

**Children's  
Commissioner for  
England  
Annual Report and  
Financial Statements  
2014–15**



# **Children's Commissioner for England Annual Report and Financial Statements for 2014–15**

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## Contents

Foreword from the Children’s Commissioner.....	6
Foreword from Amplify, the Children’s Commissioner’s advisory group.....	7
Strategic report.....	8
Our work.....	14
Director’s report.....	38
Remuneration report.....	41
Statement of responsibilities of the Children’s Commissioner.....	48
Governance statement.....	49
The certificate and Report of the Comptroller and Auditor General to the Houses of Parliament.....	62
Financial review.....	64
Notes to the accounts.....	68

## **Foreword from Anne Longfield, Children's Commissioner for England**

This Annual Report covers the Children's Commissioner's year to the end of March 2015. For all but one month of that time, my predecessor Maggie Atkinson was Children's Commissioner for England and I would like to record my thanks to her and the team who supported her for much of the work detailed herein.

Bringing up children is the most important duty, not just of parents but of our society as a whole. Over the past year, the Children's Commissioner's work continued to focus attention on and support and encourage improvement in areas where there was the most pressing need for strong leadership, greater focus and shared understanding. These included: tackling child sexual abuse; pressing for better support for children in or leaving care; or those who are in the youth justice or asylum systems or who have mental health conditions.

Minimising the impact on children of ongoing austerity measures was also a key focus. As the law states that we must focus particularly on children who are most likely to have their rights abused, our work largely protects and promotes the most vulnerable. Whilst there remain many millions of children in England who need better and greater support, it is also important not to lose sight of the majority who are raised in warm, stable, loving homes and who make an incredible contribution to the environments in which they live. Our annual Takeover event saw record 44,000 children make a positive difference through involvement in decision-making in 1,100 organisations.

On 1 April 2014 the Children's Commissioner's remit was 'officially' strengthened through the Children and Families Act 2014. At the request of the then Secretary of State for Education, the Commissioner had been working to the spirit of the legislation for some time prior to its enactment. The Act also saw the transfer of a number of functions and responsibilities previously held by the Children's Rights Director in Ofsted to the Commissioner. These included a telephone support service for children in care or in receipt of social care and Care Monitor, the national survey of children in care.

I felt immensely privileged on my appointment as Children's Commissioner for England and I look forward to working on behalf of the nation's children to promote and protect their rights and best interests over the next six years. Alongside this Annual Report, I have published my key priorities which will build on activities to date with impactful strategies to support all children to reach their potential. I do not underestimate the challenges we will face in bringing up the country's children but I am determined to ensure I use my term wisely to drive real improvements to children's outcomes and in particular the most vulnerable.

## **Foreword from Amplify, the Children's Commissioner's advisory group**

Hello, I'm Maddie and I am a member of Amplify, the Children's Commissioner's advisory group. I have been a member for five years now and love every part of it!

In Amplify there are currently 30 of us from all over the country, ranging in age from 11 to 18. Excitingly, we're growing and have some new members starting in July. As a group, we meet three times a year to share ideas and discuss the Children's Commissioner's work. I joined Amplify as I thought it was the perfect opportunity to be able to voice my opinion and to be involved in work that has bearing on the Government's actions. It is great to know that children and young people's voices can be taken seriously and impact the projects undertaken by the Commissioner and her team.

Amplify have had a busy year! As well as our main meetings, we have assisted the office by being on interview panels for job vacancies and projects. Earlier in the year we were included in discussions for the new website. It was great being able to evaluate designs for the website and even better seeing the final product.

We all had the opportunity to be involved with Takeover Day – a fantastic event where young people can have an insight into the working world as well as being included in decision-making roles for the day.

Recently, we held our Mental Health Roundtable event, which I and other Amplify members helped to organise. We were able to lead discussions on our findings from our mental health project with attendees from national charities and the Government, who shared their opinions on these topics too. It was great to experience the running of an event, from the behind-the-scenes preparation, to presenting the day itself.

From being a member of this group I have been able to develop lifelong skills such as teamwork and public speaking, as well as important interview techniques. I have gained a lot of knowledge, especially from the other Amplify members and have formed many new friendships along the way.

Amplify have had a fantastic year and I hope that this upcoming year will be as exciting working with Anne and the staff on future projects. Please enjoy this year's Annual Report.

Maddie Geers  
Member of Amplify

## Strategic report

Anne Longfield, OBE commenced her six year term as Children's Commissioner for England at the 1 of March 2015. Succeeding Dr Maggie Atkinson, Anne is the third Commissioner to date. The Children's Commissioner's role was established by the Children's Act 2004 and strengthened by the Children's and Families Act 2014. The Children's Commissioner role has particular regard to those children whose voices are least likely to be heard. The Commissioner also has responsibility for issues that are not-devolved to regional Governments, including immigration and youth justice.

The Office of the Children's Rights' (OCD) statutory duties were repealed and transferred to the Children's Commissioner on the 1 of April 2014. The OCD statutory duty for children in receipt of social care forms the role and remit of the Children's Commissioner. The Commissioner must have particular regard to children in receipt of social care. The Commissioner's role is to promote and protect the rights and best interests of children in England.

Working within the framework of the United Nations Convention on the Rights of the Child (UNCRC), the Children's Commissioner is constituted as a Corporate Sole. She undertakes a broad range of activities to further these goals reporting annually on key achievements and impact.

### How the Commissioner worked in 2014–15

The Children's Commissioner resource allocation for the 2014-15 financial year was £2.924 million. She is supported by a team to identify and respond to the needs and priorities of children and young people – in particular the most vulnerable children in England.

Consultation and engagement with children is at the heart of the work with an extensive programme of children's participation through advisory groups, networks and visits. A strategic programme of activity is undertaken to raise awareness and support the rights and best interests of children and young people:

- Research and policy development to identify and understand children's experience of vulnerability and need and to put forward ambitious recommendations for change.
- National inquiries – responding to national trends of particular priority – this year in response to growing concerns about child sexual exploitation and child sexual abuse linked to the family environment.
- Visits to institutions where children live away from home – including children's homes, the secure estate and children seeking asylum – to



hear the experience of children, assess their wellbeing and identify actions for improvement.

- Advice and assistance for children in, or leaving care or living away from home to ensure their needs are met.
- Awareness raising and advocacy – ensuring that national and local decision makers understand and respond to the needs of children and young people.

A one year business plan is published each year to outline the Children's Commissioner's activities.

The new Commissioner has identified her priorities for the five years going forward to improve outcomes for children especially the most vulnerable. The priorities were launched at the beginning of July and will create the framework for all the work and budgeting going forward.

The Commissioner's Office aims to be efficient and effective in all that it does with appropriate internal structures to ensure good governance, decision making, accountability and financial control.

A major governance review was undertaken in 2014 which made a wide range of recommendations to strengthen decision making, leadership, transparency and reduce costs. The new Commissioner has begun to implement these recommendations as a priority. This has resulted in the removal of the Deputy Children's Commissioner and CEO post; the merger of three management groups (Leadership Team, Commissioner's Board and Quality Management Team) into a new Senior Management Group; the establishment of new staff forums and the strengthening of the Advisory and Audit and Risk Groups. Please see Governance section for more information.

The new Commissioner has also begun to take steps to implement the Review's wider recommendations to strengthen integrated working across policy areas to improve outcomes for children and young people. These actions will be priorities for the Commissioner in 2015–16.

The Children's Commissioner's Office has 27 permanent members of staff, two of whom are part-time. The Commissioner's work was supported by a Deputy Commissioner and Chief Executive, Sue Berelowitz during the year. Sue left her post in April 2015. We would like to thank Sue for her work and contribution to the organisation. Working within three Directorates: Policy (led by Anna Henry, Director of Policy); Communications and Participation (led by Oliver Berman, Director of Communications and Participation); and Corporate Services (led by David Ryan, Director of Corporate Services), the team now reports to the Children's Commissioner.

A number of groups advise, scrutinise and challenge the Commissioner:

- **Children and young people**

The Children's Commissioner is advised by two groups of children and young people, **Young Amplify** (aged 7–11) and **Amplify** (aged 11–18). They make sure the views of children and young people are included all of our work. Members come from a wide range of geographical locations and backgrounds.

- **Advisory Board**

Leading figures and experts provided advice, support, scrutiny and challenge to the Children's Commissioner.

- **Specialist advisory groups**

Specialist experts and practitioners support our work and programmes. This includes specialist children and young people's groups.

- **Audit and Risk**

The Audit and Risk Committee (ARC) is responsible for providing independent assurance and objective review of financial systems, financial information, information data security, risk management, governance arrangements and internal control mechanisms.

The Children's Commissioner values her relationship with the wide range of stakeholders she works with to further children's outcomes. This includes children's groups and professionals, parliamentarians, government officials, charities, parents and community groups and, of course, children and young people themselves. We are grateful for your inspiration, encouragement, challenge and support.

## **Children's Commissioner's impact during 2014–15**

### ***Child poverty***

We published a review of policies and services that target early year's poverty and highlighted what is known about impact of services for young children and their families and effective practice in local delivery of services.

Our assessment of early year's services has highlighted key limitations of the Government's child poverty policy. It has been used by other organisations to bolster wider work around potential solutions to alleviate child poverty. We will build on these findings to contribute to a two year study around the kinds of policy interventions that local areas can implement and model how local approaches and system change can support children and families out of poverty.

Our Child Rights Impact Assessment (CRIA) on the Budget has a significant impact and has been extensively referenced in Parliamentary debates and policy discussions in both Houses as well as in the press and social media.

## ***Education***

Building on the impact of our school exclusions work, we have taken forward two themes which emerged as part of our education inquiry: an investigation into the workings of the admissions system and an analysis of the impact of changes to the education policy landscape and how this affects vulnerable groups such as children in care.

We examined children's rights in relation to the English education system and looked at the views and experiences of children in residential special schools. Our research identified that more ambitious standards are needed for residential special schools; that children need to be listened to when making decisions about their placements and needs, that levels of support from local authorities placing children and for those transitioning to adulthood are patchy and that levels of support provided by local authorities to looked-after-children in residential special schools are of particular concern.

We also looked at the accessibility and use of school complaints processes and will make recommendations on how to make the school complaints process child-friendly. We have strongly advocated for Personal Social and Health Education (PSHE) to be a statutory part of the curriculum.

## ***Safeguarding children***

We have championed a child-centred approach to safeguarding devising and promoting a new Recognition and Telling framework to support professionals to identify abuse and neglect.

We also continued our long-term work on parental alcohol misuse. In 2014 we published reports on support available for children and young people affected by parental alcohol misuse and began work on children's perspectives of independent advocacy services.

## ***Children's health***

The Children's Commissioner continues to be influential around health issues. We will continue to take forward this work and have identified improvements to children and young people's mental health services as a key priority for the future. Amplify's project on mental health will be an important part of the Children's Commissioner's contribution to this important policy area.

## ***Child sexual exploitation and abuse***

As part of the child sexual exploitation inquiry we have challenged various agencies to improve their performance and many of the recommendations we made to improve practice have now been implemented in full. We are piloting the See Me Hear Me Framework (a child protection strategy developed as part of the inquiry) in Brighton and Hove, Oxfordshire and Sandwell. Our one year on report followed up the 37 recommendations we made for improving responses to child sexual exploitation as part of the our inquiry.

We went on to launch a new two-year inquiry into child sexual abuse in the family environment publishing a first report, a Rapid Evidence Assessment to

inform the inquiry.

### ***Disabled children and young people***

We published a report on disabled children's rights in England, led by four disabled young researchers. The report raises serious issues and presents solid evidence about the fulfilment of disabled children's rights in England.

### ***Child asylum and immigration***

We examined the arrangements for helping an unaccompanied child to put a case before a decision maker and what happens if that case is rejected. We undertook work to examine the impact of changes to the Family Migration Rules on children, particularly if they are separated from one of their parents for lengthy periods. We will shortly be publishing a report with recommendations to inform Government in its approach to reviewing the current Rules.

### ***Youth justice***

We made unannounced visits to check on the welfare of children deprived of their liberty, giving us a unique perspective. Youth justice visits have achieved positive change across institutions for individuals and as a whole. We frequently find on return visits that institutions have attempted to put our previous recommendations into effect.

The Children's Commissioner is a member of the UK's National Preventative Mechanism (NPM) designated by the Secretary of State for Justice under the Optional Protocol to the UN Convention against Torture.

We also began more detailed work on isolation and solitary confinement in Young Offenders Institutions, Secure Training Centres and Secure Children's Homes.

### ***Children's Legal Aid***

We published a CRIA on the effect of changes to civil and prison Legal Aid on children and young people. It found negative effects on a broad range of children's rights.

### ***Engaging and participating with children***

Our national day of engagement, Takeover Day, was the most successful ever, with over 44,000 children taking over 18,000 adults. #TakeoverDay trended worldwide on Twitter, raising awareness of Article 12 amongst 46 million twitter accounts, with over 10,000 individual tweeting about the day. 59% of organisations that fed back to us said they had agreed a change as a result of young people's contributions.

Amplify and Young Amplify have gone from strength to strength, with both groups successfully driving forward their own projects which will make a real contribution to our work and be influential on a national scale.

We have successfully piloted a work experience programme and continue to

have a significant impact on national policy, leading thinking and discussion around participation work.

We have launched a new website to support our strategic goals and to effectively promote and protect children's rights.

### **The future**

Many of these activities will continue in the next five year plan which will aim to extend and deepen our work in all our key areas. Raising awareness of all children's experience of childhood will also be a key priority going forward with new areas of activity on children and the internet, children and their community and recovery from trauma beginning.

### **Children's Commissioner financial summary**

The Children's Commissioner is funded via Grant-in-Aid from the Department for Education (DfE) which is subject to Parliamentary control. In 2014-15, staff costs accounted for £1.963 million of expenditure and non-pay costs amounted to £0.978 million. The net expenditure for the period totalled £2.935 million.

The financial statements have been prepared in accordance with a Direction issued by the Secretary of State for Education under the Children Act 2004. The Statement of Financial Position at 31 March 2015 shows net assets of £167,000.

Under the normal conventions applying to Parliamentary control over income and expenditure, such grants may not be issued in advance of need, but there is no reason to believe that, if required, grant funding and parliamentary approval will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for these financial statements

**Anne Longfield**  
**Children's Commissioner for England**

**16<sup>th</sup> July 2015**

## **Our work in 2014–15**

### **Introduction**

Our Annual Report showcases the work the Children’s Commissioner and her team have undertaken in 2014–15 to promote and protect the rights of children and young people.

It sets out how we have performed against the strategic objectives identified in the Business Plan and how the statutory remit as set out in the Children and Families Act 2014 has been fulfilled. It records how the framework of rights provided by the United Nations Convention on the Rights of the Child (UNCRC) has been used to make life better for children and young people in England.

Because the Children’s Commissioner’s vision, mission and values commit to involve children and young people in all work, the ways in which they have contributed to organisational objectives and outcomes are also outlined here.

The work explored is grouped under the strategic priorities identified in the 2014–15 Business Plan for ease of reference. However, it is worth noting that in reality, the impact of the Children’s Commissioner’s work intersects across a number of objectives and priorities, just as the rights children hold under the UNCRC are cross-cutting and symbiotic.

With this in mind, the impact on the lives of children and young people is complex and unique. There are quick wins and there are also long-term achievements. Certainly, the influence of the work often emerges over periods of years rather than in the span of one Business Plan. Therefore, this section also captures impacts noted in 2014–15 which have originated from previous work.

Much of our work focuses on changing laws and policies relating to children to improve their lives. Whilst we do not claim sole responsibility for all the changes to the laws and policies with which we engage as there are other individuals or organisations championing the same issues, our statutory role and remit enabled us to influence decision making on behalf of children and young people.

The work undertaken by OCC in the last 12 months represents a fundamental change for the better for children and young people. The Children’s Commissioner has succeeded in promoting and protecting their rights and is committed to making life better for all children in England.

## **Growing up in England today**

In assessing the impact of the Children's Commissioner work it is important to understand what life is like for children and young people in England today. Below are some key scene-setting facts focused around key areas of work which show some of the challenges facing our children and young people today and demonstrate the rapidly changing environment that the Children's Commissioner is operating within.

### **Child poverty**

- Poverty shapes children's development. By the age of six a less able child from a rich family is likely to have overtaken an able child born into a poor family in terms of educational attainment.
- Children growing up in poverty are more likely to leave school at 16 with fewer qualifications.
- The last two governments committed to reducing poverty to less than 5% by 2020. A target which is now certain to be missed. 2.7 million children live in poverty.

### **Challenges for parents and families**

- 31% of the average family with children's disposable income is presently taken up by childcare costs.
- In 2014, 2,130 families were living in Bed and Breakfast accommodation, double the figure of 2011.
- 56% of parents believe family life is harder than it was 20 years ago.

### **Children in care**

- At any one time, there are around 70,000 children in care (around 90,000 children experience care in any year). The majority are in foster care and around 6,000 live in children's homes.
- Children in care are some of society's most vulnerable citizens. They tell us they need:
  - more consistent relationships with adults who stay in their lives
  - greater stability in placements
  - better therapeutic support
  - better support when entering and leaving care
  - greater choices
  - their views need to be taken into account when decisions are made about their care
  - better support and transitions.

## **Children's health**

- 1 in 10 children and young people aged 5 to 16 suffer from a diagnosable mental health disorder.
- 72% of children in care have behavioural or emotional problems.
- There were 17,278 admissions at A&E involving patients aged 18 and under with a diagnosis of psychiatric conditions in 2013–14.
- 1 in 10 children are obese when they start primary school, and 1 in 5 will be obese by the time they leave. However, there has been a drop in the percentage of overweight children in the first decade of the new millennium.

## **Youth justice**

- 95% of imprisoned young offenders have a mental health disorder. Many of them are struggling with more than one disorder.
- 65 children and young adults died in detention during the last four years, an average of one a month.

## **Wellbeing**

- The proportion of young people age 15 to 19 enrolled in schools and colleges is more than 80% in every major developed nation except the UK, where the rate is just 74%.
- The UK is one of the three richest countries with a teenage pregnancy rate of more than 30 per 1,000.
- The UK has one of the highest alcohol abuse rates by young people. Around one in five children in the UK age 11 to 15 report having been drunk on at least two occasions.

## **Changing nature of childhood**

- Issues that young people face today are challenging: on and offline bullying; access to pornography; pressure and confusion around sex and relationships.
- Rates of child sexual abuse are as high as 1 in 20 children in the UK, with 1 in 3 not telling anyone about it.
- The Children's Commissioner's inquiry into child sexual exploitation found that 2,409 children were known to be victims and 16,500 children and young people were at risk.



- Nine out of 10 parents surveyed for a review on the commercialisation of childhood agreed that 'these days children are under pressure to grow up too quickly'.
- 4,500 children and young people talked to ChildLine about online bullying last year.
- 1 in 3 children and young people aged 12 to 17 have experienced cyberbullying or online harassment.

## **Supporting children in or leaving care, living away from home or receiving social care services and promoting children's rights**

We said:

We will promote and protect all children's and young people's rights. We will have particular regard to those within the new section 8A of the Children Act 2004 (children living away from home or receiving social care) who we will provide advice, assistance and representation to. We will also have particular regard to other groups of children who we consider to be at particular risk of having their rights infringed.

UNCRC Articles: 34, 9, 19, 20, 21, 37

### **What we've done**

#### ***Promoting awareness of the UNCRC and children's rights in action***

To support our remit we raised awareness of children and young people's rights by producing a video for the twenty fifth anniversary of the UNCRC which was shared worldwide across social media. This explained the importance of children's rights and demonstrated what they look like in action.

We also produced a publication to promote children's rights and the work of the Children's Commissioner to high-profile stakeholders in Government and beyond, with the aim of ensuring that they consider children's views in their work.

We have worked with children and young people from a wide range of organisations and groups to improve children's understanding of their rights and raise awareness of the UNCRC. Working with children and young people we developed six scenarios, narrated by children from our Participation Network, which demonstrate how rights are central to their lives. We will use these on our website to guide thinking and questions around the UNCRC and the place of children's rights in society.

#### ***Upholding the rights of children in care***

We established a specialist team to ensure that children in or leaving care, living away from home, or receiving social services had their rights promoted and protected. We provided advice, assistance and representation to these children, face to face, by telephone and via correspondence.

We undertook 'Care Monitor', a national survey of children in care which was previously administered by the Office of the Children's Rights Director. We intend to use the data collected to inform strategic work to further the interests of children in care; promote awareness of the specific needs of this group of children and young people; and to influence changes in policy to significantly improve their outcomes. The Commissioner has recently published the findings in her first State of the Nation report on children's views.

We have visited many groups of children in and leaving care (in residential and foster homes as well as living independently) to listen to what they had to say about life in care and identify key problems and themes.

### **How children and young people contributed to our work**

The voices, views and experiences of children in care and care leavers inform and influence our projects in a number of ways. We specifically involve them in our work to better understand their needs and improve their care. Our Young Expert Group for Care Monitor helped review and revise the survey, commission the University of Nottinghamshire to run the survey and reflected on the findings with them. The Care Monitor Survey engaged nearly 3,000 children and young people with care experience.

This year we piloted an approach to visit different parts of the country to meet with and listen to children and young people with care experience who might be less heard through 'typical voice forums', so we visited children's residential homes, local authority and privately run homes, 16+ accommodation and children and young people in foster care. On these visits we also met with regional and local children in care councils. The findings from this work will be used alongside the Care Monitor work to better identify the needs and priorities for children in care and leaving care.

Children with experience of care are represented as part of the Commissioner's advisory groups, Amplify (for 12 to 18 year olds) and Young Amplify (for 7 to 11 year olds) which help identify the priorities for our work and contribute at the earliest possible stages to our projects on a range of issues.

This year we have had two care leavers working with us, one to support our communications team and how we promote our advice and assistance role and the other working on our education policy area.

### **On impact**

Our Advice and Assistance line has responded to 273 cases from 76 different local authorities (almost half of all local authorities across England). Almost a third have resulted in representation, usually to the Director of Children's Services, for the child's placing authority. The Children's Commissioner continues to be an important contact point for enquires and this is likely to increase through our new website which has recently been launched. We plan to develop the service over the coming year by publicising the support we offer through partners and our website.

We have had very positive feedback from those accessing advice and assistance, including:

Care Leaver: *Thank you for your help. My LA has agreed to pay for my*

*access course and I start next week!*

Foster carer regarding a placement move: *Many thanks for this information. This will be very useful when I help the child to challenge Social Services.*

Director of Children's Services following a referral to investigate and report back: *We have taken this extremely seriously and you can rest assured that we are focused hard on the quality of what we do and ensuring that the voice of the young person is heard.*

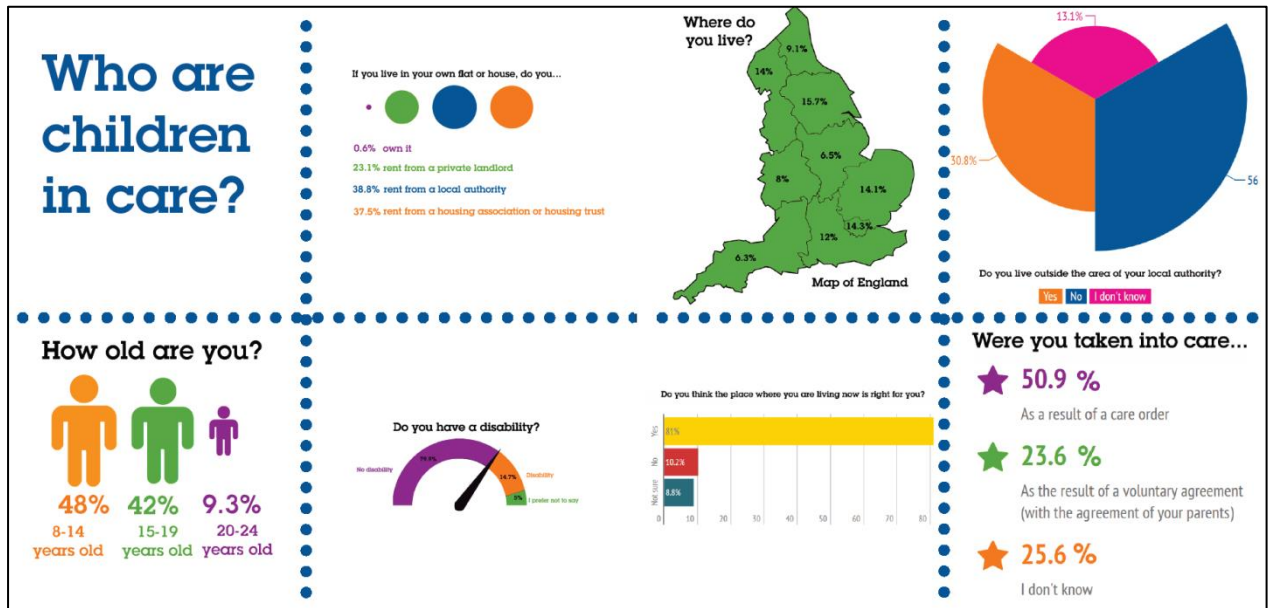
### **How children and young people contributed to our work**

Nearly 3,000 children and young people from all across England took part in Care Monitor, answering a range of questions about all aspects of their lives. The results will inform our recommendations to the Government and other decision makers about the key issues for children in care including transitions into adulthood and having more of a say in care planning.

Our visits to children in care collected a range of views around key topics including care planning and transitions. By feeding back to the specific local authorities we visited, we were able to have an immediate impact on outcomes for children in care. We are also using what children and young people told us to identify key themes and problems which will inform our wider policy work.

Our resources for promoting the UNCRC were shared thousands of times across social media, including across the European Parliament. Many high profile MPs shared the video from their Twitter accounts.

## Case study: Key findings from Care Monitor which will be taken forward in our work



## Did you understand why you came into care?



Yes No

## How safe do you feel?



Very safe Fairly safe Not safe Very unsafe

## **Supporting all children and young people to develop, flourish and realise their potential**

We said:

We will promote and protect children and young people's rights to access the services and support that enable them to develop, flourish and realise their potential.

UNCRC Articles 23, 24, 26, 27, 28, 29, 31

### **What we've done**

#### ***Child poverty***

We published a review of policies and services that target early year's poverty and highlighted what is known about impact of services for young children and their families and effective practice in local delivery of services. This research is part of a wider two year project, following on from previous work highlighting the impact of low income on disabled children's rights, which aims to promote good local practice in tackling poverty in a child's early years.

We also published a Child Rights Impact Budget (CRIB) on changes to tax and social security in the 2013 Autumn Statement and 2014 Budget which found that the cumulative impact of changes since June 2010 has been negative on a broad range of children's rights.

#### ***Education***

Building on the impact of our school exclusions work, we have taken forward two themes which emerged as part of our education inquiry: an investigation into the workings of the admissions system and an analysis of the impact of changes to the education policy landscape and how this affects vulnerable groups such as children in care.

We published *It might be best if you looked elsewhere: An investigation into the school admissions process* which found that in a small amount of cases some schools used the admissions system to manipulate their intake. Some parents felt they were put off from applying for places at particular schools and described school staff acting dismissively towards them or their children, failing to respond to phone calls and emails, or telling parents that they did not think their child would 'fit in' at the school.

We published *Children at the heart of the education system*. This work examines children's rights in relation to the English education system, and how these can be upheld whilst also meeting the day to day interests of children and young people and its other priorities.

We looked at the views and experiences of children in residential special schools based on children's accounts of their lives in 17 schools for children

with special needs. Our research identified that more ambitious standards are needed for residential special schools; that children need to be listened to when making decisions about their placements and needs; that levels of support from local authorities placing children and for those transitioning to adulthood are patchy and that levels of support provided by local authorities to looked-after-children in residential special schools are of particular concern.

We have undertaken a project to investigate the effectiveness of education complaints systems, focusing on whether these systems enable young people to access redress when they have been badly treated. The findings from this work will be published in the near future. This is part of wider project which is looking at the accessibility and use of school complaints processes and will make recommendations on how to make the school complaints process child friendly.

### ***Safeguarding***

We continued our long-term work on parental alcohol misuse. This began in 2012 with the publication of *Silent Voices*, which critiqued how poorly families affected by alcohol abuse were supported in comparison to the help available for those affected by drugs. In 2014 we published *I think you need to know what help there is*, which built upon this by looking at the support available for children and young people affected by parental alcohol misuse in specific localities and drawing together practice to recommend ways of supporting children and young people based on what they say they need.

In 2014 we began a project based on children's perspectives of independent advocacy services. This investigates access to advocacy and the impact – as children view it – of this on their lives. This work will continue into the following business year and it is intended to support the case for advocacy provision by right so that children's voices can be better heard in decisions which affect their lives.

We have continued to promote our work supporting young people to recognise and tell about abuse and neglect which was undertaken during the previous business year and continues to have significant impact.

We have also responded to a number of consultations around safeguarding which have influenced government policy around protecting our most vulnerable young people, including on: residential care standards; changes to the Working Together guidance on child sexual exploitation; social work training; and mandatory reporting. We have continued to work with the NSPCC around a number of safeguarding concerns in educational establishments.

### ***Health***

The Children's Commissioner continues to be influential around health issues. We consider a child's right to health as fundamental to all the UNCRC Articles and health considerations are a constituent of all our work.

We were a member of the Department of Health's Mental Health Taskforce and contributed to its report *Future in Mind* which launched a new vision for children and young people's mental health. We will continue to take forward this work and have identified improvements to children and young people's mental health services as a key priority for the future.

We are still taking forward work on neurodisability with the Royal College of Psychiatrists and on children and young people in secure mental health settings which we began in previous business years.

Amplify are also contributing to our work around health by undertaking a project on children and young people's mental health, looking at where and how children and young people seek support from organisations (see priority four for further details).

### **How children and young people contributed to our work**

Amplify's project on children and young people's mental health will be an important part of the Children's Commissioner's contribution to the Department of Health's Children and Young People's Health Outcomes Forum and the work of the Chief Medical Officer. It is particularly important because the research has been initiated and led by children and young people and will take forward their voices and experiences in important policy decisions.

In the same way, Young Amplify have developed their own project looking at what feeling or being 'safe' means to children and what they need to help them feel or be safe in different situations. The outcome of this work will be shared later this year.

Children and young people contributed to research which shaped our work on parental alcohol misuse through their participation in focus groups and interviews.

The research for our work on residential special schools was supported by 83 children and many staff and parents from 17 different schools across England. The children (with appropriate support) clearly articulated what mattered to them including friendships, freedom from bullying, activities, getting involved in community life, feeling safe and supported by staff. Children and young people who took part in the research also launched the project in the House of Lords.

### **Our impact**

Our assessment of early year's services has highlighted key limitations of the Government's child poverty policy. It has been used by other organisations to bolster wider work around potential solutions to alleviate child poverty. We will build on these findings to contribute to a two year study around the kinds of policy interventions that local areas can implement and model how local



approaches and system change can support children and families out of poverty.

Our Child Rights Impact Assessment on the Budget has a significant impact and has been extensively referenced in Parliamentary debates and policy discussions in both Houses as well as in the press and social media.

Our education work was used as part of an in-depth special edition of BBC Newsround to raise awareness with children and young people around illegal exclusions. As a result of *It might be best if you looked elsewhere*, the DfE has clarified its position on schools' uniform and trips' policies to prevent some schools from potentially dissuading some parents from applying for a place.

Our work on residential special schools is the first to be steered by, and to capture the voices of, children and young people in this area of research. Although a relatively small-scale study, it represents a ground-breaking contribution to the field and has already been used to support other research in the area. The Parliamentary launch of the research put the issue in the spotlight and showed the ways in which young people contribute to and shape our work. In their response to our recommendations, the DfE said that they would be using the research to support their work in a number of areas including reviewing the National Minimum Standards for boarding schools, new quality standards for residential care and around mandatory reporting.

The Department of Health's Mental Health Taskforce report is set to have a significant impact on the landscape and reform of children's mental health services

**Case study: Infographic from our residential special schools work showing how children and young people were involved in the research**



## **Protecting children and young people from violence, neglect, abuse, trafficking and exploitation**

We said:

We will promote and protect children's and young people's right to protection from violence, neglect, abuse and exploitation, with particular regard to the most vulnerable groups who are afforded special protection under the UNCRC.

UNCRC Articles 9, 19, 22, 34, 37 and 40

### **What did we do?**

#### ***Sexual exploitation and abuse***

Work from our ground-breaking inquiry into child sexual exploitation in gangs and groups is still ongoing. We are piloting the See Me Hear Me Framework (a child protection strategy developed as part of the inquiry) in Brighton and Hove, Oxfordshire and Sandwell. The Framework was developed using evidence from children and young people and professionals and identifies the essential things needed to ensure effective local responses. It enforces the need for local organisations to work effectively together to focus on ensuring the children for whom they are responsible are comprehensively protected from child sexual exploitation and provided with appropriate support where they may have been victims of it. The University of Sussex will formally evaluate the pilot, which will run for two years.

We also published *If it's not better, it's not the end*, which followed up the 37 recommendations we made for improving responses to child sexual exploitation as part of our inquiry. It found that although encouraging progress is being made in many areas, vastly different rates of child sexual exploitation have been reported in different parts of England. It reiterated the need for all of the inquiry's recommendations to be implemented in order to fully protect children.

We launched a new two-year inquiry into child sexual abuse in the family environment after our previous inquiry found that many victims of sexual exploitation had previously been abused in the family home and that this was not identified or addressed. We published the first report, *It's a lonely journey*, a Rapid Evidence Assessment which examined over 57,000 research studies into child sexual abuse. This will be used as an evidence base to inform the inquiry, which will seek to determine how widespread child sexual abuse in the family environment is, what must be done to support the victims, and how it can best be prevented.

We made strong representation to Education Select Committee on PSHE based on the extensive findings of our work on child sexual exploitation. What we said was significantly drawn upon in the Committee's Final report Life

lessons: PSHE and SRE in schools and has gone on to influence Government announcements around strengthening PSHE.

### ***Disabled children and young people***

We published *They still need to listen more*, a report on disabled children's rights in England, led by four disabled young researchers. The report presents the views of 34 disabled children and young people on their rights as outlined in the UN Convention on the Rights of Persons with Disabilities. It raises serious issues and presents solid evidence about the fulfilment of disabled children's rights in England.

### ***Asylum and immigration***

We published *What's going to happen tomorrow?: Unaccompanied children refused asylum* which examined the arrangements for helping an unaccompanied child to put a case before a decision maker and what happens if that case is rejected. The report recommended that this group of young people's permission to remain should be aligned with care leaving legislation to allow them to complete their education or training. This would provide the vital grounding they need to progress with their lives successfully after leaving the UK, taking with them skills that could benefit the countries to which they are returned.

In response to changes to Family Migration Rules we undertook a piece of work to examine the impact of changes to the Rules on children, particularly if they are separated from one of their parents for lengthy periods. Evidence obtained may also be used as the basis for any legal interventions by the Children's Commissioner. We are currently gathering evidence from children and young people and their families who have been affected and will shortly be publishing a report with recommendations to influence Government in its approach to reviewing the current Rules.

We also continued our work around age assessment of unaccompanied asylum seeking children acting as interested party in a number of legal cases to ensure that those that are under 18 are provided with the support they are entitled to.

### ***Youth justice***

We are the only statutory body with the right of entry across all parts of the children's secure estate. We make unannounced visits to check on the welfare of children deprived of their liberty, giving us a unique perspective as there is no other body that visits or inspects across all three types of secure provision. Our feedback is directly from children and young people.

The Children's Commissioner is a member of the UK's National Preventative Mechanism (NPM) designated by the Secretary of State for Justice under the Optional Protocol to the UN Convention against Torture. We have chaired the children and young people sub-group of the NPM since 2013, bringing together members on a quarterly basis to share information and recommend activity on children for the NPM as a whole.

Last year we made eight visits, accompanied by senior representatives from various agencies. We focused on key issues such as reception, induction, searches, bullying, restraint, mental health and isolation/solitary confinement.

We began more detailed work on isolation and solitary confinement in Young Offenders Institutions, Secure Training Centres and Secure Children's Homes. We aim to achieve better protection of children's rights through advocating for changes in practice. This work has arisen through observation on visits to the secure estate in previous business years where we observed children experiencing lengthy periods in segregation with very little access to education and little time of out of cell. We also observed segregation being used against children who are self-harming, as well as the use of 'unofficial' isolation outside relevant regulatory frameworks.

Our policy work in youth justice focused on the secure college proposals and we briefed Parliamentarians on the likely impact of the Criminal Justice and Courts Bill on children in the secure estate and responded to the Ministry of Justice consultation on proposals for secure college rules.

We identify opportunities during our visits to the secure estate to meet and listen to children and young people on a one to one and informal basis on areas such as wellbeing, support and care to get their views and perspectives.

### ***Legal Aid***

We published a Child Rights Impact Assessment (CRIA) on the effect of changes to civil and prison Legal Aid on children and young people. This topic was chosen because of concerns that changes could seriously and systemically affect the rights of children and young people. Access to legal advice, assistance and representation affects both the ability of children and their parents or carers to enforce their rights or obtain solutions if those rights are violated, as well as the ability of decision-makers – administrative and judicial – to make decisions properly in possession of all relevant evidence and information. Children and vulnerable young adults cannot be expected to act alone to deal with a legal problem. The CRIA found negative effects on a broad range of children's rights, in particular those protected by Articles 2, 3 and 12 of the UNCRC.

### **How children and young people contributed to our work**

Over 1,000 children and young people contributed to our child sexual exploitation inquiry. Their voices have been taken forward in the development of the See Me, Hear Me Framework.

We represented what children and young people told us about what they wanted from quality PSHE provision to the Education Select Committee and aim to drive through significant changes in this area in the future.

Forty children and young people with specific experience around accessing Legal Aid supported our CRIA. Their views and voices were also represented in a social media campaign which was shared thousands of times on Twitter.

Thirty two young people aged 16 to 23 from 3 local authorities helped to shape *What's going to happen tomorrow*. They developed stories in workshops which enabled them to share their views and experiences and to understand their own and other's journeys through the asylum system. Children and young people who supported our age assessment work attended a meeting in the House of Lords to talk about their experiences.

## **Our impact**

As part of the child sexual exploitation inquiry we have challenged various agencies to improve their performance and many of the recommendations we made to improve practice have now been implemented in full. A significant number of police forces and Local Safeguarding Children Boards (LSCB) have put in place strategies for responding to CSE – 92% of LSCB have now produced a CSE strategy and 79% of police forces have produced a strategic analysis or problem profile as per the inquiry recommendations. There has also been a considerable improvement in the level of compliance with the statutory guidance on safeguarding children from sexual exploitation, with over half of LSCBs now meeting 13 of 15 key requirements. Joint working has also been improved, with 31 out of 38 police forces in England having a full information sharing protocol in place with children's services and 81% of LSCBs reporting that an information sharing agreement is in place in their area.

The reports from our inquiry have been referenced in the DfE's updated statutory guidance for child sexual exploitation, which has been disseminated to every professional working in the field of child protection.

Since the conclusion of our inquiry a number of reports and events have echoed our findings and reinforced our recommendations. These include:

- *Unheard Voices* – The Muslim Women's Network report on CSE in the Muslim community (2013)
- a Parliamentary inquiry into the effectiveness of legislation for tackling child sexual exploitation and trafficking within the UK Barnardo's report of Sarah Champion's inquiry (April 2014)
- an Independent Inquiry into Child Sexual Exploitation in Rotherham 1997–2013 Alexis Jay OBE (August 2014)
- *Real Voices* – Ann Coffey's report on child sexual exploitation in Greater Manchester (October 2014)
- *'It couldn't happen here, could it?'* – Ofsted's thematic review of local authorities' current responses to child sexual exploitation (November 2014)
- Report of Inspection of Rotherham Metropolitan Borough Council Louise

Casey (February 2015)

- Downing Street Summit on Child Sexual Exploitation, where the Children's Commissioner played a crucial role
- The first CSE awareness day #CSEday15, where we contributed to the #helpinghands campaign which trended on social media.

We are proud that our inquiry has contributed to the national recognition of and increased momentum to tackle child sexual exploitation and that as a result children are more likely to be safeguarded properly.

There has been significant interest in our inquiry into child sexual abuse in the family environment so far. We have secured the support of many stakeholders working in this field, including: the police, children's services, survivor/victim organisations, academics and the voluntary sector. This is a challenging sector, with diverse and opposing views on many issues, so it is a significant achievement in itself to have successfully united so stakeholders in support of the work going forward.

The Government announcement of a new charter for PSHE was heavily influenced by recommendations from the Education Select Committee's final report. This is an area of work that we have prioritised for the future.

The secure college proposals were modified in line with some of our concerns, to exclude boys under 15 and all girls from secure colleges unless Parliament agreed a resolution to include them.

Youth justice visits have achieved positive change across institutions for individuals and as a whole. We frequently find on return visits that institutions have attempted to put our previous recommendations into effect.

Our Legal Aid CRIA was widely disseminated and has been used by in wider discussions by the legal profession and Parliamentarians about the impact of austerity on children's rights. It was also shared widely across social media. The former Family Justice Minister Simon Hughes released a statement in response to the report and wrote a formal memorandum to the Justice Secretary calling for a review.

**Case study: Legal Aid CRIA social media campaign, a selection of tweets from the campaign**

**Some children and young people do not receive the support they need and do not resolve their cases until they get legal support.**

*There were a lot of things they do only by the fact that they don't wanna go to court. It literally always has to come down to that. Like, when my lawyer says something like, "If you don't reply by 2pm on Tuesday or whatever, we'll proceed to court", they always seem to do it.*

**Leila, 17**



**Some children and young people (and their parents and carers) did not know that legal support was available**

*I think you know that if you get nicked you can get criminal Legal Aid but I don't think people even realise that they can get help with education matters or legal help for their kids so I think it's a bit underestimated.*

**Mother of 15 year old**





## **We will make sure young people's views are respected and their interests are taken seriously**

We said:

We will promote and protect children's and young people's rights to participate and their views respected, and interests taken seriously in matters and decisions that affect their lives.

UNCRC Articles: 3, 12

### **What did we do?**

#### ***Amplify***

We continue to run Amplify, the Children's Commissioner's young people's advisory group, whose advice continued to shape our work and whose participation is invaluable to delivering it. Aged 12–18 and from all over England, Amplify's 33 members come from a wide range of backgrounds, abilities, ethnicities and social groups. They are a strong influence on how the Children's Commissioner's Office does all its work, contributing to our business planning and annual reporting cycles. Over the last year, Amplify members' participation included: organisational decision-making; research; procurement; recruitment and communications.

They also undertook their own project around children and young people's mental health which will identify where organisations provide advice for children and young people and pinpoint mismatches between where young people seek information and advice and where organisations offer it. This will identify what organisations are doing to help children and young people with a mental health need or worry and what they need to do more of. They will make recommendations in the autumn to organisations and service providers on how they can provide better access to information, advice and help for children and young people.

#### ***Young Amplify***

Young Amplify, our advisory group of 7 to 11 year olds have also made a major contribution to our work. This year there have been five engagement days across the country, allowing younger children to shape the direction of our work. Young Amplify have also undertaken their own project around what it means to feel safe, which will make recommendations which we will take forward to influence our wider work around online safety and relationships and sex education. The project concludes this month. As with Amplify, Young Amplify members' participation included: organisational decision-making; research; procurement; recruitment and communications.

### ***Participation Network***

To help us ensure we engage with a diverse population of children and young people across England we host and engage with over 100 organisations and groups that directly work with and support children and young people. These include voluntary and community groups, schools, colleges and local authorities. Members of our Participation Network contribute to participation activities across all our policy areas and projects, including Children's Commissioner Takeover day we planned and delivered a project for the Equality and Humans Rights Commission where Network members took part in focus groups to consider and propose guidance on information to raise awareness of the equality duties for schools.

### ***Young Expert Groups***

We recognise that children and young people by experience and interest can be experts in their own lives and the issues that matter to them. We aim to harness and nurture their expertise to support specific work strands or functions of the office. This year two Young Expert Groups have been established to inform and influence the Care Monitor Survey and to review and develop our communications function, this has included the development of our new website and producing child and young person friendly versions of our reports and communications.

### ***Participation Visits to different areas of the country***

We undertook 3, 2 day visits to different parts of the country to ensure we were meeting with and listening to children and young people in care and leaving care where they live, play, work and learn. We wanted to hear their views on their care and support, how their views and perspectives are sought and acted on, transitions planning and what they think their local authority and the Government can do to improve outcomes for looked after children. We will take this knowledge forward to influence government policy around looked after children and to develop our work, including on advice, assistance and representation.

### ***Work placement programme***

The Office of the Children's Commissioner have also began a new work placement programme, enabling young people to help us deliver some of our work whilst gaining crucial skills for future employment. So far, 2 young people with care experience have taken part, with plans to develop the programme further in following years.

### ***Takeover Day***

Children's Commissioner's Takeover Day is a national event to promote children's rights and genuine participation for children and young people in decision-making. In 2014, the eighth Day so far, a record 44,000 children and young people took over the roles of 18,800 adults in 1,100 organisations in every sector of English society. Ministers and government departments, businesses, shopping centres, local authorities, TV programmes, newspapers, hospitals, police forces, fire services, radio stations, museums and galleries, MPs and charities took part along with hundreds of other

organisations.

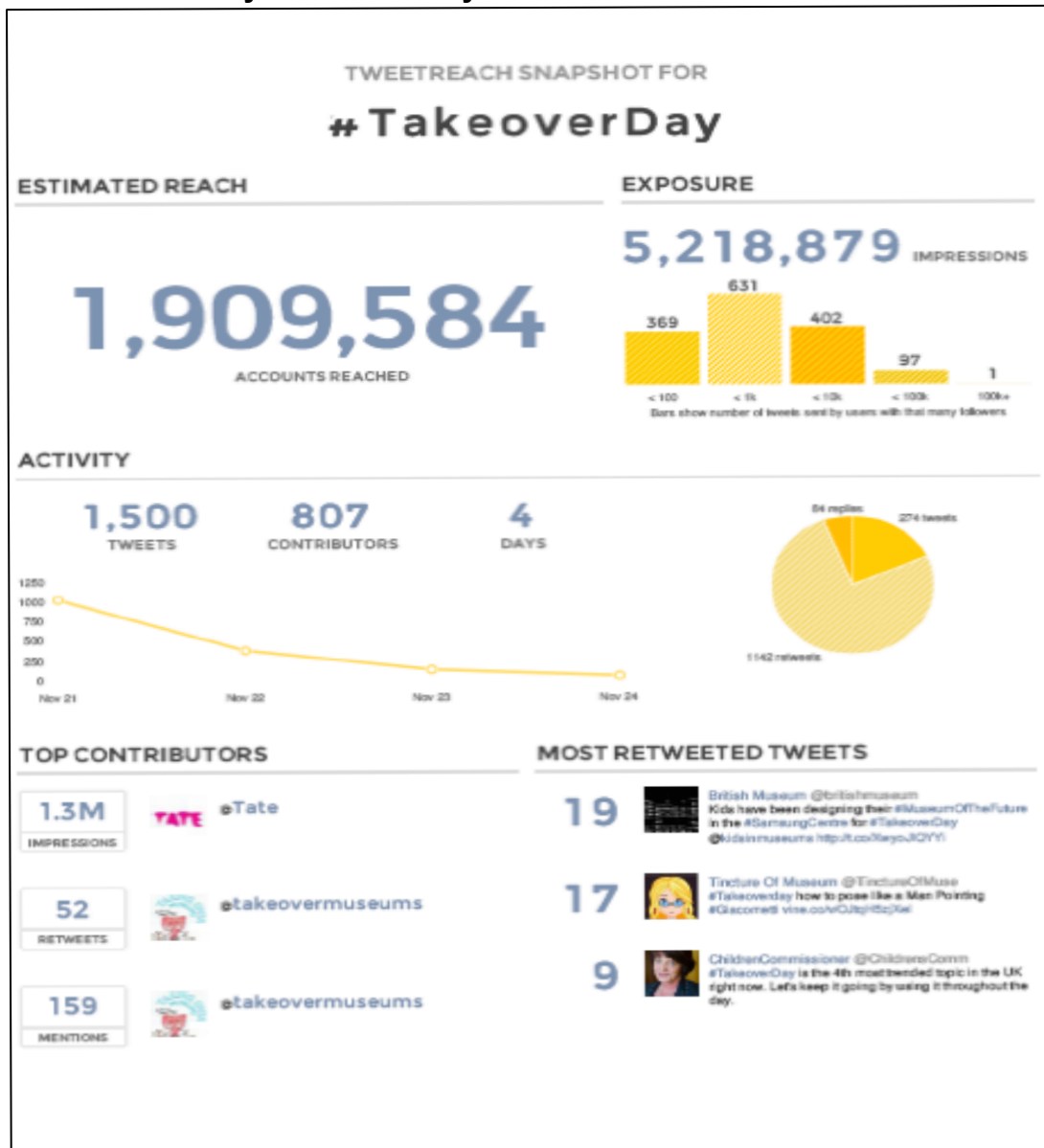
***Influencing policy and national discussions***

The Children's Commissioner chaired the National Participation Forum which is a group of over 30 national organisations all keen to network and promote Article 12 of the UNCRC and the participation of children and young people across research, policy and practice in their own work, across sectors and the Government.

**How did children and young people participate in and contribute to our work?**

Article 12 of the UNCRC – the right for children to be listened to and to have their views taken seriously – is fundamental not only to what we work on but also to the way we work. The Children and Families Act 2014 requires us to involve children and young people in our work and our vision, mission and values state our commitment to doing so. Not only do we report what children and young people say, we work to ensure children and young people are active participants and drivers across all our work, and champion this nationally.

## Case study: Takeover Day statistics



1,100	Organisations participating
44,000	Children and young people taking over
18,800	Adults taken over
1,359	Subscribers to mailing list (sign-ups)
156	Takeovers on the map (71 not on mailing list)
59%	Participants who have agreed a change as a result of CCTD
3,221	Individuals tweeting about #TakeoverDay
10,938	Tweets mentioning #TakeoverDay
46.16M	Impressions of #TakeoverDay tweets

## **We will be the best organisation we can be so we can actively support children's rights**

We said:

We will promote and protect children's and young people's rights through the way we work, and by being an efficient organisation that is flexible and capable of responding with authority and expertise.

UNCRC Articles: 3, 12

Our work under this priority relates to organisational administration and efficiency. Ensuring that our resources are used as efficiently and effectively as possible helps make us flexible and able to respond to opportunities, needs and issues as well as maximising the impact of the planned project work we carry out

### ***A new remit and a new Commissioner***

2014–15 was the first full business year after the implementation of our new remit under the Children and Families Act 2014. We have been embedding significant additional responsibilities including: new staff; increased engagement with children and young people for whom we now have particular regard for under new legislation; adapting and applying internal policies and systems to be fit for purpose; the production of an annual Business Plan and longer-term strategic plan.

This business year was also the final year of Dr Maggie Atkinson's term as Children's Commissioner. Anne Longfield OBE was appointed as the next Children's Commissioner and took up her post on 1 March 2015. The beginning of her term saw her begin to implement the 2014 Governance Review which represents a number of changes to continue to improve the working of the OCC.

We have recently launched a new website to support our strategic goals and to effectively promote and protect children's rights.

## Director's report

### Introduction

On 1 of April 2014 the functions previously delivered by the Office of the Children's Rights Director (OCD) were transferred to the Children's Commissioner following the passage of the Children and Families Act 2014 through Parliament. The role and remit were strengthened to include the primary function of promoting and protecting children's rights with particular, but not exclusive regard, to the UNCRC.

Work under four strategic priorities was aligned to UNCRC Articles. In addition, UNICEF-recommended performance indicators were used to measure work, based on a framework used by national human rights institutions.

The Children and Families Act 2014 amended the Children Act 2004. The amended Act says that in the course of the Children's Commissioner's work, they must have particular regard to the rights of children who are within section 8A (children living away from home or receiving social care) and other groups of children considered to be at risk of having their rights infringed.

It also makes provisions for the Commissioner to provide advice and assistance to any child who is within section 8A. This work, alongside work that focused specifically on the rights of this group of children and young people, had previously been undertaken by the Children's Rights Director. The 2014 Act repealed the requirement for Ofsted to appoint a Children's Rights Director and two members of staff who had worked in his office transferred to the Children's Commissioner bringing with them their expertise of working with these children.

Following the announcement of the appointment of a new Commissioner on 4 November 2014, the Commissioner-

designate consulted with Directors from the organisation, the DfE, and the Chair of the Audit and Risk Committee about strategic priorities and internal priorities and processes. This included the Governance review that was undertaken in 2014. Since taking up the post on 1 of March 2015, the Commissioner has begun to implement the recommendations made in the review as outlined in the Governance section of this report. The Commissioner has also started to reform the internal governance structure to achieve a flatter structure that will aid decision making.

### Investment in fixed assets

The expenditure on fixed assets in 2014-15 was £43,000. Investments are represented by a new accounts system. The Corporate Services lead designed and led the project to implement the new system. Further information on the new finance system is available in the governance statement on page 57 of this report.

### Staff

£1,910,000 was spent on staff costs in 2014-15 a 27% increase on the prior year. This was due to the transfer of staff from Office of the Children's Rights Director, the addition of two new posts with particular regard to children in receipt of social care, and accrued but not paid costs in respect of exit costs. During 2014-15 the total reported number of working days lost due to sickness absence amounted to 64.5 days. This is an average of 2.22 days absence per employee (compared to 2013-14 where the average was 2.3 days). Employees are covered by the provisions of the Principal Civil Services Pension Scheme (PCSPS). Further details of this can be found in notes 1 and 2 of the accounts.

### Operating costs

£369,000 was spent on operating costs during 2014-15. Together with the provision of equipment to staff following workplace

health assessments, this has resulted in resources being allocated from the programme delivery to support the strategy for children and young people.

### **Efficiency and value for money**

The DfE worked with the former Commissioner Dr. Maggie Atkinson to secure the increase in the resources allocated to the office to £2.92 million (2013–14, £2.72 million). The increase in the resource allocation followed the strengthening of the role and remit following the passage of the Children's and Families Act through Parliament. The resource allocation of £2.92 million included the sum of £637,000 transferred from the repealed OCRD.

The Commissioner is committed to making efficiency savings that will include the implementing of the recommendations in the governance review by DfE together with the delivery of Corporate Services through new and innovative methods to reduce admin costs. This will result in future efficiency savings on staff and non-staff costs from 2016-17.

### **Supplier payments**

During 2014–15 99% of suppliers were paid within 30 days (2013–14 76%). The aggregate amount owed to trade creditors at 31 March 2014 compared with the aggregate amount invoiced by suppliers during the year, expressed as a number of days in the same proportion to the total number of days in the financial year, equal to 33 days.

### **Child protection**

The Commissioner and her office are committed to ensuring the safety of children and young people with whom they work. There are comprehensive policies and procedures on safeguarding that are reviewed on an annual basis. Training on safeguarding is delivered through an annual staff workshop.

### **Human Resources**

Disclosure and Barring Service (DBS) checks are undertaken to an enhanced level during pre-employment checks of new staff and for existing staff every three years. DBS Checks are undertaken on all Third Party Suppliers who come into contact with children and young people while carrying out work for the Commissioner.

The first internal audit review of human resources reported the audit opinion was 'limited' due to adequacy of control and assurance on the right to work in the UK and the re-checking of DBS certification of staff transferring to the body who held a valid DBS certificate. The controls have been re-designed to address the issues identified. A follow-up review of Human Resources will form an early part of the internal audit programme for 2015–16.

### **Opportunities and diversity**

The Commissioner aims to provide support and assistance to enable staff to manage their own career development and to reach their full potential. The rich diversity of our staff whatever their ethnicity, gender, marital status, sexual orientation, religion, disability or age is valued. The equality and diversity framework which ensures legal duties as outlined in the Equality Act 2011 are met has been reviewed and updated. There are plans to go beyond these requirements to develop a more nuanced policy which better reflects the nature of our work.

### **Health and safety management**

The Commissioner's Board agreed a health and safety policy. The Commissioner is committed to providing a safe and healthy workplace for all employees and children and young people as specified by the occupational health and safety requirements in the Health and Safety at Works Act 1974 and subsequent legislation or amendments. The intention of the health and safety policy is to prevent injury and ill health in the workplace.

## **Environmental policy**

The Commissioner is committed to best environmental practices including recycling.

## **Data security**

The nature of the Commissioner's work is that is evidenced based and has resulted in the office requesting large data sets that are processed into information. The Commissioner and her office, with the support of the DfE Security Unit has designed policies and procedures for protecting information. The policies and procedures are reviewed on an annual basis and are followed-up by the protecting information workshop that takes place annually. All staff are required to attend the annual workshop on protecting information. All staff, Members of the Advisory Board and Audit and Risk Committee undertakes protecting information training levels one and two as soon as they come into post. This is to ensure the policies and procedures are fully embedded into the culture. We suffered no incidences of data loss during the year.

A review undertaken by the Commissioner's Corporate Services lead in early 2015 identified control weaknesses on Third Party Suppliers who collect data on behalf of the office. Remedial action was taken to address the issues identified. The control weaknesses on Third Party Suppliers have been fully rectified. Internal audit annual review of Information Governance reported the audit opinion was 'Limited', due to adequacy of control and assurance on Third Party Suppliers who collect data on our behalf together with building access rights, system rights access and periodic review on disposal of information. An action plan has been developed and discussions have taken place to address in full the recommendation made. Discussions on a shared resource are taking place with the DfE Security Unit in order put in place arrangements for periodic reviews to access the effectiveness of our

procedures and to provide advice to the Senior Information Risk Owner (SIRO).

A follow-up review of information governance will form an early part of the internal audit programme for 2015–16.

Risk Maturity Accreditation Documentation (RMADS) that comply with mandatory requirement eight of the HMG Security Policy Framework relating to accreditation of ICT systems have been undertaken and completed successfully for the new website and Business Plan. RMADS are due to take place in 2015–16 for the new Accounts System.

## **Audit**

There was no payment to the external auditors for non audit related work. In accordance with the Children Act 2004, the Commissioner's financial accounts are audited by the Comptroller and Auditor General. As far as the Commissioner is aware, as Accounting Officer, there is no relevant information of which the auditors are unaware. The Commissioners took all steps that should have been taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Anne Longfield, OBE**  
**Children's Commissioner for England**  
**and Accounting Officer**  
**16<sup>th</sup> July 2015**



## Remuneration report

### Remuneration committee

The Department for Education undertakes scrutiny and approval of our pay remit under the terms of a joint framework agreement. The joint framework agreement was updated in April 2015. The Children's Commissioner's salary and benefits are reviewed and approved by the Secretary of State for Education. Pay and rewards are in line with average Senior Civil Service pay increases.

### Service contracts

The Department for Education is responsible for the appointment of the Commissioner. The Secretary of State for Education appointed Anne Longfield Children's Commissioner (designate) for England on 4 of November 2014. Anne Longfield, OBE commenced her six year term on 1 of March 2015. In accordance with the Children Act 2004, the Commissioner's salary is paid for by grant-in-aid by the Department for Education and is identified separately in the accounts. The Children's Commissioner role and remit is defined by the Children's Act 2004 and the Children and Families Act 2014.

The Constitutional Reform and Governance Act 2010 require Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specifies the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments

which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at: [www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

### Remuneration Policy

The Children's Commissioner does not have a Remuneration Committee at present. The recruitment drive for the new members of the Audit and Risk Committee will commence in July 2015. The terms of reference of the Committee will be revised to include a remuneration subcommittee. This is in order to provide scrutiny and challenge on pay and rewards and ensure good corporate governance.

Changes to salaries and grade are subject to approval by DfE. The Children's Commissioner is required to submit a pay remit proposal on an annual basis for approval to DfE. The Children's Commissioner has formally adopted the DfE pay and rewards policies to ensure that pay and rewards are linked to a ratable performance management system that are transparent, open and fair.

### Salary and pension entitlements (audited information)

The following sections provide details of the remuneration and pension interests of the senior officials of the Children's Commissioner

## Details of Directors 2014–15

Anna Henry – Director of Policy

Oliver Berman – Director of Communications and Participation

David Ryan – Director of Corporate Services

Single total figure of remuneration								
	Salary (£)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1000) <sup>1</sup>		Total (to nearest £1,000)	
	2014–15	2013–14	2014–15	2013-14	2014-15	2013-14 <sup>2</sup>	2014-15	2013-14
1. Dr Maggie Atkinson Children's Commissioner Appointed 1 March 2010	125,000 - 130,000	140,000 - 145,000	-	-	80,000	43,000	205,000 – 210,000	180,000 – 185,000
2, Anne Longfield, OBE Children's Commissioner Letter of appointment 1 March 2015	10,000 - 15,000	-	-	-	4,000	-	10,000 – 15,000	-
3. Susan Berelowitz Deputy Children's Commissioner /Chief Executive Date of contract 1 October 2008	95,000- 100,000	95,000- 100,000	-	-	43,000	12,000	135,000- 140,000	110,000 – 115,000
4. Anna Henry Director of Policy/Deputy Chief Executive Date of transfer 27 September 2014	30,000- 35,000	-	-	-	13,000	-	45,000 – 50,000	-
	60,000-	60,000-	-	-				

<sup>1</sup> The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

<sup>2</sup> These figures have been restated based on updated information received from MyCSP.

5. Oliver Berman Director of Communications and Participation Date of contract 18 October 2012	65,000	65,000			24,000	6,000	85,000 – 90,000	65,000 – 70,000
6. David Ryan Director of Corporate Services Date of contract 1 March 2011	60,000-65,000	60,000-65,000	-	-	24,000	23,000	85,000 – 90,000	85,000 – 90,000
7, Ross Hendry Deputy Chief Executive/ Director of Policy Date of contract 1 June 2009	20,000-25,000	65,000-70,000	-	-	13,000	25,000	35,000 – 40,000	90,000-95,000
<b>Band of the highest paid Director/Accounting Officer Total Remuneration</b>	120,000, - 125,000		-		140,000 - 145,000		-	
<b>Median Total Remuneration</b>	39,843		-		40,400		-	
<b>Ratio</b>	3.07				3.53		-	

The Hutton Fair pay review set out a maximum pay multiple that would keep the pay of top executives in the public sector bounded to what their staff earn. The calculation takes the median point of FTE staff salaries at the reporting date divided by the midpoint of the range of the highest paid executive at 31 March 2015.

My Civil Service (MyCSP) provided re-stated accrued pensions for the prior financial year 2013-14.

Sue Berelowitz – A governance review requested by the Children’s Commissioner in 2014 recommended the removal of layers of management and a re-design of the structure of the organisation. The post of Deputy Children’s Commissioner/ Chief

Executive was deleted on 30 April 2015. A severance package of £133,984 which included payment for a period of notice was approved by DfE and HM Treasury to support the enactment of the governance recommendations.

Ross Hendry - Director of Policy and Deputy Chief Executive resigned on 31 July 2014, FTE £68,882 per annum.

Dr Maggie Atkinson – Children’s Commissioner term ended on 28 February 2015, FTE salary £140,000 per annum.

Anne Longfield, OBE – Children’s Commissioner six year term commenced on 1 March 2015, FTE salary £125,000 per annum.

Anna Henry – Director of Policy and Deputy Chief Executive transferred from a Non-Department Public Body on 27 September 2014, FTE salary £66,000 per annum. Deputy Chief Executive duties ceased on 31 March 2015.

### **2014–15 Salaries**

Members of the Audit and Risk Committee receive no remuneration and are permitted to claim reasonable travel expenses only.

Benefits in kind were not paid during the financial year to which this report relates.

### **Salary**

‘Salary’ includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Children’s Commissioner and thus recorded in these accounts. This total remuneration, as well as the allowances to which they are entitled, is paid by the Office of the Children’s Commissioner and is therefore shown in full in the figures above.

### **Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the Children’s Commissioner and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were paid in 2014–15.

### **Bonuses**

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. No bonuses were paid in 2014-15.

	Accrued pension as at 31 March 15 and related lump sum £'000	Real increase in pension and related lump sum £'000	CETV at 31 March 15 £'000	CETV at 31 March 14 £'000	Real increase in CETV £'000
<b>Dr. Maggie Atkinson</b> Children's Commissioner	105 - 110	2.5-5	1,567	1,441	54
<b>Anne Longfield OBE</b> Children's Commissioner	0-5	0-2.5	3	-	2
<b>Susan Berelowitz</b> Deputy Children's Commissioner/CEO Three months' notice	45-50	2.5-5	788	714	32
<b>Anna Henry</b> Director of Policy & Deputy Chief Executive	5-10	0-2.5	79	70	5
<b>Oliver Berman</b> Director of Communications and Participation Three months' notice	0-5	0-2.5	20	4	11
<b>David Ryan</b> Director of Corporate Services Three months' notice	5-10	0-2.5	70	52	10
<b>Ross Hendry</b> Deputy Chief Executive Three months' notice	5-10	0-2.5	72	64	4

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (**classic**, **premium** or **classic plus**); or a whole career scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic**, **premium**, **classic plus** and **nuvos** are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 1.5% and 6.85% of pensionable earnings for **classic** and 3.5% and 8.85% for **premium**, **classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic**, **premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

New Career Average pension arrangements will be introduced from 1<sup>st</sup> April 2015 and the majority of **classic**, **premium**, **classic plus** and **nuvos** members will join the new scheme. Further details of this new scheme are available at <http://www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/>

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due

when pension benefits are taken.

### **Real increase in CETV**

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

**Anne Longfield, OBE**  
**Children's Commissioner & Accounting Officer**  
**16<sup>th</sup> July 2015**

## Statement of responsibilities of the Children's Commissioner

Under the Children Act 2004, Schedule 1, Clause 8, the Children's Commissioner is required to prepare accounts in accordance with HM Treasury requirements. The accounts are prepared on an accruals basis and must give a true and fair view of the Office of the Children's Commissioner's state of affairs at the year end, and of the Office of the Children's Commissioner's income and expenditure and cash flows for the financial year just ended.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the accounts direction set out in the Financial Memorandum and Accounts Direction issued by the Secretary of State for Education, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make estimates on a reasonable basis
- state whether applicable accounting standards have been followed, and disclose and explain any material departure from these in the financial statements
- prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Children's Commissioner or its functions will continue.

The Principal Accounting Officer for the DfE has designated the Children's Commissioner as Accounting Officer for the Office of the Children's Commissioner.

The Accounting Officer is responsible for the proper management of resources and staff, for ensuring that government guidance on regularity, propriety and value for money is complied with, and is responsible for the following:

- keeping proper records and safeguarding the Office of the Children's Commissioner's assets
- ensuring the efficient, economic and effective management of the Children's Commissioner's resources, including cash, liquid assets, capital assets, equipment and personnel
- observing the guidance in *Managing Public Money* and all other guidance on the responsibilities of accounting officers that the Treasury or the Cabinet Office may issue from time to time.

A copy of the accounts is available from the Office of the Children's Commissioner at: Sanctuary Buildings, Great Smith Street London SW1P 3BT

It is also available at [www.childrenscommissioner.gov.uk](http://www.childrenscommissioner.gov.uk)



## **GOVERNANCE STATEMENT**

The Children's Commissioner is the accounting officer for the Office of the Children's Commissioner and has personal responsibility for maintaining a sound system of governance, internal control and risk management whilst safeguarding public funds and the sponsoring department's assets. This governance statement describes how these duties have been carried out in the course of the 2014-15 financial year.

### **Corporation sole**

As stated, The Children's Commissioner for England is a Corporation Sole. The role was established by the Children Act 2004. The Office is an Executive non-departmental public body (NDPB) of and grant-in-aid funded by the DfE. The Commissioner speaks on behalf of all England's children and young people. She also speaks on behalf of all the UK's children on non-devolved issues: immigration across all four nations in the UK, and youth justice in Wales. These cross-border elements of the remit are in practice undertaken in collaboration with the Children's Commissioners in the other three UK jurisdictions.

As stated, the Children and Families Act 2014 removed the requirement for there to be a Deputy Children's Commissioner. In autumn 2014, the Governance Review undertaken by the internal auditors to the DfE, the Government Internal Audit Agency, at the request of the former Children's Commissioner made recommendations on leadership, structure, and governance. The review recommended the deletion of the Deputy Children's Commissioner and Chief Executive post and transfer of the duties to the Commissioner's role.

Following the announcement of her appointment in November 2014, the Commissioner designate consulted with Directors, the DfE and the Chair of the Audit and Risk Committee concerning the governance review recommendations, and priorities for implementation. Upon taking up the post of Children's Commissioner on 1 March 2015, she began to implement the recommendations by removing the Chief Executive and Deputy Children's Commissioner post and absorbing the duties into the Commissioner's post. Running concurrently was the commencement of a review of leadership and governance in order to create a flatter structure that is underpinned by a sound system of internal controls. These changes will produce significant savings from 2016-17. This governance statement therefore represents a final year of the previous governance structures before a transition to new governance arrangements which came into effect on 1 April 2015.

During 2014-15 the Children's Commissioner was supported by the Deputy Children's Commissioner and staff. The Deputy Commissioner was also Chief Executive and had delegated authority for day to day staff and financial management. The CEO reported directly to the Children's Commissioner.

The governance structure incorporated the following groups reporting directly to the Commissioner as corporation sole:

- Commissioner's Board
- Leadership Team
- Children and Young People's Advisory Groups (Amplify and Young Amplify)
- Quality Management Group (QMG)

Under the amended 2004 Act the Children's Commissioner must pay particular regard to the needs of children under Section 8A of the amended 2004 Act (Children living away from home). However the Commissioner identifies her own strategic aims and objectives within the functions for which the Office was created under the Children Act 2004, and the areas on which performance should be assessed. My remit letter is therefore a confirmation of funding and governance rather than a direction of the Children's Commissioner's actions by the DfE. The Commissioner then sets out her aims and objectives in her longer term Strategic and Annual Business Plans.

## **Transitions**

In the transition to taking up the post as the new Commissioner I had a number of meetings with the outgoing Children's Commissioner, Dr Maggie Atkinson, her Deputy Commissioner, senior team and advisory groups to gain an understanding of the working of the office, the roles as accountable officers of the NDPB and to be briefed on current governance and strategic issues. This enabled me to gain a good overview of early priorities and of the longer term strategic and governance priorities.

As stated, I began to implement governance changes in line with the 2014 Governance Review on taking up the post in March. To date, these have focused on reducing the complexity of the management structure to create a flatter and efficient structure. From April 2015, the Commissioners Board, Leadership Team and Quality Management Group became a Senior Management Team. Ongoing arrangements reflect the needs of the changing organisation and its emerging 5 year strategic plan.

The Children's Commissioner framework agreement sets out the operational requirements and controls of the organisation and all changes are required to be made within this framework. This includes Cabinet Office efficiency controls for recruitment and procurement. The Children's Commissioner's office has complied with all controls in regard to the deletion of posts which has included gaining Treasury and Cabinet Office clearance for severance packages. Early action was taken to terminate a time limited consultancy contract when it was discovered that it fell outside government guidelines. Whilst this was an exceptional situation the organisation is reviewing its practices in this area as a result. This issue is covered in more detail in the later section on events after the reporting date.

## **Commissioner's Board**

The Commissioner's Board was chaired by the Children's Commissioner as corporation sole. Directors and senior managers attended as required. The board met up to six times a year. Terms of reference for the Board were reviewed on an annual basis. Agenda, papers and minutes of meetings were recorded and retained in line with the organisation's policy on retention and disposal of information.

Members of the board included Directors of Policy, Communications and Engagement and Corporate Services and the Deputy Children's Commissioner. The group was chaired by the Children's Commissioner.

Issues discussed during the year included:

- Strategic priorities and business plan
- Policy priorities, research findings and recommendations

- Information logs and enquiries from the public
- New legal responsibilities for children in care

The purpose of the Board was to provide scrutiny, challenge and oversight and review of the Annual Strategic Plan, budget monitoring, strategic and operational risk, information governance, governance, internal controls, and the authorisation of virements.

Directors were required to declare any potential conflicts of interest on appointment and on an annual basis. Declarations of interest are published on the website. The register of interest is open to the public. Requests for information should be made in writing addressed to the Children's Commissioner. Where actual or potential conflicts of interest are identified, Members take no part in discussions and are not involved in any decisions that relate to these interests.

A Commissioner's Board effectiveness review in 2014-15 was postponed pending the commencement of the Commissioner designate. The Commissioner's Board was stood down in April 2015.

### **Advisory Board**

The Advisory Board provides expert support, advice, scrutiny and challenge to the Children's Commissioner on the Annual Strategic Plan and Annual Report & Financial Statements to support her legal responsibilities to promote and protect children's rights.

The Advisory Board terms of reference were reviewed on an annual basis. Agenda, papers and minutes were recorded and retained in line with the body's stated policies.

A review of the effectiveness of the Advisory Board will take place in September 2015 led by the Children's Commissioner.

### **Children and young people's advisory groups (Amplify and Young Amplify forums)**

Both Amplify and Young Amplify are advisory groups to the Commissioner. Amplify is for children and young people aged 11 and over, and Young Amplify is for younger children. The groups advise the Children's Commissioner on specific projects, policy development and practice. They are champions of the Children's Commissioner ensuring that the views of children and young people inform all aspects of the Commissioner's work. Both groups have no executive power but the Children's Commissioner is committed to listen, take seriously and provide feedback on all recommendations made by the group.

There are 110 children who make up both groups, with a sufficient range of experience to represent:

- an age range of 18 and under
- each region in England
- a diverse range of backgrounds and experiences

### **Audit and Risk Committee**

The Audit and Risk Committee (ARC) is responsible for providing scrutiny, challenge, advice, oversight and assurance to the Children's Commissioner as Accounting Officer on the adequacy and effectiveness of internal controls, risk management, and governance.

The ARC also oversees internal and external audit arrangements covering financial and non-financial systems. The ARC meets five times a year.

The ARC agrees the content of the annual internal audit programme with the management of the Children's Commissioner. The ARC provides an annual assessment of the effectiveness of the OCC's internal controls and risk management. The ARC also received the external auditor's planning report, audit completion report, and management letter. The ARC consists of four members, of which the Chair is a qualified accountant. All four committee members are independents. Attendance of staff is at the request of the ARC. An observer from the DfE is invited to all the meetings, the accounting officer and other management and also internal and external audit attended. Please see the table of attendees attached to this report.

All in attendance are required to declare any potential conflicts of interest on appointment and at the beginning of each meeting they attend. The register of interest is reviewed on an annual basis. During the reporting year no members declared any directorships or other significant interests that may have conflicted with their Children's Commissioner responsibilities.

The terms of reference are reviewed on an annual basis. The current members' terms end in September 2015. The recruitment drive will commence in July for the new members. The current members have agreed to a managed exit to ensure a smooth handover to the new ARC members.

### **Leadership Team (forum)**

The Leadership Team of the Children's Commissioner supported the Commissioner with the delivery of her strategic objectives identified in the Annual Strategic Plan. The forum terms of reference were reviewed on an annual basis. Members included Directors of Policy, Communications and Participation and Corporate Services. The Team was chaired by the Chief Executive.

The functions of the Leadership Team included the following:

- to develop the strategic and operational priorities
- to deliver the Commissioner's Annual Strategic Plan & Budget
- to review and manage performance against the Annual Strategic Plan taking steps when required to address any deviation from the Annual Strategic Plan
- to review governance arrangement annually and all policies and procedures
- to design and implement adequate and effective internal controls
- to ensure adequate and effective controls are designed and reviewed annually
- to manage risk effectively
- to manage stakeholder relations

The leadership team met on a weekly basis throughout the year. Agendas, papers, and minutes were recorded and held in line with the body's stated policies.

The forum was stood down in April 2015.

### **Quality Management Group (QMG forum)**

The members of the group were Directors of Policy, Communications and Engagement and Corporate Services and the Planning and Performance and Impact Manager. The group was chaired by the Chief Executive.

The QMG forum functions were to review the following: strategic and operational risk, audit recommendations, progress with existing recommendations and the identification of new recommendations, performance measurement to determine progress against the Annual Strategic Plan, quarterly correspondence and enquiry reports, and Focal Point authority limits and active user lists.

The QMG terms of reference were reviewed on an annual basis. This forum was stood down in early April 2015.

### **Compliance with Corporate Governance: Code of good practice**

The Office of the Children's Commissioner has largely complied with the Corporate Governance Code for Central Government insofar as it applies to the circumstances of an NDPB.

An effectiveness review of the Commissioner's Board that formed part of the internal audit plan for 2014 was postponed following the DfE Governance review. It was agreed that effectiveness reviews would be placed on hold until the newly appointed Children's Commissioner Designate commenced her term and had time to consider

the governance review recommendations. The Board has now been merged into a SMT.

An advisory group review was similarly postponed and will take place in september 2015.

## **Risk management**

The Children's Commissioner has developed an overarching risk management strategy to manage risk. The Audit and Risk Committee supports the Commissioner as Accounting Officer in reviewing the strategic risks by providing scrutiny and challenge on risk identification, risk treatment, to treat or tolerate (risk appetite), risk scoring, mitigation controls and sources of assurance on the comprehensiveness, reliability and integrity of internal controls and risk management process. The Senior Staff responsibility is to ensure risk is effectively managed by the design of adequate and effective controls. Risk is identified by any member of staff or advisory member. The risk is then logged as issue by the planning and performance strategy and identified as an operational or strategic risk to be assessed and acted on.

## **Assessment of risk**

The overarching risk management strategy informs strategic and operational risk. Procedures and processes are designed to access whether to treat or tolerate risk and comply with the stated strategy. The strategy, procedures and processes provide reasonable assurance that the controls are adequate in their design. Internal audit provide an audit opinion on the effectiveness of the controls. Risk management is embedded in the culture of the organisation. This is supported by the risk management review carried out by the internal auditors which was rated at substantial assurance.

## **Reporting of risk**

Issues are reported to the Planning, Performance and Impact Manager. The issues were recorded and discussed at the next available QMG and management actions recorded. Issues could be reported to the leadership team and new SMT. The overarching risk management strategy that informs the Strategic Risk Register is reviewed and updated on an annual basis. The Strategic Risk Register was reviewed, scrutinised and challenged in the following Committee and forums: QMG on a monthly basis, Audit and Risk Committee up to five times a year, and the Commissioner's Board bi-monthly. An annual review of risk management was undertaken by internal audit as part of the internal audit programme for 2014-15 to provide an opinion to the Audit and Risk Committee and Children's Commissioner on the management of risk. Please see the findings on risk elsewhere in this report. As a result of the Governance Review, risk management and the risk register is now reviewed and acted on monthly as part of the Senior Management Team meeting and reviewed, scrutinized and challenged by the Audit and Risk Committee.

An annual programme of the SMT, Advisory Group and Audit and Risk Committee will be devised to ensure high levels of risk management and control are maintained and strengthened.

## **Key risks in 2014–15**

The key strategic risks during 2014-15 were:

- The possibility of an in-year reduction in funding.
- Failure to deliver the Annual Strategic Plan.
- Reputation damage from failure to deliver the business plan or from credibility of evidence.
- Loss of key staff resulting in the OCC losing organisational memory and strategic direction.

## **Implications**

- This could result in having to reduce significantly the projects set out in the Annual Strategic Plan.
- This could result in not been able to engage with stakeholders effectively.
- This would result in being unable to protect the children that come under its statutory remit resulting in the OCC failing to deliver on the remit.
- This could result in a loss of impact and stakeholder dissatisfaction.

## **Mitigating controls**

The senior management implemented an assurance framework to provide audit evidence and assurance on risk mitigation controls. The assurance framework also provides the senior manager, ARC members or internal or external audit the opportunity to test the accuracy, completeness, reliability of assumptions made together with the sources of assurances.

Strategic, operational, program, and information risk registers are maintained and kept up to date. This was the result of an internal review of risk registers and the identification of potential gaps in information.

The ARC review, scrutinise and challenge the strategic risk register. They also provided extensive advice to the Leadership team that resulted in a revised strategic risk register and a shared understanding of strategic and operational risk.

A number of steps were taken to mitigate risks including:

- Strengthened project management processes and training.

- Detailed and analytical financial information and strengthening of systems and controls.
- Peer to peer reviews of evidence and stakeholder consultation.
- Strengthening of external advisory groups and stakeholders to all projects and research.

There was a detailed handover process in the transition between Commissioners and meetings with the DfE sponsor team and the ARC to gain a swift understanding and mitigate any strategic loss.

The following risks were closed in 2014-15. These risks were judged to have been reduced to the level of operational tolerance.

- Financial systems and budgetary control are not delivered in a fit for purpose manner.
- Loss of data from Office of the Children's Rights (OCRD) to the OCC following transfer of functions increased requirements on external bodies for data following transfer of functions as outlined elsewhere in this report and in previous annual reports.
- Care Monitor - insufficient buy-in from potential providers due to lack of incentives offered.
- Significant loss of staff morale.
- Loss of key staff as stated above.
- Risk of information loss due to aggregation that the quantity of hardcopy evidence including images, case notes, maps etc. stored within a locked cabinet within the OCC.

### **Information security risk management**

A review undertaken by the Corporate Services lead in early 2015 identified control weaknesses on Third Party Suppliers who collect data on behalf of the office. Remedial action was taken to address the control issues identified with regard to third party suppliers that have been rectified in their entirety. The annual audit review by Deloitte UK of Information Governance and Security was undertaken as part of the approved internal audit plan. The audit opinion was 'Limited', due to the inadequacy of control and assurance on Third Party Suppliers who collect data on our behalf together with building access rights, system rights access and periodic review on disposal of information. An action plan has been developed and discussions have taken place to address in full the recommendation made. We are in the process of contracting for ongoing internal audit support following the ending of



the contract with our previous internal auditors. A follow up review of information governance will form an early part of the internal audit programme for 2015-16.

The new website has successfully been through the Risk Maturity Accreditation Documentation process (RMADS). This is a Cabinet Office requirement on Third Party IT Suppliers. A RMAD is due to take place for the new finance system in 2015-16 and the replacement for the body's CRM system in 2016-17. The significant costs of an RMAD (averages £32,000) has placed an additional burden on the body. The Commissioner is committed to efficiency whilst retaining high levels of risk management and am therefore exploring integrated systems to reduce the need for repeated assessments of this kind.

The annual Senior Risk Maturity Owner return has been replaced by a key issues and risk report by the SIRO. The return was submitted to the DfE, DSU Unit in February 2015.

### **New Finance System**

The Corporate Services lead designed and led the project to implement the new finance system. The new system chart of accounts was designed to be consistent with Government clear lines of sight strategy for consistent reporting with the design of a common chart of accounts. The design of the system was peer reviewed by DfE system architecture and supported by the Access Group for the full implementation. The new system has strengthened controls, functionality, reporting, auditing, security, and includes real time project and management reporting to the user's desktop. Deloitte UK, our internal auditors performed a system design review and stated the system was well designed. The recommendations resulting from the review were advisory only. The finance system went live in July 2014.

The implementation of the new system required extensive input from the staff team and coincided with other staff absences over a period of over two months. This led to delays in the completion of reconciliations, and documentation prior to the commencement of the interim audit. This has been discussed internally since and lessons learned. In future any system implementation will be provided with a dedicated resource to ensure that systems documentation and reconciliations are completed prior to audits taking place.

Minor change is planned to modify and create new and modify existing reports together with the arrangement of training on Focal Point and Access Insight to all staff. An upgrade to the finance system is due to take place in August. This is due to an upgrade to our Web browser by DfE that was incompatible with the current version of the system.

### **Internal Audit**

The Children's Commissioner's Office governance arrangements, internal controls, risk management and information governance are informed by internal audit. The ARC agree the annual internal audit plan that encompasses governance, internal controls and risk. Reports and recommendations are discussed and agreed at the ARC. An action plan has been agreed to implement the outstanding

recommendations.

The strategic risk register contains 5 areas of risk. There are no exceptional high risks.

Internal Audit work to the Public Sector Internal Audit Standards and provide an opinion on the adequacy and effectiveness of the OCC's system of internal control and recommendations for improvement. Where weaknesses in controls are identified, action is taken to strengthen the controls. The annual opinion provided reasonable assurance that the Children's Commissioner had adequate and effective arrangements with regard to governance, internal control and risk management for the year ended 31<sup>st</sup> March 2015.

### **Human Resources & Payroll**

Internal audit conducted a review of Human Resources to benchmark the function. This review formed part of the approved internal audit plan. The audit opinion was 'limited', due to the inadequacy of control and assurance on Rights to Work in the UK and the re-checking of DBS certificate of staff transferring to the body who held a valid DBS certificate. The controls have been re-designed to address the control issues identified. A follow up review of Human Resources will form an early part of the internal audit programme for 2015-16.

### **Internal Controls**

The Children's Commissioner as Accounting Officer reviews the effectiveness of Children's Commissioner's Office system of internal control on an annual basis. The review is informed by: the work of internal auditors; feedback from Leadership team who have responsibility for the development and maintenance of the internal control framework; and opinions made by external audit in their audit completion report. The Audit and Risk Committee provides advice on the implications of this review and monitors progress against the plan to ensure the system of internal control is continuously improved.

Internal Audit conducted eight reviews during 2014-15. The senior management team's progress in implementing audit recommendations are reviewed by QMG and the Audit and Risk Committee. This is now incorporated into the functions of the SMT.

The following internal audits were undertaken during 2014-15.

- **Financial Management and Budgetary Control** – substantial assurance
- **Risk Management** – substantial assurance
- **Information Governance** – limited assurance
- **Human Resources & Payroll** – limited assurance
- **Accounts system design review** – advisory

- **Transitions ( post transitions review)** – advisory
- **Timesheet recording** – advisory
- **Follow up** previous audit recommendations

An action plan has captured the recommendations. There has been reasonable progress from the audit work conducted and all outstanding areas for improvement are being addressed. The implementation of audit recommendations was delayed due to the Director of Corporate Services available time being directed to the design and implementation of the new finance system together with his period of absence for over two months. During the period of absence no interim cover was arranged. This resulted in the implementation of audit recommendations and other planned work being delayed.

The Head of Internal Audit provides an annual, independent opinion on the adequacy and effectiveness of OCC's governance, risk and internal controls. This is based on the work completed in line with the ARC-approved Internal Audit Plan, as well as incorporating knowledge of areas audited in previous year. In his annual report to the ARC, the Head of Internal Audit provided reasonable assurance that the Children's Commissioner has adequate and effective arrangements with regard to governance, internal controls and risk management for the year ended 31 March 2015.

### **Annual Report and Accounts production**

Delays to the annual report and accounts production have been experienced this year. This is a result of a number of internal issues including periods of absence for key members of staff. Extensive additional financial checks were made in preparation for the audit which also delayed the process. This is an exceptional circumstance that is very unlikely to reoccur. This delayed the production of the Annual Report and Accounts.

### **Events after the reporting date**

As stated, the Deputy Children's Commissioner and Chief Executive post was removed in the implementation of the Governance review recommendations. Following this, additional arrangements were put in place for the former Chief Executive to continue to be contracted for a limited number of days to chair a highly sensitive inquiry into child sexual abuse which she had established and led. The DfE obtained advice on the exit and the consultancy contract internally. The advice that was provided was on the basis of DfE internal procedures but was not informed by the joint Framework Agreement between the Children's Commissioner and the Department.

The contract was issued but was rapidly found to be non-compliant with the Cabinet Office efficiency controls. The Children's Commissioner acted immediately to take appropriate action to address the non-compliance and reported the matter to the

Chair of the ARC. The contract was cancelled. Whilst it is acknowledged this contract should not have been issued, our evidence shows that this was an exceptional situation with exceptional factors leading to the error. Remedial steps have been taken to ensure controls are designed in order that this does not occur in the future. The Children's Commissioner's governance and internal controls have been audited by our internal auditors over the last four years. The internal audit opinion has been substantial assurance during this period. HM Treasury are conducting an investigation into the matter.

**Anne Longfield, OBE**  
**Children's Commissioner & Accounting Officer,**  
**16<sup>th</sup> July 2015**

**Committee membership 2014-15**

Name	Date of appointment	Terms of appointment	Board meetings attendance record	Interim Advisory Board	Audit and Risk Committee	Commissioner's Board	Leadership Team	Quality Management Group
Gill Galliano	September 2013	1 year Extended for one year	80%		√			
Susan Gower	September 2011	3 years Extended for one year	80%		√			
Magda Moorey	September 2011	3 years Extended for one year	100%		√			
Lynne Snowball (Chair of Audit and Risk Committee)	September 2011	3 years Extended for one year	80%		√			
Dr Maggie Atkinson Commissioner and Accounting Officer	March 2010	5 years	100%	√		√		
Susan Berelowitz Deputy Commissioner/Chief Executive	October 2008		98%				√	√
Ross Hendry Director of Policy/ Deputy Chief Executive	June 2009 to July 2014		100%				√	√
Anna Henry Director of Policy/ Deputy Chief Executive	29 September 2014		87%				√	√
David Ryan Director of Corporate Services	March 2011		80%				√	√
Oliver Berman Director of Communications and Participation	October 2012		91%				√	√

Notes:

Advisory Board met four times in 2014-15

Audit and Risk Committee met five times in 2014-15

Commissioner's Board met six times in 2014-15. Stood down April 2015

Leadership team (forum) met 35 times in 2014-15. Stood down in April 2015

Quality Management Group met nine times in 2014-15. Stood down April 2015

ARC members: In recognition of risks relating to the transition to a reformed office in 2013-14, and a settling in period for the reformed OCC in 2014-15, between them creating a more than usually acute and potentially elevated risk environment, the Commissioner took advice from the current chair and senior OCC staff, and invited all members of the current A&R committee to extend their membership to September 2015.

## **Certificate and report of the Comptroller and Auditor General to the Houses of Parliament**

I certify that I have audited the financial statements of the Office of the Children's Commissioner for the year ended 31 March 2015 under the Children Act 2004. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### ***Respective responsibilities of the Children's Commissioner and auditor***

As explained more fully in the Statement of Responsibilities of the Children's Commissioner, the Children's Commissioner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Children Act 2004. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### ***Scope of the audit of the financial statements***

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Office of the Children's Commissioner's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Office of the Children's Commissioner; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### ***Opinion on regularity***

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### ***Opinion on financial statements***

In my opinion:

- the financial statements give a true and fair view of the state of the Children's Commissioner's affairs as at 31 March 2015 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Children Act 2004 and Secretary of State directions issued thereunder.

### ***Opinion on other matters***

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Children Act 2004; and
- the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### ***Matters on which I report by exception***

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Report**

I have no observations to make on these financial statements.

**Sir Amyas C E Morse**  
**Comptroller and Auditor General**  
National Audit Office  
157–197 Buckingham Palace Road  
Victoria  
London SW1W 9SP

17<sup>th</sup> July 2015

## Financial Review

### Statement of comprehensive net expenditure for the year ended 31 March 2015

	Note	<u>2014-15</u> £000	<u>2013-14</u> £000
<b>Expenditure</b>			
Staff Costs	2	1,817	1,567
Restructuring costs	2	146	1
Project Costs	3	609	314
Other Operating Expenses	4	369	336
		-	-
<b>Total Expenditure</b>		<u>2,941</u>	<u>2,218</u>
<b>Income</b>			
Other Operating Income	5	(6)	(23)
<b>Total Income</b>		<u>(6)</u>	<u>(23)</u>
<b>Net Expenditure for the year</b>		<b>2,935</b>	<b>2,195</b>

The notes on pages 68 to 82 form part of these accounts.



## Statement of financial position for the year ended 31 March 2015

<b>NON-CURRENT ASSETS</b>	<u>Notes</u>	<u>2014-15</u> £000	<u>2013-14</u> £000
Property, plant and equipment	6	6	9
Intangible Assets	7	75	44
<b>TOTAL NON CURRENT ASSETS</b>		<b>81</b>	<b>53</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables due after more than one year	8a	-	-
Trade and other receivables due within one year	8b	188	71
Cash and cash equivalents	9	295	226
<b>TOTAL CURRENT ASSETS</b>		<b>483</b>	<b>297</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	(393)	(168)
<b>ASSETS LESS LIABILITIES</b>		<b>171</b>	<b>182</b>
<b>TAX PAYERS' EQUITY</b>			
General Reserve		171	182
<b>NET ASSETS</b>		<b>171</b>	<b>182</b>

The notes on pages 68 to 82 form part of these accounts.

**Anne Longfield, OBE**  
**Children's Commissioner & Accounting Officer**  
**16<sup>th</sup> July 2015**

## Statement of cash flows for the year ended 31 March 2015

	Notes	2014-15 £000	2013-14 £000
<b>Cash flows from operating activities</b>			
Net Expenditure		(2,935)	(2,195)
Depreciation and amortisation	6 & 7	15	13
Decrease / (Increase) in trade and other receivables	8	(117)	45
Increase / (Decrease) in trade payables	10	225	(44)
Increase/(Decrease) in provisions	11		(17)
<b>Net Cash outflows from operating activities</b>		<b>(2,812)</b>	<b>(2,198)</b>
<b>Cash flows from investing activities</b>			
	7	(43)	(43)
<b>Net cash outflow from investing activities</b>		<b>(43)</b>	<b>(43)</b>
<b>Cash flows from financing activities</b>			
Grant received towards resource expenditure		2,924	2,453
		<b>2,924</b>	<b>2,453</b>
<b>Net financing</b>			
Net increase / (Decrease) in cash and cash equivalents during the Period		69	212
Cash and cash equivalents at the beginning of the period	9	226	14
Cash and cash equivalents at the end of the period	9	<b>295</b>	<b>226</b>

The notes on pages 68 to 82 form part of these accounts.

## Statement of changes in Tax Payer's Equity for the year ended 31 March 2015

<b>Changes in Tax Payers' Equity</b>	<b>2014-15 £000</b>	<b>2013-14 £000</b>
Equity at 1 April, 2014	182	(76)
Net Expenditure on continuing operations	(2,935)	(2,195)
Grant-in-aid received towards capital expenditure	-	-
Grant-in-aid received towards resource expenditure	<u>2,924</u>	<u>2,453</u>
<b>Changes in Tax Payers' Equity at 31 March 2015</b>	<b>171</b>	<b>182</b>

The notes on pages 68 to 82 form part of these accounts.

## **1. Notes to the accounts**

### **a. Basis of preparation**

The Children's Commissioner was created as a Corporation Sole under Schedule 1 of the Children Act 2004 and was established following the appointment of the Commissioner in March 2005. Accounts are drawn up in accordance with Treasury Guidance, Annual Reports and Accounts guidance, the Children Act 2004, and the Accounts Direction and the financial memorandum between the Secretary of State for Children, Schools and Families and the Commissioner dated 12 September 2005, copies of which can be obtained from the Children's Commissioner or DfE. They are drawn up in accordance with the Government Financial Reporting Manual (FReM). The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Children's Commissioner for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Children's Commissioner are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The particular accounting policies adopted by the Children's Commissioner are described below. In accordance with IAS 8, the accounting policies and estimation techniques used are those that are judged to be the most appropriate for the purpose of giving a true and fair view. These policies are reviewed regularly to ensure they remain the most appropriate. OCC to formally adopt new and amended policies not yet adopted.

They have been applied consistently in dealing with items considered material in relation to the accounts.

These accounts have been prepared on a going concern basis.

### **b. Accounting convention**

These accounts have been prepared under the historical cost convention

### **c. Grant in Aid**

Grant in Aid received from DfE in respect of revenue expenditure or relating to general capital expenditure is recognised in the general reserve in the year it is received.

### **d. Pensions**

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The defined benefit schemes are unfunded and are non-contributory except in respect of dependants' benefits. The Children's Commissioner recognises the expected cost of these elements on a systematic and

rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Children's Commissioner recognises the contributions payable for the year. PCSPS also permits employees to opt for a partnership pension account, a stakeholder pension with an employer contribution. The defined benefit schemes are treated for accounting purposes as a defined contribution scheme as required by IAS 26. The defined benefit scheme prepares its own financial statements. A description of the pension schemes is at Note 2.

#### **e. Project costs**

Expenditure on projects funded from grant-in-aid is charged to the Statement of Comprehensive Net Expenditure as it is incurred. Project grants payable by the Children's Commissioner are recognised when they fall due for payment.

#### **f. Property, plant and equipment and intangible assets**

Assets purchased for use on a continuous basis at a cost in excess of £2500 are initially recorded at cost price. In instances where there are separate individual items of IT hardware which individually fall below the capitalisation threshold, similar items are grouped together and the combined cost is used for the purposes of determining whether they fall with the threshold.

#### **g. Depreciation**

Historic cost of a tangible fixed asset is depreciated to residual value by equal annual instalments from the date of the asset being available for use. Details as follows:

Furniture and fittings – the cost of improvements to leasehold buildings that have been made are depreciated over the remaining life of the lease.

Equipment – depreciated over four years from the month of acquisition.

Information technology, storages – depreciated over four years from the month of acquisition.

Software licenses – amortised over four years.

#### **h. Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made and due to be made under an operating lease of real property (net of any benefit received from the lessor) are charged by equal annual instalments to the Statement of Comprehensive Net Expenditure over the period from the date of first occupation until expiry of the lease. Resulting debit balances are classified as prepayments in the Balance Sheet. Resulting credit balances that will be eliminated within one year

are classified as current liabilities. Operating lease cost are charged to expenditure as they are incurred (see Note 11 for further details).

## i. Segmental analysis

The Children's Commissioner is not required to show a segmental analysis. This is because the quantitative thresholds required for segmental reporting, in accordance with IFRS 8, have not been met.

## 2. Staff costs

Costs of Employment	Staff with a permanent UK contract	Contract Personnel	Total 2014-15	Total 2013-14
Analysis	£000s	£000s	£000s	£000s
Salary	1,364	-	1,364	1,175
Restructuring costs	146	-	146	1
Social Security Costs	124	-	124	108
Pension Costs	276	-	276	223
Cost of non-employed staff	-	53	53	61
<b>TOTAL STAFF COSTS</b>	<b>1,910</b>	<b>53</b>	<b>1,963</b>	<b>1,568</b>
The average number of persons employed by the Children's Commissioner during the period expressed as full time equivalents was:				
Executive	5	0	5	5
Other personnel	24	1	25	20
<b>Total</b>	<b>29</b>	<b>1</b>	<b>30</b>	<b>25</b>

The salary costs include an accrual of £16,715 for outstanding staff leave in accordance with IAS 19 Employee Benefits.

## **Pension Costs**

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Children's Commissioner is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation at [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)

In 2014-15, employers' contributions of £276,000 (2013-14 £223,000) were payable to the PCSPS at one of four rates in the range 16.7 to 24.3 per cent of pensionable pay, based on salary bands. Employer contribution rates are reviewed every four years following a full scheme valuation by the Government Actuary. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No employer's contributions were paid to any of the panel of three appointed stakeholder pension providers. No persons retired early on ill-health grounds.

## 2.A Exit packages

2014-15 Exit Packages	Number of voluntary redundancies	Number of compulsory redundancies	Total number of exit packages by cost
<b>Bands</b>			<b>£'000</b>
£1,000 - £10,000	-	-	-
£10,000 - £25,000	1	-	12
£25,000 - £50,000	-	-	-
£50,000 - £100,000	-	-	-
£100,000 - £150,000	1	-	134
<b>Total number of exit packages</b>	<b>2</b>	<b>-</b>	
<b>Total exit package costs</b>			<b>146</b>

The DfE Internal Audit Governance review undertaken in 2014 at the request of the Children's Commissioner recommended that a review of the structure together with an organisational re-design be considered. The accrued exit costs result from the implementation of governance recommendations.

An application to run a voluntary exit scheme was approved by Cabinet Office. Strategy and management of exits were performed by DfE. Authorisation to proceed with exits was approved at senior level in the Children's Commissioner, DfE and HM Treasury.

The post of Deputy Children's Commissioner/Chief Executive was deleted on 30 April 2015. A severance package of £133,984 was approved by DfE and HM Treasury to support the enactment of the governance recommendations.

No exit costs took place in 2013-14.



### 3. Strategic priorities

	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
Child Sexual Abuse in the Family (CSAFE)	86	-
Child Sexual Exploitation, Gangs & Groups (CSEGG)	-	78
See Me, Hear Me Pilot	-	-
Safeguarding	17	-3
Participation	27	39
Care Monitor	45	-
Advice, Assistance & Representation	11	-
Independent Advocacy	14	-
Gender	15	-
Special Residential Schools	39	-
Child Poverty	43	18
Health (Including Amplify project)	37	-
Takeover Day	23	21
Education	13	-
School Complaints Systems	44	-
Youth Justice and Children in Detention	2	2
Segregation & Separation	-	-
Impact of Family Migration Rules	9	-
Trafficking	1	5
Asylum & Immigration	1	6
Child Rights Impact Assessments	29	31
Promoting Children's Right	46	9
Impact of Parental Substance Misuse	-	14
Schools Exclusions Inquiry	-	10
Education	-	25
Recognition & Telling	-	20
Strategic Engagement	16	16
Website and Media	91	23
<b>TOTAL STRATEGIC PRIORITY COSTS</b>	<b><u>609</u></b>	<b><u>314</u></b>

Project costs reflect the cost of commissioned external services but do not include staff costs.

Website and new media includes the costs of the new website. The costs of the new website to date were £91,000.

#### 4. Other operating expenses

	<b>2014-15</b>	<b>2013-14</b>
	£000	£000
Accommodation costs	155	146
IT Support costs	52	69
Telephone	7	5
Risk Maturity Accreditation Documentation (RMAD)	8	-
Legal and professional fees	9	7
Administration services	5	9
Office supplies	14	7
Miscellaneous expenditure	5	4
HR Advisor	-	8
Recruitment	23	12
Training	9	7
Travel	7	5
<b>Auditors remuneration</b>		
External Auditors - statutory audit work	38	22
Internal Auditors	21	18
Governance Costs	1	4
<b>Non-cash items</b>		
Depreciation & amortisation	15	13
<b>TOTAL OTHER OPERATING EXPENDITURE</b>	<b>369</b>	<b>336</b>

## 5. Income

	<u>2014-15</u> £000	<u>2013-14</u> £000
Other Operating income	<u>(6)</u>	<u>(23)</u>
	<u><b>(6)</b></u>	<u><b>(23)</b></u>

Other operating income - related to the recovery of business related expenditure incurred by the Children's Commissioner and Chief Executive.

## 6. Property, plant and equipment

2014-15	Furniture & Fittings	Equipment	Total
	£000	£000	£000
<b>Valuation/Cost</b>			
At 1 April 2014	28	16	44
Additions		-	-
Disposals	(28)	-	(28)
<hr/>			
<b>At 31 March 2015</b>	<b>-</b>	<b>16</b>	<b>16</b>
<hr/>			
<b>Depreciation</b>			
At 1 April 2014	27	8	35
Charge for Year	1	2	3
Adjustment - Disposals	(28)	-	(28)
<hr/>			
<b>At 31 March 2015</b>	<b>-</b>	<b>10</b>	<b>10</b>
<hr/>			
<b>Net Book Value</b>			
<b>At 31 March 2015</b>	<b>-</b>	<b>6</b>	<b>6</b>
<hr/> <hr/>			
<b>At 1 April 2014</b>	<b>1</b>	<b>8</b>	<b>9</b>
<hr/> <hr/>			

<b>2013-14</b>	<b>Furniture &amp; Fittings</b>	<b>Equipment</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation/Cost</b>			
At 1 April 2013	28	8	36
Additions	-	8	8
Disposals			
<b>At 31 March 2014</b>	<b>28</b>	<b>16</b>	<b>44</b>
<b>Depreciation</b>			
At 1 April 2013	18	7	25
Charge for Year	9	1	10
<b>At 31 March 2014</b>	<b>27</b>	<b>8</b>	<b>35</b>
<b>Net Book Value</b>			
<b>At 31 March 2014</b>	<b>1</b>	<b>8</b>	<b>9</b>
<b>At 1 April 2013</b>	<b>10</b>	<b>1</b>	<b>11</b>

Assets are stated at historical cost. Net changes in value is used when using modified historical cost convention is not material. The Children's Commissioner asset base is owned.

## 7. Intangible assets

<b>2014-15</b>	<b>Software Licenses</b>	<b>Website</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation/Cost</b>			
At 1 April 2014	75	50	125
Additions	43	-	43
Disposals		(50)	(50)
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2015</b>	<b>118</b>	<b>-</b>	<b>118</b>
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2014	31	50	81
Charge for Year	12		12
Adjustment- Disposals		(50)	(50)
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2015</b>	<b>43</b>	<b>-</b>	<b>43</b>
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
<b>At 31 March 2015</b>	<b>75</b>	<b>-</b>	<b>75</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>At 1 April 2014</b>	<b>44</b>	<b>-</b>	<b>44</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>2013-14</b>	<b>Software Licenses</b>	<b>Website</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation/Cost</b>			
At 1 April 2013	40	50	90
Additions	35	0	35
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2014</b>	<b>75</b>	<b>50</b>	<b>125</b>
	<hr/>	<hr/>	<hr/>
<b>Amortisation</b>			
At 1 April 2013	28	50	78
Charge for Year	3	-	3
Adjustment – Disposals			
	<hr/>	<hr/>	<hr/>
<b>At 31 March 2014</b>	<b>31</b>	<b>50</b>	<b>81</b>
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
<b>At 31 March 2014</b>	<b>44</b>	<b>-</b>	<b>44</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 8. Trade and other receivables

	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
<b>8a</b> Amounts falling due after one year		
Rent Deposit	-	-
Pre-payments	-	-
	<u>-</u>	<u>-</u>
<b>8b</b> Amounts falling due within one year		
Rent Deposit	-	-
Pre-payments	174	52
Trade receivables	1	5
Staff receivables	10	14
Accrued income	3	-
	<u>188</u>	<u>71</u>
<b>8c</b> Balances with other central government bodies	-	5
Balance with local authorities	-	-
	<u>-</u>	<u>5</u>
<b>Intra-Government balances</b>	<b>-</b>	<b>5</b>
Balances with bodies external to Government	- 188	66
<b>TOTAL TRADE AND OTHER RECEIVABLES AT 31 MARCH 2015</b>	<u><b>188</b></u>	<u><b>71</b></u>

## 9. Cash and cash equivalents

	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
Government Banking Services	290	223
Commercial Bank & cash in hand	5	3
	<u>295</u>	<u>226</u>

### CASH AND CASH EQUIVALENTS AT 31 MARCH 2015

## 10. Trade and other payables

Amounts falling due within one year	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
<b>10a Analysis by Type</b>		
Trade payables	28	9
Accruals	299	99
PAYE	22	17
National Insurance Contributions	13	16
Pension Contributions	31	27
Childcare	0	0
Deferred Income	-	-
	<u>393</u>	<u>168</u>

The accruals include £16,715 (£15,999, 2013-14) in relation to untaken staff leave at the year end, in accordance with IAS 19 Employee Benefits.

	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
<b>10b Intra-Government Balances</b>		
Balance with other central government bodies	73	68
Balance with Local Authorities	-	-
	<u>73</u>	<u>68</u>
Intra government Balances	73	68
Balance with bodies external to government	320	100
	<u>393</u>	<u>168</u>

### TRADE AND OTHER PAYABLES AS AT 31 MARCH 2015



## 11. Commitment under leases

The Children's Commissioner has entered into operating lease contracts for office accommodation. At 31 March 2015, the total future minimum lease payments will be met on the following dates:

Year of payment	31-March-15 £'000	31-March-14 £'000
<b>Buildings</b>		
Not later than one year	153	153
Later than one year and not later than five years	207	358
Later than five years	-	-
<b>Other</b>		
Not later than one year	3	3
Later than one year and not later than five years	-	6
Later than five years	-	-

## 12. Provisions

### Provisions – Dilapidations

	<u>2014-15</u>	<u>2013-14</u>
	£000	£000
Brought forward	-	17
Change in year	-	(17)
	<hr/>	<hr/>
Carried forward	<hr/> <hr/>	<hr/> <hr/>

## 13. Related party transactions

The Children's Commissioner is sponsored by the DfE which is regarded as a related party. There were material transactions with the DfE in respect of Grant-in-Aid, office accommodation and the provision of IT and telephony services. There are no further transactions with any other related parties.

Disclosures on remuneration are contained in the Remuneration report.

#### **14. Financial instruments**

The Children's Commissioner has no borrowings and relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risk. It has no material deposits, and all material assets and liabilities are denominated in £.

#### **15. Post balance sheet events**

There have been no events after the balance sheet date and up to the date the accounts were authorised for issue requiring an adjustment to the financial statements. The date the accounts were authorised for issue is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.