



Te Tari Taiwhenua
Internal Affairs

2022/ 2023

Pūrongo ā-Tau
Annual Report



Te Kāwanatanga o Aotearoa
New Zealand Government



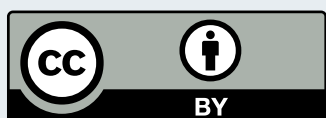


Te Tari Taiwhenua Internal Affairs

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Tō Tātou Whāinga

Ko tā Te Tari Taiwhenua he whakarato me te hono i ngā iwi, ngā hapori me te kāwanatanga ki te hanga motu haumarū, tōnui, whai mana hoki.

Our Purpose

The Department of Internal Affairs serves and connects people, communities and government to build a safe, prosperous and respected nation.

Mātāpono – Our principles and behaviours

He Tāngata

People are important to what we do and the culture we create. This principle is about people, both internal and external, being important.

We're stronger together

- Work as a team
- Value each other

Whanaungatanga

Kinship and relationships. This principle is nurtured through shared experiences and working together, which provides people with a sense of belonging.

We take pride in what we do

- Make a positive difference
- Strive for excellence

Manaakitanga

To manaaki is to show kindness, respect and hospitality towards others. This principle is about maintaining and nurturing relationships and ensuring people are looked after.

We make it easy, we make it work

- Customer centred
- Make things even better

Kotahitanga

Expresses values of togetherness, solidarity, collective action, reciprocity and respect. Strength in unity.

Contents

1 He tirohanga arotake ki te tau kua hipa

Our year in review 4

He kupu nā te Tumu Whakarae **Secretary for Internal Affairs' foreword**.....5

Ngā tīpako **Highlights**8

Te āhua me te momo o ā mātau mahi **Nature and scope of our functions**10

2 E ora ai a Aotearoa, ka ora ai tātou katoa

Making New Zealand better for New Zealanders..... 14

He papa whāinga

Our Outcomes Framework15

Outcome: Kua whakapai ake te oranga o ngā hapū, o ngā iwi me ngā tāngata Māori mā tētahi hononga matatū, e tōkeke ana, he ngākaupai anō hoki i waenga i ngāi Māori me te Karauna

Oranga hapū, iwi and Māori is improved through an enduring, equitable and positive Māori-Crown partnership.....17

Outcome: Kei te haumaruru, kei te pakari, kei te ora te hunga o Aotearoa

Iwi, hapū and communities across New Zealand are safe, resilient and thriving 24

Outcome: Mā te toi whenua me ngā maumahara tōpū o te hunga e piki ai te wairua manaaki o te katoa

People's sense of belonging and collective memory builds an inclusive New Zealand34

Outcome: He whenua manapori pai a Aotearoa, kāwanatanga mai, kaunihera ā-rohe mai

New Zealand is a well-functioning democracy across central and local government 43

Outcome: Ka māmā noa tā te iwi whai wāhi ki ngā ratonga me ngā mōhiohio e hiahiatia ana

People can easily access the services and information they need52

3 He wāhi rawe ki te mahi, ā, he whakahaere e eke ana ki te taumata teitei

A high-performing organisation and a great place to work 60

4 Ngā Āheinga o te Hononga i waenga i ngāi Māori me te Karauna

Māori-Crown Relations Capability 72

5 Te Hōtaka Tukuwaro-kore a te Kāwanatanga	
Carbon Neutral Government Programme	82
6 Te Pūrongo ā-Tau a Te Tari Mātāwaka –	
Annual Report of the Ministry for Ethnic Communities	91
7 Pūrongo ā-Tau a te Poari Whakahaere Matihiko –	
Digital Executive Board Annual Report	127
8 Ngā otinga pūtea me te pūtea kore	
Financial and non-financial results	134
Te Tauākī Noho Haepapa Statement of Responsibility	135
Te Pūrongo a te Kaiarotake Independent Auditor’s report	136
Ngā Tauākī Pūtea ā Tari Financial Statements – Departmental	142
Ngā Tauākī Pūtea kore Tari Financial Statements – Non-Departmental	200
Ngā Tauākī Whakapaunga, Whakapaunga Rawa Hoki Statements of Expenses and Capital Expenditure	231
Ngā Tauākī Whakatutukinga kore-Pūtea Non-financial Performance Statements ...	252
9 Ngā Tāpiritanga	
Appendices	324
Tāpiritanga A Appendix A Budget significant initiatives	325
Tāpiritanga B Appendix B Statistical information about the employees of Te Tari Taiwhenua	332
Tāpiritanga C Appendix C Asset performance	338
Tāpiritanga D Appendix D Approved Information Sharing Agreement reporting ...	339
Tāpiritanga E Appendix E Glossary	346



1

He tirohanga arotake
ki te tau kua hipa

Our year in review



He kupu nā te Tumu Whakarae Secretary for Internal Affairs' foreword

Kia ora koutou

Hei tīmatanga kōrero māku

Whāia te hīnātore o te mauri atua hei orange mo te mauri tāngata.

Ko te whakaruruhau o te kōrero tēnei i whai mana, whai hua i ā mātou mahi i mahia i te tau kua hipa.

Hui te ora, hui te mārāma.

Haumi e, hui e, tāiki e.

Te Tari Taiwhenua Department of Internal Affairs touches the lives of all New Zealanders, whether it is by registering a birth, recognising citizenship, taking care of our country's most important documents and records, leading the water services reforms, managing official visits and ceremonies, or regulating gambling.

Our mahi is delivered by a team of dedicated public servants, and over the past 12 months, we have continued to face challenges through the latter stages of COVID-19, adverse weather events and a surge of demand for passports. Our people have risen to these challenges while ensuring our business as usual responsibilities are met.

One of our responsibilities is to work with and through public sector agencies to drive and deliver customer-centred digital government.

We are responsible for the Cloud First Policy, which helps guide the technology choices government agencies make. In April 2023, Cabinet updated the policy to recognise how technology and society has changed. This includes a world first for including indigenous considerations in a national Cloud policy.

It also acknowledges sustainability and the new significant onshore investment in Cloud capability. Public sector agencies spent \$900 million on digital through commercial arrangements we have in place to aggregate buying power.

Over the past year, we helped deliver the Digital Identity Services Trust Framework Bill. When the Bill comes into effect, it will create rules and regulatory oversight to help people and businesses prove who they are in a secure and efficient way so they can access services, transact, and generally live and work in a digital world.

Digital was also the topic of our first Long-term Insights Briefing, which explored how community participation and decision-making can be better enabled by technology. Communities we spoke to described a future where their participation could be authentic, inclusive, community-led and enabled by technology, not driven by it.

A key responsibility for us is obligations under Te Tiriti o Waitangi. We established Te Urungi, a new Māori, Strategy and Performance branch to increase our capability to work with and for Māori, and help achieve our goal that oranga hapū, iwi and Māori is improved through enduring, equitable and positive Māori-Crown partnerships.

We continued working in partnership with iwi to explore how our programme to introduce a new civil registration system (also known as births, deaths and marriages) could provide opportunities to improve access to iwi affiliation information for whānau and iwi Māori.

In April 2023, the Government announced changes to water services reforms. We continue to work constructively with council officers, iwi collectives, communities and other organisations to ensure New Zealanders have safe drinking water and that stormwater and wastewater are properly managed.

On behalf of the Lottery Grants Board, we trialled a more responsive and accessible way of providing funding called Funding for Change. It enables hapū, iwi and communities to access smaller amounts of funding when they need it – rather than waiting for a specific annual funding round.

When the country was hit by adverse weather events in early 2023, we supported local government by working on legislative changes to make it easier for councils to focus on recovery work, and distributed nearly \$140 million to them to support recovery efforts. The National Library worked with other agencies to provide advice on rescuing and preserving community and personal taonga in devastated areas.

The mahi covered in this annual report has a consistent theme: we remain a safe pair of hands. This year, we have taken on new responsibilities, including establishing a new Royal Commission of Inquiry into COVID-19 Lessons Learned, preparing to establish the Independent Conduct Complaints Authority for Fire and Emergency New Zealand, and a regulatory system to operate the new Digital Identity Services Trust framework.

I would like to thank the Te Tari Taiwhenua team for their tireless work over the past 12 months. Thanks to you, we are a high-performing organisation and a great place to work.

Included in this annual report is reporting for the Ministry for Ethnic Communities and the Digital Executive Board, which are included in Vote Internal Affairs.

Ngā mihi nui



Paul James

Te Tumu Whakarae mō te Tari Taiwhenua
Secretary for Internal Affairs

Ngā tīpako Highlights



We distributed nearly
\$140 million
to councils to support
weather-related recovery
efforts



We blocked over
1.2 million
instances of harmful
digital content



We supported the
**Charities
Amendment
Act**
which was passed in
June 2023



We appointed
Chris Tse
as the 13th
Poet Laureate

We digitised 3.4 million images (pages) of archival material



Over 500,000 items were digitised and made available online by the National Library



We completed over 9,000 advisory services and processed over 7,500 grants for communities, hāpu and iwi across Aotearoa New Zealand



We established the Royal Commission of Inquiry Into Lessons Learned from New Zealand's Response to COVID-19 That Should Be Applied in Preparation for a Future Pandemic



We managed the State Memorial Service to mark the passing of Queen Elizabeth II



We worked on the Digital Identity Services Trust Framework Act 2022 which will make it easier for people to access information about themselves



We registered 58,800 births



We translated 5.9 million words



We published our first Long-term Insights Briefing



We co-designed a Cloud policy with the Data Iwi Leaders Group and other stakeholders – Te Tiriti principles must now be considered when using Cloud services for Māori data



We established a new branch to build leadership capability for supporting Māori and Te Tiriti outcomes



Te āhua me te momo o ā mātau mahi

Nature and scope of our functions

Tō Tātou Whāinga – Our purpose

Ko tā Te Tari Taiwhenua he whakarato me te hono i ngā iwi, ngā hapori me te kāwanatanga ki te hanga motu haumaruru, tōnui, whai mana hoki.

Te Tari Taiwhenua Department of Internal Affairs serves and connects people, communities and government to build a safe, prosperous and respected nation.

Our purpose remains consistent, even as the functions and services we perform evolve to meet the changing needs and expectations of New Zealanders and the Government.

We work with people, communities and government – both central and local – to make New Zealand better for New Zealanders.

Our Ministerial portfolios

We are responsible to five Ministers, administering six portfolios within Vote Internal Affairs. In addition, the Ministry for Ethnic Communities, a departmental agency hosted by Te Tari Taiwhenua, administers one portfolio and is responsible to one Minister.

The Minister of Internal Affairs is the Vote Minister and the responsible Minister overseeing the Government's ownership interests in Internal Affairs. The portfolios and responsible Ministers as at 30 June 2023 were:

Te Tari Taiwhenua

Internal Affairs	Hon Barbara Edmonds
Community and Voluntary Sector	Hon Priyanca Radhakrishnan
Digital Economy and Communications	Hon Ginny Andersen
Local Government	Hon Kieran McAnulty
Ministerial Services	Rt Hon Chris Hipkins
Racing	Hon Kieran McAnulty

Ministry for Ethnic Communities

Diversity, Inclusion and Ethnic Communities	Hon Priyanca Radhakrishnan
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We have a broad range of responsibilities and functions that include working with communities, ensuring effective regulatory frameworks are in place, and supporting the Executive and local government. Our role is also to invest in information and communications technologies (ICT) and information management, and deliver a range of services to support and foster New Zealand's cultural identity.

Our wider functions

Our wider functions include:

- Managing and protecting the integrity of national identity information. This includes life events such as births, deaths and marriages, citizenship and issuing passports.
- Regulating activities in several sectors including: gambling, online child exploitation and countering violent extremism. We also regulate government recordkeeping, charities, unsolicited electronic messages, anti-money laundering, private security personnel and private investigators.
- Providing policy advice to the Government on: local government, the community and voluntary sector, fire and emergency services, identity, ICT, information management, digital safety, gambling and racing.
- Providing information, resources and advice to communities to support their aspirations.
- Administering grant funding schemes, as well as promoting trust and confidence in the charitable sector.
- Supporting Ministers to ensure Executive Government operates efficiently and effectively. This includes providing 'Very Important Person' (VIP) transport services for members of the Executive Government and other VIPs and dignitaries.
- Coordinating and managing official Guest of Government visits to New Zealand, and arranging national commemorative events.
- Advising on, establishing and supporting the operation of public and government inquiries and reviews, including Royal Commissions of Inquiry.
- Administering a range of statutory functions for the Minister of Local Government, including for Lake Taupō and offshore islands.
- Leadership in the direction and operational approach for digital across the core public service.

Our responsibilities

Te Tari Taiwhenua has administrative responsibility for approximately 50 Acts (plus an additional 62 historic Local Legislation Acts) and about 120 pieces of secondary legislation. We also have functional regulatory roles or share responsibility under six other pieces of legislation.

We monitor the performance of three Crown entities (Fire and Emergency New Zealand, the Office of Film and Literature Classification and Taumata Arowai). We also manage the appointment process for members of a range of trusts, committees and boards.

We support our public sector colleagues to transform their services through better investment in ICT and to maintain the privacy of New Zealanders' government-held information. Our system leadership roles of Government Chief Digital Officer and the Government Chief Privacy Officer lead the digital transformation of government across the public sector. We also play a system leadership role for local government. We link central and local government more effectively to achieve improved outcomes for citizens and communities.

Te Tari Taiwhenua is responsible for the National Library of New Zealand Te Puna Mātauranga o Aotearoa and Archives New Zealand Te Rua Mahara o te Kāwanatanga. Both play an important role in preserving New Zealand's documentary heritage and ensuring a full and accurate public record is created and maintained. In particular:

- The Chief Archivist has a system leadership and regulatory role in administering the Public Records Act 2005, which establishes the statutory framework for information and records management across the public sector to:
 - Enable the government to be held accountable by ensuring that full and accurate records of central and local government are created and maintained
 - Preserve and manage, and provide access to, records of long-term value
 - Enhance public confidence in the integrity of public and local authority records.
- The National Librarian has a system leadership role in the preservation, protection, development and accessibility of New Zealand's documentary heritage. This involves:
 - Collecting, preserving and protecting documents, particularly those about New Zealand, and making them accessible for all the people of New Zealand as they are documentary heritage and taonga
 - Supplementing and furthering the work of other libraries in New Zealand
 - Working collaboratively with other institutions that have a similar purpose, including those that are part of the international library community.

We make it
 **EASY,** 
we make it
WORK

We're
STRONGER
.....
TOGETHER
..... 


We take
PRIDE
in what
WE  **DO**



2

E ora ai a Aotearoa,
ka ora ai tātou katoa

Making New Zealand better
for New Zealanders

About this section

As a large and complex department, we take many actions every day that positively impact our five outcomes. This section explains our Outcomes Framework and the work Te Tari Taiwhenua carried out in 2022/23 to contribute towards the achievement of our outcomes.

He papa whāinga

Our Outcomes Framework

Our Strategic Intentions 2021-2025¹ describes our Outcomes Framework. We continue to develop and refine our organisational strategy, Ā Mātou Mahi. This strategy includes our purpose, five outcomes and our priorities for making a difference over time for people and society. Our outcomes are encompassed by the following statement, which reinforces our commitment to and encourages better understanding and capability of te ao Māori.

Whāia te hīnāture o te mauri atua, hei oranga mō te mauri tāngata
The pursuit of environmental sustenance and potential enhances the wellbeing and life essence of people and place.



Oranga hapū, iwi and Māori is improved through an enduring, equitable and positive Māori-Crown partnership



Iwi, hapū and communities across New Zealand are safe, resilient and thriving



People can easily access the services and information they need



People's sense of belonging and collective memory builds an inclusive New Zealand



New Zealand is a well-functioning democracy across central and local government

Note

1. A copy of the 2021–2025 Strategic Intentions document can be found at <https://www.dia.govt.nz/Strategic-Intentions>

Outcome indicators and performance measures

Te Tari Taiwhenua uses **outcome indicators** to demonstrate the impact of the work we do to benefit New Zealand and those who live here. We use statistical surveys and other research from local and international sources to see whether trends over time represent good progress towards achieving the outcomes. We consider the trend of results over the medium and long term (five or more years) to be more informative than minor changes from one year to the next. Indicators can only illustrate an aspect of an outcome and the partial influence of Te Tari Taiwhenua.

To the extent that we can, we show the trend in movement. We use the following legend to indicate whether the outcome indicator trend is increasing, being maintained or decreasing.

Legend for outcome indicators



Trend is increasing (positive).



Trend is being maintained. Movements from one year to the next are statistically insignificant.



Trend is decreasing (negative).

Our **performance measures** are reported in Section 8 *Non-Financial Performance Statements*. These performance measures assess whether we have achieved specific services or functions that collectively support the overall achievement of our outcomes.

Budget significant initiatives

Te Tari Taiwhenua received funding for the following Budget significant initiatives through Budget 2023 (impacting 2022/23), Budget 2022, Budget 2021 and/or Budget 2020:

- Establishing the Ministry for Ethnic Communities
- Future for Local Government
- Royal Commission of Inquiry Into Historical Abuse in State Care and in the Care of Faith-based Institutions
- Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic
- Supporting natural hazard and weather events
- Tāhuhu: Preserving the Nation's Memory Programme
- Te Ara Manaaki Programme
- Water Services Reform – new Water Services Entities
- Water Services Reform – Taumata Arowai.

Appendix A outlines where performance information can be found on these Budget significant initiatives.



Outcome:

Kua whakapai ake te oranga o ngā hapū, o ngā iwi me ngā tāngata Māori mā tētahi hononga matatū, e tōkeke ana, he ngākaupai anō hoki i waenga i ngāi Māori me te Karauna

Oranga hapū, iwi and Māori is improved through an enduring, equitable and positive Māori-Crown partnership

About this outcome

Te Tari Taiwhenua has significant and diverse responsibilities that require strong partnerships, engagement and consultation with Māori to be effective. This outcome was created to recognise this need.

This outcome places our relationship with hapū, iwi and Māori at the centre of our decision-making. It requires us to build our capability in te ao Māori, te reo me ōna tikanga and Te Tiriti to help achieve improved, enduring and equitable outcomes for Māori.

The term ‘oranga’ can be translated as wellbeing but from a te ao Māori perspective it encompasses much more, including the connection between people’s health and wellbeing and the whenua (land) and taiao (environment) around them. Our overarching statement *Whāia te hīnātore o te mauri atua hei oranga mō te mauri tāngata* supports all our organisational outcomes, particularly the oranga outcome, as it anchors us in a te ao Māori way of thinking and gives prominence to mātauranga Māori.

Contributing to the achievement of this outcome we have two **intermediate outcomes** that represent more specifically the impact we will have:

- Mātauranga Māori is respected and valued
- Māori, iwi and hapū aspirations, interests and rights are understood and respected.

Case study

Improving our partnership with Māori to record iwi affiliation information

Our aim

Our aim is to work in partnership with Māori to explore an opportunity for Te Tari Taiwhenua to support the needs of Māori around recording iwi affiliation information.

Our role

The role of the Registrar-General of Births, Deaths and Marriages is to be the trusted keeper of records of life events for the people of New Zealand. Recently, this has included working with a Māori decision group, Te Kāhui Tātai Tupuna, to consider how best to meet Māori needs around recording iwi affiliation information.

This information has critical value for wellbeing, identity and linkages to Māori people and land. There is an opportunity to invite whānau to record this information when they register a birth or death, and this can include the nominated iwi validating the claimed affiliations, where the whānau want this to happen.

The outcome

Te Kāhui Tātai Tupuna produced a report, He Tātai Tupuna, that set out a Tiriti partnership-based model (the model) for iwi affiliation information. This report was endorsed by the National Iwi Chairs Forum at Waitangi in February 2023. The work of Te Kāhui Tātai Tupuna has been accompanied by regular updates to all iwi and a range of Māori organisations, inviting feedback and input to the thinking.

Te Tari Taiwhenua is working with Te Kāhui Tātai Tupuna to co-design an implementation pathway for the model. The requirements are that this must be developed in a positive Tiriti partnership, and that the status of iwi affiliation information as mātauranga Māori must be reflected in this design.

What this means for New Zealanders

This Tiriti-based initiative to build the model for recording iwi affiliation information will ensure that this information is governed by, and used for, the benefit of Māori. In the longer term, this will provide identity, wellbeing and connection benefits for Māori and equity benefits for Aotearoa New Zealand.

Supporting mana whenua and councils to create more reorua (bilingual) towns and cities

Our Aotearoa Reorua programme supports councils and their mana whenua partners to create more spaces, places and opportunities where te reo Māori is seen, heard and celebrated. Together, councils and mana whenua co-design a strategy that reflects what's special about their community, such as local pūrākau (stories) and reo ā-iwi (dialects).

We continue to support nine bilingual centres: Ahuriri-Napier, Kerikeri, Ōpōtiki, Ōtaki, Porirua, Rotorua, Te Wairoa, Tokoroa and Whakatāne. Each centre designs a strategy uniquely suited to their own community's needs and aspirations. This provides a unique platform for councils and mana whenua to work together towards a common goal and where such partnerships are enhanced. We anticipate to onboard three more centres by December 2023.

We developed this programme with support from Te Taura Whiri i te Reo Māori, Te Puni Kōkiri and Te Mātāwai as part of our commitment to protect and strengthen the status of te reo Māori in Aotearoa New Zealand.

Our objective to contribute to Te Whare o Te Reo Mauriora is to enrol 40 centres by 2040, marking two centuries since the signing of Te Tiriti o Waitangi.

Parihaka Māra Kai Rōpū – supporting whānau to access free, fresh and healthy kai

A local community group, Te Māra Hapori ki Parihaka Topu, was awarded a \$10,000 grant from the Community-Led Development Small Initiatives Fund in December 2022. The group oversees work in a large community garden, located on the Parihaka Papakāinga.

The grant helped to manage work at te māra kai to enable an increase in planting and harvesting of kai and distribution of kai to the wider rural community. The grant also supported Te Māra Hapori ki Parihaka Topu to increase their ability to provide fresh food for papakāinga residents, the three Parihaka marae and whānau within the local community.

As the cost of living continues to rise, the improvement in local kai resilience is a key focus for many communities. The group recorded a total harvest that included 1,090 kilograms of potatoes and 310 kilograms of kumara for the season. This demonstrated the size of their māra kai and the group's ability to support whānau to access free, fresh, healthy kai for meals. This small but valuable grant has been enabled through a flexible funding approach and the group's relationship with our local office.

Supporting iwi/Māori in their involvement in water services reform

During the year, 54 applications received He Pūkenga Wai funding support. The aim of the fund is to support post-settlement governance entities, and mandated iwi organisations and iwi authorities, to engage with their whānau, hapū and iwi on the water services reform. Across New Zealand, a diverse range of activities were supported, including hui and wānanga, project planning, undertaking research and analysis, preparing submissions, and engaging expert or technical advice.

Te Manawa o Ngā Wai is one of the largest iwi collectives to receive Seed and Iwi Collective funding from Te Tari Taiwhenua. Comprising 63 iwi across Tainui, Te Arawa and Mataatua rohe, funding support has enabled the establishment of a Secretariat, and for the iwi to participate and engage across all parts of the water services reform.

The focus of the Secretariat over the past 12 months has been engagement and information sharing, representation and participation in the transitional workplan. During this time, 24 hui-a-iwi were delivered across four waka-a-rohe, which assisted in the following key outcomes:

- Establishment of a board of representatives for Te Manawa o Ngā Wai
- Scoping of priorities and opportunities, which led to the development of the Te Manawa o Ngā Wai Workplan
- Nomination and participation of representatives on the asset management and marae and papakāinga national working groups
- Advice and support for iwi and hapū to lodge submissions on the water reform legislation
- Support to iwi and hapū to develop Te Mana o Te Wai statements
- Further support to iwi and hapū in undertaking marae and papakāinga infrastructure needs assessments.

Case study

Supporting Māori to access taonga in Archives New Zealand and National Library care

Our aim

Our aim is to support the culture and heritage aspirations of Māori and recognise their unique rights and interests to taonga held in the care of Archives New Zealand and the National Library (the institutions).

Our role

Our role is to give access and opportunities for Māori to directly engage with their taonga. This includes working in collaboration with other culture and heritage agencies such as Te Papa Tongarewa, Manatū Taonga and Heritage New Zealand Pouhere Taonga. This helps to collectively respond to aspirations for their people and share knowledge and expertise, and also includes supporting Māori capability growth in the archiving and preservation of taonga.

During the year, the institutions have:

- hosted several iwi to engage with their taonga, develop archiving and preservation plans, and engage in conversations about how we can better support their aspirations in a practical way
- provided advice on the development of iwi whare taonga, including input into building design and content development
- digitised records of significance, such as Māori Land Court minute books, making them accessible beyond the institutions
- worked in partnership with Ngā Taonga Sound & Vision to host an iwi conference that provided iwi archivists with hands-on opportunities to grow their archival capabilities.

The outcome

The institutions are connected to iwi and their aspirations, which helps kaimahi at Te Tari Taiwhenua understand how their work contributes to iwi strategic plans and goals. The institutions help to strengthen their delivery of service to Māori and the Māori-Crown partnership.

What this means for New Zealanders

Māori can engage with their taonga, connect with their own stories and provide greater context to taonga. This supports a richer and fuller picture of who we are as a nation, our collective history and the importance of strengthening the Māori-Crown partnership.

Delivery snapshots

Te Whakatinanatanga o Te Tiriti o Waitangi, a workbook for public servants about the Treaty of Waitangi, was launched in May 2023 as a companion to the He Tohu exhibition at the National Library (<https://natlib.govt.nz/he-tohu>)

More than

1,300 copies
of the workbook have been
distributed

to support learning about Te Tiriti o Waitangi to enhance capability of public servants to uphold Te Tiriti in day-to-day mahi.



What are our outcome indicators telling us?


Te Tari Taiwhenua has started to measure progress for this outcome. We talked to people inside and outside of Te Tari Taiwhenua about their thoughts on the most important aspect for this outcome. We found a high-quality Māori-Crown partnership to be a common theme that was talked about.

Ongoing partnership should be close and durable. This means that when steering and navigating a waka, one partner knows the skill needed to hold the urungi (rudder), while the other knows what environmental signs to share to reach our destination, and vice versa. A high-quality Māori-Crown partnership includes having strong Māori leadership within Te Tari Taiwhenua. Where Māori are involved in decision-making and/or the leadership of services, there are positive results for whānau, hapū, iwi and Māori.

We will measure progress against this outcome by first monitoring the level of Māori leadership within Te Tari Taiwhenua so we can see how our own capability grows over time. This indicator is Māori leaders in Te Tari Taiwhenua at tier 4 level and above is maintained or increased.

We have also identified that we need to understand the quality and state of our engagement with hapū, iwi and Māori across our diverse work. This in turn will help us understand the importance of building relationships to progress our Treaty settlement commitments. We are considering ways to capture and monitor these views.

► Māori leaders in Te Tari Taiwhenua at tier 4 level and above is maintained or increased¹

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	New indicator		13.2% (20 people leaders)	14.3% (25 people leaders)	13.1% (24 people leaders)	

Source: DIA

Our indicator result shows the percentage of Māori leaders at tier 4 level and above for the past three years has largely been maintained. When we look at the actual number of tier 4 Māori leaders, we see that this has grown since 2020/21, and then stabilised. This year we placed leadership roles in Te Urungi, the Māori, Strategy and Performance branch. Te Urungi is the new branch responsible for the organisation's strategy and performance functions at national level and leads work on Te Tiriti obligations and internal cultural competencies. You can find more information on the establishment of Te Urungi branch under our Māori-Crown Relations section of this annual report.

Note

1. Tier 4 and above is defined as the top four tiers of managers and leaders that lead people within Te Tari Taiwhenua with the Chief Executive being tier 1.



Outcome:

Kei te haumaruru, kei te pakari, kei te ora te hunga o Aotearoa

Iwi, hapū and communities across New Zealand are safe, resilient and thriving

About this outcome

Communities are important to people's wellbeing. People have the best opportunity to thrive and prosper when the communities they live in are safe and resilient.

Communities can be supported to manage risks and challenges and empowered to form and realise their own aspirations, despite adversity they might face over time.

The aspirations of iwi, hapū and Māori are important for social wellbeing, and the Crown has a responsibility to support those aspirations as a partner in the Treaty of Waitangi.

Resilient infrastructure is important to communities and their long-term wellbeing. Addressing the planning for and funding of infrastructure ensures communities have the facilities that allow our regions to thrive and prosper.

Contributing to the achievement of this outcome we have three **intermediate outcomes** that represent more specifically the impact we will have:

- Regulated activities minimise harm and maximise benefits to people and communities
- Māori are supported to realise their aspirations
- Communities are supported to develop and prosper.

Case study

Supporting community wellbeing through local government investments

Our aim

The '3 Waters Stimulus Investment' is an initiative to stimulate recovery from COVID-19 and help reform under-pressure water services to a more sustainable footing.

Our role

Te Tari Taiwhenua provides the local government sector with funds that support the upgrade of under-pressure water services. We appointed Crown Infrastructure Partners to monitor the delivery of this initiative.

The outcome

The initiative was announced on 8 July 2020 and was designed to support the economic recovery from COVID-19. It was completed by the end of December 2022 and delivered 291 kilometres of drinking water pipe upgrades, 160 kilometres of wastewater pipe upgrades, 101 drinking water treatment plant upgrades and 128 wastewater treatment plant upgrades.

For example, the Whakatāne District Council: Headworks Paul Road aimed to provide resilience for the Otumahi water supply.

The project has seen the headworks for the second bore installed together with the integrated control systems between the new and existing bore. The integrated control systems enable a duty/standby operation and uninterrupted flow if one bore is out of action due to a fault, maintenance or unforeseen issues.

The new treatment plant incorporates UV treatment, reducing the risk of possible protozoa infection. The project was progressed to improve the resilience of the Paul Road water supply and to align the network with a possible long-term option of supplying water to the Whakatāne township.

Information about the completed projects can be found on the Crown Infrastructure Partners website at <https://www.crowninfrastructure.govt.nz/water-infrastructure/>.

What this means for New Zealanders

These initiatives aim to keep our communities strong and healthy. The projects undertaken are important in supporting local councils to deliver infrastructure that, in turn, supports a more sustainable future.

Supporting communities in the wake of Cyclone Gabrielle and other weather-related events

Significant flooding events earlier this year, followed by Cyclone Gabrielle, have had a devastating impact on a number of communities, hapū and iwi across the country. Te Tari Taiwhenua worked closely with other government agencies, councils, non-government organisations and directly with communities, hapū and iwi. We provided information, resources and advice to communities and the administration of grant funding. Our work included:

- **Responding to community need following a natural disaster**

Te Karaka township was severely impacted by flooding and many whānau were displaced and relocated to Gisborne. Community members approached Te Tari Taiwhenua for funding assistance to enable their children and young people to remain connected to their school. Tairāwhiti-based community advisors from Te Tari Taiwhenua worked closely with iwi, hapū and communities, as well as other funders and agencies. Te Karaka Area School received a grant of \$60,000 through the Lottery Emergency Natural Disaster Response Fund. This enabled the school to provide bus transportation for displaced children so they could continue to attend school and remain connected to their community. Dislocation and isolation are among the significant impacts of natural disasters. Assisting communities to stay connected in the wake of a disaster enhances recovery and builds resilience.

- **Supporting whānau and communities to salvage and protect their taonga and important family collections**

National Library kaimahi worked together with other agencies, including Te Papa Tongarewa and Heritage New Zealand Pouhere Taonga, to offer support in the rescue and preservation of taonga in devastated areas. This involved kaimahi working alongside communities, offering assessments, advising on treating affected collections, and attending online hui to support as many communities as possible.

- **Supporting recovery from extreme weather events**

The extreme weather events in the North Island were highly damaging and disruptive and we moved quickly to help with the initial response and the ongoing recovery. We enabled councils by supporting Parliament to change laws to make it easier for councils to focus on recovery work and distributed nearly \$140 million to them to support recovery efforts. This funding included \$137 million to manage sediment and debris removal. We also worked closely with councils to understand their needs and issues to support a successful locally-led recovery.

Partnering with our Pasifika neighbours to improve online safety

With broadband services increasingly available to many for the first time in the Pacific Islands, there has been a resulting increase in internet access. Te Tari Taiwhenua has been working to improve online safety in the Pacific by extending New Zealand's Digital Child Exploitation Filter System to Samoa and Tonga. The filtering system blocks websites that host clearly objectionable child sexual abuse material. It helps to combat the trade in child sexual abuse material by making it more difficult for persons with a sexual interest in children to access that material.

To support this work, we signed a partnership agreement with the Government of Samoa in December 2022, and we are in the final stages of an agreement with the Government of Tonga. We have also been working with Internet Service Providers in the Pacific to test and implement the filter system with them. This work will keep online users in Samoa and Tonga safe by making it harder to access websites that contain child sexual abuse material.

Making Lottery grants funding more accessible

On behalf of the Lottery Grants Board, Te Tari Taiwhenua trialled a more responsive and accessible way of providing funding to hapū, iwi and communities, called Funding for Change. This initiative enables hapū, iwi and communities to access smaller amounts of funding when they need it, rather than waiting for a specific annual funding round. Funding for Change empowers Lottery Committees to be more proactive in how funding is allocated to community groups and projects.

Funding for Change continues to be led by community advisors in Hāpai Hapori, a team within Te Tari Taiwhenua. These advisors seek out initiatives from hapū, iwi and communities who do not regularly access Lottery funding or innovative projects. These projects could bring positive change to a community or group of community organisations. In 2022/23, this more flexible funding approach provided 94 grants. Of these, 29 percent supported organisations new to Lottery funding, 41 percent supported Māori to achieve their aspirations and 14 percent supported Pasifika to achieve theirs.

Legislation and regulation that makes a difference to communities

In 2022/23, Te Tari Taiwhenua progressed legislation and regulations in three key areas:

- The Fire and Emergency New Zealand (Levy) Amendment Bill was passed in April 2023. The implementation of a new levy to fund Fire and Emergency New Zealand will occur on 1 July 2026, ensuring the organisation can continue providing services crucial to the safety of our communities.
- Class 4 gambling harm minimisation regulations are now in place. These regulations introduce new requirements in all Class 4 venues for staff training, venue design and monitoring gamblers for signs of harm. The Regulatory Services group within Te Tari Taiwhenua is working with the sector on effective implementation.
- The Charities Amendment Act was passed in June 2023. The Act makes it easier for registered charities to continue their valuable work in our communities, while maintaining public transparency and accountability.

Water Services Reforms

In April 2023, the Government announced changes to refocus its water services reforms. A key change was the moving from four to 10 new water services entities. On 16 June 2023, legislation was introduced to make these changes happen.

The Water Services Reform National Transition Unit (NTU) has been refocusing the water services reform work plan alongside the legislative process to help councils plan their future work and priorities. The NTU is continuing to work with council officers, iwi collectives and formally mandated organisations in each entity area to have discussions around the best dates to go live.

Te Tari Taiwhenua has begun to hire Chief Executives for the entities. As part of the NTU, the Chief Executives are supporting the work to stand up 10 entities. Entity A is set to go live on 1 July 2024, with the other entities going live at times agreed between Te Tari Taiwhenua and local representatives.

Once Entity A has its board appointed, the kaimahi of Entity A will move from Te Tari Taiwhenua to the entity. Entity A covers the Northland and Auckland regions. Between now and 1 July 2026, entities will each have their boards appointed and they will, in turn, hire their Chief Executive where one has not already been appointed.

Case study

Keeping people safe from online harm such as spam and scams

Our aim

We aim to help ensure iwi, hapū and communities across New Zealand are safe, resilient and thriving. Many New Zealanders, however, have been the target of serious scams over the past year. This is often in the form of text messages and emails supposedly from banks, government agencies and courier companies. Some people have lost tens of thousands of dollars to these scams, money they are unlikely to see again.

Our role

Our Digital Safety Group works with domestic and international agencies to protect New Zealanders from online harm, including from electronic scam messages. Over the past 12 months, we have received over 200,000 reports of scams, an increase of more than 9,000 percent since 2020.

Scammers are not having it all their own way and we are working hard to reduce the impact on New Zealanders. Our work encompasses protection, prosecution and education efforts. Traditionally, we investigate both nuisance messages and those that cause harm. In response to the increase in scams, we have shifted our focus to the most harmful messages.

We are working closely with mobile network operators, banks, the Police and CERT NZ to investigate the scams and prosecute the New Zealand-based offenders. We work closely with the likes of Netsafe, CERT NZ, the Telecommunications Forum and overseas partners who are doing similar work, such as the Australian Communications and Media Authority. This is to ensure our investigative and preventative approaches are effective, appropriate and coordinated.

This year, for the first time, we produced the Digital Messaging Transparency Report, which helps organisations working with digital messaging understand the trends and volumes of cyber-threats. Our 7726 SMS spam reporting services allows the public to report scams received by text message to Te Tari Taiwhenua free of charge. We have also increased efforts to raise awareness of serious scams by sharing messages through news media and social media and have reached over one million people.

The outcome

Scams are not likely to go away any time soon. As measures for early detection and prevention get more sophisticated, so do the efforts of the scammers. We are not deterred and continue to work with our local and international partners.

Being scammed used to be something to be ashamed of and it was not widely talked about. Thanks to efforts such as ours, scams are now discussed openly and tips to spot a scam are better known and shared widely.

What this means for New Zealanders

No-one deserves to have their privacy invaded and money stolen, regardless of the amount. We are working hard to ensure that New Zealanders know how to spot and report a scam so they can avoid them.



Delivery snapshots



\$137 million

in funding has been distributed for local authorities and commercial entities to manage sediment and debris from adverse weather event and natural hazards




There were over

1,200,000

instances where harmful digital content was blocked


What are our outcome indicators telling us?

► Overall life satisfaction is maintained or increases¹

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	81%	No survey	85%	81%	81% ²	


Source: General Social Survey – Stats NZ³

► Experience of discrimination decreases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	17%	No survey	17.5%	20.9%	Data not available ³	

Source: General Social Survey – Stats NZ³

► People's sense of purpose is maintained or increased⁴

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	86%	No survey	Data not available ⁵	85%	Data not available ³	

Source: General Social Survey – Stats NZ³

We are unable to report on the indicators relating to experience of discrimination and people's sense of purpose due to changes in survey timings.

The Stats NZ Household Economic Survey provides an alternative source for the rating of overall life satisfaction. This survey reported that 81 percent of households across all incomes rated their overall life satisfaction at 7 or above. While this result is not able to be directly compared with the results from prior years, it does show that New Zealanders continue to rate their overall life satisfaction highly.

Notes

1. On a 0–10 scale, where 0 is completely dissatisfied and 10 is completely satisfied.
2. The data for the 2022/23 result was collected as part of the Stats NZ Household Economic Survey (household income and housing-cost statistics) rather than through the General Social Survey. The Household Economic Survey has differences in its collection method, and sampled population, reporting periods, among other things, that may affect comparability. This result is not able to be directly compared with results from prior years. We used the number of households across all income groups who rated their overall life satisfaction at 7 or above. Further information can be found at <https://www.stats.govt.nz/information-releases/household-income-and-housing-cost-statistics-year-ended-june-2022/>.
3. The Stats NZ General Social Survey is generally carried out every two years. The 2022 survey was delayed until 2023 and the results will not be available until mid-2024.
4. We use the Stats NZ General Social Society survey question *Things you do in life is worthwhile* for this indicator. This is rated on a 0–10 scale where 0 is not at all worthwhile and 10 is completely worthwhile.
5. The Stats NZ General Social Survey was delayed, so there were no results to report for the 2021/22 period.



Outcome:

Mā te toi whenua me ngā maumahara tōpū o te hunga e piki ai te wairua manaaki o te katoa

People's sense of belonging and collective memory builds an inclusive New Zealand

About this outcome

A strong sense of belonging is important for New Zealand to be a welcoming and inclusive place for everyone.

Many factors influence people's sense of belonging and connection. When people lack a sense of belonging and feel excluded there are high social costs for individuals, communities and society.

A collective memory contributes to a sense of belonging through knowledge and understanding of our history and culture. A vibrant cultural and national identity also helps to give a collective sense of belonging. People benefit from the social capital that documentary heritage, symbols of national identity, national events and culture provide.

Contributing to the achievement of this outcome we have five **intermediate outcomes** that represent more specifically the impact we will have:

- Collective memory is enhanced by New Zealand's documentary heritage
- A culture of reading enhances literacy and knowledge
- New Zealand's national and cultural identity is fostered and respected
- Trusted citizenship and identity documents contribute to a sense of belonging
- Taonga tuku iho is preserved and valued.

Case study

Progress of Heke Rua Archives

Our aim

Tāhuhu will provide a new fit-for-purpose Archives New Zealand building, Heke Rua Archives, on Aitken Street, Wellington. This new building addresses the seismic performance issues and poor storage conditions at the current building on Mulgrave Street, Wellington. The new building is also located beside the National Library. This will allow the two institutions to be connected by a bridge over Guthrie Lane, Wellington, which will enable greater collaboration and sharing of resources. Tāhuhu is part of the wider Te Ara Tahī programme of transformation for the institutions – Archives New Zealand, National Library and Ngā Taonga Sound & Vision.

Our role

The Tāhuhu team collaboratively works with the National Library, Archives New Zealand and Ngā Taonga Sound & Vision to deliver this project. Other key partners are development managers Dexus, construction company LT McGuinness, architects Warren & Mahoney and design agency Tihei Ltd. Tihei Ltd represents the needs and aspirations of mana whenua, Taranaki Whānui ki Te Upoko o Te Ika.

The outcome

The steel structure for the new Archives building is set for completion by the end of 2024. Construction has started on the bridge that will link the National Library with the new building. Te Tari Taiwhenua signed a Memorandum of Understanding with Rau Paenga, a Crown infrastructure delivery company, on 29 May 2023 to support Tāhuhu with the construction delivery. During 2022/23, Tāhuhu began procurement for specialist equipment and furniture for the new collaborative spaces.

What this means for New Zealanders

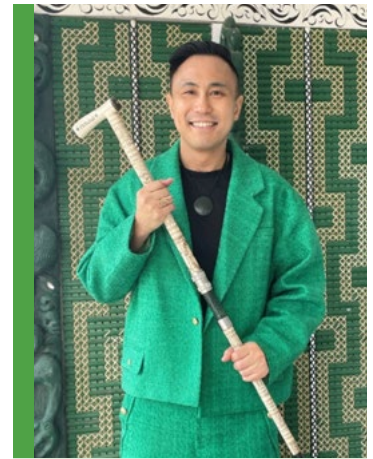
These changes will make it easier for New Zealanders to access and connect with the taonga and collections held by these institutions. It will ensure that the taonga and collections are appropriately protected and cared for.

Chris Tse appointed as 13th Poet Laureate

In August 2022, Te Pouhuaki National Librarian appointed Chris Tse as the 13th New Zealand Poet Laureate. The New Zealand Poet Laureate Award recognises poets who have made an outstanding contribution to New Zealand poetry and who are passionate advocates. Tasked with promoting poetry throughout the country, the Poet Laureate also creates new work during their tenure.

Chris's appointment was well received by the poetry community and wider public. Te Pouhuaki National Librarian Rachel Esson described him as 'a poet leading a generational and cultural shift in the reach and appreciation of poetry in Aotearoa.' Chris has participated in a number of public events, a highlight being an official event at Matahiwi Marae in Hawke's Bay, where Chris received his Laureate tokotoko created by Haumoana artist Jacob Scott. This was followed by a public reading by Chris, other New Zealand poets and local musicians at the biannual event A Big Night In. Chris' tenure as Poet Laureate will continue through to mid-2024. The National Library has administered the award since 2007.

Chris makes a considerable contribution on behalf of the National Library's mandate as a resource for all New Zealanders and for its role as keeper of the definitive collection of New Zealand poetry.



*Chris Tse,
13th Poet Laureate*

Specialists preserving archives enhance open government

Two Archives New Zealand programmes have digitised 3.4 million images (pages) of archival material.

Te Maeatanga digitisation programme promotes public accessibility of archives, transparency and open government. With more than 1.6 million images captured since 2017, Archives New Zealand's digitisation function took a specialist approach to capturing a wide range of formats, from 35mm negatives to 5-metre plans, and including high demand and fragile items for preservation. This exciting project has enhanced New Zealanders' access to their historical and cultural heritage.

Archives New Zealand also created over 1.8 million images of sensitive and restricted content to support the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions. The resilient team navigated evolving large-scale digitisation processes, content restrictions and sensitive materials, and liaised with government agencies from the health, justice and welfare sectors to provide information to the Inquiry. The digitisation of material to support the Royal Commission ended in June 2023, as the Royal Commission moves into a new phase.

Commemorating the 50th Anniversary of the Māori language petition

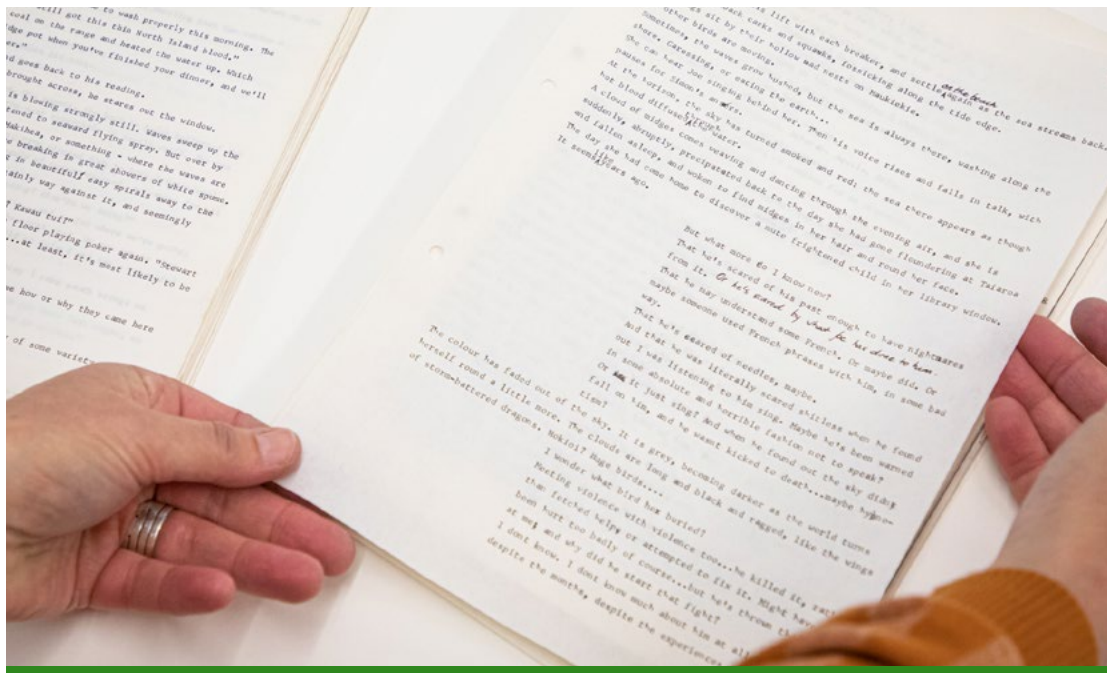
The presentation of the Māori Language Petition (Te Pētihana Reo Māori) to Parliament on 14 September 1972, with over 30,000 signatures, marked the start of major shifts in te reo Māori language revitalisation efforts. A commemoration to mark the importance of the occasion was held on 14 September 2022.

The intent of the commemoration was to elevate public awareness of the rich history and journey of te reo Māori revitalisation, and celebrate the growing presence of te reo Māori in homes, workplaces and communities across Aotearoa New Zealand. The intent is also to recognise the important role Māori language champions, groups and communities have played in reviving te reo Māori.

The commemoration honoured those who have contributed to the revival of te reo Māori. Following the commemoration event, the petition was publicly exhibited at the National Library.

Delivery snapshots

The Alexander Turnbull Library purchased a typed manuscript of Keri Hulme's novel *the bone people*, at auction in August 2022. This was the first novel from New Zealand, and the first debut novel, to win the Booker Prize (1985).



A page from the manuscript of *the bone people*, showing annotations by Keri Hulme. Ref: MS-Papers-12800-2

Delivery snapshots



The National Library website broke its own record for visits in 2022/23 with

500,000 visits

in May 2023 alone. This popularity is reflected in an increase across all meaningful metrics for the website, with the quality, quantity and accuracy of information scoring well in regular user satisfaction surveys.



Papers Past offers a window to the past with

8.4 million pages

of digitised newspapers, magazines, journals and books available online. The website is used around the world by lovers of New Zealand history. Delivering nearly **30 million page** views annually, this treasured resource delivered by the National Library celebrated its 21st birthday in August 2022.

Delivery snapshots

National Library's Services to Schools supplied

over 300,000

items to schools across New Zealand.

Over 500,000 items

were digitised and made available online by the National Library.

Archives New Zealand's Te Maetanga digitisation programme has digitised more than

1.6 million images over the past five years.

In the 2022/23 year, Archives New Zealand proactively digitised and made accessible online nearly **13,400 items** (comprising over 274,497 images). A further **3,974 items** (over 124,598 images) were digitised 'on demand' in response to customer requests.

Of the total items digitised by Archives New Zealand during 2022/23,

nearly 488,000 digital items


were accessed online and

over 2.4 million images

were accessed via social media.


What are our outcome indicators telling us?

► Satisfaction with citizenship services is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	90%	90%	90%	84%	88%	


Source: DIA Customer Experience Survey¹

► People's sense of belonging to New Zealand increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	No survey	No survey	Data not available ²	88% ³	Data not available ⁴	

Source: General Social Survey – Stats NZ⁴

► 10-17-year-old New Zealanders read or started to read at least one book in the past 12 months is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	No survey	No survey	No survey	94% ⁵	No survey ⁶	

Source: Read NZ – National Reading Survey⁶

The results for two of the outcome indicators for 2022/23 are not available due to changes in survey timings or the survey not being run during the year.

Citizenship is an important marker of people's sense belonging in New Zealand. The high level of satisfaction with citizenship services shows that we are making the process as positive and engaging as possible for people acquiring citizenship. Over the past year we have improved the satisfaction with citizenship services. This improvement is most likely due to efforts in decreasing processing timeframes, improving clarity for customers, reducing manual work for staff and enhancing our automated checks.

People's sense of belonging helps build cohesion and connection in communities

People's sense of belonging also comes from a sense of cohesion in the community and connection to the local community. The Hāpai Hapori team within Te Tari Taiwhenua provides community development and advisory services to support hapū, iwi, community, and community organisations achieve their aspirations. This includes providing financial support through grants and connection to resources, services, other organisations, local government and central government.

During 2022/23, Hāpai Hapori completed over 9,000 advisory services and processed over 7,500 grants, which contributes to people having a sense of community cohesion. Hapū, iwi and communities continue to be connected and supported through funding community activities, new initiatives, organisations and supporting volunteers. An example is a grant made in January 2023 to the Mātara community to run a school holiday programme. Seventy-seven community children attended the programme, with 36 people volunteering their time. Parents were able to continue working, children were engaged in activities and well fed, and volunteers learnt new skills. The local Police indicated that they had fewer youth coming to their attention during this period. As a result of this initiative, an after school drop-in activity programme was set up.

A culture of reading enhances literacy and knowledge

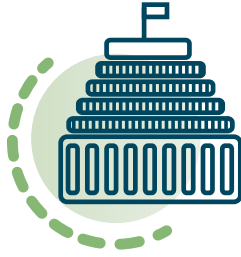
Reading is a foundation for all literacies including digital literacy. Reading for pleasure, particularly for children, provides benefits such as literacy development, improved wellbeing and education, and employment success. Increases in literacy levels will improve creativity leading to new knowledge and potential innovation.

Te Puna Mātauranga o Aotearoa the National Library of New Zealand supports literacy through the Services to Schools programme. This programme provides nationwide services for school communities to improve literacy and learning through providing resources, building capability, enabling networks and cross-sector leadership. Services to Schools supports young people to grow a love of reading and strengthens connections to language, culture, interests and identity. It supports educators by providing professional learning, advice and quality resources that inspire and enrich learning and literacy across the curriculum. Services to Schools also provides expert support for the development of school libraries.

Since 2019, the National Library Pūtoi Rito Communities of Readers initiative has been working to build reading engagement and address inequity of access to books⁷. This initiative works with partners in communities across Aotearoa New Zealand to design, develop and deliver support to grow reading for pleasure and wellbeing for children and young people. The Canterbury Pūtoi Rito Communities of Readers project that ran from September 2020 to June 2023 is an example of this initiative. This project successfully delivered over 7,800 high-quality books in English, te reo and other home and heart languages (the first language someone speaks at home), including dual language books to children and young people in care and on the edge of care in the Canterbury region. The National Library collaborated with the Oranga Tamariki regional office, Kingslea School and social service agencies in Canterbury to successfully deliver this project.

Notes

1. The DIA Customer Satisfaction Survey is run annually by NielsenIQ on behalf of Te Tari Taiwhenua using a sample of customers who have used services in the previous 12 months. For the 2022/23 survey, a total of 16,995 customers were interviewed (across all services being surveyed) between 1 July 2022 and 1 June 2023. Further information on this survey can be found at <https://www.dia.govt.nz/Customer-Experience-Survey>.
2. The Stats NZ General Social Survey was delayed, so there were no results to report for the 2021/22 period.
3. The 2021/22 result was provided by Stats NZ as a customised data set from the Stats NZ 2021 General Social Survey covering the survey period 1 April 2021 to 17 August 2021. This measure is based on a scale where 0 is no sense of belonging and 10 is a very strong sense of belonging. The 2016/17 and 2021/22 results are based on the percentage of people aged 15 years and over who reported their sense of belonging to New Zealand at 7 or higher.
4. The Stats NZ General Social Survey is generally carried out every two years. The 2022 survey was delayed until 2023 and the results will not be available until mid-2024.
5. Read NZ report that the sample size was small with n=89. The result is slightly lower than in 2018 (97 percent) but the difference is not statistically significant.
6. This indicator is sourced from the Read NZ National Reading Survey and can be found at <https://www.read-nz.org/resources/research>. The survey is run approximately every two to three years. The last survey was run in 2021. The next Read NZ National Reading Survey will run in 2024. For 2022/23, we removed the indicator *Adult New Zealanders read or started to read at least one book in the past 12 months is maintained or increases* as it was no longer relevant.
7. Information on the Communities of Readers initiative can be found at www.natlib.govt.nz/putoirito.



Outcome:

He whenua manapori pai a Aotearoa, kāwanatanga mai, kaunihera ā-rohe mai

New Zealand is a well-functioning democracy across central and local government

About this outcome

Both central and local government have big impacts on the lives of New Zealanders and are an essential part of our democracy. Ensuring that government is accountable and transparent builds trust and confidence in central and local government and contributes to people's willingness and ability to participate in society.

Cooperation and coordination across central and local government is critical to address complex issues that have both local and national implications and solutions.

Contributing to the achievement of this outcome we have four **intermediate outcomes** that represent more specifically the impact we will have:

- Executive Government functions well through support, services and advice
- Engagement between Māori and local government is strengthened
- Government transparency is upheld
- Local government works collectively to address national objectives.

Case study

Modernising All-of-Government ICT

Our aim

Our aim is to ensure that there is a future supply of Telecommunications as a Service (TaaS), Infrastructure as a Service (IaaS) and Cloud agreements, based on the needs of government agencies, and to increase the number of suppliers.

Our role

Te Tari Taiwhenua manages an All-of-Government portfolio of products and services that are used by over 300 agencies to support critical ICT operations.

The outcome

A comprehensive review of ICT telecommunications, infrastructure and Cloud services agreements within the portfolio was completed during 2022/23. This review concluded that agencies still required TaaS and IaaS agreements and would also benefit from new agreements.

These new agreements will provide continuity for agencies and certainty for suppliers beyond the end of the current agreements. The transition to new and more flexible agreements will allow for more services that will deliver innovation to agencies. They will also assist in increasing the number of suppliers that can provide services to the agencies.

What this means for New Zealanders

These changes will enable agencies to access modern and adaptive technology solutions to provide safe, secure, resilient public services to New Zealanders.

Supporting the engagement with rural and provincial councils

In mid-late 2022, Te Tari Taiwhenua supported the Associate Minister of Local Government on his engagement with rural and provincial councils. These visits enabled the Minister to hear directly from councils about their specific needs and concerns.

The issues shared by councils included water services reform, funding and financing pressures, transport and roading, housing shortages, climate change and local economic development.

This feedback informed the creation of a \$44 million fund to retain and attract council staff, and a \$10 million programme to support upgrades to rural water supplies. The feedback from councils also informed refinements to the Government's reform programme to ensure it reflects local voices in rural and provincial communities.

Final report for the Future for Local Government review delivered in June 2023

On 23 April 2021, the Minister of Local Government had announced a Review into the Future for Local Government (the Review). The Review was requested by the local government sector to respond to the historical fiscal challenges and the range of reform happening in the sector, including changes to water services and the resource management system.

The independent Panel (the Panel) was tasked with identifying how our system of local democracy and governance needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment and actively embody the Treaty partnership. The Panel recommended a package of significant change that touches on all aspects of the local government system.

Te Tari Taiwhenua provided Secretariat support throughout the Review. The Secretariat included policy people who provided well-researched and evidence-based material from New Zealand and overseas for the Panel to consider in the formation of their ideas and recommendations. A Communication and Engagement team coordinated and supported face-to-face and online hui to ensure the Panel heard opinions directly from stakeholders across the motu.

Strengthening the response to future pandemics by setting up the Royal Commission of Inquiry Into COVID-19 Lessons

Te Tari Taiwhenua led the establishment of the Royal Commission of Inquiry Into Lessons Learned from New Zealand's Response to COVID-19 That Should Be Applied in Preparation for a Future Pandemic. This involved:

- providing initial advice to Ministers to support their consideration of a COVID-19 inquiry
- advising on high-level budget considerations
- developing the Inquiry's scope and terms of reference
- appointing Commissioners Professor Tony Blakely (Chair), Hon Hekia Parata and John Whitehead
- leading the operational set up for the Inquiry
- supporting the implementation of the monitoring and reporting requirements, which provide assurance to the Government that the Inquiry will deliver to its terms of reference on time and within budget.

The Inquiry is focused on capturing the lessons learned from the pandemic so New Zealand is prepared for the future. The Inquiry must deliver its report by 26 June 2024.

Supporting the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions, which was established in 2018, is the largest statutory Inquiry undertaken in New Zealand. Te Tari Taiwhenua has supported this work since the start and continues to provide advice on this Inquiry, including monitoring and assurance functions, as it approaches its conclusion.

In December 2022, Te Tari Taiwhenua supported the receipt and tabling of the Royal Commission's Lake Alice Case Study Report 'Beautiful Children'. This report is the first comprehensive record of abuse in care at the Lake Alice Child and Adolescent Unit.

The Royal Commission has completed its programme of public hearings and evidence gathering and is now focused on preparing its final findings and recommendations. Following recent changes to its terms of reference, the Royal Commission's final report will be delivered by 28 March 2024.

Marking the change in Head of State

Upon the death of Queen Elizabeth II, Prince Charles III, the Prince of Wales, acceded as the King of New Zealand. A Proclamation of Accession ceremony was held on the steps of Parliament on Sunday 11 September 2022 for the public reading of the Proclamation of Accession for King Charles III.

New Zealand then formally marked the passing of Queen Elizabeth II with a State Memorial Service on 26 September 2022. The service, beginning with a National Minute of Silence, was a chance to celebrate her Majesty's life and seven-decade reign as New Zealand's head of state. The day of the State Memorial Service was marked as a public holiday, to enable all New Zealanders to pay their respects and take part in the Service or in community events held across Aotearoa if they wished to.



Delivery snapshots



In supporting the Royal Commission of Inquiry into Abuse in Care and the Care of Faith-based Institutions, Archives New Zealand

digitised nearly
4,400 items

(comprising over 361,000 images) during the year. From the start of the Royal Commission to the closure of the digitisation programme in June 2023, nearly **15,500 items** (over 1,853,000 images) have been digitised.

The Chief Archivist acts independently in monitoring and reporting on the compliance of public offices with the Public Records Act. In the three years since the audit programme was reinstated,

94

information management audits

have been completed.

Delivery snapshots



We have supported the Government to write legislation to lower the voting age to 16 for local body elections.

This work responds to the Supreme Court's declaration that a minimum voting age of 18 years is inconsistent with the right to be free from discrimination on the basis of age under the Bill of Rights Act 1990.

In supporting the appointment of Tauranga City Council Commissioners, Te Tari Taiwhenua:


- provided options to the Minister on the length of the appointment
- reviewed the Commission's quarterly reports
- prepared advice for the next steps after the Commission's term ends
- consulted with the council to provide advice around the date of the next election.

In supporting the delivery of the 2022 local elections, Te Tari Taiwhenua:

- approved voting document formats
- supplied the independent vote-counting computer programme for Single Transferable Vote elections
- in conjunction with other groups, provided information and responded to questions relating to local elections.

What are our outcome indicators telling us?

► The level of institutional trust is maintained or increased

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	41%	No survey	58% ¹	42% ²	Data not available ³	


Source: General Social Survey – Stats NZ³

► Perceptions of corruption are maintained or decreased

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
Score out of 100	87 (Rank = 2)	87 (Rank = 1)	88 (Rank = 1)	88 (Rank = 1)	87 (Rank = 2)	


Source: Transparency International's Corruptions Perceptions Index⁴

► New Zealand's global ranking in the Democracy Index is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
Score out of 10	9.26 (Rank = 4)	9.26 (Rank = 4)	9.25 (Rank = 4)	9.37 (Rank = 2)	9.61 (Rank = 2)	

Source: The Economist's Democracy Index⁵

► New Zealanders' trust in public services based on personal experience is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	79%	Data not available	81%	81%	82%	

Source: Kiwi Counts Survey – Public Service Commission⁶

Our indicators tell us that the level of trust from the New Zealand Parliament has been maintained. This is reflected internationally in Transparency International's Corruptions Perceptions Index, where New Zealand remains one of the countries with the lowest perceived levels of corruption, ranking second equal in the world with Finland. While this is a slight decrease from last year, the longer-term trend shows New Zealand has maintained its position as number one or two in this index. This continues to be supported by The Economist's Democracy Index as number two in the world, with a full democracy regime in place.

We are unable to report on the level of institution trust due to a change in the survey timing for this indicator. However, New Zealanders continue to hold a high level of trust in public services based on their personal experiences. In June 2023, the Public Service Commission reported that 82 percent of New Zealanders trust public services based in their personal experiences.

Notes

1. The data for the 2020/21 result was collected as part of a wellbeing supplement in the Statistics NZ Household Labour Force Survey (HLFS) rather than through the General Social Survey. The HLFS had differences in its collection method, sampled population, reporting periods and restrictions on face-to-face interviewing, among other things, that may affect comparability. This result is not able to be compared with the prior or current year's results.
2. This result is from the Stats NZ 2021 General Social Survey covering the survey period 1 April 2021 to 17 August 2021. The 2021 General Social Survey can be found at <https://www.stats.govt.nz/information-releases/wellbeing-statistics-2021/>.
3. The Stats NZ General Social Survey is generally carried out every two years. The 2022 survey was delayed until 2023 and the results will not be available until mid-2024.
4. Transparency International's Corruptions Perceptions Index and results for all years can be found by visiting <https://www.transparency.org/en/cpi/2022> and selecting the relevant year.
5. The 2022 Economist's Democracy Index can be found at <https://www.eiu.com/n/campaigns/democracy-index-2022/>.
6. The Kiwi Counts Survey can be found at <https://www.publicservice.govt.nz/research-and-data/kiwis-count/>. We use the June quarter results.



Outcome:

Ka māmā noa tā te iwi whai wāhi ki ngā ratonga me ngā mōhiohio e hiahiatia ana

People can easily access the services and information they need

About this outcome

People's ability to access services and information affects their lives and wellbeing.

We work across government to identify opportunities to make services and information more easily accessible to those who need them.

Making it easy for people to verify their identity and reducing or eliminating digital barriers enhances people's ability to participate in society – through jobs, education, community work and recreation.

Contributing to the achievement of this outcome we have four **intermediate outcomes** that represent more specifically the impact we will have:

- People's identity can be easily and securely verified
- Barriers to digital inclusion are reduced
- People's access to government is enhanced
- Taonga tuku iho rights are protected.



Case study

Improving online identity services to secure, validate and share

Our aim

The Te Ara Manaaki programme is improving how people access and guard identity and life event services such as birth, death and marriage registrations, passports and citizenship.

Our role

Our role is to make it easier for our customers to access, use and change their identity and life event information, and to access services that support their connections with government and other service providers in their daily lives.

This is important because government-issued information supporting a person's identity is the foundation for people's safe and secure access to services. If people can easily and securely verify who they are, the risk of identity fraud decreases.

The outcome

During the year, we started designing and building the new platform for identity services that underpin the new civil registration and citizenship registration systems. These modern systems can more easily integrate with identity services to secure, validate and share information.

We also introduced new tools online to help people take photos that meet the technical standards when using the online identity checking feature, such as the photo editor and photo quality checker. This editor assists in limiting opportunities for people to alter photos in a misleading manner.

What this means for New Zealanders

Te Ara Manaaki will enable services to be delivered in a secure, more joined up, effective way – providing digital self-service options to customers and other agencies. This will maintain our customers' trust and confidence that their life event information is correct, stored safely and accessed securely.

Self-identification makes it easier to amend registered sex on a New Zealand birth certificate

On 15 June 2023, a new administrative self-identification process to amend registered sex on a New Zealand birth certificate was introduced.

The self-identification process offers a more accessible and inclusive way to amend the sex registered on a New Zealand birth certificate. This new process will enable people to apply directly to the Registrar-General by submitting a statutory declaration to amend their registered sex to male, female or non-binary. This replaces the previous requirement where applicants were required to apply to the Family Court and provide proof of medical treatment.

The self-identification process will make a real difference for transgender, non-binary, takatāpui and intersex New Zealanders who will be able to have evidence of their identity that aligns with who they are. After the law was enacted, in the following two weeks we received 128 applications from New Zealanders seeking to use this process.

Digital Identity Services Trust Framework Act helps to protect the privacy and security of sharing people's information online

The Digital Identity Services Trust Framework Act 2022 was passed in April 2023 and will come into effect on 1 July 2024.

The framework will make it easier for people to access information about themselves, and to share it securely with service providers when applying online for services. For example, activities such as online banking, claiming a welfare payment or opening a utilities account online require people to present identity documents like a birth certificate. This framework will allow a person to nominate the piece of information and provide permission for the holder of that information to share it with these service providers. People will still be able to apply for services in person, over the phone, or by using physical credentials.

There are clear rules for how personal and organisational information can be handled when sharing information within the new framework. The new identification management standards underpin this framework to help prevent identity theft, fraud and loss of privacy.

Reducing social isolation by connecting people in remote parts of the region

Tararua REAP, an educational service provider based in Dannevirke, identified the need for people to come together in remote parts of the region to reduce social isolation and loneliness during the COVID-19 pandemic.

A digitally-enabled mobile cabin was funded through the Lottery funding to enable support to the rural community around Tararua. This mobile cabin was made available to other community groups and was used to support rural events, mental health support activities, provide budget advice and carry out educational programmes for local schools.

This helped to connect people and ensure isolated rural communities can access the services they need.

Empowering Pacific peoples to connect to their digital heritage

The Pacific Virtual Museum project aims to empower people in and of the Pacific Islands, enabling them to see, discover and explore items of digitised cultural heritage that are held in collections around the world.

The Pacific Virtual Museum team have visited different islands around the Pacific from Saipan to Rarotonga to showcase the digitalpasifik.org site, and to learn from users in the Pacific how it can be more useful. One of our main areas of focus is to demonstrate the website to current associates and schools, which led to opportunities to onboard new content partners.

We have seen the potential of the digitalpasifik.org site as a tool for education in New Zealand, especially with Pacific Studies soon to be included in the curriculum, as well as a new resource that local Pacific communities use.

Uhi Tai – Putting the customer at the centre

Over the next five years, there will be a significant increase in the number of passport and citizenship applications we receive from our customers. To respond to this, we introduced an organisational development plan for life and identity services kaimahi. Uhi Tai (The Workforce Project) is a part of this organisational development plan that focuses on ensuring we have kaimahi with the rights skills available to respond to that increased customer demand. This includes developing strategies to guide our learning and recruitment, and a data model that quantifies our staffing requirements over the long term.

Uhi Tai will enable us to ensure we are consistently meeting the needs of our customers across our products and services. We are refining learning pathways for kaimahi, re-designing our learning approach, and implementing a capability framework to support development. This means that kaimahi are prepared well in advance to put the customer at the centre and ensure that Te Tari Taiwhenua delivers service excellence every day.

Case study

Using the Privacy Maturity Assessment Framework to improve privacy maturity across government

Our aim

The Privacy Maturity Assessment Framework (PMAF) helps agencies understand their current level of privacy maturity in managing personal information and identify where they can improve. It assists the Government Chief Privacy Officer (GCPO) to provide support to agencies in uplifting their privacy maturity and capability.

Our role

The GCPO leads an All-of-Government approach to privacy to raise public sector privacy maturity and capability. The connection between good privacy practice, public trust and the quality of the services that the government delivers is critical to ensure that public services are trusted and accessible by those who need them.

The outcome

Every year, public service agencies use the GCPO's PMAF to report on their current state of privacy maturity.

In 2022, 44 agencies submitted reports under the newly released PMAF to represent a new baseline for privacy maturity. Most agencies reported their privacy level as Foundational, which means that an agency-wide approach to privacy is developing. The system-level insights from the PMAF results are published on www.digital.govt.nz to allow the public to see how the system is performing, and whether privacy maturity is improving from year to year.

A new way of reporting was introduced where agencies can identify their strengths and weaknesses. This will provide GCPO with better information about what agencies are doing to protect privacy and will also help to identify target areas for improvement across government to uplift privacy maturity.

What this means for New Zealanders

The New Zealand public expect government agencies to carefully look after their personal information while meeting the legal obligations under the Privacy Act 2020. The improvement in privacy maturity helps increase trust and confidence in the public sector and this, in turn, helps more people to easily access the services and information they need.

Delivery snapshots



22,100

marriages registered



58,800

births registered



5.9 million

words translated



88.6%

of passport applications
submitted electronically



506,900

passports issued



41,600

new citizens

44.4 million


successful RealMe customer logins

The **Aotearoa People's Network Kaharoa** (APNK) service has played a key role in supporting communities affected by the COVID-19 pandemic and natural disasters by offering easy access to key information and online resources and services. APNK delivers free, secure internet access to New Zealanders through public libraries in 57 district councils.

More than **7,000 people** use the service daily.


What are our outcome indicators telling us?

► Ease of getting passport services is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	86%	86%	90%	89%	89%	


Source: DIA Customer Experience Survey¹

► Ease of getting birth, death and marriage services is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	86%	91%	91%	92%	90%	


Source: DIA Customer Experience Survey¹

► Ease of getting citizenship services is maintained or increases

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	87%	88%	89%	86%	89%	

Source: DIA Customer Experience Survey¹

► People's trust and confidence in digital identity is improved

Metric	2018/19	2019/20	2020/21	2021/22	2022/23	Trend
%	91%	94%	93%	88%	87%	

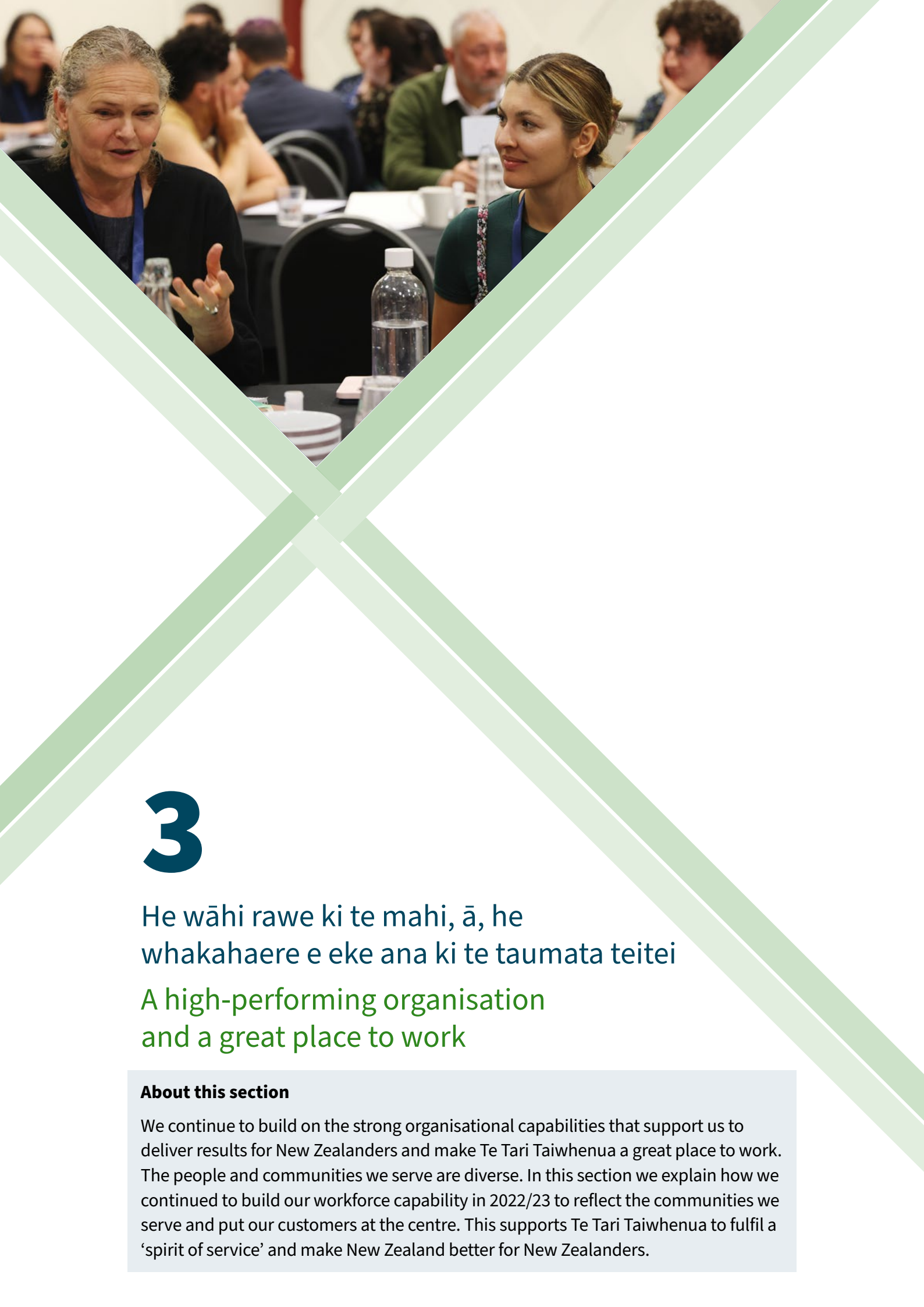
Source: DIA Customer Experience Survey¹

Our indicators continue to show high levels of satisfaction with ease of access to or use of key services from Te Tari Taiwhenua. These services include issuing of passports, birth, death and marriage registration and the processing of citizenship applications. The result for the indicator of ease of getting citizenship services increased by 3 percent over the past year, most likely due to improved processing timeframes for citizenship applications. While the result for the indicator ease of getting birth, death and marriage services decreased by 2 percent over the past year this is not considered to be significant. The overall trend shows that this ease is being maintained.

We continue to see a high proportion of people express trust and confidence in digital identity. However, the longer-term trend shows that this trust and confidence is starting to decline. Trust and confidence among passports and citizenship customers each increased by 1 percent from 2021/22. However, trust and confidence among births, deaths and marriages customers decreased by 5 percent from 2021/22. This decrease may be due to changes made to improve how representative the survey is of all customers. We will continue to monitor the future trend of trust and confidence.

Note

1. The DIA Customer Satisfaction Survey is run annually by NielsenIQ on behalf of Te Tari Taiwhenua using a sample of customers who have used services in the previous 12 months. For the 2022/23 survey a total of 16,995 customers were interviewed (across all services being surveyed) between 1 July 2022 and 1 June 2023. Further information on this survey can be found at <https://www.dia.govt.nz/Customer-Experience-Survey>.



3

He wāhi rawe ki te mahi, ā, he whakahaere e eke ana ki te taumata teitei

A high-performing organisation and a great place to work

About this section

We continue to build on the strong organisational capabilities that support us to deliver results for New Zealanders and make Te Tari Taiwhenua a great place to work. The people and communities we serve are diverse. In this section we explain how we continued to build our workforce capability in 2022/23 to reflect the communities we serve and put our customers at the centre. This supports Te Tari Taiwhenua to fulfil a 'spirit of service' and make New Zealand better for New Zealanders.

Ngā tīpako

Highlights

Launched 'Managing Hazards and Risks' and 'Leadership in Safety' courses for our people leaders to help them create great working environments for kaimahi.



Launched 'Above the Line, Below the Line' interactive workshops to raise awareness of unacceptable behaviour.



Lifted our cultural capability and leadership development with programmes for Māori, Pasifika and all other kaimahi.



Held regional Māori hui in Auckland and Wellington for our kaimahi and an online Fono for our Pasifika staff.



Launched an external Speak Up line to give kaimahi a confidential channel for discussing workplace concerns.



Redesigned our wellbeing, health and safety systems to ensure these align with best practice and with what our people want and need.



Continued to reduce our energy consumption, costs and our carbon footprint, while also improving our working environment through the Property Capital Forward Works Programme.



Extended the functionality of Rehutai, our financial system, by implementing a new payroll and Human Resources information management system.



Rolled out Microsoft Windows 11 to increase resilience across different locations and our hybrid workforce.



Developed a multi-year privacy programme.



He wāhi rawe ki te mahi, ā, he whakahaere e eke ana ki te taumata teitei

A high-performing organisation and a great place to work

Inclusion and diversity in our workforce

Our vision is to grow and celebrate our people's mana by being respectful and inclusive in our diversity to effectively deliver our Ā Mātou Mahi strategic outcomes and make a difference for New Zealanders. We want our people to experience an inclusive workplace where they feel supported, connected and empowered to be their authentic selves.

As a long-standing Alliance Partner with Diversity Works, Te Tari Taiwhenua is committed to being a role-model of workplace inclusion and diversity best practice. We aspire to have a workforce that reflects the diversity of the communities we serve.

Our permanent workforce includes 2,054 employees. Details of our workforce profile are contained in Appendix B.

**He tāngata,
our people,
are at the centre
of our approach.**

At Te Tari Taiwhenua, we are diverse by default and inclusive by design. *Taura Herenga Waka*, our Inclusion & Diversity strategy, reflects the five priority areas of Papa Pounamu – a comprehensive programme of work mandated by Te Kawa Mataaho Public Service Commission and is aligned with our mātāpono.

Below are some examples of how we make the most positive difference for our people across all areas of diversity in these commitment areas.

Addressing bias and discrimination

Addressing bias is critical to ensuring all kaimahi are provided with opportunities at all stages of their careers and that they are treated fairly regardless of their disability, religious beliefs, gender identity, age and sexual orientation. Some examples of how we take action to address bias include:

- Celebrating cultural events, such as Matariki, Te Wiki o te Reo Māori and Pasifika Language Weeks, and taking part in activities such as Sweat With Pride, Pink Shirt Day and Sign Language Week.
- Creating a work environment where procedures are fair and enable Te Tari Taiwhenua to attract, retain and develop diverse talent.

- Ensuring we work towards eliminating unconscious bias through face-to-face training, an online e-learning, and resources to support leaders to identify and mitigate unconscious bias in all activities.
- Launching of an external Speak Up line to give kaimahi a confidential channel for discussing workplace concerns and build a culture where our people are confident and feel safe to speak up.
- Launching 'Above the Line, Below the Line' interactive workshops to raise awareness of unacceptable behaviour and demonstrate our commitment to our principles, behaviours and mātāpono.

Strengthening cultural competence

At Te Tari Taiwhenua we continue to strengthen cultural competency through a range of programmes:

- Mana Āki, our intercultural competence programme, helps build intercultural awareness and understanding. It is made up of nine modules and all kaimahi are encouraged to complete the modules as part of their induction programme.
- The Mataora Programme is a marae-based initiative designed to enhance our te ao Māori capability. The programme has a unique focus using pūrākau (storytelling) from a te ao Māori perspective and equips our kaimahi to bring te ao Māori ways of working and thinking to their mahi.
- Te Aka Matua Māori Leadership Programme offers a pathway of learning for kaimahi Māori ready to take the next step in their career journey: to grow, lead and influence. We are reshaping the programme for a relaunch in 2024/25.
- The Avei'a Pacific Leadership Programme focuses on creating a pathway for public sector leadership development, with the goal of increasing Pacific representation in tier 1 to 3 roles.

We also have a range of courses and programmes aimed at lifting cultural capability in te reo Māori, waiata, tikanga and Te Titiri o Waitangi.

Celebrating and participating in Language Weeks and cultural events is an important step in accepting and celebrating different cultures. At Te Tari Taiwhenua, we hold events and activities throughout the year to celebrate Pacific and Māori Language Weeks and Matariki.

In June 2023, we held regional Māori hui in Auckland and Wellington, to connect our kaimahi Māori and build whanaungatanga, one of our mātāpono. *Te Aka Taiwhenua* – our Māori strategic framework – was the other focus of the day, progressing toward building an enduring, equitable and positive Māori-Crown partnership. Taha Moana, our Pacific staff network, held an online Ta Moana National Fono (hui, meeting or gathering) where our Pacific peoples had the opportunity to connect, share ideas to strengthen Taha Moana and discuss how they contribute, support and implement *Te Ara Vaka* – our Pacific strategy.

Supporting our employee-led networks

Te Tari Taiwhenua aims to provide a culture in which all employees can bring their whole selves to work. Kaimahi are encouraged and supported to work together across different areas of Te Tari Taiwhenua. This includes opportunities to participate in social activities and networks such as the Tangata Whenua Network, Taha Moana Pacific Network, Women's Network, DIAsians and Authentic Self (LGBTQ+).

We continue to provide ongoing support and resources for new and emerging networks, and we hold a number of employee-led events and initiatives each year. During the year, we started building a new disabled employee-led network called Opening Doors.

Building inclusive leadership

Leaders play a critical role in valuing, connecting and empowering our people and creating a culture where kaimahi feel they can bring their whole selves to work. Leaders are crucial to maintain and enhance inclusion and diversity at Te Tari Taiwhenua, so that we reflect the communities we serve.

We are introducing a new leadership development system that will uplift the capability of our leaders and ensure they are equipped to lead inclusively. The programme is in its design phase and will be launched in the first half of 2023/24. It consists of a range of management and leadership programmes that our leaders will be required to complete. Leading inclusively will be a key focus of the programmes.

Providing equal employment opportunities for everyone

Te Tari Taiwhenua is committed to ensuring all kaimahi are able to achieve their full potential, by fostering a work environment that is free from all gender-based inequalities.

In 2022, we worked with the Public Services Association (PSA) to develop *Kia Toipoto – Closing Gender, Māori, Pacific, and Ethnic Pay Gaps Action Plan 2023–2024*, setting out our commitment to reduce gender and ethnic pay gaps. This plan includes a first-time analysis of our ethnic pay gaps. The gender pay gap reduced by 1.2 percent and it was 7.3 percent as at 30 June 2023.

We also continued to educate our people leaders through recruitment guidelines, a starting salary tool, and improving the recognition and understanding of unconscious bias to ensure our gender and ethnic pay gap reduction initiatives are sustained.

Making our services accessible to all New Zealanders

We are committed to the Accessibility Charter and continue to ensure the work we do and services we provide are accessed by any New Zealander in a way that meets their needs. Our focus to improve accessibility includes creating a Plain Language Hub and appointing a Plain Language Officer, as required under the new Plain Language Act 2022.

Keeping our people healthy, safe and well

Our people remain at the heart of everything we do. We know that by keeping our people healthy and safe to undertake their mahi, they can continue to provide New Zealanders with the support and services they need.

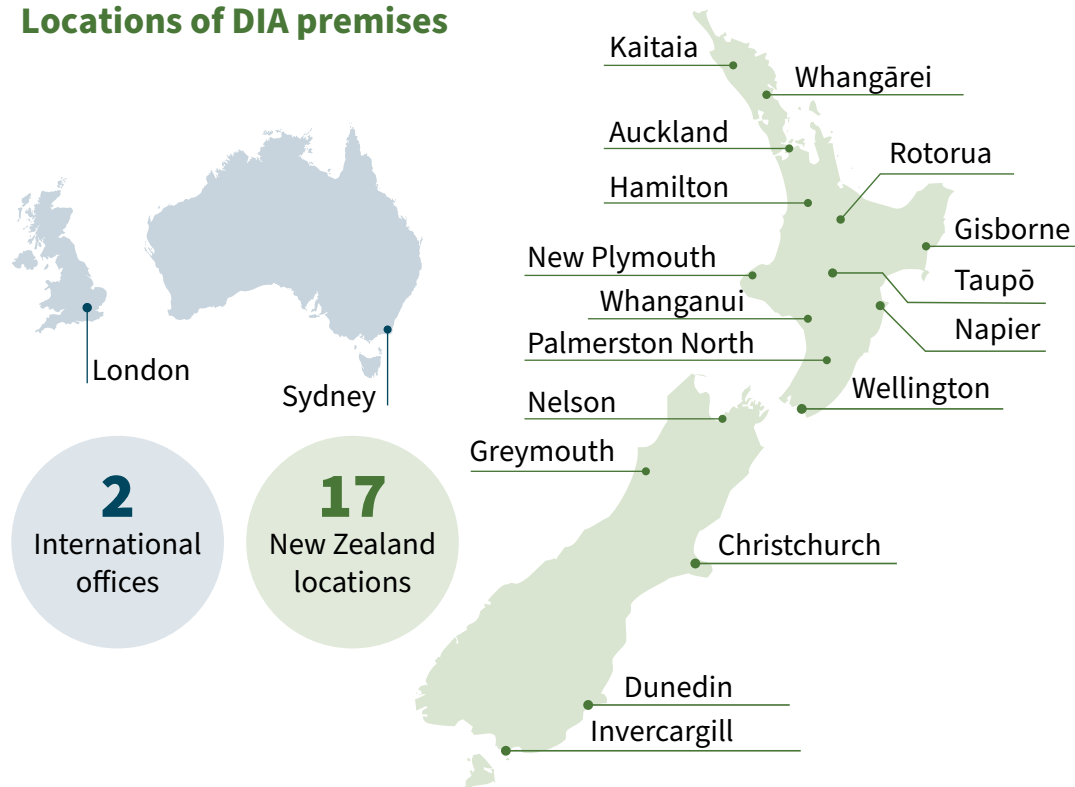
This year we have focused our mahi on redesigning our wellbeing, health and safety systems to ensure they align with best practice, and with what our people expect and need. This includes:

- Developing a new online reporting tool, named Rourou, to simplify the process of reporting incidents and hazards for kaimahi. This will offer greater transparency to our people leaders so they can proactively manage areas of risk.
- Developing health and safety critical risk registers to allow all kaimahi to have visibility and management of these risks across Te Tari Taiwhenua.
- Consulting with our Māori and Pasifika kaimahi networks to understand their perspectives, which will help us improve accessibility and engagement with wellbeing, and health and safety processes and practices.
- Continuing investment in training and resources to help our Health and Safety Representatives support our people leaders to manage the wellbeing, health and safety risks of their people.
- Training for all people leaders to help them create great working environments for kaimahi, introducing courses on ‘Managing Hazards and Risks’ and ‘Leadership in Safety’.
- Conducting quarterly hazard inspections across all our workplaces.
- Improving quarterly reporting to our Executive Leadership Team to ensure they are being provided with information that supports good decision-making.

Providing safe and secure workspaces for our people and the public

Te Tari Taiwhenua has 17 locations nationwide and two overseas – Sydney and London. Our focus is on providing safe, secure and quality workspaces for our people and the public, and to reduce the risk of damage or loss of taonga. We ensure our buildings are compliant with legislative, health and safety, and regulatory requirements.

Locations of DIA premises



The Property Capital Forward Works Programme is a five-year programme (2020–25) to support these goals and reduce our energy consumption, costs and carbon footprint, while also improving our working environment. During the year, we:

- reviewed Detailed Seismic Assessment recommendations for sites to ensure they are safe and resilient during earthquakes
- carried out a seismic uplift for our Archives building in Wellington
- completed electrical upgrades to prevent electrical failure and to protect taonga that need temperature-controlled environments
- upgraded furniture, fittings and other equipment to ensure a safe, comfortable and consistent design across our workplaces
- upgraded to LED lighting at our various Archives sites and the National Library in Wellington, resulting in 361,000 kilowatt-hour (kWh) savings a year
- began work to replace the cooling towers at the National Library with a more energy efficient option.

Ensuring our people have what they need to work effectively

We continued to provide kaimahi with systems, platforms and devices that are simple and seamless to use. This helps us to manage our resources, improve our capabilities and support our people to deliver our strategic outcomes. We aim to ensure that Te Tari Taiwhenua is a great place to work and all kaimahi have the tools they need to work effectively, whether they are at one of our many locations or working remotely.

During the year, we:

- Rolled out Microsoft Windows 11 to increase resilience across different locations and for our hybrid workforce. For those working on-site, we have introduced new secure wifi networks.
- Continued to embed, monitor and update information security measures to ensure that our systems and the information they hold are protected and secure.
- Enhanced the existing features of Rehutai, our financial system, updating planning, budgeting, project reporting, transactional processing and the ability to interact with data from other systems. This has improved our accuracy and timeliness in forecasting and budgeting and has led to better project monitoring and decision-making.
- Worked with Te Puni Kōkiri to identify and update our supplier system data for Māori-owned businesses. We continue to encourage e-invoicing with our suppliers to assist with the timeliness of payments to them.
- Extended the functionality of Rehutai to support human resource and recruitment management and replaced our payroll system. This enables more self-service functionality and provides clearer oversight for managing time and attendance throughout Te Tari Taiwhenua.

Improving our tools, culture and practices for managing and protecting information

Te Tari Taiwhenua is committed to developing and maintaining information management practices that support our daily activities and enable us to meet our business needs.

During the year, we were audited under the Public Records Act 2005, which has provided us with several areas to focus on over the next five years. This includes disposing of information we are no longer required to keep, applying a records management tool to our enterprise content management system, and identifying what information held by Te Tari Taiwhenua is of importance to Māori.

We place privacy at the core of how we work and take care to ensure the personal information we hold is treated in a knowledgeable and respectful manner. We have a privileged and trusted role as the guardian of identity information, including

passports, births, deaths and marriages, and citizenship information. We also collect a diverse range of other personal information to fulfil the wide range of functions we are responsible for.

We developed a multi-year privacy programme, which aims to improve our overall privacy maturity and embed a privacy-aware culture. This programme includes a policy review, as well as building a more complete and evidence-based reporting framework to better guide decisions in this space. This work will begin in 2023/24.

Our investment and asset performance

Te Tari Taiwhenua manages its assets effectively by monitoring key asset performance indicators. This ensures our property assets are cost-effective, well maintained and code compliant. These indicators also help to highlight the assets that need to be replaced and areas that need to be improved.

This year, we focused on developing a delivery plan for areas of concern, ensuring our property assets meet required standards for asset condition, to reduce the risk of asset and infrastructure failure.

Despite adverse weather events and continuous supply and market inflationary challenges, we are in a good position to continue to deliver great outcomes for our customers and kaimahi. Our technology assets play a critical role in enabling kaimahi to work efficiently and ensure that Te Tari Taiwhenua is a modern and responsive public service.

Our ICT asset performance measures provide information on how our internal and customer-facing systems are performing. We monitor and report on the condition, use and functionality of our key assets.

The average service time that our ICT systems were available remains steady this year, reflecting ongoing investments in our core assets. Asset condition performance has returned to target levels as we are no longer impacted by resourcing challenges from COVID-19. While our functionality measure has met the performance target, our asset utilisation performance continues to reflect that Te Tari Taiwhenua is part-way through a managed cycle to renew our fleet of laptops.

Asset condition performance is detailed in Appendix C.

Our first Long-term Insights Briefing released in November 2022

To support more effective long-term planning across the public sector, chief executives of public agencies are required to publish a Long-term Insights Briefing at least once every three years.

Our first Long-term Insights Briefing was published in November 2022, following its presentation in Parliament.

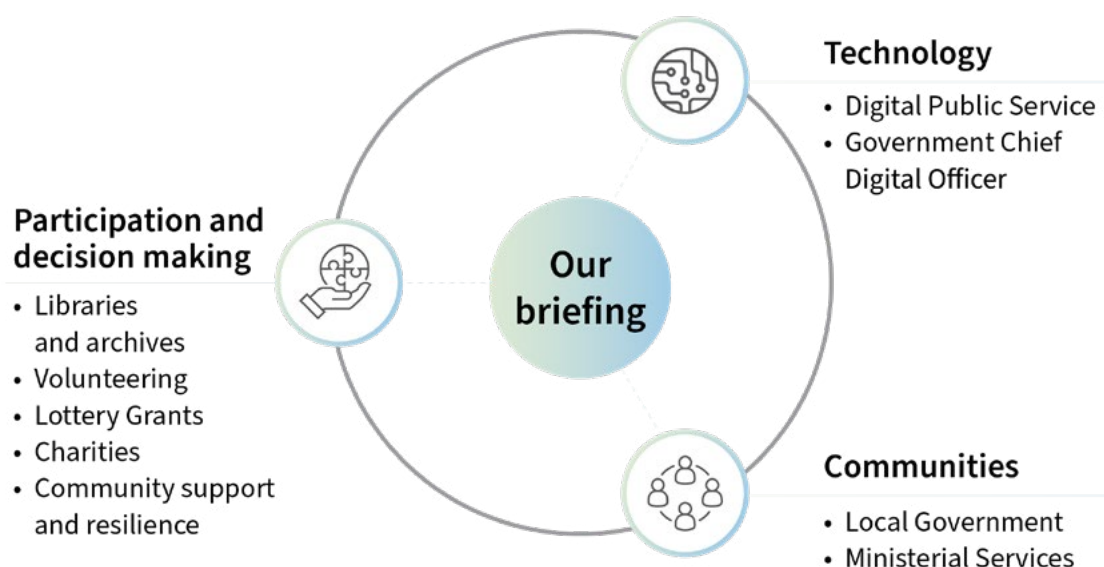
We asked communities and groups what they need and based the following topic on what we heard:

How can community participation and decision-making be better enabled by technology?

We consulted over 150 organisations including those representing the disabled, faith-based associations, Māori, Pasifika, older people, young people, gender minorities, local community networks, charities and others. To respond to this requires not just the public sector, but the private sector and communities, to all work together.

Following its publication, the Economic Development, Science and Innovation Select Committee examined the Briefing. The Committee published its report on our Briefing in April 2023.

How the topic relates to the responsibilities of Te Tari Taiwhenua



Tō mātou kaihautūtanga me te kāwana

Our leadership and governance

The Executive Leadership Team of Te Tari Taiwhenua includes the Secretary for Internal Affairs, seven Deputy Chief Executives and the Director of the Office of the Chief Executive. The Executive Leadership Team ensures the focus of our efforts and resources, and our operating model, supports our strategic governance role.

Paul James

Tumu Whakarae mō Te Tari Taiwhenua, Secretary for Internal Affairs and Chief Executive, Government Chief Digital Officer, Secretary for Local Government



Karen Hope-Cross

Director, Office of the Chief Executive



Karen Vercoe

Deputy Chief Executive, Te Urungi Māori Strategy and Performance¹



Ann-Marie Cavanagh

Deputy Chief Executive, Te Kōtahi Whitiwhiti Digital Public Service, Deputy Government Chief Digital Officer



Maria Robertson

Deputy Chief Executive, Kāwai ki te Iwi Service Delivery & Operations



Hoani Lambert

Deputy Chief Executive, Te Haumi Enterprise Partnerships



Marilyn Little

Deputy Chief Executive, Toi Hiranga Regulation and Policy



Michael Lovett

Deputy Chief Executive, Ue te Hīnāture Local Government



Darrin Sykes

Deputy Chief Executive, He Pou Aronui Organisational Capability & Services²



Notes

1. Amy Allison was Deputy Chief Executive, Te Urungi Organisational Strategy and Performance until April 2023.
2. Clare Toufexis was Acting Deputy Chief Executive, He Pou Aronui Organisational Capability & Services until February 2023.

Our governance

Our governance system ensures Te Tari Taiwhenua delivers on its purpose, strategic priorities and focus on stewardship, through sound and sustainable long-term decision-making.

Our governance is collectively led by the Executive Leadership Team and supported by three governance sub-committees with well-established governance principles and protocols. This includes clear and understood terms of reference and a comprehensive declarations of interest process.

Our three governance sub-committees support the Executive Leadership Team:

- **Finance and Performance Governance Sub-Committee:** provides assurance that Te Tari Taiwhenua has the capabilities required to deliver on its strategy and maintain stewardship over its financial sustainability and organisational performance under the Public Finance Act 1989.
- **Risk and Assurance Governance Sub-Committee:** provides assurance that Te Tari Taiwhenua has an effective risk and assurance system, culture and practice that serves to keep our people and their work safe. The Committee achieves this through oversight of our risk management, audit and assurance (both internal and external) systems.
- **Investment Governance Sub-Committee:** provides direction on and oversight of our investment system health and portfolio management, reviewing and approving or endorsing to the Executive Leadership Team (in line with its delegated authority) project and programme business cases and investment-related matters.

Te Tari Taiwhenua also has an External Advisory Committee that provides independent advice to the Secretary for Internal Affairs and the Executive Leadership Team in discharging its management and governance responsibilities. This includes guidance on our strategic direction, systems of governance, risk and assurance and organisational performance, as well as the integrity of our performance information.

Risk and assurance

Risk and assurance is a key component of effective governance. Good assurance supports governance bodies in their decision-making, provides evidence of how well business risks are being managed, whether opportunities are being taken, and how well the business is performing. Good risk management practice helps identify key risks to delivery and enables early intervention before risks start to have an impact on outcomes. Applying more consistent risk and assurance advice and support over our priority and/or higher-risk projects and programmes is helping to further embed good risk management practices as integral to our mahi, and ensure we are focused on the right things. Our Assurance Policy and Framework supports an integrated view of assurance across Te Tari Taiwhenua.



4

Ngā Āheinga o te Hononga i
waenga i ngāi Māori me te Karauna

Māori-Crown Relations Capability

About this section

This section outlines how we are building our capability in Māori-Crown Relations through a number of initiatives. These initiatives support wider public service goals of empowering our people and encouraging greater use of te reo Māori.

Ngā tīpako

Highlights

Developed the world's first Cloud policy through the co-design process with the Data Iwi Leaders Group and other stakeholders, which now mandates that agencies consider Te Tiriti-based principles when using Cloud services for Māori data.



Established Te Urungi, the Māori, Strategy and Performance branch in April 2023 to build leadership capability for supporting Māori and Te Tiriti outcomes.



Over 70 kaimahi have successfully completed the Mataora programme, an initiative designed to enhance our cultural capability.



Developed 'Te Whakatinanatanga o Te Tiriti o Waitangi', a workbook for public servants to support learning around Te Tiriti and enhance our capability as public servants to uphold it in our day-to-day mahi.



Embraced te ao Māori perspectives by putting into place the practices of pōwhiri, mihi whakatau and noho marae.



Ngā Āheinga o te Hononga i waenga i ngāi Māori me te Karauna

Māori-Crown Relations Capability

Our Māori strategic framework is built on fundamental principles that we have an obligation and responsibility to uphold, including kotahitanga (unity), manaakitanga (support and service), whanaungatanga (kinship and shared interests) and he tāngata (people come first).

Our partnership with Data Iwi Leaders Group: Empowering Māori Digital Aspirations through the Mana Ōrite Relationship Agreement

A Mana Ōrite Relationship Agreement was signed in June 2021 between the Data Iwi Leaders Group and the Secretary for Internal Affairs, Paul James, in his role as the Government Chief Digital Officer. It established a mana-to-mana relationship between Te Tari Taiwhenua and the Data Iwi Leaders Group.

Our partnership with the Data Iwi Leaders Group has led to significant progress in empowering Māori digital aspirations, which is guided by the Mana Ōrite Relationship Agreement through the operational arm of Te Kāhui Raraunga. This partnership has achieved several milestones in digital identity, digital inclusion and Cloud services areas which highlights the significance of this relationship, its transformational impact and demonstrates our commitment to creating a future that benefits te oranga whānui o Aotearoa.

Examples include:

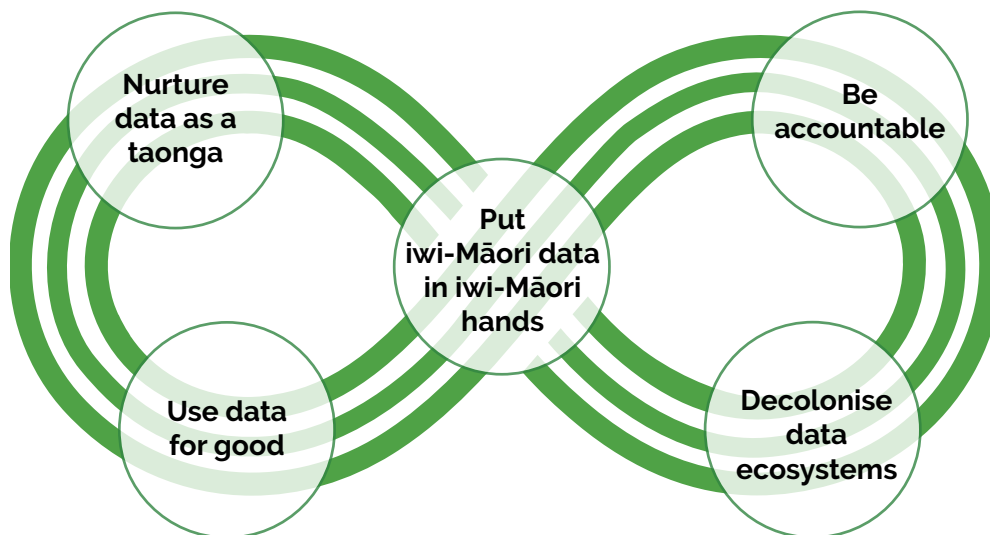
- Ensuring recognition of Te Tiriti o Waitangi, tikanga Māori and the protection of Māori data in the Digital Identity Services Trust Framework Act 2023.
- Establishing a digital identity Māori Advisory Group, which will provide advice on Māori interests and knowledge as they relate to the operation of the trust framework.
- Understanding and addressing digital inclusion barriers faced by Māori by working with the Mātauranga Iwi Leaders Group. We will continue this work so that all New Zealanders can flourish and prosper in a digital world.

Creating a future that benefits te oranga whānui o Aotearoa by realising the potential of digital capability to make a sustainable positive difference to iwi, hapū and whānau.

- Developing the world's first Cloud policy through the co-design process with the Data Iwi Leaders Group and other stakeholders. We recognise the importance of indigenous data interests, and this policy now mandates that agencies consider Te Tiriti-based principles when using Cloud services for Māori data.
- Developing He Aratohu Kapua Cloud Te Tiriti Guidance to facilitate collaboration between Cloud leaders and Te Tiriti partners so they can identify and engage in shared interests in Cloud and Māori data.

During the last meeting in December 2022, the Data Iwi Leaders Group acknowledged the ongoing evolution and strengthening of our relationship. We remain committed to further enhancing this partnership where we see a future through our shared priority mahi. Our collective aim is to realise the full potential of a digital evolution that makes a sustainable positive difference to iwi, hapū and whānau, where iwi-Māori thrive and te oranga whānui o Aotearoa prosper through the transformative power of digital technology.

Data for self-determination – values



Credit: Kukutai, T., Campbell-Kamariera, K., Mead, A., Mikaere, K., Moses, C., Whitehead, J. & Cormack, D. (2023). Māori data governance model. Te Kāhui Raraunga

Whāinga Amorangi

The Whāinga Amorangi framework was introduced to help public service agencies develop plans to build their individual and organisational capability to engage with iwi Māori. The framework focuses on te reo Māori, the history of Aotearoa New Zealand and the Treaty of Waitangi. Outlined below are some of the initiatives at Te Tari Taiwhenua that align with the Whāinga Amorangi framework.

Establishing Te Urungi, the Māori, Strategy and Performance branch, to build leadership capability for supporting Māori and Te Tiriti outcomes

Te Tari Taiwhenua has diverse and significant responsibilities that require strong partnerships, engagement and consultation with Māori to be effective. Section 14 of the Public Service Act 2020 also recognises the role of the public service to support the Crown in its relationships with Māori under Te Tiriti. This helps Te Tari Taiwhenua to:

- have the right leadership in place to effectively deliver our Te Tiriti obligations
- enhance our existing roles and functions to uplift our capability which will help strengthen Māori-Crown partnerships and deliver our Te Tiriti responsibilities
- ensure a Māori perspective across and through all strategic planning, assurance and governance mahi
- support public sector expectations to better contribute and influence All-of-Government strategies and policies developed across the sector for Māori
- improve the focus on collective delivery and monitoring of outcomes for Māori, by developing a shared understanding of baselines, impacts and priorities
- ensure kaimahi Māori experience an inclusive, high-performing workplace where they are supported to perform at their best so we can make a difference for New Zealanders.

To strengthen our Māori leadership and capability, we established Te Urungi, the Māori, Strategy and Performance branch in April 2023

As part of the creation of Te Urungi, we recognise that we are at the early stages of growing our Māori-Crown relationships. Te Tari Taiwhenua has the privileged role of holding and protecting Te Tiriti o Waitangi. Strengthening our Māori leadership and capability will help Te Tari Taiwhenua work better as a Treaty partner and to understand Māori perspectives.

Honouring and protecting Te Tiriti o Waitangi

Ā Mātou Mahi, the organisational strategy at Te Tari Taiwhenua, honours and recognises our aspirations to protect Te Tiriti o Waitangi. Te Tari Taiwhenua provides the abilities, resources and organisational structure that are needed to strengthen our links with iwi, to protect taonga Māori and provide effective services to Māori as part of an organisation-wide strategy. Examples include:

- ‘Te Whakatinanatanga o Te Tiriti o Waitangi’, a workbook for public servants. This workbook was developed by the Public Engagement Directorate at the National Library to support learning around Te Tiriti o Waitangi and enhance our capability as public servants to uphold it in our day-to-day mahi.
- ‘E Oho! Waitangi’ kōrero series which runs at the National Library. This upholds the rich history of Aotearoa and deepens our commitment to maintaining mātauranga. There has been a rise in participation in Tiriti-based workshops and the creation of materials and resources to assist individual or branch-wide learning.
- Kāwai ki te Iwi, the Service, Delivery and Operations branch invited Dr Ingrid Huygens to conduct Tiriti o Waitangi training for kaimahi. This opportunity was also undertaken by He Pou Aronui, the Organisational Capability and Services branch.

He Waka Eke Noa – we are in this together

He Waka Eke Noa is the work programme supporting Te Aka Taiwhenua, our Māori Strategic Framework. The journey together is the foundation of He Waka Eke Noa. It speaks to the importance of all aspects of Te Tari Taiwhenua being part of the journey towards Ā Mātou Mahi, our organisational strategy.

He Waka Waka Eke Noa has three pou (or workstreams) of te reo me ōna tikanga, te ao Māori and Te Tiriti o Waitangi, which are aligned with the Whāinga Amorangi framework. The journey together will enable Te Tari Taiwhenua to:

- uplift te reo me ōna tikanga competency levels
- enhance te ao Māori capabilities that respect, value and protect mātauranga
- enable our Te Tiriti aspirations and outcomes to be met.

An important step to strengthening the Māori-Crown partnerships capability is improving our kaimahi skills in te reo Māori and tikanga Māori. Kaimahi actively participate in te reo Māori and Te Tiriti o Waitangi training workshops to improve te reo Māori, te ao Māori, and Te Tiriti skills for Te Kōtui Whitiwhiti and strengthen Māori-Crown ties.

For example, we have implemented and tailored initiatives to revitalise and elevate te reo Māori and tikanga Māori competencies among kaimahi. These initiatives support kaimahi and senior leadership in Aotearoa New Zealand and abroad. We provide both in-person and online short-term and medium-term te reo Māori, te ao Māori and Te Tiriti o Waitangi workshops, wānanga and programmes.

Honouring and embedding te ao Māori approaches

The development and embedding of te ao Māori across our core business is a key focus for Te Tari Taiwhenua. We are committed to identifying approaches that guarantee the protection and revitalisation of te reo Māori me ōna tikanga.

An increase in participation by kaimahi has been seen across Te Tari Taiwhenua in the 'Wall Walk' workshop. This workshop is designed to raise collective awareness of Aotearoa history and Māori-Crown relations, with a focus on improving outcomes for Māori as our Te Tiriti partners.

At Te Tari Taiwhenua, we embrace te ao Māori by normalising practices of pōwhiri, mihi whakatau and noho marae. Marae-based wānanga and workshops, Māori Leadership programmes and weekly branch waiata sessions are also commonly held across Te Tari Taiwhenua. All kaimahi also participate in celebrating Te Rā o Waitangi (Waitangi Day), Puanga-Matariki (Māori New Year) and Te Wiki o te Reo Māori (Māori Language Week).

Mataora wānanga of kaimahi

The Mataora programme is a te ao Māori initiative at Te Tari Taiwhenua designed by an external provider to enhance our cultural capability. The programme uses traditional narratives and Māori pūrākau (storytelling) to delve into stories of atua Māori (Māori deities), explore how we can apply the thinking in our daily mahi, and give effect to integrating te ao Māori practices in the workplace.

In May 2023, a wānanga was held with 25 Mataora graduates at Hinetemoa Marae, Waimarama. The wānanga provided a unique opportunity for reflection and deeper exploration. It prompted kaimahi to explore how indigenous concepts can be integrated into their mahi, offering fresh avenues to enhance our work and services. Kaimahi embraced practical experience by assisting in repairing cyclone-damaged whānau homes and papakāinga (village) in Waiohiki for a day. This provided a deeper connection to the whenua (land) and taiao (environment), with people and place, and was a glimpse into the challenges faced by communities affected by Cyclone Gabrielle, and the hīnatore (spark or potential) to overcome adversity.



This Mataora programme was inspired by the following pūrākau of Mataora and Niwareka, which is one of many stories that bring te ao Māori perspectives to life. This tells the story of transformation and change.

The Pūrākau of Mataora and Niwareka

Mataora was a Rangatira who fell in love with the tūrehu, Niwareka. They married and for a while lived happily. Mataora was prone to fits of jealousy and one day wronged Niwareka, causing her to flee home to Rarohenga. Consumed with remorse, Mataora followed her, arriving in Rarohenga after a long and difficult journey. Once there he worked hard, learnt to be humble and eventually won Niwareka back. He also received tā moko, the permanent mark of transformation and change.

Maihi Karauna

Maihi Karauna is the Crown's strategy for revitalising te reo Māori. Te Tari Taiwhenua has committed to support the revitalisation and use of te reo Māori across the organisation and its partners.

Examples include:

- Te Tari Taiwhenua actively gives effect to the Maihi Karauna by partnering with Te Wānanga o Aotearoa and Te Wānanga o Raukawa to enrol willing kaimahi into Level 1-4 te reo Māori courses.
- Kaimahi are encouraged to learn the pronunciation of te reo Māori, by participating in ongoing karakia and waiata workshops and attending mihi whakatau using mihimihi and pepehā and revitalising te reo Māori me ōna tikanga through Level 1-2 online sessions with Manawataki consultants.
- Te Kōtui Whitiwhiti Digital Public Service branch conducted a survey to identify competency levels of te reo Māori, which indicated that kaimahi felt levels of competency ranging from unfamiliar to comfortable. The overall feedback from the survey was to continue to increase the visibility of te reo and kaupapa Māori and this has also assisted in the development of a Matihiko Reo Branch Plan from July 2023.
- The Kāwai ki te Iwi Service, Delivery and Operations branch has undertaken a number of different initiatives to support the revitalisation of te reo Māori. These include holding noho marae over the year, using te reo Māori in wānanga and facilitating whaikōrero one-on-one sessions.

Case study

Whananaki community partnership

Our aim

Te Tari Taiwhenua partners with a number of communities across Aotearoa New Zealand to support them in achieving their aspirations for their community. This is made possible through the Hōtaka Whakawhanake e ārahina ana e te Hapori Community-led Development Programme.

Our role

The Hapāi Hapori team within Te Tari Taiwhenua provides community development and advisory services to support hapū, iwi, community, and community organisations to support them to achieve their aspirations. This includes providing financial support through grants and connections to resources, services, other organisations, local government and central government.

The outcome

In 2017, Te Tari Taiwhenua formed a partnership with the Whananaki community. This partnership led to a Whananaki community-led development plan, which showed the positive impact of enduring and equitable partnerships with mana whenua and the wider community.

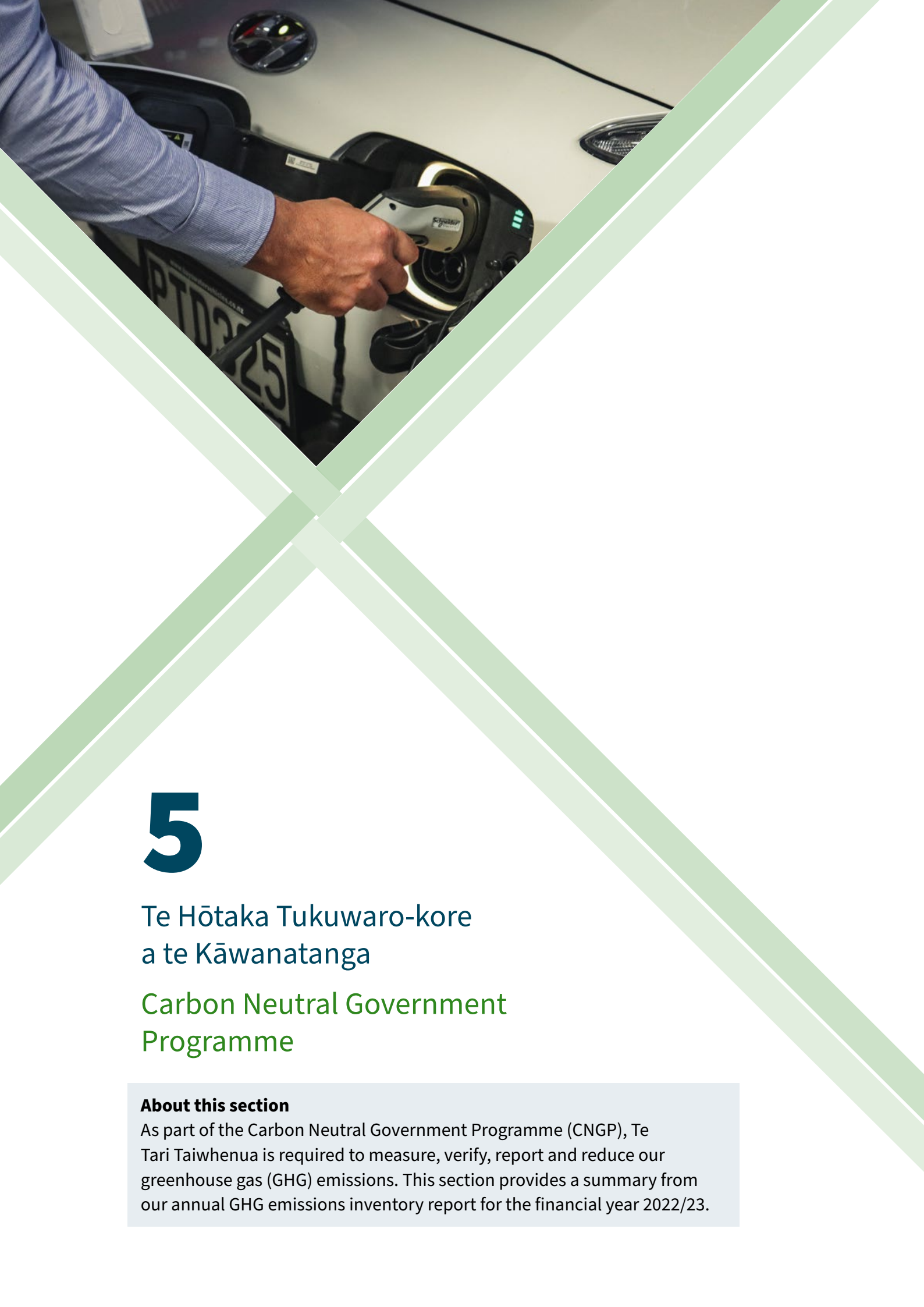
One of the recent achievements in this relationship between Te Tari Taiwhenua and the Whananaki community was the opening of the redeveloped Whakapaumahara Marae complex in April 2023. The Whakapaumahara Marae Committee and local mana whenua were an important part of the partnership, and this relationship supported the progression of the redevelopment.

We continue to partner with the Whananaki community to source funding for the planned Community Hub. This also includes supporting the sustainability initiative for the native nursery and the operation of the local community organisation that will support future initiatives.

What this means for tangata whenua and communities

These partnerships help communities' sense of identity, cultural pride and connectedness to improve substantially. Whananaki is an inspiring example of how collaborative partnerships can support and create a more equitable and prosperous future for mana whenua and the wider community.

The Whananaki Community-led development plan was developed with a shared vision of 'A Culturally Connected Caring Community'. Their mission is 'Te Hoe o te Waka – All paddles working together to move the waka swiftly in the right direction'.



5

Te Hōtaka Tukuwaro-kore
a te Kāwanatanga

Carbon Neutral Government
Programme

About this section

As part of the Carbon Neutral Government Programme (CNGP), Te Tari Taiwhenua is required to measure, verify, report and reduce our greenhouse gas (GHG) emissions. This section provides a summary from our annual GHG emissions inventory report for the financial year 2022/23.

Te Hōtaka Tukuwaro-kore a te Kāwanatanga Carbon Neutral Government Programme

Carbon emissions reporting

In December 2020, the New Zealand Government declared a climate emergency, committing to urgent action to reduce greenhouse gas (GHG) emissions and limit temperature rise to 1.5 degrees Celsius above pre-industrial levels. In response, the Carbon Neutral Government Programme (CNGP) was launched to accelerate the reduction of public sector emissions and achieve carbon neutrality by 2025.

As part of the CNGP, Te Tari Taiwhenua is expected to:

- measure, verify and report GHG emissions annually
- set gross emissions reduction targets and longer-term reduction plans
- introduce a phased work programme to reduce the organisation's emissions
- offset remaining emissions to achieve carbon neutrality by December 2025.

Te Tari Taiwhenua reports emissions from departmental and non-departmental activities. The departmental activities include the Ministry for Ethnic Communities, a departmental agency hosted by Te Tari Taiwhenua. The non-departmental activities mainly include travel by Members of the Executive and approved accompanying parties (that is, Ministerial travel) and the operation of Ministerial properties.

Change in base year to financial year 2022/23

We have changed our base year from 2020/21 to 2022/23. Operations in both 2020/21 and 2021/22 were significantly impacted by COVID-19 pandemic restrictions and the New Zealand border closure, so were not representative of our typical emissions profile for travel and freight (for example, the delivery of identity products such as passports), some of our largest emissions sources. Through further quality assurance work and improvement in data collection processes, we have identified new emissions sources that were not previously measured and reported. We believe 2022/23 is a good representation of emissions for Te Tari Taiwhenua.

Our total gross emissions for 2022/23, the new base year, were 8,328 tonnes of carbon dioxide equivalent (tCO₂e). Table 1 breaks down emissions by scope (GHG Protocol 2004) and between departmental and non-departmental activities. Emissions from non-departmental activities have been separately disclosed as we have a lower level of influence on our ability to reduce emissions from these activities.

Air travel is our largest emissions source, contributing to 47.6 percent (3,965 tCO₂e) of the total emissions, followed by stationary combustion at 10.8 percent (898 tCO₂e), staff commuting at 9.9 percent (826 tCO₂e) and freight at 9.5 percent (795 tCO₂e). Air travel, freight and stationary combustion, staff commuting and freight represent 78 percent of total emissions. Ministerial travel is 24.6 percent of the total emissions.

In 2022/23, Te Tari Taiwhenua purchased 1,678 carbon credits through Toitū Envirocare (Enviro-Mark Solutions Limited) to partially offset emissions from Ministerial travel. The emissions reported in Table 1 were assessed prior to these offsets.

Table 1: Summary of 2022/23 GHG gross emissions in tCO₂e

Emissions source	Departmental	Non-departmental	2023	% of Total
Scope 1: Direct emissions	977	188	1,165	14.0%
Stationary combustion ¹	852	46	898	10.8%
Transport fuels	114	142	256	3.1%
Refrigerant gases	11	-	11	0.1%
Scope 2: Indirect emissions from imported energy	733	5	738	8.9%
Electricity	733	5	738	8.9%
Scope 3: Other indirect emissions	4,291	2,134	6,425	77.1%
Business travel – air travel	1,916	2,049	3,965	47.6%
Staff commuting (non-mandatory)	826	-	826	9.9%
Freight	795	-	795	9.5%
Business travel – other	308	82	390	4.7%
Staff working from home	136	-	136	1.6%
Waste (to landfill)	109	-	109	1.3%
Wastewater	89	-	89	1.1%
Transmission and Distribution losses (electricity)	82	1	83	1.0%
Transmission and Distribution losses (natural gas)	30	2	32	0.4%
Total gross emissions (tCO₂e)	6,001	2,327	8,328	100.0%

Note 1 – Stationary combustion includes natural gas, diesel and LPG.

Emissions intensity by full-time equivalent (FTE) staff and expenditure

To help understand how changes in funding and staff may affect carbon emissions and monitor progress against reduction targets and trends, it is useful to calculate the emissions intensity (Table 2). Emissions intensity has been calculated only in relation to departmental activities as non-departmental emissions are not directly impacted by changes in departmental operating funding and number of staff.

Table 2: Emissions intensity by FTE staff and expenditure

	2023
Gross emissions (tCO ₂ e) – Departmental	6,001
Key performance indicator	
FTE staff ¹	2,644
Operating expenditure (\$m)	661.908
Emissions intensity	
Total emissions per FTE (tCO ₂ e)	2.27
Total emissions per million dollars of expenditure (tCO ₂ e)	9.07

Note 1 – FTE staff includes permanent, fixed-term and events-based employees (refer to Appendix B).

Verification of our emissions measurement

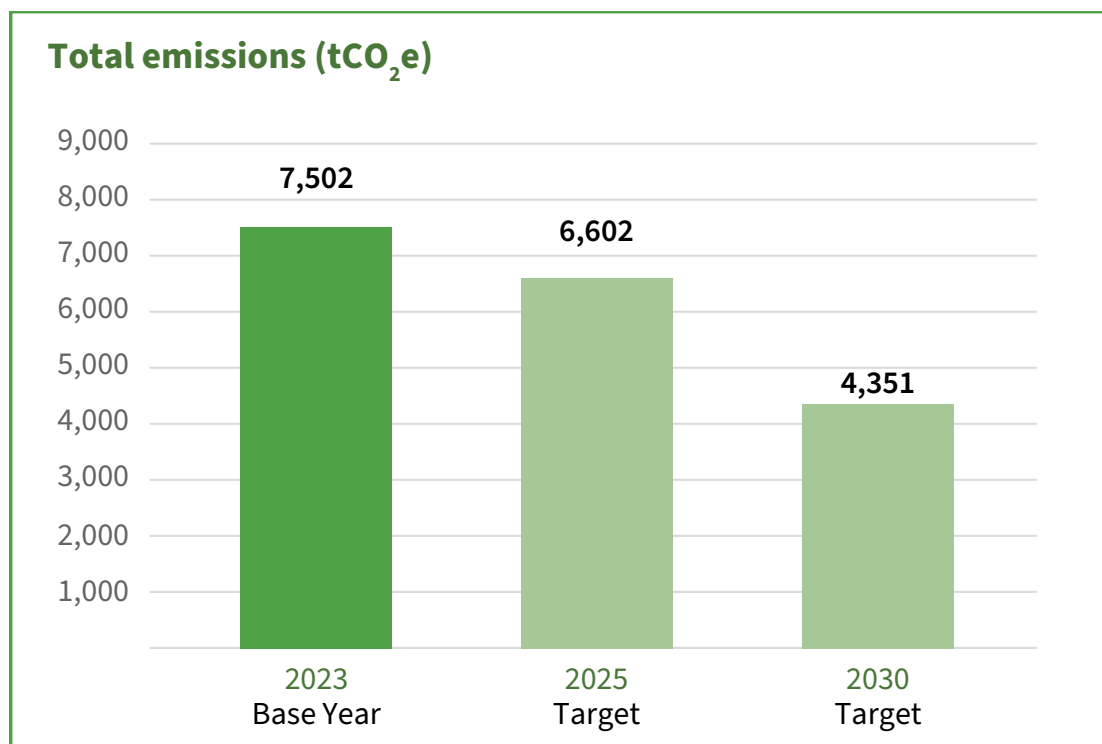
Our GHG emissions measurement (emissions data and calculations) has been independently verified against ISO 14064-1:2018 by Toitū Envirocare (Enviro-Mark Solutions Limited), a wholly owned subsidiary of Manaaki Whenua – Landcare Research, which is a Government-owned Crown Research Institute. However, it should be noted that quantifying GHG emissions is subject to uncertainty, as the methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving.

Our emissions assumptions, calculations and reporting continue to be refined as part of our ongoing process improvements. Additional sources may be included in future emissions reporting as we identify and establish appropriate data collection processes.

Our emissions reduction targets

Following the change in base year, Te Tari Taiwhenua set revised gross emissions reduction targets that align to a 1.5 degree Celsius limit to global temperature rise. Emissions targets have been calculated against mandatory emissions only and exclude 826 tCO₂e from staff commuting. Under these targets, Te Tari Taiwhenua will need to meet reductions in mandatory emissions from the base year of 12 percent and 42 percent by 2025 and 2030, respectively. This will require an average reduction in carbon emissions of 450 tCO₂e per annum.

Figure 1: 2025 and 2030 targets compared to base year



Our emissions reduction plan

Te Tari Taiwhenua has an emissions reduction plan in place to progress toward these targets and ensure data capture continues to improve. We are currently in the process of updating this plan to include a more targeted, data-driven approach. It is important that we monitor our operational activities closely to ensure we meet the challenges of delivering our services while reducing overall carbon emissions.

The following emissions reduction initiatives were completed in 2022/23:

- Established a dedicated steering group to provide advice, recommendations and assurance to the Executive Leadership Team on the requirement for Te Tari Taiwhenua to reduce emissions and to drive the necessary policy and organisational changes. The steering group is supported by two working groups to first investigate and then monitor reduction initiatives, including possible changes to operating models and the supply chain.
- The Executive Leadership Team agreed to a 15 percent reduction in air travel budgets for 2023/24 (excluding Ministerial travel) with clear carbon emissions targets.
- Updated our travel policy to make business class air travel for international travel an exception requiring the Chief Executive's approval.
- Progressed the optimisation and electrification of our corporate fleet (excluding vehicles managed by VIP Transport Services) with an additional 31 electric vehicles (EVs) purchased in 2022/23. As at 30 June 2023, 55 percent of our corporate fleet was electric (3 percent at 30 June 2022).
- Progressed the replacement of end-of-life equipment with energy efficient systems (chillers, circuit breakers, cool stores, air handling units and cooling towers) at Archives New Zealand and the National Library of New Zealand.
- Replaced gas water heating system at the Avalon Film Archive.
- Installed sub-metering to monitor energy consumption at the National Library of New Zealand in Wellington.
- Completed a staff commuting survey and improved data capture.
- Improved internal reporting and communication of emissions activities to increase awareness and ensure environmental sustainability becomes part of our mahi.

Case study

Te Tari Taiwhenua Transition to Electric Vehicles (EVs) – A Sustainable Journey

Our aim

In December 2021, Te Tari Taiwhenua started a significant programme to transition its corporate fleet to EVs. We originally had 74 vehicles, all except one powered by an internal combustion engine.

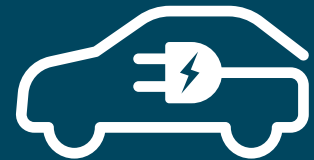
Our role

To kickstart the transition we commissioned a study, which highlighted that 39 percent of our fleet travelled fewer than 5,000 kilometres per year and also identified that 96 percent of the passenger fleet was suitable for EV transition. Auckland, Wellington and Christchurch emerged as the most suitable locations for EV adoption, given their low vehicle utilisation rates and the availability of EV infrastructure.

The study presented compelling findings that shaped our transition plan to achieve a 96 percent reduction in carbon emissions from our corporate fleet and an estimated annual fuel savings of \$37,800.

We successfully applied for a grant under the State Sector Decarbonisation Fund, securing a subsidy of up to \$30,000 per EV and \$5,000 per charging station for a total of \$1.467 million.

The transition initiative gained momentum in August 2022 when we deployed a pilot fleet of EVs in Palmerston North.



55 percent
of our corporate fleet
was electric as at
30 June 2023

The outcome

As at 30 June 2023, 55 percent of our corporate fleet was electric, with 31 new EVs delivered across the country in 2022/23. EV charging stations have also been installed in 15 sites.

The rollout is expected to complete in 2023/24 with the delivery of 11 additional EVs. At the end of the transition and optimisation programme, our corporate fleet would have reduced by 30 percent, from 74 to 52 vehicles, and be 87 percent EV. The full positive impact of the rollout on carbon emissions is expected to be achieved in 2024/25.

What this means for New Zealanders

By using data-driven strategies and securing funding we successfully initiated a transition that delivers environmental benefits and cost savings, while keeping staff safety at the forefront.



Ministry for
**Ethnic
Communities**
Te Tari Mātāwaka

The Ministry for Ethnic Communities is a separate Ministry but operates as a departmental agency with Te Tari Taiwhenua – Department of Internal Affairs as the host agency.

2022/23

**Te Pūrongo ā-Tau a Te Tari Mātāwaka -
Annual Report of the Ministry
for Ethnic Communities**

Te Kāwanatanga o Aotearoa
New Zealand Government

Ngā Kaupapa

Contents

2022/23 Highlights	93
<hr/>	
Kupu takamua a te tumu whakarae Chief Executive's foreword	94
<hr/>	
Ko wai mātau Who we are.....	96
Driven by purpose – the why behind our Ministry	96
Our values	97
Our people	98
<hr/>	
Ā mātou mahi What we do.....	102
Our functions	102
The communities we serve	103
<hr/>	
He arotake i te tau A year in review.....	104
Delivering on the Ministry's priorities	104
Awards	124
<hr/>	
Te ara whakamua The way forward	125
Advancing together – productive delivery and sustainable outcome	125
<hr/>	
Te Tauākī Noho Haepapa Statement of Responsibility	126



2022/23 Highlights



Connected engaged communities

4 strategic conferences – three Ethnic Advantage conferences and the EthnicBiz Forum

650 participants



Health awareness and engagements

30 engagement sessions

14 regions

480 participants

11 videos in **19** languages



Extreme weather events support

engagements with **62** community organisations

2,000 visits to our online Cyclone and Flooding Support Hub



Ethnic Communities Development Fund

\$4.2 million funding support

408 projects

Awards

The Ministry earned three Te Hāpai Hapori – Spirit of Service Awards:



Prime Minister's Award
for the Care in the
Community Welfare
Response



Better Outcomes
Award for the
Afghanistan
Resettlement
Response



Special
Commendation for
Policy Excellence





Kupu takamua a te tumu whakarae Chief Executive's foreword

Serving Aotearoa New Zealand, supporting our ethnic communities, and embracing a promising, inclusive future.

As we enter year two of the Ministry's journey, I am proud to introduce this year's annual report of the Ministry for Ethnic Communities.

Reflecting on the past year, it is clear that our success is a shared achievement — one that would not have been possible without the collective efforts of our government and community partners, the trust and support of our ethnic communities and the dedication of our exceptional team in the Ministry.

Looking ahead to the coming decade, projections indicate that ethnic communities will comprise over 25 percent of New Zealand's population. This significant demographic shift creates economic and social advantages for our nation, enriched by its cultural diversity. Genuine inclusion of ethnic people in our communities, irrespective of culture, creed or national origin, is critical to unlocking the economic, social and cultural advantages that ethnic diversity brings for everyone. Everything the Ministry does is aimed at making New Zealand better for everyone in the country.

The Government makes decisions that profoundly affect the lives of New Zealanders every day. The Ministry for Ethnic Communities is the chief advisor to the Government on ethnic communities and their inclusion in New Zealand. Our advice ensures that the Government's decision-making takes ethnic communities' needs into consideration, leaving no-one behind.

All our activities were driven by our published strategy. We have, and continue to play, an essential role as a trusted broker between government agencies and ethnic communities. Government agencies, like the Ministry of Health, the New Zealand Security Intelligence Service and many others, rely on us for our established connections with ethnic and faith-based communities. They seek our expertise to engage effectively with these communities, relying on the Ministry's established relationships, knowledge and insights into each group's unique dynamics.

The Ministry also brokers many connections across diverse communities to promote collaboration and a sense of belonging. This has been particularly important during the times of crisis New Zealand has experienced over the past year. We continue to have a strong focus on building relationships between ethnic communities and Māori. These activities are collectively important to building cohesive communities and ensuring ethnic communities have a stronger voice in engaging with the Government.



I am delighted to highlight some of our most prominent achievements attained this year. We:

- Took swift action in times of crisis to ensure that ethnic communities remained informed, secure and capable of a speedy recovery. We provided vital information and support during events like the Auckland floods and Cyclone Gabrielle through our engagement advisors, our Incident Management team and the Ministry's dedicated website hub for emergencies.
- Successfully established an Analytics, Monitoring and Evaluation function in late 2022 to bolster the Ministry's data and insights capabilities, provide evidence-informed policy advice and monitor outcomes for ethnic communities. Having an established function and more robust Ministry networks in the public sector will continue to improve the accessibility of ethnicity data and address the lack of accurate and up-to-date ethnicity data.
- Disseminated the annual \$4.2 million Ethnic Communities Development Fund to ethnic communities for 408 community-led projects or activities. This funding has played a pivotal role in enabling ethnic communities to celebrate their unique cultures and forge stronger relationships with tāngata whenua.
- Introduced intercultural capability tools, such as an eLearning module and translation guide, to help government agencies include ethnic communities in their policy development and delivery of services.
- Led events like the Ethnic Advantage conferences, Cultural Kōrero and the EthnicBiz Forum to help create and reinforce connections not only across diverse ethnic communities, but also between them and tāngata whenua, mainstream culture and business sectors. These events also created opportunities to learn from each other and build networks that are critical to an empowered civil society.

These accomplishments are only a fraction of our extensive efforts. In the following pages, you will find a comprehensive overview of our accomplishments, the impact we have made in our communities, and the strategic initiatives that have driven our progress.

I want to sincerely thank our dedicated kaimahi in the Ministry for their hard work, and all our partners who worked with us to deliver on our strategy during a tremendously challenging year.

Kia whakatōmuri te haere whakamua – I walk backwards into the future with my eyes fixed on my past.



Mervin Singham

Chief Executive

Te Tari Mātāwaka – Ministry for Ethnic Communities



Ko wai mātau Who we are

Driven by purpose – the why behind our Ministry

Our journey as a Ministry began in response to the recommendations of the Royal Commission of Inquiry following the tragic terrorist attack on Christchurch mosques in March 2019. We have worked to enhance social cohesion and respond to the evolving needs of our increasingly diverse population.

Since our inception on 1 July 2021, we have embraced our role as the Government's chief advisor on matters concerning ethnic communities, ethnic diversity, and their meaningful inclusion within our super-diverse society.

In our inaugural year, we focused on setting solid foundations and developed our 2022-2025 strategy.

As we entered our second year, our focus shifted from planning to action, and we began the implementation of our strategy.

We continue reviewing our plans and work programmes, to ensure that they remain responsive to the evolving needs of our ethnic communities and are still valid in the constantly changing national and local contexts.



From the whakatuki of the EthnicBiz Forum, Auckland, May 2023



Our values

At the Ministry, we start from within by embracing the values we promote among the ethnic communities we work alongside. They act as guiding principles for our mahi to help us build a genuinely inclusive Aotearoa.

We are also committed to demonstrating our respect for tāngata whenua by ensuring an appropriate te ao Māori lens is applied across our mahi. This acknowledgement of our country's rich cultural heritage and the principles of Te Ao Māori is of utmost importance to both our staff and the ethnic communities we serve.

Manaakitanga (Kind)

Encompasses care and generosity, for the purpose of nurturing relationships.



Whakakotahitanga (Inclusive)

Unifying thought, opinion and action for the collective good.



Whakamanawanui (Courageous)

Act valiantly and courageously.



Ngākau Pono (Authentic)

To act with integrity and sincerity.



Our people

Promoting cultural competence and embracing diversity in our team

We are a relatively small agency. Our Ministry has a total headcount of 67 individual employees. As some employees work part-time hours, our total full-time equivalent (FTE) staff number is 66.2.

Our staff numbers fluctuate from one year to another due to the number of graduates on our Ethnic Graduate Programme and because we had additional contractors to help us set up the Ministry in our first year.

Our staff (including graduates*)

67

headcount

Fixed-term: **8**
Permanent: **55**
Contractor: **3**
Other: **1**



Occupation

Chief Executive's office: 3
Policy and Analytics: 19
Strategic Engagement and Partnerships: 23
System Capability and Programmes: 20
Graduates: 2

66.2

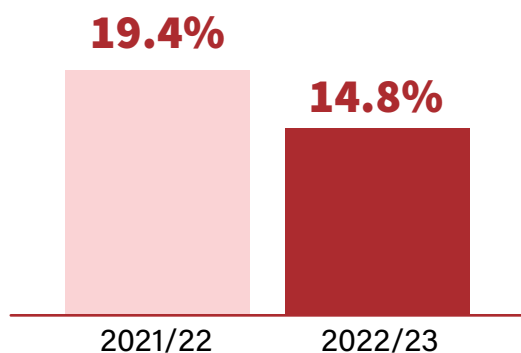
FTE

Fixed-term: **7.6**
Permanent: **54.6**
Contractor: **3**
Other: **1**

* Graduates here refer to staff employed through our Ethnic Graduate Programme, even if hosted by other organisations.

Staff turnover (excluding graduates)

2022/2023: 14.8% (compared to 19.4% in 2021/22)



Papa Pounamu, Kia Toipoto and Whāinga Amorangi

Papa Pounamu is a Chief Executive-led, government-wide, Diversity, Equity and Inclusion Programme (DE&I). It has five priority areas: fostering diverse leadership, building inclusive leadership, building cultural competence, addressing bias and supporting employee-led networks.

Papa Pounamu sits alongside other separate, but related, work programmes to strengthen public service capability for Māori-Crown relationships (Whāinga Amorangi) and closing Public Service pay gaps (Kia Toipoto).

The Ministry's role in supporting DE&I initiatives in the public service is both internal and external:

- Internally, we must ensure that we have initiatives in place to deliver our obligations under Papa Pounamu, Kia Toipoto and Whāinga Amorangi, and build positive and safe workplaces for our kaimahi.
- Externally, given one of the foundational pou is specific to ethnic communities, we ensure that the DE&I work across government includes ethnic communities (as it does Pacific, Māori, disabled, gender and rainbow communities).

To support this work, we provide advice, tools and resources (working with other relevant agencies), to support the public sector with their DE&I initiatives, specifically for intercultural capability and language. The tools and resources we develop are also of value to other workplaces.

Kia Toipoto: Our progress towards a more inclusive workplace

The Ministry has made progress in achieving the milestones outlined in our Kia Toipoto action plan¹.

We do not have a significant gender pay gap and constantly monitor our recruitment and remuneration processes to ensure this is maintained. We produced regular reports on staff demographics, salaries and pay gaps to monitor this aspect. This data played a crucial role in guiding our Human Resource decisions.

Note

1. <http://www.ethniccommunities.govt.nz/assets/AboutUs/Kia-Toipoto-Action-Plan.pdf>



Whāinga Amorangi: Increasing our Māori-Crown capability

The Ministry continued meeting its Whāinga Amorangi obligations and building its ability to engage and partner with Māori more effectively.

Te Arawhiti endorsed our Whāinga Amorangi plan on 30 June 2023, which includes commitments to:

- Te reo Māori
- New Zealand history / Treaty of Waitangi literacy
- Tikanga / kawa (customs / marae protocol).

This year, we have put in place several initiatives to help our kaimahi increase their capability in this space, including:

- Providing learning opportunities covering te reo, tikanga and kawa, te ao Māori concepts, New Zealand history, Te Tiriti, whakawhanaungatanga and racial equity.
- Attendance at the 'Wall Walk', an interactive half-day workshop designed to raise collective awareness of key events in the history of New Zealand's bicultural relations. A large number of our kaimahi attended and advised that the workshop was a great initiative.

Our diverse team

In line with our Ministry's growth, it is essential to foster cultural competence and deepen our understanding of various ethnic backgrounds. We are a diverse mix of ethnicities, reflecting our role and the communities we support.

Employee ethnicity (excluding graduates)

Asian: **43.2%**
 Māori: **9%**
 New Zealand European: **9.1%**
 Other European: **27.3%**
 MELAA: **9.1%**
 Pacific: **2.3%**

Gender split (excluding graduates)

Male: **34%**
 (compared to 36% in 2021/22)
 Female: **66%**
 (compared to 64% in 2021/22)
 Gender pay gap: **-7.8%**
 (compared to -0.5% in 2021/22)

In our Ministry, female employees currently have higher average pay than male employees. This is influenced by our size and the higher proportion of females compared to males, which causes fluctuations in the numbers.

We aim to keep this pay difference as close to zero percent as possible, so it is equitable. We will achieve this by Human Resources providing salary advice to all people leaders for new employees, conducting an annual pay parity process, and regular monitoring of the remuneration ranges and salaries we offer.



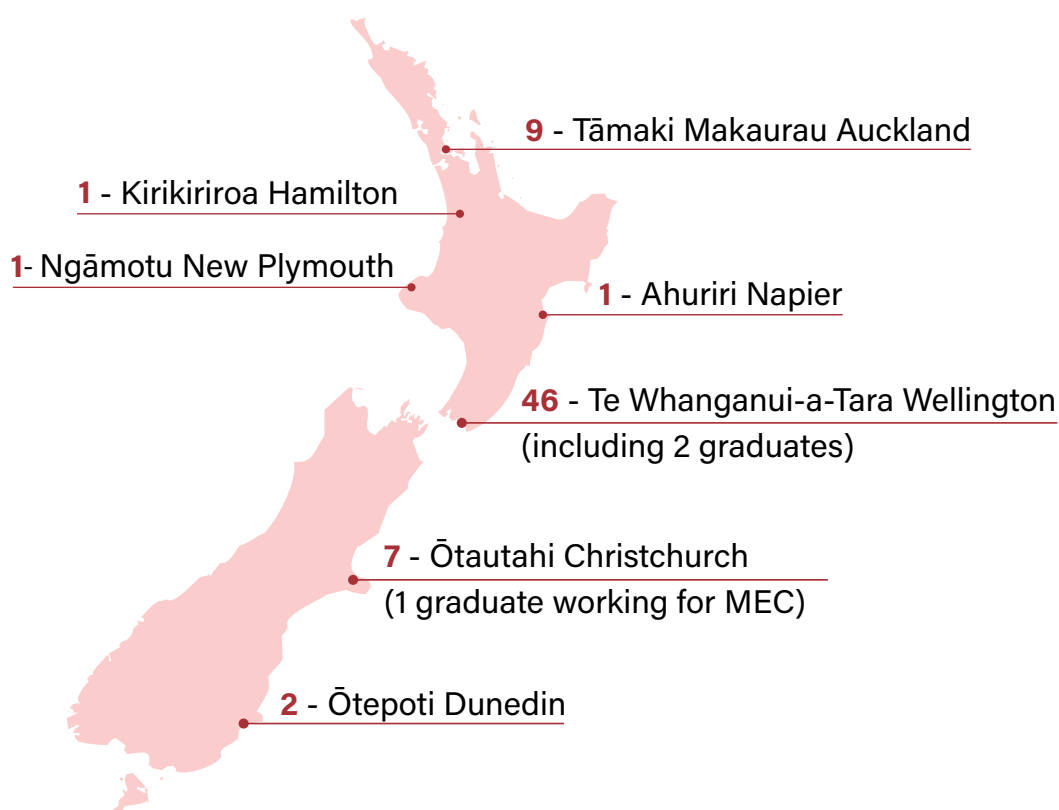
Working nationally with a local presence

While acknowledging the diverse needs among local communities, our Ministry strategically supports ethnic communities nationwide. To represent our nation effectively, we recognise the importance of having team members where our ethnic communities live.

We also connect with our ethnic communities in person and via digital channels where we do not have staff based in their regions.

The importance of our local presence was demonstrated during the extreme weather events that hit the North Island at the beginning of 2023.

Regional presence (headcount total)



Ā mātou mahi What we do

Our functions

The Ministry for Ethnic Communities has three business units in addition to the Chief Executive's Office – System Capability and Programmes, Policy and Analytics, and Strategic Engagement and Partnerships. Some have been expanded so that the appropriate capability and expertise are available to deliver on the Ministry's work programme.

This year, the Ministry continued providing policy advice to support the Minister for Diversity, Inclusion and Ethnic Communities. A significant aspect of this work was collaborating with other agencies to identify how policy options would impact ethnic communities.

The Ministry also provided advice on Ministerial and parliamentary matters, such as Official Information Act requests and written and oral Parliamentary Questions.

The Ministry continued to lead the identification, design and implementation of tools, such as the intercultural eLearning module and the translation guide, to build the intercultural capability and capacity of the public sector.

As a new addition to its functions, the Ministry successfully established the Analytics, Monitoring and Evaluation function. This aimed to bolster the Ministry's data and insights capabilities to provide evidence-informed policy advice and monitor outcomes for ethnic communities.



I am pleased that the work your Ministry has been doing for our community and the wider society has been incredibly valuable at many levels. Whilst it is still 'baby steps' for a new Ministry, what has impressed me is the maturity of planning, the in-depth approach to engagement and the ability to make your services aligned to the needs of our community. Of course, the Comms has been an outstanding feature.

Abdur Razzaq, Chairperson, Federation of Islamic Associations of New Zealand (FIANZ) Royal Commission Submission and Follow-up



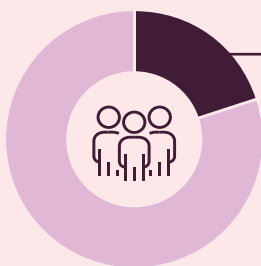
The communities we serve

Aotearoa New Zealand is one of the world's most ethnically diverse countries, with almost 20 percent (approximately one million) of the population identifying as ethnic, 17 percent as Māori, and 8 percent as Pacific according to Census 2018.

By 2033, it is estimated these populations will grow to 25 percent for ethnic communities, 19 percent for Māori and 10 percent for Pacific, respectively, when compared to the total population.

The Ministry's remit includes people who identify as African, Asian, Continental European, Latin American or Middle Eastern. They include former refugees, asylum seekers, new and temporary migrants, long-term settlers and multi-generational New Zealanders.

Ethnic communities are diverse – they represent 20% of NZ's population



Ethnic Communities Composition

76%	11%	7%	3%	3%
Asian	Continental European	African	Middle Eastern	Latin American

76%

Born Overseas

Top five locations



548,022	77,216	53,514	39,057	21,318
Auckland	Christchurch City	Wellington City	Hamilton City	Lower Hutt

Ethnic communities tend to earn less than the general population, even though they are more highly qualified. Several factors contribute to this, including workforce age, recent migration status, how well qualifications match job roles and the industries they work in.

As our ethnic communities are incredibly diverse, they speak more than 160 languages. The most spoken languages among these communities are English, Northern Chinese (Mandarin), Hindi, Yue (Cantonese), Sinitic (other Chinese dialects), Tagalog, Punjabi, Korean, Fijian, Hindi and Afrikaans. Most are born overseas (76 percent).

The number of faiths ranges from 38 in the Middle Eastern community to 45 in the Asian community.



He arotake i te tau

A year in review

Delivering on the Ministry's priorities

Our Strategy 2022-25 has been developed with input from our ethnic communities. Each priority outlined in the strategy is accompanied by a set of actions, which together form the Ministry's work programme.

From 1 July 2022 to 30 June 2023, we designed and delivered several key initiatives addressing each priority.

1. Promoting the value of diversity and improving inclusion of ethnic communities

- Increased ethnic representation on public sector boards and committees.
- Shed light on racism in New Zealand schools for the first time.

2. Ensuring equitable provision of, and access to, Government services for ethnic communities

- Progress made in health engagement and awareness initiatives.
- Community-focused response to the extreme weather events.
- Translation guidance for public sector agencies released.
- Increased inclusiveness and participation for the 2023 Census.

3. Improving economic outcomes, including addressing barriers to employment

- Enhanced relationships with ethnic businesses to unlock their potential.
- Employment, Education and Training initiatives:
 - Employment Action Plan
 - Ministerial Roundtable with ethnic business councils and EthnicBiz Forum
 - The Ethnic Graduate Programme
 - Intercultural capability eLearning modules

4. Connecting and empowering ethnic community groups

- Empowered ethnic communities via funding support.
- Connected and inspired ethnic communities – Ethnic Advantage Conferences.
- Parliamentary events.



Priority 1.

Promoting the value of diversity and improving inclusion of ethnic communities

Increased ethnic representation on public sector boards and committees

This year, the Ministry has taken significant steps to nominate a record number of candidates from ethnic communities to give them greater influence in government decision-making processes on matters that affect them.

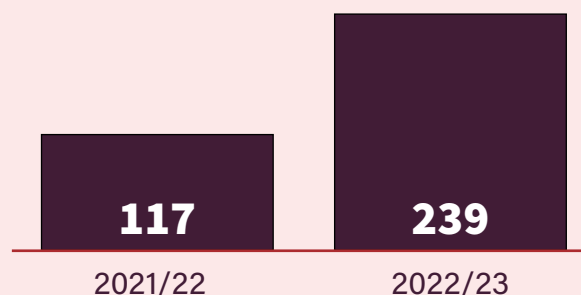
We have managed a database of 245 highly qualified individuals identified from our ethnic communities. The number of nominations has increased from 117 in the last year (2021/22) to 239 this year (2022/23), which is a significant improvement.

The Ministry also made 17 endorsements for appointing ethnic candidates to 165 public sector board and committee roles.

To promote the nominations database service and support candidate's governance capability, we have:

- Conducted five online training sessions in collaboration with other nominating agencies, such as Te Manatū mō ngā iwi ō to Moana-nui-ā-Kiwa – the Ministry for Pacific Peoples, Manuatū Wāhine – the Ministry for Women, Whaikaha – the Ministry of Disabled People, and Te Puni Kōkiri – the Ministry of Māori Development.
- Dedicated one of the Ethnic Advantage conference (Auckland) sessions to discuss '[Serving on Public Sector Boards and Committees](#).'

More than doubled board nominations



Note

1. <https://www.ethniccommunities.govt.nz/programmes/nominations/video-serving-on-public-sector-boards-and-committees/>



Case study one

Shed light on racism in New Zealand schools for the first time

Our aim

Reducing and eliminating racism is an integral part of the Ministry's work and aligns with our priorities of emphasising the value of diversity and ensuring equitable outcomes for ethnic communities.

The Education Review Office (ERO), in partnership with the Ministry for Ethnic Communities, wanted to understand the education experiences of learners from ethnic communities and their whānau.

Aotearoa New Zealand is ethnically diverse and is rapidly becoming more so. Ethnic community learners are expected to make up one-quarter of students by 2043.

The study looked at how education meets the needs of our learners from ethnic communities via a Long-Term Insights Briefing.

Our role

In this study, ERO examined the education system's impact on learners' outcomes in ethnic communities. This informs policy development, research and public discourse.

The Ministry advised on ethnic communities and inclusion, aiding ERO by fostering community collaboration. The Ministry contributed to ERO's research and outreach through consultations, workshops and data support.

The outcomes

In November 2022, ERO released a draft report for public consultation. The consultation document was made available in seven languages. Feedback was integrated into the final report published in March 2023, titled 'Education for All Our Children: Embracing Diverse Ethnicities.'

Combining data from surveys, submissions, site visits and interviews, the report marks a significant milestone in addressing diverse learner experiences. It prompts consideration of education system adaptations for thriving ethnic community learners and their whānau.



What this means for all New Zealanders, including our ethnic communities

As New Zealand's schools become more diverse, this report highlights needed opportunities for change to make New Zealand a great place to learn for children and young people from ethnic communities. The report presented several future options to achieve that. For example:

1. Ending racism by setting stronger expectations on tackling it and providing clearer avenues for parents and learners to raise concerns.
2. Develop the skills of teachers to adjust their teaching to meet the needs of learners from ethnic communities and how to identify and combat racism and unconscious bias.

A link to the full report is on the ERO website: [Education For All Our Children: Embracing Diverse Ethnicities](https://ero.govt.nz/our-research/education-for-all-our-children-embracing-diverse-ethnicities)¹ | Education Review Office (www.ero.govt.nz))



From right to left: Mervin Singham, the Chief Executive of the Ministry for Ethnic Communities speaking at the ERO report's launch, Nicholas Pole, Chief Executive/Chief Review Officer of ERO and Ruth Shinoda, Deputy Chief Executive: Head of Te Ihuwaka | Education Evaluation Centre

Note

1. <https://ero.govt.nz/our-research/education-for-all-our-children-embracing-diverse-ethnicities>



Priority 2.

Ensuring equitable provision of, and access to, government services for ethnic communities

Progress made in health engagement and awareness initiatives

Equitable access to health services, including mental health, is a top priority for ethnic communities.

In October 2022, our Chief Executive collaborated with the Chief Executives of Te Whatu Ora (Health New Zealand), Te Aka Whai Ora (Māori Health Authority) and Manatū Hauora (Ministry of Health) on an initiative aimed at incorporating the specific needs and perspectives of ethnic communities into health reforms for Aotearoa New Zealand.

As a result, we initiated the following:

1. Pae Ora – New Zealand Health Strategy engagement workshops

Partnering with the Ministry of Health, we organised nationwide workshops for ethnic communities and health service providers to actively shape Pae Ora – the New Zealand Health Strategy. These workshops were held between February and April 2023.



26
in-person
sessions



14
regions



480
participants



4
online
sessions





Wellington workshop – 13 March 2023

2. For Health's Sake plenary sessions

We organised For Health's Sake plenary sessions as part of our Ethnic Advantage conferences held in Dunedin and Christchurch in November and December 2022.

The primary objective of these sessions was to actively involve ethnic communities in shaping the evolution of health services that meet their specific needs. The sessions had over 300 attendees, and fostered discussions among community representatives, Te Whatu Ora and Te Aka Whai Ora health officials, and the audience.

3. Health awareness animation videos

In collaboration with the Ministry of Health, we produced a series of short, animated videos covering various health topics. These were translated into 18 languages to enhance ethnic communities' understanding of health services available to them.

The topics included: COVID-19, men's health, women's health, mental health, children's health, youth health, immunisations, older person's health, anti-viral medicines, heart disease and diabetes.



Case study two

Community-focused response to extreme weather events

Our aim

In early 2023, the North Island experienced two severe weather events, the Auckland flooding and Cyclone Gabrielle, within a short period. The Ministry proactively worked with our ethnic communities during these challenging times, knowing that approximately 600,000 people from these communities resided in affected areas (based on Census 2018).

We aimed to provide support by linking ethnic communities and service providers with government agencies, influencing the type of support provided and ensuring it met their specific needs. We effectively communicated relevant information through webinars, email, social media, our newsletter, and our website.

Our role

We maintained communication with community leaders and service providers, relying on their first-hand knowledge of the community's unique specific needs and access to information.

We connected ethnic communities and service providers with lead agencies for tailored assistance, including halal food and appropriate shelters.

We collaborated with 62 organisations, helping them secure funding, and facilitated translations.

The Ministry engaged with Chief Executives' Caring for Communities forums to ensure ethnic voices and concerns were considered in decision-making.

The outcomes

Our Strategic Engagement and Partnerships advisors frequently engaged with community organisations, bridging the gap between government resources and the communities' needs.

We also initiated hui with ethnic service providers nationwide to identify each community's specific needs.

We launched the online Cyclone and Flooding Support Hub, a centralised platform on the Ministry's website offering tailored information, mental health support, language assistance and business support.



What this means for all New Zealanders, including our ethnic communities

By providing a wide range of resources and building relationships with ethnic service providers, the Ministry empowered communities to better cope with emergencies and offered a sense of assurance during challenging times.

We are also committed to sustaining the value of the website hub by updating it to become the new [Disaster and Emergency Support Hub](#)¹. This updated version will include information and videos on emergency preparedness, as well as resources to seek assistance and support following specific emergencies.

The new hub will serve as a permanent feature on our website, offering all New Zealanders (including ethnic communities), tailored and targeted information for emergency responses. The videos will be available in 20 languages, making them accessible to many of our communities.

Our ongoing commitment to supporting ethnic communities during crises underscores our dedication to the wellbeing, inclusion and equitable support for all communities throughout New Zealand, fostering resilience and cohesion.

The Hub was accessed approximately 2,000 times from its launch until 30 June 2023.

**The hub has
been accessed
approximately
2,000 times**

Note

1. <https://www.ethniccommunities.govt.nz/resources/disaster-and-emergency-support-hub/>



Unlocking language barriers - our translation guidance for public sector agencies

The Ministry developed comprehensive guidance to assist government agencies in understanding translation processes, making informed decisions about language selections, and improving communications distribution to culturally and linguistically diverse communities.

Ensuring that information is available in languages and formats accessible to diverse communities, and disseminating it through channels where they seek information, is essential to enhancing awareness and accessibility of government services for ethnic communities. This directly aligns with Priority 2 of the Ministry's Strategy.

This guidance is the result of collaboration with other government agencies, including Te Tari Taiwhenua – the Department of Internal Affairs, Te Manatū mō Ngā Iwi o Te Moana-nui-a-Kiwa – the Ministry for Pacific Peoples, and Te Taura Whiri i te reo Māori – the Māori Language Commission. It also includes insightful case studies from the Department of the Prime Minister and Cabinet (DPMC), Immigration New Zealand (INZ) and the National Emergency Management Agency (NEMA).

The need for this guidance was evident from the numerous requests to the Ministry and the Department of Internal Affairs Translation Service from other government agencies seeking advice on which languages to translate their information into.

We are committed to keeping the guidance up to date.

The [translation guidance](#)¹ is comprised of three parts:

 <p>1 Part One explains the translation process and identifies key things to consider before commissioning translations.</p>	 <p>2 Part Two provides information to help choose which languages you may want to make your information available in.</p>	 <p>3 Part Three sets out what we know about media consumption habits of some of Aotearoa New Zealand's ethnic communities.</p>
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Note

1. <https://www.ethniccommunities.govt.nz/resources/guides-and-how-tos/unlocking-language-barriers/>



Increased inclusiveness and participation for the 2023 Census

The Ministry played a significant role in making the 2023 Census inclusive and community-focused.

We worked in partnership with Tātuaranga Aotearoa – Stats NZ and their Census team to make the Census process accessible and supportive for our communities.

One of the key activities was providing information in 27 languages on the 2023 Census website. This allowed individuals with diverse language needs to participate effectively in the Census.

Engaging with our communities was crucial in understanding their unique requirements. We identified specific areas where support was needed, such as in Invercargill, where we connected the community with the Census team to establish assistance stations at the Invercargill Central Library.

To keep our communities informed about the Census, we utilised various platforms, including newsletters and social media channels. We also collaborated with ethnic leaders to record video messages in their mother tongues, emphasising the importance of participating in the Census.



Priority 3. Improving economic outcomes, including addressing barriers to employment

Case study three

Enhanced relationships with ethnic businesses to unlock their potential

Our aim

At the Ministry, we aim to foster an inclusive and thriving economy by unlocking the potential of ethnic businesses in Aotearoa New Zealand. We believe embracing diversity and actively supporting ethnic businesses will create a more coherent and productive economic landscape.

Our role

In line with the Ministry's priorities, we have implemented further measures to bolster the economic empowerment of our ethnic communities and businesses.

In April 2023, we organised a Ministerial Roundtable, bringing together leaders from business councils, ethnic business communities and relevant ministers.

Less than a month later, our first EthnicBiz Forum was held in May. The Forum saw an excellent turnout with more than 100 participants, and served as a valuable two-way communication channel between government officials, business leaders and associations, academia, and business owners.

The Forum's speakers, panelists, and attendees contributed to its success. Sponsors included the Bank of New Zealand (BNZ) and the Auckland Business Chamber of Commerce.



From our first EthnicBiz Forum – 23 May 2023

The outcomes

The [Ministerial Roundtable and EthnicBiz Forum](#)¹ yielded positive outcomes, developing relationships and connections with the ethnic business community.

The Forum highlighted the significant contribution of ethnic businesses to the Auckland economy, representing approximately 30 percent or \$33 billion ([Auckland Policy Office report, June 2022](#)²). It emphasised the growing role of ethnic communities in shaping Aotearoa New Zealand's socioeconomic fabric.

The Ministry also received positive feedback from those who attended both the Roundtable and the Forum. One of the comments was 'The Forum was well-organised and informative. I enjoyed the panel discussions as they were impactful. Good Forum to meet and discuss ideas.'

- 40 ethnic businesses took part in the first Ministerial Roundtable.
- Over 100 attended the first Ethnic Business Forum.
- Out of the participants who filled in the feedback survey:
 - 93.24 percent said they were satisfied with the EthnicBiz Forum event
 - 93.33 percent said they would consider attending another EthnicBiz Forum or similar events in the future.

What this means for all New Zealanders, including our ethnic communities

By creating an inclusive environment where ethnic businesses can thrive, we contribute to building a cohesive and thriving economy that benefits all New Zealanders.

Our ongoing initiatives and discussions with key stakeholders reinforce our commitment to promoting the value of diversity and supporting the economic growth of ethnic communities.

Notes

1. <https://www.ethniccommunities.govt.nz/news/ethnic-businesses-come-together-for-the-first-ethnicbiz-forum/>
2. <https://static1.squarespace.com/static/575e7fd9b09f95d77dded61a/t/63bb3b3d54b80b700eaef6d5/1673214783958/2022.06.29+Ethnic+Communities+and+their+economic+contribution+%5BFinal%5D.pdf>



Employment, education and training initiatives

Ethnic Graduate Programme

The [Ethnic Graduate Programme](#)¹ is an integral part of the [Former Refugees, Recent Migrants, and Ethnic Communities Employment Action Plan](#)², representing a significant initiative that has proven successful over the last four years.

During the year, we continued with intake two of the programme and confirmed the establishment of intake three.

Intake two has ran from February 2022 to August 2023. It consisted of 14 graduates across 10 public sector agencies.

Intake three will involve the Ministry recruiting 16 graduates who will be placed with six agencies. These agencies include Inland Revenue, the Ministry of Transport, the New Zealand Customs Service, the New Zealand Intelligence Community, the New Zealand Police and the Public Service Commission.



The second intake of our Ethnic Graduate Programme

Notes

- <https://www.ethniccommunities.govt.nz/programmes/ethnic-communities-graduate-programme/>
- <https://www.ethniccommunities.govt.nz/resources/research-and-reports/former-refugees-recent-migrants-and-ethnic-communities-employment-action-plan/>



Employment Action Plan

We are involved in the Former Refugees, Recent Migrants, and Ethnic Communities Employment Action Plan, launched on 25 March 2022, which falls under the [Aotearoa New Zealand's Employment Strategy](#).¹

This action plan requires collaboration between the Ministry for Ethnic Communities, the Ministry of Social Development, the Ministry of Business, Innovation, and Employment (especially Immigration New Zealand – INZ), the Ministry for Women and the Ministry of Education. The plan focuses on addressing employment barriers faced by former refugees, recent migrants and individuals from ethnic communities.

Intercultural Capability eLearning Module

This year, we undertook initiatives to enhance the intercultural capability of agencies and employers to break some barriers to ethnic communities' employment. This included updating our eLearning modules on the Ministry's website.

Our [Intercultural Capability eLearning Module](#)² promotes the benefits of ethnic diversity and increases people's cultural understanding, enabling them to better interact and communicate with people from different backgrounds.

Following the module update and promotion, we observed a 276 percent increase in webpage visits.

To ensure the modules remain relevant and practical, we plan to update them again with Census 2023 data and incorporate any changes based on feedback received from learners.

276%
increase in
webpage
visits

Notes

- <https://www.mbie.govt.nz/business-and-employment/employment-and-skills/employment-strategy/aotearoa-new-zealands-employment-strategy/>
- <https://www.ethniccommunities.govt.nz/resources/guides-and-how-tos/intercultural-capability/>



Priority 4. Connecting and empowering ethnic community groups

Empowered ethnic communities via funding support

We recognise the abundance of capabilities and skills within our ethnic communities. To provide genuine support, the [Ethnic Communities Development Fund](#)¹ (ECDF) plays a vital role in enabling communities to grow their skills, celebrate their culture and take part in society.

During the 2022/23 financial year, \$4.2 million of funding was distributed across over 408 projects.

over
\$4,200,000
of funding across
408 projects

In a notable development, the Ministry added the management of the ECDF to its core functions. The Ministry reviewed this function in 2022/23 and then worked with Hapai Hapori to transition the management and administration of the fund to the Ministry for the 2023/24 year.

Operating the fund in-house will enable closer alignment between the needs of ethnic community groups applying for funding and the priorities outlined in the Ministry's Strategy.

The following are examples of the positive impact ECDF made for our ethnic communities:

Visual Arts Project – Auckland

This project showcased the value of diversity and improved the inclusion of ethnic communities.

The ECDF provided funding to five talented creative practitioners from diverse ethnic backgrounds who developed captivating works of art, exploring transcultural spaces, and delving into themes of identity and culture in Aotearoa New Zealand. The result was a three-week public exhibition that showcased their impressive creations.

Women's Development Programme – Christchurch

This initiative focused on enhancing the wellbeing and personal growth of ethnic women. It offered diverse free weekly programmes and activities, to foster social connections and intergenerational and intercultural dialogue and empower women to participate actively in their communities.

Note

1. <https://www.ethniccommunities.govt.nz/funding/ethnic-communities-development-fund/>



Parliamentary events

Throughout this year, the Ministry has assisted in organising a diverse range of parliamentary events and cultural celebrations, including Eid, Diwali and Chinese New Year. Approximately 1,200 individuals attended, representing various ethnicities, alongside members of Parliament, members of the diplomat corps and government officials.

A striking aspect of these gatherings was witnessing individuals from diverse backgrounds mingling and sharing their traditions and stories, fostering a profound cultural exchange and enrichment.

Organised at Parliament, these celebratory occasions held immense meaning for participants, nurturing a strong sense of belonging and solidarity within the broader society. They played a pivotal role in extending a warm welcome to all ethnic New Zealanders, making them feel at ease and at home, while simultaneously offering the wider population the opportunity to embrace other cultures.



From the Parliament Chinese New Year celebration – February 2023

Cultural Kōrero 2023 - Auckland: Celebrating diversity in the arts

The Ministry organised the Cultural Kōrero event in Auckland in May 2023 to promote the diversity of the creative and performing arts sectors in Aotearoa New Zealand.

The event served as a platform for representatives from the creative arts sector and various ethnic communities to come together, explore shared experiences, and discuss challenges in the vibrant arts field.

The event featured a variety of speeches, performances and an exhibition. The event also featured a Taonga Pūoro performance by musician Rob Thorne, who later joined Māori and Indian artists in a captivating finale.

A highlight of the Cultural Kōrero was the official launch of Professor Edwina Pio ONZM's new book, [Aotearoa & Bharat Māori-Indian](#)¹, released by the Ministry earlier in 2023. As Aotearoa New Zealand's first Professor of Diversity, she presented an excerpt from her book. Professor Pio delved into the early connections between Māori and Indians, the themes that unite them, and the inspiring stories of individuals with Māori and Indian heritage.



From Professor Edwina Pio's speech at the Cultural Kōrero event – 12 May 2023

Note

1. https://www.ethniccommunities.govt.nz/assets/News/MEC_2022_Aotearoa-Bharat-Maori-Indian_DIGICUT.pdf



Ethnic Women's Empowering Leadership and Voice Hui

In March 2023, the Ministry organised the Ethnic Women's Empowering Leadership and Voice Hui at the Jubilee Hall in Parnell. This event brought together around 30 attendees from across the country, both in person and online, for a pan-ethnic women's gathering. The purpose of this hui was to create a platform for ethnic women leaders to connect and share their ongoing leadership journeys.

The event proved to be a valuable platform for empowering and amplifying the voices of ethnic women leaders, encouraging a shared journey of growth and leadership within the community.



A group photo from the Ethnic Women's Empowering Leadership and Voice Hui – 21 March 2023

Case study four

Ethnic Advantage Conferences: Celebrating diversity, uniting Aotearoa New Zealand

Our aim

This year, the Ministry introduced its Ethnic Advantage conference series to provide people from diverse ethnic backgrounds with a platform to connect, inform and grow together.

During the 2022/23 financial year, the Ministry organised three conferences – [Ōtepoti Dunedin in November 2022](#), [Ōtautahi Christchurch in December 2023](#) and [Tāmaki Makaurau Auckland in May 2023](#).

These events aimed to celebrate and recognise the significant contributions of ethnic communities to the socioeconomic landscape in Aotearoa New Zealand.

Our role

As an organiser and facilitator of these conferences, the Ministry created a comprehensive programme of significant topics and an inclusive, inspiring environment where representatives from various ethnic communities and government organisations could come together.

The conferences and the topics they discussed align with our four Strategy priorities.

The outcomes

Participants expressed gratitude for the opportunity to connect with others from diverse backgrounds, share their cultural heritage, and engage in meaningful conversations on important topics.

Keynote speakers, panel discussions and breakout sessions covered various themes – diversity, equity, inclusion, funding tips and cultural competence.

They also gained insights into the challenges faced by ethnic communities and explored avenues for progress and collaboration.

I love the theme: The Ethnic Advantage. And that's something that I feel like is perhaps not talked about often enough. And so, for us to spend a whole day talking about it and really, really framing it up the way we want to, I think it's a fantastic opportunity.

Abbas Nazari,
Christchurch's Ethnic Advantage conference's key speaker and the author of 'After the Tampa', a best-selling book.



What this means for all New Zealanders, including our ethnic communities

The Ethnic Advantage conferences aimed to highlight the contributions of our ethnic communities to Aotearoa New Zealand and the value their diversity adds.

The outcomes of these conferences positively impact all New Zealanders, promoting a culture of respect, appreciation, and cooperation where every individual feels heard, valued and included.

- Over 500 participants.
- Out of the participants who filled in the feedback survey, an average of almost 90 percent were satisfied with the experience the conferences provided. The same average percentage said they would consider attending another Ethnic Advantage conference in the future.



From one of the breakout sessions discussions – Ethnic Advantage conference, Auckland – 13 May 2023

Awards

Te Hāpai Hapori – Spirit of Service Awards

Te Hāpai Hapori – Spirit of Service Awards 2022 acknowledged the Ministry's contributions to the public sector, earning us three awards:



Prime Minister's Award for the Care in the Community Welfare Response

This award recognised the Ministry's efforts in collaborating with other agencies to safeguard the public from the challenges posed by COVID-19. This joint agency response ensured the provision of essential welfare, health support and food to those in need during the pandemic.



Better Outcomes Award for the Afghanistan Resettlement Response

The Ministry's joint agency response was honoured with the Better Outcomes Award for exemplary work in facilitating the safe arrival and resettlement of more than 1,700 evacuees from Afghanistan into Aotearoa New Zealand.



Special Commendation for Policy Excellence

The Strategy and Policy COVID-19 Group within the Ministry was awarded a special commendation for their outstanding contributions in providing robust system-level advice. The dedication required to translate policy into legislation promptly during the COVID-19 crisis was recognised and appreciated.



Te ara whakamua The way forward

Advancing together – productive delivery and sustainable outcome

Our Ministry is dedicated to fostering social cohesion, promoting inclusivity, and valuing the rich tapestry of cultures that make up our nation. We strive to build a stronger and more harmonious Aotearoa New Zealand – a legacy that will resonate throughout generations to come.

Empowering ethnic communities benefits all New Zealanders. We will persist in investing in initiatives that bring about lasting positive changes, leading to economic, social and cultural prosperity for everyone in Aotearoa New Zealand.

Achieving system changes that improve the wellbeing of ethnic communities is a complex and long-term focused journey. We will target our work to the areas of the biggest impact and work collaboratively with others to achieve this goal.

We will only achieve sustainable, holistic and long-term positive outcomes for our ethnic communities through robust evidence-based policy advice, constructive partnerships with communities, and collaborative work across the government and private sectors.

Collaboration is the cornerstone of progress in our changing world. Working with others leads to more efficient and effective results. As we look back at our achievements and milestones from the past year, we remain dedicated to progressing on our journey with a clear focus on delivering our strategic priorities alongside others.

This means building on the dynamic alliances we have developed with government agencies, community organisations and the private sector.

By pooling resources and expertise, we will catalyse transformative solutions that address the multifaceted challenges faced by our ethnic communities and New Zealand society.

We are committed to reflecting the voices of those we serve through meaningful work. Our journey is rooted in our belief that unlocking the potential of our ethnic communities has enduring benefits for everyone in Aotearoa New Zealand.



Te Tauākī Noho Haepapa Statement of Responsibility

I am responsible, as Chief Executive of the Ministry for Ethnic Communities (Te Tari Mātāwaka) for the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the Annual Report.

In my opinion, the Annual Report fairly reflects the operations, progress and organisational health and capability of the Ministry for Ethnic Communities.



Mervin Singham

Chief Executive

Te Tari Mātāwaka – Ministry for Ethnic Communities

29 September 2023





Digital Executive Board



2022/23

Pūrongo ā-Tau a te Poari Whakahaere
Matihiko – Digital Executive Board
Annual Report

**The Digital Executive Board operates as an
Interdepartmental Executive Board
serviced by Te Tari Taiwhenua
Department of Internal Affairs.**

Pūrongo ā-Tau a te Poari Whakahaere Matihiko

Digital Executive Board Annual Report 2022/23

Kōrero Whakataki

Introduction

The Digital Executive Board (the Board) was established in August 2022 as an Interdepartmental Executive Board (IEB) by Order in Council. Established under the Public Service Act 2020, the leads and drives the implementation of the Digital Strategy for Aotearoa (the Strategy) and its associated Action Plan.

The Board oversees and coordinates the delivery of priorities in the Digital Economy and Communications portfolio more broadly.

Mō te Poari

About the Board

Under Section 29 of the Public Sector Act 2020, the Public Service Commissioner selected the members of the IEB from the chief executives of the departments that are included in the Board's remit. The Commissioner could also appoint one or more independent advisors to the Board.

The DEB is coordinated across the Digital Economy and Communications portfolio and is administered by the following agencies:

- Te Tari Taiwhenua Department of Internal Affairs
- Hīkina Whakatutuki Ministry of Business, Innovation and Employment
- Te Tari o Te Pirimia me Te Komiti Matua Department of the Prime Minister and Cabinet
- Tatauranga Aotearoa Statistics New Zealand.

The inaugural Chair of the Board is Mark Sowden, Chief Executive of Tatauranga Aotearoa Statistics New Zealand. He was appointed for a two-year term.

Te hanganga me te tuku rauemi

Structure and resourcing

The Department of Internal Affairs was the servicing department for the Board and hosted the Board Secretariat.

As noted above, the Commissioner could appoint an independent advisor, but this has not occurred.

The Board appointed a director to:

- lead the work of the Secretariat
- keep minutes of Board meetings, communicate Board decisions and report on performance
- manage the relationship with the Minister's Office
- make decisions under delegated authority.

The Board has no staff, and it is serviced by Te Kōtui Whitiwhiti Digital Public Service branch.

Ngā takune ā-rautaki me te pūrongo i ngā mahi

Strategic intentions and performance reporting

Since August 2022, the Board was accountable for:

- leading and driving implementation of the Strategy, including progress reporting
- taking a systems-level view by aligning and coordinating strategic, policy, planning and budgeting activities for the departments that support the Digital Economy and Communications portfolio
- supporting and assigning these departments to undertake priority work and cross-agency initiatives in the digital area.

An overarching priority is the successful finalisation, publication and implementation of the Strategy but the Board also prioritised:

- Rural Connectivity – announcement of a Rural Connectivity Improvement Programme
- the Digital Divide – announcement of a multi-year and multi-agency work programme to tackle the Digital Divide
- the Cyber Security Uplift Package – development of a package of options for the Minister to consider and consult that may include items under the four streams identified in the Cabinet paper
- the Digital Identity Trust Framework – establishment of the framework and first tranche of accredited providers
- Measuring the Value of the Digital Economy – advancing a set of measures to measure the digital economy.

Ngā mahi a te Poari

Board performance

During the first months of operation, between August 2022 and June 2023, the Board focused on setting up and establishing processes to fulfil the strategic intentions.

Leading and driving implementation of the Digital Strategy for Aotearoa, including progress reporting

The overarching priority to finalise and release the Strategy was achieved in September 2022.

As a part of this Strategy, some work programmes were prioritised, and reporting was set up to monitor progress. Some of the projects have seen good success and the Board has kept oversight of these. In particular, the work programmes being monitored were:

Priority initiatives:

- The Digital Technologies Industry Transformation Plan – released in May 2023.
- The Digital Identity Trust Framework in legislation – passed into law in April 2023. Development of secondary legislation and the creation of Boards are advancing in preparation for it coming into force in July 2024.

Foundation Initiatives:

- Improving rural connectivity – government strategy ‘Lifting Connectivity in Aotearoa New Zealand’ released in December 2022 and progressing well with milestones.
- Māori Data Governance – work is ongoing with a Cabinet paper expected to progress this year.
- Data as a tool for decision-making and wellbeing – project closed out and successfully moved to business as usual.

Emerging Initiatives:

- Establishing a Centre for Data Ethics and Innovation – work is progressing to establish the Centre.
- Cyber Security Strategy – launched in 2019, there was significant progress in 2022/23 to commission and deliver a range of initiatives across the Strategy's five priority areas. Particularly notable is that initiatives to improve the cyber incident work is progressing to refresh this Strategy, as well as improve reporting and the response system in New Zealand, alongside progress towards an improved regulatory framework to enhance critical infrastructure resilience (including cyber resilience).
- Digital Inclusion Action Plan – while some budget has been attributed to digital inclusion across government, further work is needed. The Strategy's focus on digital inclusion has raised the expectations that the Government will do more to support digitally excluded communities.

The individual agencies were responsible for the delivery of each of the work programmes, while the Board oversaw the delivery to ensure implementation of the Strategy.

Taking a system-level view by aligning and coordinating strategic, policy, planning and budgeting activities for the departments that support the Digital Economy and Communications portfolio

In the time that the Board was convened, they were able to pull together budget bids from across the agencies to present a complete list to the Minister. That Minister was able to prioritise the bids through this process. The legislative bids were also coordinated across the agencies through the Board and delivered to the Minister.

There has been benefit to the portfolio through the Board, as the agencies across the portfolio were more connected.

Supporting and assigning these departments to undertake priority work and cross-agency initiatives in the digital area

After the Cabinet reshuffle in February 2023, the Board identified priority projects across the portfolio's work programme that would be the most important to do and presented this to the Minister. Departments remain responsible for the delivery of the specific work programmes.

Te anamata o te Poari

The Board's future

While the Board will continue as an IEB, in July 2023 Cabinet decided to amend its function and remit. These changes include:

- To reset the function of the Board to lead and drive a whole-of-system approach to joining up and modernising digital public services.
- To amend the functions of the Board so that it is accountable for supporting integrated delivery of public services around common citizens, clients and customers by:
 - Leading and managing the whole-of-system transformation of digital public services including producing and implementing a system blueprint for digital public services that enables clear sequencing and prioritisation of investment; and
 - Joining current work programmes at key points of overlap to build on progress being made across the public service.

The Board is no longer leading the Strategy, which will instead be led by a more informal grouping of relevant chief executives.

Cabinet agreed to amend the remit of the Board to include:

- Te Tari Taiwhenua Department of Internal Affairs (Government Chief Digital Officer and Chief Privacy Officer)
- Te Tira Tiaki Government Communications Security Bureau (Government Chief Information Security Officer)
- Te Kawa Mataaho Public Service Commission (Head of Service)
- Tatauranga Aotearoa Statistics New Zealand (Government Chief Data Steward)
- Inland Revenue – Te Tari Taake (System Lead Service Transformation).

These changes will take effect once the Order in Council is finalised.

Te Tauākī Noho Haepapa

Statement of Responsibility

In accordance with Section 45C of the Public Finance Act 1989, it is the opinion of the Board that this annual report fairly reflects the operation, progress, organisational health and capability of the Board.



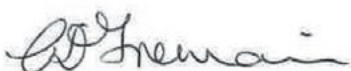
Mark Sowden

Chief Executive
Statistics NZ



Paul James

Chief Executive
Department of Internal Affairs



Carolyn Tremain

Chief Executive
Ministry for Business,
Innovation and Employment



Tony Lynch

Deputy Chief Executive
Department of the Prime Minister
and Cabinet

29 September 2023





8

Ngā otinga pūtea me te
pūtea kore

Financial and
non-financial results

Te Tauākī Noho Haepapa

Statement of Responsibility

I am responsible, as Secretary for Internal Affairs, for:

- the preparation of the Department of Internal Affairs' financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Department of Internal Affairs is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by the Department of Internal Affairs, whether or not that information is included in this annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and organisational health and capability of the Department of Internal Affairs;
- the financial statements fairly reflect the financial position of the Department of Internal Affairs as at 30 June 2023 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Department of Internal Affairs as at 30 June 2024 and its operations for the year ending on that date.



Paul James

Secretary for Internal Affairs

29 September 2023



Sharyn Mitchell

Chief Financial Officer

29 September 2023

Te Pūrongo a te Kaiarotake

Independent Auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of the Department of Internal Affairs' annual report for the year ended 30 June 2023

The Auditor-General is the auditor of the Department of Internal Affairs (the Department) and group. The Auditor-General has appointed me, Stephen Usher, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Department and group on pages 144 to 199, that comprise the statement of financial position, statement of commitments, statement of contingent assets and liabilities as at 30 June 2023, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information for the appropriations administered by the Department and group for the year ended 30 June 2023 on pages 15 to 59 and 253 to 322;
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2023 on pages 232 to 251; and
- the schedules of non-departmental activities which are managed by the Department on behalf of the Crown on pages 201 to 230 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent assets and liabilities as at 30 June 2023;
 - the schedules of expenditure; and revenue for the year ended 30 June 2023;
 - the statement of trust monies for the year ended 30 June 2023; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Department and group:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; and

- its financial performance and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information for the appropriations administered by the Department and group for the year ended 30 June 2023:
 - presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Department are presented, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989; and
- the schedules of non-departmental activities which are managed by the Department on behalf of the Crown present fairly, in all material respects, in accordance with the Treasury Instructions:
 - the assets; liabilities; commitments; and contingent assets and liabilities as at 30 June 2023;
 - expenses and revenue for the year ended 30 June 2023; and
 - the statement of trust monies for the year ended 30 June 2023.

Our audit was completed on 29 September 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Secretary for Internal Affairs and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Secretary for Internal Affairs for the information to be audited

The Secretary for Internal Affairs is responsible on behalf of the Department and group for preparing:

- financial statements that present fairly the Department and group's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand;
- statements of expenses and capital expenditure of the Department, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989; and
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Department on behalf of the Crown.

The Secretary for Internal Affairs is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Secretary for Internal Affairs is responsible on behalf of the Department and group for assessing the Department and group's ability to continue as a going concern. The Secretary for Internal Affairs is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Department and group, or there is no realistic alternative but to do so.

The Secretary for Internal Affairs' responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Department's Strategic Intentions 2021-2025, Estimates and Supplementary Estimates of Appropriations 2022/23 for Vote Internal Affairs, and the 2022/23 forecast financial figures included in the Department and group's 2021/22 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Secretary for Internal Affairs is responsible for the other information. The other information comprises the information included on pages 1 to 13, 61 to 133 and 325 to 347, but does not include the information we audited, and our auditor's report thereon.

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

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

Independence

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

Other than in our capacity as auditor, we have no relationship with, or interests, in the Department or its controlled entity.



Stephen Usher
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Ngā Tauākī Pūtea ā Tari

Financial Statements – Departmental

Financial Statements 2022/23 Departmental

Contents

Statement of comprehensive revenue and expense	144
Statement of financial position	145
Statement of changes in equity	146
Statement of cash flows	147
Statement of commitments	149
Statement of contingent assets and liabilities	150
Notes to the financial statements	151
1. Statement of accounting policies	151
Results for the year	156
2. Revenue	156
3. Personnel costs.....	158
4. Other operating expenses	158
5. Memorandum accounts	160
Operating assets and liabilities	167
6. Cash and cash equivalents.....	167
7. Debtors and other receivables	167
8. Inventories	170
9. Property, plant and equipment	171
10. Intangible assets.....	178
11. Creditors and other payables.....	181
12. Provisions	182
13. Revenue received in advance.....	184
14. Employee entitlements	184
15. Return of operating surplus	186

Capital structure and financing costs	187
16. Finance leases.....	187
17. Capital charge expense	189
18. Finance costs	190
19. Equity	190
20. Capital injections and withdrawals	192

Financial risk management.....	193
21. Financial instruments and risks management.....	193

Other disclosures	196
22. Controlled entity	196
23. Related party transactions and key management personnel	197
24. Explanation of significant variances against budget	198
25. Significant events after balance date	199

Statement of comprehensive revenue and expense

for the year ended 30 June 2023

Parent and group

Actual		Note	Actual	Unaudited	Unaudited	Unaudited
2022			2023	Budget	Revised	Forecast
\$000			\$000	2023	2023	2024
				\$000	\$000	\$000
Revenue						
442,037	Revenue Crown	2	476,091	384,039	476,091	454,522
143,195	Other revenue	2	204,319	135,650	200,448	173,091
137	Gain on sale of Property, plant and equipment		365	-	-	-
585,369	Total revenue		680,775	519,689	676,539	627,613
Expenses						
295,288	Personnel costs	3	340,875	271,936	354,175	324,896
49,805	Depreciation, amortisation and impairment	9, 10	53,758	49,600	53,147	53,141
19,693	Capital charge	17	23,156	22,154	23,274	26,913
498	Finance costs	18	473	473	494	446
221,595	Other operating expenses	4	243,646	238,479	287,780	273,270
586,879	Total expenses		661,908	582,642	718,870	678,666
(1,510)	Operating surplus/(deficit)		18,867	(62,953)	(42,331)	(51,053)
Other comprehensive revenue and expense						
<i>Item that will not be reclassified to net surplus</i>						
42,416	Asset revaluation gains/(losses)	9, 19	1,262	-	-	-
40,906	Total comprehensive revenue and expense		20,129	(62,953)	(42,331)	(51,053)

Explanations of significant variances against budget are detailed in **Note 24**.

The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2023

Parent and group

Actual	Note	Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast	
2022		2023	2023	2023	2024	
\$000		\$000	\$000	\$000	\$000	
Assets						
<i>Current assets</i>						
49,024	Cash and cash equivalents	6	80,828	25,051	26,175	24,999
78,063	Debtor Crown		62,667	93,288	52,721	154,558
14,861	Debtors and other receivables	7	27,809	15,090	19,967	19,760
2,781	Inventories	8	2,976	1,345	1,920	1,920
6,200	Prepayments		12,592	6,440	5,770	7,770
150,929	Total current assets		186,872	141,214	106,553	209,007
<i>Non-current assets</i>						
211	Prepayments		8	-	201	200
293,987	Property, plant and equipment	9	302,008	258,117	308,223	370,245
184,833	Intangible assets	10	212,137	203,405	214,629	240,579
479,031	Total non-current assets		514,153	461,522	523,053	611,024
629,960	Total assets		701,025	602,736	629,606	820,031
Liabilities and taxpayers' funds						
<i>Current liabilities</i>						
51,553	Creditors and other payables	11	53,426	37,342	42,498	44,385
927	Provisions	12	670	5,271	3,774	3,774
26,131	Revenue received in advance	13	23,859	12,861	19,610	18,088
28,100	Employee entitlements	14	33,357	18,854	21,931	23,825
431	Finance leases	16	458	457	381	486
48,599	Return of operating surplus	15	39,196	-	-	-
155,741	Total current liabilities		150,966	74,785	88,194	90,558
<i>Non-current liabilities</i>						
4,653	Creditors and other payables	11	4,071	-	-	-
216	Provisions	12	136	3,841	1,811	1,811
3,094	Employee entitlements	14	3,012	3,350	3,094	2,740
7,648	Finance leases	16	7,189	7,191	7,267	6,705
15,611	Total non-current liabilities		14,408	14,382	12,172	11,256
171,352	Total liabilities		165,374	89,167	100,366	101,814
458,608	Net assets		535,651	513,569	529,240	718,217
Equity						
372,757	Taxpayer's funds	19	445,367	464,107	437,362	625,077
(6,026)	Memorandum accounts	5	(2,855)	-	-	-
91,877	Revaluation reserves	19	93,139	49,462	91,878	93,140
458,608	Total equity		535,651	513,569	529,240	718,217

Explanations of significant variances against budget are detailed in **Note 24**.

The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2023

Parent and group

Actual	Note	Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2022 \$000		2023 \$000	2023 \$000	2023 \$000	2024 \$000
421,587	Balance at 1 July	458,608	469,869	458,608	535,651
(1,510)	Operating surplus/(deficit) for the year	18,867	(62,953)	(42,331)	(51,053)
42,416	Other comprehensive revenue and expense	1,262	-	-	-
40,906	Total comprehensive revenue and expense	20,129	(62,953)	(42,331)	(51,053)
Owner transactions					
51,221	Capital injections	101,423	106,653	116,424	233,619
(6,507)	Capital withdrawal	(5,313)	-	(820)	-
(48,599)	Return of operating surplus	(39,196)	-	-	-
-	Other movement	-	-	(2,641)	-
(3,885)	Total owner transactions	56,914	106,653	112,963	233,619
458,608	Balance at 30 June	535,651	513,569	529,240	718,217

Explanations of significant variances against budget are detailed in [Note 24](#).

The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2023

Parent and group

Actual		Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2022		2023	2023	2023	2024
\$000		\$000	\$000	\$000	\$000
Cash flows from operating activities					
442,093	Receipts from the Crown	491,486	361,396	501,433	362,631
152,214	Receipts from third parties	188,935	135,350	195,042	180,839
2,131	Net goods and services tax	(669)	-	(2,493)	(1,820)
(503,911)	Payments to suppliers and employees	(584,040)	(510,892)	(660,609)	(615,012)
(19,693)	Payments for capital charge	(23,156)	(22,154)	(23,274)	(26,913)
72,834	Net cash flows from operating activities	72,556	(36,300)	10,099	(100,275)
Cash flows from investing activities					
440	Receipts from sale of property, plant and equipment	1,266	480	480	480
(31,252)	Purchase of property, plant and equipment	(37,533)	(22,248)	(39,700)	(93,429)
(41,533)	Purchase of intangible assets	(51,564)	(49,152)	(60,300)	(56,571)
(72,345)	Net cash flows from investing activities	(87,831)	(70,920)	(99,520)	(149,520)
Cash flows from financing activities					
51,221	Capital injections	101,423	106,653	116,423	233,619
(6,507)	Capital withdrawals	(5,313)	-	(820)	-
(43,706)	Repayment of surplus to the Crown	(48,599)	-	(48,599)	(39,196)
(406)	Payments on finance leases	(432)	(432)	(432)	(457)
602	Net cash flows from financing activities	47,079	106,221	66,572	193,966
Movement in cash					
47,933	Opening cash and cash equivalents	49,024	26,050	49,024	80,828
1,091	Net increase/(decrease) in cash and cash equivalents	31,804	(999)	(22,849)	(55,829)
49,024	Closing cash and cash equivalents	80,828	25,051	26,175	24,999

Explanations of significant variances against budget are detailed in [Note 24](#).

The accompanying notes form part of these financial statements.

Statement of cash flows (continued)

for the year ended 30 June 2023

Parent and group

Reconciliation of the net surplus to net cash flows from operating activities

Actual 2022 \$000		Actual 2023 \$000
40,906	Total comprehensive revenue and expense	20,129
	Add/(deduct) non-cash items	
49,805	Depreciation, amortisation and impairment	53,758
(42,416)	Asset revaluation gains	(1,262)
(208)	Acquisition of donated assets	(252)
7,181	Total non-cash items	52,244
	Add/(deduct) items classified as investing activities	
330	Losses/(gains) on sale of property, plant and equipment	311
330	Total investing or financing activities	311
	Add/(deduct) movements in Statement of financial position items	
(1,127)	(Increase)/ decrease in debtors and other receivables	2,457
663	(Increase)/ decrease in other current assets	(6,383)
13,764	Increase/ (decrease) in creditors and other payables	1,814
11,373	Increase/ (decrease) in other current liabilities	2,066
(256)	Increase/ (decrease) in non-current liabilities	(82)
24,417	Total net movement in working capital items	(128)
72,834	Net cash flows from operating activities	72,556

Reconciliation of movement in finance leases arising from financing activities

Actual 2022 \$000		Actual 2023 \$000
8,485	Balance at 1 July 2022	8,079
-	- Cash inflows (Acquisition)	-
(406)	Cash outflows (Payment)	(432)
8,079	Balance at 30 June 2023	7,647

The accompanying notes form part of these financial statements.

Statement of commitments

as at 30 June 2023

Parent and group

Actual 2022 \$000		Note	Actual 2023 \$000
Capital commitments			
31,160	Intangible assets		32,702
9,298	Non-residential buildings		-
902	Plant and equipment		225
84,722	Leasehold improvements		72,928
268,149	Finance lease assets	16	250,395
394,231	Total capital commitments		356,250
Non-cancellable operating commitment leases as lessee			
<i>The future aggregate minimum lease payments to be paid under non-cancellable operating leases</i>			
16,461	No later than one year		21,862
15,627	Later than one and not later than two years		17,743
42,064	Later than two and not later than five years		45,896
76,741	Later than five years		64,163
150,893	Total non-cancellable operating commitment leases as lessee		149,664
545,124	Total commitments		505,914

Capital commitments

Capital commitments are the cumulative amount of capital expenditure where the Department entered into a contract for the acquisition of property, plant and equipment and intangible assets that have not been paid for, or are not recognised as a liability, at the financial year end.

Cancellable capital commitments are reported at the lower of the remaining contractual commitment or the early exit costs explicit in the exit clause of the agreement.

Non-cancellable operating commitment leases as lessee

The Department leases property, plant and equipment in the normal course of its business of which the majority are for premises across New Zealand. These lease amounts are disclosed as future commitments based on current rental rates extrapolated to future years. The non-cancellable leasing period for these leases varies.

The Department's non-cancellable operating leases have varying terms, escalation clauses, and renewal rights. There are no restrictions placed on the Department by any of its leasing arrangements. The total of minimum future sub-lease payments expected to be received under non-cancellable sub-leases at balance date is \$0.916 million (2021/22: \$1.362 million).

The accompanying notes form part of these financial statements.

Statement of contingent assets and liabilities

as at 30 June 2023

Parent and group

Quantifiable contingent assets

As at 30 June 2023, the Department had no quantifiable contingent assets (2021/22: nil).

Unquantifiable contingent assets

As at 30 June 2023, the Department had no unquantifiable contingent assets (2021/22: nil).

Quantifiable contingent liabilities

As at 30 June 2023, the Department had:

- No quantifiable contingent liabilities for legal action (2021/22: nil).
- Two quantifiable contingent liabilities totalling \$0.225 million relating to employment issues (2021/22: \$0.237 million).

Unquantifiable contingent liabilities

As at 30 June 2023, the Department had no unquantifiable contingent liabilities relating to employment issues. (2021/22: two).

Employment issues and personal grievances

Occasionally, employment issues or personal grievances arise. The Department works within its policies to resolve all issues raised in good faith. Where this is not possible, a mediated settlement may be agreed.

The amount and timing of two contingent liabilities for employment issues are uncertain, therefore the contingencies are unquantified. The Department is currently disputing these claims.

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies

Reporting entity

The Department of Internal Affairs (the Department) (Parent) is a government department as defined by Section 2 of the Public Finance Act (PFA) 1989 and is domiciled in New Zealand.

The Department's primary objective is to serve and connect people, communities and government to build a safe, prosperous and respected nation.

The Department does not operate to make a financial return and is also regarded as a Public Benefit Entity (PBE) for the purposes of complying with New Zealand generally accepted accounting practice (NZ GAAP).

The Department also reports on the Non-Departmental (Crown) activities and Trusts that it administers.

The financial statements of the Department for the year ended 30 June 2023 are consolidated financial statements of the Department, the Ministry for Ethnic Communities, the Digital Executive Board, and the Te Puna Foundation (the Foundation). The Ministry for Ethnic Communities (established on 1 July 2021) is a departmental agency as defined by Section 2 of the PFA and Section 5 of the Public Service Act 2020, which is hosted within the Department. The Digital Executive Board (established through an Order in Council dated 8 August 2022) is an interdepartmental executive board as defined by Section 2 of the PFA and Section 5 of the Public Service Act 2020. Unless explicitly stated, references to the Department cover the Department, the Ministry for Ethnic Communities and the Digital Executive Board. Te Puna Foundation is a Charitable Trust, which is controlled by the Department to provide support to the National Library of New Zealand in accordance with the National Library of New Zealand (Te Puna Mātauranga o Aotearoa) Act 2003. The Department and the Foundation operate independently but consolidation is required for financial reporting purposes only.

Reporting period

The reporting period for these financial statements is the year ended 30 June 2023 with comparative figures for the year ended 30 June 2022. The financial statements were authorised for issue by the Chief Executive of the Department of Internal Affairs on 29 September 2023.

Basis of preparation

These financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements also comply with the requirements of the PFA 1989, which include the requirement to comply with NZ GAAP and Treasury Instructions. These financial statements have been prepared in accordance with and comply with Tier 1 PBE International Public Sector Accounting Standards (PBE IPSAS).

Presentation currency and rounding

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

Measurement base

The financial statements have been prepared on a historical cost basis, adjusted by the revaluation of land and buildings, antiques and works of art, actuarial valuations of long service and retirement leave liabilities, and the fair value of certain financial instruments.

Changes in accounting policies

There have been no changes in the Department's accounting policies since the date of the last audited financial statements.

Accounting standards effective 30 June 2023

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023. This standard requires service performance information to provide users with:

- Sufficient contextual information to understand why the Department exists, what it intends to achieve in broad terms over the medium to long term, and
- Information about what the Department has done during the reporting period in working towards its broader aims and objectives.

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023. There are no substantial changes resulting from adopting the new standard as the requirements are similar to those contained in PBE IFRS 9.

Standards issued and not yet effective and not early adopted

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

PBE IPSAS 1 Disclosure of Fees for Audit Firms' Services

Amendments to PBE IPSAS 1 *Disclosure of Fees for Audit Firms' Services* will be effective for the year ending 30 June 2025. The amendment requires the Department to disclose the fees incurred for services received from its audit or review firms, and a description of each service. The impact of this change will require the department to specify categories of audit fees paid to audit and review firms.

Significant accounting policies

Significant accounting policies are included in the notes to which they relate. Policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those for which the Department holds forward exchange contracts) are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the net surplus or deficit.

Taxation

The Department is exempt from the payment of income tax. Accordingly, no provision has been made for income tax. 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)

All items in the financial statements including commitments and contingencies are GST exclusive, except for receivables and payables that are GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST owing at balance date, being the difference between output GST and input GST, is included in either receivables or payables in the Statement of financial position.

The net GST paid or received, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of cash flows. It reflects the net GST paid or received during the year. The GST components have been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Budget and forecast figures

Basis of the budget and forecast figures

The 2022/23 budget figures (Unaudited Budget 2023) are for the year ended 30 June 2023. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (Budget 2022) for 2022/23.

The 2022/23 unaudited revised budget figures (Unaudited Revised Budget 2023) are for the year ended 30 June 2023. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Supplementary Estimates of Appropriations (Supps 2023) for 2022/23.

The 2023/24 forecast figures (Unaudited Forecast 2024) are for the year ending 30 June 2024 and they are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Pre-Election Economic and Fiscal Update (PREFU) for 2023/24. The forecast financial statements have been prepared as required by the PFA 1989 to provide forecast financial information for accountability purposes.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

Significant assumptions used in preparing the forecast financial information

The 30 June 2024 forecast figures have been prepared in accordance with and comply with PBE Financial Reporting Standards (FRS) 42 Prospective financial statements. The forecast figures contained in these financial statements reflect the Department's purpose and activities and are based on several assumptions about what may occur during 2023/24. The forecast figures have been compiled based on existing government policies and ministerial expectations at the time PREFU was finalised.

The main assumptions are as follows:

- the Department's activities will remain substantially the same as for the previous year focusing on the Government's priorities,
- personnel costs are based on full-time equivalent staff, and take into account staff turnover,
- remuneration rates are based on current wage and salary costs, adjusted for anticipated remuneration changes including the impact of the Public Sector Pay Adjustment,
- operating costs are based on historical experience and the best estimate at the time the financial statements are finalised,
- no impact of revaluation has been assumed in the forecast,
- capital commitments will realise as planned,
- preliminary unaudited year end information for 2022/23 is used as the opening position for 2023/24 forecasts,
- includes all Cabinet decisions and forecast changes up to 7 August 2023, and
- includes estimated in-principle expense transfers from 2022/23 to 2023/24 which will be confirmed during the 2023 October Baseline Update.

The actual financial results achieved for 30 June 2024 are likely to vary from the forecast information presented, and the variations may be material. Factors that could lead to material differences between the forecast financial statements and the 2023/24 actual financial statements include:

- capacity and resource availability,
- efficiency or productivity gains,
- changes to the baseline because of technical adjustments,
- demand driven volume changes,
- Government policy changes, and
- external events including the effect of climate change.

Any changes to budgets during 2023/24 will be incorporated into the Supplementary Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2024.

Authorisation statement

The forecast financial statements were approved for issue by the Chief Executive on 7 August 2023. The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures. While the Department regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2024 will not be published.

The purpose of the forecast financial statements is to facilitate Parliament's consideration of appropriations for, and planned performance of, the Department. These forecast financial statements may not be appropriate for other purposes.

Critical accounting estimates, assumptions and critical judgements in applying accounting policies

In preparing the financial statements in conformity with PBE accounting standards, critical judgements, estimates and assumptions have been made concerning the future and these may differ from the subsequent actual results. The estimates and associated assumptions are continually evaluated and are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the accounting policies, the Department has made several judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

Notes	Judgements, estimates and assumptions
Note 9 – Property, plant and equipment	Estimating the fair value of land and buildings, and antiques and works of art
Note 10 – Intangible assets	Assessing the useful lives of software
Note 14 – Employee entitlements	Measuring long service leave and retirement gratuities
Note 16 – Finance leases	Classification of leases

Results for the year

2. Revenue

Accounting policy

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below.

Revenue – non-exchange transactions

Revenue Crown

Revenue Crown consists of amounts appropriated to departmental appropriations for the year, adjusted for any formal additions and reductions. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year. The amount of revenue recognised considers any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, the Department can incur expenses only within the scope and limits of its appropriations.

The fair value of revenue Crown has been determined to be equivalent to the funding entitlement of \$476.091 million (2022: \$442.037 million).

Donated or subsidised assets

When a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue in the Statement of comprehensive revenue and expense.

Revenue – exchange transactions

Grants

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if the conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when the conditions of the grant are satisfied.

Other revenue

The Department derives revenue from third parties through the provision of outputs (products or services). Revenue from the supply of goods and services 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.

The Department uses memorandum accounts to record the accumulated balance of surpluses and deficits incurred in the provision of third party fully cost-recovered outputs. These memorandum accounts separately disclose the net cost of such outputs, as otherwise this information would be aggregated as part of the Department's Statement of financial position.

Rental revenue from sub-leases

Rental revenue under an operating sub-lease is recognised as revenue on a straight-line basis over the lease term.

Breakdown of Other revenue

Actual		Actual	Unaudited Budget	Unaudited Forecast
2022		2023	2023	2024
\$000		\$000	\$000	\$000
	Other revenue from non-exchange transactions			
208	Other third-party revenue	252	-	-
208	Total other revenue from non-exchange transactions	252	-	-
	Other revenue from exchange transactions			
37,509	Passport fees	87,345	32,773	65,733
20,000	Non-casino gaming licences and fees	21,616	20,211	20,337
13,899	Birth, death, marriage and civil union fees	15,332	15,256	15,256
13,936	Citizenship fees	18,855	14,351	17,451
12,479	Recovery from New Zealand Lottery Grants Board	13,064	11,559	11,367
9,003	e-Government development and operations	12,581	9,160	10,658
9,345	VIP Transport	8,723	9,000	9,000
5,382	Casino operators' levies	5,707	5,400	5,274
1,558	Electronic Purchasing in Collaboration	4,987	3,595	3,595
3,493	Translation services	3,058	2,000	2,700
2,446	Kōtui library services	2,808	2,199	2,199
1,059	Lake Taupō boating facilities	1,008	980	980
106	Te Puna catalogue and inter-loan library services	819	1,407	-
820	Charities registrations	820	852	852
904	New Zealand Gazette	874	844	844
1,706	RealMe	778	2,068	910
764	Rental revenue from sublease	650	350	350
166	National Library auditorium	337	-	-
6	Net foreign exchange gain	-	-	-
400	National dog database levy	-	-	400
8,006	Other third-party revenue	4,705	3,645	5,185
142,987	Total other revenue from exchange transactions	204,067	135,650	173,091
143,195	Total other revenue	204,319	135,650	173,091

3. Personnel costs

Accounting policy

Salaries and wages and employee entitlements

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave, and other similar benefits are recognised in the Statement of comprehensive revenue and expense when they accrue to employees.

Defined contribution superannuation schemes

Obligations for contributions to the State Sector Retirement Savings Scheme, KiwiSaver, the Government Superannuation Fund and the National Provident Fund are accounted for as defined contribution schemes and are recognised as an expense in the Statement of comprehensive revenue and expense when incurred.

Restructuring costs

Restructuring costs are recognised in the Statement of comprehensive revenue and expense only when there is a demonstrable commitment to either terminate employment prior to the normal employment date or to provide such benefits because of a position becoming redundant.

Breakdown of personnel costs

Actual 2022 \$000		Actual 2023 \$000
280,630	Salaries, wages and contractor expenses	324,424
7,658	Employer contribution to defined contribution schemes	8,681
574	Restructuring costs	1,246
2,511	Increase in employee entitlements	1,053
3,915	Other personnel costs	5,471
295,288	Total personnel costs	340,875

4. Other operating expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Accommodation and motor vehicle leases are recognised as operating leases.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised evenly over the term of the lease as a reduction in rental expense (refer to Note 11).

Other expenses

Other expenses are recognised as goods and services are received.

Breakdown of other operating expenses

Actual		Note	Actual	Unaudited	Unaudited
2022			2023	Budget	Forecast
\$000			\$000	2023	2024
				\$000	\$000
76,170	Computer costs		86,244	83,885	84,020
26,096	Rental and leasing costs		29,475	29,010	35,464
56,978	Consultants and outsourcing contracts		56,363	43,283	59,972
3,831	Inventory costs		11,769	29,832	12,122
4,786	Travel expenses		10,927	7,493	9,466
6,311	Office expenses		10,465	5,970	7,441
9,485	Agency and monitoring fees		10,255	10,255	10,440
9,008	Professional fees		8,918	3,754	9,190
5,695	Library resources and subscriptions		5,411	4,083	6,749
4,120	Staff development		4,269	4,479	5,352
1,673	Repairs and maintenance		2,036	1,543	2,387
2,167	Publicity and promotion		709	1,582	1,070
467	Loss on write-off of assets		676	-	-
465	Fees for auditor (financial statement audit)		499	425	590
-	Increase/(decrease) in provision for onerous contracts		(311)	-	-
223	Increase/(decrease) in provision for expected credit loss	7	(137)	-	-
6	Realised foreign exchange losses		430	-	-
14,114	Other departmental operating costs		5,648	12,885	29,007
221,595	Total other operating expenses		243,646	238,479	273,270

5. Memorandum accounts

Accounting policy

Memorandum accounts reflect the cumulative surplus/(deficit) on those departmental services that are intended to be fully cost-recovered from third parties through fees, levies, or charges. The accounts are intended to provide a long-run perspective to the pricing of outputs. The balance of each memorandum account is expected to trend toward zero over time, with interim deficits being met either from cash from the Department's Statement of financial position or by seeking approval for a capital injection from the Crown. Capital injections will be repaid to the Crown by way of cash payments throughout the memorandum account cycle.

Summary of memorandum accounts

Actual 2022 \$000	Actual 2023 \$000
5 New Zealand Gazette	140
(117) Use of Facilities and Access to Lake Taupō by Boat Users	(39)
(13,052) Passport Products	(11,871)
5,933 Citizenship Products	5,432
(316) Marriage and Civil Union Products	-
24 Issue of Birth, Death and Marriage Certifications and Other Products	(501)
17,418 Gaming	19,590
1,408 Kōtui Library Services	2,151
125 Electronic Purchasing in Collaboration (EPIC)	406
(18,733) Common Capability Products	(19,045)
1,279 National Dog Control Information Database	882
(6,026) Balance at 30 June	(2,855)

Breakdown of memorandum accounts and further information

New Zealand Gazette (Established 30 June 2002)

Purpose: The cost of publishing and distributing the New Zealand Gazette is recovered through third party fees.

Actions: A fee review is expected to be undertaken in 2023/24.

Actual 2022 \$000	Actual 2023 \$000
(109) Balance at 1 July	5
919 Revenue movement for the year	874
(805) Expense movement for the year	(739)
114 Net memorandum account surplus for the year	135
5 Balance at 30 June	140

Use of Facilities and Access to Lake Taupō by boat users (Established 30 June 2002)

Purpose: The Department manages berths, jetties and boat ramps located at Lake Taupō. 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.

Actions: Current fees were introduced in September 2019 and a fee review is currently underway.

Actual 2022 \$000	Actual 2023 \$000
(152) Balance at 1 July	(117)
1,057 Revenue movement for the year	1,062
(1,022) Expense movement for the year	(984)
35 Net memorandum account surplus for the year	78
(117) Balance at 30 June	(39)

Passport Products (Established 30 June 2002)

Purpose: To support a strategy to stabilise fees based on full cost-recovery over a ten-year planning horizon. This strategy supports the introduction of new technologies, including the replacement of the ageing passport system within that timeframe.

Actions: Budget 2022 provided repayable capital injections totalling \$154 million over three years to assist in managing demand fluctuations due to the decision to change the Adult Passport validity period from five to ten years of which \$23.500 million was drawn down in 2022/23.

Actual 2022 \$000	Actual 2023 \$000
31,563 Balance at 1 July	(13,052)
37,364 Revenue movement for the year	87,345
(81,979) Expense movement for the year	(109,664)
(44,615) Net memorandum account deficit for the year	(22,319)
- Capital injection	23,500
(13,052) Balance at 30 June	(11,871)

Citizenship Products (Established 30 June 2002)

Purpose: To support a strategy to stabilise fees based on full cost-recovery over a four to five-year planning horizon.

Actions: The increase in expense reflects increased costs to reduce the current application backlog in Citizenship processing which was a result of system transitions and COVID-19 restrictions, as well as costs related to system modernisation as part of the Te Ara Manaaki programme.

Actual 2022 \$000	Actual 2023 \$000
9,893 Balance at 1 July	5,933
13,936 Revenue movement for the year	18,857
(17,896) Expense movement for the year	(19,358)
(3,960) Net memorandum account deficit for the year	(501)
5,933 Balance at 30 June	5,432

Marriage and Civil Union Products (Established 30 June 2002, amended to consolidate civil unions 1 July 2012)

Purpose: 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 births, deaths and marriages (BDM) systems within that timeframe.

Actions: The Marriage and Civil Union Products memorandum account has been consolidated into the Issue of Birth, Death and Marriage Certifications and other Products memorandum account with effect from 1 July 2022.

Actual 2022 \$000		Actual 2023 \$000
516	Balance at 1 July	(316)
3,770	Revenue movement for the year	-
(4,602)	Expense movement for the year	-
(832)	Net memorandum account (deficit)/surplus for the year	-
	- Transfer to Issue of Birth, Death and Marriage Certifications and Other Products	316
(316)	Balance at 30 June	-

Issue of Birth, Death and Marriage Certifications and Other Products (Established 30 June 2002, amended to include Marriage and Civil Unions Products on 1 July 2022)

Purpose: 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.

Actions: The Marriage and Civil Union Products memorandum account has been consolidated into the Issue of Birth, Death and Marriage Certifications and other Products memorandum account with effect from 1 July 2022.

Actual 2022 \$000		Actual 2023 \$000
2,506	Balance at 1 July	24
10,094	Revenue movement for the year	15,332
(12,576)	Expense movement for the year	(15,541)
(2,482)	Net memorandum account deficit for the year	(209)
	- Transfer from Marriage and Civil Union Products	(316)
24	Balance at 30 June	(501)

Gaming (Established 30 June 2002, amended to include Casino Fees on activities in July 2014)

Purpose: Fees established to recover the cost of administration and regulation of casino and non-casino gaming are reflected in gaming machine fees, compliance fees, license fees and similar charges for differing types of gambling activity, in addition to charges relating to the electronic monitoring of non-casino gaming machines.

Actions: A review of gaming fees is underway, with new fees expected to be introduced in 2023/24.

Actual 2022 \$000	Actual 2023 \$000
15,127 Balance at 1 July	17,418
24,729 Revenue movement for the year	26,688
(22,438) Expense movement for the year	(24,516)
2,291 Net memorandum account surplus for the year	2,172
17,418 Balance at 30 June	19,590

Gambling commission revenue and expenditure are not included in the Gaming memorandum account because they are policy monitoring related not administration and regulation.

Kōtui Library Services (Established 30 January 2011)

Purpose: Kōtui is a shared service of integrated library management and resource discovery systems for public libraries. The business model is a subscription service where public libraries pay a one-off software installation and enhancement fee, followed by annual charges. The Kōtui shared library and resource discovery service was launched to public libraries in 2011/12. This memorandum account was established to enable the provision of the Kōtui Library Management System, which is designed to be funded 100% by member contributions.

Actions: Subscription fees are reviewed annually to ensure full recovery of costs.

Actual 2022 \$000	Actual 2023 \$000
1,347 Balance at 1 July	1,408
2,446 Revenue movement for the year	2,807
(2,385) Expense movement for the year	(2,064)
61 Net memorandum account surplus for the year	743
1,408 Balance at 30 June	2,151

Electronic Purchasing in Collaboration (EPIC) (Established 2012)

Purpose: The purpose of EPIC is to negotiate group licenses to electronic resources and to provide member libraries and all New Zealand schools with access to high quality subscription electronic resources at more favourable rates than they would be able to achieve individually.

Actions: As part of the COVID-19 Response and Recovery Package, time-limited Crown funding was provided to enable temporary relief to New Zealand public libraries by way of waiving user charges for two years ending 30 June 2022. Fees are reviewed annually and are based on member uptake and vendor costs.

Actual 2022 \$000		Actual 2023 \$000
88	Balance at 1 July	125
1,559	Revenue movement for the year	4,987
(1,522)	Expense movement for the year	(4,706)
37	Net memorandum account surplus for the year	281
125	Balance at 30 June	406

Common Capability Products (Established 2013; amended to include Infrastructure as a Service (IaaS) and All-of-Government adoption of cloud computing memorandum accounts with effect from 1 July 2015)

Purpose: This memorandum account was established to record both the amount of revenue received from agencies for Government ICT Common Capability (GCC) products, not otherwise accounted for via separate memorandum accounts, and the amount of expenses incurred in supporting the development (where not funded separately), delivery, operation and renewal of these GCC products.

Actions: A review was undertaken to consider options to address the deficit. The review encompassed the current fees model and associated costs and cost drivers. A number of scenarios have been developed to understand what would be required to reduce the deficit and over what time period. The fee for Framework Agreements, and Marketplace Services will increase from 1 July 2023.

Actual 2022 \$000		Actual 2023 \$000
(17,848)	Balance at 1 July	(18,733)
8,988	Revenue movement for the year	11,329
(9,873)	Expense movement for the year	(11,641)
(885)	Net memorandum account deficit for the year	(312)
(18,733)	Balance at 30 June	(19,045)

National Dog Control Information Database (Established 2014)

Purpose: This memorandum account was established to track the revenue and expenditure associated with administering the national dog control information database.

Actions: Fees were not charged in 2022/23 to reduce the accumulated surplus.

Actual 2022 \$000	Actual 2023 \$000
1,154 Balance at 1 July	1,279
400 Revenue movement for the year	-
(275) Expense movement for the year	(397)
125 Net memorandum account surplus/(deficit) for the year	(397)
1,279 Balance at 30 June	882

Operating assets and liabilities

6. Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand, cash in transit, and funds on deposit with banks with an original maturity of no more than three months. The Department is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

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

Breakdown of cash and cash equivalents

Actual 2022 \$000	Actual 2023 \$000
47,617 New Zealand bank accounts	79,791
Overseas bank accounts	
838 Australian bank accounts	594
569 United Kingdom bank accounts	443
49,024 Total cash and cash equivalents	80,828

7. Debtors and other receivables

Accounting policy

Debtors and other receivables are recorded at face value, less an allowance for credit losses. The Department has applied the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, debtors and other receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Debtors and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Provision for expected lifetime credit loss

The provision for expected lifetime credit loss consists of specific individual impairment provisions, based on a review of overdue receivables, and a collective impairment provision based on an analysis of past collection history and debt write-offs.

There have been no changes, during the reporting period, to the estimation techniques or significant assumptions used to measure the provision.

Breakdown of receivables and further information

Actual 2022 \$000	Actual 2023 \$000
15,120 Gross trade receivables	27,931
(259) Less provision for expected lifetime credit loss	(122)
14,861 Total accounts receivable	27,809
Total receivables comprise:	
14,861 Receivables from exchange transactions	27,809
14,861 Total receivables	27,809

All receivables more than 30 days in age are past due. As at balance date, all receivables have been assessed for impairment, and appropriate provisions applied, as detailed below.

	2023		
	Gross	Lifetime expected credit loss	Net
	\$000	\$000	\$000
Not past due	26,115	(23)	26,092
Past due 1-30 days	1,382	(14)	1,368
Past due 31-60 days	280	(6)	274
Past due 61-90 days	92	(18)	74
Past due > 91 days	62	(61)	1
Total accounts receivable	27,931	(122)	27,809

	2022		
	Gross	Lifetime expected credit loss	Net
	\$000	\$000	\$000
Not past due	11,397	-	11,397
Past due 1-30 days	1,647	-	1,647
Past due 31-60 days	970	-	970
Past due 61-90 days	17	-	17
Past due > 91 days	1,089	(259)	830
Total accounts receivable	15,120	(259)	14,861

Movements in the provision for expected lifetime credit loss are as follows:

Actual 2022 \$000	Actual 2023 \$000
(76) Opening expected lifetime credit loss as at 1 July	(259)
(224) Additional provisions made during the year	-
41 Provisions released during the year	137
(259) Closing expected lifetime credit loss as at 30 June	122

8. Inventories

Accounting policy

Inventories held for distribution or consumption in the provision of goods and 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 the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in the Statement of comprehensive revenue and expense in the year of the write-down.

Breakdown of inventories and further information

Actual 2022 \$000	Actual 2023 \$000
Birth, death and marriage certificates	
78 Stock on hand	87
Citizenship	
18 Stock on hand	14
1,280 Work in progress	1,611
Film preservation laboratory	
107 Stock on hand	-
National Library	
25 Stock on hand	25
Passports	
78 Stock on hand	85
1,195 Work in progress	1,154
2,781 Total inventories	2,976

The total obsolete inventories written off during the year was \$0.118 million (2022: nil).

No inventories are pledged as security for liabilities (2021/22: nil). However, some inventories are subject to retention of title clauses.

9. Property, plant and equipment

Accounting policy

Property, plant and equipment consists of land, non-residential buildings, antiques and works of art, plant and equipment, leasehold improvements, furniture and fittings, collections, IT equipment, motor vehicles, and leased assets.

Additions

Items of property, plant and equipment costing more than \$3,000 are initially capitalised and recorded at cost if it is probable that future economic benefits or service potential will flow to the Department. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at its fair value on the date of acquisition. Work in Progress is recognised at cost less impairment and is not depreciated.

Under the Department's assets accounting policy, plant and equipment that individually costs less than \$3,000 and is acquired as a group purchase with a total cost of more than \$30,000 will be treated as a capital acquisition and capitalised as a fixed asset.

Subsequent costs

Subsequent costs are capitalised when it is probable that future economic benefits or service potential associated with the item will flow to the Department and the cost of the item can be measured reliably.

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

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised in the Statement of comprehensive revenue and expense in the period the transaction occurs. Any associated gains and losses on revalued assets are transferred from the revaluation reserve.

Impairments

The Department does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Property, plant, and equipment held at cost that has a finite useful life is reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impaired asset's carrying amount is written down to its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognised immediately in the Statement of comprehensive revenue and expense, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value-in-use depends on the nature of the impairment and availability of information.

The reversal of an impairment loss is recognised as part of the Statement of comprehensive revenue and expense.

The Department has not recognised any impairment loss during 2022/23 (2021/22: nil).

Revaluations

Revaluations are carried out on several 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.

Classes of property, plant and equipment are revalued at least once every three years or whenever the carrying amount differs materially to fair value which is assessed every year by an independent registered valuer. Unrealised gains and losses arising from changes in the value of property, plant and equipment as at balance date are recognised as other comprehensive revenue and expense in the Statement of comprehensive revenue and expense.

A gain is credited to the net surplus/(deficit) to the extent that it reverses a loss previously charged to the net surplus/(deficit) for the asset class. Otherwise, gains are credited to an asset revaluation reserve for that class of asset. Any loss is debited to the reserve to the extent that there is a balance in the asset revaluation reserve for that asset class. Otherwise, losses are reported in the net surplus/(deficit).

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount. The useful life of an asset is reassessed following revaluation.

Specific asset class policies

The asset class specific policies that have been applied are outlined below:

Land and buildings

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

Collections

Collections include both general and school library collections. These collections are recorded at cost less accumulated depreciation and accumulated impairment losses.

Antiques and works of art

Antiques and works of art include the Department's antiques and art collections which are available for display in the Department's premises. This asset class is revalued with sufficient regularity, or every three years, to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the year.

Other property, plant and equipment

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

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 or collections, less any estimated residual value, over its estimated useful life. Depreciation is not charged on land, antiques, works of art or capital work in progress.

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

Asset category	Asset life
Non-residential buildings	30 - 90 years
Leasehold improvements	Shorter of lease period and estimated useful life of the improvements
Antiques and works of art	Not depreciated
Furniture and fittings	3 - 50 years
National library general and schools' collections	5 - 50 years
Motor vehicles	3 - 15 years
Plant and equipment	5 - 100 years
IT equipment	3 - 15 years
Leased assets	15 years

Critical accounting estimates and assumptions

Land and buildings

The land and buildings were valued by CBRE Limited, a Licensed Real Estate Agent (REAA 2008) and registered independent valuer as at 30 June 2022. Based on our assessment, there have been no material changes in the fair value of land and buildings between 2021/22 and 2022/23.

Land

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land value.

Buildings

Non-specialised buildings are valued at fair value using market-based evidence.

The significant assumptions for the buildings in the 30 June 2022 valuation include market rents and capitalisation rates:

- Market rents range from \$96 to \$223 per square metre.
- Capitalisation rates are market-based rates of return and range from 4.5% to 8.5%.

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions used in the 30 June 2022 valuation include:

- The replacement cost is derived from research of recent construction contracts of modern equivalent assets.
- Construction costs range from \$7,000 to \$15,000 per square metre, depending on the nature of the specified asset valued.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.
- The buildings for both specialised and non-specialised properties have been valued based on the best use for the land subject to restrictions or conditions associated with properties.

Antiques and works of art

Antiques and works of art were valued by Dunbar Sloane Ltd, an independent expert, in June 2023. Fair value is determined by reference to the market prices of the same or similar assets when an active market for those assets exists. When there is no active market for an asset, fair value is determined by other evidence such as valuations provided for cultural assets in various Museum collections and what can be described as 'case-basis' valuation methodology which is applied to those rare items for which market evidence is insufficient but for which a case can be made in terms of cultural significance, provenance or equivalent with value assigned to items of national importance.

The assets within this asset class are not depreciated as they are expected to increase in value over time. They are tested for impairment if the financial year falls outside the revaluation cycle.

More details on this year's valuation are disclosed in [Note 19](#).

Movement of property, plant, and equipment

2023

Cost or valuation

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers* \$000	Balance at 30 June \$000
Land	24,365	-	-	-	-	24,365
Non-residential buildings	170,457	13,766	-	(489)	2,968	186,702
Leasehold improvements	51,874	3,320	-	(5,947)	(3,267)	45,980
Antiques and works of art	959	-	1,262	-	(1)	2,220
Furniture and fittings	39,649	1,790	-	(578)	72	40,933
General collections	33,730	455	-	-	203	34,388
Schools collections	16,957	1,073	-	-	(52)	17,978
Motor vehicles	9,094	3,073	-	(1,387)	(587)	10,193
Plant and equipment	29,241	7,890	-	(247)	(8,428)	28,456
IT equipment	45,815	6,418	-	(11,622)	3,326	43,937
Leased assets	8,930	-	-	-	-	8,930
Total cost	431,071	37,785	1,262	(20,270)	(5,766)	444,082

Accumulated depreciation

Asset class	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers* \$000	Balance at 30 June \$000
Non-residential buildings	2,344	6,656	-	(100)	375	9,275
Leasehold improvements	21,640	4,227	-	(5,320)	(375)	20,172
Furniture and fittings	20,265	2,696	-	(518)	-	22,443
General collections	27,583	870	-	-	-	28,453
Schools collections	14,640	956	-	-	-	15,596
Motor vehicles	3,757	937	-	(1,018)	-	3,676
Plant and equipment	7,029	603	-	(307)	(11)	7,314
IT equipment	37,732	6,321	-	(11,609)	617	33,061
Leased assets	2,094	596	-	-	(606)	2,084
Total accumulated depreciation	137,084	23,862	-	(18,872)	-	142,074
Net carrying value	293,987					302,008

*Transfers include transfers between assets categories, transfers between government entities, and transfers to non-current assets held for sale.

2022

Cost or valuation

Asset class	Balance at 1 July	Additions	Revaluation/ Impairments	Disposals	Transfers*	Balance at 30 June
	\$000	\$000	\$000	\$000	\$000	\$000
Land	19,070	-	5,295	-	-	24,365
Non-residential buildings	143,034	6,132	21,423	(132)	-	170,457
Leasehold improvements	48,780	4,895	-	(1,801)	-	51,874
Antiques and works of art	959	-	-	-	-	959
Furniture and fittings	35,749	3,945	-	(45)	-	39,649
General collections	33,235	495	-	-	-	33,730
Schools collections	18,191	837	-	(2,071)	-	16,957
Motor vehicles	8,851	1,711	-	(1,468)	-	9,094
Plant and equipment	18,279	11,254	-	(292)	-	29,241
IT equipment	41,299	6,678	-	(2,162)	-	45,815
Leased assets	15,630	-	-	(6,700)	-	8,930
Total cost	383,077	35,947	26,718	(14,671)	-	431,071

Accumulated depreciation

Asset class	Balance at 1 July	Depreciation	Revaluation/ Impairments	Disposals	Transfers*	Balance at 30 June
	\$000	\$000	\$000	\$000	\$000	\$000
Non-residential buildings	12,617	5,470	(15,698)	(45)	-	2,344
Leasehold improvements	18,911	4,316	-	(1,587)	-	21,640
Furniture and fittings	18,041	2,267	-	(43)	-	20,265
General collections	26,651	932	-	-	-	27,583
Schools collections	15,756	955	-	(2,071)	-	14,640
Motor vehicles	3,719	935	-	(897)	-	3,757
Plant and equipment	6,570	746	-	(287)	-	7,029
IT equipment	36,694	3,176	-	(2,138)	-	37,732
Leased assets	7,305	1,489	-	(6,700)	-	2,094
Total accumulated depreciation	146,264	20,286	(15,698)	(13,768)	-	137,084
Net carrying value	236,813					293,987

*Transfers include transfers between assets categories, transfers between government entities, and transfers to non-current assets held for sale.

Net carrying value of property, plant and equipment

2022	Asset class	2023
\$000		\$000
24,365	Land	24,365
168,113	Non-residential buildings	177,427
30,234	Leasehold improvements	25,808
959	Antiques and works of art	2,220
19,384	Furniture and fittings	18,490
6,147	General collections	5,935
2,317	Schools collections	2,382
5,337	Motor vehicles	6,517
22,212	Plant and equipment	21,142
8,083	IT equipment	10,876
6,836	Leased assets	6,846
293,987	Total net carrying value of property, plant and equipment	302,008

Capital work in progress

2022	Asset class	2023
\$000		\$000
20,135	Non-residential buildings (including leasehold improvements)	31,494
6,601	Furniture and fittings	8,260
16,841	Plant and equipment	14,960
43,577	Total capital work in progress	54,714

The balance of capital work in progress is included in the respective asset class under the Cost or Valuation tables.

Finance leases

The net carrying amount of the leased assets (passport printers) held by way of a finance lease is \$6.846 million (2021/22: \$6.836 million).

Restrictions of title

There are no restrictions over the title of the Department's property, plant and equipment and none are pledged as security for liabilities.

10. Intangible assets

Accounting policy

Additions

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents direct 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. Direct costs include the costs of services, software development, employee costs, and an appropriate portion of relevant overheads. 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.

Qualifying Software as a Service (SaaS) implementation costs with substantial customisation to the “off the shelf” version or that are bespoke and where the Department can demonstrate control of the software such as it has the power to obtain the future economic benefits or service potential from the software and to restrict the access of others to those benefits, are recognised as intangible software assets. If the control requirement is not met, SaaS implementation costs are expensed as incurred.

Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Impairments

Intangible assets held at cost that have finite useful lives are reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impaired asset’s carrying amount is written down to its recoverable service amount which is the higher of an asset’s fair value less costs to sell and value in use. An impairment loss is recognised immediately in the Statement of comprehensive revenue and expense.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

The reversal of an impairment loss is recognised as part of the Statement of comprehensive revenue and expense.

Amortisation

Amortisation is charged in the Statement of comprehensive revenue and expense on a straight-line basis over the useful life of the asset. Amortisation is not charged on capital work in progress. The estimated useful lives of intangible assets are as follows:

Asset category	Asset life
Computer software	3 – 8 years
Births, deaths and marriages historical records databases	10 years
Digitised collections	5 – 100 years
Digitised collections – National Digital Heritage Archive	Indefinite life

Critical accounting estimates and assumptions

Useful life of software

The useful life of software is determined at the time the software is acquired and brought into use and is reviewed at each reporting date for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the Department will receive benefits from the software, but not exceeding the licence term. For internally generated software developed by the Department, the useful life is based on historical experience with similar systems as well as anticipation of future events that may impact the useful life, such as changes in technology.

Movement of intangible assets and further information

Movements in the carrying value for each class of intangible asset are as follows:

2023

Cost or valuation

Asset class	Balance at 1 July \$000	Additions \$000	Impairment \$000	Disposals \$000	Transfers \$000	Balance at 30 June \$000
Software acquired	43,421	-	-	(12,508)	(7,392)	23,521
Software internally generated	326,637	51,564	(2,439)	(47,570)	13,158	341,350
Total software cost	370,058	51,564	(2,439)	(60,078)	5,766	364,871

Accumulated amortisation

Asset class	Balance at 1 July \$000	Amortisation \$000	Impairment \$000	Disposals \$000	Transfers \$000	Balance at 30 June \$000
Software acquired	31,442	1,588	-	(12,443)	-	20,587
Software internally generated	153,783	25,869	-	(47,505)	-	132,147
Total software amortisation	185,225	27,457	-	(59,948)	-	152,734
Net carrying value	184,833					212,137

2022

Cost or valuation

Asset class	Balance at 1 July \$000	Additions \$000	Impairment \$000	Disposals \$000	Transfers \$000	Balance at 30 June \$000
Software acquired	48,925	-	-	(5,504)	-	43,421
Software internally generated	339,805	41,533	(3,560)	(51,141)	-	326,637
Total software cost	388,730	41,533	(3,560)	(56,645)	-	370,058

Accumulated amortisation

Asset class	Balance at 1 July \$000	Amortisation \$000	Impairment \$000	Disposals \$000	Transfers \$000	Balance at 30 June \$000
Software acquired	33,224	3,544	-	(5,326)	-	31,442
Software internally generated	177,905	25,975	-	(50,097)	-	153,783
Total software amortisation	211,129	29,519	-	(55,423)	-	185,225
Net carrying value	177,601					184,833

Capital work in progress

The total amount of work in progress is \$81.273 million (2021/22: \$50.033 million).

Impairment losses

The Department has recognised an impairment loss of \$2.439 million for internally generated software (2021/22: \$3.560 million). The impairment loss has been recognised in the Statement of comprehensive revenue and expense.

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.

11. Creditors and other payables

Accounting policy

Short-term payables are recorded at the amount payable.

Lease incentives

Lease incentives with durations of less than 12 months are recognised as liabilities at their nominal value, unless the effect of discounting is material. Lease incentives with a duration greater than 12 months are subsequently measured at amortised cost.

Breakdown of creditors and other payables

Actual 2022 \$000		Actual 2023 \$000
Creditors and other payables under exchange transactions		
3,970	Creditors	2,970
41,961	Accrued expenses	45,503
5,235	Deferred lease incentives	4,653
Creditors and other payables under non-exchange transactions		
5,040	GST payable	4,371
56,206	Total creditors and other payables	57,497

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. The carrying value approximates their fair value.

12. Provisions

Accounting policy

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) because of a past event,
- it is probable that an outflow of future economic benefits will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Breakdown of provisions and further information

Actual 2022 \$000		Actual 2023 \$000
	Current provisions	
435	Restructuring	502
311	Onerous contracts	-
181	Other	168
927	Total current provisions	670
	Non-current provisions	
216	Lease make good	136
216	Total non-current provisions	136
1,143	Total provisions	806

	Restructuring \$000	Lease make good \$000	Onerous contracts \$000	Other \$000	Total \$000
2023					
Balance as at 1 July	435	216	311	181	1,143
Additional provisions made	173	-	-	-	173
Charge against provision for the year	(106)	(80)	(311)	-	(497)
Unused provision reversed	-	-	-	(13)	(13)
Balance as at 30 June	502	136	-	168	806

	Restructuring	Lease make good	Onerous contracts	Other	Total
	\$000	\$000	\$000	\$000	\$000
2022					
Balance as at 1 July	500	216	861	758	2,335
Additional provisions made	170	-	-	-	170
Charge against provision for the year	(235)	-	(550)	(32)	(817)
Unused provision reversed	-	-	-	(545)	(545)
Balance as at 30 June	435	216	311	181	1,143

Restructuring

The Department recognises provisions for restructuring when an approved, detailed, formal plan for the restructuring has been announced publicly to those affected, or implementation has already commenced. The restructuring provision arises from the changes to operating models for delivery of services across the Department.

Lease make good provision

The lease make good provision relates to contractual obligations from the Department entering into property lease contracts. These lease obligations require the Department at the expiry of the lease term, to restore the properties to an agreed condition, repair any damage and remove any fixtures and fittings installed by the Department. A provision has been recorded to recognise this liability.

Onerous contracts

The provision for onerous contracts arises from a non-cancellable lease and software licenses where the unavoidable costs of meeting the contract exceed the economic benefits to be received from it. The leases are onerous because of vacant space and the software licenses are onerous due to moving to a new finance system.

Other

The Holidays Act 2003 (the Act) sets out the minimum entitlements to holidays and leave, and the payment that an employer is obliged to provide to their employees. The Department is working with the Ministry of Business, Innovation and Employment's Labour Inspectorate to ensure that the Department meets the obligations under the Act going forward, and addresses historical short payments to current and former employees.

As evidenced by the drop in the provision, the Department has made progress on resolving this issue. It plans on paying the final remediation payments shortly and has finalised the necessary system remediation.

13. Revenue received in advance

Accounting policy

Revenue is recognised in the 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 revenue and expense.

Actual 2022 \$000		Actual 2023 \$000
21,409	Passport fees; birth, death, marriage and civil union fees; and citizenship fees	17,259
3,795	Gaming - licensing fees	4,198
-	- Digital Lead Agency fees	1,031
903	National Library - Pacific Virtual Museum Pilot Programme	868
24	Other	503
26,131	Total revenue received in advance	23,859

14. Employee entitlements

Accounting policy

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, long service leave and retirement gratuities expected to be settled within 12 months.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee entitlements that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information, and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Actual 2022 \$000		Actual 2023 \$000
Current entitlements		
10,023	Accrued salaries	13,988
17,270	Annual leave	18,416
807	Long service and retirement leave	953
28,100	Total current entitlements	33,357
Non-current entitlements		
3,094	Long service and retirement leave	3,012
3,094	Total non-current entitlements	3,012
31,194	Total entitlements	36,369

Critical accounting estimates and assumptions

Long service and retirement leave

An assessment was undertaken of the Long Service and Retirement Leave liability for each employee as at balance date. Actuarial services were provided by Mercer (N.Z.) Ltd, Fellow of the New Zealand Society of Actuaries.

The measurement of the retiring and long service leave obligations depends on several factors that are determined on an actuarial basis using several assumptions. Two key assumptions used in calculating this liability are the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying value of the liability.

Actual 2022 %		Actual 2023 %
Discount rate		
3.76	Long service leave	4.50
3.34	Retirement leave	5.30
Salary inflation factor		
3.01	Salary inflation	3.01

The following table provides a sensitivity analysis for the key assumptions:

	DISCOUNT RATE		SALARY INFLATION FACTOR	
	- 1.0%	+ 1.0%	- 1.0%	+ 1.0%
2023				
Long service leave	169,000	(153,000)	(156,000)	170,000
Retiring leave	-	-	-	-

	DISCOUNT RATE		SALARY INFLATION FACTOR	
	- 1.0%	+ 1.0%	- 1.0%	+ 1.0%
2022				
Long service leave	178,000	(160,000)	(162,000)	177,000
Retiring leave	-	-	-	-

15. Return of operating surplus

Actual 2022 \$000		Actual 2023 \$000
40,906	Total comprehensive revenue and expense	20,129
(42,416)	Revaluation loss/(gain)	(1,262)
50,109	(Surplus)/deficit on memorandum accounts	20,329
48,599	Total return of operating surplus	39,196

As general government policy, the Department is not permitted to retain any operating surplus except for the balances retained in memorandum accounts. The Department is required to repay the operating surplus to the Crown by 31 October each year.

Capital structure and financing costs

16. Finance leases

Accounting policy

Finance leases transfer to the Department, as lessee, substantially all the risks and rewards incidental to 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 finance charge is charged to the Statement of comprehensive revenue and expense over the lease period on a diminishing-value basis. The finance charge is charged to the surplus or deficit over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability.

Critical judgements in applying accounting policies

Determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the Department. Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the Statement of financial position as property, plant and equipment (refer to Note 9), whereas with an operating lease, no such asset is recognised.

The Department has exercised its judgement on the appropriate classification of equipment leases. Approval is provided under Section 50 of the Public Finance Act 1989 for the Department to be able to enter a finance lease for the supply of specialist printing equipment to produce passport books.

Actual 2022 \$000		Actual 2023 \$000
	Total minimum lease payments payable	
904	Not later than one year	904
4,521	Later than one year and not later than five years	3,616
6,179	Later than five years	6,180
11,604	Total minimum lease payments	10,700
	Future charges	
(473)	Not later than one year	(446)
(1,932)	Later than one year and not later than five years	(1,485)
(1,120)	Later than five years	(1,122)
(3,525)	Total future charges	(3,053)
	Present value of minimum lease payments payable	
431	Not later than one year	458
2,589	Later than one year and not later than five years	2,131
5,059	Later than five years	5,058
8,079	Total present value of minimum lease payments	7,647
	Represented by:	
431	Current	458
7,648	Non-current	7,189
8,079	Total finance leases	7,647

The net carrying amount of the leased assets within property, plant and equipment is shown in **Note 9**.

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

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

Unrecognised estimated finance lease yet to commence

Actual 2022 \$000		Actual 2023 \$000
Unrecognised estimated total minimum lease payments payable		
38,295	Later than one year and not later than five years	57,056
651,882	Later than five years	633,121
690,177	Unrecognised total minimum lease payments	690,177

In August 2019, the Department entered into a conditional Development Agreement (the Agreement) with PSPIB/CPPIB Waiheke Incorporated for the construction of the new Wellington Archives facility at 2 Aitken Street, Wellington. The Agreement, which included an agreement to lease became unconditional on 10 December 2021. The facility is currently under construction and the target lease commencement date is June 2025.

The lease has been assessed as a finance lease. The lease liability at commencement date has been estimated at \$250.395 million (2021/22: \$268.149 million). The lease liability amount is calculated as the present value of the expected lease payments over the initial lease term of 25 years, using a discount rate of 7.75% (2021/22: 7.1%). The Agreement includes two rights of renewal of 15 and 10 years each for a 50 years' lease term in total. The Agreement includes break payments if the rights of renewal are not exercised, being \$90 million for the first right of renewal and \$60 million for the second right of renewal. The \$90 million break payment is included in the unrecognised estimated total minimum lease payments.

The new Wellington Archives facility will be a resilient, purpose-built facility to preserve and protect government records, documentation heritage and taonga. The new facility will address critical property issues associated with sub-optimal facilities and exposure of the collection to loss or damage. Best practice standards for building performance and environmental performance will be applied.

17. Capital charge expense

Accounting policy

The Department pays a capital charge to the Crown on taxpayer's funds at 31 December and 30 June each financial year. This is recognised as an expense in the period to which the charge relates.

Further information

The capital charge rate for the year ended 30 June 2023 was 5% per annum (2021/22: 5%).

18. Finance costs

Accounting policy

Finance costs are recognised as an expense in the financial year in which they are incurred.

Breakdown of finance costs

Actual 2022 \$000	Actual 2023 \$000
498 Interest on finance leases	473
498 Total finance costs	473

19. Equity

Accounting policy

Equity

Equity is the Crown's investment in the Department and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds, memorandum accounts and property revaluation reserves.

Revaluation reserve

These reserves relate to the revaluation of land and buildings and works of art and antiques to fair value.

Breakdown of equity and further information

Actual 2022 \$000		Note	Actual 2023 \$000
Taxpayers' funds			
328,041	Opening balance 1 July		372,757
(1,510)	Operating surplus/(deficit) for the year		18,867
50,111	Transfer of memorandum account net (surplus)/deficit for the year	5	20,329
51,221	Capital injections	20	77,923
(6,507)	Capital withdrawals	20	(5,313)
(48,599)	Return of operating surplus to the Crown	15	(39,196)
372,757	Balance at 30 June		445,367
Memorandum accounts			
44,085	Opening balance 1 July		(6,026)
(50,111)	Net memorandum account surplus/(deficit) for the year	5	(20,329)
-	- Capital injections	5, 20	23,500
(6,026)	Balance at 30 June		(2,855)
Revaluation reserves			
49,461	Opening balance 1 July		91,877
42,416	Revaluation gains/(losses)	9	1,262
91,877	Balance at 30 June		93,139
Revaluation reserves consist of:			
23,184	Land revaluation reserve		23,184
67,983	Building revaluation reserve		67,983
710	Antiques and works of art revaluation reserve		1,972
91,877	Total revaluation reserves		93,139

20. Capital injections and withdrawals

Actual 2022 \$000		Actual 2023 \$000
Capital Injections		
27,976	Critical Infrastructure for Identity and Life Event Services	55,252
	- Continuing the issuance of passports to New Zealand Citizens	23,500
13,079	Tāhuhu: Preserving the Nation's Memory Programme	14,275
4,876	Meeting Core Statutory Responsibilities	4,630
3,000	RealMe	2,676
940	Core Government trusted domain	940
260	Royal Commission into Historical Abuse in State Care	130
	- State Sector Decarbonisation	20
1,000	Saving the Crown's Audio-Visual Collections	-
90	Crown Response to the Abuse in Care Inquiry	-
51,221	Total capital injections	101,423
Capital Withdrawals		
(6,507)	Software as a Service - Capital to Operating Swap	(820)
	- Royal Commission into Historical Abuse in State Care	(4,493)
(6,507)	Total capital withdrawals	(5,313)

Capital management

The Department's capital is its equity, which comprises taxpayers' funds, memorandum accounts and revaluation reserves. Equity is represented by net assets. The objective of managing the Department's equity is to ensure the Department effectively achieves the goals and objectives for which it has been established, whilst remaining a going concern. Where the Department identifies that it does not have sufficient resources to achieve this objective, a capital injection is sought.

Financial risk management

21. Financial instruments and risks management

Accounting policy

Derivative

For certain commitments, the Department uses derivative financial instruments (foreign currency forward exchange contracts) to mitigate its risks associated with foreign currency fluctuations. The Department does not hold or issue derivative financial instruments for trading purposes. The Department has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered and are subsequently remeasured at their fair value at each balance date with the resulting gain or loss recognised in the Statement of comprehensive revenue and expense.

Foreign exchange derivatives are classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of foreign exchange derivatives is classified as non-current.

Financial instrument risks

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

The Department's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The Department has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered.

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

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

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate, or the cash flows from a financial instrument will fluctuate, due to changes in market interest rates.

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 PBE IPSAS 13 Leases. The Department has received the approval of the Minister of Finance for the passport printer lease. The fixed interest rate on the term of these leases reduces the exposure on borrowed funds. This information is provided in [Note 16](#).

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.

In the normal course of its business, credit risk arises from receivables, deposits with banks, and derivative financial instrument assets. The Department banks with Treasury approved financial institutions. The Department is permitted to deposit funds only with Westpac (Standard and Poor's credit rating of AA-), a registered bank, and enter into foreign exchange forward contracts with the New Zealand Debt Management Office (Standard and Poor's credit rating of AA+). These entities have high credit ratings.

The credit risk of the Department's debtors' balance is concentrated with the Crown. For its other financial instruments, the Department does not have significant concentrations of credit risk.

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. This information is provided in [Note 6](#) and [7](#).

Liquidity risk

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

As part of meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected cash 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 balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Note	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
2023						
Creditors and other payables	11	48,473	48,473	-	-	-
Finance lease	16	10,700	452	452	3,616	6,180
2022						
Creditors and other payables		45,931	45,931	-	-	-
Finance lease		11,604	452	452	4,521	6,179

The Department had no forward exchange contracts outstanding at 30 June 2023 (2021/22: nil).

Categories of financial instruments

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

Actual 2022 \$000		Note	Actual 2023 \$000
Financial assets at amortised cost			
49,024	Cash and cash equivalents	6	80,828
78,063	Debtor Crown		62,667
14,861	Debtors and other receivables	7	27,809
141,948	Total loans and receivables		171,304
Financial liabilities measured at amortised cost			
45,931	Creditors and other payables	11	48,473
8,079	Finance leases	16	7,647
54,010	Total financial liabilities measured at amortised cost		56,120

Other disclosures

22. Controlled entity

The Department is required to prepare consolidated financial statements in relation to the group for each financial year. Consolidated financial statements for the group have not been prepared using the acquisition method, due to the small size of its controlled entity, the National Library of New Zealand Foundation (the Foundation), which means that the parent and group amounts are not materially different.

The Foundation has a balance date of 31 March and there were no significant events to adjust between then and 30 June 2023.

The Foundation had total revenue of \$0.371 million (2021/22: \$0.269 million) and a net loss of \$0.207 million (2021/22: \$0.524 million net loss). The Foundation had assets of \$1.492 million (2021/22: \$1.836 million) and liabilities of \$0.950 million (2021/22: \$0.950 million).

The Foundation has no capital commitments or non-cancellable operating commitment leases as lessee. The Board undertook to provide an additional \$0.100 million contribution to the Community of Readers Project in partnership with the National Library of New Zealand. As at balance date, unspent funds were \$0.550 million.

The Foundation had no contingent assets or contingent liabilities at balance date.

Accounting policies applied to the controlled entity

Donations in kind

Donations in kind exist where an asset or service is provided by a third party in exchange for branding association or other non-cash benefits provided by the Foundation. This occurs through open market negotiations, and the fair market value of the asset or service provided is recognised as revenue to the Foundation, with an equal value recognised as the expense incurred in providing these associated benefits.

Investments

Short term investments are investments maturing within 12 months of the Foundation's reporting date of 31 March; long term investments are investments maturing more than 12 months after the reporting date.

23. Related party transactions and key management personnel

All related party transactions have been entered on an arm's length basis. The Department is a government department and is wholly owned and controlled by the Crown. The Government significantly influences the roles of the Department as well as being its major source of revenue.

Related party transactions required to be disclosed

There are no related party transactions that are required to be disclosed for the year ended 30 June 2023 (2022: Nil).

Related party disclosures have not been made for transactions that are within a normal supplier, client or recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect that the Department would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Transactions with key management personnel and their close family members

Key management personnel compensation

Actual 2022 \$000		Actual 2023 \$000
	Leadership team, including the Chief Executive	
3,317	Remuneration	3,332
9	Number of full-time equivalent staff	9

The key management personnel remuneration disclosure includes the Chief Executive and eight members of the Executive Leadership Team (ELT) and those formally acting in these positions during the financial year. The remuneration for the Chief Executive is determined and paid by the Public Service Commission.

Key management personnel compensation excludes the remuneration and other benefits of the Responsible Ministers of the Department. The Ministers' remuneration and other benefits are set out by the remuneration authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under Permanent Legislative Authority.

Related party transactions involving key management personnel or their close family members

Treasury has confirmed that there were no related party transactions with the Responsible Ministers of the Department. 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 with key management personnel.

24. Explanation of significant variances against budget

Statement of comprehensive revenue and expense

Variations between 2022/23 actuals and unaudited budget

The following major budget variances occurred between the 2022/23 actuals and the 2022/23 unaudited budget.

	Actual 2023 \$000	Unaudited Budget 2023 \$000	Variance \$000	Variance %
Revenue Crown	476,091	384,039	92,052	24
Other revenue	204,319	135,650	68,669	51
Personnel costs	340,875	271,936	68,939	25

Explanations for significant variances between the 2022/23 actuals and unaudited budget are detailed below:

Revenue Crown

Revenue Crown was higher than unaudited budget by \$92.052 million mainly due to the following:

- increased funding to support transition, implementation and managing the establishment of Water Services Entities and other Water Reform initiatives,
- phasing of costs associated with the delivery of the Tāhuhu Programme and relevant activities,
- increased capital charge funding as a result of the revaluation of properties associated with Archives New Zealand and the National Library of New Zealand,
- additional funding to give effect to the Public Sector Pay Adjustment (PSPA),
- funding associated with the Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic,
- Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institution's programme, and
- increased support services to members of the Executive and Election transition support.

Other Revenue

Other revenue was higher than unaudited budget by \$68.669 million mainly due to the return in deferred demand for Passport products.

Personnel expenses

Personnel expenses were higher than unaudited budget by \$68.939 million mainly due to:

- additional personnel costs incurred to support transition, implementation and managing the establishment of Water Services Entities and other Water Reform initiatives,
- additional personnel costs resulting from the PSPA, and
- additional personnel costs due to the return in deferred demand for Passport products.

Statement of financial position

Variations between 2022/23 actuals and the unaudited budget

The following major budget variances occurred between the 2022/23 actuals and the 2022/23 unaudited budget.

	Actual 2023 \$000	Unaudited Budget 2023 \$000	Variance \$000	Variance %
Current assets	186,872	141,214	45,658	32
Non-current assets	514,153	461,522	52,631	11
Current liabilities	150,966	74,785	76,181	102

Explanations for significant variances between the 2022/23 actuals and unaudited budget are detailed below:

Current assets

Current assets were higher than unaudited budget by \$45.658 million due to a higher cash balance as the Department has drawn down the 2022/23 capital injections but the actual investment associated with the injections has not been fully utilised and budgeted expenditure for management and establishment of Water Services Entities did not fully occur in 2022/23.

Non-current assets

Non-current assets were higher than unaudited budget by \$52.631 million due to:

- revaluation impact of land and buildings from 2021/22 not factored in budgeted balance due to timing of when the budget was completed, and
- revaluation impact of departmental antiques and works of arts revalued in 2022/23.

Current liabilities

Current liabilities were higher than unaudited budget by \$76.181 million mainly due to:

- higher creditors and payables due to timing difference for goods and services receipted but not yet paid,
- surplus repayment provision not budgeted for,
- higher than anticipated annual leave balance, and
- higher revenue received in advance.

25. Significant events after balance date

In August 2023, the landlord for 45 Pipitea Street, Thorndon, Wellington, one of the Department's key sites, provided a new draft detailed seismic assessment for the building. Nearly all elements of the building are 100% of the New Building Standard, however, there are four isolated areas which need strengthening. As advised by independent engineers, the building is safe to occupy, with mitigations in place to ensure people safety and allow for strengthening works. The Department is working closely with the landlord to navigate the strengthening works while maintaining the safety and wellbeing of kaimahi as a priority.

At the time of signing the financial statements it was not yet possible to determine if any required strengthening works would have a financial impact on the Department.

Ngā Tauākī Pūtea kore Tari

Financial Statements – Non-Departmental

Non-Departmental statements and schedules

for the year ended 30 June 2023

The following non-Departmental statements and schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities, contingent assets, and trust accounts that the Department manages on behalf of the Crown.

Contents

Non-Departmental statements and schedules	200
Schedule of non-Departmental revenue.....	201
Schedule of non-Departmental expenditure	202
Schedule of non-Departmental assets.....	203
Schedule of non-Departmental liabilities	204
Schedule of non-Departmental commitments.....	205
Schedule of non-Departmental contingent assets and liabilities	205
Statement of trust money administered on behalf of the Crown	206
Trusts	206
Schedule of trust money	207
Basis of reporting	208
Notes to the financial statements.....	208
1. Statement of accounting policies	208
Operating assets and liabilities	211
2. Receivables and prepayments	211
3. Shares	212
4. Property, plant and equipment and collections	213
5. Creditors and other payables.....	220
6. Financial instruments.....	221
7. Provisions	222
8. Revaluation of property, plant and equipment and collections	223
9. Receivable – repayable equity	225
Other disclosures	226
10. Explanation of significant variances against budget	226
11. Payments to or in respect of benefits and privileges of former Governors-General and Prime Ministers ..	228
12. Other information – Water Services Entities	230

Schedule of non-Departmental revenue

for the year ended 30 June 2023

Actual		Actual	Unaudited Budget	Unaudited Revised Budget
2022		2023	2023	2023
\$000		\$000	\$000	\$000
	Operating revenue			
5,226	Donations received	1,544	1,000	1,000
2,797	Fines, penalties, and levies	3,648	-	-
232	Refunds of unspent grants	332	-	-
171	Dividends received	246	-	-
720	Interest received	498	-	-
9,146	Total operating revenue	6,268	1,000	1,000

Explanations of significant variances against budget are detailed in [Note 10](#).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Schedule of non-Departmental expenditure

for the year ended 30 June 2023

Actual		Actual	Unaudited Budget	Unaudited Revised Budget
2022		2023	2023	2023
\$000		\$000	\$000	\$000
	Operating expenses			
18,015	Personnel and travel expenses - members of the Executive Council, former Governors-General and Prime Ministers	25,059	24,967	25,025
258,675	Water Services Reform grants and subsidies	235,358	64,172	411,041
	- Sediments and Debris Management Support grants	137,000	-	161,000
56,365	GST input expense	84,083	30,397	143,450
	- Expenses to establish Water Services Entities	83,497	-	208,901
55,340	Rates Rebate Scheme	65,333	58,000	70,000
55,302	Other grants and subsidies	58,209	54,978	60,185
4,559	Other expenses	7,505	14,933	10,337
2,523	Depreciation	2,558	2,682	2,682
450,779	Total operating expenses	698,602	250,129	1,092,621

Explanations of significant variances against budget are detailed in [Note 10](#).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Schedule of non-Departmental assets

as at 30 June 2023

This schedule summarises the assets which the Department administers on behalf of the Crown.

Actual Restated		Note	Actual	Unaudited Budget	Unaudited Revised Budget
2022			2023	2023	2023
\$000			\$000	\$000	\$000
Current Assets					
75,943	Cash and cash equivalents		99,676	10,845	35,464
1,014	Receivables and prepayments	2	11,100	120	1,100
12,114	Receivable – repayable equity	9	12,211	12,211	12,412
89,071	Total current assets		122,987	23,176	48,976
Non-current Assets					
3	Debtors and other receivables	2	3	103	93
20,912	Shares	3	21,166	18,949	20,912
80,998	Property, plant and equipment	4	78,516	76,517	78,493
1,320,419	Heritage collections	4	1,421,685	1,513,642	1,516,507
38,803	Receivable – repayable equity	9	26,204	24,987	50,905
1,461,135	Total non-current assets		1,547,574	1,634,198	1,666,910
1,550,206	Total non-Departmental assets		1,670,561	1,657,374	1,715,886

In addition, the Department monitors three Crown entities. These are Fire and Emergency New Zealand, the Office of Film and Literature Classification and Taumata Arowai – the Water Services Regulator. The Crown's investment in those entities is consolidated in the Financial Statements of the Government on a line-by-line basis. The investment in those entities is not included in this schedule.

Explanations of significant variances against budget are detailed in **Note 10**.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Schedule of non-Departmental liabilities

as at 30 June 2023

This schedule summarises the liabilities which the Department administers on behalf of the Crown.

Actual		Note	Actual	Unaudited	Unaudited
2022			2023	Budget	Revised
\$000			\$000	2023	Budget
				\$000	2023
				\$000	\$000
Current liabilities					
18,520	Creditors and other payables	5	43,896	10,462	31,511
1,008	Provisions	7	1,312	1,035	1,008
19,528	Total current liabilities		45,208	11,497	32,519
Non-current liabilities					
12,571	Provisions	7	13,193	15,769	12,549
12,571	Total non-current liabilities		13,193	15,769	12,549
32,099	Total non-Departmental liabilities		58,401	27,266	45,068

Explanations of significant variances against budget are detailed in **Note 10**.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Schedule of non-Departmental commitments

as at 30 June 2023

The Department, on behalf of the Crown, had no capital and operating commitments that had not been paid for or not recognised as a liability, as at 30 June 2023.

Schedule of non-Departmental contingent assets and liabilities

as at 30 June 2023

Quantifiable contingent assets

As at 30 June 2023, there were no quantifiable contingent assets (2021/22: nil).

Unquantifiable contingent assets

As at 30 June 2023, there were no unquantifiable contingent assets (2021/22: nil).

Quantifiable contingent liabilities

As at 30 June 2023, there were no quantifiable contingent liabilities (2021/22: nil).

Unquantifiable contingent liabilities

As at 30 June 2023, there was one unquantifiable contingent liability relating to legal action (2021/22: two).

Legal action

The unquantifiable contingent liability has arisen as a consequence of legal action being taken against the Department. The Department is currently disputing this legal action. The amount and timing of the claim is uncertain, as it is dependent on court decisions. The contingency is therefore unquantified.

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Statement of trust money administered on behalf of the Crown

for the year ended 30 June 2023

The following trust money is administered on behalf of the Crown under Part 7 of the Public Finance Act 1989.

Trusts

Christchurch Earthquake Appeal Trust

This trust was established by the Government because of the Canterbury earthquake of 22 February 2011. It is a registered charity and administers donations and grants made to affected people in Canterbury. In May 2023, the Trustees resolved that as at 30 June 2023, the Trust no longer needs to continue and would be wound up. Clause 20.1 of the Trust Deed enables the Trustees to wind up the Trust if all the Trust's assets have been applied in furthering the Trust objectives. As at 30 June 2023, the Trust had no assets or liabilities, equity was nil, all funds were distributed, and all grants paid.

Inter-Loan Billing System Fund

The Inter-Loan Billing System Fund is administered by the National Library of New Zealand. It manages the on-charging of fees for national and trans-Tasman inter-lending between participating New Zealand libraries and Australian libraries.

Market Place Trust Account

The Market Place Trust Account is administered by the Department. It is used to manage financial transactions initiated through the Digital Government Market Place that facilitates Government agencies to purchase digital services in a flexible and secure space. The Department has discontinued the use of the Trust account for the Digital Government Market Place and is in the process of winding up the trust.

Cyclone Gabrielle Charitable Trust

The Cyclone Gabrielle Charitable Trust was established on 27 February 2023 to provide a mechanism for domestic and international donors to support the medium to long-term recovery needs of communities, iwi, hapū and marae impacted by Cyclone Gabrielle and other extreme weather events of January and February 2023. The Trust was established to complement the work of charitable and local government organisations supporting the immediate response.

Schedule of trust money

This 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.

The Trusts are audited annually.

2023	Opening Balance 1 July \$000	Contributions \$000	Distributions \$000	Revenue \$000	Expenses \$000	Closing Balance 30 June \$000
Christchurch Earthquake Appeal Trust	61	-	(404)	343	-	-
Inter-Loan Billing System Fund	31	-	-	166	(163)	34
Cyclone Gabrielle Charitable Trust	-	13,535	-	68	-	13,603
Total trusts	92	13,535	(404)	577	(163)	13,637
2022	Opening Balance 1 July \$000	Contributions \$000	Distributions \$000	Revenue \$000	Expenses \$000	Closing Balance 30 June \$000
Christchurch Earthquake Appeal Trust	976	2	(1,084)	167	-	61
Inter-Loan Billing System Fund	37	-	-	182	(188)	31
Total trusts	1,013	2	(1,084)	349	(188)	92

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the Consolidated Financial Statements of the Government for the year ended 30 June 2023.

Basis of reporting

Notes to the financial statements

1. Statement of accounting policies

Reporting entity

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

These non-Departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2023 with comparative figures for the year ended 30 June 2022.

Basis of preparation

The non-Departmental statements and schedules have been prepared in accordance with the accounting policies as set out in the Consolidated Financial Statements of the Government, Treasury instructions and Treasury circulars.

Measurement and recognition rules applied in the preparation of these non-Departmental statements and schedules are consistent with New Zealand generally accepted accounting practice (Tier 1 Public Benefit Entity Accounting Standards) as appropriate for public benefit entities (PBE).

Budget figures

The 2023 budget figures (Unaudited Budget 2023) are for the year ended 30 June 2023, which are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (Budget 2022) for the year ending 30 June 2023.

The 2022/23 unaudited revised budget figures (Unaudited Revised Budget 2023) are for the year ended 30 June 2023. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Supplementary Estimates of Appropriations (Supps 2023) for the year ending 30 June 2023.

The budget figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

Comparatives

When presentation or classifications 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.

Presentation currency and rounding

The non-Departmental statements and schedules are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than payments to or in respect of benefits and privileges of former Governors-General and Prime Ministers disclosed in **Note 11**. The payments to or in respect of benefits and privileges of former Governors-General and Prime Ministers disclosures are rounded to the nearest dollar.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with PBE accounting standards requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenditure. 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.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate and the ones that do not relate to a specific note are outlined below.

Revenue

Revenue from the supply of services are recognised in the Schedule of non-Departmental revenue when earned.

Donations received

When a heritage collections (accession of records) asset is acquired by donation or legal deposit for nil or nominal consideration, the fair value of the asset received is recognised as revenue in the Schedule of non-Departmental revenue.

Expenditure

Grants

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria. They are recognised as expenditure when an application that meets the specified criteria for the grant has been received. The Department's non-discretionary grants have no substantive conditions (i.e. use for restricted purposes or repay).

Discretionary grants are those grants where the Department has no obligation to award on receipt of the grant application.

For discretionary grants without substantive conditions, the total committed funding over the life of the funding agreement is recognised as expenditure once the grant is approved by the grants approvals committee, and the approval has been communicated to the applicant.

Grants with substantive conditions are recognised as an expense at the earlier of the grant payment date or when grant conditions have been satisfied.

If a grant is refunded (either in part or in full), the refund will be netted off against the relevant grants expenditure in the Schedule of non-Departmental expenditure, if the original payment was recognised in the same financial year. If a refunded grant relates to a payment recognised in a previous financial year, the refund will be treated as revenue (refunds of unspent grants) in the Schedule of non-Departmental revenue.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit, and funds on deposit with banks with an original maturity of no more than three months.

Commitments

Commitments are future expenses and liabilities to be incurred on contracts that have been entered into prior to balance date. Operating and capital commitments arising from non-cancellable contractual or statutory obligations are disclosed within the Schedule of non-Departmental 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 non-Departmental contingent assets and liabilities at the point at which the contingency is evident. Contingent assets are disclosed if it is virtually certain that the benefits will be realised. Contingent liabilities are disclosed when there is a possibility that they will crystallise.

Goods and services tax (GST)

Amounts in the financial statements, including appropriation schedules, are reported exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. In accordance with Treasury instructions, GST is returned on revenue received on behalf of the Crown where applicable. However, an input tax deduction is not claimed on non-Departmental expenditure. Instead, the amount of GST applicable to non-Departmental expenditure is recognised as a separate expense and eliminated against GST revenue in the consolidation of the financial statements of the Government.

Prior year restatement

During the year, the heritage collections have been valued by an independent valuer Dunbar Sloane. A detailed review was carried out to obtain a deeper understanding of the valuation methodology used by the valuer including how fair value is assigned to individual asset categories. It was determined that the prices in an open market such as through auctions that were used as a proxy to the heritage collections fair value were inclusive of GST. This methodology has also been adopted in the past, therefore, the heritage collections value has been overstated by the GST component historically.

The heritage collections should have been accounted for net of GST. To remove the GST portion in previous years' valuation, and to ensure comparative information is presented consistently between financial years, we have restated the 2021/22 values. The impact of restatement are shown below:

Schedule of non-Departmental assets	Before restatement	After restatement	Increase/(Decrease) Heritage collections
	2022 \$000	2022 \$000	2022 \$000
Non-current assets			
Heritage collections	1,510,110	1,320,419	(189,621)
Total heritage collections	1,510,110	1,320,419	(189,621)

Revaluation reserve	Before restatement	After restatement	Increase/(Decrease)
	2022 \$000	2022 \$000	Revaluation reserve 2022 \$000
Revaluation reserve			
Heritage collections	332,898	143,370	(189,528)
Total revaluation reserve – heritage collections	332,898	143,370	(189,528)

The prior restatement also resulted in a reduction of \$163,000 from Taxpayers' Funds balance up to 30 June 2022.

The adjustment resulted to restatements within Note 4 and Note 8 of the non-Departmental statements and schedules.

The total impact of the adjusted heritage collections value prior to 2020/21 was a cumulative reduction of \$191.069 million against the heritage collections asset and revaluation reserve.

Operating assets and liabilities

2. Receivables and prepayments

Accounting policy

Receivables are recorded at face value, less an allowance for credit losses. The Department, on behalf of the Crown, has applied the simplified expected credit loss model of recognising expected credit losses for receivables. In measuring expected credit losses, debtors and other receivables have been assessed on a collective basis as they possess shared credit risk characteristics. Any expected credit losses are recognised in the Schedule of non-Departmental expenditure.

Receivables are written off when there is no reasonable expectation of recovery. The carrying value of receivables approximates their fair value.

Breakdown of receivables and prepayments

Actual 2022 \$000		Actual 2023 \$000
180	Receivables (current)	1,491
834	Prepayments (current)	9,609
3	Receivables (non-current)	3
1,017	Total receivables and prepayments	11,103

3. Shares

Accounting policy

Where the Department, on behalf of the Crown, holds a non-controlling minority interest, the shares are valued at cost in the financial statements. Associates are entities in which the Crown has significant influence, but not control over their operating and financial policies. In the financial statements, the Crown investment in associates has been recognised using the equity method. The equity method initially recognises an investment at cost and is adjusted thereafter for the post-acquisition change in the share of the entity's net assets.

Further information

New Zealand Local Government Funding Agency

The Crown holds \$5 million of the \$25 million paid-up share capital of the New Zealand Local Government Funding Agency (LGFA). The shares have been valued by the equity method as, although the Crown does not have direct representation on the LGFA board of directors, it may solely appoint, remove and replace one member of the Shareholders' Council. The Shareholders' Council makes recommendations to shareholders as to the appointment, removal, re-election, replacement and remuneration of directors. The share value has therefore been adjusted to reflect the Crown's share of any changes in the net assets of the LGFA.

The LGFA net assets at 30 June 2023 were \$105.832 million (2021/22: \$104.560 million). The Crown's share of the net assets is \$21.166 million (2021/22: \$20.912 million).

The summarised financial information of the LGFA is:

Actual 2022 \$000	Actual 2023 \$000
393,507 Revenue	763,585
16,250,167 Assets	18,174,645
16,145,607 Liabilities	18,068,813
10,673 Net surplus/(deficit)	2,490

The above figures are audited. The Crown is not a guarantor of the LGFA and has no share of any contingent liabilities of the LGFA.

4. Property, plant and equipment and collections

Accounting policies

Recognition and measurement

Items of property, plant and equipment and collections are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value being their deemed cost at initial recognition.

All the Crown's property, plant and equipment are subsequently measured in accordance with the fair value model.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour,
- costs directly attributable to bringing the assets to a working condition for their intended use, and
- an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, if the Crown has an obligation to remove the asset or restore the site.

Subsequent costs

Subsequent costs are capitalised when it is probable that future economic benefits or service potential associated with the item will flow to the Department and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the Schedule of non-Departmental expenditure as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised in the Schedule of non-Departmental revenue and/or Schedule of non-Departmental expenditure in the period in which the transaction occurs. The revaluation reserve balance of a disposed revalued asset is transferred to retained earnings upon disposal.

Impairments

The carrying amounts of land, residential buildings, boating facilities and heritage collections are reviewed for impairment at least annually, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impaired asset's carrying amount is written down to its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognised immediately in the Schedule of non-Departmental expenditure, unless the asset is carried at a revalued amount in which case, any impairment loss is treated as a revaluation decrease.

Revaluations

Revaluations are carried out for land, residential buildings, boating facilities and heritage collections 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.

Classes of land, residential buildings, boating facilities and heritage collections are revalued every three years, or more frequently, if the carrying amount differs materially to fair value. The latter is assessed every year by an independent registered valuer.

Unrealised gains and losses arising from changes in the value are recognised as at balance date.

Any loss is debited to the revaluation reserve to the extent that there is a balance in the asset revaluation reserve for that asset class. Otherwise, losses are reported in the Schedule of non-Departmental expenditure.

A gain is credited to the Schedule of non-Departmental revenue to the extent that it reverses a loss previously charged to the Schedule of non-Departmental expenditure for the asset class. Otherwise, gains are credited to an asset revaluation reserve for that class of asset.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount. The useful life of an asset is assessed following revaluation.

Specific asset class policies

The specific asset class policies are described below:

Land and residential buildings

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

Depreciation on buildings 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 range from 10 to 50 years. Depreciation is not charged on land. Assets under construction are not subject to depreciation. Depreciation method, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

Boating facilities

Boating facilities are recorded at fair value less impairment losses and less depreciation accumulated since the assets were last revalued.

Depreciation on boating facilities is charged on a straight-line basis to allocate the cost or valuation to the estimated residual value over the asset's estimated useful life. The estimated useful life for boating facilities ranges from 4 to 80 years.

Alexander Turnbull Library heritage collections

Section 11 of the National Library of New Zealand (Te Puna Mātauranga o Aotearoa) Act 2003 requires the Crown to own in perpetuity the collections held in the Alexander Turnbull Library.

The Alexander Turnbull Library heritage collections are measured at fair value. The methodology used to value the heritage collections is to take a sample of each category in the collection to analyse the variety and quality of each category to determine a benchmark market value to be extrapolated over the entire category. The market values are obtained from an independent valuer through market assessments and from other collections of a similar nature to the government collections.

The carrying value includes the value of purchases for the collections since the last revaluation and the value of material received through donations and legal deposits. The collections are not depreciated.

Archives New Zealand heritage collections

Non-exceptional Archives New Zealand heritage collections items are measured at fair value. The methodology used was to divide the collection into categories by format and age, to associate records that together could be said to have a broad commonality of value. Benchmark valuations were obtained from an independent valuer through market assessments and from other collections of a similar nature to the government archives. Accessions since the date of valuation are valued based on these benchmarks.

Independent valuations of other exceptional items, including the Treaty of Waitangi, are measured at fair value, and are based on market assessments from collections of a similar nature.

The valuation of the Archives New Zealand heritage collections includes only public archives in the possession of Archives New Zealand. Public archives held in other approved repositories do not form part of the valuation. The collection is not depreciated.

The Archives New Zealand archival holdings have received a large volume of records over time that have not been fully assessed and have not yet been determined to be suitable for transfer into the control of the Chief Archivist. The vast bulk of this material sits in the Wellington repository. Significant resources are required to carry out these assessments and to provide proper descriptive documentation for these unprocessed records. These unprocessed records are not included in the collections' valuation reported for the Archives New Zealand archival holdings, because the Department is unable to accurately categorise and appraise their collections value for reporting purposes. Following a successful initiative in Budget 2020, Archives New Zealand initiated a project to process, describe, and classify these unprocessed records so those which are deemed to be of archival significance can be brought under the Chief Archivist's control.

Movement of property, plant and equipment and collections and further information

2023

Cost or valuation

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Property, plant and equipment						
Residential buildings	5,230	-	-	-	-	5,230
Boating facilities	64,586	48	-	-	-	64,634
Land	13,570	-	-	-	-	13,570
Total cost property, plant and equipment	83,386	48	-	-	-	83,434
Heritage collections						
Archives New Zealand heritage collection	518,466	2,242	15,971	-	-	536,679
Total value Archives New Zealand heritage collection	518,466	2,242	15,971	-	-	536,679
<i>Alexander Turnbull Library heritage collections</i>						
Archive of New Zealand music	1,344	-	562	-	-	1,906
Cartographic	64,270	4	28,014	-	-	92,288
Cartoon	2,159	1	958	-	-	3,118
Children's historical	90	-	-	-	-	90
Digital	11,717	26	3,805	-	-	15,548
Drawings and prints	209,578	-	33,950	-	-	243,528
Ephemera	12,968	285	(698)	-	-	12,555
Formed	1,213	191	(23)	-	-	1,381
General	6,480	-	33	-	-	6,513
Manuscripts/archives	159,686	124	9,135	-	-	168,945
Multi-format	2,017	499	(632)	-	-	1,884
Music	1,518	50	(690)	-	-	878
New Zealand and Pacific	11,559	-	(1,058)	-	-	10,501
Newspapers	922	109	(174)	-	-	857
Oral history	29,464	555	4,087	-	-	34,106

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Photographic	28,165	119	1,546	-	-	29,830
Rare books and fine prints	220,404	93	2,109	-	-	222,606
Serials	11,041	182	(437)	-	-	10,786
Short title	27,358	-	328	-	-	27,686
Total value Alexander Turnbull Library heritage collections	801,953	2,238	80,815	-	-	885,006
Total value heritage collections	1,320,419	4,480	96,786	-	-	1,421,685
Total cost/value	1,403,805	4,528	96,786	-	-	1,505,119

2023**Accumulated depreciation**

Asset class	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Property, plant and equipment						
Residential buildings	-	196	-	-	-	196
Boating facilities	2,388	2,334	-	-	-	4,722
Total accumulated depreciation property, plant and equipment	2,388	2,530	-	-	-	4,918
Asset class	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Additions/ (disposals) \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Net carrying value						
Residential buildings	5,230	(196)	-	-	-	5,034
Boating facilities	62,198	(2,334)	-	48	-	59,912
Land	13,570	-	-	-	-	13,570
Heritage collections	1,320,419	-	96,786	4,480	-	1,421,685
Total net carrying value	1,401,417	(2,530)	96,786	4,528	-	1,500,201

2022 Restated**Cost or valuation restated**

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Property, plant and equipment						
Residential buildings	4,656	119	455	-	-	5,230
Boating facilities	64,464	122	-	-	-	64,586
Land	12,570	-	1,000	-	-	13,570
Total cost property, plant and equipment	81,690	241	1,455	-	-	83,386
Heritage collections						
Archives New Zealand heritage collection	517,337	1,131	-	-	(2)	518,466
Total value Archives New Zealand heritage collection	517,337	1,131	-	-	(2)	518,466
<i>Alexander Turnbull Library heritage collections</i>						
Archive of New Zealand music	1,343	1	-	-	-	1,344
Cartographic	64,270	-	-	-	-	64,270
Cartoon	1	2,100	-	-	58	2,159
Children's historical	90	-	-	-	-	90
Digital	10,295	1,422	-	-	-	11,717
Drawings and prints	209,577	1	-	-	-	209,578
Ephemera	12,965	3	-	-	-	12,968
Formed	1,213	-	-	-	-	1,213
General	6,476	4	-	-	-	6,480
Manuscripts/archives	159,678	8	-	-	-	159,686
Multi-format	689	1,326	-	-	2	2,017
Music	1,352	166	-	-	-	1,518
New Zealand and Pacific	11,617	-	-	-	(58)	11,559
Newspapers	921	1	-	-	-	922
Oral history	29,189	275	-	-	-	29,464
Photographic	27,206	959	-	-	-	28,165

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Rare books and fine prints	220,399	5	-	-	-	220,404
Serials	10,877	164	-	-	-	11,041
Short title	27,357	1	-	-	-	27,358
Total value Alexander Turnbull Library heritage collections	795,515	6,436	-	-	2	801,953
Total value heritage collections	1,312,852	7,567	-	-	-	1,320,419
Total cost/value	1,394,542	7,808	1,455	-	-	1,403,805

2022 Restated**Accumulated depreciation restated**

Asset class	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Property, plant and equipment						
Residential buildings	339	161	(500)	-	-	-
Boating facilities	26	2,362	-	-	-	2,388
Total accumulated depreciation property, plant and equipment	365	2,523	(500)	-	-	2,388

Asset class restated	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Additions/ (disposals) \$000	Transfers/ re-classification \$000	Balance at 30 June \$000
Net carrying value						
Residential buildings	4,317	(161)	955	119	-	5,230
Boating facilities	64,438	(2,362)	-	122	-	62,198
Land	12,570	-	1,000	-	-	13,570
Heritage collections	1,312,852	-	-	7,567	-	1,320,419
Total net carrying value	1,394,177	(2,523)	1,955	7,808	-	1,401,417

Capital work in progress

The total amount of property, plant and equipment under construction is \$2.213 million (2021/22: \$3.320 million).

Revaluation movements

Details of the valuations and revaluation movements are contained in [Note 8](#).

Restrictions of title

The ministerial properties comprising Premier House and Bolton Street are restricted for Government use. The carrying value of the restricted use land and residential buildings is \$18.622 million (2021/22: \$18.782 million).

5. Creditors and other payables

Actual 2022 \$000		Actual 2023 \$000
Creditors and other payables under exchange transactions		
17,954	Accrued expenses	43,896
566	Accrued heritage collection purchases	-
18,520	Total creditors and other payables	43,896

The carrying value of creditors and other payables approximates their fair value. Other payables and accrued heritage collection purchases are non-interest bearing and are normally settled on 30-day terms.

6. Financial instruments

The carrying amounts of financial assets and financial liabilities are as follows:

Actual 2022 \$000		Note	Actual 2023 \$000
Financial assets at amortised cost			
75,943	Cash and cash equivalents		99,676
183	Receivables	2	1,494
50,917	Receivable – repayable equity	9	38,415
127,043	Total financial assets at amortised cost		139,585
Financial liabilities measured at amortised cost			
18,520	Creditors and other payables	5	43,896
18,520	Total financial liabilities measured at amortised cost		43,896

The Department, on behalf of the Crown, is party to financial instrument arrangements as part of its daily operations. These include cash and cash equivalents, accounts receivable, receivable - repayable equity, accounts payable and foreign currency forward contracts.

The Department's activities, on behalf of the Crown, expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. There is a series of policies to manage the risks associated with financial instruments and the policies seek to minimise exposure from financial instruments. These policies do not allow the Department, on behalf of the Crown, to enter into any transactions that are speculative in nature.

Credit Risk

Credit risk is the risk that a third party will default on its obligations, causing a loss to be incurred. Credit risk arises from debtors and deposits with banks. Funds must be deposited with Westpac, a registered bank.

The maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, and receivables. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired. Credit risks are concentrated on the cash and cash equivalents balance held with Westpac bank having a Standard & Poor's credit rating of AA-, and on receivables – repayable equity with Fire and Emergency New Zealand, a Crown entity. There are no other significant concentrations of credit risk.

No allowance for credit losses has been recognised on the financial assets as at 30 June 2023 because the estimated credit losses is trivial (30 June 2022: nil).

Liquidity Risk

Liquidity risk is the risk that the Department, acting on behalf of the Crown, will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the forecast cash requirements are closely monitored against the expected drawdowns from the New Zealand Debt Management Office. The Department, on behalf of the Crown, maintains a target level of available cash to meet liquidity requirements.

The table below analyses the financial liabilities that will be settled based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Note	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
2023						
Creditors and other payables	5	43,896	43,896	-	-	-
2022						
Creditors and other payables		18,520	18,520	-	-	-

7. Provisions

The balance of the provisions account represents the estimated value of future benefits payable to former Governors-General and Prime Ministers over their expected lives under the Members of Parliament (Remuneration and Services) Act 2013 and the Governor-General Act 2010 as at balance date.

Actuarial services were provided by Mercer (N.Z.) Ltd, fellow of the New Zealand Society of Actuaries.

The measurement of the estimated future benefits depends on several factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the consumer price index. Any changes in these assumptions will affect the carrying value of the liability.

	2023	2022
Discount rate	4.63%	4.02%
Net surplus/(deficit)	2.00%	2.00%

8. Revaluation of property, plant and equipment and heritage collections

2023	Balance at 1 July \$000	Revaluation movement \$000	Balance at 30 June \$000
Land and residential buildings	12,729	-	12,729
Boating facilities	9,637	-	9,637
Heritage collections	143,370	96,786	240,156
Total revaluation reserves	165,736	96,786	262,522

2022 Restated	Balance at 1 July \$000	Revaluation movement \$000	Balance at 30 June \$000
Land and residential buildings	10,774	1,955	12,729
Boating facilities	9,637	-	9,637
Heritage collections	143,370	-	143,370
Total revaluation reserves	163,781	1,955	165,736

Critical accounting estimates and assumptions

Land and residential buildings – Ministerial properties

The land and residential buildings were revalued in June 2022, by CBRE Limited, a Licensed Real Estate Agent (REAA 2008) and registered independent valuer.

The Ministerial properties were valued at fair value using market-based evidence based on comparative residential sales. The main assumptions on June 2022 valuations were:

- Capital value gross rate (inclusive of land and residential buildings) analysis range from \$6,500 to \$13,000 per square metre.
- Net rate (excluding land value) analysis range from \$500 to \$3,750 per square metre.

The next revaluation will be effective from 30 June 2025, in line with the Department's accounting policy.

Boating facilities – Lake Taupō and Waitangi Wharf (Chatham Islands)

The boating facilities were revalued in June 2021, with the valuations being effective from 30 June 2021, by RS Valuation Limited, a Licensed Real Estate Agent (REAA 2008) and registered independent valuer. The next valuation will be effective from 30 June 2024, in line with the Department's accounting policy.

Archives New Zealand heritage collections

The Archives New Zealand heritage collections, the Treaty of Waitangi and other exceptional items were revalued in June 2023, by an independent valuer Dunbar Sloane Limited, through market assessments and from other collections of a similar nature. Where an active market did not exist for some assets, fair value was determined by reference to the asset's replacement cost.

Alexander Turnbull Library heritage collections

The Alexander Turnbull Library heritage collections were revalued in June 2023. The valuations were based on market assessments and other collections of a similar nature to the government collection. 'Auction hammer prices' were used as a proxy for fair value and are regarded as GST inclusive. Where an active market did not exist for some assets, fair value was determined by reference to the asset's replacement cost.

Heritage collections valued at replacement cost

Heritage collections digital assets such as paintings and prints, drawings, manuscripts, photographs, oral history, maps, ephemera and music have been valued using replacement cost as there was no active market for these types of assets as at 30 June 2023.

The following inputs have been included in calculating replacement cost per unit of each digital asset category:

- For staff partly working on digital assets, the amount of time spent on the assets collected was estimated and the relevant proportion of their salaries were apportioned based on the quantities of each digital asset category collected in the last three financial years,
- For staff working fully on digital assets, their salaries were apportioned based on the quantities assigned to each digital asset category for assets collected for the last three financial years.

The costs calculated are estimated to be the updated unit cost of the assets. The total replacement costs were calculated by multiplying the unit cost by the total quantities as at 30 June 2023.

9. Receivable – repayable equity

Accounting policy

Receivable - repayable equity consists of loans receivable from Fire and Emergency New Zealand (FENZ) and is initially recognised at fair value plus transaction costs directly attributable to the issue of the loan. Loans at nil, or below-market, interest rates are initially recognised at the present value of their expected future cash flows, discounted using a rate for loans of a similar term and credit risk. These loans are subsequently measured using the effective interest method, net of an allowance for expected credit losses.

Breakdown of receivable – repayable equity and further information

Actual 2022 \$000		Actual 2023 \$000
63,198	Balance at 1 July	50,917
(13,000)	Repayment of repayable equity	(13,000)
719	Interest unwind	498
50,917	Carrying value at 30 June	38,415
Current and non-current apportionment		
12,114	Repayable equity – current	12,211
38,803	Repayable equity – non-current	26,204
50,917	Carrying value repayable equity	38,415

Further information

FENZ repaid \$13 million to the Department in 2022/23 (2021/22: \$13 million).

The fair value of the repayable equity is \$38.415 million (2021/22: \$50.917 million). The fair value of the repayable equity is based on cash flows discounted using the spot discount rate.

Other disclosures

10. Explanation of significant variances against budget

Non-Departmental schedule of revenue and expenditure

Variations between 2022/23 actuals and the unaudited budget

The following major budget variances occurred between the 2022/23 actuals and the 2022/23 unaudited budget.

	Actual 2023 \$000	Unaudited Budget 2023 \$000	Variance \$000	Variance %
Schedule of non-Departmental revenue				
Total operating revenue	6,268	1,000	5,268	527
Schedule of non-Departmental expenditure				
Total operating expenses	698,602	250,129	448,473	179

Explanations for significant variances between the 2022/23 actuals and unaudited budget are detailed below:

Operating revenue

Operating revenue was higher than unaudited budget by \$5.268 million mainly due to the following:

- a higher level of accessions and donations received by Archives New Zealand and the National Library of New Zealand in 2022/23 than the budgeted annual legal deposits,
- revenue received from overseas betting agencies under the offshore betting regime not budgeted, and
- grant refunds, dividends and interest not budgeted for.

Operating expenses

Operating expenses were higher than unaudited budget by \$448.473 million mainly due to the following:

- new appropriation approved during the year to establish Water Services Entities,
- increased appropriation for Water Services Reform to facilitate the reform of water service delivery in New Zealand,
- increased expense for grants from Water Infrastructure and Delivery grants to territorial authorities to enable councils to fully execute water services reform stimulus funding delivery plans,
- new appropriation established during the year to provide support for sediment and debris management following adverse weather events and natural hazards as part of the Government's immediate response to the North Island Weather Events of February to March 2023, and
- increased demand for the rates rebate scheme.

Schedule of non-Departmental assets and liabilities

Variations between 2022/23 actuals and the unaudited budget

The following major budget variances occurred between the 2022/23 actuals and the 2022/23 unaudited budget.

	Actual 2023 \$000	Unaudited Budget 2023 \$000	Variance \$000	Variance %
Schedule of non-Departmental assets				
Cash and cash equivalents	99,676	10,845	88,831	819
Schedule of non-Departmental liabilities				
Creditors and other payables	43,896	10,462	33,434	320

Explanations for significant variances between the 2022/23 actuals and unaudited budget are detailed below:

Cash and cash equivalents

Cash and cash equivalents were higher than audited budget by \$88.831 million due to funding that was expected to be paid out or payable at year end to recipients but was not, primarily for:

- funding for the establishment of the Water Services Entities that has been budgeted but where expenditure has not occurred in 2022/23,
- funding for the Water Services Reform Better Off Support Package budgeted for but not paid to territorial authorities as at year end, and
- Funding associated with the Sediment and Debris Management Package for Whenua Māori delayed until 2023/24 and transferred to Te Puni Kōkiri.

Creditors and other payables

Creditors and other payables were higher than unaudited budget by \$33.434 million due to higher vendor balances relevant to Water Reform programme initiatives.

11. Payments to or in respect of benefits and privileges of former Governors-General and Prime Ministers

The terms of the appointment of a person as Governor-General or Prime Minister may include an agreement for that person and their spouse or partner to be provided with specified benefits or privileges by way of payments in respect of domestic travel and the use of chauffeured cars when they no longer hold office as Governor-General or Prime Minister.

Former Prime Ministers and their spouses, and former Governors-General, are entitled to use VIP Transport (VIPT) Services as per the Members of Parliament (Remuneration and Services) Act 2013 (the Act). The cost of the service is recovered from entitled users through hourly charges for chauffeur-driven trips (covering direct costs of individual jobs) and availability charges designed to ensure that a fit-for-purpose on-call service is available to entitled customers.

An indirect availability fee is allocated to all entitled users, due to their ability to access the use of VIPT Services, as per entitlements stipulated in the Act. This fee is allocated across each entitled user, regardless of whether this entitlement is taken up.

In addition, the Department provides self-drive vehicles to current Ministers and former Prime Ministers and their spouses for which it incurs depreciation and other direct costs which are also fully recovered through the availability fee. Additional availability fees (AF) are charged to entitled users who choose to take up their entitlement to a self-drive vehicle.

This statement sets out the details of any benefits or privileges paid to or in respect of any former Governor-General under an agreement made under section 11(1) or section 28(1)(d) of the Governor-General Act 2010, and former Prime Ministers under an agreement made under section 17 and 32 (4) of the Member of Parliament (Remuneration and Services) Act 2013.

Former Governors-General

2023	VIPT AF	FBT	Airfares	Surface Travel	Total
	\$	\$	\$	\$	\$
Lady Beverley Reeves	2,376	-	-	-	2,376
The Rt Hon Sir Michael Hardie Boys	2,376	-	-	425	2,801
The Hon Dame Silvia Cartwright	2,376	1,389	1,753	1,584	7,102
The Rt Hon Sir Anand Satyanand	2,376	135	2,628	367	5,506
Lt Gen the Rt Hon Sir Jerry Mateparae	2,376	4,859	9,299	119	16,653
The Rt Hon Dame Patsy Reddy	2,376	5,160	8,364	818	16,718
Total	14,256	11,543	22,044	3,313	51,156

2022	VIPT AF	FBT	Airfares	Surface Travel	Total
	\$	\$	\$	\$	\$
Lady Beverley Reeves	5,135	-	-	299	5,434
The Rt Hon Dame Catherine Anne Tizard	1,712	-	-	-	1,712
The Rt Hon Sir Michael Hardie-Boys	5,135	-	-	299	5,434
The Hon Dame Silvia Cartwright	5,135	282	2,190	1,111	8,718
The Rt Hon Sir Anand Satyanand	5,135	787	734	957	7,613
Lt Gen the Rt Hon Sir Jerry Mateparae	5,135	649	602	486	6,872
The Rt Hon Dame Patsy Reddy	3,851	771	2,311	762	7,695
Total	31,238	2,489	5,837	3,914	43,478

Former Prime Ministers

2023	VIPT AF	FBT	Airfares	Surface Travel	Total
	\$	\$	\$	\$	\$
Lady Glen Rowling	7,208	-	-	-	7,208
Margaret Pope	7,208	-	-	-	7,208
The Rt Hon Sir Geoffrey Palmer	29,471	10,577	1,824	818	42,690
Yvonne Moore	29,471	6,135	-	1,946	37,552
The Rt Hon Jim Bolger	29,471	11,802	7,336	6,168	54,777
The Rt Hon Dame Jenny Shipley	29,471	16,444	11,736	3,961	61,612
The Rt Hon Helen Clark	29,471	9,793	5,161	7,318	51,743
The Rt Hon Sir John Key	7,208	-	-	56	7,264
The Rt Hon Sir Bill English	29,471	8,847	-	1,158	39,476
The Rt Hon Dame Jacinda Ardern	9,824	1,606	-	503	11,933
Total	208,274	65,204	26,057	21,928	321,463

2022	VIPT AF	FBT	Airfares	Surface Travel	Total
	\$	\$	\$	\$	\$
Lady Glen Rowling	3,129	-	-	-	3,129
Margaret Pope	3,129	-	-	-	3,129
The Rt Hon Sir Geoffrey Palmer	26,626	4,124	1,078	343	32,171
Yvonne Moore	26,626	5,489	-	-	32,115
The Rt Hon Jim Bolger	26,626	6,979	-	3,295	36,900
The Rt Hon Dame Jenny Shipley	26,626	10,118	6,021	2,972	45,737
The Rt Hon Helen Clark	26,626	7,328	1,511	1,832	37,297
The Rt Hon Sir John Key	3,129	77	-	-	3,206
The Rt Hon Sir Bill English	26,626	7,123	-	-	33,749
Total	169,143	41,238	8,610	8,442	227,433

12. Other information – Water Services Entities

On 14 December 2022, the *Water Services Entities Act 2022* (the Act) received Royal assent. The Act created four new water services entities: the Northern Water Services Entity, the Western-Central Water Services Entity, the Eastern-Central Water Services Entity and the Southern Water Services Entity.

It has been assessed that during the establishment period, which the Act defines as the period commencing on the day after the date on which this Act received the Royal assent and ending on the establishment date (earlier of date set by the Governor-General by Order in Council under section 2(2) of the Act and 1 July 2024), the Water Services Entities will be controlled by the Crown and consolidated into the Financial Statements of Government¹.

During the period from March to May 2023, the Water Services Reform underwent a reset and in April 2023 Cabinet agreed to:

- increase the number of water services entities from four to 10 which are more closely modelled on existing regions, and
- extend the establishment date from 1 July 2024 to 1 July 2026 with staggered go live date allowed.

At 30 June 2023 the *Water Services Entities Amendment Bill* which includes provisions to give effect to the changes agreed by Cabinet in April 2023, including the disestablishment of the four former Water Services Entities, was being considered by the Governance and Administration Committee following its first reading on 22 June 2023.

On 22 August 2023 the *Water Services Entities Amendment Act 2023* (the Amendment Act) received Royal assent. With the commencement of the Amendment Act, the four Water Services Entities were disestablished. Under the amendments introduced by the Amendment Act, each Water Services Entity is established on the date on which the appointment of the entity's establishment board takes effect. At the time this Annual Report was authorised for issue, of the 10 new Water Services Entities introduced by the Amendment Act, only the Northland and Auckland Water Services Entity was established.

Notes

1. The current position is that following establishment date (go-live date), the Water Services Entities will not be controlled by the Crown and therefore they will not be consolidated to the Government Financial Statements.

Ngā Tauākī Whakapaunga, Whakapaunga Rawa Hoki

Statements of Expenses and Capital Expenditure

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Department for the year ended 30 June 2023. They are prepared on a GST exclusive basis.

Contents

Statement of cost accounting policies	232
Statement of budgeted and actual expenses and capital expenditure incurred against appropriations	233
Reconciliation between total appropriations for Departmental expenses and the Departmental statement of comprehensive revenue and expense	250
Reconciliation between total appropriations for non-Departmental expenses and the schedule of non-Departmental expenditure	250
Statement of Departmental expenses and capital expenditure incurred without, or in excess of, appropriation or other authority	251
Statement of non-Departmental expenses and capital expenditure incurred without, or in excess of, appropriation or other authority	251
Statement of Departmental capital injections	251
Statement of Departmental capital injections incurred without, or in excess of, appropriation or other authority.....	251

Statement of cost accounting policies

Criteria for direct and indirect costs

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

Cost Allocation Policy

Direct costs are allocated directly to significant activities. Indirect costs are allocated to outputs based on cost drivers and related activity/usage information.

There were no changes in cost allocation policies since the last audited financial statements.

Method of assigning costs to outputs

Costs of outputs are derived using a 2-step cost allocation system:

Direct costs are charged to cost centres based on asset utilisation (depreciation), recorded time spent (personnel costs) and usage (operating costs). Similarly, indirect costs charged to cost centres are driven by capital charge, perceived benefit, personnel numbers, floor space, network connections and estimated allocation of time. For the year ended 30 June 2023, direct costs accounted for 80% of the Department's costs and indirect costs of 20% (2021/22: 79% and 21%).

Cost centre expenditure is subsequently apportioned to outputs based on the focus and nature of activities supported by the cost centre. To ensure accuracy, cost centre contributions to Appropriation Outputs are reviewed annually.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

for the year ended 30 June 2023

Annual and permanent appropriations for Vote Internal Affairs

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022 \$000		2023 \$000	2023 \$000	2023 \$000	2023 \$000	
Vote Internal Affairs						
Departmental Output Expenses						
3,434	Contestable Services RDA	3,035	-	3,035	2,700	Page 256
137	Digital Safety Initiatives for the Pacific MYA	184	-	184	393	Page 257
53,746	Local Government Policy and Related Services	103,028	-	103,028	119,063	Page 258
42,599	Royal Commission into Historical Abuse in State Care and in the Care of Faith- based Institutions - Operating Expenses MYA	36,162	-	36,162	40,239	Page 259
-	Tāhuhu - Preserving the Nation's Memory MYA	9,400	-	9,400	18,788	Page 260
99,916	Total Departmental Output Expenses	151,809	-	151,809	181,183	
Departmental Other Expenses						
-	Software as a Service intangible asset derecognition (write-off)	2,439	-	2,439	2,641	Page 261
-	Total Departmental Other Expenses	2,439	-	2,439	2,641	

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Departmental Capital Expenditure						
59,857	Department of Internal Affairs - Capital Expenditure PLA	86,909	-	86,909	100,000	Page 262
59,857	Total Departmental Capital Expenditure	86,909	-	86,909	100,000	
Non-Departmental Output Expenses						
3,169	Classification of Films, Videos and Publications	3,201	-	3,201	3,201	Page 263
10,000	Fire and Emergency New Zealand – Public Good Services	10,000	-	10,000	10,000	Page 263
13,169	Total Non- Departmental Output Expenses	13,201	-	13,201	13,201	
Benefits or Related Expenses						
55,340	Rates Rebate Scheme	65,333	-	65,333	70,000	**
55,340	Total Benefits or Related Expenses	65,333	-	65,333	70,000	
Non-Departmental Other Expenses						
1,864	Chatham Islands Wharves – Operational Costs	1,732	-	1,732	1,989	**
-	Debt Write-down	111	-	111	112	**
10,174	Executive Council and Members of the Executive - Salaries and Allowances PLA	10,181	-	10,181	11,360	**
450	Former Governors- General - Annuities and Other Payments PLA	428	93	521	599	**
207	Former Prime Ministers - Annuities PLA	26	220	246	260	**

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022 \$000		2023 \$000	2023 \$000	2023 \$000	2023 \$000	
230	Former Prime Ministers - Domestic Travel PLA	1,562	(1,239)	323	409	**
239,101	Grants for Water Infrastructure and Delivery	21,068	-	21,068	21,097	Page 265
2,144	Miscellaneous Grants - Internal Affairs	2,642	-	2,642	2,729	Page 265
990	Racing Safety Development Fund	990	-	990	990	**
1,382	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	1,380	-	1,380	1,709	Page 266
709	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	2,706	-	2,706	4,151	Page 267
1,479	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	2,154	-	2,154	2,213	Page 268
1,450	Rural Drinking Water Supplies	8,550	-	8,550	8,550	Page 269
3,029	Supporting Local Government with Natural Hazard Events	2,914	-	2,914	2,950	**
1,500	Tūwharetoa Māori Trust Board PLA	1,500	-	1,500	1,500	**
-	Water Services Reform: Better Off Support Package MYA	132,431	-	132,431	300,363	Page 270
264,709	Total Non-Departmental Other Expenses	190,375	(926)	189,449	360,981	

Actual		Expenditure before remeasurement	Remeasurement 2023 \$000	Expenditure after remeasurement 2023 \$000	Appropriation voted* 2023 \$000	Location of end of year performance information
2022 \$000		2023 \$000	2023 \$000	2023 \$000	2023 \$000	
Non-Departmental Capital Expenditure						
-	Fire and Emergency New Zealand - Loans MYA	25,400	-	25,400	25,400	Page 271
32,008	Fire and Emergency New Zealand - Rebuild and Upgrade of Fire Stations MYA	-	-	-	-	**
32,008	Total Non- Departmental Capital Expenditure	25,400	-	25,400	25,400	
Multi-Category Expenses and Capital Expenditure Appropriations (MCA)						
Civic Information Services MCA						
Departmental Output Expenses						
155,459	Managing and Accessing Identity Information	177,637	-	177,637	188,358	Page 274
839	Publishing Civic Information	739	-	739	870	Page 275
Non-Departmental Output Expenses						
116	Development of On- line Authentication Services	116	-	116	116	**
156,414	Total Civic Information Services MCA	178,492	-	178,492	189,344	
Community Development and Funding Schemes MCA						
Departmental Output Expenses						
2,777	Administration of Grants	2,890	-	2,890	3,104	Page 276
5,206	Community Development and Engagement Advice	4,713	-	4,713	4,937	Page 277

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Non-Departmental Other Expenses						
500	Building Community Capability	500	-	500	500	**
-	Community and Volunteering Capability Fund	1,932	-	1,932	1,933	**
5,608	Community Development Scheme	5,063	-	5,063	6,267	Page 278
12,474	Community Organisation Grants Scheme	12,481	-	12,481	12,500	Page 279
200	Disarmament Education Grants	200	-	200	200	**
-	Preventing and Countering Violent Extremism	671	-	671	675	**
58	Safer Communities Fund	1,528	-	1,528	1,529	**
172	Community Internship Programme	-	-	-	-	**
1,002	Support for Volunteering	-	-	-	-	**
218	Youth Workers Training Scheme	-	-	-	-	**
28,215	Total Community Development and Funding Schemes MCA	29,978	-	29,978	31,645	
Establishment of Water Services Entities MCA						
Departmental Output Expenses						
-	Managing the Establishment of Water Services Entities	10,651	-	10,651	10,884	Page 281
Non-Departmental Output Expenses						
-	Establishing Water Services Entities	83,497	-	83,497	208,901	Page 282
-	Total Establishment of Water Services Entities MCA	94,148	-	94,148	219,785	

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Government Digital Services MCA						
Departmental Output Expenses						
1,396	Government Chief Privacy Officer	1,843	-	1,843	1,195	Page 283
22,327	Government Digital Strategy, System Investment and Leadership	13,395	-	13,395	14,651	Page 284
21,845	System Capabilities, Services and Platforms	22,432	-	22,432	24,022	Page 285
45,568	Total Government Digital Services MCA	37,670	-	37,670	39,868	
Local Government Administration MCA						
Departmental Output Expenses						
3,636	Local Government Services	3,411	-	3,411	3,927	Page 287
Non-Departmental Output Expenses						
18,016	Taumata Arowai	19,666	-	19,666	19,666	Page 288
Non-Departmental Other Expenses						
4,355	Chatham Islands Council	4,373	-	4,373	4,373	**
680	Crown-owned Assets at Lake Taupō – Depreciation and Maintenance Costs	767	-	767	1,030	**
Non-Departmental Capital Expenditure						
124	Capital Investments - Lake Taupō	48	-	48	136	**
26,811	Total Local Government Administration MCA	28,265	-	28,265	29,132	

Actual		Expenditure before remeasurement	Remeasurement 2023 \$000	Expenditure after remeasurement 2023 \$000	Appropriation voted* 2023 \$000	Location of end of year performance information
2022 \$000		2023 \$000	2023 \$000	2023 \$000	2023 \$000	
National Archival and Library Services MCA						
Departmental Output Expenses						
145,329	Knowledge and Information Services	122,351	-	122,351	125,060	Page 291
Non-Departmental Output Expenses						
2,400	Public Lending Right for New Zealand Authors	2,400	-	2,400	2,400	**
Non-Departmental Capital Expenditure						
2,504	Heritage Collections – Annual	2,947	-	2,947	5,394	**
150,233	Total National Archival and Library Services MCA	127,698	-	127,698	132,854	
Offshore Betting Charges MCA						
Departmental Output Expenses						
199	Administration of Offshore Betting Charges Regime	156	-	156	210	Page 293
Non-Departmental Other Expenses						
2,674	Distribution of Offshore Betting Charges	3,476	-	3,476	4,090	**
2,873	Total Offshore Betting Charges MCA	3,632	-	3,632	4,300	
Policy and Related Services MCA						
Departmental Output Expenses						
721	Crown Entity Monitoring	525	-	525	855	Page 294
2,105	Policy and Related Services - Community and Voluntary Sector	1,220	-	1,220	1,893	Page 295

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
2,552	Policy and Related Services – Digital Economy and Communications	2,066	-	2,066	2,318	Page 297
8,000	Policy and Related Services - Internal Affairs	6,882	-	6,882	8,001	Page 298
439	Policy and Related Services - Ministerial Services	404	-	404	511	Page 299
1,257	Policy and Related Services - Racing	711	-	711	999	Page 300
15,074	Total Policy and Related Services MCA	11,808	-	11,808	14,577	
Regulatory Services MCA						
Departmental Output Expenses						
6,776	Charities Regulation	6,533	-	6,533	7,001	Page 301
47,289	Regulatory Services	47,526	-	47,526	50,281	Page 305
54,065	Total Regulatory Services MCA	54,059	-	54,059	57,282	
Sediment and Debris Management Support MCA						
Non-Departmental Other Expenses						
-	Sediment and Debris Management Support - Commercial Entities	56,000	-	56,000	56,000	Page 306
-	Sediment and Debris Management Support - Local Authorities	81,000	-	81,000	81,000	Page 307
-	Sediment and Debris Management Support - Whenua Māori	-	-	-	24,000	Page 308
-	Total Sediment and Debris Management Support MCA	137,000	-	137,000	161,000	

Actual		Expenditure before remeasurement	Remeasurement 2023	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Services Supporting the Executive MCA						
Departmental Output Expenses						
4,446	Coordination of Official Visits and Events	6,107	-	6,107	6,215	Page 309
32,485	Support Services to Members of the Executive	34,507	-	34,507	35,882	Page 310
9,376	VIP Transport Services	9,094	-	9,094	9,000	Page 311
Non-Departmental Other Expenses						
161	Depreciation on Official Residences	196	-	196	297	**
823	Official Residences - Maintenance Costs	770	-	770	707	**
10,200	Services Supporting the Executive - Travel	12,862	-	12,862	12,397	**
Non-Departmental Capital Expenditure						
118	Capital Investments - Official Residences	-	-	-	-	**
57,609	Total Services Supporting the Executive MCA	63,536	-	63,536	64,498	

Support for Statutory and Other Bodies MCA

Departmental Output Expenses						
809	Commissions of Inquiry and Similar Bodies	2,430	-	2,430	4,771	Page 313
-	Establishing Commissions of Inquiry and Similar Bodies	291	-	291	1,384	Page 314
678	Statutory Body Support - Gambling Commission	687	-	687	1,158	Page 315

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
1,107	Statutory Body Support - Local Government Commission	1,262	-	1,262	1,410	Page 315
285	Support for Grant Funding Bodies - Community and Voluntary Sector	269	-	269	322	Page 316
13,201	Support for Grant Funding Bodies - Internal Affairs	13,549	-	13,549	14,647	Page 317
Non-Departmental Other Expenses						
-	Statutory Inquiries	247	-	247	811	**
16,080	Total Support for Statutory and Other Bodies MCA	18,735	-	18,735	24,503	
Supporting Ethnic Communities MCA						
Departmental Output Expenses						
8,048	Advisory and Information Services to assist Ethnic Communities	8,861	-	8,861	8,759	Page 319
2,904	Policy and Related Services - Diversity, Inclusion and Ethnic Communities	4,488	-	4,488	5,062	Page 320
Non-Departmental Other Expenses						
4,677	Ethnic Communities Grants	4,222	-	4,222	4,232	**
15,629	Total Supporting Ethnic Communities MCA	17,571	-	17,571	18,053	

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Three Waters Reform MCA¹						
Non-Departmental Other Expenses						
108	Iwi/Maori Involvement in Three Waters Reform ²	15,698	-	15,698	16,187	Page 321
-	Sector Involvement in Three Waters Reform ³	37,945	-	37,945	45,178	Page 322
108	Total Three Waters Reform MCA	53,643	-	53,643	61,365	
568,679	Total Multi-Category Expenses and Capital Expenditure Appropriations	856,235	-	856,235	1,048,206	
1,093,678	Total Annual and Permanent Appropriations	1,391,701	(926)	1,390,775	1,801,612	

Note 1 – The title of this appropriation changed on 1 July 2023 to Water Services Reform MCA.

Note 2 – The title of this category changed on 1 July 2023 to Iwi/Māori Involvement in Water Services Reform.

Note 3 – The title of this category changed on 1 July 2023 to Sector Involvement in Water Services Reform.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (cont.)

for the year ended 30 June 2023

Multi-Year Appropriations for Vote Internal Affairs

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
Summary of Departmental Appropriations						
99,916	Departmental Output Expenses	151,809	-	151,809	181,183	
-	Departmental Other Expenses	2,439	-	2,439	2,641	
501,491	Multi-Category Expenses and Capital Expenditure Appropriations (MCA)	507,630	-	507,630	537,687	
601,407	Total Appropriations for Departmental Expenses	661,878	-	661,878	721,511	
59,857	Total Appropriations for Departmental Capital Expenses	86,909	-	86,909	100,000	
661,264	Total Departmental Annual and Permanent Appropriations and Multi-Year Appropriations	748,787	-	748,787	821,511	
Summary of Non-Departmental Appropriations						
13,169	Non-Departmental Output Expenses	13,201	-	13,201	13,201	
55,340	Benefits or Related Expenses	65,333	-	65,333	70,000	
264,709	Non-Departmental Other Expenses	190,375	(926)	189,449	360,981	

Actual		Expenditure before remeasurement	Remeasurement	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2022		2023	2023	2023	2023	
\$000		\$000	\$000	\$000	\$000	
64,442	Multi-Category Expenses and Capital Expenditure Appropriations (MCA)	345,610	-	345,610	504,989	
397,660	Total Appropriations for Non-Departmental Expenses	614,519	(926)	613,593	949,171	
34,754	Total Appropriations for Non-Departmental Capital Expenses	28,395	-	28,395	30,930	
432,414	Total Non- Departmental Annual and Permanent Appropriations and Multi-Year Appropriations	642,914	(926)	641,988	980,101	
1,093,678	Total Annual and Permanent Appropriations and Multi-Year Appropriations	1,391,701	(926)	1,390,775	1,801,612	

* These are the appropriations from the Supplementary Estimates, adjusted for any transfers under section 26A of the PFA.

** No reporting is required due to an exemption obtained under section 15D of the PFA.

Actual 2022		Actual 2023	Location of end of year performance information
\$000		\$000	

Appropriations for Departmental Output Expenses:

Digital Safety Initiatives for the Pacific (1 July 2021 to 30 June 2026)

Page 257

This multi-year appropriation for output expenses to be incurred by the Department exists for the provision of advice, information, expertise and technology to improve digital safety for countries in the South Pacific.

860	Original Appropriation	860	
-	Cumulative Adjustments	-	
860	Total adjusted approved appropriation	860	
-	Cumulative actual expenditure at 1 July	137	
137	Current year actual expenditure	184	
137	Cumulative actual expenditure at 30 June	321	
723	Appropriation remaining at 30 June	539	

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Operating Expenses (3 January 2019 to 30 June 2023)

Page 259

This multi-year appropriation for output expenses to be incurred by the Department exists to support the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

56,066	Original Appropriation	56,066	
92,000	Cumulative Adjustments	97,851	
148,066	Total adjusted approved appropriation	153,917	
71,079	Cumulative actual expenditure at 1 July	113,678	
42,599	Current year actual expenditure	36,162	
113,678	Cumulative actual expenditure at 30 June	149,840	
34,388	Appropriation remaining at 30 June	4,077	

Tāhuhu - Preserving the Nation's Memory (1 July 2022 to 30 June 2027)

Page 260

This multi-year appropriation for output expenses to be incurred by the Department for supporting the upgrade and expansion of archival and library facilities and associated activities under the Tāhuhu - Preserving the Nation's Memory Programme.

Actual 2022 \$000		Actual 2023 \$000	Location of end of year performance information
-	Original Appropriation	63,101	
-	Cumulative adjustments	14,273	
-	Total adjusted approved appropriation	77,374	
-	Cumulative actual expenditure at 1 July	-	
-	Current year actual expenditure	9,400	
-	Cumulative actual expenditure at 30 June	9,400	
-	Appropriation remaining at 30 June	67,974	

Appropriations for Non-Departmental Other Expenses:

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Commissioners' Fees (3 January 2019 to 30 June 2023)

Page 266

This multi-year appropriation for other expenses to be incurred by the Crown for the provision of payment of Commissioners' fees for the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

6,123	Original Appropriation	6,123
2,248	Cumulative adjustments	44
8,371	Total adjusted approved appropriation	6,167
3,076	Cumulative actual expenditure at 1 July	4,458
1,382	Current year actual expenditure	1,380
4,458	Cumulative actual expenditure at 30 June	5,838
3,913	Appropriation remaining at 30 June	329

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs (3 January 2019 to 30 June 2023)

Page 267

This multi-year appropriation for other expenses to be incurred by the Crown for the provision of counselling services for individuals participating in the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

15,335	Original Appropriation	15,335
(1,862)	Cumulative adjustments	(9,105)
13,473	Total adjusted approved appropriation	6,230

Actual 2022		Actual 2023	Location of end of year performance information
\$000		\$000	
1,370	Cumulative actual expenditure at 1 July	2,079	
709	Current year actual expenditure	2,706	
2,079	Cumulative actual expenditure at 30 June	4,785	
11,394	Appropriation remaining at 30 June	1,445	

**Royal Commission into Historical Abuse in State Care
and in the Care of Faith-based Institutions -Legal
Assistance Costs (14 October 2019 to 30 June 2023)**

Page 268

This multi-year appropriation for other expenses to be incurred by the Crown for the provision of providing legal assistance for individuals specified by, and participating in, the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

8,790	Original Appropriation	8,790	
6,656	Cumulative adjustments	(4,161)	
15,446	Total adjusted approved appropriation	4,629	
937	Cumulative actual expenditure at 1 July	2,416	
1,479	Current year actual expenditure	2,154	
2,416	Cumulative actual expenditure at 30 June	4,570	
13,030	Appropriation remaining at 30 June	59	

**Appropriations for Non-Departmental Capital
Expenditure**

**Fire and Emergency New Zealand – Loans (1 December
2022 – 30 June 2025)**

Page 271

This multi-year appropriation for capital expenditure to be incurred by the Crown for the provision of financial support to Fire and Emergency New Zealand.

-	Original Appropriation	75,400	
-	Cumulative adjustments	-	
-	Total adjusted approved appropriation	75,400	
-	Cumulative actual expenditure at 1 July	-	
-	Current year actual expenditure	25,400	
-	Cumulative actual expenditure at 30 June	25,400	
-	Appropriation remaining at 30 June	50,000	

Actual 2022 \$000		Actual 2023 \$000	Location of end of year performance information
	Fire and Emergency New Zealand - Rebuild and Upgrade of Fire Stations (1 July 2020 – 30 June 2023)		NA
	This multi-year appropriation for capital expenditure to be incurred by the Crown for the provision of a capital injection to enable Fire and Emergency New Zealand to rebuild and upgrade fire stations.		
51,300	Original Appropriation	-	
-	Cumulative adjustments	-	
51,300	Total adjusted approved appropriation	-	
19,292	Cumulative actual expenditure at 1 July	-	
32,008	Current year actual expenditure	-	
51,300	Cumulative actual expenditure at 30 June	-	
-	Appropriation remaining at 30 June	-	

Reconciliation between total appropriations for Departmental expenses and the Departmental statement of comprehensive revenue and expense

for the year ended 30 June 2023

Actual 2022 \$000		Actual 2023 \$000
586,879	Total expenses in Departmental statement of comprehensive revenue and expense	661,908
14,528	Remeasurements	(30)
601,407	Total appropriations for Departmental expenses	661,878

Reconciliation between total appropriations for non-Departmental expenses and the schedule of non-Departmental expenditure

for the year ended 30 June 2023

Actual 2022 \$000		Actual 2023 \$000
450,779	Total expenses in schedule of non-Departmental expenditure	698,602
(56,365)	GST input expense	(84,083)
3,246	Remeasurements	(926)
397,660	Total appropriations for non-Departmental expenses	613,593

Statement of Departmental expenses and capital expenditure incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2023

There was no unappropriated expenditure for the year ended 30 June 2023 (2021/22: nil).

Statement of non-Departmental expenses and capital expenditure incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2023

There was no unappropriated expenditure for the year ended 30 June 2023 (2021/22: nil).

Statement of Departmental capital injections

for the year ended 30 June 2023

Actual 2022 \$000		Actual 2023 \$000	Approved appropriation
Vote Internal Affairs			
51,221	Department of Internal Affairs – Capital Injections	101,423	116,423

Statement of Departmental capital injections incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2023

The Department has not received any capital injections without, or in excess of, authority for the year ended 30 June 2023 (2021/22: nil).

Ngā Tauākī Whakatutukinga kore-Pūtea

Non-financial Performance Statements

Contents

Statement of Service Performance and Judgements	253
Departmental Appropriations	256
Non-Departmental Appropriations	263
Multi-Category Expenses and Capital Expenditure.....	272

Statement of Service Performance and Judgements

for the year ended 30 June 2023

This statement outlines the significant judgements (decisions) that Te Tari Taiwhenua has used in preparing and selecting service performance information for Vote Internal Affairs. Service performance information assesses whether Te Tari Taiwhenua has achieved specific services or functions that collectively support the overall achievement of our outcomes reported in Section 2 of this annual report. Information on Te Tari Taiwhenua as the reporting entity can be found in note 1 to the financial statements on page 151.

Vote Internal Affairs includes service performance information for the Ministry for Ethnic Communities.

PBE FRS 48 Service Performance Reporting standard

The External Reporting Board (XRB) released *PBE FRS 48 Service Performance Reporting* (the standard) in 2017. The standard applies to reporting periods beginning on or after 1 January 2022 and is part of generally accepted accounting practices (GAAP).

The standard establishes requirements for improved reporting of service performance information in order to meet the needs of users of general-purpose financial reports of public benefit entities. Public benefit entities have aims and objectives that relate to service the community or society (or a section of). They seek to achieve these aims and objectives by using funds received from resource providers (for example taxpayers, ratepayers, donors or grantors) to undertake activities for community or social benefit. Te Tari Taiwhenua is classified as a tier 1 public benefit entity.

The standard sets out requirements or increased expectations for:

- identifying and selecting appropriate and meaningful performance information
- disclosing judgements made in selecting, aggregating and presenting performance information
- providing comparative performance information, and
- ensuring consistency of reporting.

Statement of compliance

The service performance information for Te Tari Taiwhenua has been prepared in accordance with PBE FRS 48 Service Performance Reporting standard and the Public Finance Act 1989.

Scope of service performance information

The service performance information for Te Tari Taiwhenua is contained within the following sections of this Annual Report:

- *Section 2 Making New Zealand better for New Zealanders*. This section explains our outcomes framework and the work Te Tari Taiwhenua carries out to contribute towards the achievement of our outcomes. This service performance information can be found on pages 14 to 59.
- *Section 8 Non-Financial Performance Statement*. This section shows the performance measures and information for each appropriation that is funded under Vote Internal Affairs. This excludes those appropriations that have an exemption from end of year reporting requirements under section 15D(2) (b) of the Public Finance Act 1989. This service performance information can be found on pages 256 to 322.

Our Performance Measurement Reporting Programme

Te Tari Taiwhenua is on a journey to develop and refine our performance measures information as outlined in Section 8 *Non-Financial Performance Statement*. Our performance measures assess whether we have achieved specific services or functions that collectively support the overall achievement of our outcomes which are outlined in Section 2 *Making New Zealanders better for New Zealanders*.

Our ongoing multi-year Performance Measurement Reporting Programme is aimed at improving our performance measures information and to help us better articulate our performance story.

Each year we select several areas from the Estimates of Appropriation for Vote Internal Affairs to review through the programme. This is to ensure we are:

- providing appropriate and meaningful performance measures that support the relevant intention statement for the appropriation
- providing performance measures that are proportionate to the funding involved
- balancing the continuation of reporting with targeted improvement
- addressing any other issues that have been identified through our regular reporting processes.

How we select our performance measures and standards

We use a consistent process to undertake reviews and select performance measures. This process looks at what the funding is being used for and the results we want to achieve, and then identifies potential performance measures. We assess each potential performance measure and use criteria to select the ones that are both feasible to put in place and best show the achievement of the results. This process is also used to develop performance measures when we receive new funding.

Te Tari Taiwhenua is required by the Department of the Prime Minister and Cabinet to have performance measures for the following two areas:

- Minister's satisfaction with the quality of policy advice – We use the Ministerial Policy Satisfaction Survey guidance provided by the Department of the Prime Minister and Cabinet for agencies with policy appropriations
- Quality of policy advice and policy briefings – We follow the Policy Quality Framework guidance provided by the Department of the Prime Minister and Cabinet for assessing policy advice papers.

Standards (targets) are selected using historical data and/or judgements around expected or desired performance levels. Sometimes the data does not exist to set a standard for a new performance measure. In this case we use the first year that the performance measure is in place to collect the data to establish a baseline and set a standard.

How we manage changes to our performance measures and standards

Changes to performance measures shown in the Estimates of Appropriation and Supplementary Estimates of Appropriation documents for Vote Internal Affairs. Notes are included that explain why we have made changes to performance measures.

To ensure consistency in reporting we develop and maintain catalogues for each performance measure. These catalogues show how data is collected, calculated, and recorded.





How we report on our performance measures and results

The year-end results for performance measures are reported in this annual report in Section 8 *Non-Financial Performance Statement*. Results are reported in a table under the heading *How we performed* for each appropriation, and in the case of a multi-category appropriation for each category.

Comparative results are provided for the prior year which reflects those results published in the previous annual report. This is to provide a comparison at a similar point in time. Where a performance measure is new we may not have been able to provide a comparative result as historical data may not exist.

The following criteria is used to rate and report on the results for the performance measures:

Performance measures assessment criteria

-  Standard has been met
-  Standard has not been met
-  Standard is on-track to be met
-  No standard has been set

Where a standard for a performance measure has not been met, or there is a significant variance, a note is included explaining why.

Disclosure of key judgements for 2022/23

1. Recent data was not available for the following five outcome indicators from Section 2 *Making New Zealand better for New Zealanders* due to surveys being delayed or not being run during the year:
 - Experience of discrimination decreases
 - Peoples' sense of purpose is maintained or increased
 - People's sense of belonging to New Zealand increases
 - The level of institutional trust is maintained or increases
 - 10-17-year-old New Zealanders read or started to read at least one book in the past 12 months is maintained or increases
2. The outcome indicator *Adult New Zealanders read or started to read at least one book in the past 12 months is maintained or increases* was removed from Section 2 *Making New Zealand better for New Zealanders* as it was no longer relevant.
3. Several changes were made to performance measures for 2022/23 under Section 8 *Non-Financial Performance Statement*. These changes include:
 - removing and replacing performance measures that are no longer fit-for-purpose and/or relevant for showing the achievement of results from the funding received
 - removing performance measures that are no longer needed
 - amending standards to reflect current rates of performance
 - developing new performance measures for new funding received

Where a performance measure has been changed, a note has been included explaining the change that was made and why.
4. Corrections were made to three performance measure results for 2021/22 results under Section 8 *Non-Financial Performance Statement*. These corrections relate to performance measure IDs 2.06, 3.90 and 3.91. Notes have been included to explain why each result was corrected.

Departmental Appropriations

Departmental Output Expenses

Contestable Services Revenue Dependent Appropriation (M41)


Scope of appropriation

Providing translation and other language services to government agencies and the public, and support services to government agencies.

What we intended to achieve with this appropriation

This appropriation is intended to achieve effective translation and other language services to government agencies and the public, and support services to government agencies.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.01	Customers' satisfaction as to whether translations were provided within 'good' timeframes (see Note 1)	86%	At least 80%	87%	

Note 1 - Good is assessed as 7, 8, 9, 10 on an eleven-point scale (0-10).

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
3,493	Revenue other	2,000	2,700	3,058
3,493	Total revenue	2,000	2,700	3,058
3,434	Expenses	2,000	2,700	3,035
59	Net surplus/(deficit)	-	-	23

The 2022/23 actual expenses were \$1.035 million higher than Unaudited Budget due to increased expenses associated with increased demand for Translation Services.

Digital Safety Initiatives for the Pacific (M41)


Scope of appropriation

This appropriation is limited to the provision of advice, information, expertise and technology to improve digital safety for countries in the South Pacific.

What we intended to achieve with this appropriation

This appropriation is intended to improve digital safety for countries in the South Pacific.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.02	Number of instances where harmful digital content was blocked (see Note 1)	New measure	At least 800,000	1,217,487	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to this appropriation. It replaced the previous performance measure *Number of child exploitation websites being filtered by the specialist software developed and maintained by the Department of Internal Affairs*.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
-	Revenue Crown	-	-	-
137	Revenue other	330	393	184
137	Total revenue	330	393	184
137	Expenses	330	393	184
-	Net surplus/(deficit)	-	-	-

Local Government Policy and Related Services (M49)






Scope of appropriation

This appropriation is limited to the provision of policy advice, system stewardship and leadership, and services to support Ministers to discharge their responsibilities relating to the local government portfolio.

What we intended to achieve with this appropriation

This appropriation is intended to achieve well-informed decision making by Ministers through the provision of support, system stewardship and leadership and high-quality advice on local government matters.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.03	Minister's satisfaction with the quality of policy advice	4.4	No standard	4.6	
1.04	Required timeframes are met: Parliamentary Questions (written) – within three days of notifications or as agreed with the Minister	100%	At least 95%	100%	
1.05	Required timeframes are met: Ministerial correspondence (draft responses) – within 15 days of receipt or as specifically agreed	97%	At least 95%	99.6%	
1.06	Required timeframes are met: Ministerial Official Information Act requests – at least five days prior to statutory timeframes	97%	At least 95%	89% (see Note 1)	
1.07	Percentage of policy advice and policy briefings delivered to agreed quality criteria and standards - demonstrated through independent assessment: 3 or higher (see Note 2)	New measure	80%	100%	

Note 1 – There was one item that did not meet the timeframe. This has caused the overall percentage to be below the standard for the year. The low number of requests means that a single late item has a large percentage impact on the overall result.

Note 2 – This was a new performance measure for 2022/23. The independent assessment of Local Government policy advice and policy briefings is now part of the Local Government Policy and Related Services appropriation. It was previously included as part of the calculation for the same measure in the Policy and Related Services multi-category appropriation.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
72,263	Revenue Crown	69,047	119,063	119,063
150	Revenue other	-	-	-
72,413	Total revenue	69,047	119,063	119,063
53,746	Expenses	69,047	119,063	103,028
18,667	Net surplus/(deficit)	-	-	16,035

The 2022/23 actual expenses were \$33.981 million higher than Unaudited Budget mainly due to expenditure associated with the water services reform programme.

The 2022/23 actual expenses were \$49.282 million higher than 2021/22 mainly due to a higher level of expenditure associated with the water services reform programme in 2022/23.

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operating Expenses (M41)


Scope of appropriation

This appropriation is limited to supporting the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

What we intended to achieve with this appropriation

This appropriation is intended to achieve effective support for the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.08	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions' satisfaction with the timeliness and quality of services received (see Note 1)	3 – Satisfactory	At least 4	4 – Good	

Note 1 – Satisfaction is determined on a scale of 1-5, with 5 being the highest rating.

Output statement

Actual	Revenue and output expenses	Unaudited Budget 2023 \$000	Unaudited Revised Budget 2023 \$000	Actual 2023 \$000
46,312	Revenue Crown	30,675	30,877	40,240
-	- Revenue other	-	-	-
46,312	Total revenue	30,675	30,877	40,240
42,599	Expenses	30,675	40,239	36,162
3,713	Net surplus/(deficit)	-	(9,362)	4,078

The 2022/23 actual expenses were \$5.487 million higher than Unaudited Budget mainly due to:

- additional operating costs to achieve effective support for the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions.

The 2022/23 actual expenses were \$6.437 million lower than 2021/22 mainly due to the timing of expenses for this multi-year appropriation.

Tāhuhu – Preserving the Nation’s Memory (M41)


Scope of appropriation

This appropriation is limited to supporting the upgrade and expansion of archival and library facilities and associated activities under the Tāhuhu - Preserving the Nation’s Memory Programme.

What we intended to achieve with this appropriation

This appropriation is intended to contribute to achieving the long-term preservation of archival holdings and library collections and taonga by providing specialised facilities and expanded storage capacity.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.09	Percentage of key milestones that have been met for the Tāhuhu Programme within the agreed timeframe by year (see Note 1)	New measure	At least 80%	86%	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents what is expected to be delivered from the operational funding which covers logistics, relocation (decant of facilities), change management and governance, and management of the programme.

Output statement

Actual 2022 \$000	Revenue and output expenses	Unaudited Budget 2023 \$000	Unaudited Revised Budget 2023 \$000	Actual 2023 \$000
-	Revenue Crown	11,581	18,788	18,788
-	Revenue other	-	-	1
-	Total revenue	11,581	18,788	18,789
-	Expenses	11,581	18,788	9,400
-	Net surplus/(deficit)	-	-	9,389

This Multi-Year Appropriation was established in 2022/23. The 2022/23 actual expenses were \$2.181 million lower than Unaudited Budget due to the timing of expenses for this multi-year appropriation.

Departmental Other Expenses

Software as a Service intangible asset derecognition (write-off) (M41)


Scope of appropriation

This appropriation is limited to the derecognition (write-off) of a previously capitalised or planned to be capitalised intangible asset, due to the accounting policy change regarding Software as a Service.

What we intended to achieve with this appropriation

This initiative will enable derecognition (write-off) of previously capitalised intangible assets, due to the accounting policy change regarding Software as a Service. The change in the accounting treatment means certain implementation costs associated with Software as a Service arrangements that have been capitalised and previously reported as an intangible asset now need to be written-off as an operating expense.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.10	Intangible asset derecognition is quantified in accordance with the change to the accounting policy (see Note 1)	New measure	Achieved	Achieved	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcome from the intangible asset derecognition activity following the change to the accounting policy regarding Software as a Service.

Output statement

Actual	Departmental other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
-	Departmental other expenses	-	2,641	2,439

This appropriation was established in 2022/23 for the derecognition (write-off) of previously capitalised Software as a Service intangible assets.

Departmental Capital Expenditure and Capital Injections

Department of Internal Affairs – Capital Expenditure Permanent Legislative Authority (M41)


Scope of appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Department of Internal Affairs, as authorised by section 24(1) of the Public Finance Act 1989.

What we intended to achieve with this appropriation

This appropriation is intended to achieve investment in the renewal, upgrade and development of assets that support the delivery of the Department's products and services.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
1.11	Asset development, purchase and use are in accordance with section 24(1) of the Public Finance Act 1989	Achieved	Achieved	Achieved	

Output statement

Actual	Departmental Capital expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
59,857	Departmental capital expenditure	71,400	100,000	86,909

The 2022/23 actual capital expenditure was \$15.509 million higher than Unaudited Budget and \$27.052 million higher than 2021/22 mainly due to additional investment in Te Ara Manaaki and Tāhuhu: Preserving the Nation's Memory programmes.

Non-Departmental Appropriations

Non-Departmental Output Expenses

Classification of Films, Videos and Publications (M41)

Scope of appropriation

This appropriation is limited to the examination and classification of films, videos and publications by the Office of Film and Literature Classification under the Films, Videos, and Publications Classification Act 1993.

What we intended to achieve with this appropriation

This appropriation is intended to achieve effective classification of films, videos and publications to restrict access to harmful material within New Zealand.

How we performed

Performance information for this appropriation can be found in the 2022/23 Annual Report for the Office of Film and Literature Classification.

Output statement

Actual	Non-Departmental Output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
3,169	Non-Departmental output expenses	3,201	3,201	3,201

Fire and Emergency New Zealand - Public Good Services (M41)

Scope of appropriation

This appropriation is limited to the Crown contribution towards the public good component of services provided by Fire and Emergency New Zealand.

What we intended to achieve with this appropriation

This appropriation is intended to achieve recognition of the Government's contribution towards public good services that are unrelated to property or motor vehicle insurance.

How we performed

Performance information for this appropriation can be found in the 2022/23 Annual Report for Fire and Emergency New Zealand.

Output statement

Actual	Non-Departmental Output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
10,000	Non-Departmental output expenses	10,000	10,000	10,000

Non-Departmental Other Expenses

Grants for Water Infrastructure and Delivery (M49)




Scope of appropriation

This appropriation is limited to grants to organisations, including councils, to assist them to strengthen water infrastructure and service delivery, including through service delivery changes.

What we intended to achieve with this appropriation

The appropriation is intended to achieve support for delivery of the Three Waters Reform programme, improved water infrastructure and the economic recovery from the COVID-19 pandemic.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.01	A case study is provided to show the impact of the stimulus funding in water infrastructure and water services	Achieved	No standard	See case study below	
2.02	Reported number of additional full-time equivalent positions for water infrastructure and water services	936.6	No standard	1,925	
2.03	Number of stimulus projects on water infrastructure and water services by councils	470	No standard	470	

Case study

Improving the resilience of Paul Road water supply

The headworks on Paul Road aimed to provide resilience for the Otumahi water supply. The project has seen the headworks for the second bore installed together with integrated control systems between the new and existing bore. The integrated control systems enable a duty/standby operation and uninterrupted flow if one bore is out of action due to a fault, maintenance, or unforeseen issues. The new treatment plant incorporates UV treatment, reducing the risk of possible protozoa infection. The project was progressed to not only improve the resilience of Paul Road water supply but to also align the network with a possible long-term option of supplying water to the Whakatāne township.

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
239,101	Non-Departmental other expenses	20,000	21,097	21,068

The 2022/23 actual expenses were \$1.068 million higher than Unaudited Budget due to additional costs to enable councils to fully execute their water services reform stimulus funding delivery plans.

The 2022/23 actual expenses were \$218.033 million lower than 2021/22 due to most of the activities undertaken by councils under the Water Services Reform stimulus funding having been completed in 2020/21 and 2021/22.


Miscellaneous Grants – Internal Affairs (M41)**Scope of appropriation**

This appropriation is limited to payments to individuals or organisations to assist in building a strong and safe nation through serving and connecting citizens, communities and Government.

What we intended to achieve with this appropriation

This appropriation is intended to achieve support for building a strong and safe nation.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.04	Percentage of invoices that are paid within 10 business days from receipt	83%	At least 95%	100%	

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
2,144	Non-Departmental other expenses	1,299	2,729	2,642

The 2022/23 actual expenses were \$1.343 million higher than Unaudited Budget mainly due to additional costs to enable the full delivery of the digital skills programme.

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Commissioners' Fees (M41)


Scope of appropriation

This appropriation is limited to the payment of Commissioners' fees for the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

What we intended to achieve with this appropriation

This appropriation is intended to achieve timely and efficient payment of fees to the Commissioners of the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.05	Commissioners' fees are paid within timeframes agreed with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	100%	At least 95%	98%	

Output statement

Actual	Non-Departmental	Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022			2023	2023	2023
\$000			\$000	\$000	\$000
1,382	Non-Departmental	other expenses	1,792	1,709	1,380

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Counselling Costs (M41)


Scope of appropriation

This appropriation is limited to providing counselling services for individuals participating in the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

What we intended to achieve with this appropriation

This appropriation is intended to achieve timely and efficient payment of fees for counselling services for individuals participating in the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.06	Counselling services are paid within the timeframes agreed with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	95% (see Note 1)	At least 95%	89% (see Note 2)	

Note 1 – This result has been corrected due to a re-calculation. It was reported as 98% in the 2021/22 Annual Report.

Note 2 – Items were held up in the internal approval process in quarter 1 and start of quarter 2.

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
709	Non-Departmental other expenses	7,015	4,151	2,706

The 2022/23 actual expenses were \$4.309 million lower than Unaudited Budget due to lower than anticipated demand associated with counselling services.

This is Multi-Year Appropriation, accordingly, the variance between 2022/23 and 2021/22 actual expenses reflects demand for counselling services.

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Legal Assistance Costs (M41)


Scope of appropriation

This appropriation is limited to providing legal assistance for individuals specified by, and participating in, the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

What we intended to achieve with this appropriation

This appropriation is intended to achieve timely and efficient payment for legal assistance services for individuals specified by, and participating in, the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.07	Legal assistance services are paid within the timeframes agreed with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	98%	At least 95%	97%	

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
1,479	Non-Departmental other expenses	2,971	2,213	2,154

The 2022/23 actual expenses were \$0.817 million lower than Unaudited Budget due to demand for legal assistance.


Rural Drinking Water Supplies (M49)**Scope of appropriation**

This appropriation is limited to supporting the improvement and maintenance of drinking water supplies in areas that are not urban areas.

What we intended to achieve with this appropriation

This appropriation is intended to achieve effective support for rural drinking water suppliers to deliver safer drinking water and to transition to the new drinking water regulatory regime.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.08	Number of upgraded private rural drinking water supplies (see Note 1)	New measure	Up to 120 by 30 June 2024	6	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to this appropriation. Crown Infrastructure Partners has estimated that funding will cover drinking water infrastructure upgrades for up to 120 sites under the Rural Drinking Water Programme (to be installed by 30 June 2024). This estimate of the number of sites could change as the costs and time for each rural water supply upgrade is highly variable and the numbers of supplies that will be upgraded through this initiative is not able to be accurately forecasted.

Output statement

Actual	Non-Departmental	Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022			2023	2023	2023
\$000			\$000	\$000	\$000
1,450	Non-Departmental	other expenses	20,000	8,550	8,550

The 2022/23 actual expenses were \$11.450 million lower than Unaudited Budget due to the change in the timing of expenditure associated with the rural drinking water suppliers package, part of the Water Services Reform programme.

This appropriation was established in 2021/22 and activities did not substantially commence until 2022/23, therefore, 2022/23 actual expenses were \$7.100 million higher than 2021/22.

Water Services Reform: Better Off Support Package (M49)



Scope of appropriation

This appropriation is limited to grants to support investment into community wellbeing, placemaking, housing, and climate related initiatives.

What we intended to achieve with this appropriation

This appropriation is intended to support communities to transition to a sustainable and low-emissions economy, or deliver infrastructure and services that enable housing development and growth, support local placemaking or improvements in community wellbeing.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
2.09	Percentage of eligible councils that have entered into a funding agreement to receive Better Off funding (see Note 1)	New measure	100%	98.5% (see Note 2)	
2.10	Percentage of funds paid to councils within agreed criteria (see Note 1)	New measure	100%	100% (see Note 3)	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcome of providing grants to councils that support investment into community wellbeing, placemaking, housing, and climate related activities.

Note 2 – One eligible council did not submit an application. Funding agreements were entered into with 67 of the 68 councils eligible for Better Off funding.

Note 3 – In the year ended 30 June 2023, payments were made to 61 councils totalling \$132.4 million. Due to the timing of this funding being provided to councils and the ongoing nature of better off support, it is too early to report on the achievements and impacts as at 30 June 2023. However, in future periods the Department intends to report on the funding allocated and the impact it has.

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Non-Departmental other expenses	-	300,363	132,431

This Multi-year Appropriation was established in 2022/23 to provide funding to support local government investment in the wellbeing of their communities in a manner that meets the priorities of both central and local government.

The difference between actual and Unaudited Revised Budget was mainly due to a change in timing of expenditure.

Non-Departmental Capital Expenditure

Fire and Emergency New Zealand – Loans (M41)

Scope of appropriation

This appropriation is limited to loans to provide financial support to Fire and Emergency New Zealand.

What we intended to achieve with this appropriation

This appropriation is intended to provide financial support to Fire and Emergency New Zealand.

How we performed

Performance information for this appropriation can be found in the 2022/23 Annual Report for Fire and Emergency New Zealand.

Output statement

Actual	Non-Departmental Capital expenditure	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Non-Departmental capital expenditure	-	25,400	25,400

This Multi-Year Appropriation was established in 2022/23 to provide financial support to Fire and Emergency New Zealand.

Multi-Category Expenses and Capital Expenditure

Civic Information Services (M41)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is to contribute to the collection, management and provision of access to New Zealand's civic and identity information.

What we intended to achieve with this appropriation

The appropriation is intended to achieve the collection, preservation, accessibility and security of New Zealand's civic and identity information.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.01	Perception of the overall ease of Identity and Life Event Services	91%	At least 80%	90%	

Category: Managing and Accessing Identity Information




Scope of the category








This category is limited to providing effective management of New Zealand's records of identity, authenticating official documents and coordinating the congratulatory message service.

What we intended to achieve with this category

This category is intended to achieve secure and effective management of New Zealand's identity information.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.02	Ease of Identity and Life Event services	91%	At least 80%	90%	
3.03	Identity and Life Event services issued or registered without error	99.8%	At least 99%	99.85%	
3.04	Births and deaths registrations; births, deaths, marriages and civil union certificates and print outs; and citizenship applications processed within business timeframe standards	92%	At least 99%	96% (see Note 1)	

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.05	Passports issued within business timeframe standards on receipt of applications	52%	At least 97%	57% (see Note 2)	
3.06	Percentage of all Identity and Life Event applications received via online service (see Note 3)	82%	At least 80%	83%	
3.07	Number of new RealMe verified identities issued	142,364	At least 120,000	223,617	
3.08	Customer satisfaction with the process of applying for a RealMe verified identity assessed as '4' or '5' (see Note 4)	79%	At least 75%	80%	
3.09	Number of customer consents to share information (see Note 5)	697,032	At least 350,000	359,076	
3.10	Applications for verified identity are processed within five days	52%	At least 95%	30% (see Note 6)	
3.11	Real-time verification of data	100%	At least 99%	100%	

Note 1 – Citizenship by Grant processing timeframe reduced across the 2022-23 year, with 60% of applications receiving a decision within 50 working days from receipt of application. The Department continues to recruit Life and Identity Services Officers to process applications and reduce the overall application backlog. Customer satisfaction level for these services remains high.

Note 2 – The result for this performance measure was impacted by the time taken for applicants to respond to queries regarding their passport application. Passport demand was 5% higher than forecast across the period, and the Department issued more than 500,000 passport books in the past 12 months. Staffing supply has varied across the year and some applications are currently exceeding the 10-day standard timeframe. Urgent applications continue to meet the expedited processing timeframe. Further planned recruitment is underway to increase the available resource.

Note 3 – The standard for this performance measure was increased in 2022/23 from *At least 75%* to *At least 80%* to reflect the current rate of activity.

Note 4 – Satisfaction is determined on a five-point scale, either numerical (1-5, with '5' the highest rating) or qualitative (Very Satisfied, Good, Satisfied, Poor, Very Unsatisfied).

Note 5 – The standard for this performance measure was reduced in 2022/23 from *At least 450,000* to *At least 350,000* to reflect the current rate of activity.

Note 6 – Applications for verified identities have significantly increased in the past year, with particularly strong demand between January and June 2023. Growth in application volume is attributed to several reasons, including a switch from Passport to Identity Verification Service for use as identity credential, desire to engage in democratic process in election year and increased awareness of fraudulent and scam activity, with people less likely to share identity documents with service providers. Further planned recruitment is underway to increase the available resource.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
32,128	Revenue Crown	31,689	29,598	29,596
67,742	Revenue other	64,508	120,616	123,201
99,870	Total revenue	96,197	150,214	152,797
155,459	Expenses	159,134	188,358	177,637
(55,589)	Net surplus/(deficit)	(62,937)	(38,144)	(24,840)

The 2022/23 actual expenses were \$18.503 million higher than Unaudited Budget mainly due to the return in deferred demand for Passport products.


Category: Publishing Civic Information**Scope of the category**

This category is limited to publishing information through the New Zealand Gazette.

What we intended to achieve with this category

This category is intended to achieve accurate publication of the New Zealand Gazette.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.12	Accuracy: Gazette notices published consistent with text supplied by clients (see Note 1)	99.7%	99%	100%	

Note 1 – This performance measure was reworded in 2022/23 to show more clearly what is being measured. It was previously worded as *Accuracy: Notices published consistent with text supplied by clients*.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
33	Revenue Crown	-	-	-
919	Revenue other	844	844	874
952	Total revenue	844	844	874
839	Expenses	870	870	739
113	Net surplus/(deficit)	(26)	(26)	135


Community Development and Funding Schemes (M15)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to support communities and voluntary sector organisations so they become stronger, more cohesive and resilient.

What we intended to achieve with this appropriation

This appropriation is intended to achieve financial support for communities and organisations for community development.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.13	Case studies completed that demonstrate benefits to community grant funding recipients	Achieved	No standard	See case study below	

Refer to the case study on page 19 *Parihaka Māra Kai Rōpū – Supporting whānau to access free, fresh, healthy kai.*

Category: Administration of Grants





Scope of the category

This category is limited to administration of the processes supporting government grant funding schemes, from receiving applications to monitoring grant recipients.

What we intended to achieve with this category

This category is intended to achieve effective support for the government grant funding schemes that the Department administers and to ensure processes are maintained for receiving applications and monitoring grants.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.14	Grant decisions are transparent and consistent with regard to eligibility requirements	100%	At least 97%	99%	
3.15	Grant requests are managed within business timeframes (see Note 1)	100%	At least 95%	99.9%	
3.16	Customers are satisfied with the ease with which they are able to apply for grants and advisory services (see Note 2)	77%	At least 70%	87%	
3.17	Grant decision making committees are satisfied with the operational support received (see Note 3)	94%	At least 90%	95%	

Note 1 – The business timeframe standard is within 15 weeks of submission of a request.

Note 2 – Ease is assessed as 7, 8, 9, or 10 on an eleven-point scale (0-10).

Note 3 – Satisfaction is determined by a five-point scale: Very Satisfied, Good, Satisfied, Poor, Very Unsatisfied.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
3,141	Revenue Crown	2,842	2,929	2,929
-	- Revenue other	-	175	194
3,141	Total revenue	2,842	3,104	3,123
2,777	Expenses	2,842	3,104	2,890
364	Net surplus/(deficit)	-	-	233

Category: Community Development and Engagement Advice

Scope of the category

This category is limited to the provision of advisory support and information (including information related to accessing grants) to support community groups with community development.

What we intended to achieve with this category

This category is intended to achieve advisory and information support for communities and community groups for the purpose of community development.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.18	Customers are satisfied with the quality of the advice received (see Note 1)	89%	At least 75%	92%	

Note 1 – Satisfaction is determined by a five-point scale: 5: Very Satisfied and 1: Very Dissatisfied.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
5,191	Revenue Crown	4,706	4,937	4,937
-	Revenue other	-	-	42
5,191	Total revenue	4,706	4,937	4,979
5,206	Expenses	4,706	4,937	4,713
(15)	Net surplus/(deficit)	-	-	266

Category: Community Development Scheme


Scope of the category

This category is limited to providing grants to community organisations for projects to achieve improved economic, social and cultural wellbeing.

What we intended to achieve with this category

This category is intended to achieve support for diverse communities to improve economic, social and cultural wellbeing.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.19	Number of Community-Led Development partnering agreements in place	20	At least 15	23	

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
5,608	Non-Departmental other expenses	5,969	6,267	5,063

The 2022/23 actual expenses were \$0.906 million lower than Unaudited Budget due to the timing of partner communities currently participating in the Community-led Development Programme seeking access to available funding due to flexible partnering funding arrangements that run over multiple years.

The 2022/23 actual expenses were \$0.545 million lower than 2021/22 due to flexible partnering funding arrangements entered into with partnering communities participating in the Community-led Development Programme allowing the funding to be sought across multiple years and delays in funding sought from partnering communities in regions impacted by the 2023 North Island weather events.


Category: Community Organisation Grants Scheme**Scope of the category**

This category is limited to providing locally distributed grants to community organisations for programmes that provide social services.

What we intended to achieve with this category

This category is intended to achieve benefit from social services provided by grass-roots non-profit organisations to communities.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.20	Two case studies that assess the benefits to communities from the grants, are completed	Achieved	Achieved	Achieved (see case studies below)	

Community Organisation Grants Scheme (COGS) provides small government funded grants to support voluntary and non-profit community groups and organisations working in local communities and neighbourhoods. In 2022/23 COGS made 3,184 grants through its 37 Local Distribution Committees (LDC), with a total of 4,027 requests considered.

Case studies

The Hope Community Trust, Rangiora, Canterbury

The Hope Community Trust restores hope in individuals and communities by providing people with practical and spiritual solutions to their needs. In 2022, they made a request to the Community Organisation Grants Scheme (COGS) Canterbury Rural Local Distribution Committee, and were granted \$15,000 for staff salaries and other operational costs. The Trust provides a unique wrap around care service by way of professional counselling, community support services, community garden, food bank, advocacy, Op Shop, craft group, men's breakfast and support groups. For the year up to 30 June 2022 they provided 5,834 food parcels, 219 people were referred to counselling, supplied 1,461 veggie bags, supported by 12,678 volunteer hours were given.

This organisation contributed to the COGS purpose of creating a vibrant and sustainable whanau, hapū, iwi and community and the COGS Rural Canterbury priorities of "improved community wellbeing, connected and inclusive communities and volunteers and community organisation staff are supported, valued and resourced".

The Clothing Project, Edgecumbe

The Clothing Project helps the most vulnerable members in our community, our children, by providing them clothing. In 2022 they were awarded a grant of \$7,000 for operational costs.

They receive pre-loved clothing from the community which is carefully sorted, washed, and packaged into their distinctive boxes and distributed to families facing financial hardship.

The Clothing Project works with partner organisation like Plunket, Budget Advice, and Te Tohu o Te Ora o Ngati Awa to distribute the clothing to over 500 whānau.

The Clothing Project contributed to the COGS purpose of creating a vibrant and sustainable whanau, hapū, iwi and community and the COGS Mataatua priorities of "whanau where children, young people, their parents and families are supported to improve their wellbeing and reach their potential".

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
12,474	Non-Departmental other expenses	12,500	12,500	12,481

Establishment of Water Services Entities (M49)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is to support the establishment of the new entities so that they are operationally functional within legislative timeframes.

What we intended to achieve with this appropriation

This appropriation is intended to support the establishment of the new water services entities so they are operationally functional within legislative timeframes.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.21	Water services entities are operationally functional within legislative timeframes (see Note 1)	New measure	Achieved	On-track (see Note 2)	

Note 1 - This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to this appropriation which is to provide systems that support the establishment of the water services entities.

Note 2 - Legislation is in the final stages of amendment to adjust the Water Services Entities go-live date to be up to 1 July 2026. Councils are being engaged on the appropriate go-live date for their local entity, with Entity A being the anticipated to be the first to go-live on the original date of 1 July 2024.

Category: Managing the Establishment of Water Services Entities


Scope of the category

This category is limited to those departmental expenses incurred on managing the establishment of the water services entities that are intended to be recovered from the water services entities.

What we intended to achieve with this category

This category is intended to support the establishment of the new water services entities so they are operationally functional within legislative timeframes.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.22	Water services entities are operationally functional within legislative timeframes (see Note 1)	New measure	Achieved	On-track (see Note 2)	

Note 1 - This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to this appropriation which is to provide systems that support the establishment of the water services entities.

Note 2 - Legislation is in the final stages of amendment to adjust the Water Services Entities go-live date to be up to 1 July 2026. Councils are being engaged on the appropriate go-live date for their local entity, with Entity A being the anticipated to be the first to go-live on the original date of 1 July 2024.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Revenue Crown	-	10,884	10,884
-	Revenue other	-	-	-
-	Total revenue	-	10,884	10,884
-	Expenses	-	10,884	10,651
-	Net surplus/(deficit)	-	-	233

This category was established in 2022/23. The current year expenses relate to the initial costs associated with the Systems of Record project.


Category: Establishing Water Services Entities**Scope of the category**

This category is limited to operating expenses incurred on establishing the water services entities that are intended to be recovered from the water services entities.

What we intended to achieve with this category

This category is intended to support the establishment of the new water services entities so they are operationally functional within legislative timeframes.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.23	Water services entities are operationally functional within legislative timeframes (see Note 1)	New measure	Achieved	On-track (see Note 2)	

Note 1 - This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to this appropriation which is to provide systems that support the establishment of the water services entities.

Note 2 – Legislation is in the final stages of amendment to adjust the Water Services Entities go-live date to be up to 1 July 2026. Councils are being engaged on the appropriate go-live date for their local entity, with Entity A being the anticipated to be the first to go-live on the original date of 1 July 2024.

Output statement

Actual	Non-Departmental Output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Non-Departmental output expenses	-	208,901	83,497

This category was established in 2022/23. The current year expenses relate to costs incurred associated with the implementation of Systems of Record project. The difference between 2022/23 actual expenses and Unaudited Revised Budget was mainly timing.


Government Digital Services (M100)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to lead digital transformation across government.

What we intended to achieve with this appropriation

This appropriation is intended to achieve leadership of digital government transformation.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.24	Percentage of mandated agencies providing information on current, planned, and new digital initiatives (including baseline investments) (see Note 1)	New measure	100%	100%	

Note 1 – This was a new performance measure for 2022/23. It was selected as it better reflects the strengthened Digital Investment mandate for Government Chief Digital Officer (GCDO). It replaced the performance measure *A case study that demonstrates how digital investment decisions that are aligned to the Strategy for Digital Public Service contributes to the delivery of digital services for New Zealand* as this measure was no longer fit-for-purpose.

Category: Government Chief Privacy Officer


Scope of the category

This category is limited to the development, support and implementation of an all-of-government approach to privacy.

What we intended to achieve with this category

This category is intended to achieve support for government in privacy matters.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.25	Percentage of agencies responding to Privacy Maturity Assessment Framework (PMAF) by year (see Note 1)	89%	At least 95%	98%	

Note 1 - The standard for this performance measure was increased in 2022/23 from *At least 75%* to *At least 95%* to reflect the current rate of activity.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
1,377	Revenue Crown	1,342	1,195	1,195
-	- Revenue other	-	-	-
1,377	Total revenue	1,342	1,195	1,195
1,396	Expenses	1,342	1,195	1,843
(19)	Net surplus/(deficit)	-	-	(648)

Category: Government Digital Strategy, System Investment and Leadership


Scope of the category

This category is limited to the development and support of the functional leadership role of the Government Chief Digital Officer, providing assurance on the Government's digital investments, and advice services to implement the government digital strategy, architecture and assurance framework.

What we intended to achieve with this category

This category is intended to achieve the successful implementation of the government's digital strategy and the discharge of the GCDO's Functional Leadership responsibilities.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.26	Percentage of mandated small agencies consuming Common Capability (see Note 1)	New measure	100%	96%	

Note 1 - This was a new performance measure for 2022/23. It was selected as it better reflects the Digital Investment mandate for the Government Chief Digital Officer (GCDO) focusing on the requirement for small agencies to consume common capability. It replaced the three performance measures below as they were no longer fit-for-purpose:

- Percentage of digital investments that fully align to the Digital Public Services investment principals by year
- Percentage of digital investments that partially align to the Digital Public Services investment principals by year
- Percentage of digital investments that do not align to the Digital Public Services investment principals by year.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
20,775	Revenue Crown	14,628	14,651	14,651
499	Revenue other	-	-	520
21,274	Total revenue	14,628	14,651	15,171
22,327	Expenses	14,628	14,651	13,395
(1,053)	Net surplus/(deficit)	-	-	1,776

The 2022/23 actual expenses were \$1.233 million lower than Unaudited Budget due to:

- winding up of the Digital Council in December 2022, and
- slower than anticipated expenditure associated with the Digital Identity Trust Framework.

The 2022/23 actual expenses were \$8.932 million lower than 2021/22 due to additional costs incurred in 2021/22 to:

- fund initiatives that use digital technologies and data to deliver public value and to enable the completion of the development of legislation to create a Digital Identity Trust Framework in 2021/22, and
- a contribution from agencies towards the development of a Digital Strategy for Aotearoa.

Category: System Capabilities, Services and Platforms



Scope of the category

This category is limited to the development, support and governance of cross-government system capabilities, services and platforms to deliver digital and data transformation.

What we intended to achieve with this category

This category is intended to achieve infrastructure to support digital transformation across government.

How we performed

ID	Performance measure (see Note 1)	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.27	GIS All-of-Government digital services meet performance measures, assessed under an agreed service performance framework	82%	100%	73% (see Note 2)	
3.28	Percentage of mandated agencies consuming at least one Common Capability (see Note 3)	New measure	100%	100%	

Note 1 - The performance measure *Satisfaction with the quality of advice and support received by the Digital Council assessed as at least 3* was removed from this category in 2022/23 as the Digital Council was disestablished in December 2022.

Note 2 - This measure has 11 components, with three of the components not achieved. These three components did not meet their web traffic growth targets for 2022/23 due to Covid-related spikes in traffic in 2021/22. There was a return to normal levels of traffic in 2022/23.

Note 3 - This was a new performance measure for 2022/23. It was selected as it better reflects the strengthened Digital Investment mandate for the Government Chief Digital Officer (GCDO) as well as being focused on GCDO performance. It replaced the performance measure *All-of-Government Common Capability products, where the Department of Internal Affairs is the lead agency, meet service level agreements* as it was no longer fit-for-purpose.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
11,781	Revenue Crown	10,159	9,237	9,237
10,523	Revenue other	9,160	11,856	12,597
22,304	Total revenue	19,319	21,093	21,834
21,845	Expenses	23,972	24,022	22,432
459	Net surplus/(deficit)	(4,653)	(2,929)	(598)

The 2022/23 actual expenses were \$1.540 million lower than Unaudited Budget due to a transfer of funding between appropriations based on the provision of services across the portfolios within Vote Internal Affairs.

Local Government Administration (M49)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is to administer local government legislation and relevant regulations and assets.

What we intended to achieve with this appropriation

This appropriation is intended to achieve support for effective local government services within New Zealand and the Lake Taupō harbourmaster function.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.29	The time the harbourmaster takes to resolve reported or discovered missing or damaged navigational aids is within 20 working days	100%	At least 95%	100%	

Category: Local Government Services




Scope of appropriation


This category is limited to administering the Local Government related legislations and regulations, including the Rates Rebate Scheme, providing regulatory and boating services for Lake Taupō (including providing the Harbourmaster and managing the Lake Taupō Landing Reserve) and governance and management of the National Dog Control Information Database.

What we intended to achieve with this category

This category is intended to achieve effective and consistent local government operation within New Zealand.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.30	Responses to requests for information from the public about the Rates Rebate Scheme – within ten days of receipt	100%	At least 98%	99.8%	
3.31	Eligible claims from councils for reimbursement of rates rebates processed within 20 days of receipt	99.8%	At least 98%	99.9%	
3.32	Boating facilities and navigational safety equipment inspected in accordance with an annual compliance programme	100%	100%	100%	

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.33	Customer satisfaction with the quality of Lake Taupō navigational safety services assessed as average or above, when surveyed every two years (see Note 1)	96%	At least 85%	96% (see Note 2)	

Note 1 – Satisfaction is determined on a five-point scale of 1-5, with 5 being the highest rating. Ratings of 3, 4 or 5 are “assessed as average or above”.

Note 2 – The 2022/23 result is based on the 2021/22 survey. The next survey is scheduled for 2023/24.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
3,015	Revenue Crown	2,669	2,476	2,476
1,457	Revenue other	1,380	980	1,062
4,472	Total revenue	4,049	3,456	3,538
3,636	Expenses	3,920	3,927	3,411
836	Net surplus/(deficit)	129	(471)	127

Category: Taumata Arowai


Scope of appropriation

This category is limited to supporting Taumata Arowai in meeting its statutory responsibilities as New Zealand’s water services regulator.

What we intended to achieve with this category

This category is intended to support the water services regulator Taumata Arowai to ensure safe drinking water and improve the regulation and performance of the waste water and storm water networks for New Zealand.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.34	Advice on accountability and performance documents delivered within statutory or agreed timeframes (based on delivery of documents to the Minister by Taumata Arowai) (see Note 1)	New measure	100%	100%	

Note 1 - This was a new performance measure for 2022/23. It was selected as it focuses on monitoring of the Regulator, Taumata Arowai, and providing advice to the Minister on how Taumata Arowai is meeting its statutory responsibilities. It replaced the performance measure *The percentage of critical business readiness conditions that have been met for commencing administration of the Water Services Act* as it was no longer fit-for-purpose.

Output statement

Actual	Non-Departmental Output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
18,016	Non-Departmental output expenses	19,290	19,666	19,666

The 2022/23 actual expenses were \$1.650 million higher than 2021/22 due to funding in 2022/23 for the full year costs associated with the regulatory responsibilities as drinking water regulator previously undertaken by the Ministry of Health.


National Archival and Library Services (M41)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to contribute to the collection, management and provision of access to knowledge and information for New Zealand and support government accountability.

What we intended to achieve with this appropriation

This appropriation is intended to achieve the collection, preservation, accessibility and integrity of New Zealand's government and heritage information.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.35	Number of items accessed that are held by National Library and Archives New Zealand	33,528,156	At least 26.5 million	30,629,745	

Category: Knowledge and Information Services











Scope of the category

This category is limited to the collection, acquisition, preservation, management and provision of access to heritage information and public archives, provision of operational advice and services to enable government accountability, provision of services to schools and to assist access to library collections and other information.

What we intended to achieve with this category

This category is intended to achieve the collection, preservation, accessibility and integrity of New Zealand's government and heritage information by Archives New Zealand and National Library of New Zealand.

How we performed

ID	Performance measures (see Note 1)	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
<i>Archives New Zealand – managing Public Archives</i>					
3.36	Availability of online services 24 hours a day, 7 days a week	99.8%	At least 95%	93.5% (see Note 2)	
3.37	The percentage of Archives New Zealand storage units providing storage conditions to required standards	95%	At least 80%	94%	
<i>Demand information – Estimates</i>					
3.38	Archives held in storage: Physical archives – linear metres	111,749	108,000 – 114,000	111,855	
<i>Archives New Zealand – Provision of Access to Public Archives</i>					
3.39	Digital Archives available online	159,473	100,000 – 150,000	28,947 (see Note 3)	
3.40	Number of items produced in public reading rooms	16,746	30,000 – 40,000	20,952 (see Note 4)	
3.41	Digital items accessed for use – Rosetta	680,890	At least 135,000	487,403	
3.42	Digital items accessed for use – Social Media	3,101,340	At least 2 million	2,427,756	
<i>National Library – Access to Information</i>					
3.43	Requests (non-school) for the off-site supply of documents – completed within two days of receipt	100%	At least 90%	100%	
3.44	Public Lending Right payments to all authors eligible for payment made within the timeframe stipulated by regulation	100%	At least 99%	100%	
3.45	Digitised items newly available for access online	661,692	At least 450,000	548,849	

ID	Performance measures (see Note 1)	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.46	Availability of Te Puna catalogue and interloan services to subscribers during advertised hours <i>National Library – Collection and Preserving information</i>	97%	At least 95%	100%	✓
3.47	Of the acquisitions to the Alexander Turnbull Library (new heritage collections): Accession records for unpublished collections – completed within 10 days of receipt	85%	At least 80%	89%	✓
3.48	Of the acquisitions to the Alexander Turnbull Library (new heritage collections): Descriptive records for unpublished collections – added within 20 days of accession	82%	At least 80%	83%	✓
3.49	'At risk' items digitised or digital formats transformed: Audio-visual items	1,067	At least 1,500	1,693	✓
3.50	'At risk' items digitised or digital formats transformed: Images	524	At least 500	548	✓
3.51	Published acquisitions to the Alexander Turnbull Library (new heritage collections) <i>National Library – Library and Information Services to Schools</i>	63,885	65,000 – 75,000	58,779 (see Note 5)	✗
3.52	Number of visits to schools online services	271,760	240,000 – 300,000	421,931	✓
3.53	Number of schools supported	746	650-700	993	✓
3.54	Items supplied on request from the schools collection <i>Public Sector Recordkeeping</i>	295,608	300,000 – 450,000	326,319	✓
3.55	Number of Public Offices, Local Authorities and other organisations provided with targeted records and archives management advice <i>Statutory and Advisory Body Support</i>	230	100 – 150	213	✓
3.56	Statutory body member satisfaction with the quality of secretariat services provided – Archives New Zealand	4.3	At least 4	4.3	✓
3.57	Statutory body member satisfaction with the quality of secretariat services provided – National Library	5	At least 4	4.0	✓

Note 1 – The following two performance measures were removed during 2022/23 as the funding for these activities ended on 30 June 2022:

- Number of library staff receiving training through the New Zealand Libraries Partnership Programme
- Number of librarians in public libraries supported by the New Zealand Libraries Partnership Programme.

Note 2 – The availability of Collections search is less than the target of 95% because the website was taken down on two occasions in October and November 2022 as a precautionary measure to investigate potential privacy breaches. A syncing issue between Collections Staff and Collections Public was corrected in January the issue is now resolved.

Note 3 – This performance measure is low because the probate ingest project has been completed. Archives was consistently ingesting thousands of items after processing the digitised probate files that had been sent by FamilySearch. This measure will to be revisited to take account of the current work programme.

Note 4 – Digitisation has made more records available to view online and reading room hours have been reduced. These factors have resulted in a progressive reduction in reading room issues since 2018. The transition from Archway to Collections Search in February 2022 may also have ongoing impacts on this measure.

Note 5 – A few factors contributed to not meeting the standard. These factors include reduced staff capacity and the numerous natural disasters and emergencies which meant we slowed our claims to publishers in flood-affected areas. Collecting is also determined by new material published in New Zealand.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
145,015	Revenue Crown	108,397	113,661	113,661
8,040	Revenue other	8,976	11,634	11,765
153,055	Total revenue	117,373	125,295	125,426
145,329	Expenses	117,397	125,060	122,351
7,726	Net surplus/(deficit)	(24)	235	3,075

The 2022/23 actual expenses were \$4.954 million higher than Unaudited Budget due to:

- increased capital charge as a result of the revaluation of properties, and
- costs for the Public Sector Pay Adjustment.

The 2022/23 actual expenses were \$22.978 million lower than 2021/22 mainly due to a higher level of expenditure for the New Zealand Libraries Partnership Programme in 2021/22.

Offshore Betting Charges (M55)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is for the operation of the offshore betting charges regime and distribution in accordance with the Racing Industries Act 2020 and related regulations.

What we intended to achieve with this appropriation

This appropriation is intended to achieve financial support for racing and sports, and support measures to prevent and minimise harm from gambling in accordance with the Racing Industry Act 2020 and related regulations.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.58	Percentage of distribution payments under the Racing Industry (Offshore Betting – Consumption Charges) Regulations 2021 made within the agreed timeframes	Not available	100%	75% (see Note 1)	

Note 1 – There were internal and external administrative delays in one of the quarters which resulted in 0% of payments being made within the target timeframes for that quarter. There were no further delays with payments for the other three quarters of the year.

Category: Administration of Offshore Betting Charges Regime


Scope of category

This category is limited to operational policy advice and services to administer the offshore betting charges regime in accordance with the Racing Industry Act 2020 and related regulations.

What we intended to achieve with this category

This category is intended to achieve effective administration of the offshore betting charges regime in accordance with the Racing Industry Act 2020 and related regulations.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.59	Percentage of distribution payments under the Racing Industry (Offshore Betting – Consumption Charges) Regulations 2021 made within the agreed timeframes	Not available	100%	75% (see Note 1)	

Note 1 – There were internal and external administrative delays in one of the quarters which resulted in 0% of payments being made within the target timeframes for that quarter. There were no further delays with payments for the other three quarters of the year.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
199	Revenue other	210	210	156
199	Total revenue	210	210	156
199	Expenses	210	210	156
-	Net surplus/(deficit)	-	-	-




Policy and Related Services (M41)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to provide policy advice and services to Ministers in order to support them to discharge their portfolio responsibilities.

What we intended to achieve with this appropriation

This appropriation is intended to achieve well-informed decision making by Ministers through the provision of support, and high-quality advice and government policy matters.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.60	Policy advice and policy briefings delivered to agreed quality criteria and standards – demonstrated through independent assessment: Average Score	3.7	3 out of 5	3.9	
3.61	Percentage of policy advice and policy briefings delivered to agreed quality criteria and standards – demonstrated through independent assessment: 3 or higher (see Note 1)	93%	80%	100%	
3.62	Portfolio Ministers' satisfaction with the overall quality of policy advice (see Notes 2 and 3)	4.2	No standard	4.5	

Note 1 - The performance measure was reworded to show more clearly what is being measured. It was previously worded as *Policy advice and policy briefings delivered to agreed quality criteria and standards - demonstrated through independent assessment: 3 or higher*.

Note 2 - This is the average policy satisfaction rating for all Portfolio Ministers. The rating is based on a number of attributes using the scale: 1 - Never, 2 - Some of the time, 3 - About half the time, 4 - Most of the time, 5 - Always.

Note 3 - The calculation of the result for this performance measure changed in 2022/23 as the satisfaction with overall quality of policy advice for the Local Government portfolio is now reported under the Local Government Policy and Related Services appropriation.

Category: Crown Entity Monitoring


Scope of category

This category is limited to providing support, information and advice to Ministers to enable them to discharge their responsibilities (other than policy decision-making) for the Crown entities for which they are responsible.

What we intended to achieve with this category

This category is intended to achieve support for responsible Ministers in monitoring the performance of Crown entities.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.63	Advice on accountability and performance documents delivered within statutory or agreed timeframes (based on delivery of documents to the Minister by the Crown entity)	100%	100%	100%	

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
705	Revenue Crown	680	651	651
-	Revenue other	-	204	-
705	Total revenue	680	855	651
721	Expenses	680	855	525
(16)	Net surplus/(deficit)	-	-	126

Category: Policy and Related Services – Community and Voluntary Sector





Scope of category

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to the community and voluntary sector.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for the Minister for the Community and Voluntary Sector.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.64	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	99%	At least 95%	100%	
3.65	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	100%	
3.66	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.67	Minister's satisfaction with the quality of policy advice (see Note 1)	3.8	No standard	3.7	

Note 1 - This is the average score provided for four areas of satisfaction: General satisfaction, Quality of policy advice, Confidence in policy advice, and Trust in officials. Each rating uses the scale: 1 = Never, 2 = Some of the time, 3 = About half the time, 4 = Most of the time, 5 = Always.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
2,483	Revenue Crown	1,875	1,893	1,893
	- Revenue other	-	-	-
2,483	Total revenue	1,875	1,893	1,893
2,105	Expenses	1,875	1,893	1,220
378	Net surplus/(deficit)	-	-	673

The 2022/23 actual expenses were \$0.855 million lower than 2021/22 due to higher costs incurred last year to ensure long-term solutions to community funding are identified and pressures intensified by COVID-19 are addressed.

Category: Policy and Related Services – Digital Economy and Communications





Scope of category

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to the digital economy and communications.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for the Minister for the Digital Economy and Communications.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.68	Required timeframes are met: Parliamentary Questions (written) - within three days of notification or as agreed with the Minister	98%	At least 95%	100%	
3.69	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	92% (see Note 1)	
3.70	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.71	Minister's satisfaction with the quality of policy advice (see Note 2)	3.9	No standard	4.5	

Note 1 – There was one item that did not meet the timeframe. This caused the overall percentage to be below the standard for the year. The low number of requests means that a single late item has a large percentage impact on the overall result.

Note 2 – This is the average score provided for four areas of satisfaction: General satisfaction, Quality of policy advice, Confidence in policy advice, and Trust in officials. Each rating uses the scale: 1 = Never, 2 = Some of the time, 3 = About half the time, 4 = Most of the time, 5 = Always.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
2,569	Revenue Crown	2,089	2,318	2,318
-	- Revenue other	-	-	-
2,569	Total revenue	2,089	2,318	2,318
2,552	Expenses	2,089	2,318	2,066
17	Net surplus/(deficit)	-	-	252





Category: Policy and Related Services – Internal Affairs**Scope of category**

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to Internal Affairs.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for the Minister of Internal Affairs.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.72	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	99.7%	At least 95%	100%	
3.73	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	98%	At least 95%	99%	
3.74	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	97%	At least 95%	100%	
3.75	Minister's satisfaction with the quality of policy advice (see Note 1)	4.5	No standard	4.7	

Note 1 - This is the average score provided for four areas of satisfaction: General satisfaction, Quality of policy advice, Confidence in policy advice, and Trust in officials. Each rating uses the scale: 1 = Never, 2 = Some of the time, 3 = About half the time, 4 = Most of the time, 5 = Always.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
8,047	Revenue Crown	8,062	7,965	7,965
-	- Revenue other	36	36	-
8,047	Total revenue	8,098	8,001	7,965
8,000	Expenses	8,098	8,001	6,882
47	Net surplus/(deficit)	-	-	1,083

The 2022/23 actual expenses were \$1.216 million lower than Unaudited Budget due to difficulty in filling vacancies as a result of labour market pressures.

The 2022/23 actual expenses were \$1.118 million lower than 2021/22 due to higher costs in 2021/22 representing:

- an increase in expenditure associated with the recognition as an expense, of previously capitalised Software as a Service intangible assets, and
- the Content Regulation Review.




Category: Policy and Related Services – Ministerial Services**Scope of category**

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to Ministerial Services.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for the Minister Responsible for Ministerial Services.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.76	Required timeframes are met: Parliamentary Questions (written) - within three days of notification or as agreed with the Minister	100%	At least 95%	97%	
3.77	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	100%	
3.78	Required timeframes are met: Official Information and Privacy Act requests, and Ombudsmen inquiries - within agreed timeframes	96%	At least 95%	100%	

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
521	Revenue Crown	506	511	511
-	- Revenue other	-	-	-
521	Total revenue	506	511	511
439	Expenses	506	511	404
82	Net surplus/(deficit)	-	-	107





Category: Policy and Related Services – Racing**Scope of category**

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to racing.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for the Minister for Racing.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.79	Required timeframes are met: Parliamentary Questions (written and oral) - within three days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.80	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	98%	At least 95%	99%	
3.81	Required timeframes are met: Ministerial Official Information Act requests - at least five days prior to statutory timeframes	100%	At least 95%	100%	
3.82	Minister's satisfaction with the quality of policy advice (see Note 1)	4.6	No standard	5.0	

Note 1 - This is the average score provided for four areas of satisfaction: General satisfaction, Quality of policy advice, Confidence in policy advice, and Trust in officials. Each rating uses the scale: 1 = Never, 2 = Some of the time, 3 = About half the time, 4 = Most of the time, 5 = Always.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
1,397	Revenue Crown	990	999	999
-	- Revenue other	-	-	-
1,397	Total revenue	990	999	999
1,257	Expenses	990	999	711
140	Net surplus/(deficit)	-	-	288


Regulatory Services (M41)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to carry out the effective delivery of regulatory functions and services that are assigned to the Department of Internal Affairs (excluding Archives New Zealand).

What we intended to achieve with this appropriation

This appropriation is intended to achieve effective promotion of regulatory regimes to minimise harm and maximise benefits.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.83	Regulatory regimes are in place to deliver all legislated responsibilities	Achieved	Achieved	Achieved	




Category: Charities Regulation**Scope of category**

This category is limited to registration and monitoring of charities.

What we intended to achieve with this category

This category is intended to achieve effective support for registered charities, in order to contribute to the promotion of public trust and confidence in the sector.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.84	Customer satisfaction with Charities Services service received assessed as '4' or '5' (see Note 1)	89%	At least 75%	93%	
3.85	Charities Services regulatory decisions are independently assessed to measure quality and timeliness	100%	At least 75%	96%	
3.86	Satisfaction with the quality of advice and support received by the Charities Registration Board assessed as '4' or '5' (see Note 1)	100%	At least 75%	90% (see Note 2)	

Note 1 – Satisfaction is determined on a five-point scale, either numerical (1-5, with '5' the being highest rating) or qualitative (Very Good, Good, Satisfied, Poor and Very Poor).

Note 2 – The Charities Registration Board responded to one of two questions in the satisfaction survey.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
6,545	Revenue Crown	5,917	6,149	6,149
820	Revenue other	852	852	820
7,365	Total revenue	6,769	7,001	6,969
6,776	Expenses	6,769	7,001	6,533
589	Net surplus/(deficit)	-	-	436

Category: Regulatory Services












Scope of category

This category is limited to the operational policy advice and services to administer all aspects of the regulatory functions and services (excluding public sector recordkeeping) that are assigned to the Department of Internal Affairs.

What we intended to achieve with this category

This category is intended to achieve effective regulatory activity.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
<i>Gambling (see Note 1)</i>					
3.87	Percentage of audited gambling providers that are compliant by year (see Note 2)	New measure	At least 85%	75% (see Note 3)	
3.88	Percentage of venues assessed as compliant by year (see Note 2)	New measure	At least 85%	37% (see Note 4)	
3.89	Percentage of societies and clubs that are distributing their required returns by year (see Note 2)	New measure	At least 85%	64% (see Note 5)	
<i>Demand information</i>					
Applications for gambling licences processed:					
3.90	Club and non-club licence renewals	245 (see Note 6)	120-220	147	
3.91	Other Class 3 and 4 licence applications and Certificates of Approval	3,163 (see Note 7)	4,500-6,000	3,276 (see Note 8)	
<i>Digital Safety (see Note 9)</i>					
3.92	Number of take down requests for removal of harmful content actioned (see Note 10)	New measure	200-400	1,344	
3.93	Number of court actions taken under the Films, Videos, and Publications Classifications Act 1993 and the Unsolicited Electronic Messages Act 2007 against offenders (see Note 10)	New measure	At least 10	10	
3.94	Number of instances where harmful digital content was blocked (see Note 10)	New measure	At least 800,000	1,217,487	
3.95	Number of instances of access to support services via websites for harmful online behaviour (see Note 10)	New measure	At least 200	265	
3.96	Number of public reports for breaches of Films, Videos, and Publications Classifications Act 1993 and the Unsolicited Electronic Messages Act 2007 legislation (see Note 10)	New measure	At least 100,000	289,158	
3.97	Number of education activities undertaken by Digital Safety for businesses (see Note 10)	New measure	At least 300	337	

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
<i>Anti-Money Laundering and Countering Financing of Terrorism</i>					
3.98	Number of desk-based reviews of reporting entities' Anti-Money Laundering and Countering Financing of Terrorism risk assessments and compliance programmes completed	233	150-350	164 (see Note 11)	✓
3.99	Number of onsite and online inspections auditing reporting entities' compliance with Anti-Money Laundering and Countering Financing of Terrorism obligations completed	78	70-180	80 (see Note 11)	✓
3.100	Number of education-focused proactive engagements with reporting entities regarding Anti-Money Laundering and Countering Financing of Terrorism obligations	360	200-800	213	✓
<i>Complaints, Investigations and Prosecution Unit</i>					
3.101	Ministry of Justice satisfaction with services provided by the Complaints, Investigation and Prosecution Unit (see Note 12)	3 - Neutral	3	1.5 – Satisfied	✓
<i>Demand Information</i>					
3.102	Number of investigation requests received from Private Security Personnel Licensing Authority	42	15-45	39	✓

Note 1 – The following four performance measures relating to Gambling were removed in 2022/23 as they were no longer fit-for-purpose and were replaced by three new performance measures (see Note 2):

- Club and non-club venue assessments conducted
- Number of provisional audit reports completed: Non-club gaming machine societies
- Number of provisional audit reports completed: Casinos
- Proportion of provisional audit reports to non-club gaming machine societies and casinos completed within 6 months.

Note 2 – This was a new performance measure for 2022/23. It was selected as it best represents the outcome of the activities in relation to Gambling.

Note 3 – The Department has significantly revised the way it conducts its compliance work, taking an intelligence-led, risk-based approach. This focuses on known or suspected areas of non-compliance.

Note 4 – The Department's change in approach to compliance work is designed to identify and target non-compliance.

Note 5 – The regulations regarding this measure were temporarily relaxed during 2021 and 2022 to assist societies and clubs impacted by COVID-19. From 2022 onwards, societies were required to submit calculations for the new amendments to the Department with their annual licence renewal application. Through this it was found that some societies were not following regulations for this measure. The Department has set up a project to support societies compliance with the regulations.

Note 6 – This result has been corrected due to a re-calculation. It was reported as 211 in the 2021/22 Annual Report.

Note 7 – This result has been corrected due to a re-calculation. It was reported as 1,435 in the 2021/22 Annual Report.

Note 8 – This is a demand driven measure, dependent on incoming Class 3 and 4 applications and Certificates of Approval (COA). This measure will be replaced by a new measure in 2023/24.

Note 9 – The following 12 performance measures relating to Digital Safety were removed in 2022/23 as they were no longer relevant and/or fit-for-purpose and were replaced by six new performance measures (see Note 10):

- Case study showing the impact of collaborative systems work to protect people from evolving digital harm
- Percentage of harmful material items removed by businesses as a result of the Department's informal requests
- Case study showing the impact of awareness and education campaigns
- Number of unique visits to the Digital Safety information websites
- Number of images uploaded, as a result of investigation, to the Interpol Child Sexual Exploitation Database
- Number of child exploitation websites being filtered by the specialist software developed and maintained by DIA
- Number of email and text notifications received: Email and text spam notifications
- Number of email and text notifications received: Email and text spam complaints
- Percentage of nuisance spam complaints received which are triaged within 14 days
- The number of civil liability proceedings undertaken relating to nuisance spam - covering warning letters, infringement notices and statements of claim
- Number of education related activities provided relating to nuisance spam
- Number of justified appeals compared to the total number of appeals received from websites being filtered.

Note 10 – This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in relation to Digital Safety.

Note 11 – As at 6 September 2023, the total number of supervised reporting entities was 5,412.

Note 12 – Satisfaction is rated on a five-point scale from '1-Very satisfied' through to '5-Very unsatisfied'.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
25,286	Revenue Crown	24,774	23,648	23,648
24,729	Revenue other	25,637	25,637	26,692
50,015	Total revenue	50,411	49,285	50,340
47,289	Expenses	45,853	50,281	47,526
2,726	Net surplus/(deficit)	4,558	(996)	2,814

The 2022/23 actual expenses were \$1.637 million higher than Unaudited Budget due to increased expenditure associated with:

- the procurement of a new Electronic Monitoring System,
- ICT improvement work programme and Gambling uplift programme, and
- an increase in capacity and capability for gambling regulation.


Sediment and Debris Management Support (M49)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to provide support for sediment and debris management following adverse weather events and natural hazards.

What we intended to achieve with this appropriation

This appropriation is intended to achieve support for managing sediment and debris following adverse weather events and natural hazards.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.103	All funds are allocated within agreed criteria and timeframes to manage sediment and debris from adverse weather events and natural hazards (see Note 1)	New measure	Achieved	Achieved (see Note 2)	

Note 1 – This was a new performance measure for 2022/23. It was selected as it focuses on ensuring funding has been allocated and made available to support management of sediment and debris from adverse weather events and natural hazards.

Note 2 – Due to the timing of this funding being provided and ongoing clean up activity for sediment and debris management, it is too early to report on the achievements and impacts as at 30 June 2023. However, in future periods the Department intends to report on the funding allocated and the impact it has.

Category: Sediment and Debris Management Support - Commercial Entities


Scope of category

This category is limited to support the management of sediment and debris on commercial properties following adverse natural events or natural hazards.

What we intended to achieve with this category

This category is intended to achieve support for managing sediment and debris on commercial properties following adverse natural events or natural hazards.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.104	Percentage of funds allocated within agreed criteria and timeframes to enable management of sediment and debris from adverse weather events and natural hazards on commercial properties (see Note 1)	New measure	100%	100%	

Note 1 – This was a new performance measure for 2022/23. It was selected as it focuses on ensuring funding has been allocated and made available to support management of sediment and debris from adverse weather events and natural hazards.

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
-	Non-Departmental other expenses	-	56,000	56,000

This Multi-Category Appropriation was established in 2022/23. The current year expenses represent funding to support sediment and debris removal from commercial land.


Category: Sediment and Debris Management Support - Local Authorities

Scope of category

This category is limited to support for local authorities for the management of sediment and debris following adverse natural events or natural hazards.

What we intended to achieve with this category

This category is intended to achieve support for local authorities to manage sediment and debris following adverse natural events or natural hazards.

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.105	Percentage of funds allocated within agreed criteria and timeframes to enable local authorities to manage sediment and debris from adverse weather events and natural hazards (see Note 1)	New measure	100%	100%	

Note 1 – This was a new performance measure for 2022/23. It was selected as it focuses on ensuring funding has been allocated and made available to support management of sediment and debris from adverse weather events and natural hazards.

Output statement

Actual	Non-Departmental	Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022			2023	2023	2023
\$000			\$000	\$000	\$000
-	Non-Departmental	other expenses	-	81,000	81,000

This Multi-Category Appropriation was established in 2022/23. The current year expenses represent funding to support local authorities' capability and capacity for sediment and debris management.

Category: Sediment and Debris Management Support - Whenua Māori


Scope of category

This category is limited to support for the management of sediment and debris on Whenua Māori following adverse natural events or natural hazards.

What we intended to achieve with this category

This category is intended to achieve support for managing sediment and debris on Whenua Māori following adverse natural events or natural hazards.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.106	Percentage of funds allocated within agreed criteria and timeframes to enable management of sediment and debris from adverse weather events and natural hazards on Whenua Māori (see Note 1)	New measure	100%	Not achieved (see Note 2)	

Note 1 – This was a new performance measure for 2022/23. It was selected as it focuses on ensuring funding has been allocated and made available to support management of sediment and debris from adverse weather events and natural hazards.

Note 2 – This measure was not achieved in 2022/23 financial year. An in-principle expense transfer, and fiscally neutral adjustment, was made to move this appropriation from Vote Internal Affairs to Vote Māori Development, to enable Te Puni Kōkiri to directly administer financial support.

Output statement

Actual	Non-Departmental Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Non-Departmental other expenses	-	24,000	-

This Multi-Category Appropriation was established in 2022/23.


Services Supporting the Executive (M47)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to support the Government and the Executive to perform their role.

What we intended to achieve with this appropriation

This appropriation is intended to achieve provision of administration, travel, accommodation and support services for Government and the Executive to support effective democratic arrangements within New Zealand.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.107	Minister Responsible for Ministerial Services' satisfaction with the quality of support provided by the Department to the Executive (see Note 1)	Very Good	Satisfied	Good	

Note 1 – Satisfaction is determined on a five-point scale: Very Satisfied, Good, Satisfied, Poor, Very Unsatisfied.

Category: Coordination of Official Visits and Events**Scope of category**

This category is limited to managing programmes for visiting guests of Government, visiting guests of Parliament, State and ministerial functions, coordinating a range of services in support of ceremonial and commemorative events and facilitating passage of New Zealand and foreign dignitaries and others authorised by the Crown into and out of New Zealand.

What we intended to achieve with this category

This category is intended to achieve facilitation of ceremonies of national and international importance and official visits.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.108	Stakeholders' satisfaction that the Visits and Ceremonial Office's services have helped visits and events to achieve their objectives assessed as satisfied or better	97%	At least 90%	99%	
<i>Demand Information</i>					
3.109	Number of Guests of Government visits (see Note 1)	2	15-30	20 (see Note 2)	
3.110	Number of Partial Guests of Government visits	1	15-25	15 (see Note 2)	
3.111	Number of Commemorative and special events	11	10-15	16 (see Note 2)	
3.112	Facilitations through New Zealand International Airports (see Note 3)	57	At least 300	366 (see Note 2)	

Note 1 – The standard for this performance measure was changed in 2022/23 from 35-50 to 15-30 to reflect a more realistic rate of activity.

Note 2 – Restrictions on international travel and mass gatherings due to COVID-19 limited the number of visits, events and facilitations able to be delivered in the 2021/22 year. Following the removal of restrictions on international travel and mass gatherings the number of visits, events and facilitations has returned to pre-pandemic levels.

Note 3 – The standard for this performance measure was changed in 2022/23 from 100-200 to At least 300 to reflect the anticipated demand for this service.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
5,579	Revenue Crown	5,651	6,215	6,215
-	- Revenue other	-	-	-
5,579	Total revenue	5,651	6,215	6,215
4,446	Expenses	5,651	6,215	6,107
1,133	Net surplus/(deficit)	-	-	108

The 2022/23 actual expenses were \$1.661 million higher than 2021/22 due to the 2021/22 visits programme being impacted by COVID-19 travel restrictions.

Category: Support Services to Members of the Executive



Scope of category

This category is limited to providing support services for Members of the Executive, including in their capacity as a Member of Parliament, primarily through office personnel and administrative services, information and communication technology, and the provision and management of residential and office accommodation.

What we intended to achieve with this category

This category is intended to achieve support for Members of the Executive to enable the discharge of their Ministerial responsibilities.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.113	Minister Responsible for Ministerial Services' satisfaction with the quality of support provided by the Department to the Executive	Very Good	Satisfied	Good	
	<i>Demand Information</i>				
3.114	Average number of Ministerial office personnel provided	155	150-170	166	

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
32,613	Revenue Crown	31,057	35,882	35,882
1	Revenue other	-	-	-
32,614	Total revenue	31,057	35,882	35,882
32,485	Expenses	31,057	35,882	34,507
129	Net surplus/(deficit)	-	-	1,375

The 2022/23 actual expenses were \$3.450 million higher than Unaudited Budget and \$2.022 million higher than last year due to costs associated with:

- supporting the transition of Ministers and staff following changes to Cabinet and Ministerial positions,
- preparing the transition for the incoming Executive following the General Election, and
- implementing and maintaining fit-for-purpose information management tools in Ministerial offices.

Category: VIP Transport Services




Scope of category

This category is limited to providing chauffeur-driven and self-drive vehicle services for parties specified in legislation, as authorised by Members of the Executive, or who otherwise meet qualifying criteria.

What we intended to achieve with this category

This category is intended to achieve efficient and effective land transport services for Members of the Executive and other VIPs.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.115	Chauffeur-driven services provided leading to no sustained complaints	99.95%	At least 99.5%	99.95%	
3.116	Proportion of Electric Vehicles in the Crown fleet (see Note 1)	New measure	100% by 2025/26	66%	
<i>Demand Information</i>					
3.117	Total vehicle fleet (see Note 2)	79	70-80	75	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcomes of the activities in this category.

Note 2 – The standard for this performance measure was changed in 2022/23 from 75-80 to 70-80 to reflect a more realistic rate of activity.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
343	Revenue Crown	-	-	-
9,485	Revenue other	9,000	9,000	8,832
9,828	Total revenue	9,000	9,000	8,832
9,376	Expenses	9,000	9,000	9,094
452	Net surplus/(deficit)	-	-	(262)

Support for Statutory and Other Bodies (M41)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is to support statutory, advisory and other bodies to discharge their responsibilities.

What we intended to achieve with this appropriation

This appropriation is intended to achieve provision of support services for statutory and other bodies to support effective constitutional arrangements within the community.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.118	Statutory body members satisfaction with the quality of the support provided by the Department (see Note 1)	Good (4.3)	Good	Good (4.3)	

Note 1 – Satisfaction is determined on a five-point scale, either numerical (1-5, with ‘5’ being the highest rating) or qualitative (Very Good, Good, Satisfied, Poor, Very Poor).

Category: Commissions of Inquiry and Similar Bodies


Scope of category

This category is limited to supporting commissions of inquiry and similar bodies.

What we intended to achieve with this category

This category is intended to achieve effective support for inquiries and similar bodies.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.119	Inquiries’ satisfaction with timeliness and quality of services (see Notes 1 and 2)	3	At least 4	3 (see Note 3)	

Note 1 – Satisfaction is determined on a five-point scale, either numerical (1-5, with ‘5’ being the highest rating) or qualitative (Very Good, Good, Satisfied, Poor, Very Poor).

Note 2 – This performance measure was re-introduced in 2022/23 following the establishment of the Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand’s Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic.

Note 3 – The survey response noted problems with finding office space and technology connectivity issues.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
839	Revenue Crown	-	4,771	4,771
-	Revenue other	-	-	-
839	Total revenue	-	4,771	4,771
809	Expenses	-	4,771	2,430
30	Net surplus/(deficit)	-	-	2,341

The expenditure for the current year and increase of \$1.621 million from last year represent expenses associated with the Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic.


Category: Establishing Commissions of Inquiry and Similar Bodies**Scope of category**

This category is limited to costs incurred in the consultation on, and establishment of, Commissions of Inquiry and similar bodies.

What we intended to achieve with this category

This category is intended to achieve effective support for the establishment of inquiries and similar bodies.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.120	The Interim Listening Service is ready for access by survivors and their whānau by 1 July 2023 (see Note 1)	New measure	Achieved	Achieved	

Note 1 - This was a new performance measure for 2022/23. It was selected as it focuses on getting the Interim Listening Service (Survivor Experiences Service) ready for use by survivors and their whānau following the transition of the service to the Department of Internal Affairs.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
-	Revenue Crown	-	1,384	1,384
-	Revenue other	-	-	-
-	Total revenue	-	1,384	1,384
-	Expenses	-	1,384	291
-	Net surplus/(deficit)	-	-	1,093

This was a new category in 2022/23. The current year expenditure represents costs for the Survivor Experiences Service for survivors of abuse in care to share their experiences to facilitate healing.


Category: Statutory Body Support – Gambling Commission**Scope of category**

This category is limited to the provision of services and advice to the Gambling Commission to enable the Commission to discharge its responsibilities.

What we intended to achieve with this category

This category is intended to achieve effective support for the Gambling Commission.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.121	Gambling Commission's satisfaction with the quality of advice and support services (see Note 1)	5	At least 4	5	

Note 1 – Satisfaction is determined on a five-point scale, either numerical (1-5, with '5' being the highest rating) or qualitative (Very Good, Good, Satisfied, Poor, Very Poor).

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
14	Revenue Crown	-	-	-
664	Revenue other	1,158	1,158	646
678	Total revenue	1,158	1,158	646
678	Expenses	1,158	1,158	687
-	Net surplus/(deficit)	-	-	(41)


Category: Statutory Body Support - Local Government Commission**Scope of category**

This category is limited to the provision of advisory and support services to the Local Government Commission in respect of its statutory functions.

What we intended to achieve with this category

This category is intended to achieve effective support for the Local Government Commission.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.122	Local Government Commission's satisfaction with the quality of advice and support services (see Note 1)	5	At least 4	5	

Note 1 – Satisfaction is determined on a five-point scale, either numerical (1-5, with '5' being the highest rating) or qualitative (Very Good, Good, Satisfied, Poor, Very Poor).

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
1,426	Revenue Crown	1,394	1,410	1,410
4	Revenue other	-	-	-
1,430	Total revenue	1,394	1,410	1,410
1,107	Expenses	1,394	1,410	1,262
323	Net surplus/(deficit)	-	-	148

Category: Support for Grant Funding Bodies – Community and Voluntary Sector

Scope of category

This category is limited to the provision of operational and secretariat support for grant funding bodies, and includes supporting member appointment processes. The focus of operational support is on processing grant applications and grant decisions on behalf of the grant funding bodies.

What we intended to achieve with this category

This category is intended to achieve effective support of grant funding bodies.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.123	Grant decisions are managed within business timeframe standards	96%	At least 95%	99%	
3.124	Grant decisions are transparent and consistent with regard to eligibility requirements	99%	At least 97%	100%	

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
283	Revenue Crown	362	322	322
-	Revenue other	-	-	-
283	Total revenue	362	322	322
285	Expenses	362	322	269
(2)	Net surplus/(deficit)	-	-	53

Category: Support for Grant Funding Bodies – Internal Affairs





Scope of category

This category is limited to the provision of operational and secretariat support for grant funding bodies, including supporting member appointment processes. The focus of operational support is on processing grant applications and grant decisions on behalf of the grant funding bodies.

What we intended to achieve with this category

This category is intended to achieve effective support for grant funding bodies to enable them to make appropriate grant decisions.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.125	Customers are satisfied with the ease with which they are able to apply for grants and advisory services (see Note 1)	77%	At least 70%	87%	
3.126	Grant decisions are transparent and consistent with regard to eligibility requirements	99%	At least 97%	99%	
3.127	Grant decisions are managed within business timeframe standards	98%	At least 95%	97%	
3.128	Grant decision making committees are satisfied with the operational support received (see Note 2)	95%	At least 90%	90%	

Note 1 – Ease is assessed as 7, 8, 9 or 10 on an eleven-point scale (0-10).

Note 2 – Satisfaction is determined on a five-point scale, either numerical (1-5, with '5' being the highest rating) or qualitative (Very Good, Good, Satisfied, Poor, Very Poor).

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022 \$000		2023 \$000	2023 \$000	2023 \$000
1,041	Revenue Crown	574	1,354	1,354
12,479	Revenue other	11,559	13,293	13,130
13,520	Total revenue	12,133	14,647	14,484
13,201	Expenses	12,133	14,647	13,549
319	Net surplus/(deficit)	-	-	935

The 2022/23 actual expenses were \$1.416 million higher than Unaudited Budget due to:

- administration costs associated with the Cyclone Gabrielle Appeal Trust, and
- a one-off increase in funding from the New Zealand Lottery Grants Board to support the Community Funding Model work programme.

Supporting Ethnic Communities (M30)


Overarching purpose of appropriation

The single overarching purpose of this appropriation is to improve the wellbeing of ethnic communities.

What we intended to achieve with this appropriation

This appropriation is intended to achieve wellbeing of ethnic communities, improved social cohesion and well-formed decision making by Government.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.129	Satisfaction with the Intercultural Capability e-learning modules (see Note 1)	4.2	3	4.4	

Note 1 – Satisfaction is determined on the basis of a monthly survey comprising four questions, with each question scored via a 5-point scale (5 is the highest score and 1 is lowest score). The final score represents the average over a 12-month period.

Category: Advisory and Information Services to assist Ethnic Communities




Scope of category

This category is limited to the provision of information, advisory and support services to ethnic communities.

What we intended to achieve with this category

This category is intended to achieve improved increased participation and belonging in New Zealand society for ethnic communities.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.130	Number of unique visits to the Intercultural Capability e-learning modules	2,600	800 – 1,000	3,660	
3.131	Approved Ethnic Communities Development Fund grant applications are paid within business timeframe standards	98%	At least 95%	100%	
3.132	Ethnic Communities Development Fund decisions are consistent with priorities, policies and procedures	97%	At least 95%	98%	

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
8,473	Revenue Crown	8,581	8,079	8,079
-	Revenue other	-	680	686
8,473	Total revenue	8,581	8,759	8,765
8,048	Expenses	8,581	8,759	8,861
425	Net surplus/(deficit)	-	-	(96)

The 2022/23 actual expenses were \$0.813 million higher than 2021/22 due to increased expenditure associated with additional engagement capability outcome.





Category: Policy and Related Services – Diversity, Inclusion and Ethnic Communities**Scope of category**

This category is limited to the provision of policy advice and services to support Ministers to discharge their portfolio responsibilities relating to diversity, inclusion and ethnic communities.

What we intended to achieve with this category

This category is intended to achieve support and high-quality advice for Ministers and other government agencies for matters related to the diversity, inclusion and ethnic communities portfolio.

How we performed

ID	Performance measures	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.133	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	99%	At least 95%	100%	
3.134	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	91%	At least 95%	100%	
3.135	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	78%	At least 95%	100%	
3.136	Minister's satisfaction with the quality of policy advice (see Note 1)	3.7	No standard	4.0	

Note 1 – This is the average score provided for four areas of satisfaction: General satisfaction, Quality of policy advice, Confidence in policy advice, and Trust in officials. Each rating uses the scale: 1 - Never, 2 - Some of the time, 3 - About half the time, 4 - Most of the time, 5 - Always.

Output statement

Actual	Revenue and output expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022		2023	2023	2023
\$000		\$000	\$000	\$000
2,842	Revenue Crown	3,792	4,882	4,882
-	Revenue other	-	180	194
2,842	Total revenue	3,792	5,062	5,076
2,904	Expenses	3,792	5,062	4,488
(62)	Net surplus/(deficit)	-	-	588

The 2022/23 actual expenses were \$1.584 million higher than 2021/22 due to expenditure in 2022/23 associated with responding to the recommendations of the Royal Commission of Inquiry into the Terrorist Attack on Christchurch Mosques on 15 March 2019.


Three Waters Reform (M49)**Overarching purpose of appropriation**

The single overarching purpose of this appropriation is to facilitate the reform of three waters service delivery in Aotearoa New Zealand.

What we intended to achieve with this appropriation

This appropriation is intended to achieve support for the effective and efficient delivery of the three waters service delivery in Aotearoa New Zealand.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.137	Percentage of key milestones that have been met within the agreed timeframe by year for workstreams funded by this appropriation	Not achieved	At least 80%	98.5%	

Category: Iwi/Māori Involvement in Three Waters Reform


Scope of category

This category is limited to providing financial support to iwi/Māori to enable participation and engagement in the reform of three waters service delivery.

What we intended to achieve with this category

This category is intended to achieve effective support for iwi/Māori to participate and engage in the reform of three waters service delivery.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.138	Percentage of funds allocated to iwi/Māori within agreed criteria to enable participation in the reform of three waters service delivery (see Note 1)	New measure	100%	97% (see Note 2)	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcome of enabling iwi/Māori to participate and engage in the reforms. It replaced the performance measure *The number of water service entities with documented Kaupapa Māori processes in place* as it was no longer fit-for-purpose.

Note 2 – A small amount of funding was not allocated and has been transferred into the 2023/24 financial year.

Output statement

Actual	Non-Departmental	Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022			2023	2023	2023
\$000			\$000	\$000	\$000
108	Non-Departmental	other expenses	2,597	16,187	15,698

The 2022/23 actual expenses were \$13.101 million higher than Unaudited Budget and \$15.590 million higher than 2021/22 due to a higher level of expenditure with Iwi/Māori participation and engagement in the water services reforms.

Category: Sector Involvement in Three Waters Reform


Scope of category

This category is limited to providing financial support to territorial authorities and sector organisations to enable participation and engagement in the reform of three waters service delivery.

What we intended to achieve with this category

This category is intended to achieve effective support for territorial authorities and sector organisations to participate and engage in the reform of three waters service delivery.

How we performed

ID	Performance measure	Actual 2021/22	Standard 2022/23	Actual 2022/23	Standard met
3.139	Percentage of funds allocated to territorial authorities and sector organisations within agreed criteria to enable participation in the reform of three waters service delivery (see Note 1)	New measure	100%	100%	

Note 1 – This was a new performance measure for 2022/23. It was selected as it best represents the outcome of enabling territorial authorities and sector organisations to participate and engage in the reforms. It replaced the performance measure *Percentage of key milestones that have been met within the agreed timeframe by year for workstreams that support sector organisations to participate and engage in the delivery of the Three Waters Reform* as it was no longer fit-for-purpose.

Output statement

Actual	Non-Departmental	Other expenses	Unaudited Budget	Unaudited Revised Budget	Actual
2022			2023	2023	2023
\$000			\$000	\$000	\$000
-	Non-Departmental	other expenses	2,285	45,178	37,945

The 2022/23 actual expenses were \$35.660 million higher than Unaudited Budget due to expenditure associated with sector participation and engagement in the water services reforms.



9

Ngā Tāpiritanga

Appendices

Tāpiritanga A

Appendix A

Budget significant initiatives

Te Tari Taiwhenua Department of Internal Affairs received funding for the following Budget significant initiatives through Budget 2023 (impacting 2022/23), Budget 2022, Budget 2021 and/or Budget 2020:

- Establishing the Ministry for Ethnic Communities
- Future for Local Government
- Royal Commission of Inquiry Into Historical Abuse in State Care and in the Care of Faith-based Institutions
- Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic
- Supporting natural hazard and weather events
- Tāhuhu: Preserving the Nation's Memory Programme
- Te Ara Manaaki Programme
- Water Services Reform – new Water Services Entities
- Water Services Reform – Taumata Arowai.

The information below shows the location of performance information on these Budget significant initiatives in our current and past annual reports.

The following acronyms are used:

- MCA – Multi-Category Appropriation
- MYA – Multi-Year Appropriation.

Establishing the Ministry for Ethnic Communities

Name of Budget initiatives

- Ministry for Ethnic Communities: Maintaining Engagement Capacity and Establishment of System Leadership Capability (first year of funding: 2021/22)
- Upgrading the Office of Ethnic Communities to the Ministry for Ethnic Communities (first year of funding: 2020/21)

Where the funding was appropriated

- Supporting Ethnic Communities MCA
- Community Information and Advisory Services MCA and Policy and Related Services MCA (these appropriations were restructured in 2021/22 and funding was transferred to the Supporting Ethnic Communities MCA)
- Department of Internal Affairs Capital Injection

Budget years funded

- Budget 2021

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 91 to 126 (Annual Report of the Ministry for Ethnic Communities) and 318 to 319
- 2021/22 – pages 63 to 84 (Annual Report of the Ministry for Ethnic Communities) and 209 to 211
- 2020/21 – pages 18 to 20, 32 to 33, 44, 53 to 54, 176 to 177 and 187

Future for Local Government

Name of Budget initiative

- A Pathway for Considering the Future for Local Government

Where the funding was appropriated

- Local Government Policy and Related Services (first year of funding: 2020/21)

Budget year funded

- Budget 2021

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 45 and 257 to 259
- 2021/22 – pages 30 and 177
- 2020/21 – pages 56 and 161 to 162

General information can be found at <https://www.futureforlocalgovernment.govt.nz/>.

Royal Commission of Inquiry Into Historical Abuse in State Care and in the Care of Faith-based Institutions

Name of Budget initiatives

- Continuing Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (first year of funding: 2020/21)
- Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions: Contingency Drawdown (first year of funding: 2020/21)

Where the funding was appropriated

- Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Operating Expenses MYA
- Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Commissioners' Fees MYA
- Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Counselling Costs MYA
- Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Legal Assistance Costs MYA
- Department of Internal Affairs Capital Injection

Budget year funded

- Budget 2021

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 46, 48, 259, 262 and 266 to 268
- 2021/22 – pages 30, 31, 178 and 181 to 182
- 2020/21 – pages 53, 162 to 163, 164 and 167 to 168

General information can be found at <https://www.abuseincare.org.nz/>.

Royal Commission of Inquiry Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic

Name of Budget initiative

- Establishment of the Royal Commission Into Lessons Learned From Aotearoa New Zealand's Response to COVID-19 That Should Be Applied In Preparation For Any Future Pandemic (first year of funding: 2022/23)

Where the funding was appropriated

- Support for Statutory and Other Bodies MCA

Budget year funded

- Budget 2023

Location of performance information

Te Tari Taiwhenua annual report:

- 2022/23 – pages 46 and 312 to 313

Supporting Natural Hazard and Weather Events**Name of Budget initiatives**

- Cyclone Gabrielle - Further advice on the priority sediment and debris management package (first year of funding: 2022/23)
- Supporting Regional and Local Recovery Structures (First year of funding: 2022/23)
- Financial Assistance to Support the Buller District Council's Recovery Efforts for the July 2021 Flooding Event (First year of funding: 2021/22)

Where the funding was appropriated

- Sediment and Debris Management Support MCA
- Supporting Local Government with Natural Hazard Events
- Local Government Policy and Related Services

Budget years funded

- Budget 2023
- Budget 2022

Location of performance information

Te Tari Taiwhenua annual report:

- 2022/23 – pages 26, 257 to 259 and 305 to 308

Tāhuhu: Preserving the Nation's Memory Programme**Name of Budget initiatives**

- Final Drawdown of Tāhuhu: Preserving the Nation's Memory tagged contingencies (first year of funding: 2022/23)
- Tāhuhu: Preserving the Nation's Memory Programme main drawdown from tagged contingency established in Budget 2020 (first year of funding: 2021/22)
- Tāhuhu: Preserving the Nation's Memory Programme second drawdown from tagged contingency established in Budget 2020 (first year of funding: 2020/21)
- Tāhuhu: Preserving the Nation's Memory Programme initial drawdown of tagged contingency established in Budget 2020 (first year of funding: 2020/21)

Where the funding was appropriated

- Tāhuhu – Preserving the Nation's Memory MYA
- National Archival and Library Services MCA
- Department of Internal Affairs Capital Injection

Budget years funded

- Budget 2023
- Budget 2022
- Budget 2021

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 35, 260, 262 and 288 to 291
- 2021/22 – pages 25, 178 and 192 to 195
- 2020/21 – pages 43, 164, 183 and 184

Te Ara Manaaki Programme**Name of Budget initiatives**

- Modernising Civil Registration and Enabling Identity Services (Part of Phase 2 Te Ara Manaaki): Implementation Business Case (first year of funding: 2021/22)
- Investing in Critical Infrastructure for Identity and Life Event Services (first year of funding: 2020/21)

Where the funding was appropriated

- Civic Information Services MCA
- Department of Internal Affairs Capital Injection

Budget years funded

- Budget 2022
- Budget 2021

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 53, 262 and 272 to 274
- 2021/22 – pages 33, 35, 178 and 183 to 184
- 2020/21 – pages 19, 29, 164 and 171 to 172

Water Services Reform – new Water Services Entities

Name of Budget initiatives

- Three Waters Reform: Better Off Package Second Drawdown (first year of funding: 2022/23)
- Three Waters Reform: Better Off Package Multi-Year Appropriation and Drawdown (first year of funding: 2022/23)
- Water Services Entities: Systems of Record Investment (first year of funding: 2022/23)
- Water Services Entities: Systems of Record Implementation Business Case (first year of funding: 2022/23)
- Three Waters Reform Drawdown 4: Transition Support Funding Drawdown (first year of funding: 2022/23)
- Three Waters Reform: Drawdown for Iwi/Māori Collectives Funding and Tagged Contingency Update (first year of funding: 2022/23)
- Three Waters Reform: Drawdown of Tagged Contingency Funds for Transition (first year of funding: 2022/23)
- Third Drawdown from Transforming Three Waters Service Delivery for New Zealanders: Transition and Implementation Tagged Contingency (first year of funding: 2021/22)
- Funding for iwi/Māori to participate in the three waters reform process (first year of funding: 2021/22)
- March 2021 drawdown from the Three Waters Infrastructure Investment and Service Delivery Reform Programme operating contingency (first year of funding: 2021/22)
- Managing Cost Pressures Associated with Implementing the Three Waters Reform Programme (first year of funding: 2021/22)
- Three Waters: Rural Drinking Water Fund (first year of funding: 2021/22)
- Initial drawdown of Three Waters Infrastructure Investment and Service Delivery Reform Programme tagged contingency (first year of funding: 2020/21)
- Progressing the Three Waters Service Delivery Reforms (first year of funding: 2020/21)
- Drawdown from the Three Waters Infrastructure Investment and Service Delivery Reform Programme operating contingency (first year of funding: 2020/21)

Where the funding was appropriated

- Water Services Reform: Better Off Support Package MYA
- Establishment of Water Services Entities MCA
- Three Waters Reform MCA (renamed from 1 July 2023 to Water Services Reform MCA)
- Local Government Policy and Related Services
- Grants for Water Infrastructure and Delivery
- Rural Drinking Water Supplies

Budget years funded

- Budget 2023
- Budget 2022
- Budget 2021

Location of performance information

Te Tari Taiwhenua annual report:

- 2022/23 – pages 20, 28, 257 to 259, 264 to 265, 268 to 270, 280 to 282 and 320 to 322
- 2021/22 – pages 16 to 17, 177, 179 to 180, 182 and 211 to 212
- 2020/21 – pages 27 to 28, 55, 161 to 162 and 165 to 166

General information can be found at:

- <https://www.waterservicesreform.govt.nz/>
- <https://www.crowninfrastructure.govt.nz/water-infrastructure/>

Water Services Reform – Taumata Arowai

Name of Budget initiatives

- Taumata Arowai funding – levy development and initial drawdown of the tagged operating contingency (first year of funding: 2021/22)
- Delivering the Three Waters Reforms (first year of funding: 2021/22)
- Taumata Arowai – Water Services Regulator: Establishment and Transition Costs Contingency Fund (first year of funding: 2019/20)
- Three Waters Review: Contingency fund for the new drinking water regulator’s establishment and transition costs (First year of funding 2019/20)

Where the funding was appropriated

- Local Government Policy and Related Services
- Policy Advice MCA (funding was transferred from this appropriation to Local Government and Policy and Related Services in 2020/21)
- Local Government Administration MCA

Budget years funded

- Budget 2022
- Budget 2021
- Budget 2020

Location of performance information

Te Tari Taiwhenua annual reports:

- 2022/23 – pages 257 to 259 and 287 to 288
- 2021/22 – pages 16 to 17, 177 and 192
- 2020/21 – pages 27, 161 to 162 and 182
- 2019/20 – pages 40 to 41 and 178 to 179

General information can be found at <https://www.taumataarowai.govt.nz/>.

Tāpiritanga B

Appendix B

Statistical information about the employees of Te Tari Taiwhenua

This Appendix sets out statistical information about the employees of Te Tari Taiwhenua.

Table 1: Permanent employees by job family as at 30 June 2023

Job family	Full time	Part time	Total
Corporate	345	25	370
Delivery	882	106	988
Information Management	13	-	13
Information Technology	325	25	350
Policy	109	12	121
Regulatory	169	4	173
Non-banded	15	-	15
London	6	6	12
Sydney	5	7	12
Grand Total	1,869	185	2,054

Note

Numbers are based on headcount for permanent employees only. The permanent full-time equivalent (FTE) figure as at 30 June 2023 was 1,985.5 (excludes events-based employees). Non-banded are a small number of jobs that have not been sized by the Te Tari Taiwhenua Job Evaluation Committee due to their short-term temporary nature.

Table 2: Permanent employees by job family and gender as at 30 June 2023

Job family	Female	Male	Gender diverse	Gender not specified	Total
Corporate	237	121	-	12	370
Delivery	678	299	2	9	988
Information Management	8	5	-	-	13
Information Technology	165	171	1	13	350
Policy	69	50	1	1	121
Regulatory	84	87	-	2	173
Non-banded	9	6	-	-	15
London	5	5	-	2	12
Sydney	7	5	-	-	12
Grand Total	1,262	749	4	39	2,054

Note

Numbers are based on headcount for permanent employees only. The permanent FTE as at 30 June 2023 was 1,985.5 (this excludes events-based employees). Non-banded are a small number of jobs that have not been sized by the Te Tari Taiwhenua Job Evaluation Committee due to their short-term temporary nature.

Table 3: Employees by location and gender as at 30 June 2023

Location	Female	Male	Gender diverse	Gender not specified	Total
Auckland	204	78	1	4	287
Bay of Plenty	4	4	-	1	9
Christchurch	59	28	-	4	91
Gisborne	3	2	-	-	5
Hawkes Bay	2	2	-	-	4
Manawatu-Wanganui	3	1	-	-	4
Nelson	3	3	-	-	6
Northland	8	1	-	-	9
Otago	11	5	-	-	16
Southland	3	-	-	-	3
Taranaki	1	-	-	-	1
Waikato	7	1	-	-	8
Wellington	1,347	858	7	48	2,260
West Coast	2	-	-	-	2
London	5	5	-	2	12
Sydney	8	6	-	-	14
Grand Total	1,670	994	8	59	2,731

Note

Numbers are based on headcount for permanent, fixed-term and events-based employees only. The number of FTE employees as at 30 June 2022 was 2,643.5 (permanent, fixed-term and events-based employees).

Tier 2 and 3 people leaders by gender and ethnicity as at 30 June 2023

Figure 1: Tier 2 and 3 people leaders by gender

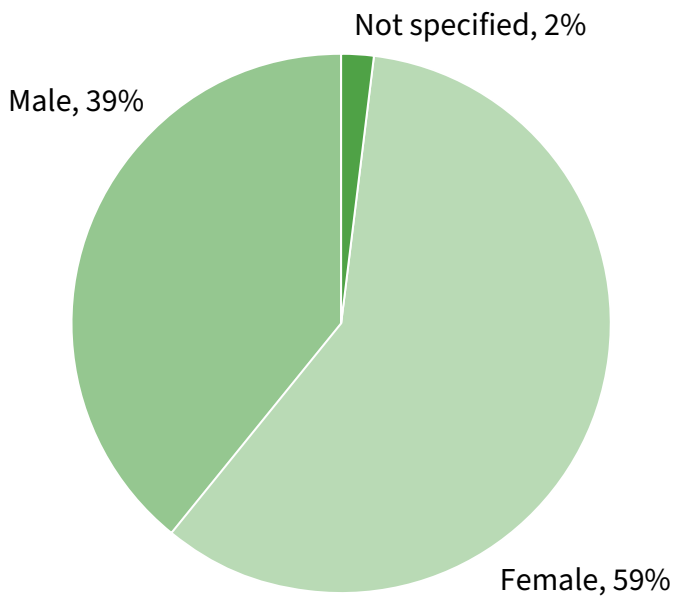
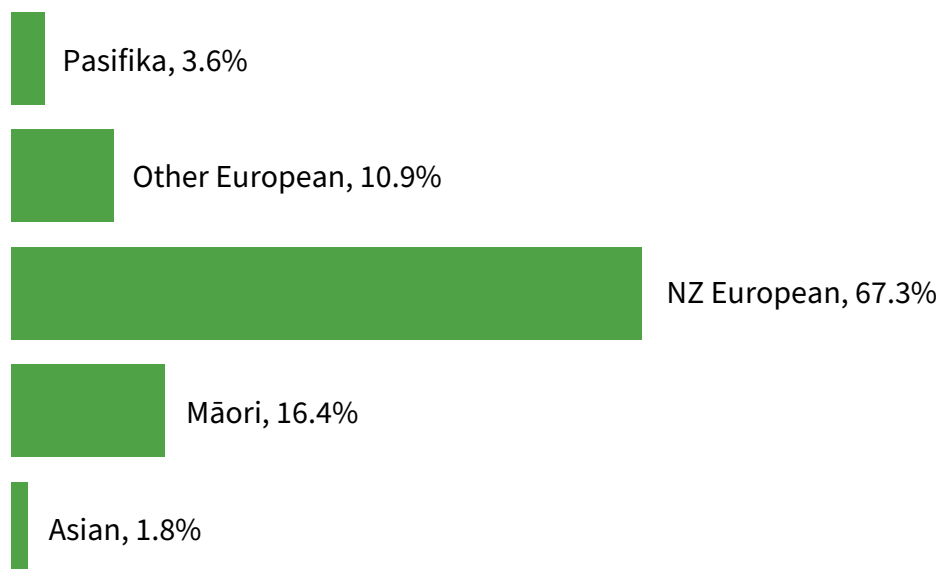


Figure 2: Tier 2 and 3 people leaders by ethnicity



Note

Employees may choose up to two ethnicities, which are both included in the graph above. This means the total may be greater than 100.

Employees by gender and ethnicity as at 30 June 2023

Figure 3: Employees by gender

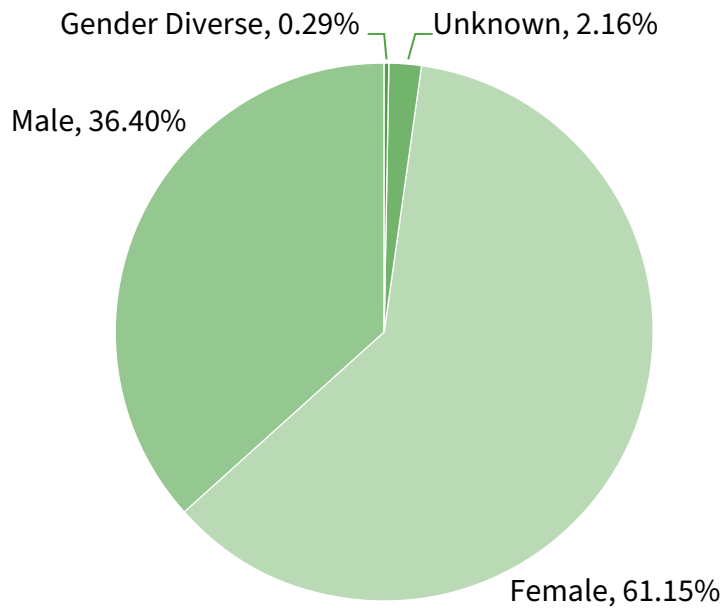
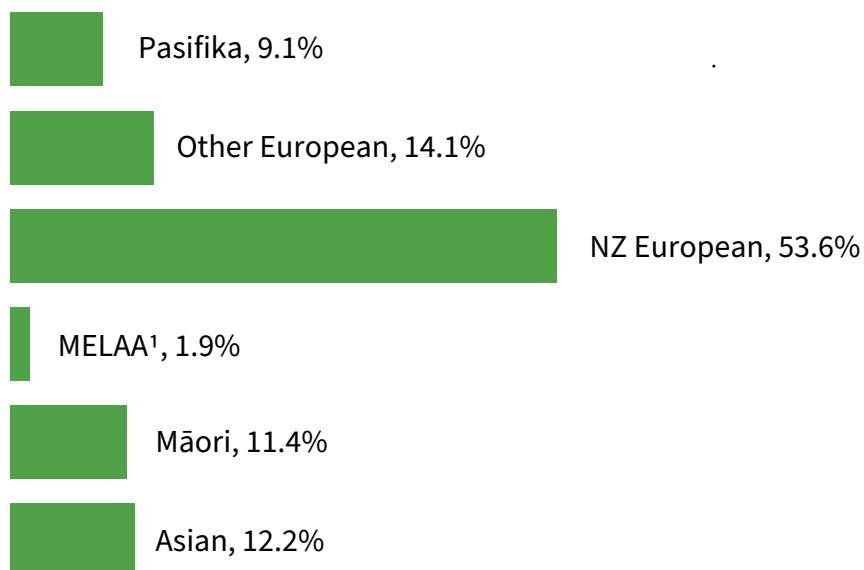


Figure 4: Employees by ethnicity



Notes

1. MELAA = Middle Eastern, Latin American, African.
2. Employees may choose up to two ethnicities, which are both included in the graph above. This means the total may be greater than 100 percent.

Table 4: Core unplanned turnover (permanent employees only)

Financial year	2018/19	2019/20	2020/21	2021/22	2022/23
Turnover rate	13.3%	11.6%	10.3%	18.7%	21.3%

Note

Core unplanned turnover is defined as resignations, retirements, dismissals and death of permanent employees. The turnover rate for Te Tari Taiwhenua continues to increase. This is similar to many other public and private sector organisations, with the buoyant labour market and public sector pay restraint among the contributing factors.

Table 5: Average leave entitlement

Financial year	2018/19	2019/20	2020/21	2021/22	2022/23
Average leave entitlement (weeks)	4.23	4.23	4.25	4.27	4.78

Note

Numbers are based on headcount for employees eligible for annual leave (excluding London and Sydney employees).

Tāpiritanga C

Appendix C

Asset performance

Table 1: Property asset performance measures

Measure	Indicator	2021/22 Target	2021/22 Actual	2022/23 Target	2022/23 Actual
The percentage of buildings that are not earthquake-prone (NBS of at least 34% or have a structural performance scoring of at least a seismic grade C)	Condition	100%	100%	100%	100%
Percentage of owned buildings that have maintained their annual Building Warrant of Fitness where required	Condition	100%	100%	100%	77.78% ¹
Office space density	Functionality	12-16 sqm per person	14.23 sqm per person	12-16 sqm per person	13.17 sqm per person
Archive storage environments maintained to required standards 24/7: humidity and temperature	Functionality	80%	96.9%	80%	94.5%

Note

1. Work is underway on two properties to enable a Building Warrant of Fitness. This work is on track to be completed by August 2023 at which time certificates will be issued.

Table 2: Information Communications Technology (ICT) asset performance measures

Measure	Indicator	2021/22 Target	2021/22 Actual	2022/23 Target	2022/23 Actual
Average percentage of time our IT business services are available	Condition ¹	98.5%	99.5%	98.5%	98.7%
Percentage of incidents restored within SLA timeframes (all incidents P1-P4)	Condition	80%	70%	80%	81%
Percentage of workstation devices in use	Utilisation	85%	85%	85%	83%
Percentage of successful changes	Functionality	95%	99.0%	95%	99.6%

Note

1. The indicator label has been adjusted from 'availability' to 'condition' to ensure consistency with Treasury guidance. The same information and calculation method continues to be used so it does not impact the year-on-year results.

Tāpiritanga D

Appendix D

Approved Information Sharing Agreement reporting

Approved Information Sharing Agreement reporting

Identity Services

An Approved Information Sharing Agreement (AISA) was established between the Department of Internal Affairs (DIA) and the Registrar-General, Births, Deaths and Marriages during the 2019/20 financial year. This is known as the Identity Services AISA¹.

Reporting requirements:

Schedule A: Citizenship by grant applications (Appendix A)

39,288 Citizenship applications (individuals) were received in the Customer Centred Management Solution (CCMS) in the 2022–2023 year². Of these:

1. 12,246 have been granted
2. 3,576 have been approved and are awaiting their ceremony
3. 23,314 are in processing
4. 31 have been cancelled
5. 121 have been withdrawn.

As a result of the sharing, enabled by the Identity Service AISA, between the Registrar-General, Births, Deaths and Marriages and the DIA there were:

1. Zero (0) individuals provided notice (under section 96Q of Privacy Act 1993)
2. Zero (0) notices challenged
3. Zero (0) individuals not provided notice (under section 96Q of Privacy Act 1993)
4. Zero (0) individuals who were declined citizenship who were given notice
5. Zero (0) individuals who withdrew their citizenship application after being given a notice
6. Zero (0) investigations or civil proceedings under paragraph 10 of the AISA
7. Zero (0) complaints received about an alleged interference with privacy under the agreements and the disposition of those complaints.

Notes

1. www.dia.govt.nz/aisa-identity
2. These numbers are as at 4 July 2023 and will continue to be updated as applications are processed. These numbers include both applications submitted directly to CCMS by applicants and paper applications digitised into CCMS by DIA staff.

Assurance

Whether an audit or other assurance process has been undertaken.

The Business Assurance team reviews a selection of citizenship by grant applications for adherence to agreed policies and procedures as part of its quality assurance programme. Note this covers all policies and procedures and not just those connected to the AISA. Where issues are identified the team works with the Service Advice & Support and Operational Policy teams to ensure policies and guidelines are clarified for production staff. The number of applications assessed varies through the year but for the 1 July to 31 October 2022 quarter 304 applications were assessed in this way.

In addition to that work an annual review of the operating procedures and current policy settings is undertaken.

Schedule B: Provision of death information for expired passport-holders contact initiative (Appendix B)

This initiative was not run during the 2022–2023 year.

1. 0 expired passports included in match.
2. 0 deceased passports holders identified as a result of the match.

Approved Information Sharing Agreement reporting Customer Nominated Services

An Approved Information Sharing Agreement (AISA) was established between the Accident Compensation Corporation (ACC), the DIA, the Ministry of Business, Innovation and Employment (MBIE), the Ministry of Education, the Ministry of Social Development (MSD), the New Zealand Transport Agency, the Registrar of Motor Vehicles, the Registrar-General, Births, Deaths and Marriages, and the Road User Chargers Collector. This is known as the Customer Nominated Services AISA³.

This AISA relates to the supply of personal information to assist with the provision of public services that the individual has chosen to apply for where the service is:

- Supported by the identity information held by the DIA or the Registrar-General;
- Provided by the DIA; or
- Provided by the Registrar-General.

Note

3. www.dia.govt.nz/aisa-customer

Schedule A: Automatic notification of New Zealand citizens

Scale:

- | | |
|--|---------------|
| 1. Number of records provided | 38,546 |
| 2. Number of corrections provided by the DIA to MBIE | 10 |

Benefits: Quantitative

- | | |
|--------------------------------------|---------------|
| 1. Number of records updated by MBIE | 37,133 |
| 2. Number of visas cancelled | 35,736 |

Assurance

Details of any difficulties experienced and how they are being, or have been, overcome.

There were 10 instances this year where Immigration New Zealand (INZ) customer records were incorrectly updated to reflect the grant of citizenship. This was a direct result of local authorities (councils) notifying the DIA that these customers had attended a citizenship ceremony, when in fact they had not. Citizenship is not officially granted until a ceremony is attended. This resulted in resident visas being incorrectly cancelled in the immigration system by the Application Programming Interface (API). INZ was able to quickly, once notified by DIA, remove all reference to the grant of citizenship and reinstate the resident visas for the affected customers. There were no adverse outcomes for the 10 customers as a result of this. The DIA has also communicated to local authorities the importance of returning correct information on attendees after each citizenship ceremony.

Other issues where the DIA information does not match what is held in the INZ systems continues to be dealt with using the manual process shown below. This is proving effective and will continue.

1. The API request does not return a 1:1 match when there is more than one identity attached to a client's immigration record. INZ systems holds identity information in a different order and manner compared to the DIA system. When this occurs, the API will return either a no match or a list of potential client record matches. The DIA will then, if required, contact the Identity Management Team for clarification.

Schedule B: Citizenship online presence calculator

1. Number of uses of the calculator = **124,477**
2. Number of API calls made to INZ = **134,828**
3. Number of individual client records returned by INZ = **Not recorded⁴**
4. Number of complaints about improper use of the calculator by unauthorised individuals = **12,154**

Note

4. To protect the privacy of individuals, the DIA does not store the data of individuals who use the calculator and are therefore unable to report against the 'Number of individual client records returned by INZ.'

Benefits: *Quantitatively*

Number of each type of determination made (meets, not meets, no determination):

- a. Meets = **129,858**
- b. Not meets = **1,548**
- c. No determination = **3,422**

Benefits: *Qualitatively*

- Reduces the requirement for individuals to check their presence information with INZ before to making a decision to apply for citizenship.
- Reduces wasted time and cost by individuals spent applying for citizenship when they don't meet the presence requirements.
- Reduces the number of applications for citizenship by grant that are declined due to the individual not meeting the presence requirements.

Assurance

Details of any difficulties experienced and how they are being, or have been, overcome.

Difficulties:

- The DIA and INZ continue to work together to seek improvements to the system through periodic updates on both sides.
- Some other INZ API enhancements have also been developed for CCMS and are expected to be implemented in August 2023.

Schedule C: Citizenship online staff summary

Scale:

1. 39,288 individuals applied for citizenship by grant
2. 106,861 API calls were made from the DIA to INZ
3. 65,918 individual client records were returned by INZ to the DIA⁵
4. 782 applicants withdrew their citizenship by grant application after applying
5. 324 applicants proceeded with their application to the Minister even though they did not meet the criteria. Of these:
 - a. 256 proceeded as a submission⁶ and
 - b. 68 proceeded with exceptions⁷.

Benefits: Quantitatively

1. 64,776 applicants met the identity criteria. Of these:
2. 64,560 had an exact match⁸ and
3. 216 matched to many⁹
4. 1,091 applicants did not meet the identity criteria
5. 16,388 applicants met the presence criteria
6. An additional 33,171 applicants met the presence criteria, but had additional Visa conditions to be reviewed
7. 16,308 applicants did not meet the presence criteria
8. 1,486 applicants did not meet the good character criteria¹⁰
9. Zero (0) adverse action letters sent
10. Zero (0) adverse action letters contested
11. Zero (0) adverse action letters not sent due to an active investigation.

Notes

5. There are more individual client records returned by INZ than individuals who applied for citizenship by grant due to those people who failed the criteria and decided not to apply.
6. A *submission* is when an applicant doesn't meet one or more of the normal eligibility criteria *and* doesn't meet the eligibility for being included on one of the schedules. Their file is presented to the Minister for consideration individually.
7. *Proceeded with exceptions* is when an applicant doesn't meet one of the normal eligibility criteria but meets the requirements to be included on one of the schedules (for example English Waiver Schedule, Presence Reduction Schedule).
8. Person information submitted to the API returned with an exact match to a person record held by INZ.
9. Person information submitted to the API returned with a match to two or more potential person records held by INZ.
10. These are records for which the API returned an Alert from INZ. They may be found to meet the good character criteria once assessed fully by a case officer.

Benefits: Qualitative

A qualitative description of the benefits of information sharing under the Agreement.

- Reduces the requirement for individuals to check their presence information with INZ before to making a decision to apply for citizenship.
- Reduces wasted time and cost by individuals spent applying for citizenship when they don't meet the presence requirements.
- Reduces the number of applications for citizenship by grant that are declined due to the individual not meeting the presence requirements.

Assurance

Where an audit or other assurance process has been undertaken, a summary of the results of that audit or assurance process.

As with the Identity Services AISA, the regular assurance audits undertaken throughout the year for compliance with general policy requirements also include matters provided for in the Customer Nominated Services AISA. A specific yearly assurance review is also undertaken.

Details of any difficulties experienced and how they are being, or have been, overcome.

There were 10 instances this year where INZ customer records were incorrectly updated to reflect the grant of citizenship. This was a direct result of local authorities (councils) notifying the DIA that these customers had attended a citizenship ceremony, when in fact they had not. Citizenship is not officially granted until a ceremony is attended. This resulted in resident visas being incorrectly cancelled in the immigration system by the API. INZ was able to quickly, once notified by DIA, remove all reference to the grant of citizenship and reinstate the resident visas for the affected customers.

The DIA has also communicated to local authorities the importance of returning correct information on attendees after each citizenship ceremony and have made staff aware of the importance of correctly updating records. Work is currently being undertaken to identify assurance measures to ensure any future situations are identified in a timely manner.

Other issues where DIA information does not match what is held in the INZ systems continues to be dealt with using the manual process shown below. This is proving effective and will continue.

1. The API request does not return a 1:1 match when there is more than one identity attached to a client's immigration record. INZ systems hold identity information in a different order and manner compared to the DIA system. When this occurs, the API will return either a no match or a list of potential client record matches. The DIA will then, if required, contact the Identity Management Team at INZ for clarification.

Approved Information Sharing Agreement reporting

Deaths

An Approved Information Sharing Agreement (AISA) was established between the DIA, the Registrar-General, Births, Deaths and Marriages and Named Parties during the 2022/23 financial year, for the provision of registered deceased information. This is known as the Deaths AISA¹¹.

This Agreement assists with the provision of public services by facilitating access to accurate Death Information and Overseas Death Information for Organisations. It also provides for updating records about individuals associated with the deceased individual so that their records are also accurate.

Parties to this Agreement may take subsequent actions based on the update of records relating to the deceased individual or associated persons, such as the granting of benefits or entitlements.

Scale:

- Number of records provided = **630,185**

Benefits: *Quantitative*

- Number of adverse action letters contested (for Parties that have notifiable adverse actions) = **0**

Assurance

Details of any amendments made to the Agreement (including schedules) since the Order in Council came into force (if the first report), or since the last report prepared (if the report is not the first report prepared).

No amendments have been made.

Details of any difficulties experienced and how they are being, or have been, overcome.

No difficulties have been experienced.

Note

11. www.dia.govt.nz/aisa-death

Tāpiritanga E

Appendix E

Glossary

Ngā kupu Māori – Māori words

Kupu/Word	Meaning
Hapū	Subtribe
Hui-a-iwi	Individual tribal hui
Iwi	Tribe
Iwi whare taonga	A storehouse for iwi treasures and knowledge
Kaupapa Māori	Māori subject matters
Mana whenua	Tribal authority over land
Māra kai	Food garden
Mātāpono	Principles
Mātauranga	Knowledge, stories and traditional practices
Papakāinga	Original home, home base, village, communal Māori land
Pūrākau	Traditional stories through storytelling
Takatāpui	A traditional Māori term meaning ‘intimate companion of the same sex.’ It has been reclaimed to embrace all Māori who identify with diverse genders, sexualities and sex characteristics.
Taonga / Taonga Māori	Treasures/Māori treasures
Tikanga Māori	Māori customary practices or behaviours
Waka-a-rohe	Regional hui by waka
Wānanga	Group seminar, learning session
Whaikōrero	Formal speech; to make a formal speech

Other words and terms

Word	Meaning
Appropriation	<p>An appropriation is a sum of money allocated for a particular use and includes a description of what is being purchased, why it is being purchased and how performance will be assessed. It authorises Ministers to consume public resources, and ensures that Parliament knows how money will be spent and that the Government is held accountable for the spending.</p> <p>Types of appropriations include:</p> <ul style="list-style-type: none"> • <i>Annual appropriation</i> – this is the most common type of appropriation and is limited to one financial year, consistent with the annual Budget cycle.. • <i>Multi-Category Appropriation (MCA)</i> – MCAs consist of two or more categories of spending within a single appropriation that contribute to a single overarching purpose. • <i>Multi-Year Appropriation (MYA)</i> – MYAs allow expenses or capital expenditure to be incurred during a specified period of no more than five financial years. MYAs are generally used where uncertainties or dependencies are likely to affect when costs are incurred (for example, milestone payments for a multi-year project). • <i>Permanent Legislative Authority (PLA)</i> – PLAs are authorised by legislation other than an Appropriation Act and continue in effect for an indefinite period. Generally, the authorising legislation will impose limits on the scope of the appropriation and not its amount.
Departmental expenses	Expenses incurred by Te Tari Taiwhenua in delivering services and functions on behalf of the Government.
Estimates of Appropriation	The Government's approved set of appropriations for a year. They are approved and published before the start of the financial year to which they relate.
ISO 14064-1:2018	ISO 14064-1:2018 is a document that specifies principles and requirements at the organisation level for quantification and reporting of greenhouse gas (GHG) emissions and removals. It outlines guidelines for the design, development, management, reporting and verification of an organisation's GHG inventory.
Non-departmental expenses	Expenses incurred by entities other than Te Tari Taiwhenua in delivering services and functions on behalf of the Government.
Scope of appropriation	The scope of an appropriation establishes the legal boundary of what an appropriation can be used for and, by omission, what it cannot.
Social capital	Social connections, attitudes and norms that contribute to societal wellbeing by promoting coordination and collaboration between people and groups in society.
Supplementary Estimates of Appropriation	The Government's approved changes to appropriations within a financial year.

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For more information on the work
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Te Tari Taiwhenua
Internal Affairs



Te Kāwanatanga o Aotearoa
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