

THE DEPARTMENT OF INTERNAL AFFAIRS



Te Tari Taiwhenua

annual report 2009-10

Pūrongo ā Tau

TE TARI TAIWHENUA
Department of Internal Affairs

annual report 2009–10
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table of contents

Part One » Overview	
Chief Executive's Overview	6
Nature and Scope of Functions	7
Part Two » Outcome Contribution	
Introduction	10
Strong, Sustainable Communities/Hapū/Iwi	11
Safer Communities	18
New Zealand's Approach to Identity is Trusted and Well Led	23
Supporting the State Sector	27
Part Three » Managing the Department	
Managing the Department	32
Part Four » Statement of Service Performance	
Statement of Responsibility	36
Audit Report	37
Quick Guide to Outputs	39
Vote Community and Voluntary Sector	40
Vote Emergency Management	47
Vote Internal Affairs	54
Vote Local Government	71
Vote Ministerial Services	77
Vote Racing	81
Policy Advice Quality Criteria	84
Part Five » Financial Statements – Departmental	
Comprehensive Income	86
Financial Position	87
Movements in Taxpayers' Funds	88
Cash Flows	89
Net Surplus to Net Cash Flow from Operating Activities	90
Commitments	91
Contingent Assets and Liabilities	92
Unappropriated Expenditure	92
Memorandum Accounts	93
Departmental Expenditure Appropriations	95
Notes to the Financial Statements	97
Departmental Financial Results	122

Part Five » Financial Statements
– Non-Departmental

Non-Departmental Expenditure and Capital Expenditure Appropriations	124
Unappropriated Expenditure	127
Revenue and Expenditure	128
Assets and Liabilities	129
Commitments	130
Contingent Assets and Liabilities	131
Notes to the Financial Schedules	132
Trust Money Administered on behalf of the Crown	136
Other Information	
Legislation We Administer	137
Online Information	139

part one | overview

Chief Executive's Overview

6

Nature and Scope of Functions

7

Chief Executive's Overview



Hon Nathan Guy became the Minister of Internal Affairs in June 2009 and, as a measure of the Government's continued trust and confidence in the Department, made it a priority for us "to build capability to allow the Department to be the preferred home for selected government functions that require high-quality service delivery to people, communities and government".

So the 2009/10 financial year began with a new Minister, and the transfer of Government Technology Services from the State Services Commission to Internal Affairs on 1 July 2009. It ended with preparations to integrate the National Library of New Zealand and Archives New Zealand into a new Department of Internal Affairs.

Change is not new to the Department. In fact it has almost become 'business as usual'. However, the Government's decision to integrate the three agencies, announced in March 2010, will require change on a scale the Department has not yet experienced.

As I said to staff soon after the announcement, it is not possible to simply add on significant new functions to the existing structure without impacting the ability to manage and govern the organisation and maintain standards of service. The integration will require a restructuring of the Department, with changes to the existing business groups and to the Executive Leadership Team. Therefore, the last quarter of 2009/10 was necessarily focused on putting the infrastructure and processes in place to implement considerable changes in the coming year. These changes will enable us to give effect to the Minister's priority in terms of building capability to take on additional functions in future.

The Department of Internal Affairs is an organisation with a long history of managing diverse functions and being flexible in the face of change, so despite the changing environment, throughout the last year we were able to maintain a strong focus on our core functions and deliver quality services to meet the needs of citizens, communities and government. We continued to identify ways to improve the efficiency and effectiveness of our services, and maintained a strong focus on performance and productivity improvements in response to the Government's

continuing expectations of the public sector to deliver more and better services with fewer resources.

The ways in which we did this are outlined in the following pages. The contributions we have made to improving the quality of life in New Zealand are described in our outcomes – Strong, sustainable communities/hapū/iwi, Safer communities, and New Zealand's approach to identity is trusted and well led, and in our objectives – Executive Government is well supported, and Common information and communications technology services deliver improved State sector performance and better citizen experience.

I am proud of the important work achieved by Internal Affairs employees in 2009/10, and appreciate the commitment, hard work and professionalism shown throughout what has, at times, been a tough and challenging year. It shows we are a strong organisation.

We are also an organisation with a proud history and an exciting future, and I look forward to leading the Department through the next phase of its life, as we work towards integrating with the National Library and Archives New Zealand.

This is the last Annual Report that will be produced for the organisation in its current form. Our 2010/11 Annual Report will be our first as a new, integrated Department and will reflect the contributions of our additional functions delivered under a new structure.

BRENDAN BOYLE
Chief Executive

Nature and Scope of Functions

as at 30 June 2010

The Department of Internal Affairs is responsible to six Ministers administering six Votes across seven ministerial portfolios. The Department also monitors the performance of three Crown entities. The following table summarises the outputs provided by the Department.

Hon Nathan Guy

Minister of Internal Affairs
Responsible Minister

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Vote Internal Affairs <i>Crown Entities:</i> New Zealand Fire Service Commission Office of Film and Literature Classification	» Contestable services » Government technology services » Identity services » Policy and advisory services <ul style="list-style-type: none"> • Information and advisory services • Policy advice » Regulatory services » Anti-money laundering and countering financing of terrorism

Rt Hon John Key

Minister Responsible for Ministerial Affairs

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Vote Ministerial Services	» Support services to Members of the Executive » VIP transport » Visits and official events coordination

Hon Pansy Wong

Minister for Ethnic Affairs

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Part of Vote Internal Affairs – Services for Ethnic Affairs	» Services for ethnic affairs

Hon John Carter

Minister of Civil Defence

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Vote Emergency Management	» Emergency management services, including: <ul style="list-style-type: none"> • management of national emergency readiness, response and recovery • policy advice on matters relating to emergency management • support services, information and education

Minister for Racing

Vote Racing	» Policy advice
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Hon Tariana Turia

Minister for the Community and Voluntary Sector

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Vote Community and Voluntary Sector <i>Crown Entity:</i> Charities Commission	» Community and voluntary sector services, including: <ul style="list-style-type: none"> • administration of grants • community advisory services • policy advice

Hon Rodney Hide

Minister of Local Government

VOTE/CROWN ENTITIES	OUTPUTS PROVIDED BY THE DEPARTMENT
Vote Local Government	» Implementation of Auckland governance reforms » Services for local government including: <ul style="list-style-type: none"> • information, support and regulatory services • policy advice on matters relating to local government

The Department also works with various portfolio-related statutory bodies, trusts and communities (for example, the Lottery Grants Board), providing them with advice, administrative support and management of the appointments process. In addition, we manage the appointments process for the 12 community trusts (Responsible Minister: Minister of Finance), the Peace and Disarmament Education Trust, and the Pacific Development and Conservation Trust (Responsible Minister: Minister for Disarmament and Arms Control), the Local Government Commission (Responsible Minister: Minister for Local Government), the Chinese Poll Tax Heritage Trust (Responsible Minister: Minister for Ethnic Affairs), and the Gambling Commission (Responsible Minister: Minister of Internal Affairs).

The Minister of Internal Affairs is the Responsible Minister for the Department. The Responsible Minister oversees the Government's ownership interest in the Department, which encompasses its strategy, capability, integrity and financial performance.

part two | our outcome contribution

Introduction	10
Strong, Sustainable Communities/Hapū/Iwi	11
Safer Communities	18
New Zealand's Approach to Identity is Trusted and Well Led	23
Supporting the State Sector	27

Introduction

The Department's purpose is to serve and connect citizens, communities and government to build a strong, safe nation and we do this through a range of functions and services. This diversity is reflected in our outcomes, which set out what we are trying to achieve over the long term.

The outcomes we contributed towards in 2009/10 were:

- » Strong, sustainable communities/hapū/iwi
- » Safer communities
- » New Zealand's approach to identity is trusted and well led.

We also had two objectives:

- » Executive Government is well supported
- » Common information and communications technology services deliver improved State sector performance and better citizen experience.

The following section outlines the ways in which we contributed towards these outcomes and objectives in 2009/10.

Our outcomes, and the performance measures we use to assess our effectiveness and progress towards achieving them, will be changed and improved in the coming year as we review our outcomes framework and consider how the new functions (of the National Library and Archives New Zealand) will be integrated.

Strong, Sustainable Communities/Hapū/Iwi

Strong, sustainable communities, hapū and iwi are resilient, can collectively maintain and develop skills, resources and a shared vision, and are able to achieve shared goals for the benefit of all members.

For communities to be strong and sustainable, they need to be empowered to identify their needs, and be given equal access to information and resources to improve skills and establish infrastructures. These foundations enable communities to take responsibility for defining and working towards meeting their needs and aspirations, thereby improving social, economic, cultural and environmental well-being.

New Zealand is becoming an increasingly diverse nation. Māori and Pacific populations now make up 15 per cent and 7 per cent respectively of New Zealand's population. These figures are expected to grow to 17 per cent for Māori and 10 per cent for Pacific by 2026. One in four people in New Zealand was born overseas and 18 per cent of our population speaks two or more languages. The ethnic population is currently 10 per cent and, by 2026, is estimated to increase to 17 per cent. This growing diversity reflects a new era for New Zealand. Around half of New Zealand residents feel that their area is a better place to live due to New Zealand becoming a home for an increasing number of people with different lifestyles and cultures from different countries¹.

Within a diverse population, New Zealand citizenship is promoted by the Department as something that can provide a shared bond, or collective identity, that transcends differences in religion, ethnicity and social backgrounds. At the same time, it is acknowledged that not all people living in New Zealand can or will become New Zealand citizens. The Department works to ensure people of all ethnicities are supported to fully engage with and participate in their communities, and in New Zealand's multi-ethnic and multi-faith society.

As the nation grows and changes, the Department will continue to help build strong, sustainable communities to meet the social and economic challenges of the 21st century. It does this by:

- » ensuring the system of local government is fit for purpose now and in the future through the provision of information, advice and administrative support
- » enhancing community development by providing advice on community and voluntary issues, community advisory and information services, and administration of grants

- » encouraging and promoting the benefits that ethnic diversity offers New Zealand.

The following are some of the core activities and key initiatives progressed by the Department during 2009/10 which contributed to strong, sustainable communities, hapū and iwi.

People engage with and participate in their communities

Participation and engagement in communities enable individuals and groups to create, nurture and celebrate the success and resilience of their communities, and enjoy the benefits of living and participating in a prosperous and inclusive New Zealand. The Department supports people to engage with and participate in their communities by providing advice, policies and services to support communities.

As part of its core business, the Department provides policy advice on topics as diverse as local government, the community and voluntary sector, and ethnic affairs. It also works with other agencies, contributing to policies on a broad range of matters including economic development, health, immigration, environment, building and infrastructure to ensure the communities' needs are represented, and government agencies are responsive.

The Department also seeks to maximise the talent, skills and connections of ethnic people to provide economic development opportunities for ethnic and mainstream business leaders in both New Zealand and overseas markets. We do this by optimising trade links, building on the Free Trade Agreements, and working to improve government responsiveness to economic development.

In 2009/10, the Department supported people to participate and engage with their communities through a wide range of services. We held a number of community development forums and events around New Zealand throughout the year aimed at helping to strengthen and build communities. As well as providing targeted support to various communities throughout New Zealand, the events were an opportunity to increase awareness of information and resources the Department has available to communities, such as:

- » grants funding
- » advice on community development
- » advice on governance
- » using the Language Line telephone interpreting service

¹ Nielsen, 2009. *Quality of Life Survey 2008 National Report*.

- » accessing isolated communities
- » building media literacy for ethnic and mainstream media
- » developing leadership among women and youth.

We also provided tailored advice, services and support to New Zealand's communities. For example, in the Far North, the Department worked with three local marae to assist with hapū development planning. Kaitiakitanga responsibilities took on a special significance for the hapū members because of the collective focus on marae facilities. The Department was able to take account of these circumstances and assist these marae to access trustee training, develop their planning strategies, and understand funding application processes.

The Department and representatives from Te Atamira Tai Whenua, the Department's kaumātua advisory group, also held meetings with local communities along the Whanganui River in response to their concerns about access to the Department's advisory support and information services. The local meetings identified the need for disseminating information about the range of funding options and community advisory services, and for ongoing contact to build relationships.

Working with Te Puni Kōkiri and the Māori Land Court, the Department also ran a series of seminars in approximately 60 marae in the Takitimu region in 2010. The seminars focused on marae funding and planning and included presentations from Te Puni Kōkiri and the Māori Land Court. Overall, 142 marae trustees and komiti members attended the seminars, which included presentations on topics such as tax awareness and charitable status, fire safety, civil defence planning, local body elections, marae development and conservation.

The Department also seeks to build capability specifically across the ethnic sector to encourage people to participate in all aspects of New Zealand life. New Zealand is a member of the Alliance of Civilizations, a United Nations initiative to build understanding between cultures and traditions to counter polarisation and extremism. The Office of Ethnic Affairs was appointed Domestic Focal Point for the United Nations Alliance of Civilizations in 2009, which includes coordinating the domestic activities and the National Plan of Action.

Some of the ways we further supported ethnic communities included:

- » actively seeking high-calibre nominations for, and administering appointments to, community and statutory boards
- » running the Building Bridges programme to work with the New Zealand Muslim community on issues relating to public awareness, constructive inter- and intra-community dialogue, and building strong relationships with other faith and ethnic communities, government, and mainstream agencies
- » participating in the annual Pasifika festival, which celebrates the unity and diversity of our Pacific nations and is attended by more than 100,000 people
- » sponsoring and participating in the annual ASB Polyfest, which brings together young people from diverse backgrounds and celebrates cultural heritage
- » running a hui at Rehua Marae in Christchurch this year, in partnership with the Ministry of Social Development and two refugee organisations, to discuss issues of family safety, domestic violence, and other health-related issues for migrant and refugee women. More than 50 ethnic women attended.

We also held business knowledge workshops in Christchurch, in association with the New Zealand Multi-Ethnic Business Council, to develop the economic knowledge of Canterbury ethnic businesses, and a Bi-annual Funding Information Workshop in Auckland. More than 600 people from 147 organisations attended the Auckland workshop, and attendees expressed a high level of satisfaction with the workshop and the quality of information.

To complement its activities in communities, the Department also worked across government to ensure equity of access occurs for all members of New Zealand communities, and to ensure government is responsive to their changing needs.

An example of this was delivering the Ethnic Perspectives in Policy training to policy staff from government agencies to ensure they include an ethnic perspective in their policy frameworks. We also worked closely with the Ministry of Health on health outcomes for ethnic communities, and meeting with health service providers and refugee communities to identify barriers to health-care and increasing access to available services.

The Department also participated in the joint community-government initiative Kia Tutahi Standing Together Steering Group, which is working towards a draft relationship agreement between the Communities of Aotearoa New Zealand and the Government of New Zealand.

Communities are empowered and able to help themselves

The Department helps diverse communities build capability and empowers them to be equal, confident and proud participants in our society; whether the people in the communities are born in New Zealand or have arrived as migrants or refugees. We do this by ensuring communities have access to sufficient resources, information and support. In 2009/10, we continued to collaborate strategically with other government agencies, local government, non-government organisations, business leaders, hapū, iwi, communities and community organisations to ensure the right services and information was being delivered to the right audiences.

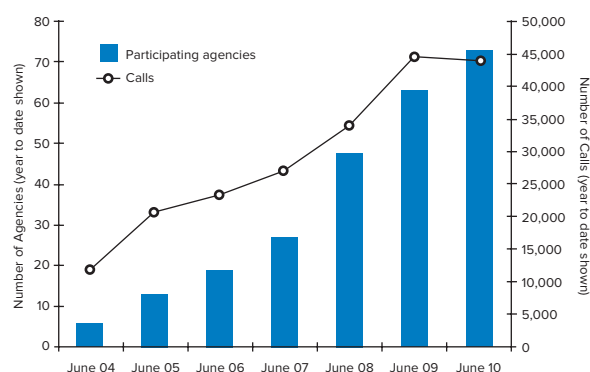
Providing information and responsive services to diverse communities

The Department provides the community with advice, information and resources through our national office, regional offices, community and ethnic advisory staff, intercultural advisors, and printed and digital resources. Well over 90 per cent of our customers said they were satisfied with the community and ethnic affairs advisory services provided during the year.

We administer CommunityNet Aotearoa (www.community.net.nz), a widely used community resource for sharing information among community and voluntary organisations, hapū, iwi and whanāu. In 2009/10, the CommunityNet Aotearoa website received 190,000 visits, 3,084,250 page views and 105,592 downloads, which represented a 16 per cent increase in the number of resources viewed compared with last year.

We also continued to facilitate equal access to government services through the Language Line telephone interpreting service, which is available for free to people whose first language is not English.

Language Line: Number of Agencies and Calls Made



In response to locally identified community needs, the Department delivered a collaborative governance training and information workshop in Hamilton for Waikato trustees of ethnic and Pacific community organisations. Approximately 30 ethnic and Pacific representatives from 20 groups attended the workshop, which covered such topics as the roles and functions of a governing body, the importance of record keeping, legal compliance and financial management. With many new groups in attendance, the Department also used this opportunity to provide guidance and support to communities on how to effectively engage in the community and voluntary sector in New Zealand.

In Gisborne, staff were invited to join the Te Runanga O Ngāti Porou forum to provide community advisory services to support its focus on healthy development of whanāu and hapū. The forum is made up of hapū representatives from the nine communities of the Ngāti Porou region and staff also work with their respective communities when requested. This group has extensive networks throughout the East Coast, which provide staff further opportunities to deliver services at another level within these communities.

In partnership with the Ministry of Women's Affairs, we also presented to and consulted with the ethnic community on preventing intimate partner violence. The ensuing project raises awareness and identifies practical examples of best practice to meet the needs of ethnic women. A number of organisations have participated in the project, including community organisations, the New Zealand Police, Victim Support, and the Ministry of Social Development. The Office of Ethnic Affairs has also been appointed to the Taskforce for Action on Violence

within Families, which advises the Family Violence Ministerial Team on how to make improvements to the way family violence is addressed, and to eliminate family violence in New Zealand.

The Department has an important role in supporting Whānau Ora, which provides practical, community-based support to whānau so they can be self-managing and determine their own economic, cultural and social development². We participated in an interagency Whānau Ora working group to consider the recommendations of the Taskforce on Whānau-Centered Initiatives and report to Whānau Ora Ministers. In addition to our community advisory activity, we will continue to support the implementation of Whānau Ora by working with the lead agencies at a local level to share our knowledge about communities of interest and to facilitate, where appropriate, community input into Whānau Ora planning and implementation processes.

The Department's work in 2009/10 relating to two successful community-based training models, the Computer Clubhouse and Computers in Homes, led to new funding in Budget 2010. This funding will boost the digital literacy and connection of New Zealanders by continuing to support these initiatives which enable young people and families to develop their computer skills.

The Department also plays a key role in disseminating information and advice to support ethnic communities to successfully settle into and contribute to New Zealand society. This includes providing information and education to employers on the benefits of hiring a diverse workforce. The Department continued to do this in 2009/10 by presenting at events such as the Human Rights Commission Diversity Forum, and producing resources about bias-free recruitment (i.e. what it is, why it's important, and how an organisation can put it into practice). We also implemented the Strengthening Ethnic Non-Governmental Organisations (NGOs) project in 2009/10, to build ethnic NGOs' capacity to provide settlement services to their communities. It included governance training and mentoring for 22 ethnic NGOs.

To further support an increasingly diverse society, the Department has developed specific strategies to support Māori and Pacific communities.

The Te Whakamotuhaketanga Hapū strategy was first adopted by the Department in 2003 and is a practical means of giving effect to the articles and principles of the Treaty of Waitangi. The strategy allows and encourages the Department to consider development aspirations

from a Māori perspective and to ensure that its policy advice and service delivery are aligned with the needs of whānau, hapū, and iwi Māori. It also fosters a way of working with Māori, who make up a significant proportion of the Department's funding clients and stakeholders. An evaluation of the strategy was undertaken in 2009 and found it to be a valuable programme for the Department and communities. The detailed findings were used to develop a new strategy and action plan for 2010–13.

The Department reinforced its commitment to support and strengthen the ability of Pacific communities to become strong and sustainable through the launch of the Pacific strategy, Te Kakeega. The development of Te Kakeega involved an analysis of the existing work being undertaken with Pacific community organisations by the Department as well as consultation with the Pacific communities in Auckland, Wellington and Christchurch. Te Kakeega will contribute to improving staff capability in their work with Pacific communities and also help Pacific communities to become empowered and self sufficient.

Providing communities with access to resources through grant funding and services

Grants funding contributes to building skills, infrastructure, community-based facilities and services, and community empowerment. Applications come from small remote communities through to large metropolitan centres, and from a wide cross-section of the community, including many ethnic groups.

The Department provides communities with access to such resources by administering a range of Crown-funded grant schemes, independent trusts and fellowships and grants from the New Zealand Lottery Grants Board. A survey of applicants indicated 98 per cent were satisfied with the administration the Department provided in 2009/10.

The Department also continued to play its part in ensuring funding is used appropriately by and for the community. Our role in regulating gambling contributes to communities by ensuring that the proceeds from gambling benefit communities. The Gambling Act 2003 requires that funding from non-casino gambling machines is used for charitable and community purposes.

During the year, we made further progress on our work towards securing a new grants and client management system to streamline funding practices. The new system will be launched in 2010/11. Complementing this, we provided support to the Lottery Grants Board to improve its

² Whānau Ora, Te Puni Kōkiri (<http://www.tpk.govt.nz/en/in-focus/whanau-ora>).

focus on funding for outcomes. The principles of the outcomes framework are now informing the design of grants processes, including for the Community Organisation Grants Scheme and Lotteries.

We also continued to monitor the Charities Commission. Our analysis of financial and non-financial reporting, and information gained from regular relationship meetings with management demonstrated that the Commission substantively met its performance targets for the 2009/10 year. We also commenced a review of the Charities Act 2005 and associated regulations to improve the operation of the register of charitable entities.

Crown-funded grant schemes

The Department administers a number of Crown-funded grant schemes, including the Community Organisation Grants Scheme (COGS) and the Community Development Scheme (CDS).

COGS, a community-driven government-funded scheme, provides essential support to not-for-profit, voluntary and community organisations, iwi and hapū, and funding providers to produce a range of services in their local communities. In June 2010, an impact evaluation of COGS found that the scheme was operating effectively and contributing to desired results in and for the community.

The Department administered \$13.8 million under the COGS scheme in 2009/10, making 4143 grants with an average value of \$3348. These grants served a variety of purposes, for example providing the Far North Adult Literacy Trust with funding for tutors, often working in isolated areas, to teach rangatahi literacy and numeracy skills. The trust aims to encourage young people to set personal goals that will lead to further education and employment opportunities.

In 2009/10, the Department-administered Community Development Scheme (CDS) invested \$2.56 million in projects that enable communities, hapū and iwi to determine their development priorities and achieve innovative, durable and effective change. There were 42 CDS projects operating around the country in 2009/10, targeting economic, social and cultural outcomes for local communities, including nine new projects approved for funding during the year. These projects ranged from producing development strategies for isolated rural communities to targeting social cohesion and economic development for refugee communities in Palmerston North and focusing on community engagement and revitalisation in Flaxmere.

Lottery grants

The New Zealand Lottery Grants Board distributes the proceeds of state lotteries to the New Zealand community. The Department supports the Lottery Grants Board and the Lottery distribution committees, by preparing and processing application forms, advertising and publicising grant availability, assessing and preparing reports on applications, organising distribution committee meetings, arranging the distribution of grants and monitoring their use.

In 2009/10, the Department processed approximately 5800 Lottery grants applications and administered \$107.3 million in grant funding. The grants supported a range of purposes and organisations throughout the country, from providing funding to construct or improve community facilities; conserve, restore and develop marae facilities; undertake research that promotes the health of New Zealanders; and purchase and adapt vehicles, scooters and other mobility and communication equipment for people with mobility and communications-related disabilities.

Grants also support a range of community groups and services across New Zealand including organisations such as Citizens Advice Bureaux, Barnardos, Riding for the Disabled and Age Concern. Grants have enabled these organisations, and many like them, to provide services that support communities across New Zealand.

Communities are supported by fair and responsive local government and other organisations

Councils play an important role in the life of the community and local and national economies. The Department recognises that an effective and responsive system of central and local government can best be achieved by ensuring meaningful and inclusive engagement with the public and, in turn, active public participation. All people need to be aware of the opportunities to participate in and contribute to central and local government, their local communities and councils. Through 2009/10, the Department continued to provide policy advice and information on the system of local government and support local authorities in a range of areas.

Auckland governance reforms

Over this past year, a key priority for the Department has been the provision of advice and support to the Government in relation to the Auckland governance reforms. This has included advice on the policy and legislative framework for the new Auckland Council, including complex transitional arrangements. In particular, the Department has:

- » provided policy advice to Cabinet on a range of issues and worked with the Parliamentary Counsel Office to translate Cabinet decisions into bills
- » supported the Auckland Governance Reforms Select Committee in its consideration of the Auckland governance bills, including acting as advisors to the Committee during deliberations, summarising submissions, and preparing departmental reports
- » supported the Minister of Local Government and the Prime Minister in communicating key events during the reforms
- » monitored the progress of the Auckland Transition Agency (ATA) to ensure the establishment of the new Auckland Council occurs as planned
- » developed a draft framework to monitor and evaluate the impact of the governance reforms following the establishment of the Auckland Council. This has included preparing a baseline report that provides a snapshot of Auckland, through a range of indicators and measures, before the commencement of the new Council.

The Department also provided advisory and administrative support to the Local Government Commission, which was required, under the Local Government (Auckland Council) Act 2009, to determine the boundaries of the Auckland Council, a system of wards for the Council's governing body, and the local board structure of the Council. Following two rounds of consultation, the Commission made its final determinations on 1 March 2010.

In addition to our advice on local government matters, the Department contributed specialist support on ethnic affairs. The Local Government (Auckland Transitional Provisions) Act 2010 gave the Auckland Transition Agency (ATA) responsibility to develop a proposal to establish an Ethnic Advisory Panel. The Office of Ethnic Affairs is providing ongoing advice to the ATA in this area.

Transparency, accountability and financial management

Just under half of New Zealand residents have confidence that their council makes decisions in the best interests of their city or district³. The Department supported the Minister of Local Government in developing options to improve local government transparency, accountability and financial management, and a number of proposed changes are included in the Local Government Act 2002 Amendment Bill.

The Bill is designed to increase the influence communities can have on their councils' planning and direction setting by increasing the range of information available for easy public reference. This includes, for instance, a pre-election report to encourage and inform election debate, and simplifying councils' long-term plans to make them more user-friendly.

Improving understanding of local government

The Department analysed and reported on trends in financial information and rates revenues from the 2009 long-term council community plans and the councils' annual plans. It is the first time this material has been available in one place (on the website www.localcouncils.govt.nz). This is important information that has subsequently been used by local authorities and by the Office of the Auditor-General for reporting to Parliament. It will also inform the Department's provision of policy advice.

The Department has sought to ensure that, when other central government departments are developing policy advice and delivering services, they understand local government as a potential partner. We promote local government's statutory purpose of enabling democratic local decision-making by, and on behalf of, local communities, and promoting the well-being of communities.

We have helped other departments understand that councils' role of giving effect to this purpose can be either supported or undermined by the statutory imposition of other roles. For example, we worked closely with the Department of Building and Housing on its review of the Building Act 2004, which continues into 2010/11. A key focus of this work has been to examine critically councils' regulatory role in building consents processes.

³ Nielsen, 2009. *Quality of Life Survey 2008 National Report*.

Similarly, to further promote understanding of and capability within local government, we have:

- » contributed to the Government's resource management reforms with a view to ensuring that policy advice is clear about how solutions to resource management or environmental problems should involve local communities and their councils
- » worked with the Ministry of Justice and the Treasury to develop principles for how local government roles and functions should be reflected in Treaty of Waitangi settlements that include natural resource management provisions
- » funded the development of Local Government New Zealand's professional development for elected members training programme in 2009/10
- » provided advice to the Minister about changes to endowment property held by councils for particular purposes
- » provided targeted support to a number of local authorities; for example, we continued to provide financial support to the Chatham Islands Council during the year. We also met a number of council requests to support their work with communities on matters such as regulations for breaches of navigational safety bylaws.

The Department has also continued to focus on administering the Rates Rebates Scheme, which provides financial assistance to low-income homeowners. In conjunction with local authorities, the Department approved 109,695 rates rebates claims in 2009/10.

Safer Communities

A safer community is one in which identified threats and risks have been minimised and effectively managed. The Department's particular areas of contribution to safer communities involve managing risk, building resilience, providing policy advice and regulating the following areas: civil defence and emergency management (CDEM), gambling, censorship, unsolicited electronic messages, fire, and anti-money laundering and countering financing of terrorism.

The Department works to ensure communities are protected and resilient, and that people engage and participate in their communities. We do this by engaging directly with the public, communities, sector and interest groups, ensuring compliance with legislation, and helping build resilience.

In its areas of expertise, the Department exercises leadership in a variety of ways and at a variety of levels. For example, we support individuals, communities and agencies in reducing risk, and prepare and manage the response to and recovery from civil defence emergencies. We also develop and maintain the legislative, strategic and planning framework for the CDEM sector.

We are the lead agency providing CDEM, gambling and fire policy advice to government. We regulate and enforce obligations in numerous areas. We also monitor and provide advice to Ministers on the performance of the New Zealand Fire Service Commission and the Office of Film and Literature Classification.

The Department is leading an all-of-government initiative to improve the effectiveness of operational compliance activity, known as the Compliance Common Capability Programme (CCCP). We contributed to the significant progress made in developing nationally recognised compliance qualifications through the CCCP, and registrations of the first unit standards are expected in 2010/11.

Engagement

The Department is active in managing relationships with its stakeholders. Our aim is to seek stakeholder understanding of and confidence in what we are trying to achieve and how we undertake our work. This takes a number of forms.

Civil Defence Emergency Management

We engage directly with the public to raise CDEM awareness and preparedness, through the mass media 'Get Ready, Get Thru' campaign and the 'What's the Plan, Stan?' programme in schools. This year, the 'Get Ready, Get Thru' campaign included new television and radio advertisements to incorporate additional safety messages.

	2007/08	2008/09	2009/10
Percentage of people who understand the effects of disasters	79	80	80
Percentage of people who are prepared at home	26	23	24
Percentage of people who are prepared at home and work	10	10	11

The Department, through the Ministry of Civil Defence & Emergency Management (MCDEM), works closely with CDEM sector stakeholders at the national, regional and local level to identify the areas where cooperation would be most beneficial. We developed a stakeholder engagement strategy to ensure engagement with stakeholders was more focused, and to identify priorities for strengthening stakeholder engagement in the next financial year.

We support the development of capability across the CDEM sector by providing national guidance and standards, assisting with professional development and training, and identifying gaps and weaknesses in the sector.

In 2009/10, the Department began a national assessment of capability across the agencies with responsibilities under the CDEM Act 2002 (local government, government departments, emergency services, and lifeline utilities). The regional CDEM Groups and their local authorities were the first participants in the assessment. Where the initial assessments have identified areas requiring attention, MCDEM has provided recommendations that will guide the enhancement of capability and will support the revision of the CDEM Groups' plans; these second-generation plans are now under way. The findings of

the assessments will also inform the MCDEM work programme and indicate possible action at the national level to support the development of the CDEM sector.

This year MCDEM extended its support for professional development across the CDEM sector. The CDEM Competency Framework was published in June 2009 and identified the competencies required for CDEM roles. MCDEM has since worked on the development of tools, templates and resources to identify and address professional development needs in the CDEM sector. The redevelopment of the RAPID⁴ package of training and assessment materials, which began in January 2010, will support the provision of courses. This work will continue into the 2010/11 financial year.

The provision of welfare is an essential part of the response to and recovery from civil defence emergencies. The publication of a director's guideline on local, regional and national arrangements provided practical advice and guidance on the planning and implementation of welfare support. The publication of the guideline was followed by training and workshops to support implementation at the local and regional level.

Fire services

During 2009/10, the Department focused on improving the effectiveness and efficiency of the fire sector. A key aspect of this has been supporting the National Rural Fire Authority in implementing a strategy to encourage amalgamation of fire authorities into larger groupings. We provided support for the National Rural Fire Officer at stakeholder meetings and in developing written material for stakeholders about the operation of enlarged rural fire districts, recovering the costs of rural fire suppression and establishing equitable funding arrangements in enlarged districts.

Gambling

The Department has a stakeholder engagement plan covering gambling operators, community interests and outside agencies. This helps us manage complex relationships, and communicate with and understand our stakeholders. We also use a community engagement model to inform our actions by listening to community groups, agencies and gambling operators. We continue to adapt our approach to improve the effectiveness of the model.

In 2009/10, the Department achieved gambling compliance by educating and informing the gambling sector to make sure operators understand their legislative

responsibilities, associated rules, policy and our role. We used the established regional gambling forums and our quarterly sector newsletter, *Gambits*, to discuss issues, policy initiatives and other key messages with specific groups and stakeholders. We impressed on the gambling sector the Department's position on the integrity of funding practices, society expenses, society governance, and returns going back to community purposes.

Ninety-four per cent of respondents to our 2009/10 survey of gambling sector organisations and operators were satisfied with how the information services provided by the Department supported their ability to comply with relevant laws, conditions and rules.

We continued to work with the public, problem gambling agencies and community referral agencies to ensure that they understand how gambling is regulated in New Zealand and that they can take part in decision-making about gambling. The information we provided helps people take advantage of community funding opportunities, participate in decision-making about gambling-related issues and policy, for example gambling policies of territorial authorities, provide feedback to the Department on concerns about gambling, and contact problem gambling services.

Censorship and unsolicited electronic messages

The Department receives valuable and vital information from communities that helps to reduce the risks and impact of e-crime⁵. In 2009/10, we continued to facilitate this by operating online public complaint reporting mechanisms. We also informed and advised the public about how to protect themselves online, and take part in a range of activities that raise awareness – particularly amongst children – about the risks and responsibilities of using the Internet.

We helped industry comply with legislation by educating, guiding and informing to make sure publishers, Internet Service Providers, direct marketers and others understand their legislative responsibilities, associated rules, policy and our role.

The Department's website censorship pages were updated with comprehensive, detailed information about Internet safety. We also continued to publish information leaflets and DVDs that cater to a variety of groups in the community and, in 2009/10, developed and introduced a 'scam awareness' website (www.dia.govt.nz/Reported_Scams).

⁴ RAPID is a registered trademark that stands for Response and Preparedness in Disasters.

⁵ E-crime describes a range of criminal/unlawful activities that use technology.

Protection and compliance

National response to civil defence emergencies

Within the Department, the Ministry of Civil Defence & Emergency Management (MCDEM) is responsible for coordinating and directing the national-level response to civil defence emergencies, and supporting other agencies when they are responding to emergencies in which they hold the lead.

For example, during 2009/10, MCDEM supported the Ministry of Health-led response to the H1N1 ('swine flu') pandemic threat. Our staff were deployed to the National Health Coordination Centre to assist with the initial response. We also coordinated CDEM sector support for the Ministry of Health response at the local and regional level.

Arrangements for the management of the initial response to a major earthquake were improved through the development of the Wellington Earthquake National Initial Response Plan. A supporting plan to the National CDEM Plan, this initial response plan sets out the agreed roles and responsibilities of agencies and ensures that the actions over the first three to five days are coordinated and will not require initiation from Wellington. MCDEM is investigating facilities for an alternative National Crisis Management Centre (NCMC) in Auckland that will manage a response if the Wellington NCMC is unable to be activated.

The Department is working to improve the management and distribution of information across the sector during civil defence emergencies through the deployment of an emergency management information system. This will enable emergency information to be entered at local, regional and national levels and be seen by all, thus enhancing cooperation and the speed of response.

Effective gambling enforcement

We undertake licensing, compliance and investigative activities to create a responsible, transparent and compliant gambling sector in New Zealand. This year the Department continued to take a risk-based approach to its work and targeted its enforcement action against key areas of non-compliance. We took strong action to ensure compliance with statutory and licence requirements that support the integrity of the gambling sector.

In the non-casino gambling sector this resulted in a number of licence suspensions and the tightening of licence conditions. When appeals were made to the Gambling Commission, our decisions were upheld. This

validated our enforcement approach, and the policies underpinning it, and we will continue to tackle non-compliance with the same rigour as we did successfully this year.

Our approach to achieving compliance also provides incentives for cooperating with us when we take action on offences. In 2009/10, we developed a leniency and cooperation policy that encourages the gambling sector to come forward with information that exposes illegal activity.

Problem gambling

We work with the Ministry of Health, the gambling sector, communities and problem gambling service providers to help prevent and minimise harm related to problem gambling. We oversaw the successful introduction of player information displays on gambling machines from July 2009. This was an important advance in tackling problem gambling. The on-screen displays interrupt play and are designed to help players manage their gambling by providing information on their gambling activity.

Throughout 2009/10, we collaborated with government agencies and community groups, brought together gambling sector representatives and problem gambling organisations to discuss issues at the Stakeholder Reference Group, and established the Providers/Researchers/Community forum to provide information and facilitate discussion about gambling and our approach.

We continued to work with New Zealand casinos as they put in place Host Responsibility Programmes (HRPs). These programmes address gambling-related harm with targeted initiatives, standard operating procedures, learning and development plans, and external stakeholder management. SkyCity Auckland's HRP has been in place for three years and this year New Zealand's five other casinos have submitted HRPs to the Gambling Commission for approval.

Tackling crime associated with gambling

Potential crime associated with gambling may include cheating, theft of gambling profits, grant fraud, theft from employers, and crimes such as drug trafficking or money laundering that are associated with the presence of organised crime at gambling venues. During the year, we continued to work with other agencies such as the New Zealand Police, New Zealand Customs and the Immigration Service to prevent and deal with crime. We also made significant changes to the late banking policy in 2009 to tackle theft of gaming machine profit

at venues. The policy sets out a clear process about how the sector must manage late banking, a clear monitoring regime and the sector's legal obligations.

Our work to tackle gambling-related crime links strongly to other Government initiatives, such as the recent anti-money laundering and organised crime legislation. The Department is one of three supervisors of the Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) Act 2009. This year we established an AML/CFT Unit within the Department. Our focus for the next one to two years is on ensuring that supervisors and reporting entities are prepared for the commencement of the Act.

Maximising the benefits of gambling

The Gambling Act 2003 requires that funding from gaming machines goes to charitable and community purposes. Our compliance activity ensures gambling machine money benefits communities. The Gambling Commission appeals mentioned above strengthen our message that non-club societies exist to return benefit to the community.

Effective e-crime enforcement

We manage risk in our operating environment and apply a range of strategies to protect people from spam and objectionable material. Our compliance tools range from interventions to help and encourage people to comply with legislation to using the full force of the law to tackle serious offenders.

We investigate, enforce legislation and prosecute illegal activities in order to punish criminals and deter potential offenders. During 2009/10, the Department's Censorship Unit had 28 prosecution cases resolved in the courts. Of those, 10 individuals were given prison terms, eight were given terms of either home or community detention, and 10 were given terms of community work, supervision and/or fines.

The average age of individuals convicted for objectionable material offences has increased over the last decade. In 2009/10, the average age was 41 years. This aging offender profile is consistent with international experience.

Our investigations found 152 breaches of censorship legislative requirements, mainly in the labelling of publications such as DVDs. We undertook five prosecutions of DVD outlets which repeatedly breached labelling requirements.

The Department received 827 spam-related complaints during the year, with a resulting 81 warnings and five

infringements issued as well as one prosecution undertaken. The level of complaints is influenced by the Department's spam media activity, as well as by the introduction of new services such as the scam reporting website.

In 2009/10, we developed an email security system for government agencies which provides an internal filter of inappropriate email use, and we continued the operation of a New Zealand Internet Task Force. The Task Force brings together interested public and private entities to provide a national approach to reducing the threats presented by the Internet.

We also coordinated action against offenders with our partners in New Zealand and overseas. For example, our Censorship Unit was involved in investigations relating to five international operations and continued to provide intelligence targets to overseas jurisdictions.

The Department shares information with law enforcement agencies at home and abroad to develop its capability, learn from colleagues and improve responses. This year we undertook a joint training venture with the New Zealand Police and New Zealand Customs and attended the Joint London Action Plan for Anti Spam and the 10th Europol Training Course for Censorship.

We use technology extensively. For example, 'Squirrelhunter', a software tool developed by the Department to assist enforcement agencies to detect file sharing of objectionable material on the Internet, continued to bring success. It is used in New Zealand and 21 other countries to facilitate the investigation and prosecution of people trading in material relating to the sexual abuse of children. In 2009/10, we further refined the Squirrelhunter tool to combat the majority of Internet 'Peer 2 Peer' networks involved in the distribution of child sexual abuse publications.

The Department made further advances in its use of technology by introducing a 'website filtering system' to New Zealand. The system went live in February 2010 with two Internet Service Providers (ISPs). The system is working well, successfully blocking those sites on the filter list that host child sexual abuse publications. We intend to invite the majority of ISPs to progressively join the system.

Building resilience

Enhancing community resilience is a cornerstone of the approach to civil defence emergency management in New Zealand. Having communities take action to improve preparedness is fundamental to ensuring community resilience. The Department has assisted with this

by publishing a best practice guideline on community engagement to support the efforts of CDEM Groups at the local level in securing commitment and understanding of communities.

The Department has also sought to ensure that community resilience is addressed by supporting the integration of CDEM with other aspects of local planning, for example the implementation of the Resource Management Act and local authorities long-term council community plans. Several successful workshops held this year with local authorities will be followed by the development of a toolkit for the sector.

To guide future efforts in the development of community resilience, the Department has put effort into improving its understanding of the level of resilience across New Zealand communities. Work started on developing a nationally consistent range of measures and indicators of community resilience for use by the regional CDEM Groups. A collation of national indicators has now been completed and a pilot programme was conducted in Canterbury to assess and inform the framework. This framework will provide a better measure of vulnerability and therefore identify possible areas for action.

New Zealand's Approach to Identity is Trusted and Well Led

As kaitiaki of New Zealanders' core identity information (life events such as births, deaths and marriages, or records of citizenship), the Department plays a crucial role in ensuring this information remains safe and secure. The information we maintain:

- » enables the New Zealand public to apply for individual entitlements
- » facilitates economic activity
- » provides important input to official statistics, social services planning and research that will underpin national economic goals for the future
- » enables international travel
- » helps individuals to trace their lineage and establish their identity.

We support the outcome *New Zealand's approach to identity is trusted and well led* through the quality of the services we provide from day to day: registering births, deaths, marriages and civil unions and providing access to life event information, issuing passports and other travel documents and managing applications for New Zealand citizenship. We also deliver services that enable people to securely verify their identity online. Achieving this outcome is wholly reliant on the accuracy and reliability of the identity information we hold for New Zealanders, and this, in turn, depends on our professionalism and the integrity of our staff, data and systems.

Good governance of identity information for all New Zealanders

Sector leadership in identity information management

Our work extends well beyond the maintenance of life event registers, issuance of passports and management of citizenship applications. The Department takes a strategic approach to managing identity information across government. This ensures that there is widespread understanding across government agencies of the requirements for security, integrity and good practices in relation to the management of identity information systems and processes.

The Identity Assurance Framework (IAF) provides a seamless approach to identity information management across government. In 2009/10, the Department developed the *Good Practice Guide for Identity Fraud Control* to raise agencies' awareness about identity fraud prevention. For the public, we developed a Checklist with information about what people should do if they are the victim of identity theft. The Department is also working with other agencies to ensure best practice in the management of identity information, recognising that new technologies, in particular biometrics, and enhanced systems present an opportunity for government agencies to maximise identity-related investment, improve services and minimise identity-related risk.

We facilitate the appropriate and safe use of identity information as custodian of the Evidence of Identity (EOI) Standard, which is a good-practice guide to the establishment and reconfirmation of the identity of people accessing government services. During 2009/10, the EOI Standard was officially accepted as a 'Recommended' e-GIF (e-Government Interoperability Framework) standard. The Standard is widely used in government agencies for identity risk analysis and improvements to business processes. It was also referenced by a number of overseas governments and has influenced their identity frameworks.

The Department continued to chair the Identity at the Border (I@B) work programme, which aims to provide consistent and fit-for-purpose identity-related standards and processes for all border activity. Over 2009/10, the I@B work programme successfully produced its final deliverable, the guidance document *Advancing Identity Processes in the Border Sector*. This document will be used to inform the design and development of new business processes and systems in the border agencies. These will improve the border crossing experience for the traveller, while maintaining the security of the New Zealand border.

Benefiting from international linkages

During 2009/10, the Department continued to strengthen New Zealand's international relationships in relation to identity information management. International engagement supports our ongoing work as it enables the Department to keep up to date, share knowledge and learn from others.

The Department chairs the Implementation and Capacity Building Working Group (ICBWG) of the International Civil Aviation Organisation (ICAO). This engagement is particularly critical in the issuance of emergency travel documents.

The Department's expertise in identity information management is recognised internationally and our interactions are influential in other jurisdictions. For example, we chair the ICAO Technical Advisory Group on Machine Readable Travel Documents. Keeping pace with standards and best practice allows New Zealand to maintain its international reputation and the accuracy, security and reliability of New Zealand travel documents.

Reliable and accessible identity services

The Department's name, 'Internal Affairs', implies a focus within New Zealand's borders, while in fact many aspects of the Department's work are affected by the global environment, such as the current economic downturn, and we must be able to respond to these events and overseas trends. We do this by keeping our products relevant and in line with international standards and by providing services that are reliable, accessible and of a consistently high quality.

Much of our business activity is demand-driven. While the economic situation may reduce demand in some areas, there is also the potential for increased activity due to legislative or other changes. For example, demand for passport services is expected to progressively increase as the first renewals of five-year passports began from April 2010. We are currently implementing a Passport Redevelopment Programme to help us handle this increase with improved efficiency.

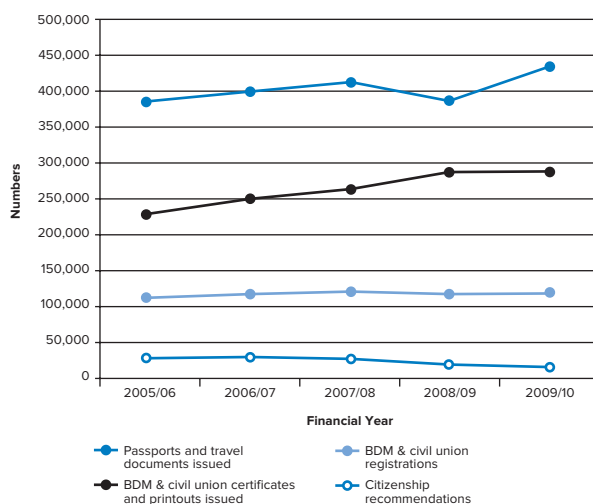
In 2005, changes to citizenship legislation increased the residency requirements for a grant of New Zealand citizenship from three years to five years. This resulted in a reduction in the demand for the grant of citizenship. Our focus during 2009/10 was to better understand our customers' needs and begin to redesign our processes to provide a more customer-focused service.

We continued to experience a higher demand for Births, Deaths and Marriages (BDM) documents via the BDM Historical Records Online website (launched in February 2009).

In 2009/10, the Department met all of its performance targets with respect to the timeliness and quality of citizenship, passport, birth, death, marriage and civil union services.

The Department issued just over one million identity-related products.

Identity Services Delivery



In order to fully assess our service performance, we combine these operational measurements with customer perceptions to monitor our overall success and identify areas for improvement. The Department conducts a customer satisfaction survey every six months. The most recent (June 2010) survey showed a broad level of customer satisfaction with our services:

- » 86 per cent of customers felt that forms are easy to understand and complete
- » 81 per cent of customers felt that they could trust us to keep their personal details secure and confidential
- » 88 per cent of customers were pleased with the overall service they received.

The Department also takes part in independent, external assessments to provide additional information about the performance of its customer service counters in four centres in New Zealand, two overseas regional offices (Sydney and London), and a national contact centre in Wellington. We have a 'mystery shopper' programme and have entered the annual CRM Contact Centre Awards since 1997⁶ to better understand how well we are performing. The results have consistently shown a high level of performance. Our average score from mystery shoppers over the past two years is 88 per cent, which indicates a 'very good' level of service (90 per cent is needed for an 'excellent' rating).

The CRM Contact Centre Awards provide an annual snapshot of how New Zealand contact centres are

⁶ CRM Consulting Ltd has run the CRM Contact Centre Awards in New Zealand since 1997. See: www.crmconsulting.co.nz

responding to customer enquiries over the telephone and Internet and also provide a measure of the quality of our services. Our contact centre won the overall award for the best Public Sector/State-Owned Enterprise Contact Centre in 2007 and 2008 and won the coveted Diamond Award in the 2009 CRM Supreme Award (eligibility for this award is limited to contact centres with 50 seats or more). These outstanding achievements show our commitment to quality service and our integrity as a whole strengthens the Department's reputation as an authoritative, trusted source of identity information for New Zealanders.

Another means of assessing public satisfaction with service quality is the *Kiwis Count* survey⁷. This allows us to benchmark our customer services against other State sector agencies. This survey differs from the Department's customer satisfaction survey in that it is drawn from a random sample of the public, not identified 'customers'. In the 2009 *Kiwis Count*, respondents rated their satisfaction with passport and citizenship services at 77 and 74 per cent respectively – both service quality scores were high in comparison with other service groupings and have improved since the 2007 survey. This compared with an average rating of 69 per cent for State sector services as a whole. The most significant improvement for the Department was in 'registering a birth, death, marriage or civil union', which scored a satisfaction rating of 75 per cent in comparison with the 72 per cent achieved in 2007.

Protecting identity information in our work is very important. Measuring the number of complaints that the Office of the Privacy Commissioner (OPC) brings to our attention provides evidence of how well we are looking after the information we are entrusted with and the integrity of our systems and processes, as complaints to the OPC indicate a serious breach of privacy. In 2009/10, the OPC notified the Department of only two complaints that needed to be addressed – these were both around access to personal information in relation to citizenship applications.

Developing new services and improving efficiency

The majority of our services are funded from fees charged to members of the public. It is therefore especially important that the services we provide reflect our commitment to quality, consistency and cost-efficiency. The redevelopment of the New Zealand passport, its new security features and the redesign of the passport

issuance system resulted in improvements which will directly benefit the public. The new ePassport released in November 2009 is compliant with the tighter international standards, allowing passport holders to continue to enjoy visa waiver access to more than 50 countries worldwide. Access to the United States of America Visa Waiver Programme benefits the New Zealand economy by allowing a large number of New Zealanders unfettered business travel to the USA.

The Department manages identity information which can be shared with other government agencies under approved information-matching arrangements to help them carry out their core functions. During the past year we launched the initial implementation of the *igovt* Identity Verification Service (IVS) with a 'test group' of genealogists who are able to request non-historic records via the BDM Historic Records website. The IVS allows people to use the Internet to verify their identity to government agencies online in real time and to a high level of confidence. In conjunction with the *igovt* Logon Service, it enables the public to conduct business with a variety of government agencies more easily and in a more cost-effective and timely fashion.

By the end of June 2010, along with the existing agency users, a number of new large-scale agency integrations with the *igovt* services were either implemented or planned, including the Ministry of Economic Development, the Ministry of Social Development, the Department of Labour, Inland Revenue and the Accident Compensation Corporation. These new services indicate the evolving nature of government service delivery.

These shared services increased public sector effectiveness by raising the quality of identity processes. They also increased efficiency by reducing duplicate investment in common business processes. However, one of the greatest, and often underrated, cost efficiencies in our business delivery is the benefits derived from housing three identity-related services within the one organisation. Recognising the commonalities among many of the Citizenship, Passports and BDM business processes allows the Department to better leverage resources and skills across its different business functions.

⁷ State Services Commission, 2010. *Kiwis Count 2009: New Zealanders' Satisfaction with Public Services*, http://www.ssc.govt.nz/upload/downloadable_files/Kiwis-Count-2009-summary-report.pdf

Identity information management is secure and protects New Zealanders from fraud

Ensuring that identity information management is secure and protects New Zealanders from fraud is wholly reliant on the New Zealand public's willingness to provide their identity information. This willingness depends, in turn, on the integrity of our staff, data and systems.

Several of the Department's initiatives will deliver 'back-room' benefits to customers, such as secure identity validation online, and improving system integrity will provide high levels of assurance around the use and reuse of their identity information. For example, the Data Validation Service (DVS) is a simple and secure web-based service for agencies to validate data on a named individual's identity documents (e.g. a birth certificate or passport). Used in conjunction with other good practices, the DVS will reduce the opportunities for document-based identity fraud.

Our ongoing activities to uphold standards and maintain the integrity of the New Zealand passport are intended to reduce fraud and ensure that existing high levels of confidence in the passport are maintained. Over the medium to long term, we will seek to progressively reduce the incidence of passports issued on fraudulent grounds or detected over the previous year as having been used fraudulently. This is expressed as a percentage of total passports issued. The incidence recorded so far in 2010 is less than 0.05 per cent of total passport issuance.

Supporting the State Sector

In addition to the wide range of activities that contribute directly to better outcomes for people and communities, the Department also supports other State sector agencies to deliver improved services more cost-effectively. This work is encompassed in two departmental objectives:

- » Executive Government is well supported
- » Common information and communications technology (ICT) services deliver improved State sector performance and better citizen experience.

Executive Government is well supported

'Good Government' depends on the effective functioning of Executive Government processes. The Department's role, in collaboration with other agencies on the parliamentary campus, is to ensure the Executive has the capability it needs to operate effectively.

We provide a number of support services to the Executive such as the VIP Transport Service, arrange visits to New Zealand by representatives of foreign governments, and manage ceremonial events. In addition to providing direct support, the Department undertakes a range of administrative services for the Executive, such as publishing the *New Zealand Gazette*, managing the Congratulatory Message Service, providing translation and authentication services, and administering commissions of inquiry and ad hoc bodies.

The range of services and processes needed to be effective is available to the Executive, both inside and outside Parliament

Services to the Executive include staffing, transportation, media, information and communications technology, and other advisory services, as well as administering Executive remuneration entitlements. During the year, we worked to build and maintain the capability to provide quality services. For example, all Senior Private Secretaries working for Ministers were offered a personalised mentoring programme. In addition, good progress was made towards our goal of having at least 70 per cent

of VIP chauffeurs holding a gold certification, and we had fewer than five per cent of positions vacant at the end of any given month.

Ninety-five per cent of Ministers surveyed in 2009/10 expressed satisfaction with the quality of services provided, and this rose to 100 per cent for VIP transport services.

The Department works closely with the Parliamentary Service and other campus agencies to improve services to the Executive. During 2009/10, we focused on providing ongoing improvements to ICT services.

Alignment of ICT systems with the Parliamentary Service

During the year, the Department and the Parliamentary Service, which provides ICT services for Parliament and other agencies based on the parliamentary campus, replaced their separate outsourced ICT service providers with a single provider. This arrangement took effect on 1 June 2010.

Ministerial residential accommodation

In 2009, the Department completed a review of how accommodation services are provided to Ministers. As a result, we now have a new system that is simple, easy to understand, transparent and cost-effective while continuing to offer suitable accommodation for Ministers and their families.

The Department expects to complete the second phase of this review by the end of 2010, which involves looking at options for the retention and/or disposal of a small number of ministerial properties.

Accountability

In line with government and public expectations of greater transparency in public expenditure, the Department now publishes summaries of ministerial expenses on the Internet.

We also released detailed ministerial credit card expenditure covering the period from April 2003 to February 2010 and will continue to publish this information quarterly.

Guest-of-Government visits help build international relations, and ceremonial events help celebrate and develop understanding of New Zealand culture and heritage

During 2009/10, the Department arranged and supported a total of 67 guest-of-Government and 15 ceremonial events. One of the high-profile visits that took place was that of Prince William, who came to New Zealand from 17 to 19 January 2010 to represent Her Majesty, the Queen at the opening of the Supreme Court building in Wellington. During his visit, he met with young rugby players at Eden Park, visited Kapiti Island and the Wellington Children's Hospital, and attended a wreath laying and inspection of a Guard of Honour at the National War Memorial in Wellington.

The success of Prince William's visit, as with all of the visits and ceremonial programme, was reliant on the Department's ability to work collaboratively with a number of agencies, including the Department of the Prime Minister and Cabinet, the Ministry of Foreign Affairs and Trade, the Ministry for Culture and Heritage, the Ministry of Defence and the New Zealand Police. All of our visits and events programmes were assessed to have achieved their objectives.

During the year, the Department also undertook preliminary work on the Rugby World Cup 2011 programme. A special joint taskforce comprising the Ministry of Foreign Affairs and Trade and the Department of Internal Affairs will manage oversight of the planning and delivery of this programme work. The focus will be to ensure that the guest-of-Government programme associated with the Rugby World Cup 2011 plays its part in showcasing New Zealand to the world.

Common information and communications technology (ICT) services deliver improved State sector performance and better citizen experience

The Department, through the Government Technology Services group, seeks to increase the use of common ICT systems and services across the State sector in order to increase trust and confidence in the Internet as a channel for transactions with government agencies, enable agencies to interoperate cost-effectively, and provide people and businesses with better, cheaper and faster access to government services through online service delivery.

During the year, the Department enhanced its internal capability and developed a service-delivery operating model to better support the development of common ICT capability for government. It was also closely involved in developing policy for all-of-government use of ICT, which will guide increased efficiency over the coming years.

Increased interoperability and cost-effective information sharing

The Department uses two indicators to measure improvements in this area: cost reductions for new projects, and reuse of common government information and a reduction of duplication of tools and resources.

In July 2009, one.govt, a syndicated agreement for network services, was signed with Datacraft (NZ) Limited. At contract signing, pricing for one.govt was estimated to be 35 per cent below market rates, representing significant savings to government. Towards the end of the 2009/10 financial year, the government syndicated mobile contracts were also re-negotiated, leading to additional savings (in the order of millions of dollars) for agencies.

The Department developed a new website, data.govt.nz, on behalf of government to make it easier for people to find, use and unlock value from government-held data. Since its launch in November 2009, there have been 21,156 visits to the site (78 per cent new and 22 per cent returning), which equates to an average of 89 visits per day. There are currently 266 datasets listed on the site.

In addition, the Department developed, and will act as the custodian for, the Government Common ICT Capability Roadmap. This describes the current and forthcoming common capability products and services that agencies will be expected to adopt. The early visibility provided by the Roadmap will allow agencies more opportunity to be involved in the planning, design and adoption of common ICT capability. Adoption of common ICT capability across government will be pivotal in driving cost-efficiencies and reuse of government information.

Increased use of common ICT services across government

A number of service concepts have been agreed to extend the one.govt service offering, and will now proceed to the consultation and planning stages.

Preliminary work to guide the future service and public access approach and direction for www.newzealand.govt.nz was completed, with input from the Government Information Services Advisory Group. This has confirmed the continuing role for www.newzealand.govt.nz as the official presence of New Zealand government online and in improving access to government information and services. In addition, www.newzealand.govt.nz will focus on being the preferred publisher for independent and pan-government content, such as government jobs and consultation.

The Department is also working on defining a new direction for online delivery of information and services by government, an approach that is organised, collaborative and future-facing. This initiative is expected to progress during the 2010/11 financial year, in conjunction with other agencies across government. This work is dependent on the finalisation of government policy on ICT.

The Department initiated an Infrastructure as a Service initiative, designed to aggregate agency demand for information storage and processing and establish an all-of-government supply agreement.

We have also developed guidance for the use of cloud computing services by New Zealand public sector agencies. This guidance is being developed with input from agencies and suppliers.

Increased agency and citizen trust and confidence in the online channel

One indicator of the level of trust and confidence in the Internet as a channel for transactions with government agencies is an increase in government services being delivered and used via the online channel.

A recent report⁸ from the Auckland University of Technology shows an increase in New Zealanders' use of the Internet and a corresponding increase in the use of government information (59 per cent) and services (40 per cent) online. Furthermore, the 2009 Kiwis Count survey⁹ showed increased public satisfaction with the online channel. Customer satisfaction with online information (62 per cent) and online services (64 per cent) is high compared with other channels such as mail or fax.

Improved access to government services via the online channel

The 2009 Kiwis Count survey indicated that around 50 per cent of New Zealanders prefer to use the online channel to interact with government however, only 30 per cent would prefer a single point of entry into government services. The survey suggests a need to maintain focus on usability and privacy in the online channel. For example, when asked what would encourage respondents to use public services online, 63 per cent of respondents indicated usability and 48 per cent indicated privacy.

The Department's emphasis in this area was on improving access to government services via the online channel. We provided guidance and tools through the Web Advisory and Web Standards initiatives to assist agencies to build web capability and will continue to do this on an ongoing basis.

⁸ Auckland University of Technology, 2009. *World Internet Project New Zealand: The Internet in New Zealand 2009*.

⁹ State Services Commission, 2010. *Kiwis Count 2009: New Zealanders' Satisfaction with Public Services*.

part three | managing the department

Managing the Department

One of the challenges in 2009/10 has been to build and maintain our organisational capability within the context of a public sector faced with significant financial constraints and the need to do more with less. Another challenge has been to continue to focus on improving the effectiveness and delivery of services while managing organisational change. Some of the ways in which we achieved this are outlined below.

Organisational change

Transfer of Government Technology Services

On 1 July 2009, the Government Technology Service was successfully transferred from the State Services Commission to the Department and, together with the existing Information, Communications and Technology (ICT) Group and Programme Office, formed a new ICT business group.

A new operating model was subsequently developed to enhance our capability to better support both our own ICT operations, and those of the wider public sector. The new operating model has been in place since late December 2009, at which time the business group was renamed Government Technology Services (GTS).

Decision to integrate National Library, Archives New Zealand and Internal Affairs

When Government announced its decision, in March 2010, to integrate the Department of Internal Affairs, the National Library of New Zealand and Archives New Zealand, it was clear the next round of organisational change would be significant.

Chief Executive Brendan Boyle signalled early on that the integration would involve changes that would impact staff across the Department – including changes to all business groups and the executive leadership team structure – as it was not possible to simply add on significant new functions to the existing structure without affecting the ability to manage and govern the organisation, and maintain standards of service.

The final quarter of 2009/10 was therefore spent setting up the infrastructure and processes to support the level of change that would give effect to the Cabinet decision to integrate the three agencies. A programme was established to manage all aspects of the integration through to the point at which Chief Executive Brendan Boyle becomes responsible for the existing three departments' functions and services. The programme – appropriately named '321 koru ki te tahi' – will continue beyond that point as necessary to ensure the organisation's systems and processes are sufficiently integrated and service delivery to customers is uninterrupted. The aim is to ensure "the services we provide today will be better tomorrow".

Office of the Chief Executive review

Prior to the integration announcement, a number of smaller internal organisational change management processes were completed to enhance service delivery. A review of the functions of the Office of the Chief Executive was undertaken and, as a result, the business group has focused on wider strategic engagement across the organisation, including a cross-departmental working group used for the first time in developing the 2010–13 Statement of Intent.

Local Government Services review

The Local Government Services was reviewed to determine whether the Local Government and Community Branch had the optimal set of organisational arrangements for delivering all of its current and future local government operational activities and to maximise efficiency and effectiveness. The review recommended changes to build operational capability in the local government area, and to provide for better career development and opportunities for staff. The resulting new structure will be in place in July 2010.

New Anti-Money Laundering and Countering Financing of Terrorism Unit

The Anti-Money Laundering and Countering Financing of Terrorism Unit was established in November 2009 to support the Department's role as one of three supervisors of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. The unit is currently involved in establishment and implementation work. Its major focus for the next one to two years is on ensuring supervisors and reporting entities are prepared for the commencement of the Act. (The actual date of commencement is yet to be set by Order in Council.)

Improving performance and productivity

The Department participated in a range of initiatives focused on improving performance and productivity.

The Department was one of three agencies involved in the pilot phase of the Performance Improvement Framework (PIF) project – a central agency-initiated project designed to drive performance improvement at an agency, sector and system level.

As part of the pilot, the Department was assessed on its delivery of government priorities and core business, and on ability to deliver its business in the future. The resulting report was constructive and reflected our own understanding of the Department's performance and capability, while providing useful suggestions for consideration. Many of the actions identified by the PIF assessors were considered and progressed through Departmental initiatives.

A Performance and Productivity Improvement programme was initiated within the Department in December 2009 in response to Government's direction to provide better, smarter public services. Its objectives include delivering better outcomes for the Department's clients as well as providing greater value for money and improved productivity. The programme uses a structured 'systems thinking' approach intended to enable us to gain a better understanding of how our work systems operate and how they currently perform for customers. Initial work has focused on the Identity Services area and improvements from this initial intervention are being implemented with good results. This work will inform our approach to other parts of the Department and help identify future improvement actions.

The Department is one of 14 agencies participating in the Treasury-led Better Administrative and Support Services (BASS) programme, established to reduce the cost and strengthen the efficiency and effectiveness of administrative and support services across the State sector. The Department participated in a benchmarking exercise as part of the first phase of the programme. Future involvement is dependent on decisions about how the initiative will be progressed.

Work on a potential upgrade and development of the Department's Financial Management Information System (FMIS) to address current gaps and meet user needs is on hold pending the outcome of the BASS initiative. It is expected that FMIS shortcomings will be addressed in

the medium term once the direction for the provision of financial services across government has been clarified.

Increasingly our focus has been on supporting other government agencies to improve their performance. The Department's procurement team hosted the Centre of Expertise (CoE) for IT equipment for all-of-government, which is part of the Government Procurement Reform Programme led by the Ministry of Economic Development (MED).

The CoE team, comprising Internal Affairs procurement staff and MED staff, was responsible for the delivery and roll-out of supply contracts for desktop and laptop computers, and single and multi-functional print devices, to public sector and State service agencies.

Procurement staff worked with representatives across the sectors to meet business needs and ensure the end products contracted were fit for purpose and represented value for money. This initiative is expected to achieve a minimum of 5–10 per cent savings for participating agencies through better pricing, standardisation of existing specifications and lower cost of doing business for suppliers.

Improving effectiveness of our services

Improving effectiveness, efficiency and the delivery of our services is a priority across all areas of the Department's work. This is increasingly important in a tight fiscal environment where the public sector is being asked to deliver the same or better services with less money. In addition to our performance and productivity initiatives, significant effort was put into improving effectiveness of our services in 2009/10.

For instance, in the Ministry of Civil Defence & Emergency Management (MCDEM), we improved internal communication and implemented a quality-assurance process for publications produced for the sector. We also undertook work on identifying priorities and gaps in stakeholder relations, and improving mechanisms for collecting feedback from the sector. These steps are part of a move to strengthen relations with key stakeholders and ensure that the services provided are best geared towards the enhancement of resilience.

Over the 2009/10 financial year, a series of tsunami threats tested the national capability to respond to civil defence emergencies. The September 2009 tsunami that caused significant loss of life on Samoa also triggered the first warning of a tsunami threat in New Zealand

through the national warning system. An internal and external review of the response to the tsunami threat highlighted several deficiencies in the response, particularly in the provision of information to the media and public. MCDEM undertook a number of corrective actions to address the issues identified by these reviews. Subsequent alerts issued in response to tsunami events in October 2009 (Vanuatu) and February 2010 (Chile) demonstrated an improvement in the response.

The Integrated Gambling Platform (IGP) is a major IT infrastructure project we are establishing to improve our effectiveness and efficiency in the regulation of gambling. In 2009/10, we advanced our planning and procurement activity for the IGP and expect to begin development of the new licensing and compliance system in 2010/11.

We constantly scan our operational environment and analyse the information we collect to improve our effectiveness. In 2009/10, we updated the Internet Traders of Child Pornography Profiling Study to better understand the nature of censorship offenders. We also continued to develop our capability to respond to the ever-evolving technology used by offenders, such as those used for 'spam', especially 'botnets'. Where appropriate, we coordinate our responses with international organisations, for instance when dealing with emerging risks such as mobile text message-based fraud.

Another major focus for the organisation was building capability to support both the Department and other government agencies using common ICT capability. In support of the new GTS operating model, a new 'client service provider' model was developed and will be introduced on 1 July 2010. This is a costing model that provides greater understanding of financial performance and more robust information on which to base pricing decisions for services. It is expected to lead to cost reductions in the Department as well as the wider State sector. The model will be further developed during 2010/11.

We also produced a service catalogue to accompany the cost model. This defines and structures the services offered, and is central to the new operating model for ICT services.

To support consistent service delivery and drive down costs for both the Department and wider State sector over time, we developed a framework for integrated asset management and will produce asset management plans to align with the framework.

Supply will be managed, and demand aggregated, across government to get the right blend of services and suppliers at optimum cost.

Building our people capability

In 2009/10, we developed a new People Strategy aligned with the Department's priorities and, in particular, focused on building capability to manage change. This has been particularly relevant given the decision to integrate the Department with the National Library and Archives New Zealand.

To strengthen our management and leadership capability, and to support our focus on organisational change, we developed a new Lominger-based competency framework and are implementing it using a phased approach. All senior managers were trained and the new competencies will be incorporated into performance agreements for third-tier managers from 1 July 2010, and the rest of the organisation from 1 July 2011.

Regular Managers' Forums also provide an opportunity for senior managers to gain a better understanding of the Department's purpose and direction and build senior manager capability.

Increasing staff engagement continued to be a focus for the Department, with all teams having plans in place to improve engagement. This is supported by a strong focus on induction, including a monthly induction day to introduce new staff to all aspects of the Department's work.

The Department recognises that an effective induction programme is essential for ensuring new staff become competent performers as soon as possible. Good practice indicates that new staff who have had a positive induction experience are less likely to leave the organisation at an early stage than those who haven't, which also has a positive impact on staff retention. Staff turnover for the year was 11 per cent, compared with 11.8 per cent in the previous year. The State sector average at June 2010 was 10.7 per cent.

We monitor the induction experience through a survey of all new staff who have been in the Department for three months. This post-induction survey indicated that our new staff are highly engaged.

An important part of the induction process is developing performance agreements and development plans. The number of new permanent staff with performance agreements in place within six weeks of starting with the Department has increased from 43.5 per cent in 2008 to 61.2 per cent in 2009, and the number of new staff with development plans in place has increased from 38.4 per cent in 2008 to 59.2 per cent in 2009.

part four | statement of service performance

Statement of Responsibility	36
Audit Report	37
Quick Guide to Outputs	39
Vote Community and Voluntary Sector	40
Vote Emergency Management	47
Vote Internal Affairs	54
Vote Local Government	71
Vote Ministerial Services	77
Vote Racing	81
Policy Advice Quality Criteria	84

Statement of Responsibility

As Secretary for Internal Affairs I am responsible, under the Public Finance Act 1989, for the preparation of the financial statements and the judgements made in the process of producing those statements.

The Department has a system of internal control and this has provided reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion the financial information presented in the Statements and Notes to the Financial Statements fairly reflects the financial position and operations of the Department of Internal Affairs for the year ended 30 June 2010.



Brendan Boyle
Chief Executive



Shirley Smith
Chief Financial Officer

Date: 30 September 2010 Date: 30 September 2010

Audit Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of the Department of Internal Affairs financial statements and statement of service performance for the year ended 30 June 2010

The Auditor-General is the auditor of the Department of Internal Affairs (the Department). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements, the schedules of non-departmental activities and statement of service performance included in the annual report of the Department, for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- » The financial statements of the Department comprising the Statement of Accounting Policies, Statement of Movements in Equity, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Reconciliation of Net Surplus to Net Cash Flows, Statement of Commitments, Statement of Contingent Assets and Liabilities, Statement of Unappropriated Expenditure, Memorandum Accounts, Statement of Departmental Expenditure Appropriations, Notes 1 to 25 to the Financial Statements:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Department's financial position as at 30 June 2010;
 - the results of its operations and cash flows for the year ended on that date;
 - its expenses and capital expenditure incurred against each appropriation administered by the Department and each class of outputs included in each output expense appropriation for the year ended 30 June 2010; and
 - its unappropriated expenses and capital expenditure for the year ended 30 June 2010.
- » The schedules of non-departmental comprising the Non-Departmental Accounting Policies, Non-Departmental Schedule of Revenue and Expenditure, Schedule of Non-Departmental Expenditure and Capital Expenditure, Schedule of Non-Departmental Unappropriated Expenditure and Capital Expenditure, Schedule of Non-Departmental Assets and Liabilities, Schedule of Commitments, Schedule of Non-Departmental Contingent Assets and Liabilities, Schedule of Trust Monies and Notes 1 to 4 of the Schedules fairly reflect the assets, liabilities, revenues, expenses, contingencies, commitments and trust monies managed by the Department on behalf of the Crown for the year ended 30 June 2010.
- » The statement of service performance of the Department:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards included in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses included in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 30 September 2010, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- » determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- » verifying samples of transactions and account balances;
- » performing analyses to identify anomalies in the reported data;
- » reviewing significant estimates and judgements made by the Chief Executive;
- » confirming year-end balances;
- » determining whether accounting policies are appropriate and consistently applied; and
- » determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Chief Executive and the Auditor

The Chief Executive is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Department as at 30 June 2010 and the results of its operations and cash flows for the year ended on that date.

The financial statements must also fairly reflect the expenses and capital expenditure incurred against each

appropriation administered by the Department and each class of outputs included in each output expense appropriation for the year ended 30 June 2010. The financial statements must also fairly reflect the Department's unappropriated expenses and capital expenditure for the year ended on that date.

In addition, the Chief Executive is responsible for preparing schedules of non-departmental activities, in accordance with the Treasury Instructions 2009 that must fairly reflect the assets, liabilities, revenues, expenses, contingencies, commitments and trust monies managed by the Department on behalf of the Crown for the year ended 30 June 2010.

The statement of service performance must fairly reflect, for each class of outputs, the Department's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year.

The Chief Executive's responsibilities arise from sections 45A and 45B of the Public Finance Act 1989.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 45D(2) of the Public Finance Act 1989.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Department.

Leon Pieterse

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

Matters relating to the electronic presentation of the audited financial statements

This audit report relates to the financial statements of the Department for the year ended 30 June 2010 included on the Department's website. The Department's Chief Executive is responsible for the maintenance and integrity of the Department's website. We have not been engaged to report on the integrity of the Department's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 30 September 2010 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Quick Guide to Outputs

Vote Community and Voluntary Sector

Community and Voluntary Sector Services*

- Administration of Grants
- Community Advisory Services
- Policy Advice – Community

Vote Emergency Management

Emergency Management Services*

- Management of National Emergency Readiness, Response and Recovery
- Policy Advice – Emergency Management
- Support Services, Information and Education

Vote Internal Affairs

Contestable Services

Government Technology Services

Identity Services

Policy and Advisory Services*

- Information and Advisory Services
- Policy Advice – Internal Affairs

Gambling and Censorship Regulatory Services

Services for Ethnic Affairs

Anti-Money Laundering and Countering Financing of Terrorism

Vote Local Government

Implementation of Auckland Governance Reforms

Services for Local Government*

- Information Support and Regulatory Services – Local Government
- Policy Advice – Local Government

Vote Ministerial Services

Support Services to Ministers

VIP Transport

Visits and Official Events Coordination

Vote Racing

Policy Advice – Racing

* These are multi-class output appropriations.

VOTE COMMUNITY AND VOLUNTARY SECTOR

The funding within Vote Community and Voluntary Sector contributes to helping communities to define and work towards their own vision, to assist in building a stronger society, promoting voluntary activity and participation in civil society. The Department is particularly responsible for the following outputs:

- » the administration of grants
- » community advisory services
- » policy advice – community.

The services provided within these outputs enable the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	CONTRIBUTION	CONTRIBUTES TO:
Administration of Grants	<ul style="list-style-type: none"> » Providing advice that supports community development » Providing communities with access to resources through grant funding and services » Providing responsive policies and services to diverse communities 	Strong, sustainable communities/hapū/iwi
Community Advisory Services		
Policy Advice – Community		

Administration of Grants

Description

This output covers:

- » providing information and assistance to prospective grant applicants
- » processing, assessing and monitoring grant applications
- » providing recommendations to Ministers on appointments to boards, committees and trusts
- » providing administration, training and support services to boards and grant distribution committees.

Grant services cover the following schemes:

- » Lottery grants
- » Community Organisation Grants Scheme
- » Crown funding schemes, trusts and fellowships.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Administration of Applications and Grants

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Lottery Grants				
Percentage of respondents to a survey of Lottery grant applicants who rate their satisfaction with the quality of services provided at 3 or above on a scale of 1 to 5 is no less than:	90%	98%	96%	Achieved
Percentage of respondents to a survey of Lottery committee members who rate their satisfaction with the quality of services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	100%	Achieved
Percentage of complete and eligible applications received before the advertised closing date that are presented to the next decision-making meeting is no less than:	95%	100%	100%	Achieved
Percentage of payments made to grant recipients within 20 working days of receipt of committee approval and completed client documentation is no less than:	95%	97.4%	98.6%	Achieved

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Community Organisation Grants Scheme				
Percentage of respondents to a survey of Community Organisation Grants Scheme applicants who rate their satisfaction with the quality of services provided at 3 or above on a scale of 1 to 5 is no less than:	90%	98%	99%	Achieved
Percentage of respondents to a survey of Community Organisation Grants Scheme committee members who rate their satisfaction with the quality of services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	99%	Achieved
Percentage of complete and eligible applications received before the advertised closing date that are presented to the next decision-making meeting is no less than:	95%	100%	100%	Achieved
Percentage of payments made to grant recipients within 20 working days of receipt of committee approval and correctly completed client documentation is no less than:	95%	99.9%	100%	Achieved

VOTE COMMUNITY AND VOLUNTARY SECTOR

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Crown Funding Schemes, Trusts and Fellowships				
Percentage of respondents to a survey of Crown Funding Schemes, Trust and Fellowship grant applicants who rate their satisfaction with the quality of services provided at 3 or above on a scale of 1 to 5 is no less than:	90%	95.5%	94%	Achieved
Percentage of respondents to a survey of Crown Funding Schemes, Trust and Fellowship committee members who rate their satisfaction with the quality of services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	100%	Achieved
Percentage of complete and eligible applications received before the advertised closing date that are presented to the next decision-making meeting is no less than:	95%	100%	100%	Achieved
Percentage of payments made to grant recipients within 20 working days of receipt of committee approval and correctly completed client documentation is no less than:	95%	95%	100%	Achieved
The percentage of completed Crown funded projects that meet funding agreement objectives is no less than:	85%	90%	90%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Lottery Grants			
Number of applications received	3,800–4,700	5,714	5,382
Number of grants disbursed	2,500–4,000	4,577	4,592
Community Organisation Grants Scheme			
Number of applications received	4,500–6,300	5,112	4,426
Number of grants disbursed	4,200–5,400	4,143	3,604
Crown Funding Schemes, Trusts and Fellowships			
Number of applications received	200–300	435	778
Number of grants disbursed	50–70	260	277

Administration and Advisory Services to Committees

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Lottery Grants				
Percentage of respondents to a survey of Lottery committee members who rate their satisfaction with the quality of advisory services to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	100%	Achieved
Percentage of respondents to a survey of Lottery committee members who rate their satisfaction with the quality of administration services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	100%	Achieved

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Community Organisation Grants Scheme (COGS)				
Percentage of respondents to a survey of COGS committee members who rate their satisfaction with the quality of advisory services to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	98%	Achieved
Percentage of respondents to a survey of COGS committee members who rate their satisfaction with the quality of administration services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	99%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
4,638	Crown	4,496	4,474	4,497
9,872	Third Parties	10,231	10,645	10,446
14,510	Total Revenue	14,727	15,119	14,943
Expenses				
14,438		14,508	15,117	14,941
72	Net Surplus/(Deficit)	219	2	2

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$176,000 was due to a decrease in the cost of services to the Lottery Grants Board (\$128,000) and a decrease in the funding required for the State Sector Retirement Savings Scheme (\$81,000), partially offset by a reallocation of shared services costs (\$18,000), an increase in the funding required for KiwiSaver (\$10,000) and an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$5,000).

Community Advisory Services

Description

This output includes providing advice, information, resources and facilitation services to empower communities/whānau/hapū/iwi, Māori organisations and community groups to develop innovative responses to meet their needs.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Development Assistance to Community Groups

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of respondents to a customer survey who rate their satisfaction with the quality of advice at 3 or above on a scale of 1 to 5 is no less than:	90%	96%	95%	Achieved
Percentage of respondents to a customer survey who rate their satisfaction with the quality of information resources at 3 or above on a scale of 1 to 5 is no less than:	90%	95%	97%	Achieved
Percentage of respondents to a customer survey who rate their satisfaction with the timeliness of advice provided at 3 or above on a scale of 1 to 5 is no less than:	90%	97%	97%	Achieved
Percentage of community development projects that deliver on all services and/or advice, as agreed with managers in the project plan	100%	100%	100%	Achieved
Annual increase in the number of visits to the CommunityNet Aotearoa website	10%	16%	15%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
5,363	Crown	5,244	5,183	5,243
57	Third Parties	88	144	103
5,420	Total Revenue	5,332	5,327	5,346
Expenses				
5,123	Expenses	5,308	5,328	5,347
297	Net Surplus/(Deficit)	24	(1)	(1)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$19,000 was due to an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$42,000), a reallocation of shared services costs (\$18,000) and an increase in the funding required for KiwiSaver (\$5,000), partially offset by a decrease in the funding required for the State Sector Retirement Savings Scheme (\$46,000).

Policy Advice – Community

Description

This output covers:

- » policy advice with a community/whānau/hapū/iwi development perspective. Policy advice also involves preparing ministerial briefings and speech notes, and providing support for the Minister for the Community and Voluntary Sector, as required, in Cabinet committees, select committees and Parliament
- » policy advice and information on matters relating to the performance of and appointments to the Charities Commission
- » draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman’s inquiries and parliamentary questions addressed to the Minister for the Community and Voluntary Sector or referred from other Ministers.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Community Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice will be delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Very Good	Satisfied	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman’s inquiries and parliamentary questions accepted by the Minister is no less than:	95%	100%	96.2%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister’s office for signature within 15 working days of receipt from the Minister’s office or such other deadlines as may be specifically agreed is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman’s inquiries returned to the Minister’s office for signature five days prior to the statutory deadline for reply is no less than:	100%	100%	100%	Achieved
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	100%	100%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman’s inquiries and answers to parliamentary questions	50–120	61	26

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
1,741	Crown	1,692	1,680	1,691
18	Third Parties	31	31	20
1,759	Total Revenue	1,723	1,711	1,711
Expenses				
1,687	Expenses	1,610	1,712	1,712
72	Net Surplus/(Deficit)	113	(1)	(1)

Actual expenditure was 6% lower than the Supplementary Estimates mainly due to curtailed interface activities and efficiency gains during the year.

VOTE EMERGENCY MANAGEMENT

The funding within Vote Emergency Management helps to ensure that New Zealand communities are safer because the threats and risks to their safety have been minimised and effectively managed.

The Department is particularly responsible for the performance of the Emergency Management Services within this Vote. These include:

- » management of national emergency readiness, response and recovery
- » policy advice – emergency management
- » support services, information and education.

The services provided within these outputs have enabled the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	CONTRIBUTION	CONTRIBUTES TO:
Management of national emergency readiness, response and recovery	» Leading the national response to civil defence emergencies	Safer communities
Policy Advice – Emergency Management	» Enhancing the capability of agencies to respond to emergencies	
Support Services, Information and Education	» Raising public awareness and understanding of the risks associated with New Zealand hazards	

VOTE EMERGENCY MANAGEMENT

Management of National Emergency Readiness, Response and Recovery

Description

This output includes:

- » providing support to local civil defence emergency management organisations
- » maintaining the national crisis management centre in a state of readiness, national training and education
- » coordination and management of central government's response and recovery activities and administration of related expenses.

Performance information

Monitoring of Emergency Events

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of local authorities/civil defence emergency management (CDEM) Groups, government agencies, lifeline utilities that rate their satisfaction with the quality of information provided for monitoring events and incidents at 3 or above on a scale of 1 to 5, as measured by the annual stakeholder survey, is no less than:	80%	90%	95%	Achieved
Percentage of national warnings issued within 30 minutes after the identification of a pending event is:	100%	40%	75%	Not achieved National warnings were not all issued within the desired 30 minute standard due to a need for additional capability. Further training has been provided to relevant parties to help meet the performance standard.
Percentage of addressees that successfully receive national warning messages during tests is no less than:	95%	99%	96%	Achieved
Number of National Warning System tests conducted is no fewer than:	4	4	7	Achieved
Provide advice to local authorities/CDEM Groups, government agencies and lifeline utilities of events and incidents that have the potential to lead to civil defence emergency declarations	As required	40	115	Achieved

Management of Emergencies

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Attendance and participation of personnel in NCMC staff development is no less than:	90%	93%	Achieved	Achieved
Percentage of National Crisis Management Centre (NCMC) activations of mode 2 or higher during an emergency event that are reviewed to determine any lessons identified is no less than:	100%	75%	100%	Not achieved NCMC had four activations of mode 2 or higher. Lessons were identified for each event. However, the lessons from the Vanuatu Tsunami were considered jointly as part of the ongoing review of a similar event, the Samoa Tsunami, which occurred one week earlier.
Percentage of lessons identified from reviews and debriefs of NCMC activations for emergency events are noted and followed up within six months is no less than:	100%	93%	100%	Not achieved The implementation of action points from one review is still in progress.
Percentage of activations where the NCMC is appropriately staffed according to the mode of activation within 2 hours from a decision to activate is:	100%	100%	100%	Achieved
Coordinate and manage the staffing of the NCMC during extended activations in accordance with the requirements of the Response Concept of Operations:	Achieved	N/A	N/A	There were no extended activations in the 2009/10 year.
Number of NCMC staff development sessions held is no fewer than:	10	12	12	Achieved
Number of equipment checks confirming functionality of all NCMC systems	12	35	22	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
4,304	Crown	4,348	4,224	4,348
41	Third Parties	47	61	56
4,345	Total Revenue	4,395	4,285	4,404
Expenses				
3,985	Expenses	3,875	4,275	4,394
360	Net Surplus/(Deficit)	520	10	10

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$119,000 was due to an expense transfer from 2008/09 to 2009/10 for the Ministry of Civil Defence and Emergency Management Information Management Programme (\$349,000), a reallocation of capability funding (\$42,000) and an increase in the funding required for the State Sector Retirement Savings Scheme (\$1,000), partially offset by transfers of funding to Vote Internal Affairs (\$200,000) and Vote Local Government (\$42,000), a reallocation of shared services costs (\$25,000) and a decrease in the funding required for KiwiSaver (\$6,000).

Actual expenditure was 12% lower than the Supplementary Estimates mainly due to delays in the implementation of the Information Management Development Programme, for which an in-principle expense transfer from 2009/10 to 2010/11 has been approved (a combined total of up to \$1.000 million with the output expense Support Services, Information and Education).

VOTE EMERGENCY MANAGEMENT

Policy Advice – Emergency Management

Description

This output covers:

- » policy advice and information on matters relating to civil defence and emergency management. Policy advice also involves preparing ministerial briefings and speech notes, and providing support for the Minister of Civil Defence, as required, in Cabinet committees, select committees and Parliament
- » draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions addressed to the Minister of Civil Defence or referred from other Ministers.

This work contributes to the development of *Safer communities*.

Performance information

Emergency Management Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice will be delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Very Good	Very Good	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister's office for signature within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than:	100%	100%	100%	Achieved
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	100%	100%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries and answers to parliamentary questions	20–40	173 ¹	164

¹ There were three tsunami alerts in 2009/10, which led to a considerable increase in ministerial correspondence.

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
961	Crown	860	955	860
20	Third Parties	23	19	20
981	Total Revenue	883	974	880
Expenses				
927	Expenses	846	974	880
54	Net Surplus/(Deficit)	37	0	0

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$94,000 was due to a reallocation of capability funding (\$95,000), partially offset by an increase in the funding required for KiwiSaver (\$1,000).

Support Services, Information and Education

Description

This output covers:

- » developing and implementing policies and projects that will assist with information services, readiness, and education within the civil defence emergency management (CDEM) sector
- » providing support, monitoring, information, frameworks, guidelines and professional development for the CDEM sector
- » developing and delivering long-term national programmes to raise individual and community awareness and preparedness.

This work contributes to the development of *Safer communities*.

Performance information

Emergency Sector Support and Development

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of CDEM Groups that rank their satisfaction with the level of service provided by regional emergency management advisors at 3 or above on a scale of 1 to 5, as measured by stakeholder surveys is no less than:	80%	93%	95%	Achieved
Percentage of attendees who are satisfied with the education or training interventions attended, as measured by course satisfaction surveys, is no less than:	85%	100%	98%	Achieved
Percentage of stakeholders who receive MCDEM's newsletters/updates that rate their satisfaction with the quality of the publications at 3 or above on a scale of 1 to 5, as measured by the stakeholder survey, is no less than:	90%	97%	98.8%	Achieved
Percentage of stakeholders that rank their satisfaction with the quality of guidelines, codes, technical standards developed by MCDEM at 3 or above on a scale of 1 to 5, as measured by stakeholder surveys, is no less than:	80%	98%	New measure	Achieved
Number of CDEM readiness and response exercises participated in and/or evaluated	8	8	7	Achieved
Number of newsletters/updates provided to the CDEM sector	16	17	18	Achieved
Develop or review guidelines, codes, technical standards or other CDEM sector information publications	1-3	2	5	Achieved
Deliver or sponsor education or training interventions in consultation with the emergency management sector and other relevant organisations	6	7	9	Achieved

Community Information

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Mass-media promotional activity is delivered through television, radio, print, and the web in accordance with the Public Education Programme	Achieved	Achieved	Achieved	Achieved
The level of public awareness of the television campaign, as measured by the annual survey, which forms part of the Public Education Programme, is greater than:	50%	68%	62%	Achieved
The 'What's the Plan, Stan' schools programme is delivered through the ongoing development and promotion of the resource in accordance with the national Public Education Programme	Achieved	Achieved	Achieved	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
6,218	Crown	6,142	5,712	6,138
66	Third Parties	79	75	69
6,284	Total Revenue	6,221	5,787	6,207
Expenses				
5,621	Expenses	5,458	5,800	6,220
663	Net Surplus/(Deficit)	763	(13)	(13)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$420,000 was due to an expense transfer from 2008/09 to 2009/10 for the Ministry of Civil Defence and Emergency Management Information Management Programme (\$651,000) and a reallocation of capability funding (\$53,000), partially offset by a transfer of funding to Vote Local Government (\$258,000), a reallocation of shared services costs (\$20,000) and a decrease in the funding required for Kiwisaver (\$6,000).

Actual expenditure was 12% lower than the Supplementary Estimates mainly due to delays in the implementation of the Information Management Development Programme, for which an in-principle expense transfer from 2009/10 to 2010/11 has been approved (a combined total of up to \$1.000 million with the output expense, Management of National Emergency Readiness, Response and Recovery).

VOTE INTERNAL AFFAIRS

The funding within Vote Internal Affairs contributes to a wide range of outcomes for New Zealand people, communities and government.

The services provided through this Vote have enabled the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	IMPACT	CONTRIBUTES TO:
Contestable Services	<ul style="list-style-type: none"> » Providing translation and foreign language services to Government and the public 	Executive Government is well supported
Government Technology Services	<ul style="list-style-type: none"> » Developing and implementing a plan for increased interoperability of ICT systems and services across the State sector » Establishing and promulgating standards and architecture for common ICT services » Operating as a lead agency to deliver common ICT services to the public and agencies 	Common information and communications technology (ICT) services deliver improved State sector performance and better citizen experience
Identity Services	<ul style="list-style-type: none"> » Providing reliable and accessible identity services » Providing sector leadership in identity information management 	New Zealand's approach to identity is trusted and well led Strong, sustainable communities/hapū/iwi
Information and Advisory Services	<ul style="list-style-type: none"> » Providing neutral advice and impartial secretariat services 	Executive Government is well supported
Policy Advice – Internal Affairs	<ul style="list-style-type: none"> » Providing leadership and advice on matters relating to gaming, censorship, fire, identity and more 	Strong, sustainable communities/hapū/iwi Safer communities New Zealand's approach to identity is trusted and well led Executive Government is well supported
Regulatory Services	<ul style="list-style-type: none"> » Encouraging and enforcing compliance with gambling legislation » Encouraging and enforcing compliance with the Films, Videos and Publications Classification Act 1993, and the Unsolicited Electronic Messages Act 2007 	Safer communities
Services for Ethnic Affairs	<ul style="list-style-type: none"> » Providing advice that supports community development » Providing responsive policies and services to diverse communities 	Strong, sustainable communities/hapū/iwi
Anti-Money Laundering and Countering Financing of Terrorism	<ul style="list-style-type: none"> » Establishment and implementation of a supervisory function under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 	Safer communities

Contestable Services

Description

This output covers services including translation and other foreign language services to government agencies, non-government organisations and the public.

Performance information

Translation Services

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of respondents to a customer survey who rate their satisfaction with the quality of translation services at 3 or above on a scale of 1 to 5 is no less than:	99%	100%	100%	Achieved
Percentage of translations meeting timeframes agreed with customers is no less than:	99%	99.11%	99.5%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
0	Crown	0	0	0
870	Third Parties	833	899	908
870	Total Revenue	833	899	908
Expenses				
834	Expenses	818	899	908
36	Net Surplus/(Deficit)	15	0	0

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$9,000 was due to forecast additional demand for translation services (\$34,000) partially offset by reduced activity associated with a decrease in revenue from sub-leased properties (\$25,000).

Actual expenditure was 10% lower than the Supplementary Estimates mainly due to a lower level of demand for Translation Services.

Government Technology Services – Internal Affairs

Description

This output covers the development, deployment and operation of technology services across the State sector, and includes:

- » the provision of government information and services to the public and State sector agencies using the government's web presence
- » providing online identity infrastructure
- » overseeing the managed exit of agencies from the Government Shared Network.

Performance information

Internal Affairs – Government Technology Services

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Web Advisory Services implementations including risk, identity and web 360, delivered to larger agencies, no less than:	10	13	New measure	Achieved
Develop the future service and public access approach and direction for newzealand.govt.nz with input from key stakeholders	Achieved	Achieved	New measure	Achieved
Standardise, rationalise and consolidate State Services employee collaboration tools such as the Public Sector Intranet (PSI) and Shared Workspaces	Achieved	Not achieved	New measure	Not achieved Additional priorities have impacted the progress of this initiative. Requirements gathering has been completed; however, as DIA is working to replace its web delivery platform, collaboration tools development has been delayed until the platform is available. Delivery is planned in 2010.
Number of logons issued for igovt logon service is no less than:	250,000	52,219	New measure	Not achieved Delays in integrating external organisations have led to the igovt logon target not being met. The target is anticipated to be met in 2010/11.
Number of agencies connecting to igovt logon service is no less than:	24	16	New measure	Not achieved A number of agencies are in the process of connecting to the igovt logon service but are not yet formally connected.
igovt Identity Verification Service operating in pilot with Births, Deaths and Marriages	Achieved	Achieved	New measure	Achieved
Network provider selected and Government Shared Network (GSN) transition completed	Achieved	Achieved	New measure	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
0	Crown	11,335	22,845	11,335
0	Third Parties	1,265	1,110	1,180
0	Total Revenue	12,600	23,955	12,515
Expenses				
0	Expenses	11,511	23,955	12,515
0	Net Surplus/(Deficit)	1,089	0	0

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$11.440 million was primarily due to the transfer of functions relating to the identity management web infrastructure to the output expense Identity Services (\$8.639 million), together with expense transfers from 2009/10 to 2010/11 for the all-of-government authentication programme (\$6.000 million) and the all-of-government common information and communication technologies work programme (\$0.500 million), partially offset by an expense transfer from 2008/09 to 2009/10 for the Government Shared Network (\$3.414 million) and a transfer of funding from Vote Emergency Management for capability building (\$0.200 million).

Actual expenditure was 8% lower than the Supplementary Estimates due to slower activity than anticipated on a number of government information services projects and lower expenditure on the Government Shared Network to one.govt transition initiative. An in-principle expense transfer of up to \$1.040 million from 2009/10 to 2010/11 was approved for work on the development of the all-of-government common information and communications technology that will continue in 2010/11.

Identity Services

Description

This output includes:

- » issuing New Zealand passports
- » processing citizenship applications
- » issuing certificates and providing information and services relating to births, deaths, marriages and civil unions
- » maintaining national records relating to passports, citizenship, births, deaths, marriages and civil unions
- » providing data or data verification to international government agencies, to enhance border security and facilitate travel
- » working across government to develop authentication of identity and to facilitate good practice based on the Evidence of Identity Standard.

This work contributes to the development of the following outcomes:

- » *New Zealand's approach to identity is trusted and well led*
- » *Strong, sustainable communities/hapū/iwi.*

Performance information

Citizenship

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of citizenship documents issued without error is no less than:	99%	99.74%	99.7%	Achieved
Percentage of applications for grant of citizenship recommended to the Minister within four months of receipt of a correctly completed application, for applications received since 1 July 2008, is no less than:	80%	91%	92.5%	Achieved
Percentage of applications for grant of citizenship recommended to the Minister within six months of receipt of a correctly completed application, for applications received prior to 1 July 2008, is no less than:	80%	No longer measured This measure relates to applications received prior to 1 July 2008. It was split from the measure above in Feb 2009 and removed in Feb 2010.		
Percentage of applications for registration of citizenship, not involving adoption, processed within twenty working days of receiving a correctly completed application is no less than:	95%	99.12%	99%	Achieved
Percentage of certificates of citizenship status issued within twenty working days of receipt of a correctly completed application is no less than:	95%	99.54%	99.6%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of applications for grant of citizenship to foreign nationals recommended to the Minister	10,000–14,000	15,623	19,542
Number of registrations of citizenship by descent for New Zealanders born abroad	6,500–8,500	8,552	7,936
Number of certificates of citizenship status issued	2,500–3,500	4,028	3,545

Passports

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of passports, certificates and other identity documents issued without error is no less than:	99%	99.94%	99.9%	Achieved
Percentage of passports issued within 10 working days for standard passports, and three working days for urgent passports, on receipt of a correctly completed application is no less than:	99%	99.40%	99.9%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of passports issued in standard service	378,000–434,000	396,048	352,246
Number of passports issued in urgent service	35,000–43,000	36,841	34,659
Number of other travel documents issued	1,000–1,400	1,255	1,173

Births, Deaths, Marriages and Civil Unions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of birth, death, marriage and civil union information registered without error is no less than:	99%	99.58%	99.8%	Achieved
Percentage of birth, death, marriage and civil union certificates issued without error is no less than:	99%	99.68%	99.8%	Achieved
Percentage of deaths registered within three working days of receipt of a correctly completed notification is no less than:	98%	99.97%	99.9%	Achieved
Percentage of births, marriages and civil unions registered within four working days of receipt of a correctly completed notification or application is no less than:	98%	99.98%	99.9%	Achieved
Percentage of certificates from fully computerised registrations issued within one working day of receipt of a correctly completed application is no less than:	99%	99.89%	99.6%	Achieved
Percentage of certificates from partially computerised registrations issued within eight working days of receipt of a correctly completed application is no less than:	98%	99.99%	99.8%	Achieved
Percentage of birth, death, marriage and civil union printouts issued within eight working days of a correctly completed application is no less than:	97%	99.99%	99.5%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of birth registrations	58,000–64,000	65,387	64,366
Number of death registrations	27,000–31,000	29,002	29,152
Number of marriage and civil union registrations	22,000–26,000	23,720	23,883
Number of birth, death, marriage and civil union certificates issued	210,000–240,000	246,702	253,182
Number of printouts issued	18,000–25,000	42,053	34,323

Authentication

EVIDENCE OF IDENTITY STANDARD	ESTIMATED VOLUME	2009/10 ACTUAL
Revised Evidence of Identity (EOI) Standard is submitted to the e-GIF Management Committee for consideration in 2009/10 for acceptance as a "Recommended" e-GIF standard	Achieved	<ul style="list-style-type: none"> » Engagement is underway with 12 agencies on risk assessments » Work programme for 2009/10 was completed, and new work programme for 2010/11 has been drafted.

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
10,012	Crown	16,986	8,359	16,986
74,572	Third Parties	79,801	78,391	77,531
84,584	Total Revenue	96,787	86,750	94,517
Expenses				
84,704	Expenses	96,484	92,109	99,876
(120)	Net Surplus/(Deficit)	303	(5,359)	(5,359)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$7.767 million was primarily due to the transfer of functions relating to the identity management web infrastructure from the output expense Government Technology Services (\$8.639 million), together with funding received from the Ministry of Foreign Affairs and Trade as a contribution towards the Vanuatu passport project (\$0.172 million), increased demand for Birth, Death and Marriage products (\$0.240 million), increased rentals from sub-leased properties (\$0.140 million), and increases in the funding required for KiwiSaver (\$0.044 million) and the State Sector Retirement Savings Scheme (\$0.022 million), partially offset by decreased demand for passport products (\$1.055 million) and citizenship products (\$0.423 million).

Information and Advisory Services

Description

This output covers:

- » publishing the *New Zealand Gazette*
- » authenticating official documents
- » coordinating the congratulatory message service
- » providing information, advisory and support services to commissions of inquiry and similar bodies, as required.

This work is an administrative service for Government and contributes to the key objective of ensuring *Executive Government is well supported*.

Performance information

New Zealand Gazette

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Number of complaints where published text is inconsistent with text supplied by client is no more than:	12 per year	4	3.6 (revised measure)	Achieved
Percentage of <i>Principal</i> and <i>Customs</i> editions of <i>The New Zealand Gazette</i> available at retail outlets by the applicable deadline is no less than:	100%	100%	100%	Achieved

Authentications Unit and Congratulatory Message Service

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of Authentications delivered to customers within agreed timeframes is no less than:	98%	99.9%	100%	Achieved
Percentage of congratulatory messages delivered to customers within agreed timeframes is no less than:	98%	100%	99% (revised measure)	Achieved
Number of Authentication confirmations returned by the customer as inaccurate is, on average, no more than:	12 per year	4	9 (revised measure)	Achieved
Number of congratulatory messages returned by the customer as inaccurate is no more than:	12 per year	3	New measure	Achieved

Commissions of Inquiry and Similar Bodies

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Commissioners' rating of the timeliness of services provided is 3 or above on a scale of 1 to 5	3 or above	3	5	Achieved
Commissioners' rating of the quality of services provided is 3 or above on a scale of 1 to 5	3 or above	3	5	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
4,137	Crown	2,179	1,677	2,179
1,628	Third Parties	1,573	1,335	1,432
5,765	Total Revenue	3,752	3,012	3,611
Expenses				
4,444	Expenses	2,816	3,010	3,609
1,321	Net Surplus/(Deficit)	936	2	2

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$599,000 was due to an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$312,000), new funding for the Forum for Complainants of Police Misconduct (net \$190,000) and for the provision of financial services to the Ministry of Pacific Island Affairs (\$90,000), together with an increase in the funding required for the State Sector Retirement Savings Scheme (\$7,000).

Actual expenditure was 22% lower than the Supplementary Estimates primarily due to a lower level of uptake of the Listening and Assistance Service.

Policy Advice – Internal Affairs

Description

This output covers:

- » policy advice and information on matters relating to:
 - gambling, censorship, unsolicited electronic messages, fire, identity, public inquiries and daylight saving
 - the performance of and appointments to Crown entities
 - appointments to statutory bodies
 - the Significant Community-Based Project Fund.

Policy advice also involves preparing ministerial briefings and speech notes, and providing support for the Minister of Internal Affairs, as required, in Cabinet committees, select committees and Parliament.

- » draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions addressed to the Minister of Internal Affairs or referred from other Ministers.

This work contributes to the development of the following outcomes:

- » *Strong, sustainable communities/hapū/iwi*
- » *Safer communities*
- » *New Zealand's approach to identity is trusted and well led* and the key objective of
- » *Ensuring Executive Government is well supported.*

Performance information

Internal Affairs Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice will be delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Good – Very Good	Very Good	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than:	95%	99.9%	99.9%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister's office for signature within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed is no less than:	95%	99.3%	100%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than:	100%	92.9%	94.1%	Not achieved One response out of 14 was late.
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	96.6%	99.6%	Not achieved Three responses out of 87 were late.

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries and answers to parliamentary questions	550–650	716	864

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
5,146	Crown	4,520	4,208	4,520
53	Third Parties	65	117	149
5,199	Total Revenue	4,585	4,325	4,669
Expenses				
4,760	Expenses	4,021	4,324	4,668
439	Net Surplus/(Deficit)	564	1	1

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$344,000 was due to an expense transfer from 2008/09 from 2009/10 for sustainable accommodation (\$438,000), an increase in the funding required for KiwiSaver (\$25,000) and the State Sector Retirement Savings Scheme (\$7,000), partially offset by a transfer of funding to the non-departmental other expense Miscellaneous Grants – Internal Affairs for funding for the Nelson Historic Theatre Trust (\$84,000), and a reallocation of shared services costs (\$42,000).

Actual expenditure was 14% lower than the Supplementary Estimates mainly as a result of vacancies and efficiency gains over the course of the year.

Regulatory Services

Description

This output covers:

- » providing operational policy advice on the gambling regulatory regime pursuant to the Gambling Act 2003
- » licensing gambling operators; completing audits, venue inspections and working with the community and stakeholders to best achieve compliance with gambling legislation; responding to possible breaches of gambling legislation; resolving all breaches of gambling legislation; and responding to inquiries from the community and stakeholders on gambling legislation
- » providing enforcement of the Films, Videos, and Publications Classification Act 1993, and advice and information to stakeholders and the public regarding censorship legislation
- » providing enforcement of the Unsolicited Electronic Messages Act 2007 and advice and information to stakeholders and the public regarding unsolicited electronic messages; participating in and complying with international regulatory arrangements to address the problem of unsolicited electronic messages
- » providing services to the Gambling Commission (these functions are carried out entirely separately from the Department's gambling-related policy and operational functions, to underpin the independence of the Gambling Commission).

This work contributes to the development of *Safer communities*.

Performance information

Regulatory Services – Gambling

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of audits of club gaming machine societies completed within two months is no less than:	80%	94.6%	New measure	Achieved
Percentage of audits of non-club gaming machine societies completed within three months is no less than:	80%	64.3%	New measure	Not achieved The complexity of the issues identified during the audit process has led to longer completion times.
Percentage of gambling prosecution cases dismissed where prima facie case is not established is no more than:	5%	0%	0%	Achieved
Percentage of respondents to a survey of gambling sector organisations and operators who rate their satisfaction with how information services provided by the Department support their ability to comply with relevant laws conditions and rules at 3 or above on a scale of 1 to 5 is no less than:	85%	94%	96%	Achieved

VOTE INTERNAL AFFAIRS

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of club and non-club licence renewal applications processed	350–400	440	362 (revised measure)
Number of other class 3 and 4 licence applications and Certificates of Approval processed	5,500–6,000	4,292	6,622 (revised measure)
Number of clubs and non-clubs audited	17–40	70	New measure
Number of venue inspections	200–300	292	New measure
Number of possible breaches of gambling legislation identified	As required	208	New measure
Number of breaches found	As required	88	New measure

Gambling Commission

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
The Gambling Commission's satisfaction with the services provided by the secretariat is 3 or above on a scale of 1 to 5	3 or above	5	5	Achieved

Regulatory Services – Censorship

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of non-compliant practices identified during inspection processes or as a result of complaints are dealt with during the inspection or within 3 months, and the balance dealt with within 12 months	75% within 3 months	86%	87%	Achieved
	25% within 12 months	14%	13%	
Percentage of censorship prosecution cases dismissed where prima facie case is not established is no more than:	5%	0%	0%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of inspections at outlets for publications/videos/films undertaken	1,500	1,980	1,577
Number of censorship complaints and proactive investigations for publications/videos/films and on the Internet responded to	600	902	854
Number of censorship prosecutions undertaken	20–40	39	49

Regulatory Services – Unsolicited Electronic Messages

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of New Zealand-linked complaints, which are dealt with within 3 months of receipt and the balance dealt with within 12 months is no less than:	75% within 3 months	77%	34.2%	Achieved
	25% within 12 months	23%	65.8% (revised measure)	
Number of formal presentations to industry and the community	4	15	9	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of New Zealand-linked complaints (including complaints about electronic messages containing unsolicited sexual content) and proactive investigations responded to	700	827	637
Number of public enquiries responded to	300	2,129	New measure
Number of civil liability proceedings undertaken	As required	5	New measure

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
3,198	Crown	3,639	3,639	3,639
23,210	Third Parties	22,808	23,737	23,733
26,408	Total Revenue	26,447	27,376	27,372
Expenses				
25,166		24,910	25,929	25,925
1,242	Net Surplus/(Deficit)	1,537	1,447	1,447

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$4,000 was due to a reduction in the funding required for KiwiSaver.

Services for Ethnic Affairs

Description

This output covers policy advice and information on matters relating to ethnic affairs, including:

- » preparing ministerial briefings and speech notes, and providing support for the Minister for Ethnic Affairs, as required, in Cabinet committees, select committees and Parliament
- » providing draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions addressed to the Minister for Ethnic Affairs or referred from other Ministers
- » providing advisory and information services to ethnic communities, and information to the public to raise the level of knowledge about ethnic communities and their contribution to New Zealand
- » providing advice on ethnic perspectives to other agencies through participating in cross-government initiatives and providing secondary policy advice
- » managing the contract for the telephone interpreting service (Language Line)
- » providing information and training to ethnic communities and government agencies on using Language Line.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Ethnic Affairs Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice is delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Good	Good	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister's office for signature within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than:	100%	100%	N/A	Achieved
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	100%	100%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries, and answers to parliamentary questions	40	29	32

Advisory and Information Services to Ethnic Communities

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of key stakeholders who rate the quality and effectiveness of the advisory services provided to ethnic communities at 3 or above on a scale of 1 to 5, as measured by stakeholder surveys is no less than:	85%	98%	92%	Achieved
Percentage of Language Line Services (calls) that are a subject of a complaint is no more than:	0.5%	0.1%	0	Achieved
Percentage of requests for written advice answered within 10 working days or according to the timeframes agreed with the correspondent is no less than:	95%	99.6%	99%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of requests from ethnic communities for information or advice responded to	3,500–4,000	9,373 ²	8,801
Number of ethnic communities and government agencies provided with information and training on the use of Language Line	50	94	148

Revenue and output expenses

ACTUAL 2008/09 \$'000		ACTUAL 2009/10 \$'000	MAIN ESTIMATES 2009/10 \$'000	SUPPLEMENTARY ESTIMATES 2009/10 \$'000
Revenue				
4,742	Crown	4,718	4,557	4,718
1,021	Third Parties	949	962	1,197
5,763	Total Revenue	5,667	5,519	5,915
Expenses				
5,670		5,651	5,520	5,916
93	Net Surplus/(Deficit)	16	(1)	(1)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$396,000 was due to additional demand for Language Line (\$245,000), a reallocation of shared services costs (\$151,000), an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$10,000), together with an increase in the funding required for the State Sector Retirement Savings Scheme (\$2,000), partially offset by a decrease in the funding required for KiwiSaver (\$12,000).

² Increased awareness of the work of the Office of Ethnic Affairs, the Minister's active engagement with ethnic communities, and the downturn in the economy led to an increase in the number of requests received from ethnic communities.

Anti-Money Laundering and Countering Financing of Terrorism

Description

This output covers the establishment and implementation of a supervisory function under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.

This work contributes to the development of *Safer communities*.

Performance information

Activity for the 2009/10 financial year consisted of developing and setting up the function. The supervisory outputs will not commence until a date yet to be set by Order in Council (October 2011 at the earliest). Performance measures will be developed in the lead-up to full implementation.

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
0	Crown	967	0	967
0	Third Parties	2	0	0
0	Total Revenue	969	0	967
Expenses				
0	Expenses	353	0	967
0	Net Surplus/(Deficit)	616	0	0

This appropriation was created in 2009/10 to fund the supervisory functions carried out in respect of reporting entities for which the Department is the relevant supervisor under the Anti-Money Laundering and Countering Financing of Terrorism Act.

Actual expenditure was 63% lower than the Supplementary Estimates due to delays in the establishment of the Anti-Money Laundering and Countering Financing of Terrorism unit, and for which an in-principle expense transfer from 2009/10 to 2010/11 of up to \$500,000 was approved.

VOTE LOCAL GOVERNMENT

The funding within Vote Local Government enabled the Department to administer a system of local government which optimises economic, social and cultural benefits to key stakeholders.

The services provided through this funding has enabled the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	IMPACT	CONTRIBUTES TO:
Implementation of Auckland Governance Reforms	» Providing advice and information on the system of local government	Strong, sustainable communities
Information, Support and Regulatory Services	» Promoting effective relationships between local government and communities	
Policy Advice – Local Government		

Implementation of Auckland Governance Reforms

Description

This output covers the implementation of the Government's decisions on the recommendations of the Royal Commission on Auckland Governance.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Local Government Commission Advice and Support

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
An Establishment Board and transition agency to manage the transition to new local governance arrangements in Auckland will be established according to the provisions in legislation	Achieved	Achieved	New measure	Achieved
A plan and budget for the management of the transition will be developed, within the agreed timeframe, after the legislation is in place	Achieved	Achieved	New measure	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
1,275	Crown	0	9,144	0
1	Third Parties	464	0	566
1,276	Total Revenue	464	9,144	566
Expenses				
232	Expenses	379	9,144	566
1,044	Net Surplus/(Deficit)	85	0	0

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$8.578 million reflects a transfer to the non-departmental capital appropriation, Loan to the Auckland Transition Agency (\$10.187 million), partially offset by an expense transfer from 2008/09 to 2009/10 for the establishment of the Auckland Transition Agency (\$1.043 million) and an increase in funding for the provision of financial and information technology services to the Auckland Transition Agency (\$0.566 million).

Actual expenditure was 33% lower than the Supplementary Estimates mainly reflecting lower demand for the provision of financial and information and technology services to the Auckland Transition Agency.

Information, Support and Regulatory Services – Local Government

Description

This output covers:

- » providing advisory and support services to the Local Government Commission in respect of its statutory functions
- » providing information to and about local government
- » administering the Local Government Act 2002, Local Electoral Act 2001 and other statutes
- » administering the Rates Rebate Scheme
- » providing regulatory and boating services for Lake Taupo
- » governance and management of the National Dog Control Information Database and education about dogs
- » providing operational advice and support to the Minister of Local Government.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Local Government Commission Advice and Support

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Local Government Commission's satisfaction with the quality of advice and support services provided rated at 3 or above on a scale of 1 to 5 is no less than:	3 or above	4	4	Achieved
Percentage of Local Government Commission decisions dispatched to parties within 10 working days of decision, or to such other timetable as instructed by the Commission is:	100%	100%	100%	Achieved

Local Government Services

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of rates rebate claims processed accurately is no less than:	99%	99%	100%	Achieved
Percentage of requests for information from the public about the Rates Rebate Scheme responded to within 15 working days is no less than:	99%	98%	100%	Not achieved A lack of resource in the month of June led to measure not being achieved.
Percentage of claims for rates rebates processed within 20 working days is no less than:	98%	98%	99.99%	Achieved
Percentage of system availability for the National Dog Database is no less than:	99%	99%	99.99%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of responses to requests for information from the public about the Rates Rebate Scheme	300–600	473	444
Number of rates rebate claims received for processing	100,000–140,000	109,695	109,905

Regulatory and Boating Services for Lake Taupo

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
The Taupo Harbourmaster will implement a programme of facilities inspection and maintenance	Facilities managed in accordance with programme and standards	Achieved	Achieved	Achieved
All boating facilities on Lake Taupo are maintained to an appropriate level of safety and usability	Facilities maintained to specified standards	Achieved	Achieved	Achieved
Percentage of respondents to a survey of key stakeholders who rate their satisfaction with the quality of Lake Taupo regulatory services at 3 or above on a scale of 1–5 is no less than:	85%	100%	100%	Achieved
Percentage of prosecutions taken under navigation safety legislation and regulations dismissed because a prima facie case has not been established is no more than:	10%	0%	0%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
4,852	Crown	3,277	3,137	3,277
663	Third Parties	682	900	818
5,515	Total Revenue	3,959	4,037	4,095
Expenses				
5,080	Expenses	4,067	4,057	4,115
435	Net Surplus/(Deficit)	(108)	(20)	(20)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$58,000 reflects a transfer of funding from Vote Emergency Management for capability building (\$300,000), together with an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$55,000), a reallocation of shared services costs (\$13,000), and an increase in the funding required for Kiwisaver (\$4,000), partially offset by a transfer of funding to Policy Advice – Local Government for the monitoring of the Auckland Transition Agency (\$228,000), a decrease in levies required from territorial authorities for the management of the National Dog Database (\$50,000) and a decrease in the funding required for the State Sector Retirement Savings Scheme (\$36,000).

Policy Advice – Local Government

Description

This output covers:

- » policy advice and information on local government issues. It also involves monitoring the local government system, preparing ministerial briefings and speech notes, and providing support for the Minister of Local Government, as required, in Cabinet committees, select committees and Parliament
- » draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions addressed to the Minister of Local Government or referred from other Ministers.

This work contributes to the development of *Strong, sustainable communities/hapū/iwi*.

Performance information

Local Government Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice will be delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Very Good	Very Good	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than:	90%	100%	99.9%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister's office for signature within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed is no less than:	95%	100%	99.9%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than:	100%	100%	N/A	Achieved
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	100%	100%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries and answers to parliamentary questions	3,000–3,500	1,877 ³	1,807

³ An increased number of ministerials was anticipated in relation to various local government portfolio initiatives. The actual volume was lower than expected.

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
7,109	Crown	7,358	7,072	7,360
219	Third Parties	86	94	66
7,328	Total Revenue	7,444	7,166	7,426
Expenses				
7,741	Expenses	7,258	7,167	7,427
(413)	Net Surplus/(Deficit)	186	(1)	(1)

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$260,000 was due to a transfer of funding from Information, Support and Regulatory Services – Local Government for the monitoring of the Auckland Transition Agency (\$228,000), a reallocation of shared services costs (\$53,000), an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$7,000), and an increase in the funding required for KiwiSaver (\$4,000), partially offset by a decrease in the funding required for the State Sector Retirement Savings Scheme (\$32,000).

VOTE MINISTERIAL SERVICES

The funding within Vote Ministerial Services is used to provide advice and services that ensure the Executive Government is well supported. This includes:

- » Support Services to Ministers
- » VIP Transport
- » Visits and Official Events Coordination.

The services provided through this funding have enabled the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	IMPACT	CONTRIBUTES TO:
Support Services to Ministers	» Ensuring that a range of services and processes needed to be effective is available to the Executive, both inside and outside Parliament	Executive Government is well supported
VIP Transport		
Visits and Official Events Coordination		

Support Services to Ministers

Description

This output covers:

- » providing a range of support services for Members of the Executive, including office administration, accounting, personnel, information and communications technology, facilities management, media and other advisory services
- » providing and managing residential accommodation for Members of the Executive, both owned and leased property.

This work contributes to ensuring *Executive Government is well supported*.

Performance information

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of Members of the Executive responding to the annual satisfaction survey who assess the quality of support services provided at 3 or above on a scale of 1 to 5 is no less than:	90%	95%	95.5%	Achieved
Percentage of Members of the Executive responding to the annual satisfaction survey who assess their satisfaction with the timeliness of services provided to them at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	95.5%	Achieved
The Minister Responsible for Ministerial Services is requested to indicate his/her satisfaction with the level of administration of support services provided to the Executive	Satisfied or better*	Very Good	Very Good	Achieved
The Minister Responsible for Ministerial Services is requested to indicate his/her satisfaction with the quality of operational advice	Satisfied or better*	Very Good	Very Good	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
29,943	Crown	26,710	27,686	26,713
1,241	Third Parties	448	483	399
31,184	Total Revenue	27,158	28,169	27,112
Expenses				
30,154		26,758	28,168	27,111
1,030	Net Surplus/(Deficit)	400	1	1

The decrease in the budget between the Main Estimates and the Supplementary Estimates of \$1.057 million was due to transfers of funding to the non-departmental other expense Members of the Executive's Internal and External Travel (\$350,000) and the departmental output expense Visits and Official Events Coordination (\$300,000), a reclassification of the ministerial accommodation payments as a non-departmental expense (\$200,000), a reallocation of shared services costs (\$149,000), and a decrease in the funding required for the State Sector Retirement Savings Scheme (\$97,000), partially offset by an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$26,000), and an increase in the funding required for KiwiSaver (\$13,000).

VIP Transport

Description

This output covers the provision of:

- » chauffeur-driven vehicle services for Members of the Executive, the Leader of the Opposition, the Speaker, former Prime Ministers and their spouses, former Governors-General and their spouses, the judiciary and distinguished visitors
- » self-drive vehicles for Members of the Executive.

This work contributes to ensuring *Executive Government is well supported*.

Performance information

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of Members of the Executive who rate their satisfaction with the transport services provided to them at 3 or above on a scale of 1 to 5 is no less than:	90%	100%	100%	Achieved
Percentage of replacement vehicles complying with European Fuel Emission Standard IV is no less than:	90%	100%	100%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
0	Revenue Crown	0	0	0
7,661	Revenue Third Parties	7,242	7,921	7,921
7,661	Total Revenue	7,242	7,921	7,921
Expenses				
7,653	Expenses	7,178	7,921	7,921
8	Net Surplus/(Deficit)	64	0	0

Actual expenditure was 9% lower than the Supplementary Estimates mainly reflecting improved business practice and fleet performance, together with some reduction in the demand for the services.

VOTE MINISTERIAL SERVICES

Visits and Official Events Coordination

Description

This output covers services supporting:

- » visits by guests of government
- » receptions at international airports for the Governor-General, Members of the Executive and guests of government
- » State and ministerial functions
- » commemorative events
- » national anniversaries.

This work contributes to ensuring *Executive Government is well supported*.

Performance information

Coordination of Visits

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of visit programme content and logistics arranged to reflect visit objectives is:	100%	100%	100%	Achieved
Percentage of Ministers who rate their satisfaction with the quality of arrangements for ministerial and State functions at 3 or above on a scale of 1 to 5 is no less than: (Only Ministers sponsoring ministerial and State functions are surveyed)	90%	100%	100%	Achieved

Coordination of Official Events

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of Members of the Executive who rate their satisfaction with the coordination and management of official events at 3 or above on a scale of 1 to 5 is no less than: (Only Ministers with responsibility for hosting events are surveyed)	90%	100%	100%	Achieved

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
4,444	Crown	4,698	4,412	4,698
30	Third Parties	36	25	38
4,474	Total Revenue	4,734	4,437	4,736
Expenses				
3,912		4,472	4,437	4,736
562	Net Surplus/(Deficit)	262	0	0

The increase in the budget between the Main Estimates and the Supplementary Estimates of \$299,000 was due to a transfer of funding from the departmental output expense Support Services to Ministers (\$300,000), an increase in the funding required for the State Sector Retirement Savings Scheme (\$13,000), and an expense transfer from 2008/09 to 2009/10 for sustainable accommodation (\$10,000), partially offset by a reallocation of shared services costs (\$24,000).

Actual expenditure was 6% lower than the Supplementary Estimates reflecting the cancellation or postponement of a number of scheduled guests of government visits.

VOTE RACING

The funding within Vote Racing contributes to the ongoing integrity and community benefit of racing. This includes providing policy advice on matters relating to racing, sports betting, and the racing industry generally, as well as support to the Minister for Racing, as required.

The services provided within Vote Racing enable the Department to contribute to its outcomes as described in Part Two (Outcome Contribution) and below.

OUTPUT	IMPACT	CONTRIBUTES TO:
Policy Advice – Racing	» Provide policy advice to help ensure the ongoing integrity and community benefit of racing	Safer communities

VOTE RACING

Policy Advice – Racing

Description

This output covers:

- » policy advice and information on matters relating to racing and sports betting and on the racing industry generally. Policy advice also involves preparing ministerial briefings and speech notes, and providing support for the Minister for Racing, as required, in Cabinet committees, select committees and Parliament, and administration of Crown funding in relation to racing
- » draft replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions addressed to the Minister for Racing or referred from other Ministers.

This work contributes to the development of *Safer communities*.

Performance information

Racing Policy Advice

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Policy advice is delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister for Racing and the Chief Executive. The policy programme is set out below: <ul style="list-style-type: none"> » Administering the Racing Safety Development Fund and the Racing Promotion and Sponsorship Scheme » Reviewing the Racing Safety Development Fund » Providing ad hoc advice on racing » Responding to other portfolio initiatives 	100%	100%	100%	Achieved
Policy advice is delivered in accordance with agreed policy quality criteria as listed on page 84	100%	100%	100%	Achieved
The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice	Satisfied or better*	Very Good	Very Good	Achieved
Policy advice is delivered according to the timeframes agreed	100%	100%	100%	Achieved

(* Ratings used in all Ministerial Satisfaction Surveys are – Very Good, Good, Satisfied, Poor or Very Poor)

Ministerial Correspondence and Questions

RESULTS INFORMATION	PERFORMANCE STANDARD	2009/10 ACTUAL	2008/09 ACTUAL	COMMENTS
Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than:	95%	100%	100%	Achieved
Percentage of draft responses to ministerial correspondence returned to the Minister's office for signature within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed is no less than:	95%	97.4%	100%	Achieved
Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than:	100%	100%	100%	Achieved
Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than:	100%	100%	100%	Achieved

ACTIVITY INFORMATION	ESTIMATED VOLUME	2009/10 ACTUAL	2008/09 ACTUAL
Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries, and answers to parliamentary questions	30–50	55	59

Revenue and output expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPPLEMENTARY ESTIMATES 2009/10 \$000
Revenue				
265	Crown	357	356	357
3	Third Parties	6	5	4
268	Total Revenue	363	361	361
Expenses				
195	Expenses	246	362	362
73	Net Surplus/(Deficit)	117	(1)	(1)

Actual expenditure was 32% lower than the Supplementary Estimates reflecting efficiency gains during the year.

Policy Advice Quality Criteria

In fulfilling the aim to produce policy advice that meets the needs of Ministers, the Department requires that, to the extent to which time and cost-effectiveness considerations permit, policy advice produced within Vote Community and Voluntary Sector, Vote Emergency Management, Vote Internal Affairs, Vote Local Government, Vote Ministerial Services, and Vote Racing meets the following quality criteria:

- Purpose** Policy papers should be short (where practicable), succinct and clearly focused on decisions required from Ministers.
- Consistency** The advice takes account of other Government policies and decisions, and is consistent with the principles of the Treaty of Waitangi.
- Logic** The assumptions behind the advice are explicit and argument is logical and supported by the facts.
- Accuracy** The facts in the papers are legally and statistically accurate and all material facts and sources are included. Where appropriate, the advice includes sound legal opinion.
- Options** An appropriate range of options is presented; each option is assessed in terms of the benefits and costs for the Government, the economy, the community sector and all other relevant parties. The information provided has sufficient range and depth.
- Consultation** There is evidence of adequate consultation with other government agencies and other affected parties and possible objections to proposals are identified.
- Practicality** The problems of implementation, technical feasibility, timing and consistency with other policies have been considered. Where appropriate, the advice considers the impact on the lives of New Zealanders.
- Presentation** The length and format of Cabinet papers meet ministerial and Cabinet Office requirements. All papers and briefings are in accordance with the Department's Policy Quality Assurance guidelines. All presentations to Ministers are in accordance with ministerial preference for style and format. All key facts and recommendations are on the first page. All material is effectively, concisely and clearly presented, has short sentences in plain English, and is free of grammatical or numerical errors.
- Impartiality** The Department of Internal Affairs strives to provide professional, impartial and comprehensive advice to Ministers and to alert Ministers to the possible consequences of following particular policies, whether or not such advice accords with the Ministers' views.

part five | financial statements – departmental

Comprehensive Income	86
Financial Position	87
Movements in Taxpayers' Funds	88
Cash Flows	89
Net Surplus to Net Cash Flow from Operating Activities	90
Commitments	91
Contingent Assets and Liabilities	92
Unappropriated Expenditure	92
Memorandum Accounts	93
Departmental Expenditure Appropriations	95
Notes to the Financial Statements	97
Departmental Financial Results	122

Comprehensive Income

Statement of Comprehensive Income

for the year ended 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Revenue					
98,348	Crown		109,526	119,320	109,526
119,669	Third Parties	2	126,138	126,954	126,656
865	Gain on Sale of Property, Plant and Equipment		33	0	0
218,882	Total Revenue		235,697	246,274	236,182
Expenses					
112,530	Personnel	3	119,701	127,233	121,350
86,067	Operating	4	86,762	103,176	99,108
9,526	Depreciation and Amortisation	10,11	15,832	14,287	13,993
3,490	Capital Charge	5	5,646	5,512	5,665
211,613	Total Expenses	23	227,941	250,208	240,116
7,269	Net Surplus/(Deficit)		7,756	(3,934)	(3,934)
Other Comprehensive Income					
0	Revaluation Gain	10	0	0	0
7,269	Total Comprehensive Income		7,756	(3,934)	(3,934)

Explanation of significant variances against budget are detailed in note 22.

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Financial Position

Statement of Financial Position

as at 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Assets					
<i>Current Assets</i>					
37,410	Cash and Cash Equivalents	6	42,843	36,024	27,664
4,467	Accounts Receivable	7	3,592	3,946	4,238
1,604	Inventories	8	1,444	1,382	1,210
131	Prepayments		463	164	1,002
2	Derivative Financial Instruments	9	0	0	0
43,614	Total Current Assets		48,342	41,516	34,114
<i>Non Current Assets</i>					
30,571	Property, Plant and Equipment	10	28,386	26,168	28,893
31,354	Intangible Assets	11	53,338	61,079	56,206
61,925	Total Non Current Assets		81,724	87,247	85,099
105,539	Total Assets		130,066	128,763	119,213
Liabilities and Taxpayers' Funds					
<i>Current Liabilities</i>					
21,059	Accounts Payable	12	19,288	19,904	18,308
1,166	Provisions	13	1,600	1,049	1,267
7,034	Revenue Received in Advance	14	5,490	7,616	6,764
6,368	Employee Entitlements	15	7,924	6,458	6,895
1,059	Finance Lease	16	1,322	0	1,322
7,267	Provision for Repayment of Surplus	17	7,777	0	0
0	Derivative Financial Instruments	9	21	0	0
43,953	Total Current Liabilities		43,422	35,027	34,556
<i>Non Current Liabilities</i>					
1,157	Employee Entitlement	15	1,124	697	1,239
5,549	Finance Lease	16	4,515	0	4,227
6,706	Total Non Current Liabilities		5,639	697	5,466
50,659	Total Liabilities		49,061	35,724	40,022
<i>Taxpayers' Funds</i>					
52,431	General Funds	17	79,297	89,665	76,742
2,449	Revaluation Reserve	17	1,708	3,374	2,449
54,880	Total Taxpayers' Funds		81,005	93,039	79,191
105,539	Total Liabilities and Taxpayers' Funds		130,066	128,763	119,213

Explanation of significant variances against budget are detailed in note 22.

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Movements in Taxpayers' Funds

Statement of Movements in Taxpayers' Funds

for the year ended 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
7,269	Total Comprehensive Income		7,756	(3,934)	(3,934)
(925)	Increase/(decrease) in Revaluation Reserve	17	(741)	0	0
6,344	Total Recognised Revenue and Expenses		7,015	(3,934)	(3,934)
(7,267)	Provision for Repayment of Surplus	17	(7,777)	0	0
234	Other Movements in Taxpayers Funds	17	0	0	0
0	Transfers between Government Departments	17	15,404	0	0
0	Transfers to Crown		(1,360)	0	0
9,159	Capital Contribution	17	12,843	31,502	28,247
8,470	Movement in Taxpayers' Funds for the year		26,125	27,568	24,313
46,410	Taxpayers' Funds as at 1 July		54,880	65,471	54,878
54,880	Taxpayers' Funds as at 30 June		81,005	93,039	79,191

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Cash Flows

Statement of Cash Flows

for the year ended 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Cash Flows from Operating Activities					
<i>Cash was Provided from:</i>					
98,348	Supply of Outputs to the Crown		109,526	119,320	109,526
117,976	Supply of Outputs to Third Parties		125,469	127,388	126,839
216,324			234,995	246,708	236,365
<i>Cash was Disbursed to:</i>					
(192,393)	Costs of Producing Outputs		(206,410)	(227,525)	(216,120)
(3,490)	Capital Charge		(5,646)	(5,512)	(5,665)
(195,883)			(212,056)	(233,037)	(221,785)
20,441	Net Cash Flows from Operating Activities		22,939	13,671	14,580
Cash Flows from Investing Activities					
<i>Cash was Provided from:</i>					
2,111	Sale of Property, Plant and Equipment		660	3,610	573
<i>Cash was Disbursed to:</i>					
(19,864)	Purchase of Intangibles	10	(17,381)	(25,423)	(27,522)
(8,611)	Purchase of Property, Plant and Equipment	11	(5,590)	(10,155)	(4,264)
(26,364)	Net Cash Flows from Investing Activities		(22,311)	(31,968)	(31,213)
Cash Flows from Financing Activities					
<i>Cash was Provided from:</i>					
9,159	Capital Contribution	17	12,843	16,102	14,156
<i>Cash was Disbursed to:</i>					
(8,330)	Repayment of Net Surplus	17	(7,267)	(1,789)	(7,269)
0	Payment of Finance Lease		(771)	0	0
829	Net Cash Flows from Financing Activities		4,805	14,313	6,887
(5,094)	Net Increase/(Decrease) in Cash Held		5,433	(3,984)	(9,746)
42,504	Add Opening Cash		37,410	40,008	37,410
37,410	Closing Cash and Cash Equivalents		42,843	36,024	27,664

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Net Surplus to Net Cash Flow from Operating Activities

Reconciliation of Total Comprehensive Income to Net Cash Flow from Operating Activities for the year ended 30 June 2010

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
7,269	Total Comprehensive Income	7,756	(3,934)	(3,934)
<i>Add/(Deduct) Non Cash Items</i>				
9,526	Depreciation and Amortisation	15,832	14,287	13,993
0	Revaluation Losses/(Gains) on Properties	0	0	0
(2)	Net Losses/(Gains) on Derivative Financial Instruments	21	0	0
(17)	Net Foreign Exchange Losses/(Gains)	18	0	0
9,507		15,871	14,287	13,993
<i>Add/(Deduct) Movements in Working Capital Items</i>				
(492)	(Increase)/Decrease in Accounts Receivable	875	434	229
691	(Increase)/Decrease in Inventories	160	122	394
138	(Increase)/Decrease in Prepayments	(332)	50	(871)
4,294	Increase/(Decrease) in Accounts Payable	(1,771)	2,837	4,329
117	Increase /(Decrease) in Provisions	434	0	101
(1,201)	Increase/(Decrease) in Revenue Received in Advance	(1,544)	(563)	(270)
832	Increase /(Decrease) in Employee Entitlements	1,523	437	609
4,379		(655)	3,317	4,521
<i>Add/(Deduct) Items Classified as Investing Activities</i>				
(714)	Loss/(Gain) on Sale of Property, Plant and Equipment	(33)	1	0
(714)		(33)	1	0
20,441	Net Cash Flows From Operating Activities	22,939	13,671	14,580

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Commitments

Statement of Commitments

as at 30 June 2010

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
Capital Commitments		
<i>Capital Contracts for Goods and Services</i>		
9,287	Less than one year	11,094
0	One to two years	4,756
0	Two to five years	167
9,287	Total Capital Goods and Services Commitments	16,017
Operating Commitments		
<i>Non-Cancellable Accommodation Leases</i>		
9,779	Less than one year	9,131
8,036	One to two years	6,075
7,701	Two to five years	3,630
989	Over five years	614
26,505	Total Accommodation Commitments	19,450
<i>Other Non-Cancellable Leases</i>		
8,592	Less than one year	10,424
6,524	One to two years	7,076
4,893	Two to five years	611
20,009	Total Other Lease Commitments	18,111
<i>Non-Cancellable Contracts for Goods and Services</i>		
5,729	Less than one year	244
1	One to two years	2
5,730	Total Goods and Services Commitments	246
61,531	Total Commitments	53,824

Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for, or not recognised as a liability, at the balance sheet date. The Capital commitments for 2009/10 relate to the Passport System Redevelopment Project and for 2008/09 to the Passport Personalisation project.

Non-Cancellable Lease Commitments

The Department leases property, plant and equipment in the normal course of its business. The majority of the leases are for premises, vehicles, office equipment and electronic monitoring of non-casino gaming machines. The non-cancellable leasing period for these leases varies.

Non-Cancellable Contracts for Goods and Services

The Department has entered into non-cancellable contracts for IT maintenance, property maintenance and other contracts for service.

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Contingent Assets and Liabilities

Statement of Contingent Assets and Liabilities

as at 30 June 2010

Quantified Contingent Liabilities

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
Legal Proceedings and Disputes		
215	Legal Disputes	144
0	Customs Duties	268
215	Total Contingent Liabilities	412

Unquantified Contingent Liabilities

Year Ended 30 June 2010

There are two personal grievance cases pending against the Department that cannot be reliably quantified due to uncertainty around the outcomes. Management believe the resolution of these cases will not have a materially adverse effect on the financial statements of the Department. (2008/09: Nil)

Contingent Assets

The Department has no contingent assets. (2008/09: Nil)

Unappropriated Expenditure

Statement of Unappropriated Expenditure

for the year ended 30 June 2010

There was no Unappropriated Expenditure for the year ended 30 June 2010. (2008/09: Nil)

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Memorandum Accounts

Memorandum Accounts

for the year ended 30 June 2010

Memorandum accounts are notional accounts to record the accumulated balance of surpluses and deficits for outputs funded by fees charged to third parties. They are intended to provide a long-run perspective to the pricing of outputs.

	OPENING BALANCE 2009/10 \$000	MOVEMENT DURING 2009/10 \$000	CLOSING BALANCE 2009/10 \$000
<i>New Zealand Gazette</i>	361	108	469
Use of facilities and access to Lake Taupo by boat users	2	(47)	(45)
Passport products	5,572	3,885	9,457
Citizenship products	444	(1,934)	(1,490)
Marriage products	61	(478)	(417)
Issue of Birth, Death and Marriage certifications and other products	3,259	(1,754)	1,505
Administration of non-casino gaming	(6,961)	685	(6,276)

The memorandum accounts were established on 30 June 2002.

Action Taken to Address Surpluses and Deficits

New Zealand Gazette

The cost of publishing and distributing the New Zealand Gazette is recovered through third party fees. Fees will be reviewed once the costs of a project to improve the New Zealand Gazette's online capability have been fully scoped. The planning phase for this project is underway and is due to be completed by October 2010.

Use of Facilities and Access to Lake Taupo by Boat Users

The Department manages berths, jetties and boat ramps located at Lake Taupo. Fees are charged to third parties for the use of boat ramps and marina berths. These fees are used to cover the cost of the administration and maintenance of these facilities. In 2009/10, lower levels of fees were recovered due to adverse weather conditions and the economic environment.

Passport Products

The purpose of this account is to support a strategy to stabilise fees based on full cost recovery over a four to five year planning horizon. This strategy supports the introduction of new technologies including the replacement of the ageing passport system within that timeframe. The current fees schedule was approved with effect from 4 November 2005. The balance in this account is affected by fluctuating volumes and the timing of system changes.

The Passport Redevelopment Programme that is expected to be completed in 2011/12 will replace ageing technology, improve process integrity, and implement a new robust system to handle the progressive increase in passport application volumes resulting from the move to a five-year passport announced in 2005. The new computer system and associated business processes is expected to be funded within the existing fees and constraints of the memorandum account balance. The commencement of the 5 year passports renewal cycle will see more passport volumes start to increase steadily until 2014/15 when the 5-year renewal cycle takes full effect. The 2009/10 movement reflected the timing of expenditure on Passport Redevelopment Programme developments and higher revenue than forecast.

The memorandum account surplus is expected to reduce as passport developments are implemented. Passport fees will be reviewed following the completion of the Passport Redevelopment Programme in 2011/12.

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Citizenship Products

The purpose of this account is to support a strategy to stabilise fees based on full cost recovery over a four to five year planning horizon. The current fees schedule was approved with effect from 1 September 2003. The balance in this account in recent years has been affected by fluctuating volumes and legislative changes. The negative movement in 2009/10 reflected legislative changes which increased the citizenship eligibility qualifying period from 3 to 5 years of permanent residence. Citizenship systems, processes and costs are currently being reviewed as part of the Department's Performance and Productivity Improvement Programme and Machinery of Government changes affecting the Department. Citizenship fees will be reviewed in 2011/12 and will incorporate the results of the foregoing initiatives and the impact of volume changes.

Marriage Products

The purpose of this account is to support a strategy to stabilise fees based on full cost recovery over a four to five year planning horizon. The current fees schedule was approved with effect from 1 September 2003 to recover full costs. The adverse movement in 2009/10 is expected to continue in 2010/11 and reflects higher costs since fees were last reviewed. Marriage systems, processes and costs are currently being reviewed as part of the Department's Performance and Productivity Improvement Programme and Machinery of Government changes affecting the Department. Marriage product fees will be reviewed in 2011/12 and will incorporate the results of the foregoing initiatives and the impact of volume changes.

Births, Deaths and Marriages Certificates, and Other Products

The purpose of this account is to support a strategy to stabilise fees based on full cost recovery over a four to five year planning horizon. This strategy includes the introduction of new technologies that allow greater access by applicants through the Internet. The current fees schedule was approved with effect from 1 September 2003 to recover full costs. The adverse movement in 2009/10, which is expected to continue in 2010/11, reflects additional expenditure associated with the implementation of the Births, Deaths, Marriages and Relationships Registration legislation. Accordingly, the accumulated surplus is expected to decline further. Births, Deaths and Marriages systems, processes and costs are currently being reviewed as part of the Department's Performance and Productivity Improvement Programme and Machinery of Government changes affecting the Department. Births, Deaths and Marriages Certificates, and Other Products fees will be reviewed in 2011/12 and will incorporate the results of the foregoing initiatives and the impact of volume changes.

Administration of Non-casino Gaming

Fees established to recover the cost of administration and regulation of non-casino gaming are reflected in gaming machine fees, licence fees and similar charges for differing types of gaming activity, in addition to charges relating to the electronic monitoring of non-casino gaming machines. The accumulated deficit resulted from uncertainties surrounding the introduction of the Gambling Act 2003 and the electronic monitoring system in 2006, in particular around volumes and activity. The current fees schedule was approved with effect from 1 February 2008, and a further review is planned in 2011 due to permanent reductions to the bases of revenue recovery for gaming machines and associated activity.

Departmental Expenditure Appropriations

Statement of Departmental Expenditure and Capital Appropriations for the year ended 30 June 2010

ACTUAL 2008/09 \$000	NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Appropriations for Output Expenses				
Vote Community and Voluntary Sector				
<i>Multi-Class Output Appropriation</i>				
Community and Voluntary Sector Services				
1,687	Policy Advice – Community	1,610	1,712	1,712
14,438	Administration of Grants	14,508	15,117	14,941
5,123	Community Advisory Services	5,308	5,328	5,347
21,248	Total Community and Voluntary Sector Services	21,426	22,157	22,000
21,248	Total Vote Community and Voluntary Sector	21,426	22,157	22,000
Vote Emergency Management				
<i>Multi-Class Output Appropriation</i>				
Emergency Management Services				
927	Policy Advice – Emergency Management	846	974	880
5,621	Support Services, Information and Education	5,458	5,800	6,220
3,985	Management of National Emergency Readiness, Response and Recovery	3,875	4,275	4,394
10,533	Total Emergency Management Services	10,179	11,049	11,494
10,533	Total Vote Emergency Management	10,179	11,049	11,494
Vote Internal Affairs				
<i>Multi-Class Output Appropriation</i>				
Policy and Advisory Services				
4,760	Policy Advice- Internal Affairs	4,021	4,324	4,668
4,444	Information and Advisory Services	2,816	3,010	3,609
9,204	Total Policy and Advisory Services	6,837	7,334	8,277
<i>Departmental Output Expenses</i>				
0	Anti-Money Laundering and Countering Financing of Terrorism	353	0	967
0	Government Technology Services	11,511	23,955	12,515
84,704	Identity Services	96,484	92,109	99,876
25,166	Regulatory Services	24,910	25,929	25,925
5,670	Services for Ethnic Affairs	5,651	5,520	5,916
834	Contestable Services *	818	899	908
125,578	Total Vote Internal Affairs	146,564	155,746	154,384

* The appropriation for Contestable Services is restricted by revenue earned. Revenue for the 2009/10 year was \$0.832 million (2008/09: \$0.870 million).

The notes form an integral part of, and should be read in conjunction with, these financial statements.

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Vote Local Government					
<i>Multi-Class Output Appropriation</i>					
<i>Services for Local Government</i>					
7,741	Policy Advice – Local Government		7,258	7,167	7,427
5,080	Information, Support and Regulatory Services – Local Government		4,067	4,057	4,115
12,821	Total Services for Local Government		11,325	11,224	11,542
<i>Departmental Output Expenses</i>					
232	Implementation of Auckland Governance Reforms		379	9,144	566
13,053	Total Vote Local Government		11,704	20,368	12,108
Vote Ministerial Services					
<i>Departmental Output Expenses</i>					
30,154	Support Services to Members of the Executive		26,758	28,168	27,111
3,912	Visits and Official Events Co-ordination		4,472	4,437	4,736
7,653	VIP Transport		7,178	7,921	7,921
41,719	Total Vote Ministerial Services		38,408	40,526	39,768
Vote Racing					
<i>Departmental Output Expenses</i>					
195	Policy Advice – Racing		246	362	362
195	Total Vote Racing		246	362	362
212,326	Total Department Appropriation for Output Expenses	22	228,527	250,208	240,116
Appropriation for Capital Expenditure					
35,082	Vote: Department of Internal Affairs		22,974	35,578	31,786
35,082	Total Department Appropriation for Capital Expenditure		22,974	35,578	31,786
247,408	Total Department Appropriations		251,501	285,786	271,902

The notes form an integral part of, and should be read in conjunction with, these financial statements.

Notes to the Financial Statements

Notes to the Financial Statements

for the year ended 30 June 2010

Note 1

Statement of Accounting Policies

Reporting Entity

The Department of Internal Affairs financial statements have been prepared in accordance with the requirements of the Public Finance Act 1989. Section 2 of this Act defines the Department of Internal Affairs as a Government Department. For the purposes of financial reporting the Department of Internal Affairs is a public benefit entity.

In addition, the Department has reported the Crown activities and trust money, which it administers.

Integration with National Library, Archives New Zealand

As a result of an announcement made on 25 March 2010 the Department of Internal Affairs is currently undertaking a process to integrate with the National Library and Archives New Zealand. This will result in the carrying balances for these entities' assets and liabilities being transferred to the Department of Internal Affairs during the course of the 2010/11 financial year.

No adjustments have been made within the Department of Internal Affairs accounts for the integration as the carrying value of the assets and liabilities are not expected to be materially different from the current residual value.

At the time of preparing the accounts no disestablishment date for the National Library and Archives New Zealand has been set.

Transfer of Government Technology Service from State Services Commission

On 1 July 2009 the assets and Liabilities of the Government Technology Service unit were transferred from State Services Commission to the Department of Internal Affairs. This had an effect on the Department's accounts of increasing: fixed assets by \$14.091 million, current assets by \$4.390 million, current Liabilities by \$3.077 million and taxpayer equity by \$15.404 million.

Reporting Period

The reporting period for these financial statements is the year ended 30 June 2010. The financial statements were authorised for issue by the Chief Executive of the Department on 30 September 2010.

Basis of preparation

Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Budget Figures

The budget figures are those presented in the Budget Estimates of Appropriation (Main Estimates) and those amended by the Supplementary Estimates (Supp. Estimates).

Changes in accounting policies

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

Comparatives

When presentation or classification of items in the financial statements are amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with NZ IFRS requires judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Provision for Doubtful Debts

Note 7 includes a provision for doubtful debts on accounts receivable as at 30 June 2010. The provision is determined by using percentage of potential doubtful debts over reported period ranges based on past history for the Department and review of the accounts receivable balances held.

Long Service, Sick and Retirement Leave

Note 15 provides details of valuation of long service, sick and retirement leave. The long service and retirement valuation have been calculated by an independent valuer and includes the use of discount rates and inflationary estimates to determine the final valuations.

Finance Leases

The Department has exercised its judgement on the appropriate classification of equipment leases and has determined one lease arrangement to be a finance lease as identified in Note 16. To determine if a lease arrangement is a finance lease or an operating lease requires judgement as to whether the arrangement transfers substantially all the risks and rewards of ownership to the Department. Judgement is involved in determining the fair value of the leased asset, useful life and discount rate to calculate the present value of the minimum lease payments.

Effects from accounting standard adoption

The Department has adopted the following revisions to accounting standards during the financial year, which have had only a presentational or disclosure effect:

NZ IAS 1 *Presentation of Financial Statements (Revised 2007)* replaces NZ IAS 1 *Presentation of Financial Statements (Issued 2004)*. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The Department has decided to prepare a single Statement of Comprehensive Income for the year ended 30 June 2010 under the revised standard.

Financial statement information for the year ended 30 June 2009 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.

Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*. The amendments introduce a three-level fair value disclosure hierarchy that distinguishes fair value measurements by the significance of valuation inputs used. A maturity analysis of financial assets is also required to be prepared if this information is necessary to enable users of

the financial statements to evaluate the nature and extent of liquidity risk. The Department has elected to disclose both current and comparative information for the fair value disclosure hierarchy disclosures.

Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments, and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Department, are:

NZ IFRS 9 *Financial Instruments* will eventually replace NZ IAS 39 *Financial Instruments: Recognition and Measurement*. NZ IAS 39 is being replaced through the following 3 main phases: Phase 1 Classification and Measurement, Phase 2 Impairment Methodology, and Phase 3 Hedge Accounting. Phase 1 on the classification and measurement of financial assets has been completed and has been published in the new financial instrument standard NZ IFRS 9. NZ IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in NZ IAS 39. The approach in NZ IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the many different impairment methods in NZ IAS 39. The new standard is required to be adopted for the year ended 30 June 2014. The Department has not yet assessed the effect of the new standard and expects it will not be early adopted.

NZ IAS 24 *Related Party Disclosures (Revised 2009)* replaces NZ IAS 24 *Related Party Disclosures (Issued 2004)*. The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition. The Department has not yet assessed the effect of the new standard and expects it will not be early adopted.

Functional and presentation currency

The functional currency of the Department is New Zealand dollars.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Significant accounting policies

The measurement base used in preparing the financial statements is historical cost modified by the revaluation of land and buildings and certain financial instruments (including derivative instruments). The accrual basis of accounting has been used unless otherwise stated.

The following particular accounting policies have been applied:

Revenue

Revenue Crown

The Department derives revenue for the provision of outputs (services) to the Crown. Revenue Crown is recognised when earned and reported in the financial period to which it relates.

Third Party Revenue

The Department derives revenue from third parties for the provision of outputs (products or services) to third parties. Revenue from the supply of goods and services is measured at the fair value of consideration received. Revenue from the supply of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer unless an alternative method better represents the stage of completion of the transaction. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Revenue Received in Advance

Revenue is recognised in Statement of Financial Position as a liability when the revenue has been received but does not meet the criteria for recognition as revenue in the Statement of Comprehensive Income.

Expenses

Expenses are recognised and reported in the Statement of Comprehensive Income in the period in which the service is provided or the goods are received.

Cost Allocation

The methods used in the allocation of costs are consistent between projected (budgeted) and actual figures. Costs of outputs are derived using the following cost allocation system:

“Direct Costs” are those costs directly attributed to an output and are treated as follows:

- » personnel costs are allocated on the basis of estimated time engaged in the delivery of a particular output
- » operating costs are allocated on the basis of usage
- » depreciation and capital charge are allocated on the basis of estimated asset utilisation
- » accommodation costs are allocated on the basis of floor space occupied.

“Indirect Costs” are those costs incurred by support units that are not directly attributable to an output. Indirect costs are allocated to outputs on an activity-costing basis reflecting a mix of perceived benefit, personnel numbers, floor space, network connections and estimated allocation of time.

For the year ended 30 June 2010, direct costs accounted for 85% of the Department’s costs (2008/09: 83%). Direct costs include personnel, operating, capital charge, accommodation and depreciation.

Financial Instruments

Designation of financial assets and financial liabilities is determined by the business purpose of the financial instruments, policies and practices for their management, their relationship with other instruments and the reporting costs and benefits associated with each designation.

Financial Assets

Cash and cash equivalents include cash on hand, cash in transit, and funds on deposit with banks.

Accounts receivable have been designated as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables entered into with a duration of less than 12 months are recognised at their nominal value. At each balance date, the Department assesses whether there is any objective evidence that loans and receivables are impaired. Any impairment losses are recognised in the Statement of Comprehensive Income as bad debts.

Financial Liabilities

Financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

Foreign Currency

Transactions in foreign currencies are initially translated at the foreign exchange rate at the date of the transaction.

Monetary assets denominated in foreign currencies at balance date are translated to New Zealand dollars at the foreign exchange rate at balance date. Foreign exchange gains or losses arising from translation of monetary assets are recognised in the Statement of Comprehensive Income.

Inventories

Inventories held for distribution, or consumption in the provision of services, that are not issued on a commercial basis are measured at the lower of cost (determined on the first-in first-out method) and current replacement costs.

Where inventories are acquired at no cost, or for nominal consideration, the cost is the current replacement cost at date of acquisition.

The replacement cost of the economic benefits or service potential of inventory held for distribution reflects any obsolescence or any other impairment.

Any write-down from cost to current replacement cost is recognised in the Statement of comprehensive income in the period when the write-down occurs.

Property, Plant and Equipment

Items of property, plant and equipment costing more than \$3,000 are initially capitalised and recorded at cost.

Revaluations are carried out for a number of classes of property, plant and equipment to reflect the service potential or economic benefit obtained through control of the asset. Revaluation is based on the fair value of the asset with changes reported by class of asset.

Land and buildings are recorded at fair value less impairment losses and, for buildings, less depreciation accumulated since the assets were last revalued. Valuations undertaken in accordance with the standards issued by the New Zealand Property Institute are used.

Antiques and works of art are recorded at fair value and are not depreciated.

Other property, plant and equipment, which include motor vehicles and office equipment, are recorded at cost less accumulated depreciation and accumulated impairment losses.

Classes of property, plant and equipment that are revalued, are revalued at least every five years or whenever the carrying amount differs materially to fair value. Unrealised gains and losses arising from changes in the value of property, plant and equipment are recognised as at balance date. To the extent that a gain reverses a loss previously charged to the Statement of Comprehensive Income for the asset class, the gain is credited to the Statement of Comprehensive Income. Otherwise, gains are credited to an asset revaluation reserve for that class of asset. To the extent that there is a balance in the asset revaluation reserve for the asset class any loss is debited to the reserve. Otherwise, losses are reported in the Statement of Comprehensive Income.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount.

Realised gains and losses arising from disposal of property, plant and equipment are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to Other Comprehensive Income.

For each property, plant and equipment asset project, borrowing costs incurred during the period required to complete and prepare the asset for its intended use are expensed.

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its estimated useful life. The estimated useful lives are as follows:

Buildings	33–50 Years
Plant and Equipment	5–20 Years
Furniture and Fittings	5–10 Years
Office Equipment	5–10 Years
Motor Vehicles	3–6 Years
IT Equipment	3–5 Years

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease, or the estimated remaining useful life of the improvements, whichever is the shorter.

Land and antiques and works of art are not depreciated.

Capital work in progress is not depreciated. The total cost of the capital project is transferred to the appropriate asset on its completion and then depreciated.

Intangible Assets

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase of the asset only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use; and development expenditure can be reliably measured. Expenditure incurred on research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Intangible assets with finite lives are subsequently recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these intangible assets (Software) is 3–7 years. One exception is Births, Deaths and Marriages Historical Records Databases which are depreciated over 10 years.

Realised gains and losses arising from disposal of intangible assets are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs. Unrealised gains and losses arising from changes in the value of intangible assets are recognised as at balance date. To the extent that a gain reverses a loss previously charged to the Statement of Comprehensive Income, the gain is credited to the Statement of Comprehensive Income. Otherwise, gains are credited to an asset revaluation reserve for that asset. To the extent that there is a balance in the asset revaluation reserve for the intangible asset a revaluation loss is debited to the reserve. Otherwise, losses are reported in the Statement of Comprehensive Income.

Impairment of non-current assets

The carrying amounts of plant, property and equipment and intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Finance Leases

Finance leases transfer to the Department, as lessee, substantially all the risks and rewards incident on the ownership of a leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments. The capitalised values are amortised over the period in which the Department expects to receive benefits from their use.

The Department currently holds one finance lease. Approval is held under section 50 of the Public Finance Act 1989 for the Department to be able to enter into a finance lease for supply of specialist printing equipment for production of passport books.

Operating Leases

Operating leases, where the lessor substantially retains the risks and rewards of ownership, are recognised in a systematic manner over the term of the lease. Accommodation and motor vehicle leases are recognised as operating leases.

Lease incentives received are recognised evenly over the term of the lease as a reduction in rental expense.

Employee Entitlements

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave, sick leave and other similar benefits are recognised in the Statement of Comprehensive Income when they accrue to employees. Employee entitlements to be settled within 12 months are reported at the amount expected to be paid. The liability for long-term employee entitlements is reported as the present value of the estimated future cash outflows.

Termination benefits are recognised in the Statement of Comprehensive Income only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Other Liabilities and Provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Commitments

Operating and capital commitments arising from non-cancellable contractual or statutory obligations are disclosed within the Statement of Commitments to the extent that both parties have not performed their obligations.

Contingent Assets and Liabilities

Contingent assets and contingent liabilities are recorded in the Statement of Contingent Assets and Contingent Liabilities at the point at which the contingency is evident. Contingent assets are disclosed if it is probable that the benefits will be realised. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

Taxation

The Department is exempt from the payment of income tax in terms of the Income Tax Act 2004. Accordingly, no charge for income tax has been provided. The Department is subject to fringe benefit tax (FBT), and goods and services tax (GST). It administers pay as you earn tax (PAYE), employer superannuation contribution tax (ESCT) and withholding tax (WHT).

Goods and Services Tax (GST)

Amounts in the financial statements are reported exclusive of GST except for accounts receivable, prepayments and accounts payable.

The amount of GST owing to or from Inland Revenue at balance date is included in the Statement of Financial Position as a receivable or payable (as appropriate).

Commitments and contingencies are disclosed exclusive of GST.

Taxpayers' Funds

This is the Crown's net investment in the Department. Taxpayers' funds are aggregated and classified as General funds and Revaluation Reserve.

Note 2

Revenue Third Parties

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
53,391	Passport Fees	60,909
9,922	Citizenship Fees	7,963
10,620	Birth, Death, Marriage and Civil Union Fees	10,283
17,501	Gaming Licences	17,231
5,384	Casino Operators' Levies	5,244
7,004	VIP Transport	6,630
9,711	Recovery from New Zealand Lottery Grants Board	10,027
1,096	New Zealand Gazette	1,013
0	e-Government Development & Operations	1,183
5,040	Other	5,655
119,669	Total Revenue Third Parties	126,138

Note 3

Personnel Costs

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
106,967	Salaries, Wages and Contractors	113,729
2,310	Employer Contribution to defined contribution plans	2,671
835	Increase/(decrease) in employee entitlements	965
2,418	Other Personnel Costs	2,336
112,530	Total Personnel	119,701

Note 4

Operating Expenses

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
9,626	Agency Fees	10,157
11,530	Computer Costs	15,023
3,308	Consultants	3,600
15,120	Inventory Costs	13,669
12,938	Office Expenses	12,415
3,200	Professional Fees	4,534
2,411	Publicity and Promotion	2,182
11,468	Rental and Leasing Costs	11,409
2,523	Staff Development	2,370
4,591	Travel Expenses	4,400
185	Fee for Audit of Financial Statements	195
45	Fees to Auditors for Other Services Provided	98
17	Increase/(Decrease) in Provision for Doubtful Debts	(19)
151	Loss on Sale of Property, Plant and Equipment	0
0	Interest on Finance Leases	156
(17)	Realised Foreign Exchange Losses/(Gains)	18
(2)	Unrealised Foreign Exchange Losses/(Gains)	21
8,973	Other Departmental Operating Costs	6,534
86,067	Total Operating Expenses	86,762

Note 5

Capital Charge

The Crown imposes a capital charge on the Department's taxpayers' funds as at 30 June and 31 December each year. The capital charge rate in 2009/10 was 7.5% (2008/09: 7.5%).

Note 6

Cash and Cash Equivalents

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
37,019	New Zealand Bank Accounts	41,665
	Overseas Bank Accounts	
372	Sydney	814
19	London	364
37,410	Total Cash and Cash Equivalents	42,843

Overseas bank accounts are shown in New Zealand dollars converted at the closing mid-point exchange rate.

Note 7

Accounts Receivable

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
4,504	Trade Receivables	3,610
(37)	Less Provision for Doubtful Debts	(18)
4,467	Total Accounts Receivable	3,592

The carrying value of trade receivables approximates their fair value.

As at 30 June 2010 and 2009, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below.

ACTUAL 2008/09				ACTUAL 2009/10		
GROSS \$000	IMPAIRMENT \$000	NET \$000		GROSS \$000	IMPAIRMENT \$000	NET \$000
4,122	(25)	4,097	Not past due	3,514	(16)	3,498
310	(3)	307	Past due 1–30 days	84	(1)	83
43	(2)	41	Past due 31–60 days	8	0	8
15	(5)	10	Past due 61–90 days	1	0	1
14	(2)	12	Past due > 91 days	3	(1)	2
4,504	(37)	4,467	Total	3,610	(18)	3,592

The provision for doubtful debts has been calculated based on expected losses for the Department's pool of receivables. The expected losses have been determined based on analysis of the Department's losses in prior periods, and review of individual receivables.

Movements in the provision for doubtful debts are as follows:

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
27	Balance at 1 July	37
17	Additional Provisions made during the year	(19)
(7)	Trade Receivables written off	0
37	Provision for doubtful debts	18

Note 8

Inventories

	ACTUAL 2008/09 \$000	ACTUAL 2009/10 \$000
Passports		
18 Stock on hand		12
691 Work in Progress		773
Visits and Ceremonials		
21 Liquor		0
Civil Defence and Emergency Management		
20 Guides to National CDEM Plan		20
Birth, Death and Marriage Certificates		
22 Stock on hand		24
Citizenship		
79 Stock on hand		49
753 Work in Progress		566
1,604 Total Inventories		1,444

The carrying amount of inventories held for distribution that are measured at current replacement cost as at 30 June 2010 amounted to \$Nil. (2008/09: \$Nil)

The liquor stocks held by the Visits and Ceremonials Office were sold in May 2010.

No inventories are pledged as security for liabilities, however some inventories are subject to retention of title clauses.

Note 9

Derivative Financial Instruments

The notional principal amounts of the outstanding forward exchange contracts at 30 June 2010 were Australian dollars \$1,650,000 (2008/09: \$1,350,000) and UK Sterling £120,000 (2008/09: £120,000).

The fair value of forward exchange contracts has been determined using a discounted cash flows valuation technique based on stated market rates.

Note 10

Property, Plant and Equipment

2009/10

COST OR VALUATION	BALANCE 1 JULY \$000	ADDITIONS \$000	REVALU- ATIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Land	5,350	0	(723)	0	0	(977)	3,650
Buildings	3,397	0	(18)	0	0	(407)	2,972
Lease Improvements	10,060	868	0	(123)	110	0	10,915
Antiques and Works of Art	456	0	0	0	0	0	456
Furniture and Fittings	639	175	0	(31)	0	200	983
Office Equipment	1,198	74	0	(262)	29	17	1,056
Motor Vehicles	6,628	629	0	(693)	0	0	6,564
Plant and Equipment	1,028	11	0	(153)	0	0	886
IT Equipment	11,094	3,833	0	(785)	(1,501)	4,199	16,840
Leased Assets	6,608	0	0	0	0	0	6,608
Total Cost	46,458	5,590	(741)	(2,047)	(1,362)	3,032	50,930

ACCUMULATED DEPRECIATION	BALANCE 1 JULY \$000	ADDITIONS \$000	REVALU- ATIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Buildings	98	97	0	0	0	(26)	169
Lease Improvements	5,328	2,313	0	(123)	0	0	7,518
Furniture and Fittings	420	94	0	(23)	0	84	575
Office Equipment	840	168	0	(262)	0	10	756
Motor Vehicles	1,419	1,044	0	(416)	0	0	2,047
Plant and Equipment	745	106	0	(153)	0	0	698
IT Equipment	7,037	2,462	0	(239)	(1)	751	10,010
Leased Assets	0	771	0	0	0	0	771
Total Accumulated Depreciation	15,887	7,055	0	(1,216)	(1)	819	22,544

2008/09

COST	BALANCE 1 JULY \$000	ADDITIONS \$000	REVALU- ATIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Land	6,175	0	(705)	(120)	0	0	5,350
Buildings	3,707	0	(230)	(80)	0	0	3,397
Lease Improvements	7,765	2,481	0	(186)	0	0	10,060
Antiques and Works of Art	456	0	0	0	0	0	456
Furniture and Fittings	627	56	0	(44)	0	0	639
Office Equipment	1,128	111	0	(41)	0	0	1,198
Motor Vehicles	5,048	4,141	0	(2,561)	0	0	6,628
Plant and Equipment	1,020	8	0	0	0	0	1,028
IT Equipment	10,211	1,814	0	(1,005)	74	0	11,094
Leased Assets	0	6,608	0	0	0	0	6,608
Total Cost	36,137	15,219	(935)	(4,037)	74	0	46,458

ACCUMULATED DEPRECIATION	BALANCE 1 JULY \$000	ADDITIONS \$000	REVALU- ATIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Buildings	3	105	(10)	0	0	0	98
Lease Improvements	4,263	1,232	0	(167)	0	0	5,328
Furniture and Fittings	404	42	0	(26)	0	0	420
Office Equipment	690	191	0	(41)	0	0	840
Motor Vehicles	1,865	1,010	0	(1,456)	0	0	1,419
Plant and Equipment	686	59	0	0	0	0	745
IT Equipment	6,255	1,766	0	(984)	0	0	7,037
Leased Assets	0	0	0	0	0	0	0
Total Accumulated Depreciation	14,166	4,405	(10)	(2,674)	0	0	15,887

ACTUAL 2008/09				ACTUAL 2009/10		
COST OR VALUATION \$000	ACCUMULATED DEPRECIATION \$000	CARRYING VALUE \$000	CARRYING VALUES	COST OR VALUATION \$000	ACCUMULATED DEPRECIATION \$000	CARRYING VALUE \$000
5,350	0	5,350	Land at valuation	3,650	0	3,650
3,397	(98)	3,299	Buildings	2,972	(169)	2,803
10,060	(5,328)	4,732	Lease Improvements	10,915	(7,518)	3,397
456	0	456	Antiques and Works of Art	456	0	456
639	(420)	219	Furniture and Fittings	983	(575)	408
1,198	(840)	358	Office Equipment	1,056	(756)	300
6,628	(1,419)	5,209	Motor Vehicles	6,564	(2,047)	4,517
1,028	(745)	283	Plant and Equipment	886	(698)	188
11,094	(7,037)	4,057	IT Equipment	16,840	(10,010)	6,830
6,608	0	6,608	Leased Assets	6,608	(771)	5,837
46,458	(15,887)	30,571	Total Property, Plant and Equipment	50,930	(22,544)	28,386

Leased Assets

The net carrying amount of the leased assets (Passport Printers) held under finance lease is \$5,837,000 (2008/09: \$6,608,000).

Revaluation Movement

The 2009/10 revaluation movement is a result of the transfer of one Ministerial Property from the Department to Non Department. In 2008/09 the revaluation movement relates to the revaluation of Lake Taupo buildings, \$13,000, and the sale of a Ministerial Property (\$938,000).

Refer to note 17 c for the movement through the revaluation reserve.

Land and Buildings

Ministerial Properties

DTZ New Zealand Ltd (MREINZ), registered independent valuer, conducted a valuation of Ministerial Properties land and buildings for the Department in April 2008 with valuations effective 30 June 2008.

Lake Taupo

DTZ New Zealand Ltd (MREINZ), registered independent valuer, conducted a valuation of the structures controlled by Lake Taupo Harbourmaster for the Department in May 2009 with valuations effective 30 June 2009.

Antiques and Works of Art

A valuation of antiques and works of art was undertaken by Dunbar Sloane Ltd, an independent expert, in May 2008.

Revaluation Movement

	LAND	BUILDINGS	ANTIQUES & WORKS OF ART	TOTAL
Revaluation Movement	(723)	(18)	0	(741)
<i>allocated to:</i>				
Revaluation Reserve	0	0	0	0
Reversal of Reserve associated with disposed assets	(723)	(18)	0	(741)

Revaluation gain coded to Statement of Financial Performance reverses previous revaluation losses recognised.

Capital Work in Progress

The total amount of property, plant and equipment in the course of construction is \$14,000 (2008/09: \$7,767,000). The property, plant and equipment in the course of construction in 2009 included the total assets held under the finance lease.

Impairments Losses

There were no impairment losses (2008/09: \$Nil)

Restrictions of Title

There are no restrictions over the title of the Department's Property Plant and Equipment and no Property Plant and Equipment assets are pledged as security for liabilities.

Note 11

Intangible Assets

2009/10

COST	BALANCE 1 JULY \$000	ADDITIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Total Intangibles Assets	53,797	17,381	(125)	1,278	15,385	87,716

ACCUMULATED AMORTISATION	BALANCE 1 JULY \$000	ADDITIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Total Intangibles Assets	22,443	8,777	(125)	0	3,283	34,378

2008/09

COST	BALANCE 1 JULY \$000	ADDITIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Total Intangibles Assets	35,767	19,864	(1,760)	(74)	0	53,797

ACCUMULATED AMORTISATION	BALANCE 1 JULY \$000	ADDITIONS \$000	DISPOSALS \$000	RECLASSED \$000	TRANSFERS \$000	BALANCE 30 JUNE \$000
Total Intangibles Assets	19,048	5,121	(1,726)	0	0	22,443

ACTUAL 2008/09			ACTUAL 2009/10			
COST OR VALUATION \$000	ACCUMULATED AMORTISATION \$000	CARRYING VALUE \$000	CARRYING VALUES	COST OR VALUATION \$000	ACCUMULATED AMORTISATION \$000	CARRYING VALUE \$000
53,797	(22,443)	31,354	Total Intangibles Assets	87,716	(34,378)	53,338

Capital Work in Progress

The total amount of intangibles in the course of construction is \$18,926,000 (2008/09: \$15,451,000).

Impairments Losses

There were no impairment losses (2008/09: \$Nil)

Restrictions of Title

There are no restrictions over the title of the Department's intangible assets and no intangible assets are pledged as security for liabilities.

Note 12

Accounts Payable

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
8,012	Accounts Payable	6,193
10,527	Accrued Expenses	10,493
1,575	Accrued Salaries	2,214
945	GST Payable	388
21,059	Total Accounts Payable	19,288

Accounts Payable are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of account payables approximates their fair value.

Note 13

Provisions

ACTUAL 2008/09				ACTUAL 2009/10		
LEASE MAKE GOOD \$000	OTHER \$000	TOTAL \$000		LEASE MAKE GOOD \$000	OTHER \$000	TOTAL \$000
0	1,049	1,049	Opening Balance	0	1,166	1,166
0	302	302	Additional provisions made during the year	320	471	791
0	(185)	(185)	Charge against provision for the year	0	(338)	(338)
0	0	0	Unused provisions reversed	0	(19)	(19)
0	1,166	1,166	Closing Balance	320	1,280	1,600

Lease Make Good Provision

In respect of a number of Department's leased properties, the Department is required at the expiry of the lease term to restore the properties to agreed conditions repairing any damages to the properties and removing any fixtures and fittings installed by the Department.

Other Provision

A staff development programme is the major component of the 'Other' Provision.

Note 14

Revenue Received in Advance

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
4,065	Identity Products	3,250
53	New Zealand Gazette	49
2,848	Licensing Fees	2,120
68	National Dogs Database	71
7,034	Total Revenue Received in Advance	5,490

Note 15

Employee Entitlements

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
Current		
5,712	Annual Leave	6,720
189	Sick Leave	239
467	Long Service and Retirement Leave	965
6,368	Total Current Entitlements	7,924
Long Term		
1157	Long Service and Retirement Leave	1,124
7,525	Total Employee Entitlements	9,048

Long service, retirement leave and sick leave are calculated on an actuarial basis. The portion not considered payable in the next twelve months is recognised as a term liability. The current portion is recognised as a current liability. The assessment was undertaken for each employee as at 31 December 2009. Actuarial services were provided by Mercer Human Resource Consulting Ltd. The report was prepared by Paul Dalebroux, Fellow of the New Zealand Society of Actuaries.

Note 16

Finance Lease

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
Minimum Lease Payments Payable		
1,589	Not later than one year	1,589
6,356	Later than one year and not later than five years	5,429
7,945	Total Minimum Lease Payments	7,018
(1,337)	Future Finance Charges	(1,181)
6,608	Present Value of Minimum Lease Payments Payable	5,837
1,059	Not later than one year	1,322
5,549	Later than one year and not later than five years	4,515
6,608	Total Present Value of Minimum Lease Payments	5,837
Represented by:		
1,059	Current	1,322
5,549	Non-current	4,515
6,608		5,837

Description of leasing arrangements

The Department has entered into a finance lease for the supply of specialist printing equipment required for printing passport books. The net carrying amount of the leased assets is shown within Note 10 Property, Plant and Equipment.

There are no restrictions placed on the Department by the finance lease arrangement.

Finance lease liabilities are effectively secured as the rights to the leased assets reverted to the lessor in the event of default.

Note 17

Movements In Taxpayers' Funds

Taxpayers' funds represent the Crown's net investment in the Department.

a) Provision for Repayment of Surplus

The Department is required to repay the surplus to the Crown by 31 October each year.

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
7,269	Total Comprehensive Income	7,756
(2)	Unrealised Foreign Exchange Losses/(Gains)	21
7,267	Provision for Repayment of Surplus	7,777

b) General Funds

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
43,036	Opening Balance	52,431
7,269	Total Comprehensive Income	7,756
9,159	Capital Contribution	12,843
234	Other Movements	0
0	Transfers between Government Departments	15,404
0	Transfer to Crown	(1,360)
(7,267)	Provision for Repayment of Surplus	(7,777)
52,431	Closing Balance	79,297

c) Revaluation Reserve

ACTUAL 2008/09				ACTUAL 2009/10		
OPENING BALANCE \$000	REVALU- ATION MOVEMENT \$000	CLOSING BALANCE \$000		OPENING BALANCE \$000	REVALU- ATION MOVEMENT \$000	CLOSING BALANCE \$000
2,872	(705)	2,167	Land	2,167	(723)	1,444
268	(220)	48	Buildings	48	(18)	30
234	0	234	Antiques and Works of Art	234	0	234
3,374	(925)	2,449	Total Revaluation Reserve	2,449	(741)	1,708

The 2009/10 revaluation movement is a result of the transfer of one Ministerial Property from the Department to Non Department. In 2008/09 the revaluation movement relates to the revaluation of Lake Taupo buildings, \$13,000, and the sale of a Ministerial Property (\$938,000).

d) Capital Contribution

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
1,700	Passport System Redevelopment	6,000
0	Government Technology Services	4,443
0	Backup Emergency Operations Facilities	2,400
3,019	IT Infrastructure	0
2,010	Securing and Protecting New Zealander's Identity Information	0
2,000	Development of Evidence of Identity Technical Infrastructure	0
250	Anti-Spam Regulation	0
180	BDM Registration Amendment Bill	0
9,159	Total Capital Contribution	12,843

Note 18

Financial Instruments

The Department is party to financial instrument arrangements as part of its daily operations. These include cash and cash equivalents, accounts receivable, accounts payable and provisions, accrued expenses, term accrued expenses and foreign currency forward contracts.

a) Currency Risk

Currency risk is the risk that accounts receivable and accounts payable due in foreign currency will fluctuate because of changes in foreign exchange rates. Foreign exchange forward contracts are used to manage foreign exchange exposures.

The Department maintains bank accounts denominated in foreign currencies. Balances are regularly cleared to minimise exposure risk.

Sensitivity Analysis

At 30 June 2010, if the New Zealand dollar had weakened or strengthened by 5% against the Australian dollar with all other variables held constant, the surplus for the year would have been \$96,000 higher or \$106,000 lower (2008/09 \$79,000 higher or \$88,000 lower). This movement is attributable to the foreign exchange gains/losses on translation of Australian dollar denominated derivative financial instruments.

At 30 June 2010, if the New Zealand dollar had weakened or strengthened by 5% against UK Sterling with all other variables held constant, the surplus for the year would have been \$12,000 higher or \$14,000 lower (2008/09 \$15,000 higher or \$16,000 lower). This movement is attributable to the foreign exchange gains/losses on translation of UK Sterling denominated derivative financial instruments.

b) Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could impact on the return on investment or the cost of borrowing.

Under section 46 of the Public Finance Act 1989, the Department cannot raise a loan without approval of the Minister of Finance. Equipment leases are identified as finance leases in accordance with NZ IAS 17 Leases. The Department has received the Minister of Finance approval for these leases. The fixed interest rate on the term of these leases reduces the exposure on borrowed funds.

c) Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Department, causing the Department to incur a loss.

Financial instruments, which potentially subject the Department to credit risk, consist of cash and bank balances and trade receivables.

The Department banks with Treasury approved financial institutions.

The Department holds cash with Westpac. Westpac is part of the Crown Retail Deposit Guarantee Scheme and so all deposits up to \$1.000 million held with Westpac are guaranteed by the Crown.

Credit evaluations are undertaken on customers requiring credit. Collateral or other security is not generally required to support financial instruments with credit risk. Other than cash and bank balances and trade receivables, the Department does not have any significant credit risk.

d) Maximum exposures to credit risk:

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
37,388	Cash and Cash Equivalents	42,810
4,467	Accounts Receivable	3,592
41,855	Total	46,402

Cash and Cash Equivalents exclude any cash physically held including Petty Cash as cash is not exposed to credit risk.

e) Liquidity risk

Liquidity risk is the risk that the Department will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected drawdowns from the New Zealand Debt Management Office. The Department maintains a target level of available cash to meet liquidity requirements.

The table below analyses the Department's financial liabilities that will be settled based on the remaining period at year-end to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	TOTAL \$000	LESS THAN 6 MONTHS \$000	BETWEEN 6 MONTHS AND 1 YEAR \$000	BETWEEN 1 YEAR AND 5 YEARS \$000	OVER 5 YEARS \$000
2009/10					
Accounts Payable	19,288	19,288	0	0	0
Derivative Financial Instruments	21	21	0	0	0
2008/09					
Accounts Payable	21,059	21,059	0	0	0
Derivative Financial Instruments	0	0	0	0	0

f) Nominal Value

The Department has six foreign exchange forward contracts with a nominal value of \$2.262 million (2008/09: six contracts valued at \$1.983 million).

Note 19

Categories of Financial Instruments

The carrying amounts of financial assets and financial liabilities in each of the NZ IAS 39 categories are as follows:

ACTUAL 2008/09 \$000		NOTES	ACTUAL 2009/10 \$000
Loans and receivables			
37,410	Cash and Cash Equivalents	5	42,843
4,467	Accounts Receivable	6	3,592
41,877	Total loans and receivables		46,435
Fair value through profit and loss			
2	Derivative financial instrument liabilities		(21)
Financial liabilities measured at amortised cost			
(21,059)	Accounts Payable	11	(19,288)

Note 20

Fair Value Hierarchy Disclosures

For those financial instruments recognised at fair value in the Statement of Financial Position, fair values are determined using the following hierarchy:

- i) Level 1 – **Quoted market price** – Financial instruments with quoted prices for identical instruments in active markets.
- ii) Level 2 – **Valuation technique using observable inputs** – Financial instrument with quoted prices for similar instruments in active market or quoted prices for identical instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- iii) Level 3 – **Valuation techniques with significant non-observable inputs** – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of instruments measured at fair value in the Statement of Financial Position.

	VALUATION TECHNIQUE			
	TOTAL \$000	QUOTED MARKET PRICE \$000	OBSERVABLE INPUTS \$000	SIGNIFICANT NON- OBSERVABLE INPUTS 000
2009/10				
Financial Assets				
Foreign Exchange Derivatives	0	0	0	0
Financial Liabilities				
Foreign Exchange Derivatives	21	0	21	0
2008/09				
Financial Assets				
Foreign Exchange Derivatives	2	0	2	0
Financial Liabilities				
Foreign Exchange Derivatives	0	0	0	0

There were no transfers between the different levels of the fair value hierarchy.

Note 21

Capital Management

The Department's capital is its taxpayers' funds, which comprise general funds and revaluation reserves. Equity is represented by net assets.

The Department manages its revenues, expenses, assets, liabilities and general financial dealings prudently. The Department's taxpayers' funds are largely managed by a by-product of managing income, expenses, assets, liabilities and compliance with the Government Budget processes and with Treasury instructions.

The objective of managing the Department's taxpayers' funds is to ensure the Department effectively achieves its goals and objectives for which it has been established, while remaining a going concern.

Note 22

Explanation of significant variances against budget

Statement of Comprehensive Income

Variance Main Estimates to the Supplementary Estimates

The primary factors contributing to the decrease in expense budgets between the Main Estimates and the Supplementary Estimates of \$10.092 million include:

	\$MILLION
» expense transfers from 2008/09 to 2009/10	6.375
» expense transfers from 2009/10 to 2009/11	(6.500)
» new funding in 2009/10	1.985
» transfers to non-departmental appropriations	(10.821)
» decreased demand for passport and citizenship products	(1.478)

For more detail of the changes in budgets between the Main Estimates and the Supplementary Estimates see Part Four Statement of Service Performance.

Variance between Actual 2009/10 and the Supplementary Estimates

Actual expenditure was 5% lower than the Supplementary Estimates. The overall under-expenditure of \$12.175 million is attributable to the impact of two factors:

	\$MILLION
i) in-principle expense transfers	3.536
ii) lower expenditure across the Department	8.639

The lower level of expenditure across the Department of \$8.639 million is primarily attributable to:

Identity products (\$3.139 million)

There was a reduction in activity on projects and lower business as usual (production and overhead) expenditure, specifically in passports (\$1.639 million), citizenship (\$0.700 million) and Birth, Death and Marriages (\$0.800 million).

Listening and Assistance Service (\$0.605 million)

Use of the service was lower than expected.

Reduction in third-party related expenditure, (\$1.347 million)

A reduction in demand for VIP Transport (\$0.779 million), Language Line (\$0.242 million), Lottery Grants Board (\$0.250 million) and Translation Services (\$0.076 million), all of which are partially offset by decreases in revenue.

Aggregated across-department under expenditure – (\$3.548 million)

This balance of under expenditure reflects a wide range of less significant factors across all areas of the Department, in particular vacancies, legal costs, lower costs due to the cancellation or postponement of some guests of government visits and savings due to efficiencies and productivity initiatives.

The changes between Supplementary Estimates and actual expenditure are further detailed by output expense in Part Four Statement of Service Performance.

Statement of Financial Position

Explanations for significant variances above 5% between Actual and Main Estimates for 2009/10 are as follows:

The primary factors contributing to the decrease in general funds between the Main Estimates and the Supplementary Estimates of \$12.923 million include:

	\$MILLION
» a correction to the forecast cash balance at 1 July 2009 used in the Mains Estimates, which assumed the drawdown of additional capital injections in 2008/09	9.902
» a reduction in the capital injection in 2009/10	1.946
» a reduction in the non-cash transfer from the State Services Commission	1.309

The increase in the Finance Leases between the Main Estimates and the Supplementary Estimates reflects the recognition of the finance lease for the passport printers.

General Funds at 30 June 2010 were 3% higher than the Supplementary Estimates due to the actual net surplus against a budgeted deficit, partially offset by a lower level of capital injection in 2009/10 than forecast.

Cash and Cash Equivalents were 55% higher than the Supplementary Estimates due to the higher level of surplus and General Funds than forecast partially offset by lower Intangible Assets. Intangible assets were 5% lower than the Supplementary Estimates due to the timing of expenditure on the redevelopment of the Passport System.

Note 23

Reconciliation between Total Operating Expenses and Total Appropriations

The financial information shown for each Output expense on the Statement of Service Performance and in the Statement of Departmental Appropriations and Expenditure includes revenue earned from other business units within the Department. The intra-entity charging reported at output expense level has been eliminated from the other departmental financial statements.

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
211,613	Total Operating Expenses in Statement of Comprehensive Income	227,941
(32)	Gain on Sale of Property, Plant and Equipment	0
745	Intra-entity Expenditure	586
212,326	Total Appropriations in Statement of Departmental Appropriations and Expenditure	228,527

Note 24

Related Parties

The Department of Internal Affairs is a government department and wholly owned and controlled by the Crown. The Department undertakes a number of trading activities with the Crown, other government departments, Crown entities and state-owned enterprises that are related parties as they are similarly related to the Crown.

All material transactions are on an arms' length basis, with the interests of each party being completely independent.

Where there are close family members of key management personnel employed by the Department, the terms and conditions of the employment arrangements are no more favourable than the Department would have adopted if there were no relationship to key management personnel.

Key Management Personnel Compensation

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
2,274	Salaries and other Short-Term Employee Benefits	2,579
94	Post-employment Benefits	89
12	Other Long -Term Benefits	35
2,380	Total Key Management Personnel Compensation	2,703

Key management personnel include the Chief Executive and the nine members (eight members in 2008/09) of the Executive Leadership Team. The new position of General Manager, Government Technology Services has now been included in 2009/10.

Key management personnel compensation excludes the remuneration and other benefits of the responsible ministers for the Departments namely, Hon Nathan Guy, Hon John Key, Hon Pansy Wong, Hon Tariana Turia, Hon Rodney Hide and Hon John Carter. The Ministers remuneration and other benefits are not received for their

role as a member of key management personnel of the Department. The Ministers remuneration and other benefits are set out by the remuneration authority under the Civil List Act 1979 and are paid under Permanent Legislative Authority.

Note 25

Significant Events after balance date

No adjustments have been made within the accounts for any potential losses resulting from the 7.1 Canterbury Earthquake on September 4 2010. While damages have not as yet been quantified they are not expected to materially effect the current residual value of the Departments Assets.

As a result of the earthquake Cabinet have agreed to contribute \$5.000 million to a Joint Mayoral Relief Fund. This fund will be managed externally through the Christchurch City Council, Selwyn District Council and the Waimakariri District Councils. This contribution is made by way of a non departmental appropriation in the 2010/11 financial year.

There is a possibility that further unquantifiable expenditure remains at this stage.

Departmental Financial Results

Summary of Departmental Financial Results

ACTUAL 2008/09		UNIT	ACTUAL 2009/10
Working Capital			
0.85:1	Liquid Ratio		0.99:1
0.99:1	Current Ratio		1.11:1
11	Average Debtors Outstanding	days	10
22	Average Creditors Outstanding	days	23
Resource Utilisation			
<i>Physical Assets:</i>			
58.67	Physical Assets as % of Total Assets	%	62.83
45.98	Additions as % of Physical Assets	%	28.11
54,880	Taxpayers' Funds: Level at year-end	\$000	81,005
52.00	Taxpayers' Funds as % of Total Assets	%	62.28

part five | financial statements – non-departmental

Non-Departmental Expenditure and Capital Expenditure Appropriations	124
Unappropriated Expenditure	127
Revenue and Expenditure	128
Assets and Liabilities	129
Commitments	130
Contingent Assets and Liabilities	131
Notes to the Financial Schedules	132
Trust Money Administered on behalf of the Crown	136

Non-Departmental Expenditure and Capital Expenditure Appropriations

Schedule of Non-Departmental Expenditure and Capital Expenditure Against Appropriations

for the year ended 30 June 2010

ACTUAL 2008/09 \$000	APPROPRIATIONS FOR EXPENSE ITEMS	NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Vote Community and Voluntary Sector					
<i>Non-Departmental Output Expenses</i>					
5,932	Charities-Administration		4,886	5,066	5,066
<i>Other Expenses to be Incurred by the Crown</i>					
2,560	Community Development Scheme		2,560	2,560	2,560
421	Community Internship Programme		406	581	581
13,967	Community Organisation Grants Scheme		13,861	13,873	13,873
11,768	Community Partnership Fund *		0	0	0
150	Disarmament Education Grants		150	150	150
402	Support for Volunteering		402	402	402
0	Debt Write-Downs		151	0	151
194	Youth Workers Training Scheme		181	200	200
35,394	Total Appropriations		22,597	22,832	22,983
Vote Emergency Management					
<i>Other Expenses to be Incurred by the Crown</i>					
1,363	Emergency Expenses	4	1,805	100	7,562
889	Subsidies to Local Government		889	889	889
2,252	Total Appropriations		2,694	989	8,451
Vote Internal Affairs					
<i>Non-Departmental Output Expenses</i>					
1,960	Classification of Films, Videos and Publications		1,960	1,960	1,960
0	Development of On-Line Authentication Services		116	116	116
<i>Other Expenses to be Incurred by the Crown</i>					
31	Miscellaneous Grants (Internal Affairs)		103	49	133
0	Reimbursing of holding costs		218	0	218
523	Public Inquiries		25	0	35
2,514	Total Appropriations		2,422	2,125	2,462

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

ACTUAL 2008/09 \$000	APPROPRIATIONS FOR EXPENSE ITEMS	NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Vote Local Government					
<i>Benefits and Other Unrequited Expenses</i>					
52,597	Rates Rebate Scheme	4	44,039	65,000	55,000
<i>Other Expenses to be Incurred by the Crown</i>					
1,828	Chatham Islands Council	4	1,613	3,064	3,467
128	Depreciation		137	147	147
1,500	Tuwharetoa Māori Trust Board		1,500	1,500	1,500
56,053	Total Appropriations		47,289	69,711	60,114
Vote Ministerial Services					
<i>Benefits and Other Unrequited Expenses</i>					
657	Annuities to Former Governors-General, Prime Ministers and Widows		520	475	537
<i>Other Expenses to be Incurred by the Crown</i>					
131	Depreciation		132	137	137
7,922	Executive Council and Ministers' Salaries and Allowances		7,868	7,720	7,920
19	Governors-General Pension Arrangements		15	20	20
11,278	Ministers' Internal and External Travel		11,509	11,440	11,790
486	Travel for Former Governors-General and Prime Ministers		114	520	308
20,493	Total Appropriations		20,158	20,312	20,712
Vote Racing					
<i>Other Expenses to be Incurred by the Crown</i>					
2,976	Racing Promotion and Sponsorship Scheme		3,000	3,000	3,000
1,621	Racing Safety Development Fund		923	1,000	1,000
4,597	Total Appropriations		3,923	4,000	4,000
121,302	Total Non-Departmental Expenses		99,083	119,969	118,722
Appropriations for Capital Expenditure					
Vote Local Government					
<i>Capital Investment in Organisations other than Departments</i>					
0	Auckland Transition Agency	4	24,239	0	30,473
<i>Purchase or Development of Capital Assets by the Crown</i>					
169	Capital Investments – Lake Taupo		34	34	34
169	Total Appropriations for Capital Expenditure		24,273	34	30,507
121,471	Total Appropriations		123,356	120,003	149,229

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Details of Multi-year Appropriations

As there were no Multi-year Appropriations active during 2009/10, the following has been included for comparative purposes only.

In 2008/09 the Department had multi-year appropriations for other expenses to be incurred by the Crown for Vote Community and Voluntary Sector and non-departmental output expenditure for Vote Internal Affairs.

The Community Partnership Fund under Vote Community and Voluntary Sector was a contestable fund for the development of initiatives by partnerships that will improve capability and skills to use information and communication technology, and develop community driven requirements for digital content. This appropriation commenced on 1 July 2005 and finished on 30 June 2009.

The Significant Community-based Project Fund under Vote Internal Affairs was an appropriation to support major community-based projects that have a range of benefits contributing to regional and/or national outcomes with particular reference to arts, culture and heritage; sport and recreation; tourism; conservation and the environment; and economic development. This appropriation commenced on 1 July 2005 and finished on 30 June 2009.

	VOTE COMMUNITY AND VOLUNTARY SECTOR	VOTE INTERNAL AFFAIRS
	COMMUNITY PARTNERSHIP FUND (\$000)	SIGNIFICANT COMMUNITY BASED PROJECT FUND (\$000)
MYA* commences	1 July 2005	1 July 2005
MYA expires	30 June 2009	30 June 2009
Original Appropriation	17,403	32,000
Adjustments	5,607	846
Total Appropriation	23,010	32,846
Actuals to 2005/06 Year End	0	19,254
Actuals to 2006/07 Year End	4,226	32,000
Actuals to 2007/08 Year End	11,242	32,846
Actuals to 2008/09 Year End	23,010	32,846

* MYA = Multi-year appropriation

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Unappropriated Expenditure

Schedule of Non-Departmental Unappropriated Expenditure and Capital Expenditure

for the year ended 30 June 2010

The Statement of Unappropriated Expenditure details the amount of expenditure incurred above appropriation.

2009/10 Unappropriated Expenditure against Main Estimates

There was no unappropriated expenditure against Main Estimates for the year ended 30 June 2010. (2008/09: \$Nil).

2009/10 Unappropriated Expenditure against Supplementary Estimates

There was no unappropriated expenditure against Supplementary Estimates for the year ended 30 June 2010. (2008/09: \$Nil).

Revenue and Expenditure

Non-Departmental Schedule of Revenue

for the year ended 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
	Revenue	2,4			
166	Vote Community and Voluntary Sector		357	10	0
0	Vote Emergency Management		1,139	0	0
174	Vote Internal Affairs		107	0	0
1	Vote Local Government		125	0	0
5	Vote Ministerial Services		0	10	0
346	Total Revenue		1,728	20	0

Non-Departmental Schedule of Expenditure

for the year ended 30 June 2010

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
	Expenditure				
35,394	Vote Community and Voluntary Sector		22,597	22,832	22,983
2,252	Vote Emergency Management		2,694	989	8,451
2,514	Vote Internal Affairs		2,422	2,125	2,462
56,053	Vote Local Government		47,289	69,711	60,114
20,492	Vote Ministerial Services		20,158	20,312	20,712
4,597	Vote Racing		3,923	4,000	4,000
121,302	Total Appropriated Expenditure		99,083	119,969	118,722
	Other Expenditure				
11,846	GST	3	12,780	13,072	14,598
133,148	Total Expenditure		111,863	133,041	133,320

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Assets and Liabilities

Schedule of Non-Departmental Assets

as at 30 June 2010

The Schedule of Assets summarises the assets the Department administers on behalf of the Crown.

ACTUAL 2008/09 \$000		NOTE	ACTUAL 2010/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Assets					
<i>Current Assets</i>					
55,193	Cash		30,563	17,466	26,266
238	Accounts Receivable		735	147	147
0	Loans	4	8,125	0	30,473
55,431	Total Current Assets		39,423	17,613	56,886
<i>Non Current Assets</i>					
1,793	Investments in Crown Entities		1,793	1,793	1,793
8,250	Land -Ministerial Properties		9,950	8,250	8,250
4,954	Buildings – Ministerial Properties		5,222	4,094	4,817
4,865	Buildings – Lake Taupo Harbourmaster		4,763	5,016	4,854
19,862	Total Non Current Assets		21,728	19,153	19,714
75,293	Total Assets		61,151	36,766	76,600

Land and Buildings

DTZ New Zealand Ltd (MREINZ), registered independent valuer, conducted a valuation of non-departmental Ministerial Properties land and buildings during April 2008 with valuations effective 30 June 2008. The Lake Taupo Boating Facilities have been revalued by DTZ New Zealand Ltd (MREINZ), registered independent valuer in May 2009 with valuations effective 30 June 2009.

The Ministerial Properties comprising of Premier House, Vogel House and Bolton Street are restricted for Government use. The carrying value of the land and buildings is \$13,072,000. (2008/09: \$13,204,000).

Investments in Crown Entities

The Department monitors a number of Crown entities. The investments in these entities are recorded within the Crown financial statements on a line-by-line basis except for the Charities Commission and Auckland Transition Agency.

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Schedule of Non-Departmental Liabilities

as at 30 June 2010

The Schedule of Assets summarises the liabilities the Department administers on behalf of the Crown.

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000	MAIN ESTIMATES 2009/10 \$000	SUPP. ESTIMATES 2009/10 \$000
Liabilities				
<i>Current Liabilities</i>				
30,405	Payables	11,072	1,853	11,848
30,405	Total Current Liabilities	11,072	1,853	11,848
<i>Term Liabilities</i>				
10,498	Provisions	10,343	10,251	10,251
10,498	Total Term Liabilities	10,343	10,251	10,251
40,903	Total Liabilities	21,415	12,104	22,099

Commitments

Year Ended 30 June 2010

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
Other Operating Commitments		
0	Less than one year	796
0	One to two years	908
0	Two to five years	1,534
0	Total Other Operating Commitments	3,238
0	Total Commitments	3,238

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Contingent Assets and Liabilities

Schedule of Non-Departmental Contingent Assets and Liabilities as at 30 June 2010

Quantified Contingent Liabilities

ACTUAL 2008/09 \$000		ACTUAL 2009/10 \$000
91	Annuities	191
502	Emergency Responses	0
593	Total Contingent Liabilities	191

Unquantified Contingent Liabilities

Year Ended 30 June 2010

There were no unquantified contingent liabilities for the year ended 30 June 2010.

Year Ended 30 June 2009

There were unquantified contingent liabilities for the year ended 30 June 2009 relating to various emergency responses.

Unquantified Contingent Assets

Year Ended 30 June 2010

There were no Contingent Assets for the year ended 30 June 2010.

Year Ended 30 June 2009

There were unquantified contingent assets representing potential refunds of emergency expenses paid to the Whangarei District Council and Far North District Council in relation to the Kaeo flooding.

The accompanying notes form part of these financial schedules. For a full understanding of the Crown's financial position and the operations for the period, reference should be made to the consolidated Financial Statements of the Government for the year ended 30 June 2010.

Notes to the Financial Schedules

Notes to the Non-Departmental Financial Schedules

for the year ended 30 June 2010

Note 1

Statement of Accounting Policies

Reporting Entity

These non-departmental schedules and statements present financial information on public funds managed by the Department of Internal Affairs on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government. For a full understanding of the Crown's financial position, results of operations and cash flows for the year, reference should also be made to the consolidated Financial Statements of the Government.

Reporting Period

The reporting period for these financial schedules is the year ended 30 June 2010.

Basis of preparation

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Budget Figures

The budget figures are those presented in the Budget 2009 Estimates of Appropriation (Main Estimates) and those amended by the Supplementary Estimates (Supp. Estimates).

Comparatives

When presentation or classification of items in the financial schedules are amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

Accounting policies

The non-departmental schedules have been prepared in accordance with the Government's accounting policies as set out in the consolidated Financial Statements of the Government, and in accordance with relevant Treasury instructions and Treasury circulars.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand.

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

Significant Accounting Policies

The following particular accounting policies have been applied:

Revenue

Revenues from the supply of services are recognised when earned in the schedule of Revenue and Expenditure on a straight line basis over the specified period for the services.

Expenses

Where grants are discretionary the expense is recognised when the grant has been approved and approval has been communicated to the recipient, thereby creating a constructive obligation. Otherwise the expense is recognised when the specified criteria have been fulfilled and notice has been given to the Department.

Goods and Services Tax (GST)

Amounts in the financial schedules are reported exclusive of GST except for accounts receivable and accounts payable. GST input tax on non-departmental expenditure is expensed.

Financial Instruments

Designation of financial assets and financial liabilities is determined by the business purpose of the financial instruments, policies and practices for their management, their relationship with other instruments and the reporting costs and benefits associated with each designation.

Financial Assets

Cash includes cash in transit and bank accounts.

Accounts receivable have been designated as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Loans and receivables entered into with a duration of less than 12 months are recognised at their nominal value. At each balance date, the Department assesses whether there is any objective evidence that loans and receivables are impaired. Any impairment losses are recognised in the Schedule of Revenue and Expenses as bad debts.

Financial Liabilities

Financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

Property, Plant and Equipment

Revaluations are carried out for land and buildings to reflect the service potential or economic benefit obtained through control of these assets. Land and buildings are recorded at fair value less impairment losses and, for buildings, less depreciation accumulated since the assets were last revalued. Valuations undertaken in accordance with the standards issued by the New Zealand Property Institute are used.

Land and Buildings are revalued at least every five years or whenever the carrying amount differs materially to fair value. Unrealised gains and losses arising from changes in the value of land and buildings are recognised as at balance date. To the extent that a gain reverses a loss previously charged to the Schedule of Revenue and Expenditure for the asset class, the gain is credited to the Schedule of Revenue and Expenditure. Otherwise, gains are credited to an asset revaluation reserve for that class of asset. To the extent that there is a balance in the asset revaluation reserve for the asset class any loss is debited to the reserve. Otherwise, losses are reported in the Schedule of Revenue and Expenditure.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount.

Realised gains and losses arising from disposal of land and property are recognised in the Schedule of Revenue and Expenditure in the period in which the transaction occurs.

The carrying amounts of land and property are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its

recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Schedule of Revenue and Expenditure, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, less any estimated residual value, over its estimated useful life. The estimated useful lives for buildings ranges from 10 to 50 years.

Other Liabilities and Provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Commitments

Operating and capital commitments arising from non-cancellable contractual or statutory obligations are disclosed within the Schedule of Commitments to the extent that both parties have not performed their obligations.

Contingent Assets and Liabilities

Contingent assets and contingent liabilities are recorded in the Schedule of Contingent Assets and Contingent Liabilities at the point at which the contingency is evident. Contingent assets are disclosed if it is probable that the benefits will be realised. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

Note 2

Revenue and Receipts

Revenue and receipts consists mainly of prior year's grant refunds (\$1.502 million), interest on loan to Auckland Transition Agency (\$0.125 million) and fines & penalties (\$0.101 million).

Note 3

GST Expense

Section 6 of the Public Finance Act 1989 provides authority for GST expenditure in relation to appropriated expenditure.

Note 4

Explanation of significant variances against budget

The significant variances within the Non-Departmental Schedule of Revenue are explained below:

Actual Revenue was \$1.728 million higher than the Supplementary Estimates mainly due to the refund of grants from 2008/09 that were not required.

The significant variances for Appropriated Expenditure are explained below:

Vote Emergency Management

Other Expenses to be Incurred by the Crown

Emergency Expenses

The increase of \$7.462 million between Main Estimates and Supplementary Estimates relates to assistance to Environment Bay of Plenty and Whakatane District Council for hazard mitigation work following civil defence

emergency events in 2004 and 2005 (\$5.011 million), an increase in the level of contingency funding for civil defence emergencies (\$1.900 million), an expense transfer from 2008/09 to 2009/10 for assistance to homeowners affected by flooding in Kaeo (\$0.500 million) and reimbursement of council response costs as a result of the July 2008 National Storm Event (\$0.051 million).

The actual expenditure was \$5.757 million lower than the Supplementary Estimates mainly due to:

- » a change in timing of expenditure for Environment Bay of Plenty and Whakatane District Council for hazard mitigation work (\$3.238 million). An in-principle expense transfer was approved to transfer the unspent funding to 2010/11;
- » delays in the completion of the long-term mitigation plan to relocate or raise vulnerable houses in the Kaeo catchment and township (\$0.500 million), for which an in-principle expense transfer was approved; and
- » the majority of the increase in contingency funding for emergency expenses was not required (\$1.948 million).

Vote Local Government

Benefits and Other Unrequited Expenses

Rates Rebate Scheme

The decrease of \$10.000 million between the Main Estimates and the Supplementary Estimates relates to a forecast decrease in demand.

The actual expenditure was \$10.961 million lower than the Supplementary Estimates. This expenditure is demand driven and the take-up of the scheme in 2009/10 was lower than anticipated.

Other Expenses to be Incurred by the Crown

Chatham Islands Council

The actual expenditure was \$1.854 million lower than the Supplementary Estimates due to delays in identifying suitable waste management sites. An in-principle expense transfer from 2009/10 to 2010/11 was approved for this under spend.

Purchase or Development of Capital Assets by the Crown

Loan to the Auckland Transition Agency

This appropriation was created in 2009/10 and the actual expenditure reflects the provision of a loan to the Auckland Transition Agency (\$30.473 million).

The actual expenditure was \$6.234 million lower than the Supplementary Estimates due to the Auckland Transition Agency's loan requirements being lower than anticipated. An in-principle capital transfer was approved from 2009/10 to 2010/11 to reflect the change in timing of loan requirements.

The significant variances within the Schedule of Non-Departmental Assets are explained below:

The change in budget between Main Estimates and Supplementary Estimates relates to higher payables (\$9.995 million) and accordingly higher cash (\$8.800 million). The increase in loans of \$30.473 million reflects the recognition of the Auckland Transition Agency (ATA) as a debtor, as a result of the loan to the ATA.

The actual loans were \$22.348 million lower than the Supplementary Estimates. The actual loans reflect the amount owed by the Auckland Transition Agency (ATA) to the Department.

Trust Money Administered on Behalf of the Crown

Schedule of Trust Money Administered on Behalf of the Crown for the year ended 30 June 2010

The following trust money was administered on behalf of the Crown under Part VII of the Public Finance Act 1989.

The schedule shows the opening and closing trust balances including bank and investments at cost, and the movements during the year.

Under the Public Finance Act 1989, and by delegation from the Secretary to The Treasury, trust money can only be invested on deposit with New Zealand registered banks or in New Zealand government stock. Trust money is also managed so there is no significant concentration of credit risk. Interest rate risk is managed by investing across a wide range of maturity dates, but subject to liquidity requirements.

Schedule Of Trust Money

	OPENING BALANCE 2009/10 \$000	CONTRIBUTIONS \$000	DISTRIBUTIONS \$000	REVENUE \$000	EXPENSES \$000	CLOSING BALANCE 2009/10 \$000
Vogel House	1	0	0	1	(2)	0
New Zealand 1990 Scholarships	670	0	0	17	0	687
Total	671	0	0	18	(2)	687

The Vogel House Trust was established to hold bonds for the hireage of Vogel House and Premier House.

The New Zealand 1990 Scholarship Trust was established to provide scholarships for top overall students in University Bursaries examinations.

Legislation We Administer

Following is a list of the legislation we administer, classified by Vote (as at 30 June 2010)

Internal Affairs

Births, Deaths, Marriages, and Relationships Registration Act 1995

Births, Deaths, Marriages, and Relationships Registration (Fees) Regulations 1995

Births, Deaths, Marriages, and Relationships Registration (Non-Disclosure Direction) Regulations 2008

Births, Deaths, Marriages, and Relationships Registration (Prescribed Information) Regulations 1995

Boxing and Wrestling Act 1981

Citizenship Act 1977

Citizenship Regulations 2002

Citizenship (Western Samoa) Act 1982

Civil Union (Prescribed Information, Fees, and Forms) Regulations 2005*

Commissions of Inquiry Act 1908

Commonwealth Games Symbol Protection Act 1974

Fire Safety and Evacuation of Buildings Regulations 2006

Fire Service Act 1975

Fire Service Levy Order 1993

Fire Service Regulations 2003

Forest and Rural Fires Act 1977

Forest and Rural Fires Regulations 2005

Gambling Act 2003

Gambling (Class 4 Banking) Regulations 2006

Gambling (Class 4 Net Proceeds) Regulations 2004

Gambling (Fees) Regulations 2007

Gambling (Forms) Regulations 2004

Gambling (Harm Prevention and Minimisation) Regulations 2004

Gambling (Infringement Notices) Regulations 2004

Gambling (Licensed Promoters) Regulations 2005

Gambling (Problem Gambling Levy) Regulations 2010

Gambling (Prohibited Property) Regulations 2005

Human Assisted Reproductive Technology (Fees) Regulations 2005*

Marriage (Fees) Regulations 1995*

Marriage (Forms) Regulations 1995*

New Zealand Daylight Time Order 2007

New Zealand Fire Brigades Long Service and Good Conduct Medal (1981) (Royal Warrant)

Official Appointments and Documents Act 1919

Passport (Fees) Regulations 1996

Passports Act 1992

Queen's Fire Service Medal Regulations 1955 (Royal Warrant)
Royal Titles Act 1974
Rural Fire Fighting Fund Regulations 1992
Seal of New Zealand Act 1977
Seal of New Zealand Proclamation 1977
Time Act 1974

* Internal Affairs administers these regulations, but the Act is administered by the Ministry of Justice.

Emergency Management

Civil Defence Emergency Management Act 2002
Civil Defence Emergency Management Amendment Regulations 2010
Civil Defence Emergency Management Regulations 2003
National Civil Defence Emergency Management Plan Order 2005

Local Government

Bylaws Act 1910
Chatham Islands Council Act 1995
Counties Insurance Empowering Act 1941
Dog Control Act 1996
Dog Control (Microchip Transponder) Regulations 2005
Dog Control (National Dog Control Information Database Levy) Order 2006
Dog Control (Prescribed Forms) Regulations 1996
Impounding Act 1955
Impounding Regulations 1981
Lake Taupo (Crown Facilities, Permits and Fees) Regulations 2004
Land Drainage Act 1908
Libraries and Mechanics' Institutes Act 1908
Litter Act 1979
Local Authorities (Members' Interests) Act 1968
Local Authority Reorganisation (Property Transfers) Act 1990
Local Electoral Act 2001
Local Electoral Regulations 2001
Local Government Act 1974
Local Government Act 2002
Local Government (Infringement Fees for Offences: Navigation Safety Bylaws) Regulations (Various) 2002–2009
Local Government (Infringement Fees for Offences: Queenstown Lakes District Council (Shotover River) Bylaw 2009) Regulations 2009
Local Government (Auckland Council) Act 2009
Local Government (Auckland Transitional Provisions) Act 2010
Local Government (Auckland Regional Parks) Order 2008
Local Government Official Information and Meetings Act 1987

Local Government (Prescribed Form for Seizure of Property Not on Private Land) Regulations 2009
Local Government (Rating) Act 2002
Local Government (Remuneration Authority Levies) Regulations 2005
Local Government (Tamaki Makaurau Reorganisation) Act 2009
Local Government (Tamaki Makaurau Reorganisation) Amendment Act 2010
Local Government (Watercare Services Limited) Order 2007
Local Legislation Acts 1926–1992
Municipal Insurance Act 1960
Public Authorities (Party Wall) Empowering Act 1919
Public Bodies Contracts Act 1959
Public Bodies Leases Act 1969
Rangitaiki Land Drainage Act 1956
Rates Rebate Act 1973
Rates Rebate Order 2006
Rates Rebate (Specified Amounts) Amendment Order 2010
Rates Rebate (Specified Amounts) Order 2010
Rates Rebate (Witnessing of Declarations) Notice 1977
River Boards Act 1908
Waimakariri-Ashley Water Supply Act 1961

Community and Voluntary Sector

Charities Act 2005
Charities (Fees, Forms, and Other Matters) Regulations 2006
Trustee Banks Restructuring Act Repeal Act 1999
Winston Churchill Memorial Trust Act 1965

Racing

Racing Act 2003
Racing (Harm Prevention and Minimisation) Regulations 2004
Racing (New Zealand Greyhound Racing Association Incorporated) Order 2009

Ministerial Services

Executive Travel, Accommodation, Attendance, and Communications Services Determinations 2009*

* Internal Affairs administers these regulations, but the Act is administered by the Department of the Prime Minister and Cabinet.

Other Legislation

In addition, the Department of Internal Affairs administers and provides advice on the following pieces of legislation which are the responsibility of the Minister of Finance:

Community Trusts Act 1999
Community Trusts (Fees) Regulations 2000

Online Information

Departmental websites

www.dia.govt.nz	Main corporate website
www.antispam.govt.nz	Anti-spam information and spam complaints
www.bdm.govt.nz	Births, deaths and marriages information
www.bdmonline.dia.govt.nz	Access to birth, death and marriage historical and non-historical records
www.beehive.govt.nz	Official website of the Government of New Zealand
www.cdgo.govt.nz	Grants Online website – for online Community Organisation Grants Scheme and Lottery Grants applications
www.censorship.dia.govt.nz	Censorship information
www.citizenship.govt.nz	Citizenship information
www.civildefence.govt.nz	Ministry of Civil Defence and Emergency Management information and services
www.community.dia.govt.nz	Local Government and Community Branch information
www.communityoutcomes.govt.nz	Information to support central and local government in achieving community outcomes
www.dia.govt.nz/apostille	Apostille certification information
www.dia.govt.nz/authentication	Document authentication information
www.ems.govt.nz	Information about the Electronic Monitoring System for gambling machine societies
www.ethnicaffairs.govt.nz	Office of Ethnic Affairs information and services
www.gazette.govt.nz	New Zealand Gazette information
www.identityservices.govt.nz	Identity services transactional website
www.languageline.govt.nz	Information about Language Line – a telephone interpreting service
www.passports.govt.nz	Passports information
www.ratesrebates.govt.nz	Information about the Rates Rebate Scheme
www.translate.govt.nz	Translation Service information

Public information websites

www.auckland.govt.nz	'Making Auckland Greater' website
www.community.net.nz	CommunityNet Aotearoa – an Internet resource to support communities
www.data.govt.nz	A directory of government data sets
www.dia.govt.nz/royalvisit2002/index.html	The Royal Visit – New Zealand 2002 (historical interest)
www.dogsafety.co.nz	Public safety information about dogs
www.education.citizenship.govt.nz	Citizenship education for New Zealand schools
www.getthru.govt.nz	Get Ready, Get Thru – civil defence public information website
www.i.govt.nz	New Zealand government logon and identity management service
www.jobs.govt.nz	New Zealand government job vacancies website
www.localcouncils.govt.nz	Information about what councils do to encourage public participation in local council processes
www.newzealand.govt.nz	Access to all New Zealand central and local government information and services
www.psd.govt.nz	Public Service Directory
www.stv.govt.nz	Single transferable voting information website
www.webstandards.govt.nz	Information about the New Zealand Government Web Standards
www.whatstheplanstan.govt.nz	Civil defence public information for young people

Independent agency websites

www.ata.govt.nz	Auckland Transition Agency
www.cadetreview.govt.nz	Ministerial Review into Allegations of Abuse at the Regular Force Cadet School
www.cipc.govt.nz	Commission of Inquiry into Police Conduct
www.confidentialforum.govt.nz	Confidential Forum for Former In-Patients of Psychiatric Hospitals
www.gamblingcom.govt.nz	New Zealand Gambling Commission
www.lgc.govt.nz	Local Government Commission
www.listening.govt.nz	Confidential Listening and Assistance Service
www.ratesinquiry.govt.nz	Local Government Rates Inquiry
www.royalcommission.govt.nz	Royal Commission on Auckland Governance
www.vietnamvetswg.govt.nz	Joint Working Group on Concerns of Viet Nam Veterans

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For more information on the work of the
Department of Internal Affairs please visit our
website www.dia.govt.nz

THE DEPARTMENT OF INTERNAL AFFAIRS



Te Tari Taiwhenua