stretches staff and disrupts the user experience for the sector. Also, there are often time-lags in benefits realisation.

These features frequently contribute to lower performance, particularly at the mid-point, as has occurred in our case – we did not achieve all our performance targets this year.

The change programme is about getting the base operations right. More work is required to realise our goal of using the full range of regulatory and non-regulatory tools under the modern regulator approach. We understand from our discussions with other New Zealand regulators, that once the base is right it may still take five years+ to reach the goal of being a modern regulator.



*Sarah Clark, Chief Executive (left) and
Shannon Pakura, Chair*

While we have yet to start using a wider range of modern regulator tools, we have developed our strategic thinking for when we get some ‘clear air’ later in 2021. We have also designed and are implementing many of the systems and processes needed for responsive, public safety-focused and intelligence-led activities. The most impactful of these is the new database (going live in late 2020), which will support better data collection and data analysis to inform our regulatory activities.

As anticipated, there has been an increase in new registrations (22%), with any significant increase expected to occur closer to 27 February 2021 when registration becomes mandatory.

Our two-year change programme has been supported by the Government contributing \$1.22 million to this year’s costs of a new database and information campaign, and a further \$667,000 for year-two in 2020–2021 to complete these.

As part of our change programme and wider work programme, we have:

- looked inwards to our staff to identify how we can do things better
- looked outwards to the social work community for feedback on our processes
- engaged with the social work sector through our information campaign to lift understanding of the changes
- increased our capacity and capability to be an active partner with Māori, enabling us to build on the relationships our Māori Board members, staff and te Kāhui Māori members bring with them.

These interactions and relationships, navigated in a meaningful way, have presented greater opportunities to be better informed and to work more authentically with our staff, the social work sector, and the community.

Some of our strategic documents are yet to catch up with the development of our Outcomes Framework in 2019. For instance, our Statement of Intent 2017–2021 was to be updated in 2020. However, with the agreement of the Minister of Social Development, this has been delayed until the end of the transition period under the Act, which occurs in February 2021.

In the meantime, we are reporting against priorities and performance measures that are becoming less relevant over time as we move forwards with our change programme.

In addition, we have been providing advice to the Ministry of Social Development in their support to the Minister regarding progressing workforce planning for the social work sector. Strategic workforce planning involves engagement with employers, sector organisations, and social workers to identify issues, collect and monitor workforce data, and analyse and report on supply and demand scenarios. This planning activity will inform a workforce strategy of actions for implementation across the social services sector. It recognises that social workers are essential frontline professionals who are part of the key workforce supporting our communities and improving the wellbeing of New Zealanders.

Like others, we are also dealing with the impact of the COVID-19 pandemic. This has required a new way of working and has sped up our move from paper to digital and online interactions.

Next year we will work on improving our performance where possible in the ongoing COVID-19 environment, by completing our change programme, and having more meaningful interactions across the sector.

We would like to express our appreciation for the significant time invested by the Board and secretariat as we have navigated the year and its higher demands. Our thanks particularly to the Board, who have stepped up to robustly assist us deal with the fast-paced changes required, despite having fewer members (down from 10 to 7), and with nearly half the membership changing over the year.

For all the challenges, we are optimistic for the future and the benefits that mandatory registration will bring to the profession, and the wider public we serve.

Our role is to ensure the safety of members of the public and to enhance professionalism of social workers – being a registered social worker is part of having the system in place to make that happen.



Shannon Pakura
Chair



Sarah Clark
Chief Executive



WHO WE ARE	<p>Aotearoa New Zealand’s social worker regulator under the Social Workers Registration Act 2003</p> <p>Crown entity under the Crown Entities Act 2004</p>
OUR MANDATE	<p>Protect the safety of members of the public</p> <p>Enhance the professionalism of social workers</p>
OUR VISION	<p>Ko tō mātau whāinga... Ka tautoko ngā tauwhiro i te mauri ora o ō tātau hapori, o ō tātau whānau me ngā tāngata takitahi hoki</p> <p>Social workers enable the Mauri Ora of our communities, family, whānau and individuals</p>
OUR PURPOSE	<p>Ko tā mātau kaupapa... te tautiaki i te iwi tūmatanui mā te whakarite, ka noho haepapa ngā tauwhiro, ka haumaruru, ka whai pūkenga, ka tika hoki ki ngā mahi ināiane, ā, haere ake nei</p> <p>To protect the safety of members of the public by ensuring social workers are accountable, competent and safe to practise now and into the future</p>
OUR PRINCIPLES	<p>Be safe. An uncompromising commitment to public safety</p> <p>Be fair. Consistent, fair, reasonable and transparent processes</p> <p>Be accountable. Accountable to the public, Minister of Social Development, staff, and the profession</p> <p>Be effective. Best practice governance/regulatory role</p> <p>Be collaborative. Collaborate and communicate through strong respectful relationships</p> <p>We learn and improve. Excellence and continually challenging ourselves to keep getting better at what we do</p>

OUR VALUES

NGĀ UARA

Kaitiakitanga. Our responsibility for safe stewardship, guardianship, and protection

- Reciprocal care and stewardship for our physical and spiritual environments
- Understanding what values are important to social workers and society
- Doing our best to ensure all we do is consistent
- Ensure we act in a way that respects the contribution of all
- Always questioning how we do things and always striving to learn more and do better
- The responsibility to leave this space in a better place
- That we operate not for ourselves but the whole
- We are part of the environment we're in, not separate

Rangitiratanga. Our responsibility to lead, facilitate, and act with integrity

- Leadership
- Supporting others to be learners
- Growing and nurturing our future generations in a way that honours individual and collective uniqueness
- Respecting the rights of individuals, whānau, hapū, iwi

Manaakitanga. Our responsibility to engage in mana-enhancing relationships through the demonstration of care, mutual respect, hospitality, generosity, and aroha

- Kindness, honesty and trust
- Supportive and in a way that does not cause harm
- Contributing to the future in a way that enhances humanity

Whanaungatanga. Our responsibility to purposefully connect and strengthen mutual and sustainable relationships

- Building sustainable relationships that endure lifetimes
 - Creating connections
 - Working together
 - Supporting people to have a sense of belonging
 - Strengthening yourself and the people around you
-

WHAT WE DO:

Scope of Practice development

Professional standards setting under a Code of Conduct

Competence standards development

Registration and certification

Regulatory and practice advice

Social work qualifications recognition

Social worker continuing professional development audits

Complaints and notifications assessment

Professional Conduct Committee administrative support

Disciplinary Tribunal administrative support

Engagement with the social work sector

Policy development and consultation

Social work trends information and data analysis

Crown entity reporting and obligations

WE FOCUS ON ENSURING SOCIAL WORKERS...



Are registered

(qualified, competent and fit & proper)



Uphold the Board's Code of Conduct and meet the Board's Core Competence Standards



Hold a current practising certificate

(maintain being qualified, competent and fit & proper)

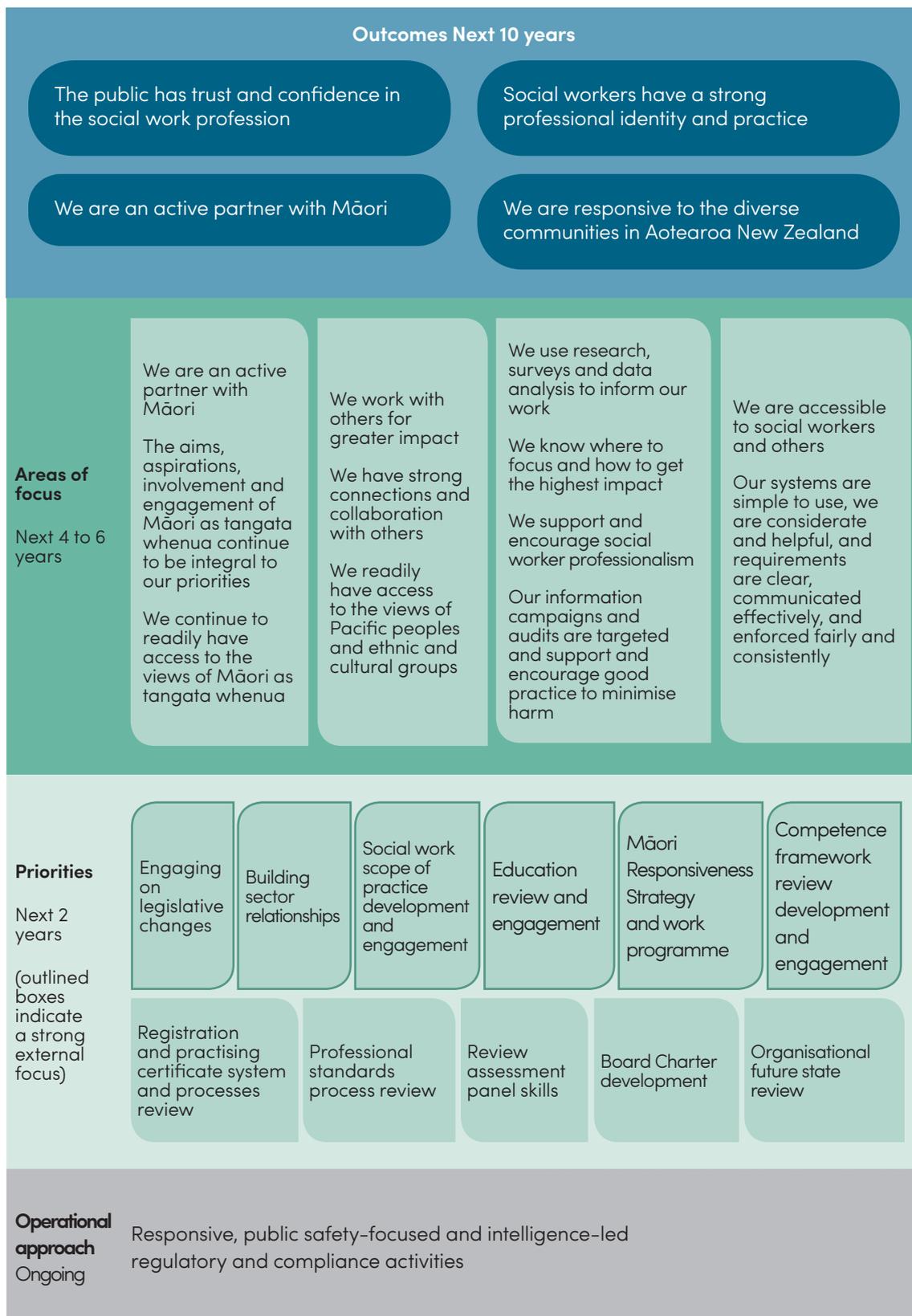


Undertake continuing professional development and supervision to maintain and enhance knowledge and expertise



SWRB's Registrar with SWRB staff

Our Outcomes Framework developed in 2019 sets out our strategic intentions with a more coordinated approach for social service system-wide improvement



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OVERVIEW OF OUR RESULTS

HOW WE MEASURE SUCCESS

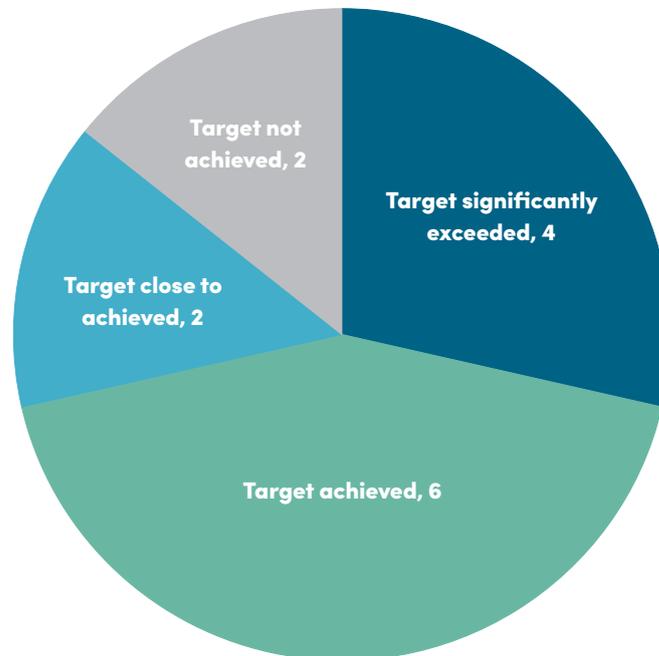
In 2019/20 we continued to focus on measures supporting mandatory registration and added timeliness measures to gauge our response to increased registrations and other activities. Our performance is measured using a range of indicators reflecting our functions. The measures are set out in our Statement of Performance Expectations 2019–2020 and Statement of Intent 2017–2021.

Our Statement of Intent 2017–2021 was due to be updated in 2020. The Minister of Social Development has agreed to this being delayed until after the end of the transition period to mandatory registration in 2021. This means some of our measures are becoming less applicable as we move forwards with our fast-paced operational changes.

How we did this year

Of our 14 performance measures, 12 targets were achieved or close to achieved (86%) and 2 targets were not achieved. The full measures and results are on pages 47–50. A snapshot of the targets is set out below.

Results of our 14 performance measures



■ Target significantly exceeded ■ Target achieved ■ Target close to achieved ■ Target not achieved

Our successes

Results that have significantly exceeded their target relate to system improvements and to our information campaign about the mandatory regime.

Four targets significantly exceeded

Users who report satisfaction with our online functions	Target 80%	Actual 95%
Users who report identifiable benefits from using our online functions	Target 80%	Actual 95%
Complaints received responded to within 20 working days (new)	Target 70–85%	Actual 100%
Surveyed employers that pay competence recertification and practising certificate fees for staff	Target 75%	Actual 97%

Braking factors have resulted in some decline in performance

Other results have declined, largely due to braking factors such as the:

- absence of mature internal systems (e.g. IT) and business processes
- lack of an enabling organisational structure to support the changes
- limited enabling financial structure to support our Crown entity obligations
- time required to process policy and infrastructure changes through stakeholders.

The COVID-19 pandemic has also impacted the speed of delivery of our functions and our ability to engage with the sector. This is largely because, currently, many of our processes are paper-based, which presented practical challenges for staff working from home, particularly for processing new registrations and certification renewal. Refer to more detail on page 15, 16, 17 and 51.

Two targets close to achieved

Applicants who report being satisfied with the registration and practising certificate renewal process, including timeliness	Target 90–95%	Actual 89%
Employers that report satisfaction with the advice received	Target 90%	Actual 88%

Two targets not achieved

<p>Employers that report identifiable enhancement to their practice due to maintaining registration (new)</p> <p>This is a new measure with the baseline of 75% trending upwards over subsequent years.</p> <p>Last year we had a result of 80%.</p> <p>It is not clear why there has been a decline for this financial year, although it should be noted that we have achieved the baseline level set.</p> <p>We would hope that with the information campaign and mandatory registration that this result increases for 2020/21.</p>	Target 80%	Actual 75%
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Eligible registered social workers who maintain registration through competence recertification and practising certificate renewal

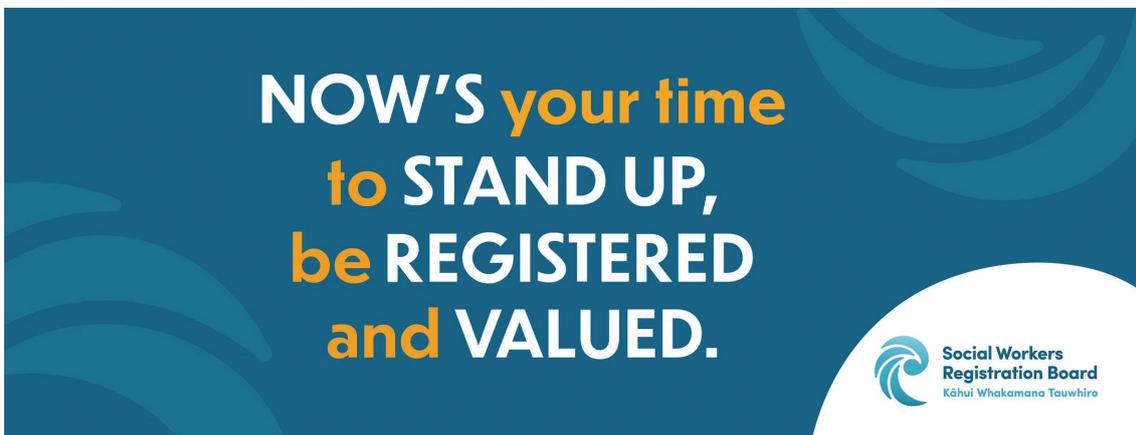
The lower result of 63% compared to 83% in 2018/19 was partly due to a timing issue and processing speed for annual practising certificates, which the new database should alleviate this for next year's round, and partly due to the interruption caused by COVID-19.

A baseline target of 95% was set in 2017/18, with the figure trending upwards with a target of 100% over the remaining years. The result was 80% in 2017/18, then 83% in 2018/19.

Reassurance that maintained registration has not dropped significantly in 2019/20 is that once the balance of the certification renewals were completed by the end of July 2020, when staff could return to the office, the result overall was 84% – which is slightly higher than the result of 83% in 2018/19.

Target 100%

Actual 63%



SWRB's Facebook cover photo updated August 2020

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OUR PERFORMANCE STORY

OUR CHANGE SINCE 2017

We have undergone significant change since 2017, starting with providing input into the amendments to the Social Workers Registration Act 2003, which were passed in 2019. Then we started on the operational changes and developed strategy that were crucial to assist us being able to:

- begin our move to operate as a modern regulator to deliver our amended legislative mandate
- align our processes to government accountability, planning, and reporting requirements under the Crown Entities Act 2004.

The benefits of the operational changes and strategy should begin to show more fully from 2021. The part of our strategy yet to be aligned, our Statement of Intent, will be updated in 2021 after the end of the transition period, as agreed with the Minister of Social Development.

SINCE 2017 WE HAVE BEEN

Correcting operational deficits by...

- reviewing our fees and Disciplinary Levy and making Crown budget bids to address insufficient funding
- increasing our capacity and capability
- updating business processes and systems.

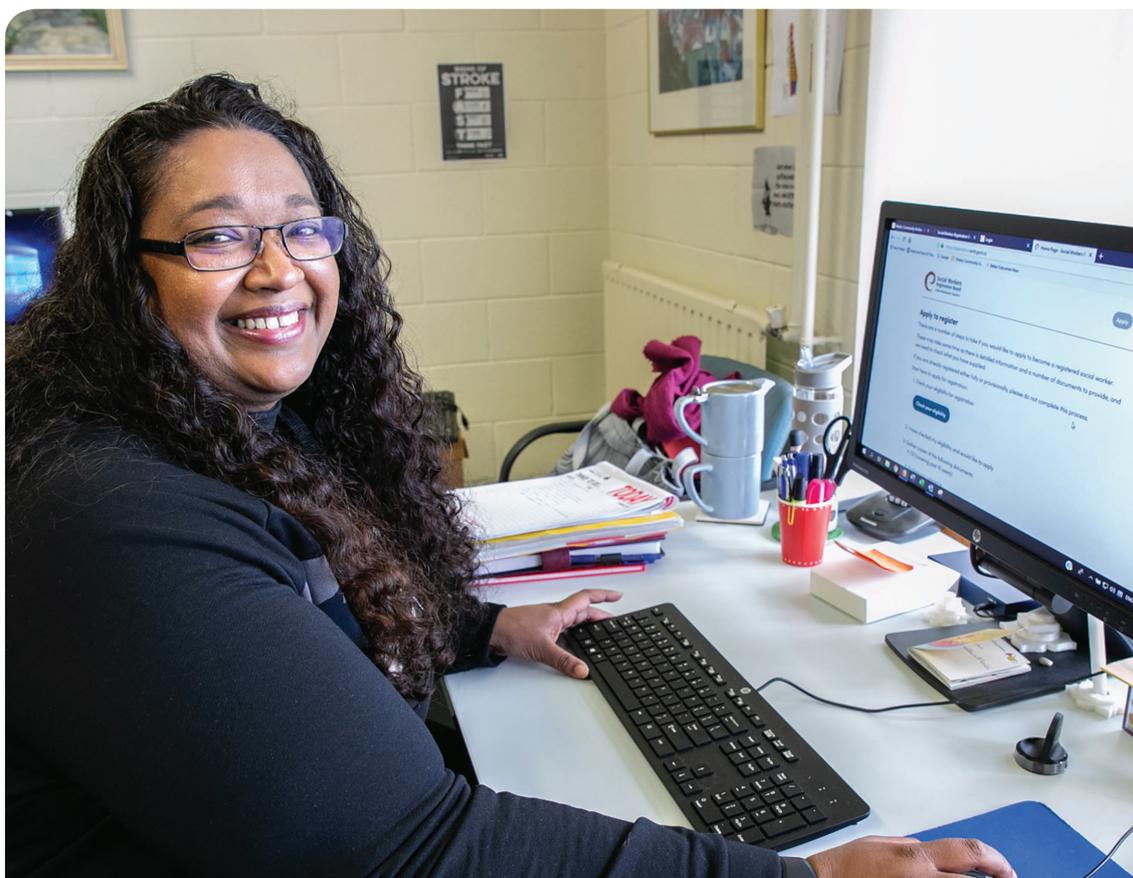
Developing key strategic thinking...

- our Vision in 2017
- our Purpose in 2017
- our Principles in 2017
- our Values Ngā Uara in 2018 and 2019
- our Outcomes Framework in 2019
- business planning in 2017, 2018 and 2019.

OUR CHANGE PROGRAMME – WHAT WE’VE DONE SO FAR

2019/20 was year one of a two-year change programme. Much has been achieved and more is planned for 2020–2021, being the final year of the programme. This year we focused on:

Process changes	For registration, practising certification, competency assessment and professional standards
Social work scope of practice	Development and consultation with the social work sector
Information campaign	Restructuring and updating our website Refreshing our branding Developing information collateral Holding roadshows Launching a social media channel (i.e. Facebook) increasing our reach to communicate and engage across the sector
New database	For our register of social workers and business processes, with the database going live on 14 October 2020
Complaints information	Publishing findings to promote learning
Planning for our future	Clarifying our ‘stable state’ structure for our ongoing operations



Social worker using SWRB’s website

IMPACT OF COVID-19 PANDEMIC

A significant impact was that during the COVID-19 Alert Level 4 lockdown we had a reduction in fee income of 20%. From Alert Level 3 onwards this was largely recouped through an increase in registration applications and certification renewal.

We have changed the way we do things to meet the COVID-19 challenges

COVID-19 Response Team established	To keep on top of sector information and monitor emerging issues
More digital interactions	With registered social workers, employers, educators and students such as 50+ digital information sessions delivered
Interim Practising Certificates granted	Specifically for COVID-19 related work, at no cost to social workers who are self-employed or employed by NGOs
Electronic registration process and declarations	Shifting to electronic registration to support applicants to apply and so the Registration Team can coordinate from home Accepting declarations (required for registration) confirmed by audio-visual link or audio link with a JP or solicitor under the Epidemic Preparedness (Oaths and Declarations Act 1957) Immediate Modification Order 2020
Digital webinars	Switched to a digital focus for our information campaign so we could continue connecting with people. These included Q&A sessions, webinars, presentations and collaborative sector digital sessions
Education review shift in emphasis	From the longer-term strategic work to more immediate pandemic-related issues for educators and social work students Flexibilities in programme delivery have been agreed to enable programmes to continue and students to graduate
Working on how to support social workers	Through the longer-term effects on health, wellbeing, and the economy as social work skills will be required to support people, whānau and communities over the next several years

Like others, we are impacted by the COVID-19 pandemic

Like other organisations during Alert Levels 4, 3 and 2, our staff have worked from home with equipment for business continuity and to stay connected to the team and support systems.



SWRB staff and friends on Zoom during Alert Levels 4 and 3

Staff survey on transitioning to Alert Level 2

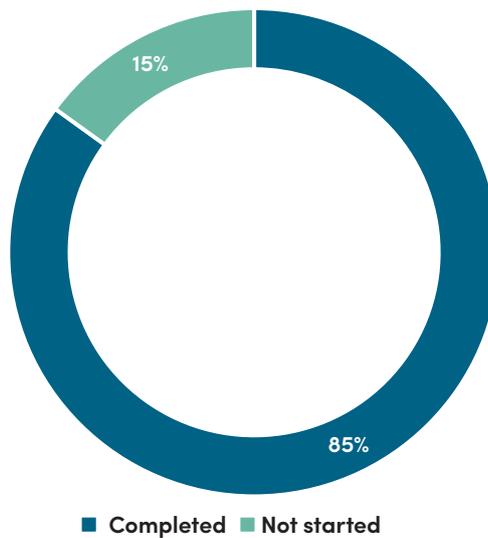
We undertook a staff survey (using the Likert scale) on transitioning to Alert Level 2 to check staff wellbeing, and if they felt supported by SWRB leadership and business processes.

Participation

26 people were invited

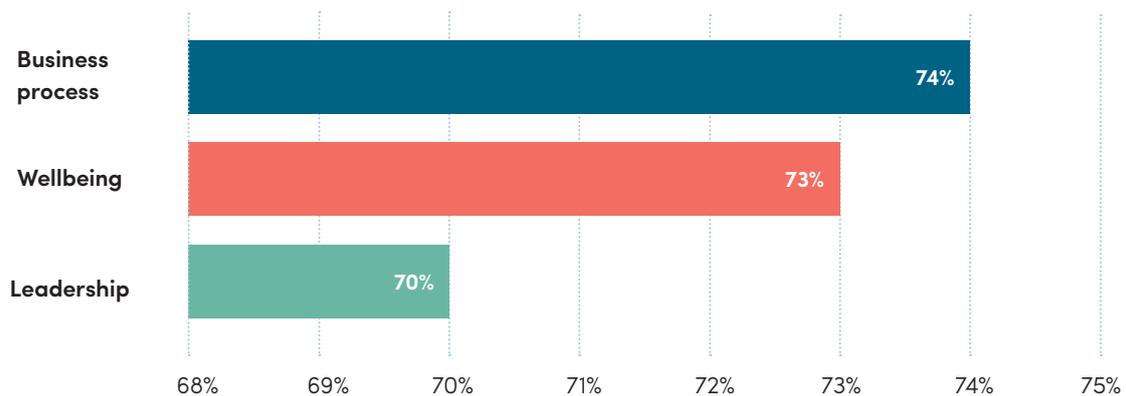
22 people completed the survey

The participation rate was 85%



Average category score

Overall staff responded that they 'somewhat agreed' or 'agreed' that things were good but there were key areas important to the organisation that should be improved.



Average question score by category

Our staff were already stretched due to the change programme needed for the move to mandatory registration. The disruption to usual work practices and environs caused by the impacts of COVID-19 has brought additional challenges – as shown in the responses to survey questions below. Most of our staff (91%) report that the experience of working from home has changed the way they perform some aspects of their role. While there are key areas important to the organisation that need to be improved, our staff continue to do their best in these uncertain times.

Survey results – here are some examples

Leadership

79% My manager is prepared to adapt and be flexible to support our organisation successfully transition into the next phase

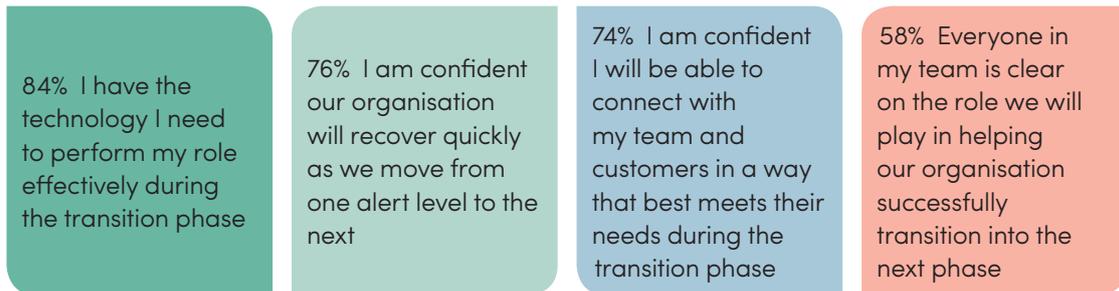
68% I am confident my manager will keep me informed on how the business is performing as we transition into the next phase

64% I am confident my manager will provide me with clear goals and objectives to allow me to make effective decisions during the transition phase

Wellbeing



Business Processes



■ Strongly agree ■ Agree ■ Somewhat agree

ACTIVE PARTNER WITH MĀORI

We have moved to being a more active partner with Māori in 2019/20

Developed a **Māori Responsiveness Strategy** so that we can become an organisation that is known for being culturally competent and aware, inclusive, and understanding of tangata whenua needs:

- established **Te Kāhui Māori** to advise the Board
- appointed a **Senior Advisor Social Work Practice Māori** to our Advisory Team to provide cultural advice and support externally for social workers and internally to the SWRB and the Board
- higher engagement with **Kaupapa Māori** social services and Māori social workers
- many staff completed **Te Reo courses**, staff performance appraisal measures reflecting Te Ao Māori, our team meetings being facilitated from Te Ao Māori values (our organisational values)
- developed **workshops** focused on exploring **'things Māori'** to deliver from 2020/21.

And for 2020/21...

Recruit a **Chief Advisor Māori** for in-house expertise to enable us to build further and improve the strength and quality of our connections with Māori stakeholders.

Meet early priorities, including:

- developing our **Treaty of Waitangi Policy Statement** as the formal expression of the high-level direction for how we will work to honour our obligations as a Tiriti partner so we:
 - understand our Treaty of Waitangi obligations and aspirations
 - have respectful, enduring partnerships with Māori
 - understand the needs and expectations of Māori of our activities and functions
 - ensure staff understand the needs and expectations of Māori and have skills, resources and competencies to engage effectively with Māori
- designing an **action plan** to deliver activities alongside a finalised **Māori Responsiveness Strategy** – turning strategy into action for 2020/21 and onwards
- delivering **workshops** focused on exploring **'things Māori'** to deliver from 2020/21.

BEING A MODERN REGULATOR

We have developed our strategic thinking as a base to build on

In 2019, we developed our:

- rationale to guide our regulatory and compliance activities – a principles-based rationale for what we do to direct our activities in line with the approach taken by modern regulators in New Zealand and internationally (see below)
- thinking about how we operate: Being a modern regulator – an enduring way of thinking about how we operate for our ongoing business-as-usual later in 2021 (see below).

Rationale to guide our regulatory and compliance activities



All New Zealanders benefit when social workers practise in a knowledgeable, skillful and ethical way and claim their professional space by speaking out courageously – mātātoa



The foundation for this is a modern regulator operating on a support, encourage and require basis



Well-informed social workers, who are influenced (i.e. supported and encouraged) to understand the intent and requirements of regulations are more likely to comply – and adopt better practices



Where information and influence doesn't work, some form of enforcement action can be necessary (i.e. require) to ensure good practice is adopted

Thinking about how we operate: Being a modern regulator

Responsive

Our activities are based on a problem-solving approach

We acknowledge sector behaviour drivers, but are not dictated by them

We provide consistent and reliable engagement, without unnecessary transaction costs

Public safety focused

We exercise sound judgement in applying the right regulatory and non-regulatory tools at the right time

We put emphasis on protecting the safety of members of the public and enhancing the professionalism of social workers

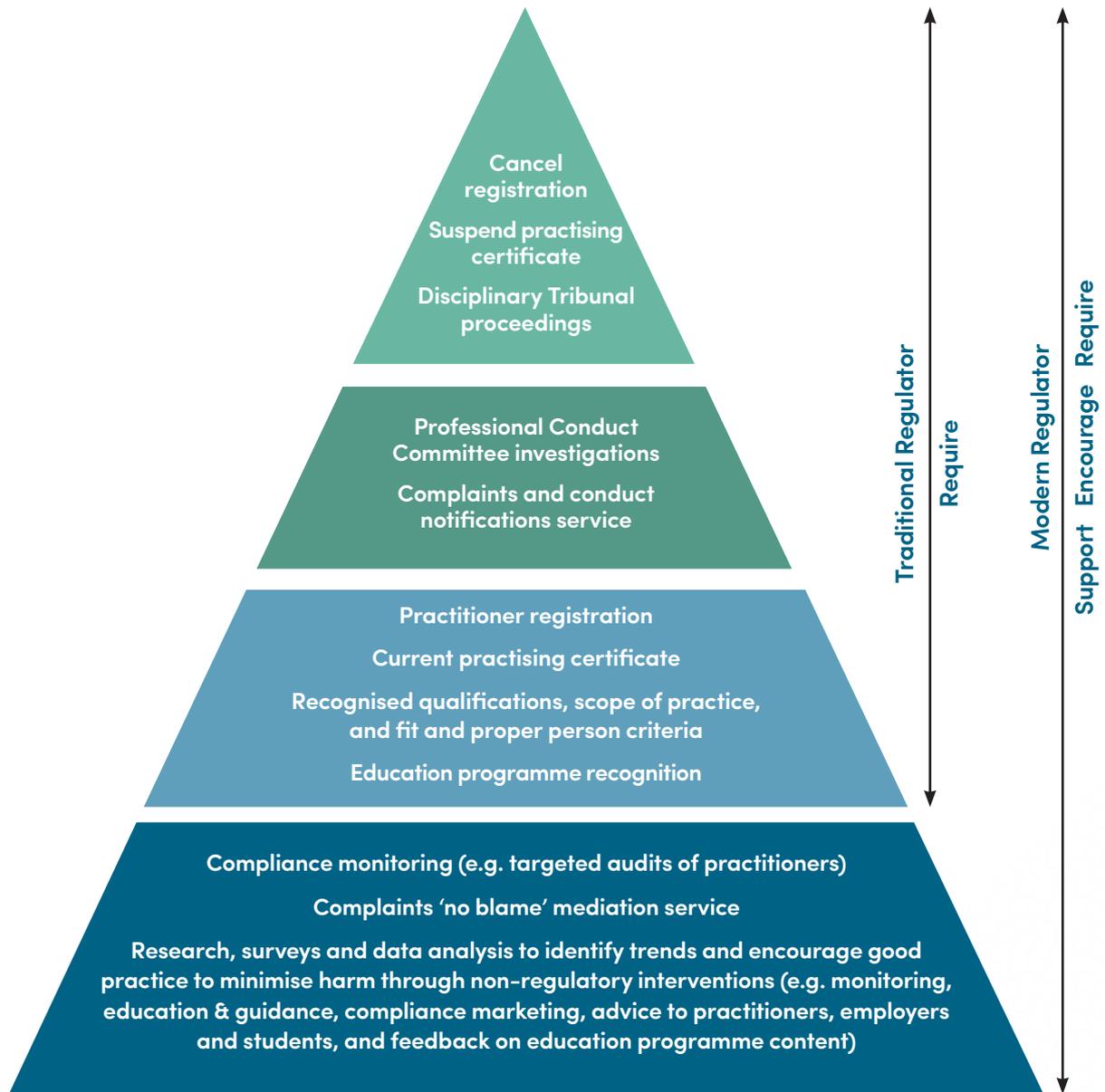
Our activities are targeted and proportionate to embed best practice and reduce harm by practitioners

Intelligence-led

We use engagement, feedback, research, surveys, and data analysis to inform our work

Using modern regulator tools

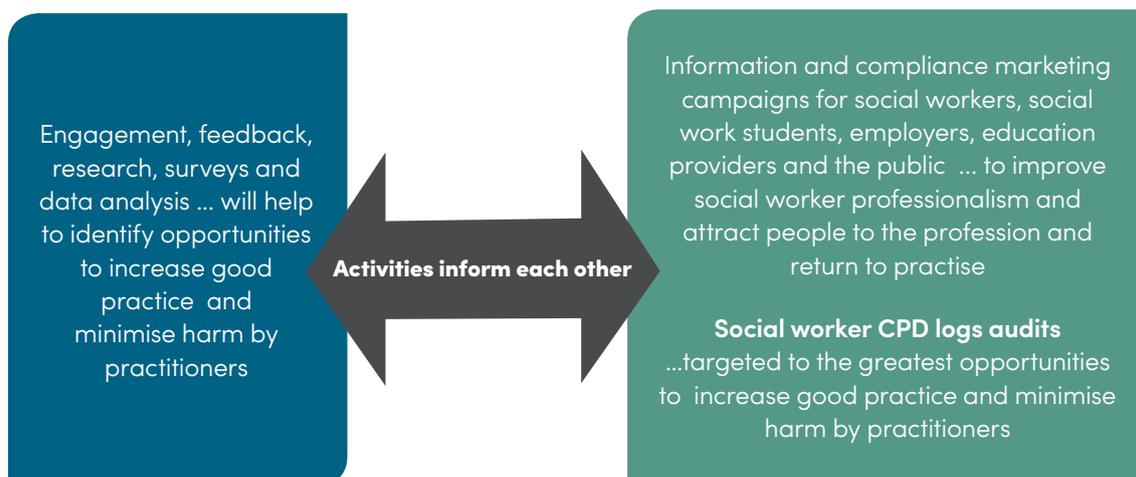
In 2018/19 we looked at what tools we could use to 'support and encourage' rather than focusing on 'requiring' good social work practice as set out in the diagram below. ¹



¹ Developed by Sarah Mehrrens in 2019 based on John Braithwaite's Regulatory Pyramid see <http://johnbraithwaite.com/responsive-regulation/>

Development work will start in 2021 for use of a wider range of tools

Once our change programme is completed in 2021, we will have more capacity to develop tools that 'support and encourage' high standards of social worker practice and professional conduct through directed activities such as those set out below.



COMPARISON WITH SIMILAR SIZE REGULATORS

Comparison of register size

Our register is larger than those of the Dental Council, Physiotherapy Board, Pharmacy Council and Occupational Therapy Board.

Comparison of register size

Regulator Annual Report	SWRB June 2020	Physiotherapy Board March 2019	Pharmacy Council June 2019	Dental Council March 2019	Occupational Therapy Board March 2019
Registered	8,642	7,094	5,208	4,855	3,327
Practising certificates	4,830*	5,422	3,832	4,079	2,969

* Note there was a delay in processing practising certificates that meant 1,503 were not issued until July 2020. These have not been included in the SWRB 'practising certificates' figure above.

Comparison of fees and levies by occupation

Social worker registration fees, Practising Certificate fees and the Disciplinary Levy overall are lower than for:

- Dental Hygienists (Dental Council)
- Physiotherapists (Physiotherapy Board)
- Pharmacists (Pharmacy Council)
- Occupational Therapists (Occupational Therapy Board) – fees only marginally lower than social workers, but the Board has lower costs due to very few complaints, Professional Conduct Committee cases and Disciplinary Tribunal hearings.

Note: Mandatory registration for these other professions is well-established, unlike social workers where mandatory registration comes into effect from 27 February 2021.

Comparison of fees and levies by occupation (\$ incl. GST)

Professional occupation	Current date (on website)	Registration fee (one off)	Annual Practising Certificate fee	Annual Non-practising fee	Annual Disciplinary Levy	Total initial charge (Registration & APC)
Social Worker	May 2020	\$345	\$368	-	\$50	\$758
Dental Hygienist	April 2020	\$568.23	\$847.69	\$134.45	\$10.85	\$1,426.77
Physiotherapist	April 2020	\$354	\$555.50	\$60	\$125.50*	\$909.50
Pharmacist (non-prescriber)	February 2020	\$345	\$800.62	\$91.34	\$93.61*	\$1,145.62
Occupational Therapist	September 2020	\$230	\$500	\$57	\$*	\$730

*Disciplinary Levy is included in the practising certificate fee

Same fees and Disciplinary Levy as 2018/19

We undertook a funding review in 2019/20 to check the settings were appropriate for year-two of the change programme. This resulted in our fees and the Disciplinary Levy remaining unchanged.

Our funding

Most of our funding comes from practising certificate fees paid by social workers

Some limited funding comes from education providers and Government

Fees

Paid by social workers and education providers for direct services such as registration and programme recognition

Practising Certificate fees

Paid by registered social workers at registration, then annually, to continue to practise

Disciplinary Levy

Paid by registered social workers to cover investigations and disciplinary proceedings

Crown funding

Government's contribution to our Crown entity obligations, and short-term contribution to meet amended legislation

Government's contribution to our change programme of \$1.224 million has assisted us with our information campaign and to develop a new database for the register and business processes. This funding drops to \$677,000 in 2020-2021.

Ongoing Crown funding is \$113,000 which is Government's contribution to meeting our Crown entity obligations.

04

PRIORITIES

Our 2019/20 work programme was set in line with our Statement of Intent 2017–2021 and revised to reflect the amended legislation and our shift to being a modern regulator.

A key part of our strategy is based on valuing our relationship with Māori – our goal being to build capability to deliver effectively with and for Māori through a Māori Responsiveness Strategy. The foundation of this strategy was drafted in 2018/19 with external support from Te Amokura Consultants, working with the Board and stakeholders. We expect this to be finalised in 2020/21.

Our Statement of Performance Expectations 2019–2020 sets our priorities under six areas:

1. Registration
2. Information and promotion
3. Social work scope of practice
4. Education
5. Accountability
6. Professional standards

PRIORITY AREA 1: REGISTRATION

Social workers are registered to meet minimum standards by an efficient and accessible registration system.

Increase in registrations

This year we saw an increase of 895 registrations, up from 698 in 2018/19, ahead of registration becoming mandatory in February 2021. The number is expected to grow in 2020/21 by broadly 2,000–3,000 (estimated in 2018).

2020 registration satisfaction survey results

How helpful are our staff?

Feedback was mostly positive with respondents finding staff helpful, with comments such as

“Very friendly team, with an excellent approach to help”

“...very helpful and polite”

“...staff seemed to be genuinely wanting to help...”

An area for improvement included our phone system with some respondents stating we were *“difficult to reach by phone”*

Others commented that at times they spoke to staff members who *“lacked experience”* and one respondent found the manner to be too *“strict”* and wanted a *“less formal approach”*



89% found staff to be helpful

How easy it is to find registration information?

While most found the information was easy to understand, the feedback on our process showed we have some way to go – with comments such as...

"The section 13 process was quite an ordeal"

However, one respondent commented...

"very clear information, and easy to navigate through"

The new database (to be implemented by late 2020) is expected to resolve a lot of these process issues

91% found the information easy to understand

Are there identifiable benefits from using online registration?

Many respondents identified benefits from using the online processes

Common comments were... *"saved time"* and

"...simple process to follow"

95% identified benefits from using the online registration application function

2020 Practising Certificate renewal satisfaction survey

Is the information on Practising Certificate renewal easy to follow?

Most respondents found the information easy and clear to follow – with comments such as...

"Spot on as is"

"Much easier than in the past"

Note that 4% did not get the information about completing the renewal process from the website

97% found the information easy and clear to follow

Satisfaction with the online renewal process

Many respondents were satisfied with the online practising certificate renewal process

"The process was clear and easy to follow"

"Very simple to navigate"

"The process online was a breeze"

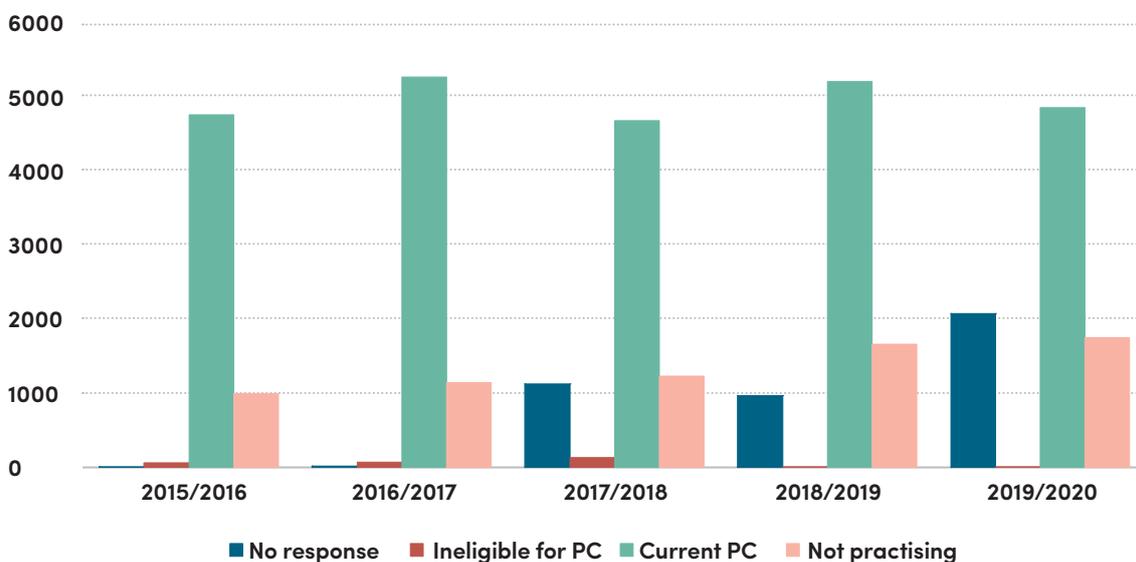
"Ka rawe te ngawari tanga ki te whai tiwhikite he tohu pai"
(Translation: *It's easy to get this certificate*)

Areas for further focus include the cost of the practising certificate, the lack of a reminder email, and the time it took to contact our office with phone and email delays and issues with invoicing and receipting payments.

95% were satisfied with the online renewal process

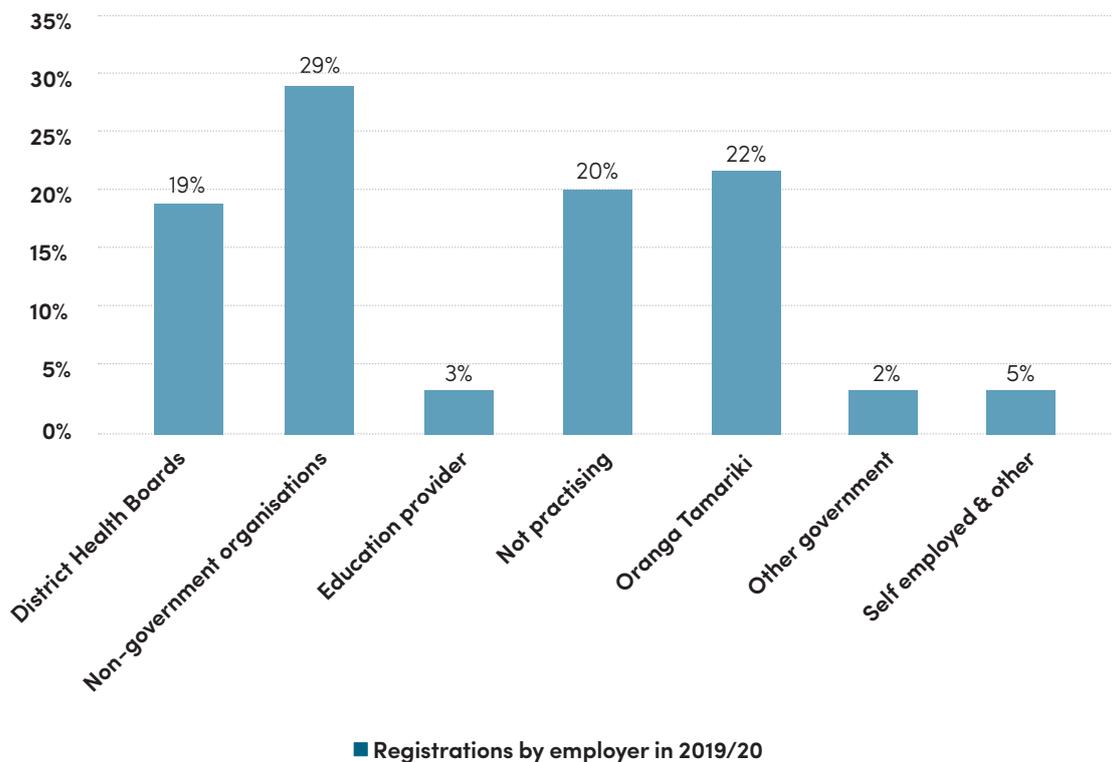
Registration and Practising Certificate Trends for previous five years to June 2020

The number of registered social workers with a current practising certificate and those not practising has dropped slightly from 2018/19. This relates to a timing issue and processing speed, along with COVID-19 interruptions.

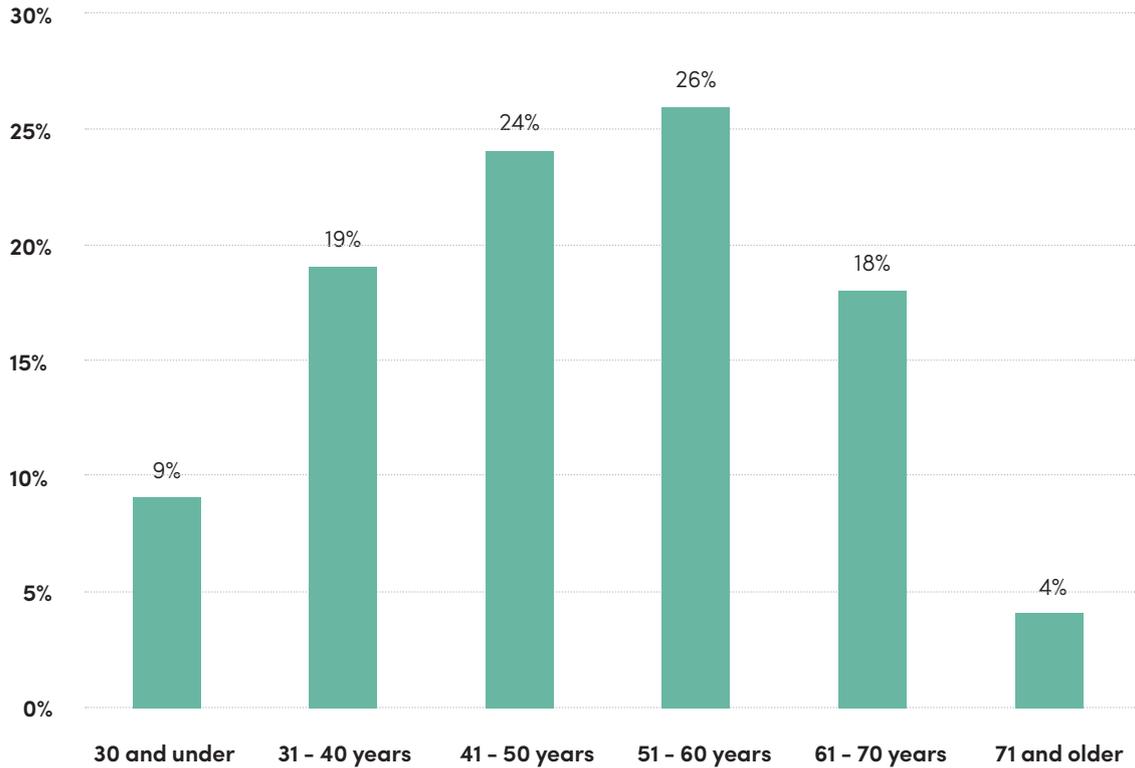


Registered social workers by employer for 2019/20

(where registered social workers have identified they are employed, or that they are not practising)

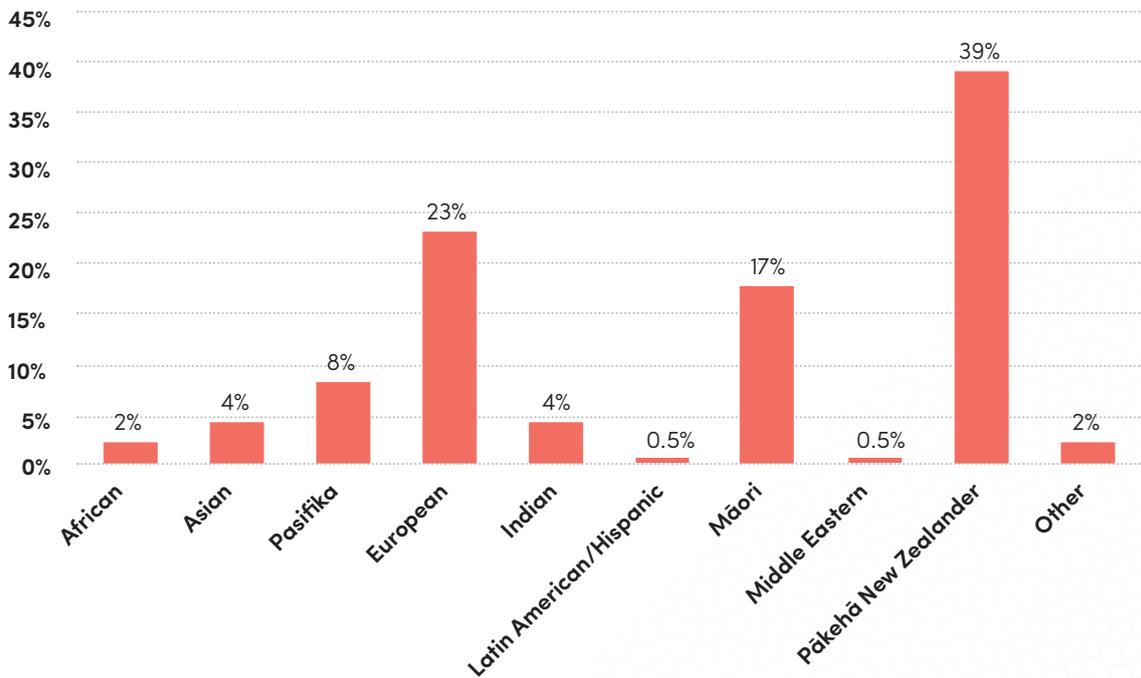


Registered social workers by age (in ten-year brackets)



Registered social workers by ethnicity

(to make the data easier to read some ethnicities have been grouped)



PRIORITY AREA 2: INFORMATION AND PROMOTION

Government's contribution to the change programme provided us, for the first time, with funding for a Communications Manager and a dedicated communications budget. Our information campaign to inform social workers (registered and non-registered), employers, the sector and the public of the changes to social worker registration was a significant area of focus for us in 2019/20.



"This has been very informative, ka pai"

"This communication is awesome, better than anything I've ever seen."

"Our team thoroughly enjoyed the presentation session, as it was extremely informative and answered all our questions. It was also great that Tikanga Māori practices were followed in accordance with our Kaupapa Māori values, which was appreciated by all who participated, so thank you!"

What we did this year...

Communication plan

Developed to target specific audiences who we did not reach; social workers yet to register, employers, and students, combining a digital and roadshow approach.

Roadshows held in Opotiki, Whakatane, Tauranga, Mangere, Manukau, Auckland, New Plymouth, Porirua, Levin, Lower Hutt, and Porirua from September 2019 to March 2020 attracting people from across the social work sector. COVID-19 prevented further roadshows being held, prompting a rethink and a switch in focus to digital platforms.

Brand refresh collateral



**Social Workers
Registration Board**
Kāhui Whakamana Tauwhiro



**Social Workers
Registration Board**
Kāhui Whakamana Tauwhiro

In 2018/19 we went from this to this...which better reflects SWRB's kaupapa as set out in last year's annual report. This year we designed and developed collateral using it, including letterhead, business cards, website and banners.

SWRB website

Restructured the website and updated the content with a focus on plain English, and being developed and added to as new policies are introduced, e.g:

- Experience pathway: S13 information redeveloped: Making it easier and more streamlined for applicants, sourcing endorsements from colleagues and employers and broader assessment of applicants' social work experience
- Education tab for students and educators
- Employers tab with mandatory reporting.

Videos

Developed videos, some in collaboration with ANZASW, to provide another way to reach and appeal to audiences, including:

- what the shift to mandatory registration means for the sector
- mandatory reporting and the impacts for employers
- CPD audit and what that looks like for social workers.

Reflecting diversity

Commitment to representing our diverse audiences in all we do so they can, for the first time, see themselves reflected in our work.

We have had many positive comments from social workers seeing the work SWRB senior Māori staff do, who they perceive as role models. This included:

- Facebook videos – created by our Senior Māori Advisor and Registration Manager
- hosting of digital zoom Q&A sessions.



Employer packs

Information packs for educators and employers, containing:

- a cover letter on the shift to mandatory registration
- leaflets on 'How to Register' and the 'Experience pathway: S13'
- Frequently Asked Questions
- the workforce survey.



Sector collaboration

Collaborated with sector organisations to spread the message about the mandatory registration of social workers.

- ANZASW and SWRB participating in joint videos and joint webinar sessions
- Oranga Tamariki – SWRB hosting ongoing series of registration webinars for Oranga Tamariki staff, providing key messages, and writing articles
- Alliance members of cross-sector organisations, including NGOs, sent information.

Digital communications strategy

As a result of COVID-19, we switched to a digital communications response so we could continue connecting with the social work sector.

Digital information sessions

Digital information sessions, ie Zoom Q & As, are offered to our target audiences, presented by SWRB senior staff who can answer any questions about becoming registered.

50 + digital information sessions were held from April to August 2020, and are continuing right up to mandatory registration.

"Fantastic - answered questions clearly. Really informative as well as supportive, mauri ora."

"The length was great, I liked that you allowed 30 minutes for questions and kept it on time. Also liked that we were able to ask in writing and out loud, and that it was recorded. Thank you!"

"I found the session awesome. The questions were answered without hesitation and the information was thorough."



Māori and Pasifika Symposia

We co-sponsored two symposia with ANZASW and Barnardos, which were held in Wellington and Christchurch in February and March 2020. Enhancing and building the capability of the social work profession and the commitment to Māori responsiveness underpinned our sponsorship.

Representatives of each organisation focused on ensuring Mātauranga Māori was at the centre of each event and contributed to the strategic goals of enhancing the professionalism of social workers and being responsive to Māori.

Outcomes from the investment were:

- Māori/Pasifika knowledge and skills were shared with participants and the sector
- capability of social workers to engage with Māori and Pacific whānau/aiga was strengthened
- participants considered the investment of their time was of value
- the collective recognised the benefit of working together and the skills of each organisation were utilised to support Māori and Pasifika peoples to be self-determining.

"What an event! It's got me thinking about how much benefit can come from Māori being enabled to do things their own way. How powerful it was to see some of the finest doing their thing with such grace and humility as well as knowledge and expertise. Such a contrast from the token ways you see things 'Māori' being bandied about in other places."

"I realised over the day that some aspects, including te reo, I had a hard time relating to. I made peace with this discomfort, deciding it wasn't negative, but valuable. It helps me relate to discomfort clients who might feel on the back foot seeing me, or entering our medical centre. And so this discomfort becomes something I can learn from. Kia ora"

PRIORITY AREA 4: EDUCATION

Social work graduates enter the workforce with expected entry-level competencies having completed our recognised social work qualifications. These qualifications are delivered to our programme recognition standards.

Maintaining programme delivery standards

Maintaining programme delivery standards across tertiary providers contributes to ensuring graduates have the skills to deliver high-quality social services to Aotearoa New Zealanders, especially those most vulnerable.

This year we did four programme re-recognitions, but only two programme mid-cycle reviews (of the four planned) due to the impact of COVID-19.

Education Review

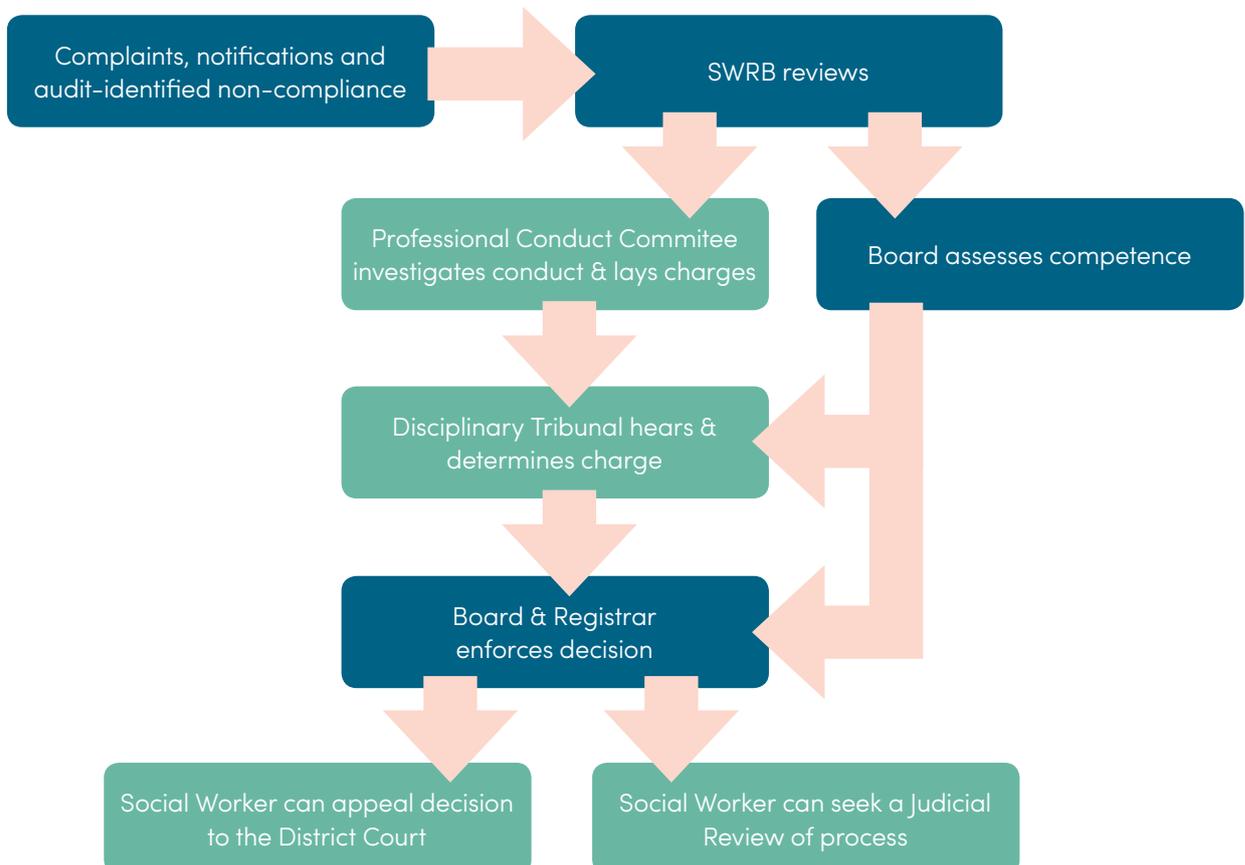
Our Education Review, which started in late 2019/20, has also been re-prioritised into a two-stage approach over a longer period due to the demands COVID-19 is placing on the sector.

We continue to collaborate with other education sector agencies, such as NZQA, TEC and the Ministry of Education, as the staged Education Review is established.

PRIORITY AREA 5: ACCOUNTABILITY

Social workers are held accountable to our Code of Conduct and Core Competence Standards. We have an internal process for dealing with complaints and notifications about a registered social worker's practice. These may then be referred to a Professional Conduct Committee (PCC) to investigate, the outcome of which may be sent on to the independent Social Workers Disciplinary Tribunal to hear charges laid by the PCC.

Social worker accountability and enforcement



Defining serious misconduct

Employers and social workers reporting serious misconduct is now a requirement under the amended legislation as public safety is paramount. One of our priorities for this year was to consult the sector about defining serious misconduct. This has been completed and a new section added to our website.

Complaints & notifications

Complaints refers to issues raised about social workers. Notifications refers to mandatory reporting that employers and social workers are required to do under the Act if they have reasonable grounds to believe that a social worker is unable to practise safely because of serious misconduct, a health condition or competence issues.

Compliant or notification	Number received 2019/20
Total	84
Public	60
Employer	15
Self-disclosed	8
Health and Disability Commissioner	1

Professional Conduct Committee (PCC) cases

PCCs are established to investigate allegations about the conduct or competence of a social worker and determine whether to refer the matter to the independent Social Workers Disciplinary Tribunal.

The number of PCC cases open in 2019/20 increased to 25 from 14 in 2018/19. In 2019/20, the PCCs closed 6 cases.

PCC determinations	Number closed in 2019/20
Total	6
Breach of professional boundaries	3
Breach of privacy	1
Practising without a practising certificate	0
Convictions	1 (This related to a breach of professional boundaries, which is included in the total for that category above)
Other professional misconduct	2

Disciplinary Tribunal hearings

The Social Workers Disciplinary Tribunal hears charges laid by a PCC and exercises the disciplinary powers over social workers conferred by the Act.

Tribunal decisions	Number open in 2019/20
Total	3
Breach of professional boundaries	1
Practising without a practising certificate	2

PRIORITY AREA 6: PROFESSIONAL STANDARDS

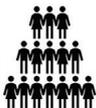
Social workers are required to meet accepted professional standards and to continually develop their professional knowledge and skills.

Continuing Professional Development Log audits

Registered social workers are required to keep their Continuing Professional Development (CPD) logs up to date as they may be selected for audit.

In 2020 we implemented an audit of CPD logs by four independent reviewers. CPD audits will now be done on an annual basis.

2020 results...

300  Social workers selected for 2020 audit

Social workers were most likely to record:

 **5** Goals for the year

 **6** Development and learning activities

 **28** Hours of CPD

 **10** Competence standards, with an average of 6 competence standards across all social workers

Comments from external reviewers...

"There was a great level of competency displayed throughout"

"Some logs were exceptional"

"It felt as if I was sitting talking, face to face... If these reflect practice, there is a good level of work going on"

"A couple of logs brought me to tears, given their depth of reflection"

2020 Social Work Employer Survey

How satisfied were you with the information and advice you received from us, including the information on our website?

Feedback was largely positive with respondents happy with the information/advice and making comments such as

"I love the updates, it assists with keeping me informed without too much detail"

"Particularly pleased with communication with the support around Covid-19"

Respondents did highlight that there were some areas for improvement relating to communication, stating

"Website is fine. Trying to contact SWRB staff by telephone is very difficult. We have had urgent situations around APCs and been unable to find anyone to talk to directly"

"Lack of information about delay in processing APC for 2020-2021. Formal notification would have been helpful rather than posting on FB"

90% were satisfied with the information and advice they received from us

Does employing registered social workers provide an enhanced level of professionalism and practice for your organisation?

Feedback was largely positive, with employers making a range of statements:

"Yes, a pathway we will continue to do for the benefit of maintaining a strong quality of expertise and experience enhances the integrity of the organisation".

"They maintain a professional outlook and conduct knowing they need to adhere to a set of professional standards".

"Able to practice with competence and make decisions with confidence".

"It is something we stress when applying for grants. It also gives confidence to the management that interactions with people are in accordance with best practice. We rely on the social workers' knowledge and advice for how to act and what needs to be provided for people".

"Our social workers have raised concerns when they needed to be raised, resulting in a change to systems, structures, processes and culture here. They are leading lights in our organisation".

"They provide great knowledge and experience to our team".

76%
confirmed that
employing registered social
workers provided an enhanced
level of professionalism
and practice for their
organisations

As an employer of social workers, has the SWRB provided you with enough information [in relation to our information campaign on the amended Act]?

Feedback was largely positive:

66% confirmed
they had been
provided with enough
information

"Continual updates by email has been very informative".

"Happy with the emails and info on the website".

29% identified they were
unsure

"Zoom sessions with the SWRB has been very helpful to our social workers".

"Have received the information regularly and feel informed about the changes. I have appreciated having this in front of me so I can factor it in with my social work staff".

There are some areas that we will continue to work on, including that *"Information possibly also needs to be sent to the highest managerial persons e.g. CEO, COO, Directors AH as well as the current middle/lower managements levels to get wider buy-in".*

A few responded that:

"We have been updated about mandatory registration, but I do not feel we were told a clear process to follow to get staff members registered".

Do the new graduate social workers in your employment have the knowledge and skills that you would expect of a new entry to practice social worker?

Most respondents were satisfied with their new graduate employees:

"We currently have excellent social workers who were employed straight from completion of study".

"With the right support the new graduates can do very well".

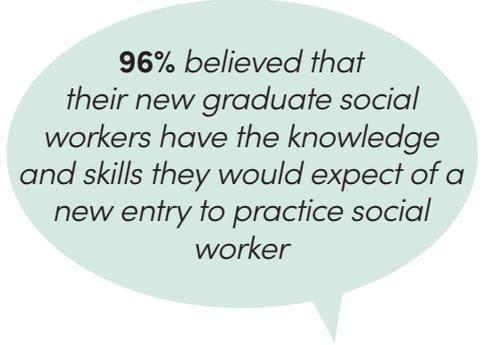
A few responded that new graduates were ill-equipped to deal with specific areas of work (these related to health, addiction and child protection).

Others identified:

“Actual face to face engagement and assessment skills are lacking. New grads have theory-based practice knowledge but not hands on practical skills, analysing information gathered to inform next steps”.

“I do notice differences between graduates from different education providers – some with a more academic/research focus and others with more of a practice leaning. The biggest lack I find in nearly all new graduates is difficulty with engaging naturally with clients, building relationship, etc. I graduated as a counsellor and find that my grounding has been quite different”.

We anticipate addressing these areas through the Education Review.



96% believed that their new graduate social workers have the knowledge and skills they would expect of a new entry to practice social worker

05

GOVERNANCE

BOARD'S WORK PROGRAMME

This year the Board built on its strategic focus from 2018/19 to develop the:

- Outcomes Framework
- rationale to guide our regulatory and compliance activities
- thinking about how we operate: Being a modern regulator
- draft Board charter for finalisation in 2020/21.

The Board has also been integrally involved in looking at what work and resources are needed to genuinely meet our obligations under sections 100 and 101 of the Act to be responsive to Māori, Pacific people, and other ethnic and cultural groups in New Zealand. The groundwork has been done with more planning and action to be delivered in 2020/21.

Moving from a voluntary to mandatory registration of social workers, we are midway through:

- upgrading and improving our systems, including our outdated ICT systems and processes to cloud-based software
- delivering our information campaign on what social workers will need to do to become registered to comply with the amendments to the Act
- a wider programme of work that includes developing a social work Scope of Practice in consultation with the sector and looking at new ways of assessing competence.

Significant consideration has been given to ensuring we are meeting our milestones under the change programme and wider work programme, while continuing to deliver our core functions and deal with the impact of the COVID-19 pandemic. We also provide quarterly reports on our progress to MSD.

BOARD SUB-COMMITTEES

In 2020, the Board established a complaints sub-committee process, which exercises all powers of the Board under delegation. The sub-committee meets every two weeks to increase timeliness. Complainants no longer have to wait for a two-monthly Board meeting for a decision. This new process also ensures cases are triaged appropriately so that public interest cases are prioritised, and outcomes are appropriate.

BOARD MEMBER TERMS ENDED

The Board members whose terms ended during 2019/20 are:

- Shirley Ikkala
- Khoa Nguyen
- Scott Thomson

CURRENT BOARD MEMBERS (30 JUNE 2020)

The amended Social Workers Registration Act 2003 requires that four out of the seven members be registered social workers, ensuring the majority of the governing body is made up of social workers. Board members are appointed by the Minister for Social Development.



Shannon Pakura (Chair)

Ko Aotea te waka
Ko Ruapehu te māunga
Ko Whanganui te awa
Ko Te Atihaunui-a-Paparangi te iwi
Ko Ngā Paerangi te hapu
Ko Kaiwhaiki te marae
Ko Shannon Pakura ahau

Shannon Pakura was previously the President of Aotearoa (NZ) Association of Social Workers. Over the years, she has actively lobbied for mandatory registration of social workers in New Zealand and was one of the first social workers to be registered in Aotearoa/New Zealand.

Shannon has worked extensively in both the Statutory Child Protection and the Youth Justice social work sector. She was a Chief Social Worker for the Department of Child, Youth and Family.

Currently, Shannon serves as the Chair of the Social Workers Registration board, is a non-judicial member of the NZ Parole Board and is the Māori Service Development Manager for Barnardos.



Hori Ahomiro

Ko Rangioru tōku Maunga
Ko Kaituna tōku Awa
Ko Ngāti Moko tōku Hapū
Ko Tapuika, Ngāti Awa me Ngāi Tūhoe ōku Iwi
Ko Te Arawa me Mataatua ōku Waka
Ko Hori Ahomiro, tōku ingoa

Hori is one of the newly appointed Board members. He is a registered social worker with clinical experience who recently completed his Masters in Indigenous Studies at Te Whare Wānanga o Awanuiārangī. He holds a bachelor's degree in Social Work, a diploma in Adult Education with a qualification in Kaupapa Māori, and clinical supervision.

Hori has special interests in Te Reo Māori me ōna Tikanga, mental health and addictions, social justice, equity for indigenous peoples and whānau, hapū, iwi engagement and development. He has varied corporate and iwi knowledge, leadership and governance experience which he will bring to the SWRB and is currently employed part time by the Te Whare Whakaruruhau o Tauranga Moana.



Andrea Nichols

Andrea Nichols is a registered social worker with over 25 years of experience working with children, young people and their whānau within both NGO and statutory settings. Until recently she worked in the Office of the Chief Social Worker where she led professional social work practice at a national level.

Andrea is currently Director, Safety of Children in Care at Oranga Tamariki, a unit that is responsible for reviewing and reporting on harm caused to children in care. Andrea has a strong interest in supervision and professional development for social workers.



Rose Henderson

Rose Henderson has a long history in the social work profession. She began as a social worker in Invercargill in the late 1970's and found time, amidst a busy family life, to establish and co-ordinate the Invercargill Women's refuge. Rose then made the shift north to Christchurch and into the mental health area, becoming a Director of Allied Health.

Rose was also a President of the ANZASW, from 2003 to 2009, and is currently the President of the Asia-Pacific region of the International Federation of Social Workers (IFSW). She is a registered social worker and has a depth of knowledge in employer relations and experience of representing social workers at a national and international level.



Paula Rose

Paula Rose has a wide range of experience across the policing, welfare, community, and media standards sectors. She is a former National Manager Road Policing, NZ Police and was involved in implementing MSD's action plan for vulnerable children.

Paula sits on the boards of WorkSafe NZ, Brackenridge, and the Broadcasting Standards Authority, is a Commissioner on the Transport Accident Investigation Commission, a member of the Parole Board, and is on the South Island Trust Board for St John. In 2013 she was awarded a QSO for her contribution to policing and the community.



Jeff Sanders

Another one of our new Board members, Jeff Sanders, has experience as a senior manager and chief executive in the NGO sector, working in organisations focused on providing services that make a positive difference to people's lives. These include IHC NZ, the Methodist Church, Relationships Aotearoa, and Barnardos NZ, from which he retired as Chief Executive in early 2019.

Jeff's career has allowed him to be connected to local community needs which has given him a desire and ability to seek out systemic change and ensure excellent provision of services. He has strong relationships across the NGO and government sector and has built effective leadership teams in the organisations that he has led. He has experience and understanding of how governance structures operate and what is required when considering and governing strategic and the implementation of programmes of work.

Jeff understands and is committed to the principles of the Treaty of Waitangi.



Adam Davy

Our third new Board member, Adam Davy, is experienced in the area of governance, both in the business and social space.

A fellow of Chartered Accountants Australia and New Zealand, and a chartered member of the Institute of Directors, Adam consults to accounting and advisory firm BDO and was previously its National Head of Advisory and Director of Innovation.

Adam is Virtual CFO of Accuro Health Insurance and on the board and audit committee of Emerge Aotearoa Housing Trust. He is also Chair and Director of the health and safety consultancy HazardCo Ltd.

As well as governance, Adam's expertise includes strategic and business planning, business growth facilitation, and management, merger and acquisition negotiations.

Adam brings energy and passion to the Board table, with a leaning towards opportunities over risks. He has enjoyed helping organisations get to a level of critical sustainability in order to be able to deliver their strategic objectives.

06

OUR PEOPLE

Our success as an organisation is underpinned by our people

NUMBER OF PERMANENT AND FIXED TERM EMPLOYEES

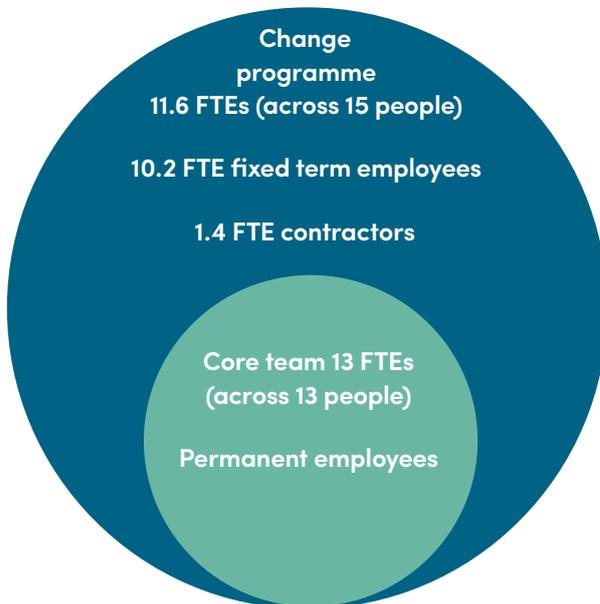
Staffing resources continue to be focused on capacity to deliver the changes under the amended legislation and our move to the mandatory registration environment.

At the end of 2019/20, we had 24.6 full-time equivalent employees (FTEs) across 27 people, including the Chief Executive and the Registrar.

Of these, 11.6 FTEs are assisting with the change programme, which ends in June 2021. These FTEs are made up of 10.2 FTE fixed term employees and 1.4 part-time contractors. They are providing:

- specialist skills and knowledge for policy development, programme management, and operational changes
- resource for increased new registrations and practising certificates.

SWRB has 24.6 FTEs across 27 people



DEMONSTRATING OUR COMMITMENT TO MĀORI

We are committed to supporting our staff to demonstrate our values of kaitiakitanga, rangatiratanga, manaakitanga and whanaungatanga with:

- many staff having completed Te Reo courses
- adding staff performance appraisal measures reflecting Te Ao Māori
- our team meetings are underpinned by Te Ao Māori values.

TREATING STAFF WELL AND FREEING UP TIME BY IMPROVING SYSTEMS AND PROCESSES

This year, the initiatives to improve our systems and processes that enable our staff to be treated well and to free up their time to do more worthwhile activities included updating and developing our:

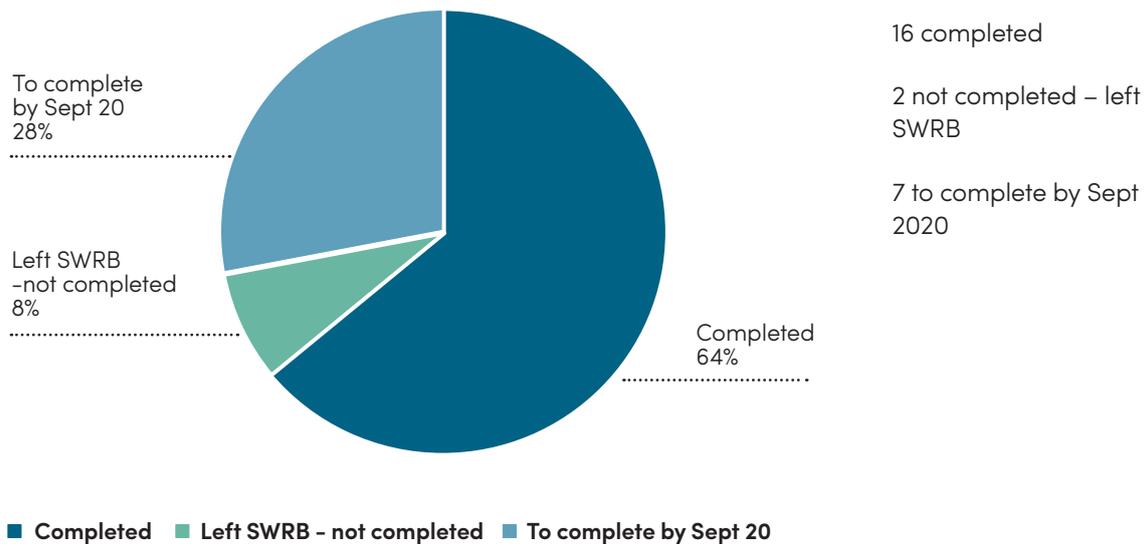
- remuneration policy and guidelines
- performance management framework
- staff induction and set-up process
- leave and payroll system
- team management profiles and staff training
- information management framework
- Xero and Approval Max for efficient financial management.

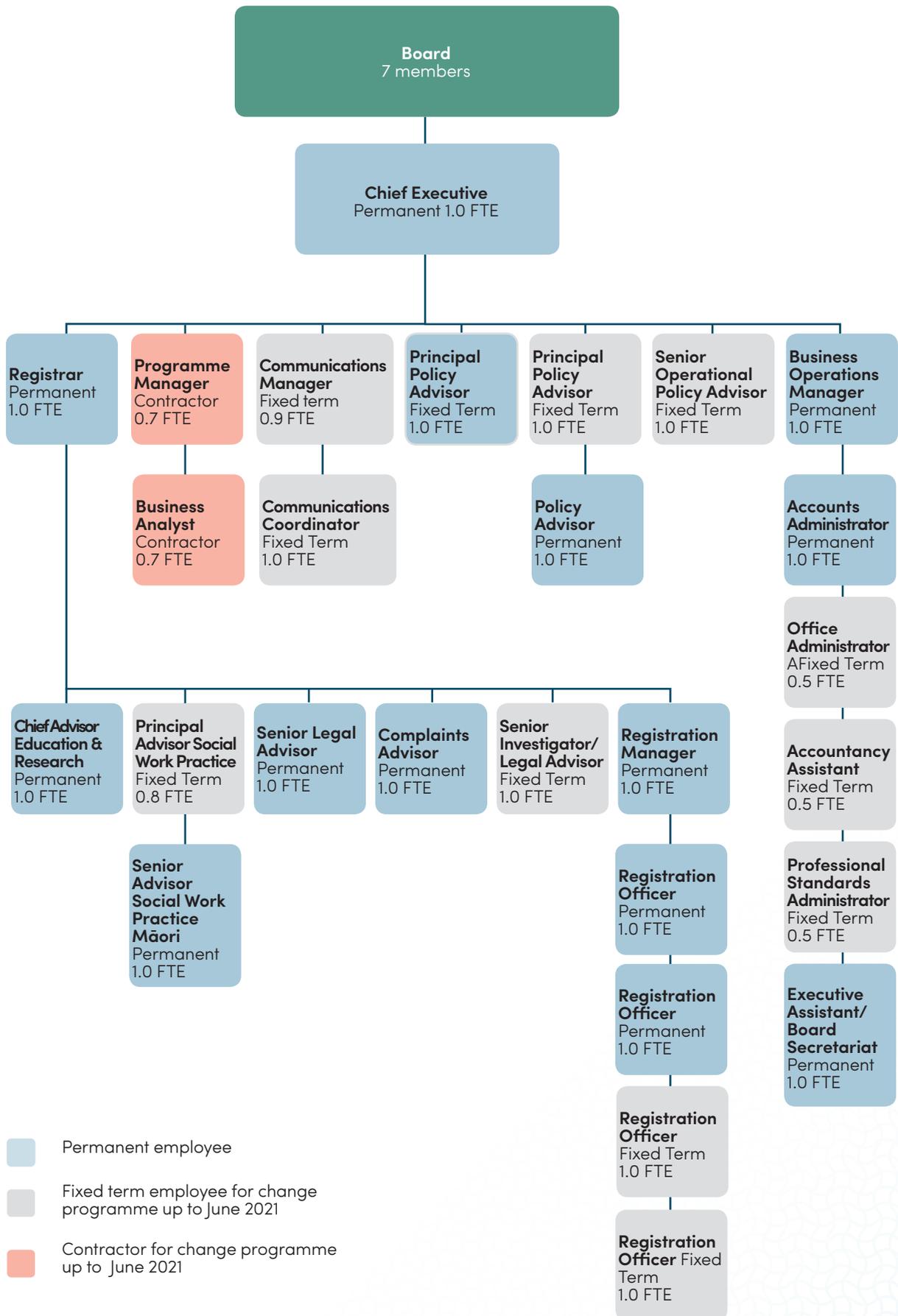
BUILDING OUR MODERN REGULATOR CAPABILITY

In moving to being a modern regulator, our staff and Board members are encouraged to do the Government Regulatory Practice Initiative (G-REG) Certificate in Regulatory Compliance (Core Knowledge) Level 3.

From October 2020, all new SWRB staff will be enrolled in G-Reg as part of their induction. In 2019, 22 staff and 3 Board members enrolled.

G-REG Level 3 Certificate 2019/20



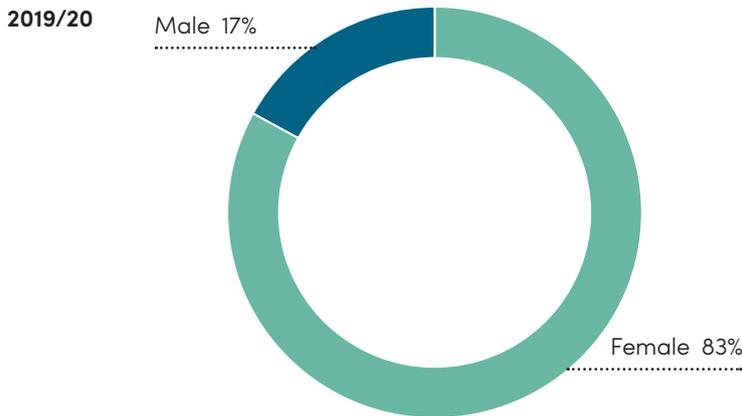


DIVERSITY

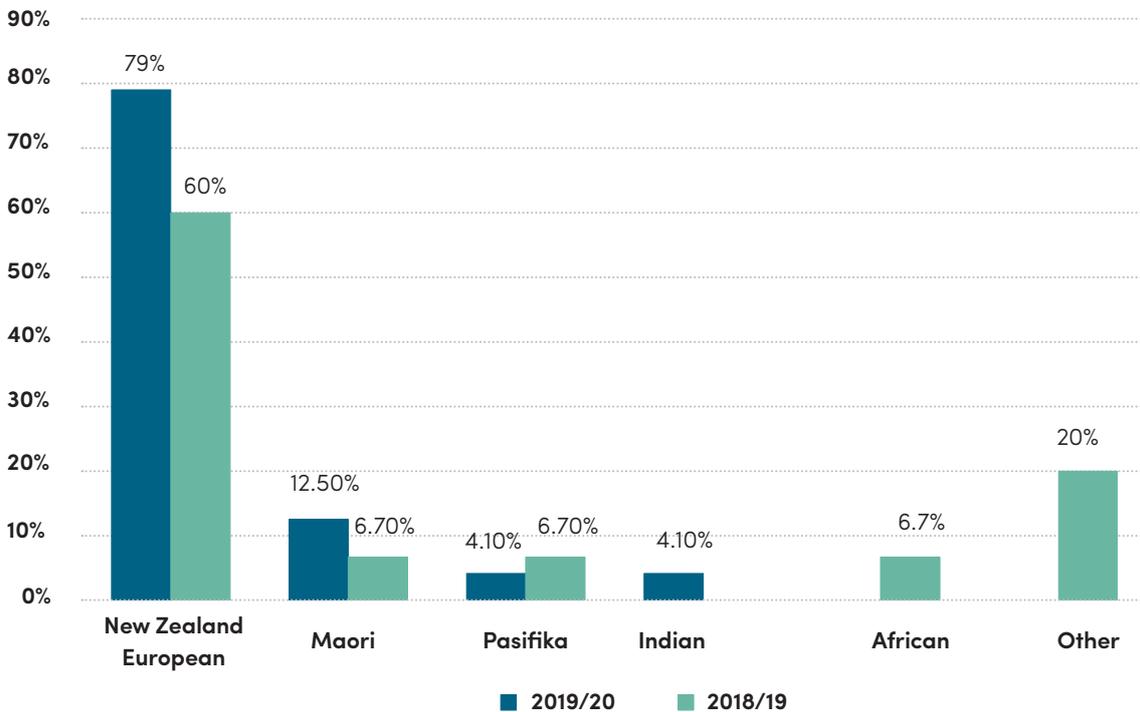
We are committed to ensuring diversity is represented and respected in our recruitment process. For professional development, staff members are encouraged to identify training courses they believe will lift their capabilities, including their understanding of diversity.

We are currently recruiting for an executive leadership role to strengthen our kaupapa Māori perspective and build our responsiveness, including our recruitment practice.

We have a high number of staff identifying as female, which is in line with the social work sector...



For a small organisation, our staff is made up of a range of ethnic groups, although a high number are New Zealand European. Staff identify as...



WE COMPLY WITH THE PRINCIPLES OF BEING A GOOD EMPLOYER

We are committed to being a good employer and to adopting policies and practices that ensure fair and proper treatment of its employees in all aspects of their employment.

This includes operating in a way that is consistent with the standards released by the State Services Commission in June 2018 and adhering to the Human Rights Commission equal employment opportunities (EEO) and Crown Entities Good Employer principles.

These require...

- good and safe working conditions
- an Equal Employment Opportunity programme
- the impartial selection of suitably- qualified people for appointment.

We also recognise...

- the aims and aspirations of Māori
- the employment requirements of Māori
- the need for greater involvement of Māori in social work.

We are committed to providing...

- opportunities for enhancing the abilities of individual employees
- recognition of the aims, aspirations and cultural differences of ethnic and minority groups
- recognition of the employment requirements of women
- recognition of the employment requirements of people with disabilities.

We continue to develop and maintain the...

- even representation of men and women in our workplace and decision-making structures
- participation and representation of Māori as employees and Board members
- participation and representation of other ethnic groups as employees and Board members
- participation and representation of people with disabilities as employees and Board members.

OUR EEO PRACTICES INCLUDE

Leadership, accountability and culture

- we utilise the Public Service Code of Conduct, as well as operational staff and governance manuals
- actively engage all staff in the development of policies and procedures that affect their positions
- support the development of effective leadership skills
- promotion of good health and safety practices

Recruitment, selection and induction

- use recruitment processes based on merit
- ensure diversity is represented and respected as part of our recruitment process
- have a mix of full-time and part-time staff.

Employee development, promotion and exit

- ensure all staff have access to professional development opportunities
- receive ongoing support from senior members of staff
- undertake annual performance appraisals for all staff.

Flexibility and work design

- work with all staff to allow flexible working arrangements where business needs can enable this.

Remuneration recognition and conditions

- staff salaries are reviewed on an annual basis, ensuring that relevant external factors are also considered
- maintain a remuneration system that is market aligned.

Harassment and bullying prevention

- we operate a zero tolerance of bullying and harassment
- encourage all staff to bring any issues immediately to the attention of the Chief Executive or Board.

Safe and healthy environment

- all staff have access to an Employee Assistance Programme that provides confidential counselling and advice
- all staff are provided with emergency procedures, which are up to date
- health and safety equipment is available in the SWRB office for use in the event of a disaster
- all staff are also provided with emergency provisions to keep at their desks.

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OUR OUTPUT CLASS

OUTPUT CLASS

Administration of the social worker registration regulatory framework This is delivered through the functions and activities, and supported by the funding sources, set out below.

Regulatory and Compliance

Professional Standards Advisory

- assessments of social worker health, competence (NZ, overseas, Māori), fit and proper person, practical experience
- advice to social workers and employers.

Registration and Certification

- applications for registration
- assessments of social worker health, competence ((NZ, overseas, Māori), fit and proper person, practical experience
- issuing Practising Certificates
- advice to social workers and employers.

Social Worker Audits

- targeted audits of social workers
- assisted compliance
- guidance for social workers and employers.

Complaints Assessment and Advisory

- complaints and notifications assessments
- Professional Conduct Committee advice and administration
- secretariat for the Board committee
- Disciplinary Tribunal (outsourced).

Education

- programme recognitions and reviews
- advice to social workers, employers and education providers.

Fees for services
Practising Certificate fees
Disciplinary Levy

Strategy and Policy

Policy

- advice to Ministers
- strategic policy development
- operational policy
- reviews of the Act.

Research, Surveys & Data Analysis

Compliance Marketing

Strategy, Planning & Performance

- advice to the Board
- Crown entity obligations:
 - statement of Intent
 - statement of Performance Expectations
 - responding to Parliamentary Committees
 - performance monitoring and reporting requirements.
- Annual Report
- Memorandum of Understanding with Minister
- funding reviews

Ministerial Services and Official Information Act requests.

**Practising Certificate fees
Crown funding**

Corporate

Board Secretariat

Business Operations

- finance
- Human Resources
- legal
- procurement
- IT, database and information management
- work programme and project management
- property management.

Communications

- stakeholder engagement
- relationship management
- external and internal comms
- website content development and maintenance
- publications.

Practising Certificate fees

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STATEMENT OF PERFORMANCE

FULL MEASURES AND RESULTS

Our performance is assessed using the measures below

Timeliness					
2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Target	Actual	Target	Actual	Target	Actual
Performance measure: Percentage of overseas qualification non-binding assessments processed within one month of being received					
Instrument: Register database					
No measure				85-90%	85%
Performance measure: Complaints received responded to within 20 working days					
Instrument: Notifications tracking					
No measure				70-85%	100%
Performance measure: Percentage of applicants/registered social workers who require a refund receive one within 60 working days					
Instrument: Financial management system					
No measure				80-85%	99% ⁹
Quantity					
2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Target	Actual	Target	Actual	Target	Actual
Performance measure: Stakeholders are kept informed of changes to the regulatory framework resulting from the implementation of the changes to the Social Work Registration Act 2003					
Instrument: Actual publications (including website)					
No measure		At least 4 issues of OnBoard newsletter		At least 4 issues of OnBoard newsletter	
		Website up to date	Achieved ⁴	Website up to date	Achieved ⁵
		Collateral developed		Collateral developed	

Quantity					
2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Target	Actual	Target	Actual	Target	Actual
Performance measure: Percentage of eligible registered social workers who maintain their social worker registration through competence recertification and practising certificate renewal					
Instrument: Register database					
Baseline of 95% and this figure trends upwards with a target of 100% over the remaining years	80%	Baseline of 95% and this figure trends upwards with a target of 100% over the remaining years	84%	100%	63% ¹⁰
Performance measure: Percentage of surveyed employers who support the social workers they employ to maintain their registration through payment of competence recertification and practising certificate renewal costs					
Instrument: Survey					
Baseline of 75% and this figure trends upwards over the remaining years	86% ²	Baseline of 75% and this figure trends upwards over the remaining years	95% ³	Baseline of 75% and this figure trends upwards over the remaining years	97%
Performance measure: Ensure education providers are meeting minimum standards by completing:					
Instrument: Education recognitions and reviews schedule					
No measure				4 programme re-recognitions ⁶	4
				4 programme mid-cycle reviews ⁷	2 ⁸

Quality					
2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Target	Actual	Target	Actual	Target	Actual
Performance measure: Percentage of applicants who report being satisfied with the registration and practising certificate renewal process, including timeliness					
Instrument: Survey					
95%	89% ¹	90%	87%	90–95%	89%

Quality					
2017/18	2017/18	2018/19	2018/19	2019/20	2019/20
Target	Actual	Target	Actual	Target	Actual
Performance measure: Percentage of employers who report satisfaction with the advice they receive will be no less than					
Instrument: Survey					
90%	40% ²	90%	82% ³	90%	88%
Performance measure: Percentage of employers who rate the quality of social work graduates in relation to the extent to which they meet the graduate profile as set out in the SWRB Programme Recognition Standards					
Instrument: Survey					
Baseline of 75% and this figure trends upwards over the remaining years	80% ²	Baseline of 75% and this figure trends upwards over the remaining years	85% ³	Baseline of 75% and this figure trends upwards over the remaining years	91%
Performance measure: Percentage of users who report satisfaction with the online functions provided by the Board					
Instrument: Survey					
At least 80% of users report satisfaction with the functions provided and this figure increases	78%	At least 80% of users report satisfaction with the functions provided and this figure increases	82%	At least 80% of users report satisfaction with the functions provided and this figure increases	95%
Performance measure: Percentage of users who report identifiable benefits from using the online functions provided by the Board					
Instrument: Survey					
At least 80% of users report satisfaction with the functions provided and this figure increases	85%	At least 80% of users report satisfaction with the functions provided and this figure increase	88%	At least 80% of users report satisfaction with the functions provided and this figure increases	95%
Performance measure: Percentage of registered social workers who report identifiable enhancement to their practice due to maintaining registration					
Instrument: Survey					
Baseline of 75% and this figure trends upwards over the remaining years	67%	Baseline of 75% and this figure trends upwards over the remaining years	74%	Baseline of 75% and this figure trends upwards over the remaining years	75%
Performance measure: Percentage of employers who report identifiable enhancement to their practice as a result of maintaining registration					
Instrument: Survey					
Baseline of 75% and this figure trends upwards over the remaining years	20% ²	Baseline of 75% and this figure trends upwards over the remaining years	80% ³	Baseline of 75% and this figure trends upwards over the remaining years	75%

Notes

1. This measure was adapted to include 'including timeliness' in SWRB's 2018-2019 Statement of Performance Expectations. Timeliness was not measured in 2017-2018.
2. For the purpose of this measure, we are using the response from a survey of employers. However, given the very low response rate we do not have confidence in the validity of this result.
3. Given the low response rate to the 2017-2018 employer survey, we used a different methodology for 2018-2019. The difference between the results is in direct relation to this change in methodology. As the 2018-2019 survey had a far larger pool of respondents, these better reflect the actual result.
4. In 2018/2019, we sent out five OnBoard newsletters, continually reviewed and refreshed information on our website about the changes to the regulatory framework, and took steps to improve website usability and accessibility. We continued to develop collateral on the changes to the regulatory framework, including a detailed information campaign and educative material. We have developed a flyer to describe changes in fees and the Disciplinary Levy, and a flyer outlining the differences between SWRB and ANZASW.
5. In 2019/2020 we sent out eight OnBoard newsletters, continually reviewed and refreshed information on our website about the changes to the regulatory framework, and continued to improve the website usability and accessibility. SWRB launched a Facebook page in early 2020 to help us have regular contact with our stakeholders and extend our messaging to a wider audience. We continued to develop collateral on the changes to the regulatory framework, including educative material and refreshing existing collateral with the new branding created in late 2018/19. The information campaign developed in 2018/19 provided 24 physical and 22 electronic information sessions throughout 2019/20.
6. 'Programme re-recognition' is a review of a recognised education programme completed every 5 years by a panel of experts. The review ensures the programme delivers to the SWRB required standard, is using current theory and is internationally benchmarked.
7. 'Mid-cycle review' is a process where SWRB maintains an overview of the education programme with a follow-up on implementation of recommendations made under the re-recognition review. It also allows tertiary education institutions to discuss proposed future developments in their programme delivery.
8. Due to the COVID-19 pandemic, fewer mid-cycle reviews took place than originally planned.
9. Only one of the 18 refunds was processed outside of 60 days from when all required information was received from the applicant.
10. The lower result of 63% compared to 83% in 2018/19 was partly due to a timing issue and processing speed for annual practising certificates (which the new database should alleviate this for next year's round), and partly due to the interruption caused by COVID-19. Reassurance that maintained registration has not dropped significantly is that for July 2020 the result was 84% – the same as last year.

FINANCIAL PERFORMANCE FOR OUTPUT CLASS

	2019/20 Actual \$	2019/20 SPE target \$	2018/19 Actual \$
FINANCIAL PERFORMANCE FOR IMPLEMENTATION FUNDING			
Crown appropriation (see below)	1,343,000	1,343,000	44,606
Other revenue	2,863,751	3,269,911	2,289,968
Finance income	43,997	53,093	31,005
Total revenue	4,250,748	4,666,005	2,365,580
Total expenses	3,636,730	4,423,766	2,463,770
Surplus attributable to SWRB	614,019	242,239	98,190

How the Crown funding was spent

In 2019/20, we received \$1.343 million funding from the Crown through Vote Social Development, which was spent on the following activities.

Non-departmental output expenses implementation and operation of the mandatory registration on Social Workers (M63)

\$1.224 million contributed to the cost of:

- our information campaign on the move from voluntary to mandatory registration and certification
- the development of a new database for our register and business processes, with the database going live on 14 October 2020

\$119,000 contributed to the cost of meeting our Crown entity obligations such as the:

- Statement of Intent
- Statement of Performance Expectations
- Responding to Parliamentary Committees
- Performance monitoring and reporting requirements

	2019/20 Actual \$	2019/20 SPE target \$	2018/19 Actual \$
Financial performance for Implementation funding			
Revenue	1,343,000	1,343,000	44,606
Expenditure (Total cost of outputs)	833,500	1,343,000	44,606
Unspent	509,500		

Implementation funding unspent

SWRB received implementation funding of \$1,224,000 and Crown funding of \$119,000 during the 2020 year. After considering the actual + estimate costs to date of capitalisation as part of the iMIS project, the implementation funding unspent is \$509,500. However, these unspent funds will be spent during the preceding financial year to complete the project.

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STATEMENT OF RESPONSIBILITY

The Board are responsible for the preparation of the Social Workers Registration Board's financial statements and statement of performance, and the judgements made in them.

The Board are also responsible for any end-of-year performance information provided by the Social Workers Registration Board under section 19A of the Public Finance Act 1989.

The Board have responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of performance fairly reflect the financial position and operation of the Social Workers Registration Board for the year ended 30 June 2020.

Signed on behalf of the Board:



Shannon Pakura
Chair
7 December 2020



Adam Davy
Board Member
(Chair, Finance, Audit and Risk Committee)
7 December 2020

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of the Social Workers Registration Board's financial statements and performance information for the year ended 30 June 2020

The Auditor-General is the auditor of the Social Workers Registration Board (the Registration Board). The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Registration Board on his behalf.

Opinion

We have audited:

- the financial statements of the Registration Board on pages 57 to 79, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Registration Board on pages 11, 12 and 47 to 51.

In our opinion:

- the financial statements of the Registration Board on pages 57 to 79:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- the performance information on pages 11, 12 and 47 to 51:
 - presents fairly, in all material respects, the Registration Board's performance for the year ended 30 June 2020, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 7 December 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of Covid-19 on the Registration Board. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of matter – Impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Registration Board as set out in note 21 to the financial statements and page 11 of the performance information.

Basis for our opinion

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

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

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

Responsibilities of the Board for the financial statements and the performance information

The Board are responsible on behalf of the Registration Board for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board are responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board are responsible on behalf of the Registration Board for assessing the Registration Board's ability to continue as a going concern. The Board are 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 Registration Board, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

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

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

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Registration Board's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registration Board's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Registration Board's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registration Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Registration Board to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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 Board are responsible for the other information. The other information comprises the information included on pages 1 to 79, but does not include the financial statements and the performance information, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Registration Board 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 Registration Board.



John Whittal

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

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FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 Actual \$	2020 Budget \$	2019 Actual \$
REVENUE	2	4,206,750	4,612,912	2,334,575
EXPENSES				
Administration and overhead costs		107,492	128,400	124,475
Complaints and tribunal fees		211,522	180,783	86,772
Publications		49,007	312,682	16,244
Depreciation & amortisation		48,362	54,180	83,139
Personnel costs	3	2,310,449	2,436,382	1,429,326
Other expenses	4	909,897	1,311,250	723,813
Total Expenses		3,636,730	4,423,766	2,463,769
Surplus/(deficit) before finance income		570,020	189,146	(129,195)
Finance Income	5	43,997	53,093	31,005
Surplus/(deficit) for the year		614,019	242,239	98,190
Total Comprehensive Revenue and Expenses		614,019	242,239	(98,190)

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Total \$
Balance as at 1 July 2018	577,958
Total comprehensive revenue and expense for the year	(98,190)
Net Assets/Equity at 30 June 2019	479,768
Balance as at 1 July 2019	479,768
Total comprehensive revenue and expense for the year	614,019
Net Assets/Equity at 30 June 2020	1,093,787

The above Statement of Changes in Net Assets should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Notes	2020 Actual \$	2020 Budget \$	2019 Actual \$
CURRENT ASSETS				
Cash and Cash Equivalents	6	1,222,752	310,966	1,030,886
Investments	7	1,311,098	2,100,000	1,852,145
Receivables	8	1,035,129	107,788	31,638
Prepayments		83,330	31,133	35,260
Total Current Assets		3,652,309	2,549,887	2,949,929
NON-CURRENT ASSETS				
Property, plant and equipment	9	76,058	107,808	54,770
Intangible assets	10	216,784	-	37,246
Total Non-Current Assets		292,842	107,808	92,016
TOTAL ASSETS		3,945,151	2,657,695	3,041,945
CURRENT LIABILITIES				
Payables	11	500,387	395,181	462,952
Deferred revenue	12	2,141,134	1,579,537	2,013,816
Lease liability	13	92,647	-	4,667
Provisions	14	-	-	24,106
Employee entitlements	15	117,198	39,807	56,637
Total Current Liabilities		2,851,366	2,014,525	2,562,178
TOTAL LIABILITIES		2,851,366	2,014,525	2,562,178
NET ASSETS		1,093,787	643,170	479,768
EQUITY				
Accumulated surplus / (deficit)	16	1,093,787	643,170	479,768
TOTAL EQUITY		1,093,787	643,170	479,768

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOW FROM OPERATING ACTIVITIES				
Revenue receipts		3,327,547	5,082,427	2,822,458
Interest received		47,146	45,996	25,469
Payments to employees		(1,921,286)	(2,199,082)	(1,112,163)
Payments for goods and services		(1,553,893)	(2,861,019)	(1,253,379)
Net Cash Inflow/(Outflow) from Operating Activities		(100,487)	68,322	482,384
CASH FLOW FROM INVESTING ACTIVITIES				
Receipts from sale of property, plant and equipment		1,693	-	23,172
Receipts from sale or maturity of investments		1,852,145	(1,750,000)	-
Purchase of property, plant and equipment		(48,125)	(65,000)	(5,858)
Purchase of intangible asset		(202,263)	-	-
Purchase of investments		(1,311,098)	-	(1,852,145)
Net Cash Inflow/(Outflow) from Investing Activities		292,352	(1,815,000)	(1,834,831)
Net Increase/(Decrease) in Cash and Cash Equivalents		191,866	(1,746,678)	(1,352,447)
Cash and Cash Equivalents at the Beginning of the year		1,030,886	2,057,644	2,383,333
Cash and Cash Equivalents at the end of the year	6	1,222,752	310,966	1,030,886

The above Cashflow statement should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Social Workers Registration Board (SWRB) is a Crown entity registered under the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing SWRB's operations includes the Crown Entities Act 2004, the Crown Service Enterprise Act 2002 and the Social Workers Registration Act 2003. SWRB's ultimate parent is the New Zealand Crown.

SWRB's main purpose is to provide services to the New Zealand public and does not operate to make a financial return.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year

Statement of compliance

These financial statements for SWRB are for the year ended 30 June 2020 and were authorised for issue by the Board on 4 December 2020. These financial statements comply with the PBE accounting standards reduced disclosure regime

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

The financial statements have been prepared in accordance with Tier 2 PBE accounting standards and applied disclosure concessions. The criteria under which the SWRB is eligible to report in accordance with Tier 2 standards are: SWRB has expenditure less than \$30million; and it is not publicly accountable.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars (\$) which is SWRB's functional and presentation currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

Changes in accounting policies

There were no changes in accounting policies during the financial year.

Critical accounting estimates and assumptions

In preparing these financial statements, SWRB 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 and are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- useful lives and residual values of property, plant and equipment (refer to note 9)
- useful lives of software assets (refer to note 10)

Critical judgements in applying accounting policies

- Practising fees revenue non-exchange classification (refer to note 2)

Summary of 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

The financial statements are stated exclusive of Goods and Services Tax (GST), with the exception of 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 IRD is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

SWRB is a public authority under the Income Tax Act 2007 and consequently is exempt under s CW 38 from the payment of income tax. Accordingly no provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of performance expectations as approved by the Board on 28 June 2019. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Financial Instruments

i. Financial Assets

Financial assets and financial liabilities are recognised when SWRB becomes a party to the contractual provisions of the financial instrument.

SWRB derecognises a financial asset or, where applicable a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or SWRB has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

SWRB has transferred all the risks and rewards of the asset; or SWRB has neither transferred nor retained all the risks and rewards of the asset, but has transferred control of the asset.

At the reporting date all of SWRB's financial assets are classified as loans and receivables. SWRB determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

At initial recognition, they are recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment.

SWRB's loans and receivables comprise cash and cash equivalents, investments and receivables.

ii Impairment of financial assets

SWRB assesses at the end of the reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that a loss event has an impact on the estimated future cash flows through the use of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, SWRB first assesses whether there is objective evidence of impairment of financial assets that are individually significant. If SWRB determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial asset's with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

iii Financial liabilities

SWRB's financial liabilities include trade and other creditors. All financial liabilities are initially recognised at fair value (less directly attributable transaction cost) and are measured subsequently at amortised cost using the effective interest method.

Provisions

i Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the SWRB from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, SWRB recognises any impairment loss on the assets associated with that contract.

2. REVENUE

Accounting policy

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to SWRB and measured at the fair value of consideration received or receivable. The following specific recognition criteria in relation to SWRB's revenue streams must also be met before revenue is recognised.

Revenue transactions

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services or use of assets) to another entity in exchange.

Non-exchange transactions arise where an entity receives value from another entity without giving approximately equal value in exchange.

Revenue from non-exchange transactions

Revenue from the Crown

An amount of \$1.22m of other revenue was received from MSD to fund implementation costs, (2019: \$44,606 to fund fee review).

Practising Fees

SWRB's annual recertification cycle runs from 1 July to 30 June. Fees received in advance of the commencement of the recertification cycle are recognised on the first day of the recertification year, that is 1 July. Fees received within the recertification year to which they relate are recognised in full upon receipt.

Other Revenue from non-exchange transactions

Application fees and fees for competence assessment, competence recertification and non-binding assessment are recognised when all application data has been received.

Disciplinary Levy

In the 2020 year SWRB have had to restore a disciplinary levy to reflect the costs of managing complaints and disciplinary processes. The disciplinary levy income is recognised as income upon receipt of \$50 (GST inclusive) per applicant.

	2020 Actual \$	2019 Actual \$
REVENUE FROM NON-EXCHANGE REVENUE TRANSACTIONS:		
Practising fees	2,096,353	1,773,564
Application fees	310,490	313,852
Competence fees	166,978	192,333
Crown Funding	119,000	-
Disciplinary Levy	284,826	-
Implementation Funding	1,224,000	44,606
Other revenue	5,103	10,220
TOTAL NON-EXCHANGE REVENUE	4,206,750	2,334,575
TOTAL REVENUE	4,206,750	2,334,575

3. PERSONNEL COSTS

i. Short-term employee benefits

Short-term employee benefit liabilities are recognised when SWRB has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured at the amounts expected to be paid when the liabilities are settled on an undiscounted basis.

ii. Superannuation schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Breakdown of personnel costs and further information	2020 Actual \$	2019 Actual \$
Salaries	1,981,280	1,067,348
Other Fees	266,251	325,410
Superannuation employer contributions	54,681	34,625
Other personnel costs	8,237	1,944
Total personnel costs	2,310,449	1,429,326

Employee remuneration	2020 Actual \$	2019 Actual \$
TOTAL REMUNERATION PAID OR PAYABLE:		
\$100,000 – \$109,999	3	0
\$110,000 – \$119,999	2	0
\$120,000 – \$129,999	0	0
\$130,000 – \$139,999	0	0
\$140,000 – \$149,999	0	0
\$150,000 – \$159,999	0	1
\$160,000 – \$169,999	1	0
\$170,000 – \$179,999	0	0
\$180,000 – \$189,999	0	0
\$190,000 – \$199,999	0	0
\$199,999 – \$209,999	0	0
\$209,999 – \$219,999	1	0
\$219,999 – \$229,999	0	1
Total employees	7	2

During the year ended 30 June 2020 there were no employees who received any compensation or other benefits in relation to their termination (2019: 1).

The salary of the Chief Executive of the Social Workers Registration Board has not decreased from the 2019 year to the 2020 year. The difference in total remuneration reflects the timing of payment of the performance component of the total remuneration.

Board member remuneration:	2020	2019
The total value of remuneration paid or payable to each Board members during the year was:	Actual	Actual
	\$	\$
Walker, Shayne (Board Chair to January 2019)	-	12,833
Bolstad, Turitea	-	6,667
Derrett, Michelle	-	4,167
Davy, Adam	833	-
Henderson, Rosemary	8,333	-
Ikkala, Shirley	10,000	10,000
King, Lisa-Marie	1,858	10,000
Moorhouse, Leisa	-	6,667
Nguyen, Khoa	10,000	10,000
Pakura, Shannon (Board Chair from February 2019)	22,000	9,167
Rose, Paula	10,000	10,000
Sanders, Jeff	833	-
Thomson, Scott	9,996	9,996
Wepa, Dianne	0	4,167
Total Board member remuneration	73,854	93,662

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year.

SWRB has provided a deed of indemnity to Directors for certain activities undertaken in the performance of SWRB's functions. SWRB has taken out Directors' and Officers' Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

There is a Board member who performs the duties of a Board member but is not paid a Board remuneration from SWRB and is therefore not included in the table above. There is an agreement that in this instance it is appropriate no Board payment is made, reflecting that the Board member works within the core public service. In addition one Board members fees are paid to their public sector employer.

4. EXPENSES

	2020	2019
	Actual	Actual
	\$	\$
OTHER EXPENSES		
Audit fees	25,615	24,901
Bad debts	5,186	-
Doubtful debts	-	9,450
Legal fees	149,027	83,866
Insurance	7,644	6,988
Computer expenses	87,898	105,822
Professional fees	78,782	79,588
Training and development	46,025	22,133
Staff expenses	7,350	5,040
Other expenses	502,370	386,026
TOTAL OTHER EXPENSES	909,897	723,813

5. NET FINANCE INCOME

Interest revenue is recognised using the effective interest method by accruing on a time proportion basis the interest due for the investment.

	2020 Actual \$	2019 Actual \$
FINANCE INCOME		
Loans and receivables – Interest received	44,115	31,354
Loans and payables – Interest Paid	(118)	(350)
NET FINANCE INCOME	43,997	31,005

6. CASH AND CASH EQUIVALENTS

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

	2020 Actual \$	2019 Actual \$
Cash on hand and at bank	960,318	970,872
Cash equivalents – bank call deposits	262,434	60,015
Total cash and cash equivalents	1,222,752	1,030,886
NET CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS	1,222,752	1,030,886

INTEREST RATES	2020	2019
Cheque Account	0.00%	0.00%
Call deposits	0.00%	0.85%

Rates are percent per annum and subject to change at any time. The cheque account is a non-interest bearing account.

Term Deposit 1030

Interest rate:	1.45%
Maturity date:	24/8/2020
Amount:	\$200,000

7. SHORT TERM INVESTMENTS

Short term investments comprise term deposits which have a maturity greater than three months and therefore do not fall into the category of cash and cash equivalents.

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

	2020 Actual \$	2019 Actual \$
SHORT TERM INVESTMENTS		
ANZ Term Deposits	1,311,098	1,852,145
TOTAL SHORT TERM INVESTMENTS	1,311,098	\$1,852,145

Term Deposit 1020

Interest rate: 2.30%
Maturity date: 9/11/2020
Amount: \$311,098

Term Deposit 1032

Interest rate: 2.15%
Maturity date: 23/11/2020
Amount: \$200,000

Term Deposit 1029

Interest rate: 2.30%
Maturity date: 2/11/2020
Amount: \$200,000

Term Deposit 1033

Interest rate: 1.75%
Maturity date: 21/12/2020
Amount: \$200,000

Term Deposit 1031

Interest rate: 1.65%
Maturity date: 22/9/2020
Amount: \$100,000

Term Deposit 1034

Interest rate: 1.30%
Maturity date: 20/10/2020
Amount: \$300,000

8. TRADE RECEIVABLES

Short term receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment.

A receivable is considered uncollectable when there is evidence the amount due will not be fully collected. Impairment is the difference between the amount due and the present value of the amount expected to be collected.

	2020 Actual \$	2019 Actual \$
RECEIVABLES UNDER EXCHANGE TRANSACTIONS		
Interest receivable	2,734	5,764
Total receivables under exchange transactions	2,734	5,764
RECEIVABLES UNDER NON-EXCHANGE TRANSACTIONS		
Accounts receivable	1,045,263	38,741
less: provision for impairment	(12,868)	(12,868)
Total receivables under non-exchange transactions	1,032,396	25,874
Total Receivables	1,035,129	31,638

All receivables greater than 30 days in age are considered past due.

Receivables are normally assessed for collectability on an individual basis.

Movements in the provision for uncollectability of receivables are as follows:

	2020 Actual \$	2019 Actual \$
Balance at 1 July	12,868	2,000
Additional provisions made during the year	-	10,868
Balance at 30 June	12,868	12,868

9. PROPERTY, PLANT AND EQUIPMENT

i. Recognition and measurement

Items of property plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction its cost is measured at its fair value at the date of acquisition.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to SWRB. Ongoing repairs and maintenance are expensed as incurred.

iii. Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are reported net in the surplus or deficit.

iv. Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately. Depreciation is recognised in surplus or deficit on a straight line or diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment

The depreciation rates for the prior period:

Leasehold Improvements	16.7% SL
Computer Equipment	48% DV
Furniture & Fittings	18% - 60% DV

The depreciation rates for the current period:

Leasehold improvements	16.7% SL
Computer Equipment	48% DV
Furniture & Fittings	18% - 39.6% DV

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

v. Impairment of property, plant and equipment

SWRB 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 are reviewed for indicators of impairment annually and recoverable service amount is estimated if such indicators are identified. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on either a depreciated replacement cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable 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.

Breakdown of property, plant and equipment and further information

Movements for each class of property, plant, and equipment is as follows:

	Furniture & office equipment \$	Computer equipment \$	Leasehold alterations \$	Total \$
COST				
Balance at 1 July 2018	155,609	118,395	81,364	355,368
Additions		5,858	(81,364)	5,858
Disposals				(81,364)
Balance at 30 June 2019 / 1 July 2019	155,609	124,253	-	279,862
Additions	6,887	41,733		48,620
Disposals	-2,165	-23	0	-2,188
Balance at 30 June 2020	160,331	165,963	0	326,294

	Furniture & office equipment \$	Computer equipment \$	Leasehold alterations \$	Total \$
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES				
Balance at 1 July 2018	102,222	102,691	58,191	263,104
Depreciation expense	11,119	9,060		20,179
Elimination on disposal			(58,191)	(58,191)
Balance at 30 June 2019 / 1 July 2019	113,341	111,751	-	225,092
Depreciation expense	10,597	14,547	-	25,144
Elimination on disposal	-	-	-	-
Transfer to assets held for sale	-	-	-	-
Impairment losses	-	-	-	-
Reversal of impairment losses	-	-	-	-
Balance at 30 June 2020	123,938	126,298	0	250,236

CARRYING AMOUNTS

As at 1 July 2018	53,387	15,704	23,173	92,264
Balance at 30 June 2019 / 1 July 2019	42,268	12,502	-	54,770
Balance at 30 June 2020	36,393	39,665	0	76,058

Restrictions

There are no restrictions over the title of SWRB's assets, nor are any assets pledged as security for liabilities

Capital commitments

The amount of contractual commitments for the acquisition of property, plant, and equipment is \$ Nil (2019: \$nil)

10. INTANGIBLE ASSETS

i. Recognition and measurement

Intangible assets 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.

Staff training costs are recognised as an expense when incurred.

ii. Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in surplus or deficit as incurred.

Costs associated with maintaining computer software are expensed when incurred.

Costs associated with development and maintenance of SWRB's website are expensed when incurred.

iii. Amortisation

Amortisation is recognised in surplus or deficit on a straight line basis over the estimated useful lives of each amortisable intangible asset. The amortisation charge for each financial year is expensed in the surplus or deficit.

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

Website and database	5 years	20% SL
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iv. Impairment of intangible assets

Refer to the policy for impairment of property, plant and equipment in Note 9. The same approach applies to the impairment of intangible assets.

v. Critical accounting estimates and assumptions

Estimating useful lives of software assets

SWRB's internally generated software largely comprises an interactive database provided to the public as part of SWRB's regulatory functions. Internally generated software has a finite life, which requires SWRB to estimate the useful life of the software assets.

In assessing the useful lives of software assets, a number of factors are considered, including:

- the period of time the software is intended to be in use;
- the effect of technological change on systems and platforms; and
- the expected timeframe for the development and replacement systems and platforms.

An incorrect estimate of the useful lives of software assets will affect the amortisation expense recognised in the surplus or deficit, and the carrying amount of the software assets in the statement of financial position.

SWRB has estimated a useful life of 5 years for its regulatory platform. This useful life is still considered reasonable based on the current performance and use of the software. There are currently no indicators the period of use of the software will be materially different.

Breakdown of intangible assets and further information

Movements for each class of intangible asset are as follows:

	Database & Website \$	Work in Progress \$	Total \$
COST			
Balance at 1 July 2018	591,220	-	591,220
Additions	-	-	-
Disposals	-	-	-
Balance at 30 June 2019 / 1 July 2019	591,220	-	591,221
Additions	-	202,263	202,263
Disposals	-	-	-
Balance at 30 June 2020	591,220	202,263	793,484

	Database & Website \$	Work in Progress \$	Total \$
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES			
Balance at 1 July 2018	514,189	-	514,189
Amortisation expense	39,787	-	39,787
Elimination on disposal	-	-	-
Balance at 30 June 2019 / 1 July 2019	553,976	-	553,975
Amortisation expense	22,725	-	22,725
Elimination on disposal	-	-	-
Impairment losses	-	-	-
Reversal of impairment losses	-	-	-
Balance at 30 June 2020	576,701	-	576,700
CARRYING AMOUNTS			
Balance at 1 July 2018	77,031	-	77,031
Balance at 30 June 2019 / 1 July 2019	37,244	-	37,246
Balance at 30 June 2020	14,519	202,263	216,784

Restrictions

There are no restrictions over the title of SWRB's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$167,737 (2019: \$nil)

11. PAYABLES

Short term payables are recorded at the amount payable.

	2020 Actual \$	2019 Actual \$
PAYABLES UNDER EXCHANGE TRANSACTIONS		
Accounts payable	165,441	155,232
Accruals	37,307	28,687
Total payables under exchange transactions	202,748	183,920
PAYABLES UNDER NON-EXCHANGE TRANSACTIONS		
Taxes payable (GST & PAYE)	297,639	279,032
Total payables under non-exchange transactions	297,639	279,032
Total Payables	500,387	462,952

12. DEFERRED REVENUE

	2020 Actual \$	2019 Actual \$
DEFERRED REVENUE UNDER NON-EXCHANGE TRANSACTIONS		
Income in advance (practising fees)	2,081,134	1,953,816
Prepaid application fees	60,000	60,000
Total deferred revenue under non-exchange transactions	2,141,134	2,013,816

SWRB's practising certificate year commences on 1 July. Fees received prior to balance date for the subsequent year are recorded as fees received in advance.

13. OPERATING LEASE

i. Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of the leased assets are classified as operating leases.

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(i) Leases as lessee

	2020 < 1 year \$	2020 2-5 years \$	2019 < 1 year \$	2019 2-5 years \$
RENTAL LEASE				
Level 7, 110 Featherston St, Wellington				
Operating lease	126,000	189,000	140,000	350,000
Total rental lease commitments	126,000	189,000	140,000	350,000

The lease commenced on 14 June 2019 and expires on 31 December 2022. There is a right of renewal for further period of 4 years with a final expiry date of 31 December 2026. As at 30 June 2019 a lease incentive of \$4,667 has been recognised in the financial statements and \$92,647 in the 2020 year.

SWRB has no lease commitments for the period five years or later (2019: Nil)

14. PROVISIONS

	Note	Lease rental	Total \$
Opening Balance (1 July 2019)	11	24,106	24,106
Reversal of provision		(24,106)	(24,106)
Closing Balance (30 June 2020)		(0)	(0)
Current		-	-
Non-current		-	-
		-	(0)

The premises at 11 Chews Lane was exited mid-June 2019 and the lease was terminated on 30 September 2019. An onerous lease provision accounting for three months rent in the 2020 financial year has been recognised as at 30 June 2019.

15. EMPLOYEE ENTITLEMENTS

Short term employee entitlements

Employee benefits that are to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Annual leave and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

Measuring retirement and long service leave obligations

Long service leave is calculated using the Projected unit credit (PUC) method.

The present value of long service leave obligations depend on a number of factors that are determined on an actuarial basis. The two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The salary inflation factor of 2.5% has been determined after considering historical salary inflation patterns. Actual entitlement owing has been used in 2019 due to the long service leave vesting.

Breakdown of employee entitlements

	2020 Actual \$	2019 Actual \$
Current portion		
Annual leave	100,460	46,229
Salaries payable	16,738	10,408
	117,198	56,637

16. EQUITY

	2020 Actual \$	2019 Actual \$
Accumulated surplus / (deficit)	1,093,787	479,768
Total Equity	1,093,787	479,768

Implementation funding unspent

As at 30 June 2020 the total implementation funding unspent but recognised as income per Note 2 is \$509,195. The unspent Funding has been budgeted for in the 2021 year.

17. CONTINGENCIES

There are no contingent liabilities and no contingent assets as at 30 June 2020 (Contingent liabilities and assets at 30 June 2019: nil).

18. RELATED PARTY TRANSACTIONS

SWRB 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; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect SWRB would have adopted in dealing with the party at an arm's length in the same circumstances.

Rent Free period

SWRB's current premise is a co-location agreement with Ministry of Social Development (MSD). As part of the agreement and to ensure SWRB did not have to bear the costs of two leases, MSD granted SWRB with a rent-free period from June 2019 to February 2020.

This was then extended to 30 June 2020 due to the COVID-19 pandemic.

Key management personnel compensation

	2020 Actual \$	2019 Actual \$
BOARD MEMBERS		
Remuneration	73,854	93,662
Full time equivalent members	0.54	0.50
LEADERSHIP TEAM		
Remuneration	801,501	570,477
Full time equivalent members	5.75	4.8
Total key management personnel remuneration	875,355	664,139
Total full-time equivalent personnel	6.29	5.30

The full time equivalent for Board members has been determined based on the frequency and length of meetings and the estimated time frame for Board members to prepare for meetings. An analysis of Board member remuneration is provided in Note 3.

A direct family members of a key management personnel is employed by Social Workers Registration Board on normal employment terms. The total aggregate remuneration paid to the family member during the 2020 financial year is \$816.50 (LY: Nil).

19. FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	Notes	2020 Actual \$	2019 Actual \$
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST			
Payables (excluding deferred revenue and taxes payable)		202,748	183,920
Employee entitlements		117,198	56,637
Lease liability	13	92,647	4,667
Total financial liabilities measured at amortised cost		412,593	245,223
LOANS AND RECEIVABLES AT AMORTISED COST			
Cash and cash equivalents	6	1,222,752	1,030,886
Receivables	8	1,035,129	31,638
Short term investments	7	1,311,098	1,852,145
Total loans and receivables at amortised cost		3,568,979	2,914,669

20. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations of major variances from SWRB's budgeted figures in the statement of performance expectations are as follows:

Statement of comprehensive revenue and expense

Total revenue (not including interest) is \$406k below budget, primarily driven by the fact that the revenue forecast was based on the total registration numbers which did not translate to income as it included provisional registration moving to full registration. It is likely that volumes were lower than anticipated due to the Covid-19 lockdown

Total expenses are \$787k under budget with increases and decreases across various categories.

- Database implementation and other related costs are \$241k below budget as costs to date have been capitalised as work in progress.
- Salaries are \$141k under budget as not all roles expected to be filled were filled when budgeted.
- Promotional activity is \$267k under budget and will be spent in 2021.

21. EVENTS DURING THE YEAR

COVID-19 Pandemic

In December 2019, a new virus, COVID-19 was detected and was declared a pandemic on 11 March 2020.

The result of this pandemic has been a substantial reduction in economic activity through the world, as governments have introduced measures (such as the closure of national borders, the closure of non-essential business, the cancellation of public events and the imposition of restrictions on individuals) in an attempt to reduce transmission of the virus.

In late March 2020, the New Zealand Government moved the country to COVID-19 Alert Level 4, which meant that the country was placed in virtual lockdown. Non-essential businesses and organisations were not allowed to operate from their premises and individuals other than essential workers or those undertaking essential business or exercise close to home) were required to stay at home.

SWRB was able to operate remotely with registration processes updated to be submitted electronically.

During COVID-19 Alert Levels 2, 3 and 4, New Zealand's border was, with very limited exceptions, closed to everyone except returning New Zealanders.

In early June 2020, the New Zealand Government moved the country to COVID-19 Alert Level 1.

This resulted in the lifting of all restrictions within New Zealand, although restrictions at the border remained.

The Board planned for a 20% reduction in income during the 2020 year but the actual reduction was a 9% reduction in revenue.

This has had minimal impact due to the corresponding reduction in expenditure as one of the risk mitigations. Also refer to note 20.

22. EVENTS AFTER REPORTING DATE

In mid-August 2020, community transmission of COVID-19 was detected in Auckland. As a result, the New Zealand Government placed:

Auckland into COVID-19 Alert Level 3 with non-essential businesses not allowed to open their premises to customers and permitted to operate only if they could do so in a contactless manner (which required online ordering and contactless delivery or collection).

The rest of New Zealand into COVID-19 Alert Level 2, which meant that size restrictions were placed on public gatherings and non-essential businesses were allowed to open their premises to customers only if they could maintain social distancing.

Severe limitations on travel between Auckland and the rest of New Zealand.

As a result of Covid-19, registrations in the 2021 year to date have been impacted. Assuming a 20% reduction in registrations in the 2021 year would reduce Registration/Practicing Fee/Disciplinary revenue during the year by \$325,000. Year to date to Oct 2020, Registration/Practicing Fee/Disciplinary revenue are all tracking ahead of same time last year by 7%.

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