

Statement of Intent

2007 – 2010

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



Career Services

Statement of Intent

2007 – 2010

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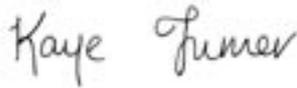
Preamble

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

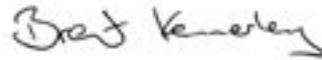
It describes the three year vision and strategies of Career Services, as the government agency that provides independent career information, advice and guidance services to support the achievement of government's education, training and employment goals.

The Statement of Intent is supported by an Output Agreement with the Minister of Education.

Signed on behalf of the Board of Career Services.



Kaye Turner
Board Chair
Career Services



Brent Kennerley
Deputy Chair
Career Services

Overview from the Board Chair

I am pleased to present Career Services' Statement of Intent 2007–2010.

Career Services plays a key role in supporting New Zealanders at important transitions in their lives, to make well-informed decisions relating to their learning and careers. As the government agency responsible for providing independent career information, advice and guidance, we are well positioned to help maximise New Zealand's potential by encouraging and supporting people to make quality decisions about work in the context of a productive life.

The government's priorities of Economic Transformation, Families – Young and Old, and National Identity remain at the forefront of our work. Independent career information, advice and guidance can help people to set clear goals that will enable them to fit into, adapt to, and contribute to our modern economy and society. Our work plays an important role in contributing to a number of key government strategies, including the Tertiary Education Strategy, the Youth Transitions Strategy and the New Zealand Settlement Strategy.

Over the life of this Statement of Intent we will:

- continue to embed our work in life focus into all areas of our work and raise awareness of the benefits of a work in life decision making approach to career-related decisions,
- support the development of a school-wide approach to career education programmes in schools participating in the Creating Pathways and Building Lives (CPaBL) initiative,
- enhance the ways in which we support and engage with young people (and their influencers) making tertiary study or trade training decisions. Through this work we support government's priorities for the tertiary education system and key strategies for the tertiary sector, particularly priority 1 of the revised Statement of Tertiary Education Priorities (STEP) – Increasing educational success for young New Zealanders (more achieving qualifications at level four and above),
- support employers and unions to provide access to quality work and learning information, advice and support for workers and create work environments that are conducive to and encourage lifelong learning,
- work with families and whānau to ensure that they are properly informed about career-related issues and can signpost others to sources of career information and advice, and
- contribute to national and international policy development about the efficacy of career planning and best practice.

We will also contribute to the State Sector's Development Goals.

This document is presented to the Minister of Education pursuant to Section 141 of the Crown Entities Act 2004. It provides information on the following:

- background information about Career Services and the environment that we operate in,
- outcomes that Career Services seeks to achieve and/or contribute to,
- key financial and non financial measures and standards by which the future performance of Career Services may be judged,
- information on our internal capability, including risk management,
- a statement on our accounting policies, and
- the reporting framework under which we will communicate with our responsible Minister.

In addition, this document provides information on Career Services' strategic direction, framework and strategies and ensures alignment with the outcomes desired by government.



Kaye Turner
Board Chair

Career Services' Strategic Plan 2007–2012

Our Vision

Maximise New Zealand's potential through quality work in life decisions.

Our Mission

We encourage and support people living in New Zealand to make well informed decisions about work and learning in the context of the life they wish to lead.

We will ensure that people are able to navigate confidently their own pathways to success.

We will use our experience and expertise to work alongside other people to build this environment in our schools, the tertiary sector, communities, workplaces and families.

We will be determined in our focus, confident in our leadership, and creative in our relationships to improve work in life outcomes for everyone living in New Zealand.

Our core values

Resilience: Our resilience, our strength for the future, comes from our confidence in and high expectations for the future, opportunities for meaningful participation, and a resourceful approach to any challenge.

Manaaki me te tiaki tangata: We work with people, our partners, iwi and communities in a way best described by the Māori concept of whakamana tangata – embracing all with mutual respect and teamwork that enables people and communities to maximise their potential and be the best that they can be. We nurture and value all our relationships and actively build relationships that are outcome-focused and mutually beneficial to all parties.

Work in life balance: We recognise our responsibility as leaders for improved decision making leading to better quality work and life choices. We will model balancing the place of work in our own lives and in the lives of people we work with.

What we will focus on

Establishing ourselves as an influential leader for improved work in life decision making and a valued partner with all of our critical stakeholders including government and our communities.

Forging new alliances with businesses, employers, and unions.

Realigning and re-shaping our services and resources to ensure that they are integrated and provide the full life context for work and learning decision making.

Leading thinking, nationally and internationally, on the contributions of career services to social and economic outcomes.

Increasing the visibility and awareness of Career Services.

Building our internal capability that ensures effective delivery of our work.

Legislative Framework & Governance

<p>Education Act 1989 and 1993</p>	<p>Career Services is a Crown entity established on 23 July 1990 under the provisions of the Education Act 1989, and the Education Amendment Act 1993, to assist in the achievement of government education, training and employment goals through the provision of high quality career information, advice and guidance services.</p>
<p>Crown Entities Act 2004</p>	<p>Our relationship with government and the wider state sector has been strengthened and formalised with the introduction of the Crown Entities Act.¹ The main aims of the Act are to improve the quality of governance, clarify the relationship between the Minister, the Board and the organisation, and to increase the discipline relating to choice of organisation form and governance regime.</p>
<p>Governing board</p>	<p>Career Services is governed by a Board, which reports to the Minister of Education. The Board is responsible to the Minister for governing the organisation and setting the strategic direction for Career Services. The Board operates under a robust set of policies and procedures and meets approximately 10 times a year. The Board includes members with knowledge and experience in the school and tertiary education sectors, business, industry, community development organisations and Māori issues.</p> <p>The Career Services Board takes cognisance of the State Services Commission guidelines on Board appointments and induction. In addition it has access to best practice information from the Institute of Directors. The Board is committed to effective and efficient practices and undertakes an annual self-review.</p>
<p>Finance & Risk committee</p>	<p>In addition, the Board has appointed a Finance and Risk committee, which monitors the performance of Career Services and the management of significant risks facing the organisation. The committee also reviews all significant expenditure proposals, monthly financial reports and financial strategy/budget papers.</p>

¹ The Public Finance (State Sector Management) bill was enacted on 16 December 2004 and came into effect on 25 January 2005. This bill included the creation of the Crown Entities Act.

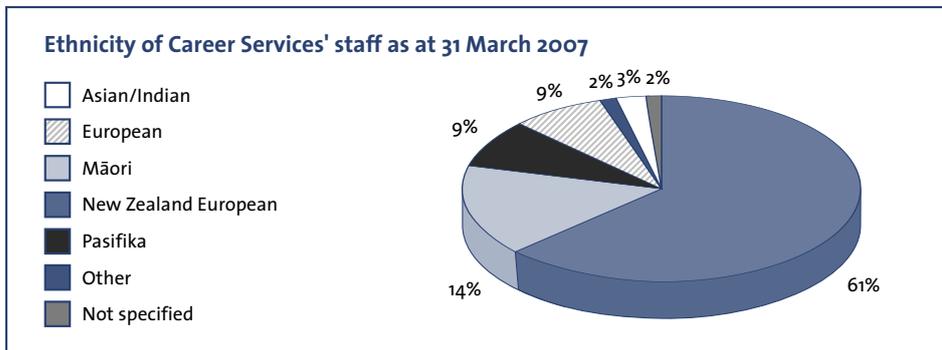
Who we are and what we do

Career Services' role

Career Services is the government agency responsible for providing career information, advice and guidance to assist New Zealanders to think about their career goals and how to achieve them. We are well positioned to maximise New Zealand's potential by encouraging and supporting people to make quality decisions about work in the context of a productive life.

Career Services' workforce

We maintain an ethnically diverse workforce and our relatively high proportions of Māori and Pasifika staff reflect our commitment to building our capability to serve Māori and Pasifika people in New Zealand.²



Note: Ethnic categories used for Human Resources reporting have been realigned to Statistics New Zealand classifications. Therefore, this data is not directly comparable to that contained in the Statement of Intent 2006–2009.

How Career Services' work helps people

Career information, advice and guidance helps people connect to, choose and manage education, training and work options that line up with their interests, talents and sense of purpose. This then leads to people making the vital link between education, learning and tangible labour market outcomes which are appropriate, not only to their own needs and aspirations, but also to the needs of the national economy and wider society. Evidence suggests that when personal goals are realised, career development services can have an impact on broader social and economic goals, "such as raising community quality of life, increasing opportunities, lowering social barriers to inclusion and economic independence, and generally maintaining a vibrant social and economic order."³ Our services and resources are designed to meet the differing needs of all New Zealanders and aim to help individuals and groups to develop career self-management skills that they can apply throughout their lives.

² In 2006, Māori composed 14.6% of the New Zealand population and Pasifika 6.9%, <http://www.stats.govt.nz>

³ The Canadian Career Development Foundation, *The State of Practice in Canada in Measuring Career Service Impact: A Canadian Research Working Group Report*, December 2005, p1.

Career Services' range of services

Career Services is the leading provider of career information, advice and guidance in New Zealand. We provide highly accessible and seamless services to all people living in New Zealand, which respond to varying degrees of need. Our services span from self-help services and resources for people who require minimal intervention, to one-to-one customised career planning assistance for people who require more intensive and focused support.⁴ Our web-based, phone-based and face-to-face services and resources are marketed and promoted in an integrated, client-centred way and provide people with a wide range of information and support to help them make good career-related decisions. We continue to expand the different ways that people can engage with us, to ensure wide coverage and maximum accessibility. These include online chat, online and telephone-based career guidance and texting.

Our services and resources can be defined in the following ways:

Self-help

Self-help resources, including web-based assistance (information and tools) that assist people to understand themselves and the New Zealand labour market, explore training and career opportunities, and develop career plans in their own work in life context.

Self-help resources include:

- the Career Services website (www.careers.govt.nz), which contains job outlines, industry overviews, national and regional labour market information and course and training information, and
- Pathfinder, Career Services' online career guidance programme.

Personal assistance

Personal assistance that helps people to interpret and apply career-related information in their own work in life context. Personal assistance is in the form of information and/or advice or customised career planning either in a group setting or one-to-one.

Personal assistance services include:

- responses to information and/or advice enquiries made to our 0800 advice line or regional centres,
- customised career planning (in a group setting) delivered to secondary school Māori and Pasifika students, prospective tertiary students and migrants and refugees, and
- customised career planning assistance delivered to individuals.

Education and awareness

Education and awareness activities that raise the profile of career information, advice and guidance (CIAG) amongst key stakeholders (including government) and influencers (the wider community), as well as developing the knowledge and skills for career education and planning within schools.

This leads to a greater appreciation of the way in which CIAG contributes to better economic, education and social outcomes. Key stakeholders and influencers are, in addition, able to signpost others to appropriate CIAG services and are better informed about work in life decision making.

⁴ "So which intervention is the most effective and cost-effective? Individual career counseling is the most effective, whereas computer interventions is the most cost-effective (Whiston et al., 1998), with intensity increasing the impact of the treatment," *Impacts of School-based Career Interventions on NCDG Outcomes*, Wei-Cheng Mau, in *Career Convergence*, National Career Development Association, web magazine, 2 April, 2007, <http://www.tcssoftware.com/cgi-bin/WebSuite/tcsAssnWebSuite.pl?Action=DisplayNewsDetails&RecordID=962&Sections=1&IncludeDropped=0&AssnID=NCD&DBCode=130285>.

Education and awareness activities include:

- information sessions with key stakeholders and influencers (including parents),
- assistance for schools participating in the Creating Pathways and Building Lives (CPaBL) initiative,
- customised advice and professional development assistance and a range of online and paper resources to support career education in schools, and
- policy advice, ministerial servicing and contribution to the development of wider government policy and practice.

Career Services' focus in 2007/08

During 2007/08 we seek to expand our knowledge base and expertise in areas related to careers for young New Zealanders, Māori, Pasifika, migrants and refugees. We are evolving career practice models to include more focus on work in life and family and whānau decision making. We are pioneering telephone-based career guidance in New Zealand and equipping staff with the skills and knowledge for this work.

The environment we operate in

Introduction

New Zealand is part of a rapidly changing global labour market. In a shifting environment, career information, advice and guidance plays an increasingly important role in assisting people to make successful transitions throughout their lives from education and training to work, and in and out of the labour market.

Quality decision making about work and learning is very much part of the global debate on what are the key contributions to wider government policy goals. The European Centre of the Development of Vocational Training, for example, states that career guidance is vital for achieving lifelong learning, social inclusion, labour market efficiency and economic development.⁵ Thus, career guidance is seen to assist in building confidence and empowering individuals, as well as making people aware of learning, work, civic and leisure opportunities.

The international context

In common with other developed countries, New Zealand faces acute skill and labour shortages and gaps exacerbated by the following international trends:

- a global market for skills that are in high demand internationally,
- an increase in the rate of technological change, which is resulting in people's existing skills becoming outdated, and
- an ageing population due to increased longevity and a lower birth rate, which may reduce the number of people available for work in the future.

Given these trends, there has been a great deal of interest internationally about the ways that increased productivity can contribute to economic growth. This has become an important area of focus for the Organisation for Economic Co-operation and Development (OECD) which has developed an OECD productivity database based on measures considered to be comparable and consistent across as many member countries as possible.⁶

The national context

Over the past six years, the New Zealand labour market has, in some respects, been one of the stand-out performers in the countries that belong to the OECD. For example, our unemployment rate now stands at 3.8 per cent as at March 2007. The consequent shortage of labour remains a constraint on economic growth in the current tight labour market while the skill shortages that are apparent across most industries and regions are likely to remain with us for some considerable time.

New Zealand is also experiencing the following trends:

- a high number of hours worked but low productivity (by OECD standards),⁷
- a significant number of people in the workforce with low levels of literacy, numeracy and language skills,
- significant out-migration of people and significant in-migration of people of working age, particularly from the United Kingdom,⁸ and
- labour force participation rates above the OECD average, but with a low rate of paid work among some groups, such as mothers of young children.

⁵ Sultana, R. G., *Guidance policies in the knowledge society: Trends, challenges and responses across Europe. A Cedefop synthesis report*, European Centre for the Development of Vocational Training, 2004.

⁶ see <http://www.oecd.org/dataoecd/3/35/37579984.pdf>

⁷ "In the long run, however, economic growth has to come from lifting productivity. Our level of productivity has risen but it is still lower than the OECD average", Hon Ruth Dyson at the launch of the Workplace Productivity Toolkit, 3 April 2006, <http://www.dol.govt.nz/workplaceproductivity/resources/presentations/min-labour-toolkit-launch.asp>

⁸ The number of New Zealand citizens departing long-term has been consistently greater than the number returning, resulting in a steady loss of New Zealand citizens over time, and the United Kingdom accounted for 29% of all residence approvals and 19% of all work permit approvals in 2005–06, <http://www.dol.govt.nz/publications/research/migration-trends/MigrationTrends-2005-06.pdf>, p2, p27–28.

A further challenge is posed by the changing demographics that will increasingly impact on the size and composition of New Zealand's working age population and labour supply, including:

- an ageing population, with the median age in New Zealand projected to rise,⁹
- increased number of Māori and Pasifika due to higher birth rates for these groups¹⁰, which currently translates into large proportions of young Māori and Pasifika students participating in the education system, and
- an expected increase in the proportion of people in New Zealand of Asian ethnicities.¹¹

This changing environment will require the right balance to be struck between equipping people with specific skills needed today and providing generic competencies to enable people and organisations to adapt in the future.

New Zealanders' attitudes towards work are changing as well. There is increasing recognition by individuals, employers and government of the importance of maintaining a healthy work-life balance. Research indicates that New Zealanders rate quality of life as being of most importance to them ahead of other more specific aspects, such as employment prospects and the level of wages and salaries.¹²

Government direction and policies reflect this trend, with emphasis on balancing work, family, recreation and personal development, and recognising the social and economic benefits of doing this. By taking a work in life approach, Career Services plays an important role in assisting people to make informed work and learning decisions in the context of the lives they want to lead.

⁹ <http://www.stats.govt.nz/store/2006/07/national-population-projections-04%28base%29-51-hotp.htm?page=para024Master>

¹⁰ While the average New Zealand fertility rate was 2.00 births per woman in 2005, the fertility rates of Māori and Pacific women were 2.62 in 2005 and 2.94 in 2000–2002 (the latest period for which Pacific fertility rates are available) respectively, Ministry of Social Development, *The Social Report 2006*, p13.

¹¹ New Zealand's Asian population is projected to reach 670,000 by 2021, an increase of 145% over the 2001 figure of 270,000, <http://www.stats.govt.nz>

¹² Growth & Innovation Advisory Board, *Summary of Research on Growth & Innovation*, April 2004, p3.

Government priorities

Government priorities

Career Services' work supports the government's priorities of Economic Transformation, Families – Young and Old and National Identity, with an emerging focus on sustainable development and youth potential.

<p>Economic transformation</p>	<p><i>Working to progress our economic transformation to a high income, knowledge-based market economy, which is both innovative and creative and provides a unique quality of life to all New Zealanders.</i></p> <p>Career Services is progressively enhancing the range and nature of assistance it provides to young New Zealanders and their influencers (parents, whānau and schools) seeking information and support to make good tertiary study and trade training decisions.</p> <p>Those transitioning between school, tertiary study, trade training and the labour market who are engaged, who can clearly identify a pathway for themselves and who are aware of the likely outcomes of their learning, training or employment-related decisions are likely to be better motivated and self-directed learners. Such learners are more likely to achieve better results and complete their qualifications within the minimum allotted time, which will result in them:</p> <ul style="list-style-type: none"> • entering the labour force sooner, • repaying any outstanding student loans more speedily, and • progressing to become more productive workers. <p>Career Services believes in an 'any age, any stage' approach to career planning and assists a significant number of mature workers considering a career change or looking to re-enter the labour market.¹³ By helping mature workers to identify their skills and strengths, perhaps developed through previous employment, parenting or voluntary work, they can make an even greater contribution to New Zealand's economy.</p>
<p>Families – Young & Old</p>	<p><i>All families, young and old, have the support and choices they need to be secure and be able to reach their full potential within our knowledge-based economy.</i></p> <p>Career Services recognises the important role that families and whānau play as influencers for young people, particularly those in the compulsory education sector. It is important that families and whānau are properly informed about career-related issues so that they can empower young people to make work and learning decisions in the context of the lives they want to lead.¹⁴</p> <p>Career Services has a number of services and resources to assist families and whānau and, in line with the direction outlined in the Strategic Plan 2007–2012, plans to focus more attention on the needs of this group.¹⁵</p> <p>We work towards more positive family outcomes through our work in life decision making approach, which takes into account family priorities, as well as other factors, when making work and learning decisions.</p>

¹³ In 2005/06, nearly 30% of clients who received one-to-one customised career planning assistance were aged 40 and over.

¹⁴ At the Fifth Hui Taumata Mātauranga in 2006, Mason Durie presented a paper on Whānau, Education and Māori Potential in which he referred to the importance of whānau contributing to Māori advancement by promoting a culture of learning and acting as advocates of learning.

¹⁵ In recent research (funded by the Department of Labour and the National Advisory Council for the Employment of Women) looking at the decision making of people with caring responsibilities, none of the research participants had sought information relating to the longer-term financial or effects on their career of not working or reducing hours of paid work, *Decisions about Caring and Working: a qualitative study*, October 2006, p38, www.dol.govt.nz/pdfs/decisions-about-caring.pdf

<p>National identity</p>	<p><i>All New Zealanders to be able to take pride in who and what we are, through our arts, culture, film, sports and music, our appreciation of our natural environment, our understanding of our history and our stance on international issues.</i></p> <p>Career Services acknowledges that Māori and Pasifika people can often take a different approach to the acquisition of knowledge and skills to other New Zealanders, and therefore we engage with Māori and Pasifika secondary students within a framework that recognises their beliefs and values. Such an approach encourages young Māori and Pasifika to consider these aspects of their cultural identity when making decisions about their learning, training or career. This approach also celebrates the rich cultural heritage that underpins New Zealand’s identity.</p> <p>Career Services supports the settlement of new migrants and refugees under the New Zealand Settlement Strategy. Our work helps migrants and refugees to become familiar with the New Zealand labour market and expectations of New Zealand employers. By equipping migrants and refugees with the tools and knowledge needed to find sustainable employment in line with their career aspirations, migrants and refugees are more confident, better able to participate and have a sense of place and belonging in New Zealand.</p>
<p>Sustainable development</p>	<p>New Zealand’s future is dependent on long term sustainable strategies for our economy, society, environment, culture and way of life.¹⁶</p> <p>Career Services, as a crown entity, supports wider government’s desire to promote sustainable development. This includes environmental sustainability initiatives in our own organisational business practices within the education sector. We are investigating the feasibility of becoming an official Govt3 signatory.</p> <p>We are beginning to cast a sustainability ‘lens’ over our delivery of services and resources, and will review them where necessary.</p>
<p>Realising youth potential</p>	<p>Career Services is an active supporter of the Mayors’ Taskforce for Jobs and the government’s Youth Transitions Strategy goal that “...by 2007 all 15–19 year olds will be engaged in appropriate education, training, work, or other options that will lead to long term economic independence and well being.” We are contracted to provide career-related services to Youth Transition Services providers in many regions.</p>

¹⁶ Excerpt from Prime Minister’s Statement, 13 February 2007.

**Development
Goals for the
State Sector**

Career Services has a range of activities underway to support the achievement of the Development Goals for the State Sector, in particular, goals 1 and 5:

1. Employer of Choice: Ensure the State Services is an employer of choice, attractive to high achievers with a commitment to services. Relevant activities include:
 - strengthening our learning and development programme,
 - building Māori competencies into our accountability system,
 - implementing an EEO plan, and
 - participating in the JRA Best Places to Work Survey.
5. Accessible State Services: Enhance access, responsiveness and effectiveness, and improve New Zealanders' experience of State Services. Relevant activities include:
 - expanding the ways in which people in New Zealand can engage with us, including online chat, online and telephone-based career guidance and texting.

Career Services also supports goal 4 – Co-ordinated State agencies: Ensure the total contribution of government agencies is greater than the sum of its part. Relevant activities include:

- aligning our information sources with other government agencies to enhance our web-based resources,
- involvement in monthly meetings of the six education agencies' Chief Executives, and
- strong collaboration with other government agencies to influence the shape of policy and ensure that a careers perspective is embedded in wider initiatives, strategies and practice.

Minister of Education’s priorities

Priorities of the Minister of Education (related to schooling)

To further the Government’s broader themes, the Minister of Education has set priorities for the next two years. These priorities provide direction and urgency for the work undertaken by all the education agencies, and Career Services is committed to contributing to positive change in areas relevant to us.

Ministerial quote

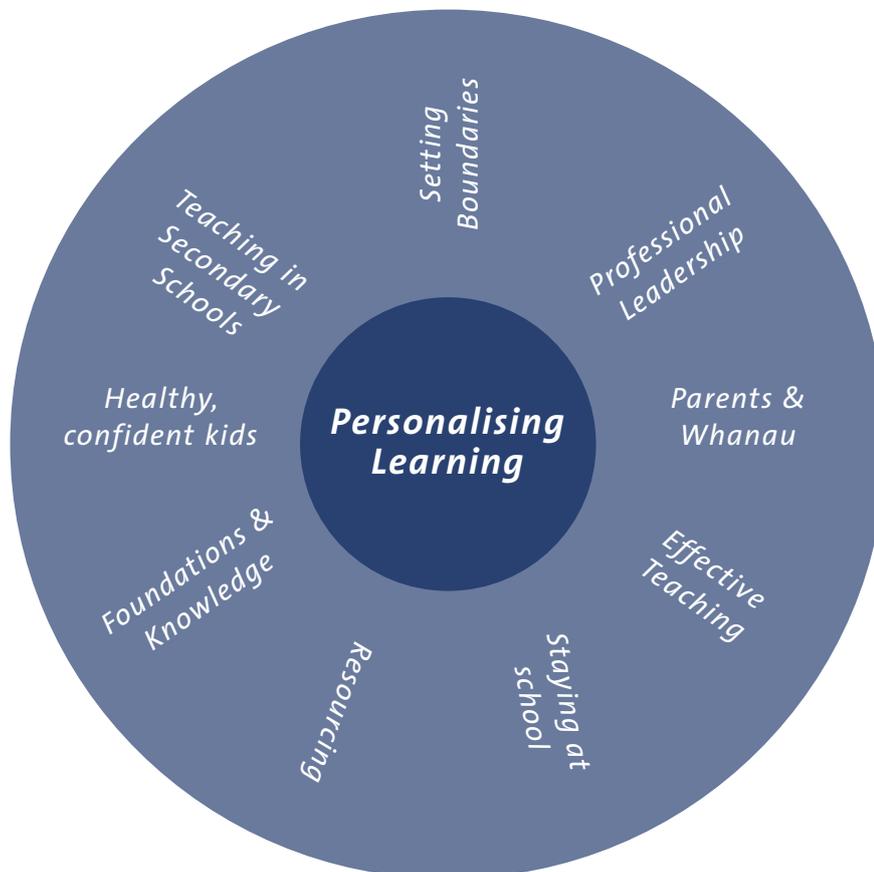
“We are moving into a knowledge age. This kind of society will demand very different values, competencies and knowledge from those we were familiar with last century. Our education system is already moving down appropriate lines. Examples can be seen everywhere. But there is a lot more to be done if we are to have a whole system motivated by the need to serve the interests of learners.”

Hon Steve Maharey to the New Zealand School Principals’ Federation, February 2007

Personalised learning

Personalised learning is central to the transformation that needs to occur in our education system in order to meet the needs of a knowledge society. A stronger focus on learning to create new knowledge, as opposed to an emphasis on acquiring existing knowledge, is now essential. For this to occur, all learners need to be strong in critical competencies, such as creativity, problem-solving and self-management. Increasingly, learning will need to occur in ways that engage and motivate learners, giving them opportunities to develop the skills and confidence to pursue the career and life they want most.

Ministerial priorities



How Career Services contributes to these priority areas

Career Services is a strong proponent of *effective teaching* to ensure that career education is embedded into all strands of the curriculum. Through professional development assistance to career advisors and teaching staff, Career Services supports the development and implementation of career education programmes and policies that meet National Administration Guidelines.

More in-depth assistance is provided to the 100 schools participating in the Ministry of Education-led Creating Pathways and Building Lives (CPaBL) initiative. This initiative aims to build leadership and ownership among school management and develop a school-wide approach to career education. *Engaging parents, families and whānau* to take an active role in the career decision making process of their children is a critical part of CPaBL.

Comprehensive and robust career education programmes within schools will encourage students to stay engaged in secondary schooling and may lead to more students *staying in school* or making an effective transition beyond school, to further training and/or employment. Young people who have developed career self-management skills and are fully aware of the consequences of their learning, training or career decisions are likely to be *healthy, confident kids*.

Focus areas for the Minister for Tertiary Education

Ministerial quote

“From 2008, the government will be investing in priority areas of tertiary education, and shifting resources to education and training that better matches skill and learning needs. Industry and employers will have a greater role in defining the competencies that graduates need to have. Students will be determining what and how they learn. Tertiary organisations will determine what their distinctive contribution will be and invest in capabilities and staffing around these priorities.”

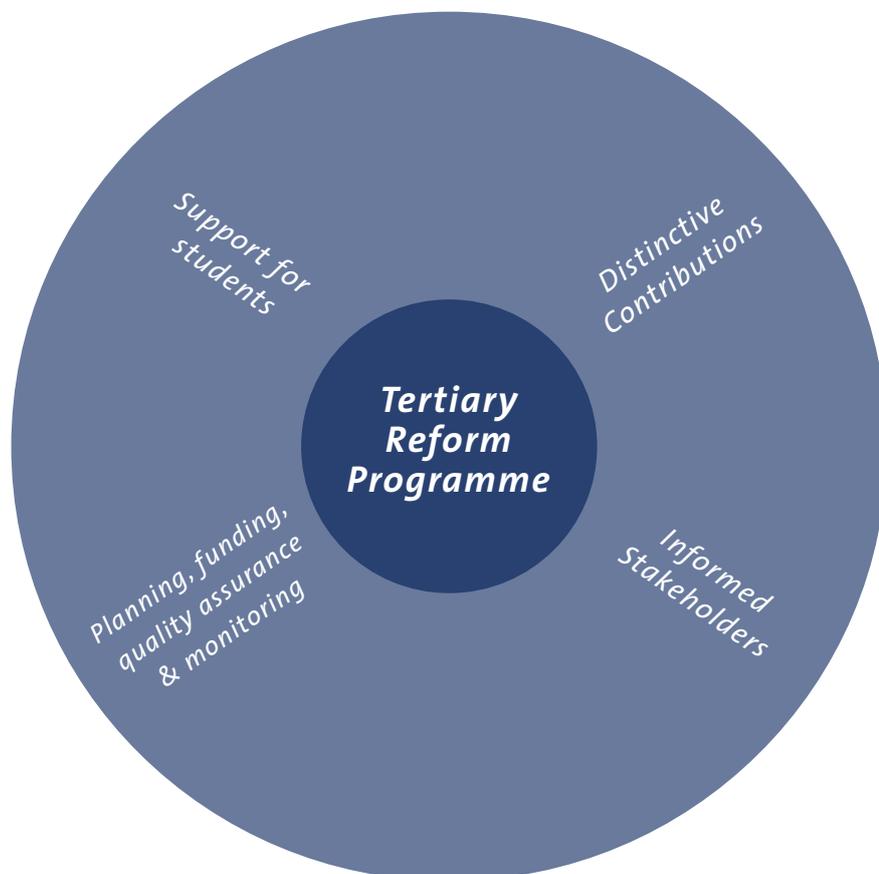
Hon Dr Michael Cullen’s address to the Auckland Chamber of Commerce, February 2007

The Tertiary Reform Programme and Tertiary Education Strategy

During 2006 the government embarked on a programme of substantial reforms to the tertiary education system. These reforms fundamentally change the investment system for tertiary education into one which drives quality, relevance and value for money, within a distinctive contributions framework. The Tertiary Education Strategy and the Statement of Tertiary Education Priorities together become much more significant documents in outlining the government’s expectations and priorities for tertiary education.

The focus over the next five years is on the three outcomes outlined in the Tertiary Education Strategy 2007–12 incorporating the Statement of Tertiary Education Priorities 2008–10:

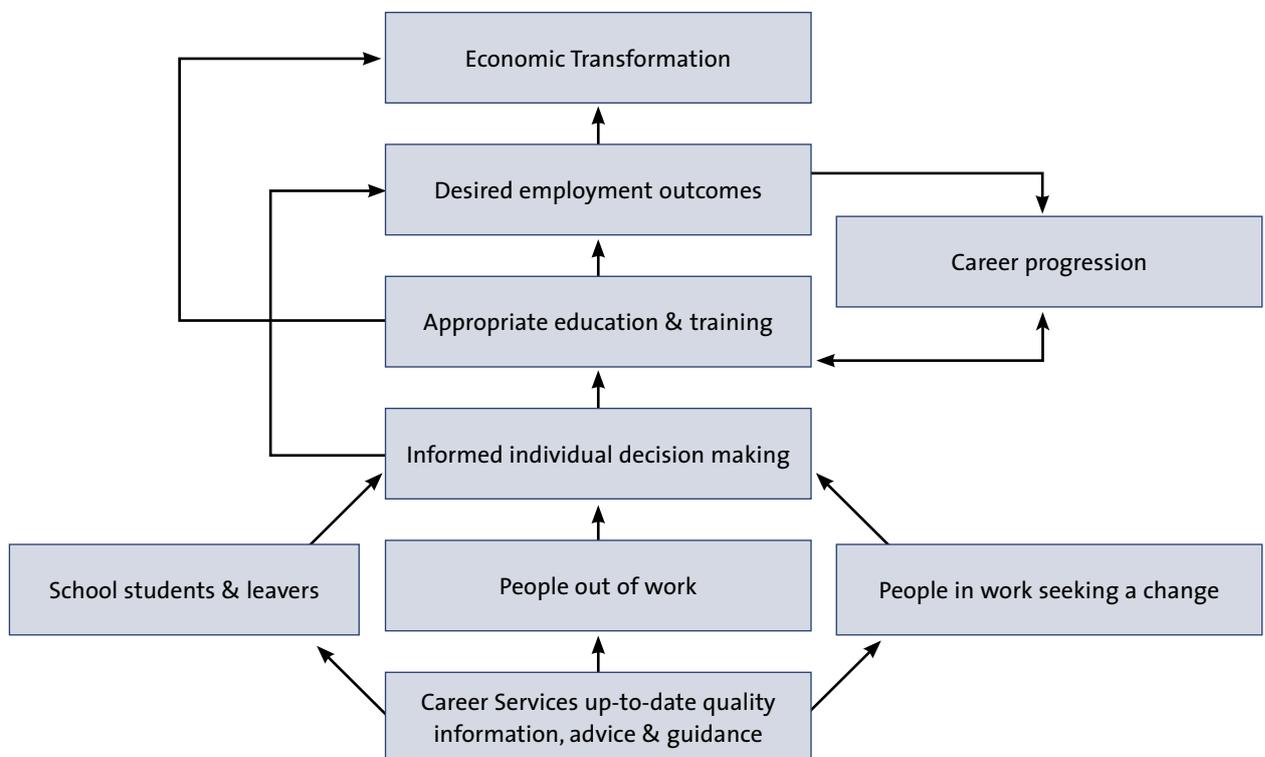
- Success for all New Zealanders through lifelong learning,
- Creating and applying knowledge to drive innovation, and
- Strong connections between tertiary education organisations and the communities they serve.



Career Services' support for students

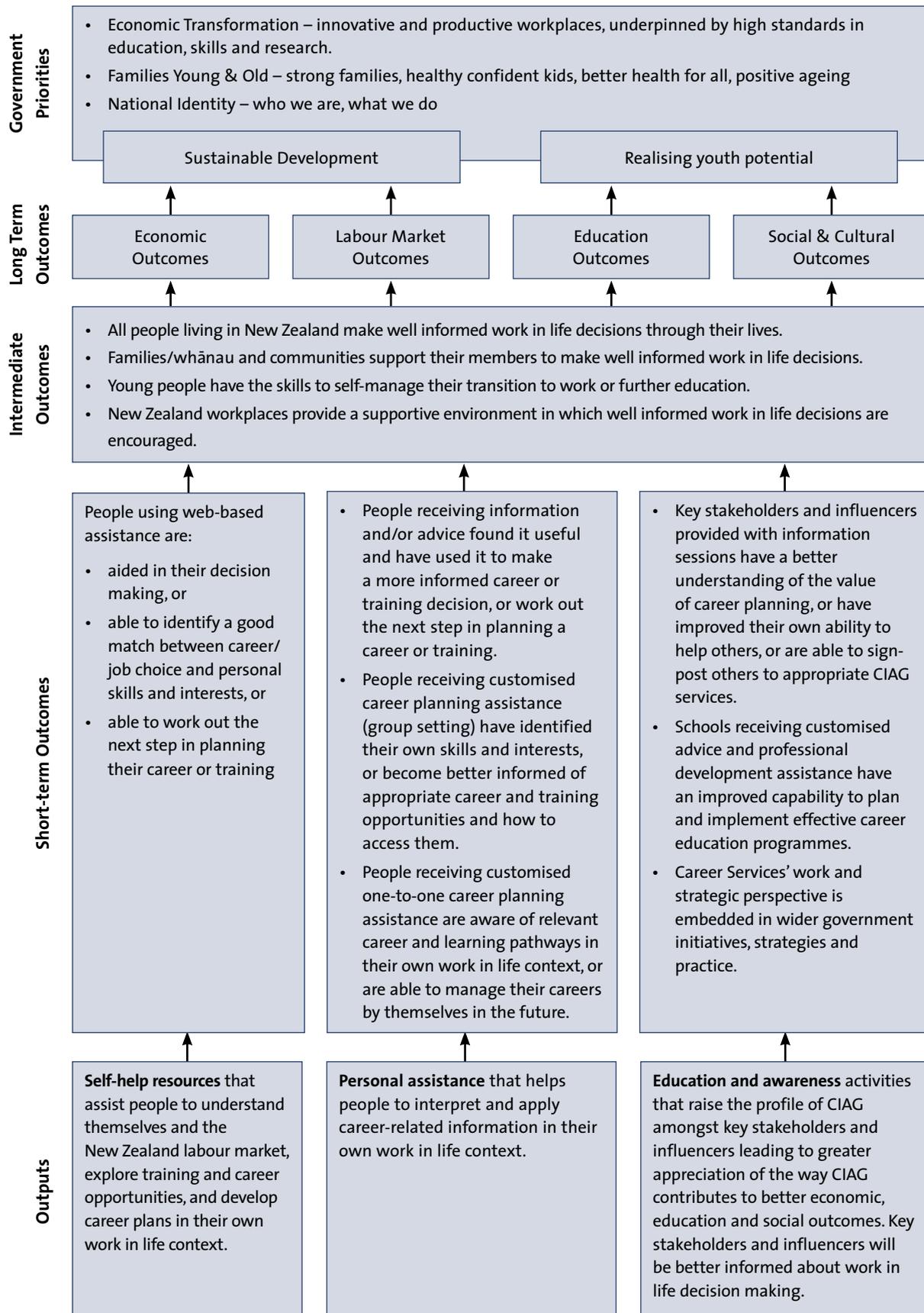
While there is much emphasis in the tertiary reforms at the sector level, Career Services provides assistance at the individual decision making level. Through the provision of independent career information, advice and guidance, Career Services plays an important role in supporting current and prospective tertiary and trade students to make informed decisions about learning options and potential career pathways. Young New Zealanders (and their influencers) are the target audience of Career Services' Better Tertiary and Trade Training Decision Making (BTATTD) initiative. Our work supports key strategies for the tertiary sector, particularly priority one of the revised Statement of Tertiary Education Priorities (STEP) – Increasing educational success for young New Zealanders (more achieving qualifications at level four and above by age 25).

As the diagram below illustrates, Career Services can help to inform and influence people's career and learning decisions so that they make appropriate connections between education and training and the labour market thus contributing to the government's priority of economic transformation.



Impacts and Outcomes

Outcomes Hierarchy



Strategies and priorities

Influential leader of work in life decision making

To reinforce our role as an influential leader and proponent for improved work in life decision making, we will define and develop a best practice work in life model to be used internally at Career Services. This work in life model will also inform the approach we take with the people we work with.

We will work with key stakeholders to embed the concept of work in life and encourage them to work in partnership with us to lift New Zealanders' understanding of the value of a work in life approach to career decision making.

Career Services' priorities:

- Work in life decision making is commonly understood outside Career Services.
- Key stakeholders understand and actively reference the importance of quality informed decision making.
- Build better connections with and provide better support for family, whānau and communities as key influencers on individual decision making.
- Enhanced services and resources for Māori, Pasifika, migrants and refugees that assist in their work in life options.

New alliances with business, employers and unions

We will progressively foster strategic alliances with employers, businesses and unions. We will work closely with the Department of Labour and will enhance our relationships with Business New Zealand, the Council of Trade Unions, and the Industry Training Federation. We will raise awareness of our work in life decision making approach and how to increase workforce productivity by creating work environments that are conducive to and encourage lifelong learning and upskilling.

Career Services' priorities:

- Raise our profile with key workplace stakeholders by disseminating proven evidence of the efficacy of quality informed decision making.
- Support other government departments to break down negative workplace perceptions to upskilling and lifelong learning.
- Assist businesses, employers and unions to signpost quality work and learning information and advice for workers.

Integrated services and resources

Building on work that began last year, we will continue to embed our integrated client-centred approach throughout the delivery of our wide-ranging services and resources. Clients and stakeholders will be able to access services and resources appropriate to their specific needs irrespective of how they initially made contact with us. Infrastructure and technological resources will facilitate this access.

Career Services' priorities:

- Website, phone and face-to-face services and resources are complementary.
- All services and resources are provided in a full work in life context.
- Services and resources are informed by emerging information from other organisations and government agencies.
- BTATDM and CPaBL provide better services and resources for prospective tertiary (and trade) students and youth with potential to help them to make more successful transitions from school to further education or work.

Leading thinking on the contribution of career services to social and economic outcomes

Career Services is committed to promoting and engaging in outcomes and impact-based research as part of our leadership role within the careers industry. In addition to evaluating the outcomes of our own work we will continue to provide input and work collaboratively on research projects being conducted by other government agencies and others in New Zealand.

We will also continue to share, contribute and learn from international career-related research. Career Services is highly regarded internationally and is represented at a senior level within the International Association of Educational and Vocational Guidance, and the International Centre for Career Development and Public Policy. Career Services will once again lead the New Zealand country team, consisting of senior government officials and representatives from the careers sector, that will attend the International Symposium on Career Development and Public Policy in Scotland later in 2007.

As a government agency whose work touches on the education, social development and labour sectors, Career Services plays an active role in supporting dialogue and feeding into the development of wider government policy.

Career Services' priorities:

- Contribute to and learn from national and international consideration on the evidence of quality informed decision making.
- Continue to build a rigorous evidence base of the efficacy of quality informed decision making.
- Develop tailored reporting to stakeholders with interest in particular result areas, ie. reporting specialised information to business and employers, and Māori and Pasifika stakeholders.

Increased visibility and awareness

We will work to improve our profile among all New Zealanders, including our key target groups, as the leading provider of career information, advice and guidance in New Zealand. Over time, we will raise awareness of the importance of taking a work in life approach to career decision making.

Career Services' priorities:

- Profile and awareness of Career Services is raised.
- Increased use of free-to-use resources and services by target client groups.

Enhanced internal capability

We will continue working toward embedding the State Sector Development Goals into the way that we operate by enhancing Human Resources policies, financial systems and information systems. Further information about this can be found in the next section.

Career Services' priorities:

- IT capability and systems improved, including a Client Relationship Management (CRM) system.
- People and organisational capability and capacity developed to achieve Employer of Choice and Best Place to Work goals.

Capability and risks

Introduction

Continuing to strengthen our internal capability is an area of focus for Career Services to ensure we can achieve our desired outcomes. The key areas of internal capability focus for 2007/08 are the capability of our people, Māori and Pasifika, strategic marketing, strategic information technology, financial strategy, and risk management.

Capability of our people

The Career Services Board and management recognise that our success depends on the capability of our people. We continue to build our workforce capability to ensure that we can support New Zealanders to make quality decisions about work and training.

To build our people capability, we will continue to develop and maintain a skilled, focused, productive and satisfied workforce. We will align our Human Resources initiatives, policies and practices with our organisational strategies.

We continue to monitor progress and risks and report regularly against state sector trends and benchmarks. Last year's results from the Best Places to Work Survey provided us with measures of staff engagement and identified key drivers on which to base interventions.

We will build people capability by:

- recruiting the best possible people to fill vacancies,
- retaining and growing the talent we already have at all levels, and
- optimising the organisational structure and work design.

In-house work-based learning, training and education programmes will be further developed and implemented. Māori competencies training will be fully implemented during 2007/08.

Capability frameworks and individual development

We are progressively developing and implementing staff capability frameworks for our main occupational groups. The frameworks identify capability elements required for success in specific roles and provide stepping stones for internal career pathways. Three major occupational groups have been added in the last year and a capability matrix for the fourth group will be developed and implemented in 2007/08.

At the management level Career Services will implement a set of core leadership competencies from the Lominger model that staircases to the Leadership Development Centre (LDC) leadership capability profile and enhance overall leadership capability.

Each individual employee has a development plan as part of their performance agreement. Development required for success in the role is identified and development activities planned and tracked throughout the year. Career development activities may form part of the development plan.

Career Services supports and encourages staff to gain qualifications in their fields of work. We support varying pathways to qualifications through formal study or workplace training, and assessment based on unit standards. Revised careers practice unit standards are to be registered on the National Qualifications Framework in 2007/08 and processes for our staff to utilise them will be implemented.

Our staff will receive support to consider their career aspirations and make career decisions in a whole of life context. They will be actively encouraged to consider their paid work in context with other parts of their lives, such as home and family, community and recreation. This will help them to make realistic and sustainable career decisions in the context of the lives they want to lead.

Quality standards

Career Services is a Government Training Establishment (GTE) and all our training complies with quality standards audited by the New Zealand Qualifications Authority. Revised quality standards are being fully implemented in 2007/08.

Good employer

Career Services values equity, fairness and the strength that a diverse workforce brings. We aim to maximise the skills and strengths of all our employees. Our Equal Employment Opportunities programme gives special regard to groups such as women, Māori, Pasifika, other ethnic peoples, and people with disabilities.

Leadership, accountability and culture

Career Services has a positive workplace culture and we value our people. Our Chief Executive won the EEO Trust Walk the Talk award in 2006, and the results of the 2006 Best Places to Work Survey showed us that our staff agree that Career Services is an equal opportunity employer. The survey also showed us that there were no statistically significant differences in perceptions in any of the EEO target groups from the organisation as a whole.

In 2007/08 we will continue to strengthen our people leadership capability by identifying the competencies that are critical for the future. The competencies will be integrated into position descriptions and performance agreements, ensuring accountability, and linkage to individual development.

In 2007/08 we will implement the new State Sector Code of Conduct, when it is available, and review our own Code of Conduct to ensure alignment. Education of our staff about the provisions of the Code will further clarify and strengthen our expectations of staff in relation to their behaviour.

Safe and healthy environment

In the last year we improved our health and safety systems, tools and processes to ensure that we continue to provide a healthy and empowering work environment. We will continue to build on these improvements and monitor health and well-being for our staff in 2007/08.

Māori and Pasifika

Our internal Māori and Pasifika strategies give direction and shape to our engagement with these communities, ensuring that our services and resources are offered in ways that reflect the differing needs of Māori and Pasifika. We recognise the critical role that Māori and Pasifika play in the economic, social and cultural fabric of New Zealand and that their presence and success in education, the labour market and society is critical to New Zealand's economy and social equity. To ensure that all Māori and Pasifika individuals and communities can confidently navigate their own pathways to success, we will:

- establish and maintain meaningful relationships with Māori and Pasifika communities and organisations that support their career aspirations and needs, while building stronger understanding of how we can assist,
- work in effective, ongoing partnerships with relevant government agencies, industries and community organisations to increase our reach and enhance the career planning knowledge of others working with Māori and Pasifika,
- identify and explore opportunities within the labour and education sectors that allow us to support Māori and Pasifika potential through career education, planning and guidance,
- ensure that the development and nature of our services and resources is underpinned by professional career practice that is culturally appropriate in responding to the unique needs of Māori as indigenous peoples of Aotearoa/New Zealand and Pasifika individuals and communities,

- ensure that policy, service and resource delivery is informed by research, evaluation and experience that ensure Māori and Pasifika career planning needs are effectively and appropriately met, and
- ensure strong organisational capability that supports us to confidently engage with Māori and Pasifika individuals and communities to meet their career management aspirations and needs.

Strategic marketing

Building on work done to align and profile our services under one identity, we will continue to market and promote our wide range of services and resources in this way. Our recent national campaign to promote our wide range of services and their relevance to all New Zealanders was the first time that we had actively promoted our integrated brand and services. Aspects of the campaign had an immediate and positive impact on the number of people using our services. Processes have been put in place to measure any increased awareness of who we are and the work that we do.

Marketing and communications activity in the coming year to raise awareness of our brand, how to access us and what we do, will target young people (and their influencers), Māori and Pasifika communities, and people in workplaces. This supports the aims of the BTATTDM initiative and is in line with the direction outlined in the Strategic Plan 2007–2012.

Strategic information technology

We are working to implement applications that will provide the best possible services to end users, both external clients and internal staff. One of the main projects is implementing the Client Relationship Management (CRM) tool, having completed an in-depth review of the business requirements and procurement process.

Career Services continues to be an active participant in the Education Sector ICT programme of work. Career Services is represented on the Education Sector ICT Management Committee and chairs one of the six work streams, the ICT Shared Services Oversight Sub-Committee. The Education Sector ICT Management Committee reports to the ICT Standing Committee which comprises the Chief Executives of the education agencies.

Financial strategy

We have grown in size and our services have expanded over recent years and this is set to continue in 2007/08. Our financial parameters focus for 2007/08 will be on the following key areas:

- continuing to integrate additional funding arising from our successful budget initiatives and consolidate the existing services and resources,
- targeting a breakeven position in the medium term,
- reinvesting working capital in asset capital replacement while maintaining operating capacity, and
- achieving a commercial revenue range of between 10 and 20 percent of total revenue. In 2007/08 this is likely to be at the lower end of the range.

We have a comprehensive system of financial reporting and monitoring. The financial models for output costing, budgeting and revenue recognition have been reviewed and enhancements made. The cost of services model will be reviewed as we increase our knowledge about the cost of delivering outputs and delivering on outcomes over time. This review will build on efficiency and effectiveness measures for future reporting. Trends will be analysed and enhancements will be made as appropriate.

We are prepared to implement NZ IFRS (International Financial Reporting Standards), and there will be a focus on integrating finance systems wherever possible and practical.

As mentioned previously, significant expenditure proposals are reviewed by the Board's Finance and Risk committee, as are the monthly financial reports and financial strategy/budget papers.

Reporting to the Board is supported by extensive monthly internal reporting and monitoring by individual managers, who then feed back variance and/or a revised forecast analysis to their managers.

Risk management

We aim to remain a high quality, pro-active, responsive and financially viable organisation recognised as the sector leader in our field. Our Board and management will continue to monitor and manage any risks posed to our organisation and will keep the Minister informed as appropriate.

Our Risk and Mitigation Strategy is monitored, updated and reported quarterly with risks (and corresponding mitigation strategies) divided into five categories:

- Strategic: relating to Career Services' ability to achieve its goals,
- Financial: relating to a loss of assets or income,
- Operational: relating to ongoing delivery processes,
- Compliance: relating to compliance with laws, regulations and internal processes, and
- Reputation: relating to damage to Career Services' external reputation and profile.

The Risk and Mitigation Strategy is attached as Appendix V.

Overview of Output Classes/Services 2007/08

Government funding

Career Services is funded by the government through Vote Education – Non-departmental output class 05 – Provision of Information and Advisory Services. The purchase of outputs within this output class 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.

Total income via the Output Agreement with the Minister of Education in 2007/08 is \$18,892,125 (incl. GST).¹⁷

Commercial funding

Career Services also delivers services and resources purchased directly by other parties on a commercial basis.

We will maintain the level of business secured from these markets. Activity will be based primarily on continuation of existing key contracts at existing levels. The Ministry of Social Development (Work and Income), through its regional contracts, is expected to remain a significant commercial client for Career Services in 2007/08.

At a local level, a range of contract work will be undertaken for public and private sector organisations, as well as individual fee-paying clients. All commercial revenue will be based on the sale of services and resources that comply with the legislated functions of Career Services.

Summary of outputs

	Price \$000s GST incl
Non Departmental Output Class 05: Provision of Information and Advisory Services	\$18,892
1. Self-help resources that assist people to understand themselves and the New Zealand labour market, explore training and career opportunities and develop career plans in their own work in life context.	\$4,172
2. Personal assistance that helps people to interpret and apply career-related information in their own work in life context.	\$10,396
3. Education and awareness activities that raise the profile of CIAG amongst key stakeholders and influencers, as well as developing the knowledge and skills for career education and planning within schools. This will lead to greater appreciation of the way CIAG contributes to economic, education and social outcomes. Key stakeholders and influencers will be better informed about work in life decision making.	\$ 4,324

¹⁷ This figure includes an additional \$592,875 (incl. GST) to increase our work with migrants in 2007/08 (CAB Min (07) 18/4 refers). This additional funding is noted on a separate line in the Forecast financial statements (see Appendix VIII).

Career Services Output Agreement 2007–2008

Output 5.1 Self-help	
Self-help resources, including web-based assistance (information and tools), will assist people to understand themselves and the New Zealand labour market, explore training and career opportunities, and develop career plans in their own work in life context.	
This output consists of one deliverable which has a quality, quantity, and outcome measure.	
<p>Deliverable</p> <p>1. Web-based assistance will:</p> <ul style="list-style-type: none"> • provide up-to-date, comprehensive and accurate labour market, job, course and training information, • provide access to online career tools, and • reflect Career Services' work in life approach to decision making. 	
<p>Measures</p> <ul style="list-style-type: none"> • Quality <ul style="list-style-type: none"> - Website reflects New Zealand's national identity and meets the needs of a diverse audience. - Website is appropriately linked to external quality assurance and other career-related information sources. - Content is informed by wider government initiatives, is up-to-date, comprehensive and accurate and reflects Career Services' work in life approach to decision making. - Online career tools are informed by user needs and feedback. • Quantity <ul style="list-style-type: none"> - Number of visits from New Zealand based people accessing web-based career information and tools (including Pathfinder). 	<p>Performance measures for 2007/08</p> <p>Update provided quarterly.</p> <p>500,000–600,000.</p>
<p>Outcome Measure</p> <p>People using web-based assistance (information and tools), were, as a result, either:</p> <ul style="list-style-type: none"> • aided in their decision making, or • able to identify a good match between career/job choice and personal skills and interests, or • able to work out the next step necessary in planning their career or training. 	75%.

Output 5.2 Personal Assistance

Personal assistance will help people to interpret and apply career-related information in their own work in life context. Personal assistance will be in the form of information and/or advice or customised career planning either in a group setting or one-to-one.

This output consists of several deliverables which are encompassed by quality, quantity, timeliness and outcome measures.

Deliverable

2. Information and/or advice is provided through a range of access channels and modes of delivery to ensure wide coverage and maximum accessibility. These include phone, email, online chat, texting, and in person.

Measures

• Quality

- Service provided is of a high quality and is adapted to respond to individuals' personal needs and expectations.

• Timeliness

- Responses to requests for information and/or advice are timely.

• Quantity

- Number of people who receive information and/or advice.

Outcome Measure

People receiving information and/or advice found it useful and, as a result, have either:

- made a more informed career or training decision, or
- worked out the next step in planning their career or training.

Performance measures for 2007/08

Processes in place to ensure quality and timeliness.

60,000–70,000.

75%.

Deliverable

3. Customised career planning assistance in a group setting is provided to those who are identified as having particular career needs that are most effectively addressed in a group environment. These include:
- at risk secondary students (including Māori and Pasifika students),
 - migrants and refugees, and
 - prospective tertiary students.

Measures

• **Quality**

- Service provided is of a high quality and is adapted to respond to a groups' personal needs and expectations

• **Timeliness**

- Responses to requests for customised career planning in a group setting are timely.

• **Quantity**

- People who receive customised career planning assistance in a group setting include:
 - at risk secondary students (including Māori and Pasifika students).
 - migrants and refugees.
 - prospective tertiary students.

Outcome measure

People receiving customised career planning assistance (group setting), as a result, have either:

- identified their own skills and interests or
- are better informed of appropriate career and training opportunities and how to access them.

Performance measures for 2007/08

Processes in place to ensure quality and timeliness.

4,300–4,900 students.
50 group events.
Update provided quarterly.

85%.

<p>Deliverable</p> <p>4. Customised one-to-one career planning assistance is provided to those who are most in need of focused intervention to help them self-manage their career.</p> <p>Measures</p> <ul style="list-style-type: none"> • Quality <ul style="list-style-type: none"> - Service provided is of a high quality and is adapted to respond to individuals' personal needs and expectations. • Timeliness <ul style="list-style-type: none"> - Responses to requests for customised one-to-one career planning are timely. • Quantity <ul style="list-style-type: none"> - Number of people who receive customised one-to-one career planning assistance. <p>Outcome measure</p> <p>People receiving customised one-to-one career planning assistance, as a result, are either:</p> <ul style="list-style-type: none"> • aware of relevant career and learning pathways in their own work in life context, or • able to manage their careers by themselves in the future. 	<p>Performance measures for 2007/08</p> <p>Processes in place to ensure quality and timeliness.</p> <p>6,650–7,300.</p> <p>75%.</p>
<p>Deliverable</p> <p>5. Career Services will progressively roll out a suite of services and resources for young New Zealanders and their influencers as part of the “Better Tertiary and Trade Training Decision Making (BTATDM)” initiative.</p> <p>Measures</p> <ul style="list-style-type: none"> • Update on high-level design of initiative, • Progress with pilot programmes, and • Linkages to wider government and stakeholder engagement. 	<p>Performance measures for 2007/08</p> <p>Update provided quarterly.</p>

Output 5.3 Education and awareness

Education and awareness activities will raise the profile of career information, advice and guidance (CIAG) amongst key stakeholders (including government) and influencers (the wider community), as well as developing the knowledge and skills for career education and planning within schools. This will lead to a greater appreciation of the way in which CIAG contributes to better economic, education and social outcomes. Key stakeholders and influencers will, in addition, be able to signpost others to appropriate CIAG services and will be better informed about work in life decision making.

This output consists of several deliverables which are encompassed by quality, quantity, timeliness and outcome measures.

Deliverable

6. Key stakeholders and influencers are provided with information sessions.

Key stakeholders include:

- business groups, employers and unions, and
- government agencies.

Influencers include:

- parents, caregivers and family,
- iwi, and
- leaders and key contacts within migrant and refugee communities.

Measures

• Quality

- Appropriate networks and contacts at the national and regional levels are maintained and monitored.
- Service provided is of a high quality and is adapted to respond to key stakeholders and influencers' needs and expectations.

• Timeliness

- Responses to requests for information and advice sessions are timely.

• Quantity

- Key stakeholders and influencers who receive information sessions.

Outcome measure

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 sign-post others to appropriate CIAG services.

Performance measures for 2007/08

Processes in place to ensure quality and timeliness.

270–310 events.

85%.

Deliverables

7. Assistance to schools under the “Creating Pathways and Building Lives (CPaBL)” initiative to develop a school-wide approach to career education within the context of an agreed Professional Support Agreement.
8. Customised advice and professional development assistance to school governance, management, careers advisors and teaching staff in remaining schools to support development and implementation of career education programmes and policies that meet National Administration Guidelines.¹⁸
9. A range of online and paper resources produced to support career education in schools and a range of professional resources produced to enhance delivery to schools.

Measures

• Quality

- Service provided to schools is of high quality and is adapted to respond to schools’ needs.
- Range of resources produced for schools follow best practice and meet quality standards.

• Timeliness

- Services to schools and resource production are timely.

• Quantity

- In-depth assistance to 100 schools as part of the CPaBL initiative (in the form of professional development and ongoing advice and support).
- Customised advice and professional development assistance made available to all remaining state and state-integrated schools containing year 7 and above.
- A range of online and paper resources to support career education in schools and a range of professional resources to enhance delivery to schools is produced.

Outcome Measure

Schools receiving customised advice and professional development assistance have, as a result:

- an improved capability to plan and implement effective career education programmes.

Performance measures for 2007/08

Processes in place to ensure quality and timeliness.

Update provided quarterly.
275–325 schools.

Update provided quarterly on resource production.

85%.

¹⁸ The NAG 1(6) requirement of the Education Act 1987 relates to Year 7 and above.

Deliverables

10. Policy advice and ministerial servicing to (or on behalf of) Minister(s) and the Ministry of Education actioned as appropriate.
11. Contribution to the development of wider government policy and practice at both a national and regional level, with Career Services recognised as a valued partner in careers-related initiatives.

Measures

- **Quality**

- Advice and contributions are informed by research and evaluative material where appropriate.

Performance measures for 2007/08

100%.

- **Quantity**

- Number of instances of policy advice and ministerial servicing to (or on behalf of) Minister(s) and the Ministry of Education.
- Contributions to the development of wider government policy and practice at a national level.
- Contributions to the development of wider government policy and practice at a regional level.

Demand driven.

Demand driven.

Update provided quarterly.

- **Timeliness**

- Requests for policy advice and ministerial servicing actioned within specified timeframes.

100%.

Outcome measure

Career Services' work and strategic perspective is embedded in wider government initiatives, strategies and practice.

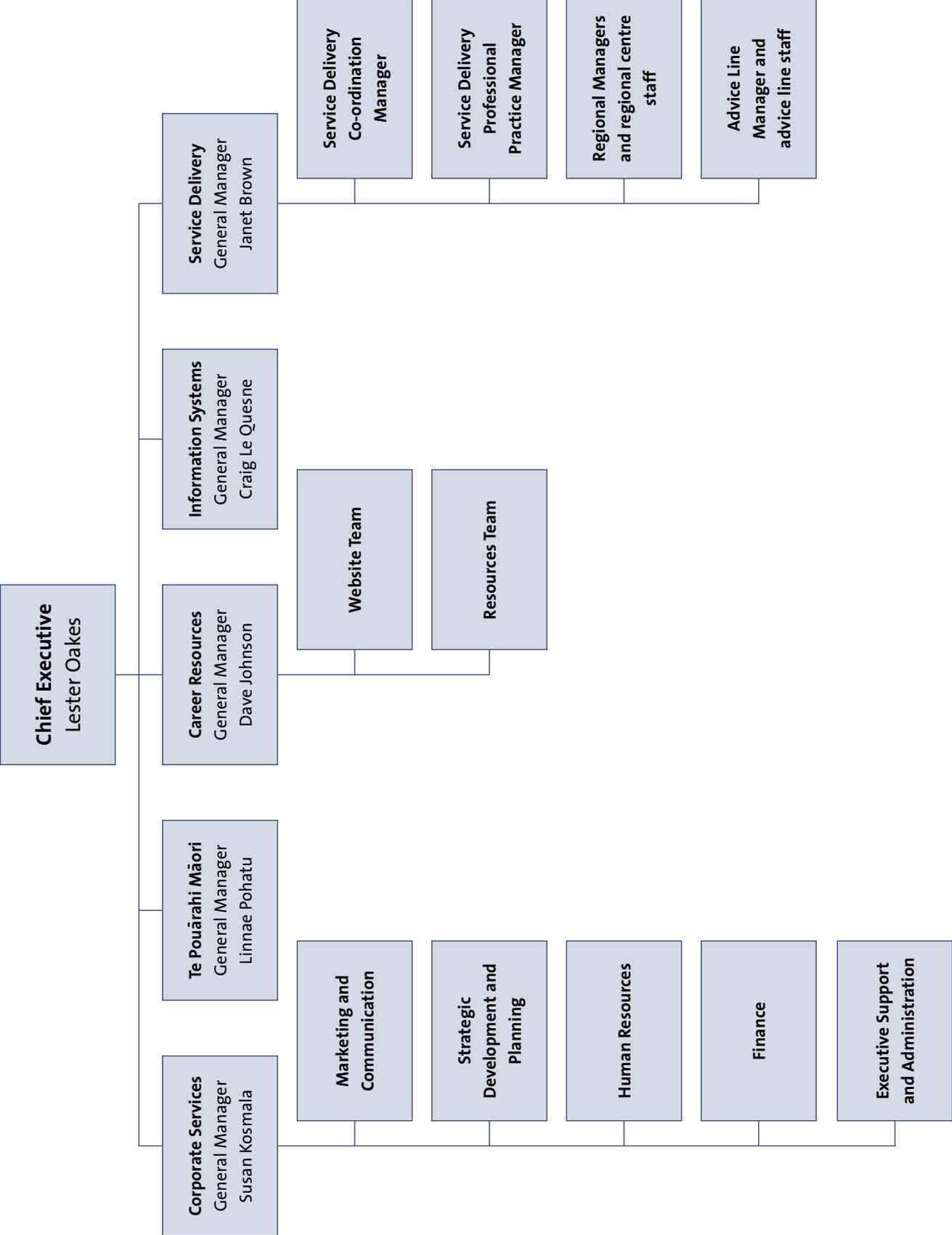
Update provided quarterly.

Career Services has an active evaluation programme to measure the outcomes of our work. This is conducted by an external market research company. Our outcome measures were substantially revised in 2006/07 and remain largely unchanged in 2007/08. Career Services will review the appropriateness of these outcome measures when developing next year's Statement of Intent.

This section provides additional information to support this document. The following is included:

Appendix I	Organisational chart
Appendix II	Code of Conduct
Appendix III	Responsibilities of parties
Appendix IV	Ministerial relationships and reporting
Appendix V	Risk and Mitigation Strategy
Appendix VI	Accounting policies
Appendix VII	Other financial information
Appendix VIII	Forecast financial statements

Appendix I – Organisational Chart



Appendix II – Code of Conduct

1 Introduction

1.1 This Code of Conduct specifies the responsibilities of the employer and the employee arising from the employment relationship.

2 Employer responsibilities

2.1 In all dealings with the employee the employer undertakes to act as a good employer. This means the employer will operate a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment. This involves the provision of good and safe working conditions, an Equal Employment Opportunities (EEO) programme, the impartial selection of suitably qualified persons for appointment, opportunities for the enhancement of the abilities of individual employees and recognition of:

- the aims and aspirations of Māori,
- the employment requirements of Māori,
- the need for greater involvement of Māori in Career Services,
- the aims and aspirations and the cultural differences of ethnic or minority groups,
- the employment requirements of women, and
- the employment requirements of persons who are differently able.

2.2 The employer undertakes to consult employees before decisions are taken which will have a significant effect on the employment relationship.

2.3 The employer recognises the value of motivated staff and is committed to enhancing the relationship between employer and employee within Career Services. To this end the employer undertakes to provide the employee with:

- clear statements of performance requirements for the position,
- appropriate feedback and communication on work performance, and
- fair rates of remuneration for skill, responsibilities and performance.

3 Employee responsibilities

3.1 The employee shall:

- comply with all lawful and reasonable instructions and written guidelines of Career Services,
- comply with the principles of the New Zealand Public Service Code of Conduct,
- carry out duties for Career Services diligently, faithfully and honestly,
- exercise care and skill in performing all duties,
- use her/his best efforts to promote the interests of Career Services,
- effectively and efficiently meet the performance requirements of the position,
- maintain appropriate and professional standards of dress, presentation, speech and conduct,
- use Career Services' assets, property and facilities for business (not personal) use only,
- show courtesy and respect to colleagues and clients,
- not bring Career Services into disrepute through the conduct of private or work related activities,
- not be absent from work without good cause and without informing Career Services,
- consult Career Services before undertaking any secondary employment,
- not undertake any activity (including secondary employment) which, in the opinion of Career Services, may adversely affect Career Services or the performance of the employee's duties,
- not incur any liability on the part of Career Services without proper authorisation,
- ensure that the employee's activities do not create any conflict of interest (whether real or perceived), and
- adapt to changes in organisational structure, work methods and procedures.

4 Training and development

4.1 The employee shall maintain on a continuing basis the contemporary levels of knowledge and expertise needed to meet the performance requirements of the position. Career Services will apply its resources to assist the employee to maintain and upgrade the required levels of knowledge and expertise.

Appendix III – Responsibilities of Parties

Obligations of the Board

General – The Board shall carry out, to the satisfaction of the Minister of Education, all of its statutory responsibilities as specified in the Education Act 1989, Section 282.

Dealing with losses – Where a loss occurs on Career Services' Income Statement, it is to be met from Career Services' financial reserves.

Where a loss is too large to be met from Career Services' operating financial resources the Minister should be advised within 20 days of the identification of the loss.

Levels of operating funds – Within 30 days of the tabling of Career Services' Annual Report an analysis will be provided to the Ministry of Education, which identifies the level of accumulated operating funds held by Career Services, how these funds developed, and are to be utilised. The Ministry and Career Services will recommend whether or not an equity withdrawal is appropriate and if so the level of such a withdrawal. The Minister of Education will make any decisions regarding actioning an equity withdrawal.

Maintenance of organisational capacity

The Board will ensure that employees are appropriately skilled and resourced to undertake the delivery of the services purchased in this document or through other purchase arrangements. Performance against this objective will be reported annually with the final quarterly report.

The Board will be a good employer as defined in the State Sector Act 1988.

Maintenance of organisational viability

The Board will ensure the viability of Career Services in respect of the Crown's investment. The maintenance of organisational viability includes the following:

- Operating without deficit or with a negotiated short-term operating deficit based on a defined investment in the strategic direction and long-term viability of the organisation.
- Level of capital in organisation – The Board will ensure that positive working capital is maintained.
- Maintenance of taxpayer equity – The Board will ensure that the taxpayer's equity (Total Accumulated Funds/Total Assets) is maintained at a percentage of no less than 60% of total assets.

The maintenance of organisational viability will be established by the reporting of financial information against the projected financial statements contained in appendix VIII of this document.

Appendix IV – Ministerial relationships and reporting

Quarterly reporting cycle

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

1. the monitoring of progress for each deliverable against measures and standards specified in this document,
2. an explanation for any below standard performance, and
3. an explanation for any variances from target, including the proposed action to correct any variance.

The first, second and third quarterly reports will be brief highlights and exceptions reports. The fourth quarter report will be a full report. In addition, the following information will be provided as an appendix to the fourth quarter report:

- age, gender, ethnicity profile and qualifying category of clients receiving customised one-to-one career planning assistance,
- analysis of information and/or advice clients by gender, ethnicity, and client type, and
- financial statements with explanation of significant variances including:
 - i. Balance Sheet,
 - ii. Income Statement,
 - iii. Statement of Cash Flows,
 - iv. Statement of Income and Expenditure for each output with budget analysis provided, and
 - v. Statement of Output Reconciliation.

The reports for each quarter will be produced by the following dates:

First Quarter	by 26 October 2007
Second Quarter	by 15 February 2008
Third Quarter	by 28 April 2008
Fourth Quarter	by 8 August 2008

The Ministry of Education will also receive a copy of the quarterly reports in order to fulfill their monitoring role on behalf of the Minister of Education.

Appendix V – Risk and Mitigation Strategy

Risk severity and likelihood levels will be monitored and revised (where necessary) each quarter as part of the regular Statement of Intent quarterly reporting. The risk severity and likelihood levels below relate to an assessment of the risks undertaken on 23 April 2007.

Risk Category	Risk	Result	Severity	Likelihood	Mitigation Strategies
Strategic	We are unable to demonstrate to government and government stakeholders that our work adds public value.	<ul style="list-style-type: none"> Government funding is reduced. Loss of credibility and lack of commitment from government stakeholders. 	High	Low	<ul style="list-style-type: none"> Promote and maintain strong relationships with government and government stakeholders. Provide programmes that deliver positive career outcomes and specify measurable outcomes for these programmes. Have robust evaluation processes that can provide evidence of the value and effectiveness of all our programmes and the impact it has on economic and social outcomes.
	Our strategic and organisational direction is not in line with clients and stakeholders needs.	<ul style="list-style-type: none"> Lack of alignment between business activities and our Vision and Mission, resulting in a loss of strategic focus. Vision and Mission of Career Services called into question. 	Medium	Low	<ul style="list-style-type: none"> A clear and strong marketing focus and market research programme that both informs and reflects the strategic and organisational direction of the organisation. Planned business activities and associated budget provision is well-linked to the achievement of our strategic direction.
Financial	We suffer a loss of government funding.	<ul style="list-style-type: none"> Possible impact on financial viability. 	High	Low	<ul style="list-style-type: none"> Promote and maintain strong relationships with government and government stakeholders.
	We suffer a reduced rate of commercial revenue.	<ul style="list-style-type: none"> Possible impact on financial viability. 	Low	Low	<ul style="list-style-type: none"> Promote and maintain strong relationships with commercial partners and keep informed of their strategic direction and key priorities. Have processes in place to capture feedback from commercial partners and the outcomes of their clients and adapt service delivery accordingly.

Risk Category	Risk	Result	Severity	Likelihood	Mitigation Strategies
Operational (affects an ongoing management process)	Our services and resources do not meet the needs of New Zealanders.	<ul style="list-style-type: none"> Government funding is reduced. Loss of credibility and lack of commitment from government stakeholders. 	High	Low	<ul style="list-style-type: none"> Have processes in place to capture feedback from clients and modify existing or develop new programmes and services in line with the results of needs-based assessment research. Evaluate programmes to ensure they are meeting specified objectives. Work with other government agencies to ensure that key needs are being met.
	There is insufficient staff trained to meet the needs of targeted client groups (including Maori and Pasifika) to appropriate quality standards.	<ul style="list-style-type: none"> Reduction in quality service. Lack of timeliness in delivery. 	High	Medium	<ul style="list-style-type: none"> Recruitment and retention strategies in place. Training and development programmes in place. Forecasting of demand and monitoring of workloads and staffing levels undertaken. Have processes in place to capture and respond to feedback from targeted client groups.
	The demand for services exceeds our ability to deliver.	<ul style="list-style-type: none"> Inability to maintain quality delivery. Inability to maintain financial viability. 	High	Low	<ul style="list-style-type: none"> Monitor demand of our services on a regular basis. Negotiate Output Agreement funding levels and modify marketing strategy and targeting of our services as appropriate.
	Our information systems 'fall over' (internal and external systems).	<ul style="list-style-type: none"> Disruption to service continuity. Unforeseen cost increases due to organisation reliance on information technology. 	High	Low	<ul style="list-style-type: none"> Planned and implemented upgrade of hardware on a three-year cycle to ensure reliability. Development of in-house skills within the IT team. Purchase of software upgrades that are tested and well supported rather than investing in 'bleeding edge'. Regular reviews of disaster recovery plan. Maintaining relationships with a wide range of external providers familiar with the business that allows for support and back-up to key personnel.

Risk Category	Risk	Result	Severity	Likelihood	Mitigation Strategies
Compliance (relates to compliance with laws, regulations and internal processes)	We fail to meet legislative requirements.	<ul style="list-style-type: none"> Sanctions or fines imposed. Pressure on financial performance and viability. Lack of credibility and loss of reputation. 	High	Low	<ul style="list-style-type: none"> Ensure that delegated responsibilities and accountabilities are clear and that reporting and monitoring processes are in place. Ensure that robust internal audit systems and practices are in place.
Reputation (relates to damage to Career Services' external reputation and profile)	Our credibility is damaged through inappropriate behaviour or actions by staff.	<ul style="list-style-type: none"> We are no longer seen as professional and competent. We lose business from government and from other fee-paying organisations. 	Medium	Low	<ul style="list-style-type: none"> Code of Conduct and Performance Management processes in place to monitor staff. Ensure that careful recruitment practices are used.

Risk Scale

Severity - High
- Medium
- Low

Likelihood - High
- Medium
- Low

Severity is an assessment of the seriousness of the effect of an adverse event or potential failure.

Likelihood is an assessment of the probability that the adverse event or failure will actually happen.

Appendix VI – Accounting policies

Reporting entity

Career Services is a Crown Entity in terms of the Public Finance Act 1989 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 Public Finance Act 1989.

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

The forecast financial statements, which follow, comprise the forecast activities of Career Services for the year ended 30 June 2007 to 30 June 2008.

Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practice. They comply with NZ IFRS for the forecast for 2007/08 and other applicable Financial Reporting Standards, as appropriate for public benefit entities. The actual 2005/06 and estimated actual 2006/07 have been prepared under NZ GAAP.

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, and
- Office furniture and fittings less than \$1,500, office equipment items less than \$1,000 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, and
- 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.

The 2005/06 actual and 2006/07 estimated actual have been prepared under NZ GAAP. The forecast for 2007/08 has been prepared under NZ IFRS.

Comparatives

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Explanation of transition to NZ IFRS: The forecast financial statements for the year ended 30 June 2008 are the first financial statements of Career Services that comply with NZ IFRS.

Career Services has applied NZ IFRS 1 in preparing these financial statements.

In preparing these consolidated financial statements in accordance with NZ IFRS 1, Career Services has applied the mandatory exceptions from full retrospective application of NZ IFRS.

Career Services is required to make the following mandatory exception from retrospective application:

- Estimates exception – Estimates under NZ IFRS as 1 July 2007 are consistent with estimates made for the same date under previous NZ GAAP.

Career Services has not elected to apply any optional exemptions from full retrospective application.

Reconciliation of equity

The following table shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2006 and 30 June 2006

Reconciliation of equity

	Notes	Previous NZ GAAP 1 July 2006 \$000	Effect on transition to NZ IFRS 1 July 2006 \$000	NZ IFRS 1 July 2006 \$000
CURRENT ASSETS				
Cash and cash equivalents	a	2,836	(800)	2,036
Inventory		0	-	0
Receivables and prepayments		322	-	322
Other Financial assets	a	0	800	800
Total Current Assets		3,158	0	3,158
NON-CURRENT ASSETS				
Property, Plant & Equipment	b	2,442	(1,258)	1,184
Intangible Assets	b	-	1,258	1,258
Total Non-Current assets		2,442	0	2,442
TOTAL ASSETS		5,600	0	5,600
CURRENT LIABILITIES				
Payables and accruals		1,380		1,380
Taxes due and payable		129		129
Revenue received in advance		29		29
Other provisions	c	0	61	61
Provision for employee entitlements	d	569	23	592
Total Current Liabilities		2,107	84	2,191
NON-CURRENT LIABILITIES				
Provision for employee entitlement		39	-	39
TOTAL LIABILITIES		2,146	84	2,230
EQUITY				
Retained earnings		3,454	(84)	3,370
Taxpayers' equity as at 30 June		3,454	(84)	3,370

Explanatory notes – Reconciliation of equity

- a. **Cash and cash equivalents:** Those term deposits with maturities greater than three months have been reclassified as other investments.
- b. **Intangible assets:** Computer software was classified as part of property, plant and equipment under previous NZ GAAP. The net book value of computer software reclassified as an intangible asset on transition to NZ IFRS is \$1,258,000.
- c. **Other provision:** This relates to two make good clauses identified in two leases. These were not required to be recognised under previous NZ GAAP. NZ IAS 39 requires these to be recognised at their fair value on the probability Career Services will be required to pay this discounted to present value.
- d. **Sick leave:** Sick leave was not recognised as a liability under previous NZ GAAP. NZ IAS 19 requires Career Services to recognise employees' 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 future absences.

Appendix VII – 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 surplus

The contract for Crown purchase has been calculated on the basis of cost.

The majority of commercial revenue is derived from contestable contracts with other government organisations on a cost-recovery basis. Continued focus will be on ensuring that the Crown delivery reflects key government goals.

Financial performance indicators (GST exclusive)

	Estimated actual 2006/07	Forecast 2007/08
Total Revenue (000s)	\$17,561	\$18,631
Total Expenditure (000s)	\$17,461	\$18,631
Surplus (000s)	\$100	\$0
Working Capital (000s)	\$1,786	\$ 1,404
Working Capital Ratio	1.83	1.60
Equity Ratio	62%	59%

See appendix VIII for full summary statements and associated costs

Appendix VIII – Forecast financial statements

	Actual 2005/06 (\$000)	Estimated Actual 2006/07 (\$000)	Forecast 2007/08 (\$000)
PROSPECTIVE INCOME STATEMENT			
Revenue			
Commercial revenue	2,728	2,024	1,600
Direct Government Purchase	12,404	15,216	16,266
Direct Government Purchase (migrant levy funding)	-	-	527
Interest	234	321	238
Asset profit	-	-	-
Total revenue	15,366	17,561	18,631
Expenditure			
Personnel	8,854	9,887	10,469
Depreciation	825	991	1,196
Finance costs	-	-	-
Other	5,667	6,583	6,966
Total expenditure	15,346	17,461	18,631
Surplus	20	100	0
	2005/06	2006/07	2007/08
PROSPECTIVE BALANCE SHEET			
Current assets			
Cash	2,836	3,577	3,390
Receivables	322	350	354
Total current assets	3,158	3,927	3,744
Non-current assets			
Fixed assets	2,442	1,793	2,096
Total assets	5,600	5,720	5,840
Current liabilities			
Current liabilities	2,107	2,141	2,340
Non-current liabilities			
Non-current liabilities	39	25	30
Closing equity	3,454	3,554	3,470
Total liabilities	5,600	5,720	5,840
WC	\$1,051	\$1,786	\$1,404
WC Ratio	1.50	1.83	1.60
Equity Ratio	62%	62%	59%
Surplus	\$20	\$100	\$0

	Actual 2005/06 (\$000)	Estimated Actual 2006/07 (\$000)	Forecast 2007/08 (\$000)
PROSPECTIVE CASH FLOW STATEMENT			
Operations			
Operation receipts	15,098	17,183	18,390
Receipts from interest	239	321	238
Operating payments	(14,471)	(16,393)	(17,315)
Net operating	866	1,111	1,313
Investment			
Fixed assets	(857)	(370)	(1,500)
Investments	-	-	-
Net investments	(857)	(370)	(1,500)
Financing			
Crown capital injection	-	-	-
Net Change	9	741	(187)
Opening cash	2,827	2,836	3,577
Closing cash	2,836	3,577	3,390
	2005/06	2006/07	2007/08
PROSPECTIVE STATEMENT OF CHANGES IN EQUITY			
Taxpayers' equity as at 1 July	3,434	3,454	3,554
Net surplus (deficit)	20	100	-
Total recognised revenues and expenses for the year	20	100	-
Creation of NZ IFRS related provisions	-	-	(84)
Taxpayers' equity as at 30 June	3,454	3,554	3,470

Notes:

The prospective financial statements are based on policies and approvals in place as at April 2007 and are GST exclusive. The actual for 2005/06 and estimated actual for 2006/07 have been prepared under NZ GAAP. The forecast for 2007/08 is prepared under NZ IFRS. They set out Career Services' activities and planned performance. Use of this information for other purposes may not be appropriate. Note that 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 with the following assumptions:

- 1) Includes increases for CPaBL (\$5K) and BTATTDM (\$876K) initiatives resulting from Budget 2006.
- 2) Includes a baseline increase of \$169K.
- 3) Career Services' Board has set a range for commercial revenue of between 10–20% of total revenue. The forecasted \$1.6m is based on estimations of future commercial revenue. As commercial revenue is contestable this is not guaranteed. The forecast \$1.6m is below the 10%–20% range set by the Board.
- 4) The \$1.5m investment in fixed assets 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) Under NZ IFRS Career Services is required to create provisions for sick leave (\$23,000) and for two make-good clauses relating to two leases (\$61,000) in 2007/08.

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