



ANNUAL REPORT

2015-2016

Our commitment to the Treaty of Waitangi

We acknowledge the special relationship accorded to Māori as tangata whenua by Te Tiriti o Waitangi (the Treaty of Waitangi).

As a Crown entity we will demonstrate our commitment to the treaty expressed through the principles of partnership, protection and participation. Underpinning these principles is the theme of embracing the aspirations of Māori achieving success as Māori. We discuss the practical actions to enact our commitment throughout the Annual Report 2015–2016.



ANNUAL REPORT

2015-2016

We have come a long way...

Careers New Zealand, then called Quest Rapuara (The Career Development and Transition Education Service), was established in 1990. The start of the 2015-2016 financial year marked our 25th anniversary. In the last two and half decades the way people live, learn and work has changed rapidly and significantly. While our core functions have remained the same, how we deliver them to best meet the needs of New Zealanders has changed almost beyond recognition.

At the heart of our strategies has always been helping individuals to make good career choices. Since our founding millions of New Zealanders have used and benefitted from our information, resources and services to directly to help them through their career journeys. Many others have been reached through our work to develop the capability of educators and career professionals, whānau, āiga, families, community groups, Māori organisations and employers. Now the children and even grandchildren of people who we helped in the 1990's are using our services – though they are probably checking us out on a smartphone rather than reading a pamphlet.

We help people make informed learning and work choices so they, and the country, will have a better future.

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Part One:

INTRODUCTION

Board Chair's foreword



This Annual Report marks over 25 years since Careers New Zealand, then known as Quest Rapuara (The Career Development and Transition Education Service). Over this time we have helped many, many New Zealanders find their path through learning and work.

This may be the last Annual Report we produce, with the proposed merger of our functions and staff into the Tertiary Education Commission expected to take place in early 2017. While the organisational home (or homes), for careers information and advice changes, and how it is delivered evolves, the core purpose stays the same: helping New Zealanders make informed choices about learning and work – the pathways that make up their “careers”.

We often make the point that careers are now rarely the result of a few simple choices that lead to one occupation or job for life. The world of study and work now has many more choices, challenges and opportunities – and these change quickly. Think of the impact of the internet, and more recently, smartphones and mobile technology. These have profoundly changed the way we live, learn, work and the career opportunities available to us, particularly to young New Zealanders. Whole occupations and career paths exist now that did not 10 or 15 years ago, and other occupations are now much less important, or hardly exist at all. Young people need career skills, knowledge and information to be resilient and able to survive and thrive in today's dynamic world of learning and work.

Under the strategy laid out in our 2015-2019 Statement of Intent, preparing young people, especially Māori and Pasifika, for their future is at the centre of our work. We are all about young people getting the information, skills and resources they need to successfully navigate their way through education and training and into the world of work. Our work is helping to strengthen the education and careers systems so all young people can succeed and New Zealand prospers. We are one of many influencers within the careers system and we have focused our resources on where we can make the most impact, either directly or through helping the work of others such as teachers, careers advisers, parents and community groups. A lot of our work with careers influencers is about helping them and the young people they support, get the most out of our digital resources.

Our digital services connect directly with young people. One of our core strengths is our deep organisational understanding of careers and our ability to turn this into accessible, useful information, tools and resources for young people and their influencers. Through this we have achieved great direct and indirect reach, and high levels of customer satisfaction. The people using our digital services continued to grow from an already impressive base, and our new emphasis on inspirational and informative video resources such as Oompher and Māia, have helped to widen our reach and engagement.

An increasing emphasis has been our work connecting education and employment. Research has shown the importance of young people experiencing real connections to the world of work. They need to understand the relevance of courses and qualifications, and the skills that employers are looking for. Careers New Zealand has been working innovatively with employers to achieve this. During the year we continued to spread the employer-led Work Inspiration programme, and ran Industry Big Day Out events bringing young people, educators and employers together. The online resources I mentioned earlier give industry and employers a direct voice to young people.

It has been my privilege to serve as Chair of the Careers New Zealand Board since November 2013. Over this time the organisation has had its ups and downs. I am glad to say that this, along with last year, has been very emphatically an "up": in the results we have achieved; the ongoing commitment of our staff to our mission and laying foundations for further improvements in careers information and advice.



Dale Karauria
Board Chair

Careers New Zealand
Mana Rapuara Aotearoa

31 October 2016

Chief Executive's foreword



It has been a remarkable year for Careers New Zealand.

More people know about us and trust the information and advice we provide. Our suite of digital tools and resources are more accessible and more used than ever before. These along with our programmes and initiatives support teachers, parents, whānau and āiga to help young people make informed learning and work choices.

Showing the impact of a successful careers system is difficult. It is hard to demonstrate significant impact from one intervention or one organisation. However, we have a growing body of evidence showing the effectiveness of the services and products we deliver. Accessing our services is entirely by choice. This means that more people using our services and coming back along with high customer satisfaction, is a strong indicator that people and organisations see value in what we provide.

Driving this remarkable year has been the successful implementation of our strategy laid out in our 2015-2019 Statement of Intent, summarised on page 12. This achievement has only been made possible by the clarity of purpose and the expertise and commitment of our staff. The exemplary turnaround in our staff engagement was recognised by being awarded the Most Improved Organisation in the small-medium sized organisation category of the IBM Kenexa Best Workplaces Awards 2015.

Our suite of digital resources, tools and content continues to go from strength to strength. This year we delivered the most significant upgrade to our website that has ever happened, making our digital services more mobile responsive. Completing this work hasn't come at a cost of quality, as once again our website won a WriteMark Plain English Award and was available 99.94 percent of the time.

We have continued researching the needs of our customers and how best to reach and communicate with them, and we have been putting this research into practice. In particular we have continued to build on our Project Kāmeheameha work with young Māori and undertaken a similar project, Project Lumana'i, with Pasifika young people. This research has led us to developing new video resources such as Māia and enhancing the success of other resources such as Oompher.

Creating stronger connections between education and work is important in helping young people make more informed decisions and assisting employers to influence their future workforce. Working directly with employers and young people we facilitate meaningful connections like Industry Big Day Out events and Work Inspiration programmes. We help build these connections in schools by supporting whole-school career education through resources, programmes and implementing benchmarks of best practice. This includes co-designing and delivering a national induction for career leaders' programme with CATE¹.

Building the cultural capability of all our staff to contribute effectively to our work with Māori and Pasifika is an ongoing focus for Careers New Zealand. We have developed and implemented culturally responsive programmes for schools, such as the successful Rangatahi Futures programme. We continue to ensure that all of our programmes will meet the needs of young Māori and Pasifika.

The proposed transfer of Careers New Zealand's functions and staff to the Tertiary Education Commission (TEC) is likely to occur in early 2017. We have a strong legacy that we take forward into TEC. We bring a brand used and trusted by young New Zealanders. We are the go-to place for great careers information and resources, which are accessible and engaging for young people. I am very proud of our achievements and the legacy we have built together. Careers New Zealand staff are highly skilled and committed and ready to make the most of the new opportunities of joining with Tertiary Education Commission.



Keith Marshall
Chief Executive

Careers New Zealand
Mana Rapuara Aotearoa

31 October 2016

¹ Careers and Transition Education Association

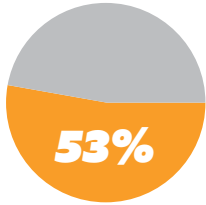
Highlights

For any organisation it is its people that are the single major driver of success. Last year, Careers New Zealand was recognised by IBM Kenexa as **having conducted a transformation in its staff engagement that has never been achieved before in New Zealand's history by any size organisation in any sector. Ever.** The effect of this outstanding transformation is clearly and strongly shown in our successful performance over the past year.

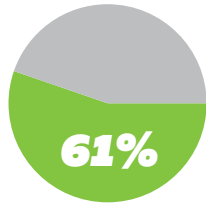
A key measure of our success is people actually using the many and varied resources we have available. Ensuring people make use of our resources means the resources need to be accessible, clear and easy to understand. **Careers New Zealand once again gained external recognition of its achievements through another national Plain English Award for its website.** The qualities that the award recognises are reflected in the high and growing use that people are making of our resources to help them with their learning and work choices.

Our year in numbers

We are well known, especially by young people



of New Zealanders surveyed know about us



of 15-24 year olds surveyed know about us



of 15-17 year olds surveyed know about us

We have reached many New Zealanders



465

education providers received professional development services



21,773

people accessed our advice line service

We have delivered high-quality services and have made a difference

88%



of New Zealanders trust our information and advice

42%



of people who had used our tools/resources said we had made a significant difference to them



83%

of education providers found our programmes helpful

Our operating context

The changing workplace

Since Careers New Zealand was founded in 1990, work, business and education have all seen significant changes. Changes not only to the types of jobs available and the industries they are in, but also to the concept of a career. Today a person's career is no longer simply chosen, but is created and developed by many different choices over the course of their life.

The changes to business are increasingly driven by technology, meaning businesses are adapting their business models to meet the changing economic environment, and becoming more agile in order to survive and thrive. To do this, employers look for employees with the technical knowledge, skills and attributes to make their business more successful. Communicating to young people the skills and attributes employers are looking for is a key part of our strategy.

My career – built over time, not just by one choice

Growing young people's ability to navigate the different learning and work choices available to them is important for them and New Zealand. When young people make learning and work choices that work for them and help them reach their aspirations, everyone benefits. Good career decisions have a flow-on effect for the individuals, their families and communities. The businesses they work in will be more productive and competitive, which leads to wider benefits for New Zealand.

For many young people, identifying and understanding their future career options and pathways presents a challenge. We refer to the set of skills, tools, resources and knowledge required to recognise and take those opportunities as career management competencies². An important part of young people being able to make good career decisions is ensuring they are able to access the information they need, in a format they easily understand and can engage with. Our website is a trusted source of information, and we deliver support directly to schools, parents and communities to ensure young people and those supporting them have easy access to the high-quality career information they need.

There are significant disparities between different groups of young people in education, which has an impact on them making a successful transition into the world of work. Māori and Pasifika are over-represented in the number of young people not in education, employment or training (NEETs), and have a lower rate of 18-year-olds achieving NCEA Level 2 than the overall population. While the results are improving at a faster rate for Māori and Pasifika than for the overall population, raising the attainment of Māori and Pasifika remains an important focus for government.

² Further detail on career management competencies can be found on page 14



Photo ©BCITO 2015

Careers system review

In May 2016 the government announced its intention to transfer Careers New Zealand's functions to the Tertiary Education Commission (TEC). Legislation to enact the transition was introduced to Parliament on 23 August 2016. This was an outcome of the careers system review, and will combine the strengths and networks of both organisations to make a more effective careers system for New Zealand.

As a consequence of this decision, this Annual Report should be read as being the last ever annual report of Careers New Zealand. There are a number of unique characteristics pertaining to this report- such as the decision not to follow up on the Kenexa staff engagement survey, which was intended only in the context of an ongoing Careers New Zealand and are not relevant to its future within TEC.

We will work closely with TEC to ensure a smooth transfer of staff, resources and functions.

Our strategy

Our purpose is clear

Responding to the challenges of a rapidly changing world of learning and work required Careers New Zealand to develop a new high-level strategy³. Our customers – all New Zealanders but particularly young people, Māori and Pasifika – are at the heart of our strategy.

Our central purpose is “helping people make informed learning and working choices, so they, and the country, will have a better future”. When young people are making learning and work choices that work for them and help them reach their aspirations, everyone benefits.

Good career decisions have a positive flow-on effect for individuals, families and communities, and for business productivity and the economy. By ensuring New Zealanders have the information they need about skill gaps, employment growth areas and relevant education opportunities, we in turn support the labour market needs of employers.

Our strategy has three interrelated elements. These are:

- developing new and existing digital tools and resources to help people make informed learning and work choices
- delivering professional development services for those influencing other people’s career choices, to help them provide informed career support
- connecting educators and employers to improve career pathways at important transition points in people’s learning and work lives.

These three elements are underpinned by a responsibility to improving outcomes for Māori and Pasifika.

Another key aspect of our strategy is actively seeking appropriate additional third-party revenue to help create a sustainable financial platform for CNZ.

We restructured our organisation in 2014–2015 to more effectively deliver on our strategy, with 2015–2016 being the first full financial year of our new organisational design. We continue to deliver our information and services as digital by default, using the most effective channels to engage with people.

We help achieve governmental priorities

Our work is informed and guided by wider government priorities and strategies relevant to transitions in education and employment. Important to our work is the Government’s Business Growth Agenda and Better Public Service goals, especially the aspects on boosting skills and employment, reducing long-term welfare dependence and improving citizens’ interactions with government. We are active in the Skilled and Safe Workplaces work stream of the Business Growth Agenda. As a part of the education sector, our work is informed by, and supports the implementation of, wider education strategies such as the Tertiary Education Strategy. Auckland and Christchurch are key geographic focuses for our work, reflecting the economic and demographic importance of the areas.

³ The high-level strategy is outlined in detail in the Careers New Zealand Statement of Intent 2015–2019.

We collaborate with others to deliver our work more effectively

Careers New Zealand, along with six other education agencies including the Tertiary Education Commission, the Ministry of Education and the New Zealand Qualifications Authority, worked with the State Services Commission to adapt the Performance Improvement Framework (PIF) to undertake a sector review. The Education System Blueprint was produced, identifying a range of areas the education agencies could work on together for increased collective impact across the sector. The Education System Stewardship Forum Work Programme is the agencies' plan in response to the Blueprint. The initiative will help the participating education agencies work together more effectively as stewards, with a common vision and plan.

To successfully achieve our priorities, we work alongside a number of different stakeholders. This includes government agencies such as the Ministry of Business, Innovation and Employment and the Ministry of Social Development, economic development agencies such as Auckland Tourism, Events and Economic Development and the Canterbury Development Corporation, and professional and peak bodies including Business New Zealand, the Career Development Association of New Zealand and the Careers and Transition Education Association.

We also collaborate with businesses and employment organisations to bring their valued perspective into our work and the education sector. We prioritise the five nationally significant priority industries in our statement of intent: information technology, agribusiness, health, engineering and science.

We collaborate on a global level as an active member of the international network on career development policy, research and practice. Our collaboration includes responding to information requests from international researchers and our Board Chair delivering the keynote speech at an international conference.

We are relevant and effective for Māori and Pasifika

Ensuring our work is meaningful, relevant and fit for purpose for Māori and Pasifika young people is a priority for how we design, implement and deliver our information and services. We acknowledge the special relationship accorded to Māori as tangata whenua by Te Tiriti o Waitangi (the Treaty of Waitangi). We have taken a number of practical actions to enact our responsibility to Māori and Pasifika, which are detailed throughout this Annual Report. Our work with Māori and Pasifika contributes to achieving the aims of Ka Hikitia: the Māori education strategy, the Pasifika Education Plan 2013-2017 and Tau Mai Te Reo: the Māori language in education strategy.

We have implemented changes to our deliveries based on key pieces of research with Māori and Pasifika young people, and continue to seek opportunities to better deliver our services for them. The Chair of the Te Mana Pou Tuarongo Māori network and the Chair of the Vā Pasifika network are vital members of our senior leadership team and oversee our organisational responsiveness to Māori and Pasifika.

Career management competencies

Career management competencies are a framework describing the skills, knowledge and attributes young people need to make informed learning and work choices. The competencies needed vary for different stages of an individual's progress through education and into employment. They are complementary to other frameworks such as 21st Century skills and employability skills.

Developing young people's career management competencies should be a central objective for everyone working with young people on their career education and development. Gauging the collective impact of everyone's efforts in an area as complex as career development is difficult, but young people's acquisition of career management competencies can be an important indicator. If the New Zealand careers system is working well we should see an increase in the career competence of young people.

In late 2015-2016 Careers New Zealand piloted an initial survey to canvass proxy indicators of careers management competence. The survey looked at a mix of activities undertaken and self-reported skills assessment. It was a national survey in a repeatable form. This will help build a picture of progress in the careers system over time. The approach uses proxy measures as direct assessment of the competencies is impractical in a survey approach suitable to national level measurement.

The survey covered 15-19 year olds, and, because of sample size, particularly for the Māori and Pasifika subgroups, should be seen as indicative only. As an initial benchmark we have chosen six indicators to monitor. The initial results are given in the table below.

Indicator	All of population	Māori	Pasifika
Have explored their interests and abilities in a questionnaire	77%	75%	62%
Have developed a careers plan	64%	70%	66%
Know how to find information on jobs they are interested in	96%	100%	95%
Know how to find information on further education and training	91%	93%	90%
Know how to write a CV or similar	83%	80%	85%
Know how to prepare for a job interview	71%	77%	74%

At present the results are indicative of at least some competency, rather than the level of competency. During 2016-2017 we will be continuing to improve methodology, including exploring linkages to other frameworks such as 21st Century skills and employability skills. We will also supplement this with ongoing qualitative work.



CAREER READY

Why we're here

We help people make informed learning and work choices so they, and the country, will have a better future.

Who we are

We are career experts. We help people navigate their career journey.



We help boost skills and employment, and reduce long-term welfare dependence.

Our work helps grow a skilled workforce and improves outcomes for young people by connecting learning to work and enhancing career-related services.

What we do

We are a hub for independent career information and advice. Our strategy for 2015–2019 focuses on young people, Māori and Pasifika through:

Developing

new and existing digital tools and resources to help people make informed learning and work choices.

Delivering

professional development services for those influencing other people's career choices, to help them provide informed career support.

Connecting

educators and employers to improve career pathways at important transition points in people's learning and work lives.

Relevant and effective for Māori and Pasifika



Part Two:

OUR IMPACT AND ACHIEVEMENTS

Our impact in 2015-2016

Our central purpose is helping young New Zealanders make informed learning and work choices, so they, and the country, will have a better future.

Our focus is young New Zealanders aged 11- to 24-years and the key transition points they progress through. We want to help them achieve the skills and qualifications that will enable them to secure satisfying, sustainable work. Within this age group we have a particular emphasis on reaching young Māori and Pasifika, and those from lower socio-economic backgrounds. We have geographically prioritised our efforts, reflecting the importance of Christchurch and Auckland to the future of New Zealand.

In a recent Nielsen study, 42 percent of those who have used our tools and resources responded that we had made a significant difference in their study, training or work choices.

To achieve our central purpose, Careers New Zealand's strategic goal is to enable significant improvement in the ability of young New Zealanders, especially Māori and Pasifika, to make informed learning and work choices. In 2015-2016, we piloted an assessment methodology and undertook a survey to gauge young people's career management competency – the skills, knowledge and attributes they need to make informed learning and work choices.

IMPACT: A significant improvement in the ability of young New Zealanders, especially Māori and Pasifika, to make informed learning and work choices

Measure	Target	Result
Increase in career management competency, particularly for our priority groups	Methodology to be piloted in 2015-2016 and baselines set	Methodology piloted and initial indicators set (see page 14)

To achieve our strategic goal, young New Zealanders, particularly Māori and Pasifika, need to know about our organisation and trust us to deliver clear, impartial and accurate information.

In a trust and awareness survey conducted by Nielsen in June 2016, 53 percent of all New Zealanders knew about our organisation. Of our priority audience, 100 percent of New Zealanders aged 15-17 and 61 percent of all New Zealanders aged 15-24 knew about us. This result shows our awareness and marketing campaigns have been effective in increasing the reach of our tools and resources, especially to our priority audience.

The same Nielsen study showed that 88 percent of those people who knew about us, rated Careers New Zealand positively as a trusted organisation; up from 84 percent last year. 88 percent of those who knew about us rated us as an organisation trusted to provide impartial advice, and 86 percent rated us as an organisation who provided expert advice. These results show that those who know about us trust us to provide them with independent information they can rely on.

In November 2015 we won Plain English Champion – Best Individual or Team at the 2015 WriteMark Plain English Awards. The award acknowledges our focus on keeping the language on our website accessible and easy to understand for our customers. The judges stated:

“Not only has the Careers New Zealand website been a model plain English website for over five years, the work of the online content team is affecting the entire organisation. Plain English is now successfully embedded in the organisation’s DNA.”

We also won the Best Plain English Website – Public Sector award in 2011 and 2014, and were a finalist in 2013.




As the tables on the next pages illustrate, we are making good progress against our indicators:

1. More New Zealanders, particularly in priority groups, accessing our digital tools and resources
2. More New Zealanders, particularly in priority groups, reached by our work with employers and with career influencers in schools, the community and families, whānau, āiga
3. Increased levels of satisfaction with all our products and services by all users, including career influencers and employers.

IMPACT: More New Zealanders, particularly in priority groups, access our digital tools and resources.

Measure	Target	Result
Increase in the number of New Zealand-based web visits to the Careers New Zealand website	 <p>4.2 Million</p>	 <p>4.24 Million</p> <p>There were 4.24 million New Zealand-based web visits in the year ending 30 June 2016, an increase of over 250,000 visits from last year</p>

IMPACT: More New Zealanders, particularly in priority groups, reached by our work with employers and career influencers in schools, the community, whānau, āiga and families

Measure	Target	Result
Number of education providers participating in Careers New Zealand capability-building programmes	 <p>300</p>	 <p>465</p> <p>465 education providers participated in capability-building programmes including:</p> <ul style="list-style-type: none"> · 382 schools · 83 tertiary organisations
Number of young people reached through our capability-building programmes to Year 7-13 schools	 <p>Establish baseline</p>	 <p>Baseline established</p> <p>The total roll of the Year 7-13 schools we worked with in our capability-building programmes was 210,224 students. This represents 51.7% of all Year 7-13 students</p>

IMPACT: Increased levels of satisfaction with all our products and services by all users, including career influencers and employers.

Measure	Target	Result
Percentage of users who agree the Careers New Zealand website is relevant to their needs	75%	78% 78% of our website users agreed it was relevant to their needs
Percentage of individuals who say the advisory services met their career-related needs	85%	88% 88% of our advisory service users agreed they got the information they needed from the service
Percentage of participating education providers satisfied the capability-building programmes have helped improve the quality of their career education provision	85%	83% 83.16% of schools and tertiary education organisations agreed Careers New Zealand's career development support was useful
Percentage of community groups and organisations (including Māori organisations) satisfied the programme helped them better support young people's success in work and learning	85%	100% 100% of groups and organisations agreed Careers New Zealand's career development support was useful This number is an indication only (small sample size)
Percentage of whānau, āiga and families satisfied the programme helped them better support young people's success in work and learning	85%	96% 96% of whānau, āiga and families agreed Careers New Zealand's capability-building support was useful
Percentage of career influencers reporting Careers New Zealand's online resources provided tools and activities useful for them assisting others	75%	93% 93.18% found the tools and activities very or extremely useful
Percentage of participating schools that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	75%	89% 89% of educators agreed participating in a Careers New Zealand initiative helped improve their connections with employers
Percentage of participating employers and employment organisations that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	75%	82% 82% of employers agreed participating in a Careers New Zealand initiative helped improve their connections with educators
Percentage of participating young people who agree Careers New Zealand's new national initiatives have improved their ability to make learning and work choices	75%	77% 77% of young people agreed participating in a Careers New Zealand initiative helped their ability to make learning and work choices

Our achievements in 2015-2016

Developing new and existing digital tools and resources

Our website continues to be a trusted source of career information and advice...

The extensive suite of resources, tools and content on the careers.govt.nz website continues to be the most common way we reach New Zealanders. In 2015-2016 there were 4.24 million visits, which is an 6.5 percent increase on last year's result (3.98 million), and continues a trend of year-on-year increases. The number of visits equates to eight new visits every minute, every hour of every day, with those visitors spending an average of four and a half minutes on our website.

Social media is an important channel for us to engage with parents, families and young people. The number of people following the Careers New Zealand Facebook page doubled from approximately 8,000 at 30 June 2015 to over 16,000 at 30 June 2016. Along with more people accessing our social media channels, we saw a 187 percent increase in engagement with the content on our social media channels.

In 2015-2016, over 1.8 million New Zealand-based visits to the website were from mobile devices such as smartphones and tablets. This was 43 percent of the total number of visits over that time, and a 50 percent increase from the 1.2 million visits on a mobile device last year. We estimate that by 30 June 2017, approximately half of the New Zealand-based visits to the website will be from mobile devices.

Our research into our priority audiences shows the most common way young people access our website is using a smartphone or other mobile device. The key research we have undertaken is Project Kāmehameha with young Māori in 2014-2015⁴, and Project Lumana'i with young Pasifika, to be completed in 2016-2017.

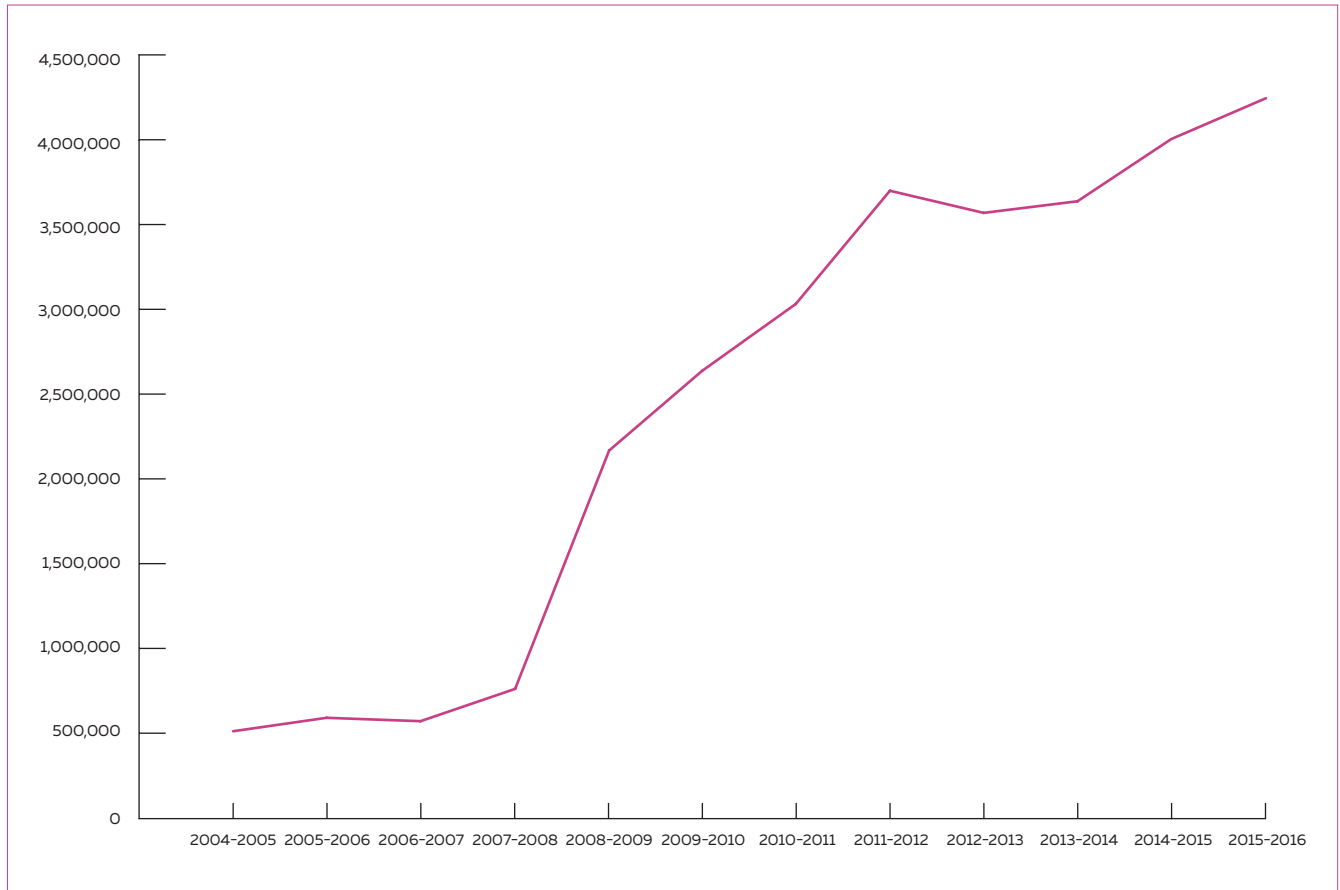
Reflecting the rapid growth in use of mobile devices we set the goal of improving people's experience accessing our website, especially those accessing our website on a mobile device. Making the website more user-friendly for all of our customers, especially young people, Māori and Pasifika required one of the biggest series of improvements to the website in its history. The refreshed, mobile-responsive website was successfully launched in November 2015. Despite such a significant change, we achieved it without impacting the availability of our website, which remained available 99.94 percent of the time over the course of the year.

Since the launch of the refreshed website in November, we have continued to make improvements and progressively add functionality. The current important work underway is progressive redevelopment of our interactive tools and resources, to improve these for customers using a mobile device. In collaboration with commercial partners we will complete the new Profile Builder tool in 2016-2017, the first significantly redesigned tool for our website. The Profile Builder tool will improve the CV Builder tool, adding more features and functionality, and ensuring the tool operates fully on a mobile device.

While we have made website accessibility improvements a focus for 2016-2017, we continue to take opportunities to improve the quality and relevance of the information it contains. Four out of five people surveyed said the website was easy to use, and almost four out of five people found the website provided them information relevant to what they were looking for.

⁴ The Project Kāmehameha research summary can be accessed at careers.govt.nz

Figure one: New Zealand-based visits to the Careers New Zealand website



...and we continue to develop the quality of resources on our website

Skills Builder tool

In December 2015 we launched Skills Builder,⁵ an online skills self-assessment tool for 25- to 34-year-old New Zealanders. The Skills Builder tool enables users to understand how skills and experience they have already acquired relate to potential study or training opportunities. This helps users re-engage with formal training or study,

and improve their future work prospects. The Skills Builder tool is the first completely mobile-responsive tool on our website, and complements the existing tools and resources on our website. It supports the Government’s Better Public Services goal of increasing the proportion of 25- to 34-year-olds with advanced trade qualifications, diplomas and degrees at Level 4 or above, and the Skilled and Safe Workplaces work stream of the Business Growth Agenda.

⁵ The Skills Builder tool was formerly known as the Skills Transition tool.

Oompher

In May 2015 we purchased the motivational website oompher.com to broaden the range of relevant and accessible digital resources we provide for young people. Our vision for Oompher is to encourage young New Zealanders to open their minds to opportunities, act on their dreams and achieve their own extraordinary.

We have built on and added to the videos on the website since purchasing oompher.com. There are now 96 videos on the website, with a range of high profile and successful New Zealanders from diverse fields such as business, arts, politics and sports. We have created new videos that are diverse, representative of all New Zealanders, authentic and aspirational, as well as engaging and educational. We have improved the reach and accessibility of the Oompher videos by using a targeted marketing approach, with over 22,000 visits since acquiring the website. We continue to link the videos to our other tools and resources.

Project Lumana'i

Our Project Lumana'i research helps us understand the barriers, opportunities and needs of Pasifika young people, so we can better support them at key transition points in their lives. Project Lumana'i builds on similar, Māori-focused research undertaken last year in Project Kāmeheameha.

The Project Lumana'i research phase consisted of a wide survey of Pasifika young people, followed by six independent focus groups with Pasifika young people, Pasifika teachers and āiga. This research phase was completed in 2015-2016, and the findings will inform improvements to the responsiveness and effectiveness of our website's tools and resources. The findings will also inform how we engage with Pasifika young people, their āiga and wider communities in our capability-building services, and will be available to other agencies and community groups to help them improve their services to Pasifika customers. The Project Lumana'i final report is to be released in November 2016.

Māia

Our Māia videos help young people know what employers look for in potential employees. In June 2016 we developed the first five videos of the Māia series. Each video follows a young Māori person talking with an employer, and asking questions about the employer's industry, their role in their organisation and the study, training and career pathways that led them there.

The videos provide an opportunity for employers to showcase their industry and the skills and attributes needed to transition and work successfully in it, in a way that is engaging to young people. The overarching aim of the videos is to encourage and inspire.

***Kia tū, kia māia, kia manawanui!
Be brave, be bold, be determined!***

“These videos show us that, yes, there are different paths you can take, but in order to be successful in any field you must be passionate about what you do whether it be in agriculture, fitness or even creative technologies.”

– Māia focus group participant

We promote the Māia series through an active social media campaign, and over 40,000 people have viewed the videos. We will continue to develop the suite of Māia videos in 2016-2017.

Delivering professional development services

We delivered capability-building workshops to important influencers in young people's lives...

Young people receive advice and guidance about their learning and work choices from a wide range of sources. Some influencers are professionals, like careers advisers and teachers, others are more informal such as whānau, āiga, families and community groups. Careers New Zealand provides workshops and programmes for the formal and informal career influencers who support young people's career decision making.

We continue to improve the digital resources available for career influencers on our website. The central focus of our workshops and programmes is to provide assistance and support using the tools and information available on our website. 92 percent of education providers who responded to our end of year survey had used our online tools and resources, and 93 percent of those who had used the online tools and resources found them useful. We will continue to increase the amount of resources available online for career influencers, including digitising Rangatahi Futures and Malaga Planning for Success resources.

Our work in schools and tertiary organisations is underpinned by the career education development benchmarks, a series of best practice guidelines for a whole-school or whole-organisation career education approach.

The benchmarks focus on enhancing the career development knowledge and expertise of principals, senior managers, teachers and careers advisers, so these key career influencers are equipped with the skills and information they need to support students' decision making.

Over 75 percent of schools we surveyed had undertaken a self-review, and of those, over 70 percent had either begun implementing changes, or had already implemented changes to their career education provision.

During 2015-2016 we reached 382 schools, with over 210,000 learners, and worked with 83 tertiary organisations. Each workshop we delivered to schools was based around one aspect of the benchmarks. To some of our priority schools we provided more-in-depth support to help them self-review against the benchmarks, or comprehensive, tailored information, depending on the school's need. We continue to prioritise our work with lower decile schools with high numbers of Māori and Pasifika learners, and those schools which had lower NCEA Level 2 attainment. 83.16 percent of the education organisations we worked with reported the programmes they participated in improved the quality of their career education provision.

We also worked with whānau, āiga, families and community groups to improve their career development knowledge and expertise, and support them to find the information they need. Working with families, whānau and āiga is important, as our research shows they are often the most influential factor in young people's decision making.

During 2015-2016 we worked with 347 whānau, āiga and families, and 72 community groups and organisations. Over 92 percent of the families and all of the community organisations who responded to our end of year survey said the programmes helped them better support young people's success in learning and work.⁶

⁶ This number is an indication only (small sample size).

...through a variety of tailored delivery methods

Rangatahi Futures

Rangatahi Futures is a professional development programme for teaching staff in secondary schools with high numbers of Māori learners. The program builds the capability of teachers to deliver culturally responsive career education to Year 10 and 11 Māori students. It aligns to the Skilled and Safe Workplaces work stream of the Business Growth Agenda, and the priorities of the Tertiary Education Strategy, Ka Hikitia, Tau Mai Te Reo and He Kai Kei Aku Ringa.

Rangatahi Futures helps young people explore their career interests through stories of their tīpuna, relating their past to their present and future, while they learn about the growing Māori economy. Rangatahi Futures started rolling out nationally in 2015–2016, following successful local pilots of the programme in 2013–2014. The programme was co-delivered with our staff and the school, or delivered by our staff to the school as a professional development programme.

All participating teaching staff found it valuable to be involved and felt the resources were useful for working with rangatahi. They particularly appreciated the practical nature of the programme. Rangatahi involved in co-deliveries also found the programme valuable, with 84 percent reporting the workshop will help them make choices about study and work.

In 2016–2017 we will make the Rangatahi Futures resources available online for schools participating in the programme, and will continue to deliver the programme direct to schools.

National induction programme for careers leaders

In May 2016 we co-delivered the first phase of a national induction programme for careers leaders, an initiative collaboratively designed and delivered with the Careers and Transition Education Association (CATE). Two cohorts in Auckland and Wellington comprised 37 careers leaders from 26 schools across the country.

Careers leaders in schools are key influencers on young people's learning and career decision making. This programme targeted newly-appointed careers leaders to give them the knowledge and tools to effectively champion and implement whole-school career development programmes. It also arranged for mentoring from experienced CATE members between sessions, to help participants embed practice in their schools.

“[The most worthwhile thing about the programme was] Seeing how to start, step by step.”

– Participant in the national induction programme for careers leaders

Feedback from the first phase of delivery was positive, with participants reporting the programme was valuable, and improved their ability to provide information and advice. The offer of mentoring was met with enthusiasm. Participants appreciated the clear, practical advice and support the programme gave them, and valued the networking opportunities and sense of professional community the programme created. The final day of the programme will be delivered in November 2016.

Pacific Nations careers study tour

In 2015-2016 the Ministry of Foreign Affairs and Trade funded Careers New Zealand to develop a study tour for careers professionals from across the Pacific. The study tour aimed to build the skills and expertise of those attending, to support their students to make informed learning and work choices.

The two-week study tour supported 19 career education practitioners from nine Pacific Island countries: Fiji, Niue, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu. The study tour included lectures, discussions, guest speakers, school visits, networking opportunities and an introduction to the various Careers New Zealand tools and resources available.

Participants said the study tour provided them with sustainable models for career development they could take back to their countries, improved their confidence to deliver career education programmes, and developed an effective network of career experts across the Pacific. The participants also said they gained an increased awareness of the importance of effective career education in supporting their local economies effectively.

“Through the training I was able to gain skills and knowledge on encouraging parents and students to have access to career education tools. I will go back and start including and communicating with parents in determining career pathways.”

– *Pacific Nations careers study tour participant*

As part of the study tour, we produced a series of paper-based careers resources translated into the languages of the participating Pacific nations. The most significant of the resources created was Career Malaga, originally developed for use with Pasifika students in New Zealand. Participants were given copies of the resources, and further resources will be supplied to help them provide high-quality career education in their communities.

Access to additional revenue has helped Careers New Zealand further leverage its knowledge and expertise to support Government goals and has contributed to the sound financial results reported in our Financial Statements. Careers New Zealand received funding from the Crown additional to core baseline funding for work targeting priority audiences such as the Migrant Futures – Work Connect programme (page 33). Other revenue, from activities such as the Pacific Nations study tour, grew significantly from \$236,000 in 2014-2015 to \$763,000 in 2015-2016.

PAVE

PAVE is an interactive careers skills-building programme that equips Pasifika parents and community influencers with better skills and knowledge, to help them inform and guide young people's learning and work choices. PAVE uses a wrap-around model that includes the whole `āiga, and acknowledges the critical role Pasifika parents have in influencing the lives and career decisions of their children.

We ran three workshops in Auckland, and eight workshops in Wellington and Wairarapa that engaged with community groups, churches, schools and `āiga. We received positive feedback from these deliveries, and built relationships with Pasifika communities to facilitate future deliveries.

In 2016-2017 we will continue to roll out deliveries while developing the PAVE programme to increase its value and improve our reach.

Connecting educators and employers

We helped to create connections between education and employment...

A key role for Careers New Zealand is to provide meaningful opportunities for employers to engage with education and young people.

For young people to make successful learning and work choices it is important they have the chance to learn about the world of work. Opportunities to learn about different employers, industries and jobs help young people see clearer, more relevant career pathways for themselves, which helps them make good education and training choices. Employers benefit from these connections as they learn about their future workforce and gain the opportunity to develop a workforce with the skills, qualifications and motivations they need.

We develop connections between education and employment, to facilitate practical initiatives that allow young people to engage with real-world environments and understand the importance of their skills and qualifications.

The three key national initiatives we delivered in 2015-2016 were Māia,⁷ Work Inspiration and Industry Big Day Out events. Both Work Inspiration and Industry Big Day Out events were piloted last year, and more widely rolled out in 2015-2016.

To better work with businesses delivering education to employment programmes such as Work Inspiration, we established the Education to Employment Connections Trust, a Charitable Trust with donee status, to direct delivery of the programme.⁸ We prioritised the businesses and industries we work with to the five nationally significant priority industries in our Statement of Intent: information technology, agribusiness, health, engineering and science.

In addition to our three key national initiatives, we collaborated with a number of government agencies to support improvement for the entire system, for example, working with the Ministry of Education on the Youth Guarantee scheme.

We collaborated on a regional level with economic development organisations such as Auckland Tourism, Events and Economic Development and the Canterbury Development Corporation, to deliver region-specific programmes. We participated in phase one of the Youth Employability Passport pilot, a project developed and managed by COMET⁹ Auckland developing employability skills modules for young people, and trained a group of facilitators to deliver these to their students in South Auckland schools.

We helped the Ministry of Social Development deliver two Auckland JobFests by providing support for young people through our advice line service before the event, and running workshops for groups of young people. The JobFests had a wide reach, with an estimated 5,000 young people attending the two events.

The Work Inspiration and Industry Big Day Out participants were positive about their experience- 89 percent of educators and 82 percent of employers reported participating in the initiative improved their connections. 77 percent of young people taking part reported participating in the initiatives helped them make learning and work choices.

7 More detail on the Māia programme can be found on page 26

8 The consolidated financial reporting on the trust can be found on page 60

9 City of Manakau Education Trust

...and make meaningful connections through national and regional initiatives

Industry Big Day Out events

Industry Big Day Out events connect students, teachers and industry employers. First piloted in 2013–2014 in Tairāwhiti, they have been delivered nationally since 2014–2015. An Industry Big Day Out enables students and teachers to learn about local opportunities and pathways in specific industry areas from local employers, and is delivered on-location, outside school. Young people and their teachers hear first-hand the skills employers look for, and connect with tertiary providers to discuss the qualifications required to work in the industry.

One of the Industry Big Day Out events Careers New Zealand delivered was the Shadow Tech event in Christchurch. This was delivered in collaboration with Ara Institute of Canterbury, NZTech, Futureintech and the Canterbury Development Corporation. The event connected 49 female high school students with 35 female mentors across the IT and engineering industries, so the students could learn directly from people working in those industries about their roles and career pathways. Feedback from participants was positive, with students valuing the experience of their mentors and the opportunity to discuss their career pathways.

“[The most worthwhile thing about the day was] having the opportunity to talk to a range of people in different areas and being able to see the workplaces and work environment.”

– *Industry Big Day Out event student participant*

We will continue to develop Industry Big Day Out events in collaboration with key industries and businesses. In 2016–2017 we will continue to deliver events nationwide, connecting students and teachers with industry employers from our five key industries.

Work Inspiration

In 2015–2016 we began a national roll-out of the Work Inspiration programme. This interactive, employer-led, work-exploration model aims to make young people’s first experience in the workplace meaningful and aspirational. Work Inspiration gives employers the opportunity to engage with young people and showcase career opportunities in their business or industry. It provides students with a genuine connection to the working world through conversations and active engagement with workers. Work Inspiration aligns with the Skilled and Safe Workplaces work stream in the Business Growth Agenda and the Tertiary Education Strategy. It complements other education sector programmes that help improve transitions and pathways for young people such as STAR and Gateway.

Feedback on the effectiveness of the programme was positive. Students enjoyed learning about different roles within a business and seeing new perspectives. Employers, parents and teachers reported students became more confident, and more engaged with school and careers after participating in the programme.

Employers experienced a range of benefits from the programme, including better understanding of and connection to young people, more-engaged staff, raised community profile and an opportunity to fulfil corporate responsibility goals.

“Students were inspired and more confident [...] more talkative and engaged more with careers staff about their experiences.”

– *Work Inspiration school staff member participant*

We conducted a series of pilots to identify opportunities to tailor the Work Inspiration programme to Māori and Pasifika students. The pilot findings will be implemented to improve the effectiveness of all Work Inspiration deliveries.

Hagley labour market module

Meeting the workforce skill-needs for the rebuild of post-earthquake Canterbury required greater collaboration across government, education and industry. We developed the Hagley labour market module in collaboration with a number of industry and education partners, including Vodafone NZ, Orion Health, TE Connectivity, NZ Young Farmers, Tait Communications and the Korowai Youth Well-Being Trust.

The Hagley labour market module is an innovative labour market learning activity, delivered with Hagley Community College in Christchurch. The module was delivered as a unit of work with all 120 Year 10 students at the school. It comprised a series of 20 one-hour classroom lessons, spread over four weeks. The lessons were led by social science teachers from the school, with support from the school’s careers unit, Careers New Zealand and industry stakeholders.

The programme helped students gain an understanding of labour market information, education to employment pathways, employability skills, and an awareness of high-growth industries like manufacturing, information and communications technology, health, and agribusiness.

We will continue to develop and deliver regional and national initiatives aimed at increasing students’ and influencers’ awareness of labour market needs. This includes seeking opportunities to deliver the labour market module in collaboration with other partners and in other schools.

Migrant Futures – Work Connect

To help migrants be more successful in their search for suitable employment in New Zealand, we developed the Migrant Futures – Work Connect programme. The programme was successfully piloted in Auckland in 2015-2016 and is funded by Immigration New Zealand, part of the Ministry of Business, Innovation and Employment.

Migrant Futures – Work Connect aims to improve migrants' ability to find suitable employment, and takes into consideration any identified cultural or language issues. The programme works with three migrant groups: skilled migrants not in employment, international students who have recently completed their studies and partners of skilled migrants. Each client in the programme works with Careers New Zealand staff for up to 10 hours of support, in one-to-one and group sessions.

“ Things are so different in my country, and I just don't understand how employers think. I have little confidence in [my] approach to employers and [am] very grateful to you for helping us.”

– *Migrant Futures – Work Connect participant*

We delivered Migrant Futures – Work Connect to 62 clients in the piloting phase of the programme in March and April 2016. Client feedback indicated the programme helped them be more successful in getting jobs more aligned to their skills. We will continue to deliver Migrant Futures – Work Connect in 2016-2017, and aim to work with 300 migrants by 30 April 2017.



Part Three:

OUR ORGANISATION

Organisational health and capability

Monitoring organisational trust and awareness

To achieve our strategic intentions we need to increase the trust and awareness our key audiences, particularly Māori and Pasifika young people, have in our information, tools and resources.

During the year we undertook a variety of marketing activities to promote specific delivery programmes. Each activity was based on the target audience for the programme, for example the Māia video series was promoted primarily through social media to reach its target audience of young Māori.

In the follow-up survey undertaken by Nielsen, our level of awareness across all New Zealanders remained largely the same (53 percent this year compared to 54 percent last year), and indicated a very high level of awareness among young people aged 15-17 (100 percent knew about us).

We will continue to undertake marketing activities to improve awareness of our digital tools and resources and capability-building programmes.

Measure	Target	2015-2016 Result
Awareness of Careers New Zealand	Increase in baseline from the results in the 2014-2015 annual report: <ul style="list-style-type: none"> · We are known by 54% of all New Zealanders · We are known by 70% of our priority group of young New Zealanders aged 15-24 	We are known by 53% of all New Zealanders We are known by 61% of our priority group of young people aged 15-24, and 100% of those surveyed aged 15-17
Trust in Careers New Zealand	Increase in baseline from the results in the 2014-2015 annual report: <ul style="list-style-type: none"> · 84% of New Zealanders who know about us trust our information and advice 	88% of New Zealanders who know about us, trust our information and advice

Our workforce

In June 2015 we completed our annual staff engagement survey. In one year, staff morale lifted from 51 percent, one of the lowest in any sector measured, to 79 percent, among the highest in the public sector. This level of improvement was described by IBM Kenexa as "unprecedented", and was recognised with the Most Improved Small-Medium Workplace award at the 2015 IBM Kenexa awards.

Careers New Zealand frontline staff are career experts and a key asset for our organisation. Many have come from leadership or management positions in education, business and Māori development. They have the knowledge and interpersonal savvy to connect with leaders in schools, iwi, business, industry and government. Our staff provide much of the expertise required to develop and improve our online information and resources. They are also loyal to their chosen vocation; at the end of 2015-2016 our 62 frontline staff had accumulated over 450 years of experience as career experts with us – an average length of service of over seven years per person.

The career expertise of our staff is recognised nationally and internationally. Our staff delivered presentations at national conferences on different parts of career education, and we are an active member of the international network on career development policy, research and practice. Our Board Chair delivered the keynote speech at the 4th International Career Education Forum in South Korea, and we responded to several requests for content from international researchers and delivered the Pacific Nations careers study tour.¹⁰

Our senior leadership team also have a strong background in careers, with over half the team previously in frontline roles in our organisation. Collectively our senior leadership team hold an average of almost 10 years' careers experience with our organisation. This knowledge and experience ensures credibility with our staff and successful relationships with our external stakeholders.

¹⁰ More detail on the Pacific Nations study tour can be found on page 29

Key organisational health and capability performance indicators

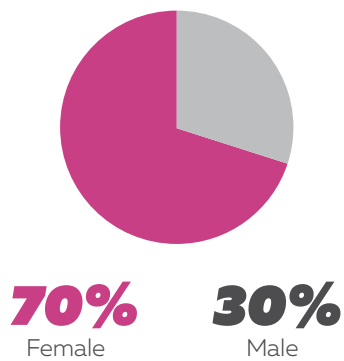
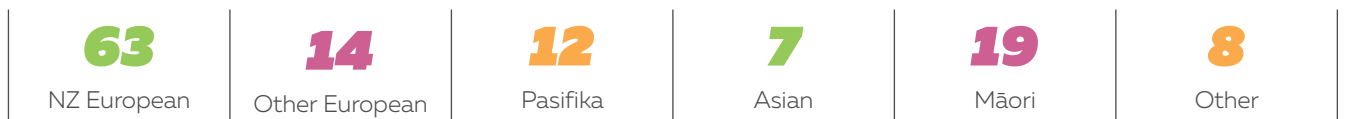
Measure	Target	2015-2016 Result
Turnover	<20%	18.05%
Staff engagement	Increase in baseline from the results in the 2014-2015 annual report	As a result of the decision to move Careers New Zealand into TEC, it was decided not to undertake the staff engagement survey in 2015-2016
Strategy	Increase in baseline from the results in the 2014-2015 annual report	As a result of the decision to move Careers New Zealand into TEC, it was decided not to undertake the staff engagement survey in 2015-2016
Investment in staff	Continued implementation of leadership development programme Introduce programme to increase Māori and Pasifika cultural competency and include competencies in performance agreements	We continued implementation of the leadership development programme, delivering three programmes for 50 staff in 2015-2016 All staff with the organisation in May 2016 have been offered the programme Staff who joined since then will be nominated for the next programme Implementation of specific cultural competency programmes began in Auckland and Wellington with 35% of our staff attending Pasifika workshops, and 15% of our staff attending in-depth te reo Māori courses
Health and safety	Implement zero-harm health and safety strategy	Zero-harm health and safety strategy implemented

Our workforce profile

One hundred and twenty three

 | STAFF MEMBERS

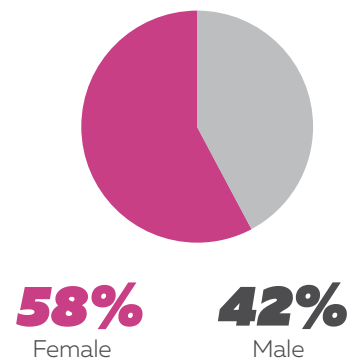
Ethnic diversity of our organisation



Gender distribution of our staff



Average length of service of our frontline staff



Gender distribution of our management (SLT and Tier 3)

Good employer

Careers New Zealand is committed to meeting the requirements of section 118 of the Crown Entities Act 2004 to be a good employer and embedding the principles of Equal Employment Opportunities (EEO). We completed a review of our EEO policies in 2015, with our new good employer policy signed by our chief executive on 7 December 2015.

In 2014–2015 all Careers New Zealand staff were involved in creating Our Tomorrow, a set of aspirational statements that describe the kind of place we want Careers New Zealand to be. Our shared values guiding the way we work are:

- manaaki ki te tangata (looking after our people)
- mana rangatiratanga (leadership and accountability)
- whanaungatanga (relationships).

Our shared values and Our Tomorrow statements inform the way we approach everything at Careers New Zealand. They help create a culture and environment where employees strive to do their best and fulfil their potential.

We delivered a number of specific activities and initiatives to support our staff, including providing leadership development opportunities for all staff, maintaining our flexible work practices policy and undertaking the annual remuneration review process with union representatives. Appendix B provides a complete overview of the activities and initiatives Careers New Zealand has undertaken to support the seven good employer criteria.

Health and safety

We are committed to meeting our obligations under the Health and Safety at Work Act 2015 and all other relevant legislation and regulations. We enact this through an active, consultative commitment to continuous improvement in all areas of health and safety, and we take all reasonably practicable steps to protect people from harm. In 2015–2016 there were zero incidents at Careers New Zealand.

In support of the new legislation, we provided dedicated health and safety training to our Board, our senior leadership team and third tier managers. We supported the training by reconfirming the mandate of the health and safety committee, health and safety representatives and floor wardens in line with new legislation.

A staff awareness campaign was run on changes to the legislation, confirming their responsibilities. To promote health and wellbeing we provided a range of support to promote health and wellbeing, including an employee assistance programme, workstation assessments, flu vaccinations, the Fit24 wellness initiative and eye care subsidies for staff.

Last year we centralised our health and safety reporting and monitoring through the online health and safety system, GOSH. In 2015–2016 we embedded our processes around inputting, accessing and monitoring the data in the system. GOSH allows nationwide consistency in reporting health and safety risks and concerns, and timely and relevant reporting to our senior leadership team and Board.

In 2015–2016 we refreshed Careers New Zealand's business continuity and emergency response plans. The plans focus on ensuring the health and wellbeing of our staff, and restoring business services following a critical event. We will continue to review these plans to ensure the content remains current.

Risk management

Careers New Zealand takes an active approach to risk management within the framework of ISO 31000:2009. Responsibility for identifying and managing risk is the responsibility of all staff in their specific roles. Management and the senior leadership team ensure risks and issues are identified and evaluated, and effective and timely mitigations put in place. Once identified, risks are monitored through a monthly review process, and reflected in a risk and issues register.

The Board has governance oversight of risk management, and is responsible for ensuring strategic risks and issues are properly managed and the minister is kept informed of significant risks and issues affecting Careers New Zealand.

New Zealand Business Number

The New Zealand Business Number (NZBN) is a universal identifier that enables businesses to easily interact, and update and share key information with each other. On 14 July 2016 the Minister of State Services and the Minister of Finance formally notified in the Gazette a Direction to Support a Whole of Government Approach (under Section 107, of the Crown Entities Act 2004), detailing the responsibilities of government agencies in implementing the NZBN. Careers New Zealand is a Tier Three agency in the Direction, and is progressively complying with its obligations on or ahead of the schedule outlined in the Direction.

Lifting our organisational capability

In 2015–2016, key priorities for lifting our organisational capability were:

- increased capability to provide effective services for Māori and Pasifika
- improved information and communications technology capability and capacity.

Increased capability to provide effective services for Māori and Pasifika

Improving our internal capacity and capability to ensure we are responsive to Māori and Pasifika is a key priority for our organisation.

In 2015–2016 we implemented a cultural competency framework for all staff, setting out key competencies required for our organisation to effectively work with and for Māori and Pasifika young people and their influencers.

The cultural competency framework provides a robust and supportive process for all staff to assess their level of competence, and helps identify opportunities for improvement. As part of a phased implementation process, staff were offered a workshop on successfully engaging Pasifika and an introductory te reo Māori course. The next phase of implementation will provide all staff the opportunity to attend the workshops, and professional development opportunities for staff to pursue higher cultural competency levels.

In 2014–2015 we strengthened the mandate of the Te Mana Pou Tuarongo Māori network network of our Māori staff, and the Vā Pasifika network of our Pasifika staff. The networks play an active role in our organisation as advocates for organisational strategy, development and measures of performance, and key performance indicators for Māori and for Pasifika. Te Mana Pou Tuarongo Māori network and Vā Pasifika also support Careers New Zealand to deliver effective services to Māori and Pasifika young people and their influencers such as the responsiveness to Māori and Pasifika Work Inspiration pilots.¹¹

The Chair of the Te Mana Pou Tuarongo Māori network and the Chair of the Vā Pasifika network are critical members of the senior leadership team and oversee our organisational responsiveness to Māori and Pasifika.

Embedding a Pasifika Perspective

Careers New Zealand worked with Allen + Clarke Policy and Regulatory Specialists to develop a report on how to build effective engagement with Pasifika and their communities. This work was done as a part of Allen + Clarke's annual allocation of pro bono research.

The report provides a set of best practice guidelines to help better embed Pasifika perspectives in all our work. The guidelines were developed through a review of relevant literature, and focus group meetings with Pasifika community organisation representatives and Careers New Zealand staff.

The report will help our staff develop greater cultural awareness, and a deeper, Pasifika-focused perspective in their work for and with young Pasifika and their āiga. The specific recommendations in the report will help us develop resources that are relevant to and aligned with a Pasifika audience.

¹¹ More detail on the Work Inspiration programme, and the responsiveness to Māori and Pasifika pilots can be found on page 32

Improved information and communications technology capability and capacity

Increasing the capability and capacity of our information and communications technology (ICT) systems continues to be an essential part of our ability to deliver our services. We continue to develop the maturity of our ICT capability and capacity, to be more ITIL-aligned¹² and introduce better reporting and service level agreements.

In 2015–2016 we focused on enabling our staff to be better connected, so they are better able to do their work. This focus included a complete refresh of the devices our staff use on a daily basis, which allowed Careers New Zealand to use more technology in our workshops, our staff to be more able to work from home and provided better connectivity for the whole organisation. To improve the resilience and availability of our services we are one of the first organisations to sign up for TaaS.¹³

As a part of refreshing our business continuity and emergency response plans, we reviewed our ICT policies to ensure appropriate plans and mitigations are in place so our services are not adversely affected.

We reviewed and strengthened the privacy and security policies for how our organisation collects, collates and stores data. We also improved capability within our organisation to manage and access data. This work allows us to connect with other agencies' data sources in a safe and secure manner, improving the relevance and accuracy of the data we communicate to young people and their influencers.

¹² Information technology infrastructure library, a set of practices for ICT service management.

¹³ Telecommunications as a service, an all-of-government initiative to simplify integration of customer services.

Statement of responsibility

- We are responsible for the preparation of Careers New Zealand's financial statements and statement of performance, and for the judgments made in them.
- We are responsible for any end-of-year performance information provided by Careers New Zealand under section 19A of the Public Finance Act 1989.
- We have the 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 our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Careers New Zealand for the year ended 30 June 2016.

Signed on behalf of the Board:



Dale Karauria

Board Chair

31 October 2016



Murray Ward

Board Deputy Chair

31 October 2016

Independent Auditor's Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

**To the readers of
Careers New Zealand Group's financial statements and performance
information for the year ended 30 June 2016**

The Auditor-General is the auditor of Careers New Zealand Group (the Group). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information of the group consisting of Careers New Zealand and its controlled entity, on her behalf.

Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the Group on pages 60 to 85, that comprise the statement of financial position as at 30 June 2016, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 20 to 23 and 50 to 57.

In our opinion:

- the financial statements of the Group that are prepared on a disestablishment basis:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2016; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- the performance information:
 - presents fairly, in all material respects, the Group's performance for the year ended 30 June 2016, including:
 - for each class of reportable outputs:
 - its standards of performance achieved as compared with forecasts included in the statement of performance expectations for the financial year;
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - complies with generally accepted accounting practice in New Zealand.

The financial statements are appropriately prepared on a disestablishment basis

Without modifying our opinion, we draw your attention to the accounting policy on page 64 and the disclosures in note 23 on page 84 about the financial statements being prepared on a disestablishment basis because of the Government's intention to disestablish Careers New Zealand and transfer its functions to the Tertiary Education Commission (the Commission) on 18 April 2017. Legislation to implement these changes has not yet been enacted. The proposed legislation will vest the assets and liabilities of Careers New Zealand in the Commission. Therefore there have been no material changes to the measurement or classification of assets and liabilities in these financial statements. We consider the disestablishment basis of preparation of the financial statements and the related disclosures to be appropriate to the Group's circumstances.

Our audit was completed on 31 October 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Group's financial statements and performance information 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 Group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the appropriateness of the reported performance information within the Careers New Zealand's framework for reporting performance;
- the adequacy of the disclosures in the financial statements and the performance information; and
- the overall presentation of the financial statements and the performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance information. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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

Responsibilities of the Board

The Board is responsible for preparing financial statements and performance information that:

- comply with generally accepted accounting practice in New Zealand;
- present fairly the Group's financial position, financial performance and cash flows; and
- present fairly the Group's performance.

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

The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the publication of the financial statements and the performance information, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the performance information and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Group.



Clint Ramoo
Audit New Zealand

On behalf of the Auditor-General
Wellington, New Zealand



Part Four:

OUR PERFORMANCE

Statement of performance

Our performance measurement

In 2015–2016, our performance measurement focused on:

- delivering digital and online tools
- connecting education and employment
- working with career influencers.

Career management competency

Career management competencies are a framework describing the skills, knowledge and attributes young people need to make informed learning and work choices. The competencies needed vary for different stages of an individual's progress through education and into employment.

In 2015–2016 we piloted an approach to assess career management competencies.

Performance measure	2014–2015 result	2015–2016 target	Actual performance and comment
Increase in career management competency, particularly for our priority groups	New measure	Methodology to be piloted in 2015–2016 and baselines set	ACHIEVED Methodology piloted and initial indicators set (see page 14)

Digital and online services

Our digital and online services are our primary ways of connecting with our users, and are critical to improving our reach and influence.

In 2015–2016, our digital and online services included:

- self-help career information and tools, including the Careers New Zealand website, accessed through increasingly personalised experiences and via mobile devices
- direct advice to individuals through phone, web chat, social media and text message.

Self-help career information and tools

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Number of New Zealand-based web visits to the Careers New Zealand website	3.983 million	4.2 million	ACHIEVED There were 4.24 million New Zealand-based web visits in the year ending 30 June 2016
Availability of the Careers New Zealand website per quarter	≥99.5% of time each quarter	≥99.5% of time each quarter	ACHIEVED The website was available 99.94% of the time
Percentage of users who agree the Careers New Zealand website is easy to use ¹⁴	81%	75%	ACHIEVED 80% of our website users agreed it was easy to use
Percentage of users who agree the Careers New Zealand website is relevant to their needs	85%	75%	ACHIEVED 78% of our website users agreed it was relevant to their needs
Percentage of users from priority groups who agree the Careers New Zealand website is relevant to their needs	New measure	75%	ACHIEVED 79% of our website users from our priority groups agreed it was relevant to their needs
Skills Transition tool launched on the Careers New Zealand website	New measure	By 31 December 2015	ACHIEVED The Skills Transition tool was successfully deployed on the careers.govt.nz website on 22 December 2015 The tool was renamed Skills Builder
Number of completions of CareerQuest	New measure	150,000	ACHIEVED There were 168,423 completions of the CareerQuest tool
Percentage of CareerQuest users who complete the tool	New measure	≥65%	ACHIEVED 73.42% of users who started the CareerQuest tool, completed it

¹⁴ Our website performance measures are determined by responses to an online satisfaction questionnaire completed by visitors to the website.

Direct advisory services to individuals

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Total advisory services delivered through phone, web chat, social media and text message	25,983	30,000	<p>NOT ACHIEVED</p> <p>21,773 New Zealanders received direct advisory services, which is 72.5% of target</p> <p>This result aligns with an increase in customers using our self-service options including the Careers New Zealand website, instead of accessing the advice line function</p>
Percentage of individuals who say the advisory services met their career-related needs	96%	85%	<p>ACHIEVED</p> <p>88% of our advisory service users agreed they got the information they needed from the service</p>

Delivering support for career influencers

We worked with career influencers to drive improved career development programmes and practice, and build connections between education and the world of work. We focused on reaching career influencers who work with our priority groups including Māori, Pasifika and learners from low socio-economic backgrounds.

Our work with career influencers provided:

- support to schools and tertiary education organisations
- support to other groups and organisations (including iwi, NGOs, government departments, community organisations and ITOs)
- capability-building assistance for whānau, āiga and families.

Career development support for schools and tertiary education organisations

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Percentage of Year 7-13 schools actively using career education benchmarks	New measure	Establish baseline	72.63% of schools surveyed had completed a self-review of their school or organisation based on the career education benchmarks 72.15% of those who have completed a self-review have already begun implementing, or have implemented, changes following their self review
Number of education providers participating in Careers New Zealand capability-building programmes	313	300	ACHIEVED 465 education providers participated in capability-building programmes • 382 schools • 83 tertiary organisations
Percentage of participating education providers satisfied that the capability-building programmes have helped improve the quality of their career education provision	86%	85%	WITHIN 5% OF TARGET 83.16% of schools and tertiary education organisations agreed that Careers New Zealand's career development support was useful ¹⁵
Number of young people reached through our capability-building programmes to Year 7-13 schools	New measure for 2015-2016	Establish baselines	The total roll of the Year 7-13 schools we worked with through our capability-building programmes was 210,224

¹⁵ The question we asked to measure this was: "Overall, has the support that you received from Careers New Zealand in the last year helped to improve your career education or development services?"

Career development and support to other groups and organisations (including iwi, NGOs, government departments, community organisations and ITOs)

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Number of community groups and organisations (including Māori organisations) receiving careers capability-building programmes ¹⁶	45	50	ACHIEVED 72 groups and organisations were supported through capability-building programmes
Percentage of community groups and organisations (including Māori organisations) satisfied the programme helped them to better support young people's success in work and learning	78%	85%	ACHIEVED 100% of groups and organisations agreed Careers New Zealand's career development support was useful This number is an indication only (small sample size)

Capability-building assistance with whānau, `āiga and families (including in partnership or collaboration with other agencies)

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Number of whānau, `āiga and families supported through capability-building programmes	313 whānau, `āiga and families	275	ACHIEVED 347 whānau, `āiga and families were supported through capability-building programmes
Percentage of whānau, `āiga and families satisfied the programme helped them better support young people's success in work and learning	94%	85%	ACHIEVED 96% of whānau, `āiga and families agreed Careers New Zealand's capability-building support was useful

¹⁶ These may include Careers New Zealand programmes or inter-agency programmes Careers New Zealand delivers in co-operation with others.

Digital tools and resources for career influencers

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Use of our online resources for career influencers	New measure	Establish baseline	ACHIEVED 92.63% of the career influencers surveyed had used the tools and activities on the website
Percentage of career influencers reporting Careers New Zealand's online resources provided tools and activities useful for them to assist others	New measure	75%	ACHIEVED 93.18% found the tools and activities very or extremely useful

Connecting educators to employers

We help connect educators and employers, to improve career pathways at important transition points in young people's learning and work lives. This benefits young people by making education and training more relevant and helping them see practical career pathways. It also benefits employers, helping them find employees with the skills, qualifications and motivation employers need.

Our initiatives in 2015-2016 included:

- employer-led work experience programmes, providing meaningful and inspiring introductions to the world of work for young people
- events that bring together a range of employers, educators and trainers to enable young people to get a better understanding of the options available to them and how to pursue these, including how Vocational Pathways work and the role of Youth Guarantee
- local and regional initiatives encouraging co-operation among employers and educators to help meet local labour market needs.

The actual performance reported is the consolidated result for the programmes delivered by Careers New Zealand and those delivered by the Education to Employment Connections Trust.

Performance measure	2014-2015 result	2015-2016 target	Actual performance and comment
Number of new national initiatives delivered to improve connections between education and employment	New measure	3	ACHIEVED Three new national initiatives were delivered in 2015-2016: <ul style="list-style-type: none"> · Work Inspiration · Industry Big Day Out events · Māia
Percentage of participating schools that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	New measure	75%	ACHIEVED 89% of educators agreed participating in a Careers New Zealand initiative helped improve their connections with employers
Percentage of participating employers/employment organisations that agree Careers New Zealand's new national initiatives have been effective in improving connections between education and employment	New measure	75%	ACHIEVED 82% of employers agreed participating in a Careers New Zealand initiative helped improve their connections with educators
Percentage of participating young people that agree Careers New Zealand's new national initiatives have improved their ability to make learning and work choices	New measure	75%	ACHIEVED 77% of young people agreed participating in a Careers New Zealand initiative helped their ability to make learning and work choices
Percentage of participants in new national initiatives from priority groups	New measure	Indicator reported against annually	The students participating in our education to employment initiatives were 34.4% Māori and 6.3% Pasifika

Statement of cost of services

FOR THE YEAR ENDED 30 JUNE 2016

Careers New Zealand is funded by the Government through Vote Education – Non-departmental Output Expense: Provision of Information and Advisory Services (M26).

The statement of cost of services includes all Crown, third party revenue and expenses. It does not include any revenue and expenses associated with the Education to Employment Connections Trust.

Services purchased by the Minister of Education:

	Actual 2015-2016 \$000	Budget 2015-2016 \$000	Actual 2014-2015 \$000
REVENUE			
Funding from the Crown	15,541	15,332	15,482
Interest revenue	158	158	188
Other revenue	738	305	236
EXPENDITURE			
Total expenses	16,000	15,795	15,207
Total surplus/(deficit)	437	0	699



Part Five:

***GROUP ANNUAL
FINANCIAL
STATEMENTS***

Group Statement of Comprehensive Revenue and Expense

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Group Actual 2015-2016 \$000	Budget 2015-2016 \$000	Actual 2014-2015 \$000
REVENUE				
Funding from the Crown	2	15,541	15,332	15,482
Interest revenue		158	158	188
Other revenue	3	763	305	236
Total revenue		16,462	15,795	15,906
EXPENSES				
Employment costs	4	9,450	10,181	9,561
Occupancy expenses		1,134	1,097	1,063
Depreciation and amortisation expense	9,10	447	556	479
Board members' fees	18	91	107	100
Other expenses	5	4,878	3,854	4,004
Total expenses		16,000	15,795	15,207
Surplus/(deficit) and total comprehensive revenue and expense		462	0	699

Explanations of major variances against budget are provided in note 22.
The accompanying notes form part of these financial statements.

Group Statement of Financial Position

AS AT 30 JUNE 2016

	Notes	Group Actual 2015-2016 \$000	Budget 2015-2016 \$000	Actual 2014-2015 \$000
ASSETS				
Current assets				
Cash and cash equivalents	6	5,226	3,418	5,034
Receivables	7	252	137	226
Inventories	8	2	2	5
Total current assets		5,480	3,557	5,265
Non-current assets				
Property, plant, and equipment	9	466	393	389
Intangible assets	10	957	1,853	694
Total non-current assets		1,423	2,246	1,083
Total assets		6,903	5,803	6,348
LIABILITIES				
Current liabilities				
Creditors and other payables	11	1,071	708	1,113
Taxes due and payable	12	210	204	165
Employee entitlements	13	783	718	693
Provisions	14	13	13	13
Total current liabilities		2,077	1,643	1,984
Non-current liabilities		0	0	0
Total liabilities		2,077	1,643	1,984
NET ASSETS		4,826	4,160	4,364
Equity				
General funds		4,826	4,160	4,364
TOTAL EQUITY		4,826	4,160	4,364

Explanations of major variances against budget are provided in note 22.
The accompanying notes form part of these financial statements.

Group Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2016

	Group Actual 2015-2016 \$000	Budget 2015-2016 \$000	Actual 2014-2015 \$000
Balance at 1 July	4,364	4,160	3,665
Total comprehensive revenue and expense	462	0	699
Balance at 30 June	4,826	4,160	4,364

Explanations of major variances against budget are provided in note 22.
The accompanying notes form part of these financial statements.

Group Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Group Actual 2015-2016 \$000	Budget 2015-2016 \$000	Actual 2014-2015 \$000
Cash flows from operating activities				
Receipts from the Crown		15,541	15,332	15,482
Interest received		158	158	188
Receipts from other revenue		715	305	265
Payments to suppliers		(6,075)	(5,662)	(4,756)
Payments to employees		(9,361)	(9,608)	(9,631)
GST (net)		45	(70)	(50)
Net cash from operating activities		1,023	455	1,498
Cash flows from investing activities				
Receipts from sale of property, plant, and equipment	9	5	0	0
Purchase of property, plant, and equipment	9	(241)	(207)	(89)
Purchase of intangible assets	10	(595)	(1,793)	(590)
Net cash from investing activities		(831)	(2,000)	(679)
Net increase/(decrease) in cash and cash equivalents		192	(1,545)	819
Cash and cash equivalents at the beginning of the year		5,034	4,947	4,215
Cash and cash equivalents at the end of the year	6	5,226	3,402	5,034

Explanations of major variances against budget are provided in note 22. The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Note 1: Statement of accounting policies for the year ended 30 June 2016

Reporting entity

Careers New Zealand has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The consolidated financial statements of the Group comprise Careers New Zealand and its controlled entity, the Education to Employment Connections Trust, which is a registered charity with donee status.

The financial statements for the Group are for the year ended 30 June 2016, and were approved by the Careers New Zealand Board on 31 October 2016.

Basis of preparation

The financial statements have been prepared on a disestablishment basis because of the proposal to incorporate Careers New Zealand into the Tertiary Education Commission, as outlined below. However until that happens, Careers New Zealand continues to operate as a going concern. There have been no changes in measurement or recognition made in the financial statements from that applied under a going concern basis.

The Education (Update) Amendment Bill 160-1 was introduced to Parliament on 22 August 2016. If passed by Parliament in its current form, this Bill would disestablish Careers New Zealand and incorporate the assets, liabilities and operations of Careers New Zealand into that of the Tertiary Education Commission as at 18 April 2017.

Refer to note 23 for further explanation of the status of this bill and the impact thereof on Careers New Zealand.

If the financial statements had been prepared using a going concern basis, as opposed to on a disestablishment basis, there would be no changes to the recognition or measurement of the assets or liabilities of Careers New Zealand.

The accounting policies have been applied consistently throughout the period.

Statement of Compliance

The financial statements of the Group 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).

These financial statements have been prepared in accordance with Tier 2 PBE RDR accounting standards. The Group is eligible to report in accordance with the Tier 2 PBE RDR accounting standards as expenses are less than \$30 million and there is no public accountability.

These financial statements comply with PBE accounting standards.

These financial statements are the first financial statements presented as a Group as the Education to Employment Connections Trust was established on 30 September 2015. Prior year comparative figures are of the parent only.

Presentation currency and rounding

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

Summary of significant accounting policies

Revenue

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

Careers New Zealand is primarily funded from the Crown. This funding is restricted in its use for the purpose of Careers New Zealand meeting the objectives specified in its founding legislation and the scope of the relevant appropriations of the funder.

Careers New Zealand considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Grants received

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grants are satisfied.

Interest revenue

Interest revenue is recognised using the effective interest method.

Rental revenue

Careers New Zealand subleases office premises to other agencies. Lease receipts under an operating sublease are recognised as revenue on a straight-line basis over the lease term.

Sale of publications

Sales of publications are recognised when the product is sold to the customer.

Provision of services

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date.

Foreign currency transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions.

Leases

Careers New Zealand leases office premises. These leases are classified as operating leases. An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Debtors and other receivables

Debtors and other receivables are recorded at their face value, less any provision for impairment.

A receivable is considered impaired when there is evidence that Careers New Zealand will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amount expected to be collected.

Investments

Bank term deposits

Investment in bank term deposits are initially measured at the amount invested.

After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

Property, plant, and equipment

Property, plant, and equipment asset classes consist of computer equipment, leasehold improvements, office equipment and motor vehicles.

Property, plant, and equipment are measured at cost, less accumulated depreciation and impairment losses.

At each balance date Careers New Zealand reviews the useful lives and residual values of its property, plant, and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires Careers New Zealand to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by Careers New Zealand, and expected disposal proceeds from the future sale of the asset.

The carrying values of all assets are reviewed at each balance date to ensure that those values are not materially different to fair value.

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 Careers New Zealand and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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 reported net in the surplus or deficit.

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 Careers New Zealand and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates which will write off the cost of the assets to their estimated residual values over their estimated useful lives. The useful lives and associated depreciation rates of the major classes of property, plant, and equipment have been estimated as follows:

Office equipment	3 to 5 years	33%-20%
Computer equipment	3 to 4 years	33%-25%
Motor vehicles	4 years	25%
Leasehold improvements	over the useful life of the lease.	

Property, plant, equipment costing more than \$2,500 are capitalised. All other property, plant, and equipment costing less than \$2,500 are to be expensed as 'minor assets' in the year of purchase.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

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

Staff training costs are recognised as an expense when incurred.

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

Costs associated with the development and maintenance of Careers New Zealand’s website are recognised as an expense when incurred. Major new developments that enhance the website’s service potential are capitalised where costs can be measured reliably.

The carrying amounts of intangible assets are disclosed in note 10.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

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

Licenses	3 to 4 years	33%–25%
Digital tools	3 to 4 years	33%–25%
Videos	3 years	33%
Implementation of core systems	4 years	25%

Impairment of property, plant, and equipment and intangible assets

Careers New Zealand 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 and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable 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 depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset’s ability to generate net cash inflows and where Careers New Zealand would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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.

Any reversal of an impairment loss is recognised in the surplus or deficit.

Creditors and other payables

Creditors and other payables are recorded at their face value.

Employee entitlements

Short-term employee entitlements

Employee benefits that Careers New Zealand expects to be settled within 12 months after the end of the period in which the employee renders 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, and sick leave.

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

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

Superannuation schemes

Defined contribution schemes

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

Provisions

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

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

Goods and services tax (GST)

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

The net GST paid to or received from the Inland Revenue Department (IRD), including the GST relating to investing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Careers New Zealand is a public authority and consequently is exempt 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 at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Careers New Zealand for the preparation of the financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, Careers New Zealand has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimating useful lives and residual values of property, plant, and equipment

At each balance date Careers New Zealand reviews the useful lives and residual values of its property, plant, and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires Careers New Zealand to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by Careers New Zealand, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position.

Careers New Zealand minimises the risk of this estimation uncertainty by:

1. physical inspection of assets
2. asset replacement programs
3. analysis of prior asset sales.

Careers New Zealand has not made significant changes to past assumptions concerning useful lives and residual values.

Estimating useful lives and residual values of intangible assets

At each balance date Careers New Zealand reviews the useful lives and residual values of its intangible assets taking into account expected future use.

Careers New Zealand has reviewed all intangible assets in light of the public announcement that Careers New Zealand will transition to the Tertiary Education Commission at an unknown date once enacted through legislation.

An incorrect estimate of the useful life or residual value will impact the amortisation expense recognised in the surplus or deficit and carrying amount of the asset in the statement of financial position.

Critical judgements in applying accounting policies

Management has exercised no critical judgments in applying accounting policies for the year ended 30 June 2016.

Basis of consolidation

A controlled entity is an entity over which Careers New Zealand has the power to govern the financial and operating policies.

The financial statements of the controlled entity, the Education to Employment Connections Trust, are prepared for the same reporting period as Careers New Zealand using consistent accounting policies.

All inter-entity balances and transactions have been eliminated in full.

Note 2: Funding from the Crown

	2015-2016 \$000	2014-2015 \$000
Funding from the Crown under non-exchange transactions		
Funding from the Crown	15,082	15,082
Funding from the Crown – Skills Transition	250	400
Funding from the Crown – Migrant Futures	209	0
Total funding from the Crown	15,541	15,482

Note 3: Other revenue

	2015-2016 \$000	2014-2015 \$000
Other revenue under exchange transactions		
Contract services and fees	755	209
Commercial products	8	12
Bargain purchase gain	0	15
Total other revenue	763	236

Note 4: Employment costs

	2015-2016 \$000	2014-2015 \$000
Salary and wages	8,829	8,869
Employer contributions to defined contributions plans	238	245
Increase/(decrease) in employee entitlements (note 13)	90	(71)
Other employment costs	293	518
Total employment costs	9,450	9,561

Defined contributions plans include those of KiwiSaver and the State Sector Retirement Savings Scheme.

Note 5: Other expenses

	2015-2016 \$000	2014-2015 \$000
Staff travel	792	643
Loss on sale of property, plant, and equipment	0	1
Loss on disposal of assets	14	0
Impairment on assets	29	0
Inventories consumed	4	18
Consultancy	1,593	1,275
Communication expenses	586	590
Marketing expenditure	688	473
Other expenses	1,172	1,004
Total other expenses	4,878	4,004

Note 6: Cash and cash equivalents

	2015-2016 \$000	2014-2015 \$000
Cash on hand and at bank	607	655
Cash equivalents – term deposits	4,600	4,360
– accrued interest on term deposits	19	19
Total cash and cash equivalents	5,226	5,034

In accordance with its investment policy, all Careers New Zealand term deposits are short-term with maturity dates of four months or less. Their carrying value approximates fair value. All short term deposits were either with Westpac Banking Corporation or ANZ. At 30 June 2016, short term deposits were for an average of 89 days (2015: 78 days) with an average effective interest rate of 2.90% pa (2015: 3.93%).

Note 7: Receivables

Debtors	2015-2016 \$000	2014-2015 \$000
Debtors	86	48
Less: provision for impairment	0	0
Total debtors	86	48
Other receivables		
Prepayment	166	178
Total other receivables	166	178
Total debtors and other receivables	252	226

Total debtors and other receivables comprises:
Receivables from the sale of goods and services
(exchange transactions)

The carrying value of receivables approximates their fair value.

As at 30 June 2016, all overdue debtors have been assessed for impairment. Expected losses have been determined based on an analysis of Careers New Zealand losses in previous periods and review of specific debtors. Careers New Zealand has identified no insolvent debtors or provisions for bad debts. (2015: \$nil).

Note 8: Inventories

	2015-2016 \$000	2014-2015 \$000
Inventory held for the use in the provision of goods and services	2	5
Total inventories	2	5

The write down of inventories held for distribution amounted to \$nil (2015: \$1,000).
No inventories are pledged as security for liabilities.

Note 9: Property, plant, and equipment

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

	Office equipment \$000	Computer equipment \$000	Motor vehicles \$000	Leasehold improvements \$000	TOTAL \$000
Cost or valuation					
Balance at 1 July 2014	219	1,074	591	247	2,131
Balance at 30 June 2015	225	1,084	591	247	2,147
Balance at 1 July 2015	225	1,084	591	247	2,147
Additions	24	212	0	5	241
Disposals and adjustments	(3)	(27)	(17)	0	(47)
Balance at 30 June 2016	246	1,269	574	252	2,341
Accumulated depreciation and impairment losses					
Balance at 1 July 2014	195	803	423	131	1,552
Balance at 30 June 2015	200	919	473	166	1,758
Balance at 1 July 2015	200	919	473	166	1,758
Depreciation expense	12	101	15	31	159
Elimination on disposal	(3)	(27)	(12)	0	(42)
Balance at 30 June 2016	209	993	476	197	1,875
Carrying amounts					
At 30 June 2014	24	271	168	116	579
At 30 June and 1 July 2015	25	165	118	81	389
At 30 June 2016	37	276	98	55	466

Careers New Zealand does not own land or buildings and does not carry out revaluations.

There are no restrictions over the title of Careers New Zealand property, plant, and equipment, nor are these assets pledged as security for liabilities.

Property, plant, and equipment's work in progress balance is \$98,000 (2015: \$nil).

Note 10: Intangible assets

	Acquired software \$000	Internally generated \$000	TOTAL \$000
Cost or valuation			
Balance at 1 July 2014	402	1,484	1,886
Balance at 30 June 2015	489	1,236	1,725
Balance at 1 July 2015	489	1,236	1,725
Additions	8	587	595
Disposals	(1)	(105)	(106)
Balance at 30 June 2016	496	1,718	2,214
Accumulated amortisation and impairment losses			
Balance at 1 July 2014	375	1,207	1,582
Balance at 30 June 2015	281	750	1,031
Balance at 1 July 2015	281	750	1,031
Amortisation expense	73	215	288
Impairment losses	0	29	29
Disposals	0	(91)	(91)
Balance as at 30 June 2016	354	903	1,257
Carrying amounts			
As at 30 June 2014	27	277	304
At 30 June and 1 July 2015	208	486	694
At 30 June 2016	142	815	957

Intangible assets work in progress balance is \$143,000 (2015: \$84,000).

There are no restrictions over the title of Careers New Zealand intangible assets, nor are any intangible assets pledged as security for liabilities.

Note 11: Payables

	2015-2016 \$000	2014-2015 \$000
Creditors and other payables under exchange transactions		
Creditors	828	805
Accrued expenses	243	178
Contingent consideration	0	130
Total creditors and other payables under exchange transactions	1,071	1,113

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of creditors and other payables approximates their fair value.

Note 12: Taxes due and payable

	2015-2016 \$000	2014-2015 \$000
Taxes due and payable under non-exchange transactions		
Fringe benefit tax	1	1
GST	209	164
Total taxes due and payable	210	165

Note 13: Employee entitlements

	2015-2016 \$000	2014-2015 \$000
Current employee entitlements are represented by:		
Accrued salaries and wages	277	188
Annual leave	406	425
Sick leave	100	80
Total current portion	783	693
Total employee entitlements	783	693

Note 14: Provisions

	2015-2016 \$000	2014-2015 \$000
Current provisions are represented by:		
Lease make-good	13	13
Total current portion	13	13
Total provisions	13	13

Movements for each class of provision are as follows:

	Lease make-good
Balance at 1 July 2014	13
Additional provisions made	0
Amounts used	0
Unused amounts reversed	0
Balance at 30 June 2015	13
Balance at 1 July 2015	13
Additional provisions made	0
Amounts used	0
Unused amounts reversed	0
Balance at 30 June 2016	13

Lease make-good provision

In respect of a number of its leased premises, Careers New Zealand is required at the expiry of the lease term to make good any damage caused to the premises from installed fixtures and fittings and to remove any fixtures or fittings installed by Careers New Zealand.

Information about Careers New Zealand's leasing arrangements is disclosed in note 15.

Note 15: Capital commitments and operating leases

Capital commitments

Careers New Zealand did not have any capital commitments at 30 June 2016 (2015: \$nil).

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2015-2016 \$000	2014-2015 \$000
Not later than one year	521	794
Later than one year and not later than five years	599	866
Later than five years	15	62
Total non-cancellable operating leases	1,135	1,722

Careers New Zealand has thirteen property leases, including a number of co-location agreements with other government departments or crown entities.

Three co-location agreements have cancellation clauses. However the current intention is to remain at the premises for the length of the initial lease period and therefore the full costs have been included in the non-cancellable operating lease disclosure.

Location	Cancellation period	Lease expiry date	Annual lease costs \$000
Christchurch	6 months	30 September 2020	50
Napier	6 months	28 February 2022	22
Timaru	3 months	31 May 2017	6

Careers New Zealand does not have the option to purchase these assets at the end of the lease term.

There are no restrictions placed on Careers New Zealand by any of its leasing arrangements.

Note 16: Contingencies

Contingent liabilities

June 2016

Termination

The intention for Careers New Zealand to become part of the Tertiary Education Commission was announced in May 2016. To effect this reform, the Education (Update) Amendment Bill 160-1 was introduced to Parliament on 22 August 2016. If passed by Parliament in its current form, this Bill would disestablish Careers New Zealand as of 18 April 2017 and result in the employment of the Chief Executive being terminated thus Careers New Zealand will be potentially liable to pay some form of termination compensation.

Before it becomes law, the Bill has to pass through a number of steps. The Bill has passed its first reading and is currently before a select committee. However, there are still a number of steps to be completed before the Bill can become law. As such, there is potential for the Bill to change before it becomes law and thus creating uncertainty over the exact circumstances of the Chief Executive's termination.

Holidays Act 2003 review

Recently publicised events regarding the interpretation and application of the Holidays Act 2003 have prompted Careers New Zealand to review its practices. As at balance date this review had not been completed.

June 2015

In the June 2015 financial year, Careers New Zealand had no contingent liabilities.

Contingent assets

Careers New Zealand has no contingent assets as at 30 June 2016 (2015: \$nil).

Note 17: Related party transactions and key management personnel

Related party transactions

Careers New Zealand is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favorable than those that it is reasonable to expect Careers New Zealand would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Related party transactions required to be disclosed

There are no related party transactions to be disclosed (2015: \$nil)

Key management personnel compensation

	2015-2016 \$000	2014-2015 \$000
Board members		
Remuneration	91	100
Full-time equivalent members	0.09	0.11
Senior leadership team		
Remuneration	1,441	1,006
Full-time equivalent members	8.93	5.10
Total key management personnel remuneration	1,532	1,106

Key management personnel include all Board members, the Chief Executive, and eight members of the senior leadership team.

The full-time equivalent for Board members has been determined based on the frequency and length of Board meetings and the estimated time for Board members to prepare for meetings.

Note 18: Board member remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	2015-2016 \$000	2014-2015 \$000
D Karauria (Board Chair)	32	32
M Ward (Deputy Chair)	15	15
C Meade	12	12
P Reade	12	12
J Ombler	2	5
S Day	6	12
T Copeland	12	12
Total Board member remuneration	91	100

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

Careers New Zealand has not provided any indemnity during the financial year to any member, office holder or employee.

Careers New Zealand has effected Directors' and Officers' Liability insurance cover during the financial year in respect of the liability or costs of Board members and employees.

No Board members received compensation or other benefits in relation to cessation (2015: \$nil).

Note 19: Employee remuneration

The following table shows the number of people who earned \$100,000 or more in the financial year ended 30 June 2016.

Earnings	Number of people 2015-2016	Number of people 2014-2015
\$100,000-\$109,999	4	1
\$110,000-\$119,999	2	3
\$120,000-\$129,999	1	3
\$130,000-\$139,999	2	1
\$140,000-\$149,999	3	-
\$150,000-\$159,999	-	-
\$160,000-\$169,999	-	-
\$170,000-\$179,999	1	1
\$180,000-\$189,999	-	-
\$190,000-\$199,999	-	-
\$200,000-\$209,999	-	-
\$210,000-\$219,999	-	-
\$220,000-\$229,999	-	-
\$230,000-\$239,999	-	-
\$240,000-\$249,999	-	-
\$250,000-\$259,999	-	-
\$260,000-\$269,999	-	1
\$270,000-\$279,999	-	-
\$280,000-\$289,999	-	-
\$290,000-\$299,999	-	-
\$300,000-\$309,999	-	-
\$310,000-\$319,999	1	-
Total employees	14	10

During the year ended 30 June 2016, 0 (2015: 6) employees received compensation and other benefits in relation to cessation totalling \$nil (2015: \$182,000).

Note 20: Events after balance sheet date

There were no significant events after the balance date.

Note 21: Financial instrument categories

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

	2015-2016 \$000	2014-2015 \$000
Loans and receivables		
Cash and cash equivalents (note 6)	5,226	5,034
Debtors and other receivables (note 7)	252	226
Total loans and receivables	5,478	5,260
Financial liabilities measured at amortised cost		
Creditors and other payables (note 11)	1,071	1,113
Total financial liabilities measured at amortised cost	1,071	1,113

Note 22: Explanation of significant variances against budget

Explanations for major variances from Careers New Zealand's budgeted figures in the Statement of Performance Expectations are as follows:

Statement of comprehensive revenue and expense

The surplus result of \$462,000 primarily reflects the effect of additional third party revenue that the Group secured throughout the year. Other revenue was \$458,000 more than budget.

Expenses

Employment costs were \$731,000 less than budget. This was due in part to taking a prudent approach to the recruitment of vacancies until the outcomes of the education system PIF and careers system reviews were known but primarily to allow us to prioritise non-capital web redevelopment related activity.

Other operating expenditure was \$1,024,000 more than budget mainly due to increased domestic travel, consultancy and contractor costs, and marketing.

Consultants and contractors were engaged to ensure Careers New Zealand's ongoing initiatives and tools development programme maintained traction and the right expertise was acquired. Tools development included progressing careers web redevelopment at a quicker pace, within that redevelopment non-capital initiatives were prioritised. Web redevelopment also resulted in increased marketing costs.

Contractors were also used to back-fill some of the vacant positions throughout the year and some additional marketing costs were associated with a number of our other revenue contracts.

Depreciation was less than budget due to an actual spend of \$836,000 for our capital programme compared to \$2,000,000 being budgeted.

Statement of financial position

Capital expenditure was \$1,164,000 lower than the budget due to prioritisation of non-capital initiatives and developments as noted above as well as delays in digital tool development, implementation of core systems, and vehicle purchases.

The increase in the cash balance is a result of the surplus position and less than budgeted capital expenditure.

Note 23: Going concern

In May 2016, Tertiary Education, Skills and Employment Minister Steven Joyce and Education Minister Hekia Parata announced the intention for Careers New Zealand to become part of the Tertiary Education Commission.

To effect this reform, the Education (Update) Amendment Bill 160-1 was introduced to Parliament on 22 August 2016.

If passed by Parliament in its current form, this Bill would disestablish Careers New Zealand and incorporate the assets, liabilities and operations of Careers New Zealand into that of the Tertiary Education Commission as at 18 April 2017 (for no consideration). In particular, the Bill proposes that:

- all assets and liabilities of Careers New Zealand vest in the Tertiary Education Commission;
- all information held by Careers New Zealand transfer to the Tertiary Education Commission;
- all proceedings and other matters involving Careers New Zealand be determined or completed by the Tertiary Education Commission;
- the Tertiary Education Commission must offer employment in an equivalent position to all employees of Careers New Zealand (other than the Chief Executive).

In effect, the current draft of the Bill means that all Careers New Zealand obligations will pass to the Tertiary Education Commission on the passing into law of the Bill.

Before it becomes law, the Bill has to pass through a number of steps as shown in the diagram below.



Meaning of symbols:

In Bill Introduced: The bill is made available for the House to consider.

1 First Reading: MPs debate and vote on the bill. If successful, it is usually sent to a select committee.

SC Select Committee: The select committee gathers information and prepares a report on the bill for the House, including recommending changes to the Bill.

2 Second Reading: The House debates the select committee report and votes on the Bill.

CH Committee of Whole House: MPs consider the bill in detail and vote on proposed changes.

3 Third Reading: Final debate and vote. If successful, the Bill has been passed.

RA Royal Assent: Bill signed by Governor-General and becomes an Act.

Fail / Withdrawn: A Bill fails if the vote is lost at first, second, or third reading. The member in charge of a Bill may withdraw it.

Note: This simple progress diagram does not cover all possible stages for a particular bill.

The Bill has passed its first reading and is currently before a select committee. The closing date for submissions on the Bill is 11 November 2016 and a report is expected from the select committee on 13 March 2017.

There are still a number of steps to be completed before the Bill can become law. As such, there is potential for the Bill to change before it becomes law.

As a result of the uncertainty over whether the Bill will be finalised and result in the net assets and operations of Careers New Zealand being incorporated into that of the Tertiary Education Commission, Careers New Zealand initiated certain agreements and procedures to ensure the continued effective operation of Careers New Zealand, as a going concern, and the exercise of appropriate caution during this period of uncertainty, including:

1. A Memorandum of Understanding between Careers New Zealand and the Tertiary Education Commission to govern their relationship for the purposes of managing the integration of Careers New Zealand functions, staff and resources with those of the Tertiary Education Commission; and
2. Operating procedures to ensure that parties dealing with Careers New Zealand are aware of the changed circumstances faced by Careers New Zealand.

If the financial statements had been prepared using a going concern basis, as opposed to on a disestablishment basis, there would be no changes to the recognition or measurement of the assets or liabilities of Careers New Zealand.



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Part Six:

APPENDICES

Appendix A

Our statutory functions

The statutory functions of Careers New Zealand, as specified in section 280 of the Education Act 1989, are:

- a. to establish and maintain a database of information about occupations and about post-compulsory education and training
- b. to make that information available to the public and to institutions, private training establishments, students and other interested bodies and persons
- c. to provide:
 - i. training and assistance to persons who advise about occupations
 - ii. career advice and associated counselling relating to post-compulsory education and training
- d. to liaise with, and monitor the needs of, institutions, private training establishments, students and other bodies and persons with respect to:
 - i. information, training and advice relating to occupations; and
 - ii. career advice and associated counselling relating to post-compulsory education and training
- e. to provide support services for the purpose of promoting transition education that prepares students for employment, or further education and training, or both.

Appendix B

Our good employer criteria overview

The following tables provide an overview of the activities and initiatives we have undertaken to support the seven good employer criteria.

Criteria	During 2015-2016 Careers New Zealand:
Leadership, accountability and culture	<ul style="list-style-type: none"> monitored workforce data (including ethnicity, age, gender and Māori representation statistics) introduced an organisation-wide Māori and Pasifika cultural competency framework for staff celebrated Māori and Pacific Island language weeks with a range of activities for staff participation provided leadership development opportunities for all staff, and additional opportunities for the senior leadership team provided internal opportunities for involvement in cross-organisational projects and secondments involved staff in change management processes and provided opportunities for feedback
Recruitment, selection and induction	<ul style="list-style-type: none"> conducted open, fair and transparent recruitment and selection processes, and welcomed attendance of support people for candidates during interviews welcomed new staff through executive-led induction sessions, chief executive personal greetings and a tailored induction programme provided by managers reviewed the staff induction material provided to managers for consistent quality of on-boarding
Employee development, promotion and exit	<ul style="list-style-type: none"> provided study assistance and professional development support collaborated with education sector agencies to maximise development opportunities for staff provided on-site te reo sessions and introduced an online learning and development module supported the Te Mana Pou Tuarongo Māori network, including a regular hui for members supported the Vā Pasifika network, including a fono for members provided on-site Pasifika awareness training analysed exit survey responses

Criteria	During 2015–2016 Careers New Zealand:
Flexibility and work design	<ul style="list-style-type: none"> · maintained its flexible work practices policy, including flexible working hours · provided tailored options and responded to individual requests to support work/life balance (including for those with any permanent or temporary disabilities) · ensured appropriate spaces are available for breastfeeding
Remuneration, recognition and conditions	<ul style="list-style-type: none"> · maintained a gender-neutral job evaluation methodology · undertook the annual remuneration review process with union representatives · analysed gender pay gap for staff · acknowledged contributions of key staff through participation in external awards as recognition · recognised specialist expertise of staff through opportunities to deliver presentations at external forums, domestic and international
Harassment and bullying prevention	<ul style="list-style-type: none"> · continued accessibility, promotion and enforcement of the standards of integrity and conduct · continued to maintain procedures for the management of workplace harassment and bullying
Safe and healthy environment	<ul style="list-style-type: none"> · reconfirmed the mandate of the health and safety committee, health and safety representatives and floor wardens in line with new legislation · provided health and safety training to committee members, representatives and managers · ran an awareness campaign for all staff on changes to the legislation and confirmed their responsibilities · provided a range of support to promote health and wellbeing, including an employee assistance programme, workstation assessments, flu vaccinations, the Fit24 wellness initiative and eye care subsidies for staff · promoted safety in the workplace through regular floor inspections, emergency preparedness reminders and communications about wellbeing · developed business continuity and emergency response plans for the organisation · centralised our health and safety reporting and monitoring through the GOSH system · regularly reviewed sick leave, accidents, ACC leave and high annual leave balances

Appendix C

Our Board

We are governed by a Board reporting to the Minister of Education. The Board is responsible for the governance of Careers New Zealand, including setting the strategic direction and monitoring performance. The Minister of Education is responsible for making new appointments to the Board.

Dale Karauria (Ngāti Porou and Ngāti Kahungunu) – Board Chair

Dale Karauria chairs the Careers New Zealand Board. Dale has over 15 years' experience in government roles, primarily focused on Māori development, education, training and employment policy. These include senior manager of iwi and Māori education partnerships at the Ministry of Education, and director of Māori potential policy at Te Puni Kōkiri. She also has wide experience as a private sector consultant and is currently a director of Dakoda Visions Ltd, a consultancy providing strategic advice across the government sector.

Murray Ward – Board Deputy Chair

Murray Ward is Deputy Chair of the Careers New Zealand Board. He is an Auckland-based professional company director and joined the Board in September 2010. Murray has an IT background and a 30-year career with Datacom Systems Ltd. He is an independent director on a number of commercial companies, and chairs four of these. Murray's passion is golf – he also sits on the Board of New Zealand Golf.

Chris Meade – Board member

Chris Meade has over 25 years' experience across a range of industries and sectors including manufacturing, food processing, FMCG, health and infrastructure and has held a number of senior HR positions within Fonterra, Goodman Fielder and Downer. Chris is a member of the Human Resources Institute of New Zealand, a past Chair of the Employer Champions Group and sits on the Board of Diversitas and is Chair of the Safeguarding Children Initiative.

Patricia Reade – Board member

Patricia Reade has held a variety of leadership positions in the public service, including Work and Income New Zealand, the Department of Labour and the Department of Education and Employment in London. She became the chief operating officer for Auckland Council when it was established in 2010, following amalgamation of eight former local authorities across the Auckland region. Auckland Council is now the largest local authority in Australasia. Patricia is currently transformation director for Auckland Council, and joined the Careers New Zealand Board in November 2013.

Tim Copeland – Board member

Tim Copeland is a director and one of three founders of Wellington-based internet services company SilverStripe. SilverStripe has a wide portfolio of work with public and private sector clients. Tim served as chief executive officer of SilverStripe for its first seven years, and the chairman of Unlimited Potential (Wellington's largest IT network), before stepping aside to focus on SilverStripe's international growth. He also acts as an independent advisor and investor in several private companies. Tim joined the Careers New Zealand Board in May 2014.

John Ombler – Board member

John Ombler joined the Careers New Zealand Board in November 2013. He worked in the public service for over 30 years and has substantial experience in senior management positions within the public service. He is a former deputy State Services Commissioner and was appointed acting chief executive of the Canterbury Earthquake Recovery Authority (CERA) in 2011, while a permanent appointee was sought. John took an 18 month leave of absence from the Board from December 2014 to April 2016, to return to CERA, as acting chief executive.

Appendix D

Our senior leadership team

Keith Marshall – Chief Executive

Keith Marshall has held a number of senior leadership roles in the public and private sectors. He was previously deputy chief executive of New Zealand Qualifications Authority. His extensive experience in the education sector has included involvement as the New Zealand representative on the Australian qualifications framework Board, and as the leader of various international bilateral education discussions.

Cassius Kuresa – Vā Pasifika Network Chair

Cassius Kuresa oversees our organisational responsiveness to Pasifika. He worked as a community engagement facilitator in Porirua for two years, and is passionate about improving education and employment outcomes for Pasifika communities. Cassius is working across the organisation to ensure the Pasifika key performance indicators are implemented successfully within all the business units.

Christine Hayden – General Manager Professional Development Services

Christine Hayden leads the development and delivery of professional development services for those directly influencing young people's career choices. She joined Careers New Zealand in 2011 as a career consultant. Christine has over 20 years' teaching and research experience in adult education, and has designed, developed and co-ordinated trade-related, experiential learning programmes for young people.

Hugh Kettlewell – General Manager Auckland Strategy

Hugh Kettlewell leads the delivery of the national strategy into Auckland, taking into account the different challenges that Auckland presents. He has broad experience in both the public and private sectors across management, operational and analyst roles – most recently with Nelson City Council where he had the dual role of managing both corporate and community services.

Jane Ratcliffe – General Manager Channels and Digital Resources

Jane Ratcliffe is implementing a channels-driven digital strategy to help everyone successfully navigate their learning and work choices. She has worked in the online space for 16 years and before joining Careers New Zealand led the team behind the Commission of Financial Capability's digital platforms, including Sorted. Jane has extensive experience in public and private sector organisations including Contact Energy, the Department of Internal Affairs and the State Services Commission.

Julie Thomas – General Manager Knowledge and Organisational Performance

Julie Thomas oversees our whole programme of work and leads the development and delivery of the organisation's knowledge and corporate service functions. During her time with Careers New Zealand Julie has sponsored significant developments such as establishing telephone and web guidance, and the career education development benchmarks. Julie is currently on the national executive of the Career Development Association of New Zealand (CDANZ).

Mitch de Vries – General Manager Education to Employment Connections

Mitch de Vries leads a team focused on system-level interventions connecting education and employment to improve career pathways at important transition points in young people's learning and working lives. She joined Careers New Zealand in 2008 as a career consultant. Mitch passionately believes in the work of Careers New Zealand (describing it as her vocational home) and the difference it can make to people, and their families, as well as to the country as a whole.

Peter McBeth – General Manager, Strategic Partnerships

Peter McBeth is responsible for supporting our sustainability by identifying and developing commercial activities. He started with Careers New Zealand as a career consultant and progressed to a position as South Island regional manager before taking up his current role. Peter has a long history of operating in the careers commercial domain and a strong understanding of Careers New Zealand's intellectual property and the relevance of this to public and private sector organisations.

Fiona Timoti-Knowles – Te Mana Pou Tuarongo Māori network Chair

Fiona Timoti-Knowles oversees our organisational responsiveness to Māori. She worked as a Career Development Consultant in Whangarei for five years, and is committed to the development of products and services that are responsive to Māori. Fiona works across the organisation to ensure the Māori key performance indicators are implemented successfully within all the business units.

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ISSN 2537-6810 (Print)
ISSN 2537-6829 (Online)

Careers New Zealand Annual Report for the year ended 30 June 2016

Presented to the House of Representatives pursuant to section 150(3) of the Crown Entities Act 2004

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