



**Social Workers
Registration Board**
Kāhui Whakamana Tauwhiro

STATEMENT OF PERFORMANCE EXPECTATIONS

2017 – 2018

Presented to the House of Representatives pursuant to section 149 of the Crown Entities Act 2004

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STATEMENT OF RESPONSIBILITY

The Social Workers Registration Board is responsible for the preparation of the Statement of Performance Expectations as well as prospective financial statements, including the assumptions on which the financial statements are based.

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

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

The prospective financial statements have been developed for the purpose of presenting the Social Workers Registration Board's intentions in Parliament, and should not be relied upon by any other party for any alternative purpose without the express written permission of the Social Workers Registration Board.

Actual results are likely to be different from the prospective financial statements and the variation may be material.

We have authorised the issue of the prospective financial statements on this day, 7 April 2017.



Shayne Walker
Board Chair
7 April 2017



Khoa Nguyen
Chair – Finance Audit and Risk Management Committee
7 April 2017

REPORTABLE CLASS OF OUTPUTS

The Social Workers Registration Board is charged with protecting the public's safety by implementing a registration framework to ensure that social workers are competent to practise and held accountable for their practice.

The Board was established as a Crown agent as per the Crown Entities Act 2004 with its role established under the Social Workers Registration Act 2003 to:

- a) protect the safety of members of the public, by prescribing or providing for mechanisms to ensure that social workers are —
 - i) competent to practise; and
 - ii) accountable for the way in which they practise; and
- b) for the purposes of paragraph (a), to create a framework for the registration of social workers in New Zealand, and —
 - i) establish a Board to register social workers, and provide for its powers; and
 - ii) establish a tribunal to consider complaints about Registered Social Workers; and
- c) to provide for the Board to promote the benefits of registration of social workers —
 - i) to departments of State, other instruments of the Crown, other bodies and organisations that employ social workers, and the public; and
 - ii) among people practising social work; and
- d) to enhance the professionalism of social workers.

The Board will continue to pursue its stated objective that all social workers are registered through an effective registration system that protects the public and ensures high standards of social work practice.

Social Workers Registration Act 2003

In 2015 the Board delivered to the Minister for Social Development their draft report on the full review of the Social Workers Registration Act 2003, as per Section 104 of the Act. Section 104 of the SWR Act requires that the Board reviews the operation of the Act, its own operations and considers the extent to which the system of voluntary registration it provides for are achieving the purposes of the Act.

The legal issues paper contained in that report was referred to the Social Services Committee and they have now completed an inquiry into the operation of the Social Workers Registration Act in order to identify how the standard of the social work workforce could be lifted so that vulnerable clients are protected from poor practice.

The Committee made 38 recommendations to the Government including that some form of mandatory registration of social workers is desirable to ensure an appropriate level of competence, and that this will help to protect vulnerable clients from inappropriate and potentially harmful social work practice.

The Minister for Social Development has concluded that the Social Services Committee's recommendations provide a clear direction for changes necessary to lift the professionalism and competence of the social work sector. She has expressed concern that the voluntary system is no longer adequate to ensure the level of professionalism we need in the social work sector, and agrees that some form of mandatory registration of social workers is needed.

The Minister has announced that a bid for Social Workers Registration Bill or Amendment Bill has been included in the bids for the 2017 Legislation programme.

The Board welcomes the Social Services Committee's report and the Government's response with a proposal to review or replace the current legislation and to provide for mandatory registration of Social Workers. This is an outcome that the Board have lobbied for over many years.

Impacts and Priorities:

The impacts and priorities described below are a brief overview of the Board's programme for the next twelve months and should be viewed within the context of the Statement of Intent 2018-2022 which will provide the Board's strategic intentions for the next four years. The Statement of Intent notes legislative reform is expected to be a major focus for the SWRB over the next four years and that it will look at establishing a set of baseline measures, such as public confidence in the social work profession against which the impact of these reforms can be assessed.

The Board will continue to provide support and advice as required to Select Committee and Minister for Social Development as it considers new or revised legislation

Registration

Social workers are registered to meet minimum standard through an efficient and accessible registration system.

The Board provides access to a registration system for a large number of social workers that is continuing to grow each year. This priority contributes to delivering better public services across various sectors as well as providing value for money by ensuring the cost of registration does not increase as numbers increase. The Board has actively worked to reduce the costs of applying for and maintaining registration and continues to investigate new opportunities to reduce costs.

In 2017/2018 the Board will continue to upgrade their online registration application system so that it links to the online register in a way that facilitates an employer and researcher search function.

Education

Social work graduates enter the workforce with the expected entry-level competencies as a result of completing Board recognised social work qualifications delivered to national standards supported by educators.

Social work education in New Zealand is recognised internationally as professionally taught and consistently of a high calibre. By maintaining programme delivery standards across tertiary providers, this priority contributes to ensuring that graduates have the skills they need to deliver high-quality social services to New Zealanders, especially those most vulnerable.

In 2017/2018 the Board will work with the professional associations, employers and educators to develop an assessed and supported first year of practice for new graduates and a post qualification framework for specialist practice. The Board will also continue to work with tertiary education providers to ensure they meet the SWRB requirements for degree delivery.

Accountability

Social workers are held accountable to the Board's Code of Conduct and the public, the profession and the employers of social workers see evidence of an accessible, transparent and fair process.

The Board ensures that all social workers are aware of the revised Code of Conduct and the conduct expected of Registered Social Workers. The Board will provide access to a Complaints and Disciplinary system for anyone with concerns about a social worker's practice. This priority contributes to delivering better public services across various sectors as well as value for money by ensuring the public have access to an independent and fair process at no cost.

In 2017/2018 the Board will train an additional 12 complaints assessment committee members and provide publicity relating to the professional standards processes.

Professional standards

Social workers are required to meet accepted practice standards and are expected to continually develop their professional knowledge and skills for them to be viewed as professionals by the public, employers, and their peers across multi-disciplinary teams.

The Board ensures that only social workers who are deemed competent to practise social work and are competent to work with Māori, Pasifika and other different ethnic and cultural groups in New Zealand are registered. This priority contributes by ensuring social workers are adaptable to new approaches to providing social services including those identified under Whānau Ora.

In 2017/2018 the Board will work with the Tangata Whenua Voices in Social Work to develop a process for assessing the Kaitiakitanga Framework in practise. The Board will provide information on this

programme to educators and competence assessors nationally. The Board will also work with educators to ensure that MVCOT Shared System Core Competency Framework is embedded in assessments of social work students prior to completing their degree

Information and promotion

The public, the profession, and employers of social workers are aware of the system of registration, how to access it, and the benefits of ensuring that all Registered Social Workers are competent and held accountable for their practice.

This is a significant area of focus for the Board as it is necessary for all New Zealanders to be aware of social worker registration to ensure that the system provides for the purposes as set out in the Act. Protection of the public, by providing for mechanisms to ensure that social workers are competent to practise and accountable for the way in which they practise, contributes to better public services.

In 2017/2018 the Board will continue to support government with the proposed legislative changes to the Social Workers Registration Act, and with the implementation of the changes.

In 2017/2018 the Board will ensure the profession and employers of social workers remain aware of the progress of the proposed mandatory registration legislation and are advised of any obligations that will result from this legislation.

THE DIFFERENCE WE WANT TO MAKE AND HOW WE WILL MAKE IT

| | | | | | |
|-------------------------------|--|---|---|--|---|
| OUR VISION | All Social Workers are registered | | | | |
| SOCIAL SECTOR OUTCOMES | We protect the public's safety by administering a registration framework to ensure that social workers are competent to practise and held accountable for their practice. | | | | |
| |  | | | | |
| | RANGE OF GOVERNMENT AND NON-GOVERNMENT ACTIVITIES | | | | |
| |  | | | | |
| | Registration, Education, Accountability, Professional Standards, Information | | | | |
| OUR IMPACTS | Social workers registered to meet minimum standards via an efficient and accessible registration system | Social work students graduate from SWRB-recognised social work qualifications delivered to national standards | Registered Social Workers, the public and employers see evidence of an accessible, transparent and fair Complaints and Disciplinary Process | Registered Social Workers are viewed as professionals and adhere to accepted practice standards while continually developing their professional knowledge and skills | The system of registration is accessible and the benefits of registration are acknowledged by the profession, employers and the public. |
| OUR OUTPUT | ADMINISTRATION OF THE SWRB REGISTRATION FRAMEWORK | | | | |
| WHAT WE DO | Receive applications for Registration and Annual Practising Certificates | Recognise Social Work Qualifications | Hold Social Workers accountable via Code of Conduct and Complaints and Disciplinary Tribunal | Review the competence of Social Workers and issue Annual Practising Certificates | Provide information and promote registration to the profession, employers and the public |
| OUR PRIORITIES | Social Workers and those that receive social work services | | | | |

OUTPUT: ADMINISTRATION OF THE SWRB REGISTRATION FRAMEWORK

What is intended to be achieved?

We protect the public's safety by administering a registration framework to ensure that social workers are competent to practise and held accountable for their practice.

The processes undertaken to achieve this are:

Management of the registration of social workers

- by receiving and considering applications for registration, taking recognised educational qualifications and competence of social workers into account
- by authorising the registration of social workers and maintaining a Public Register
- by considering applications for, and issuing practising certificates.

Consideration of complaints against Registered Social Workers

- by maintaining a Complaints and Disciplinary Tribunal and providing administrative and related services for the Tribunal
- by promoting the establishment by organisations that employ social workers, of accessible and efficient procedures for making, considering and determining complaints relating to social workers they employ.

Enhancement of the professionalism of social workers

- by maintaining a code of conduct to apply to Registered Social Workers and that will apply generally in the social work profession
- by promoting and encouraging high standards of practice and professional conduct among Registered Social Workers and the employers of social workers.

Promotion of the benefits of registration

- by promoting the benefits of registration among people practising as social workers, to bodies and organisations that employ social workers, and to the New Zealand public by acknowledging the status of Registered Social Workers as qualified, competent and regulated professionals
- by reinforcing the place of Registered Social Workers as contributing members of multi-disciplinary teams working within many sectors.

Set standards for social work education and training

- by ensuring that the delivery of social work qualifications in New Zealand adheres to the Social Workers Registration Board Programme Recognition Standards
- by maintaining and reviewing the Programme Recognition Standards for recognised social work education providers
- by reinforcing high standards of education in order that social workers achieve minimum competencies prior to engaging in professional practice.

How will we assess performance?

| Performance Measure | Target 2015/2016 | Actual 2015/2016 | Target 2016/2017 | Estimated Actual 2016/17 | Target 2017/18 |
|---|------------------|------------------|------------------|--------------------------|----------------|
| The percentage of Social Work Qualifications due for re-recognition that are assessed by panels prior to their expiry date will be no less than | 100% | 100% | 100% | 100% | 100% |
| The percentage of completed applications for Registration that are assessed and presented to the Board for approval within 60 working days, will be no less than | 100% | 100% | 100% | 100% | 100% |
| The percentage of applicants who report being satisfied with the Registration and APC renewal process will be no less than | 90% | 85% | 90%* | 90% | 95%* |
| The percentage of competence assessments that are completed within 20 working days will be no less than | 100% | 100% | 100% | 100% | 100% |
| The percentage of competence re certification assessments that are completed within 20 working days will be no less than | 100% | 100% | 100% | 100% | 100% |
| The percentage of applicants who report being satisfied with the Competence Assessments process will be no less than | 90% | 88% | 90%* | 90% | 95% |
| The number of events that inform and promote the benefits of Registration to Social Workers, employers of Social Workers and the public, will be no less than | 40 | 50 | 50 | 55 | 60 |
| The percentage of employers who report that they are satisfied with the advice they receive will be no less than | N/A | N/A | N/A | N/A | 90%* |
| The percentage of formal complaints received and referred to the Complaints and Disciplinary Tribunal to be processed within 20 working days will be no less than | 100% | 100% | 100% | 100% | 100% |
| The Select Committee's satisfaction with the SWRB advice is | N/A | N/A | N/A | N/A | 100% |

* This is/will be evaluated via an annual survey

Forecast Revenue and Expenditure

Expenditure on the output for 2017/2018 will be funded by payments received by the Board from social workers who apply for registration, from Registered Social Workers who wish to maintain their registration and from Tertiary Education Organisations that require their social work qualifications to be recognised for the purposes of the Social Workers Registration Act 2003.

| Output |
|--|
| Administration of the Social Workers Registration Board Registration Framework |

| Actual 2015/2016 \$'000 | | Budget 2017/2018 \$'000 | Forecast 2016/2017 \$'000 |
|-------------------------------|-------------|-------------------------------|---------------------------------|
| 1,804 | Revenue | 2,010 | 1,981 |
| 2,013 | Expenditure | 2120 | 1,949 |

SOCIAL WORKERS REGISTRATION BOARD

Prospective Statement of Financial Performance For the year ended 30 June 2018

| Actual 2016 \$ | | Budget 2018 \$ | Forecast 2017 \$ |
|---------------------------|---|---------------------------|--------------------------|
| | INCOME | | |
| 1,724,952 | Application, registration & practising fees | 1,953,110 | 1,832,727 |
| 49,721 | Programme recognition & other income | 26,400 | 53,271 |
| <u>29,714</u> | Interest | <u>30,000</u> | <u>32,368</u> |
| <u>1,804,387</u> | Total Income | <u>2,009,510</u> | <u>1,918,366</u> |
| | EXPENDITURE | | |
| 910,090 | Employee related costs | 1,025,299 | 895,800 |
| 133,390 | Board costs | 149,500 | 113,096 |
| 299,515 | Costs of providing services | 398,050 | 405,837 |
| 120,299 | Depreciation and amortisation | 106,800 | 129,188 |
| 549,871 | Administration and overhead costs | 440,000 | 405,325 |
| <u>2,013,165</u> | Total Expenditure | <u>2,119,550</u> | <u>1,949,514</u> |
| <u>\$(208,778)</u> | Surplus/(Deficit) | <u>\$(110,040)</u> | <u>\$(30,879)</u> |

The accompanying notes and accounting policies form part of these financial statements
These statements have not been audited

**Prospective Statement of Movements in Equity
For the year ended 30 June 2018**

| Actual 2016 \$ | | Budget 2018 \$ | Forecast 2017 \$ |
|-------------------------------|--|-------------------------------|---------------------------------|
| 629,869 | Total Crown Equity at the start of the year. | 390,212 | \$421,091 |
| (208,778) | Net Surplus/(Deficit) after tax | (110,040) | (30,879) |
| <u>\$421,091</u> | Total Crown Equity at the end of the year. | <u>\$ 280,172</u> | <u>\$390,212</u> |

The accompanying notes and accounting policies form part of these financial statements
These statements have not been audited

SOCIAL WORKERS REGISTRATION BOARD
Prospective Statement of Financial Position
As at 30 June 2018

| Actual \$ \$2016 | | Budget \$ 2018 | Forecast\$ 2017 |
|---------------------|--------------------------------|-------------------|--------------------|
| | CURRENT ASSETS | | |
| 1,927,791 | Cash and cash equivalents | 681,968 | 437,113 |
| 8,647 | Accounts receivable | 24,271 | 20,000 |
| - | Investments | 1,250,000 | 1,500,000 |
| 30,475 | Prepayments | 6,000 | 6,000 |
| 1,966,913 | | 1,962,238 | 1,963,113 |
| | NON CURRENT ASSETS | | |
| 298,420 | Property, Plant & Equipment | 212,312 | 274,112 |
| 2,265,333 | TOTAL ASSETS | 2,174,550 | 2,237,225 |
| | Less: | | |
| | CURRENT LIABILITIES | | |
| 366,907 | Accounts Payable & accruals | 434,899 | 381,258 |
| 62,361 | Employee costs payable | 35,000 | 35,000 |
| 1,389,280 | Income received in advance | 1,414,000 | 1,414,000 |
| 6,276 | Deferred lease liability | 6,276 | 6,276 |
| 1,824,824 | TOTAL LIABILITIES | 1,890,175 | 1,836,534 |
| | NON-CURRENT LIABILITIES | | |
| 19,418 | Deferred lease liability | 4,203 | 10,479 |
| 1,844,242 | TOTAL LIABILITIES | 1,894,378 | 1,847,013 |
| \$ 421,091 | NET ASSETS EMPLOYED | \$ 280,172 | \$ 390,212 |
| | CROWN EQUITY | | |
| 629,869 | Accumulated surplus | 390,212 | 421,091 |
| (208,778) | Current Year Surplus/(Deficit) | (110,040) | (30,879) |
| \$ 421,091 | TOTAL CROWN EQUITY | \$280,172 | \$390,212 |

The accompanying notes and accounting policies form part of these financial statements
These statements have not been audited

SOCIAL WORKERS REGISTRATION BOARD

Prospective Statement of Cash Flows For the year ended 30 June 2018

| Actual 2016 \$ | | Budget 2018 \$ | Forecast 2017 \$ |
|---------------------------|--|-------------------------|-------------------------|
| | Cash Flows from Operating Activities | | |
| 2,370,233 | Registration fees, levies & APC fees | 1,953,110 | 1,857,447 |
| 41,074 | Other revenue | 26,400 | 53,267 |
| 36,507 | Interest received | 25,729 | 12,368 |
| (872,503) | Payments to Suppliers | (940,184) | (885,720) |
| <u>(909,160)</u> | Payments to Employees | <u>(1,025,200)</u> | <u>(923,161)</u> |
| 666,151 | Net Cash flows from Operating Activities | 39,856 | 114,201 |
| | Cash Flows from Investing Activities | | |
| 500,000 | Net movement in bank term deposits held | (250,000) | (1,500,000) |
| <u>(65,711)</u> | Purchase of property, plant & equipment | <u>(45,000)</u> | <u>(104,879)</u> |
| 434,289 | Net Cash flows from Investing Activities | (205,000) | (1,604,879) |
| 1,100,440 | Net Increase/(Decrease) in Cash or cash equivalents | (244,856) | (1,490,678) |
| <u>827,351</u> | Cash or cash equivalents at beginning of the year | <u>437,113</u> | <u>1,927,791</u> |
| <u>\$1,927,791</u> | Cash or cash equivalents at end of the year | <u>\$681,968</u> | <u>\$437,113</u> |

The accompanying notes and accounting policies form part of these financial statements
These statements have not been audited

SOCIAL WORKERS REGISTRATION BOARD

Prospective Statement of Accounting Policies For the year ending 30 June 2018

Basis of preparation

The Social Workers Registration Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000 in the current and previous financial years.

All transactions in the Performance Report are reported using the accrual basis of accounting.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Functional and presentation currency

The financial statements are presented in New Zealand dollars. Transactions not in New Zealand dollars are translated at the exchange rate at the date of the transaction, Monetary asset and liability balances are to be translated using the exchange rate at balance date.

Significant Accounting Policies

Revenue

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

Revenue from the Crown

The Board receives no funding through revenue received from the Crown.

Interest

Interest income is recognised when earned.

Fees

Revenue from Annual practicing certificate fees are recognised in the year to which the practicing certificate relates.

Other fee revenue is recognised on receipt.

Leases

Operating leases

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

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with New Zealand registered banks with original maturities of three months or less.

Accounts receivable

Accounts receivable are measured at fair value.

Investments

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

Bank deposits

Investments in bank deposits are measured at cost.

Property, plant and equipment

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

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset.

Gains and losses on disposals are included in the statement of financial performance.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of financial performance as they are incurred.

Depreciation

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

Depreciation of furniture, office and computer equipment is provided on a diminishing value basis at rates provided under the Income Tax Act 2007.

The depreciation and amortisation rates of major classes of assets have been estimated as follows:

Leasehold improvements (16.7% SL)

Furniture and office equipment (18% - 60% DV)

Computer equipment (48% DV)

Developed computer software (20% SL)

Developed website (33% SL)

Impairment of Property, plant and equipment

If an asset's value to the Board in using the asset falls below the carrying amount of the asset it is impaired and the carrying amount is written down to the recoverable amount and recognised in the statement of financial performance.

Creditors and other payables

Creditors and other payables are initially measured at cost.

Employee entitlements

Short-term employee entitlements

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

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

at balance date.

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

Good and Service Tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis.

Income Tax

The Board is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.