



**Social Workers
Registration Board**

Kāhui Whakamana Tauwhiro

STATEMENT OF PERFORMANCE EXPECTATIONS

2019 / 2020

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

CONTENTS

STATEMENT OF RESPONSIBILITY	3
THE DIFFERENCE WE WANT TO MAKE AND HOW WE WILL MAKE IT	4
OUTPUT:	5
ADMINISTRATION OF THE SOCIAL WORKERS REGISTRATION BOARD REGULATORY FRAMEWORK	
SUB-OUTPUTS	7
CHANGES TO THE SOCIAL WORKERS REGISTRATION ACT 2003	8
BECOMING A MODERN REGULATOR	8
IMPACTS AND PRIORITIES	11
FORECAST FINANCIAL STATEMENTS	15

Copyright Statement

This Statement of Performance Expectations is copyright to the Social Workers Registration Board. The copyright-protected material may be reproduced free of charge for non-commercial personal use without requiring specific permission. This is subject to the material being reproduced and attributed accurately and not being used in a misleading context. Requests and enquiries concerning the reproduction of information for any purpose other than personal use requires the permission of the Social Workers Registration Board.

STATEMENT OF RESPONSIBILITY

The Social Workers Registration Board (SWRB) acknowledges responsibility for the preparation of this Statement of Performance Expectations and the forecast financial statements used in it.

The forecast financial statements of the SWRB have been prepared in accordance with public benefit entity accounting standards based on International Public Sector Accounting Standards (IPSAS)

The forecast financial statements have been developed for the purpose of presenting the SWRB's operating intentions in Parliament and should be read in conjunction with the Statement of Intent 2018-2022.

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

We have authorised the issue of the forecast financial statements on this day, 28 June 2019.





Shannon Pakura
Board Chairperson
28 June 2019



Khoa Nguyen
Chairperson – Finance Audit and Risk Management Committee
28 June 2019

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 regulatory 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 regulatory framework				
WHAT WE DO	Receive applications for registration and 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 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 REGULATORY FRAMEWORK

What is intended to be achieved?

We protect the public's safety by administering a regulatory 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 competent 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 Aotearoa 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.

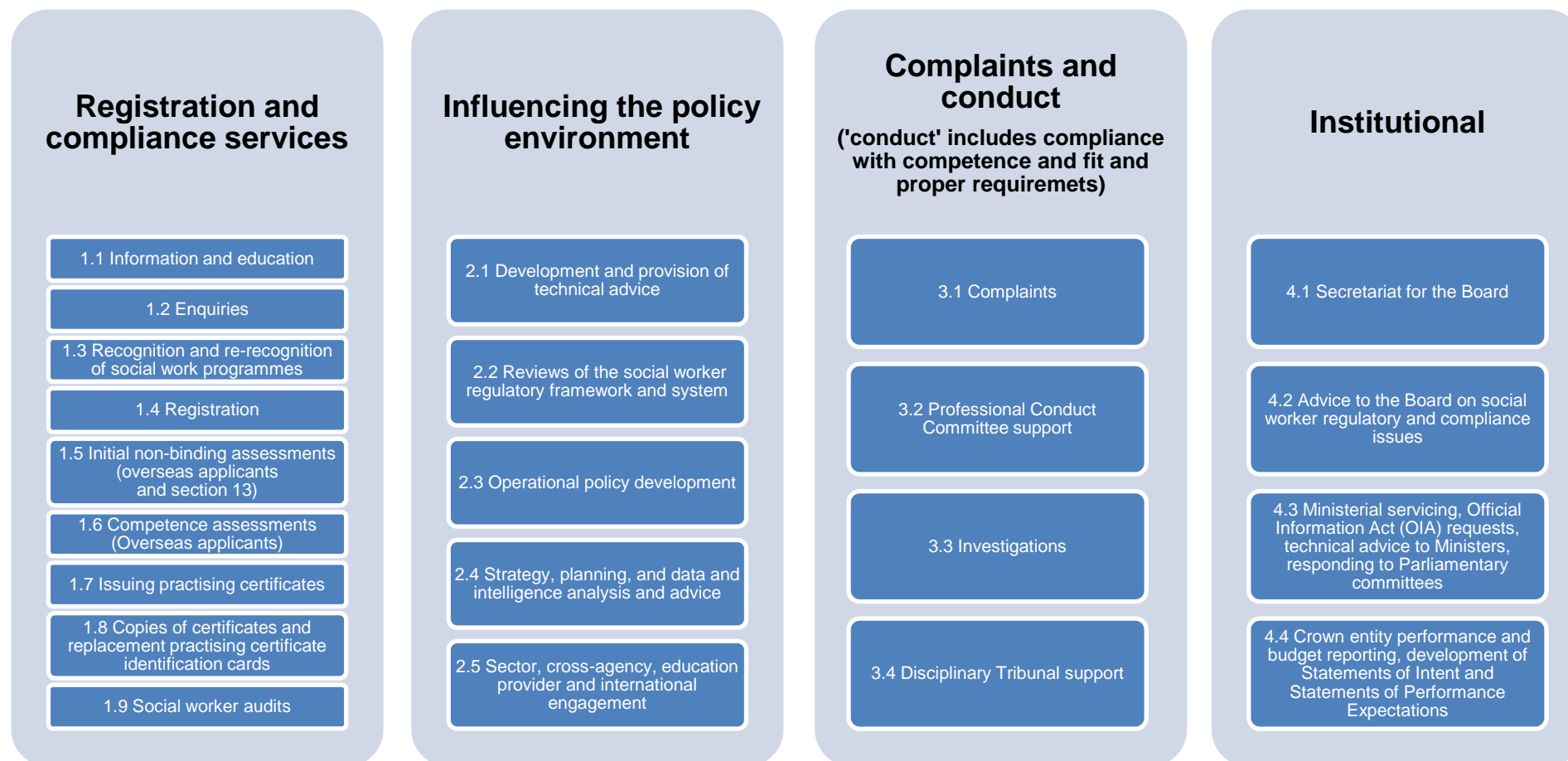
Setting of standards for social work education and training

- by ensuring that the delivery of social work qualifications in New Zealand adheres to the SWRB 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.

The Social Workers Registration Board recognises Te Tiriti o Waitangi as the founding document of New Zealand. In doing so, we commit to the intent of Te Tiriti o Waitangi with the Articles of Te Tiriti providing the foundation on which our nation was built.

SUB -OUTPUTS

The SWRB has broken down the reportable class of outputs and identified four subclasses of activity that combine to deliver our services. These are:



CHANGES TO THE SOCIAL WORKERS REGISTRATION ACT 2003

In February 2019 changes were made to the Social Workers Registration Act (Act) as the Social Workers Registration Legislation Bill progressed through its third reading and received Royal Assent. This saw the anticipated amendments to the Act, which include title protection for 'social worker' and requires that by 28 February 2021, a person practising as a social worker must be registered and hold a current practising certificate.

Further changes to the Act relate to the professional framework, competence assessments, the introduction of audits of the Continuing Professional Development (CPD) logs of randomly selected registered social workers, complaints procedures, quasi-judicial disciplinary tribunal procedures, and accrediting and standard setting for social work education and training programmes.

Mandatory registration and the other changes mean we need to change what we do and how we operate so that we can continue to be an effective regulator. Doing this will enable us to:

- deliver quality and timely services and functions
- make robust decisions about a social worker's registration, practising certificate and conduct¹ because our decisions affect their ability to work
- achieve performance targets set by the Minister of Social Development
- deal with greater scrutiny of our work to improve the professionalism of the social worker workforce (for example by monitoring social worker compliance with the Act, using non-regulatory interventions such as targeted campaigns and education and guidance, and being able to provide sector leadership through data and information that assists with social worker workforce planning).

BECOMING A MODERN REGULATOR

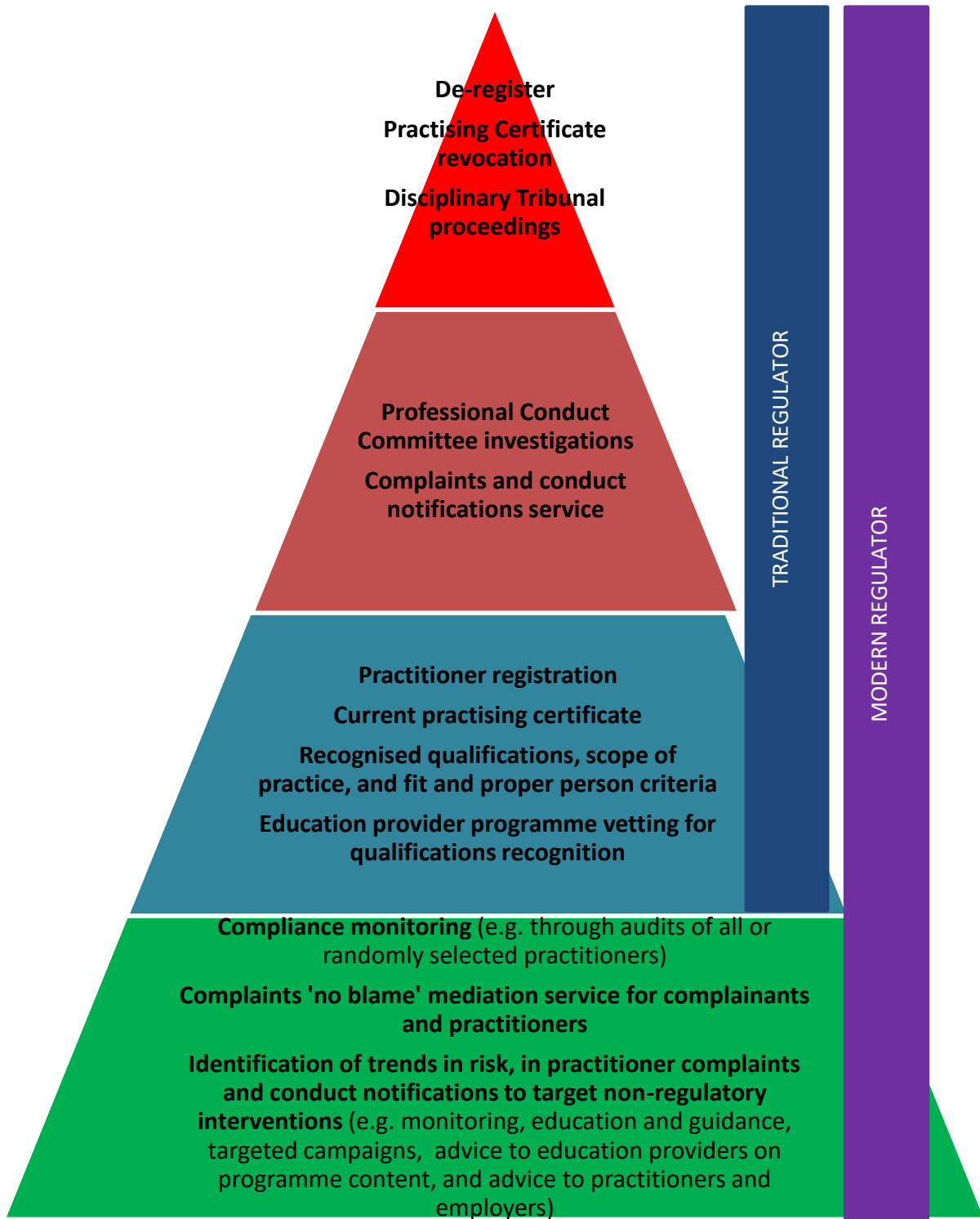
The SWRB is currently set up to operate as a traditional regulator, which is outputs-focused with transactional (regulatory) interventions (for example registration, practising certificates, programme recognition, complaints, conduct notifications, investigations and disciplinary proceedings).

To improve the professionalism of the social worker workforce, the SWRB will move to operate as an evidence-based, intelligence-led and risk-focused regulator in line with Aotearoa New Zealand and international regulators that have been moving to this model since 2012. This requires SWRB to shift to a modern regulator model, which is outcomes-focused with system (non-regulatory) interventions (such as monitoring, patterns and trends analysis across multiple complaints and conduct notifications, research, engagement, relationships, assisted compliance, education, guidance, targeted campaigns). In addition, the SWRB will be output-focused providing transactional (regulatory) interventions (such as registration, practising certificates, education provider

¹ Note that 'conduct' includes competence (issues with qualifications, skills and experience) and fit and proper (issues with behaviour due to health, mental state, criminal charges and convictions etc)

programme recognition, complaints, conduct notifications, investigations and disciplinary proceedings).

PYRAMID OF PRACTITIONER REGULATOR INTERVENTIONS



Given the number of variables in the new environment, the SWRB has produced this document on a business-as-usual basis and will produce a new Statement of Performance Expectation once we have developed a new outcomes framework that reflects the changes in legislation.

IMPACTS AND PRIORITIES

The impacts and priorities outlined below are an overview of the SWRB's programme for the next 12 months and should be viewed alongside the Statement of Intent 2018-2022, which covers the SWRB's strategic intentions for the next four years. The SWRB has developed a Five-Year Strategic Plan that will influence future priorities and allows the Board to respond to the changing regulatory environment. However, with the amendments to the Act, the Strategic Plan will be reviewed and revised during 2019/2020 to reflect the changes in legislation and the SWRB's shift to be a more modern regulator.

A key part of the organisation's strategy is also based on valuing our relationship with Māori. The SWRB's goal is to build the SWRB's capability to deliver effectively with and for Māori through a Māori Responsiveness Strategy. The foundation of this strategy was completed in 2018/2019 in partnership with Te Amokura Consultants and will continue to be finalised in 2019/2020.

Registration

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

The SWRB provides access to a registration system for a large number of social workers, a number that is continuing to grow each year. With the move to mandatory registration, we estimate that an additional 4,000 social workers will apply for registration over the next two years. This will mean a significant increase in work for the SWRB.

In 2019/2020 the SWRB will review its registration systems and policies to ensure that they are consistent and compliant with the new legislation. The SWRB will also review aspects of its current application process to identify where efficiency improvements can be made.

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 Aotearoa 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 Aotearoa New Zealanders, especially those most vulnerable.

In 2019/2020 the SWRB will continue to work with tertiary education providers to ensure they meet the SWRB's requirements for degree delivery. The SWRB will also continue to work with others across the sector on a social work education review being led by the Associate Minister of Education and in response to the polytechnic sector changes proposed by the Minister of Education.

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 SWRB ensures that all social workers are aware of the revised Code of Conduct and the conduct expected of registered social workers. The SWRB will continue to provide access to a complaints and disciplinary system for anyone with concerns about a registered social worker's practice. It remains a priority for the SWRB to ensure the public have access to an independent and fair process. The new Act also enables the development of a scope of practice which will provide guidance on what constitutes practising social work.

In 2019/2020 the SWRB will work in consultation with the sector over the next 18 months to help refine the scope of practice, with the final scope to be determined by the Board.

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 SWRB ensures that only social workers who are deemed competent to practise social work and are competent to work with Māori, Pasifika and other ethnic and cultural groups in Aotearoa New Zealand are registered. With changes under the new Act, the way the SWRB assesses competence for social workers has changed. A competence assessment is no longer required for Aotearoa New Zealand-qualified social workers. Tertiary institutions will be required to sign off on the competence of each graduate.

The five-year recertification of competence assessment has also been removed for all registered social workers. Along with these changes is a requirement to report to the SWRB any concerns regarding the competence, serious misconduct, or mental or physical health of registered social workers.

In 2019/2020 the SWRB will implement an audit of CPD logs for registered social workers. The audit will be done on an annual basis, and registered social workers will be required to keep their CPD logs up to date as they may be selected to be audited. The audit is an interim measure while the SWRB conducts a comprehensive review of how competence assurance is undertaken. The SWRB will also be consulting the sector in relation to defining serious misconduct. The SWRB will continue to develop its Māori Responsiveness Strategy to ensure that the organisation has the appropriate internal capabilities, policies and processes to work with Māori effectively.

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 SWRB, especially with the changes under the new Act. 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. The protection of the public, through ensuring that social workers are competent to practise and accountable for the ways in which they practise, contributes to better public services.

In 2019/2020 the SWRB will undertake an information campaign to help keep social workers (registered and non-registered), employers, the sector, key stakeholders and the public informed of the changes under the new Act and what they mean for them.

HOW WILL WE ASSESS PERFORMANCE?

Performance Measure	Target 2018/19	Estimated Actual 2018/19	Target 2019/20
Stakeholders are kept informed of changes to the regulatory framework resulting from the implementation of the Social Work Registration Act	New measure	Stakeholders are kept informed through: <ul style="list-style-type: none"> - at least 4 issues of OnBoard newsletter - website up to date - collateral developed 	Stakeholders are kept informed through: <ul style="list-style-type: none"> - at least 4 issues of OnBoard newsletter - website up to date - collateral developed
The percentage of applicants who report being satisfied with the registration and practising certificate renewal process, including timeliness	90%	90%*	90-95%*
Ensure education providers are meeting minimum standards by completing	New measure	New measure	4 programme re-recognitions ² and 4 programme midcycle reviews ³

² A programme re-recognition is a complete review of a recognised education programme that is completed every 5 years by a panel of experts. This is completed to reassure the SWRB that the programme delivers to the SWRB required standard and is theoretically current and internationally benchmarked.

³ A midcycle review is a process whereby the SWRB maintains their overview of the programme and follows up on implementations of recommendations that were made at the time of re-recognition. It also provides an opportunity for tertiary education institutions to discuss proposed future developments within their programme delivery.

Performance Measure	Target 2018/19	Estimated Actual 2018/19	Target 2019/20
The percentage of non-binding assessments of an overseas qualification will be processed within one month of being received	New measure	New measure	85-90%
All complaints received will be responded to within 20 working days	New measure	New measure	70-75%
The percentage of applicants/registered social workers who require a refund will receive one within 60 working days ⁴	New measure	New measure	80-85%

* This is/will be evaluated via an annual survey

As we build our approach as a modern regulator, we will reflect these changes in the development of measures.

⁴ Refunds may occur where payments were affected by the timing of the changes in legislation, or where payments were made in error.

Forecast revenue and expense for 2019-20

Expense on the output for 2019/2020 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 2017/18 \$000	Estimated 2018/19 \$000		Forecast 2019/20 \$000
2,255	2,290	Revenue	4,667
2,118	2,465	Expense	4,427
137	(175)	Total surplus/(deficit)	242

Forecast comprehensive income and expense for the year ending 30 June 2020

Actual 2017/18 \$	Estimated 2018/19 \$		Forecast 2019/20 \$
		Revenue	
1,859,229	2,019,000	Registration & practising fees and levy	2,693,290
0	0	Revenue from the Crown Program recognition & other revenue	1,343,000
364,673	228,661	Interest	576,622
31,607	41,899		53,093
<hr/>	<hr/>	Total Income	<hr/>
2,255,509	2,289,560		4,669,012
		Expense	
114,670	112,389	Administration and overhead costs	128,400
130,122	116,783	Complaints and tribunal fees	180,783
52,220	43,682	Publications & Promotions	312,682
97,809	75,108	Depreciation & amortisation	54,180
1,194,525	1,334,829	Personnel costs	2,436,382
528,978	783,889	Other expenses	1,311,250
<hr/>	<hr/>	Total Expense	<hr/>
2,118,324	2,466,680		4,426,677
<hr/>	<hr/>	Other Comprehensive revenue	<hr/>
0	0		0
<hr/>	<hr/>	Net Surplus/(deficit)	<hr/>
137,185	(177,120)		242,239

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

Forecast statement of movements in equity
For the year ended 30 June 2020

Actual 2017/18 \$	Estimated 2018/19 \$		Forecast 2019/20 \$
440,776	577,961	Total Crown Equity at start of year	400,841
137,185	(177,120)	Net surplus/(deficit)	242,329
<u>577,961</u>	<u>400,841</u>	Total Crown Equity at end of year	<u>643,170</u>

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

Forecast statement of financial position as at 30 June 2020

Actual 2017/18 \$	Estimated 2018/19 \$		Forecast 2019/20 \$
		Current Assets	
2,383,333	2,057,644	Cash & cash equivalents	310,966
102,513	36,109	Account receivable	107,788
0	350,000	Investments	2,100,000
27,622	27,622	Prepayments	31,133
<u>2,513,468</u>	<u>2,471,375</u>		<u>2,549,887</u>
		Non-current assets	
169,295	99,962	Property plant & equipment	107,808
<u>2,682,763</u>	<u>2,571,337</u>	Total Assets	<u>2,657,695</u>
		Less	
		Current Liabilities	
416,802	397,754	Accounts payable & accruals	395,181
75,179	37,989	Employee costs payable	39,807
1,602,342	1,730,550	Income received in advance	1,579,537
6,276	4,203	Deferred lease liability	0
<u>2,100,599</u>	<u>2,170,496</u>		<u>2,014,525</u>
		Non-Current Liabilities	
4,203	0	Deferred lease liability	0
<u>2,104,802</u>	<u>2,170,496</u>	Total Liabilities	<u>2,014,525</u>
<u>577,961</u>	<u>400,841</u>	Net Assets employed	<u>643,170</u>
		Crown Equity	
440,776	577,961	Accumulated surplus	400,841
137,185	(177,120)	Current year surplus/(deficit)	242,329
<u>577,961</u>	<u>400,841</u>	Total Crown Equity	<u>643,170</u>

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

Forecast statement of cash flows for the year ended 30 June 2020

Actual 2017/18 \$	Estimated 2018/19 \$		Forecast 2019/20 \$
		Cash Flows from Operating Activities	
2,255,896	2,450,000	Revenue received	3,537,977
		Revenue from the Crown	1,544,450
34,868	45,000	Interest received	45,996
(789,035)	(1,195,000)	Payment to suppliers	(2,861,019)
(1,203,821)	(1,273,597)	Payment to employees	(2,199,082)
<hr/>	<hr/>	Net Cash flows from operating activities	<hr/>
297,908	26,403		68,322
		Cash Flows from Investing Activities	
1,350,000	(350,000)	Net movement in bank term deposits held	(1,750,000)
337	-	Sale of property, plant & equipment	-
(3,630)	(2,092)	Purchase of property, plant & equipment	(65,000)
(9,975)	-	Purchase of intangible assets	-
<hr/>	<hr/>	Net Cash flows from investing activities	<hr/>
1,336,732	(352,092)		(1,815,000)
1,634,640	(325,689)	Net increase (decrease) in cash or cash equivalents	(1,746,678)
748,693	2,383,333	Cash or cash equivalents at beginning of year	2,057,644
<hr/>	<hr/>	Cash or cash equivalents at end of year	<hr/>
2,383,333	2,057,644		310,966

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

Prospective Statement of Accounting Policies

For the year ending 30 June 2020

Basis of preparation

The forecast financial statements of the Social Workers Registration Board 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.

These forecast financial statements comply with public benefit entity (PBE) financial reporting standard (FRS) 42 – Prospective Financial Statements. They have been prepared in accordance with Tier 2 PBE Accounting Standards. We are required to prepare a Statement of Performance Expectations including prospective financial statements at or before the start of each financial year to promote public accountability by providing a base against which its actual performance can later be assessed. The forecast financial statements may not be appropriate for any other purposes.

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. All accounting policies were applied consistently during the period.

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 fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements. This funding is restricted in its use for the purpose of SWRB meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder.

Interest

Interest income is recognised when earned.

Fees

Revenue from Practising certificate fees are recognised in the year to which the practising certificate relates.

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

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, and the total value of the item exceeds \$2,000.

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 website and computer software (20% 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.