



IPCA

Independent Police
Conduct Authority

Mana Whanonga Pirihimana Motuhake



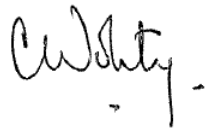
Te Pūrongo Ā-Tau 2020/21

Annual Report

TO: THE HONOURABLE MINISTER OF JUSTICE

I have the honour to present to Parliament the Annual Report of the Independent Police Conduct Authority, pursuant to the provisions of the Crown Entities Act 2004.

The report covers the period 1 July 2020 to 30 June 2021.



Judge Colin Doherty

Chair

INDEPENDENT POLICE CONDUCT AUTHORITY



Simon Murdoch

Member



Liz Sinclair

Member

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He Kōrero whakataki

Foreword by the Chair

As foreshadowed in the Foreword to last year's annual report, in early 2020 we commissioned an independent "Efficiency and Effectiveness" report, ostensibly to check we were getting the most out of our processes and then current capability. We received the report in October 2020.

It found the Authority generally functions well and in particular does its core role as an independent investigative body for complaints about Police conduct, well. The report did not find the need for any fundamental changes so as to improve effectiveness and efficiency within our current legislative mandate, but did recommend that to cope with the ever-increasing complaint demand, we required both additional capability and capacity. Capability (communications, policy/data analysis, legal, principal roles) to support the increasing maturity of the Authority as an organisation, and capacity to manage the anticipated increase in workload regardless of improvement in efficiency.

An increase in our baseline funding has enabled us to embark upon the recommendations but within our resourcing limits. As a result, we have added to our capability by reorganising roles within our investigations teams and creating new roles to service our broadening approach to thematic work and Police policy scrutiny. We have also attempted to expand capacity by taking on more staff, particularly investigators. The market for this resource is very competitive with a number of regulatory agencies also looking to recruit. I anticipate that issue will remain for some time.

Pleasingly, this small expansion has enabled us to promote from within, a management initiative we have been progressing over the last few years.

The independent review recognised the likelihood of increasing complaint volumes into the future and that has been the case this year with another 10% increase; making a 64% increase over the last three years. These rates will continue to put pressure on our ability to deliver expected outputs.

The pleasing organisational response to the pandemic reported in our last Annual Report has increased our awareness of the need to continually update our business continuity plan and commensurate policies and the need to prioritise the wellbeing of our staff. We have developed a flexible working arrangement policy with a focus on 'working from home' arrangements. This has been generally well received by staff.

We have reported on the continuing development of the new Case Management System (CMS) implemented in 2019. Our corporate manager Julie Bejen has utilised its capability to significantly enhance the reporting capability to Board and management alike. The system continues to deliver on the investment made in it.

As always, I cannot say enough about our staff who continue to perform well despite both the shadow of the pandemic and the inexorable pressure of work coming in the front door. Our throughput performance has exceeded my expectations notwithstanding the impact of Covid-19, high case loads and resource constraints. We concluded a record number of independent investigation reports again this year. Our case resolution team also concluded a record number of complaint files.

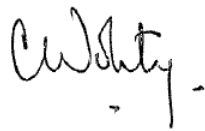
Of significance has been the retirement of our General Manager for the past 11 years, Dr Warren Young. Warren has relinquished the General Manager role but remains with us part time as a Principal Operations Adviser. We have privately acknowledged his outstanding service to the Authority and I do so publicly now. It is also pleasing that we were able to fill the General Manager vacancy from within, as one of our Managers: Investigations, Sarah Goodall, accepted promotion to the General Manager role. Due to an unforeseen change in personal circumstances Sarah has latterly,

on her own initiative, stepped down from the General Manager role.

At the time of writing we await confirmation of the new appointment to this integral role within the Authority.

The Authority continues to mature in both capability and size, employing people from across the globe, bringing a diversity and richness of experience and expertise that enhances the work that we do.

Finally, I thank my fellow Authority members, Simon Murdoch, and Liz Sinclair. They are beacons of governance excellence, and their contribution is of immeasurable benefit to me.



Judge Colin Doherty

Chair

INDEPENDENT POLICE CONDUCT AUTHORITY

Mana Whanoga Pirihimana Motuhake





The year in brief

During the year the Authority:



- Received **4257** Complaints about Police



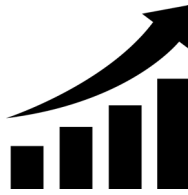
- Concluded **81** Independent Investigations



- Published **50** Public Reports, An increase of 14 %



- Received an increasing number of visits to our Website



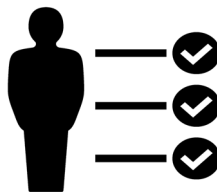
- Experienced a **10%** increase in complaints



- Oversaw **212** Police investigations



- Published **167** website summaries of oversight outcomes of Police investigations



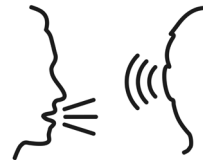
- Began implementation of our response to the Efficiency & Effectiveness Review recommendations focused on building capability and capacity



- Maintained or improved throughput despite increased volumes



- Facilitated **1367** agreed resolutions of complaints against Police



- Commenced a new joint initiative of 'lessons learnt' feedback and monitoring with Police



- Strengthened co-operative working relationships with Police

Our purpose

The Authority exists so that people have trust that complaints about, and incidents involving, Police conduct will be fairly and impartially investigated or reviewed; that reasonable grievances are appropriately addressed; that any practice, policy or procedure issues will be identified and addressed by appropriate recommendations; and that these will result in improved Police performance.

At the heart of our work is the belief that public confidence in an independent Police oversight system will lead to greater trust in Police and policing and that this will contribute toward increasing the Police's overall effectiveness in achieving government outcomes.

Through impartial and independent oversight, the Authority also provides reassurance for the public and Parliament that policing standards are of the highest calibre.

Optional Protocol to the Convention Against Torture (OPCAT)

Separately, but allied to the management of public complaints against the Police, the Authority also serves as a National Preventive Mechanism under the Crimes of Torture Act 1989, which implements the United Nations Optional Protocol to the Convention Against Torture (OPCAT). This involves inspecting and auditing reports on Police detention facilities throughout New Zealand to ensure that they are safe and humane and that they meet international standards.

Our legislative function

We are an independent Crown Entity under Part 3 of Schedule 1 of the Crown Entities Act 2004.

We are established under the Independent Police Conduct Authority Act 1988 (IPCA Act).

Our primary function is defined under the IPCA Act as follows:

- Receiving and taking action on complaints alleging misconduct or neglect of duty by any employee of the Police, or concerning any practice, policy or procedure of the Police.
- Investigating incidents involving death or serious bodily harm caused or appearing to have been caused by an employee of the Police acting in the execution of their duty, where we are satisfied there are reasonable grounds in the public interest to do so.

The Authority has a Memorandum of Understanding (MoU) with the Police. This covers instances which may present reputational risk to the Police, including serious offending by a Police officer or Police actions that may have an element of corruption. Under the MoU, such cases are referred by Police to the Authority even when there has not been a complaint from a member of the public or an incident involving a death or serious bodily harm.

When the Authority receives a complaint we can investigate the complaint ourselves, refer it to the Police for investigation under our active oversight, facilitate a resolution between the Police and the complainant that addresses the complainant's grievance, or take no action

Our independence

We are an independent organisation.

We demonstrate our independence by making our own judgements about the facts, based upon available evidence and the applicable law. The Authority listens to and considers the views of all those involved carefully, but our decisions are based solely on our assessment of the facts and the available evidence.

We explain our evidence and rationale for our decisions clearly to those Police officers subject to our investigations, to complainants and to the wider community via our public reports and website publications.

We utilise our own resources to undertake investigations into serious matters and publicly report on the outcome unless there is an overriding private interest in maintaining confidentiality.

We also actively monitor and review the thoroughness and outcomes of Police investigations where the Authority considers it appropriate to do so.

We are statutorily independent by virtue of the Independent Police Conduct Authority Act 1988 (IPCA Act) and the Crown Entities Act 2004. Statutory independence is critical for our effectiveness.

Unless Police actions have resulted in death or serious bodily injury or we receive a referral from the Police under the MoU, we cannot instigate investigations without a complaint. Nor are we able to prosecute or take disciplinary action against a member of Police. Instead, we may make recommendations to Police, including that

disciplinary or criminal proceedings be considered or instituted.

If we are not satisfied with the Police response to our recommendations, the Authority must inform the Attorney-General and the Minister of Police. If we consider it appropriate we may also transmit a copy of a report to the Attorney-General for tabling in Parliament, and the Attorney-General must do so.

The Authority's investigations are undertaken by experienced staff who come from a variety of backgrounds and areas of expertise. This includes staff with extensive policing experience, either in New Zealand or in other Commonwealth countries, and others with significant legal, investigative or complaints management experience. Investigations are subject to management oversight and review and any report issued publicly is reviewed and signed by the Chair of the Authority. The Chair, who must be a Judge or a retired Judge, is ultimately responsible for all findings and recommendations.

Although impartiality is critical, it is both appropriate and a practical necessity that the Authority maintains a professional, cooperative and constructive working relationship with the Commissioner of Police, the Police executive, senior officers, staff from the Police Professional Conduct Group, and Police investigators.

Unless Police actions have resulted in death or serious bodily injury or the Authority receives a referral from the Police under the MoU, it cannot instigate investigations without a complaint.

Our People

The Authority is governed by a Board that is accountable to Parliament and reports to a responsible Minister within Government. Authority Board members have a range of relevant skills and experience, including experience in governance, executive level management expertise, and public sector experience.

The current Board members are Judge Colin Doherty (Chair), Ms Liz Sinclair and Mr Simon Murdoch.

The Board meets fully on a quarterly basis, with monthly Board only strategy meetings which focus on five key issues in regard to its governance functions: ensuring prudent financial management; setting strategic direction and high level policy; assessing the effectiveness of the Authority's delivery of services against its strategic objectives; monitoring and addressing risks to the organisation; and monitoring the extent to which the requirements of relevant legislation and public expectations are met.

In regard to the day-to-day management of the Authority, the Chair discharges a range of executive functions and is supported by a General Manager and an organisational structure that prioritises available resources toward the efficient and effective delivery of operational services.

As at 30 June 2021 the Authority had 39.5 FTE staff across a mix of permanent, contract and full-time and part-time roles.

Organisational capability

The Authority is committed to delivering the best service we can to the community we serve. We value diversity within our organisation. We recognise that our work and actions need to be informed by a range of views as this will enhance the credibility, value and effectiveness of the work that we do. We want to understand different perspectives, we are open to gaining new insights and adapting our thinking in light of new evidence. Having greater diversity and inclusion within our workplace is underpinned by acknowledging who we are as individuals, our experiences, and our family and cultural heritage. We believe that this approach strengthens the value of the work that we do for others in the community we serve.

Our response to the efficiency and effectiveness review has seen our people embrace different ways of working, and for some, undertake different work within the Authority. We continue to mature as an organisation.

We ensure that all staff have opportunities to take part in training and development. In 2020/21 a significant number of staff development and information sessions were offered, with a strong focus on improving the induction programmes delivered to new staff, and establishing our baseline understanding and use of te reo Māori and tikanga Māori under a Whāinga Amorangi framework.

The Authority continues to host two tertiary students each year as part of the Government Legal Network – Summer Clerk programme. We intend to continue our participation in this programme on an annual basis to help young graduates, and those looking at a career in the public sector to develop their understanding and knowledge of the functions and justice-related services delivered by the Authority.

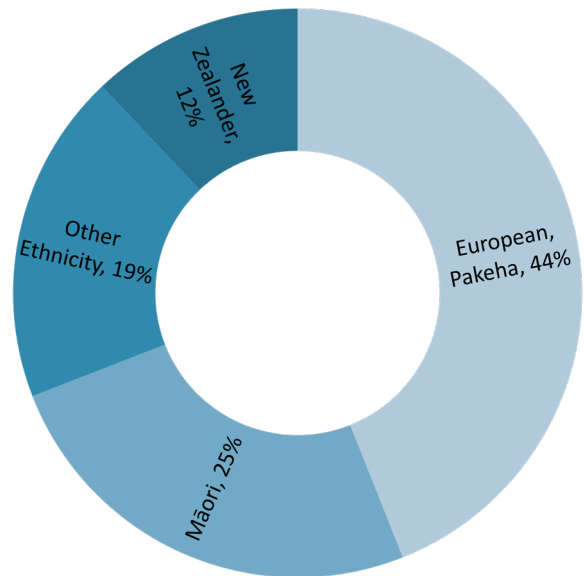
Role	FTE Number	% of total staff	% Female	% Male
Managers (including General Manager)	6	15%	66%	34%
Operational - Case Resolution Staff	12.8	32%	77%	23%
Operational – Investigations Staff	9.7	25%	49%	51%
Operational – Cross-organisational advisers	5.5	14%	73%	27%
Team Administrators/Support	5.5	14%	100%	

The Authority's practices seek to reflect the seven Good Employer elements in the following ways:

Leadership, accountability and culture	The Authority continues to identify and provide opportunities for its high potential staff within its agreed framework. An Equal Employment Opportunities (EEO) Framework is in place, including an EEO policy and a number of supporting systems and processes.
Recruitment, selection and induction	The Authority's recruitment, selection, and appointment processes are modelled on good practice public sector policies, and there is a formal induction process within each team.
Employee development, promotion and exit	Performance and development plans are in place for all staff. The Authority also has policies in regard to training, coaching, mentoring, promotion, and performance management.
Flexibility and work design	The Authority has a Flexible Working Policy and flexible work arrangements are in place as required and appropriate.
Remuneration, recognition and conditions	The Authority operates a remuneration policy that is closely linked to performance. External pay relativities are monitored and assist to inform annual performance and remuneration discussions.
Harassment and bullying prevention	Expected standards of behaviour, integrity and conduct are outlined in the Authority's Code of Conduct. In addition, the Authority is committed to taking all necessary steps required to ensure that a productive, safe and positive working environment exists within the organisation.
Safe and healthy environment	Management ensures regular review of all obligations under the Health and Safety at Work Act 2015. All staff have access to support and counselling through EAP services. We are currently exploring ways in which we can develop an in-house programme to further support Wellness and Mental Health within our workplace.

Ethnicity

Our workplace is experiencing growing representation of the very diverse community in which we live. This is in part because of strategic human resource approaches that recognise the value of increased diversity within our workplace, but also because of a change in the way that our staff see themselves as part of the wider community.



Gender Profile

33%
Male



67%
Female

Specific Recommendations

The Review made the following recommendations:

1. Find more areas of shared agreement with Police to reduce time spent on renegotiating with them the Authority's mandate.
2. Review some existing roles with the intention of creating a clearer division of labour and span of control and effecting some of the efficiencies contemplated by the Review.
3. Introduce additional functions, including some specialist senior roles, to reflect the maturity of the Authority, and make some additional appointments to existing roles to accommodate the current and future increases in volume.
4. Improve the effectiveness and efficiency of a range of processes and the core complaints management system.

In light of these recommendations the Authority has made the following decisions.

There should be greater clarity about the Authority's mandate

Our Briefing to the Incoming Minister advised some key differences in opinion that exist between the Authority and Police on the scope of the Authority's mandate and suggested that some legislative clarification is required. It also advocated for the inclusion of an "own motion" jurisdiction.

The Authority will continue to have a dialogue with the Ministry of Justice about the nature of the required changes and the extent to which they should be prioritised.

Appointment of additional staff to current and new roles

While the Authority cannot fully implement all of the recommendations of the Review due to the current baseline funding appropriation, we have changed the organisational structure to address two of the specific recommendations above and created new senior positions. We successfully completed our redeployment and recruitment round and introduced a new Organisational Structure from March 2021. As anticipated, these changes did not result in any redundancies.

Unfortunately, we have had retention and recruitment issues which are ongoing. We experienced significant turnover of staff during the 2020/21 year. Within our Investigations and Case Resolutions Groups we have lost experienced staff and have faced significant challenges attracting and recruiting staff within our current salary bands in an extremely competitive market.

The level and breadth of experience in our organisation has been impacted and it will take time for new staff to be able to perform at the level of staff who have left. Additionally, we have been holding a number of vacancies for significant periods during the year which has had an effect on throughput of work, caseload holdings for other staff and overall pressure on staff.

Table 1. Comparative performance – Throughput.

Action	2020/21	2019/20	% change in throughput or complaint inventory
New complaints received during the period	4252	3882	10% ↑
Total number of files closed during the period	4213	3998	5% ↑
Public reports released (during the period)	50	44	14% ↑
Current open Category A files	97	120	
Current open Category B files	272	247	
Current open Category C files	87	96	
Current open Category D files	5	26	
Current files awaiting categorisation	619	586	6% ↑
Current open files as at 30 June	1089	1075	1% ↑

Resource constraints together with an increase in both the number and complexity of independent investigation files led to an increase in the length of time taken to complete those investigations; however, during the year the Authority concluded a high number of older independent investigations, which has resulted in the number of open Category A files at year end reducing to 97. Improvement in this area of our work is a major focus for the Authority, and once we are able to establish and maintain the optimal resourcing levels to support this area of our work, we anticipate we will demonstrate a significant improvement.

Volume of complaints, referrals and trends

Incoming complaint volumes

The Authority experienced a 10% increase in complaints (a total of 375 cases) over the previous year. An average of 354 new cases were opened each month, compared to a monthly average of 324 cases per month in the previous year. Comparative numbers are set out on pages 18-20.

The current forecast trajectory of complaint numbers anticipates the Authority reaching annual complaint numbers in excess of 5000 cases by end of the 2023/24 financial period. Over the last three years the Authority has experienced exponential growth in the demand for its services with complaint volumes increasing by 64% since 2017/18.

The Authority operates a triage system to allocate complaints and referrals we receive to either the Investigations Group or the Case Resolution Group. The categories to which cases are allocated are:

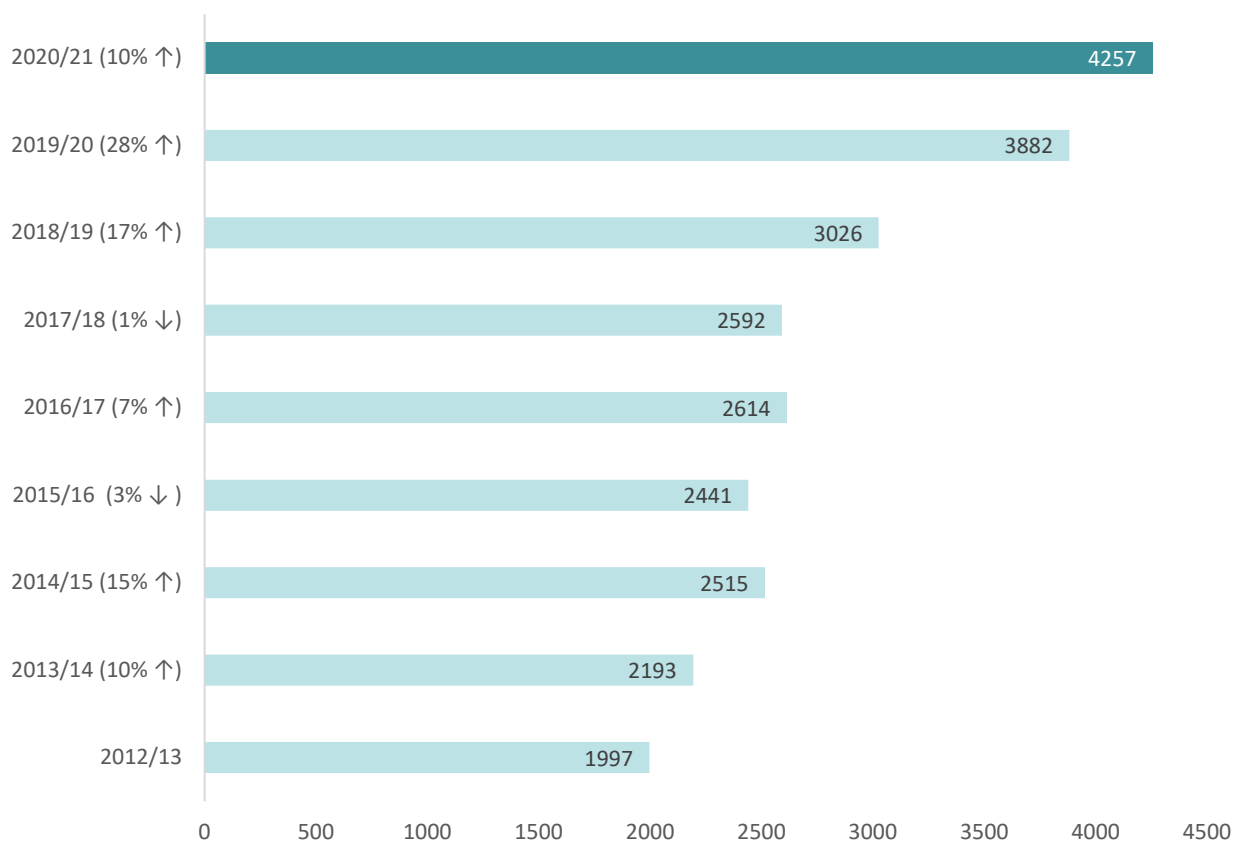
- **Category A** – Independent investigation by the Authority.
- **Category B** – Referral to Police for investigation with active oversight by the Authority and a full review of the file, by the Authority, at the conclusion of the investigation.
- **Category C** – Facilitated resolution of a complaint through appropriate action by the Police to address the complainant's grievance.
- **Category D** – Complaint declined by the Authority.

The categories to which cases are assigned are described in detail in [Appendix 1 - Complaint Definitions](#)

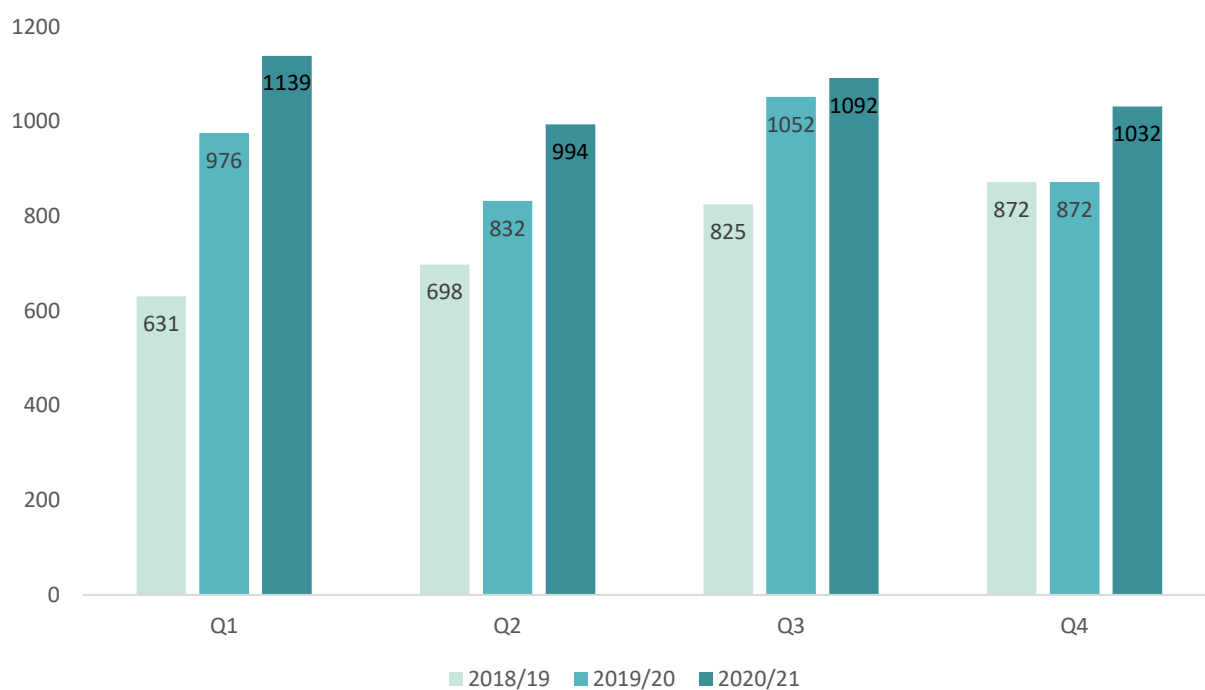
The incoming complaints continue to be categorised consistent to historical trends.

The increase in complaint numbers continues to impact upon the Authority's ability to meet some of its performance targets. However, we have been able to post year-end results that have modestly improved upon or maintained the performance results reported in our last Annual Report against all but two of our performance measures. This has been achieved through the extraordinary effort of our staff, and our continued emphasis on ensuring internal efficiency gain and processes are sustained, as well as focusing on improving the working relationship with Police.

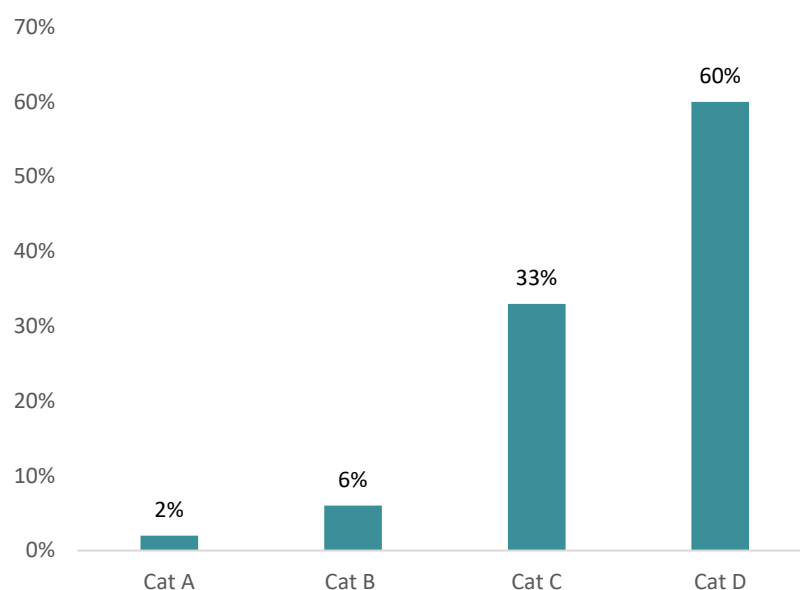
Annual complaint numbers 2012/13 – 2020/21



Quarterly complaint numbers – 3 year comparative

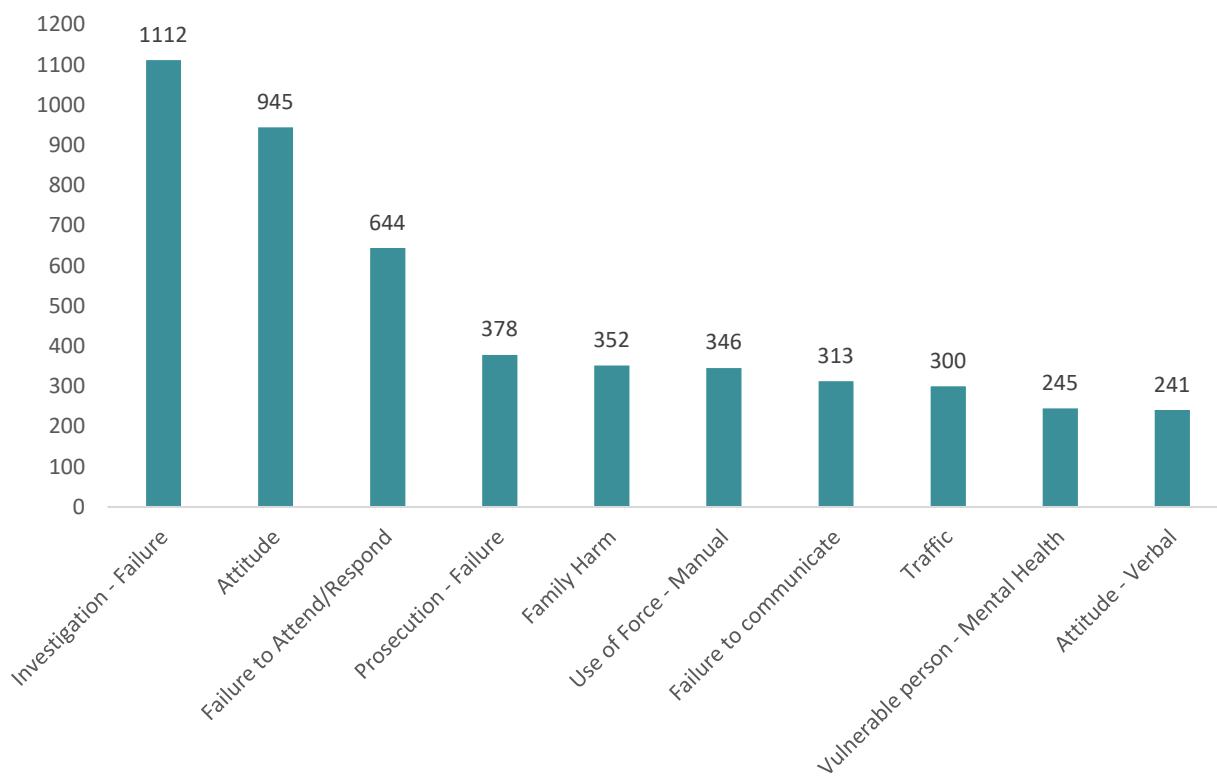


Categorisation Trends



Complaint Types

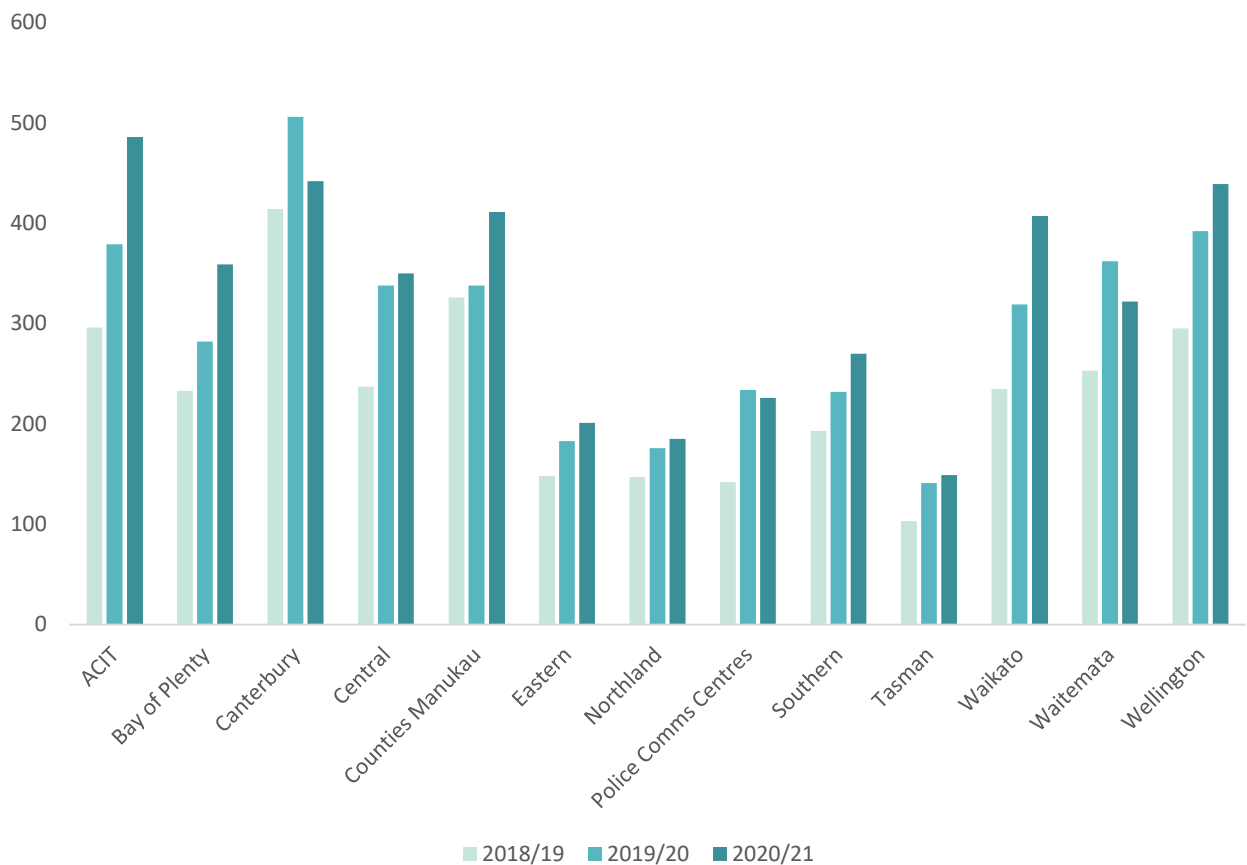
As in previous years, the most common types of complaint were about: failure in an investigation, an officer's attitude or use of language, inadequate service and the use of force without a weapon. These four complaint types feature consistently in the top ones each year. Of particular concern is the continued presence in the top 10 complaint types of complaints about the inadequacy of Police response to Family Harm incidents, and complaints received in relation to Vulnerable People – Mental Health.



An individual complaint may include more than one 'complaint issue'. For example, *failure to investigate* and *attitude/language* complaints may arise from the same incident.

Our case management system has refined our ability to identify and monitor complaint themes, which in turn will enable us to inform the prevention work being undertaken through our thematic work, and early intervention 'lessons learnt' initiatives currently in development with Police.

Complaints by Police District



The increase in overall complaint numbers was generally spread across all Police districts except ACIT (Auckland City), Counties Manukau, and Waikato.

Independent Investigations

Each year our investigative staff undertake investigations into a wide range of serious and sensitive incidents and allegations involving the Police.

During the year the Authority concluded 81 independent investigations and released 50 public reports detailing findings from our investigations.

During the year the investigations group underwent a series of changes on the personnel front. Report Writing staff were redeployed into broader cross-organisation operational roles. Investigators have assumed end-to-end responsibility for report writing. The appointment of the incumbent Investigations Manager into the General Manager role, resulted in the appointment of one of our senior investigators into the resulting management vacancy within the group. As part of the implementation of the recommendations from the Efficiency and Effectiveness Review, we also made the appointment of four new investigators to the group.

Lessons learnt from our Covid-19 experience have led us to permanently incorporate a number of alternative technologies and investigative techniques into the day-to-day operational activities of the Investigations Group. This includes the use of on-line interviewing for some investigations, remote facility inspections, exploration of alternative online transcription services and applications, and flexible working arrangements for some staff. We will continue to monitor the impact these changes, together with implementation of recommendations from the efficiency and effectiveness review, will have on performance and timeliness within the Investigation Group.

Update on implementation of recommendations from the *Fleeing Drivers in New Zealand: a collaborative review of events, practices, and procedures* report.

On 15 March 2019 the Authority and Police published a report *Fleeing Drivers in New Zealand: a collaborative review of events, practices and procedures*. This was the first time the Authority and Police had jointly conducted a review of the fleeing driver environment and the application of existing policy. The report endorsed the current policy approach to fleeing driver events but highlighted eight recommendations to enhance Police understanding and application of the policy, including changes to the way these events are handled, the training given to officers and the way the events are recorded and investigated. Additionally, it highlighted the need for further research to understand why some drivers flee.

There were eight high level recommendations which were accompanied by a detailed action plan setting out how these recommendations would be implemented, and the timeframes involved. Police have published quarterly reports on the progress of their work - <https://www.police.govt.nz/about-us/publication/quarterly-reports-fleeing-driver-action-plan>

The Authority stated it would independently and regularly monitor the implementation of the recommendations and report on these annually.

We have met monthly with Police's Fleeing Driver Programme Manager to ensure we are updated and satisfied with progress. By 30 June 2021 much work had been progressed by Police and many elements of the action plan have been completed.

Police have fully addressed four of the eight recommendations. Of the remaining four areas, all have had some action points addressed and some are still to be finalised, most particularly work is still required in the areas of training for staff, developing accountability mechanisms and considering additional technological tools to strengthen the management of fleeing driver events.

We recognised that this action plan would take time to implement. Some timeframes have been affected by intervening events, most notably the response to Covid-19 which required Police to divert resources to that. Implementing the action plan is also only the start. Police recognise that they need to embed a new mindset into their response to fleeing driver events and that this will be an ongoing requirement.

High profile reports released during 2020/21 include:

Paul Tainui released at Police checkpoint, before going on to kill Nicole Tuxford

The Authority's investigation found that it was reasonable for an officer to not arrest or detain life parolee Paul Tainui at a checkpoint when he was found to be drink driving and to have knives in his car, on the night before he killed Ms Tuxford.

Read the full report

Death of Alo Ngata following his arrest in Auckland

The Authority found Police failed to fulfil their duty of care to Alo Ngata when he was in the Police cells in 2018. Mr Ngata lost consciousness after being restrained and searched by five officers. Despite attempts to resuscitate him, he did not regain consciousness and died at Auckland Hospital two days later.

Read the full report

Fatal shooting of Donald Ineson justified in defence of others

The Authority found that two Police officers were legally justified in shooting at Donald Ineson, who had threatened his wife with a shotgun and hit one of the officers with his car as he fled his home. A bullet fragment struck Mr Ineson, causing a fatal chest injury. Forensic examination was unable to determine which officer fired the fatal shot.

Read the **full report**

Search for Matiu Ngaronoa and Vincent Taurima in Tongariro National Park

The investigation concluded that the Police-led search for two men lost in Tongariro National Park during August and September 2017 was in general run competently and professionally. Police and volunteers were strongly committed to finding the lost men.

Read the [full report](#)

Bullying, Culture and related Issues in New Zealand Police

The Authority found significant elements of bullying, and a related negative culture, in the Police workplace.

Read the [full report](#)

Strategic Initiatives

The Authority's strategic objectives, in accordance with its Statement of Intent 2020/21 – 2023/24, include consideration of the results from the Martin Jenkins Efficiency and Effectiveness Review concluded in September 2020; looking at ways in which we can improve service delivery; using our data to develop more targeted services; increasing the emphasis on our preventive role; enhancing our engagement with communities; and working with Police to ensure a greater focus on good custodial practice that meets international standards.

Leveraging technology - Using data insights to develop targeted services

In addition to improving our overall operational capability, our new case management system has improved internal data-analysis capability; provided more comprehensive and accurate case data; and allowed better access to information on performance and trends. Throughout the 2020/21 year we have continued to develop and expand our use of the data-analysis capabilities of CMS to improve our business operations, and monitor early indicators across the data we hold so that we can operate in a more preventative space.

This enhanced capability has allowed the Authority to start developing a more mature intelligence function that will inform our work with Police, communities and the broader justice sector.

Continuing to strengthen our relationship with Police

We consider our relationship with Police critical to the effectiveness of our work. This was commented upon by Martin Jenkins. Our primary liaison point is Police Professional Conduct (PPC). Changes to the structure, make-up and reporting line of the PPC function within Police, due to take place in the first quarter of the 2021/22 year are expected to build on the relationship the Authority has with PPC. Ensuring that the internal PPC function is in a position to effectively influence the work of all Police, and has sufficient capability and capacity to work on the issues arising, would go a long way to building professional conduct system credibility.

Police have been piloting a new disciplinary process from December 2020 in five districts and the three Emergency Communication Centres. This covers all criminal investigations of Police staff and any employment matter that has a potential disciplinary outcome. The pilot has tested a new centralised model within Police to assess, triage, investigate and determine disciplinary matters with a view to supporting consistency of decision making and reducing unnecessary delays in dealing with complaints.

Police consulted with the Authority while developing the pilot model and we have been involved in the pilot, training for staff involved and its ongoing review. We consider the pilot has resulted in better quality Police investigations of criminal and employment matters, particularly as the pilot is resourced by specifically dedicated investigators. An evaluation of the pilot has been completed and Police are currently making decisions about whether, how, and when to roll out the pilot to all districts. A business case is being developed and it is hoped decisions will be taken in August 2021 and the roll out will occur shortly thereafter.

The Authority believes the working model developed in the pilot has greatly strengthened our professional relationship with Police. It has increased the level of engagement and timeliness of resolving complaints and

completing Police investigations. We are supportive of the model being rolled out across the country and see benefits for both organisations, and above all complainants and Police staff.

Our focus is on prevention where possible, and we see merit in working with Police to review policies, practices and procedures where we identify issues that need to be addressed. The strength of our working relationship with Police is the lynchpin for this. We intend to continue focusing on early communication to Police of issues we identify, and discussing how Police are best able to address these. In addition, these relationships are an important part of our thematic work (discussed in more detail in the next section).

We are interested in making good use of any other Police mechanisms which may allow the lessons learned from our work or emerging themes to be applied more broadly into policing work at a practical level. We see particular value in being able to share what we have learned where our work has identified systemic issues. We have completed our work with Police to review their processes relating to both formal and informal recommendations. We have also implemented a channel for us to report identified issues through to Police and be involved with identifying ways for these to feed into appropriate prevention work by Police through their lessons learnt capability. This has been embraced by our staff and we have identified 15 lessons learnt during the period which have been submitted to Police for consideration and action. This new initiative enables staff, particularly in the Case Resolution Group, to see how they can identify substantive issues which are actioned by Police, and help the Authority to enhance public trust and confidence in Police.

Prevention work through thematic reviews

The Authority sees considerable value in its thematic reviews, which seek to address specific, identifiable issues from a range of individual complaints and incidents. The approach was endorsed by Martin Jenkins.

We expect to continue to make greater use of thematic reviews, as the contribution they make to improving not only Police policy, practice and procedure overall but also to wider strategic policy issues in the criminal justice sector is significant. This approach leads to more impactful outcomes beyond merely making findings and recommendations to Police about a particular incident or complaint. A thematic approach is most useful where recurring or intrinsically related issues are being identified across a particular work area.

Our thematic reviews often address, or reveal, crosscutting policy issues which affect agencies other than Police – and, at times, wider even than the justice sector. The Authority’s reach and influence is limited (including by, for example, legislation and capacity). For wider uptake from the Authority’s findings in these cases, interagency policy leadership must be engaged.

We currently have thematic reviews underway which cover:

- Police handling of fraud cases
- Remands in Police cells and prisoner transportation
- Driving – speed of officers when undertaking Urgent Duty Driving
- Policing in small communities
- Photographing by Police of people in public places (being conducted jointly with the Office of the Privacy Commissioner)

Enhancing engagement within our communities

Development of our community engagement strategy has been unavoidably delayed by competing priorities on both time and resource. However, this postponement has meant that we have further refined the starting point for this strategy – focusing upon those members of community who experience an inequity of access to our services, specifically Māori, Pasifika and other vulnerable groups within the community. The most important objective of community engagement is to ensure that when people have need of our services, they are able to access us and have trust that we will deal with them fairly and impartially.

Increasing levels of trust and confidence within our communities, particularly amongst those community groups with the lowest confidence in Police, and those who have the least understanding of the independence of the Authority's function within the justice system, is a key focus of our work.

Our engagement strategy will include gathering information from these communities relating to their interaction with Police and the Authority itself in order to help identify underlying issues or tensions. We anticipate this will help us to identify resolution responses and strategies that we may not have otherwise considered, thereby fostering not only a level of community involvement in the activities of the Authority which is not currently present but ultimately greater trust and confidence in Police.



IPCA

Independent Police
Conduct Authority

Mana Whanonga Pirihimana Motuhake

2020 / 2021 Statement of Performance


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graph TD; A["A Safe and Just Society  
Main Justice Sector Outcome"] --- B["Accessible Justice Services"]; A --- C["A trusted Justice System"]; A --- D["Effective Constitutional Arrangements"]; B --- E["Contributing toward improved public trust and confidence in Police  
The Authority's Main Outcome"]; C --- E; D --- E; E --- F["A visible and accessible Authority"]; E --- G["Public and Police confidence in the integrity of the Authority's work"]; E --- H["Improved Police conduct, practices, policies and procedures following implementation of the Authority's recommendations"]; F --- I["Receiving and resolving complaints/ conducting independent investigations and reviews of Police Investigations/ Conducting thematic reviews/ Recommendations for improved Police conduct, practice, policies, and procedures/ monitoring place of police places of detention"]; G --- I; H --- I;
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A Safe and Just Society
Main Justice Sector Outcome

Accessible Justice Services

A trusted Justice System

Effective Constitutional Arrangements

Contributing toward improved public trust and confidence in Police
The Authority's Main Outcome

A visible and accessible Authority

Public and Police confidence in the integrity of the Authority's work

Improved Police conduct, practices, policies and procedures following implementation of the Authority's recommendations

Receiving and resolving complaints/ conducting independent investigations and reviews of Police Investigations/ Conducting thematic reviews/ Recommendations for improved Police conduct, practice, policies, and procedures/ monitoring place of police places of detention

The justice sector has an aspirational goal that all New Zealanders should expect to live in a safe and just society. The Authority is part of the justice sector and sees its role as a contributor to achieving the outcomes set for the sector.

The Authority believes that there is a strong link between our work and improved Police conduct. Improved Police conduct should lead to New Zealanders having increased trust and confidence in Police and policing generally.

A trusted justice system	Effective constitutional arrangements
How the Authority operates (i.e. the quality and perceived independence of services provided when in direct contact with users) goes to the heart of whether the Authority is seen as trustworthy in approach and credible in its judgements.	<p>The Authority's role, within the Police oversight system, is to independently hold Police accountable; to promote public confidence in the accountability of Police; and to improve policing practice, policy and procedure.</p> <p>A fundamental purpose of the Authority is to enable the public to effectively engage with the Police oversight system. To do this the public needs to be aware of our role and must have trust and confidence in the Authority to carry out that role.</p>

We achieve our main outcome through the fulfilment of our key role: to ensure that people have confidence that complaints about, and incidents involving, Police conduct will be fairly and impartially investigated or reviewed; that issues relating to Police practice, policy or procedure will be properly identified and addressed; and that any recommendations made by the Authority will be implemented by Police, and will be universally applied resulting in improved Police conduct across all New Zealand. It is our job to try and ensure that the levels of trust and confidence that New Zealanders have in Police and policing generally remains high.

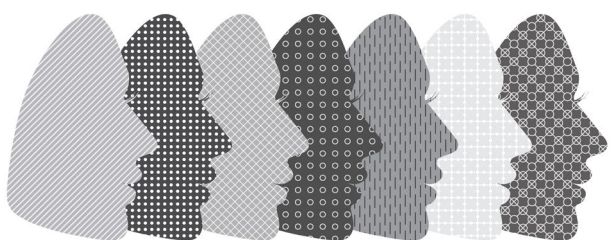
The Authority cannot formally measure its individual impact on the level of public trust and confidence in Police; it is but one cog in the overall justice system. The impact of our work can be measured by reference to the visibility and accessibility of the Authority; the confidence both complainants and Police have in the integrity of the Authority's work; and implementation of the Authority's recommendations about Police conduct, practices, policies and procedures.

➤ Impact Measure 1: A more visible and accessible Authority

The Authority recognises there is inequity of access to Authority services for some members of the community, particularly Māori, Pasifika, youth and other vulnerable groups.

During 2020/21 we have monitored the disparity that exists between the over-representation of those groups in their interactions with Police¹, and the proportional under-representation of these groups accessing our services. The 2020/21 year has also been used to assess the appropriateness of our baseline performance targets established on the basis of our 2019/20 demographic data. Retrospectively, we consider that there is scope to adjust the representation targets upwards for future years.

As the Authority develops its community engagement strategy, we hope to firstly see an increase in representation within these demographics to confirm that the Authority is more accessible to these groups. We would then want to confirm a gradual correction to proportional representation aligning to overall demographic census statistics and alignment with other public sector initiatives that seek to improve wellbeing outcomes for these communities.



Performance July 2020 - June 2021

Measure² There will be an increase in the proportion of complainants who are members of targeted communities (Māori, Pasifika, and youth)

Performance target forecast		30 June 2021
Māori	20%	23%
Pasifika	4.5%	4%
Youth (17-24 years)	16%	14%

Representation targets established 2019/20

Complainant representation	19/20	20/21	21/22	22/23
Māori	19%	+1%	+2%	+2%
Pasifika	4%	+0.5%	+0.5%	+0.5%
Youth (17-24 years)	16%	+1%	+1%	+1%

¹ 43.5% for Māori, and 9.3% for Pasifika in Police offender demographics reporting. Source Policedata.nz.

² This is a new impact measure introduced in our 2020 – 2024 Statement of Intent.

Performance July 2020 – June 2021

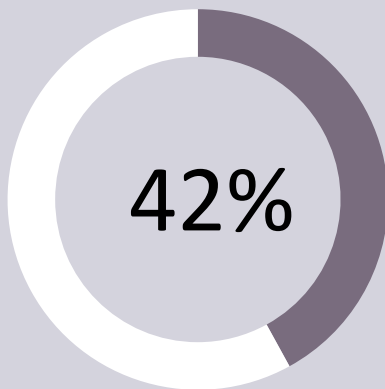
Measures	How measured	Met / Not Met	Activities Undertaken
The community is informed of the Authority's role in enhancing Police accountability and Police performance: access to the Authority's services is readily available	<ul style="list-style-type: none"> Increasing the information available to the public on the Authority's work and complaint outcomes 	Met	Overall increase in the number of public reports. Increased number of publications of Categories B and C summary reports on website, real-time interviews on mainstream media following report releases
	<ul style="list-style-type: none"> Presenting to targeted Police training courses in order to increase awareness of the Authority's role and functions 	Met	Presentation to 17 groups comprising recruit, Senior Sergeant, dog handler and AOS courses.
	<ul style="list-style-type: none"> Engaging with a sample of small communities around New Zealand to ascertain their views on the complexity of policing their communities 	Re-engagement commenced mid 202/21	Completion of engagement with 13 small communities throughout mainland New Zealand and offshore islands was undertaken. Completion of thematic report due November 2021.
	<ul style="list-style-type: none"> Developing and implementing connection with the wider community through the expanded use of social media 	Met	Category A media statements and Category B summaries published on Facebook. Further use of Te Reo on website and social media.
	<ul style="list-style-type: none"> Widening circulation and use of the Authority's brochure 	Met	Provision of updated brochures to all Police stations and other relevant community agencies.



Measure: Participants in surveys are **satisfied**³ with their contact with Authority staff

- Survey responses clearly identified that timeliness of service delivery and complaint resolution was a key factor in the level of overall satisfaction with the Authority's complaint **processes**. Expectations or disagreement about the **outcome** of the complaint was also a critical factor influencing the overall satisfaction level.

33



of Participants are satisfied with their contact with Authority staff.

In the 2019-20 year we reported **33%** of participants were satisfied with their contact with Authority staff.

We've made
strong progress
Our goal is to achieve
75% satisfaction

Participants in surveys told us:

- Timeliness is the key area where participants (complainants and Police) were dissatisfied with our service
- Complainant expectations about the complaint process and the outcome they could achieve through making a complaint needed better explanation
- Participants (both Police and complainants) felt that more regular updates on the progress of complaints would improve our service and overall satisfaction with the complaint process
- While close to half of all complainant respondents described IPCA staff as professional and easy to understand, half also felt that IPCA staff were biased, and held a perspective aligned to Police. Four out of five Police respondents described IPCA staff as independent.

Opportunities for Improvement

- More frequent contact with complainants and Police involved.
- Better explanation around what the outcome of the complaint meant for Police personnel involved.
- More guidance around the timelines of the complainant process, and later, more detailed explanation about how a decision has been made.

Source: Independent performance data, Angus & Associates Limited

➤ Impact Measure 2: Public and Police confidence in the integrity of the Authority's work

Measure: Participants in surveys are satisfied with the Authority's investigation process (Category A respondents)

- Note: small sample size for this measure.

Following the initial pilot survey, surveying commenced in January 2021. Survey respondents from Category A cases were low during the six months of the survey reported, with Police and complainant respondents from six closed investigation files electing to participate in the survey.

Police Respondents

While some Police respondents had previously been involved in the IPCA complaint process, and therefore understood the process well, other Police participants had no prior experience.

Interaction with IPCA staff during the investigation process was rated highly by Police respondents, with Authority staff being described as easy to understand, willing to listen and respectful. While satisfaction throughout the complaint process was higher amongst Police respondents than complainants, the key pressure point across both respondent groups was the time it takes for the Authority to undertake an independent investigation. This factor negatively outweighed other areas of satisfaction, and lead to a lower combined satisfaction level for the combined Police/complainant data set.

Complainant Respondents

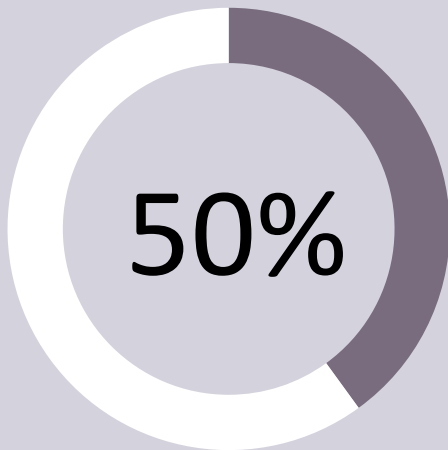
Half of the complainant respondents involved in Category A complaints said that they were satisfied with the **process** overall.

Category A complainant respondents identified areas involving both the handling of their complaint, and more particularly the outcome of their complaint where they were not satisfied. This was particularly the case where the outcome of their complaint was not what they had expected, or they disagreed with the outcome of the Authority's decision, where they felt that the outcome of their complaint, and the decision-making needed better explanation in the final letter/or public report.

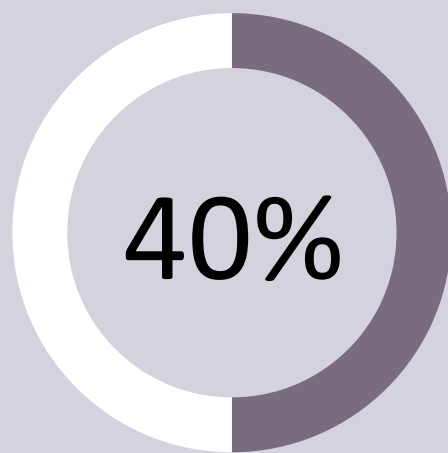
Opportunities for improvement

As for the earlier satisfaction measure, the survey responses identified key areas in which respondents felt we could make improvement to our investigation process, including;

- Making contact with the complainant and Police involved on a more regular basis
- Involving the complainant more in the process – e.g to request more information from the complainant as well as Police about the complaint
- Better guidance around the timeline for key dates and completion of the investigation, and later, better explanation of how the outcome decision has been made
- Better transparency around outcome actions, and accountability from the Police involved (e.g what training they were required to undertake, personal apology) and how this might go on to influence Police conduct, practice, policy and procedure in the future.



of Category A complainant respondents were satisfied with the Authority's investigative process.



of combined complainant and Police respondents were satisfied with the Authority's investigative process.

There was insufficient data available to report upon this measure in 2019/20.

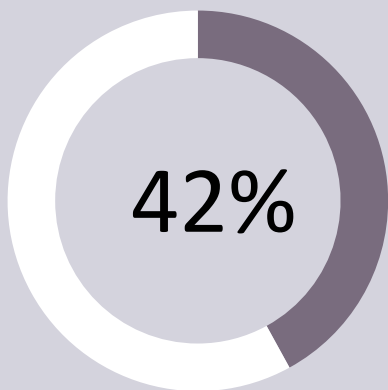
Our goal is to achieve 75% satisfaction with the Authority's investigation process across both Police and complainant respondents.



➤ Impact Measure 2: Public and Police confidence in the integrity of the Authority's work (contd)

Measure: Participants in surveys are satisfied with the Authority's review processes
(Category B respondents)

- Note: small sample size for this measure.



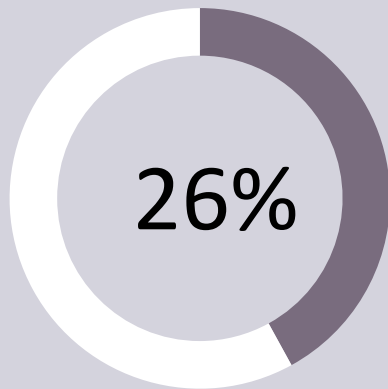
of Category B respondents told us they are satisfied with the Authority's review process.

There was insufficient data available to report upon this measure in 2019/20.

Our goal is to achieve 75% satisfaction with the Authority's investigation process across both Police and complainant respondents.



Measure: Participants in surveys are satisfied with the Authority's facilitated resolution processes (Category C respondents)



of Category C respondents are satisfied with the Authority's facilitated resolution processes.

The level of satisfaction recorded for this area of our work has decreased slightly since 2019/20 when 31% of survey participants said they were satisfied. The main reasons given for the low level of satisfaction with the facilitated resolution process were:

- Complainants citing that Police had failed to do what they said they would do
- Police taking too long to undertake the actions that they said they would do
- Complainants felt the resolution did not adequately, or wholly address their grievance
- Complainants felt they should be more involved in brokering the resolution agreed between the Authority and Police

Our goal is to achieve 75% satisfaction with the Authority's investigation process across both Police and complainant respondents.

➤ Impact Measure 3: Improved Police conduct, practices, policies and procedures following implementation of the Authority's recommendations

Measure: Police accept Authority recommendations for changes and improvements in Police conduct, practice, policy and procedures

Performance July 2020 – June 2021

100%



Our goal is to have Police accept 95% of our recommendations for changes and improvements in Police conduct, practice, policy and procedures.

We achieved 100% for this measure in 2019/20 and 2020/21.

Police have accepted all current recommendations and the Authority is actively monitoring the implementation of these recommendations.

As at 30 June 2021, there were 39 active recommendations being monitored during implementation by Police. Eight of these relate to individual recommendations in conjunction to the joint Authority/Police Fleeing Driver report. One formal recommendation was made during the 2020/21 financial year.

All recommendations have been accepted by Police.

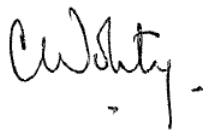
During the year the Authority and Police reviewed the process by which both formal and informal recommendations are made and monitored. Additionally, the Authority has now introduced internal processes to identify a range of matters (wider than just formal recommendations) from our work which Police can use as a learning tool. The Authority is working with Police to ensure these lessons learnt are adopted in policy where appropriate, operationalised and imparted to frontline Police.

Annual Accountability Statements

Statement of Responsibility for the year ended 30 June 2021

- We are responsible for the preparation of Independent Police Conduct Authority's financial statements and statements of performance, and for the judgements made in them.
- We are responsible for any end-of-year performance information provided by Independent Police Conduct Authority under section 19A of the Public Finance Act 1989.
- We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Independent Police Conduct Authority for the year ended 30 June 2021.

Signed on behalf of the Board



Judge Colin Doherty
Chair
INDEPENDENT POLICE CONDUCT AUTHORITY



Simon Murdoch
Member
INDEPENDENT POLICE CONDUCT AUTHORITY



Liz Sinclair
Member
INDEPENDENT POLICE CONDUCT AUTHORITY

2020/21 Performance Reporting: Statement of Service Performance

In the Statement of Performance Expectations for this reporting year we revised the goal for our performance measures to reflect the limitations resourcing strictures placed on the Authority so as to ensure we realistically measure our effectiveness in achieving our objectives. We also updated the wording of one measure to better align to the actual practice that occurs. The revised measures broadly fall into the following four categories:

- 1) receive, manage and ensure resolution of complaints;
- 2) carry out independent and timely investigations into Police conduct and report on these as required;
- 3) make recommendations for improved Police conduct, policies, practices and procedures, based on the results of investigations and monitor their implementation;
- 4) monitor and report on places of Police detention.



Output Measure 1: Receive and manage complaints and incidents

Triage and categorisation

Performance July 2020 – June 2021				Comparative Performance July 2019 – June 2020
Measures	Goal	Actual	Met / Not Met	Actual
All notifications of new complaints and incidents are acknowledged within seven days.	95%	99% ↑	Met	98%
All new complaints and incidents able to be assessed without the need for additional information are categorised and decisions made about the appropriate actions are taken within 28 days.	75%	63% ↑	Not Met	57%
All new complaints and incidents requiring additional information by Police or any other person are categorised and decisions made about the appropriate actions are taken within 56 days.	80%	46% ↑	Not Met	30%
Where a decision is made to take no action upon a complaint, the letters to Police and the complainant are issued within 21 days of making that decision.	95%	100% ↑	Met	96%
Where a complaint discloses a reasonable grievance, the Authority and Police agree on the actions that are	95%	100% N/C	Met	100%

appropriate to resolve that grievance and the agreed actions are undertaken.				
Where the Authority receives an 'Expression of Dissatisfaction' ⁵ on any complaint, the final outcome of the Authority's review will be communicated to the complainant within 35 days of the expression of dissatisfaction being received.	80%	67% ↓	Not Met	79%

Results reported against our performance measures during the year have been mixed. Ongoing volume pressure means that we have only met our goals for half of the performance measures we report against. However, we have maintained or improved upon the previous year's results in all but two performance measures. We have struggled to apply or maintain the appropriate levels of resourcing in critical service delivery areas due to challenges in recruiting and retention of staff. This, coupled with a 64% increase in complaint numbers since 2017-18, including a 10% increase in complaint volume in the 2020-21 year, has meant that we have not achieved the levels of improvement we wanted to.

⁵ An 'Expression of Dissatisfaction' is recorded when the complainant provides the Authority with new evidence in support of their complaint or has a compelling argument that the existing evidence should be reconsidered. We are currently reviewing the basis upon which an EOD will be considered.

Output Measure 2: Independent, high quality and timely investigations and reviews

Performance July 2020– June 2021				Comparative Performance July 2019– June 2020
Measures	Goal	Actual	Met / Not Met	Actual
Reviews of Police investigations for Category B cases will be completed by the Authority within 28 days of receiving the file or Final Report from Police.* ⁶	85%	61% ↑	Not Met	54%
Independent investigations carried out by the IPCA will be concluded as soon as Practicable.	90% within 12 months* ⁷	46% ↑	Not Met	29%
	99% within 24 months* ⁸	86% ↑	Not Met	82%
For each Category A case that proceeds to a full investigation, an investigation plan, milestones and a completion date will be set and monitored.* ⁹	100% of investigations	100% N/C	Met	100%
Reports as a result of Category A investigations are clear, consistent and well-structured and have well-argued conclusions.* ¹⁰	100% of reports meet required standard	100% N/C	Met	100%

While we have been unable to achieve our goals within some areas of this performance measure, improved performance on the previous year demonstrates the impact that changed process has had upon our ability to maintain throughput despite increasing complaint numbers. Once we achieve a full complement of staff to resource these areas of our work, we anticipate being able to further improve upon, and maintain incremental improvement against all timeliness measures.

⁶ The 28-day period excludes any period during which the IPCA is awaiting further information requested from Police.

⁷ This measure is included in the services from the Independent Police Conduct Authority non-departmental appropriation for Vote Justice for 2020/21.

⁸ This measure is included in the services from the Independent Police Conduct Authority's non-departmental appropriation for Vote Justice 2020/21.

⁹ This measure is calculated on the basis of investigation files closed during the 2020/21 year.

¹⁰ The Authority produces approximately 50 reports annually and randomly selects five of these across a range of incidents for review by independent reviewer Jane Westaway.

➤ **Output Measure 3: make recommendations for improved Police conduct, policies, practices and procedures and monitoring implementation of those recommendations**

Performance July 2020 – June 2021				Comparative Performance July 2019 – June 2020		
Measures	Goal	Actual	Met / Not Met		Actual	
All systemic issues* ¹¹ identified by the IPCA relating to Police practices, policies and procedures are raised and discussed with Police and appropriate recommendations made where required, before the closure of the case.* ¹²	100%	100%	Met		100%	

We have ensured that all of the issues identified during an investigation or review are raised with Police as soon as possible and have achieved this measure. As indicated earlier in the report this includes informal recommendations that we identify and share with Police during the active management of all case category, leading to earlier intervention, and pre-emptive learning opportunities for both organisations.

¹¹ This excludes OPCAT issues, which are addressed under Output measure 4.

¹² This measure is included in the services from the Independent Police Conduct Authority non-departmental appropriation for Vote Justice for 2020/21

➤ Output Measure 4: Monitor places of Police detention

Performance July 2020 – June 2021				Comparative Performance July 2019 – June 2020		
Measures	Forecast	Actual	Met / Not Met	Forecast	Actual	Met / Not Met
All systemic custodial management issues are raised and discussed with the Police prior to the completion of the relevant review or independent investigation.* ¹³	100%	100%	Met	100%	100%	Met
Reviews of Police audits of District Custodial Management files being conducted bi-monthly according to a programme agreed with Police, are completed within 60 days.* ¹⁴	100%	60%	Not Met	100%	100%	Met

The Authority conducts audits of individual Police districts on an agreed schedule, generally on a bi-monthly basis. However, due to the competing work programmes of both organisations, and the rescheduling of some visits undertaken the previous year, the completion period for some districts has varied from the original schedule. During 2020/21 the Authority conducted audits for six districts, Eastern, Counties Manukau, Wellington, Tasman, Northland, and had commenced the audit for Central district in mid June.

The Authority continues to follow up with all districts to ensure they are actioning matters that arise from these reports.

¹³ This measure is included in the services from the Independent Police Conduct Authority non-departmental appropriation for Vote Justice for 2020/21

¹⁴ This measure is included in the services from the Independent Police Conduct Authority non-departmental appropriation for Vote Justice for 2020/21



IPCA

Independent Police
Conduct Authority

Mana Whanonga Pirihimana Motuhake

2020 / 2021
Financial Statements

2020/21 Financial Statements and Supporting Information

Statement of Accounting Policies

Reporting Entity

The Independent Police Conduct Authority is an independent Crown entity for legislative purposes, established by the Crown Entities Act 2004. The Authority is domiciled in and operates in New Zealand. The Independent Police Conduct Authority's ultimate parent is the New Zealand Crown.

The principal activity of the Independent Police Conduct Authority is to assess complaints made by members of the public against the Police. The primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return.

Accordingly, the Independent Police Conduct Authority has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Independent Police Conduct Authority are for the year ended 30 June 2021 and were approved by the Board on 21 December 2021.

Basis for Preparation

The financial statements have been prepared on a 'going concern' basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

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

The financial statements have been prepared in accordance with Tier 2 PBE accounting standards. This classification is because the Independent Police Conduct Authority has expenditure under \$30m and is not deemed to be publicly accountable as it does not have shares issues on a public market. Accordingly, they comply with PBE accounting standards.

Measurement base

The financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

Presentation currency

The financial statements are presented in New Zealand dollars, rounded to the nearest one dollar.

Property, Plant and Equipment

Property, plant and equipment consist of the following asset classes: office equipment, leasehold improvements and furniture and fittings.

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

Additions

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

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

Cost includes consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

In most instances an item of property, plant and equipment is initially recognised at its cost.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in surplus or deficit.

Subsequent costs

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

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

Depreciation

Depreciation is calculated on a diminishing value basis on office equipment and furniture and fittings. The new Leasehold improvements are depreciated on a straight line basis over the useful life of the improvements. Depreciation is charged once the assets are on location and condition necessary for its intended use so as to write off the cost or valuation of the property, plant and equipment over their expected useful life to its estimated residual value.

The following estimated rates are used in the calculation of depreciation:

- Office equipment 25.0% -50.0% DV
- Furniture & fittings 25.0% DV
- Leasehold improvements 11.11%SL

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

Intangible assets

Software acquisition

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

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

Costs associated with the development and maintenance of the Independent Police Conduct Authority's website are recognised as an expense when incurred.

Software is a finite life intangible and is recorded at cost less accumulated amortisation and impairment.

Amortisation

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

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

- Software 25.0% DV

Impairment of property, plant and equipment and intangible assets

The Independent Police Conduct Authority does not hold any cash generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on a depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Independent Police Conduct Authority would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

Financial liabilities

Creditors and other payables

Short term creditors and other payables are recorded at their face value.

Employee entitlements

Short-term employee entitlements

Employee benefits that are expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured at accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

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

Superannuation schemes

Defined contribution schemes

Obligations for contributions to Kiwisaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the surplus or deficit as incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount that reflects the current market assessment of the time value of money and the risks specific to the obligation.

Goods and Services Tax (GST)

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

The net amount of GST recoverable from, or payable to, the Inland Revenue is included as part of current assets or current liabilities in the statement of financial position.

The net GST paid to, or received from the Inland Revenue, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Independent Police Conduct Authority is a public authority in terms of the Income Tax Act 2007 and consequently is exempt from the payment of income tax. Accordingly no provision has been made for income tax.

Cash flow statement

The cash flow statement is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive revenue & expense.

Definitions of the terms used in the cash flow statement are:

- “Cash” includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash, used by the entity as part of its day to day cash management.
- “Investing activities” are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.
- “Financing activities” are those activities relating to changes in equity of the entity.
- “Operating activities” include all transactions and other events that are not investing or financing activities.

Budget figures

The budget figures are those that form part of the Independent Police Conduct Authority 2020/21 Statement of Performance Expectations as approved by the board at the beginning of the year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Independent Police Conduct Authority for the preparation of the financial statements.

Critical Judgements in Applying the Entity's Accounting Policies

In preparing these financial statements Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2021:

Lease Classification

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Independent Police Conduct Authority. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant, and equipment, whereas with an operating lease no such asset is recognised.

The Independent Police Conduct Authority has exercised its judgement on the appropriate classification of building rental leases, and has determined a number of lease arrangements to be operating leases.

Independent Police Conduct Authority

Statement of Comprehensive Revenue & Expense

For the year ended 30 June 2021

2020 Actual \$		Notes	2021 Actual \$	2021 Budget \$
	Revenue			
5,171,000	Funding from the Crown	1	5,700,000	5,700,000
40,650	Interest revenue		19,293	54,303
30,594	Other Revenue			
<u>5,242,244</u>	Total Revenue		<u>5,719,293</u>	<u>5,754,303</u>
	Expenditure			
37,290	Audit fees	2	38,083	38,083
31,592	Amortisation	8	36,244	36,595
146	Bad Debts		1,478	-
30,304	Communication charges		33,368	30,499
84,126	Depreciation	7	103,279	119,388
4,150,129	Personnel costs and Board Fees	3	4,461,163	4,726,315
16,190	Printing & stationery		14,793	16,494
179,184	Professional fees and contract services		286,912	348,716
402,716	Rent		434,889	412,884
235,981	Services & supplies		229,571	215,758
6,406	Subscriptions		3,597	9,767
1,585	Training		61	10,000
95,802	Travel & accommodation		74,954	100,000
<u>5,271,450</u>	Total Expenditure		<u>5,718,392</u>	<u>6,064,500</u>
<u>(29,206)</u>	Surplus/(Deficit)		<u>901</u>	<u>(310,197)</u>
	Other Comprehensive Revenue and Expense			
<u>(29,206)</u>	Total Comprehensive Revenue/(Deficit)		<u>901</u>	<u>(310,197)</u>

Explanations of major variances against budget are detailed in note 21.

The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

Statement of Financial Position as at 30 June 2021

Explanations of major variances against budget are detailed in note 21. The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

Independent Police Conduct Authority

Statement of Changes in Equity for the year ended 30 June 2021

2020 Actual \$	Notes	2021 Actual \$	2021 Budget \$
1,459,524	Total Crown Equity at beginning of year	1,430,318	1,387,971
(29,206)	Total Comprehensive Revenue	901	(310,197)
1,430,318	Total Crown Equity at end of year	1,431,219	1,077,774

Explanations of significant variances against budget are detailed in note 21.

The Statement of Accounting Policies and the Notes to the Financial Statements form an integral part of these Financial Statements.

Statement of Cash Flows for the year ended 30 June 2021

The GST (net) component of operating activities reflects the net GST paid and received with Inland Revenue. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Explanations of major variances against budget are detailed in note 21.

Independent Police Conduct Authority

Notes to the Financial Statements for the year ended 30 June 2021

1. Revenue from Crown

The Independent Police Conduct Authority has been provided with funding from the Crown for the specific purposes of the Independent Police Conduct Authority as set out in its founding legislation and the scope of the relevant government appropriations. Crown funding is recognised as a non-exchange transaction.

2. Remuneration to Auditors

	2021 Actual \$	2020 Actual \$
Audit of the financial statements	38,083	37,290
	<u>38,083</u>	<u>37,290</u>

3. Personnel Expenses and Board Fees

		2021 Actual \$	2020 Actual \$
Salaries and wages		3,888,149	3,488,016
Defined contribution plan employer contributions		102,064	93,310
Increase/(decrease) in employee entitlements	11	25,543	102,872
Board fees	15	<u>445,407</u>	<u>465,931</u>
Total Personnel Expenses		<u>4,461,163</u>	<u>4,150,129</u>

Employer contributions to defined contribution plans include contributions to Kiwisaver.

4. Cash and Cash Equivalents

	2021 Actual \$	2020 Actual \$
Cash at bank	48,503	626,478
Call account	<u>-</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>48,503</u>	<u>626,478</u>

While cash and cash equivalents at 30 June 2021 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

	2021 Actual \$	2020 Actual \$
5. Investments		
Term Deposits – Current	1,432,902	910,103
Term Deposits – Non Current	-	-
Total Investments	1,432,902	910,103

No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

	2021 Actual \$	2020 Actual \$
6. Debtors and other receivables		
Accrued interest	4,433	10,402
Sundry receivables	2,581	3,825
Total Debtors and other receivables	7,014	14,227

Total Comprises:

Receivables from exchange transactions	7,014	14,227
GST receivable (non-exchange transaction)	32,519	39,396

Accrued interest and sundry receivables have been classified as exchange transactions while outstanding GST receivable has been classified as non-exchange in line with PBE IPSAS 9 and PBE IPSAS 23. The carrying value of debtors and other receivables approximate their fair value.

While debtors and other receivables at 30 June 2021 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because there is a minimal risk of credit losses.

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

7. Property, Plant and Equipment

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

	Office equipment	Furniture & fittings	Leasehold improvements	Total
Cost	\$	\$	\$	\$
Balance at 1 July 2019	322,532	64,738	266,300	653,570
Additions	76,133	-	42,350	118,483
Sales/transfers	-	-	-	-
Balance at 30 June 2020	398,665	64,738	308,650	772,053
Balance at 1 July 2020	398,665	64,738	308,650	772,053
Additions	34,731	8,594	158,526	201,851
Sales/transfers	-	-	-	-
Balance at 30 June 2021	433,396	73,332	467,176	973,904

Accumulated depreciation	Office equipment	Furniture & fittings	Leasehold improvements	Total
	\$	\$	\$	\$
Balance at 1 July 2019	233,442	51,039	136,736	421,217
Depreciation expense	49,133	3,425	31,568	84,126
Sales/transfers	-	-	-	-
Balance at 30 June 2020	282,575	54,464	168,304	505,343
Balance at 1 July 2020	282,575	54,464	168,304	505,343
Depreciation expense	55,983	3,137	44,159	103,279
Sales/transfers	-	-	-	-
Balance at 30 June 2021	338,558	57,601	212,463	608,622

Book Value				
At 1 July 2019	89,090	13,699	129,564	232,353
At 30 June 2020 & 1 July 2020	116,090	10,274	140,346	266,710
At 30 June 2021	94,838	15,732	254,712	365,282

There are no restrictions over the title of the IPCA's property plant and equipment nor are any property, plant and equipment pledged as security for liabilities.

Notes to the Financial Statements (continued) for the year ended 30 June 2021

	Software	WIP – Case Management	Case Management System	Total
Cost	\$	\$		\$
Balance at 1 July 2019	296,033	121,140	-	417,173
Additions	-	-	148,181	148,181
Sales/transfers	-	(121,140)	-	(121,140)
Balance at 30 June 2020	296,033	-	148,181	444,214
Balance at 1 July 2020	296,033	-	148,181	444,214
Additions	-	-	-	-
Sales/transfers	-	-	-	-
Balance at 30 June 2021	296,033	-	148,181	444,214

Book Value

At 1 July 2019	28,386	121,140	-	149,526
At 30 June 2020 & 1 July 2020	21,290	-	123,685	144,975
At 30 June 2021	16,019	-	92,712	108,731

Te Pūrongo Ā-Tau 2020/21

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

	2021 Actual \$	2020 Actual \$
9. Creditors and Other Payables		
Payables under exchange transactions		
Trade creditors	71,801	127,002
Leasehold Fit-out capital contribution (current portion)	13,333	13,333
Accrued expenses	62,444	37,290
Total creditor and other payables under exchange transactions	147,578	177,625

All payables and creditors were classified as exchange transactions as at balance date. Trade creditors and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade creditors and other payables approximate their fair value. The Independent Police Conduct Authority has a financial risk management policy in place to ensure that all payables are paid within the credit timeframe.

10. Financial Instruments

The following table details the Independent Police Conduct Authority's exposure to interest rate risk as at 30 June 2020.

	Weighted average effective interest rate %	Variable interest rate bearing \$	Non-interest bearing \$	Total \$
Financial assets measured at amortised cost:				
Cash and cash equivalents				
- Cash at bank	1.25	626,478	-	626,478
- Term deposits	2.58	910,103	-	910,103
- Debtors and other receivables	-	-	14,227	14,227
Total financial assets		1,536,581	14,227	1,550,808
Financial liabilities measured at amortised cost:				
Creditors and other payables	-	-	177,625	177,625
Total financial liabilities		-	177,625	177,625

Notes to the Financial Statements (continued) for the year ended 30 June 2021

The following table details the Independent Police Conduct Authority's exposure to interest rate risk as at 30 June 2021.

11. Employee Entitlements	2021 Actual \$	2020 Actual \$
Accrued salaries and wages	142,358	124,768
Annual leave	189,908	181,955
Total Employee Entitlements	332,266	306,723

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

12. Employee Remuneration

Remuneration and other benefits of \$100,000 per annum or more received by employees in their capacity as employees were:

	2021 Actual	2020 Actual
\$100,000 - \$109,999	5	5
\$110,000 - \$119,999	0	3
\$120,000 - \$129,999	1	0
\$130,000 - \$139,999	0	0
\$140,000 - \$149,999	0	0
\$150,000 - \$159,999	1	2
\$160,000 - \$179,999	2	1
\$180,000 - \$199,999	1	0
\$200,000 - \$219,999	1	0
\$220,000 - \$239,999	0	0
\$240,000 - \$259,999	0	1
\$260,000 - \$279,999	0	0
	11	12

13. Related Party Transactions

The Independent Police Conduct Authority is a wholly owned entity of the Crown. The Government significantly influences the role of the Independent Police Conduct Authority as well as being its major source of revenue. However, transactions with other government agencies (for example, Government departments and Crown Entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

There were no transactions with close family members of key management personnel employed by the Independent Police Conduct Authority in 2021 (2020: \$nil).

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

14. Key Management Personnel Compensation

The compensation of the Authority's Chair, two board members and the Leadership team being the key management personnel of the Independent Police Conduct Authority, is set out below:

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	445,407	465,931
Full time equivalents	1.1	1.1
<i>Leadership Team</i>		
Remuneration	1,010,238	941,889
Full time equivalents	6	5.65
Total key management personnel remuneration	1,455,645	1,246,634
Total full-time equivalent personnel	6.0	6.0

There were no post-employment benefits, other long-term employee benefits, termination benefits paid to key management personnel during the year (2020: \$nil).

15. Board member remuneration

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

	2021 Actual \$	2020 Actual \$
Judge Colin Doherty	406,074	434,456
Dianne Macaskill	-	17,630
Simon Murdoch	24,075	13,845
Elizabeth Sinclair	15,258	-
Total Board member remuneration	445,407	465,931

Ministry of Justice are paying for Judge Colin Doherty's salary and invoicing Independent Police Conduct Authority for his services.

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year. No Board members received compensation or other benefits in relation to cessation (2020: \$nil).

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

16. Commitments

(i) Capital commitments

There are no capital commitments this year. All amounts related to the Case Management System project have been billed (2020: \$Nil).

(ii) Operating lease commitments as lessee

Operating lease commitments relate to the lease with Stride Property Limited for building accommodation at 1 Grey Street, Wellington. The lease term is for a period of nine years commencing 1 September 2014, with rights of renewal for a term of six years after 1 September 2023 at the same or higher price. The Independent Police Conduct Authority does not have the option to purchase the leased asset at the expiry of the lease period.

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

	2021 Actual \$	2020 Actual \$
Less than one year	310,788	310,788
Between one and five years	362,586	673,373
Later than five years	-	-
Total operating lease commitments	673,374	984,161

17. Contingency

There are no contingent liabilities or assets at reporting date (2020: \$nil).

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

18. Make Good Provision

A provision for an expected make-good payment has been accrued in the accounts relating to the Grey Street Property. This final payment has been estimated at \$90,000 based on prior make-good payments that the Authority has paid and adjusted for inflation, and it is expected to be settled in 2023. Due to the nine-year lease of the property, this accounts for an annual provision of \$10,000 per year. As at balance date, 82 months of this figure have been accrued, based on the lease commencement date. The estimate for 2021 is: \$68,333. This is classified as a non-current liability, as it is expected to be settled in 2023.

19. Leasehold Fit-out Contribution

DNZ property Fund Limited contributed \$120,000 towards the fit-out for the Grey Street premises during the 2016 financial year. This leasehold fit-out was capitalised and will be depreciated on a straight line basis over 9 years as detailed in the Accounting policies. A liability was recognised for the \$120,000 contribution payment received from DNZ which will be released over the term of the lease, being nine years. As at balance date the current portion of the liability is \$13,333 and the non-current portion is \$15,556.

20. Subsequent Events

There are no events subsequent to reporting date, that the Authority is aware of, that would have a material impact on the financial statements for the period ended 30 June 2021 (2020: nil).

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

21. Major Budget Variances

Statement of Comprehensive Revenue & Expense.

1. Interest Revenue

Actual - \$19,293; Budget - \$54,303

Interest revenue was lower than budgeted due to interest rates on deposits falling.

2. Travel and Accommodation

Actual - \$74,919; Budget - \$100,000

Travel and accommodation was lower than expected due to less travel being taken throughout the year. There were multiple Covid-19 level three lockdowns throughout the year, reducing the opportunity to travel.

3. Personnel

Actual - \$4,461,163; Budget - \$4,726,315

Personnel spend was under budget due to budgeted new positions not being fulfilled and staff leaving with replacements not being found before year end.

4. Professional Fees

Actual - \$286,912; Budget - \$348,716

Professional fees were under budget due to less Legal Support needed on cases during the year than anticipated.

Statement of Financial Position

1. Cash and Cash Equivalents

Actual - \$48,503; Budget - \$292,412

The cash and cash equivalents balance at year end was lower than budgeted. This is due to interest rates offered being lower than anticipated and to the timing of creditor and GST payments at year end.

2. Investments

Actual - \$1,432,902; Budget - \$650,000

Investments are higher than budgeted due to being conservative in the budget preparation by anticipating low amounts of cash available to invest in term deposits.

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

3. Debtors and other receivables

Actual - \$7,014; Budget - \$13,545

Debtors and other receivables were lower than budgeted due to reducing interest rates resulting in less interest accruing at year end.

4. Employee entitlements

Actual - \$332,266; Budget - \$160,000

Annual and other leave balances increased during the lockdown periods throughout the year. Staff members were encouraged to take leave after this period, but less opportunity to travel saw these balances remain higher than usual.

Statement of Cash Flows

Any variances against budget in the statement of cash flows have been reflected in the notes above.

Independent Police Conduct Authority

Notes to the Financial Statements (continued) for the year ended 30 June 2021

Summary of income and expenditure on outputs

The Authority has one output class: Investigate and resolve complaints against the Police and to uphold the rights of persons in Police detention.

<i>Output Financials</i>	<i>2020/21 Actual</i>	<i>2020/21 Budget</i>	<i>2019/20 Actual</i>	<i>2019/20 Budget</i>
Crown Funding *	5,700,000	5,700,000	5,171,000	4,671,000
Interest & Other Revenue	19,293	54,303	71,244	87,587
Total Revenue	5,719,293	5,754,303	5,242,244	4,758,587
Expenses	5,590,426	6,064,500	5,271,450	5,103,003
<i>Net Surplus/(Deficit)</i>	<i>128,869</i>	<i>(310,197)</i>	<i>(29,206)</i>	<i>(344,416)</i>

*The Crown revenue received by the Independent Police Conduct Authority is equal to the actual appropriation provided to the Authority under the Vote Justice output class 'Justice Advocacy, Advice and Promotion Services'.

Independent Auditor's Report

To the readers of the Independent Police Conduct Authority's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of the Independent Police Conduct Authority (the Authority). The Auditor-General has appointed me, Andrew Clark, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, including the performance information for an appropriation, of the Authority on his behalf.

Opinion

We have audited:

- the financial statements of the Authority on pages 48 to 69, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of the Authority on pages 29 to 39, 42 to 46 and 70.

In our opinion:

- the financial statements of the Authority on pages 48 to 69:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and
- the performance information on pages 29 to 39, 42 to 46 and 70:
 - presents fairly, in all material respects, the Authority's performance for the year ended 30 June 2021, including:
 - for each class of reportable outputs:

- Our audit was completed on 21 December 2021. This is the date at which our opinion is expressed.

Basis for our opinion

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

Responsibilities of the Board for the financial statements and the performance information

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Authority for assessing the Authority's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Authority, or there is no realistic alternative but to do so.

Te Pūrongo Ā-Tau 2020/21

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Authority's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Authority's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

Our responsibilities arise from the Public Audit Act 2001.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Authority.

Andrew Clark

Wellington, New Zealand

APPENDIX 1

Category A – IPCA independent investigation

Principle

Guidelines

There are a number of cases that are so serious that they will typically lead to a Category A investigation. These include:

- a) cases involving death or serious injury caused or appearing to be caused by Police actions;
- b) cases containing elements of corruption or serious criminal misconduct;
- c) other cases of deliberate wrongdoing or other serious misconduct that would significantly impact on public trust and confidence in Police.

A case that meets one of the above criteria will not necessarily be independently investigated if the Authority is satisfied that it has been or is being responded to robustly and expeditiously by Police (e.g. by investigation with a view to possible criminal prosecution or disciplinary proceedings against one or more officers). Conversely, a case that does not meet one of the above criteria may be deemed suitable for a Category A investigation if:

- d) it raises one or more significant systemic issues;
- e) it shows a pattern of significant misconduct by an individual officer;
- f) it raises integrity issues in relation to a senior officer or an area, District, or Police generally;
- g) a Police investigation on its own is unlikely, in the view of the Authority, to be perceived by the public as being sufficiently robust; or
- h) Police have indicated, or the Authority determines, that for public interest reasons it is preferable for the Authority rather than Police to investigate.

Category B – Police investigation with active IPCA oversight

Principle

Where a case requires investigation before the appropriate resolution can be determined, but does not meet the criteria for independent investigation, it will be referred to the Police for investigation with active IPCA oversight.

The concluded Police investigation is subject to a full, independent review to confirm that all complaint issues have been addressed and that the outcomes achieved are in accordance with the weight of evidence. The Authority makes its own findings and reports these to the Commissioner and, where applicable, the complainant.

Principle

Guidelines

- a) the issues raised by the complaint are clear;
- b) there does not need to be a substantial investigation to determine the facts;
- c) there is no need for a criminal or employment investigation into the actions of the officers complained about;
- d) some redress or other action to resolve the issues raised by the complaint is practicable.

Before a case with these characteristics are categorised, there will be a discussion with the District Professional Conduct Manager (and, if necessary, Police Professional Conduct at Police National Head Quarters) to discuss and agree on the appropriate actions and a timeframe within which they are to be undertaken. If no such agreement is reached, the case will not be made a Category C.

Principle

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Guidelines

This category of complaint has one or more of the following characteristics:

- a) matters which the Authority considers as minor, frivolous or vexatious;
- b) matters where there is no support from the person centrally aggrieved;
- c) have been, are about to be or are able to be, decided by another tribunal or by the Court;
- d) matters which disclose no issue requiring investigation;
- e) matters which relate to an incident of which the complainant has had knowledge for over one year;
- f) a conflict in the evidence about the issues complained of that is unlikely to be resolved by further investigation.

