

BROADCASTING STANDARDS AUTHORITY

ANNUAL REPORT

TE MANA WHANONGA KAIPĀHO TE PŪRONGO Ā-TAU 2017

2017

PRESENTED TO THE HOUSE OF REPRESENTATIVES UNDER S 150(3) OF THE CROWN ENTITIES ACT 2004

Vision

Fairness and Freedom in Broadcasting

Purpose

Our purpose is to oversee New Zealand's broadcasting standards regime so that it is fair to all New Zealanders, by balancing broadcasters' right to freedom of expression with their obligation to avoid harm to individuals and society

Our Values Ko Mātou

In everything we do, we strive to:

Ko a matau whainga, i roto i a matau mahi katoa:



Be independent

We are impartial and free from influence, both as an organisation and as individuals within the team.

Kia tū motuhake

Tū motuhake ai mātau, a rōpū, a takitahi, noho wātea ai i ngā awenga kē.



Act with integrity

We are honest and transparent, accountable for our actions, fair and consistent.

Mahi i runga i te ngākau pono

He pono, he mārama mātou, whakapono ai ki te tika me te rite o a mātou mahi.



Embrace diversity

We value creativity, diversity and freedom of expression, and respect different perspectives and experiences.

Awhi i te rerenga ketanga

He mea nui ki a mātou te rerenga kē o te whakaputa whakaaro, ā, ka whakanuia ngā tirohanga me ngā wheako rerekē.



Work collaboratively

We work in partnership with our stakeholders and value the power of teamwork. We are open, accessible, respectful and we listen.

Ka mahi tahi

Mahitahi ai mātou me te hunga whai pānga, ā, piri pono ana ki te wariu o te mahitahi. Noho tuwhera ai mātou, māmā ki te torotoro atu, mōhio ki te whakatau me te whakarongo.



Earn respect

We hold ourselves to high standards both in our work and ethically. We earn trust and credibility through principled action.

Kia whakanuia

Pupuri ai mātou ki ngā pae rewa o a mātou mahi me o mātou mātāpono. Mā te tika o te mahi, ka riro ake te whakapono me te aro tūturu.



Be Dynamic

We are resilient and proactive in the face of a changing environment. We are versatile and progressive in our work.

Kia tū kaha

He pakari, he kakama mātou i mua i te aroaro o tēnei ao hurihuri.

He pūkenga, he kaikaha mātou i roto i a mātou mahi.

Members



01. Peter Radich - Chair

Peter is a partner in Radich Law and has been a solicitor of the High Court since 1969. He was Chair of the New Zealand Law Practitioners Disciplinary Tribunal until it was disbanded in January 2009.

He also serves as Milk Commissioner for the Fonterra Dairy Group, is District Solicitor to the Marlborough District Council, and was a member of the Law Practitioners and Conveyancers Disciplinary Tribunal.

Peter was appointed an Officer of the New Zealand Order of Merit in the New Year Honours List 2012 for his services to the law.

Peter took up the position of Chair of the BSA in January 2010. He was reappointed for a further term in December 2012.

02. Leigh Pearson

Leigh is a self-employed government relations and communications advisor. She is a former journalist with TVNZ, Radio NZ and Radio Deutsche Welle.

She was Manager of Trade Policy Liaison at the Ministry of Foreign Affairs and Trade and has contracted to a range of government agencies and businesses.

Leigh is also a former Chair of the Parliamentary Press Gallery. She joined the BSA in January 2010 and was reappointed for a further term in December 2012. Leigh's appointment on the BSA Board ended in 2017.

03. Te Raumawhitu (Te Rau) Kupenga

Te Rau has a legal background, having worked previously as a Crown Prosecutor as well as holding senior solicitor positions at the Office of the Māori Trustee and in a commercial law firm in Wellington.

He has worked as a television presenter, including a stint as a regular panelist on a lifestyle television show, and over the last two years has helped to produce television shows.

Te Rau is Ngāti Porou and is very involved in iwi and whānau development.

Te Rau joined the BSA in December 2010. He was reappointed for a further term in November 2013.

04. Paula Rose

Paula Rose has a background in policing, having previously been National Manager of Road Policing. She was also the Deputy Chair of the independent task force reviewing workplace health and safety and has served as an executive advisor to the Minister of Social Development.

Paula is a current member of the New Zealand Parole Board, Worksafe New Zealand Board, and the St John South Island Regional Trust Board. She was appointed a Commissioner for the Transport Accident Investigation Commission in 2017.

In 2013 Paula was awarded a Companion to the Queen's Service Order for her contribution to policing and the community. Paula joined the BSA in July 2015.

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Chair's Introduction

"We have had a year of challenging work, a changing environment and new issues. We believe that we have had a successful year."

Tēnā koutou e te hunga e whai pānga ki ngā mahi papaoho, ki a koutou hoki e pānui ana i ēnei kōrero, kā nui te mihi ki a koutou, ki a tātau.

We continue to do our work in an ever-changing environment. We see our function being to ensure that appropriate standards are maintained in broadcasting. We look to achieve this objective through different means. We develop broadcasting standards in conjunction with broadcasters and after consultation with the public. We act as an appellate body in dealing with complaints made to broadcasters where the complainant is not satisfied with the broadcaster's response. We undertake research in areas where we consider research is required. We spend time with broadcasters including new entrants into broadcasting to ensure that standards and processes are understood and respected. We try to protect the public interest by having standards which protect individuals and which reflect the wider public good. We work constructively with our co-regulators and with broadcasters. We invite and accept scrutiny and we try to be responsive to suggestions of how we might be able to do some things better. We continue to think that there is a place for a body such as ours and perhaps more so in an environment where our personal privacies and our individual vulnerabilities are

under threat.

Critical to the effectiveness of the standards system is our ability to work in partnership with broadcasters who operate at the frontline and deal with most complaints in the first instance. Our role is to support broadcasters in understanding and meeting their obligations under the standards. This year we have increased our work in this area, with our staff team providing workshops, individualised guidance and updated written information on the code standards and election programme requirements.

As the appellate decision-making body, we provide a free and independent service to the public. We are required to make an assessment of whether

broadcasters, in exercising their important rights of freedom of expression, have caused or may cause harm. This year, the complaints that have presented the greatest challenge for the Authority are those which interfere with individual rights. Fortunately, such cases are not frequent, but those that do arise can have significant consequences for the individual. We take these cases very seriously. We recognise the important role we have in calling out conduct that is not acceptable in New Zealand society. As our society becomes increasingly multi-cultural we are increasingly required to look at the particular sensitivities of a particular culture within the wider

New Zealand society. What may be acceptable in a particular part of New Zealand society may not be acceptable in another part and we need to carefully reconcile those differences in the context of the needs of our society overall.

We recognise that we are not beyond review. We commission external reports to scrutinize our decisions and these decisions are subject to rights of appeal to the High Court. In this past year one complainant, dissatisfied with our decision, appealed to the High Court which after careful consideration upheld the decision we had made. We see the right of appeal and the supervision of what we do by the Courts as being important to the maintenance of the strength, integrity and robustness of the system within which we operate.

We have refreshed our complaints process to enhance its timeliness and efficiency. Complainants and broadcasters expect decisions to be made quickly. We have refined our systems so that less significant and trivial complaints are dealt with quickly with time being taken as needed to deal with the more challenging and complex issues.

We commissioned a research project which addressed the relationship between social media and broadcasting generally. We have received the independent research report *Use of Social Media Content in Broadcasting*. We are now working with broadcasters and others to assess the findings and to determine whether guidelines ought to be developed with broadcasters to help them and the public in their social media usage in the wider broadcasting environment.

In this past year proposed changes to the regulatory structure for the oversight of on-demand content have been developed. The reform process has been slow as is inevitable in this complex area. We have provided support and information as requested and we are ready to pick up the extended remit that has been indicated.

Public awareness survey results show that we continue to be a trusted and respected entity that provides a meaningful contribution to the evolving media environment. We are conscious that respect and trust are hard won and easily lost and we are keen to do our best to ensure that the quality of our work continues to meet the expectations of the public and broadcasters

We continue to be one of the smallest Crown entities. We are funded by a Crown allocation and broadcaster levies. We are careful with our expenditure and always operate within budget. This year as previous years we will have a surplus, which we will partly return to the Crown. We have again shared services with NZ On Air, and greatly appreciate the skilled advice and service that we receive to support our finance requirements. This year we refreshed our Statement of Intent for the next four years, 2017–2021. We also refreshed our values that guide the work that we do.

We have maintained a steady staff team this year, of professional and capable people, who are all committed to and passionate about the work that they do. We greatly value their contributions. This year concludes the almost eight year-long Board presence of Leigh Pearson. Within our Board there is usually one member who brings specialist broadcasting experience to the Board. For this long past period this has been Leigh. She has been an exceptionally diligent, informed and fair member of the Board and her contributions have been widely appreciated.

We have had a year of challenging work, a changing environment and new issues. We believe that we have had a successful year. For this we thank our staff, those in the Ministry for Culture and Heritage who support us, broadcasters, those who complain about broadcasts and the public with whom we interact.

Nā reira kia ora anō tātau katoa.

Peter Radich

Chair



BSA OVERVIEW

What we do

The media is part of the everyday lives of New Zealanders and plays a vital role in a democratic society. Today we access media content not only through the traditional platforms of radio, television, and print but also through a variety of digital platforms on computers and smart devices – allowing us to access the media anytime and anywhere. Democracy values the exercise of the broadcasters' right to freedom of expression. Broadcast media informs us, entertains us, stimulates us and connects us to our community and the world. However, at times it has the potential to cause harm - it may offend, annoy or upset us.

Broadcasters have agreed to content standards for broadcast radio and television. These standards recognise the harms that may be caused by broadcasting and seek to guard against them. We oversee these standards on behalf of New Zealanders in a number of ways - by making decisions on complaints through our free, independent complaints service, by overseeing and developing the broadcasting standards system, and by providing information about the system and our decisions to broadcasters, the public and our wider stakeholder group.

We operate firmly in a co-regulatory model and work alongside broadcasters. We support broadcasters to meet their obligations by providing guidance, education and delivering robust, soundly reasoned, timely decisions about complaints referred to us. These decisions illustrate the boundaries between freedom of expression and harm. We inform the content standards system by undertaking research to ensure that we understand the community's attitudes and expectations to the standards that apply and where harm may arise.

Who we are

The Broadcasting Standards Authority (BSA) is an independent Crown entity and quasi-judicial tribunal established by the Broadcasting Act 1989 (the Act). We are governed by a four-member board and our operations are overseen by a team of six staff.

Our functions are set out in the Act. We are funded by the government and through broadcaster levies to provide the public with a free and independent complaints service. In most cases, viewers and listeners who wish to make a formal complaint about content that has been broadcast must first

complain to the broadcaster concerned. This is an important part of the regulatory system in which we operate. However, if the complainant is dissatisfied with the result, they have the right to refer the matter to us. Certain complaints, relating to Privacy and Election Programme standards can be made directly to the BSA. BSA decisions can be appealed to the High Court.

As an independent Crown entity, we are accountable to the Minister responsible for the Act, but the government cannot direct or seek to influence us in our work. Our independence is important, and the processes we adopt to ensure fair and impartial determination of complaints are critical to the role that we play.

Strategic context of our work this year

The nature of the media environment continues to change and New Zealand audiences are consuming content from a wide range of digital and linear platforms and devices. Now, content can be consumed through many devices anytime and anywhere. The number of broadcasters within our remit has increased as more individuals and organisations take up the opportunity to produce and/or editorialise content for radio or television. The content is diverse, with broadcast services provided in a range of languages reflecting our multicultural society. In this context, the need for standards that can guide the appropriate exercise of the right to freedom of expression in New Zealand remains important. Our priority is to support broadcasters operating in this environment to meet their obligations under the standards through proactive engagement, education and guidance.

Despite the rapidly changing environment, we continue to operate under 1989 legislation with an outmoded definition of 'broadcasting' that creates increasing difficulties around the scope of our jurisdiction, as broadcasters' business models grow into new areas of content distribution and platform. There are perceived inequities as some providers of content remain outside standards oversight.

The challenges of the changing content environment have been recognised in the work that is underway to develop the Digital Convergence Bill, and the Government's intention to extend the BSA's remit to cover on-demand online content, excluding news and current affairs and user-generated content. We have worked with policy officials and the new sector participants to facilitate the implementation of changes that are contemporary and workable, fair to all participants and benefit New Zealand by supporting the right to freedom of expression whilst also guarding against harm.

Notwithstanding the rapidly changing environment, until the reforms take effect, we continue to operate under the current legislation and our focus is on providing an important free, accessible independent service for New Zealanders that is effective and efficient. We operate under a co-regulatory model where we work with broadcasters to set the standards, and where broadcasters are the front line for dealing with most complaints. With the exception of privacy or election complaints which can be made directly to us, we operate as an appellate body, and deal primarily with the challenging and complex issues impacting on individual rights or important issues of accuracy and balance, that have been referred to us. As a statutory tribunal, we are held to account by the High Court which can hear appeals against our decisions.

We have focused our research attention on issues emanating from the evolving digital world that we live in. We have centred our key research projects on issues arising from the use of social media and programme information which is available to protect and provide choice and control to audiences. Working closely with co-regulators who also deal with content oversight and election related content has been an important focus this year.

We have continued to be prudent with our spending and mindful of the government's expectations that we continue to review our services with a view to finding more innovative and cost-effective ways of delivering services. Our shared service arrangements with NZ On Air continue to provide value and promote efficiencies.

Against this background, our key focus is to carry out our statutory responsibilities and remain relevant and responsive, making improvements to our processes and the system to ensure that the current system works as effectively as it can and that we are ready for any changes to the regulatory framework.

BSA Strategic Priorities

The BSA's strategic priorities are to:

Continuously improve the efficiency and effectiveness of the complaints process

Support broadcasters to meet their obligations under the standards through proactive engagement, education and guidance

Deliver fair, clear, robust and timely decisions and invite independent critique

Promote the importance of the right to freedom of expression, and how this right must be balanced against harm

Explore public attitudes to the standards and use these to inform decisions

Work with broadcasters to keep the new Codebook under review so that it remains relevant and instep with community attitudes and expectations and development in technology Communicate effectively so that the public and broadcasters understand the decisions and quidance issued

Provide advice to officials and engage in the reform process, from our perspective of experience and expertise

Work well with co-regulators and agencies involved in media and content standards

Manage costs within funding streams

Continue shared service arrangements that maximise operating efficiencies



Strategic Framework

SECTOR VISION	New Zealanders' distinctive culture enriches our lives						
BSA VISION & PURPOSE	OUR VISION IS FOR FAIRNESS AND FREEDOM IN BROADCASTING						
	Our purpose is to oversee New Zealand's broadcasting standards regime so that it is fair to all New Zealanders by balancing the broadcasters' right to freedom of expression with their obligation to avoid harm						
OVERARCHING OUTCOME/GOAL	♦ What we intend to achieve:						
	New Zealanders have increased confidence that the broadcasting standards regime fairly balances the broadcasters' right to freedom of expression with their obligation to avoid harm						
IMPACTS OVER TIME	How we contribute and influence:						
	We will actively engage with and educate all broadcasters and the public about broadcasting standards, so that:						
	 broadcasters and the public are aware of and understand the broadcasting standards that apply 						
	the public understands how to complain						
	 broadcasters meet their obligations under the broadcasting standards 						
	 the system is developed with input from broadcasters and the public 						
	 standards are relevant to the media environment to which they apply 						
	We will issue decisions on complaints that are fair, clear, robust and timely, and reflect our changing media environment						
MEASURE OUR IMPACT	How we know we are succeeding:						
	 Public awareness of the existence of the broadcasting standards system is maintained 						
	Understanding of standards by broadcasters and the public is improved						
	A high level of trust and confidence in the system is maintained There is a reduction in the number of unbold and not unbold appropriate.						
ACTIVITIES &	There is a reduction in the number of upheld and not upheld complaints						
SERVICES	↑ How we deliver:						
	OVERSIGHT AND DEVELOPMENT OF THE BROADCASTING STANDARDS SYSTEM We oversee the broadcasting standards regime, work with broadcasters and others to set clear broadcasting standards, and work to improve the complaint handling system at all levels by addressing systemic issues, reviewing codes, issuing guidance and undertaking research COMPLAINTS DETERMINATION We receive complaints about breaches of the Codes of Broadcasting Practice and aim to issue robust, soundly reasoned, timely decisions that reflect the boundaries between freedom of expression and harm INFORMATION AND COMMUNICATION We provide clear, user-friendly information about the broadcasting standards system and our decisions						

OUR PERFORMANCE STORY THIS YEAR

Performance Highlights

This year has had a number of highlights, including:



We responded to 786 enquiries.



We received 113 formal complaints and issued 102 decisions.



We commissioned focus group litmus testing and an external independent review of our decisions relating to the programme information and children's interests standards.



We refreshed our complaints process to enhance efficiency and timeliness of decision-making, implementing new timeframes and a case management model.



We provided written guidelines, seminars and workshops to broadcasters, production companies, media students, political parties and the public on a range of content standards issues.



We engaged with broadcasters to assess whether technology changes support changes to the code standards and guidelines – this work is ongoing.



Our annual broadcaster survey indicated that overall broadcasters view our processes and their relationship with us positively.



Our complainants' satisfaction survey reported improved levels of satisfaction with the BSA's work.



Our two-yearly public awareness survey reported increased awareness of the BSA and the complaints service since the 2014 survey.



An appeal lodged against one of the Authority's decisions was dismissed by the High Court and the Authority's decision was upheld.



We commissioned research into the use of social media in broadcasting.



We have provided assistance to the Ministry for Culture and Heritage policy staff on the proposed reforms to the Broadcasting Act.



Outcomes we are working towards

Our overarching goal is for New Zealanders to have increased confidence that the broadcasting standards regime fairly balances broadcasters' right to freedom of expression with their obligation to avoid harm. We contribute to and influence this goal by having an impact over time by actively engaging with and educating all broadcasters and the public about broadcasting standards so that:

- the public understands how to complain
- broadcasters meet their obligations under the standards
- the content standards system is developed with input from broadcasters and the public.

We aim to achieve these outcomes through the delivery of three interrelated services:

- complaints determination
- oversight and development of the broadcasting standards system
- · information and communication.

Are we having an impact?

In our Statement of Performance Expectations for the period ending 30 June 2017, we identified four key measures to determine our impact over time. We know we are having an impact if:

- Public awareness of the existence of the broadcasting system is maintained
- Understanding of standards by broadcasters and the public is improved
- A high level of trust and confidence in the system is maintained.
- There is a reduction in the number of upheld and not upheld complaints.

We do not have direct control over all of the factors that may influence the outcome of these measures. We do not control the rapidly changing environment in which audiences consume and providers produce media content. In addition, the attitude of the New Zealand public to what is acceptable content on television and radio continues to evolve over time. We consider that, to be effective, we must engage with the public and the broadcasting sector, undertake research and deliver robust decisions.

We acknowledge that our measures may be open to different interpretations. For example, a reduction in complaints could mean less awareness of the complaints process, a shift in attitudes about what is acceptable, increased complacency by audiences about complaining, or less consumption of traditional broadcasting. Alternatively, it could mean that the system is working effectively, and only threshold and challenging decisions are reaching us, which is the goal we are aiming for.

Notwithstanding their potential ambiguities taken together, we consider the four measures provide a good indication of whether the broadcasting standards system is working as efficiently and effectively as it should, and also that we have delivered successfully against these measures in this reporting period.

Public awareness of the existence of the broadcasting standard system is maintained

Every two years we survey the public to measure the percentage of New Zealanders who are:

- · aware of the BSA
- aware that they can make a formal complaint, and
- able to find out how to make a formal complaint.

The value of measuring public awareness of these elements is that it demonstrates the extent to which New Zealanders know they have rights in this area. Any significant decline in awareness would signal that we may need to take steps in response. We aim to improve or maintain awareness levels each year.

Our 2014 public awareness survey showed high levels of public awareness, but indicated that it may be tracking downwards. The 2014 survey showed:

- 79% of New Zealanders were aware that they can make a formal complaint about television and radio content (compared to 89% in 2010)
- 85% of New Zealanders were aware they could take a course of action which would lead them to find out about the correct process for making a formal complaint (compared to 96% in 2010)
- 81% of New Zealanders were aware of the BSA (compared to 95% in 2010).

In response to the gradual decline of awareness, we sought to raise awareness through a number of initiatives, for example we:

- refreshed our communications strategy to ensure that we engage with stakeholders through a range of channels in a way that is accessible and impactful
- launched BSA on Twitter
- refreshed our press releases to ensure they clearly focus on the issues of public importance, are concise and easy to understand. This year we saw increased media coverage of BSA decisions
- continued to publish and promote our decisions and research through our website, media engagement, the BSA Bulletin and Twitter
- undertook the BSA's Code Review process, which included public consultation in late 2015

¹ These four impacts are identified in our Statement of Intent (SOI) for the period 2017-2021 which was published in May 2017. The new SOI includes and builds on the measures from our 2014-18 SOI. Accordingly, this Annual Report reports against these four measures.

- launched the new Broadcasting Standards in New Zealand Codebook on 1 April 2016
- worked with broadcasters to ensure that their publicity notices about the right to make formal complaints are effective
- participated in a wide range of presentations and workshops with stakeholders including the public.

Our 2017 public awareness results indicate that these initiatives have been successful, with a marked improvement in public awareness. The 2017 survey showed:

- 92% of New Zealanders are aware of the BSA
- 95% of New Zealanders are aware they can take a course of action to find out how to make a formal complaint
- 83% are aware they can make a formal complaint.

While the results are positive, the research also highlighted that we have further work to do in raising awareness among Asian and Pacific respondents, younger respondents, and those with lower household income. This will be our area of focus in our awareness-raising and communications activities for the 2017/18 year.

2017 Public Awareness Results

New Zealanders aware of BSA

92% Up from 79% in 2014

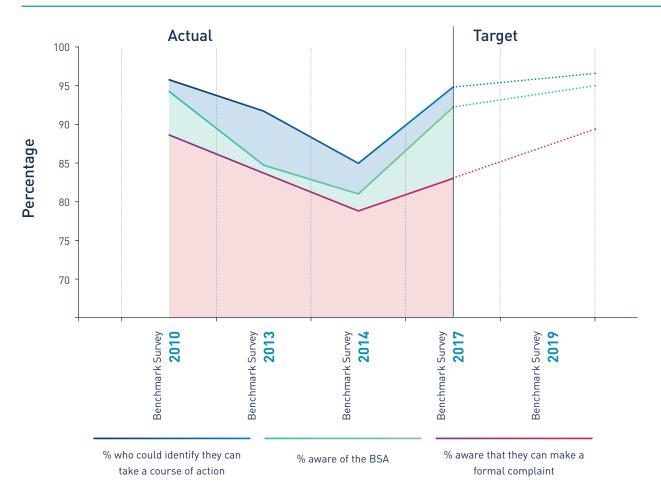
New Zealanders aware that they can take a course of action to find out how to make a formal complaint

95% in 2014

New Zealanders aware they can make a formal complaint

83% Up from 81% in 2014

Figure 1 - Public awareness





2. Understanding of standards by broadcasters and the public is improved

Where the standards are understood by broadcasters they are better equipped to meet their obligations under the standards and therefore fewer complaints arise. We know we are succeeding when the nature of complaints referred to the BSA are those that are most complex and challenging. Similarly, when we are having an impact, there will be a reduction in not upheld and unjustified complaints as the public understand what content standards relate to, ie, that complaints based merely on a complainant's preference are not subject to the complaints process.

We test public and broadcaster understanding through the litmus testing of BSA decisions and through satisfaction surveys of complainants and broadcasters. This year, the litmus testing and external review of the Authority's decisions on the programme information and children's interest standard indicated that the public agreed with the BSA's decisions, with 87% finding the BSA's decisions were acceptable, good or very good. The external reviewer agreed with the outcome of the decisions and found that the BSA's decisions were robust, well-reasoned, readable and clear. In addition, we found that overall both broadcaster and complainant satisfaction has improved this year, and useful feedback was provided on aspects of the decision-making process that will be taken into account in our ongoing work next year.

3. A high level of trust and confidence in the system is maintained

BSA's decisions can be, and sometimes are, appealed. This is a valuable part of the process as it is important for parties to have recourse to the courts and ensures that the BSA's

decision-making process and quality does not go unchecked. Appeals provide an opportunity for an external review of how well the BSA and the standards system are balancing the broadcaster's right to freedom of expression against their obligation to avoid harm. In addition, valuable jurisprudence is generated through the appeal process which can be taken into account by the BSA in future decisions.

Where the BSA issues robust and soundly reasoned decisions, trust and confidence in the BSA's decision making and the system as a whole will be maintained. This may be illustrated where there is no proportionate increase in the number of BSA decisions overturned by the High Court. Accordingly, we continue to measure, over time, the number of appeals filed against our decisions, and particularly the number of decisions overturned by the High Court.

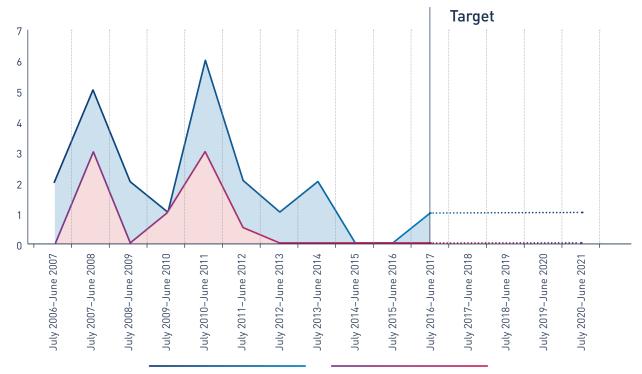
Over the years the number of decisions overturned by the High Court has been low (see *Figure 2*). The drop in appeals lodged and upheld over the last five years is a positive indicator that the system is working well.

This year one appeal was filed and dismissed, with the BSA's decision upheld by the High Court. The decision (*Lowes and MediaWorks TV Limited -* 2016-072) related to an item on *Paul Henry* which discussed American Independence Day celebrations. The complainant argued that Mr Henry ought to have referred to the United Kingdom, rather than England, and that this was inaccurate and discriminated against other nations in the UK. The BSA did not uphold the complaint.

The High Court dismissed the appeal and concurred with the BSA's decision. The Judge noted that in reaching its decision the Authority had considered the relevant factors before it and had appropriately applied the accuracy standard to the facts of the case.

Figure 2 - High Court Appeals





High Court Appeals Launched

Number of Decisions Overturned

The results of our litmus testing research, external review of decisions and our complainant and broadcaster survey activities are additional ways in which we measure trust and confidence in the system and identify ways to improve our service. This year the results provided helpful feedback and overall indicate that the system is working well and that trust and confidence in the content standard system has been maintained.

4. A reduction in the number of complaints both upheld and not upheld, with a consequential decline in overall complaint numbers

In a well-functioning system:

- the public manage their (and their children's) consumption of content within the standards regime and make fewer complaints
- the public also understand how and where to complain, so unjustified complaints are also reduced
- the complaints system (including the broadcasters' own complaints determination systems) enables effective determination of frivolous, vexatious or trivial complaints

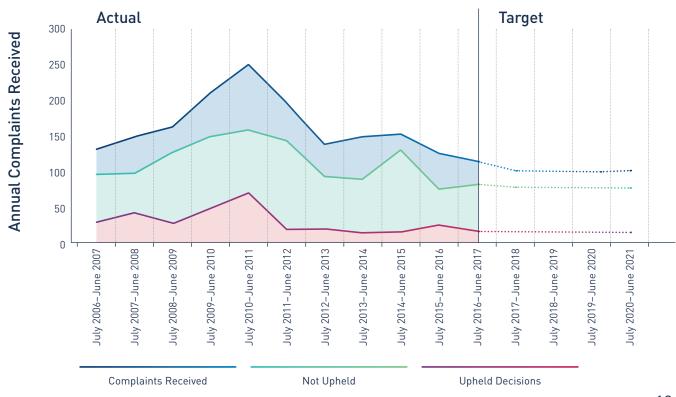
 broadcasters understand their obligations and/or resolve complaints effectively so that fewer complaints are referred to the BSA – and those that are referred generally raise issues at the challenging and important boundaries of freedom of expression and the avoidance of harm.

When the system is working well we believe:

- the number of upheld complaints declines over time which implies broadcasters are meeting their obligations under the broadcasting standards
- the number of not upheld complaints declines which implies that members of the public better identify the breaches of standards and make better quality complaints
- the total number of complaints declines reflecting effective broadcaster complaints processes and improvements in the above two indicators.

This year complaint numbers and the number of upheld decisions has declined compared to the previous year. The number of not upheld complaints has increased slightly. Overall, however, numbers remain relatively low which we see as a positive reflection of the system's effectiveness and functionality. *Figure 3* illustrates the trend in complaint numbers over time.

Figure 3 – BSA System Performance Indicators





Complaints Determination

786 Total Enquiries

113

Formal Complaints Received

102

Decisions Issued

Key Outcomes



Decisions Upheld

Decisions Not Upheld

Declined to determine/other



Decisions about Radio Broadcasts



Decisions about TV Broadcasts

Key Issues - Upheld Decisions

Accuracy



Upheld

49 Decisions Total

Balance



Upheld

40 Decisions Total

Good Taste and Decency



Upheld

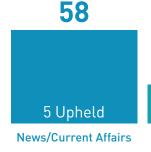
32 Decisions Total

Fairness

Upheld

31 Decisions Total

Decisions by Programme Genre



16

6 Upheld

Radio/Talkback

11

2 Upheld **Fictional**

Programmes

Factual/Reality

Programmes

Other

Complaints Determination Overview

This year we received

113 complaints

102 decisions.

This year we received 113 complaints and issued 102 decisions. In 15 decisions out of 102 (15%) complaints against one or more standards were upheld. We have seen a small reduction in complaint numbers received compared with last year (9% down) with an increase in decisions issued (101 decisions issued last year). Complaint numbers shift each year, and it is difficult to determine the key driver. This year, however, the primary shift has been an increase in complex and challenging complaints requiring careful consideration by the Authority. As we discuss below, broadcasters are taking a wide range of content to their audiences which contain high value in terms of freedom of expression. However, in some cases, complainants have raised important issues of fairness, accuracy and balance in news and current affairs reporting, and have complained about potential harm against individual rights in factual programmes and radio entertainment requiring the Authority's careful attention. This is how the system is intended to work, with the more serious issues being brought to the Authority's attention.

Details of the complaints determined by the Authority this year are set out in Appendix 2. In the following section, we discuss the issues of importance arising from the BSA's decisions in the reporting period.

Complaints Summary

	2016/17	2015/16	2014/15	2013/14	2012/13
Complaints received	113	124	151	149	136
Decisions issued	102	101	143	99	111
Upheld (all or in part)	15	23	14	12	18
Not upheld	82	73	120	74	86
Interlocutory/ Jurisdictional matters	4	1	-	-	2
Declined to determine	1	4	9	13	5
Orders	13	12	9	6	5
Practice notes	-	-	-	-	1
Decisions issued within 20 working days	96%	97%	92%	75%	99%

NOTES:

- 'Complaints received' is the number of complaints referred to the BSA within the year. Because of the timeframes under the Broadcasting Act, and the time the BSA takes to make a determination and issue a decision, this figure differs from that of 'Decisions issued'.
- Multiple complaints about the same programme, or multiple programmes complained about by one complainant, are counted separately under 'Complaints received', but are sometimes treated as one decision with the same decision number. This accounts for a smaller number of decisions issued compared with complaints received.
- The number of 'Upheld', 'Not upheld', 'Interlocutory/Jurisdictional matters' and 'Declined to determine' relate to the decisions issued, rather than to individual complaints that may make up one decision. (Interlocutory/Jurisdictional decisions consider whether the BSA can accept the complaint).
- The new Broadcasting Standards in New Zealand Codebook released on 1 April 2016 incorporates guidance issued previously in practice notes.
- Details of each decision issued are in Appendix 2.





BSA Decisions - Key Themes

This year a number of strong themes emerged from complaints determined by the Authority, resulting in guidance on these issues being provided in its decisions. We outline the themes and guidance below.

News and current affairs, and the public interest

Consistent with previous years, news and current affairs programmes were again the most complained about genre of programme, indicating the public remain concerned about maintaining journalistic standards in reporting and the value of news and current affairs programmes. Fifty-eight out of the 102 decisions issued this year (57%) related to news and current affairs programming. Five of those 58 decisions were upheld in full or in part (9%).

Related to this, the standards raised in these complaints also indicate that the public remain concerned about the core values underpinning the role and functions of news media – fair, balanced and accurate reporting. This was also reflected in the social media research outcomes (discussed further in Oversight and Development), in which participants conveyed that they hold high expectations of, and trust in, mainstream broadcasters, and indeed use broadcast news to verify other content they have seen online. Accuracy and balance were the standards most complained about this year – with 49 decisions considering the accuracy standard (12% upheld) and 40 considering the balance standard (with none of those complaints upheld). Fairness was the fourth most complained about standard (considered in 31 decisions, with 23% upheld).

As with all complaints considered by the Authority, the value and public interest in broadcast news and current affairs programmes will be the starting point for its deliberations. In a number of cases, the Authority declined to uphold complaints raising issues of fairness, accuracy and balance, emphasising the high value in news and current affairs programmes and the important role of media in scrutinising, for example, public officials, politicians and political party policies, as well as in exploring issues that are important in our society.

One case concerned an episode of *3D* which investigated alleged bullying within the New Zealand Fire Service, particularly within volunteer brigades.² The Authority concluded that overall the broadcaster had made reasonable efforts to provide balance and to ensure accuracy, and also to give a fair opportunity to those affected to give comment for the programme.

In reaching this decision the Authority stated:

"The Authority has previously recognised that investigative journalism programmes, such as 3D, are a vital part of the media. These programmes can serve to draw attention to, and inform the public about, legitimate issues. The programme in question dealt with serious allegations about staff and volunteers

in an important public service organisation, and raised issues which had potential relevance to the performance of that organisation."

In other decisions this year, the Authority also commented that it is an important function of the media to comment critically on political party policy in the lead up to an election period (*Jaspers and Television New Zealand Ltd*, 2016-095), and found high public interest in a *Sunday* item which exposed the mistreatment of bobby calves (*Knight and Television New Zealand Ltd*, 2016-028).

The level of public interest in an item however, may not always be sufficient to protect against a finding of harm to an identifiable individual. Notwithstanding the overall value and public interest in a particular news and current affairs item, fair treatment and individual rights are important and must be duly considered. This year the Authority upheld a complaint from one individual, who in the Authority's view had been unfairly singled out and drawn into a sensitive issue without her knowledge or consent, through the use of editing techniques applied to footage of her obtained on a busy public street. While recognising the public interest in the item as a whole, and the importance of the issue explored – unconscious bias – the Authority found more care needed to be taken to ensure the complainant was treated fairly and not unduly impacted. In that case the Authority stated:

"We acknowledge that there was a level of public interest in exploring the implications of unconscious bias in society and the way it influences our perception of others. ... However... the segment itself arguably demonstrated bias, causing potential harm, by highlighting individuals and implicitly inviting viewers to judge those individuals based on their appearance and their individual characteristics. Bias is a sensitive issue, and there is the potential to cause hurt and offence. Given the subject matter, the broadcaster ought to have been more sensitive to the experiences and views of those featured, including the complainant, and given due consideration to how they may be affected."

Protection of individual rights

Complaints about the treatment of individuals and individual rights continue to represent some of the most important and challenging areas of the BSA's work. Interference with individual rights in broadcast content has the potential to cause considerable harm, and it is in this area that the standards have a critical role to play. Decisions released by the Authority during this period highlight the need for broadcasters to ensure the protection of privacy rights, and fair treatment, of identifiable individuals in programmes.

In the context of treatment of individuals, programme presenters and hosts hold a valuable and influential position in our society and their action (or inaction) can sometimes result in harm. Presenters and hosts should conduct themselves in

- 2 New Zealand Fire Service and MediaWorks TV Ltd. 2016-017
- 3 JW and MediaWorks TV Ltd, 2016-058. See also Shen and Television New Zealand Ltd, 2016-097, in which the Authority found Mrs Shen, the complainant had been treated unfairly in the context of a Seven Sharp item.

a manner that respects and upholds broadcasting standards, and how a broadcaster acts in the event of a breach may aggravate or alleviate the breach of standards.

In one case,⁴ the mother of New Zealand-born English cricketer Ben Stokes phoned the *Hauraki Breakfast Show* to complain about what she considered to be unfair comments made by the hosts regarding her son, and to defend him. Mrs Stokes was assured by one of the hosts that she was off air, when in fact the conversation was being broadcast live on air. The Authority upheld complaints from Mrs Stokes and a member of the public relating to the fairness and privacy standards, finding:

"The broadcast amounted to a serious breach of broadcasting standards and demonstrated a grave lack of understanding on the hosts' behalf of an individual's fundamental rights to privacy and fair treatment. This is a case of public deception, which is a substantial departure from the standards of broadcasting expected in New Zealand".

The Authority also found that the hosts' behaviour after the broadcast which appeared to ridicule Mrs Stokes, the hosts' lack of remorse and the inadequate remedial action taken by the broadcaster, aggravated the initial breach of standards. The Authority ordered a broadcast statement, \$4,000 privacy compensation to Mrs Stokes and \$4,000 costs to the Crown.

In another case, *TF* and *NZME* Radio Ltd, 2016-063, radio host Martin Devlin on *The Devlin Radio Show* spoke forcefully about an abusive text message he had received from the complainant. Mr Devlin read out the complainant's mobile phone number multiple times and phoned the complainant on air while making abusive comments about them. The Authority upheld a complaint that Mr Devlin breached the complainant's privacy. The Authority considered Mr Devlin's reaction, by revealing the complainant's mobile number and implicitly encouraging harassment of them, was disproportionate and unprofessional, even in the context of the robust talkback radio environment, and amounted to a highly offensive disclosure of private information. The broadcaster was ordered to pay \$2,000 privacy compensation to the complainant and \$2,000 costs to the Crown.

The requirements that participants or those referred to in broadcasts are properly informed of the nature of their participation, and that they are given a reasonable opportunity to comment if they may be adversely affected by the broadcast, are two fundamental principles of fair treatment. These issues were considered in a number of the upheld fairness cases determined by the Authority this year.

In the case of *Djurdjevic*,⁵ the complainant was a tiler engaged by *The Block NZ: Villa Wars* to do some tiling work. He was portrayed as a 'temperamental European tiler' who allegedly wanted to be paid in advance and went 'AWOL' when he was not paid. The Authority agreed that the complainant was treated unfairly and that key facts about his professional conduct were misrepresented. He was not informed of the nature of the programme or of the allegations that would be

made about his work ethic, and he also maintained he had made it clear he did not want to be shown on the programme. The Authority emphasised the importance of ensuring that all participants in reality television are treated fairly:

"We remind broadcasters that in reality television, the 'story' and the pace of filming cannot be prioritised over fairness to participants, especially when an individual has said they do not want to be featured in any broadcast. This programme had the potential to be damaging to Mr Djurdjevic's professional reputation and business interests and the broadcaster ought to have recognised this."

Evolving attitudes to good taste and decency

Good taste and decency was the third most complained about standard, raised in a total of 32 decisions issued. A high threshold is generally required to find a breach of the standard, and this year two of those 32 matters were upheld by the Authority as a breach of the standard (6%).

Last year we litmus-tested five BSA decisions to gauge the public's evolving attitudes to the notion of 'good taste and decency'. In particular we were interested in whether people are becoming less concerned about issues traditionally complained about under this standard, such as sexual content, nudity, coarse language and violence, and more concerned about ideas and concepts that are seen to be inconsistent with societal values. We have continued to see this shift across good taste and decency complaints this year, with a number of complaints about potentially racist, sexist, or derogatory content, and material seen to trivialise serious issues in our society such as domestic and sexual violence.

One of the upheld complaints under this standard related to a radio broadcast that featured a stunt on *The Rock Morning Rumble*, during which then-Prime Minister John Key was invited to enter a cage installed in the studio.⁶ He was then asked to 'pick up the soap', and one of the hosts quoted a recognised rape scene from the film *Deliverance*, saying, 'You've got a pretty little mouth Prime Minister'. The Authority found that this was a deliberate reference to prison rape, that had the effect of trivialising sexual violence and specifically prison rape, and that the stunt overstepped the boundaries of legitimate humour and was offensive:

"Sexual violence is a serious issue which affects some of the most vulnerable people in society, including those who are incarcerated. ... [This content went] beyond currently accepted norms of good taste and decency into something that was inappropriate and in poor taste, and would have offended many people."

The Authority also considered and did not uphold complaints under the good taste and decency standard that: the use of the phrase 'pommy git' was racist and derogatory;⁷ a

- 4 Stokes and Mitchell and NZME Radio Ltd, 2016-045 and 2016-027
- 5 Diurdevic and MediaWorks TV Ltd. 2016-004
- 6 Weich and MediaWorks Radio Ltd, 2016-023
- 7 Wallace and SKY Network Television Ltd, 2016-037



comedy skit impersonating All Blacks coach Steve Hansen made light of and condoned sexual assault;8 referring to the Pope as a 'tosser' was derogatory and demeaning;9 and a satirical comedy parodying the Royal Family was offensive and denigrated the Queen and her family.10

Challenges for broadcasters – live broadcast content

The Authority also noted in a number of decisions that it appreciated the challenges facing broadcasters, particularly when managing live content. However, even where breaches were unintentional, there was the potential for harm to be caused to individuals and to the community – for example in a case where a young caller's contact details were inadvertently broadcast live on radio. 11 The Authority commended the broadcaster in that case for acting appropriately and in a timely manner to address the harm.

In another upheld decision, the Authority highlighted steps that can be taken to avoid harm, in cases where live broadcasts may take an unexpected turn. The Authority noted that segments could be pre-recorded to reduce the risk of broadcasting spontaneous comments by a third party which may breach broadcasting standards and result in harm to identifiable individuals.¹²

Privacy and social media

The impact of social media on our society has been significant and its influence on contemporary culture is continuing to evolve. The BSA is increasingly dealing with enquiries and complaints involving the use of social media content in broadcasting – especially around privacy and fair treatment.

This year the Authority upheld a privacy complaint from a member of the public about the use of photos in a news item taken from a public Facebook page. 13 The item reported on a fatal bus crash that occurred near Gisborne on Christmas Eve. The bus was carrying students and teachers from a Tongan school band, who were visiting New Zealand to fundraise for their school. The item featured photos, sourced from a public Facebook page for the Tongan community, of some of the injured passengers in hospital.

The decision highlighted the issues that arise where republishing social media content in a different context may significantly affect the impact and message, and widen the audience beyond the community for whom the content was originally shared. The Authority acknowledged the broadcaster's submission that the Tongan community may have seen the use of the photos as a sign of support or respect for those involved in the accident. However, broadcasting the images on a national news programme widened the potential audience beyond the community for whom the photos were initially shared on Facebook.

"The publication of content on one platform does not automatically justify further republication on another platform, to a national audience, without consideration of the [broadcasting] standards that apply. Where republishing of social media content does occur, any privacy issues that arise should be reconsidered, and expectations around publication of content on the new platform considered afresh."

This is an evolving area in content standards which we intend to consider further in consultation with broadcasters and other agencies involved in dealing with social media content.

Freedom of expression

Above we have highlighted some of the guidance provided by the Authority in its decisions for broadcasters to consider. However, it is equally important to note that 85% of complaints were either not upheld or not required to be determined. This is not a reflection of the nature of the complaints. The decision not to uphold a complaint is often due to a careful assessment of the important role that the exercise of the right to freedom of expression has to play in a free and democratic society. There is, generally, a high threshold that must be reached before the exercise of that right will be limited.

When determining a complaint, the right to freedom of expression, including the broadcaster's right to impart ideas and information and the public's right to receive that information, is the starting point. The right to express ourselves in the way we choose, and to receive information, is a fundamental freedom, but it is not an absolute freedom. The Authority may only interfere with this right and uphold complaints where the limitation on the right is reasonable and justified in a free and democratic society.

In deciding whether any limitation on the right to freedom of expression is justified, the Authority will first consider the value and public interest in the broadcast, and then weigh that value against any harm that has resulted, or might result, from the broadcast. This balancing exercise can be difficult. In a number of decisions this year, the Authority has recognised the important role that broadcasters have in exercising this right. Where the public interest value in the broadcast is high, for example through raising important social issues, or drawing attention to and informing the public about legitimate issues through investigative journalism, the threshold for interfering with the right will be high. This was noted in the decision discussed above, regarding the New Zealand Fire Service, and the decision discussed below.

An item on a news programme reported on the conviction and sentencing of a New Zealand woman for the murder of her 20-year-old severely autistic and intellectually disabled daughter. The Authority did not uphold a complaint that the item sympathised with the defendant mother over the victim daughter. In reaching its decision the Authority said:

- 8 Dickson and NZME Radio Ltd, 2016-047
- 9 Saunders and NZME Radio Ltd, 2016-089
- 10 Cameron and Television New Zealand Ltd, 2017-011
- 11 Madden and MediaWorks Radio Ltd, 2016-055
- 12 LN and MediaWorks Radio Ltd, 2016-016
- 13 Rickard and Television New Zealand Ltd, 2016-098

"The item and the complaint raise important societal issues, namely the status of disabled people in our community and the proper understanding of disabilities. We recognise the value of advocacy for the disabled community. While we have ultimately found

that the item did not breach broadcasting standards for the reasons expressed below, we do not intend this outcome to dismiss the validity and importance of these issues, nor the value of this complaint as a reminder of the importance of these issues."14

Decisions summary

	2016/17	2015/16	2014/15	2013/14	2012/13
DECISIONS ISSUED	102	101	143	99	111
Television programmes	76 (75%)	70 (69%)	98 (69%)	73 (74%)	78 (70%)
Radio broadcasts	26 (25%)	31(31%)	45 (31%)	26 (26%)	33 (30%)
UPHELD (ALL OR IN PART)	15 (15%)	23 (23%)	14 (10%)	12 (12%)	18 (16%)
Television programmes	9 (60%)	16 (70%)	8 (57%)	8 (67%)	12 (67%)
Radio broadcasts	6 (40%)	7 (30%)	6 (43%)	4 (33%)	6 (33%)



Working with co-regulators

Working effectively with other agencies and regulators who have a role in overseeing content in the converging environment is important. While we oversee TV and Radio content, and may soon have oversight of on-demand content that is not news and current affairs or user-generated, we work closely and collaboratively with other agencies such as the Press Council, the Chief Censor's office, the Advertising Standards Authority and the Electoral Commission, which all have a role in overseeing other forms of content in our information-hungry age.

This year we have provided information seminars alongside these agencies, referred matters between us and shared information and research which we hope will be useful to the work that they do.



Complaints process refresh

Our overarching objective is to work with broadcasters and complainants to provide a cost-effective, timely and accessible complaints service which will enhance confidence in the content standards system.

Accordingly, in response to our review of efficiency and timeliness in handling complaints and issuing decisions, and feedback from stakeholders, this year we refreshed the BSA complaints process and timelines. The changes are intended to reduce the time from broadcast to decision, and increase efficiency in dealing with complaints. Our service delivery targets are to issue decisions on complaints within 120 -180 days of the broadcast concerned, and within 90 days of the BSA's receipt of the complaint. So far we have seen improvements in the time between receipt of the complaint and issue of the decisions. We are continuing to work with broadcasters to further improve timeliness within the system as a whole.



Complainants' satisfaction survey

The provision of a free and accessible complaints service to the New Zealand public is at the core of what we do. Providing a complaints service that is easy to use, fair and effective is a key measure of our success. It is important that we understand the experience of complainants and do what we can to improve the service year on year.

This year we received feedback in the first year of our 2016-2018 complainants' satisfaction survey. 44 complainants responded (out of 76 invited). The key findings were:

- An average of 80% of complainants were satisfied with the BSA's written correspondence, 90% with telephone contact and 86% with the BSA website – showing significant increases in complainants' satisfaction with their interactions with the BSA compared with the previous year
- 41% agreed the BSA handled its part of the complaints process well (compared with 40% in 2015/16), and the results showed greater satisfaction with each aspect of the BSA's management of the process
- There were slight decreases in satisfaction with aspects of the BSA's decision-making, namely clarity and fairness of the decision, and failure to adequately acknowledge the complainant's point of view. Consistent with surveys in previous years, the outcome of the complaint still demonstrably affects complainants' perceptions of the process.

In response to the feedback given in the survey, our focus for service improvement is on: increased contact between BSA staff and complainants; continued improvements to the overall time taken to issue the BSA's final decision; clearer articulation in decisions of the standards being assessed and how they are applied; and ensuring complainants understand that their concerns have been duly considered and addressed.





Litmus testing

This year we conducted litmus testing research into the public's attitudes to the Programme Information and Children's Interests standards with particular reference to views on classifications and timebands on television. Inperson and online focus groups with members of the public across the country considered five BSA decisions looking at these issues, with the objective of determining how well BSA decisions align with public opinion and whether the public can understand and accept the BSA's decisions. We were also interested in the level of awareness around the use of parental locks as a way to protect viewers, including children, from watching content that may not be suitable for them.

The report showed the majority of participants agreed with the BSA's decisions for all five clips tested (*Grizzly Tales*, a children's cartoon; Promo for *The Night Shift*, a medical drama; *ONE News* footage of an assault on a store worker; Nicki Minaj music video for 'Only'; and *Criminal Minds*, a crime drama). An average of 87% of participants agreed the BSA's decisions were acceptable, good or very good when considering the standards and guidelines applied by the BSA, and the BSA's reasoning for its findings.

The participants understood that the wider context of a programme is an important consideration, and also expected a degree of discretion on the part of audiences, particularly where the programme is well-known (eg, *Criminal Minds*). Some participants, however, did not necessarily agree with the standards and guidelines themselves, with some commenting they were too lenient. There were no demonstrable differences in the results in terms of demographic or regional variation (although older participants tended to be somewhat more disturbed by content such as explicit sexual material or offensive language than younger participants).



External review of decisions – freedom of expression

Alongside the Litmus Testing research we also commissioned an independent external review of the same five decisions tested in the Litmus Testing from Linda Clark, Special Counsel at Kensington Swan and a former journalist and broadcaster. Ms Clark concluded that the BSA's decisions are generally legally robust, well-reasoned, readable and clear, and she agreed with the outcomes reached in each case.

Ms Clark identified areas for improvement in the Authority's decisions which she considered would enhance the effectiveness of the BSA's decisions. In particular, Ms Clark recommended that the Authority's decisions ought to outline in more detail the assessment of the right to freedom of expression and the balancing exercise undertaken by the Authority when it considers the potential harm raised in the complaint. We have implemented a number of enhancements to the Authority's written decisions as a result of this review.

Oversight and development of the broadcasting standards system

This year we have had an increased focus on our role in overseeing the broadcasting standards system. In August 2016 the Minister of Broadcasting announced the Government's intention to extend the Broadcasting Act and the BSA's role to cover certain on-demand/online content. Since then we have provided assistance to the Ministry for Culture and Heritage policy staff on various issues relating to the reforms and have engaged with existing and new stakeholders regarding the practical implications of the reforms and the BSA's role. We have commenced drafting a new code for on-demand content, which will be subject to external consultation once the reforms take effect.

In addition, at the end of 2016 we conducted a series of workshops on the new Broadcasting Standards in New Zealand Codebook, which took effect on 1 April 2016 and also on guidelines for broadcasters, political parties and candidates in the upcoming 2017 Election. We also engaged with broadcasters on aspects of the Code, to test the relevance of certain code requirements in light of evolving technology, including the availability of parental locks on free-to-air television, and the increasing shift of audiences to consume content online.

While complaints continue to be our priority focus, our role in informing the development of standards that are contemporary and undertaking research to assist the Authority and broadcasters to better understand community attitudes and expectations is equally important and we expect to apply increased resources to this area of our work over the next 1-2 years.



Broadcasters' satisfaction survey

To assess our effectiveness and to identify areas for improvement, we undertake an annual survey of broadcasters who have been engaged in the complaints process during the previous year. We survey broadcasters' satisfaction with the quality of the BSA's processes and services.

This year the survey indicated that overall broadcasters consider that the current system and BSA service and processes are working well. The key findings were:

- 100% of the 6 broadcasters surveyed rate their relationship with the BSA as 'good' or 'very good'
- 83% also rate BSA processes overall as 'good' (17% 'neither good nor bad')

- Satisfaction with contact with BSA staff remains high, whether by phone, email or face-to-face, with all aspects rated 'good' or 'very good'
- An average of 86% rated the value, ease of use and clarity of the website as 'good' or 'very good', a significant improvement on last year's ratings (average of 67% in 2016)
- Satisfaction with the BSA's written decisions
 was more positive than in previous years, with a
 greater proportion rating aspects of the decisions
 as 'very good'.

In response to survey feedback our areas of focus for improvement are: timeliness and flexibility in timeframes given to broadcasters for providing information; increased communication around when the Authority's decision is expected to be issued; and improving the search function on the BSA website.



Social media research

This year, we commissioned a research project, led by independent researchers (Dr Kathleen Kuehn, Media Studies, Victoria University, and Katrine Evans, Hayman Lawyers, formerly Assistant Privacy Commissioner), examining the principles of the right to privacy and fair treatment and the interface between community attitudes in New Zealand to the use of social media content, and the sourcing and republication of social media content by broadcasters.

Colmar Brunton conducted eight focus groups with members of the public in November-December 2016, in Auckland, Wellington, Hawke's Bay and Christchurch, to obtain qualitative data on New Zealanders' attitudes to use of social media. The researchers also obtained the views of broadcasters as to how they select and manage the use of social media in broadcast content.

The research is the first of its kind in New Zealand to explore whether broadcasters are held to a higher standard by the public when it comes to publishing or republishing social media content. Overall the researchers found that:

- While New Zealanders are savvy about social media and understand that it may form part of the internet public highway, they believe broadcasters should observe strict privacy standards when considering using individuals' social media content
- Despite a strong information-sharing culture, members of the public do not consider broadcasters can just take any social media content and use it in the broadcasting context – the public expect that social media content will generally remain in the context in which it was published
- In some cases, the public interest may justify the republication of social media content in broadcasting without consent, for example in emergency situations
- Issues of privacy and individual rights are core concerns that need to be addressed.

The research also elicited views from broadcasters including:

- When selecting social media content, the starting point for many broadcasters is whether the content is newsworthy
- Broadcasters are alert to the issues around individual rights, privacy and consent
- Broadcasters rely on the general principle that it will usually be okay to republish information already in the public domain
- Broadcasters use processes for dealing with social media content, including verifying the content, seeking consent and using publishing tools to project individual rights such as pixilation and audience advisories.

As a result of the research findings, the BSA is engaging with broadcasters to obtain their feedback and to explore whether guidelines for the use of social media content in broadcasting ought to be developed. As well as assisting the Authority and broadcasters to assess how the standards ought to apply to the use of social media content in broadcasting, we believe the research may be of use to a wider range of organisations beyond the BSA that grapple with the impact of social media on our society. We have shared the research with a number of agencies who all have an interest in dealing with the impact of social media usage. We intend to work with these agencies as well as broadcasters on these issues to ensure we have a joined-up and consistent approach to any quidelines that may evolve.



Planet Key proceedings

Last year, the BSA appeared as an intervenor in an appeal brought by the Electoral Commissioner with respect to election-related content (*Electoral Commission v Watson and Jones* CA239/2015). The appeal related to '*Planet Key*', a satirical protest song about John Key, and accompanying Monty Python-style animated music video, which was produced in the lead-up to the 2014 general election. At the time, the Electoral Commission considered that the song and music video amounted to an 'election programme', and broadcast of it would be unlawful. The artists, Mr Watson and Mr Jones, were concerned by the implications of that position and brought proceedings in the High Court seeking a declaratory judgment as to the meaning of 'electoral advertising' in the Electoral Act 1993 and 'electoral programme' in the Broadcasting Act 1989.

The BSA and the Electoral Commission have previously taken different views on the application of the Bill of Rights Act and the importance of freedom of expression in determining whether a programme is an election programme. Accordingly, the BSA sought leave to appear as an intervenor in the proceedings.

In October 2016, the Court of Appeal issued its decision and held that the *Planet Key* song and video was not an election programme, nor an election advertisement. The decision confirmed that Part 6 of the Broadcasting Act 1989 is directed



at election programmes broadcast by or for political parties and candidates, and not third parties. The Court took a rights-sensitive approach and emphasised the importance of freedom of expression, and in particular political speech, and reiterated that such speech must not be unduly restricted.



Election 2017

In anticipation of the 2017 general election we updated our written website guidance on the Election Programmes Code, including to reflect the clarification provided by the Court of Appeal in the *Electoral Commission v Watson and Jones* decision. We presented seminars in Wellington and Auckland for broadcasters and political parties with the Electoral Commission, the ASA and the Press Council with respect to the regulatory requirements for election programmes and election advertising.

Information and communication

Effective communication and information on the right to freedom of expression and broadcasting standards – including how they apply and how to complain – help New Zealanders understand their broadcasting environment. A well-informed and media-literate public is better able to control their engagement with all forms of broadcasting content within the standards. It is particularly important that, when people come to us, we provide clear and accessible information about the standards system and how to make a quality complaint at the right level. It is critical that in the current changing digital environment we ensure that the public and our stakeholders are clear about the role that we play in the content regulation framework and that they can see the impact we have and the difference we make.

At the heart of our communications strategy is engagement with broadcasters and the public on the standards and complaints process. Our communications activities are designed to support broadcasters to understand and meet their obligations under the standards and to provide information to the public that highlights the balance to be achieved between the right to freedom of expression and avoidance of harm and the right to complain and how to do so. We also field a large number of enquiries on a wide range of issues relating to broadcasting and the media generally. We engage and communicate with stakeholders through publication of our decisions, provision of seminars and workshops, in-person meetings, our website, press releases, our BSA Bulletin, Twitter, and email and phone. We believe that transparency in our activities is key to our effectiveness it enables our stakeholders to provide feedback and to hold us to account for the services that we offer.

This year our key engagement activities have included:

- Dealing with complaints and guiding complainants and broadcasters through the process
- Reviewing and updating our website, which is a key interface with the public, to ensure it is up to date, accessible and user-friendly. This work is ongoing
- Publishing all decisions on our website and highlighting guidance provided in these decisions to broadcasters and the public through press releases, tweets and our BSA Bulletin
- Delivering a wide range of seminars and workshops on the Code standards, election programme requirements, freedom of expression, the privacy standard, and the New Zealand content co-regulatory system. Our audiences have included broadcasters, the public, off-shore content regulators, media students and political party secretaries
- Publishing and promoting our research, including our social media research, external reviews and satisfaction survey results
- Responding to 786 enquiries on a wide range of issues, including relating to the complaints process and how to complain, regulation of on-demand content, the reforms, and election requirements in the lead-up to the 2017 general election.

Operations

Operational overview

Ensuring that we operate efficiently and cost-effectively is critical to our overall organisational performance. We are a small agency and strive to operate effectively using our limited financial and people resources. This year we have again delivered our services within budget and with a surplus, and undertaken significant work relating to the pending reforms and important research relating to public awareness and the use of social media in broadcasting.

The arrangements we have for sharing financial services, reception duties, and offices with NZ On Air have continued to work extremely well. Our processes responded effectively to the November 2016 quake and we were able to resume services on 16 November in our Wellington premises. Our Wellington staff displayed particular resilience, delivering a series of broadcaster workshops in Auckland in the days immediately following the quake.

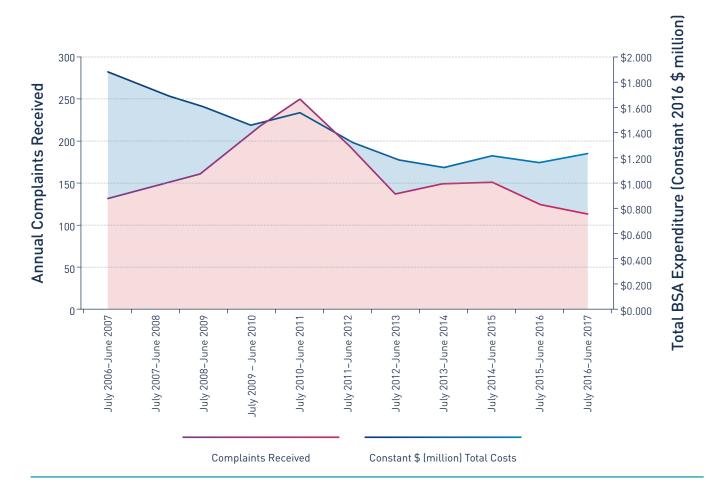
Our costs have remained relatively steady, as illustrated in *Figure 4*. Given our focus on prudent spending and the expectations of the public sector, we continue to focus on reducing costs and increasing efficiency while carrying out our

statutory duties. Our costs are not directly correlated with the number of complaints we receive as complex complaints and other core functions relating to oversight of the broadcasting standards system, research and provision of information also consume our resources.

We are continuing to receive more complex and challenging complaints raising significant local and international issues, which require more time and resource to assess than in the past. As discussed further below, this year we have had increased focus on the broadcasting system and the increase in our output allocation expenditure reflects this.

We continue to hold relatively high reserves compared to our budget. This is the result of variable levy returns and careful cost management across our operations. This puts us in a healthy financial position to take on the wider scope indicated by the Government's recent announcement on the convergence reforms. Notwithstanding this, we are actively monitoring the level of our reserves and have again returned \$203,000 to the Crown in this financial year.

Figure 4 – Overall Performance and Cost Analysis



Organisational health and capability

We are committed to being a good employer and promote equal employment opportunities (EEO) to ensure that our approach to people capability is in line with these obligations. Our EEO policy underpins the positive and collaborative environment that we foster to ensure that we support fair and flexible policies that enable individual needs and circumstances to be acknowledged. We encourage staff involvement in all EEO matters and we review our policies and procedures annually to look for any enhancements or improvements that can be made. Our staff are involved in that review.

Our people who bring specialist expertise to our operations are critical to our success. We had a relatively steady staff team this year and continue to attract and retain capable staff by providing training and development opportunities and support, and ensuring that the BSA is a great place to work. We foster a collaborative culture that values the input of all of our staff. Our Board and staff work constructively together with a clear appreciation of governance and management distinctions.

In terms of workplace profile, the BSA has a small number of staff based at its Wellington office, with most staff working full time. Over the 2016-2017 year, our staff comprised all women.



Some of our staff were relatively new to the organisation, with a majority having been with the BSA for less than three years and being under 40 years of age. The majority of staff are Pākehā/European. We are a small organisation and do not collect information on employee disabilities. If a disability is brought to our attention, we would take steps to ensure that the employee has the necessary support to fulfil their duties.

We have continued to employ interns to support our work, whilst also providing an opportunity to build the pipeline of graduates who are seeking to grow their careers in the media and/or public sector. This year, the Board comprised a small but diverse group of individuals whose backgrounds are detailed on our website.

Each year we set ourselves goals to enhance our capability and provide us with ongoing targets to meet. Our main focus is to develop and retain talent, integrate work practices that promote or enhance work/life balance amongst our employees and encourage professional development and a wide range of experiences within the scope of our activities. Progress against these goals is found in the following tables which set out:

- the criteria for our good employer policies
- our capability objectives, targets and measures.

No issues of concern have occurred during the year.

Being a good employer

HUMAN RIGHTS COMMISSION GOOD EMPLOYER ELEMENT	BSA POLICY AND PROCEDURE	POSSIBLE ISSUES	ACTIONS (IF ANY)
Leadership, accountability and culture	Senior management is committed to leading by example and fostering an inclusive working environment.	None	Feedback, coaching and mentoring is given to staff in
	Staff are involved in decision-making and are accountable for outputs relevant to their areas. Staff are encouraged to devise and manage their own solutions.		regular meetings
	The Policy and Operations Manual provides guidance for staff on professional and workplace behaviour.		
Recruitment, selection and induction	All permanent staff vacancies are advertised. Focus is on the best range of skills for each position. The BSA values diversity and inclusiveness.	Retention of staff and diversity in small specialised organisations can be an issue	Induction training, and personal development plans regularly reviewed
Employment development, promotion and exit	Annual appraisal reviews and professional development and exit interviews are undertaken. Strong team-based supportive culture is promoted. Employees are encouraged to attend training and development opportunities.	None	Ongoing focus on regular 1:1 meetings with managers, coaching and mentoring
Flexibility and work design	Flexible work practices and use of annual leave is encouraged – focus is on work/life balance.	None	Remote access on work computers enhanced and training provided
Remuneration, recognition and conditions	Equitable gender-neutral remuneration is in place with annual salary reviews undertaken. Staff are rewarded and recognised for their contribution, skill and expertise.	None	A refreshed remuneration framework has been implemented
Harassment and bullying prevention	Zero tolerance policy.	None	No action required
Safe and healthy environment	Proactive health and safety approach. Health and safety processes have been updated in line with the new Health and Safety at Work legislation.	None	Policies regularly reviewed, training and hazard reviews undertaken regularly

Capability Objectives

	CAPABILITY OBJECTIVES	MEASURES	ACTUAL
1.	Opportunities for agency collaboration and shared services in the cultural sector are explored and developed where appropriate	 Continue to share facilities and one front-of-house staff member with NZ On Air Receive back-office financial services and associated professional advice from NZ On Air 	AchievedAchieved
2.	Staff employment policies focus on retention and development of skilled, knowledgeable, adaptable, efficient team players with the tools, information and training necessary to perform to a high level	 Each staff member has an annual assessment of individual training needs and professional development plan Board members undertake an 	AchievedAchieved
	perioriii to a nigri tevet	annual self-assessment around the exercise of their quasi-judicial powers and governance	
		 We conduct staff engagement surveys annually; results to be in the top quartile of the cultural sector 	 Achieved
3.	Our infrastructure is fit for purpose	 Our complaints data management system is reviewed and improved to better reflect the current working environment 	 Achieved
		 Our hard copy and electronic file structure reflects the current working environment 	 A new information management policy has been adopted and implemented
4.	Our office environment and equipment are safe and well maintained	 Safety hazards reported are attended to promptly and significant hazards are attended to immediately 	 Achieved
		 Zero tolerance of harassment, bullying and discrimination 	Achieved
5.	Equal employment opportunity principles are incorporated in staff selection and management, to achieve as diverse a workforce as possible within the limits of our small size	EEO principles are included in all relevant documents and practices	Achieved

NZBN Ministerial Direction Progress Report

As required by section 151(f) of the Crown Entities Act 2004, we report that on 30 May 2016 we received a Ministerial Direction under section 107 of the Crown Entities Act 2004 from the Ministers of Finance and State Services. This is a Direction to support a whole-of-government approach and sets out requirements for agencies to implement the New Zealand Business Number (NZBN). The NZBN has been created to enable improved electronic delivery of services. As a Tier 3 entity we must have regard to six of the requirements and give effect to four requirements.

Since receiving the Direction, we have updated our core records systems to introduce NZBN details for stakeholders, including broadcasters and suppliers and have developed initiatives where we can use NZBN to enhance our processes and dealings with external parties. As system changes are planned, the requirements of the Direction will be implemented where possible.



ACCOUNTABILITY STATEMENTS

Statement of Responsibility

Pursuant to the Crown Entities Act 2004, the Board accepts responsibility for:

- The preparation of the Financial Statements and the Statement of Service Performance and for the judgements used therein.
- The establishment and maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

Pursuant to section 19A of the Public Finance Act 1989, the Board accepts responsibility for any end-of-year performance information provided by the BSA.

In the opinion of the Board, the Financial Statements and Statement of Service Performance for the year ended 30 June 2017 fairly reflect the financial position and operations of the BSA.

Peter Radich

Chair

18 October 2017

Te Raumawhitu Kupenga

Member

18 October 2017

Statement of Service Performance

For the year ended 30 June 2017

This section details the results of our outputs against performance measures, targets and budgets for the year ended 30 June 2017 for our three core activities and services as set out in our Statement of Performance Expectations (SPE) for the year ended 30 June 2017.

During the course of this year we refreshed our budgeted cost allocations to better reflect actual time spent by staff on our three core functions. While our complaints work has remained steady and is the majority of our work, we have increased our focus on the system as a whole which has included providing increased support and guidance to broadcasters to assist them to meet their obligations, engaging with broadcasters and stakeholders on important Code issues, contributing to the work undertaken by policy officials with respect to proposed reforms, and undertaking research which can inform our decision-making and the application of the standards in an ever-changing environment.

In light of this, our revised output allocations are:

- Complaints determination 50% (30 June 2016: 65%)
- Oversight of broadcasting standards system 30% (30 June 2016: 15%)
- Information and Communication 20% (no change from SPE budget)

In the following sections, income and expenditure has been reported against both the budgeted and revised allocations.

	SPE INCOME	ACTUAL INCOME \$	SPE EXPENDITURE \$	ACTUAL EXPENDITURE \$
Complaints determination	983,450	727,084	925,600	552,690
Oversight of broadcasting standards system	226,950	532,915	213,600	405,314
Information and communication	302,600	355,384	284,800	270,248
TOTAL	1,513,000	1,615,383	1,424,000	1,228,252



Output: Complaints Determination

Description

Complaints determination is our core activity. It is supported by and linked to the other two activities we deliver, and each is an integral part of the broadcasting standards system.

We receive complaints about breaches of the Codes of Broadcasting Practice and issue robust, soundly reasoned, timely decisions that reflect the boundaries between freedom of expression and harm. Decisions are made by the Authority with legal and administrative support provided by the staff. Decisions can be appealed to the High Court. A key aspect of the complaints system is that it is free, independent and accessible to the public. Efficiency in the complaints process is important. We measure our effectiveness in the ways described here.

COST	ACTUAL 2016/17	SPE BUDGET 2016/17	REVISED BUDGET	ACTUAL 2015/16	ACTUAL 2014/15	ACTUAL 2013/14
TOTAL COST	552,690	925,600	688,000	681,266	748,865	698,638
% OF TOTAL COST	45%	65%	50%	58.9%	63.1%	65.7%

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
	Quantity				
Receive complaints	Formal complaints received and processed	113	Less than 150	124	151
Issue decisions	Issue decisions for all complaints that are within our jurisdiction in accordance with the Broadcasting Act 1989	100%	100%	100%	100%
Commission research by way of a survey of complainants who have been through the broadcasting standards regime to assess their satisfaction with the processes and system	Commission summaries of the research into complainants' satisfaction with the complaints processes and system	Achieved	New measure – One report provided by survey company to the BSA is analysed and appropriate improvements made ¹⁵	One report for the full 2015/16 year provided	Achieved
Commission independently facilitated focus groups to litmus test decisions and further our understanding of current community attitudes on standards, and to test the understanding of decisions	Litmus test decisions as to approach to a standard and decision presentation, with groups of mixed ethnicity, age and gender	Achieved Five decisions on programme information and children's interests litmus tested	Litmus test 5 decisions	Achieved Decisions on good taste and decency litmus tested	Achieved Decisions on the accuracy standard litmus tested

¹⁵ Previous measure changed as one report with larger sample size will give more meaningful results.

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
	Timeliness				
Acknowledgement of complaints in a timely manner	Complaints acknowledged in writing within 3 working days	93%16	100%	97%	94%
Decisions issued in a timely manner	Decisions issued within 20 working days of the board meeting at which final decision is made	96%	90%	97%	92%
	Quality				
Decisions soundly reasoned	External assessment conducted to assess whether BSA reasoning, processes and/or interpretation of a standard are appropriate and reasonable	Achieved - Programme information and children's interests standards decisions reviewed	An external review of the way BSA interprets a standard, or an aspect of the process by which BSA determines complaints, shows that the reasoning, process and/or interpretation are appropriate and reasonable	Not achieved - Feedback on BSA interpretation and approach from external stakeholders was taken into account in the Code review process	Achieved - 10 balance standard decisions reviewed
	Decisions overturned by the High Court are analysed to enable improvements to BSA's reasoning and process	Achieved Court judgments received and analysed: Lowes and MediaWorks TV Ltd, [2017] NZHC 1130; Electoral Commission v Watson & Jones, [2016] NZCA 512	Direction or advice provided by the High Court in any appeal are analysed and applied in subsequent decisions as appropriate	No appeal decisions issued	No appeal decisions issued
BSA decisions reflect community standards and are understood by members of the public	Independently facilitated focus groups (litmus testing) show that decisions are understood by members of the public	87%	75% or more rank decisions as acceptable, good or very good on a 5-point scale in terms of how well the reasoning is understood by the public and supports the outcomes	89%	92%
	Decisions reference findings from research into community standards and/or litmus testing	Achieved	5 decisions reference research on community standards and/or litmus testing	Achieved	Achieved
High-quality service provided to complainants	Complainants rate individual aspects of their interaction with BSA positively in yearly reports on complainants' satisfaction	Average of • 80% were satisfied with BSA's written correspondence • 90% were satisfied with BSA's telephone contact • 88% were satisfied with BSA staff's professionalism	70% or more of complainants rate each of the following aspects of interaction with BSA as good or very good: written correspondence, telephone contact, and professionalism of BSA staff	• 74% of complainants were satisfied with BSA's written correspondence • 85% were satisfied with BSA's telephone contact • 89% were satisfied with BSA staff's professionalism	• 71% of complainants were satisfied with BSA's written correspondence • 64% were satisfied with BSA's telephone contact • 73% were satisfied with BSA staff's professionalism

¹⁶ Three complaints acknowledged in 4-5 days. Five required follow up with broadcaster.



Output: Oversight and Development of the Broadcasting Standards System

Description

We oversee the broadcasting standards regime, work with broadcasters and others to set clear broadcasting standards and to assist broadcasters to meet their obligations. We work to improve the complaint handling system at all levels by addressing systemic issues, reviewing codes, undertaking research relevant to broadcasting standards and community attitudes and issuing guidance. We also provide advice, when required, to policy officials regarding the operation of the content standards system. We work closely with other agencies who also work with and oversee the media sector.

COST	ACTUAL 2016/17	SPE BUDGET 2016/17	REVISED BUDGET	ACTUAL 2015/16	ACTUAL 2014/15	ACTUAL 2013/14
TOTAL COST	405,314	213,600	412,800	189,042	196,321	147,575
% OF TOTAL COST	33%	15%	30%	16.34%	16.5%	13.8%

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
	Quantity and Timeliness				
Regular interactions with broadcasters to monitor and improve complaints handling systems, and to consult with, and agree areas of cooperation	Meetings held regularly	Achieved	3 meetings with each of the main broadcasters or with groups of their representatives and 10 meetings with other broadcasters	Achieved	Achieved
Issue practice guidance on standards issues or process matters	Practice guidance consulted on with broadcasters and issued	N/A	N/A – measure removed as the codebook incorporates and supersedes all practice notes previously issued and we intend to review our new codes with greater frequency, which may mean we issue fewer practice notes	Guidance on standards issues and process matters incorporated into the code reviews and reflected in the new Codebook	Guidance on standards issues and process matters has been incorporated into the code reviews rather than issued piecemeal
Continue process to modernise and review Radio, Free-to-Air TV and Pay TV Codes	Review and modernise codes in conjunction with broadcasters and after public consultation	N/A	N/A – target removed as Codes gazetted and Codebook published in April 2016	New Codebook gazetted and published on 1 April 2016	Process of consultation with broadcasters on code reviews complete, with public consultation on draft codes launched 20 July 2015

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
	Quantity and Timeliness				
Commission research that analyses or examines the relevant application of a standard, or an aspect of broadcasting, and/or informs any future regulatory system	Commission and publish research in one of these areas	Achieved	At least one piece of research or analysis produced by June 2017	Not achieved - Code review process undertaken this year	Achieved
	Commission research on attitudes to acceptability of swear words in broadcasting, with diverse participants	N/A	N/A – Target removed due to changed priorities for the Authority's research programme	Research deferred due to changed priorities for the Authority's research programme	N/A – new measure in 2015/16
Following audit of broadcaster publicity of the complaints process, notify any not complying and provide information and/or assistance where necessary	Non-compliant broadcasters notified and relevant information provided to them	N/A (next audit 2017/18)	N/A (every two years)	Achieved	N/A (every two years)
Commission survey measuring percentage of New Zealanders aware of the BSA and aware they can make a formal complaint	Survey complete and analysed in Annual Report against benchmark set in 2010	Achieved	Survey completed and analysed against benchmark set in 2010	N/A (every two years)	Achieved
	Quality				
Survey broadcasters to assess satisfaction with the quality of the BSA processes, services and working relationships	Broadcasters rate BSA processes and working relationships as good or better and identify any issues	100% - Working relationships 83% - Processes	80% or more of broadcasters surveyed rank BSA processes and working relationships as good or very good on a 5-point scale	100% - Working relationships 80% - Processes	88% - Working relationships and processes
	Any issues identified considered by board, and appropriate changes made and recorded or raised with broadcasters	Achieved	100% of issues discussed with broadcasters and resolved to satisfaction of both broadcasters and BSA or explanation provided by BSA	Achieved	Achieved
Research on standards or regulatory system is assessed as thorough, and of value to discussion and debate on standards and/or any future regulatory system	Research adds value for policy-makers, broadcasters, and BSA in developing and assessing standards and aspects of any future regulatory scheme	Achieved	Feedback is received (and recorded) from at least three key stakeholders that the research is valuable	Feedback received from broadcasters in course of code review process	Achieved



Output: Information and Communication

Description

We provide clear, user-friendly information about the broadcasting standards system and our decisions and engage effectively with our stakeholders. Effective information on broadcasting standards processes and issues helps New Zealanders understand their media environments. An informed and media-literate public is better able to control their engagement with all forms of broadcasting content within the standards.

It is particularly important that, when people come to us, we provide clear and accessible information about the standards system and how to make a quality complaint at the right level. Our website is our key interface with the public. We constantly review and enhance it to ensure it is accessible and user-friendly, that the content is clear and accurate, and decisions are easily searchable.

We also raise awareness of the broadcasting standards system through strategic media releases about important decisions, distribution of those decisions through Twitter and the publication of a regular newsletter. We also contribute resources to presenting seminars and workshops for broadcasters and the public on issues relating to content standards. We also deal with a wide range of enquiries on issues relating to media and broadcasting.

COST	ACTUAL 2016/17	SPE BUDGET 2016/17	ACTUAL 2015/16	ACTUAL 2014/15	ACTUAL 2013/14
TOTAL COST	270,248	284,800	286,347	242,273	217,604
% OF TOTAL COST	22.00%	20%	24.76%	20.4%	20.5%

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
	Quantity and Timeliness				
Assessment of website shows it is easy to use with clear content and high accessibility	Assessment of website against other government websites undertaken and shows website: • is easy to use, clear in content and high in accessibility • ranks in the top 10 websites assessed against usability, clarity and accessibility criteria	N/A	N/A – Previous measure removed as it is considered that the deliverable is currently better measured by users in complainants and broadcaster surveys, which is already measured in the qualitative measure below in this section	Assessment deferred given no substantial changes to the website since the last review, following which recommended enhancements were implemented	Achieved
	Visitors to website indicate that they can find the information that they need	51% (267 out of 521) said they had found what they need. This represents only 0.49% of total visits (105,991) to BSA web pages in this financial year. A new survey tool	80% of those that complete an online website question say that they have found what they need	52% (356 out of 684) said they had found what they need. This represents only 0.56% of total visits (120,966) to BSA web pages in this financial year	54% (407 out of 753) of respondents said they had found what they need

KEY DELIVERABLES	PERFORMANCE MEASURES	ACTUAL 2016/17	TARGET 2016/17	2015/16	2014/15
Decisions published on the BSA website	Decisions published on website within 10 working days of signoff by Chair	100%	100%	100%	100%
Production of newsletter to keep stakeholders informed	Newsletters published	10	9	9	8
Strategic media releases	Decisions of high public interest or particular educational interest communicated by way of a media release	20	Releases for at least 15 decisions issued before 30 June 2017	13	14
	Quality				
Surveys of complainants and broadcasters indicate high satisfaction with the usability, value and clarity of the website	Complainants and/or broadcasters (as part of any other service surveys) rate the value and clarity of the BSA website as good or very good on a 5-point scale	86% - Complainants 85% - Broadcasters	At least 70% of those surveyed rate the BSA website as good or very good on a 5-point scale	75.5% - Complainants 83% - Broadcasters	69.5% - Complainants 83% - Broadcasters

FINANCIAL STATEMENTS

Broadcasting Standards Authority

Statement of Financial Performance

For The Year Ended 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
REVENUE				
Revenue from the Crown	2	609,000	609,000	609,000
Broadcasting levies		933,464	850,000	884,503
Interest income		72,876	54,000	68,130
Gain on disposal of PPE		43	-	-
TOTAL REVENUE		1,615,383	1,513,000	1,561,633
LESS EXPENDITURE				
Personnel costs	3	658,259	663,000	582,949
Other expenses	4	519,180	701,000	519,475
Depreciation and amortisation	8 & 9	50,813	60,000	54,231
TOTAL EXPENDITURE		1,228,252	1,424,000	1,156,655
			-	-
SURPLUS		387,131	89,000	404,978

Explanations of major variances against budgets are provided in Note 16.

Statement Of Changes In Equity

For The Year Ended 30 June 2017

	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
Public equity as at 1 July	1,917,761	1,858,218	1,715,783
Return of Equity to the Crown	(203,000)	(203,000)	(203,000)
Surplus for the year ended 30 June	387,131	89,000	404,978
PUBLIC EQUITY AS AT 30 JUNE	2,101,892	1,744,218	1,917,761

Explanations of major variances against budgets are provided in Note 16.



Statement of Financial Position

As At 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
ASSETS		Ψ		
Bank accounts and cash	5	122,534	125,988	191,636
Investments	6	2,000,000	1,600,000	1,750,000
Debtors and prepayments	7	88,163	7,500	29,809
Net GST		22,953	18,000	16,991
		2,233,650	1,751,488	1,988,436
Property, plant and equipment	8	71,303	62,730	74,186
Intangible assets	9	6,313	-	6,581
		77,616	62,730	80,767
TOTAL ASSETS		2,311,266	1,814,218	2,069,203
LESS LIABILITIES				
Creditors and accrued expenses	10	151,397	30,000	120,206
Employee entitlements	11	57,977	40,000	31,236
		209,374	70,000	151,442
ASSETS LESS LIABILITIES		2,101,892	1,744,218	1,917,761
REPRESENTED BY PUBLIC EQUITY		2,101,892	1,744,218	1,917,761

Explanations of major variances against budgets are provided in Note 16.

Statement of Cash Flows

For The Year Ended 30 June 2017

	NOTE	2017 ACTUAL \$	2017 BUDGET \$	2016 ACTUAL \$
CASH FLOWS FROM OPERATING ACTIVITIES		Ψ	Ψ	
Revenue from the Crown		609,000	609,000	609,000
Broadcasting levies		897,239	850,000	883,858
Interest received		60,570	54,000	66,722
GST (net)		(5,962)	-	(155,361)
Payments to employees & Board members		(631,518)	(663,000)	(585,674)
Payments to suppliers & other operating expenses		(497,812)	(691,000)	(317,692)
NET CASH FLOW FROM OPERATING ACTIVITIES		431,517	159,000	500,853
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(40,171)	(20,000)	(2,662)
Purchase of intangible assets		(7,491)	-	-
Receipts from sale of property, plant and equipment		43		
Decrease investments		-	100,000	-
Acquisition of investments		(250,000)	-	(250,000)
NET CASH FLOW FROM INVESTING ACTIVITIES		(297,619)	80,000	(252,662)
CASH FLOWS FROM FUNDING ACTIVITIES				
Return of equity to the Crown		(203,000)	(203,000)	(203,000)
NET CASH FLOW FROM FUNDING ACTIVITIES		(203,000)	(203,000)	(203,000)
Net increase in cash held		69,102	36,000	45,191
Opening cash brought forward		191,636	89,988	146,445
BALANCE CARRIED FORWARD	5	122,534	125,988	191,636

Explanations of major variances against budgets are provided in Note 16.

 $\label{thm:companying} The\ accompanying\ notes\ form\ part\ of\ these\ financial\ statements.$



Notes to the Financial Statements

For The Year Ended 30 June 2017

1 Statement of accounting policies

Reporting entity

The Broadcasting Standards Authority (BSA) is a Crown Entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the BSA's ultimate parent is the New Zealand Crown.

BSA's primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return. Accordingly, the BSA has designated itself as a public benefit entity (PBE) for the purposes of financial reporting.

The financial statements for the BSA are for the year ended 30 June 2017, and were approved by the board on 18 October 2017.

Basis of preparation

Statement of Compliance

The financial statements for the BSA have been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand ("NZ GAAP"). The financial statements have been prepared on the basis that the BSA is a going concern.

The BSA has total expenditure less than \$2 million and is, therefore, eligible to report in accordance with Tier 3 PBE accounting standards. Accordingly, these financial statements have been prepared in accordance with Tier 3 PBE accounting standards, using the criteria set out in *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)(PBE SFR-A (PS))*.

Measurement base

The financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and are rounded to the nearest dollar (\$). The functional currency of the BSA is New Zealand dollars (NZ\$).

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the Crown

This revenue is restricted in use for the purpose of BSA meeting its objectives specified in the Broadcasting Act 1989 and the scope of the relevant appropriation of the funder. BSA considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

Broadcasting levy

Broadcasting levies are recognised on the occurrence of a recognition event, being the earlier of receipt of payment or receipt of levy return. Levies are paid by broadcasters in accordance with the Broadcasting Act 1989 and are based on broadcaster revenue for the qualifying period.

Interest

Interest income is recognised as it accrues on bank account balances, on-call bank deposits and investments.

Other income

Other income is recognised at the time the services are rendered.

Leases

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the BSA are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straightline basis over the term of the lease in the Statement of Financial Performance.

Bank accounts and cash

Bank accounts and cash held by the BSA include bank balances and on-call bank deposits.

Debtors and other receivables

Debtors and other receivables are measured at fair value less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the BSA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payment are all considered indicators that the debtor is impaired. Any impairment losses are recognised in the Statement of Financial Performance.

Investments in bank deposits

Investments in bank deposits are measured at fair value plus transaction costs.

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

Property, plant and equipment

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

Property, plant and equipment are shown at cost or valuation, less any accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the BSA, and the cost of the item can be measured reliably.

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

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets. Gains and losses on disposals are included in the Statement of Financial Performance.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the BSA, and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the Statement of Financial Performance as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all fixed assets at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Office equipment	5 years	20% straight line
Furniture and fittings	5 years	20% straight line
Leasehold improvements	5 years	20% straight line
Photocopier	3 years	33% straight line
Computer equipment	3 years	33% straight line

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Artworks are fully depreciated in the year of purchase.

Intangible assets

Software acquisition

Computer software licenses are capitalised on the basis of the costs incurred to acquire and use the specific software.

Costs that are directly associated with the development of software for internal use by the BSA are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with the development and maintenance of BSA's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date the asset is either fully amortised or no longer used. The amortisation charge for each period is recognised in the Statement of Financial Performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 years	33% straight line
Copyright	3 years	33% straight line

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets that have a finite life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for



the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The total impairment loss is recognised in the Statement of Financial Performance, as is any subsequent reversal of an impairment loss.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the BSA would, if deprived of the asset, replace its remaining future economic benefits or service potential.

Creditors and other payables

Creditors and other payables are reflected at their face value.

Employee entitlements

Provision is made in respect of the BSA's liability for annual leave that is expected to be settled within 12 months of the reporting date. Annual leave is measured at nominal values on an actual entitlement basis at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and an expense is recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation or when the employee is notified that the bonus has been granted. No liability is recognised for sick leave.

Superannuation scheme

Defined contribution scheme

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the Statement of Financial Performance as incurred.

Goods and services tax (GST)

The BSA is registered for GST. All items in the financial statements are exclusive of GST, with the exception of debtors and creditors, which are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The BSA is a public authority and consequently is exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

Budget figures

The budget figures are derived from the Statement of Performance Expectations as approved by the board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Cost allocation

The BSA has determined the cost of outputs in the Statement of Service Performance using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on estimates of related activity or usage information.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

Use of judgements, estimates and assumptions

In preparing these financial statements, the BSA has made estimates and assumptions about the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and, in particular, when estimating the useful life and residual value of property, plant and equipment.

2 Revenue from the Crown

The BSA has been provided with funding from the Crown for the specific purposes set out in the Broadcasting Act 1989 and the scope of the relevant Crown appropriations. Apart from these restrictions, there are no unfulfilled conditions or contingencies attached to government funding. (2016: Nil)

3 Personnel costs

	2017 ACTUAL \$	2016 ACTUAL \$
Staff salaries	512,770	454,429
Board remuneration	130,809	112,828
KiwiSaver employer contributions	14,680	15,692
TOTAL PERSONNEL COSTS	658,259	582,949

4 Other expenses

	2017 ACTUAL \$	2016 ACTUAL \$
Audit of financial statements	21,904	21,416
Consultancy	70,201	44,274
Research	149,606	53,050
Travel, accommodation & training	39,284	32,944
Rent	50,322	49,470
IT	52,086	90,053
Office expenses	135,777	228,268
TOTAL OTHER EXPENSES	519,180	519,475

5 Bank accounts and cash

	2017 ACTUAL \$	2016 ACTUAL \$
CASH ON HAND		
Petty cash	200	200
BANKS		
Current accounts	121,987	35,399
Call accounts	347	156,037
TOTAL BANK ACCOUNTS AND CASH	122,534	191,636

6 Investments

	2017 ACTUAL \$	2016 ACTUAL \$
Term deposits	2,000,000	1,750,000
TOTAL INVESTMENTS	2,000,000	1,750,000
Weighted average effective interest rate	3.34%	3.46%



7 Debtors and prepayments

	2017 ACTUAL \$	2016 ACTUAL \$
Trade receivables	36,225	644
Accrued interest	25,408	13,102
Prepayment	26,530	16,063
TOTAL DEBTORS AND PREPAYMENTS	88,163	29,809

The carrying value of receivables approximates their fair value.

8 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	ARTWORKS \$	COMPUTER EQUIPMENT \$	FURNITURE & FITTINGS \$	LEASEHOLD IMPROVEMENTS \$	PHOTO-COPIER \$	OFFICE EQUIPMENT \$	TOTALS \$
COST OR VALUATION							
Balance at 1 July 2015	9,082	89,506	59,567	124,755	20,399	11,673	314,982
Additions	-	712	-	-	-	1,950	2,662
Disposals	-	(894)	-	-	-	-	(894)
Balance at 30 June 2016	9,082	89,324	59,567	124,755	20,399	13,623	316,750
ACCUMULATED DEPR	ECIATION						
Balance at 1 July 2015	9,082	73,204	37,754	49,059	20,399	7,368	196,866
Depreciation expense	-	12,974	6,842	24,951	-	1,825	46,592
Eliminate on disposal / reclassification	_	[894]	-	-	-	-	(894)
Balance at 30 June 2016	9,082	85,284	44,596	74,010	20,399	9,193	242,564
CARRYING AMOUNT AT 30 JUNE 2016	0	4,040	14,971	50,745	0	4,430	74,186
COST OR VALUATION							
Balance at 1 July 2016	9,082	89,324	4 59,56	7 124,75	5 20,399	13,623	316,750
Additions	-	33,843	-	-	6,328	-	40,171
Disposals	-	(894] -	-	-	-	(894)
Balance at 30 June 2017	9,082	122,273	3 59,56	7 124,75	5 26,727	13,623	356,027
ACCUMULATED DEPR	ECIATION						
Balance at 1 July 2016	9,082	85,284	4 44,596	74,01	0 20,399	9,193	242,564
Depreciation expense	-	9,465	5 6,749	9 24,95	1 176	1,713	43,054
Eliminate on disposal / reclassification	_	(894) -	-	-	-	(894)
Balance at 30 June 2017	9,082	93,85	5 51,34	98,96	1 20,575	10,906	284,724
CARRYING AMOUNT AT 30 JUNE 2017	0	28,418	8,222	2 25,79	4 6,152	2,717	71,303

9 Intangible assets

Movements for each class of intangible asset are as follows:

	ACQUIRED SOFTWARE \$
COST OF VALUATION	
Balance at 1 July 2015 and 30 June 2016	59,060
ACCUMULATED AMORTISATION	
Balance at 1 July 2015	44,840
Amortisation expense	7,639
Balance at 30 June 2016	52,479
CARRYING AMOUNT AT 30 JUNE 2016	6,581
COST OF VALUATION	
Balance at 1 July 2016	59,060
Additions	7,491
Balance at 30 June 2017	66,551
ACCUMULATED AMORTISATION	
Balance at 1 July 2016	52,479
Amortisation expense	7,759
Balance at 30 June 2017	60,238
CARRYING AMOUNT AT 30 JUNE 2016	6,313

10 Creditors and accrued expenses

	2017 ACTUAL \$	2016 ACTUAL \$
Creditors	115,190	49,814
Accrued Expenses	25,116	48,726
Kiwisaver employees contribution payable to IRD	1,165	-
PAYE	9,926	21,666
TOTAL CREDITORS AND ACCRUED EXPENSES	151,397	120,206

Creditors and accrued expenses are non-interest bearing and are normally settled on 30-day terms; therefore, the carrying value of creditors and accrued expenses approximates their fair value.



11 Employee entitlements

	2017 ACTUAL \$	2016 ACTUAL \$
CURRENT EMPLOYEE ENTITLEMENTS ARE REPRESENTED BY:		
Accrued salaries and wages	17,658	13,639
Annual leave	25,319	15,097
Salary 'at risk'	15,000	2,500
TOTAL EMPLOYEE ENTITLEMENTS	57,977	31,236

12 Commitments

	2017 ACTUAL \$	2016 ACTUAL \$
COMMITMENTS ARE REPRESENTED BY:		
Not later than one year	36,794	35,970
Later than one year and not later than two years	36,795	35,970
Later than two years and not later than five years	2,760	38,387
TOTAL NON-CANCELLABLE OPERATING LEASE	76,348	110,327

The operating lease is for the rental of premises on Level 2, 119 Ghuznee Street, occupied from 26 July 2013.

13 Contingent assets and liabilities

Contingent assets

As at 30 June 2017 the BSA had no contingent assets. (2016:Nil)

Contingent liabilities

As at 30 June 2017 the BSA had no contingent liabilities. (2016:Nil)

14 Related party transactions & key management personnel

In conducting its activities, the BSA is required to pay various taxes and levies (such as GST, PAYE and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. The BSA is exempt from paying income tax.

The BSA purchases goods and services from entities controlled, significantly influenced or jointly controlled by the Crown. Purchases from these government-related entities are entered into on an arms-length basis.

Key management personnel compensation

	2017 ACTUAL	2016 ACTUAL
Salaries and other short-term benefits	296,131	264,590
TOTAL KEY MANAGEMENT PERSONNEL COMPENSATION	296,131	264,590

Key management personnel includes all Board members and the Chief Executive. The BSA had no related party transactions. (2016: Nil)

Board member remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	2017 ACTUAL \$	2016 ACTUAL \$
P Radich (Chair)	53,964	40,625
L Pearson	19,540	22,420
T Kupenga	31,683	24,282
P Rose	25,622	25,501
TOTAL BOARD MEMBER REMUNERATION	130,809	112,828

Employee remuneration

	2017	2016
	ACTUAL \$	ACTUAL \$
Total employee remuneration paid or payable	·	·
110,000-119,999	-	1
160,000 – 169,000	1	-

There was no employee remuneration above \$100,000 in 2015 as the only position fitting within this category is that of the Chief Executive, which saw a change in personnel during the year.

15 Events after balance date

There were no significant events after balance date

16 Explanations of significant variations against budget

Explanations for significant variations from the BSA's budgeted figures in the Statement of Performance Expectations are as follows:

Statement of Financial Performance

Income

Broadcasting levy revenue reflects higher collection rates due to ongoing focus on collecting this levy and anticipated reduction in broadcasting revenue earned by levy-payers, on which the levy is based, not yet emerging.

Expenditure

While there was some increase in personnel costs, lower expenditure overall reflects careful management of costs throughout the year and website changes not yet taking place.

Statement of Financial Position

Cash and cash investments

The increase in investments compared with budget arises through the increased surplus arising from higher levy revenue for the year and lower expenditure than budget.

Property, plant and equipment

The additional costs above budget for property, plant and equipment relates to the purchase of replacement IT equipment and software and draws on budget from this year and the previous year.



INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of Broadcasting Standards Authority's financial statements and performance information for the year ended 30 June 2017

The Auditor General is the auditor of the Broadcasting Standards Authority (the Authority). The Auditor General has appointed me, Chrissie Murray, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information of the Authority on his behalf.

Opinion

We have audited:

- the financial statements of the Authority on pages 34 to 45, that comprise the statement of financial position as at 30 June 2017, the statement of financial performance, and statement of cash flows for the year ended on that date and the notes to the financial statements including a statement of significant accounting policies and other explanatory information; and
- the performance information of the Authority on pages 10 to 13 and 27 to 33 that comprises the impact measures and the statement of service performance for the year ended 30 June 2017.

In our opinion:

- the financial statements of the Authority:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2017; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard.
- the performance information:
 - presents fairly, in all material respects, the Authority's performance for the year ended 30 June 2017, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure.
 - complies with generally accepted accounting practice in New Zealand.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Authority for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Authority for assessing the Authority's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Authority, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Authority's Statement of Performance Expectations 2017/18 and Statement of Intent 2014 - 2018.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of
 the financial statements and the performance information,
 whether due to fraud or error, design and perform audit
 procedures responsive to those risks, and obtain audit
 evidence that is sufficient and appropriate to provide a
 basis for our opinion. The risk of not detecting a material
 misstatement resulting from fraud is higher than for one
 resulting from error, as fraud may involve collusion, forgery,
 intentional omissions, misrepresentations, or the override of
 internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Authority's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

We evaluate the overall presentation, structure and content
of the financial statements and the performance information,
including the disclosures, and whether the financial
statements and the performance information represent the
underlying transactions and events in a manner that achieves
fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1-9, 14-26 and the appendices to the annual report, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Authority in accordance with the independence requirements of the Auditor General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Authority.

Chrissie Murray

Audit New Zealand

On behalf of the Auditor General Wellington, New Zealand





APPENDICES

Appendix 1: Decision Statistics

COMPLAINTS RECEIVED AND DECISIONS ISSUED

				DEI	TERMINATION	TION		Appealed				ORDERS	
Year	Complaints Received	Decisions Issued	Upheld	Upholds as % of total	Not Upheld	Declined to Determine*	Other**	to High Court	Broadcast Statement	Costs to Crown	Legal	Compensation for Breach of Privacy	Other
July 2016-June 2017	113	102	15	14.7%	82	-	7	—	7	7	ı	7	1 Complaint directed back to broadcaster to consider
July 2015-June 2016	124	101	23	22.8%	73	7	_	ı	2	2	_	4	ı
July 2014-June 2015	151	143	14	%8.6	120	6	ı	ı	_	_	_	9	1
July 2013-June 2014	149	66	12	12.1%	74	13	,	2	2	2	_	_	ı
July 2012-June 2013	136	111	18	16.2%	98	വ	2	-	-	1	-	2	1 Complaint directed back to broadcaster to consider
July 2011-June 2012	195	162	17	10.4%	131	10	7		_	က	4	_	ı
July 2010-June 2011	250	236	69	29.2%	146	13	80	2	9	œ	4	2	1
July 2009-June 2010	210	193	45	23.3%	141	7	ı	4	11	7	7	1	ı
July 2008-June 2009	162	151	25	16.6%	124	2	ı	ı	4	က	က	_	ı
July 2007-June 2008	148	139	41	29.5%	94	2	2	4	13	80	က	2	1 Refrain from broadcasting
July 2006-June 2007	131	125	27	21.6%	94	33	1	2	10	6	7	9	1
July 2005-June 2006	153	156	19	12.2%	127	10	ı	ı	9	2	4	'	ı
July 2004-June 2005	184	214	70	18.7%	166	7	-	_	1	7	9	1	1 Publication of apology in newspapers
July 2003-June 2004	196	187	42	22.5%	133	വ	7	т	10	-	т	2	2 Publication in newspaper/Referred back to broadcaster to review its policies

				DET	TERMINATION	TION		Appealed				ORDERS	
Year	Complaints Received	Decisions Issued	Upheld	Upholds as % of total	Not Upheld	Declined to Determine*	Other**	to High Court	Broadcast Statement	Costs to Crown	Legal Costs	Compensation for Breach of Privacy	Other
July 2002-June 2003	169	160	26	16.3%	116	80	10	_	7	2	2	1	1
July 2001-June 2002	186	180	77	24.4%	128	œ	,	7	12	∞	2	က	1 Broadcast of apology
July 2000-June 2001	197	189	41	21.7%	135	13	,	_	13	9	_	2	1 Letter of apology
July 1999-June 2000	206	239	71	29.7%	152	16	1	ı	12	13	വ	2	1 Refrain from advertising
July 1998-June 1999	204	184	33	17.9%	132	6	10	_	4	œ	2	4	1
July 1997-June 1998	174	176	39	22.2%	122	12	က	2	2	10	,	7	1 Broadcast of apology
July 1996-June 1997	206	199	40	20.1%	147	10	2	'	വ	ı	∞	1	2 Broadcasts of apology
July 1995-June 1996	179	171	20	29.2%	110	10	—	—	11	,	,	4	4 Broadcasts of apology
July 1994-June 1995	162	139	48	34.5%	84	7	ო	1	7	1	-	1	2 Broadcasts of apology
July 1993-June 1994	168	151	53	35.1%	92	9	ı	ı	9	ı	ı	2	1 Broadcast of apology
July 1992-June 1993	159	144	43	29.9%	44	က	_	ı	3	ı	_	2	1
July 1991-June 1992	106	76	25	32.9%	97	4	_	ı	က	ı	ı	_	ı
July 1990-June 1991	52	45	19	42.2%	25	1	_	ı	7	ı	-	1	2 Broadcasts of apology/ Refrain from advertising
July 1989-June 1990	43	14	9	42.9%	9	2	,	1	ı	1	,	_	1

* From 2010 'Declined to Determine' encompasses all non-jurisdiction-related 'declined' findings, including that complaints were frivolous, vexatious or trivial or that in any event, the complaint ought not to be determined by the BSA.

compaint ought not to be determined by the BSA. ** From 2010 'Other' relates solely to findings of jurisdiction or no jurisdiction that may have been previously treated as 'Declined to Determine'.

Decisions by Programme Genre

The table below reflects decisions released categorised by programme genre. With the increased convergence of programme content, categorisation has become more difficult. Some programmes do not fit easily into one category, and parts within a programme may fit within different categories – for example, a magazine-style show may contain a factual discussion. For the purposes of this table, programmes have been categorised based on the primary grounds for complaint – so the previous example would be categorised as 'factual'.

Categories:

News/Current Affairs = programmes dedicated to news and current affairs. Eg, 1 News, Seven Sharp, Paul Henry, Nine to Noon, Breakfast, Newshub, Checkpoint

Factual Programmes = programmes that are non-fiction, contain factual information, and which could be considered in relation to the accuracy and balance standards. Eg, Fair Go, The Hard Stuff with Nigel Latta, How to Make Money Selling Drugs, Dog Squad

Fictional Programmes = dramas, sitcoms, cartoon comedies, movies. May include dramatic versions of factual events. Eg, *Fifty Shades of Grey, Shortland Street, The Windsors, Friends*

Radio/Talkback = radio shows or talkback programmes that may involve regular phone calls from listeners. Eg, *Leighton Smith Show, Sunday Morning*

Other = programmes that do not fit the other categories, including comedy, sport, songs or music videos. Eg, *Promos for South Park, Tosh.O and Bombshell: The Sinking of the Rainbow Warrior, Promo for 7 Days, MTV's Top 20 Hits, Entertainment Tonight*

Figures in brackets are from the previous year.

	TOTAL NUMBER OF DECISIONS	UPHELD	NOT UPHELD	DECLINED TO DETERMINE	NO JURISDICTION/ ACCEPTED JURISDICTION
News/Current Affairs	58 (65)	5 (14)	50 (49)	1 (2)	2 (-)
Factual/Reality Programmes	11 (5)	2 (1)	9 [4]	- (-)	- (-)
Fictional Programmes	9 (8)	1 (3)	7 (5)	- (-)	1 (-)
Radio/Talkback	16 (13)	6 (2)	9 (9)	- [1]	1 (1)
Other	8 (10)	1 (3)	7 (6)	- [1]	- (-)
TOTAL	102 (101)	15 (23)	82 (73)	1 (4)	4 (1)

Decisions by Issue Raised

Many complaints name more than one standard, so totals do not match up with the total number of decisions issued. 'Action Taken' refers to complaints that were upheld in full or in part by the broadcaster, where the complainant was dissatisfied with the action taken to remedy the breach.

Figures in brackets are from the previous year.

	Good Taste and Decency	Accuracy	Programme Classification/Social Responsibility/ Responsible Programming	Fairness	Children's Interests/Children	Discrimination and Denigration	Balance/Controversial Issues – Viewpoints	Privacy	Law and Order	Violence	Liquor	Action Taken
TOTAL	32 (27)	49 (42)	9 (20)	31 (31)	11 (13)	30 (16)	40 (29)	23 (12)	14 (8)	8 (4)	- (-)	7 (3)
Upheld	2 (3)	6 (8)	1 (3)	7 (6)	1 (3)	- (-)	- (4)	7 (3)	- (-)	1 (2)	- (-)	5 (3)
Not Upheld/ Other	30 (24)	43 (34)	8 (17)	24 (25)	10 (10)	30 (16)	40 (25)	16 (9)	14 (8)	7 (2)	- (-)	2 (-)

Programmes most Complained About

Multiple complaints from different complainants about the same broadcast, or multiple broadcasts complained about by one complainant, are counted separately for the purposes of this table. (For example, one complainant lodged four separate complaints about four episodes of *The Windsors*, and seven of the complaints raised against *Newshub* were brought by just two parties.)

Figures in brackets are from the previous year.

	NUMBER OF COMPLAINTS	UPHELD	NOT UPHELD/OTHER
ONE News / 1 News	21 (8)	1 (2)	20 (6)
3 News / Newshub	13 (11)	1 (1)	12 (10)
Seven Sharp	8 (9)	1 (5)	7 (4)
Breakfast	4 (1)	- (-)	4 (1)
The Windsors	4 (-)	- (-)	4 (-)
Story	3 (7)	1 (1)	2 (6)
Fair Go	3 (1)	1 (-)	2 (1)

Decisions by Medium

Figures in brackets are from the previous year.

	TOTAL NUMBER OF DECISIONS	UPHELD
Television	76 (70)	9 (16)
Radio	26 (31)	6 (7)

DECISIONS BY BROADCASTER

Figures in brackets are from the previous year.

	TOTAL DECISIONS	UPHELD	NOT UPHELD	DECLINED TO DETERMINE	NO JURISDICTION OR ACCEPTED JURISDICTION	ORDERS
TVNZ	52 (28)	6 (5)	46 (23)	- (-)	- (-)	1 (2)
MediaWorks TV	19 (34)	3 (8)	14 (26)	1 (-)	1 (-)	1 (5)
Radio NZ	11 (16)	- (4)	9 (9)	- (3)	2 (-)	- (-)
NZME	10 (6)	3 (-)	7 (6)	- (-)	- [-]	7 (-)
MediaWorks Radio	4 (5)	3 (1)	1 (4)	- (-)	- [-]	3 (3)
SKY TV	4 (8)	- (3)	4 (5)	- (-)	- (-)	- (2)
Radio Virsa	1 (1)	- (-)	- (-)	- (-)	1 (1)	1 (-)
Māori TV	1 (-)	- (-)	1 (-)	- (-)	- (-)	- (-)
TOTAL	102 (101)	15 (23)	81 (73)	1 (4)	4 (1)	13 (12)

Appendix 2: Decision Details

The following tables contain a breakdown of all complaints making up the 102 decisions issued by the BSA this year, by outcome (upheld with order, upheld with no order, not upheld, declined to determine and jurisdictional matters).

Upheld with order

statement, costs to the Crown of up to \$5,000 (a fine, essentially) and privacy compensation of up to \$5,000 to an individual whose privacy has been breached by a broadcast. Sections 13 and 16 of the Broadcasting Act 1989 outline the powers available to the BSA to make orders where a complaint is upheld. Common orders include a broadcast

DECISION NUMBER	COMPLAINANT	COMPLAINANT BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	STANDARDS UPHELD	ORDER
2015-094	MX and FX	TVNZ	Neighbours at War	Complainants' neighbours alleged in the broadcast that the complainants were threatening and harassing them, which was allegedly unfair and misleading. Footage of the complainants obtained by security camera allegedly breached their privacy	Fairness (Action Taken), Fairness, Privacy, Accuracy	Upheld (Fairness - Action Taken, Fairness, Privacy)	Section 13(1)(d) \$500 privacy compensation to the complainants
2016-004	Djurdjevic	MediaWorks TV	The Block NZ: Villa Wars	Episode's portrayal of the complainant, hired as a tiler on the show, allegedly unfair and key facts about his professional conduct were misrepresented	Fairness, Accuracy, Discrimination and Denigration, Good Taste and Decency, Law and Order, Controversial Issues, Responsible Programming	Upheld (Fairness, Accuracy)	Section 16(4) \$1,500 costs to the Crown
2016-016	Z	MediaWorks Radio	The Breeze	During shopping spree competition, woman described her friend as having left a potentially abusive relationship; allegedly breached the privacy of the friend's husband	Privacy	Upheld [Privacy]	Section 13(1)(d) \$1,000 privacy compensation to the complainant
2016-023	Weich	MediaWorks Radio	The Rock Morning Rumble	Stunt in which the Prime Minister was invited to enter a cage and pick up the soap allegedly trivialised sexual violence and specifically prison rape	Good Taste and Decency, Responsible Programming, Law and Order	Upheld (Good Taste and Decency, Responsible Programming)	Section 13(1)(a) broadcast statement; Section 16(4) \$1,000 costs to the Crown
2016-027	Mitchell	NZME Radio	Hauraki Breakfast Show	Mother of cricketer Ben Stokes phoned studio to defend her son and asked to make a complaint off air; she was assured the conversation was off air when in fact it was being broadcast live on air.	Privacy	Upheld (Privacy)	Section 13(1)(a) broadcast statement

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	STANDARDS UPHELD	ORDER
2016-045	Stokes	NZME Radio	Hauraki Breakfast Show	Mother of cricketer Ben Stokes (the complainant) phoned studio to defend her son and asked to make a complaint off air; she was assured the conversation was off air when in fact it was being broadcast live on air	Fairness (Action Taken), Privacy (Action Taken)	Upheld (Fairness - Action Taken, Privacy - Action Taken)	Section 13(1)(a) broadcast statement; Section 13(1)(d) \$4,000 privacy compensation to the complainant; Section 16(4) \$4,000 costs to the Crown
2016-063	¥	NZME Radio	The Devlin Radio Show	Host forcefully outspoken about an abusive text he received from the complainant, revealing the complainant's mobile number on air, making abusive comments about them, and encouraging harassment of them	Privacy	Upheld (Privacy)	Section 13(d) \$2,000 privacy compensation to the complainant; Section 16(4) costs to the Crown \$2,000; Section 13(1)(a)

Upheld with no order

In some cases where the BSA upholds a complaint, it may choose not to make any order. This is usually because the BSA considers that the publication of the decision, and any resulting media coverage, will sufficiently censure the breach, and/or because it considers the decision gives adequate guidance to broadcasters about maintaining standards.

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	STANDARDS UPHELD
2016-049	Johns	TVNZ	Grizzly Tales	G-classified cartoon featured a girl being sucked into a vacuum cleaner, her teeth pulled from her gums, and organs and body parts falling into the bag	Children's Interests, Violence, Good Taste and Decency	Children's Interests, Violence, Good Taste and Decency
2016-055	Madden	MediaWorks Radio	The Edge Smash! 20	Caller's personal contact details inadvertently broadcast on air	Privacy	Privacy
2016-058	Wſ	MediaWorks TV	Story	Item used editing effects that singled out the complainant without knowledge or consent; altegedly impacted on dignity and was unfair	Fairness, Privacy, Discrimination and Denigration	Fairness
2016-087A	Moses	TVNZ	Te Karere – 22 September 2016	Report on MP's involvement in 'Women's Te Karere - Boat to Gaza' protest allegedly inaccurately 22 September 2016 referred to Israel's 'illegal' blockade, and omitted pro-Israeli viewpoint	Accuracy, Balance	Accuracy
2016-090	Ferrabee	ZNAL	Fair Go	Item about family's sale and purchase agreement to buy property allegedly unfair to named real estate agent and misleading	Fairness, Accuracy, Balance	Fairness, Accuracy

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAM	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	STANDARDS UPHELD
2016-092	Ministry for Primary Industries	MediaWorks TV	Newshub	Implication that resignations of two senior MPI staff were connected with outcome of review into fisheries prosecution decisions allegedly inaccurate and unfair	Fairness, Accuracy	Fairness
2016-097	Shen	TVNZ	Seven Sharp	Action taken by broadcaster after upholding complaint that item about 'herb thief' was unfair to the complainant allegedly insufficient	Fairness (Action Taken), Accuracy (Action Taken)	Fairness (Action Taken), Accuracy (Action Taken)
2016-098	Rickard	ZNVT	1 News	Item on fatal bus crash included photos of injured passengers in hospital; allegedly in breach of privacy	Privacy	Privacy

Not upheld

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAM	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2016-012	Field	ZNNZ	ONE News	Reference to alleged attacker's race allegedly offensive and racist	Discrimination and Denigration
2016-017	NZ Fire Service	MediaWorks TV	3D	Episode on investigation of alleged bullying within the NZ Fire Service allegedly inaccurate, unfair, and unbalanced on the grounds information sources were not verified or credible	Accuracy, Controversial Issues, Fairness
2016-019	Grieve	MediaWorks TV	3 News	Item that implied recent severe weather events in New Zealand were caused by global warming allegedly inaccurate and unbalanced	Accuracy, Controversial Issues
2016-021	McDonald	ZNVT	ONE News	Two unrelated items regarding size of avalanche and Fonterra payout allegedly inaccurate and misleading	Accuracy
2016-025	Намкег	TVNZ	Seven Sharp	Item during lead-up to NZ flag referendum, on personal views of certain celebrities who supported changing the NZ flag, allegedly resulted in unbalanced and partial programme	Controversial Issues, Accuracy
2016-028	Knight	ZNAL	Sunday	Item exposing alleged mistreatment of bobby calves by some members of the dairy industry allegedly unbalanced and inaccurate depiction of dairy farming	Controversial Issues, Accuracy, Privacy, Violence, Discrimination and Denigration, Fairness
2016-029	Office of Film and Literature Classification	TVNZ	Criminal Minds	Episode of crime drama featuring the murder of three restaurant workers during an armed robbery allegedly contained strong adult content that was incorrectly classified, and encouraged imitation of drug use	Responsible Programming, Children's Interests, Law and Order
2016-030	Foggo	TVNZ	ONE News	Item discussing proposed changes to Child Youth and Family Services featured footage of young skateboarders and riders; allegedly associated them with youth crime, which was unfair	Fairness

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2016-032	Turver	TVNZ	Seven Sharp	Item broadcast on eve of NZ flag referendum allegedly biased in favour of changing the flag	Controversial Issues, Responsible
2016-033	Hoogenboom	TVNZ	Breakfast	Report on a shoot-out during Brussels anti-terror raid stated the suspect had been 'neutralised'; allegedly inaccurate, inappropriate, and not neutral language	Accuracy, Controversial Issues
2016-034	Pereira	ZNAL	Dr Ken	Sitcom scene in which characters jumped at the opportunity to give a drunken male character a lift home allegedly normalised rape and portrayed rape against men as a 'laughing matter'	Discrimination and Denigration
2016-036	Panckhurst	ZNAZ	ONE News	Images of the crime scene of a double shooting, including footage of blood, allegedly breached the privacy of those involved and would have disturbed young viewers	Privacy, Good Taste and Decency
2016-037	Wallace	SKY	The Crowd Goes Wild	Reference to English golfer as a 'pommy git' allegedly openly racist and derogatory	Good Taste and Decency, Discrimination and Denigration
2016-038	Robertson	ZNAL	ONE News Tonight	Report on pro-rail rally in Whangarei allegedly unbalanced, inaccurate, and unfair	Balance, Accuracy, Fairness
2016-039	Lerner	NZME Radio	KPMG Early Edition	Host questioned why criticism of Israel is often viewed as criticism of the Jewish faith with reference to earlier comments she made in 2014 broadcast. Reference to previous comments allegedly misleading and unbalanced	Accuracy, Balance
2016-040A	Oswald	TVNZ	Seven Sharp	Reporter's comments about referendum to increase Māori representation on New Plymouth District Council allegedly inaccurate	Accuracy
2016-040B	Hayward	ZNAL	Seven Sharp	Presenter's editorial comments following item about referendum to increase Māori representation on New Plymouth District Council allegedly unbalanced, inaccurate and unfair	Balance, Accuracy, Fairness
2016-040C	Short	ZN/L	Seven Sharp	Item about campaign to increase Māori representation on New Plymouth District Council allegedly unbalanced and misleading by failing to accurately present the perspective of the New Plymouth public	Balance, Accuracy
2016-041	N.	ZNAT	Dog Squad	Episode featuring a couple found with an apple in their bag at a NZ international airport allegedly breached Quarantine Officer's privacy	Privacy
2016-042	Martyn	MediaWorks TV	Newshub	Item on the first legally recognised Pastafarian wedding in which reporter referred to the Church of the Flying Spaghetti Monster as a 'spoof religion', allegedly denigrating, disrespectful, and discriminatory	Discrimination and Denigration, Accuracy
2016-043	Andersson	ZNVT	Seven Sharp	Item featuring young girl pig hunting with her father allegedly contained material contrary to good taste and decency and children's interests standards	Good Taste and Decency, Children's Interests

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2016-044A	Pee	MediaWorks TV	The Nation	Item discussing whether colonial figures were still worthy of commemoration, when their actions were re-evaluated against 21st century values, allegedly unbalanced and inaccurate	Balance, Accuracy
2016-044B	ee T	MediaWorks TV	Newshub	Item discussing whether colonial figures were still worthy of commemoration, when their actions were re-evaluated against 21st century values, allegedly unbalanced and inaccurate	Balance, Accuracy
2016-046	Burton	SKY	The Grandmother Lovers	Documentary about relationships between younger men and older women contained sexual content and nudity	Good Taste and Decency
2016-047	Dickson	NZME Radio	The Sauce	Comedy skit impersonating All Blacks coach Steven Hansen allegedly made light of, and condoned, sexual assault	Good Taste and Decency
2016-048A	Wellington Palestine Group	MediaWorks TV	Newshub 2 April 2016	Report on incidents of violence in Hebron and Jerusalem allegedly inaccurate and misleading	Accuracy
2016-048B	Wellington Palestine Group	MediaWorks TV	Newshub 19 April 2016	Report on incidents of violence in Hebron and Jerusalem allegedly inaccurate and misleading	Accuracy
2016-050	McDonald	NZME Radio	Newstalk ZB News	Bulletin quoting Crusaders coach Todd Blackadder saying their loss to the Highlanders was a 'kick up the backside' allegedly rude, alluded to indecent assault and sexual abuse, and offended community standards'	Good Taste and Decency
2016-051	Rees	TVNZ	ONE News	Bulletin describing Blues rugby team's performance as 'schizophrenic' allegedly unacceptable and contributed to the stigmatisation of people with mental illness	Discrimination and Denigration
2016-052	Radisich	ZNAL	Fair Go	Item reporting on complaints against The Spa and Pool Factory allegedly inaccurate, unfair, and in breach of the director's privacy	Accuracy, Privacy, Fairness
2016-056	Atkins	ZNAL	Fair Go	Item on the Welcome Home Foundation (now the Home Funding Group) allegedly inaccurate, unfair, and unbalanced	Accuracy (Action Taken), Fairness, Balance
2016-057	Jamieson	MediaWorks Radio	The Morning Sound	Two news segments discussing closure of Mangatainoka Tui Brewery allegedly denigrated and discriminated against female workers who had been made redundant	Discrimination and Denigration
2016-059	ΓØ	NZME Radio	Overnight Talk	Host's response to a caller that they were 'pathetic' and 'a very sick person' allegedly unfair and offensive on the basis of the complainant's Australian Aboriginal culture	Fairness

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2016-060	Sim	ZNNZ	ONE News	Item on difficulties facing first-time home buyers disclosed the number plate of three people shown attending an open home; allegedly in breach of their privacy	Privacy
2016-061	Turner	TVNZ	ONE News	Item on a local murder trial allegedly breached the privacy of a witness who gave evidence in court	Privacy
2016-062	McCaughan	MediaWorks TV	Newshub	Multiple instances of potentially offensive language by interviewees allegedly unacceptable during a news programme	Good Taste and Decency
2016-064	Dulver	MediaWorks TV	The Block NZ: Girls vs Boys	Broadcast of contestant swearing and knocking about building materials altegedly condoned and encouraged violent behaviour	Violence
2016-066	Robinson	ZNNZ	Inconceivable	Documentary about fertility struggles briefly showed couple's blood test documentation including some contact details; allegedly breached the couple's privacy	Privacy
2016-068	Judge	ZNNZ	Seven Sharp	Footage of a sheep before and after being killed for food allegedly 'brutal' and unacceptable for broadcast	Good Taste and Decency, Violence
2016-069	Campbell	RNZ	All Night Programme	Presenter's use of the expression 'Thank Christ' allegedly blasphemous and highly offensive	Good Taste and Decency
2016-071A	Hodgins	MediaWorks TV	Entertainment Tonight - 8 August 2016	Two PGR-classified episodes broadcast immediately prior to G-classified children's show allegedly unsuitable for children's viewing and should not have been aired at that time	Good Taste and Decency, Children's Interests
2016-071B	Hodgins	MediaWorks TV	Entertainment Tonight - 17 August 2016	Two PGR-classified episodes broadcast immediately prior to G-classified children's show allegedly unsuitable for children's viewing and should not have been aired at that time	Good Taste and Decency, Children's Interests
2016-072	Lowes	Mediaworks TV	Paul Henry	During item on USA Independence Day, host should have referred to Great Britain or the United Kingdom, rather than England; allegedly inaccurate and discriminatory	Accuracy, Discrimination and Denigration
2016-073A	Boswell	ZNNZ	Breakfast - 20 June 2016	Items about Airbnb allegedly failed to cover key information about Airbnb, resulting in inaccurate and unbalanced broadcasts that were also in breach of the law and order standard	Accuracy, Balance, Law and Order
2016-073B	Boswell	ZNVZ	Breakfast - 21 June 2016	Items about Airbnb allegedly failed to cover key information about Airbnb, resulting in inaccurate and unbalanced broadcasts that were also in breach of the law and order standard	Accuracy, Balance, Law and Order

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMI	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2016-073C	Boswell	ZNVT	Breakfast - 24 June 2016	Items about Airbnb allegedly failed to cover key information about Airbnb, resulting in inaccurate and unbalanced broadcasts that were also in breach of the law and order standard	Accuracy, Balance, Law and Order
2016-074	Ball	TVNZ	Cold Feet	Sex scenes allegedly inappropriate for broadcast during the day when young children could be watching	Children's Interests, Good Taste and Decency
2016-075	Begin	Māori TV	How to Make Money Selling Drugs	Documentary film about the United States' drug industry, featured a mock 'how to' guide for being a successful drug dealer; allegedly provided information and tips to potential drug dealers and encouraged crime	Law and Order
2016-076	Hyde	ZNVT	1 News	Inclusion in item of photo of All Black Aaron Smith with his partner, in conjunction with a story on Mr Smith's sexual encounter in a disabled bathroom with a different woman, allegedly breached Mr Smith's partner's privacy	Privacy
2016-077	Barry	TVNZ	Lucifer Promo	Promo featuring main character impersonating a priest allegedly inappropriate, offensive, and denigrated Catholics and Christians	Good Taste and Decency, Discrimination and Denigration
2016-079	Steel	ZNAZ	1 News	Item on Government's 'open door policy' on allowing foreign visitors in NZ to drive allegedly discriminatory towards Chinese people	Discrimination and Denigration
2016-080	Evans	RNZ	Sunday Morning	Interviewee's comments on investigation into death of teenage girl with Down Syndrome at the Gloriavale Christian community and that the Gloriavale leader would 'insist on editorial control' allegedly inaccurate	Accuracy
2016-081	Kuten	MediaWorks TV	Story	Item reporting Air New Zealand's disestablishment of flight route between Auckland and Whanganui allegedly unbalanced, inaccurate, and unfairly portrayed Whanganui and its residents	Fairness, Balance, Accuracy
2016-082	Baldwin	ZNAL	The Hard Stuff with Nigel Latta	Use of the phrase 'Oh my God' allegedly offensive; presenters of current affairs and documentary programmes should be required to use a higher standard of language	Good Taste and Decency
2016-083	Hurley	TVNZ	The Hard Stuff with Nigel Latta	Episode looking at immigration allegedly omitted alternative points of view	Balance
2016-084	Garrett	TVNZ	ONE News	Reporter's statement that former MP 'resigned six years ago for stealing the identity of a dead infant' allegedly misleading, unbalanced and unfair	Accuracy, Fairness, Balance
2016-085	Watson	NZME Radio	Kerry McIvor & Mark Dye Afternoons	Vomiting sound by talkback host in response to excerpts from a Bible pamphlet allegedly offensive to Christians and those who hold religious beliefs	Good Taste and Decency, Discrimination and Denigration

DECISION NUMBER	COMPLAINANT BROADCASTER	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2016-086	Hurrell	ZNVT	Promos for South Park, Tosh.O and Bombshell: The Sinking of the Rainbow Warrior	Promos for AO programmes allegedly inappropriate for broadcast during G-rated wildlife programme	Children's Interests, Balance
2016-087B	Moses	ZNVT	Te Karere – 6 October 2016	Report on MP's involvement in 'Women's Boat to Gaza' protest allegedly inaccurately referred to Israel's 'illegal' blockade, and omitted pro-Israeli viewpoint	Accuracy, Balance
2016-088	Golden	ZN/L	The Hard Stuff with Nigel Latta	Statement that New Zealand is 'not corrupt' allegedly inaccurate; episode allegedly unbalanced because it did not address New Zealand's 'extensive corruption' as a reason for its underperforming economy	Accuracy, Balance, Fairness
2016-089	Saunders	NZME Radio	Leighton Smith Show	Host's reference to Pope as a 'tosser' allegedly derogatory, crude, and demeaning	Good Taste and Decency, Discrimination and Denigration, Balance, Accuracy, Fairness
2016-091	Gibbs	RNZ	Sunday Morning	Item discussing longstanding 'pro-life' protests outside Thames Hospital allegedly unbalanced and unfair	Balance, Fairness, Accuracy
2016-093	Newfield	MediaWorks TV	Story	Item about accountability of judges in New Zealand allegedly placed undue emphasis on the decisions of the featured Judge, failed to contrast New Zealand with comparable jurisdictions, failed to cover key information about the judicial complaints service, and featured an offensive gesture	Balance, Fairness, Accuracy, Good Taste and Decency
2016-094	Hurrell	SKY	Promos for 60 Minutes, The Brokenwood Mysteries, Poldark and 11.22.63	Promos allegedly inappropriate for broadcast during unclassified rugby match on Prime	Good Taste and Decency
2016-095	Jaspers	TVNZ	1 News	Item allegedly misrepresented cost of Labour Party's 'Ready for Work' policy and damaged the party's credibility	Accuracy, Fairness, Balance
2016-096	Boyce	RNZ	Nine to Noon	Interview with UK Correspondent allegedly inaccurate, unbalanced, unfair, and denigrated British Labour Party leader and Black Lives Matter UK	Fairness, Balance, Accuracy, Discrimination and Denigration
2017-003	Dickson	ZNNZ	1 News	Item commenting that Joseph Parker could be the first New Zealander to be heavyweight champion of the world allegedly inaccurate because a New Zealander, Robert 'Bob' Fitzsimmons, was the first heavyweight champion in 1897	Accuracy
2017-004	Morton	ZNVT	1 News Special Update	Special update reporting on developments following 14 November 2016 Kaikoura earthquake allegedly inaccurately reported complainant's partner's cause of death	Fairness (Action Taken), Accuracy

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DECISION NOMBER	COMPLAINANI	COMPLAINANI BROADCASIEK PROGRAM	PRUGRAMME	NAI UKE UF COMPLAIN I	SIANDARDS COMPLAINED UNDER
2017-005	Ryan	NZME	ZM promotional material	Audio clip that stated ZM played 'hit after goddamn hit' allegedly offensive to those who hold Christian or other religious beliefs and contrary to children's interests	Children's Interests, Discrimination and Denigration
2017-006	Garrett	RNZ	Nine to Noon	Item discussing raising the youth justice age allegedly unbalanced as only featured interviewees in support of proposed change	Balance
2017-007	Right to Life NZ	RNZ	Saturday Morning	Interview with President of Catholics for Choice allegedly unbalanced and unfair to the Catholic Church	Balance, Fairness
2017-008	Kiddle	TVNZ	1 News	Item on humanitarian crisis following disruption of water supplies in Damascus, Syria allegedly biased and misleading by allegedly attributing blame for the water outages to President Bashar al-Assad, rather than the rebel forces	Accuracy, Balance
2017-009	Foster	ZN/L	1 News	Reference to Rick Perry, Donald Trump's chosen Secretary of Energy, as a 'climate change denier' allegedly offensive to all climate change sceptics, inaccurate, and unbalanced	Discrimination and Denigration, Accuracy, Balance
2017-011A	Cameron	ZNAL	The Windsors - 8 December 2016	Satirical comedy parodying the Royal Family allegedly failed general standards of common taste and decency, and denigrated and ridiculed the Queen and the Royal Family	Good Taste and Decency, Law and Order, Discrimination and Denigration, Privacy
2017-011B	Cameron	ZNAZ	The Windsors - 15 December 2016	Satirical comedy parodying the Royal Family allegedly failed general standards of common taste and decency, and denigrated and ridiculed the Queen and the Royal Family	Good Taste and Decency, Law and Order, Discrimination and Denigration, Privacy
2017-011C	Cameron	ZNAL	The Windsors - 22 December 2016	Satirical comedy parodying the Royal Family allegedly failed general standards of common taste and decency, and denigrated and ridiculed the Queen and the Royal Family	Good Taste and Decency, Law and Order, Discrimination and Denigration, Privacy
2017-011D	Cameron	ZNAL	The Windsors - 29 December 2016	Satirical comedy parodying the Royal Family allegedly failed general standards of common taste and decency, and denigrated and ridiculed the Queen and the Royal Family	Good Taste and Decency, Law and Order, Discrimination and Denigration, Privacy
2017-012	Wilkinson	RNZ	Saturday Morning	Presenter's statement allegedly misattributed to Sir Roger Douglas and inaccurate, and reading out listener feedback was offensive	Accuracy, Good Taste and Decency
2017-013	Lobb	TVNZ	Shortland Street	Relationship of a young same-sex couple, including scenes of the two kissing, allegedly breached good taste and decency and children's interests standards	Good Taste and Decency, Children's Interests, Discrimination and Denigration, Privacy
2017-014	Wray	MediaWorks TV	Newshub	Item on conviction and sentencing of a woman for the murder of the convicted woman's daughter allegedly sympathised with the murderer over the victim, and morally absolved the murderer	Balance, Law and Order, Discrimination and Denigration

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER
2017-015	McLean	TVNZ	1 News	Item on John Key's resignation as Prime Minister allegedly misleading and unfair in describing Mr Key's legacy	Balance, Fairness, Accuracy
2017-016	Dove	SKY	MTV's Top 20 Hits	Music videos showing man dying from suffocation with a plastic bag over his head and hands tied behind his back, and various animated sexual imagery, allegedly offensive and disturbing	Good Taste and Decency, Children's Interests, Violence
2017-018A	Sheerin	MediaWorks TV	Newshub - 22 February 2017	Item referring to 'inferior British pasty' allegedly racist and derogatory	Discrimination and Denigration
2017-018B	Sheerin	MediaWorks TV	Newshub - 14 March 2017	Comments about Commonwealth Day allegedly unfair and derogatory towards the Queen and New Zealand's cultural heritage	Discrimination and Denigration, Fairness
2017-018C	Sheerin	MediaWorks TV	Newshub - 10 March 2017	Reference to Queen of England without recognising her as Queen of New Zealand allegedly discriminated against New Zealanders	Discrimination and Denigration, Fairness, Programme Information
2017-018D	Sheerin	MediaWorks TV	Newshub - 20 March 2017	Reporter's comments regarding letters from Princess Diana about her honeymoon allegedly denigrated Prince Charles	Discrimination and Denigration, Fairness, Balance, Programme Information
2017-019	Campbell	MediaWorks TV	Promo for 7 Days	Promo showing programme host being heckled and having objects thrown at him allegedly trivialised issue of bullying	Good Taste and Decency, Children's Interests, Violence, Discrimination and Denigration
2017-020	Right to Life NZ	RNZ	RNZ News	Item reported Voluntary Euthanasia Society NZ's calls for government action following study indicating strong public support for some form of assisted dying; allegedly unbalanced as no anti-euthanasia perspective presented	Accuracy, Balance
2017-021	Sanders	ZNAZ	1 News	Item reporting on NZ Prime Minister Bill English's phone call with the President of the United States of America referred to the US 'anti-Muslim travel ban'; allegedly inaccurate and unbalanced	Accuracy, Balance
2017-024	Kittel	ZNAZ	Friends	Episode of sitcom in which characters were shown kissing in bed and alluding to sex allegedly contained sexual material unsuitable for children at the broadcast time of 4.30pm	Good Taste and Decency
2017-026	Allan	ZNAL	1 News Coming Up	Item reporting on meeting between President of United States of America and Canadian Prime Minister that referred to the US 'Muslim ban' allegedly inaccurate	Accuracy
2017-031	McDonald	TVNZ	1 News	Music video showing singer leaning out of a car window and dancing on the car roof allegedly encouraged reckless driving	Law and Order
2017-037	Winquist	RNZ	Saturday Morning	Presenter's remark inviting listeners to send in jokes about crucifixion allegedly against common decency and offensive to Christians	Good Taste and Decency, Discrimination and Denigration

Declined to determine

Section 11 of the Broadcasting Act 1989 gives the BSA the power to decline to determine a complaint if it considers that, a) the complaint is frivolous, vexatious or trivial, or b) in all the circumstances of the complaint, it should not to be determined.

DECISION NUMBER	COMPLAINANT	BROADCASTER PROGRA	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	REASON
ID2017-022	Sheerin	MediaWorks TV Newshub	Newshub	Newshub allegedly unbalanced as it includes too many stories about the United States and Balance, Programme Information should focus on other countries	Balance, Programme Information	Section 11(b) - in all the circumstances complaint should not be determined

Jurisdictional matters

Jurisdictional decisions consider whether the BSA is able to accept a complaint.

DECISION NUMBER COMPLAINANT BROADCASTER PROGRAMME	COMPLAINANT	BROADCASTER	PROGRAMME	NATURE OF COMPLAINT	STANDARDS COMPLAINED UNDER	FINDING
ID2016-054	Golden	RNZ	Nine to Noon	Interlocutory decision considering whether valid formal complaint was made about two Nine to Noon segments	Declined Jurisdiction – no valid complaint	ı
ID2016-078	Singh	Radio Virsa	Bhakhde Masley	Interlocutory decision considering whether valid formal complaint was made	Section 13(1) (c) complaint Accepted Jurisdiction - valid complaint made directed back to broadcaster to consider	Section 13(1) (c) complaint directed back to broadcaster to consider
ID2017-010	Crow	MediaWorks TV	Fifty Shades of Grey	Interlocutory decision considering whether valid formal complaint lodged with the broadcaster; complaint filed before the broadcast	Declined Jurisdiction – no valid complaint	
1D2017-034	Golden	RNZ	Nine to Noon	Interlocutory decision considering whether valid formal complaint was made	Declined Jurisdiction – no valid complaint	,

Members

Peter Radich ONZM (Chair)

Leigh Pearson

Te Raumawhitu (Te Rau) Kupenga

Paula Rose QSO

Staff

Belinda Moffat

Chief Executive

Patricia Windle

Legal Manager

Nicole Hickman

Legal Advisor

Catie Murray

Legal Advisor

Alex Lewin

Executive Administrator & Communications Assistant *Until September 2016*

Jessica Russell

Executive Office Manager From October 2016

Miranda Hutchings

Intern

From January - June 2017

Anna Brow

Intern

From March 2017

Robyn McAllister

Receptionist/Administrator (shared with NZ On Air)

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