

Refugee Services Annual General Meeting 19 October 2009

CHIEF EXECUTIVE REPORT

This Report accompanies the presentation of the audited financial statements for 2008/2009.

As I commenced my role as chief executive mid-way through the last month of the financial year, I was not in a position to influence the outcome nor would I wish to defend the result.

What I would like to do in this report is acknowledge Refugee Services has been in a very poor financial situation, and those organisations purchasing services from us would have been right to be concerned about our viability.

Our focus is now on strong financial management and building a solid foundation for the future.

We have undertaken a number of measures to achieve this. I would like to outline these and then present some of the initiatives which will be the focus of Refugee Services for the 2009/2010 year.

First the challenges

Refugee Services had been increasingly living beyond its means as these financial statements show. The planned budget for 2009/10 showed expenditure of more than \$300,000 over projected income. The loss of Pathways to Partnership funding from the Ministry of Social Development exacerbated this deficit.

Refugee Services must now seek funding from a contestable pool of money to which we have to apply. By its very nature contestable funding is liable to fluctuate from year to year. Furthermore, in the current economic climate securing contestable funds is now a much greater challenge than before.

To address this we have:

- ❖ Conducted two line-by-line reviews to reduce operational expenditure by \$200,000
- ❖ Put in place a review of the cost of managing and storing furniture to look at more cost effective ways of managing this important area

- ❖ Reviewed our office occupancy and have a plan to reduce the number of offices in Wellington
- ❖ Frozen any new appointments for staff, other than those at the front-line
- ❖ Introduced tighter processes around some HR areas such as time in lieu and annual leave, where we have a historic and significant contingent liability.

In taking these steps the underlying principle has been to maintain front line services and reduce operational expenditure. Our revenue situation is however tenuous and we are heavily reliant on outcomes from contestable bids. Therefore we have a contingency plan ready, which will require a reduction in the number of staff – again with the principle of protecting front-line services as much as possible.

Longer term we need a more effective way of matching specific services with revenue from government agencies. To this end we are:

- ❖ Having a costing model developed which will identify the cost of each of our contracted outputs and attempt to estimate the overall cost of resettling quota refugees
- ❖ Contracting with Augen (an IT company led by a former refugee) to put in place a database which will enhance both our internal client planning and management and more particularly in this context provide better reporting to funders
- ❖ Aligning all our services with identified purchasers or funders so that there is greater transparency in the cost, provision and reporting of those services.

I am confident that with these measures we will be able to both balance our budget for this year and provide a more stable financial environment for the next years. We will also be in a better position to manage any unexpected changes to our budget as a result of the global economic environment.

It is important to note that our services are largely demand-driven. We are contracted to resettle the government's quota of 750 refugees. Currently we have no role in the selection of the quota and must determine the level of support we provide on the basis of an assessment once they arrive in New Zealand. We are pleased at the government's decision to put in place a three-year planning around the composition of quota refugees. This will enable Refugee Services to put in place a longer-term planning framework.

Looking ahead to the rest of this financial year, there are three key initiatives I would like to highlight.

The **first** of these is the determination to allow a greater refugee voice within Refugee Services. We need that voice at the governance level, in our planning and most importantly within our services. We are delighted that we have four

former refugees standing for the Board. Other ways we will be seeking to learn from and involve former refugees is through:

- ❖ Board meetings taking place in Auckland and Christchurch as well as Wellington, so that Board members can meet local community leaders
- ❖ A series of community planning days so that local refugee communities can contribute to our longer-term planning
- ❖ Seeking funding to employ former refugees as social work interns
- ❖ Scoping a business case for a community caseworker position for former refugees which would provide full-time employment and customised training
- ❖ Developing a leadership programme to enable former refugees to take their first management steps within Refugee Services
- ❖ Ensuring a greater degree of collaboration with refugee-led organisations.

The **second** is the introduction of a Comprehensive Resettlement Plan that will assist in outlining a pathway for a refugee for the first few years in New Zealand. The Plan is currently being developed, overseen by a steering group from Refugee Services, Department of Labour, the Ministry of Social Development and some former refugees who are working in the area. Within the next month it will go out for wider consultation within the refugee and service delivery sector.

The Plan will provide a pathway to resettlement. It will capture a refugee's hopes and aspirations as they enter life in New Zealand, as well as assessing and following up on individualised resettlement needs. The Plan has a much wider application than the initial resettlement activities of Refugee Services and therefore it will need to involve all the agencies and organisations within host communities. The Plan will fundamentally change the way Refugee Services manages its services at the day-to-day level and we expect it will enhance our professional delivery of services at all levels.

The Comprehensive Resettlement Plan will require a significantly greater level of coordination and cooperation between agencies and we look forward to working this through at the national and local levels.

This is the **third** key area we are focussing on this year – seeking to enhance our relationships with communities and other agencies. This may be through joint projects, planning or seeking a better understanding and respect for each other's aspirations and programmes.

By its very nature, Refugee Services should be a connecting agency. Our focus for this next year is on connecting with you, our members; connecting with communities, connecting with other agencies working in the sector; connecting with international organisations and most importantly of all connecting with and listening to the refugee voice within New Zealand.