

Statement of Intent

2009/10 to 2011/12

*seek the path that's right for you
rapua te ara tika mōu ake*



CAREER SERVICES

Statement of Intent

2009/10 to 2011/12

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PREAMBLE

This Statement of Intent has been prepared in accordance with the requirements of sections 141 and 142 of the Crown Entities Act 2004.

It describes the three-year vision and strategies of Career Services, the Government agency that provides independent career information and guidance services to support Government's education, training and employment goals.

The Statement of Intent includes an Output Agreement with the Minister of Education.

Signed on behalf of the Board of Career Services.



Kaye Turner
Board Chair
Career Services
27 May 2009



Brent Kennerley
Deputy Board Chair
Career Services
27 May 2009

OVERVIEW FROM THE BOARD CHAIR



...our overarching challenge over the next three years is to reach many more New Zealanders with our services.

Knowing how to make decisions about learning and careers builds resilience in times of change. Now, more than ever, New Zealanders need good quality, independent, up-to-date information. They need to be informed consumers in the tertiary education and training market. They need to know the outlook for different occupations. They need advice on coping with workplace changes.

High quality career advice and strong career decision-making skills are fundamental to economic growth. By helping New Zealanders navigate through the range of learning and career options, we help them build their own skills. As well as leading to personal prosperity and security, this develops a highly skilled workforce and increased productivity. Poor decision-making about work and training is costly – to individuals, to the Government and to the country. Students may waste time and money attending courses that don't match their interests and abilities. Workers may lack the skills required to lift productivity so New Zealand's businesses can compete internationally.

As New Zealand weathers the recession and the global credit crunch, Career Services has much to offer in the way of resources, information and support to help people with their learning and career decisions. It is vital for young people in particular, to have good information and career decision-making skills. Career Services is committed to supporting the Youth Guarantee, Trades in Schools and Trades Academies by helping young people to make smart decisions. Many of our technology-based services (such as the online CV wizard and our texting services) have particular appeal for young people and we will continue to build on these services.

As Government's career experts, our overarching challenge over the next three years is to reach many more New Zealanders with our services. This will mean making the most of technology to make it easy for people to find the information and resources they need through our online and phone services. We will also focus more on building the career skills of parents and teachers so they can support young people in making learning and career decisions.

Career Services is unique in providing nationwide services for people of all ages in a range of ways that suits them. In April 2008, the UK Skills Commission noted that:

"The evidence we received made it quite clear that the all-age service is the preferred model amongst experts. It was pointed out to us that there is an all-age service in New Zealand, and this is widely regarded as the best service in the world." (UK Skills Commission, Inspiration and Aspiration, 2008).

We are committed to ensuring value for money and will be looking for economies wherever possible, without compromising the quality of our services.

I am confident that Career Services will be able to meet its reporting obligations to the Minister, the Ministry of Education and the Treasury and that it has the systems and processes in place to maintain the standards of integrity and conduct required of staff in the state services.

Kaye Turner
Board Chair
Career Services

THE NEXT THREE YEARS

OUR ROLE

We are Government's independent expert on careers. We deliver information, advice and guidance so people can make informed decisions about their career paths. Good learning and career decisions help minimise the cost to Government of poor education choices, maximise New Zealanders' skills and lift workplace productivity.

The workforce of today and tomorrow can expect to review and reconsider career choices at a range of transition points, including moving from school into work, study or training; changing jobs; returning from full time parenting; and coping with redundancy. We help people to navigate through these transition points and through the changing world of work.

We provide independent information and advice about learning and careers to the public, community and business groups, industry and the education community.

Our aim is to ensure:

- every young person leaves school equipped with the skills and knowledge they need to make a successful transition into adult life, including the world of work
- adults in the workforce can access high quality information and advice to support their ongoing skills and career development
- all New Zealanders have the information and skills to support them through work transitions.

OUR SERVICES

We provide a range of interlinked services.

Web-based services

Our **self-help** web-based resources provide people with:

- up-to-date, comprehensive and independent job, course and training, and labour market information
- good practice career education resources
- online career tools such as 'CV 4 Me' (CV Wizard), skill matching quizzes and 'Pathfinder' (an online career guidance programme).

We also provide live **webchat**, so anyone in New Zealand can get instant online answers to their questions about courses and occupations.

We had over 1,500,000 New Zealand-based visits to our website in the first nine months of 2008/09.

Assisted advice

Advice services include:

- our 0800 **advice line**, which provides general career information; advice about careers, jobs and training courses and referral to in-depth guidance if callers' needs can't be met in other ways
- a **texting** service for requesting career information. (External evaluation results showed that two thirds of participants surveyed would not have contacted Career Services if the texting service didn't exist).

- **follow-up calls** to check whether people need further information or help, an opt-in appointment reminder service and a tips of the day service
- **CV feedback** for young people who have used our online CV 4 Me tool. 70% of CV4 Me users are job seekers.

Guidance services

We offer:

- customised career planning in a **group setting** to secondary school Māori and Pasifika students, prospective tertiary students, and migrants and refugees
- individual **face-to-face** career planning assistance to targeted people, including workers made redundant, recent migrants and parents returning to the workforce
- **telephone guidance**, so people unable to visit one of our offices (such as people who are in remote locations or have disabilities) can access in-depth personal career guidance. This service is also available outside normal office hours.

Capability building services

We work with a range of organisations and groups to build their ability to support others – especially young people – with learning and career decisions.

In particular, we provide:

- customised advice and professional development assistance to **schools**
- customised advice to **parents and whānau**.

OUR CLIENTS

We deliver services to people of all ages. Our website and phone-based services are available to all New Zealanders. Some of our services are targeted specifically to:

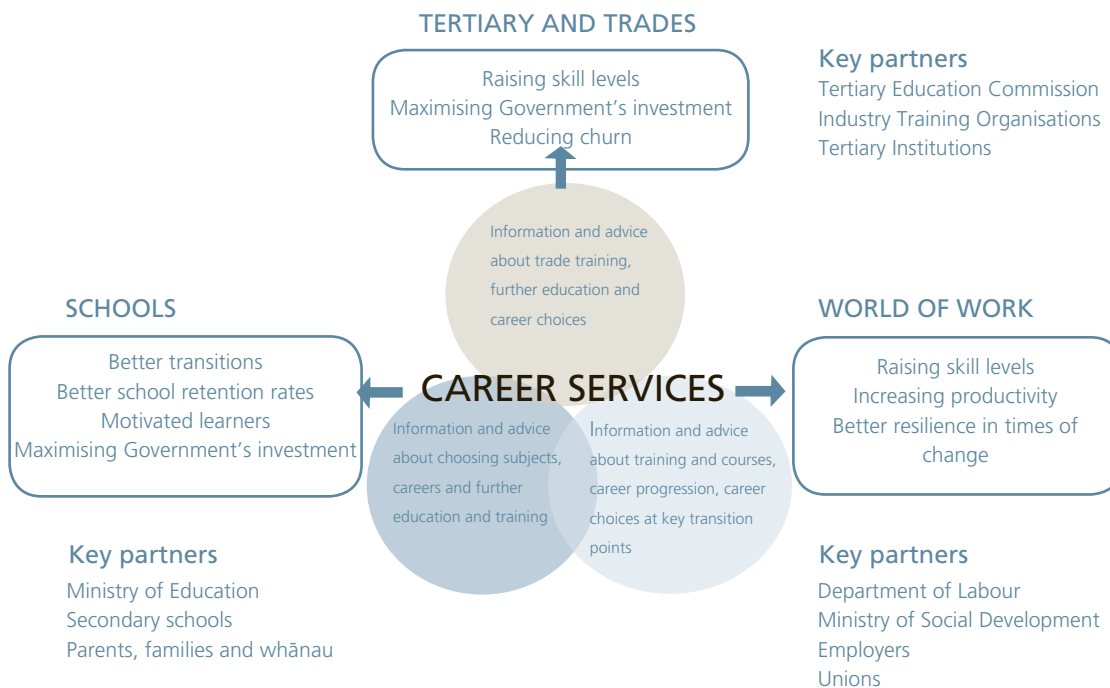
- school students and school leavers
- young Māori and Pasifika
- parents, families & whānau
- schools
- employers
- workers who have been made redundant
- migrants and refugees.

OUR PARTNERS

We work in partnership with central and local Government agencies, schools, tertiary providers, community-based organisations, business leaders, unions, influencer groups and end users of our service.

We operate in the education, labour market and social development sectors, working with the Ministry of Education, the Department of Labour, the Ministry of Social Development and other Government agencies on actions and policies where a career component is important (see diagram below).

SECTORS WE WORK WITH



GOVERNANCE AND MANAGEMENT

Legislative Framework

We are a Crown Agent, established on 23 July 1990 under the Education Act 1989. Our statutory functions 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; and
 - (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.

Career Services Board

Career Services is governed by a board reporting to the Minister of Education. The Board has seven members, chaired by Kaye Turner. Current Board members are:

Name	Date of original appointment	Expiry date of present term
Kaye Turner (Chair)	1 September 2006	31 August 2009
Brent Kennerley (Deputy Chair)	1 August 2003	31 July 2009
Arthur Graves	17 July 2006	16 July 2009
Marjolein Lips-Wiersma	17 July 2006	16 July 2009
Trudie McNaughton	12 July 2004	11 July 2010
Carl Pascoe	1 January 2005	31 December 2010
Tina Wehipeihana-Wilson	1 January 2005	31 December 2010

Board members represent the school and tertiary sectors, business and industry, and community development organisations. Māori representation is included. The Board has a Finance and Risk Committee, chaired by Brent Kennerley, to oversee financial performance and monitor any major risks. The Board undertakes an annual self-appraisal process.

CONTRIBUTION TO GOVERNMENT PRIORITIES

Career Services contributes to a range of Government priorities and actions in the work, education and skills development spheres. In particular, we contribute to the following education priority:

Every young person has the skills and qualifications to contribute to their and New Zealand's future by ensuring young people have the information and skills to make good learning and career decisions.

We will measure our contribution to this priority through:

- the number of young people who attended a guidance session and the proportion of those who found it gave them a greater understanding of how to make effective learning and career decisions
- the number of schools we work with and the proportion who found Career Services resources and/or workshops improved their understanding about career education
- the number of schools receiving intensive assistance and the proportion who feel able to deliver more effective career education programmes as a result
- the number of people setting up a personalised My Career account.

We also contribute to the education priority:

- **Māori enjoying success as Māori**, by ensuring young Māori and their whānau have the information and skills to make good learning and career decisions.

We will measure our contribution to this priority through:

- the number of people assisted through the whānau decision-making project and the results of the evaluation, once completed
- the numbers of Māori accessing our services (where this information is available)
- the proportion of young Māori receiving guidance in a group setting who find it motivates them to stay in school and/or pursue other learning options.

We also contribute to:

- **Relevant and efficient tertiary education provision that meets student and industry needs** by ensuring tertiary students have access to accurate information and guidance to help them make career decisions.

Youth Guarantee, Trades in Schools, Trade Academies

We have an important role to play in developing and implementing the Youth Guarantee, Trades in Schools, Trades Academies, Ka Hikitia and the Pasifika Education Plan and we will work closely with the Ministry of Education and other agencies to ensure the success of these initiatives.

Young people need good independent information to help them navigate their way through subject choices, and tertiary training, work and study options. Career Services helps young people to match their own skills and ambitions to the opportunities on offer and make decisions about their future careers. We work with schools and parents to help them support young people in making their decisions; and with young people themselves, through our range of web-based, phone-based and guidance services.

We can also help with tackling truancy. Career education helps students to understand how their skills and interests can lead them to particular occupational paths and helps them develop and realise their ambitions. Career Services' work with schools will support students to stay engaged with learning.

Ka Hikitia

Ka Hikitia sets out a Māori Potential approach that recognises that many parties are critical to achieving results for Māori education: students, parents, whānau, iwi, educators, providers, Māori communities, enterprises and Government. One of the actions under the strategy, relating to young people, is:

"Collaborate with Career Services and other agencies to build on existing career decision-making work with Māori. Consider and pilot new approaches to support Māori students and their whānau to make decisions about future education choices. Evaluate the effectiveness of these approaches."

Career Services is currently piloting the whānau decision-making project, in partnership with the Ministry of Education and Te Puni Kōkiri, with the aim of identifying how best to support families to be effective decision-makers and informed consumers about careers and in doing so support young Māori make good work and learning decisions.

In 2007/08, we provided guidance to 3,833 young Māori in a group setting and 990 Māori clients in one-to-one sessions and we expect to build on these numbers over the next three years.

Pasifika Education Plan

Career Services contributes to achieving educational goals for Pasifika students through a range of actions, as outlined in the Ministry of Education's Pasifika Education Plan.

Career Services will work with schools, young people and their families to develop career management skills (e.g. decision-making strategies and building self-awareness of interests, skills and strengths) to ensure successful transitions between school and further learning or employment. This will be achieved through:

- holding annual career education Fono and So'o with young people in different regions throughout the country (Auckland, Wellington, South Island and other regions)
- providing information sessions to students through expos such as SPACPAC, PASIFIKA, Pasifika families and communities
- provide information sessions for Pasifika communities through families and churches to provide relevant information and advice about how best to support their young people
- work with Government agencies and other organisations to provide relevant, up-to-date information and advice to support Pasifika parents and communities to assist young people to make informed career choices
- conduct external evaluation on the activities noted above and report that, where appropriate, to the Ministry of Education.

In 2007/08, we provided guidance to 1,155 young Pasifika people in a group setting and 294 Pasifika clients in one-to-one sessions and we expect to build on these numbers over the next three years.

Value for Money

Career Services will ensure value for money for New Zealanders by:

- channelling our users, as far as appropriate, to the lower cost web-based and phone-based services
- gathering evidence about what our users want, about which aspects of our services work best and about how our services can be improved – this will ensure money is not wasted on services that could be performing better
- making changes to services where evidence suggests they could be performing better
- reviewing physical locations and modes of delivery
- reviewing expenditure to ensure we are operating in the most cost-effective way.

ENVIRONMENTAL SCAN

Our priorities and strategic approach over the next three years address the following challenges:

- The economic downturn
- Ensuring our services reach more New Zealanders
- Demographic and labour market changes
- Career information and advice for young people: Supporting the Youth Guarantee
- Using technology to provide cost effective services and respond to user expectations.

Issue: Economic Downturn

New Zealand continues to be affected by the global financial crisis: economic growth is lower, unemployment is increasing and further job losses are expected.

Response:

- **New sections of our website** tailored to the needs of workers facing job uncertainty and redundancy
- Services to workers made redundant through our **0800 advice line** and offering additional **guidance** from career consultants, where appropriate
- Working closely with the Department of Labour to ensure our **information about occupations and local labour markets** is as up-to-date as possible
- Working with the Ministry of Social Development to **support initiatives such as the Redundancy Support package, to assist businesses and workers facing closure or downsizing**
- **Supporting local employers and their staff** through contract work delivered at the local level.

Issue: Reaching More New Zealanders

The economic downturn is accelerating an increase in the numbers of people seeking our help. For example, our online CV and cover letter templates were viewed 41,083 times during March 2009 compared with 9,626 the previous March.

Response:

- Channel users as far as possible to the **web-based self-help** services and the 0800 advice line services – the most cost-effective ways of reaching the greatest number of users
- Continue to provide **telephone guidance, group work in schools and face-to-face guidance**, for those assessed as needing extra support
- Deliver **more group guidance**
- **Continually update and improve** our web-based tools and resources and review our telephone and face-to-face services, to make sure people are getting the most appropriate level of service
- **Building the capability of others** (such as parents and teachers) to support others, particularly young people, in making learning and career decisions.

Issue: Demographic and labour market changes

New Zealand's population is ageing and becoming more ethnically diverse. There are notable regional differences and differing age structures for different groups (such as youthful Māori and Pasifika populations). The labour market is increasingly global. The pool of highly skilled mobile professionals continues to increase. Migrants constitute a significant proportion of the labour force.

Response:

- Providing an **all age service**, personalised and differentiated to meet people's individual needs
- Adding **targeted sections of the website** for particular groups, such as migrants and refugees and are developing sections for Māori and Pasifika
- Implementing the **whānau decision-making project** to assist parents and whānau to support young Māori to make good learning and career decisions
- **Group sessions (and smaller peer support sessions) for migrants and refugees** to inform them about New Zealand workplaces, employers' expectations and preparing New Zealand-style CVs
- **Group sessions for Māori and Pasifika secondary school students** to help them develop their career decision-making skills and awareness of education and work opportunities
- **Working with the secondary school and tertiary sectors** to ensure prospective and current students can access the information and advice they need to make a successful transition
- Ensuring our **web-based database of occupations** is up-to-date and reflects changes to job descriptions, salaries and labour market trends.

Issue: Careers information and advice for young people: Supporting the Youth Guarantee

Young people's engagement and success in school or other forms of education, can be improved, and the amount of "churn" through post-secondary education and training courses can be reduced. Young people need good quality, independent information and advice so they can make informed decisions about learning and careers, whether in secondary, tertiary or work-based learning. Good information about learning and career options will be a critical component of the Youth Guarantee and Trades in Schools initiatives.

Response:

- Offering **texting services, webchat and online tools** (such as CV 4 me) aimed particularly at helping young people with learning and career decisions
- Enhancing web-based services such as **personalised "My Career" spaces, virtual networking and wikis** that appeal to young people
- Providing **group training sessions** to build the skills of parents and whānau, teachers, career professionals and others to help guide young people through learning and career decisions
- Piloting the **whānau decision-making project** that aims to support both young people and their whole whānau through the process of making learning and career choices.
- **Providing advice and support to schools** to help build effective career education programmes for students.

Issue: Changing user expectations – ICT

The progress made in information and communications technology over recent years has changed user expectations about how and when they access services. Many more New Zealanders now have web access, are increasingly confident in using web-based services and prefer the web as their initial access point. Young people expect to access services via mobile phones.

Response:

- Continuing to offer our services through a wide variety of channels – such as **webchat and text messaging** – to complement our group work and individual services
- Providing New Zealanders with a **seamless transition** between the various channels eg showing guidance clients how to use the online self-help tools
- **Continuously updating the website** with fresh information about occupations and courses
- Adding to the range of **online tools** that people can access free of charge to help them to match their skills and interests to jobs or school subject choices
- Enabling people accessing the website to **click through to job vacancies**, watch **video clips** about particular occupations
- Exploring introducing new services such as **online guidance, virtual networking and wikis** and continuing to look for innovative ways to harness emerging technologies
- **Following up with people** to check they have all the information they need to guide them through learning and career transition points.

In an average month, we would receive 175,000 website visits and 2,800 calls, send 420 texts and 200 emails to advice line clients, and engage in 70 webchats.

Issue: Extending our reach

As a small organisation, we need to work in partnership with others across the education sector and workplaces at both the local and national levels.

Response:

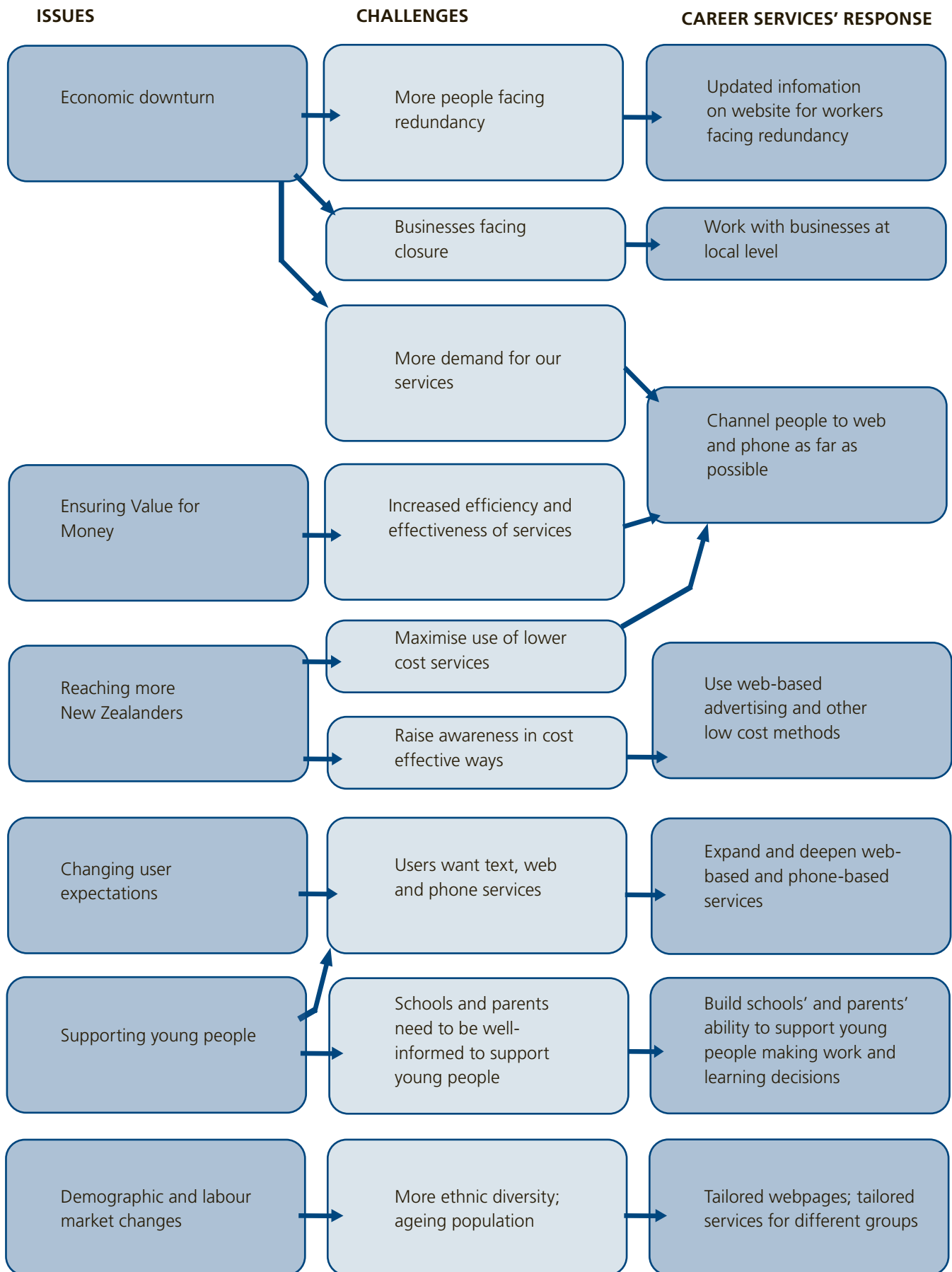
- Continuing to **work with businesses**, for example to support those facing closure or redundancies. We will continue **working with the tertiary and industry training sectors**, to ensure our services meet their requirements and that students and trainees get the information and advice they need.
- Continuing to **work closely with Government agencies**, both at the national and regional level to support relevant actions in the labour and education sectors, such as the Re-Start package.

OUR PRIORITIES

These issues have led us to identify the following priorities for the next three years:

1. **Raise awareness so that more New Zealanders are using our services.** This links to Value for Money, by ensuring Government-funded services are generating the most value for the greatest number of people.
2. **Expand services provided through the website and phone to help more New Zealanders help themselves and channel clients to guidance services when needed.** This links to Value for Money by ensuring users are channelled to the most cost-effective services.
3. **Expand self help services and resources for schools and provide support to build careers education in schools.** This will support Government's education priority of "All young people have the skills and qualifications to contribute to their and New Zealand's future".
4. **Develop new approaches and services to assist young people to make smart learning and career decisions, including a focus on their parents and influencers.** This links to the Youth Guarantee, Trades in Schools and Trade Academies; and Government's education priority for young people listed above.
5. **Strengthen the evidence base for our work to prove the impact and shape improvements to services.** This links to Value for Money by determining the value of our services and re-shaping them where necessary.
6. **Respond to emerging needs of businesses and workers.** This links to Government's goal of economic growth that delivers greater prosperity, security and opportunities for New Zealanders.

HOW CAREER SERVICES' PRIORITIES RESPOND TO THE ENVIRONMENTAL ISSUES IDENTIFIED



NEW APPROACH TO DELIVERY

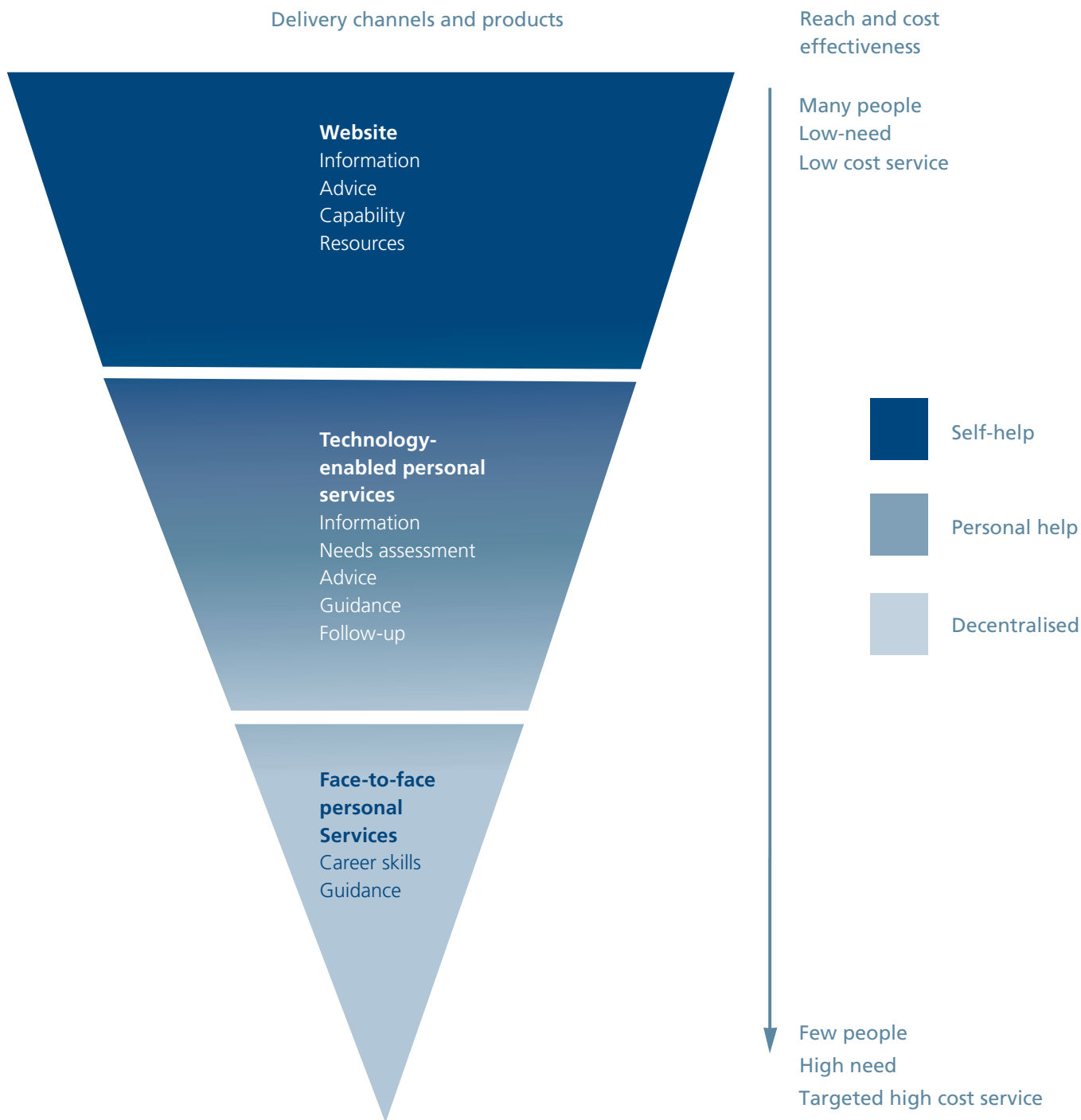
Our response to these challenges includes adopting a new integrated approach to service delivery (see diagram on the next page).

- The website (self-help) and technology-enabled personal services (0800 contact centre, webchat, texting) will be the primary points of interaction with our services
- The vast majority of users will be able to find what they need through the website
- Most remaining questions and requests for further assistance will be resolved through our 0800 contact centre. As well as providing information and advice over the phone, this will include feedback on CVs and follow-up calls to check people have the information they need
- People who are assessed (over the phone) as needing more intensive additional help may be directed to a group or one-to-one guidance session
- Guidance sessions will be shorter, on average, than they have been, and will be through a range of media: face-to-face, phone and video
- More emphasis will go on building the skills of parents, teachers and career professionals so they can assist others, particularly young people, to make good learning and career decisions.

The benefits of this approach include:

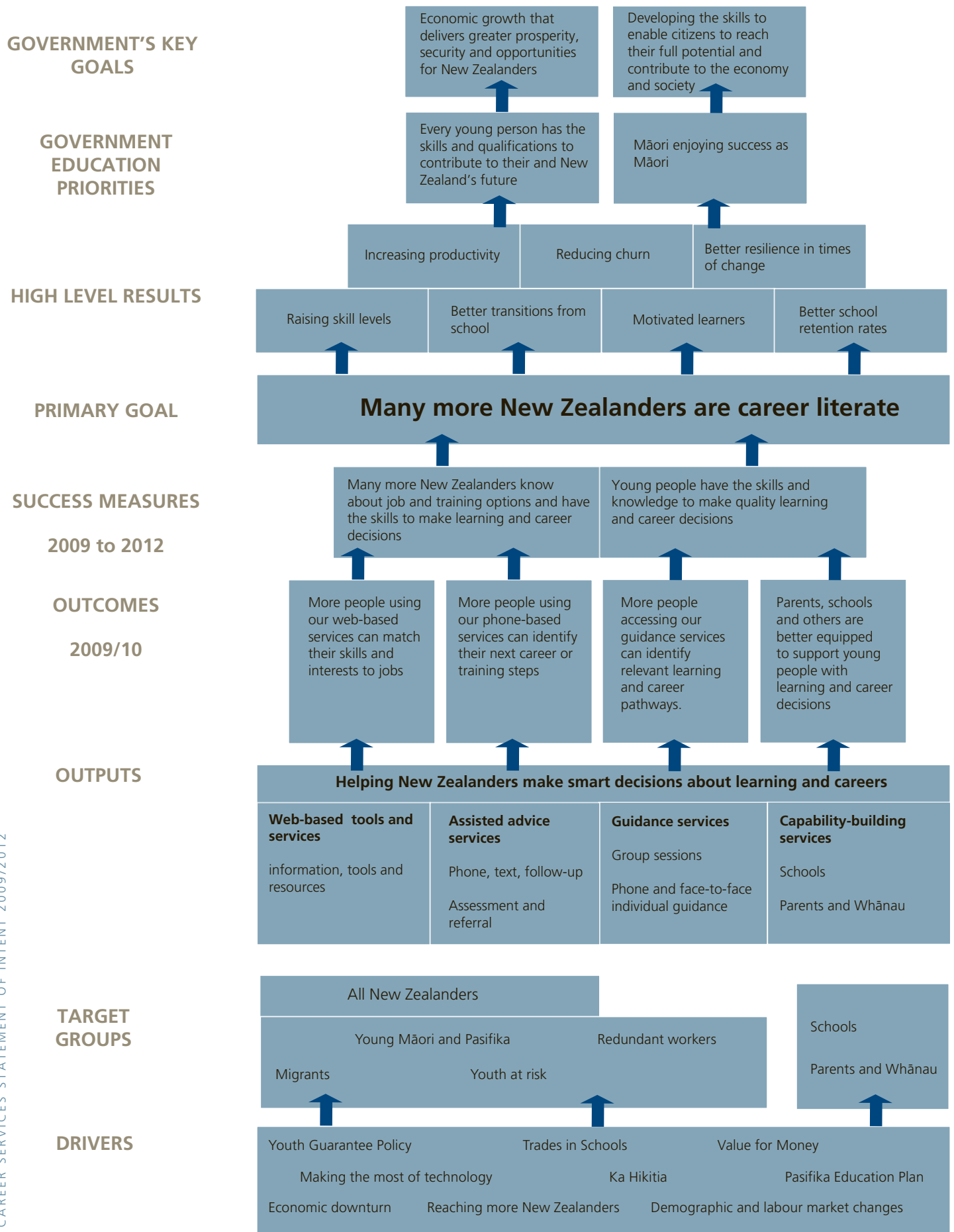
- Reaching more New Zealanders through our low cost channels and capitalising on technological advances
- Responding quickly to changing needs (such as support for workers who have been made redundant) and changing user expectations about how services are delivered
- Freeing up regional staff to focus on group work and specialist one-to-one work rather than responding to routine individual enquiries
- Channelling people to the most cost effective ways of meeting their needs
- Ensuring people have taken action and have the support required to make job and learning choices
- Helping schools, parents and whānau to support young people's decision-making
- Allowing people to access advice appropriate to their needs, regardless of location.

OUR NEW INTEGRATED DELIVERY MODEL FOR SERVICES TO INDIVIDUALS AND GROUPS



RESULTS FRAMEWORK

The framework below summarises our services (as outlined in our Output Agreement), the results they will deliver, and how these contribute to Government goals.



EVALUATION

THREE YEAR PROGRAMME

We are developing a three year external evaluation programme aimed at ensuring our services are meeting users' needs. The programme is based on:

- continuing to build on a core of information about the effectiveness of our services, whether it meets people's needs and how we can improve services
- examining users' total experience with our integrated services: web, phone, face-to-face
- each year, having a more in-depth investigations into results for a particular client group eg young Māori or a particular product eg texting services.

In 2009/10, we will evaluate:

Web-based services

- How well the web-based services help people to identify a good match between personal skills and interests and career/job choice
- Whether people accessing web-based services find them useful and meaningful and easy to use.

Assisted advice

- Whether people accessing our 0800 Advice Line have their needs met, know what steps to take next and find the advice meets their needs.

Guidance services

- How well group sessions enable students to gain a greater understanding of how to make effective learning and career decisions
- How well group sessions enable migrants and refugees to understand how to make effective career decisions in a New Zealand context
- How well one-to-one guidance helps people identify relevant learning and career pathways.

Capability-building services

- How well the skills building sessions prepare people to help others with career decisions
- Whether assistance to schools meets their needs.

At the end of each year, we will re-examine evaluation priorities in light of survey results and new service developments. For 2009/10, we will focus particularly on the Whānau decision-making project.

The Whānau Decision-Making Pilot Programme includes an evaluation plan that will enable us to enhance our professional practice to more effectively respond to the career planning needs of Māori whānau. In this way we will enable Māori whānau to be informed consumers of schools, tertiary institutions and Government services including Career Services. Our partnerships with the Ministry of Education, Te Puni Kōkiri and others will ensure the insight we gain from this pilot programme is shared across Government, other practitioners and communities.

ORGANISATIONAL HEALTH

Capability in 2009/10 and beyond

Over the next three years Career Services has the overarching challenge to reach many more New Zealanders with our services. The year is a period of transition as we reallocate people resources in a way that assures the best value for money. We are building on a strong foundation. We have a highly engaged workforce and aim to bring the organisation through a period of change in good heart and good health.

Organisational design and structure

To ensure that the organisation is equipped to meet the challenge we are aligning our organisational design and structure with the service delivery model to ensure optimum efficiency, effectiveness, and quality of services. We will streamline our guidance services. We will divert internal resource to services that have lower cost and more reach, and review the management structure and organisational infrastructure to support delivery of services.

People capability

Going forward we will build our people capability to:

- continue to improve and maintain web delivered products and services
- effectively use other technology enabled service channels and expand our telephone guidance capability
- implement emerging technologies to maximise our reach to New Zealanders
- provide advice and support to schools to equip them to implement school-wide approaches to career education
- engage effectively with key audiences such as young people and their families, Māori, Pasifika and migrant populations
- harness and utilise knowledge about New Zealanders' career development needs for the wider careers industry
- build partnerships for developing career skills in the wider community so that New Zealanders can become career literate.

To maintain and build the required capability we are:

- revising position descriptions to ensure that the responsibilities and capability requirements are accurately described
- revising quality, efficiency, and effectiveness standards and processes
- developing capability through on the job training, coaching and formal learning. Our in house training programme is adapting to meet new capability requirements
- continuing to focus management competency on developing people
- ensuring retention of key staff, providing flexible work practices, and opportunity for people to learn, grow, develop and progress

- enhancing staff career development resources and support
- continuing to utilise creative, cost effective recruitment advertising to recruit capability where needed.

Measuring organisational health

To measure our organisational health, we monitor:

- staff turnover
- recruitment activity, trends, and time to fill vacancies
- effectiveness of training
- Individual staff capability and performance.

Good employer

Career Services recognises that to effectively deliver services to the diversity of New Zealanders we require a diverse workforce. We consistently strive to achieve equality of opportunity in our employment practices and aim to be an employer of choice. Our approach to people management is underpinned by the principles of:

- Fairness, equity and transparency
- Maximising the skills and strengths of all of our people to be the best they can be
- Maximising productivity and efficiency
- Creating and maintaining a positive culture and quality work environment
- Sustaining our people and the organisation.

We assess our status as a good employer against the elements and criteria set out by the Human Rights Commission. Over the next three years, we will continue to ensure that all elements are in place and working well so we can deliver high quality services to New Zealanders. We monitor and measure status through staff perceptions (Best Places to Work survey) and our workforce diversity profile.

Career Services takes pride in being a great place to work which has resulted in our achieving high levels of staff engagement. We achieved category finalist status in the Best Places to Work awards in 2007 and 2008. We use the Best Places to Work survey as a means of measuring organisational culture and employee engagement.

Information Technology

Enhanced use of Technology

Career Services plans to enhance to use of technology over the next three years to achieve the challenge of reaching many more New Zealanders. Continued development of our internet and phone services will be at the forefront of these enhancements. These developments will include:

- Digital content and tools
- Centralising the storage of information
- Building the capability of staff to develop new technology applications.

Robust Infrastructure

To ensure that Career Services is well placed to offer enhanced use of technology we have been working to reduce our current technology risks:

- Reducing infrastructure risk by outsourcing hosting of server hardware to a purpose built secure environment.
- Cooperation with other education agencies to share services and costs.

Symposium and Conference

The Fifth International Symposium on Career Development and Public Policy will be held in Wellington in November 2009. These symposia have played a significant role in improving the interface between policy makers, service delivery organisations and researchers in the field of career development. Career Services is hosting the Symposium in collaboration with the Ministry of Education, Ministry of Social Development, Te Puni Kōkiri, Department of Labour and the New Zealand Council for Educational Research.

In previous years, up to 30 countries have been represented at the symposia. In addition, international organisations such as the Organisation for Economic Co-operation and Development (OECD), International Centre for Career Development and Public Policy (ICCDPP), International Association for Educational and Vocational Guidance (IAEVG), World Bank, International Labour Organisation (ILO); and the European Commission (EC) have been represented.

This year we are aiming to establish a Pacific Careers Network as part of the Symposium. This will enable Pacific countries to determine the value of career education from a Pacific context. It is also an opportunity for Career Services to take a leadership role in the Pacific region with regards to career education.

Career Services is also hosting the international careers conference, 'Transforming Careers – Unleashing Potential', to be held on 19-21 November 2009, supported by a range of Government agencies and career professionals' organisations. The themes of the Conference include: the changing nature of the workforce, best careers practice in learning and workplace settings, the role of the citizen and community, technological advances, evidence of the value of career development and understanding the needs of indigenous and migrant communities.

CONSULTATION WITH AND REPORTING TO THE RESPONSIBLE MINISTER

Career Services will consult with the Minister on:

- areas of work that are closely aligned with Government's objectives
- any major capital investments; and
- proposals for major changes to the scope of our business.

Quarterly reporting cycle

Career Services will provide the Minister of Education with quarterly reports that contain:

- a summary of key results and highlights
- any emerging issues
- a description of any major new projects
- evaluation results
- significant variances and risks.

More detailed reporting (financial reporting and performance reporting against our output measures) will be provided separately to the Ministry of Education.

Reports will be provided to the Minister on:

30 October 2009 for the quarter ending 30 September 2009

12 February 2010 for the quarter ending 31 December 2009

30 April 2010 for the quarter ending 31 March 2010

13 August 2010 for the quarter ending 30 June 2010

OVERVIEW OF SERVICES 2009/10

GOVERNMENT FUNDING

Career Services is funded by the Government through Vote Education – Non-departmental Output Expense – **Provision of Information and Advisory Services (M26)**. The purchase of outputs within this appropriation is solely by the Minister of Education and is detailed in the Output Agreement between the Minister of Education and the Board of Career Services. During 2009/10, Career Services will receive \$15,082 million (GST excl.) through Vote Education.

Scope of Appropriation

Providing information on Government education policy and programmes, general information, advisory programmes, and services to the public, community groups, industry and the education community.

Summary of Outputs

Career Services provides the following services:

Services	Indicative Cost (\$000 GST excl)
Web-based services information, tools and wizards	\$4,050
Assisted advice services including texting	\$2,582
Guidance services including group sessions and individual guidance	\$5,550
Capability-building with schools, parents & whānau so they can help young people with learning and career decisions	\$2,900
TOTAL	\$15,082

Note: At the time the SOI was prepared Career Services was in the middle of a strategic direction exercise. The outcome of this exercise is likely to affect the resource allocation mix. As the figures used in the SOI were prepared prior to the conclusion of this exercise it must be noted they may not fully reflect the future resource allocation and as such the actual outcome may materially differ. We will update the Minister if there are any significant changes.

OTHER CONTRACT WORK

We also have a number of contracts with other Government departments (primarily the Ministry of Social Development) and private organisations, such as businesses going through a period of redundancy. These services and resources are purchased directly on a commercial basis. All commercial revenue will be based on the sale of services and resources that comply with Career Services' legislated functions.

OUTPUT AGREEMENT / FORECAST SERVICE PERFORMANCE

Web-based services

We provide web-based information and tools (such as quizzes and wizards) to help people understand their skills and ambitions, find out more about the labour market, explore training and job opportunities and develop career plans and CVs.

Results/Measures	Target for 2009/10	Target for 2011/12	How it will be measured
Outcome: % of people using web-based self help resources who can identify a good match between personal skills and interests and career/job choice	88% [achieved 88% in 2007/08]	90%	through an independent annual evaluation
Quantity measures: Number of visits from New Zealand-based people accessing web-based career information	2,000,000 [726,260 in 2007/08]	3,000,000	Google Analytics: website visits from New Zealand-based computers
Quality measures: % of people accessing online information who find it useful and meaningful	75% [new measure] In 2007/08, 74% of respondents said the website had made a difference to how they were feeling, or to what they were doing now in their life, training, job or career.	80% 80%	annual survey annual survey
% of people who say website is easy to use	75% [new measure]		

Notes on Measures

Outcome: The comparable figure for 2006/07 was 84%. We would expect some small improvements over time.

Quantity: There were over 1.5 million New Zealand-based website visits in the nine months July 2008 to March 2009. By way of comparison, the Retirement Commissioner's financial planning website, www.sorted.org.nz, received 1.2 million visits during the whole of 2008. Individuals may visit many times, but unfortunately it is not currently possible to determine the number of unique visitors. We would expect the number of visits to continue to increase over the next three years, but for numbers to eventually reach a maximum level that would be sustained over time.

Quality: These are new measures.

Assisted advice

We provide advice through our 0800 advice line and our offices, providing people with information about training courses, work and study options. This advisory service also provides feedback on CVs, follow-up to see if people have all the information they need and understand it, and referring people for further guidance if they need it. Text-based and webchat services are also available.

Results/Measures	Target for 2009/10	Target for 2011/12	How it will be measured
Outcome: % of people accessing our 0800 Advice Line have their needs met and know what steps to take next.	75% [74% knew what steps to take next in 2007/08]	80%	through an independent annual evaluation
Quantity measures: Number of people receiving information and customised advice	50,000 [66,222 in 2007/08]	40,000	Through phone system and CRM
Quality measures: Industry standards (Grade of Service) of timeliness and quality are met:			
% of calls answered in 20 seconds	80%	80%	Through the phone system
% of calls are abandoned	<5%	<5%	
% of people who find the advice they receive meets their needs	80% [new measure]	85% [new measure]	Through internal surveys

Notes on Measures

Outcome: The wording for this measure changed in 2008/09 to reflect more closely the aims of the service in providing people with the information and advice they need.

Quantity: Figures include an estimated 10,000 people receiving advice through our regional offices, whether by telephone or face-to-face. We expect numbers to decrease slightly over time as more people are able to find the information they need through our website. The level and depth of service people receive is expected to increase and we will monitor the average length and nature of calls to determine whether the advice provided is becoming more in-depth.

Quality: The grade of service aligns with national and international best practice for contact

centres. We expect to continue to meet the same grade of service over the next three years. We would expect a small increase over time in the percentage of people who say the service meets their needs, as we make improvements to services based on user feedback.

Guidance services

We provide group career skills sessions for targeted groups, such as Māori secondary school students, Pasifika students, prospective tertiary students, migrants and refugees.

We also provide face-to-face or telephone guidance with a career consultant for people assessed as needing more in-depth guidance. This helps them understand their learning and career options and develop career decision-making skills.

Results/Measures	Target for 2009/10	Target for 2011/12	How it will be measured
Outcome: % of students attending group sessions who have a greater understanding of how to make effective learning and career decisions	80% [changed measure]	85%	through an independent annual evaluation
% of migrants and refugees attending group sessions who have a better understanding about how to make effective career decisions in a New Zealand context	80% [changed measure]	85%	through an independent annual evaluation
% of people receiving one-to-one guidance who report that they can identify relevant learning and career pathways	80% [new measure in 2008/09]	85%	through an independent annual evaluation
Quantity measures: Number of people receiving guidance in a group or one-to-one session	12,000 (4,988 Māori and Pasifika students in groups and 6,913 one-to-one in 2007/08)	15,000	CRM (inhouse database)

Results/Measures	Target for 2009/10	Target for 2011/12	How it will be measured
Quality measures: % of students who found the group sessions met their needs	80% [new measure]	85%	through an independent annual evaluation
% of migrants and refugees who found the group session met their needs	80% [new measure]	85%	through an independent annual evaluation
% of people receiving one-to-one guidance who found the session met their needs	80% [new measure]	85%	through an independent annual evaluation

Notes on Measures

Outcomes: Measures have been changed to reflect more accurately the aims of the group guidance sessions.

Quantity: This will include guidance delivered over the phone, in person and, potentially, via the web. Figures for 2007/08 do not include the number of individuals who attended 91 group sessions aimed at migrants and refugees, prospective tertiary students and other groups. We would expect this to increase over time as we increase the amount of group work and the proportion of phone-based guidance (which tends to be shorter).

Quality: This is a new measure, aimed at determining participants' perception of the quality of the service.

Capability building services

We support schools through customised advice and professional development so they can support young people in making smart career decisions.

We also work with parents and whānau to build their ability to support young people with making learning and career decisions.

Results/ Measures	Target for 2009/10	Target for 2011/12	How it will be measured
Outcome: % of people attending skills building sessions who feel better able to help others with career decisions	85% [new measure in 2008/09]	90%	through an independent annual evaluation
% of schools who found Career Services resources and/or workshops improved their understanding about career education	80% [new measure in 2008/09]	85%	
% of schools receiving intensive assistance who feel able to deliver more effective career education programmes	80% [new measure in 2008/09]	85%	
Quantity measures: Number of people attending sessions	3,000 [new measure; 291 events in 2007/08]	5,000	CRM (in-house database)
Number of schools receiving assistance	200 [513 in 2007/08]	250	
Number of schools worked with intensively to assist them to develop and implement career education plans	50	50	
Quality measures: % of people who found the skills building sessions met their needs	80% [new measure]	85%	external evaluation
% of schools who found our assistance met their needs	80% [new measure]	85%	
% of schools who found the intensive assistance met their needs	90%	90%	external evaluation

Notes on Measures

Outcome: This replaces the 2007/08 outcomes measure: % of key stakeholders and influencers provided with information sessions have, as a result, either a better understanding of the value of career planning or have improved their own ability to help others or are able to signpost others to appropriate CIAG services. In 2007/08, 90% of respondents said the sessions had improved their knowledge about what is important when helping others with their learning, training and career decisions.

Quantity: Previously the number of sessions was reported, rather than the number of participants. We would expect numbers to increase over time.

The number of schools receiving assistance includes schools attending our professional development days or receiving ongoing customised advice. Previously this measure has also included schools who have accessed our resources and who have received a more limited level of advice.

We have capacity to work intensively with around 50 schools to help them develop and implement career education plans. Schools will be selected on the basis of need and the success factors identified through the evaluations of Creating Pathways and Building Lives pilot.

Quality: These are new measures, designed to gauge participants' perceptions of the quality of our services. We would expect some improvement over time, as we review our services to respond to client feedback obtained through the independent evaluations.

FORECAST FINANCIAL STATEMENTS

Financial performance indicators (GST exclusive)

	Estimated Actual 2008/09	Forecast 2009/10
Total Revenue	\$17,580,000	\$16,700,000
Total Expenditure	\$18,011,000	\$17,450,000
Deficit	(\$431,000)	(\$750,000)
Working Capital	\$1,337,000	\$188,000
Working Capital Ratio	1.67	1.10

	Actual 2007/08	Estimated		Forecast 2010/11	Forecast 2011/12
		Actual 2008/09	Forecast 2009/10		
Prospective income statement	\$000	\$000	\$000	\$000	\$003
Revenue					
Other contract Revenue	1,487	1,130	1,000	1,000	1,000
Output agreement funding	16,266	15,668	15,082	15,082	15,082
Output agreement funding - Migrant levy funding	527	501	-	-	-
International conference	-	-	500	-	-
Interest	368	281	118	100	100
Total Revenue	18,648	17,580	16,700	16,182	16,182
Expenditure					
Personnel	11,219	11,750	11,000	10,611	10,716
Depreciation	939	804	750	750	650
Other	6,478	5,457	5,700	4,821	4,816
Total Expenditure	18,636	18,011	17,450	16,182	16,182
Surplus (deficit)	12	(431)	(750)	0	0
	2007/08	2008/09	2009/10	2010/11	2011/12
Prospective balance sheet					
Current assets	3,903	3,346	2,024	1,767	1,574
Non-current assets	1,976	1,712	2,112	2,212	2,262
Total Assets	5,879	5,058	4,136	3,979	3,836
Current Liabilities	2,385	2,009	1,836	1,679	1,536
Non-current Liabilities	44	29	30	30	30
Closing Equity	3,450	3,020	2,270	2,270	2,270
Total Liabilities	5,879	5,058	4,136	3,979	3,835
WC	\$1,518	\$1,337	\$188	\$88	\$38
WC Ratio	1.64	1.67	1.10	1.05	1.03
Surplus/(deficit)	\$12	(\$431)	(\$750)	\$0	\$0
	2007/08	2008/09	2009/10	2010/11	2011/12
Prospective cash flow statement					
Operations					
Operating Receipts	18,324	17,459	16,604	16,100	16,097
Receipts from Interest	368	281	118	100	100
Operating Payments	(17,932)	(17,597)	(16,872)	(15,589)	(15,675)
Net Operating	760	143	(150)	611	522
Investments					
Fixed Assets	(1,087)	(540)	(1,150)	(850)	(700)
Net Investment	(1,087)	(540)	(1,150)	(850)	(700)
Financing	-	-	-	-	-
Net Change	(327)	(397)	(1,300)	(239)	(178)
Opening Cash	3,923	3,596	3,199	1,898	1,659
Closing Cash	3,596	3,199	1,898	1,659	1,481
	2007/08	2008/09	2009/10	2010/11	2011/12
Prospective statement of changes in equity					
Taxpayers equity as at 1 July	3,438	3,450	3,020	2,270	2,270
Net surplus/(deficit)	12	(431)	(750)	0	0
Total recognised revenues and expenses for the year	12	3,020	2,270	2,270	2,270
Taxpayers equity as at 30 June	3,450	3,020	2,270	2,270	2,270

Notes

The prospective financial statements are based on policies and approvals in place as at April 2009 and are GST exclusive. The forecast for 2009/10 is prepared under NZ GAAP.

They set out Career Services activities and planned performance. Use of this information for other purposes may not be appropriate.

Note actual results are likely to vary from the information presented here, and that the variations may be material.

These forecast financial statements have been prepared on the basis of assumptions as to future events that Career Services reasonably expects to occur, associated with the actions Career Services reasonably expects to take, as at the date that this information was prepared.

These statements comply with FRS 42: Prospective Financial Statements.

The Statements have been prepared to reflect changes to Career Services Output Agreement funding as follows:

1. Funding for CPaBL finished at 31 December 2008, as expected. As a result Career Services Output Agreement funding will reduce by \$603,000.
2. Additional levy funding for work with Migrants has ceased as at 30 June 2009, as expected. As a result Career Services Output Agreement funding will reduce by \$501,000.
3. Includes an increase for BTATTDM¹ of \$17,000 resulting from the 2006/07 budget round as expected.

The Statements have been prepared with the following assumptions:

4. The \$1.15 million investment in fixed asset is the maximum possible spend for the Capital programme. As in previous years, there is no undertaking or guarantee that Capital purchases will meet this level. Actual Capital expenditure will be based on specific business case approval by the Chief Executive.
5. Other contract revenue will be \$1 million. As these contracts are contestable there is no guarantee this can be achieved.

¹BTATTDM is the Better Tertiary and Trade Training Decision-Making initiative, aimed at helping current and prospective tertiary and trade students to make informed decisions about learning and career options. The project has been operating since 2006/07 and has included developing a range of new services, such as texting, phone guidance and web-based tools, which are now being integrated into Career Services' core suite of services.

ACCOUNTING POLICIES

Reporting entity

Career Services is a Crown Entity in terms of the Crown Entities Act 2004 and was established under the Education Act 1989.

Career Services is funded primarily by Government through Vote Education. Its primary objective, therefore, is to provide services that support Government's key priority areas rather than to make a financial return. Accordingly, Career Services has designated itself as a public benefit entity for the purpose of the New Zealand equivalent to the International Financial Reporting Standards (NZ IFRS).

These statements have been prepared in accordance with the Crown Entities Act 2004.

The trading name is Career Services rapuara and is referred to, in this document, as Career Services.

The forecast financial statements, which follow, comprise the forecast activities of Career Services for the year ended 30 June 2009 to 30 June 2010.

Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practice. They comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Measurement basis

Measurement and recognition rules applied in the preparation of the financial statements and schedules are consistent with generally accepted accounting practice. The financial statements have been prepared on an historical cost basis.

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

Judgment and estimations

The preparation of financial statements in conformity with NZ IFRS requires judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue

Revenue is recognised when earned and is reported in the financial period to which it relates. Interest income is recognised using the effective interest method.

Cost allocation

Direct costs are charged to specific outputs based on the productive hours recorded on staff time sheets.

Indirect costs are allocated to outputs on the basis of time recorded by staff on output activities and other appropriate cost drivers such as actual usage, staff numbers and floor area.

Definition of Terms:

- Productive hours are hours recorded by task and activity which make up the outputs
- Direct costs are costs which are causally linked to outputs
- Indirect costs are all other costs which include financial and administration costs, computer systems and depreciation.

Financial instruments

Career Services is party to financial arrangements as part of its everyday operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Balance Sheet and all revenue and expenses in relation to financial instruments are recognised in the Income Statement.

Designation of financial assets and financial liabilities by individual entities into instrument categories is determined by the business purpose of the financial instruments, policies and practices for their management, their relationship with other instruments and the reporting costs and benefits associated with each designation.

All foreign exchange transactions are translated at the rates of exchange applicable in each transaction. Career Services does not carry any balances in foreign currencies.

Financial assets

Cash and cash equivalents include cash on hand, cash in transit, bank accounts and deposits with a maturity of no more than three months from date of acquisition.

Other financial assets have been designated as receivables and pre-payments. Receivables and pre-payments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables and pre-payments are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Receivables and pre-payments issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired. Interest, impairment losses and foreign exchange gain and losses are recognised in the Income Statement.

A provision for impairment of receivables is established when there is objective evidence that Career Services will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying

amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial liabilities

Financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using effective interest rate method. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value. Amortisation and, in the case of monetary items, foreign exchange gains and losses, are recognised in the Income Statement as is any gain or loss when the liability is derecognised.

Property, plant and equipment

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

Where an asset is acquired for nil or nominal consideration the asset will be recognised initially at fair value, where fair value can be reliably determined, with the fair value of the asset received, less costs incurred to acquire the asset, also recognised as revenue in the Income Statement.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Career Services and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at 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 included in the Income Statement.

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 Career Services and the cost of the item can be measured reliably.

Depreciation

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

- Office equipment, three to five years
- Computer systems, three to four years
- Motor vehicles, four years
- Leasehold improvements, over the useful life of the lease
- Office equipment, computer systems, office furniture and fittings less than \$2,500 and leasehold improvements less than \$5,000 are expensed in the year of purchase.

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

Intangible assets

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated:

- technical feasibility
- ability to complete the asset
- intention and ability to sell or use
- development expenditure can be reliably measured.

Expenditure incurred on research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Income Statement on a straight line basis over the useful life of the asset. Assets with indefinite useful lives are not amortised, but are tested at least annually for impairment.

Intangible assets with finite lives are reviewed at least annually to determine if there is any indication of impairment. An intangible asset with an indefinite life is tested for impairment annually. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Income Statement, unless the asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease.

Software assets that are not an integrated part of the related hardware have been accounted for as Intangible Assets at cost. Amortisation of intangible assets is provided on a straight line bases, over their useful lives. The useful lives are all finite and have been estimated at 3 – 4 years.

Inventories

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Publications inventories are valued at the lower of cost and net realisable value.

The write down from cost to current replacement cost or net realisable value is recognised in the Income Statement.

Leases

Career Services leases office premises. As all risks and ownership are retained by the lessor, these leases are classified as operating leases. Operating lease costs are expensed in the period in which they are incurred.

Provision for employee entitlements

Short-term benefits

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognised in the Income Statement when they accrue to employees. Employee entitlements to be settled within 12 months are reported at the amount expected to

be paid. The liability for long-term employee entitlements is reported as the present value of the estimated future cash outflows.

Employee benefits that Career Services expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Career Services 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 that Career Services anticipates it will be used by staff to cover those future absences.

Long-term benefits

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, are calculated as the present value of the estimated future cash outflows.

Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Balance Sheet. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

Taxation

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 2004. Accordingly, no charge for income tax has been provided for.

Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Other liabilities and provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Contingent assets and contingent liabilities

Contingent liabilities and contingent assets are recorded in the Statement of Contingent Liabilities and Contingent Assets at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Taxpayers' funds

This is the Crown's net investment in Career Services.

Changes in Accounting Policies

Accounting policies are changed only if the change is required by a standard or interpretation or otherwise provides more reliable and more relevant information.

Other financial information

Borrowing policy

Borrowing is governed by the Seventeenth Schedule, Section 15 of the Education Act 1989.

Pricing strategies

All services and resources delivered by Career Services are sold on a commercial basis. For the current Output Agreement and other services and resources delivered in the commercial sector, prices are set on either time-based, product or project pricing. Commercial services are sold in a contestable market. Non-contestable services, as supplied via the Output Agreement, are delivered on the basis that the Crown as purchaser may have access to full disclosure of costs.

Projected result

The contract for Crown purchase has been calculated on the basis of cost. The majority of other contract work revenue is derived from contestable contracts with other Government organisations on a cost-recovery basis.

RISK MITIGATION STRATEGY

Career Services' risks are monitored regularly by the Finance and Risk Committee of the Board and by the Senior Management Team. Risk severity and likelihood levels will be monitored and revised (where necessary) each quarter. Any significant risks, and appropriate strategies to address them, will be reported to the Minister and the Ministry of Education as they arise.

Risk	Mitigation strategy
Financial eg. changes to our funding and loss of interest on our investments due to the recession.	We monitor, reforecast and adjust expenditure throughout the year.
Governance eg. Board changes, with four Board members' current terms expiring over the year (including the Chair's).	We ensure good governance of the organisation through Board procedures, such as the annual self-appraisal and conflicts of interest register.
Policy Not contributing sufficiently to achieving Government's priorities.	We ensure the services we deliver contribute to Government's priorities, by working closely with the Minister's Office and Ministry of Education.
Service Delivery eg. an inability to meet increased demand for services due to the economic recession.	By channelling users to lower cost services such as the website and Advice Line (where appropriate) we can ensure everyone can access some career information and advice.
Quality eg. not adequately meeting the needs of clients.	We gather evidence about what works best and what our clients want, as well as monitoring our performance and making adjustments where needed.
Legal Not meeting legal obligations.	We operate a legislative compliance programme.
Capability Insufficient capability and resources to deliver the services detailed in our Output Agreement	Our human resources systems ensure we have the relevant capability.

GENERAL TERMS AND CONDITIONS OF THE OUTPUT AGREEMENT AND SIGN-OFF

Introduction

This Output Agreement is between the Minister of Education (the Minister) (the purchaser) and the Career Services Board (the supplier), a body corporate established pursuant to Section 279 of the Education Act 1989. For the purposes of section 170 of the Crown Entities Act 2004 (which enables a Minister to require a Crown Entity to have an output agreement), the Minister and the Board hereby agree as follows:

Term

This Agreement shall commence on 1 July 2009 and shall end on 30 June 2010.

Services to be provided by the Board

Career Services' central role is in the production, dissemination and interpretation of career information, advice and guidance.

The outputs purchased from Career Services by the Minister of Education are an expression of the Government's current policy priorities for Career Services and fit within the legislated functions of Career Services.

Summary of outputs purchased

Price \$000s (GST incl)

Appropriation:

Provision of Information and Advisory Services (M26)	\$15,082
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Providing information on Government education policy and programmes, general information, advisory programmes, and services to the public, community groups, industry and the education community.

Obligations of the Career Services Board

The Board is accountable to the Minister for the delivery of the outputs specified in this Agreement to the quality, quantity and cost specified. The Board remains accountable for the delivery of any part of an output class or output that has been subcontracted to a third party.

The Board is accountable to the Minister for achieving the performance objectives specified in its Statement of Intent 2009/10 – 2011/12 for the 2009/10 financial year.

The Board shall, in providing the services specified, take into consideration any requests made by the Minister. All such requests shall be made in writing.

The Board shall provide regular quarterly reporting to the Minister. Additional reporting may be requested by the Minister or Ministry of Education (the Ministry), if required, to supplement this quarterly reporting. All reporting requirements are specified in the Ministerial relationships and reporting section on page 21. Ownership interests will be reported as specified in Career Services' Statement of Intent 2009/10 – 2011/12. The Board shall not act or purport to act as an agent of the Minister or the Ministry.

Obligations of the Ministry of Education

The Ministry, as the Minister's agent, shall pay the Board the amounts specified in the Payment schedule of this Agreement in accordance with the specified timetable and requirements. The Ministry reserves the right to make part payment where performance has not met the required performance standards as specified in this Agreement.

The Ministry, as the Minister's agent, shall receive information relating to the delivery of the services under this Agreement for the purpose of monitoring the delivery of the services under this Agreement.

Under-delivery of services

All or part of the purchase price for an output may be returned to the Crown if all or part of the output is undelivered.

Over-delivery of services

Service delivery over and above that required in this Agreement will be deemed as gratuitous effort by the Board, which shall have no claim against the Ministry or the Minister.

Failure to perform

Neither the Board nor the Minister shall be liable for any act, omission, or failure to fulfil its obligations under this Agreement if such act, omission, or failure arises from any cause reasonably beyond its control. The party unable to fulfil its obligations shall immediately notify the other in writing of the reason for its failure to fulfil its obligations and the effect of such failure.

Public monies

The Board acknowledges that it is receiving public funds appropriated for the purpose of providing the services in this Agreement and shall ensure that such funds are used prudently.

Waiver

No delay, neglect or forbearance by either party in enforcing against the other any term or condition required under this Schedule shall be deemed to be a waiver or in any way prejudice any right of that party.

The obligations of the parties under this Agreement shall not merge on completion but shall continue with full effect notwithstanding completion.

Negotiation of the Agreement

Negotiations or renegotiations should be concluded within the stipulated consultation period or ministerially agreed extension. Failure to do so will lead to the imposition of a document by the Minister upon the Board.

Changes to this Agreement may be required during its term in accordance with section 170(3).

The Board may, at any time, by written notification, request the Minister to negotiate a new Agreement or to negotiate an amendment to the current Agreement. The Minister may decline such a request.

The process of consultation and negotiation, and the consequences of failure to conclude

negotiation, will be the same in any renegotiation or negotiation on an amendment as for the original negotiation of the Agreement.

The schedules to this Agreement, and any amendments to those schedules signed by the Minister, shall be deemed to form part of the Agreement.

Disputes

In the event of any dispute arising as to this Agreement, its terms and conditions, their interpretation, application or purported reliance thereupon by either party, the parties agree:

- (a) to discuss the matter in dispute promptly with a view to the speedy resolution of it
- (b) where discussion does not resolve the matter, the dispute shall be referred to a mutually acceptable arbitrator
- (c) if agreement cannot be reached as to a mutually acceptable arbitrator, there shall be appointed a three-person panel to hear the dispute consisting of:
 - (i) two arbitrators, one nominated by each party or;
 - (ii) an umpire nominated by the two arbitrators.

Paragraphs 12.1(b) and 12.1(c) above will be considered to be a "submission" in accordance with the Arbitration Act 1996 and that Act shall apply accordingly.

Variation

The Minister shall keep the Board informed as to any proposed policy changes that may alter the position of the Board under this Agreement.

Where any policy change does affect the interest of the Board under this Agreement, the Board and the Ministry shall renegotiate a new Agreement or vary this Agreement according to the process outlined in Section 11 of this Agreement.

Compliance

The Board acknowledges the powers of the Minister under part 3 of the Crown Entities Act 2004.

Non assignment

Neither the Board nor the Minister shall assign their rights or obligations under this Agreement.

Warranty of interest

The Board warrants that it shall not undertake any other work either directly or indirectly which may place the Board in a conflict of interest position with respect to the services to be provided for the Minister.

Copyright

The copyright of resources developed by or for the Board in the course of providing the services detailed in the Output Schedule of this Agreement shall, subject to any agreement to the contrary, and section 26 of the Copyright Act 1994, be the property of the Crown.

Subject to the Official Information Act 1982 and the Privacy Act 1993, the Board and the Minister shall keep confidential all information relating to or arising out of this Agreement.

Subject to the Official Information Act 1982 and the Privacy Act 1993, the Board and the Minister may disclose information if both parties agree to the disclosure.

With respect to the Official Information Act 1982, where the Board holds any information that originates from the Minister, and the Board receives a request for the release of that information, the Board agrees to consult with the Minister over the decision it proposes to make on the request or, if appropriate, to transfer the request to the Minister in accordance with section 14 of the Official Information Act 1982. If, after consultation, the Minister takes the view that the information should not be released, but the Board believes that it should be, then the Board will transfer the request to the Minister.

Consultation

Where considered necessary by either the Board or the Minister, the Board and the Ministry shall consult on all matters associated with this Agreement.

Liaison

There will be regular liaison between the Minister and the Board.

There will be regular liaison between the Ministry and Career Services. Each will be represented by senior management personnel who have an interest in discussing fulfilment of obligations under this Agreement.

Monitoring and evaluation

The Minister will be the sole decision maker regarding the quality of the work performed pursuant to this Agreement.

The Board shall conduct on-going monitoring and evaluation of its activities and shall incorporate any modifications deemed necessary into the operations of Career Services.

The Board shall provide regular quarterly reporting to the Minister. Reporting requirements are specified on page 21.

In addition to the Board's own evaluation, the Crown Entities Monitoring Unit, may, as Monitoring Agent acting on behalf of the Minister, evaluate the operations of Career Services.


The Board shall allow the Ministry, for the purpose of monitoring and confirming that the performance measures and targets as specified in this Agreement are being undertaken and achieved, full and unrestricted access to all records including correspondence, decisions and databases relating to the delivery of the services under this Agreement, provided that reasonable prior notification is given.

Evaluators contracted by the Monitoring Agent for the express purpose of evaluating the performance of Career Services shall have the right to observe the operations of Career Services and the delivery of services and shall have the right to conduct interviews with anyone involved in the operations of Career Services or delivery of services, providing reasonable advance notice is given to Career Services.

Ministerial sign-off

In witness whereof this document has been executed this 27th day of May 2009.

Signed by



Hon Anne Tolley
MINISTER OF EDUCATION

Signed by:



Kaye Turner
Board Chair
Career Services



Lester Oakes
Chief Executive
Career Services

PAYMENT SCHEDULE

PAYMENT IN ADVANCE WILL BE MADE BY THE MINISTRY OF EDUCATION ON THE FIRST WORKING DAY OF EACH MONTH. ALL AMOUNTS ARE GST INCLUSIVE.

JULY 2009	\$1,474,500
AUGUST 2009	\$1,474,500
SEPTEMBER 2009	\$1,474,500
OCTOBER 2009	\$1,474,500
NOVEMBER 2009	\$1,474,500
DECEMBER 2009	\$1,111,150
JANUARY 2010	\$1,111,150
FEBRUARY 2010	\$1,474,500
MARCH 2010	\$1,474,500
APRIL 2010	\$1,474,500
MAY 2010	\$1,474,500
JUNE 2010	\$1,474,500

