



# ANNUAL REPORT & ACCOUNTS 2008/09



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## **FOREWORD**

### **The year of the 3 Rs – Reports, Recommendations and Review**

I am pleased to present my second annual review as the Children's Commissioner for Wales.

From the outset my staff and I have been determined to concentrate our efforts on areas where we can make the most difference – working in a strategic way and in partnership.

This year has seen us publish four major reports around the implementation of the United Nations Convention on the Rights of the Child (UNCRC) across the UK, about child trafficking in Wales, one on disabled children's access to play and another about this office.

We have continued to repeat our calls on government – both on a local level and in Cardiff – to implement the recommendations of previous reports, mainly around child and mental health services.

I have also led a review of the structure of my office. The office was seven years old this year and I believed it was timely to review, take stock and develop new working practices. I want to ensure children in Wales really do see an impact on their lives and that current discrepancies in policy, legislation and actual implementation are reduced. This commitment stems from my assessment of the circumstances and resources and also from the need to allocate my budget to areas where my office can realistically contribute to positive, systemic change for children and young people.

Under the legislation that established the Children's Commissioner for Wales, my office must:

- have regard to the UNCRC in everything we do
- make sure that children and young people know where my offices are and how to contact us
- encourage children to get in touch
- ask children what they think about our work and our future work, and allow them to influence the work programme
- make sure that we go and meet children and young people.

My office can also:

- review the effects of policies, proposed policies and the delivery of services to children
- examine in more depth the case of a particular child or children if it involves an issue that has a general application to the lives of children in Wales
- require information from agencies or persons acting on their behalf, and require witnesses to give evidence on oath
- provide advice and assistance to children and young people, and others concerned about their rights and welfare
- consider and make representations to the National Assembly for Wales about any matter affecting the rights and welfare of children in Wales.

To enable me to fully fulfil these legislative duties I have a team of 30 staff, based in Colwyn Bay and in Swansea, who work with and for children and young people aged 18 or under living in Wales, or who normally live in Wales. We can also act on behalf of older young people (up to the age of 25) if they have been looked after by a local authority.

In the following chapters I will introduce my staff's main duties and will give you an insight into our work from 1 April 2008 until 31 March 2009.

**Keith Towler**  
**Children's Commissioner for Wales**  
**26 August 2009**

## MANAGEMENT COMMENTARY: ADVICE & SUPPORT

Introduction by the Commissioner:

*“The Children’s Commissioner for Wales was established by the Care Standards Act 2000. Under the Act, as Commissioner I can:*

- *provide advice and information to children, young people as well as to professionals and other adults who are concerned about the rights and welfare of a child or of children in general*
- *offer advice and support to children and young people, helping them to express their views and wishes*
- *examine cases where services could have potentially failed a child or children*
- *assist children and young people - including providing financial assistance and representation in legal proceedings - whose rights have not been respected.*

*While the powers of the office are wide, there are also things my office cannot do; for example, we cannot look into any matter as far as it is subject to legal proceedings or has been determined by a court or tribunal.”*

### SUMMARY OF ACTIVITY 08/09

This year we opened 529 new cases

A **case** is when someone gets in touch with us about something that has happened, or something that they aren't happy about. A case could be about one or many young people and could be about one or a number of issues.

321 of these cases were signposted or given advice

**Signposting** a case means we tell the caller of another organisation that can help them out. We always make sure that we give the caller the contact details of the other organisation. Sometimes we also **refer** a case. This means that we contact another organisation on behalf of the caller and ask them to get involved.

The other 208 became full cases.

A **full case** is when we stay involved and support the child or young person to work with other agencies to reach an appropriate outcome.

### Case study 1

We were contacted by the parents of a young person with severe special educational needs, who attends a special unit. The family were very concerned as there was no social services support and they were struggling to manage and meet their son's needs. They had tried to obtain support previously without success. They were also worried

about what would happen when he became an adult at 18 and would have to leave the unit.

We made contact with social services about this and emphasised the need for good planning at the transitional review. Social services agreed with us and provided the necessary support.

### Our Advice & Support Officers

We have five officers within the Legal & Investigations team based across two offices. These officers, who have a wealth of legal, social work and advocacy experience and expertise travel all over Wales to meet with children and young people to listen, support and advocate on their behalf. We have two Welsh-speaking officers and have access to interpreters to enable any child, young person or adult with concerns over a child to communicate with us in their preferred language.

### Case Study 2

A young person with special educational needs contacted us. This young person had been allocated a place at her preferred college, which had been suggested to her by social services. However, due to her disability she was unable to use public transport and there was an issue over who would provide transport to enable her to attend the course.

Advocacy had tried but failed to secure transport so this young person decided to come to us for help. We contacted social services and Careers Wales and suggested they could share the cost of providing transport, which they agreed to do. The young person is now happily attending the college and course of her choice.

### How we work?

We are contacted in a number of ways, by phone, text, letter or email, and the duty officer will determine what action needs to be taken on a case-by-case basis. To help us decide on the best course of action, we ask the following five questions when analysing the case:

1. Is the child or young person 18 years old or under, or up to 25 years old if they have been in local authority care?
2. Does the child or young person want us to be involved?
3. Does the child or young person usually live in Wales?
4. Are we allowed, according to our legislation, to get involved with the case?
5. Is there another organisation already in place to deal with the case?

If the answer to questions number 1 to 4 is yes and the answer to number 5 is no, then we can offer advice and support. If the answer to number 5 is yes, then we will contact that organisation to ensure they are able to help the child and young person.

We will never give a child or young person another telephone number to call; we will always make the initial contact on their behalf.

If we do become involved in an issue we will do our best to identify a quick solution. We may speak to people over the telephone or we may ask for meetings to help the child or young person have their say. Whenever such meetings are arranged, we meet with the child or young person at a location that suits them best.

### Who contacts us?

Anyone can contact us for advice and support from children and young people, via our freephone number and text service, to professionals and other adults who are concerned about a child or young person.

Here are the people who have contacted us this year for advice and support:

Contact made by:	Number of cases:
Advocacy Service	10
Anonymous	3
CAFCASS	0
Carer	10
Child or Young Person	32
Elected Member	6
Extended Family	39
Foster Carer	7
Friend of Family	6
Health Professional	2
Local Authority	0
Member of the Public	20
Other Professional	23
Parent	201
Petition	1
Police	1
Probation Service	1
Refugee / Asylum Organisation	9
School	1
Social Worker	3
Solicitor	1
Teacher	3
Voluntary Organisation	12
Youth Offending Team	1

(\* Please Note: It has not been compulsory until now for our Advice & Support Officers to record who contacts us therefore it has not been possible to identify the origin of the 529 cases dealt with in 2008/09.)

In our experience, parents, extended family members or carers are the principal advocates for children's rights and welfare. Not surprisingly, it is usually these advocates who contact us first.

### How initial contact was made?

Telephone	353 calls
Email	87 messages
Letters	73
Text	11
In person	4 visited our offices
Unknown	1

Our freephone service was used 338 times this year, with 196 callers making initial contact with our office via the 0808 801 1000 number (an increase of 16.7% on last year's calls.)

### Case Study 3:

The Commissioner was contacted by a young person who was in a residential setting. This young person stressed to the Commissioner that she was not happy at this placement and wanted to move. A member of our team met with the young person to gather her wishes and feelings. We then contacted the young person's social worker to discuss the young person's views. It was agreed that a multi-disciplinary meeting was held to discuss the situation.

Following the meeting it was agreed that the young person could move to another placement which would meet her needs and where she would be happy.

### What did they contact us about?

This year, 635 separate problems were raised with us from 529 cases. They included:

Issue:	Number of cases:
Advice	79
Bullying	20
Child Protection	22
Education	177
Environment	27
Family Law	70
Health	42
Housing	21
Immigration	47
Legal	7
Social Services	116
Youth Justice	7

### Emerging Trends

Education remains the main area that people contact us about, followed by social services. Of the education cases, 27 were about special educational needs, 25 were



cases seeking advice and 22 about complaints. The vast majority of cases in the social services category related to complaints (21).

Calls that we received from children and young people were mainly about the environment with boys raising issues around child's rights issues in education and girls seeking advice on environmental issues.

### Working in Partnership

A significant development this year has been the increase in the number of calls we signpost on to other organisations who specialise in particular fields – from 72 calls in 2007/08 to 138 in 2009/09.

Often we are the last resort for many children and young people who contact us and so we never pass them on to another organisation by just providing them with another number to call or another email address. We contact the relevant service or advocate on their behalf to ensure the enquiry is something they can handle then put them in touch with each other.

The three main services or advocates we signpost calls onto include: complaints officers at local authority level (30 cases), SNAP Cymru (25 cases) and solicitors (24 cases).

We are also currently drafting a memorandum of understanding with Children and Family Court Advisory and Support Service (CAFCASS) Cymru. The purpose of this will be to assist both organisations in sharing information which might reveal the need for wider policy development, potential areas of opportunities for collaborative working between the organisations and to avoid duplication in areas where our roles may overlap.

### Case Study 4

We were contacted for advice about children being forced to use adult sport changing rooms. We signposted the caller to the NSPCC Child Protection in Sport Unit and Sports Council for Wales who were able to provide the adult caller with appropriate advice.

## MANAGEMENT COMMENTARY: COMMUNICATION

Introduction by the Commissioner:

*“My office has a statutory obligation to promote the rights and welfare of children.*

*All members of staff have a part to play in promoting our work and what we stand for. We respond to a number of invitations to deliver presentations and workshops about the work of the office and the United Nations Convention on the Rights of the Child and my team have spent the last twelve months raising my profile as Wales’ new Children’s Commissioner.”*

### SUMMARY OF ACTIVITY 08/09

The Commissioner’s calendar of visits:

Month	Visit
<b>2008</b>	
April	Llanedeyrn High School
	Dyffryn Taf High School
May	Caerphilly Blaenau Gwent YOT Awards
	Jig-So Children's Centre, Cardigan
	Ysgol Y Plant, Aberteifi
	Eisteddfod yr Urdd
	Funky Dragon OROS Group
June	Looked After Children, Rhyl
	Pixel Power, Rhyl
July	Ambassadors Group
	Anglesey Festival
	Impetus Awards
	Narberth Play Project
September	Advisory Group Residential
October	Time to Talk / Time to Listen Tour of Wales
November	Blaenau Gwent Youth Mayor Inauguration
	Children's Hospital Wales
	Our Lady & St Michael's RC Primary School
	Blaenau Gwent Grand Children's Council
December	Parc Prison, Bridgend
	Monmouthshire Comp School Positive People Centre
<b>2009</b>	
January	Cardiff YP First
February	Pembroke School
	Swansea Drugs Project
March	Millbank School, Cardiff
	Pantfynnon Youth project
	Lais Theatre Forum
	Sot to Do at Liberty Stadium
	Queen Elizabeth High School, Carmarthen

Since April 2008, the Commissioner has visited at least one school or youth group every month. In October 2008 he took part in our inaugural *Time to Talk / Time to Listen* Tour which saw him visit every local authority in Wales, meeting over 1000 children and young people. The tour provided Keith with the opportunity to listen to children and young people but also gave him the chance to discuss his role as the country's new Commissioner. Every member of staff was offered the opportunity to accompany Keith on a visit and great relationships were forged with new groups and schools – some took time out after the Tour to help us develop our new website.

Press coverage for the Tour exceeded all expectation – the team secured 91 positive press articles and 3480 seconds of broadcast coverage, creating over 3.3 million opportunities to read or hear about the Children's Commissioner for Wales.

A mobile exhibition unit was purchased for the Tour which will enable us to travel across Wales, visiting children and young people in all kinds of environments. This vehicle will also double-up as a movable 'billboard' as it is heavily branded with our logo and contact details so keep your eyes peeled because it might end up on a road near you soon!

To help raise awareness of the Commissioner and the UNCRC, we have had a total of 299 articles appear in the press, consisting of over 3000 column centimetres. These articles range from coverage from proactive news releases and a regular column with the *Western Mail*, to reactive statements we have issued as a result of plentiful media enquiries. We also secured over 122 hours of air time on radio and television, including a special half-hour fly-on-the-wall documentary about the Commissioner on BBC One Wales, meaning that there have been over 39 million opportunities to read or hear about the Commissioner over the last twelve months (based on listenership and readership figures).

## MANAGEMENT COMMENTARY: PARTICIPATION

Introduction by the Commissioner:

*“According to the UNCRC, children and young people must have a say in decisions that directly affect them. Our current framework for involvement enables us to adopt this core principle by allowing children and young people’s views to help decide our priorities. In particular, this framework enables children and young people who are marginalised, vulnerable or ‘hard to reach’ to have a voice.”*

### SUMMARY OF ACTIVITY 08/09

We have spent time this year reflecting on how we involve children and young people in setting our work priorities. We have also been fulfilling our promises to children and young people and continued to meet children and young people with diverse backgrounds and experience in their schools and youth projects, telling them about the Commissioner and the UNCRC and asking them about their lives and what’s important to them.

We have also listened to children and young people and the professionals who work with them to help us plan for the future. From 2009, we will be implementing a new system which will enable us to systemically listen to children and young people, whilst making sure that those who advocate for more vulnerable or minority groups also have the opportunity to make their issues a priority.

### Play Review

In 2008 we finished the first of two projects which were decided by children and young people through our ‘What next?’ events.

What next? Events, held in north Wales and south Wales, allow children and young people to influence and help prioritise the Commissioner’s work plan.

*A Happy Talent* was a report that looked at play strategies across Wales for disabled children and young people. Launched at the National Eisteddfod in Cardiff on National Play Day, the report explored the reality of disabled children’s play experiences in their communities (see page 18 for more details).

Following the launch, participation staff have made time to feedback to the young people involved in the consultation stage so that they can see how their information has been used and what impact it has made.

### Making Learning Better

The second project decided by children and young people was *Making Learning Better* where they asked us to look at what is needed to make learning in the classroom the best possible experience it can be.

We explored the idea in more detail with children and young people at both the Urdd and National Eisteddfod, asking them what they felt makes a good teacher. Plans are afoot

to share those key messages with other children and young people in secondary school, Pupil Referral Units and alternative education establishments. We also plan to meet with a number of other groups from diverse backgrounds for their experiences, including disabled and looked-after children.

The messages we have gathered so far are very simple and straightforward, and if listened to, will help ensure their experiences of school life will be the best that it can be.

Our intention is to make these messages available to all teaching staff – including trainee teachers – so that their work can really meet the needs of children and young people they teach. Before publication in September 2009, we plan to meet with teachers, headteachers and other relevant organisations, including teachers' unions, to explain more about the project and to share some of the messages we have gathered from children and young people.

The United Nations Committee on the Rights of the Child recommended in October 2008, that the government should strengthen children's participation in all aspects of education, classroom and learning that affect them. The Commissioner sees the outcome of this project as being one small part of the process of making this recommendation a reality for children in Wales.

He will be seeking feedback from all those involved in education in Wales on the project's outcomes and most importantly from children and young people themselves.

**Our website: [www.childcomwales.org.uk](http://www.childcomwales.org.uk)**

The Commissioner's website has seen a complete overhaul this year, with a fresh and interactive website being launched to coincide with Keith's first year in post (1 March 2009).

Children, young people and adults were involved in the redesign, with members of the participation team undertaking visits to a number of schools, groups and events across Wales to gather feedback.

An online game all about the UNCRC was also developed for the website. Children and young people were again heavily involved in the development of the 'Know Your Rights' game, sharing ideas and inputting into the storyboard stage of the process. They influenced the story of the game as well as the look and feel.

Feedback in workshops has been extremely positive and we have also been approached by our counterparts in South Australia for permission to adopt certain elements for their new website.

**Backchat: [www.childcomwales.org.uk/backchat](http://www.childcomwales.org.uk/backchat)**

Backchat is one of the ways we find out children and young people's views about issues. Alongside the redevelopment of the Commissioner's website, Backchat has also been overhauled. Since its original launch six years ago, Backchat had been an email survey group. The new Backchat is a series of questions about a particular issue which appear on the new website. It provides a solid platform from which children and young people from across Wales are able to share their views and opinions with the Commissioner's

office. The questions change regularly and the answers we gather are then used in our work, including policy consultation responses.

As part of the website redevelopment, children and young people from across Wales were involved in designing a new brand for Backchat. This new identity will now be used on marketing material, such as leaflets and mouse mats, to raise awareness of Backchat among children and young people.

### **School Ambassadors**

This year has seen a growth of the Ambassadors scheme – we now have at least one Ambassador School in nearly every Welsh local authority. Run in primary schools, the scheme’s aims are to elect two children to act as the Commissioner’s first point of contact with their peers, teachers, parents and carers. Ambassadors share information about the UNCRC, about the Commissioner and the advice and support service we offer throughout their school. They are also encouraged to create a rights aware environment where issues can be dealt with appropriately at class, school or local level.

The elected members are invited to attend two regional meetings in the school year, one at the beginning and another in July. This allows the ambassadors to receive joint training and share ideas at the beginning of their involvement as well as a chance to evaluate and celebrate their achievements at the end of their term.

Due to the popularity of the scheme, we will be looking to expand further during the next financial year to enable more children to take part.

### **Advisory Groups**

The Commissioner has two advisory groups made up of young people – one based in our north Wales office and the other in Swansea. Their role is to influence and advise on various aspects of the office such as policies and procedures, publications, selection and recruitment, building facilities, methods of working, training and events. However, alongside the restructuring of the office, the Advisory Groups are part of the developmental process which needs to be revisited. The young people involved are part of this restructuring period and are helping us think through the role and function of the groups.

Current members have had a busy year whilst continually adapting to members leaving and new members joining. We really valued their input as they helped us design our new exhibition unit, helped our policy team with work on school transport, and took part in the re-design of our new website, Backchat and online rights game. They also helped with last year’s Annual Review, which secured acclaim at an international design award ceremony as the best annual report.

Members have met Keith and helped him develop themes of work for the office. They have also prepared and designed a PowerPoint presentation about the office for staff to use.

#### **Quotes from Advisory Group Members:**

“We’ve learnt loads of new stuff – about the Children’s Commissioner for Wales, about what he does, about rights, interviews and we’ve learnt new games!”

“I would like to take this opportunity to thank you for all that you have done to help me; the meetings have built up my confidence and self-belief, I sincerely hope I will

**MANAGEMENT COMMENTARY: POLICY & SERVICE EVALUATION**

Introduction by the Commissioner:

*“We work to help make sure that children and young people in Wales:*

- are safe from harm and abuse*
- get the opportunities and services they need and deserve*
- are respected and valued*
- have a voice in their communities and are able to play as full a part as possible in decisions that affect them*
- know about their rights as set out in the UNCRRC.*

*In order for us to protect and promote children and young people’s rights and welfare, we review the effect of policies, proposed policies and the delivery of services to children.”*

## **SUMMARY OF ACTIVITY 08/09**

### **Some you win, some you lose!**

It has certainly been pleasing to see how some of our earlier recommendations have moved closer to full implementation during the year. Recommendations from the **Clywch** report included the provision of school based counselling services and revising the Personal and Social Education Framework. School based counselling services have moved forward during the year and we continue to work with colleagues in Welsh Assembly Government towards full implementation of all of the recommendations. There have also been significant advances towards the wider provision of advocacy to children and young people in Wales the importance of which was highlighted in several of our earlier reports.

Similarly we have been impressed with the progress towards implementing another of our proposals that children and young people should be given the right to make an appeal to the **Special Educational Needs Tribunal for Wales (SENTW)**. It is to the credit of the Welsh Assembly Government that children’s rights are high enough on their agenda to warrant the considerable amount of effort and resources needed to gain legislative competence and to initiate an Assembly Measure to change the law in Wales.

However, there remain areas where issues that we have commented on previously where positive changes have not come about. We have to comment on the lack of progress in producing the joint review of **child and adolescent mental health services (CAMHS)**. The Commissioner hopes that when published this long awaited review takes full account of the concerns that he has raised previously and that the recommendations are addressed and resourced fully by the Welsh Assembly Government.

Last year too we highlighted concerns about the safety of **stretch limousines** – both in terms of their regulation and of their roadworthiness. We continue to receive concerns from parents, the Traffic Commissioner for Wales and the police amongst others. Yet despite the concerns of such a wide range of people, to date a public awareness campaign has not come forward to educate children and families of the dangers of travelling in such vehicles.



As Children's Commissioner for Wales, Keith can only highlight his concerns and offer assistance to policy makers but it is for them to effect the necessary change.

## **A YEAR OF REPORTS**

### **Reporting to the United Nations Committee on the Rights of the Child**

This was an important year for children's rights in the UK as it was the year for reporting on the progress made by the UK government and Welsh Assembly Government on implementing the United Nations Convention on the Rights of the Child (UNCRC). For the first time, the four UK Children's Commissioners submitted a joint report to the UN Committee on the Rights of the Child which we published in June 2008. The four Commissioners also gave evidence to the Committee in Geneva soon after publication. There were further reports from Wales from Funky Dragon and the Non-Governmental Organisations (NGO) Monitoring Group.

Established by Article 43 of the UNCRC, the Committee is required to monitor the implementation of the Convention by assessing reports submitted to it by States which have ratified the UNCRC. After considering all written reports and after hearing oral evidence from governments, NGOs and Commissioners, the Committee makes recommendations to assist the State to ensure greater respect for children's rights.

The Committee's Concluding Observations, published in October 2008, were clear evidence that despite some advances, particularly in Wales, there is still much to do in fully realising children's rights. Keith spoke at the Welsh Assembly Government's first major conference on children's rights in March 2009 and used his speech to highlight the need for us to work collectively and use the concluding observations to help us shape clear changes for all children and young people in Wales. Two members of the UN Committee spoke powerfully during the event about the need for us to view the UN Committee's concluding observations as obligations on government and as the major changes that we need to see for children and young people in the UK and Wales.

Keith welcomes the Welsh Assembly Government's commitment to the UNCRC reporting process and also the Minister's commitment to developing an action plan to address the 124 concluding observations of the Committee and his office will be reviewing the progress made in realising those changes. Any action plan will need to have the clear input of children and young people and have their involvement in reviewing progress. The plan must not gather dust as yet another strategy but instead be the vehicle for major changes to the lives and experiences of children here in Wales.

These Concluding Observations are of course obligations on government and WAG has already published its 16 priorities in relation to the Concluding Observations and we will be using these as a way of measuring progress over the next four years prior to the next reporting round. We would urge the Welsh Assembly Government and others to publicise widely the UNCRC, the Concluding Observations, Action Plan and Priorities so that as many children and young people in Wales know about their rights and the issues that the Government are trying to tackle.

### ***A Happy Talent***

*A Happy Talent* was a report about play provision for disabled children and young people in Wales. Launched at the National Eisteddfod in Cardiff on National Play Day, the report explored the reality of disabled children's play experiences in their communities. It was based on an analysis of local authority play strategies and related documents and was an attempt to gather initiatives from around Wales into a convenient, single document. It became clear that, in most cases, provision for disabled children was seen as a very minor add-on. However, the report has been seen as useful by some workers in local authorities as a basis for reviewing their play strategies.

### **Independent Evaluation of the Children's Commissioner for Wales' office**

Wales was the first UK country to establish a Children's Commissioner so it is somewhat fitting that the report published in November 2008 was the first evaluation of its kind of a UK Children's Commissioner.

The in-depth report – drafted by Professor Nigel Thomas and a group of young people – highlighted the office's strengths and documented areas that needed fine-tuning and further development.

Included in the report are some important messages, none more so than the need to raise awareness of the Commissioner's role and the office. We have already taken steps to address this and will remain committed to ensuring that by 2015, when a new Commissioner takes the helm, the Children's Commissioner for Wales will be a well-known figure who plays an integral role in Welsh civil society.

### ***Bordering on Concern***

In March 2009, we published a report into the prevalence of child trafficking in Wales. Before commissioning the report there was no comprehensive all-Wales picture of the scale of child trafficking in Wales and therefore no data on which to base service provision for those children. Our report, *Bordering on Concern*, received considerable attention in the media and raised some public and professional awareness. We hope that the report will have started to shift the culture of disbelief that existed previously about the issues raised in the report.

Children and young people who may have been trafficked are extremely vulnerable and have the least access to an adult who may speak out on their behalf. In our view these children when discovered must receive the full care and protection of the statutory services. The report made six recommendations to the Welsh Assembly Government and local authorities. We will be working with those bodies to review the implementation of the recommendations across Wales.

## **FUTURE WORK**

### **Young Carers**

In the second half of the year we started a review of the experiences of young carers. We commissioned Powys Carers to undertake ambitious nationwide research with young carers across Wales. The data collected from young carers is very telling and to this we will add our policy review and recommendations. We will publish our report in June 2009.

## Provision of wheelchairs

We are becoming increasingly concerned about the provision of wheelchairs for children and young people. We have received many complaints about the unacceptably long waiting times both for their provision, adjustment and repair. Some parents have reported that by the time their child has received their wheelchair they have already grown out of it. This is completely unacceptable and we have, for some time, been considering a formal review of the service. We have delayed because we are aware that Welsh Assembly Government has been conducting its own review. However, timescales for this review have slipped considerably so we will be seeking clarification from the Assembly Government around proposed timescales before deciding what steps we might take.

Please note that all of our publications are available to download from [www.childcomwales.org.uk](http://www.childcomwales.org.uk)

## CHANGING POLITICAL LANDSCAPE

The National Assembly for Wales has continued to live with the consequences of the Government of Wales Act 2006 and we have seen a number of developments relating to policies which affect Wales' children and young people. The One Wales Government policy programme has included areas such as child poverty and additional learning needs.

The National Assembly for Wales (Legislative Competence) (No.3) Order 2007 (Relating to Vulnerable Children) was made which has the potential to improve children and young people's lives in Wales. This now enables the Assembly to pass Measures (laws), based on Welsh priorities and timescales.

Although still in its infancy as a legislative body, with limited experience operating the legislative powers provided by the Government of Wales Act 2006, the Assembly has seized opportunities to address children's issues with the development of draft Measures (laws) such as the Learner Travel Measure and the Healthy Eating in School Measures. We will be scrutinising these developments to ensure that all legislation is underpinned by the UNCRC and that we see a real difference in enabling children and young people to access their entitlements.

We have also seen how institutional mechanisms available to the National Assembly for Wales have enabled those not in government to influence the policy process, many of which are relevant to children and young people. Examples include the Rural Development Sub Committee report into the reorganisation of schools in Wales which originated in the Petitions Committee as well as a back bench Assembly Member's proposed Measure on the disposal of playing fields. This expansion of participation is to be welcomed.

We have also been pleased to see that children and young people have engaged with the Petitions system of the National Assembly for Wales. The range of topics presented has been wide ranging and it has been clear that the issues that children have identified themselves have been taken seriously. We will be looking to see how our team and the

National Assembly for Wales can work closer together to highlight the importance of children and young people's views within our democratic institutions. We hope that this high profile lead will be mirrored across local authorities with their youth forums.

## CONSULTATION RESPONSES AND CONTRIBUTING WRITTEN EVIDENCE

During the year we have responded to Welsh Assembly Government, National Assembly for Wales and other bodies' consultations, basing our responses on information gathered through our participation and advice and support as well as on what we believe to be in the children's best interests.

Consultation responses include:

- A children's health and environment strategy for the United Kingdom
- Borders and Immigration Agency Consultation Keeping Children Safe from Harm
- Welsh Assembly Government NHS reorganisation
- Welsh Assembly Government Intergenerational Practice Strategy
- Local Authority Social Services Inspection, Evaluation and Review Process – A New Framework
- E Coli Inquiry
- Equality and Human Rights Commission Human Rights Inquiry
- Estyn New Common Inspection Framework
- Welsh Assembly Government Iechyd Meddwl Cymru Consultation
- Welsh Assembly Government Special Educational Needs Tribunal for Wales Children's Right of Appeal
- Welsh Assembly Government Single equality scheme
- Welsh Assembly Government Stronger Families response
- Wales Consumer Council
- Church in Wales Education Review
- National Assembly for Wales Children and Young people Committee Children's Budgeting inquiry
- National Assembly for Wales Consultation on Proposed Playing Fields (Community Involvement in Disposal Decisions) (Wales) Measure
- Welsh Assembly Government Consultation on School Organisation Proposals
- Review of the social services complaints process in Wales
- Welsh Assembly Government All Wales Community Cohesion Strategy
- Welsh Assembly Government The development of a family nurse service for Wales
- Welsh Assembly Government Ten Year Homelessness Plan
- Welsh Assembly Government Learner Travel Operational Guidance
- Welsh Assembly Government's *Working Together to Reduce Harm* The Substance Misuse Strategy For Wales 2008-2018
- Welsh Assembly Government Consultation on A National Action Plan to Reduce Suicide and Self- Harm in Wales 2008-2013
- National Assembly for Wales (Legislative Competence) (Welsh Language) Order 2009

- All Wales Convention.

The Commissioner and his staff have also attended a number of National Assembly for Wales Committees, giving evidence on a range of key issues including:

- National Assembly for Wales Culture and Communities Committee Domestic Abuse Inquiry
- National Assembly for Wales Vulnerable Children and Child Poverty LCO
- National Assembly for Wales Carers LCO
- National Assembly for Wales Proposals for Health Eating in Schools Measure
- The National Assembly for Wales Health, Well Being and Local Government Committee inquiry into mental health services in the community
- National Assembly for Wales Health Wellbeing and Local Government Committee Inquiry – CAFCASS Cymru
- National Assembly for Wales Children and Young people Committee Welsh Assembly Government’s Parenting Action Plan Inquiry
- National Assembly for Wales Mental Health Legislative Competence Order
- National Assembly for Wales Children and Young People Committee Child Poverty Inquiry.
- Houses of Parliament Joint Committee on Human Rights Short Inquiry on Children’s Rights.

## WORKING WITH OTHERS

We have continued to take part, in a wide range of groups and bodies. We attend these groups and contribute to discussions but maintain independence by not participating in the decision making. Our aim, as always, is to work together to improve the rights and welfare of children and young people in Wales through influencing policy and practice.

Here are some of the Welsh Assembly Government working groups we have attended over the last twelve months:

- The National Behaviour and Attendance Review (NBAR) on both the review panel and implementation group.
- The School Effectiveness Framework external stakeholders group
- Paying for Care stakeholders group.
- Model complaints procedures for schools working group.
- Children’s right of appeal to the Special Educational Needs Tribunal for Wales (SENTW) working group.
- Learner Travel behaviour code working group.

**Review of issues according to the Welsh Assembly Government’s Seven Core Aims for children and young people.**

Here I have used the Welsh Assembly Government's seven core aims again, as I did in my inaugural annual report, as a template for scrutinising the progress made in implementing WAG's policy agenda.

**Aim 1: Have a flying start in life and the best possible basis for their future growth and development.**

### **Parenting Action Plan and a lack of progress**

I was pleased that the National Assembly for Wales' Children and Young People Committee conducted an inquiry into the Parenting Action Plan in Wales. I provided evidence to this inquiry and look forward to reading the recommendations which are expected in May 2009.

What is clear to me is the crucial role that parents and carers play in children's lives. There needs to be a clear commitment from the Welsh Assembly Government to considering and addressing the recommendations of the Committee's report.

### **Physical punishment**

Once again in an annual review, I repeat my commendation of the Welsh Assembly Government and indeed the cross party support from the National Assembly for Wales for their continued support for the eradication of all forms of physical punishment of children in Wales. Once again, however, I express my deep regret that the Westminster government does not concur and has repeatedly missed opportunities to further this agenda.

The latest Concluding Observations reiterated the UN Committee on the Rights of the Child's recommendation that the state party '*prohibit as a matter of priority all corporal punishment in the family, including the repeal of all legal defences*'.

The current situation simply does not comply with the principles and provisions of the UNCRC and this issue must not be laid to rest and I urge both Welsh and UK politicians to keep this high on their agenda.

### **Budgets**

I am aware of the pressures that current budget settlements place on local authorities. Such limited financial resources may prevent the consistent implementation of Welsh Assembly Government policies by local authorities across Wales. I have seen a number of instances of decisions that are made in relation to children that are constrained by resource issues rather than the best interests of children being paramount. The UK Children's Commissioners' report to the United Nations Committee on the Rights of the Child identified the need for clear identification of overall budget allocation for children.

I welcomed the analysis of overall budgetary spend on children that was produced by the Welsh Assembly Government as a first tentative step. I also await the recommendations of the National Assembly for Wales Children and Young People Committee's inquiry into child budgeting. The importance of having transparency around



the amount of funding available to services for children and young people is important in allowing analysis of the improved outcomes achieved.

**Aim 2:** Have access to a comprehensive range of education, training and learning opportunities, including acquisition of essential personal and social skills.

## **National Behaviour and Attendance Review**

The National Behaviour and Attendance Review was an exercise in looking at the very important issues which affect children and young people's every day school experience. There is an action plan which the Welsh Assembly Government has produced and the implementation of those recommendations needs to be comprehensive across Wales.

## **School reorganisation proposals**

During the past year Welsh Assembly Government has consulted on revised guidance to local authorities in relation to school organisation proposals. The consultation document proposed that children and young people's views must be taken into account as part of the process of reorganising a school.

However that guidance is not yet statutory and during the year my office was contacted about a number of school closures and mergers and the negative impact that those proposals could have on the children in the school. This is clearly a contentious issue and. I would be concerned if local authorities continue to fail to take account of the views of the children and young people affected and take positive steps to gather those views.

## **Common inspection framework for education and training**

The recent consultation on the revised common framework for education and training proposes a greater level of learner feedback within the system. I welcomed that proposal and look forward to reading the new framework when it is finalised. As I know well from my visits to schools and colleges, children and young people are uniquely placed to provide an insight into the effectiveness of schools and other places of learning and the gathering of their views will be important in further improving the education that they and their peers receive. It will also provide a further realisation of Article 12 of the UNCRC.

## **School Toilets**

Children and young people continue to express their concerns to me about the standard of cleanliness and provision of school toilets. Estyn reported in May 2008 that aspects of toilets are unsatisfactory in half of the secondary schools and in a quarter of primary schools surveyed. Where pupils are not happy with the condition of school toilets, they are more likely not to drink enough water during the school day so as to avoid using them. This can have an adverse effect on their health and ability to learn.

In March 2009, the independent e-coli inquiry produced its final report with recommendations. The inquiry had heard that due to other pressures at the time of publication my predecessor's report, *Lifting the Lid*, the Welsh Assembly Government had decided not to act on its findings in relation to school toilets..

The e-coli inquiry's final report made it clear that the condition of the school toilets and hygiene in the schools did not cause or contribute to the e-coli outbreak. However, the report does highlight that the provision of adequate toilet facilities is a basic requirement.

I have considered the findings of the report and have been disappointed that there has been little information provided to my office about progressing the improvement of school toilets across Wales. The Minister for Children last year indicated that there would be the development of national minimum standards for schools toilets. I hope that the Welsh Assembly Government will take a positive lead and implement such standards as soon as possible with the cooperation of local authorities. Wales' children have waited for too long to have consistently good school toilet provision. The introduction of national minimum standards must be backed up with funding to ensure that all children have access to high quality toilets in their schools.

The views of children and young people must be sought in developing those standards. Children and young people also need to be involved in their own schools in reviewing current provision. Developing new provision and reviewing the outcome will be crucial if we are to achieve change on this major issue for children and young people. There can be few other major signs of the respect that is shown to children than the condition of the toilets that they are expected to use.

My office has dealt with a number of calls to the advice and support service this year relating to school toilets, for example, one school imposed a ban on children using toilets during lesson time because of concerns about vandalism. After supporting a child at the school to resolve this issue, the school revised its policy in conjunction with the children in the school and that has led to a more child friendly approach.

Children have the right to health and, in some schools the poor state of pupils' toilets can infringe that right.

### **Education Maintenance Allowance (EMA)**

During my visits to schools and colleges across Wales, young people have expressed concern and confusion about the application of the education maintenance allowance. Children and young people feel that there is inequality in the way in which the system is operated and this can cause upset for the young people. My view is that there should not be a reliance on such grants to ensure that young people remain engaged in education. It would appear to me to be at odds with the aim of providing comprehensive educational opportunities to children that a system which causes so much concern to young people is in existence. I would call on the Welsh Assembly Government to review the effect of the EMA on young people and to engage and gather fully their views on this important issue.

### **Family Nurses**



I responded to the Welsh Assembly Government's consultation document on the development of a family nursing service across Wales. Children and young people tell me that they trust school nurses and that they are important and valued. I have also met with school nurses and have listened to their views on the consultation. I look forward to seeing how the Welsh Assembly Government take forward this important policy development across Wales.

**Aim 3: Enjoy the best possible physical and mental, social and emotional health, including freedom from abuse, victimisation and exploitation.**

### **Sexually harmful behaviour**

I still await the response of the Minister for Health and Social Services to the recommendations made in May 2008 of the task and finish group on services for children who demonstrate sexually harmful behaviour.

### **Neo natal care**

I have welcomed the additional funding announced in 2008 for neo natal services across Wales. However through the year my attention has been drawn to the continuing difficulties with service provision for these babies and their families in some areas in Wales. I am considering whether to use my powers of review in relation to this important area of health provision.

### **Greater need for counselling in the community**

I have welcomed the publication of the Welsh Assembly Government's strategy for school-based counselling services which was proposed in a recommendation of the *Clywch* inquiry. We have heard from several sources that the introduction of such services has highlighted the need for similar services to be available to children and young people in the community. Emotional well being is important for all children and young people and the provision of universal services is part of the four tier structure of Child and Adolescent Mental Health Services.

### **NHS reorganisation**

The past year has seen a considerable focus on the reorganisation of the health structures in Wales. I continue to have concerns about the importance attached to children's health issues at this time of transition. I am particularly concerned about the ability of the newly enlarged Local Health Boards to undertake their roles on Local Safeguarding Children's Boards (LSCBs). The success of these strategic bodies depends greatly on partnership working and the ability of each of the partners to be able to work effectively with other partners. Recent cases of child deaths have highlighted the important role of health providers in identifying child injuries. I am therefore concerned that the recent consultation on the unification of public health services across Wales is not sufficiently robust in relation to the role of the National Public Health Service in Wales in safeguarding children.

Safeguarding children is an extremely challenging task as has been demonstrated by some very high profile cases over the past year. It requires highly trained and motivated staff with sufficient resources to work with vulnerable children and their families. Developments in Wales in the past year have shown the need for Welsh Assembly Government to have a clear strategy in place that will ensure that all children are effectively safeguarded.

**Aim 4: Have access to play, leisure, sporting and cultural activities.**

## **Play**

Play was one of the major issues identified during the UNCRC reporting process. It is clear that although Wales led the way with a national play policy, there is still much to be done in relation to securing the right to play for every child in Wales. The continuing development of the Foundation Phase has been evident to me on my many visits to schools this year and this will build an expectation of similar levels of provision and access in the community. It is vital that in relation to play steps are taken to ensure that provision matches the expectation that is now being raised.

I hear constantly from children and young people that poor transport or unaffordable provision, particularly in rural areas, means that they are unable to take advantage of the wider range of play, leisure, sporting and cultural activities provided for children and young people today.

We will seek to ensure that children and young people's issues are considered by the Public Transport Users' Committee for Wales when this is established and it will be essential that ways of engaging children are found that are accessible and allow full participation.

Although there have been small scale pilots of half-price bus travel for 16-18 year olds in two local authorities in Wales, I would urge there to be a comprehensive review of transport policy for all children and young people in Wales, as I am often asked why older people can have free bus travel and yet children and young people cannot. I am unable at present to provide an answer to their valid question.

**Aim 5: Treated with respect and have their race and cultural identity recognised.**

## **Equality Bill**

I remain concerned that the Equality Bill which has been proposed by the UK Government has not taken note of the call from the UN Committee on the Rights of the Child to include children in that ground breaking single piece of equality legislation. The UNCRC is clear that children have the right not to be discriminated against, yet the government is proposing to do exactly that with the introduction of anti-discrimination laws that exclude children.

We have continued to work with the Equality and Human Rights Commission (EHRC) in Wales and gave evidence to their national human rights inquiry which will be published later in 2009. There are clear overlaps between the work of the EHRC and the Children's Commissioner and we hope that, by working together, there will be a further strengthening of children's rights and human rights in Wales.

### Children seeking asylum

I am concerned that progress in improving the education of asylum seeking children, particularly those aged 15 and over, as outlined in the Refugee Inclusion Strategy has been slower than anticipated. These children who may have experienced considerable trauma and upheaval in their lives can experience difficulties in the transition to school. There are considerable difficulties faced by these children in accessing English language training provision which can help them to access education and training. I would call on the Welsh Assembly Government to be transparent in their implementation of the actions contained in the Refugee Inclusion Strategy.

I am also concerned at the reduction in funding that has been provided to the Refugee Council to provide the Children's Panel. I therefore call on the Welsh Assembly Government to maintain its commitment to the provision of advocacy support to asylum seeking and refugee children in Wales.

### Advocacy

The past year has seen some progress towards the development of a new framework for advocacy for children and young people. The Welsh Assembly Government has appointed a coordinator for its Advocacy Performance and Development Unit. The provision of advocacy is a key children's rights issue that is a very important aspect of the participation continuum and is a vital part of the safeguarding agenda. I am watching with considerable interest the progress being made in relation to this key service and have noted the delays caused by the reorganisation of the health service across Wales. I hope that, once reorganisation is complete, significant progress will be made in extending the scope of advocacy services across Wales into health and education sectors. Such progress would be a clear demonstration of the Welsh Assembly Government and local authorities' commitment to children's rights. I am mindful that at present there exists a variety of arrangements for children's advocacy and this can be confusing and frustrating for children.

**Aim 6:** Have a safe home and community that supports physical and emotional wellbeing.

## Negative Portrayals

The United Nations Committee on the Rights of the Child were surprised by the overriding negativity towards children and young people in the United Kingdom. I however meet a vast number of children and young people who are working hard to make a positive contribution to their communities and through their school councils. I am always inspired and impressed by their drive and enthusiasm to help make positive change.

In early 2009 I took part in a BBC Wales series entitled '*What are we doing to our kids?*' My predecessor Peter Clark talked at length about the issue of respect for children and I reinforced the need for this key concept. The series highlighted the changing nature of childhood as experienced by Welsh children today. What became clear to me was that there is a need for continuing research and debate around children and young people's lives in Wales today.

## Youth Offending

It was during an evidence-giving session to the UN Committee on the Rights of the Child that I, along with my fellow UK Children's Commissioners, called for the youth justice system to be UNCRC compliant. We also called for the need to identify ways in which children and young people are able to participate in reviewing the effectiveness of measures to prevent crime and promote safer communities. And it was with this Committee that I raised the question about the feasibility of devolving youth justice services to Wales.

It was a bold statement but was one that I felt was necessary because it seems to me that the Westminster Government, who remain in control of the non devolved youth justice service, works against the grain of a rights based approach and that this in turn somewhat stifles the devolved administration in Cardiff in progressing its ambition.

Currently in the UK, we have youth justice system which does not comply with the UNCRC and is dominated by a punitive approach.

Whilst I'm encouraged by speaking to practitioners, who clearly share my frustration, there are still children caught up in this system whose treatment is way short of what I expect. For example, we have young people from Wales being detained in secure settings in England, bewildered by being hundreds of miles away from their family, deprived of adequate mental health support and studying an unfamiliar curriculum.

The bottom line is this: children are not failing our system our system is neglecting and failing them.

## Learner travel

The past year has seen the passing of an important piece of legislation in relation to learner travel. Under the proposals there will be a single behaviour code for all children and young people travelling to places of learning. I welcome this proposal and have

been working with my advisory group to provide feedback to the Welsh Assembly Government as the code has been developed. I am encouraged that the Government has agreed to consult with children and young people on this important proposal and the commitment to reviewing the effectiveness of the code with children and young people themselves. Children and young people have the right to travel on clean transport and to feel safe as they make their way to and from their places of learning.

## **Child Poverty**

Child poverty is possibly the single most important issue facing modern Wales. The One Wales policy agreement reiterated the aim to halve child poverty by 2010 and eradicate it by 2020.

In June 2008 we saw the Welsh Assembly Government launch the strategy 'Taking Action on Child Poverty' which aimed to introduce new legislation to put duties on public agencies in respect of child poverty, free childcare, other early years services and strategies to support vulnerable children. This is a welcome development and ensures more agencies recognise that this is an issue for us all and that a complex problem requires a complex antidote. It is however, one initiative in a plethora of policy moves where implementation and progress on child poverty has been inadequate. This must change.

A national priority requires a national flagship policy such as this, but it also needs political will and brave actions from government at both the Wales and Westminster level. The current economic circumstances provide a more challenging environment in which to address the issue, however the recession must not be used as an excuse. Child poverty is a child rights issue, and rights exist in any environment, perhaps even becoming more important when the prevailing economic situation is in a downturn. The effect for those who are already suffering disadvantage is to increase the gap between themselves and others whilst the number suffering the inequality of child poverty increases. The health and wellbeing of all of our children and young people can only be guaranteed when relative child poverty is eradicated.

## **CONCLUSION**

When I came into post I wanted to make sure that the profile given to children's rights, the issues that children and young people face everyday and the role of the Children's Commissioner for Wales was raised with children and young people as well as with the

general public. In the last year I think we have made good progress but we have a long road to travel. The Concluding Observations from the UN Committee on the Rights of the Child have set out the direction we must travel and will provide a benchmark against which we can assess our progress.

I'm looking forward to playing my part in the year ahead and call upon all those who can make a contribution to making children's rights a reality, to roll up their sleeves and get on with it.

**MANAGEMENT COMMENTARY: CORPORATE**

**Audit Committee**

The Commissioner's Audit Committee provides advice and assurance in respect of corporate governance, risk management and control within the Commissioner's office and the adequacy of the internal and external audit arrangements.

The Audit Committee meets at least bi-annually and is made-up of senior officials of the Commissioner and independent members. During the period the term of office of two of the independent members elapsed. The Commissioner is in the process of appointing new members to his Audit Committee. The members of the Audit Committee were:

- Brian Charles, Chair of the Committee - former chair of Dŵr Cymru/Welsh Water (until November 2008);
- Tom Cassidy - Ex-Chief Executive of CADW (until November 2008); and
- John Cory - Ex-Finance Director of the Wales Tourist Board (until October 2009).

### Senior officers

The following persons served as the Senior Management Team during the year:

- Keith Towler - Children's Commissioner for Wales;
- Maria Battle – Deputy Children's Commissioner (until February 2009);
- Sara Reid - Assistant Commissioner, Policy & Participation; and
- Tony Evans - Head of Corporate Services (on secondment from the Wales Audit Office).

### Funding

The Children's Commissioner for Wales is independent of, but funded by the Welsh Assembly Government. In 2008-09 the Commissioner received £1.8 million (2007-08: £1.9 million) to fund his activities. Since the establishment of the office of the Children's Commissioner the amount of funding received from the Welsh Assembly Government has increased steadily to match the ever increasing workload of the Commissioner.

### Format of the accounts

These financial statements have been prepared in accordance with Paragraph 7(2) Schedule 2 of the Care Standards Act 2000 and the Accounts Direction issued by Welsh Ministers. A copy of that direction can be obtained from The Children's Commissioner, Oystermouth House, Charter Court, Phoenix Way, Swansea, SA7 9FS.

These accounts have been prepared for the period from 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009 and reflect the assets, liabilities and resource outturn of the Children's Commissioner.

## **Results for the year**

The Operating Cost Statement shows a net operating cost, for the period, of £2,051,000 (2007-08: £1,754,000) representing an increase in net expenditure of 16.9 percent compared to 2007-08. The general fund balance as at the year-end is £117,000 (2007-08: £321,000).

During 2008-09 the Commissioner's staff changed from 28 (26 whole time equivalent) to 33 (30 whole time equivalent) members of staff which includes full time and part time employees. The increase in staff numbers, which took place around the end of the financial year, was to reflect the increasing workload of the Commissioner's office.

## **Staff absences**

During 2008-09 the sickness absence rate within the Commissioner's office was 11 percent, based as a percentage of the total available working days.

## **Senior official appointments**

Keith Towler was appointed as Children's Commissioner for Wales with effect from 1 March 2008. The remaining senior officers took up appointments between January 2001 and March 2006 and were appointed by the Commissioner under Schedule 2 paragraph 4 of The Care Standards Act 2000.

## **Equal opportunities**

All applications for employment with the Children's Commissioner for Wales were considered on the grounds that all job applicants should have equal opportunity for employment and advancement on the basis of their ability, qualifications and suitability for the work.

No job applicant or employee should receive less favourable treatment on grounds of race, colour, sex, sexual orientation, age, marital status, disability, religion, family/domestic responsibilities or working patterns, nor should any individual be disadvantaged by conditions or requirements which cannot be shown to be justifiable.

## **Payment policy**

Under the Late Payment of Commercial Debts (Interest) Act 1998, the Children's Commissioner for Wales is required to pay suppliers' invoices not in dispute within 30 days of receipt of goods or services or valid invoice, whichever is the later. For 2008-09 the Children's Commissioner for Wales achieved 99.4 percent (100 percent in 2007-08) of all such payments made during the period. No interest was paid in respect of late payments.

## **Auditors**



The Children's Commissioner for Wales accounts are examined and certified by the Auditor General for Wales in accordance with paragraph 9 of Schedule 2 to the Care Standards Act 2000 (*Note 8*).

Bentley Jennison provide internal audit services for the Commissioner.

During the period no remuneration was paid to the auditors for non-audit work.

### **Events since the end of the financial year**

There have been no events since the balance sheet date that affect the understanding of these financial statements.

### **Disclosure of information to the Auditors**

So far as I am aware, there is no audit information of which the auditors are unaware; and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

## **REMUNERATION REPORT**

### **Remuneration of members of the Senior Management Team**

The Welsh Assembly Government determines the remuneration of the Children's Commissioner for Wales in accordance with Schedule 2 paragraph 3 to the Care Standards Act 2000.

For other members of the Senior Management Team (SMT), remuneration was determined by the Children's Commissioner for Wales based on guidance from civil service recruitment specialists.

The following sections, which have been subjected to audit, provide details of the remuneration and pension benefits of the most senior officials of the organisation:

	<b>2008-09</b>	<b>2008-09</b>	<b>2007-08</b>	<b>2007-08</b>
	<b>Salary</b>	<b>Benefits in</b>	<b>Salary</b>	<b>Benefits in</b>
	<b>range</b>	<b>Kind (to</b>	<b>range</b>	<b>Kind (to</b>

	£000*	nearest £100)*	£000*	nearest £100)*
Keith Towler - Children's Commissioner for Wales.	85-90	5,400	5-10	700
Maria Battle – Deputy Commissioner, until 20th February 2009.	60-65	-	80-85	-
Sara Reid – Assistant Commissioner.	55-60	-	50-55	-

Keith Towler was provided with a leased car. The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. \*

### Compensation paid, significant awards to former senior managers

Maria Battle took flexible early retirement on 20<sup>th</sup> February 2009. The total compensation paid is as follows:

- A lump sum compensation payment at date of leaving of £10 - £15k; and
- An annual compensation payment of £10 - £15k payable until age 60.

### Pension Benefits – Civil Service Pension Scheme

	Accrued pension at 31.3.09* £000	Real increase in pension* £000	CETV(i) at 31.3.09* £000	CETV(i) at 31.3.08* £000	Real increase in CETV* £000
Keith Towler – Children's Commissioner for Wales	0 - 5	0 -2.5	24	-	21
Maria Battle – Deputy Commissioner, until 20th February 2009.	5 - 10	0 -2.5	102	78	15
Sara Reid – Assistant Commissioner	5 - 10	0 -2.5	70	57	7

\* This information is subject to audit.

\*\* Tony Evans (Head of Corporate Services) is on secondment from the Wales Audit Office (WAO), his salary is paid by the WAO and the costs are invoiced to the Children's Commissioner. Invoiced costs for the period ending 31 March 2009 were £77,400. Pension costs are excluded from the invoiced cost.

### Pension Scheme

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 changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for **classic** and 3.5% 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' 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 in respect of service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 calculated 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 RPI. In all cases members may opt to give up (commute) pension for 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 three 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.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

#### (i) **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarial 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 arrangement which the individual has transferred to the Principal Civil Service pension arrangements. They also include any

additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries 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 drawn.

**(ii) Real increase in CETV**

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

**Keith Towler**  
**Children's Commissioner for Wales and Accounting Officer**  
**26 August 2009**

**STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES**

Under Schedule 2 to the Care Standards Act, the Children's Commissioner for Wales is required to keep proper accounting records for each financial year, in conformity with Welsh Ministers' direction, detailing the resources acquired, held, or disposed of during the period and the use of resources by the Commissioner for Wales during the period.

The resource accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Children's Commissioner for Wales, the net resource outturn, resources applied to objectives, recognised gains and losses and cash flows for the period.

Schedule 2, paragraph 10 of the Care Standards Act 2000 states the Accounting Officer shall be the Commissioner and, in accordance with schedule 2 paragraph 9 shall submit the Children's Commissioner for Wales Accounts to the Auditor General for Wales.

In preparing the accounts the Accounting Officer is required to comply with the Financial Reporting Manual (FRoM) prepared by the Treasury, and in particular to:

- observe the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the FRoM, have been followed and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping of proper records and for safeguarding the Children's Commissioner for Wales' assets, are set out in the Accounting Officers' Memorandum issued by HM Treasury.

## **STATEMENT ON INTERNAL CONTROL**

### **Scope of responsibility**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of my policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

The Commissioner's risk management register is reviewed regularly by the Audit Committee. The Commissioner also liaises with Welsh Assembly Government officials. As Accounting Officer I meet regularly with Welsh Ministers to discuss any areas of concern.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Commissioner's office for the year ended to 31<sup>st</sup> March 2009 and continuing up to the date of approval of the annual report and accounts, the systems of internal control accords with Treasury guidance.

### **Capacity to handle risk**

I have a Risk Management Policy and Framework in place and I have appointed a Risk Strategy Manager. I have ensured that my Risk Strategy Manager has assessed the risks associated with the management and control of information within my office. All staff are aware of the policy and framework which details the approach and attitude to risk management and defines the structure for management and ownership of risk.

Training has been provided to those managers with authority to make decisions about risk treatment, recognising that some risks will need to be referred to the senior management team. All staff are encouraged to discuss risk management issues during their team meetings. Training is also provided to staff to ensure that they are aware of guidance and best practice. My Head of Corporate Service is a member of the Directors of Finance Network, where risk management is discussed and learn from their experiences.

### **The risk and control framework**

Risk management is incorporated into the corporate planning process. The key strategic risks are assessed by the Senior Management Team (SMT). Each risk is owned by a member of the SMT and the risk register is made available to all staff. During the year, the risk register has been regularly reviewed at SMT meetings. Any new risks or changes are identified and evaluated. The risk appetite is determined by the

Commissioner in consultation with the Senior Management Team in the context of the impact on the reputation of the Commissioner; the Commissioner's executive, operational and individual performance; the independence of the Commissioner; and the independent and objective review of activities, censure of any kind by regulatory bodies, financial loss, poor value for money, inappropriate use of public funds or any breach of regularity or propriety. A risk assessment of each operational or project activity is undertaken prior to commencement.

My internal auditors, Bentley Jennison, have undertaken a review of my risk strategy. In addition they have undertaken a review of my compliance with the control and management of information and my compliance with the Data Protection Act. They have made a number of recommendations which are being implemented.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the SMT who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implication of the results of my review of the effectiveness of the system of internal controls by the Audit Committee. I have undertaken to ensure the continuous improvement of the system of internal controls and to address any weaknesses as they arise.

The process applied in maintaining and reviewing the effectiveness of the system of internal control was:

- collectively the SMT discussed and reviewed the operation of internal financial controls;
- the Audit Committee met twice in the year and advised on the implications of assurances provided in respect of corporate governance, risk management and control, the adequacy of the internal and external audit arrangements and management responses to audit recommendations.

Bentley Jennison provides the Internal Audit for my office. They operate to Government Internal Audit standards. They submit regular reports which include the independent opinion on the adequacy and effectiveness of the Commissioner's system of internal control together with recommendations for improvement.

**Keith Towler**  
**Children's Commissioner for Wales and Accounting Officer**  
**26 August 2009**

## **The Certificate and Report of the Auditor General for Wales to the National Assembly for Wales**

I certify that I have audited the financial statements of the Children's Commissioner for Wales for the year ended 31 March 2009 under paragraph 9(2) of Schedule 2 to the Care Standards Act 2000. These comprise the Summary of Resource Outturn, the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and the Statement of Resources by Organisational Aim and Objectives 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 being audited.

### **Respective responsibilities of the Accounting Officer and the Auditor General for Wales**

The Accounting Officer is responsible for preparing the Annual Report, the Remuneration Report and the financial statements in accordance with Care Standards Act 2000 and Welsh Ministers Directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Care Standards Act 2000 and Welsh Ministers Directions made thereunder. I report to you whether, in my opinion, the information, which comprises the Foreword, the Management Commentary and Summaries of Activity, and the Remuneration Report, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition, I report to you if in my opinion the Children's Commissioner for Wales has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Children's Commissioner for Wales' compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the Children's Commissioner for Wales' corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Foreword, the Management Commentary and Summaries of Activity, and the unaudited part of the Remuneration Report. I consider the implications for my report if I become



aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

### **Basis of audit opinions**

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Children's Commissioner for Wales circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

### **Opinions**

In my opinion:

- the financial statements give a true and fair view, in accordance with the Care Standards Act 2000 and directions made thereunder by Welsh Ministers, of the state of Children's Commissioner for Wales affairs as at 31 March 2009 and of its net resource outturn, the net cash requirement, resources applied by organisational aim and objectives and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Care Standards Act 2000 and Welsh Ministers directions made thereunder; and
- information, which comprises the Foreword, the Management Commentary and Summaries of Activity included in the Annual Report, is consistent with the financial statements.

### **Opinion on Regularity**

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

## Report

I have no observations to make on these financial statements.

Jeremy Colman  
Auditor General for Wales  
September 2009

Wales Audit Office  
24 Cathedral Road  
Cardiff. CF11 9LJ

**Summary of Resource Outturn**  
for the period 1 April 2008 to 31 March 2009

	2008-2009			2007-2008			Prior-year outturn	
	Estimate		Net total	Outturn		Net total outturn compared with Estimate		
	Gross expenditure	Income		Gross expenditure	Income		Net total	
	£000	£000	£000	£000	£000	£000	£000	
Admin- istration costs	<u>1,837</u>	-	<u>1,837</u>	<u>2,051</u>	-	<u>2,051</u>	<u>(214)</u>	<u>1,754</u>

**Reconciliation of resources to cash requirement**

	2008-2009 £000	2007-2008 £000
Net total resource outturn	2,051	1,754
Fixed asset acquisitions ( <i>Note 4</i> )	85	38
Fixed asset disposals	-	-
Accruals adjustments:		
Non-cash items ( <i>Note 3</i> )	(57)	(60)
Provision for liabilities and charges	(128)	-
Changes in working capital other than cash ( <i>Note 5</i> )	<u>40</u>	<u>(32)</u>
Net cash requirement	<u>1,991</u>	<u>1,700</u>

*The notes on pages 49 to 59 form part of these accounts*

**Operating Cost Statement**  
for the period 1 April 2008 to 31 March 2009

	<i>Note</i>	<b>2008-2009</b>	<b>2007-2008</b>
		£000	£000
<b>Administration costs</b>			
Staff costs	2	1,262	1,130
Other administration costs	3	<u>789</u>	<u>624</u>
Gross administration costs		2,051	1,754
<b>Net operating costs</b>		<u><b>2,051</b></u>	<u>1,754</u>
<b>Net resource outturn</b>		<u><u><b>2,051</b></u></u>	<u><u>1,754</u></u>

All income and expenditure is derived from continuing operations. There are no gains or losses other than those reported in the Operating Cost Statement.

*The notes on pages 50 to 60 form part of these accounts*

**Balance Sheet**  
as at 31 March 2009

		2009		2008	
		£000	£000	£000	£000
		Restated*			
<b>Fixed assets</b>	<i>Note</i>				
Tangible Assets	4		94		56
<b>Current assets</b>					
Debtors and Prepayments	6	54		30	
Cash at bank and in hand	7	<u>204</u>		<u>358</u>	
		258		388	
<b>Creditors:</b> amounts falling due within one year	8	(107)		(123)	
Provision for liabilities and charges	14	<u>(128)</u>		<u>—</u>	
<b>Net current assets</b>			23		265
			<u>          </u>		<u>          </u>
<b>Total assets less current liabilities</b>			<u>117</u>		<u>321</u>
<i>Financed by:</i>					
<b>Taxpayer's equity</b>					
General fund	9		<u>117</u>		<u>321</u>

\*The Net Book Value and General Fund balances have been restated to correct an error on the prior years balance (see note 4).

**Keith Towler**  
**Children's Commissioner for Wales and Accounting Officer**  
**26 August 2009**

*The notes on pages 49 to 59 form part of these accounts*

**Cash Flow Statement**for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009

	Note	2008- 2009 £000	2007- 2008 £000
Net cash outflow from operating activities	16	(1,906)	(1,662)
Capital expenditure	4	(85)	(38)
Financing from the Welsh Assembly Government		1,837	1,890
Increase/(decrease) in cash in the period		<u>(154)</u>	<u>190</u>

*The notes on pages 49 to 59 form part of these accounts*

**Resources by Organisation Aim and Objectives**  
for the period 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2009

**AIM AND OBJECTIVES OF THE CHILDREN'S COMMISSIONER FOR WALES**

**Aim**

To safeguard and promote the rights and welfare of children and in exercising all of his functions to have regard to the United Nations Convention on the Rights of the Child.

	2008-2009			2007-2008		
	Gross £000	Income £000	Net £000	Gross £000	Income £000	Net £000
<b>Objective:</b>						
Objective 1	1,052	-	1,052	823	-	823
Objective 2	297	-	297	267	-	267
Objective 3	82	-	82	48	-	48
Objective 4	72	-	72	85	-	85
Objective 5	-	-	-	3	-	3
Objective 6	414	-	414	370	-	370
Objective 7	23	-	23	28	-	28
Objective 8	111	-	111	130	-	130
	<u>2,051</u>	<u>-</u>	<u>2,051</u>	<u>1,754</u>	<u>-</u>	<u>1,754</u>

The Commissioner's objectives were as follows:

1. To promote the rights and welfare of children, and to ensure that the children and young people of Wales are aware of the existence of the Commissioner, of his role and function; the location of his offices, the way that they can communicate/access the Commissioner and his staff and the rights of children and young people, particularly those set out in the UN Convention on the Rights of the Child; to encourage that communication/access; and ensure that public bodies of Wales are aware of the rights of children and young people.
2. To ensure that the views of children and young people are sought as to how the Commissioner should exercise his function and to the content of the Commissioner's annual work programme.
3. To review and monitor the operation of complaints, advocacy and advice and whistleblowing arrangements to ascertain whether and to what extent they are effective in safeguarding and promoting the rights and welfare of children.
4. To review and monitor the effect on children of the exercise or proposed exercise of any function of the National Assembly for Wales and the Welsh Assembly

Government and/or bodies listed at Schedule 2a of the Children's Commissioner for Wales Act 2001.

5. To examine cases of particular children who are or have received regulated services from bodies listed at Schedule 2a of the Children's Commissioner for Wales Act 2001.
6. To provide or arrange for advice representation or other assistance to a child in making a formal complaint or representation to a service provider; and/or any proceedings which concerns the provision of services, if in the Commissioner's reasonable opinion the proceedings relate to matters which have a more general application or relevance to the rights and welfare of children in Wales. To give advice and information to any person.
7. To keep under review the powers of the Commissioner and the effect on children.
8. To consider and make representations to the National Assembly for Wales and the Welsh Assembly Government about any matter affecting the rights and welfare of children in Wales.

Objectives are subject to regular review to ensure that they reflect the role and function of the Commissioner. The apportionment of operating costs to objectives has been made with reference to the relative amounts of time spent by staff on the above objectives.

*The notes on pages 49 to 59 form part of these accounts*



## Notes to the resource accounts

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with the Governments Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM follow UK generally accepted accounting practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commissioner for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items considered material in relation to the accounts. The particular accounting policies adopted by the Children's Commissioner for Wales are described below.

#### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention as in the opinion of the Children's Commissioner for Wales the effect of the revaluation of fixed assets at their value to the organisation by reference to their current cost is considered to be immaterial.

#### 1.2 Income and funding

The only source of funding for the Children's Commissioner for Wales is from the Welsh Assembly Government via an annual grant, which is credited to the general fund when the grant is received. The Grant is recognised in the period in which services are provided.

#### 1.3 Tangible fixed assets

The Commissioner has valued all fixed assets at historic cost as any revaluation adjustments are, in the Commissioner's opinion, not material. The minimum level for capitalisation of individual assets is £1,000. Large numbers of the same type of asset have been grouped together in determining if they fell above or below the threshold.

#### 1.4 Depreciation

Depreciation is provided at rates calculated to write off the value of tangible fixed assets by equal instalments over their estimated useful lives, as follows:

• IT Equipment	3 years
• Furniture	5 years
• Office Equipment	5 years
• Fixtures & Fittings	5 years
• Vehicles	5 years

A full year's depreciation is charged in the year of acquisition.

### *1.5 Operating cost statement*

Operating income and expenditure is that which relates directly to the operating activities of the Commissioner. It comprises charges for goods and services provided on a full cost basis. All expenditure is classed as administration expenditure.

### *1.6 Capital charge*

A charge, reflecting the cost of capital utilised by the Commissioner, is included in operating costs. The charge is calculated at the government's standard rate of 3.5% (3.5% in 2007-08) in real terms on the average value of all assets less liabilities, except for cash balances held with the Office of HM Paymaster General, of which there were none.

### *1.7 Value Added Tax*

The Commissioner is not registered for VAT. Expenditure and fixed asset purchases are accounted for VAT inclusive, as VAT is irrecoverable.

### *1.8 Pensions*

The Commissioner's staff are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a defined benefit scheme. The cost of the defined benefit element of the scheme is recognised on a systematic and rational basis over the period during which it derives benefit 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 elements of the scheme, the Children's Commissioner recognises the contributions payable for the year; these amounts are charged to the Operating Cost Statement in the year of payment.

### *1.9 Operating leases*

Operating lease rentals are charged to the Operating Cost Statement in equal amounts over the lease term.

### *1.10 Provisions*

The Children's Commissioner for Wales provides for legal and constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of best estimate of expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the HM Treasury's discount rate. Provisions are only recognised where the amount of economic benefit is probable and the amount of the transfer can be reasonably be estimated.

### *1.11 Financial Instruments and Derivatives*

#### Financial Assets

Financial assets are recognised on the balance sheet when the Commissioner becomes party to the financial instrument contract or when the goods or services have been

delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial assets are classified into the following categories: financial assets at fair value through profit and loss; held to maturity investments; available for sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

**Financial assets at fair value through profit and loss**

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the income statement. The net gain or loss incorporates any interest earned on the financial asset.

**Held to maturity investments**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

**Available for sale financial assets**

Available for sale financial assets are non-derivative assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the income statement on derecognition.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognized using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation technique.

## 2. Staff numbers and related costs

a) For the year staff costs consist of:

	2008-2009 £000	2007-2008 £000
Wages and Salaries	922	780
Social security costs	73	73
Pension costs	189	148
<b>Sub Total</b>	1,184	1,001
Inward secondment and agency staff	78	129
	1,262	1,130

b) The average number of whole-time equivalent persons employed (including senior management) for the period was as follows:

	2008-2009*	Restated* 2007-2008
Objective 1	15	12
Objective 2	4.5	4
Objective 3	1	1
Objective 4	1	1
Objective 5	-	-
Objective 6	6	6
Objective 7	0.5	-
Objective 8	2	2
Total Number	<b>30</b>	26

\*The apportionment of staff numbers to objectives has been made with reference to the relative amounts of time spent by staff on objectives, as described on pages 47 and 48. The figures include the inward secondment of the Head of Corporate Services from the Wales Audit Office. The prior year has been restated to include the inward secondment.

<b>3. Other administration costs</b>		
	<b>2008-2009</b>	<b>2007-2008</b>
	<b>£000</b>	<b>£000</b>
Rental under operating leases:		
- vehicles	5	1
- accommodation	70	71
- photocopier	12	9
Other accommodation & related costs	35	29
IT & telecommunications	72	37
Vehicle & office maintenance	21	19
Publicity, advertising & translation	15	11
Travel, subsistence & hospitality	56	61
Recruitment	1	42
External Auditor's remuneration	17	14
Internal Auditor's remuneration	9	12
Legal & consultancy	107	57
Other expenditure	184	201
Non-cash items:		
- depreciation	47	51
- loss on disposal of fixed assets	-	-
- cost of capital	10	9
- in year provision	128	-
	<u>789</u>	<u>624</u>

<b>4. Fixed assets</b>					
	Restated* IT Equipment	Restated* Fixtures & Fittings	Restated* Office Furniture and Equipment	Restated* Vehicles	Restated* Total
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 April 2008	177	189	225	-	591
Additions	7	-	29	49	85
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> March 2009</b>	<b>184</b>	<b>189</b>	<b>254</b>	<b>49</b>	<b>676</b>
<b>Depreciation</b>					
At 1 <sup>st</sup> April 2008	153	178	204	-	535
Charged in year	17	5	15	10	47
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> March 2009</b>	<b>170</b>	<b>183</b>	<b>219</b>	<b>10</b>	<b>582</b>
<b>Net book value</b>	<b>14</b>	<b>6</b>	<b>35</b>	<b>39</b>	<b>94</b>
<b>At 31<sup>st</sup> March 2009</b>					
At 31 <sup>st</sup> March 2008	24	11	21	-	56

\*The balances reported have been restated to correct an error in the prior period balances. The effect on the net book value is £1,000.

#### **5. Movements in working capital other than cash**

	<b>2008-2009</b>	<b>2007-2008</b>
	<b>£000</b>	<b>£000</b>
Increase/(decrease) in debtors and prepayments	24	5
(Increase)/decrease in creditors	16	(37)
	<b>40</b>	<b>(32)</b>

## 6. Debtors and prepayments

	2008-2009 £000	2007-2008 £000
<b>Amounts falling due within one year:</b>		
Debtors	20	-
Prepayments and accrued income	34	30
	<b>54</b>	<b>30</b>

## 7. Cash at bank and in hand

	2008-2009 £000	2007-2008 £000
Balance at 1st April 2008	358	168
Net cash inflow/(outflow)	(154)	190
<b>Balance at 31st March 2009</b>	<b>204</b>	<b>358</b>

## 8. Creditors: amounts falling due within one year

	2008-2009 £000	2007-2008 £000
Trade creditors	8	5
Taxation and social security	39	51
Accruals	60	67
	<b>107</b>	<b>123</b>

## 9. Reconciliation of net operating cost to changes in the general fund

	2008-2009	Restated* 2007-2008
	£000	£000
<b>Net operating cost for the year</b>	(2,051)	(1,754)
Net funding from the Welsh Assembly Government	1,837	1,890
Non cash adjustments:		
- cost of capital	10	9
<b>Net increase/(decrease) in the general fund</b>	<b>(204)</b>	145
General fund at 1 <sup>st</sup> April 2008	321	176
<b>General fund at 31<sup>st</sup> March 2009</b>	<b>117</b>	321

\*The General Fund balance has been restated to correct an error in the prior period balance (see note 4).

## 10. Commitments under operating leases

	2008-2009		2007-2008	
	£000		£000	
	Land & Buildings	Other	Land & Buildings	Other
At 31 March 2008 the Commissioner was committed to making the following payments during the next year in respect of operating leases expiring:				
- within one year	-	-	-	-
- between two and five years	-	17	-	11
- after five years	70	-	72	-
	<b>70</b>	<b>17</b>	<b>72</b>	<b>11</b>



## **11. Derivatives and financial instruments**

The Commissioner is required to disclose the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the non-trading nature of the Commissioner's activities and the way in which his operations are financed, his office is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies. The Commissioner has very limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks he faces in undertaking his activities.

### **Liquidity Risk**

The Commissioner's net revenue and capital resource requirements are financed by the Welsh Assembly Government. His office is not therefore exposed to significant liquidity risks.

### **Interest-rate risk**

The Commissioner's financial assets and liabilities are not exposed to interest-rate risks.

### **Foreign Currency risk**

The Commissioner's financial assets and liabilities are not exposed to foreign currency risks.

### **Fair values**

There is no difference between the book values and fair values of the Commissioner's financial assets and liabilities as at 31<sup>st</sup> March 2009.

## **12. Capital commitments**

There were no capital commitments as at 31<sup>st</sup> March 2009.

## **13. Related Party Transactions**

The Welsh Assembly Government is a related party. The Commissioner has had a small number of material transactions during the period with the Welsh Assembly Government.

There were no material transactions with organisations in which senior staff, or any of their family, held positions of influence.

## 14. Provisions for Liabilities and Charges

	Early Departure (£000)	Other (£000)	Total (£000)
Balance as at 1 April 2008	-	-	-
In year provision	83	45	128
Balance as at 31 March 2009	83	45	128

### Early Departure costs

14.1 The Commissioner meets the additional cost of benefits beyond the normal Principle Civil Service Pension Scheme (PCSPS) benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement age. The Commissioner provides for this in full when the early departure becomes binding by establishing a provision for the estimated payments.

### Other

14.2 The Children's Commissioner for Wales is appearing before an Employment Tribunal regarding a claim made by an ex-employee. The Commissioner has established a provision to meet the legal cost incurred from attending the Employment Tribunal hearing. As the contractual obligation arose during this financial period.

## 15. Post Balance Sheet Event

In December 2008 the Commissioner announced his intention to undertake a review of the structure of his office. This review was completed and the revised structure announced in May 2009. As a result of the restructuring the Commissioner may incur costs linked to his decision, however, at the balance sheet date there are no contingent liability.

## 16. Notes to the Cash Flow Statement

	2008- 2009 £000	2007- 2008 £000
<b>Reconciliation of operating cost to operating cash flows</b>		
Net Operating Cost	2,051	1,754
Adjustments for:		
Non-cash transactions	(57)	(60)
Provision for liabilities and charges	(128)	-
Movements in working capital other than cash	40	(32)
<b>Net cash outflow from operating activities</b>	<u>1,906</u>	<u>1,662</u>
<b>Analysis of capital expenditure</b>		
Payments to acquire tangible fixed assets	85	38
Receipts from the disposal of tangible fixed assets	-	-
<b>Net cash outflow from capital expenditure</b>	<u>85</u>	<u>38</u>
<b>Analysis of financing</b>		
Financing from the Welsh Assembly Government	1,837	1,890
(Increase)/decrease in cash	154	(190)
<b>Net cash requirement</b>	<u>1,991</u>	<u>1,700</u>