



YOUTH HORIZONS | KIA PUAWAI

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Annual Report for the Year Ended June 2011

We knew that this year would be very challenging. It was the first full year of adapting to the loss of two major contracts in the prior year. This situation was exacerbated by a depressed economy and tighter controls over Government expenditure, resulting in considerable strain on the financials of our other programmes. With the exception of some COL adjustments, there were no additions to funding, but we experienced strong demand for our services. Despite this and as the result of an incredible effort by all of our people, we achieved a very strong outcome of improving the lives of many young people. We also succeeded in winning some additional work and produced a credible financial performance in difficult circumstances. Within this challenging year, there were a number of key themes that we would like to highlight.

Our People

The work of providing services to young people is very demanding. We expect some turn-over of staff and this year was no exception. We did lose some experienced senior people as well, and the attraction of Australia featured prominently as a major reason for resignations. A pleasing feature was that in a number of instances we were able to replace from within, a tribute to the staff development programmes in place. We also chose to strengthen our team with some excellent external appointments.

The staff development programme has included the substantial completion of a learning and development library designed specifically for our organisation. The role-out of this programme has been very interactive, utilising a train-the-trainer approach supplemented by coaches and using workbooks. This approach has been very well received and is successfully building our training capacity in the organisation. The role-out has been complemented with systems to record the training completed and accomplishments achieved. A career progression matrix has been introduced that is consistent with the learning and development programme and provides a clear statement of the experience, training and qualifications needed in each role throughout the organisation. These programmes all form part of our commitment to further improving the professionalism of our people.

This year we have also had a focus on work place health and safety. Our front line staff risk a wide variety of work place accidents. We have strengthened our processes, procedures and management in this area including better data collection and measurement.

Programmes

There were incredible pressures this year in finalising the contracts for existing business. Understandably in the current environment, funding remained the same or there were some modest COL adjustments. In some instances there was insufficient funding for a full year whilst in other areas the scope of the contract was reduced. Yet in some areas the demand for our services increased and it was a challenge to find some way of meeting the

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o te ngira e kuhu ai
Te miro whero, te miro
ma, te miro pango"*

*"Eye of the needle
through which the
red, white and black
threads must pass"*



demand within the resources allocated. There were also difficulties in getting some contracts executed in a timely manner, adding some pressures to cash flow and adding further tension.

These sorts of pressures are a sign of the times and are unlikely to change in the short-term. They are exacerbated by the number of contracts that must be renewed annually resulting in a lot of additional demand on senior resources and generating significant uncertainty. We are grateful for those contracts that cover a more than a one year term and it is our objective to try and increase the number of contracts on this basis, to provide stronger outcomes for the young people we serve and to provide benefits to all stakeholders.

Relationships

There have been significant personnel changes in our prime funder, Child Youth and Family. Congratulations to Bernadine McKenzie, appointed Deputy Chief Executive, Child Youth and Family.

We continue to improve our working relationship with CYF and other funders. We worked successfully in a number of instances, collaboratively designing or re-designing services to improve their value to young people. We appreciate and value these opportunities, as we do in having our CEO play an active role in the CYF CEO Care Forum. We still have our challenges to work through such as ensuring the process of referrals to us is timely and effective. Also in uncertain economic times when all parties are experiencing their stresses, we need to ensure there are timely and effective ways to address issues such as continuing high demand for many of our services, and longer periods of stay than planned in some services that exacerbate significant waiting lists. With continued goodwill and open communication we can address these issues in a collaborative manner.

Research

We are delighted the Functional Family Therapy (FFT) research programme is well underway. It has proved to be a lot more challenging and took longer to initiate than we anticipated. We consider that it is absolutely critical that NZ does this sort of research but getting the timely participation by all interested parties is a challenge. Looking forward, designing the appropriate Kaupapa Maori research programme for the whanau of our FFT programme is a priority together with initiating the Multi-Dimensional Treatment Foster Care (MTFC) research programme. The great news is that others in NZ see the importance of this research and we thank the Lotteries Commission and the Tindall Foundation for their contribution to this critical work.

We have also taken a critical step by putting in place a Research Advisory Group, made up of eminent researchers from outside Youth Horizons. This initiative has been positively endorsed by everyone involved.



In parallel with the research programme, we continue to develop our regular reporting through the use of the HCC case management system. We are now able to record electronically the outputs being achieved through our programmes plus look at some preliminary outcome measures and get a better understanding of the demographics of the populations we serve.

This is all part of our commitment to better measure outputs and outcomes of our programmes.

Clinical Advisory Group

As foreshadowed last year, we have now put in place a CAG, made up of prominent professionals in a variety of clinical areas, external to YH. This group provides us with expertise and knowledge that supplements our internal expertise, the opportunity to independently review complex cases and critical incidents, plus gives us the opportunity to broaden the range of professional input to our programme development and proposed new interventions or models. Critically, this group is able to provide advice to the CEO and the Board.

New Programmes

Having lost two major programmes in the prior year, we dedicated considerable resources and effort in looking at other services we might take on, consistent with our overall charter. We were successful with a new service establishing a Vulnerable Teen's Home, catering for up to 5 teenage mothers. This service has been linked to our 'Care to Independence' Ka Awatea programme. We were also successful with adding an Integrated Case Manager, working one-on-one to help young people stay on track who are at risk of affiliating with gangs. We have chosen to associate this programme with our very successful Waitakere Youth Transition programme, assisting young people to get into productive work, training or education. And just as the year closed we were advised we had been selected to establish and operate a Youth Offenders Family Group Home on the North Shore of Auckland.

During the year we also succeeded in getting recognised by the National Urban Maori Authority (NUMA), as affiliated to the Kirikiriroa cluster, that will be drawn on to implement Whanau Ora in the Waikato area. We also worked on developing some major new proposals in the core areas of our business that we are hopeful will develop in the coming year.

Ongoing

There has been strong progress on a number of initiatives to further strengthen our organisation and improve our effectiveness.

We continue with our ongoing search for evidence based intervention models that work in a NZ environment. We are currently looking at Teaching Family Homes as an intervention that we could deploy in residential homes. We are working hard to embed processes throughout the organisation that will



ensure we can consistently deliver on our vision of providing culturally responsive services.

Succession is an important issue for us at a Board level, with a number of long serving trustees approaching the maximum period of service. They will be extremely difficult to replace but we have commenced this process.

We were delighted that the Institute of Strategic Leadership chose Youth Horizons as their case study for their Strategic Leadership Programme. This raised a number of good issues for us to address and this process is ongoing.

During the year the Board of Trustees re-elected Rawiri Wharemate and David Edwards for further terms.

Financial

Coming off the closure of two large programmes, the Board prudently adopted a budget with a significant deficit. This was a deliberate strategy as the organisation in total was committed to not losing any of the benefits we had gained from the two programmes that were discontinued. However, thanks to the superb dedication and professionalism of all who work at Youth Horizons and despite the very difficult environment, we managed to achieve a very credible breakeven. The table below summarizes the results for the year.

STATEMENT OF FINANCIAL PERFORMANCE

| \$'000 | 2011 | 2010 |
|---------------------------|---------------|---------------|
| Contracted Revenue | 10,254 | 12,951 |
| Other Income | 156 | 115 |
| Total Income | 10,410 | 13,066 |
| Less Expenses | 10,400 | 12,795 |
| Net Surplus | 10 | 271 |

STATEMENT OF MOVEMENTS IN EQUITY

| \$'000 | 2011 | 2010 |
|---------------------------------|--------------|--------------|
| Equity at Start of Year | 3,539 | 3,268 |
| Net Surplus for the Year | 10 | 271 |
| Equity at End of Year | 3,549 | 3,539 |

Thank you

We have had a tough year but we have come through very strongly and have indeed enhanced our activities to the benefit of the young people that we serve. On behalf of the Board, thank you to everyone who played a role in achieving this superb outcome in a tough year.