

## STATEMENT OF PERFORMANCE EXPECTATIONS

Te Tauākī Koronga mō ngā Mahi kia Tutuki

## 2024/25

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This Statement of Performance Expectations has been prepared in accordance with the requirements of Part 4 subpart 2 of Crown entities Act 2004.

It aligns with the Independent Police Conduct Authority's *Statement of Intent 2024/25* to 2027/28 and describes the Authority's performance measures and annual forecast financial statements for the 2023/25 year. It also outlines our response to the specific entity directives contained within our responsible Minister's Letter of Expectations 2024/25.

30 June 2023

Curde Lucí

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Judge Kenneth Johnston KC

CHAIR

Liz Sinclair MEMBER Simon Murdoch

## O OVERVIEW OF SERVICES 2024/25

## FUNDING

The Authority is funded by the Crown through 'Services from the Independent Police Conduct Authority' appropriation. The purchase of outputs within this appropriation is solely by the Minister of Justice and is detailed in the Estimates of Appropriations for Vote Justice and the Authority's Statement of Intent 2024/25 to 2027/28.

During the 2024/25 financial year, the Authority's Vote Justice revenue will be

\$6.74<sub>million</sub>

## SCOPE OF APPROPRIATION

The scope of the Authority's appropriation, as detailed in the Estimates of Appropriations, is to investigate incidents and investigate and resolve complaints against the Police and uphold the rights of people in Police detention. The appropriation is intended to ensure the fair, effective and timely provision of those services.

## PERFORMANCE REPORTING

The Authority consults with the Minister of Justice on our activities for the purposes of financial accountability and to provide transparency as to how our outputs are being delivered.

We inform the Minister on issues that may result in significant media, public, or parliamentary attention. The Authority works constructively with the Ministry of Justice as the Minister's monitoring department.

The Authority provides the Minister with quarterly performance reports covering key results and performance highlights, any emerging issues, and significant performance variances or risks.

## SERVICES SUPPLIED

## INVESTIGATIONS & COMPLAINTS RESOLUTION



The Authority anticipates it will receive around

4950

#### complaints in the 2024/25 period.

The increase in complaint numbers has continued over recent years and we anticipate growth in the volume of our work to resume a 3-5% year on year growth trend.

#### In 2024/25, we anticipate the following levels of output.

We will **open** approximately

We will **oversee** approximately

185

We will facilitate in excess of

1175

85

#### new independent investigations

new Police investigations

#### complaint resolutions

Our team of 44 FTEs will assess, triage and manage these complaints. We will undertake thematic reviews and lead or contribute to joint agency investigations, subject to resourcing.

All cases undergo thorough assessment, which results in cases being sorted into four categories. Our assessment process is set out in Appendix 4. We generally independently investigate the most serious complaints and incidents., while other matters are referred to Police for investigation and resolution under the Authority's oversight. Most cases, on assessment, result in a decision that no further action is required.

## SERVICES SUPPLIED OPCAT INSPECTIONS

The Authority inspects Police custodial facilities as a National Preventative Mechanism (NPM) under the Crimes of Torture Act 1989. We make recommendations to strengthen the protection, improve the treatment and conditions, and prevent the torture or ill-treatment of people held in places of Police detention.

Our OPCAT team currently consists of a Principal Advisor, and two Inspectors. Their work is to undertake a programme of announced **and unannounced inspections** across four Police Districts each year.

Announced visits focus on overnight custody units and any holding facilities where our risk-assessments identify a need. These inspections are followed up with **Unannounced visits**, to assess the progress that has been made with the implementation of our recommendations.

We will also undertake ad hoc unannounced inspections based on information we receive through our complaints and from Police that identify particular risk issues.

This programme of inspections, plus follow up activities, means the Authority meets the international standard as an NPM. The work of the OPCT team has been achieved as part of our development of a sustainable operating model that allows us to deliver our core legislative services, while also supporting an incremental shift toward a more preventative focus.



## 02 GOALS AND PERFORMANCE

#### We are open and transparent about the challenges and constraints we face and how we respond to them.

We publicly report on our work, findings and recommendations from investigations (where appropriate), and on the outcomes of those.

We report on our output performance measures in our quarterly reporting to the Minister and our Annual Report. This includes broad contextual information, including progress on our organisational health and workplace capability, and information about non-reportable outputs, such as our prevention focused participation in joint agency and thematic reviews when and if we are able to undertake such work.

The Authority's participation in broader Justice sector initiatives is equally important. Our thematic reviews and Optional Protocol to the Convention Against Torture (OPCAT) work are integral to this. Inevitably, though, work has an impact on our core complaints work.

For the past few years the Authority has been referencing its objectives and performance against an "Efficiency and Effectiveness Review" conducted by consultants Martin Jenkins, in 2020. The review confirmed the Authority performs its core functions well but noted the weight placed on an organisation of our size, and therefore on its operating model by the growing demand for our services and additional functions. The Authority now finds itself at a critical stage. We remain a small organisation, and resourcing constraints require us to be more agile and to work in more innovative and efficient ways to deliver against growing demand. Our operating environment is competitive, complex, and highly specialised. An additional challenge is the symbiotic relationship we have with Police, whereby changes in that organisation's operating context can be expected to have an impact on ours.

If we are to meet evolving expectations, we must have a strategy that is simple, agile, focuses on impact, and increases functional resilience.

To address all these matters, we have identified **three key improvement priorities** under our Statement of Intent.

- Maintaining sustainable improvement in the efficiency and effectiveness of our core complaint investigation and resolution functions.
- Increasing our focus on our preventive work and continuing to work proactively with Police to maintain a co-operative working relationship.
- Working with Police to ensure a greater focus on good custodial practice that meets international standards.

## 03 ADDRESSING MINISTERIAL EXPECTATIONS 2024/25

The Minister of Justice has expressed **three specific expectations** for the Authority during the 2024/25 year.

- 1. Develop an outcome-based performance measurement framework to support the Board's refreshed 2024-2028 SOI.
- Improve the timely resolution of independent investigations conducted by the Authority.
- Continue to assess if Police custodial practices meet international standards, and where appropriate make recommendations to Police on areas of improvement required.

These expectations focus on our core functions, and they align with the three strategic areas we will focus on over the next four years.

#### 1. Develop an outcome-based performance measurement framework to support the Board's refreshed 2024/2028 Statement of Intent.

The Authority has prepared a new Statement of Intent for the 2024/2028 period. It reflects the challenges likely to be faced with increasing volumes and complexity of complaints and takes account of continued resource constraints.

The Authority has focused on the impact of its work, and the value that these impacts have upon contributing to the trust and confidence in Police and policing in New Zealand. This assessment has resulted in a narrowing of the Authority's activities, applying its resources to focus on those key activities that return a measurable impact to Parliament, NZ Police and the public within the resources that we have.

Associated with this refocus is the development of a refined performance measurement framework, that the Authority

believes will both simplify and strengthen its core objectives.

## Activities we will undertake in 2024/25 to meet expectations

In 2024/25 the Authority will review all current performance measurements with the objective of transitioning to a new framework that fully supports the 2024-2028 Statement of Intent and is completed for use in the 2025/26 performance year.

Associated with this review of performance measures is the ongoing design of a new operating model to ensure the most effective and efficient allocation of resources to support the Authority's Statement of Intent objectives.

## 2. Improve the timely resolution of independent investigations conducted by the Authority

The Authority acknowledges that the timeliness of investigations is a critical factor in how the Authority's work is viewed by complainants, Police employees subject to an investigation process and the public. We are continually exploring internal processes and means to improve timeliness.

Currently, the Authority does not have a backlog of complaints. However, we continue to face complaint timeliness hurdles, particularly in situations requiring independent investigation or responses from external parties (including Police).

The ability to retain highly trained and experienced staff is critical. It enables the capability to quickly form cross-functional teams to investigate and report on critical incidents. This is expected to have a positive effect on timeliness. An operating model that supports a nimble workforce will also support the timely conclusion of investigations.

To improve the information flow between the Authority and Police, the best solutions are still

productive professional relationships, good use of existing technology, and the efficient transfer of data and documents.

## Activities we will undertake in 2024/25 to meet expectations

In 2024/25 we will continue the re-design of our operating model and operational processes so these are more proportionate, effective and efficient while maintaining a high-quality service for all complainants. We are revising processes, including complaint thresholds, for early resolution cases, shorter and accessible public reporting of independent investigations, improved timeliness of investigations, and better monitoring of Police implementation of our recommendations.

We expect to make changes to the performance measures in all these areas but will need to complete the implementation of the operating model changes in parallel with designing the specific measures. This is an ambitious set of changes for a small organisation to complete. We are therefore holding the performance measures at their current settings for 2024/25. We expect to begin reporting internally on new measures during the year, and externally in the 2025/26 Statement of Performance Expectation.

We will continue to strengthen working relationships with Police, to support the timely transfer of information and contribute to the more efficient management of investigations.

We will continue to explore resourcing and technology options that will contribute to improving timeliness.

3. Continue to assess if Police custodial practices meet international standards, and where appropriate make recommendations to Police on areas of improvement required The Authority's role as a National Preventative Mechanism under the Crime of Torture Act 1989, which implements the United Nations protocol to the Convention Against Torture (OPCAT), require the Authority to assess the adequacy of custodial facilities on an ongoing basis.

In recent times the Authority has implemented a dedicated OPCAT inspection team. This team has an ongoing programme of regular visits and audits, resulting in recommendations to Police for action to improve custody facilities and practice.

## Activities we will undertake in 2024/25 to meet expectations

In 2024/25 the Authority will build upon the recent establishment work of the OPCAT team to ensure regular audits of custodial practices. It will make recommendations as required to improve facilities and practices.

The Authority will also continue to work with the Custody Group at Police National Headquarters to influence custodial policy and practice.

## 04 MEASURING OUR PERFORMANCE

The Authority's Outcomes Framework is summarised below and detailed in the Authority's *Statement of Intent 2024-28.* It demonstrates linkages between the Authority's outputs and the broader justice sector outcome.



### MEASURING OUR OUTPUTS 2024/25

Output Measure 1: Receive, manage and ensure resolution of complaints

What we measure	Target 2024/2025	Benchmark	<sup>1</sup> What we use to measure
All notifications of new complaints and incidents are acknowledged within seven days	99%	98%	IPCA complaints database
All new complaints and incidents that can be assessed without additional information are categorised and decisions made about appropriate actions within 28 days	75%	67%	IPCA complaints database
All new complaints and incidents that need additional information from Police or any other party are categorised and decisions made about the appropriate actions within 56 days	70%	54%	IPCA complaints database
Where a decision is made to take no action, the letters to Police and the complainant are issued within 14 days of that decision	95%	98%	IPCA complaints database
Where the Authority identifies a reasonable grievance it believes can be resolved without a detailed investigation, the Authority and Police agree on appropriate resolutions actions and these are undertaken	95%	100%	IPCA complaints database

Note 1: Based on the result as reported in the Authority's 2022/23 Annual Report.

What we measure	Target 2024/25	Benchmark <sup>2</sup>	What we use to measure
Authority reviews of Category B cases are completed within 28 days of receiving the file or Final Report from Police	85%	82%	IPCA complaints database
Independent investigations carried out by the Authority are concluded as soon as practicable	60-75% within 12 months	38%	IPCA complaints database
practicable	90% within 24 months	91%	
An investigation plan, milestones and a completion date are set and monitored for all Category A cases that proceed to full investigation	100%	100%	IPCA complaints database
Reports from Category A investigations are clear, consistent, well structured, and have well-argued conclusions	100%	100%	Independent review

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

Note 2: Based on the result as reported in the Authority's 2022/23 Annual Report.

Output Measure 3: Make recommendations for improved Police conduct, practices, policies and procedures, based on the results of investigations, and monitor their implementation.

What we measure	Target 2024/25	Benchmark <sup>3</sup>	What we use to measure
The IPCA make recommendations for improved Police conduct, policies, practices and procedures (including the optional protocol to the convention against torture) and monitor acceptance and implementation of those recommendations.	95-100% of recommendations	95-100% of recommendations	IPCA complaints database; Police 'Sentient' reporting

Note 3: Based on the result as reported in the Authority's 2022/23 Annual Report.

#### Output Measure 4: Monitor places of Police detention

What we measure	Target 2024/25	Benchmark	What we use to measure
Inspection visits of all overnight Police custodial facilities and selected holding cells in four Police districts are conducted each year	Annual inspection of all overnight custodial facilities in four Police districts are conducted	As reported in 2023/24	IPCA OPCAT Database
Produce an inspection report within 60 days of completing the last site visit in a district	Complete 4 District Reports per year	As reported in 2023/24	IPCA OPCAT database
Engage with Police and other relevant agencies on recommendations made as a National Preventive Mechanism within 30 days of reporting	100%	As reported in 2023/24	Qualitative reporting
Conduct a programme of announced and unannounced follow up visits to assess the implementation recommendations	100%	New measure in 2023/24	Qualitative reporting

#### SUMMARY OF OUTPUT EXPENSES 2024/25

Our outputs are forecast to cost \$7,098,738 in the coming financial year. Our revenue, plus reserves carried forward from 2023/24 financial period is forecast to be \$8,113,981.



#### FINANCIAL SUSTAINABILITY

The Authority's financial management processes are designed to support the delivery of outcomes aligned to the Government's objective of a safe and just society.

The Authority continually seeks to improve the efficiency with which it delivers its services in order to maximise the effectiveness of its work with the resource available to it. The Martin Jenkins Efficiency and Effectiveness Review (2020) continues to inform the Authority in regard to core capabilities and level of resourcing. Personnel expenditure will always represent the greatest area of investment and cost for the Authority. The Authority's strategy is to set remuneration and employment conditions so as to attract and retain high quality employees but recognises that employment costs must remain sustainable within our appropriation.

The level of operating reserves held by the Authority has allowed it to weather a challenging financial period. The Board has a conservative approach overall to forward planning, but it has authorised a budget that will result in a moderate technical (operating) loss over the next twelve months. This is necessary to provide stability for the organisation as it embarks on realignment to the new operating model.

The Authority's financial performance is reviewed by the Board on a quarterly basis and receives continuous external review throughout the year. Additionally, the budget is reviewed and adjusted as required during the financial year, taking into account expenditure trends and needs.



## 05 Appendix 1: Forecast Financial Statements

#### Statement of forecast comprehensive revenue and expense

	Estimated Actuals 2023/24 \$	Forecast 2024/25 \$
Revenue		
Funding from the Crown	6,742,000	6,742,000
Other revenue	315	-
Interest revenue	161,957	70,000
Total revenue	6,904,272	6,812,000
Expenditure		
Audit fees	59,575	66,724
Amortisation	23,398	18,286
Communication charges	52,711	66,836
Depreciation	79,909	75,247
Personnel costs and Board fees	6,417,297	5,513,900
Printing and stationery	10,740	12,335
Professional fees and contract services	233,101	210,000
Rent	513,030	543,442
Services and supplies	394,329	340,547
Subscriptions	6,207	6,997
Training	66,741	85,649
Travel and accommodation	144,259	158,775
Total expenditure	8,001,297	7,098,738
<u>Deficit</u>	(1,097,025)	(286,738)
Other comprehensive revenue and expense		
Total comprehensive deficit	(1,097,025)	(286,738)

#### Statement of forecast financial position

	Estimated Actuals 2023/24	Forecast 2024/25
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	1,552,100	1,346,133
GST receivable	96,950	97,185
Total current assets	1,649,050	1,443,318
Non-current assets		
Property, plant and equipment	201,219	170,972
Intangible assets	73,144	54,858
Total non-current assets	274,363	225,830
Total assets	1,923,413	1,669,148
Liabilities		
Current liabilities		
Creditors and other payables	251,493	253,296
Employee entitlements	271,606	292,276
Total current liabilities	523,099	545,572
Non-current liabilities		
Make-good provision	98,333	108,333
Non-current liabilities	98,333	108,333
Total liabilities	621,432	653,905
Net assets	1,301,981	1,015,243
Crown equity		
Total investment by the Crown	1,301,981	1,015,243
Total Crown equity	1,301,981	1,015,243

#### Statement of forecast changes in equity

	Estimated Actuals 2023/24 S	Forecast 2024/25 S
Total Crown equity at beginning of year Total comprehensive deficit	2,399,006	1,301,981
Total Crown equity at end of year	(1,097,025) <b>1,301,981</b>	(286,738) <b>1,015,243</b>

#### Statement of forecasted cash flows

	Estimated Actuals 2023/24	Forecast 2024/25
	\$	\$
Cash flows from operating activities		
Cash will be provided from/(applied to)		
Receipts from the Crown	6,742,000	6,742,000
Interest received	179,324	70,000
Other revenue received	315	-
Net GST paid	1,011	
Payments to suppliers and employees	(7,953,198)	(6,972,967)
Net cash flows to operating activities	(1,030,548)	(160,967)
Cash flows from investing activities		
Cash will be provided from/(applied to)		
Proceeds from term deposits:	1,400,000	-
Purchase of property, plant and equipment	(8,946)	(45,000)
Purchase of intangible assets	(35,381)	-
Net cash flows from investing activities	1,355,673	(45,000)
Net increase/(decrease) in cash and cash equivalents	325,125	(205,967)
Cash and cash equivalents at beginning of the year	1,226,975	1,552,100
Cash and cash equivalents at end of year	1,552,100	1,346,133
Represented by:		
Cash & cash equivalents	1,552,100	1,346,133

#### Appendix 2: Notes to and forming part of the financial statements

#### **Statement of underlying assumptions**

#### Significant assumption

The opening position of the forecast statements is based on audited results for 2022/23, the known unaudited 2023/24 expenditure to 31 May 2024 and the anticipated out-turn as at 30 June 2024.

#### Nature of forecast financial statements

The forecast financial statements have been prepared as a best-efforts indication of the Independent Police Conduct Authority's future financial performance. Actual financial results achieved for the period are likely to vary from the information presented, potentially in a material manner.

#### **Reporting entity**

The reporting entity is the Independent Police Conduct Authority, a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the 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 Authority has designated itself as a public benefit entity.

#### **Basis for preparation**

#### Statement of compliance

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

The forecast financial statements have been prepared in accordance with New Zealand Public Benefit Entity (NZ PBE) International Public Sector Accounting Standards (IPSAS). These prospective financial statements are compliant with Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS-42).

#### Measurement base

The forecast 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.

#### Functional and presentation currency

The forecast financial statements are presented in New Zealand dollars, rounded to the nearest one dollar. The functional currency of the Authority is New Zealand dollars.

#### Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the forecast financial statements:

#### **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable.

#### **Revenue from the Crown**

The Authority is primarily funded by revenue received from the Crown, which is restricted in its use for the purpose of the Authority meeting its objectives as specified in the Statement of Intent.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

#### Interest

Interest revenue is calculated based on the net cash flow received throughout the year.

#### **Operating leases**

Operating lease payments, where the lessors effectively retain substantially all risks and benefits of ownership of the leased items, are included in the forecast statement of comprehensive income as an expense, in equal instalments over the lease term when the leased items are in use.

Where the leased items are not in use, operating lease payments are treated as prepayment until the items are used to derive income. These prepayments are released to the forecast statement of comprehensive income on a straight-line basis over the period of the remaining operating lease term.

#### **Debtors and other receivables**

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method less any provision for impairment.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

#### **Investments**

Investments are bank deposits with original maturities greater than three months but less than one year.

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

For bank deposits, impairment is established when there is objective evidence that the Authority will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into receivership or liquidation, and default in payments are considered indicators that the deposit is impaired.

#### Property, plant and equipment

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

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 Authority and the cost of the item can be measured reliably.

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.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the forecast statement of comprehensive income.

#### 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 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 forecast statement of comprehensive income as they are incurred.

#### Depreciation

Depreciation is calculated on a diminishing value basis on property, plant and equipment once in the 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	25.0% DV

#### 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 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

Amortisation is charged on a diminishing value basis over the estimated useful life of the intangible asset.

The following amortisation rate is used in the calculation of amortisation:

Software

25.0% DV

#### Impairment

Property, plant and equipment and intangible assets 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 amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is 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 amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The impairment loss is recognised in the forecast statement of comprehensive income.

#### **Financial liabilities**

#### Creditors and other payables

Creditors and other payables, comprising trade creditors and other accounts payable, are recognised when the Authority becomes obliged to make future payments resulting from the purchase of goods and services.

#### **Employee entitlements**

#### Short-term employee entitlements

Provisions made in respect of employee benefits expected to be settled within 12 months of reporting date, are measured at the best estimate of the consideration required to settle the obligation using the current remuneration rate expected.

These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date.

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

#### Superannuation schemes

#### Defined contribution schemes

Obligations for contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the forecast statement of comprehensive income as incurred.

#### 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 an 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 and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

#### **Cash flow statement**

The Cash Flow Statement is prepared exclusive of GST, which is consistent with the method used in the statement of comprehensive income.

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 and includes at-call borrowings such as bank overdrafts, 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.

## Appendix 3: Critical judgments in applying the Authority's accounting policies

Accounting Standards (IPSAS), management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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

Judgements made by management in the application of IPSAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

These forecast financial statements are based on IPCA 2022/23 audited results, the unaudited anticipated out-turn as at 30 June 2024 and have been prepared on the basis of assumptions as to future events that the Authority expects to reasonably occur, associated with the actions it reasonably expects to take.

The main assumptions are as follows:

- Operating costs are based on historical experience. The general historical pattern is expected to continue.
- The Authority's activities will remain substantially the same as the previous year.

There are no significant events or changes that would have a material impact on IPCA's 2024/25 forecast.

#### Appendix 4: Category definitions

In order to allocate resources most effectively, the Authority categorises cases by assessing them across a range of factors, including the level of seriousness and the most appropriate means of resolving the matter. Generally speaking, we will independently investigate the most serious complaints and incidents, while other matters will be referred to Police for investigation or resolution under the Authority's oversight. There are also cases that for a variety of reasons do not require further action.

There are four categories of complaint. Categories A, B, C, D.

#### Category A - IPCA independent investigation

#### Principle

This category comprises cases which, in the public interest, needs to be independently investigated by the Authority in order to ensure public confidence n the integrity and objectivity of the investigative process and the outcome.

#### 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 (eg 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 as having sufficient robustness for public credibility; 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.

This may sometimes comprise a limited factual inquiry by the Police (eg a phone call to the complainant or a witness to clarify a factual matter) so that it can be determined whether the case is suitable for alternative resolution.

At the conclusion of the Police investigation it 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.

#### Category C - Facilitated Case Resolution

#### Principle

Where the complainant has a reasonable grievance to be addressed and the issues are clear, the case should be resolved by appropriate action and redress as soon as practicable.

#### Guidelines

This category of complaints has the following characteristics:

- a) the issues raised by the complaint are clear;
- b) there does not need to b 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.

Complaints in this category can range from the serious to the relatively minor. Their distinguishing feature is that they can be resolved quickly, efficiently and effectively. This means that complainants can receive timely redress, ad that appropriate lessons can be learned by individual officers or Police as an organisation soon after the event.

Before a case with these characteristics can be 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.

#### Category D - No further action

#### Principle

It is in the interests of both the complainant and Police that matters of no real substance are identified and concluded at the earliest possible opportunity. This decision will only be made after appropriate research, collation and analysis of available information relating to the complaint has been undertaken.

#### 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 related 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.

INTENTIONALLY BLANK

## Independent Police Conduct Authority

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